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May 15, 2026

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

Re: PCAOB Release No. 2026-001, *PCAOB Strategic Priorities*

Dear Members of the Public Company Accounting Oversight Board:

Thank you for the opportunity to comment on the strategic priorities of the Public Company Accounting Oversight Board (PCAOB or Board). Our response herein is focused on Question 5, which asks how the PCAOB can achieve greater alignment of its auditing standards with international auditing standards. We appreciate the Board's focus on this topic, recognition of the increasingly global nature of the capital markets, and consideration of interoperability of auditing standards that serve the public interest.

All U.S. standard setters share a common objective: serving the public interest by promoting high-quality audits. Purposeful alignment, informed by collaboration and transparency, advances this shared mission while appropriately preserving jurisdiction-specific responsibilities. Against this backdrop, greater alignment of PCAOB standards with international auditing standards, where appropriate, would meaningfully support audit quality and the public interest. Such alignment would also improve consistency across U.S. audit requirements, easing transitions for entities entering or exiting PCAOB's jurisdiction and supporting auditors who routinely apply multiple sets of standards in practice.

Benefits of Alignment

Many audit firms operate globally and design methodologies that must accommodate the International Standards on Auditing (ISAs) developed by the International Auditing and Assurance Standards Board (IAASB), and for issuer audits, PCAOB standards as well. In the U.S., engagements are also performed in accordance with the AICPA's Generally Accepted Auditing Standards (GAAS) and Generally Accepted Government Auditing Standards (GAGAS) promulgated by the U.S. Government Accountability Office (GAO), both of which are aligned with the ISAs.¹ When firms and practitioners have to undertake and incorporate changes to methodologies and documentation to account for different standards, there is a significant burden including technological changes, training, and monitoring. Alignment of PCAOB standards with ISAs as appropriate (and thereby with GAAS and GAGAS) would reduce unnecessary complexity, fragmentation and implementation and execution risk,

¹ The ASB Operating Policies provide details regarding the ASB's consideration of the ISAs.

allowing firms and auditors to focus resources on matters most critical to audit quality and investor protection.

ASB Deliberative Processes and Interaction with IAASB

Based on our experience, the approach to alignment with the ISAs employed by the AICPA's Auditing Standards Board (ASB) has proven effective, workable, and beneficial to the public interest and users of financial statements. The ASB has a strategic objective to converge, as appropriate, with the ISAs, while remaining firmly grounded in the public interest and the U.S. legal and regulatory environment. The ASB's transparent process includes its own research and outreach, detailed deliberation of standards in public meetings, exposure of standards for public comment, consideration of all feedback, and voting on final standards in public meetings. The ASB's experience and transparent process would provide useful insights for the PCAOB as it considers its standard-setting process going forward.

Importantly, the ASB has a process in place to monitor the ongoing projects of the IAASB throughout the entire standard-setting cycle and provide input and feedback as those standards are developed.² This monitoring is achieved through the assistance of an ASB designated task force focused on international audit standard setting which meets on at least a quarterly basis with the ASB to discuss IAASB meeting materials and related issues. The ASB's process provides early visibility into emerging issues, allows consideration of and feedback regarding possible approaches, and identifies potential implementation challenges, enabling the ASB to consider these matters concurrently with the IAASB.

As mentioned above, as part of its consideration regarding initiation of a standard-setting project, the ASB conducts research and outreach to help inform standard-setting decisions and priorities. When applicable, the ASB shares that research with the IAASB (and has also shared this research with PCAOB staff). For example, the ASB, under the leadership of one of its academic members, conducted independent research related to projects on AU-C Section 570, *The Auditor's Consideration of an Entity's Ability to Continue as a Going Concern* and AU-C Section 240, *Consideration of Fraud in a Financial Statement*. In addition, the ASB and the IAASB have conducted joint research in relation to potential changes to the auditor's report. All of the research has informed ASB feedback to the IAASB through various means, including through sharing the results directly with the IAASB, dialogue at IAASB and Jurisdictional Standard Setters meetings, commentary on IAASB meeting materials, and formal comment letters during exposure periods of proposed standards.

