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January 3, 2012

Office of the Secretary
PCAOB
1666 K Street, N.W.
Washington, D.C. 20006-2803
Via e-mail at comments@pcaobus.org

RE: Request for Public Comment - *Concept Release on Auditor Independence and Audit Firm Rotation*, PCAOB Rulemaking Docket No. 037

Members of the Board:

In my capacity as Audit Committee Chairman of the BlackRock Equity-Liquidity Mutual Fund Complex and as a practicing CPA, I appreciate the opportunity to comment on Public Company Accounting Oversight Board ("Board" or "PCAOB") *Concept Release on Auditor Independence and Audit Firm Rotation* dated August 16, 2011 ("Concept Release").

BlackRock is a global investment manager, overseeing approximately 3,500 investment vehicles with \$3.35 trillion of assets under management at September 30, 2011. The BlackRock Equity-Liquidity Complex is comprised of 160 registered investment companies with approximately \$220 billion in assets as of that date. I have served as a Director of BlackRock Liquidity Funds since 1999 and as a Trustee of various funds in the BlackRock Equity-Liquidity Mutual Fund Complex since 2007. In addition, I have served a number of SEC registered clients during my 35 years as a Managing Partner of Urish Popeck & Co., LLC. I have also served as a Member of the External Advisory Board at The Pennsylvania State University Accounting Department since 2001. I am Chairman of the Professional Ethics Committee of the Pennsylvania Institute of Certified Public Accountants and have served as a Member thereof since 2007. The views expressed in this letter are my own and should not be attributed to any other entity.

I support the PCAOB's overall objective of ensuring auditor independence and the maintenance of objectivity and professional skepticism, but do not believe mandatory audit firm rotation is an effective way to accomplish those objectives. I believe that mandatory rotation would result in increased cost, resource strain and disruption to audit firms and issuers. Mandatory rotation would, in certain circumstances, adversely impact the ability of audit committees to meet their oversight responsibilities. Finally, imposing a requirement to rotate auditors would not necessarily improve audit quality, but rather in some cases, may reduce audit quality. Each of these concerns is discussed more fully below.

Under mandatory rotation, auditors would commence new engagements more frequently than they do today, requiring significant start-up time. Efforts would be duplicated as the new audit firm has to evaluate the predecessor's working papers and "relearn" the client's business, accounting policies and internal controls. With respect to investment companies, there are a limited number of independent accounting firms with requisite expertise. Furthermore, relationships between audit firms and investment advisors, such as those related to management of audit firms' 401k plans, or former audit partners serving in financial reporting oversight roles at investment advisors, limit the number of available independent firms. Because the length of engagements will likely be shorter, and audit firms will expect to be awarded new engagements more frequently, the ability of fund complexes to negotiate fees and terms in the best interest of shareholders will be adversely impacted. All of these factors will likely result in fund complexes repeatedly changing back and forth between the same independent firms over prescribed time periods with increased costs to

shareholders. In addition, fund companies will incur additional costs to acquaint new auditors with the accounting systems, policies and procedures.

Mandatory audit rotation would impose increased strain on audit firms, investment advisors and accounting service providers that are already struggling to keep up with recent and upcoming significant changes to accounting and auditing standards and regulatory requirements. This additional burden would prove to be a distraction to financial reporting professionals, audit committees and management that need to be focused on an entity's internal controls, quality of financial reporting and disclosure to shareholders.

When taking on large mutual fund complexes as new clients, audit firms may need to hire new staff and train them not only on the accounting firm's policies and audit approach, but also on the specific engagement. Managing staffing levels could prove challenging, and as such could adversely impact certain offices of regional and national firms. In addition, investment company audits are highly specialized, and there are a limited number of firms with the requisite expertise. Mandatory rotation represents a "one size fits all solution" and could prove disruptive to maintaining staff within this specialty, given the uncertainty about employment. As audit partners would not be permitted to move to a new audit firm to continue to work on the same client, successor firms may need to relocate professionals, resulting in additional cost, service disruptions and gaps in knowledge transfer that could impair the quality of audits.

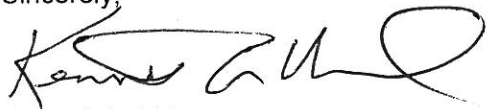
Mandatory rotation could reduce the number of CPAs available to serve as independent directors on fund boards, thereby adversely impacting governance. In meeting their oversight responsibilities, audit committees evaluate continuing relationships with auditors based upon services provided, competency of the audit firm and engagement teams, specific technical expertise and cost-competitiveness. The requirement to rotate auditors curtails audit committees' discretion in deciding when and if changing auditors is in the best interest of fund shareholders.

For larger fund complexes, the first several years of a new audit relationship could result in greater risks to investors and audit firms, including the risk that significant errors or omissions would go undetected. Consequently, instead of improving audit quality, mandatory firm rotation would likely lead to reduced audit quality during transition periods.

I believe that the current PCOAB oversight process is effective in ensuring that audit firms perform high quality audits with the appropriate amount of objectivity and professional skepticism. Furthermore, I recommend that instead of auditor rotation, greater focus be placed on the reasons for individual audit failures and improving and strengthening public company governance on those specific areas.

Thank you for the opportunity to provide comments on the Concept Release. I can be reached at (412) 391-1994 should you have any questions.

Sincerely,



Kenneth L. Urish, CPA
Audit Committee Chairman
BlackRock Equity-Liquidity Complex