Matthew Proffer, Student Bradley University



May 5, 2009

Mr. Russell G. Golden Director of Technical Application and Implementation Activities Financial Accounting Standard Board

File Reference: Proposed Statement of Financial Accounting Standards, The Hierarchy of Generally Accepted Accounting Principles, a replacement of FASB Statement No. 162 (File Reference No. 1690-100)

Dear Mr. Golden,

It is a privilege to have the opportunity to comment on the exposure draft of the Proposed SFAS, Hierarchy of GAAP, to replace FASB Statement 162-Thank you. The Codification project is an innovative way to express the various authoritative sources of GAAP and I commend the effort put forth to make this tool a reality.

1. AICPA TIS Section 5100, paragraphs 38-76, would be applied prospectively for revenue arrangements entered into or materially modified in annual periods beginning on or after December 15, 2009, and interim periods within those years. Do constituents agree with the transition provisions for nonpublic entities that had not previously applied this guidance? Please explain your answer.

Yes- All else constant, I think that applying the above stated paragraphs prospectively would be a prudent course of action. The December 15, 2009 deadline seems like an appropriate amount of time for businesses to plan for and react to the change.

2. Do constituents agree with the Board's conclusion that this proposed Statement would not change GAAP except as described in Question 1? If not, please provide specific examples of the changes caused by this proposed Statement.

Yes- As a student, I have used the Codification for some of my research and I have not found any changes to GAAP, except as described in Question 1.

3. Do constituents agree with the July 1, 2009, effective date for this proposed Statement? If not, please provide a detailed explanation of the reason(s) for extending the implementation period.

No- It is my understanding that there will eventually be a charge associated with accessing the information on the Codification. Currently, my membership is free of charge for purposes of sending feedback about issues that I find while using the Codification. Being that the Codification would be the primary source of standards, it seems unbalanced with respect to those who would not have access to the database for various legitimate reasons. It seems to me that this sole source of information should be made free of charge for the sake of the profession. We want people to follow the rules; we do not want small businesses or other cash strapped organizations skipping the Codification in order to save money and instead implement their own creative accounting through here-say or other none authoritative sources.

Other Comments:

The demand for information will always exceed supply. However, there are certain types of information that we as the public believe should be made available for sake of public good. An example would be the tax code. Though a daunting task, if an individual so desired, they could research free primary resources to find a solution to a question. Having the freedom to such information, free of charge, is expected, since the government expects us to pay taxes. It just makes reasonable sense. I would suggest that the Codification is another such instance of when information should be available free of charge. We want people to follow the rules and present financial information according to those rules. It seems counter intuitive that the Codification is the sole source of authoritative guidelines on financial accounting standards, and yet, the user must pay for that information.

Additionally, I think as a student, we need exposure to tools like the Codification throughout our college careers, so that once into the workforce, we have a solid idea-at the very least, of how to use it. Without knowing the cost, it's difficult to say, but any significant cost to use this tool could unduly burden the average college student who already spends excessive amounts of money on books. I think of the Codification as becoming the single "library" for the best reference material, and just like any public library, it makes sense to me that use of the electronic reference materials would be free of charge.

Thank you for your work on this project. From my own use of the Codification and what my colleagues have commented, it will be a good tool to deploy.

Best Regards,

Matthew Proffer Bradley University