3. a) Tell us about any issues or concerns you have with current U.S. GAAP accounting standards as those standards apply to private company financial statements.

- Current GAAP standards are far too complex and difficult to understand and apply for privately held and limited capital entities. These entities do not have the existing staff, financial resources to hire additional staff and cannot afford the increased fees sure to come from having to hire outside experts to deal with the additional complexity.

b) Are those issues or concerns confined to one or more specific standards, or are they more systemic?

- Systemic
- The FASB appears to be issuing standard after standard, exposure draft after exposure draft, requiring more and more subjectivity from entity’s management. Standards containing concepts such as fair value, present value of probability-weighted expected gains and losses, time value of money, calculation of implicit interest income and expense, consolidation of variable interest entities, predicting future outcomes of uncertainties, probability-weighted anything are all examples of head scratchers for most private entities.
- More and more required disclosures that have no relevance to non-public companies.
- Standard overload. I cannot possibly spend the time to respond to all the exposure drafts, discussion papers and other free flowing GAAP changes the FASB is pushing out at an astonishing pace. I need a time out. How can my company put out consistently applied GAAP financial statements when GAAP is changing so rapidly? We need a moratorium on any new GAAP until the economy returns to normal and our company has time to breathe with business as usual.

c) Do you believe that those issues or concerns are largely confined to private companies, or are they broader?

- These issues are a problem for every entity.

4. What short-term and/or long-term actions do you believe are necessary to address those issues or concerns? Please be as specific as possible in your answer, and explain your reasoning.

- The short term answer is to suspend all new standards indefinitely. Wait until this panel comes up with a viable solution for private and non-public entity GAAP before piling new GAAP on top of old problem GAAP.
b) To what extent, if any, would other outside factors affect your answers above? Which factors and why?

6. Is there any other input that you'd like to convey to the Panel?

   - The FAF should immediately require the FASB to operate within their own revenues, cut the overhead of the FASB down to the level of the revenues and that would have the effect of slowing down the FASB’s breakneck speed of issuing new GAAP. The FASB has been operating at a severe deficit for several years now and needs to lead by example instead continuing with its uncontrolled spending.
   - It’s ridiculous that to try to do research in the new codification an entity has to pay $800 annually to use it to its fullest extent. You want to require companies to comply with GAAP but you make it expensive and time consuming to research GAAP for those entities that can’t afford the $800 fee that the FASB requires to fully access GAAP standards.

7. Do these responses represent your individual views or are they submitted to represent the views of the organization with which you are associated?

   - These are both my individual views and the views of the company that I work for as their CFO and Executive Vice President.