
From: Joanie Davis [joanie2635@aol.com]
Sent: Tuesday, January 18, 2005 4:27 PM
To: Comments
Subject: Docket No. 017: End conflicts of interest!

Jan 18, 2005

Public Company Accounting Oversight Board

Dear Accounting Oversight Board,

I am writing to support your proposal to promote the ethics and independence of public accounting firms that audit and review financial statements of U.S. public companies. Thanks for soliciting our comments. I clearly recall several years ago, while sitting on the board of an electric utility being quite horrified to hear the then CEO say that we should "stick with our current auditor, because they knew him and had developed a 'relationship'" with him. I spoke up and suggested that that was precisely why I was recommending that we change auditors. I believe that the auditing profession must reinforce its long-held ethical standards by helping to ensure that the auditor remains independent of his or her audit client. I believe that auditors compromise their independence when they sell tax shelters and other aggressive tax strategies to audit clients and when they provide tax services to the company officials who oversee the financial reporting process. I agree with the Securities and Exchange Commission that the independence requirement serves two related, but distinct public policy goals. One is to foster high quality audits by minimizing potential conflicts of interest, the other is to promote investor confidence in the financial statements of public companies. I support PCAOB's efforts and the overall proposal.

Sincerely,

Ms. Joanie Davis
4895 Safari Pass
Eagan, MN 55122-2690