

the audit, the auditor's opinion on the financial statements, and, if the audited company is subject to the Sarbanes-Oxley Act, the effectiveness of internal controls.

3.7.3. Consider whether the auditor report should be more descriptive so as to improve communication with the public and investor community.

3.7.4. Consider whether and, if so, how the auditor report could more clearly define the role of the auditor vis-à-vis financial statements.

3.7.5. Consider the role of the auditor in the audit.

3.7.6. Consider the expectations of investors and the marketplace relating to the auditor report and the audit. Consider whether and, if so, what sort of fraud investors and the marketplace expect auditors to detect.

3.7.7. Consider the impact, if any, of changes in auditor reports on audit quality.

4. Auditing Profession Structure: Competition, Concentration, Independence, and Other Professional Standards.

4.1.1. According to a 2004 GAO Report, the largest auditing firms audit over 78% of U.S. public companies and 99% of public company revenues. According to a 2004 J.D. Power & Associates survey, about one of every eight public companies retained three or more of the largest auditing firms for attest and non-attest work.

4.1.2. Examine whether there should be fundamental changes made in who pays the audit fee to the auditor.

4.1.3. Consider the impact on the structure of the public company auditing profession of the following:

4.1.3.1. Auditor independence standards.

4.1.3.1.1. Consider how the auditor independence standards impact audit quality, audit market competition, and the pool of human capital.

4.1.3.1.2. Consider whether there is an "appropriate balance" between the auditing services and the non-attest services that auditing firms are providing today.

4.1.3.1.3. Consider how auditing firms' employee assignment process relating to auditing services and non-attest services impacts the pool of human capital.

4.1.3.2. Mandatory partner and firm rotation.

4.1.3.2.1. Consider whether and, if so, how mandatory partner rotation impacts auditing firms and their ability to ensure audit quality.

4.1.3.2.2. Consider whether mandatory partner rotation impacts both the larger and smaller auditing firms in the same way.

4.1.3.2.3. Examine the benefits and costs of periodic firm rotation.

4.1.3.3. Other professional standards.

4.1.3.3.1. Consider whether, and, if so, how other professional standards or requirements impact the structure of the public company auditing profession.

4.1.3.4. Complexity.

4.1.3.4.1. Consider whether, and, if so, how the complexity of business and financial products affects audit quality, including the auditing firms' educational and supervisory roles.

Consider whether the complexity of business and public companies, along with the accompanying financial reporting, accounting, and auditing standards prevents auditing firms with fewer resources from entering into the larger public company audit space.

4.1.3.4.2. Consider whether the global convergence of accounting standards and the global convergence of auditing standards encourage more audit market competition.

4.1.3.5. Globalization.

4.1.3.5.1. Consider the relative financial, human resources, and geographical capabilities of the largest auditing firms, the mid-size auditing firms and the smaller auditing firms.

4.1.3.5.2. Consider and compare the capabilities of the different sizes of auditing firms with the requirements of the large, mid, and small capitalization public companies.

4.1.3.5.3. Consider how the increasing globalization of the capital markets affects audit market concentration among the largest auditing firms who have global networks of affiliates.

4.1.3.5.4. Consider whether larger auditing firm resources are necessary for a high quality audit for larger, international companies.

4.1.3.5.5. Consider the ability of certain firms to carve out niches among certain multi-national sectors.

4.1.3.5.6. Consider how the potential acceptance of International Financial Reporting Standards and international auditing standards will impact audit market competition.

4.1.4. Consider how audit market concentration impacts audit quality.

4.1.4.1. Consider the reasons for public companies' seeking new auditors.

4.1.4.2. Consider whether auditing firms are competing for services based on audit quality.

4.1.4.3. Consider the bases on which auditing firms compete today in the United States and internationally, including an assessment of audit fee changes when auditors compete for new audits.

4.1.5. Consider the potential consequences of a larger auditing firm failure.

4.1.5.1. Consider the sort of risks a larger auditing firm failure poses to the marketplace and investors.

4.1.5.2. Consider the causes of major audit failures and steps that could be taken to prevent their reoccurrence.

4.1.5.3. Consider whether and, if so, how, securities and auditing firm regulators should attempt to mitigate the risk or the impact of a larger auditing firm failure.

