
From: Goldberg, Daniel [Daniel.Goldberg@tylertech.com]
Sent: Tuesday, January 23, 2007 2:29 PM
To: Comments
Subject: PCAOB Rulemaking Docket Matter No. 021

I would like to submit the following comments/questions regarding Docket Matter No. 21.

In the Proposed Auditing Standard - Considering and Using the Work of Others in an Audit, paragraph 10 states, in regards to utilizing the work of others, the auditor should:

- Evaluate the nature of the subject matter tested by others;
- Evaluate the competence and objectivity of the individuals who performed the work; and
- Test some of the work performed by others to evaluate the quality and effectiveness of their work

I agree with need for the auditor's evaluation of the work performed; however I think the statement above is too general and can lead to some ambiguity in the interpretation. I believe the last bullet might lead external auditors to retest more than what might be deemed necessary for the auditor to gain comfort as to the quality and effectiveness of the work performed. I would suggest the Board eliminate this ambiguity by addressing the following concerns:

- Is there a way to specify how much of the work the auditor should retest to evaluate the quality and effectiveness of the work? Is it possible to state a percentage of items tested?
- Is there a way to state that this is not necessary throughout the entire year and that once the auditor is comfortable with the quality and effectiveness of the work performed, that continually performing this step is unnecessary?
- Can we capture knowledge that was learned during previous audits, as outlined in the proposed updates to AS No. 02? If the auditor is reasonable comfortable with the quality of the work performed one year, staffing has not changed and the process has not undergone significant changes, should we not be able to gain comfort in the quality and the effectiveness of the work completed without reperformance?

These comments are made on my personal behalf and do not and reflect my personal views only and not of my employer. Thanks

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