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October 13, 2010
Office of the Secretary
Public Company Accounting Oversight Board
1666 K Street, N.W.
Washington, DC 20006-2803

Via email: comments@pcaobus.org

Reference No. PCAOB Rulemaking Docket Matter No. 030 – Proposed Auditing Standard,
“Communications with Audit Committees”

The Accounting Principles and Auditing Standards Committee of the Florida Institute of Certified Public Accountants (the “Committee”) has reviewed and discussed the above Proposed Auditing Standard (“the Proposed Standard”). We appreciate the opportunity to respond to the Proposed Standard. Our comments are outlined below. These comments specifically relate to the Questions for Respondents in each Section of the Proposed Standard.

A. Objectives of the Auditor

1. Yes, the Committee believes the objectives are consistent with present practice. They are broad enough to encompass most present practices with auditor communications with the audit committee.
2. Yes, the Committee believes the objectives are sufficiently articulated. However, the Committee believes that the outcomes that should be achieved should be judgmental based on the joint discussions amongst the audit committee and the auditors.

B. Establish a Mutual Understanding of the Terms of the Audit

3. Yes, the Committee believes that preparation of an engagement letter on an annual basis is appropriate as there may be changes in accounting standards, and changes in the client’s business and general economic conditions, that may require changes in the terms of each year’s audit engagement.
4. The Committee believes that more information regarding audit committee responsibilities should be required in the audit engagement letter. These items are largely based on changes to the responsibilities of the audit committee derived from the Sarbanes Oxley Act, such as the review and acceptance of financial reporting, and the communication with audit team by the audit committee

C. Obtaining Information Related to the Audit

5. Yes, the Committee believes that it is totally appropriate. There may be other issues that arise from the risk assessment considerations that are discussed with the audit

committee. However, the Committee does not believe that the Proposed Standard should be prescriptive as to what those procedures should be.

D. Overview of the Audit Strategy and Timing of the Audit

6. Yes, the Committee believes that the requirements to provide information on the auditor's audit strategy and timing of the audit are appropriate. However, as in our response to the previous question, the Committee does not believe that the Proposed Standard should be prescriptive as to information to be provided on the audit strategy. The Committee believes that a summary of the audit plan, as well as a discussion of audit areas that will be of particular emphasis during the audit, should be included in the guidance. The remainder of the discussion should be left to the judgment of the audit partner, so as to avoid a checklist approach to the discussion of audit strategy. The Committee also believes that the guidance should include that the audit team should communicate certain matters to the audit committee at an appropriate time so as not to jeopardize the effectiveness of audit procedures.
7. The Committee believes the Proposed Standard should be more descriptive of examples that the PCAOB is contemplating in this area, such as matters that will be discussed with an audit firm's national office.

E. Accounting Policies, Practices, and Estimates

8. Yes, the Committee believes that the proposed requirements are sufficiently clear in the Proposed Standard.
9. Yes, the Committee agrees that it would be helpful to include the SEC required communications regarding accounting matters, as omission of the same would require reference back to a different set of auditing standards.
10. Yes, the Committee believes the definition is appropriate, as it is the same definition as used by the SEC, and would not require reference to a different set of standards.
11. Yes, the requirements are qualitative based, so they are appropriate in furthering one key objective of the standard which is to further the two way discussions between the auditor and the audit committee.

F. Management Consultations with Other Accountants

12. Yes, the Committee believes the requirement should be expanded to include such consultants as actuaries and valuation specialists.

G. Going Concern

13. Yes, the Committee believes the communication requirement on going concern is clear.

H. Corrected and Uncorrected Misstatements

14. Yes, the Committee believes the requirements regarding the communications for uncorrected misstatements are appropriate.
15. Yes, the Committee believes that corrected misstatements detected by management **during the course of the audit** should be communicated to the audit committee, as they may be an indicator of deficiencies in financial closing procedures, and one

important criterion is that the misstatements be detected by management on a timely basis.

I. Other Matters – no questions included for respondents

J. Form and Content of Communications

16. The Committee believes that there should not be a prescriptive standard regarding the communication of certain matters in writing. The choice of written or oral communications of these matters should be judgmental based on the preference of the audit committee.

K. Timing

17. Yes, the Committee believes that the requirements on the timing of the auditor's communications are appropriate. The Committee does not believe that only certain matters be communicated on an annual basis. Again, the Committee does not believe a prescriptive standard in this matter is warranted.

L. Adequacy of Two Way Communication Process

18. Yes, the Committee believes that the requirement does promote effective two way communications. The Committee believes that more information on this requirement is needed in the Proposed Standard. Examples should include auditor communication with the audit committee on other non-financial statement matters such as earnings releases, Form 8-Ks, quarterly information, business performance information, and non-GAAP financial information.

M. Other Communication Requirements

19. The Committee believes the requirements are appropriate, and that other matters should not be prescriptive and left to the judgment of the audit committee and audit partner.

20. The Committee believes the matters in paragraph 21 are appropriate as they encompass all of the considerations related to the nature extent and timing of audit procedures.

21. No, the Committee does not believe the requirements are inappropriate.

N. Appendices

22. The Committee believes the information included in the appendices is sufficiently clear. As discussed in the Committee's response to question 4, the Committee believes that more information regarding the responsibilities of the audit committee should be included in an audit engagement letter.

Again, the Committee appreciates this opportunity to share its views and comments on the Proposed Standard. Members of the Committee are available to discuss any questions you may have regarding this communication.

Sincerely,

Steven Wm. Bierbrunner, CPA Chair

FICPA Accounting Principles and Auditing Standards Committee

Committee Members Coordinating this Response:

Robert P. Bedwell, CPA

Laura Prevratil, CPA