



Advancing Community Banks

November 15, 2011

Office of the Secretary  
Public Company Accounting Oversight Board  
1666 K Street, NW  
Washington, DC 20006

Re: Rulemaking Docket Matter No. 34  
Concept Release on Possible Revisions to PCAOB Standards Related to Reports on  
Audited Financial Statements

Dear Ladies and Gentlemen:

The Virginia Association of Community Banks (VACB) appreciates the opportunity to comment on the above referenced matter, with regard to these possible revisions which are currently under consideration by the PCAOB. Our organization is a confederation of small, locally-owned and operated banks serving communities all across Virginia. The majority of our members are under \$500 M in asset size and many are in rural communities.

It is our belief that the changes outlined in your release on August 16<sup>th</sup> would create a substantial hardship for our financial institutions, because of the time and effort it takes to hire and train a new auditor. The economic impact on smaller reporting banks would be imposed at a time when many community banks are already under considerable stress. And, the increased cost of an expanded audit process would affect community banks more profoundly than larger public companies.

In small communities across the Commonwealth, accounting resources are very limited; there are not multiple firms which offer accounting services in small towns. And, it is important to note that this same scarcity of choice exists nationwide.

There is currently no evidence that links audit firm tenure to audit failures or lack of auditor independence. The disruption which would result from this proposed change would be extremely detrimental to our small bank members, and for the reasons enumerated above, we oppose the concept release.

Sincerely,

A handwritten signature in cursive script that reads "Pat Satterfield".

Patricia G Satterfield  
VACB President & CEO