

August 29, 2015

Via Email

Office of the Secretary
Public Company Accounting Oversight Board
1666 K Street, N.W.
Washington D.C. 20006

RE: PCAOB Rulemaking Docket No. 29, Improving the Transparency of Audits

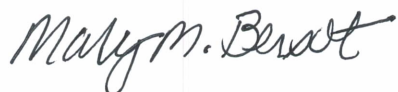
By way of background, I am an investment manager with over 35 years of experience and have managed some of the largest public and corporate pension plans in the United States as well as trusts and retirement plans for individuals. I am a Chartered Financial Analyst and have supervised portfolio managers and security analysts. I am presently Founder and CEO of Bersot Capital Management located in Marin County, California.

I support the PCAOB's effort to improve transparency of audit reports by requiring disclosure of the audit firm's engagement partner and signature on the audit report. This will increase the quality of audit reports which will benefit investors in public companies. My comments are as follows:

- Arguments against disclosure of the engagement partner have mentioned the resulting lack of teamwork within the audit firm. This is not a strong argument. Well-functioning teams exist within large corporations and investment firms where senior partners are identified. Investors know audit is a team effort and need to know who is ultimately responsible within the firm to supervise those in the field and who is accountable for the audit.
- Reputation risk might result if the engagement partner is identified and signs the audit. On the other hand, identifying the engagement partner may be a motive to insure oversight and supervision of the team preparing the audit which, from an investor's perspective, provides a safeguard against problem audits. We are told there are numerous policies and procedures in place at audit firms, but if an engagement partner is identified and signs the audit, investors have more confidence he or she will make sure these safeguards are in place.
- Corporations are required to disclose their senior managers and most provide transparency as to the leadership of the various divisions. The proposed disclosure of engagement partners would provide this transparency for audit firms. It will be apparent if engagement partners have changed. Have they left the firm? Why? How many relationships do they have? Investors have a right to assess the quality of the audit, which is presently difficult. Disclosure of the engagement partner would help.
- Are audit firm's objective? They work closely with the corporations who hire and pay them and often engage them for tax work. If the reputation of the lead partner who signs the audit is at risk there may be less pressure to overlook or ignore problems. Asking a partner to sign the audit is not an accusation of wrong doing. If this is an industry standard then the standards of the industry will be elevated and conflicts of interest will be less of a concern for investors.

Proxy ballots include approving the re engagement of the audit firm. Investors have little information to guide this decision and routinely vote with management. A signature on the audit report will provide transparency and some assurance the person supervising the audit is accountable and involved. I do not favor an additional document with the disclosure of the engagement partner rather than signature on the audit. It may be difficult for the average investor to know how to access this information.

As an investor who represents other investors, I support PCAOB Docket 29 and would like to see the requirement that an audit firm's engagement partner sign the audit. This will provide greater transparency and offer investors, both those on Main Street and Wall Street, more assurance that the financial reports are accurate as presented.

A handwritten signature in black ink that reads "Mary M. Bersot". The signature is written in a cursive, flowing style.

Mary M. Bersot, CFA
CEO & Founder
Bersot Capital Management, LLC