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September 3, 2026

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

Via Email to comments@pcaobus.org

Re: PCAOB Release No. 2026-006, *Draft 2026-2030 Strategic Plan Goals and Objectives*

Dear Office of the Secretary:

Grant Thornton LLP appreciates the opportunity to comment on the Public Company Accounting Oversight Board's (PCAOB's or Board's) *Draft 2026-2030 Strategic Plan Goals and Objectives*. We commend the Board for its continued commitment to stakeholder engagement throughout the strategic planning process and for seeking feedback not only on strategic priorities, but also on the specific goals and objectives that will guide the organization's efforts over the next five years. As the strategic plan is finalized, we encourage the Board to maintain a sustainable and stakeholder-informed approach to oversight that balances innovation with practicality, promotes clear expectations and transparency, and recognizes the value of coordination both internally and with other standard setters. We respectfully submit our comments for the Board's consideration.

Goal 1: Modernize standard setting and implementation

We continue to believe that moderate, sustainable standard setting, informed by meaningful stakeholder engagement and robust due process, is fundamental to audit quality and investor protection. As such, we believe that thoughtful prioritization of standard-setting activities remains critical to addressing emerging challenges while maintaining a manageable pace of change for stakeholders. As discussed within our response to the Board's request for comment on standard setting,[1] we believe developing a formal conceptual framework could help promote a stable, principles-based approach to standard setting that is capable of being consistently applied. We support a framework that promotes transparency and consistency during the standard-setting process while providing stakeholders with greater insight into how projects are prioritized for selection and development by the Board. We encourage the Board, in creating this framework, to incorporate broad stakeholder outreach and ongoing collaboration among the Board's divisions throughout the development, implementation, and enforcement of a new or revised standard or rule. We also support the Board's ongoing assessment of whether additional guidance, rather than prescriptive requirements, may be the most effective approach in certain evolving areas, such as artificial intelligence.

As part of a principles-based and transparent standard-setting framework, we also support the Board's objective of fostering harmonization with international auditing standards where appropriate. We also encourage the Board to consider the work of other domestic standard setters, such as the Auditing Standards Board of the AICPA. Particularly, we recommend that the Board pursue opportunities for international and domestic alignment of not only the timing of standard-setting projects, but also the overarching principles, concepts, and objectives of a particular standard. While greater consistency could promote audit quality, operational efficiencies, and comparability across global networks, we continue to emphasize that certain jurisdictional differences remain necessary due to the PCAOB's statutory responsibilities and U.S. legal and regulatory requirements.

Beyond the development of high-quality standards, we believe achieving the intended benefits of those standards depends on effective implementation and ongoing feedback following adoption. As such, we are encouraged by the Board's commitment to enhance implementation and post-implementation support. We believe practical implementation guidance and processes such as post-implementation reviews could support the consistent application of new requirements while reducing unnecessary complexity and unintended consequences. Continued interaction with practitioners, whether through outreach, consultation with the Office of the Chief Auditor, or informal and formal post-implementation reviews, could allow the Board to better understand firms' experiences while providing firms with greater confidence when applying the requirements as intended, consistent with the public interest role of the profession.

Goal 2: Modernize the inspections and registration programs

We support the Board's intention to focus inspections on firms' systems of quality control, and we encourage the Board to consider how quality control insights could be used to support a more risk-based approach to engagement selection. Leveraging information obtained through the inspection of quality control systems could allow the Board to focus inspection resources on higher-risk engagements and audit areas

[1] Grant Thornton LLP's August 6, 2026 comment letter to the PCAOB on Release No. 2026-001, *Request for Public Comment on PCAOB Standard Setting.*

while decreasing repetitive inspection activity in lower-risk areas. This approach could improve both inspection effectiveness and transparency regarding the factors driving engagement selection.

We also support a risk-based approach to engagement selection for the Board's proposed permanent inspection program of auditors of broker-dealers to better align inspection resources with the areas that have the greatest potential impact on customers and market integrity. This approach could focus inspection resources on the highest-risk broker-dealer audit and attestation engagements, taking into account factors such as custody of customer assets, the firm's business model, operational complexity, and the nature of the engagement performed. In particular, we support the Board in directing greater inspection attention toward examination engagements rather than review engagements, given the higher level of assurance provided and the closer connection to customer protection objectives. We also encourage the Board to leverage insights from the SEC and FINRA and to design an inspection program around the objectives of the broker-dealer regulatory framework, with an emphasis on customer protection and safeguarding assets, rather than extending the issuer inspection model to audits of broker-dealers. Further, we believe a formal post-implementation evaluation of any permanent broker-dealer inspection program could provide useful feedback from stakeholders to assess whether (1) inspection activities are appropriately focused on higher-risk broker-dealers and examination engagements, (2) findings are tied to meaningful customer-protection risks, and (3) the program is evolving as intended.

