

Computer Sciences Corporation

Donald G. DeBuck

Vice President and Controller and Interim Chief Financial Officer



April 30, 2008

LETTER OF COMMENT NO. 17

Mr. Russell G. Golden
Director of Technical Application and Implementation Activities
Financial Accounting Standards Board
401 Merritt 7
P.O. Box 5116
Norwalk, Connecticut 06856-5116



RE: File Reference: Proposed FSP FAS 132(R)-a

FILED ELECTRONICALLY (director @fasb.org)

Dear Mr. Golden:

We appreciate the opportunity to respond to this Invitation to Comment on the Financial Accounting Standards Board's ("FASB" or "the Board") Proposed FSP FAS 132(R)-a. This letter summarizes our views and concerns.

We support efforts by the Board to improve U.S. financial accounting and reporting standards and to promote transparency of financial information provided to users of financial statements. However, we generally oppose the proposed changes to FASB Statement 132(R) because we believe most of the additional disclosures would result in more costs and burden for the employers than transparency for the users. We also believe the amount of information currently being disclosed in accordance with FASB Statement 132(R) could be improved by expanding the "Categories of Plan Assets" to seven categories as follows:

Public Equity
Private Equity
Core Bonds
Other Bonds
Hedge Funds
Real Estate
Other

Categories of Plan Assets

The seven categories of plan assets defined above provide, in our opinion, an adequate indication of the composition of the plan asset portfolio. We also believe this classification can be produced within the short timeframe required under FAS 158 as the measurement date must now coincide with the end of the employer's fiscal year. We believe that your proposed changes would not necessarily increase the transparency for the user, as even different equity securities and different debt securities (i.e., within the same categories) have different levels of investment risks associated with them. It is therefore practically impossible, unless all individual investments are disclosed, to provide a comprehensive indication of the risk associated with the plan asset portfolio. Furthermore, classifying plan assets among approximately fifteen to twenty categories, especially for large companies with more than one pension plan (CSC has about seventy pension and other post-

Corporate Office
2100 East Grand Avenue
El Segundo, California 90245
310.615.1686 Fax 310.322.9766

employment benefit plans in 14 countries), whether the work is done in-house or by a fund manager, would be costly. We estimate one day of work per plan. For large global public companies like ours with multiple plans invested in thousands of securities (CSC had over \$4 billion in plan assets for 2007), categorizing every individual security as proposed would be a costly, time-consuming process that could jeopardize the company's on-time filing of the Form 10-K as all these disclosures need to be compiled and later examined by independent auditors before the filing deadline of 60 days after fiscal year end. We therefore recommend a simple but effective expansion of the current disclosure requirement to seven categories as shown above.

Concentration of Risk

We believe Concentration of Risk would be misleading to the user as it would not give a clear and quantifiable indication of the actual risk of having a particular concentration of investments and it could be perceived by a user as an unfavorable characteristic of a plan when in fact such exposure is appropriate. For example, if assets are concentrated in bonds to immunize a liability, or if assets are concentrated in short-term securities because the plan is in payment status is not an indication that the plan is a high risk. The amount of research necessary, especially for a company like CSC with many pension plans, to determine whether there are risks related to lack of diversification or significant investments in a single entity, industry, country, commodity, or investment fund would be extremely time consuming and costly. The proposed revision does not clearly state how an employer should determine what is significant and how to arrive at a "what if diversification" benchmark in order to assess whether a plan has undue concentration risk. As previously stated, the short period of time between the close of the fiscal year and the filing date for the 10-K makes it extremely difficult for a company like ours to conduct a study such as this to determine concentration of risk for seventy plans in fourteen countries.

Fair Value Measurements

We believe the disclosure of fair value measurements similar to those required by FASB Statement No. 157, are not necessary and would add little value for the users.

We estimate that classifying each asset category for each plan based on the 3 levels (i.e., from market price for equities to unobservable inputs for real estate), as required by paragraph 5(d)(4)(a) of the proposed amendment to FAS Statement 132(R), would take ½ day per plan, up to 30 days for our plans in fourteen countries. This would add costs and a significant amount of time to prepare pension footnotes and would provide very little benefit to the user, as it should not matter in what level of fair value a certain asset falls, as long as the users know that the assets are in fact valued at fair value, which is already required by FASB Statement 87 and is audited by external auditors, for public companies at least.

We believe that the reconciling beginning and ending balance for fair value measurements of plan assets using significant unobservable inputs (Level 3 assets) as required by 5(d)(4)(b) of the proposed amendment to FAS Statement 132(R), would be extremely costly for employers, especially for those, like CSC, with many plans and immaterial investments in Level 3 type assets, such as real estate. Researching each plan and reconciling Level 3 assets for each plan would be extremely time consuming and we are not sure it would add any significant value to the users. We are convinced users are more interested in having the certainty financial statements are prepared in accordance with GAAP than additional, potentially misleading detail.

In conclusion, we believe this proposal provides no benefit to users at a high cost to employers.

We thank you for the opportunity to express our views in this letter. If you have any questions regarding our comments, please feel free to contact me at (310) 615-1686.

Sincerely yours,

/s/ Donald G. DeBuck
Donald G. DeBuck

