March 13, 2020

Mr. Ken Siong  
Senior Technical Director  
International Ethics Standards Board for Accountants  
529 Fifth Avenue  
New York, NY 10017

Submitted via: Submit a Comment link at ethicsboard.org

Re: IESBA Exposure Draft – Proposed Revision to the Code, Addressing the Objectivity of Engagement Quality Reviewers

Dear Mr. Siong:

The New York State Society of Certified Public Accountants (NYSSCPA), representing more than 23,000 CPAs in public practice, industry, government and education, welcomes the opportunity to comment on the above-captioned exposure.

The NYSSCPA’s Professional Ethics Committee deliberated the exposure draft and prepared the attached comments. If you would like additional discussion with us, please contact Jo Ann Golden, Chair of the Professional Ethics Committee, at (212) 719-8300, or Ernest J. Markezin, NYSSCPA staff, at (212) 719-8303.

Sincerely,

Ita M. Rahilly  
President

Attachment
NEW YORK STATE SOCIETY OF
CERTIFIED PUBLIC ACCOUNTANTS

COMMENTS ON

IESBA EXPOSURE DRAFT – PROPOSED REVISION TO THE CODE, ADDRESSING
THE OBJECTIVITY OF ENGAGEMENT QUALITY REVIEWERS

March 13, 2020

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NYSSCPA Staff

Ernest J. Markezin
The New York State Society of Certified Public Accountants (NYSSCPA) appreciates the opportunity to provide comments on the International Ethics Standards Board for Accountants’ (IESBA) proposed application material presented in its exposure draft, *Proposed Revision to the Code Addressing Objectivity of Engagement Quality Reviewers*.

The NYSSCPA strongly supports the IESBA’s efforts to provide guidance regarding the specific threats an Engagement Quality Reviewer (EQR) may face with respect to his or her objectivity and suggest safeguards that can be implemented to reduce those threats to an acceptable level. After reviewing the *International Code of Ethics for Professional Accountants* (the Code) and considering alternative placements, we concur that Section 120, *The Conceptual Framework*, is the most appropriate section for the proposed application material.

Finally, we agree that the International Auditing and Assurance Standards Board (IAASB) is the more appropriate standard setter to determine whether a cooling-off period should be introduced in the proposed *Internal Standards on Quality Management 2* (ISQM2). However, as the IESBA is proposing to introduce the concept of a cooling-off period into the Code through the proposed application materials, we suggest that, as part of the proposed safeguards, the IESBA add practical considerations to 120.14 A4 in order to assist practitioners when determining what might constitute “a period of sufficient duration.”