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July 9, 2026

By email: comments@pcaobus.org

Ms. Phoebe Brown
Office of the Secretary
PCAOB
1666 K Street NW
Washington, DC 20006-2803

Re: PCAOB Rulemaking Docket Matter No. 057

Dear Ms. Brown:

Crowe LLP appreciates the opportunity to comment on the Public Company Accounting Oversight Board's (PCAOB or the Board) supplemental request for comment on potential amendments to certain provisions of QC 1000, *A Firm's System of Quality Control*, (QC 1000) and related amendments to the quality control (QC) reporting rule and PCAOB forms. We commend the Board for its responsiveness to feedback received throughout the standard-setting and implementation process.

We remain committed to the highest standards of quality in our work. A strong QC system, grounded in comprehensive, risk-based QC standards that can be effectively and consistently applied throughout the firm, is foundational to audit quality and will enhance our ability to achieve that commitment to quality. Overall, we support the targeted amendments the PCAOB has proposed to QC 1000 and the related QC reporting rules, including rescinding the "design-only" requirement, providing flexibility in filling certain specified roles in the QC system by allowing assignment to non-firm personnel and divided responsibility, revising the definition of a QC deficiency, and allowing for flexibility in the annual evaluation date, among others. We believe the proposed amendments help strike an appropriate balance between designing a QC standard that achieves the important quality objectives, while addressing implementation and practical challenges in a manner that does not adversely affect audit quality.

In particular, we support removing the requirement for an external QC function (EQCF). A mandatory EQCF imposes significant implementation challenges and costs, including identifying individuals with sufficient expertise, independence, and availability, without a clearly identified commensurate benefit to firms with larger PCAOB audit practices. As noted in the supplemental request for comment, QC 1000 includes appropriate quality objectives within the governance and leadership component that will result in a firm designing and implementing quality responses that enable the effective oversight and operation of the QC system and direct the firm's culture, decision-making processes, organizational structure, and leadership. To the extent a firm determines it is necessary or appropriate to design a quality response that involves an external third-party providing input into, oversight over, or an evaluation of the significant judgments made as part of the firm's QC system, the firm is able to do so in a manner that takes into consideration the facts and circumstances of that firm and how its governance would benefit. We do not believe it is necessary to impose an EQCF requirement on any firm, regardless of size, as QC1000 is a scalable standard which allows firms to create governance structures that align with the nature and extent of the structure and risk of the firm.

As we and other firms finalize our implementation of QC 1000, additional questions or challenges may arise. We encourage the PCAOB to continue to engage with firms during the remainder of the implementation period and to be alert to challenges that come to light after implementation as firms' QC systems are inspected for the first time. We ask that the PCAOB consider guidance at any time leading up to or following implementation to address the questions or challenges that arise so firms are best positioned to implement a thorough QC system that complies with the PCAOB's standard. All relevant stakeholders – from firms to audit committee members to investors – will benefit from clear guidance that aligns all parties on the requirements of QC 1000.

We appreciate the opportunity to provide comments on the PCAOB's supplemental request for comment. We would be pleased to discuss our comments with the Board or its staff. If you have questions, please contact Matthew Schell at matthew.schell@crowe.com or Jennifer Kary at jennifer.kary@crowe.com.

Sincerely,

Crowe LLP