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April 17, 2014

Technical Manager
International Accounting Education Standards Board
International Federation of Accountants
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This letter on behalf of the Pre-Certification Education Executive Committee (PcEEC) of the American Institute of Public Accountants (AICPA) is in response to the IAESB's request for comments on the Board's Exposure Draft (ED) IES 8, Professional Competence for Engagement Partners Responsible for Audits of Financial Statements (Revised). We appreciate the opportunity to respond to this ED. We address the specific areas on which IAESB seeks comments and offer additional feedback for the Board's consideration.

Overall Feedback:

Per our comments in our response letter dated December 10, 2012, we do not believe that the change in focus from audit professionals to engagement partner responsible for audits of financial statements improves the effectiveness of the revised IES 8. The engagement partner is part of a team that must collectively possess the skills and experience necessary to accept a client and conduct a high quality audit serving the public interest. The change also introduces ambiguity into the intent of the standard as it could be construed to no longer be concerned with the education needs of all audit engagement team members.

While we feel that the change in focus of IES 8 to audit engagement partner was a step in the wrong direction and exceeds what we view as the proper domain of educational standards, we have answered the below questions without consideration of our above comments in order to provide clear feedback on the specifics of the revised standard.

Question 1: Is the Objective statement (see paragraph 9) of the proposed IES 8 Exposure Draft December 2013) appropriate and clear?

The Objective statement of the proposed IES 8 ED is clear, and as with other revised standards, is better directed to outcomes rather than to member bodies per se.

Question 2: Is the Requirement (see paragraph 10) of the proposed IES 8 Exposure Draft (December 2013) appropriate and clear?

The Requirement of the proposed IES 8 ED as stated is clear.

Question 3: Do you agree with the proposed learning outcomes provided in Table A?

This is an extensive list of necessary learning outcomes, but presumably a basic rather than exhaustive compilation. We also suggest consideration that term “learning outcome” be defined within the ED and added to the IAESB Glossary of Terms.

Question 4: Do you agree that levels of proficiency for the competence areas should not be included in Table A?

We believe that the levels of proficiency could be included within Table A as helpful guidance.

Questions 5: Are there any additional explanatory paragraphs needed to better explain the requirement of the proposed IES 8 Exposure Draft (December 2013)?

We do not see the need for any additional explanatory paragraphs to better explain the requirement of the proposed IES 8 Exposure Draft.

Question 6: Does figure 1 of Explanatory Material section for the proposed IES 8 Exposure Draft (December 2013) assist in understanding which stakeholders have responsibilities that impact the professional competence of engagement partners?

In current form, Figure 1 cannot stand alone as explanatory paragraphs A5 through A9 are necessary and useful. Additionally, we suggest adding a reference to “IES 8” within the Engagement Partner oval.

Question 7: Are there any terms within the proposed IES 8 Exposure Draft (December 2013) which require further clarification? If so, please explain the nature of the deficiencies?

As stated in our response to Question 3, we believe that “learning outcome” should be defined within the standard.

Question 8: Do you anticipate any impact or implications for your organization, or organizations with which you are familiar, in implementing the requirement included in this proposed IES 8 Exposure Draft (December 2013)?

We do not anticipate any impact or implications for our organization, or organizations with which we are familiar, in implementing the requirement included in this proposed IES 8 Exposure Draft.

Question 9: What topics or subject areas should Implementation guidance cover?

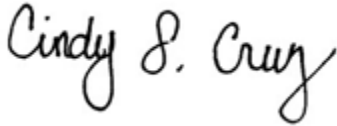
If implementation guidance is to be developed for this standard, which we do not support at this time, methods of measuring the achievement of learning outcomes will be helpful to many stakeholders in emerging economies.

Respectfully Submitted,



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IAESB Board Member



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