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Office of the Secretary
Public Company Accounting Oversight Board
1666 K Street, NW
Washington, DC 20006-2803

28 February 2022

Re: Advisory Groups – Draft Governance Frameworks

Dear Office of the Secretary:

Ernst & Young LLP (EY) is pleased to provide comments to the Public Company Accounting Oversight Board (PCAOB or Board) in response to its *Request for Public Comment, Advisory Groups – Draft Governance Frameworks*. We appreciate the Board's efforts to reestablish its advisory groups as key mechanisms for obtaining stakeholder input on matters related to the PCAOB's statutory mission. We believe the PCAOB's draft governance frameworks appropriately recognize that relevant and timely feedback is essential for addressing challenges such as those posed by the current pace of innovation and changes in the current business and reporting environments.

We are supportive of the proposed governance frameworks outlined by the Board for the Investor Advisory Group (IAG) and the Standards and Emerging Issues Advisory Group (SEIAG). We believe the frameworks would set forth appropriate purposes and roles for each group. We also believe that the proposed composition of each group appears sufficient to enable the groups to provide the Board with meaningful insights.

With respect to the composition of the IAG, in addition to the characteristics of investors outlined in the framework, we recommend that the PCAOB consider additional investor representatives who have perspectives on the impact of the audit on investment decisions, such as lenders, securities analysts, credit ratings agencies and other buy-side investors. To further support the dialogue, the Board may also want to consider including some non-voting representatives with expertise on the preparation of independent audit reports and other topics relevant to PCAOB oversight activities.

We appreciate that the proposed frameworks would recognize that coordination and communication between both advisory groups are important for the PCAOB to effectively evaluate advice and recommendations. With respect to the SEIAG, we also commend the Board for including within its framework the ability to leverage subcommittees and task forces (when deemed appropriate), which would enhance the PCAOB's ability to obtain input from relevant subject matter experts to address emerging and/or time-sensitive matters related to the performance of audits.

In summary, we are supportive of the PCAOB's efforts on this topic and look forward to contributing to the Board's advisory groups when they are finalized.



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We would be pleased to discuss the views expressed in this letter with the Board or the PCAOB staff.

Ernst & Young LLP

Very truly yours,

Copy to:

PCAOB

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Christina Ho, Board Member
Duane M. DesParte, Board Member
Kara M. Stein, Board Member
Anthony C. Thompson, Board Member
Barbara Vanich, Acting Chief Auditor

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