



August 31, 2015

Ms. Phoebe W. Brown
Office of the Secretary
Public Company Accounting Oversight Board
1666 K Street, NW
Washington, D.C. 20006-2803

RE: PCAOB Rulemaking Docket Matter No. 029: *Improving Transparency Through Disclosure of Engagement Partner and Certain Other Participants in Audits (PCAOB Release No, 2015-004)*.

Dear PCAOB:

We are submitting the following comments for the PCAOB's consideration in response to a request for comments on the proposed *Improving Transparency Through Disclosure of Engagement Partner and Certain Other Participants in Audits* (PCAOB Release No, 2015-004). These comments represent my perspective as an institutional investor for a large public pension plan representing more than 500,000 current and retired members and over \$44 billion in assets.

The discussion over increasing audit partner transparency has been ongoing for years, and as an institutional investor, I am pleased to see a proposal that considers the needs of the users, creators, and auditors of financial statements. We believe investors are the customers and end users of financial statements and disclosures in the public capital markets and that investors deserve greater disclosure on the audit partners that conduct audits on our behalf. By approving this rule, the PCAOB will help make an important step towards improving investors' confidence in the audited financial statements of U.S. corporations.

As a global investor, it is clear the global audit industry is moving towards better audit partner disclosure, and the U.S. audit industry should at least keep pace, and certainly not fall behind global audit trends. We have seen evidence that audit quality improves after audit partners are required to sign their audit reports, and believe audit quality will also improve with partner disclosure. There is certainly a risk to rising audit fees if this rule is approved; however, we believe the benefit will outweigh the cost to investors. In the U.S., we already require management to provide a certification and sign off on their financial statements; it is time that we also require audit partners to provide an increased level of ownership of their work.

While we are pleased with the compromise to make audit partner's names searchable, we would still prefer to see the partner's name on the auditor's report. This proposed rule does allow the option for audit partners to disclose their names on the auditor's report. We believe this optionality could provide a signal to differentiate corporations on their commitment to corporate governance. If this rule is

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approved, we will certainly encourage management of our investments to publish the audit partner's name in the auditor's report.

We appreciate the PCAOB for giving us the opportunity to comment on the potential new rules on audit partner disclosure, and would welcome additional opportunities to provide input to the PCAOB as this process continues.

Sincerely,



Jennifer Paquette
Chief Investment Officer
Colorado PERA