When the ASB decides to pursue an auditing standard project similar to that undertaken by the IAASB, the ASB often uses the international standard as the starting point.³ The ASB will then evaluate whether alignment is appropriate in light of the needs of U.S. stakeholders, and the ability for requirements to be implemented clearly and consistently within the U.S. legal and regulatory

² As explained in the [ASB's Strategic Plan 2026-2030](#), one of the keys to the ASB fulfilling its mission is continually contributing to, and drawing from, the development of high-quality international auditing and assurance standards and guidance issued by the International Auditing and Assurance Standards Board (IAASB) and acting in ongoing dialogue with the standard-setting work of other U.S. standard-setters, such as the AICPA Professional Ethics Executive Committee (PEEC), the PCAOB, and the Government Accountability Office (GAO).

³ With respect to the AICPA Attestation Standards, the longevity and inclusion of those standards in law and regulation resulted in the decision to maintain such standards as structured and written by the ASB, rather than adopt the format and structure of the IAASB's International Statements on Assurance Engagements.

environment. The ASB strives to minimize differences in wording, to avoid unnecessary complexity and execution challenges as auditors and firms seek to faithfully comply with applicable standards. At the same time, the ASB, through its deliberative process, may decide to clarify particular requirements and guidance, and, as a result, make other modifications appropriate for the U.S. non-issuer environment. These differences occur only when there is a clear rationale, and substantive differences are transparently documented and explained in ASB meeting materials and Appendix B of GAAS. During this process, the ASB also considers the work of the PCAOB, in determining whether to make changes to its standards. This disciplined approach has supported alignment while preserving appropriate differences in specific areas; some recent examples of differences between GAAS and the ISAs include retaining the ability to make reference to other auditors, addressing U.S. specific reporting requirements and other matters unique to the non-issuer environment, and excluding ISA requirements that apply solely to listed entities.

PCAOB Interaction with the IAASB

We encourage the PCAOB to engage actively with the IAASB and increase participation in global standard-setting efforts throughout the ISA development cycle. Early and ongoing dialogue allows international standards to be informed by U.S. regulatory perspectives and audit practice experience, which in turn can reduce the need for divergence later in the process. Without sustained engagement throughout the standard-setting lifecycle, there is a significant risk of standard-setting outcomes that are not practicable in the U.S., which increases complexity, challenges consistent implementation, and ultimately may detract from audit quality. We acknowledge that there will continue to be instances in which it would be appropriate for the PCAOB to maintain differences (e.g., requirements related to expressing an opinion on internal control over financial reporting). In addition, while international auditing standards are developed to serve a global public interest, they do not necessarily reflect the specific capital market needs of a particular jurisdiction. However, using a process in which the PCAOB standards substantially aligns with the language used in the ISAs, and then adds requirements or modifies particular requirements as appropriate for the U.S. issuer environment, would be extremely beneficial to the overall objective of audit quality.

Facilitating Performance Under Differing Standards

Where differences are necessary, it would be helpful for the PCAOB to articulate the departure from international standards and the nature of such differences (e.g., whether they are wording differences without an expected execution difference or differences in requirements).⁴ We also believe it would be beneficial for the PCAOB to identify differences from GAAS in greater detail, to help auditors, audit committees, investors, and other stakeholders better understand the differences between what is required for an issuer audit as compared to an audit of a non-issuer. Transparent explanations of these differences, including how and why PCAOB requirements differ may also result in influencing other standard setters to align with PCAOB standards. To provide such transparency, we suggest that the PCAOB consider tools that have been successfully used by the ASB and others, such as detailed crosswalks or reconciliation matrices. While the PCAOB has made available its “Find an Analogous Standard” tool,⁵ it only provides very high-level information to understand which PCAOB standard

⁴ Some efforts have been made by the PCAOB in the past to leverage international standards and provide comparisons. For example, see the PCAOB’s [Concept Release: Potential Approach to Revisions to the PCAOB Quality Control Standards](#).

