



National Association of State Boards of Accountancy

◆ 150 Fourth Avenue, North ◆ Suite 700 ◆ Nashville, TN 37219-2417 ◆ Tel 615.880-4201 ◆ Fax 615.880.4291 ◆ [www.nasba.org](http://www.nasba.org) ◆

January 7, 2013

Lisa A. Snyder, CPA  
Director of the Professional Ethics Division  
American Institute of Certified Public Accountants  
1211 Avenue of the Americas  
New York, NY 10036-8775

Via e-mail to: [lsnyder@aicpa.org](mailto:lsnyder@aicpa.org)

Re: Subordination of Judgment by a Member, AICPA Professional Ethics Division,  
Exposure Draft dated November 16, 2012

Dear Members and Staff of the AICPA Professional Ethics Executive Committee:

We appreciate the opportunity to offer comments on the Exposure Draft referred to above. The National Association of State Boards of Accountancy's (NASBA) mission is to enhance the effectiveness and advance the common interests of the Boards of Accountancy that regulate all certified public accountants and their firms in the United States and its territories. In furtherance of that objective, we offer the following comments on the Exposure Draft.

### **NASBA Supports the Exposure Draft**

NASBA is pleased to provide our full support for the changes proposed in the Exposure Draft. Specifically:

- Providing additional guidance in Interpretation No. 102-4 emphasizing its relevance to those members engaged in public practice.
- Broadening the Interpretation to include differences of opinion with a supervisor that relate to the application of:
  - accounting principles,
  - auditing standards, or
  - other relevant standards, including standards applicable to tax and consulting services, or applicable laws or regulations.
- Providing a clarification of a member's consideration of his or her continuing relationship with the organization.
- Improving the linkage of the Interpretation to the rules relative to Integrity and Objectivity, including the inclusion of consideration of threats and safeguards.
- Lastly, we support the immediate application of the proposed changes.

Lisa A. Snyder, CPA  
January 7, 2013  
Page 2 of 2

NASBA would like to commend the members and staff of the Professional Ethics Executive Committee for initiating these proposed changes to the AICPA Code of Professional Conduct. Again, we appreciate the opportunity to comment on the Exposure Draft.

Sincerely,

A handwritten signature in cursive script that reads "Gaylen R. Hansen".

Gaylen R. Hansen, CPA  
NASBA Chair

A handwritten signature in cursive script that reads "Ken L. Bishop".

Ken L. Bishop  
NASBA President and CEO