



December 6, 2013

Office of the Secretary
Public Company Accounting Oversight Board
1666 K Street, N.W.
Washington, D.C. 20006-2803

Re: PCAOB Rulemaking Docket Matter No. 034
Proposed Auditing Standards on the Auditor's Report and the Auditor's Responsibilities Regarding Other Information and Related Amendments

Dear Board Members and Staff of the PCAOB,

Informatica Corporation and its Audit Committee of the Board of Directors ("Informatica") are pleased to comment on the Public Company Accounting Oversight Board's ("PCAOB") proposed revisions to the auditor's reporting model.

We are supportive of the Board's efforts to address the financial reporting concerns of investors and other users of financial statements. This letter provides our views on the proposed standards.

- 1. The communication of Critical Audit Matters in the auditor's report would not provide meaningful new information to investors and other users of financial statements, would be costly for audit firms and management, and may impact comparability of financial statements.** Critical Audit Matters are those matters addressed during the audit that (1) involved the most difficult, subjective, or complex auditor judgments; (2) posed the most difficulty to the auditor in obtaining sufficient appropriate evidence; or (3) posed the most difficulty to the auditor in forming the opinion on the financial statements. Informatica believes that any critical audit matters identified by our auditor would be duplicative to the "risk factors," "management's discussion and analysis," and "critical accounting policies and estimates" sections already disclosed in our financial statements. It is unlikely that critical audit matters identified would not already be disclosed elsewhere, and therefore, minimal new information would be provided to investors and other users of financial statements.

Informatica believes that audit costs will likely increase as a result of communicating critical audit matters. While the Board's proposal includes reference to various sources to assist in determining critical audit matters, auditors must still incur additional time in order to identify critical audit matters, discuss and review the matters internally and with management, audit committees, and others charged with governance, and draft communications to be included in the auditor's report. The indirect costs include time taken away from auditors during the completion stage of the audit, and incremental investment of time by the audit committee to review critical audit matters.



In addition, due to the subjective and judgmental nature of the determination of critical audit matters by the auditor, there may be inconsistencies of critical audit matters included in auditor reports of various companies, therefore impacting comparability of our financial statements to other companies.

2. **The proposed new element to the auditor's report related to auditor independence does not provide meaningful information to investors and other users of financial statements.** A statement regarding the auditor's existing requirements to be independent of the company is considered redundant as the title of the report includes the word "independent," and the report states that the audit was performed in accordance with PCAOB audit standards, which sets forth independence requirements.
3. **The proposed new element to the auditor's report related to auditor tenure may be informative to investors and other users of financial statements.** We do not object to inclusion in the auditor's report of the year in which the auditor began serving consecutively as the company's auditor, although we believe it would be preferable to include such information in the proxy. While disclosure of a change in auditor to the SEC is already required in a Form 8-K, inclusion of auditor tenure in the auditor report or proxy would provide another way to disclose whether there has been a change in auditor. Such information may cause investors to inquire whether there were any disagreements with management as to accounting or financial statement disclosures, and may cause additional scrutiny, as new auditors may not have developed a comprehensive understanding of a new audit client, particularly when the company is complex and/or operates in multiple jurisdictions.
4. **The proposed standard related to auditor's responsibilities regarding other information would significantly increase the scope of auditors and would be costly for audit firms and management.** Auditor reporting on information outside the financial statements would increase the scope of the auditor's responsibilities, would require the development of new auditing standards, and would potentially require additional regulatory efforts. Informatica would suggest that the Board perform a more extensive analysis of the demand for auditor's reporting on information outside the financial statements, and costs to issuing such a standard.
5. **Enhanced standardized language in the auditor's report would facilitate continued consistency, comparability, and clarity in auditor's reporting.** The enhancements to standardized language will result in enhanced understanding of what an audit represents and the related auditor responsibilities, thus narrowing the expectations gap. In addition, there would be very little cost to implementing enhanced standardized language.
6. **The inclusion of guidance on explanatory language or explanatory paragraphs is appropriate.** Additional guidance on circumstances that would require explanatory language and examples of when an auditor might include explanatory paragraphs provide enhanced clarity to the auditor.

In summary, we are supportive of various aspects of the proposals; however, we encourage the Board to continue to assess the demand and cost implications of communication of critical audit matters and auditor's responsibilities regarding other information outside the financial statements.

Thank you for the opportunity to comment on the proposal.



Sincerely,

A handwritten signature in black ink that reads "A. Brooke Seawell". The signature is written in a cursive style and is positioned above a horizontal line.

A. Brooke Seawell,
Chairman of the Audit Committee

A handwritten signature in blue ink that reads "Earl Fry". The signature is written in a cursive style and is positioned above a horizontal line.

Earl Fry,
Chief Financial Officer, Chief Administration Officer,
Executive Vice President of Global Customer Support and Services