



LETTER OF COMMENT NO. 12

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Dear Mr. Beswick:

I appreciate the opportunity to comment on valuation guidance for financial reporting. The purpose of this letter is present my opinion on valuation guidance and the format of establishing such guidance.

Valuation guidance that specifically pertains to financial reporting will dramatically improve the quality of financial information, via consistency. I believe the most effective channel to establish and communicate valuation guidance is through a new organization, that is overseen by the FASB and SEC, much like the EITF. The FASB's involvement is required, by reason of the imperative need for independence in establishing valuation guidance. Due to the strict need for independence, the appraisal organizations should only have a limited role in establishing guidance. I understand that these companies are among the most qualified in this field of knowledge. However, the inherent conflict of interest cannot be ignored. The primary source for establishing guidance should come from independent CPA's with valuation experience and certification (such as ABV and CVA designations).

Whether or not the final conclusion is on point with my opinion, I appreciate this open discussion format and the opportunity to be involved.

Sincerely,

Matthew Richard
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