⁵ <https://pcaobus.org/oversight/standards/auditing-standards/analogous-standards>

relates to which ASB and IAASB standard. We believe that a more detailed, publicly available comparison of the standards, which highlights the specific differences, would be a highly effective tool. Enhanced tools can help isolate differences, inform decisions about how to achieve the differential requirements, and provide an accessible onramp for auditors, entities and audit committees transitioning from a private company audit to a public company audit, or from a public company audit to a private company audit. Appendix B of the AICPA Auditing Standards, which documents substantive differences between GAAS and ISAs, is one example of how to operationalize such transparency. Working towards alignment should minimize differences over time; however, we understand that audits of U.S. issuers will include additional requirements.

Opportunities for Alignment

As the PCAOB considers opportunities for alignment, targeted analyses of recently revised international and jurisdictional standards may also be informative. For example, the PCAOB as part of its project to consider targeted changes to QC 1000 may want to examine the differences between QC 1000, *International Statement on Quality Management No. 1*, and *Statement on Quality Management Standards No. 1*, to assess whether additional alignment would be beneficial for enhanced application and execution. In addition, examining revisions to standards such as ISA 240 (Revised), *The Auditor's Responsibilities Related to Fraud in a Financial Statement Audit* (and the similar revisions being contemplated by the ASB to AU-C Section 240) or comparing PCAOB requirements in areas such as risk assessment with the most recent versions of ISA 315 and AU-C Section 315, could help identify areas where alignment in concept and language may be achievable, and improve understandability and application of PCAOB standards, thereby enhancing audit quality.

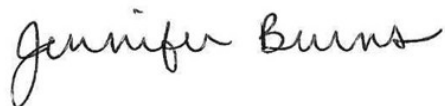
Means of Collaboration Among Standard Setters

Opportunities exist to collaborate among U.S. standard setters and leverage each other's work, such that all stakeholders benefit. The ASB and GAO, as well as other regulators within the U.S., are simultaneously responding to common issues or challenges, such as the impact of technology on the audit. For example, the ASB, ASB staff, and the AICPA's Assurance Services Executive Committee AI Working Group are currently developing guidance related to the use of AI and its implications for the audit—an area we recognize may also be a priority for the PCAOB. We believe this provides an excellent opportunity for collaboration to provide clear, consistent guidance in an evolving and critically important area.

Currently, the PCAOB, GAO, and ASB meet on a biannual basis to share workplans and priorities; additional collaboration among the U.S. standard setters would be beneficial to achieve our common goals and respective responsibilities for safeguarding the public trust and supporting audit quality. For example, consideration should be given to undertaking a joint project, joint research, or identifying areas in which the work of the other standard setter can be appropriately leveraged. Further collaboration among standard setters can reduce duplicative efforts, enhance consistency, and promote more efficient and effective application of the standards—benefiting investors, audit committees, and entities navigating different audit regimes.

In closing, we believe that thoughtful and purposeful alignment, grounded in the public interest, has demonstrated clear benefits to all stakeholders. The ASB's experience shows that alignment with international standards—paired with transparent, principled decisions about necessary differences—can support high-quality audits, improve clarity for practitioners and users, and reduce unnecessary complexity and implementation challenges. We appreciate the Board's consideration of stakeholder perspectives on this important topic. We would be pleased to meet with you and share our perspectives as the PCAOB considers and formulates its approach to alignment.

Sincerely,

A handwritten signature in black ink that reads "Jennifer Burns". The script is fluid and cursive.

Jennifer Burns
AICPA Chief Auditor

A handwritten signature in black ink that reads "Halie Creps". The signature is stylized and cursive.

Halie Creps
Chair, AICPA Auditing Standards Board

cc:

Kurt Hohl, Chief Accountant, U.S. Securities and Exchange Commission

Michal Dusza, Deputy Chief Accountant, U.S. Securities and Exchange Commission