

September 15, 2015

(via email)

Elizabeth M. Murphy, Secretary
Security and Exchange Commission
100 F Street, NE
Washington, DC 20549-1090

Possible Revisions to Audit Committee Disclosures

File Number S7-13-15

Dear Secretary Murphy:

The Audit Committee of the Board of Directors of Xilinx, Inc. (the “Committee and “we”) has reviewed the referenced document and considered the issues presented in the context of an appropriately chartered Audit Committee conscientiously engaged with its respective company. We appreciate the opportunity to provide comment on the contents of the document.

This letter from the Committee will not address all 74 questions posed in the document, but will provide commentary around key themes. The Committee believes the concern from the Securities and Exchange Commission derive from a core question: “Do the current audit committee reporting requirements result in disclosures that provide investors with the most useful information?” We believe that matters material to an investor’s primary concerns, which are the accuracy of the company’s financial statements and the integrity of the processes used to produce them, are mostly satisfied by existing disclosures including the publicly available charter of the Audit Committee. In general, the numerous specific disclosures being proposed would expand the company’s existing filings significantly, diminishing focus on the more material matters, and provide information of only narrow interest. Many of the disclosures proposed are elaborations or affirmations of the Audit Committee executing its charter. However, as noted below, there are opportunities to enhance certain disclosures in the spirit of the Commission’s concern.

Following are the Committee’s comments organized by the documents main sections.

A. Audit Committee oversight of the auditor

- a. The Committee has deep concerns regarding any disclosure requirement mandating exposure of the nature and substance of communication between the Committee and the auditor, as the Committee feels it will undoubtedly have the chilling effect predicted in Question 17. In the case of Xilinx, the Charter of the Audit Committee states that the Committee “*provides an open avenue of communication among the independent auditors, financial and senior management, the internal audit department and the Board of Directors.*”¹ A requirement for expanding disclosure, even limited to communication between the auditor and the Committee, would have the participants consider the implications of disclosure as a factor in deciding what issues and in what manner the issues are communicated, rather than operating in an open and engaged manner. Finally, considering that many of the communications between the Committee and the auditor are confidential matters, such a requirement will most likely become boilerplate disclosure and add little value to investors.
- b. The Committee does support providing disclosures that the audit firms internal quality review and PCAOB findings were considered in the oversight of the auditor. Given that this information is publicly available and that the relevance of the findings to the company is a consideration, investors

¹ XILINX, INC. Charter of the Audit Committee of the Board of Directors (Updated May 15, 2013)
<http://investor.xilinx.com/governance.cfm>

may find comfort that the information was evaluated by the Committee.

c. As an example of a proposed disclosure which would be both onerous and of little value to an outside investor is #13 (how (emphasis added) multiple locations and related account balances impacted the scope of the audit). Even with greatly expanded commentary on company activities by location, and with further explanation of intercompany activities, external investors would have minimal ability to evaluate if the information would or should change the scope of the audit. What matters is that the Audit Committee considered these factors, among others, in sanctioning the scope of the audit. In considering the other proposals, the Committee requests a similar analysis be performed on the real, rather than theoretical, value of the disclosure inclusive of what other disclosures would be required to make the root disclosure of value.

B. Audit Committee's process for appointing or retaining the auditor

a. The Committee concurs with the premise that it should, and does, consider the performance, expertise, tenure and fees of the audit firm in appointing or retaining it. Any expanded disclosure would most likely devolve into boilerplate confirming that same fact. Expansion of that disclosure to include specific metrics and how those metrics played into the decision would also likely become boilerplate disclosure. This is due to the fact that metrics do not capture the entirety of the issues that impact the audit.

C. Qualifications of the audit firm and certain members of the engagement team selected by the Audit Committee

a. While not an onerous disclosure, the Committee believes that disclosing the name of the audit partner adds little or no value to the investor.

b. Disclosing the number of years the firm has been the company's auditor is appropriate and is available. That said, the Committee believes that the value of setting explicit or implicit limits on firm tenure is not supported by research and will drive hard and soft costs to the company.

Conclusion

The Audit Committee of the Board of Directors of Xilinx, Inc. strongly supports the Commission's goal of having effective and independent audit committees, and believes that focused and efficient disclosures, rather than expansive and diluted disclosures, better enable investors to evaluate a company and the performance of an audit committee.

Please feel free to contact us through the company if you would like to discuss the content of this letter.

Sincerely,

/s/ Albert A. Pimentel

Albert A. Pimentel

Chair of the Audit Committee

Executive Vice-President, Chief Sales and Marketing Officer, Seagate Technologies

/s/ J. Michael Patterson

J. Michael Patterson

Member of the Audit Committee

Chair of the Compensation Committee

/s/Marshall C. Turner

Marshall C. Turner

Member of the Audit Committee