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LETTER OF COMMENT NO. 1

April 3, 2009

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

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:

I appreciate the opportunity to comment on the aforementioned proposed FASB Statement, The Hierarchy of Generally Accepted Accounting Principles, a replacement of FASB Statement No. 162 ("ED" or "proposed Statement"). While I support the Board's efforts to incorporate the whole of "authoritative" GAAP into one source, I do not believe we have yet reached the time for the switch this proposed Statement advocates. As you will note in my comments to the questions posed below, my objections are wholly logistical and do not apply to myself, as I have been using the Codification and found it very useful.

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, the requirement that these provisions be applied prospectively is appropriate, however, I would support that it be applied prospectively for existing arrangements at the effective date also. In addition, I would support only having one effective date for the entire standard, whether it be June, December or some other date.

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.

I have not become aware through my usage of the codification of any other instances where GAAP is changed.

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, I do not believe the July 1, 2009 date is appropriate, unless the Board has available for general release in print and through other resources, the whole of the codification. While I have used the codification several times, many other of my colleagues use other research services, or hardcopy materials for their research and would find a switch without those materials available a hardship. Additionally, one proposal was that the codification would no longer be free of charge once it went live, although I have not seen any further details on that proposal. Until these matters are resolved, and hard copy materials are available, not just planned, should a required adoption to the codification take place.

Other comments:

It would be useful if in the adopted standards (and all proposed standards from this point forward) if parenthetical references to the appropriate guidance in the codification be given along with the historical FASB reference, for example, not just AICPA Technical Inquiry Service (TIS) Section 5100, "Revenue Recognition," paragraphs 38–76, but also (985-605-55-4 through 55-118).

Sincerely,

Michael R. McMurtry