

Form No.	Respondents	Frequency	Total responses	Average time per response (hours)	Total burden hours
ETA-9084 (Comprehensive Services)	145	semi-annual	290	9.67	2,804
ETA-9085 (Supplemental Youth Services)	105	semi-annual	210	9.67	2,031
Recordkeeping	145	(as needed)	27,295	2.7	73,780
Total	250	semi-annual	27,795	9.67	78,615

ETA 9080 (1205-0423): 150
 Respondents × Quarterly Reporting × 12
 hours per report = 1,800 Burden Hours.

Total Burden Cost (capital/startup):
 \$0.

Total Burden Cost (operating/
 maintaining): Costs associated with this
 collection will vary widely among
 grantees, from nearly no additional cost
 to some higher figure, depending on the
 state of automation attained by each
 grantee and the wages paid to the staff
 actually completing the various forms.
 However, because all expenditures
 associated with the preparation of these
 reports will come from the Federal grant
 funds themselves, there will be no costs
 to the grantees. The grantees will not be
 obligated to expend their own (i.e., non-
 Department) resources to fulfill these
 reporting requirements. All costs
 associated with the submission of these
 forms are allowable grant expenses.
 Comments submitted in response to this
 comment request will be summarized
 and/or included in the request for Office
 of Management and Budget approval of
 the information collection request; they
 also will become a matter of public
 record.

Signed at Washington, DC, this 14th day of
 May, 2004.

John R. Beverly, III,

Administrator, Office of National Programs.
 [FR Doc. 04-11387 Filed 5-19-04; 8:45 am]

BILLING CODE 4510-30-P

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

National Endowment for the Arts; Combined Arts Advisory Panel

Pursuant to section 10(a)(2) of the
 Federal Advisory Committee Act (Pub.
 L. 92-463), as amended, notice is hereby
 given that two meetings of the
 Combined Arts Advisory Panel to the
 National Council on the Arts will be
 held at the Nancy Hanks Center, 1100
 Pennsylvania Avenue, NW.,
 Washington, DC 20506 as follows:

Folk & Traditional Arts: June 14-15,
 2004, Room 716 (Access to Artistic
 Excellence category). This meeting, from
 9 a.m. to 6:30 p.m. on June 14th and

from 9 a.m. to 5 p.m. on June 15th, will
 be closed.

Visual Arts: June 23-25, 2004, Room
 716 (Access to Artistic Excellence
 category). This meeting, from 9 a.m. to
 5:30 p.m. on June 23rd and June 24th
 and from 9 a.m. to 4:15 p.m. on June
 25th, will be closed.

The closed portions of meetings are
 for the purpose of Panel review,
 discussion, evaluation, and
 recommendation on applications for
 financial assistance under the National
 Foundation on the Arts and the
 Humanities Act of 1965, as amended,
 including information given in
 confidence to the agency by grant
 applicants. In accordance with the
 determination of the Chairman of April
 14, 2004, these sessions will be closed
 to the public pursuant to subsection (c)
 (6) of 5 U.S.C. 552b.

Further information with reference to
 this meeting can be obtained from Ms.
 Kathy Plowitz-Worden, Office of
 Guidelines & Panel Operations, National
 Endowment for the Arts, Washington,
 DC 20506, or call 202/682-5691.

Dated: May 14, 2004.

Kathy Plowitz-Worden,

Panel Coordinator, Panel Operations,
National Endowment for the Arts.

[FR Doc. 04-11373 Filed 5-19-04; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-49707; File No. PCAOB-
 2003-10]

Public Company Accounting Oversight Board; Order Approving Proposed Auditing Standard No. 1, References in Auditors' Reports to the Standards of the Public Company Accounting Oversight Board ("Auditing Standard No. 1")

May 14, 2004.

I. Introduction

On December 23, 2003, the Public
 Company Accounting Oversight Board
 (the "Board" or the "PCAOB") filed
 with the Securities and Exchange
 Commission (the "Commission")
 proposed Auditing Standard No. 1,

References in Auditors' Reports to the
 Standards of the Public Company
 Accounting Oversight Board ("Auditing
 Standard No. 1") pursuant to sections
 101, 103 and 107 of the Sarbanes-Oxley
 Act of 2002 (the "Act").¹ Auditing
 Standard No. 1 would require registered
 public accounting firms to refer to the
 standards of the PCAOB in their audit
 reports, rather than to U.S. generally
 accepted auditing standards, or
 "GAAS," as is currently the case. Notice
 of the proposed standard was published
 in the **Federal Register** on April 9,
 2004,² and the Commission received
 five comment letters. For the reasons
 discussed below, the Commission is
 granting approval of the proposed
 standard. Simultaneously with this
 order, the Commission also is issuing an
 interpretive release to address certain
 implementation issues relating to
 Auditing Standard No. 1.

II. Description

The Act establishes the PCAOB to
 oversee the audits of public companies
 and related matters, to protect investors,
 and to further the public interest in the
 preparation of informative, accurate and
 independent audit reports.³ Section
 103(a) of the Act directs the PCAOB to
 establish auditing and related attestation
 standards, quality control standards,
 and ethics standards to be used by
 registered public accounting firms in the
 preparation and issuance of audit
 reports as required by the Act or the
 rules of the Commission. The Board has
 defined the term "auditing and related
 professional practice standards" to
 mean the standards established or
 adopted by the Board under section
 103(a) of the Act.