4.1.6. Consider ways to increase audit market competition.

4.1.6.1. Consider the impact of auditing firm mergers on industry competition and whether a public policy change with respect to a lack of competition is warranted.

4.1.6.2. Consider whether regulators are now faced with a "Too Big to Fail" public policy, and if so, consider whether public policy changes are warranted and the nature of those changes.

4.1.6.3. Consider how greater auditor choice can be fostered in the marketplace by the public and private sectors.

4.1.6.4. Consider whether there are public company sectors where audit market choice is growing.

4.1.6.5. Consider the ability of certain auditing firms to create niche-markets.

4.1.6.6. Consider how private sector participants, such as underwriters and lawyers, impact audit market choice.

[FR Doc. E7-21402 Filed 10-30-07; 8:45 am]

BILLING CODE 4811-42-P

DEPARTMENT OF THE TREASURY

Fiscal Service

Surety Companies Acceptable on Federal Bonds: Commercial Alliance Insurance Company

AGENCY: Financial Management Service, Fiscal Service, Department of the Treasury.

ACTION: Notice.

SUMMARY: This is Supplement No. 2 to the Treasury Department Circular 570, 2007 Revision, published July 2, 2007 at 72 FR 36192.

FOR FURTHER INFORMATION CONTACT: Surety Bond Branch at (202) 874-6850.

SUPPLEMENTARY INFORMATION: A Certificate of Authority as an acceptable surety on Federal bonds is hereby issued under 31 U.S.C. 9305 to the following company: Commercial Alliance Insurance Company (NAIC # 10906). *Business Address:* 415 Lockhaven Drive, Houston, Texas 77073. *Phone:* (713) 960-1214. *Underwriting Limitation b/:* \$840,000.

Surety Licenses c/: TX, Incorporated In: Texas.

Federal bond-approving officers should annotate their reference copies of the Treasury Circular 570 ("Circular"), 2007 Revision, to reflect this addition.

Certificates of Authority expire on June 30th each year, unless revoked prior to that date. The Certificates are subject to subsequent annual renewal as long as the companies remain qualified (see 31 CFR part 223). A list of qualified companies is published annually as of July 1st in the Circular, which outlines details as to underwriting limitations, areas in which companies are licensed to transact surety business, and other information.

The Circular may be viewed and downloaded through the Internet at <http://www.fms.treas.gov/c570>.

Questions concerning the Notice may be directed to the U.S. Department of the Treasury, Financial Management Service, Financial Accounting and Services Division, Surety Bond Branch, 3700 East-West Highway, Room 6F01, Hyattsville, MD 20782.

Dated: October 19, 2007.

Vivian L. Cooper,

Director, Financial Accounting and Services Division, Financial Management Service.

[FR Doc. 07-5414 Filed 10-30-07; 8:45 am]

BILLING CODE 4810-35-M

DEPARTMENT OF THE TREASURY

Internal Revenue Service

Request for Applications for the IRS Advisory Committee on Tax Exempt and Government Entities

AGENCY: Internal Revenue Service (IRS); Tax Exempt and Government Entities Division, Treasury.

ACTION: Notice.

SUMMARY: The Internal Revenue Service (IRS) is requesting applications for membership to serve on the Advisory Committee on Tax Exempt and Government Entities (ACT).

Applications will be accepted for the following vacancies, which will occur in June 2008: Two (2) employee plans; two (2) exempt organizations; one (1) Indian tribal governments; one (1) tax exempt bonds, and two (2) federal, state and local governments. To ensure appropriate balance of membership, final selection from qualified candidates will be determined based on experience, qualifications, and other expertise.

Due Date: Written applications or nominations must be received on or before November 30, 2007.

