



May 8, 2009

Via email to director@fasb.org

Technical Director Financial Accounting Standards Board 401 Merritt 7 PO Box 5116 Norwalk, CT 06856-5116

File Reference No. 1690-100

The Small Business Financial and Regulatory Affairs Committee ("the Committee") of the Institute of Management Accountants ("IMA") appreciates the opportunity to comment on the Exposure Draft, *The Hierarchy of Generally Accepted Accounting Principles, a replacement of FASB Statement No. 162* ("the ED"), issued by the Financial Accounting Standards Board ("FASB").

IMA is the world's leading association for management accounting and finance professionals. The Committee advocates on behalf of smaller business entities (both public and private) to ensure that financial standards, laws, rules, and regulations do not disproportionately burden or disadvantage such entities. The advocacy efforts of the Committee include reviewing and responding to consultative documents issued by standard-setters, legislators, regulators, and other organizations.

The Committee has reviewed both the ED and the FASB Accounting Standards Codification website in detail. The Committee believes the proposed Statement and associated website will accomplish the Board's objective of simplifying user access to authoritative generally accepted accounting principles ("GAAP") by consolidating authoritative guidance, organized by topic, in a single location. This objective is especially important to financial-statement preparers in smaller businesses because of their limited resources. The Committee is satisfied with this approach and proposal.

The Committee is not aware of any substantive change to GAAP that would be introduced by the Codification other than that resulting from the application of American Institute of Certified Public Accountants Technical Inquiry Section 5100, paragraphs 38-76, by non-public entities.





Therefore, the Committee agrees with the Board's conclusion that the proposed Statement would not change GAAP, with the exception described in the ED. If inadvertent changes of a substantive nature are discovered later, the Committee believes that the FASB has established an appropriate feedback mechanism and due process to remedy such inadvertent changes in a timely manner.

The Committee further agrees with the July 1, 2009 effective date for this proposed Statement as this Statement would not change GAAP (except as described in the ED) but would simply provide a superior approach to accessing GAAP. The Committee concluded that the sooner this is done, the better.

In summary, the Committee recognizes that the Codification is a work in progress, but nevertheless believes that the proposed Statement will provide significant, immediate benefits to smaller businesses by making authoritative GAAP much easier to access. This will help smaller businesses comply with accounting standards, and can be expected to facilitate the FASB's continued work to converge GAAP with International Financial Reporting Standards.

I would be pleased to discuss the Committee's comments with FASB members and/or staff. Please feel free to contact me at +1 (828) 254-4812.

Sincerely.

Bruce Pounder

Chair, Small Business Financial and Regulatory Affairs Committee

Institute of Management Accountants

