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July 9, 2026

Ms. Phoebe W. Brown
Office of the Secretary
Public Company Accounting Oversight Board
1666 K Street, N.W.
Washington, DC 20006-2803

Re: PCAOB Rulemaking Docket Matter No. 057, Supplemental Request for Comment: Proposed Amendments to QC 1000, *A Firm's System of Quality Control*, and Related Rule and Forms

Dear Ms. Brown:

CBIZ CPAs P.C. ("CBIZ") appreciates the opportunity to comment on the Public Company Accounting Oversight Board's ("PCAOB" or "Board") supplemental request for comment on targeted amendments to QC 1000, *A Firm's System of Quality Control*, and related amendments to the QC reporting rule and PCAOB forms ("targeted amendments"). CBIZ is a mid-sized accounting firm that currently provides audit- and internal control over financial reporting-related services to more than 100 issuer audits, and we are committed to constructive engagement that advances investor protection and audit quality. We commend the PCAOB's willingness to continue engaging with stakeholders as firms work toward implementation of this important standard and rule.

We support the PCAOB's mission to protect investors and further the public interest in the preparation of informative, accurate, and independent audit reports. We also agree that an effective system of quality control is foundational to audit quality. In our view, the targeted amendments reflect a thoughtful and constructive response to implementation feedback and should help improve the clarity, operability, and scalability of QC 1000 while preserving its core quality objectives. Chairman Logothetis stated that the Board's goal is to produce a "rigorous, clear, and consistent framework" while ensuring that implementation is "scalable, efficient, cost-effective, and contributes to audit quality."[1] We support that objective and believe the targeted amendments generally advance it.

Overall, CBIZ supports finalization of the targeted amendments. We believe they improve clarity and operational feasibility in several key areas, enhance scalability and flexibility, and address certain cost-benefit concerns without undermining audit quality. At the same time, we respectfully offer several recommendations that we believe would further improve consistency, clarity, and alignment with the Board's audit quality objectives.

Roles and Responsibilities

We support the Board's proposal to provide increased flexibility in assigning specified roles and responsibilities within the QC system, including permitting responsibilities to be assigned to individuals outside of firm personnel and allowing responsibilities to be divided among multiple individuals.

[1] PCAOB Issues Proposed Amendments to QC 1000 and Seeks Public Comment

As it relates to the potential alternatives discussed by the Board, we do not believe this flexibility should be limited based on the number of issuer audits a firm performs. In complex organizations, individuals with the requisite experience, competence, and authority to assume operational responsibility for the QC system may not have the capacity to personally review all supporting documentation or independently perform all work necessary to support the annual evaluation conclusion. In practice, those individuals appropriately rely on the detailed knowledge and work of other responsible parties across the system. This is particularly true in highly integrated quality management environments where governance is supported through cross-functional committees and specialized leaders.

External QC Function ("EQCF")

We understand the Board's original objective in introducing the external QC function, namely enhancing independent oversight, and reinforcing accountability within the QC system. Our firm has incorporated an oversight committee structure as a quality response intended to achieve similar objectives by promoting independent perspectives to challenge and strengthen accountability for QC outcomes. However, we also experienced practical challenges with the ambiguity of the original EQCF requirement, particularly in defining the appropriate scope of activities and distinguishing advisory oversight from operational involvement.

In our view, QC 1000 accomplishes the goals of strengthening trust in governance, reinforcing accountability, and supporting a sustained commitment to quality through the existing quality objectives that address 1) governance that weighs quality in resource allocation, 2) leadership accountability, and 3) monitoring and remediation. As such, we support the proposed rescission of the EQCF requirement and believe this would better position firms to design oversight mechanisms that are tailored to their nature and circumstances while still advancing the broader objective of appropriate governance and accountability. We commend this pragmatic response to eliminate requirements that may duplicate existing safeguards.

Evaluation of and Reporting on the QC System

Evaluation Date

We support the targeted amendment permitting firms to select their own annual evaluation date rather than requiring evaluation as of September 30. This change should allow better alignment with firms' internal monitoring cycles, inspection timelines, and operational reporting processes.

