



March 9, 2012

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. 37, Concept Release on Auditor Independence and Audit Firm Rotation

The Audit Committee of Kelly Services, Inc. ("Kelly"), a NASDAQ listed company and leader in providing workforce solutions, appreciates the opportunity to comment on the Public Company Accounting Oversight Board's ("PCAOB") concept release on auditor independence and audit firm rotation, (the "Concept Release").

We acknowledge the good intentions of the PCAOB in issuing the Concept Release to solicit public comment on mandatory audit firm rotation or other approaches with the goal of identifying ways auditor independence, objectivity and professional skepticism could be enhanced. However, for the reasons noted below, we are concerned about the proposal. We support the PCAOB's interest in auditor independence, objectivity and professional skepticism but do not believe additional standards or regulations are required in these areas, especially if they will not improve or will adversely impact audit quality.

- **Audit Quality** – We do not share the PCAOB's view that auditor independence, objectivity and professional skepticism are inadequate. By imposing mandatory auditor rotation, the PCAOB is implying that there are fundamental flaws in auditors' commitment to these principles. On the contrary, we have found that objectivity and professional skepticism are already adequately driven by audit firm internal quality reviews and consultation procedures as well as the additional requirements imposed by the Sarbanes-Oxley Act: i) making audit committees (rather than management) responsible for hiring of the auditor and overseeing the engagement, ii) prohibition of auditors from providing certain non-audit services, iii) imposing audit partner rotation and iv) rigorous independent oversight of the auditing profession by the PCAOB and required remediation action to reinforce expectations.
- **Audit Committee's Role in Audit Engagement Review** – We believe that the Audit Committee is in the best position to evaluate the selection of Kelly's external auditor as well as monitor their qualifications, independence and performance. Disciplined reviews of external auditors by the Audit Committee help to ensure that the auditor's relationships with executive management, the Audit Committee and the Board of Directors as a whole are appropriate. Additionally, the ability to hire (and fire) the external auditor is a necessary tool in discharging our fiduciary responsibilities with respect to internal controls and the financial statements. Mandatory auditor rotation effectively removes this tool from the hands of the Audit Committee.

- Limited Audit Firm Availability– Mandatory auditor rotation would greatly limit our firm choice as we use other audit firms for non-audit services and already have a limited number of audit firms that are qualified to perform audits in certain smaller markets or developing countries.

Based on the above points, we encourage the PCAOB to carefully consider the unintended consequences of adopting the proposals included in the Concept Release as drafted. We appreciate the opportunity to comment and would be pleased to further discuss our perspective on these issues.

Respectfully,

/s/ Leslie A. Murphy
Leslie A. Murphy
Director and Audit Committee Chair