

Nov. 29, 2021

Brian S. Lynch, Chair
AICPA Professional Ethics Executive Committee
AICPA Professional Ethics Division
New York, NY 10036
ethics-exposedraft@aicpa.org

Re: Proposed revised interpretation, *Unpaid Fees*

Dear Mr. Lynch:

The Professional Ethics Committee (the committee) of the Pennsylvania Institute of Certified Public Accountants (PICPA) appreciates the opportunity to provide its comments to the AICPA Professional Ethics Executive Committee (PEEC) regarding the proposed revised interpretation, *Unpaid Fees*. The PICPA is an association of more than 18,000 members working to improve the profession and better serve the public interest. Founded in 1897, the PICPA is the second-oldest CPA organization in the United States. Membership includes practitioners in public accounting, education, government, and industry. The committee is a cross-section of our membership, with practitioners from large, regional, and small public accounting firms, members serving in business and industry, and accounting educators.

The committee's specific comments are as follows:

The committee questions the need to change the existing guidance, as many practitioners rely on the existing standard to get their fees paid. The committee believes that the principles-based approach introduces unnecessary complexity and puts additional pressure on practitioners to push back against unpaid fees. The proposed revisions also unfairly burden firms just starting in practice and those with relatively few clients as their respective client fees would likely be individually material compared with client fees at larger firms, which would not frequently have to be evaluated for materiality.

We appreciate your consideration of our comments. We are available to discuss them with you at your convenience.

Sincerely,

David Torrillo

David Torrillo, CPA, CVA, ABV
Chair, PICPA Professional Ethics Committee

cc: Allison Henry, CPA, PICPA Staff Liaison