Application: Applicants may use the ACT Application Form on the IRS Web site (IRS.gov) or may send an application by letter with the following information: Name; Other Name(s) Used and Date(s) (required for FBI check); Date of Birth (required for FBI check); City and State of Birth (required for FBI Check); Current Address; Telephone and Fax Numbers; and e-mail address, if any. Applications should also describe and document the proposed member's qualifications for membership on the ACT. Applications should also specify the vacancy for which they wish to be considered.

ADDRESSES: Send all applications and nominations to: Steven J. Pyrek; Director TE/GE Communications and Liaison; 1111 Constitution Ave., NW.,—SE.,:T: CL, Penn Bldg; Washington, DC, 20224; FAX: (202) 283-9956 (not a toll-free number); e-mail: steve.j.pyrek@irs.gov.

FOR FURTHER INFORMATION CONTACT: Steven Pyrek (202) 283-9966 (not a toll-free number) or by e-mail at steve.j.pyrek@irs.gov.

SUPPLEMENTARY INFORMATION: The Advisory Committee on Tax Exempt and Government Entities (ACT), governed by the Federal Advisory Committee Act, Public Law No. 92-463, is an organized public forum for discussion of relevant employee plans, exempt organizations, tax-exempt bonds, and federal, state, local, and Indian tribal government issues between officials of the IRS and representatives of the above communities. The ACT also enables the IRS to receive regular input with respect to the development and implementation of IRS policy concerning these communities. ACT members present the interested public's observations about current or proposed IRS policies, programs, and procedures, as well as suggest improvements. ACT members shall be appointed by the Secretary of the Treasury and shall serve for two-year terms. Terms can be extended for an additional year. ACT members will not be paid for their time or services. ACT members will be reimbursed for their travel-related expenses to attend working sessions and public meetings, in accordance with 5 U.S.C 5703. The Secretary of the Treasury invites those individuals, organizations, and groups affiliated with employee plans, exempt organizations, tax-exempt bonds, and federal, state, local and Indian tribal governments, to nominate individuals for membership on the ACT. Nominations should describe and document the proposed member's qualifications for membership on the ACT. Nominations should also specify the vacancy for which they wish

to be considered. The Secretary seeks a diverse group of members representing a broad spectrum of persons experienced in employee plans, exempt organizations, tax-exempt bonds, and federal, state, local and Indian tribal governments.

Nominees must go through a clearance process before selection by the Secretary of the Treasury. In accordance with the Department of the Treasury Directive 21-03, the clearance process includes, among other things, pre-appointment and annual tax checks, and an FBI criminal and subversive name check, fingerprint check, and security clearance.

Dated: October 24, 2007.

Steven J. Pyrek,

Designated Federal Official, Tax Exempt and Government Entities Division, Internal Revenue Service.

[FR Doc. E7-21359 Filed 10-30-07; 8:45 am]

BILLING CODE 4830-01-P

DEPARTMENT OF THE TREASURY

Internal Revenue Service

Advisory Council to the Internal Revenue Service; Meeting

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Notice.

SUMMARY: The Internal Revenue Service Advisory Council (IRSAC) will hold a public meeting on Thursday, November 15, 2007.

FOR FURTHER INFORMATION CONTACT: Ms. Jacqueline Tilghman, National Public Liaison, CL:NPL, 7559, 1111 Constitution Avenue, NW., Washington, DC 20224. Telephone: 202-927-9833 (not a toll-free number). E-mail address: *public_liaison@irs.gov.

SUPPLEMENTARY INFORMATION: Notice is hereby given pursuant to section 10(a)(2) of the Federal Advisory Committee Act, 5 U.S.C. App. (1988), a public meeting of the IRSAC will be held on Thursday, November 15, 2007, from 9 a.m. to 1 p.m. at IRS Headquarters, 1111 Constitution Avenue, NW., Room 3313, Washington, DC 20224. *Issues to be discussed include:* Earned Income Tax Credit (EITC) Communication Strategy, Earned Income Tax Credit (EITC) Return Preparer Strategy, Allowable Living Expense Standards, Information on Independent Contractor or Employee Determinations, Compliance Assurance Program (CAP) Strategy, E-File Issues, and the Industry Issue Resolution Program. Reports from the four IRSAC sub-groups, Large and Mid-size