



National Association of State Boards of Accountancy

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June 28, 2019

International Auditing and Assurance Standards Board (IAASB)  
529 Fifth Avenue  
New York, NY 10017

Via website: [www.iaasb.org](http://www.iaasb.org)

**Re: Proposed International Standard on Auditing 220 (Revised)**

The National Association of State Boards of Accountancy (NASBA) appreciates the opportunity to offer comments on the Proposed International Standard on Auditing 220 (Revised) – *Quality Management for an Audit of Financial Statements* (ED-220). NASBA’s mission is to enhance the effectiveness of the licensing authorities for public accounting firms and certified public accountants in the United States and its territories. Our comments on the IAASB’s Exposure Draft are made in consideration of the Boards’ of Accountancy charge as regulators to promote the public interest.

In furtherance of that objective, NASBA offers the following comments on the questions as presented in the Exposure Draft.

**Request for Comment 1:**

*Do you support the focus on the sufficient and appropriate involvement of the engagement partner (see particularly paragraphs 11-13 and 37 of ED-220), as part of taking overall responsibility for managing quality on the engagement? Does the proposed ISA appropriately reflect the role of other senior members of the engagement team, including other partners?*

Yes, we are supportive of the focus on the sufficient and appropriate involvement of the engagement partner as part of taking overall responsibility for managing quality on the engagement. We also believe that the proposed ISA appropriately reflects the role of other senior members of the engagement team.

**Request for Comment 2:**

*Does ED-220 have appropriate linkages with the ISQMs? Do you support the requirements to follow the firm's policies and procedures and the material referring to when the engagement partner may depend on the firm's policies or procedures?*

Yes, we believe that ED-220 has appropriate linkages with the ISQMs and we support the requirements to follow firm's policies and procedures.

We recommend that the phrase, "may be able to depend," that appears in the application guidance in A7 be revised to "may depend" as used in A8 for consistency.

**Request for Comment 3:**

*Do you support the material on the appropriate exercise of professional skepticism in managing quality at the engagement level? (See paragraph 7 and A27-A29 of ED-220)*

Yes, we support the material on the appropriate exercise of professional skepticism in managing quality at the engagement level and how the proposed standard links to ISA 200.

**Request for Comment 4:**

*Does ED-220 deal adequately with the modern auditing environment, including the use of different audit delivery models and technology?*

Yes, the ED-220 has adequately addressed an ever changing modern auditing environment.

**Request for Comment 5:**

*Do you support the revised requirements and guidance on direction, supervision and review? (See paragraphs 27-31 and A68-A80 of ED-220)*

Yes, we are supportive of the revised requirements and guidance on the direction, supervision and review.

**Request for Comment 6:**

*Does ED-220, together with the overarching documentation requirements in ISA 230, include sufficient requirements and guidance on documentation?*

Yes, we believe that the ED-220 together with the requirements in ISA 230 provide sufficient requirements and guidance on documentation.

**Request for Comment 7:**

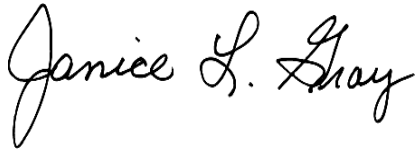
*Is ED-220 appropriately scalable to engagements of different sizes and complexity, including through the focus on the nature and circumstances of the engagement in the requirements?*

Yes, we believe that the ED-220 is scalable to engagements of different sizes and complexity, including through the focus on the nature and circumstances of the engagement in the requirements.

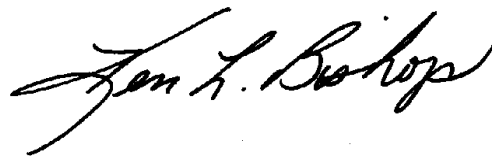
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We appreciate the opportunity to comment on the Exposure Draft.

Very truly yours,



Janice L. Gray, CPA, CVA  
NASBA Chair



Ken L. Bishop  
NASBA President and CEO