August 27, 2026

Professional Ethics Executive Committee
American Institute of Certified Public Accountants
220 Leigh Farm Road
Durham, NC 27707-8110

RE: Proposed Strategic Plan 2027–2030

Via email: ethics-exposuredraft@aicpa.org

Dear Members of the Professional Ethics Executive Committee:

On behalf of the Indiana CPA Society (INCPAS) representing nearly 6,000 current and aspiring CPAs in Indiana, the Accounting & Attestation Advisory Council members submit the following comments on the Professional Ethics Executive Committee's (PEEC) proposed strategic plan for 2027–2030. This response represents the views of the INCPAS Accounting & Attestation Advisory Council ("Advisory Council") with input from the INCPAS staff.

Generally, we believe the proposed strategic plan responds appropriately to the changing environment in which CPAs serve clients and the public. We support PEEC's emphasis on developing high-quality public-interest standards, aiding implementation and application, and strengthening stakeholder engagement. These priorities are essential to helping practitioners apply ethics and independence requirements while preserving public trust in the profession.

Given the rapid pace at which many of these developments are unfolding, we appreciate PEEC's attention to emerging issues affecting the profession. As PEEC advances its proposed initiatives and planned actions, we encourage continued emphasis on clarity, practical application, and implementation support.

The Advisory Council offers the following specific responses for PEEC's consideration:

1. Do you agree with "Our Mission and Keys to Our Success"?

Yes, we agree with PEEC's mission and keys to success. These sections establish the foundation for the strategic plan. The keys to success reflect the AICPA Code of Professional Conduct's emphasis on serving the public interest by identifying specific priorities related to standards development, local and global stakeholder engagement, and support for implementation and application.

We also believe effective implementation should remain an important measure of success. Standards may be technically sound but still fall short if practitioners cannot easily find, understand, and apply them consistently. Timely examples, decision aids, FAQs, and other practical tools should therefore be considered essential to fulfilling PEEC's mission, especially for small and midsize firms with fewer specialized resources.

2. Do you agree with the "Factors Driving Our Strategy"?

Yes, we agree with the factors driving the strategy and offer the following points for consideration. In addressing the evolving technology landscape and growing regulatory complexity and uncertainty, the plan appropriately recognizes that change is occurring rapidly across multiple areas. Beyond education and limited lead time to respond, we encourage PEEC to consider how the profession can adapt quickly and make sound ethical decisions within increasingly compressed timeframes. As technology has shaped expectations for near-instant responses, the challenge extends beyond understanding rapid technological and regulatory change. It also requires the profession to apply technical expertise responsibly, exercise professional judgment, and uphold ethical standards when time for reflection is increasingly limited.

3. Do you agree with the proposed strategic initiatives?

Yes, we agree with the proposed strategic initiatives. We especially appreciate Initiative A, *Develop high-quality standards in the public interest*, and Initiative C, *Enhance stakeholder engagement and advocacy*. Together, these initiatives recognize the need to maintain a U.S.-focused approach for firms and members operating in the United States while also acknowledging the importance of international awareness and coordination as globalization continues. PEEC's commitment to collaborating with the Auditing Standards Board (ASB) is also important to ensuring ethics requirements align with other standards members of the profession are expected to follow.

Regarding Initiative B, *Support effective implementation and application of our standard*s, we support including the Peer Review Board (PRB) as a collaborator. The PRB can offer valuable insight into how standards are applied in practice and help identify areas where clarification or additional implementation support may be needed. This collaboration could help surface concerns earlier and allow for a faster response. We encourage PEEC to formalize this feedback loop by using aggregated peer review findings, quality management monitoring results, hotline inquiries, enforcement themes, and root-cause information to identify recurring areas of confusion. Those insights could inform targeted guidance, education, or clarification before issues become widespread.

4. Do you agree with the proposed strategic actions?

Overall, we agree with the proposed strategic actions. We recognize that the document is intended as a strategic plan and look forward to more detail on how the proposed actions will be implemented during the plan period.

5. Are there other matters PEEC should consider as it finalizes the strategic plan?

In addition to the matters discussed above, PEEC should consider the following areas:

- Artificial intelligence and emerging technology, including confidentiality, data governance, professional competence, due care, bias, reliability, human oversight, documentation, and supervision when members use third-party tools. As professionals and standard setters use technology and automation to improve efficiency, it is critical to maintain accuracy, confidentiality, and human oversight to protect the integrity of the profession.

- Alternative practice structures and evolving firm operating models, including private equity investment, shared service centers, outsourcing, offshoring, nontraditional staffing arrangements, and related independence implications.

6. Are there any other considerations that we should address related to our strategy?

Any additional considerations have been raised in the applicable sections above.

7. In addition to the stakeholders we have identified (state boards of accountancy; the National Association of State Boards of Accountancy [NASBA]; the AICPA board, leadership, staff, and members; state CPA societies; federal regulators; the International Ethics Standards Board of Accountants [IESBA]; and clients, employing organizations, and the public), who else should we consider engaging as we refine our strategy, and why?

We believe including a broad range of stakeholders is essential to the success of PEEC's Strategic Plan. Each stakeholder category brings distinct perspectives and considerations that should be reflected when setting ethics standards for the profession.
The proposed strategic plan emphasizes protecting the public interest. Although "the public" is not specifically identified as a stakeholder in the plan, this question indicates that PEEC intends to consider engaging the public as it refines the strategy. Further consideration of how to engage the public—and who should represent that perspective—is especially important to protecting the profession's image going forward.

A disconnect continues to exist between what the public believes accounting professionals do, should do, or should be responsible for and the profession's actual role. For example, when fraud is discovered in a large organization, public criticism often focuses on the auditor, even though an audit does not guarantee detection of all fraud. This gap between public perception and the CPA's role in an attestation engagement underscores the need for PEEC to consider the profession's public image when developing standards.

PEEC should also consider targeted engagement with firm quality management leaders, peer reviewers and administering entities, educators and students, audit and practice-management software providers, and AI vendors serving the profession. These groups can offer practical insight into recurring implementation challenges, emerging technology risks, and how ethics requirements are incorporated into firms' daily systems and workflows.

Thank you for considering our comments. We appreciate PEEC's commitment to stakeholder engagement and to supporting ethics and independence standards that remain relevant, clear, and effective for the CPA profession. Please direct any questions or concerns to INCPAS Vice President-Advocacy Sherrill Rude at srude@incpas.org or 317-726-5016.

Sincerely,

Courtney J. Kincaid

Courtney J. Kincaid, CAE, IOM
President & CEO

cc: INCPAS Board of Directors
INCPAS A&A Resource Group
INCPAS Government Relations Advisory Council
Indiana Board of Accountancy