As inspection activities become increasingly risk-focused, transparency regarding the nature and significance of inspection findings becomes even more important for stakeholders' understanding of inspection results. We continue to believe inspection reports provide stakeholders with meaningful information about identified findings, and we are encouraged by the Board's recent inspection modernization initiatives, which represent a meaningful step toward enhancing the transparency and usefulness of inspection-related communications. However, in order to enhance transparency for all stakeholders, we recommend providing additional context around inspection findings in PCAOB inspection reports, which could allow readers to better understand those findings in relation to the totality of the inspection and the engagement's overall audit performance. As discussed in our previous comment letter on the Board's strategic priorities,[2] we are concerned that the current engagement-level binary finding labels in Part I.A might oversimplify or misconstrue inspection results. Accordingly, we believe that additional context regarding the severity, pervasiveness, and root causes of inspection observations could enhance transparency and improve stakeholders' understanding.

Beyond identifying and communicating inspection findings, firms' remediation efforts are also critical to achieving intended improvements in audit quality. Accordingly, we

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[2] Grant Thornton LLP's May 15, 2026 comment letter to the PCAOB on Release No. 2026-001, *PCAOB Strategic Priorities.*

support the Board's focus on providing more timely evaluation of and reporting on the effectiveness of firm remediation activities in response to quality control criticisms. We believe the timing of the Board's feedback could impact a firm's ability to implement corrective actions, evaluate their effectiveness, and demonstrate that deficiencies have been appropriately addressed and are not recurring. As such, we encourage the Board to provide updated guidance if, for example, the PCAOB modifies its approach to assessing remediation effectiveness or revises the timing of related determinations as a result of QC 1000. Enhanced clarity and transparency regarding the expected timing of remediation determinations could also help firms to understand the period over which corrective actions should be implemented, monitored, and assessed before their effectiveness can reasonably be evaluated.

Goal 3: Sharpen enforcement focus on conduct harmful to investors

Consistent with the Board's investor protection mandate, we believe enforcement activities are most effective when they prioritize conduct and issues that present the greatest risks to audit quality and investors. Maintaining this focus could reinforce the importance of addressing the most impactful areas to investors while promoting the efficient use of regulatory resources.

Goal 4: Deepen stakeholder engagement and communication

We continue to believe that early and broad stakeholder engagement could promote durable standard setting, reduce variability in inspection outcomes, and enhance transparency in the Board's oversight activities. We encourage the Board to continue expanding opportunities for stakeholder dialogue throughout the standard-setting lifecycle, including the period before proposals are issued, the comment period or standard-setting process following exposure, during implementation periods, and as part of post-implementation reviews. While investor protection remains the Board's statutory mission, broader engagement with all participants in the financial reporting ecosystem could improve regulatory outcomes and enhance confidence in the audit process.

We support the Board's goal to improve transparency as part of its objective to strengthen stakeholder engagement. In addition to the potential transparency into regulatory priorities and standard-setting decisions that could be provided by the creation of a conceptual framework, we also believe that clear communication of the rationale for inspection findings and enforcement outcomes could help stakeholders better understand how the Board's activities contribute to audit quality and investor protection.

Goal 5: Modernize oversight through technology and data

We encourage the Board to pursue technology-enabled oversight while maintaining appropriate governance and human judgment. We believe the Board's strategic investments in technology and AI capabilities have the potential to improve risk identification, resource allocation, and oversight effectiveness. However, human oversight remains critical so that observations, conclusions, and regulatory judgments are appropriately evaluated within their broader context.

Goal 6: Strengthen organizational effectiveness and stewardship

We encourage the Board to continue evaluating opportunities to enhance operational capabilities and to continue investing in high-quality professionals in order to appropriately deploy resources efficiently and focus efforts on areas that have the greatest impact on investor protection and audit quality. We believe effective oversight depends on attracting, developing, and retaining personnel with the necessary technical expertise to understand increasingly complex audit, accounting, technological, and regulatory matters.

As the Board invests in organizational capabilities, we encourage continued emphasis on collaboration across its divisions and functions. Strong coordination among standard-setting, inspection, and enforcement teams could improve consistency and enhance the effectiveness of the Board's oversight activities.

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We would be pleased to discuss our comments with you. If you have any questions, please contact Craig Woodfield, National Managing Partner of Assurance Quality and Risk, at 212-542-9735 or Craig.Woodfield@us.gt.com.

Sincerely,

/s/ Grant Thornton LLP