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To: [Comments](#)
Cc: lbrook2@lsu.edu
Subject: Auditor Independence and Audit Firm Rotation
Date: Sunday, December 11, 2011 4:13:45 PM

Dear PCAOB:

We are currently students from the accounting department of Louisiana State University.

A mandatory rotation of auditors would decrease the lack of independence issue. Although it would help in this area, you should not have the mandatory rotation years be too few or too many.

The first years of engagement between an auditor and the client naturally have a lower quality outcome. The first few years are important for learning about the client and their procedures. Creating too few years for mandatory rotation would lead to insufficient analysis and therefore would never get a true or more accurate reporting because the auditor will be switched and the process repeats itself. Therefore in the long run one would see a greater number of learning and inadequate years versus sufficient and reliable years of practice. When they change auditors, it becomes harder for them to initially understand the industry, which creates an increase in audit risk. Also, in the initial years of an audit it takes several years for the auditing company to see a profit due to the cost of implanting the beginning stages of an engagement.

It has also been found that after so many years of practice with one client, an auditing company's work would begin to decline in terms of quality. They would become reliable on the company they are auditing whether it be monetary or economically. This may lead to a lack of independence. Also, after a significant amount of years, auditors will begin to become monotonous and could lead to lack of creativity and new ideas.

We conclude with the opinion that the most appropriate amount of years for an auditing company to perform a mandatory audit rotation would be 10 years. We suggest this number because an auditing company will be able to see significant profits and still perform at their highest potential without suffering from the consequences of excess years. This will allot enough years for the company to understand the industry before the rotation to learn another industry.

LSU Students,

Whitney LeJeune; Angelina Miller; Ty Bourgeois