April 25, 2016

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

File Reference No. 2016-210

The Employee Benefits Committee and Accounting Principles Committee of the Illinois CPA Society ("Committees") appreciate the opportunity to provide their perspective on the Invitation to Comment on the Proposed Accounting Standards Update: Compensation—Retirement Benefits—Defined Benefit Plans—General (Topic 715-20) Changes to the Disclosure Requirements for Defined Benefit Plans. Our comments represent the collective views of the Committees and not the individual views of the members or the organizations with which they are affiliated. The organization and operating procedures of the Committees are outlined in Appendix A to this letter.

We agree with the elimination of the Accumulated Benefit Obligation as an alternative measure for the projected benefit obligation for plans still accumulating benefits as it does not consider future increases in compensation and therefore does not provide a useful measure of future cash flows.

We do not agree with the addition of the disclosure requirement for quantitative and qualitative disclosures from Topic 820, Fair Value Measurement, about assets measured at net asset value using a practical expedient. The assets of the plan are not the assets of the entity and the addition of this disclosure may confuse investors into believing they relate to the cash flow of the entity. In addition, many pension plans have different year ends than the sponsoring organization which would require preparation of these disclosures twice in a twelve month period—once for the plan financial statements and once for the sponsoring organizations' financial statements.

We believe the proposed disclosure requirements are operable and auditable but, as indicated above, implementation of the proposed disclosure of the quantitative and qualitative disclosures from Topic 820, Fair Value Measurement, about assets measured at net asset value using a practical expedient would cause significant incremental costs to be incurred for plans that have year ends which are different than the sponsoring organization.
We appreciate the opportunity to offer our comments.

Sincerely,

Kathleen Musial, CPA
Chair, Employee Benefits Committee

Ryan Brady, CPA
Chair, Accounting Principles Committee
APPENDIX A
EMPLOYEE BENEFITS COMMITTEE
ORGANIZATION AND OPERATING PROCEDURES
2016-2017

The Employee Benefits Committee of the Illinois CPA Society (Committee) is composed of the following technically qualified, experienced members appointed from industry, government and public practice. The Committee usually operates by assigning Subcommittees of its members to study and discuss fully exposure documents proposing additions to or revisions of accounting, audit and attestation standards. The Subcommittee develops a proposed response that is considered, discussed and voted on by the full Committee, which is then submitted to the appropriate senior level committee of the Illinois CPA Society for its review and approval. Support by the two Committees results in the issuance of a formal response, which at times includes a minority viewpoint. Current members of the Employee Benefits Committee and their business affiliations are as follows:

Public Accounting Firms:
Large: (national & regional)
Rose Ann Abraham, CPA
Janice Forgue, CPA
David Kot, CPA
William Zorc, CPA

Medium: (more than 40 professionals)
Brent DeMay, CPA
Joseph Klapka, CPA
Kenneth Kobiernicki, CPA
Eric Wallin, CPA

Small: (less than 40 professionals)
Kenny Adegoke, CPA
JoAnn Cassell, CPA
Nicholas Cheronis, CPA
Jodi Dicenzo, CPA
Kathleen Musial, CPA
Matthew Mauer, CPA
Daniel Schober, CPA
Douglas Taylor, CPA
Aimee Urnikis, CPA

Baker Tilly Virchow Krause LLP
Marcum LLP
BKD, LLP
Marcum LLP
Sikich LLP
Legacy Professionals LLP
Ostrow Reisin Berk & Abrams Ltd
Legacy Professionals LLP
Washington Pittman & McKeever, LLC
Cassell, Inc.
Nicholas Cheronis, CPA
JLD Consulting LLC
BIK & Co, LLP
HDB, LLC
Daniel Schober, CPA
Mann, Weitz & Associates, LLC
Sassetti, LLC

Government:
Kathryn McAlpine, CPA

Internal Revenue Service

Industry:
G. David Nolan, CPA
Andrew Strimaitis, JD
Mark Wachholz, CPA
Mark Yahoudy, CPA
Donald Weinoff, CPA

National Life Insurance Company
Barack Ferrazzano Kirschbaum & Nagelberg LLP
Property Casualty Insurers Association of America
Verisight Group
Quorum Consulting Group

Staff Representative:
Paul Pierson, CPA

Illinois CPA Society
APPENDIX A
ACCOUNTING PRINCIPLES COMMITTEE
ORGANIZATION AND OPERATING PROCEDURES
2016-2017

The Accounting Principles Committee of the Illinois CPA Society (Committee) is composed of the following technically qualified, experienced members appointed from industry, education and public accounting. These members have Committee service ranging from newly appointed to more than 20 years. The Committee is an appointed senior technical committee of the Society and has been delegated the authority to issue written positions representing the Society on matters regarding the setting of accounting standards. The Committee’s comments reflect solely the views of the Committee and do not purport to represent the views of their business affiliations.

The Committee usually operates by assigning Subcommittees of its members to fully study and discuss exposure documents proposing additions to or revisions of accounting standards. The Subcommittee ordinarily develops a proposed response that is considered, discussed and voted on by the full Committee. Support by the full Committee then results in the issuance of a formal response, which at times includes a minority viewpoint. Current members of the Committee and their business affiliations are as follows:

Public Accounting Firms:
Large: (national & regional)
  Jared Bourgeois, CPA
  Ryan Brady, CPA (Chair)
  Rakesh Desai, CPA
  William Keirse, CPA
  Scott Lehman, CPA
  Reid Mitchell, CPA
  Matthew Mitzen, CPA
  Elizabeth Prosnitz, CPA
  PricewaterhouseCoopers LLP
  Grant Thornton LLP
  KPMG LLP
  Ernst & Young LLP
  Crowe Horwath LLP
  Wipfli LLP
  Marcum LLP
  BDO USA LLP

Medium: (more than 40 professionals)
  Timothy Bellazzini, CPA
  Michael Kidd, CPA
  Jeffery Watson, CPA
  Sikich LLP
  Mowery & Schoenfeld LLC
  Miller Cooper & Company Ltd

Small: (less than 40 professionals)
  Peggy Brady, CPA
  Marvin Hoffman, CPA
  Brian Kot, CPA (Vice Chair)
  Joshua Lance, CPA
  Selden Fox, Ltd.
  Brunswick, Reinc, Pollack, Ltd.
  Cray Kaiser Ltd CPAs
  Joshua Lance CPA, LLC

Educators:
  John Hepp, CPA
  University of Illinois at Urbana-Champaign

Industry:
  Rose Cammarata, CPA
  Ashlee Earl, CPA
  Jeffrey Ellis, CPA
  Christopher Hamm, CPA
  Marianne Lorenz, CPA
  Michael Maffei, CPA
  Joshua Shenton, CPA
  Richard Tarapchak, CPA
  Mattersight Corp.
  Seaway Bank and Trust Company
  FTI Consulting, Inc.
  Artex Risk Solutions, Inc.
  AGL Resources Inc.
  GATX Corporation
  Northern Trust Corp.
  National Material

Staff Representative:
  Gayle Floresca, CPA
  Illinois CPA Society