



Public Company Accounting Oversight Board

Board Approves 2007 Budget

Washington, DC, November 30, 2006 -- The Public Company Accounting Oversight Board today approved a budget for calendar year 2007.

The budget, as approved, contemplates approximately \$136.4 million in outlays for calendar year 2007 compared to \$130.9 for 2006. This budget will allow the Board to fulfill its statutory mandate under the Sarbanes-Oxley Act of 2002 to oversee the auditors of public companies in order to protect the interests of investors and further the public interest in the preparation of informative, fair, and independent audit reports.

“Our budget is strategically aligned with, and supports the fulfillment of, our statutory objectives,” said PCAOB Chairman Mark Olson. “In developing the 2007 budget, we were mindful that our mission is supported by public issuers and, in turn, by their shareholders.”

The majority of the Board's outlays will be for personnel and related expenses primarily associated to the hiring and retention of the experienced auditors needed to conduct inspections of registered public accounting firms. To date, more than 1,700 public accounting firms have been registered by the Board, including approximately 750 firms based outside the United States. Firms with more than 100 public company audit clients must be inspected annually; firms with one to 100 public company audit clients must be inspected at least once every three years.

The PCAOB expects to grow to a total headcount of 519 employees by year-end 2007. This includes a headcount of approximately 250 for inspections staff. This compares to an estimated total headcount of 480 with a total inspections staff of 230 by the end of 2006.

Pursuant to the Act, the Board's budget, less registration fees collected from accounting firms in 2006, will form the basis for the Board's 2007 assessment of accounting support fees. The Board will also utilize an excess of its working capital reserve to reduce the overall 2007 accounting support fee by \$10 million. The 2007 budget projects that the Board will assess \$122.4 million in accounting support fees.

The 2007 budget will be available on the Board's [Web site](#). The Board's budget is subject to approval by the Securities and Exchange Commission. The SEC has announced that it will hold an open meeting on Monday, December 4, 2006, at which it will consider the Board's budget.

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The PCAOB is a private-sector, non-profit corporation, created by the Sarbanes-Oxley Act of 2002, to oversee the auditors of public companies in order to protect the interests of investors and further the public interest in the preparation of informative, fair, and independent audit reports.

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