

May 21, 2007

Mr. Michael Glynn
AICPA

By email: mglynn@aicpa.org

Re: Exposure Draft – Proposed Statement on Standards for Accounting and Review Services: *Elimination of certain references to statements on auditing standards and incorporation of appropriate guidance into statements on standards for accounting and review services*

Dear Mr. Glynn:

The New York State Society of Certified Public Accountants, representing 30,000 CPAs in public practice, industry, government and education, submits the following comments to you regarding the above captioned exposure draft. NYSSCPA thanks AICPA for the opportunity to comment on this release.

The NYSSCPA Accounting and Review Services Committee deliberated the exposure draft and prepared the attached comments. If you would like additional discussion with the committee, please contact Joseph A. Maffia, chair of the Accounting and Review Services Committee, at (212) 792-6300, or Ernest J. Markezin, NYSSCPA staff, at (212) 719-8303.

Sincerely,

Thomas E. Riley
President

Attachment

**NEW YORK STATE SOCIETY OF
CERTIFIED PUBLIC ACCOUNTANTS
COMMENTS ON AICPA EXPOSURE DRAFT**

**STATEMENT ON STANDARDS FOR ACCOUNTING AND REVIEW
SERVICES:**

***ELIMINATION OF CERTAIN REFERENCES TO STATEMENTS ON AUDITING
STANDARDS AND INCORPORATION OF APPROPRIATE GUIDANCE INTO
STATEMENTS ON STANDARDS FOR ACCOUNTING AND REVIEW SERVICES***

May 21, 2007

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**NEW YORK STATE SOCIETY OF
CERTIFIED PUBLIC ACCOUNTANTS**

FINANCIAL ACCOUNTING STANDARDS COMMITTEE

**COMMENTS ON PROPOSED STATEMENT ON STANDARDS FOR
ACCOUNTING AND REVIEW SERVICES:**

*Elimination of Certain References to Statements on Auditing Standards and
Incorporation of Appropriate Guidance into Statements on Standards for Accounting
and Review Services*

May 21, 2007

General Comment

The Committee appreciates the opportunity to comment on the proposed statement. Most of the proposed changes eliminate the references to Statements on Auditing Standards in the existing Statements on Standards for Accounting and Review Services literature. We generally agree with such changes.

Specific Comment

Comment 1. Page 17 – Illustrative Representation Letter

Revised Interpretation 101-3, *Performance of Nonattest Services*, as described in the Code of Professional Conduct (AICPA Professional Standards), requires a client who engages a member to perform attest and nonattest services to agree to perform certain functions in connection with such nonattest services. The illustrative representation letter in Appendix F of the proposed standard should also include specific representations as follows:

In regards to the [state the nonattest services provided] services performed by you, we have:

- a) Made all management decisions and performed all management functions;
- b) Designated [name of individual], who possesses suitable skill, knowledge, and experience to oversee the services;
- c) Evaluated the adequacy and results of the services performed;
- d) Accepted responsibility for the results of the services; and
- e) Established and maintained internal controls, including monitoring ongoing activities.