NOTICE: This is an unofficial transcript of the portions of the Public Company Accounting Oversight Board's Standards and Emerging Issues Advisory Group meeting on May 6, 2026 that relate to the proposed rule amendments to QC 1000, *A Firm's System of Quality Control*, related amendments to PCAOB Rule 2203A, PCAOB forms, and technical amendments to AS 2101, *Audit Planning*. The other topics discussed during the May 6, 2026 meeting are not included in this transcript excerpt.

The Public Company Accounting Oversight Board does not certify the accuracy of this unofficial transcript, which may contain typographical or other errors or omissions. An archive of the webcast of the entire meeting can be found on the Public Company Accounting Oversight Board's website at: https://pcaobus.org/news-events/events/event-details/pcaob-standards-and-emerging-issues-advisory-group-meeting-may-2026 https://pcaobus.org/news-events/events/event-details/pcaob-standards-and-emerging-issues-advisory-group-meeting-may-2026.

PUBLIC COMPANY ACCOUNTING OVERSIGHT BOARD
(PCAOB)

\+ + + + +

STANDARDS AND EMERGING ISSUES ADVISORY GROUP

\+ + + + +

MEETING

\+ + + + +

WEDNESDAY
MAY 6, 2026

\+ + + + +

The Advisory Group met via videoconference, at 10:00 a.m. EDT, Demetrios Logothetis, Chairman, presiding.

PCAOB BOARD OF DIRECTORS

DEMETRIOS LOGOTHETIS, Chairman
GEORGE R. BOTIC, Board Member
MARK A. CALABRIA, Board Member
STEVEN D. LAUGHTON, Board Member

STANDARDS AND EMERGING ISSUES ADVISORY GROUP

JOAN LORDI AMBLE
LILLIAN CEYNOWA, CPA
PREETY CHOUDHARY, Ph.D.
BRIAN T. CROTEAU, CPA
ANGELA DONNELLY, CPA
DAVID FABRICANT, CPA
JAMES H. FREIS, JR., J.D., CFA
LISA M. HALPER, CPA, CGMA
ROBERT HIRTH, JR.
COLLEEN THERESA HONIGSBERG, Ph.D.
JENNIFER R. JOE, Ph.D., CPA
KATRINA KIMPEL, CPA
JAGAN (KRISH) KRISHNAN, Ph.D., FCA
JEFFERY P. MAHONEY, J.D., CPA
JAMILA ABSTON MAYFIELD, CPA, CFE, CFF
ELIZABETH MOONEY, CPA, CFA
JASON NAGLER
SANDRA J. PETERS, CPA, CFA
LAURA J. PHILLIPS, CPA
STEPHEN D. RIVERA, CPA
KURT N. SCHACHT, J.D., CFA
G. ALAN SKINNER, CPA
HASITHA VERMA, CPA
JOHN W. WHITE

OBSERVERS

JENNIFER BURNS, American Institute of Certified Public Accountants
MICHAL DUSZA, U.S. Securities and Exchange Commission
JESSICA LUTTRELL, National Association of State Boards of Accountancy
HILLARY H. SALO, Financial Accounting Standards Board

PCAOB STAFF

BARBARA VANICH, Chief Auditor
CHRISTINE GUNIA, Director, Division of
Registration and Inspections (DRI)
BRENT SIMER, Chief of Staff
ANNIE TORRES, Associate Director, DRI
MATT ULAN, Senior Inspector, DRI
DANI VERBECK, Office of the Chief Auditor

international equality control that was done -- that was already done before when it was originally issued. That would be really helpful to see.

MS. VANICH: Liz, there is a staff document available on the website that the staff -- there's two documents, one that highlights bigger differences and a very long document that kind of compares paragraph by paragraph.

MS. MOONEY: Is that the original proposal? Is -- okay. Okay. Is that the full comparison?

MS. VANICH: I would say so.

MS. MOONEY: Oh, okay. Do you mind sending that link or -- okay, thanks.

MS. VERBECK: Great. We'll circulate that post-meeting.

So, Brian, if you'd like to go ahead.

MR. CROTEAU: Thank you.

