

Feb. 15, 2017

Technical Director
International Auditing and Assurance Standards Board
Data Analytics Working Group
Via IAASB's website

Re: *Exploring the Growing Use of Technology in the Audit, with a Focus on Data Analytics*

The Accounting and Auditing Procedures Committee (the committee) of the Pennsylvania Institute of Certified Public Accountants (PICPA) appreciates the opportunity to comment on the concepts included in the Data Analytics Working Group's paper, *Exploring the Growing Use of Technology in the Audit, with a Focus on Data Analytics*. The PICPA is a professional CPA association of more than 22,000 members working to improve the profession and better serve the public interest. Founded in 1897, the PICPA is the second-oldest CPA organization in the United States. Membership includes practitioners in public accounting, education, government, and industry. The committee is composed of practitioners from both regional and small public accounting firms, members serving in financial reporting positions, and accounting educators.

In general, the committee acknowledges the growing use of data analytics procedures on audits, and agrees that such procedures can enhance their effectiveness and efficiency. However, the working group's paper suggests that the fundamental concepts of the audit may need to change to accommodate data analytics. The committee believes that data analytics procedures are simply new tools that enhance the value of an audit, but it does not believe that that fundamental principles of the audit or the audit standards need to change to accommodate data analytics procedures. Instead, the committee welcomes additional practice aids, application guidance, and enhanced auditor training. Ultimately, if changes are made to the audit standards we recommend that they be evergreen, flexible, and allow for the use of judgement.

We appreciate your consideration of our comments. We are available to discuss these comments with you at your convenience.

Sincerely,



Robert E. Williams, CPA
Chair, PICPA Accounting and Auditing Procedures Committee