CohnReznick

September 3, 2026

Public Company Accounting Oversight Board
comments@pcaobus.org

Re: PCAOB Release No. 2026-006, Request for Public Comment: Draft 2026-2030 Strategic Plan Goals and Objectives

Dear Members of the Board:

CohnReznick LLP appreciates the opportunity to comment on PCAOB Release No. 2026-006, *Request for Public Comment: Draft 2026-2030 Strategic Plan Goals and Objectives*. CohnReznick is the 14th largest accounting firm in the United States, with origins dating back to 1919. While our domestic and international capabilities, including through our Nexia International membership, allow us to serve a broad array of clients, we are a significant provider of services to the smaller and middle market.

We are strongly supportive of the direction reflected in the draft Strategic Plan. This letter builds on the comments in our letters of May 18, 2026 on strategic priorities and August 7, 2026 on standard setting. The priorities to advance audit quality and investor protection, clarify expectations and the bases for decisions, and transform how oversight is delivered provide a constructive framework for the PCAOB's next phase. We particularly support the emphasis on high-quality and implementable standards, quality control-focused inspections, clearer and more timely inspection reporting, risk-focused enforcement, deeper stakeholder engagement, and disciplined investment in technology, data, talent, and organizational capabilities. We also support the Plan's emphasis on clarity and effective implementation, recognizing that high-quality standards achieve their intended objectives most effectively when they can be clearly understood, operationalized, and applied consistently in practice.

Our principal recommendation concerns how the PCAOB can best achieve Goal 1. As discussed in our August 7, 2026 comment letter on PCAOB standard setting, we believe the most effective path is for the PCAOB to readopt US generally accepted auditing standards (US GAAS) as the baseline for public company audits, while retaining full authority to add, remove, or modify requirements when necessary for the public company environment.

A US GAAS Baseline Can Advance the Strategic Plan While Preserving PCAOB Independence

We recognize the importance of the PCAOB's independent standard setting authority. In our view, readopting US GAAS would not diminish that independence. The PCAOB would continue to decide which standards apply to PCAOB audits and could exercise its authority judiciously to establish focused public company requirements where warranted by federal securities laws, investor protection considerations, risks identified through oversight, or other public company-specific circumstances. Independence does not require maintaining a separate body of standards when another high-quality US framework can serve as the baseline.

This approach would better support Objectives 1.1 through 1.4 than continuing to maintain two largely parallel sets of US auditing standards. For more than 20 years, firms and other stakeholders have borne the cost of identifying, implementing, training on, and maintaining differences between PCAOB standards and US GAAS. In our experience, that structure has not produced benefits commensurate with its costs. It diverts resources from activities more directly related to audit quality, complicates methodology and technology development, and increases the risk that practitioners focus on technical differences rather than the underlying audit objective. Unnecessary differences can also create ambiguity and inconsistent application, introducing quality risks and additional implementation challenges for firms and engagement teams.

A US GAAS baseline also would advance the Plan's stated objectives of audit quality, efficiency, consistency, effective implementation, and cost-benefit discipline. Users should be able to expect a high-quality audit whether an entity is public or private. As access to private-market investments continues to expand, a common US auditing standards foundation can further support confidence in financial reporting across capital markets while preserving public company-specific requirements where warranted.

The PCAOB could participate actively with the AICPA Auditing Standards Board and other relevant standard setters, contribute the insights gained through inspections and other oversight activities, and then determine whether focused PCAOB modifications are necessary. Similarly, we encourage continued coordination with the SEC, the AICPA Professional Ethics Executive Committee (PEEC), and other relevant stakeholders to reduce unnecessary differences in ethics and independence requirements that address the same matters and investor-protection objectives. This would permit the PCAOB to direct more of its standard setting resources to matters presenting the most significant risks to investors and to timely implementation guidance, consultation, and post-implementation evaluation.

A common US GAAS baseline, supplemented by clearly identified PCAOB requirements where necessary, would reduce this friction while preserving investor protection. It would also improve transparency by making the rationale for public company-specific requirements more visible, rather than embedding those requirements within an entirely separate body of standards.

Support for the Remaining Goals and Objectives

We support the remaining goals and objectives and offer the following recommendation:

- Quality control-focused inspections should expressly recognize scalability. A firm's system of quality control may be structured differently based on its size, business model, complexity, and issuer practice, while still being appropriately designed and effective in identifying and responding to risks to audit quality. We recommend that Objective 2.1 state that inspections will consider whether quality control systems are appropriately scaled to identify and address risks to audit quality. Accordingly, we have the proposed change below underlined:

    Inspections will evaluate whether firms' quality control systems <u>are appropriately scaled to the individual firms</u> to effectively identify and address risks to audit quality, remediate deficiencies in a timely manner, and prevent their recurrence.

Conclusion

We commend the Board for developing a strategic direction that is focused on modernization, clarity, coordination, and outcomes that matter to investors. We believe the Plan would be strengthened by identifying readoption of US GAAS, with focused PCAOB modifications when warranted, as the foundation for modernizing standard setting and implementation. That approach would preserve the PCAOB's independence, reduce unnecessary cost and complexity, improve the clarity and implementation of auditing requirements, direct resources toward the highest-risk matters, and better facilitate capital formation without compromising audit quality or investor protection.

If you have any questions concerning our comments or would like to discuss our recommendations in more detail, please feel free to contact Steven Morrison, Partner, National Director of Audit, at (786) 868-1270 or steven.morrison@cohnreznick.com.

Yours truly,

CohnReznick LLP