SENSIBA SAN FILIPPO LLP

CERTIFIED PUBLIC ACCOUNTANTS AND BUSINESS ADVISORS

November 1, 2010

Mr. Russell Golden Technical Director, File Reference No. 1860-100 Financial Accounting Standards Board 401 Merrit 7 Norwalk, Connecticut 06856-5116

Dear Mr. Golden:

Sensiba San Filippo LLP is pleased to have the opportunity to respond to the FASB's Proposed Accounting Standards Update on *Compensation - Retirement Benefits - Multiemployer Plans* issued on September 1, 2010.

We are a public accounting firm serving middle-market non-public companies in the San Francisco Bay Area, many of whom participate in multiemployer benefit plans.

We understand the need for transparency about an employer's participation in a multiemployer plan; however, we believe that it is also important that disclosures be clear and concise so that they do not overwhelm the reader. Additionally, potential benefit to the reader should be weighed against implementation cost.

We have responded to the exposure draft questions as follows, omitting questions that apply only to public companies.

Question 1: Do you agree that the proposed quantitative and qualitative disclosures will result in a more useful and transparent disclosure of an employer's obligations arising from its participation in a multiemployer plan? Why or why not? If not, what changes would you suggest to the proposed amendments?

Our response is specific to non-public companies since we serve primarily non-public companies and is in reference to the quantitative and qualitative disclosures suggested in ASC 715-80-50-1

- We agree with disclosing the number of plans in which an employer participates.
- For plans in which the employer materially participates, we agree that the following should be disclosed:
 - names of these plan(s)
 - o information related to the percentage of the employer's employees covered by the plan(s)
 - o amount of contributions for the current reporting period for each plan

We believe there should be a statement disclosing the threshold used to determine material participation as Companies often participate in many plans, some of which are insignificant. Disclosing information related to insignificant plans does not provide value to the reader.

Mr. Russell Golden Financial Accounting Standards Board November 1, 2010 Page 2

- Disclosing the total assets and the accumulated benefit obligation of the plan(s) could be extremely challenging given the differences in reporting periods for employers and the plans. Employers often have filing deadlines in March, whereas the plan(s) do not have filing deadlines until July which can be extended to October. Given that deadlines for the plan(s) are after employer deadlines, employers would not be able to obtain timely information for disclosure or the information being disclosed would be aged at least one year.
- Disclosing the number of employee participants as a percentage of total plan participants could be misleading. Requiring this information in addition to disclosing the total assets and the accumulated benefit obligation of the plan(s) may confuse the reader if they assume that a Company's obligation as a percentage of the total plan(s) would be proportional to the number of its employee participants as a percentage of total plan participants. This assumption does not take into account other key elements such as length of time in the plan(s) and obligation per employee.
- Disclosing the expected contributions for the next annual period may be too subjective as contributions are often dependent on the utilization of employees participating in the plan(s) may not be known a year in advance.
- Disclosing the known trends in contributions would likely lead to speculation that the trend will continue in the future. This could potentially mislead readers as we have seen very recently that economic and other factors can significantly impact these trends from year to year.
- Disclosing a contingent liability related to an amount required to be paid on withdrawal from the plan or windup of the plan that is not at least reasonably possible puts undue burden on the Company and could cause difficulty getting financing and other necessary support from third parties.
- Disclosing information about funding improvement plan(s) or rehabilitation plan(s) would be appropriate for improvement or rehabilitation plans that have already been adopted by trustees, however, it would be inappropriate to provide information about plans under consideration as this information is proprietary.

To the extent that we agree with the changes proposed, we agree that information should be disaggregated for plans with significantly different risk characteristics or contractual commitments and that information should be comparable period to period.

Question 2: Do you believe that disclosing the estimated amount of the withdrawal liability, even when withdrawal is not at least reasonably possible, will provide users of financial statements with decision-useful information? Why or why not?

Mr. Russell Golden Financial Accounting Standards Board November 1, 2010 Page 3

We do not believe that disclosing the estimated amount of the withdrawal liability, even when withdrawal is not at least reasonably possible, will provide users of the financial statements with decision-useful information.

The withdrawal liability is a measurement that is subject to significant judgment whereby the assumptions used to calculate the liability would be more difficult to assess the less likely the liability is to occur.

Question 3: What implementation costs, if any, will an employer face in applying the proposed disclosures? Are these costs significantly different when applying the proposed disclosure requirements to foreign plans?

There will likely be additional costs for plan administrators to prepare this information for employers. This would not be a productive use of plan assets and would likely be passed through to employers. Additionally, employers will incur additional fees related to assistance with preparing and auditing these disclosures.

Companies who participate in multiemployer plans cannot easily withdraw from these plans. These additional disclosures could deter some Companies from entering these plans. Companies who participate in multiemployer plans have already been significantly affected by recent economic downturns and have had difficulty competing with employers who do not participate in such plans. Requiring these additional disclosures would cause even more strain on Companies that participate in multiemployer plans.

None of the Companies we currently serve participate in foreign plans, therefore we will decline to comment on the impact to foreign plans.

Question 5: The Board intends to defer the effective date for nonpublic entities, as defined in transition paragraph 715-80-65-1, for one year. Do you agree with the proposed deferral? If not, please explain why.

We agree that this guidance for nonpublic entities should be deferred one year from the date of implementation for public companies. Accounting departments of nonpublic companies are often less robust and sometimes less sophisticated than in public companies, therefore implementation will be more difficult. Non-public entities often use public implementation as an example which eases the burden of implementation.

The currently proposed December 31, 2010 public company deadline would give companies only two to three months to implement. It is not likely that the support structures of either public or non-public entities will be able to assemble the required information to meet this deadline.

Mr. Russell Golden Financial Accounting Standards Board November 1, 2010 Page 4

Question 6: In addition to the deferral for nonpublic entities, should any of the provisions in this proposed Update be different for nonpublic entities (private companies and not-for-profit organizations)? If so, which provision(s) and why?

We believe that provisions should be different for non-public entities. Please refer to our response to Question 1.

Thank you for your consideration of our comments. You may contact Karen Burns by phone (925.271.8700) or via e-mail (<u>kburns@ssfllp.com</u>) for any clarification or questions you may have regarding the above comments.

Sensiba San Filippo LLP

Seusiba Santiligge UP