

JLcompany

CERTIFIED PUBLIC ACCOUNTANT

August 8, 2006

Mr. Joel Allegretti
AICPA
Harborside Financial center
201 Plaza Three
Jersey City, NJ 07311-3881

Mr. Gerard Carney
FASB
401 Merritt 7
PO Box 5116
Norwalk, CT 06856-5116

Jan
FE-1-CL#154
all

RE: Financial Reporting For Private Companies

Dear Messrs. Allegretti and Carney:

This letter supplements my letter of July 31, 2006

Recently I received FASB Interpretation No. 48 - Accounting for Uncertainty in Income Taxes. This is the worst presentation of information I have ever seen or read. The document makes no sense. It rambles on and on and never says anything.

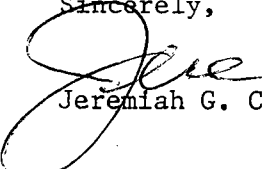
GAAP should be written in plain English and not literary garbage such as this document. That is the problem. GAAP is so poorly written that it is left to the individual CPA to interpret it any way he/she sees fit-right or wrong.

Apparently, the tech writers are functionally illiterate in the use of the English language.

FASB and the AICPA need to employ techwriters who are literate in the use of the English language.

Thank you.

Sincerely,


Jeremiah G. Crise, CPA/CBA/CFSA/CIA

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July 31, 2006

Mr. Joel Allegretti
AICPA
Harborside Financial Center
201 Plaza Three
Jersey City, NJ 07311-3881

Mr. Gerard Carney
FASB
401 Merritt 7
PO Box 5116
Norwalk, CT 06856-5116

RE: Financial Reporting For Private Companies

Dear Messrs. Allegretti and Carney:

This letter is in response to the AICPA/FASB Joint Survey for Private Companies.

I have been in the surety bond business for 47 years. I worked for two large surety bond companies for 27 years and 20 years for myself as a bond agent. I provide 27 contractors with performance bonds.

I obtained my CPA certificate in 1985 after graduating from graduate school. I have a Master of Accounting cum laude. Also, I am a Chartered Bank Auditor, Certified Financial Services Auditor and a Certified Internal Auditor. I acquired my CPA designation because our underwriting approach changed in late 1970. I became a CPA after 26 years business experience and 10 years military service with three months combat experience.

Enclosed is a copy of a letter that I sent to the Chairman of the AICPA in 2002.

We do not need two sets of GAAP as stated in my March 28, 2002 letter. There are a limited number of CPAs that understand the application of GAAP and GAAS for construction contractors and financial institutions.

The CPAs need to know when, where and how to apply current GAAP. Many do not know how to apply GAAP, even though, they will tell you they do. A separate set of GAAP will not correct the problem. To many accountants depend on software and assume the output is correct when it is not.

The current accounting profession will have to learn how to apply the current GAAP. The current GAAP is quite sufficient.

Eastyear an accounting firm overstated our mutual client's profit by \$500,000 because that did not know how to apply GAAP to a construction contractor. I have devised a method to check the CPA's work and picked up on this gross error when I was assured they knew what they were doing. This year I had several instances where the CPA did not how to apply GAAP.

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Keep a single set of rules for public and private companies and learn how to apply them.

I do not believe differences should exist within the existing framework of financial accounting and reporting standards of public and private companies.

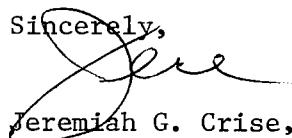
I believe there has to be changes in the continuing education process. The continuing education has been a disaster. It has done little or nothing to improve our profession. It has made a lot of people wealthy by selling useless programs.

A major cause of current financial disasters was the development of Risk Based Auditing concept. This was developed by KMPG in 1990 or 1991 according to the Wall Street Journal. I found this out when reviewing the Enron disaster.

I feel only travel, hotel, etc. expenses should be reimbursed to attend any meetings.

Thank you.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeremiah G. Crise", written over the typed name below.

Jeremiah G. Crise, CPA/CBA/CFAS/CIA

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March 25, 2002

Mr. James G. Castellano, CPA
Chairman of the AICPA Board of Directors
Mr. Barry C. Melancon, CPA
AICPA President and CEO
American Institute of Certified Public Accountants
1221 Avenue of the Americas
New York, NY 10036-8775

Dear Messrs. Castellano and Melancon:

This letter is in response to a letter I received several weeks ago. Copy attached.

We do not need a change in accounting principles or auditing standards. Our profession needs ^{to} revisit self respect, integrity and honesty. The accounting profession has been to arrogant over the years. There has been a lack of respect, integrity and honesty for at least 25 years in the accounting profession. In fact our nation as a whole lacks these qualities and more.

I obtained my CPA certificate after I had 26 years business experience. I obtained it because I needed the cooperation of the accounting profession to perform my job and could not have obtained the cooperation without the certificate.

When I call an accounting firm to question the financial statement they prepared, I get a vague misleading response if I do not state I am a CPA. Generally, I do not tell the firm I am a CPA until they have given me misleading information, then the respondant does not what to say. This is no way to operate.

In my formative years I was taught self respect, honesty and integrity and have not forgotten them. This was reenforced by spending 10 years in the military and volunteering to go to Korea during the Korean War.

If you cannot instill respect, honesty and integrity in the accounting profession, a change in accounting principles and auditing standards are not going to accomplish anything. There will be other Enrons.

Thank you.

Sincerely,

Jeremiah G. Crise, CPA/CFSA/CBA