

APPENDIX N – JULY 2000 PUBLIC HEARINGS

1 The Panel conducted public hearings in July 2000 to obtain views about its recommendations in the Exposure Draft of its report. Leaders of almost 20 organizations testified at the hearings. Each participant made a presentation of approximately 15 minutes, followed by questions from Panel members.

2 The following organizations were represented at the hearings¹:

- American Institute of Certified Public Accountants
- Arthur Andersen LLP
- Auditing Practices Board (UK)
- Canadian Institute of Chartered Accountants
- Colorado State Board of Accountancy
- Deloitte & Touche LLP
- Ernst & Young LLP
- Institute of Internal Auditors
- KPMG LLP
- National Association of State Boards of Accountancy
- New York State Board of Accountancy
- New York State Society of Certified Public Accountants
- PricewaterhouseCoopers LLP
- Securities and Exchange Commission
- Texas State Board of Accountancy
- Washington State Board of Accountancy

The following individuals also testified at the hearings:

- Richard Antle, Professor, Yale School of Management
- Thomas Craig, Professor, Illinois State University

3 The speakers were forceful and straightforward in their remarks, and responded candidly to Panel members' questions. The Panel considered the comments it received in completing its report and is appreciative of the speakers' participation.

¹ See Exhibit 5 to this report for a timetable of the presentations at the July 2000 hearings.

4 Some of the areas of recurring comments by the speakers were:

- Governance of the profession, including the POB's proposed charter
- Audit risk model
- Non-audit services
- Role of the state boards of accountancy
- International aspects of the profession, including cooperation in standard setting
- Forward-looking recommendations
- Prioritization of recommendations
- Management's responsibility for prevention and detection of fraud
- Management reporting on internal control
- Forensic-type auditing
- Linkage between the Panel's findings and its recommendations