



September 30, 2022

Ms. Vanessa Countryman, Secretary
U.S. Securities and Exchange Commission
100 F Street NE
Washington, DC 20549-1090

Re: Draft Strategic Plan 2022-2026

Dear Ms. Countryman,

This letter is submitted by Financial Executives International's (FEI) Committee on Corporate Reporting (CCR) in response to the Securities and Exchange Commission's (SEC or Commission) Draft Strategic Plan 2022-2026 (Plan).

FEI is a leading international organization comprised of members who hold positions as Chief Financial Officers, Chief Accounting Officers, Controllers, Treasurers, and Tax Executives at companies in every major industry. CCR is FEI's technical committee of approximately 50 Chief Accounting Officers and Corporate Controllers from Fortune 100 and other large public companies, representing more than \$11 trillion in market capitalization. CCR reviews and responds to pronouncements, proposed rules and regulations, pending legislation, and other documents issued by domestic and international regulators and organizations such as the U.S. SEC, PCAOB, FASB, and IASB.

This letter represents the views of CCR and not necessarily the views of FEI or its members individually.

Executive Summary

As issuers, CCR shares the SEC's commitment to serve the needs of investors and other users of financial reports in the public interest and appreciates the opportunity to provide feedback on the Commission's Plan. We are dedicated to meeting the information needs of our investors and have a shared interest in promoting efficient capital markets and fostering capital formation.¹ We are highly supportive of the SEC's six values (integrity, excellence, accountability, teamwork, fairness, and effectiveness), along with the three goals included in the Plan. Below we provide additional feedback on numerous objectives specifically outlined in each of the Plan goals, based on our collective experience in preparing financial statements that comply with SEC rules and being involved in various stages of the SEC's rulemaking activities. We welcome further discussion with the SEC at your convenience.

¹ See SEC Mission Statement on page 5 of the [Plan](#).

Protect working families against fraud, manipulation, and misconduct

We commend the SEC’s prioritization to protect working families and everyday investors through rulemaking and its enforcement and examination programs. We believe investors and preparers have a shared objective to build efficient capital markets. Investors are seeking to allocate resources most effectively based on available information, and we, as preparers, support the initiative to provide the most reliable decision-useful information as possible. We are motivated to provide information that is decision useful to current and potential shareholders in the most cost-effective manner possible. We support the SEC’s efforts to provide rules and regulations that ensure investors are receiving reliable information that is most meaningful and practically useful in their decision-making process.

Develop and implement a robust regulatory framework that keeps pace with evolving markets, business models, and technologies

We commend the SEC for its focus to continually update existing rules, develop new rules, and adapt as capital markets evolve due to new developments and trends. We encourage the SEC to continue to work on simplification, focusing on areas that may be obsolete, duplicative, outdated, etc. CCR has found the simplification updates, e.g., SEC Final Rule Release No. 33-10532,² Disclosure Update and Simplification, in past years to be helpful. Furthermore, we believe that having a variety of perspectives as part of due process in the SEC’s rulemaking activities is key to establishing rules that provide decision-useful information in a cost-effective manner. The costs and benefits of potential rules are most effectively understood when there is input from an array of constituents. Investors and other users of financial statements, as the primary beneficiaries of standard-setting and financial reporting efforts, are best suited to provide input on expected benefits of a proposed accounting standard. Preparers are best suited to provide informed input on the potential costs and operability of implementing disclosure rules by providing insight into business operations, how companies make decisions, and what information is available. CCR has previously provided feedback supporting operable rules and providing constructive feedback and alternate solutions when the proposed rules may not be efficient. In our response to the SEC’s Proposal, *The Enhancement and Standardization of Climate-Related Disclosures for Investors*, submitted in June of 2022, we provided detailed specific workable solutions we believe achieve the Commission’s mission to provide decision-useful information, but in a more operable manner. We are happy to engage further on our suggestions and stand ready to engage in fieldwork as rules are contemplated. We also recommend the Commission provide sufficient time for the public to respond with feedback grounded in careful and thoughtful analysis to rulemaking proposals. Furthermore, we have found great value in the discussions where both preparers and users meet, in the same room, to hear each other’s views on specific proposals, and we believe this approach can be used as part of the SEC’s due process.

² See [SEC Final Rule Release No. 33-10532](#).



Additionally, we support the Commission’s continual assessment as to whether there is a need for guidance, changes to SEC rules, or other action considering the increased use of technology-based tools by financial statement preparers. We are increasingly using technology in preparation of financial statements, incorporating automation, artificial intelligence, robotics, etc. and applaud the Commission’s efforts to ensure investors remain informed and protected, which may require enhancements to the rules applied given the use of these technologies. We invite further opportunities to be part of the Commission’s outreach in better understanding technologies used and how they are applied as part of financial reporting.

Support a skilled workforce that is diverse, equitable, and inclusive and is fully equipped to advance agency objectives

We applaud the Commission for its focus on the workforce to increase capabilities, leverage shared commitment to investors, and promote diversity, equity, inclusion, accessibility, and equality of opportunity. We strongly support the objectives to expand the SEC’s recruiting efforts to identify talent that will further diversify the organization and ensure that the Commission’s stakeholder outreach is broad and inclusive. As outlined above, in our experience participating in the rulemaking process and applying new rules, the process is most effective when views are provided by a broad array of constituents which includes diversity of experience, industry, gender, ethnicity, etc.

Conclusion

We appreciate this opportunity to provide feedback on the SEC’s Draft Strategic Plan. Our members are committed to playing an active role in helping the SEC carry out its strategic plan and fulfill its mission to protect investors. We thank the Commission for its consideration of our comments and welcome further discussion at your convenience.

Sincerely,

Rudolf Bless

Rudolf Bless
Chair, Committee on Corporate Reporting
Financial Executives International