



TOPIC: NCCMP COMMENTS ON AICPA EXPOSURE DRAFT ON AUDITING STANDARDS

EXECUTIVE SUMMARY: ON SEPTEMBER 29, THE NCCMP FILED COMMENTS IN OPPOSITION TO THE CHANGES PROPOSED IN THE AICPA'S EXPOSURE DRAFT AU-C SECTION 703, PROPOSED STATEMENT ON AUDITING STANDARDS – FORMING AN OPINION AND REPORTING ON FINANCIAL STATEMENTS OF EMPLOYEE BENEFIT PLANS SUBJECT TO ERISA.

THE NCCMP APPLAUDED THE AICPA'S GOAL OF IMPROVING THE QUALITY OF ACCOUNTING AUDITS OF EMPLOYEE BENEFIT PLAN FINANCIAL STATEMENTS, BUT COMMENTED THAT THE PROPOSED CHANGES WOULD NOT ACCOMPLISH THAT GOAL. THE NCCMP NOTED A NUMBER OF MAJOR AREAS OF CONCERN WITH THE CHANGES PROPOSED IN THE EXPOSURE DRAFT, INCLUDING CONCERNS ABOUT PRACTICAL ADMINISTRATIVE DIFFICULTIES AND INCREASED ADMINISTRATIVE COST, AS WELL AS INCREASED CONFUSION AMONG PARTICIPANTS, CONTRIBUTING EMPLOYERS, PLAN SPONSOR, AND OTHER USERS OF MULTIEMPLOYER PLANS' FINANCIAL STATEMENTS AS A RESULT OF THE PROPOSED CHANGES, THE SIGNIFICANTLY EXPANDED ROLE OF THE PLAN ACCOUNTANT BEYOND THE SCOPE OF THEIR EXPERTISE, AND THE EXPANSION OF THE GUIDANCE TO INCLUDE APPRENTICESHIP AND TRAINING FUNDS THAT ARE GENERALLY EXEMPT FROM FORM 5500 REPORTING.

THE NCCMP PROPOSED ALTERNATIVE APPROACHES TO ACCOMPLISH THE AICPA'S GOAL OF IMPROVED AUDIT QUALITY, INCLUDING INCREASED PROFESSIONAL EDUCATION, IMPROVED PEER REVIEW PROCEDURES, AND REQUIRED MEMBERSHIP IN THE EMPLOYEE BENEFIT PLAN AUDIT QUALITY CENTER. THE FULL TEXT OF THE NCCMP COMMENTS IS LINKED BELOW.

PURPOSE: INFORMATIONAL
CATEGORY: NCCMP COMMENTS
ISSUER: NCCMP
TARGET AUDIENCE: TRUSTEES OF AND PLAN ADVISORS TO MULTIEMPLOYER PLANS
SEND COMMENTS TO: Multi-elert@nccmp.org
REFERENCE: VOL. XVII, ISSUE 6
FOR FULL TEXT OF LETTER SEE: [NCCMP Comments on AICPA Exposure Draft](#)

We strive to ensure that the information contained in this and every issue of Multi-Elert is correct to the extent information is available. Nevertheless, the NCCMP does not offer legal advice. Plan fiduciaries should rely on their own attorneys and other professional advisors for advice on the meaning and application of any Federal laws or regulations to their plans.

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If you have questions about the NCCMP, or about this or other issues of Multi-Elert, please contact the NCCMP, by phone at (202) 737-5315 or by e-mail at nccmp@nccmp.org.