At the same time, we believe additional guidance would be helpful on how firms should consider information identified between the evaluation date and the reporting date, and in some cases after the reporting date, when such information bears on the effectiveness of the QC system as of the selected date. In our view, flexibility as to the evaluation date should not be interpreted as eliminating the need for continued assessment of inspection results, monitoring outputs, or other relevant findings as they become available. Clarification in the final release or related implementation guidance on these expectations would promote more consistent application across firms.

Evaluation Conclusion

We believe the three-tiered approach to the evaluation conclusion better supports informed decision-making, meaningful communication to stakeholders, and a more faithful representation of how QC systems operate in practice. We do not support the alternative binary approach to the evaluation conclusion. In our view, a binary framework would reduce transparency into the condition of the QC system, limit the ability to communicate the nature and severity of identified deficiencies, and reduce alignment with other quality management frameworks that use differentiated conclusions based on severity and pervasiveness.

Monitoring and Remediation

We appreciate the Board's efforts to refine the monitoring and remediation provisions, including the proposed changes addressing when firms are required to evaluate whether similar engagement deficiencies exist. The targeted amendments narrow that requirement by focusing on identified engagement deficiencies that could result in either a failure to obtain sufficient appropriate audit evidence to support the conclusion reached on an engagement or an inappropriate overall conclusion on the subject matter of an engagement. We support the Board's effort to make this area more operable and more closely focused on deficiencies of greatest significance.

Conforming Interpretive Material and Additional Guidance

Conforming Interpretive Material

We recommend that, as part of finalizing the targeted amendments, the Board update or reissue related interpretive and release text that conforms to the final amended standard and rule. We are supportive of the targeted amendments as outlined in this letter, and we believe that some uncertainty in implementation has arisen not from the rule text alone, but from the explanatory discussion surrounding the 2024 adoption and related implementation materials. The Board's targeted amendments expressly state that the amendments are intended to improve coherence with other quality management standards and achieving that objective will be enhanced if firms have a clear understanding of which prior interpretive discussion remains applicable and which discussion has been superseded or modified.

Updated or reissued interpretive guidance that clearly identifies how firms should read the amended requirements considering the original release text would be useful. This would be particularly helpful in areas where the amendments change the practical operation of the standard and/or rule or where prior explanatory text may no longer reflect the Board's intended approach.

Additional Guidance

Evaluating the Severity and Pervasiveness of Unremediated QC Deficiencies

We understand the Board's general approach to remediation activities that can be designed, implemented, and tested for operating effectiveness prior to the evaluation and reporting dates. However, where frequency constraints preclude such testing, it is unclear how firms should assess the effect of those remediation efforts in evaluating remaining QC deficiencies. We recommend that the Board clarify whether, and to what extent, firms may consider the design and implementation of remediation activities in these circumstances. Additional guidance on this point would better align the standard's operation with other established quality management frameworks and would promote more consistent and decision-useful evaluations.

Monitoring and Remediation

Further guidance would be beneficial regarding the judgments necessary to apply the proposed provisions in paragraph .68(d). This would help firms evaluate how to distinguish deficiencies that warrant broader similar-deficiency analysis from those that, while important, may not reasonably bear on the sufficiency of audit evidence or the appropriateness of the overall conclusion. Clarification in this area would improve consistency in application and reduce the risk that firms arrive at materially different judgments in comparable circumstances.

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CBIZ appreciates the PCAOB's willingness to revisit targeted areas of QC 1000 in response to stakeholder input and implementation experience. We view the targeted amendments as a constructive step that should improve clarity, scalability, and operability while preserving the standard's essential objective of strengthening firms' systems of quality control in support of audit quality and investor protection. We support finalization of the targeted amendments and respectfully offer the recommendations above to further assist firms in implementing the standard and rule effectively and consistently. The Board's continued openness to stakeholder input and practical implementation considerations will, in our view, contribute meaningfully to the successful execution of this foundational standard.

If you have any questions or would like to discuss our views further, please contact Chief Quality Officer Adam Clark (Adam.Clark@cbiz.com) or National Director of System Quality Management Jocelyn Gunter (Jocelyn.Gunter@cbiz.com).

Very truly yours,

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