Yeah. So thanks again and really appreciate the opportunity to, you know, comment through the strategic outreach process and certainly we'll be submitting a detailed comment letter, but maybe some overarching thoughts in this space. You know, as I think about -- and certainly the updated standard-setting agenda makes good sense to get QC 1000 kind of ultimately finalized with hopefully some opportunity for some improvement enhancements or addressing some of the concerns that have been raised.

So we look forward to seeing that and makes sense and we understand the broker-dealer rulemaking on the agenda and certainly the research project on data and technology.

I would suggest that as you -- as you kind of think about then what's next and ahead, I kind of think about it in buckets. And the first category would be things where if you think about kind of the emerging risks that we deal with today around technology. On certainly GenAI, I think there's work to do there, whether that's standards or guidance. We've talked about that in prior SEIAG meetings.

least. And so, there is a starting point there where you can consider this as a template or when you set the internal control standards. It identifies the limitations, capabilities of GenAI, and something that could save the standard-setting process a lot of time, so that's something to consider. Thank you.

MS. VERBECK: Thank you very much.

Jeff?

MR. MAHONEY: Thank you. Just to add a few comments on some of the things that have already been said. First, I think the professor makes a couple of very good points about international auditing standards. Let me add just a couple of others. First, the SEC chief accountant said recently that there were some issues with the governance and funding of the IAASB. So, as a governance person and CII, we actually have a specific policy with respect to standard setting, auditing and accounting standard setting, that stable funding is critical to high-quality standard setting, and certainly, we believe governance is as well. So my comment there is, you know, we ought to look at those issues and see if the they can't be resolved before we spend too much or give too much reliance to international standard settings of standard setters.

To Brian's point, I agree, Brian, that to develop a single set of high-quality auditing standards, that is probably a different project than developing a single set of high-quality accounting standards.

You know, we know what happened in that circumstance, but I think some of the same issues will pop up as well. For example, there was political issues, there were legal issues, there were some cultural issues. I think you're going to run into some of those as well if you try to have a goal of a single set of high-quality auditing standards. I think those will rise up again in the case of auditing standards as they did with accounting standards. You know, the other point with accounting standards is, at the end of the day, at least the SEC and others concluded that, by having a single set of high-quality accounting standards in the United States, it would not benefit the U.S. capital markets. There was a lot of benefit to other countries of having international standards and something close to U.S. standards, but the ultimate conclusion was having a single set of high-quality accounting standards would not benefit the U.S. capital markets.

So that's something to think about, again, if our goal is to have a single set of high-quality auditing standards. NOCLAR, Brian mentioned NOCLAR. I agree with Brian. I think we ought to try to finish that project. So much work was put into that project at the staff and the board level. I had some frustrations with that project because I think what should have happened is stakeholders should have gotten together and figured out, how do we fix it? There were a lot of problems with the proposal. No question about it.

I agree with you, Brian. But I think there should have been some type of an effort, and maybe the PCAOB could have led it, to bring the stakeholders together and figure out, how do we fix this? And maybe that can still occur when we hopefully move to finalize it.

QC 1000, I would just ask, I know there's discussion of a narrow amendment to improve it. I don't necessarily have a problem with that, but we have a new Chair. We have new Board members. I would just ask you to spend a little bit of time to look at what some have proposed should have been in QC 1000 and were rejected. Maybe we can spend just a little bit of time looking at those things again with the new Board, new Chair, and see if maybe some of those weren't good ideas that should be in QC 1000. So it's just something to think about.

Also, agree with Brian, interim standards, why can't we get rid of interim on the interim standards? Let's go through a process and take away the interim of interim standards after we go through a thorough process. Thank you.

MS. VERBECK: Thank you very much.

Jennifer Burns?

MS. BURNS: Thanks. And thanks for that conversation today and the opportunity to be here. In terms of priorities and talking about technology, both on the topic of digital assets and AI, the AICPA through the Auditing Standards Board and the Assurance Services Executive Committee, have been working hard on guidance on both of those topics. We've got the digital assets practice aid, as well as an AI practice aid and process. And, you know, in the effort of U.S. standards that are collaboration, we would be more than happy to work with the PCAOB.

And I know we do share these practice aids with the staff and get their input before they're published, and certainly would welcome that collaboration as you all think about what you might want to do in that space. And