Letter of Comment No: \6
File Reference: 1300-001
Date Received: 6-77-05

June 24, 2005

Mr. Lawrence Smith, CPA
Director, Technical Application & Implementation Activities
Financial Accounting Standards Board
401 Merritt 7
P.O. Box 5116
Norwalk, CT 06856-5116

Re: April 28, 2005 Exposure Draft (ED) of a Proposed Statement of Financial Accounting Standards (SFAS), *The Hierarchy of Generally Accepted Accounting Principles* [File Reference No. 1300-001]

Dear Mr. Smith:

One of the objectives that the Council of the American Institute of Certified Public Accountants (AICPA) established for the PCPS Executive Committee is to act as an advocate for all local and regional firms and represent those firms' interests on professional issues, primarily through the Technical Issues Committee (TIC). This communication is in accordance with that objective. These comments, however, do not necessarily reflect the positions of the AICPA.

TIC has reviewed the aforementioned ED and is providing the following comments for your consideration.

TIC applauds the Board's decision to transfer the GAAP hierarchy standard from the auditing literature to the accounting literature.

TIC also supports the proposed modifications to the existing hierarchy and the Board's decision to revise the conceptual framework before elevating it to authoritative status.

TIC appreciates the opportunity to present these comments on behalf of PCPS member firms. We would be pleased to discuss our comments with you at your convenience.

Sincerely,

Stephen M. McEachern, Chair PCPS Technical Issues Committee

cc: PCPS Executive and Technical Issues Committees