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September 29, 2015

Office of the Secretary
Public Company Accounting Oversight Board
1666 K Street N.W.
Washington, DC 20006-2803

Re: PCAOB Rulemaking Docket Matter No. 041
Concept Release on Audit Quality Indicators

Dear Secretary:

The members of the audit committee of CA, Inc. (the “Company”) are submitting this letter in response to the concept release, Rulemaking Docket Matter No. 041 (the “Concept Release”), published by the Public Company Accounting Oversight Board (the “PCAOB” or the “Board”), which seeks comment on Audit Quality Indicators (“AQIs”). We fully support the PCAOB’s objective of improving ways to evaluate audit quality and enhancing dialogue about and understanding of audits and commend the Board on its thoughtful exploration of AQIs. While we believe that some AQIs have the potential to be useful to an audit committee in certain circumstances, we believe that a specific list of standardized quantitative AQIs will not be useful in an audit committee’s evaluation of audit quality due to the varying facts and circumstances of each audit and auditor relationship. Therefore, we urge the Board to use a voluntary approach where it would be left to the judgment of an audit committee to determine which factors, including AQIs, would be most helpful to evaluate audit quality.

USEFULNESS OF AQIs

Generally, we believe that requiring an auditor to convey a specific list of standardized quantitative AQIs will not be entirely useful in an audit committee’s evaluation of audit quality due to the varying facts and circumstances of each audit and auditor relationship. For example, the number of audit hours spent on an audit is an input measure and could be misleading and detract from assessing effectiveness and efficiency. Output measures and qualitative factors are likely to be better indicators of audit quality. The AQIs and other factors that may be useful or important to an audit committee will vary among companies as well as within the same company from year to year.

Additionally, audit firms are already required to discuss certain aspects of their engagement such as overall audit strategy, significant risks identified by the auditor as well as other factors

that provide the audit committee with opportunities to evaluate the quality of the auditor and the audit it is undertaking. We believe that qualitative factors like these that can only be ascertained from the totality of the auditor relationship are more important than quantitative factors. We are concerned that the use of a list of standardized quantitative AQIs could be seen to take precedence over what we view as the more important qualitative factors.

In the Concept Release, the Board focuses on qualitative factors to only provide context for AQIs. We believe qualitative factors should drive the assessment of audit quality, both at the firm and engagement level. By focusing on qualitative factors only for context, the Board runs the risk that it is leading audit committees (and other users) to less significant or even irrelevant evaluation criteria. For example, at the firm level, such qualitative factors could include how innovative the firm's audit methodology is, involvement of the firm's leadership in the engagement, global strength and consistency, etc. At the engagement level, these factors could include the stature of the engagement partner within the firm, the perception among the audit firm's staff of the desirability of being assigned to the engagement, the evaluation of the professional skepticism and intellectual curiosity of the engagement team and other factors. In addition, we believe that qualitative factors allow an audit committee to better assess the efficiency and completeness of an audit as opposed to quantitative factors which are generally inputs into the audit process that may not always be directly correlated to audit quality.

VOLUNTARY APPROACH

If the Board decides to proceed with any rulemaking on this topic, we believe that the AQIs provided by an auditor, and any use of them by an audit committee, should be left solely to the judgment of an audit committee. We believe that audit committees, which have the full context of the facts and circumstances of an audit, are in the best position to know what factors should be considered in evaluating audit quality, be it AQIs or relevant qualitative factors.

Additionally, should the PCAOB mandate reporting of a specific list of standardized quantitative AQIs to audit committees, it would also be effectively mandating that audit committees are required or obligated to review the list of standardized quantitative AQIs whether or not an audit committee believed that all or some of the AQIs were relevant or useful. As a result, a mandatory "one size fits all" approach would be neither beneficial nor helpful to both audit committees and auditors.

We also believe that if too much emphasis is placed on a list of standardized quantitative AQIs, there is risk that audit committees who have a wide range of duties may be forced to devote time to matters that are less impactful than qualitative factors, which we believe, are more significant. In addition, such a mandatory approach would require audit firms to spend time and resources preparing AQIs for audit committees that may not find all or some of the AQIs relevant or useful. The cost to do this would not in our view be outweighed by the speculative benefits and eventually would be passed on to the public companies that the AQIs are intended to benefit.

We believe that AQIs would be most useful if audit committees obtain the information from audit firms that they feel is most relevant, as opposed to an audit firm being mandated to provide a specific list of standardized quantitative AQIs. Therefore, our suggested approach is for the PCAOB to provide examples of what AQIs may be provided to audit committees for their consideration. It would then be up to individual audit committees to decide what information they believe is the most useful for the audit firm to provide to best assess audit quality, be it AQIs or relevant qualitative information.

DISCLOSURE OF AQIs

We do not believe that the disclosure of AQIs would provide meaningful insight to investors to evaluate the quality of the audit. Investors do not have the context of the full audit and auditor relationship including qualitative factors such that AQIs alone could actually be misleading to investors. Stated simply, investors do not have the background of the facts and circumstances of an audit that would allow them to properly evaluate AQIs. To the extent any additional disclosure requirements around an audit or the auditor are being considered, we believe such requirements should be considered by the SEC in its project dealing with audit committee reporting. As further explained in our response to the concept release, file number S7-13-15, Possible Revisions to Audit Committee Disclosures, published by the SEC, we believe it should be left to the judgment of the audit committee under a principles based disclosure approach as to which AQIs, if any, it wishes to disclose.

The PCAOB notes in the concept release that certain audit firms are publicly disclosing some firm wide AQI type information. We believe that it should be up to the audit firms to decide what firm wide AQI information they wish to make public. However, we do not believe that public disclosure of engagement level AQIs would be useful to audit committees for the purposes of comparing data associated with its audit engagement to data related to other audits. Even a seasoned audit committee would not have the context of other audits to properly evaluate AQIs of such other audits in a meaningful way.

CONCLUSION

We appreciate having the opportunity to comment on the Concept Release. We believe that audit committees, which have the full context of the facts and circumstances of an audit, are in the best position to know what factors should be considered in evaluating audit quality. Therefore, requiring an auditor to convey a specific list of standardized quantitative AQIs will not be helpful and believe the use of AQIs should be left to the discretion of the audit committee. Furthermore, we believe that an overemphasis of AQIs could have the unintended consequences of encouraging an overreliance on quantitative factors and de-emphasizing more meaningful qualitative factors in evaluating an audit firm and audit quality. Lastly, we feel that

disclosure of engagement level AQIs should be voluntary and at the discretion of the audit committee.

If it would be helpful to the Board, the chairman of our audit committee, Raymond J. Bromark, is available to discuss our comments with the Board or its staff. If you wish to arrange this meeting, please contact the Company's Executive Vice President, General Counsel and Corporate Secretary, Michael Bisignano, at 1-800-225-5224. Thank you for your consideration of our comments.

Very truly yours,

The Audit Committee of CA, Inc.

Raymond J. Bromark, Chair
Jens Alder
Rohit Kapoor
Jeffrey G. Katz