

Intel Corporation
2200 Mission College Blvd.
Santa Clara, CA 95052-8119
Tel: 408-765-8080
Fax: 408-765-8871



September 30, 2011

Office of the Secretary
PCAOB
1666 K Street, N.W.
Washington, DC 20006-2803

Re: PCAOB Rulemaking Docket Matter No. 34.

Intel appreciates the opportunity to respond to the Public Corporation Accounting Oversight Board (PCAOB) on the concept release regarding possible revisions to PCAOB's standards related to Reports on Audited Financial Statements. We support the PCAOB's objective of increasing the transparency and relevance of the auditor's reporting model to financial statement users. We observe that the PCAOB has received numerous recommendations to help achieve that goal, without compromising audit quality. We are particularly interested in the recommendations set forth by the Center for Audit Quality (CAQ) in their letter dated June 28, 2011 and Financial Executives International's Committee on Corporate Reporting (CCR) in their letter dated September 30, 2011.

We agree with the overarching principles set forth in the CAQ and CCR letters. We firmly believe that any standard-setting initiative should not change the responsibilities of management, the audit committee or the auditors. It is for that reason that we do not support the Auditor's Discussion and Analysis (AD&A) presented in the Concept Release. With respect to auditor attestation related to a company's Management Discussion and Analysis (MD&A), we believe that MD&A requires significant judgment and understanding of our business to produce forward looking business insights. We believe it would be very difficult for the auditor to audit such statements and provide incremental value to financial statement users.

Unlike the CAQ and CCR letters, we believe that the auditor's report and quality of the financial statements could be improved by moving the critical accounting estimates disclosure from MD&A to the notes of the financial statements. Due to the importance of the areas identified as critical accounting estimates to our financial statements, auditors typically spend a significant amount of effort on those areas as part of their audit of the financial statements. Consistent with the auditor's professional responsibilities related to other information containing audited financial statements, auditors review the critical accounting estimate disclosure and provide comments based on their understanding of the areas from the audit as well as the consistency of the disclosures with those included in the financial statements. Auditors also discuss critical accounting estimates with the Audit Committee. While we recognize that auditor's current responsibilities do not require the same level of attention on the critical accounting estimates disclosure as would be required in an audit, given the emphasis in these areas in the audit, we believe incorporating the disclosure into the financial statements would be a cost-effective approach and would eliminate the need for a separate auditor's report. We recognize that this alternative would require action by the Securities and Exchange Commission or the Financial Accounting Standards Board.

Thank you for your consideration of our views. We would be happy to answer any questions that you might have and to assist you in the further development of the Concept Release. If you have any questions, please contact me at (971) 215-6270.

Sincerely,

James Campbell

Vice President, Corporate Controller