

**Public Company Accounting Oversight Board**  
**2025 Budget by Cost Category**  
**2023 - 2025**

*\$ in thousands*

Cost Category	2023	2024	2025
	<u>Actuals</u>	<u>Budget</u>	<u>Budget</u>
Personnel			
Salaries /1	199,984	228,710	242,579
Employee Benefits /2	30,711	36,524	37,856
Payroll taxes /3	11,627	13,331	14,144
Training /4	2,337	3,750	3,869
Recruitment and Relocation /5	4,011	3,463	1,525
Subtotal	248,670	285,778	299,973
Non-personnel			
Administrative Expenses /6	8,583	10,183	11,162
Consulting and Professional Fees /7	21,091	37,369	33,989
Facilities /8	20,526	20,388	19,362
IT Expense & IT Capital Expenditures /9	17,280	14,134	18,261
Travel and Other Expenses /10	11,190	15,378	16,499
Subtotal	78,670	97,451	99,273
Facilities Capital Expenditures / 11	22	1,422	460
<b>Total Outlays</b>	<b>327,362</b>	<b>384,650</b>	<b>399,706</b>
Change to Working Capital Reserve, Net of Other Income and Reconciliations /12			(23,522)
Less: Prior Year Registration and Annual Fees /13			(1,276)
<b>Total Accounting Support Fees /14</b>			<b>374,908</b>
Accounting Support Fee - Issuers			346,077
Accounting Support Fee - Broker-Dealers			28,830

Details may not add to totals due to rounding

**Public Company Accounting Oversight Board**  
**2025 Budget by Division/Office**  
**2023 - 2025**

*\$ in thousands*

Division/Office	2023 <u>Actuals</u>	2024 <u>Budget</u>	2025 <u>Budget</u>
Board and Executive Staff	10,729	11,370	11,717
Division of Registration and Inspections	146,205	166,438	177,056
Division of Enforcement and Investigations	20,090	25,716	26,053
Office of the Chief Auditor (Standards)	10,511	12,077	12,582
Office of Economic and Risk Analysis	12,459	16,438	17,702
Office of the General Counsel	12,347	15,315	16,454
Office of International Affairs	4,032	4,713	4,648
Office of Communications and Engagement	2,893	4,374	4,028
Office of the Investor Advocate	589	898	1,187
Office of Enterprise Risk Management	3,144	3,607	3,507
Office of Internal Oversight and Perf. Assurance	1,401	1,779	2,001
Office of the Chief Operating Officer <sup>^</sup>			
Office of Technology	52,521	64,732	65,450
Operations	50,441	57,193	57,321
<b>Total Outlays /12</b>	<b>327,362</b>	<b>384,650</b>	<b>399,706</b>
Change to Working Capital Reserve, Net of Other Income and Reconciliations /13			(23,522)
Less: Prior Year Registration and Annual Fees /14			(1,276)
<b>Total Accounting Support Fees /15</b>			<b>374,908</b>
Accounting Support Fee - Issuers			346,077
Accounting Support Fee - Broker-Dealers			28,830

<sup>^</sup> In July 2024, the Office of Data, Security, and Technology in the Office of the Chief Operating Officer was renamed the Office of Technology. This name change does not have any budgetary impact.

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## Notes to 2025 Budget

The 2025 Budget for the Public Company Accounting Oversight Board (“PCAOB” or the “Board”) was approved by the Board on November 21, 2024. The following notes relate to specific line items in the budget.

