

September 19, 2012

Ms. Susan M. Cospers
Technical Director
Financial Accounting Standards Board
401 Merritt 7
PO Box 5116
Norwalk, CT 06856-5116

File Reference No. EITF-12B, Not-for-Profit Entities (Topic 958): *Personnel Services Received from an Affiliate for Which the Affiliate Does Not Seek Compensation*

Dear Ms. Cospers:

We have reviewed the exposure draft of the FASB's Proposed Accounting Standards Update—Not-for-Profit Entities (Topic 958): *Personnel Services Received from an Affiliate for Which the Affiliate Does Not Seek Compensation* (a consensus of the FASB Emerging Issues Task Force). We commend the Board for initiating this standard and are strongly in favor of its implementation. We are pleased to provide the following comments for the Board's consideration.

Questions 1, 2, 3, 4, 5, 7 and 9: Yes, we agree.

Question 6: Do you agree that, except for the related party disclosures in Subtopic 850-10, no other recurring disclosures should be required for a not-for-profit entity that receives personnel services from an affiliate? If not, please explain why.

No. We believe the policy for recognizing personnel services from an affiliate should be included in the not-for-profit entity's significant accounting policies. This would be particularly helpful to a reader of the financial statements in instances where a not-for-profit entity also recognizes contributed services from unrelated individuals and organizations because different factors trigger recognition and the measurement basis is different.

Question 8: Do you agree that a recipient not-for-profit entity should be provided with an option to apply the proposed amendments under a modified retrospective approach in which all prior periods presented upon the date of adoption would be adjusted but no adjustment would be made to the beginning balance of net assets of the earliest period presented? If not, please explain why.

Yes. However, we believe the Board should encourage, rather than merely permit, not-for-profit entities to apply the proposed amendments using the modified retrospective approach in order to facilitate comparability of all periods presented.

Question 10: How much time is needed to implement the proposed amendments? Please explain.

We believe at least a 2 year implementation window would be appropriate as in some cases the affiliate providing the services may need to modify their systems in order to capture the information needed to measure the cost of the services provided.

We appreciate the opportunity to provide our comments on the proposed Statement on behalf of the 1,000+ not-for-profit organizations we have the privilege of serving.

Sincerely,



CapinCrouse LLP