



COMMUNITY BANKERS ASSOCIATION OF NEW YORK STATE  
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**Maribel O. Donath**  
President & CEO

November 21, 2003

Office of the Secretary  
Public Company Accounting Oversight Board  
1666 K Street, NW  
Washington, DC 20006-2803

RE: Proposed Auditing Attestation Requirements

Dear Sir/Madam:

The Community Bankers Association of New York State\* appreciates the opportunity to comment on the proposed auditing standard governing the attestation and reporting of management's assessment of the effectiveness of internal controls. We believe that Section 404 of the Sarbanes-Oxley Act of 2002 was intended to impose similar requirements on general corporations that already exist for financial institutions under the Federal Deposit Improvement Act (FDICIA) of 1991. This law requires management of depository institutions with assets over \$500 million to attest to the effectiveness of the institution's internal control structure. The institution's auditor then attests to management's assessment, but does not require another independent audit of the internal controls.

We strongly believe that the proposed new standard would add burdensome, expensive, and overlapping requirements on community banks. Furthermore, we believe that the new standard should conform to the previous requirement already mandated by Congress, or should provide an exemption for depository institutions already examined and supervised by federal banking regulators.

We respectfully request that new standards for public companies acknowledge the existing comprehensive system of regulation, examination, and supervision of insured banks and evaluate whether another layer of auditing expense is either reasonable or necessary.

Thank you for the opportunity to comment on this proposal.

Sincerely,

Maribel Donath

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\* The Community Bankers Association of New York State (CBANYS) represents savings institutions and commercial banks with cumulative assets exceeding \$165 billion, employing over 23,000 New Yorkers at 1,350 locations statewide, and allocating more than \$1 billion annually toward local affordable housing and community development.