1. **Salaries** – The 2025 Budget includes funding for 945 employees to assist the Board in achieving its mandates under the Sarbanes-Oxley Act of 2002 (the 2024 Budget reflected 946 positions).
2. **Employee Benefits** – Estimated expenses for employee benefits include costs associated with health care, the 401k plan, and other employee benefit-related items.
3. **Payroll Taxes** – Estimated payroll taxes include Social Security, Medicare, and unemployment taxes.
4. **Training** – Estimated training expenses include professional training in accounting and auditing, law, and other fields to fulfill the Board’s commitment to maintaining highly-qualified staff to achieve the PCAOB’s statutory mandates.
5. **Recruitment and Relocation** – Estimated recruitment and relocation expenses are budgeted to cover the cost of recruiting highly-qualified, experienced staff in a competitive employment market for auditors, accountants, economists, IT staff, and other professionals.
6. **Administrative Expenses** – Estimated administrative expenses include costs for office supplies, printing, copying, postage, subscription and library, temporary help, and outreach events. This category also covers the premiums for our business insurance coverage.
7. **Consulting and Professional Fees** – Estimated consulting and professional fees include costs associated with certain initiatives related to the PCAOB’s programs that require highly specialized skills and services such as IT expertise, including the development of mission-critical investments in 2025 to improve registration and inspections systems. These fees also include costs for services related to investigation and litigation support, translation, legal, and other advisory services.
8. **Facilities** – Estimated facilities expenses cover the costs of leases and other payments related to the PCAOB’s office space. The PCAOB currently has leased office space at its headquarters in Washington, D.C., and in Ashburn, Virginia, in addition to regional office space to support its staff in Atlanta, Georgia; Charlotte, North Carolina; Chicago, Illinois; Dallas, Texas; Denver, Colorado; Irvine, California; New York, New York; and San Francisco, California.<sup>1</sup>
9. **Information Technology Expense and Information Technology Capital Expenditures** – Estimated IT expenses include costs associated with maintaining and enhancing the PCAOB’s IT applications and infrastructure.

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<sup>1</sup> Going forward, the PCAOB is using “San Francisco” to denote its regional office in the San Francisco metropolitan area. Previously, that office has been referred to as “San Mateo” (or sometimes “Foster City”).

10. **Travel and Other Expenses** – Estimated travel and other expenses support travel primarily to perform inspections in the offices of registered public accounting firms. This category also covers the costs associated with participation by Board members and staff at speaking engagements and other outreach activities away from the PCAOB’s offices.
11. **Facilities Capital Expenditures** – The PCAOB expects to incur capital expenditures in 2025 related to new leases entered into as part of reducing the amount of leased office space in Dallas and Ashburn.
12. **Total Outlays** – As discussed with the SEC staff and based on guidance from the Office of Management and Budget, the PCAOB understands that sequestration, as applied to the PCAOB, means that sequestered funds are not available for obligation during the fiscal year in which the sequestration occurs, but are available in subsequent years. The result is that the gross \$21.9 million in PCAOB operating funds that were sequestered in 2024 become available in 2025. For 2025, the sequestration percentage is 5.7%, which results in a sequestration amount of \$22.8 million. Since the sequestration amount for 2025 is more than the sequestration amount for 2024, the PCAOB plans to submit to the SEC a Revised Spending Plan for 2025 in the amount of \$0.9 million indicating where that reduction will be applied to the 2025 Budget.
13. **Change to Working Capital Reserve, Net of Other Income and Reconciliation of Certain Estimates to Actuals** – The PCAOB estimates that the working capital reserve, which provides funds necessary to cover anticipated expenditures for the first five months of 2026, is more than the working capital reserve estimated for 2025 in the 2024 Budget. This line also reflects estimates of interest, other income, and reconciliations between estimated spending and income in prior budgets versus more recent estimates and actuals, which also affect the calculation of accounting support fee.
14. **Registration and Annual Fees** – Under Section 102 of the Sarbanes-Oxley Act of 2002, the PCAOB assesses and collects registration fees from applicants and annual fees from registered public accounting firms in amounts sufficient to recover the costs of processing and reviewing their registration applications and reports. Section 109 of the Sarbanes-Oxley Act of 2002 directs that any registration and annual fees collected in one calendar year must be used to reduce the recoverable budget expenses for the next calendar year (i.e., the year after the year in which they are received). Therefore, registration and annual fees collected for 2024 have been credited to the 2025 Budget as part of calculating the 2025 accounting support fee.
15. **Accounting Support Fees** – Pursuant to Section 109 of the Sarbanes-Oxley Act of 2002 and the rules of the PCAOB, the budget of the PCAOB – reduced by any registration and annual fees received for the preceding calendar year (see note 14) and adjusted for changes to the PCAOB’s working capital reserve, net of other income and reconciliation between estimates and actuals (see note 13) – is funded by the accounting support fee. This calculation produces the total 2025 accounting support fee of approximately \$374.9 million. In 2025, approximately \$346.1 million will be billed to issuers and \$28.8 million will be billed to broker-dealers.