

Private Company Financial Reporting Committee

401 Merritt 7, PO Box 5116, Norwalk, Connecticut 06856-5116

443-480-5800

e-mail: judyodell@dmv.com



Judith H. O'Dell CPA CVA
Chair

January 12, 2010

Mr. Robert Herz
Chairman
Financial Accounting Standards Board
401 Merritt 7
Norwalk, CT 06856

Re: Improvements to the FASB's Accounting Standards Updates

Dear Mr. Herz:

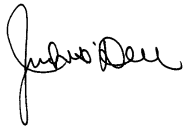
As stated by the FASB, an Accounting Standards Update ("ASU") has three objectives – (1) to summarize the key provisions of the project that led to the ASU, (2) to detail the specific amendments to the Accounting Standards Codification™, and (3) to explain the basis for the Board's decisions. The PCFRC believes that improvements to the wording and structure of the ASUs are needed to better meet those objectives and more clearly communicate changes to constituents. These improvements were discussed with the FASB at our recent joint meeting in December and are presented below.

- Broadly speaking, an ASU should present the new standard and then present the integration of the standard with the Accounting Standards Codification™.
- As the ASUs are currently written and structured, a reader can find it difficult to understand the key provisions of an ASU and what the FASB is accomplishing through its issuance. A substantial explanatory section at the beginning of an ASU would help a reader better grasp its meaning and consequences. The use of plain English would also benefit the reader's understanding.

- Currently, edits to the Accounting Standards Codification™ are isolated. Better context can be achieved by including the whole text of a subtopic in an ASU instead of just the part of the subtopic that is being modified. This issue is particularly acute with Proposed ASUs. At present only specific lines in the Accounting Standards Codification™ are presented in the Proposed ASU. The Proposed ASU does not present the edited lines in the Codification with the lines that remain unchanged by the Proposed ASU. This manner of presentation deprives the reader of needed context and makes comprehension of the proposed changes difficult..
- With the expected issuance of Proposed ASUs for significant projects in 2010, it is critically important that the FASB address these issues so that constituents are able to provide meaningful and timely feedback to the proposed changes.

The PCFRC believes that these improvements will make the ASUs more clear, comprehensive, and informative. We appreciate the FASB's consideration of these comments and recommendations. Please feel free to contact me if you have any questions or comments.

Sincerely,



Judith H. O'Dell
Chair
Private Company Financial Reporting Committee