



October 13, 2016

Sherry Hazel
Auditing Standards Board
American Institute of Certified Public Accountants
1211 Avenue of the Americas
New York, NY 10036-8775

Submitted via email to shazel@aicpa.org

Re: Proposed Statement on Auditing Standards: Auditor Involvement with Exempt Offering Documents

The Virginia Society of CPAs' (VSCPA) Accounting & Auditing Advisory Committee (the Committee) has reviewed the Exposure Draft, *Auditor Involvement with Exempt Offering Documents* (ED), issued by the Auditing Standards Board (the Board). The Committee supports the Board's objective to clarify the responsibility of auditors involved in exempt offerings. We have responded specifically to the three issues the Board requested for comment.

Issue 1: Commenters are asked to provide feedback on the types of offerings included in the scope of the standard, specifically whether franchise offerings should be included in the scope of the proposed SAS.

Response: We agree that franchise offerings should be included in the scope of the proposed SAS.

Issue 2: Commenters are asked to provide feedback on (a) whether they believe the activities that have been identified should trigger involvement and (b) whether additional activities should be considered as triggers for involvement.

Response: We agree with the activities identified that trigger involvement and have not identified any additional activities that the Board should consider. However, we believe paragraph 8.b.ii should be revised to clarify that involvement is only triggered if the auditor reads a draft of the offering document and provides feedback to the entity. Additionally, we believe paragraph 8.b.vii and A17 should be revised to clarify the trigger's intended purpose, which we believe is intended to address when an auditor signs an updated copy of the auditor's report for inclusion in the offering document when the related financial statements are restated.

Issue 3: Commenters are asked to provide their views regarding the proposed requirement for subsequent event procedures to be performed when the auditor is deemed involved with an exempt offering document.

Response: When an auditor is involved with an exempt offering document, we agree that subsequent event procedures should be performed as outlined in the proposed SAS.

The VSCPA appreciates the opportunity to respond to this ED. Please direct any questions or concerns to VSCPA Vice President of Advocacy Emily Walker, CAE, at ewalker@vscpa.com or (804) 612-9428.

Sincerely,

A handwritten signature in black ink, appearing to read "Charles M. Valadez", written in a cursive style.

Charles M. Valadez, CPA, CGMA, CITP
Chair

2016–2017 VSCPA Accounting & Auditing Advisory Committee

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