
PCAOB Releases Information For Audit Committees on Its Inspection Process

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On Wednesday, August 1, the Public Company Accounting Oversight Board issued a [release](#) on “Information for Audit Committees About the PCAOB Inspection Process.” The release explains how the PCAOB conducts its inspections of auditors and what the reported results of an inspection signify. The PCAOB also provides suggestions to audit committees about matters that an audit committee should address with a company’s auditor. These include:

- whether the audit overseen by the audit committee was selected by the PCAOB for an inspection and whether any findings were made;
- potentially relevant inspection findings on other audits performed by the firm;
- the firm's response to PCAOB findings; and,
- the firm's remedial efforts in light of any quality control deficiencies that may have been identified by the PCAOB.

The PCAOB release is likely to be viewed as outlining best practices for audit committees in this area. Audit committees should review the release carefully and include these matters on their agendas for communications with auditors.