



CENTER FOR AUDIT QUALITY

Serving Investors, Public Company Auditors & the Markets

FOR IMMEDIATE RELEASE

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CAQ Reacts to U.S. Supreme Court's Decision Regarding PCAOB's Constitutionality

Washington, D.C. – The Center for Audit Quality (CAQ) issued the following statement by Executive Director Cindy Fornelli regarding the U.S. Supreme Court's decision regarding the constitutionality of the Public Company Accounting Oversight Board (PCAOB):

“The CAQ is pleased that the U.S. Supreme Court's decision will allow the continued operation of the Public Company Accounting Oversight Board (PCAOB) without any changes or legislative action. This narrow decision clearly severs the PCAOB board member removal process from the rest of the Sarbanes-Oxley Act (SOX) and reaffirms all provisions of the law except for the power to remove the board members. The PCAOB was put in place to achieve the goals Congress embodied in SOX. As we observed in our friend-of-the-court brief, evidence demonstrates that audit quality and investor confidence have improved since the Board's creation. The decision will prevent any disruption to the key activities of the PCAOB including setting auditing standards and the public company audit oversight process, critical factors in the continued strength and stability of our capital markets.”

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The Center for Audit Quality (CAQ) is an autonomous public policy organization dedicated to enhancing investor confidence and public trust in the global capital markets. The CAQ fosters high quality performance by public company auditors, convenes and collaborates with other stakeholders to advance the discussion of critical issues requiring action and intervention, and advocates policies and standards that promote public company auditors' objectivity, effectiveness and responsiveness to dynamic market conditions. Based in Washington, D.C., the CAQ is affiliated with the American Institute of Certified Public Accountants. For more information, visit www.thecaq.org.