The Board's proposed Auditing
 Standard No. 1 requires that an auditor's
 report issued in connection with any
 engagement performed in accordance
 with the auditing and related
 professional practice standards of the
 PCAOB state that the engagement was
 performed in accordance with "the
 standards of the Public Company
 Accounting Oversight Board (United
 States)." The auditor also must include

¹ 15 U.S.C. 7201, *et seq.*

² Release No. 34-49528 (April 6, 2004).

³ Section 101(a) of the Act.

in its report the city and state (or city and country, in the case of non-U.S. auditors) from which the auditor's report was issued.

Audit reports currently are required to state that the audits that supported those reports were performed in accordance with generally accepted auditing standards.⁴ The PCAOB adopted those generally accepted auditing standards, including their respective effective dates, as they existed on April 16, 2003, as interim PCAOB standards. Therefore, changing the reference from "generally accepted auditing standards" to "the standards of the Public Company Accounting Oversight Board (United States)" does not change the substantive procedures performed by an auditor. Because GAAS and the standards of the PCAOB are one and the same for PCAOB-registered public accounting firms, the PCAOB believes that a reference to GAAS in auditors' reports would no longer be appropriate or necessary.

III. Discussion

The Commission received five comment letters in response to its request for comments on Auditing Standard No. 1. Several commenters sought clarification with respect to certain implementation issues. One of the issues they raised is addressed in the Commission interpretive release discussed below. The Commission staff is aware of the other issues and will consider whether any guidance is needed in the future. One commenter recommended that the PCAOB undertake a near-term project to make conforming amendments to other standards affected by Auditing Standard No. 1, and another suggested changes to the form of auditor's report that were not related to the topic of this standard. We are forwarding these comments to the PCAOB for its consideration in future standard setting. Two commenters repeated an earlier suggestion to the PCAOB that the auditor's report should specify that the audit was conducted in accordance with the *auditing* standards of the PCAOB rather than using a reference that included all PCAOB standards, including quality control, ethics and independence standards. In response to the earlier comments, the PCAOB declined to limit the categories of standards that might be applicable to an audit, and the Commission concurs with that position.

In order to address certain issues relating to implementation of Auditing Standard No. 1, the Commission is

issuing an interpretive release simultaneously with the issuance of this order. The Commission believes that publication of the interpretive release will assist the PCAOB, registrants, auditors and investors by, among other things, addressing certain transitional implementation issues and clarifying the impact of Auditing Standard No. 1 on existing references in Commission rules and regulations to "generally accepted auditing standards."

IV. Conclusion

On the basis of the foregoing, the Commission finds that the proposed Auditing Standard No. 1 is consistent with the requirements of the Act and the securities laws and is necessary and appropriate in the public interest and for the protection of investors.

It is therefore ordered, pursuant to section 107 of the Act and section 19(b)(2) of the Securities Exchange Act of 1934, that proposed Auditing Standard No. 1, *References in Auditors' Reports to the Standards of the Public Company Accounting Oversight Board* (File No. PCAOB-2003-10) be and hereby is approved.

By the Commission.

J. Lynn Taylor,

Assistant Secretary.

[FR Doc. 04-11400 Filed 5-19-04; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-49704; File No. PCAOB-2003-07]

Public Company Accounting Oversight Board; Order Approving Proposed Rules Relating to Investigations and Adjudications

May 14, 2004.

I. Introduction

On October 10, 2003, the Public Company Accounting Oversight Board (the "Board" or the "PCAOB") filed with the Securities and Exchange Commission (the "Commission") proposed rules pursuant to Section 107 of the Sarbanes-Oxley Act of 2002 (the "Act") and Section 19(b) of the Securities Exchange Act of 1934 (the "Exchange Act"), relating to investigations and adjudications. Notice of the proposed rules was published in the **Federal Register** on March 26, 2004.¹ The Commission received five comment letters relating to these rules. For the reasons discussed below, the

Commission is granting approval of the proposed rules.

II. Description

Section 105 of the Act directs the PCAOB to establish fair procedures for the investigation and disciplining of registered public accounting firms and associated persons of such firms. In furtherance of this provision, the PCAOB proposed rules to establish procedures for investigations and adjudications, and adopted the proposed rules on September 29, 2003. Pursuant to the requirements of section 107(b) of the Act and Section 19(b) of the Exchange Act, the Commission published the proposed rules for public comment on March 26, 2003. The proposed rules on investigations and adjudications consist of 64 rules (PCAOB Rules 5000 through 5469 and 5500 through 5501), plus certain definitions that appear in PCAOB Rule 1001.

The proposed rules on investigations and adjudications provide that the PCAOB and its staff may conduct investigations concerning any acts or practices, or omissions to act, by registered public accounting firms and persons associated with such firms that may violate any provisions of the Act, the rules of the PCAOB, the provisions of the securities laws relating to the preparation and issuance of audit reports and the obligations and liabilities of accountants with respect thereto, including Commission rules issued under the Act or professional standards. Pursuant to the Act, the PCAOB's proposed rules provide that it may require registered public accounting firms and their associated persons to cooperate with Board investigations and may seek information from other persons, including clients of registered firms.

When violations are detected, the proposed rules provide an opportunity for a hearing, and in appropriate cases, for the PCAOB to impose sanctions designed to prevent a repetition of the violation and to enhance the quality and reliability of future audits. These sanctions may include temporarily or permanently prohibiting a firm or associated person from participating in audits of public companies or from being associated with a registered public accounting firm. Sanctions also may require special remedial measures, such as training, new quality control procedures, and the appointment of an independent monitor.

The PCAOB also may hold hearings on disapproved registration applications, pursuant to Section 102 of the Act. Under the PCAOB's registration

⁴ Item 2-02 (b) of Regulation S-X.

¹ Release No. 34-49454 (March 19, 2004).