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By email: comments@pcaobus.org

Office of the Secretary
Public Company Accounting Oversight Board
1666 K Street, NW
Washington, DC 20006-2803

Re: Request for Information and Comment on the Application and Use of the PCAOB's Interim Attestation Standards

Dear Office of the Secretary:

BDO USA, LLP (“our” or “we”) appreciates the opportunity to respond to the Public Company Accounting Oversight Board (Board or PCAOB) staff’s request for information and comment on the application and use of the PCAOB’s interim attestation standards.

We are highly supportive of the Board’s ongoing analysis and considerations to revise or update its interim attestation standards. As noted in the Board’s request, the interim attestation standards were adopted in 2003 and remain unchanged since then; however, since then, the AICPA attestation standards have been revised in response to the evolution of business practices, and the information needs of investors and other stakeholders.

We believe that establishing standards that are consistent, comparable, and minimize unnecessary differences in requirements that otherwise may exist between the PCAOB, AICPA, and IAASB attestation standards, is ultimately in the public interest and protects investors in the U.S. capital markets. While we realize that some differences between the PCAOB’s attestations standards and other standards may be necessary, we ask that the Board carefully consider the current AICPA and IAASB attestation standards in the process of determining revisions to its interim attestation standards. Additionally, in light of the rapidly evolving reporting landscape, both in the U.S. and globally, we encourage the Board to actively monitor and engage in dialogue with the AICPA and the IAASB on future standard-setting projects for purposes of maintaining alignment with these attestation standards, and ensuring that they remain fit for purpose.

Current Practices

Based on our experience to date, unless specifically required by law or regulation, attestation engagements in the U.S. are performed in accordance with the AICPA attestation standards for both public and private companies. We are not aware of any circumstances in which attestation engagements are voluntarily being performed in accordance with PCAOB attestation standards.



Examination and review engagements performed in accordance with PCAOB AT No.1 and AT No.2, respectively, for SEC registered brokers and dealers are the most common types of attestation engagements being performed exclusively in accordance with the PCAOB attestation standards. A few limited types of attestation engagements are performed in accordance with both the PCAOB interim attestation standards and the AICPA attestation standards, for example:

- Regulation AB examination engagements, performed under PCAOB AT 601 and AICPA AT-C 315; and
- Agreed-upon procedures pursuant to Securities Investor Protection Corporation (SIPC) for SEC registered broker-dealers, performed under PCAOB AT 201 and AICPA AT-C 215.

We have not identified any attest engagements being performed pursuant to PCAOB AT 301, AT 401, or AT 701. We believe these types of attest engagements are rare in practice.

Potential Updates to Requirements

In our experience, the use of internal auditors or other accountants (e.g., other audit firms) in performing attestation engagements are not common. An entity's use of a service organization may be relevant to the scope of our attestation engagement. In certain circumstances, depending on the scope and complexity of attestation engagement, the use of a specialist may be necessary to assist in the performance of one or more procedures to achieve our reporting objectives (e.g., involvement of an attorney with expertise in a specific area of law that is relevant to the subject matter).

An engagement quality reviewer is required on attestation engagement performed in accordance with PCAOB AT No.1 and AT No.2. In other circumstances, an engagement quality reviewer may be appointed to specific types of attestation engagement - based on the scope of engagement, degree of risk, and complexity, defined by established policies and procedure to meet the firm's quality objectives. Requiring an engagement quality reviewer on all PCAOB attestation engagements does not support the application of a risk-based and scalable approach in practice because attestation engagement can vary significantly in scope and complexity. This could result in unnecessary costs to practitioners without necessarily improving quality.

We appreciate the opportunity to respond to the request for information and comment on the application and use of the PCAOB's interim attestation standards. Please contact [Patricia Bottomly](mailto:Patricia.Bottomly@bdo.com) (310) 557-8538 or [Ashwin Chandran](mailto:Ashwin.Chandran@bdo.com) (214) 689-5667 for any inquiries or questions regarding our submission.

Sincerely,

BDO USA, LLP

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