From:	Bill Casey
To:	Comments
Subject:	PCAOB Rulemaking Docket Matter No 029
Date:	Sunday, February 02, 2014 10:35:16 PM

I would like to submit the following comments to selected questions in section VII of your release No. 2103-009 (now docket matter No. 029):

VII. 1. (A) The requirements to disclose the name and information on the engagement partner will, over time, provide investors and other financial statement users with useful information and should result in improved audit reporting. As to how, please see your questions VII.3, VII.6 and VII.12. (B) The requirements to disclose information about other participants in the audit may be information overload and unnecessary. I would suggest that this requirement be held or deferred, and reconsidered at a much later date, after impact of increased disclosure requirements in (A) can be evaluated.

VII. 17. If (B) requirements to disclose information about other participants in the audit cannot be postponed, I would support a 10% or higher threshold as more appropriate. Additional information for transparancy should be balanced with investors and other financial statement users need for more concise, easier to read (less information overload) financial statements. footnote disclosures and auditors report thereon.

Reason for both comments:

I strongly believe that audit risk assessment and responsibility for auditor's report should rest and remain with the engagement partner and firm (no matter the organizational structure). I would support the alternate approach that would require engagement partner signature on the auditor's report. AICPA members in the United States and MSCPA members in Massachusetts (prior to rule changes in 1969 or 1970) reporting standards required individual (or engagement partner) CPA signature on all audit reports issued (firm signatures alone were not permitted). In those earlier years, (at least at the regional public accounting firm where I was first employed after college) the engagement partner reviewed draft financial statements and footnote disclosures on site at client headquarters with audit field staff prior to exit. This was an exit risk assessment review that often resulted in budget overruns on larger client accounts. If field staff could not produce workpaper support to give engagement partner comfort in this field review process, additional audit field work was required. The additional work (budget overrun) resulted in either 1) on the job training for audit field staff (don't let it happen again-budget overrun not fully billable) or b) a scheduled or rescheduled exit meeting with client executive (CFO, CEO or both) in which risk issues were seriously discussed, draft financial statements and footnote disclosures were often modified, and budget overrun fully billed. This process was then followed by meeting with audit committee or board chairman (then), with hand delivered audit report and long form management letter on internal controls before audit report was released for printer use in annual reports or SEC filings. While we were embracing the concept of statistical sampling in field audit work, field audit staff quickly learned not to ignore risk concentrations and use sampling for the remainder. I would support this back to basics approach. US. accounting and auditing standards should lead not follow other countries on this important issue. The sooner, our CPA profession assumes risk assessment and report responsibility for all of the profession, whether individual practioners, regional firms, national or international firms, the sooner financial reporting quality and audit report reliance by investors and other users will improve.

The growth in management consulting practice revenues, especially at large national and international firms with large concentrations of public companies as audit clients and the maximum allowable thresholds for such management consulting fees needs, in my opinion, more oversight monitoring attention and continued transparancy reporting. I strongly feel that continued monitoring of independence issues, direct cross selling issues (audit referrals to management services), indirect (soft) cross selling , as may be included in CPE programs, etc. should continue to receive your oversight attention and require transparancy reporting rather than the miniscule other participants information disclosures.

Thank you for the opportunity to submit these brief comments.

Respectfully submitted

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