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Vanessa A. Countryman
Secretary
Securities and Exchange Commission
100 F Street NE
Washington, DC 20549-1090
Email - rule-comments@sec.gov

**Re: Qualifications of Accountants – Comment on Final Rule
Released October 16, 2020 (Rule) - File Number S7-26-19**

Dear Secretary Countryman:

My name is Robert Tarola and I wish to submit a comment letter about the Rule to update auditor independence requirements. My perspective is based on a career as a public company auditor, public company CFO and public company director.

More specifically:

- I was a regional managing partner with a big four accounting firm and a member of its national office SEC services group which oversaw the firm's independence policy and conflict resolution.
- I was the CFO of a multi-national registrant when the Sarbanes Oxley Act (SOX) was enacted and required management certification of financial statements and controls.
- I am/was a director of several public companies and a chair/member of their audit committees overseeing auditor independence issues.
- I have participated in public policy discussions around the audit profession as a member of the PCAOB's standing and investor advisory groups, and as chair of XBRL International.
- I lead a professional services firm that specializes in governance, strategic and operational betterment consulting.

In each role, and with each public company, I was forced (often in critical timing situations) to address auditor independence issues. The technical complications addressed in the Rule are a symptom of a long-standing problem within the auditing firms – ***a lack of discipline and accountability surrounding independence conflicts.***

I have no concern with reducing the number and nature of technical conflicts as reflected in the Rule. I have devoted much time “rationalizing” why similar fact patterns were acceptable or waivable in a particular situation. And therein lies the issue – the need to rationalize situations that should have been avoided by the firms.

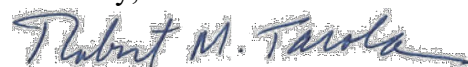
In my view, a much more effective approach would be to address the disease not just the symptoms. SOX ushered in management certifications of controls over financial reporting largely to eliminate the “I didn’t know” defense of executives. The same should be required of auditing firms - *a public certification of the design and operating effectiveness of controls over audit quality and independence by firm executives.*

As with listed companies, auditors have an obligation to ensure the investing public can rely on their work. Control systems over the qualifications of auditors is key to that trust. With independence issues being resolved in secret, and technical transgressions being viewed as minor, the approach lacks the discipline and transparency necessary to engender investor trust.

Accordingly, I humbly recommend that either with this Rule or a future rule, the firms be required to certify their systems of quality control. Those systems and related executive assertions can then be assessed by PCAOB inspectors as being adequate to protect investor interests.

If control certification was good for registrants, it should be equally good for auditors. Investors and boards should have the help of the SEC to put the responsibility for conflict avoidance on the firms, by enacting requirements that could cure the disease.

Sincerely,



Robert M. Tarola, CPA, CGMA
President
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