



COMMONWEALTH of VIRGINIA

Auditor of Public Accounts

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Sherry Hazel
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To Whom It May Concern,

We appreciate the opportunity to respond to the Auditing Standards Board exposure draft of the Proposed Statement on Auditing Standards (SAS) *Auditor Involvement with Exempt Offering Documents*. In general, we agree with the Board's efforts to provide further guidance on an auditor's responsibilities when involved with an exempt offering. We have some comments and suggestions as noted below.

All of our comments relate to the Requirements for Involvement, section 8.b. In 8.b.ii., we do not believe that the act of reading a draft of the offering, in itself, constitutes involvement unless the auditor provides feedback to the audit entity. The Board may consider revising the part to say, "Reading a draft of the offering document and providing feedback at the entity's request." In 8.b.vi., the condition provided does not involve the same level of participation by the auditor as the other conditions listed and, in government audit offices, audit reports are generally public documents available to anyone. Therefore, we believe the condition included in 8.b.vi. should be removed from triggering the requirements of the SAS. In 8.b.vii., we suggest the Board clarify this condition to say, "Signing an updated copy of the auditor's report for inclusion in the offering document when the related financial statements are restated."

We appreciate the efforts of the AICPA Auditing Standards Board and the opportunity to provide our comments. Should you have any questions or need additional information concerning our response, please contact Zach Borgerding or me at (804) 225-3350.

Sincerely,

A handwritten signature in cursive script that reads "Martha S. Mavredes".

Martha S. Mavredes
Auditor of Public Accounts