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May 11, 2022

Ms. Sherry Hazel  
Auditing Standards Board  
American Institute of Certified Public Accountants  
1345 Avenue of the Americas, 27<sup>th</sup> Floor  
New York, NY 10105

**Re: Proposed Statement on Auditing Standards, *Amendment to AU-C Section 935***

RSM US LLP appreciates the opportunity to offer our comments in response to the proposed Statement on Auditing Standards (SAS), *Amendment to AU-C Section 935* (“the proposed SAS”). RSM US LLP is a leading provider of audit, tax and consulting services focused on the middle market. We have nearly 13,000 people located in 83 offices in the United States and four locations in Canada.

We believe the proposed SAS accomplishes the objective of properly amending AU-C section 935 to update the appendix and to conform AU-C section 935 to reflect the issuances of SAS No. 142, *Audit Evidence*, and SAS No. 145, *Understanding the Entity and Its Environment and Assessing the Risks of Material Misstatement*. We also agree that no amendment is necessary to AU-C section 935 to reflect the issuance of SAS No. 143, *Auditing Accounting Estimates and Related Disclosures*, or SAS No. 144, *Amendments to AU-C Sections 501, 540, and 620 Related to the Use of Specialists and the Use of Pricing Information Obtained From External Information Sources*.

In this letter, we offer comments on matters related to the proposed SAS that we believe should be addressed, including those for which feedback was specifically requested by the Auditing Standards Board.

**Requests for Comment**

1. *Are the proposed amendments to AU-C section 935 appropriate and complete, including the proposed amendments to the appendix?*

We believe the proposed amendments to AU-C section 935 and its appendix are appropriate and complete.

2. *Is the effective date of the proposed amendments clear? If not, please suggest specific revisions.*

We believe the effective date of the proposed amendments is clear. We believe the information provided in the “Explanation of Effective Date” section is very helpful in clarifying why the amendment to the appendix with regard to AU-C section 501 is effective earlier than all the other proposed amendments.

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### **Additional Comment Regarding the Proposed SAS**

We ask that the board consider whether new paragraph .A15 of the proposed SAS would be easier to understand if it were revised to consistently refer to “controls” in the plural form of the word as follows (proposed deletions are struck through, and proposed additions are underlined):

A15 Evaluating whether controls that address risks of material noncompliance are effectively designed, and determining whether those controls have been implemented, involves considering whether the identified controls, individually or in combination, are capable of effectively preventing, or detecting and correcting, material noncompliance as well as establishing that the controls s over compliance exist~~e~~, and that the entity is using ~~it~~ them.

### **Closing**

We appreciate this opportunity to provide feedback on the proposed SAS and would be pleased to respond to any questions the Auditing Standards Board or the AICPA staff may have about our comments. Please direct any questions regarding this letter to Sara Lord, Chief Auditor, at 612.376.9572 or Adam Hallemeier, Audit Policy Leader, at 619.641.7318.

Sincerely,

*RSM US LLP*

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