

September 6, 2024

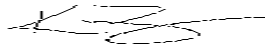
Anna Dourdourekas, CPA
Chair, Professional Ethics Executive Committee
American Institute of Certified Public Accountants
Professional Ethics Division
220 Leigh Farm Road
Durham, North Carolina 27707-8110

By e-mail: ethics-exposedraft@aicpa.org

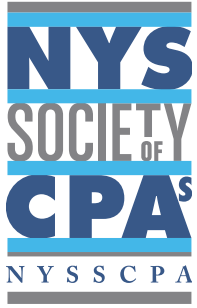
Re: Invitation to Comment—Exposure draft: Proposed revised interpretation: Executive or Employee Recruiting (ET sec. 1.295.135)

The New York State Society of Certified Public Accountants (NYSSCPA), representing more than 19,000 CPAs in public practice, industry, government and education, welcomes the opportunity to comment on the above-captioned invitation to comment (ITC).

The NYSSCPA's Professional Ethics Committee deliberated the document and prepared the attached comments. If you would like additional discussion with us, please contact Nicole Booth, Professional Ethics Committee Chair, at 585-766-3713, or Keith Lazarus, NYSSCPA Staff, at 212-719-8378.

Sincerely,
NYSSCPA

NYSSCPA
Kevin O'Leary
President

Attachment



**NEW YORK STATE SOCIETY OF
CERTIFIED PUBLIC ACCOUNTANTS**

COMMENTS ON

**INVITATION TO COMMENT—EXPOSURE DRAFT: PROPOSED REVISED
INTERPRETATION: EXECUTIVE OR EMPLOYEE RECRUITING (ET SEC.
1.295.135)**

September 6, 2024

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Kelly Kennedy-Ryu**

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New York State Society of Certified Public Accountants

Comments On

Invitation to Comment—Exposure draft: Proposed revised interpretation: Executive or Employee Recruiting (ET sec. 1.295.135)

The New York State Society of Certified Public Accountants Professional Ethics Committee (“NYSSCPA PEC”) values the opportunity to offer our comments on the AICPA Exposure Draft Proposed revised Interpretation – Executive or Employee Recruiting.

General Comments

Overall, we believe the proposed revisions generally improve the interpretation and clarify some uncertainties that existed, making the interpretation easier to apply and to determine when independence could be impaired when these types of nonattest services are provided.

Request for Comments

Question 1: Do you agree with the addition of the familiarity and undue influence threats when evaluating recruiting services for independence? If you disagree, please explain why.

Response: Yes, we agree.

Question 2: Do you agree with the proposal to prohibit some services for key positions but allow them for non-key positions? If you disagree, please explain why.

Response: We agree that key positions should have additional prohibitions. However, we would like key positions more clearly defined. Are we using the AICPA’s current definition of key positions, something more specific, or something completely different?

Question 3: Do you agree with the addition of examples of services that may be provided by members without impairing independence? If you disagree, please explain why.

Response: Yes, we agree.

Question 4: Do you think there are any positions at an attest client for which the member should not advise on candidate competence? Please explain your response.

Response: We believe candidate competence is an important aspect when assisting clients with executive or employee recruitment and do not have specific positions to oppose this thought.

Question 5: Do you agree with the proposal to prohibit members from negotiating on behalf of an attest client for all positions? If you disagree, please explain why.

Response: Yes, we agree.

Question 6: Do you agree that the recommended effective date of January 1, 2026, provides adequate time to implement the proposals? If you disagree, please explain why.

Response: We agree to the time frame for implementation. However, we should consider how the adoption of the revisions are communicated to the members. In addition, should early adoption of the revisions be considered?