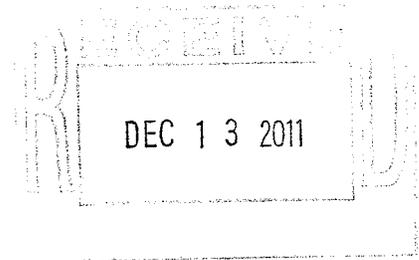


Richard J Howell
10811 Branch Oaks Circle
Dallas, Texas 75230



December 12, 2011

Office of the Secretary
PCAOB
1666 K Street NW
Washington, DC 20006-2803

Re: PCAOB Rulemaking Docket Matter No. 37 –An Audit Committee Chair Perspective

Dear PCAOB:

With respect to Docket Matter No. 37, my view can be summarized as follows:

- A wholesale move to mandatory auditor rotation is not warranted, the cost-benefits equation is dubious at best and the alleged improvement in audit-quality is even more dubious.
- In the post Sarbanes-Oxley world, the Audit Committee model has been greatly improved, is currently very focused on the independence and effectiveness of the external auditor and audit committees have, from my observation, embraced being the responsible party to retain/evaluate/dismiss the external auditor.
- Is there room for improvement? Most certainly. And the current roles of the PCAOB, the external auditors, the registrant and the Audit Committee provide an appropriate platform for trying some enhancements that will reinforce a strong “independence and professional skepticism” in the external auditor. But any enhancements proposed should survive a rigorous “cost-benefit” analysis.

Having read many of the 122 responses that have been posted to the PCAOB’s “response website” through December 9, I will defer to the many well written exposes supporting the first two points above. Below are some thoughts on possible changes to consider under the third point above.

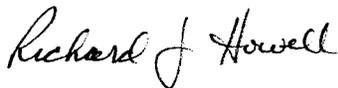
If the PCAOB’s “Inspection Process” of an audit engagement reveals some concerns that might impact the independence (both perceived and actual), share that information with the Audit Committee on a timely basis. Sarbanes-Oxley makes it clear that the Audit Committee is the watchdog of “independence”, and any facts that might impact the Audit Committee

deliberation thereon should not be kept in the PCAOB inspection files until the overall inspection reports are issued.

Articulation and promotion of Audit Committee “best practices” are particularly important in developing a sound and open communications between the audit committee and external audit partner and firm. The AICPA’s “Audit Committee Toolkit” series (www.aicpa.org/AudCommCtr) is a good source for guidance and practice for evaluating the performance of the external auditor. The PCAOB could consider further promotion of Audit Committee best practices that continually reinforce external auditor “independence and professional skepticism”.

My perspective comes from a background of over 30 years in large firm public accounting, and more recently over 6 years as Director of a public company (under \$1 billion in market cap) and as Independent Trustee of a small group of mutual funds, both of which I am currently the audit committee chair.

Respectfully submitted,

A handwritten signature in cursive script that reads "Richard J. Howell".

Richard J. Howell