



May 4, 2009

LETTER OF COMMENT NO. 8

Mr. Russell G. Golden
Director of Technical Application and Implementation Activities
Financial Accounting Standards Board
401 Merritt 7
P.O. Box 5116
Norwalk, CT 06856-5116

Proposed Statement of Financial Accounting Standards, The Hierarchy of Generally Accepted Accounting Principles, a replacement of FASB No. 162 (File Reference No. 1690-100)

Dear Mr. Golden:

I appreciate the opportunity to comment on the aforementioned Proposed FASB Statement, The Hierarchy of Generally Accepted Accounting Principles, a replacement of FASB No. 162. As a Master's of Accounting Candidate at Bradley University, I support the Board's efforts to streamline the application of GAAP by providing a single authoritative source. I would like to comment on the three questions requested by the Board.

1. AICPA TIS Section 5100, paragraphs 38-76, would be applied prospectively for revenue arrangements entered into or materially modified in annual periods beginning on or after December 15, 2009, and interim periods within those years. Do constituents agree with the transition provisions for nonpublic entities that had not previously applied this guidance?

Yes, I feel that it is appropriate for the provisions to be applied prospectively.

2. Do constituents agree with the Board's conclusion that this proposed Statement would not change GAAP except as described in Question 1?

The proposed hierarchy will provide a less complex and more user-friendly way to access authoritative GAAP. I agree that the change will not materially affect GAAP. However, I feel that IASB standards should be given some level of authority.

FAS 162, paragraph A2 discusses "converging FASB and IASB standards." In an increasingly global environment, with a shift to international standards closely impending, the importance of IASB statements should carry an appropriate level of authority. In order to reach consensus on the subject, as paragraph 11 refers to, the IASB should be recognized as having authority along with GAAP.

3. Do constituents agree with the July 1, 2009, effective date for this proposed Statement?

No, I do not believe that a July 1, 2009 effective date is appropriate. From an academic perspective, both students and faculty are likely to experience difficulties as a result of the change. Unless all printed materials are made ready and available for use at the same time the Codification is available for general release, students may be forced to refer to superseded authoritative sources for classroom use.

According to the FASB's FAQ, enhanced access to the Codification will be available by subscription only. Having enhanced access to search and retrieval functions, cross reference features, personal annotation, and dynamic linking capabilities will be extremely useful, if not essential, to students and faculty. For this reason, I disagree with the plan to implement subscription fees for information beyond the basic view of the Codification. University faculty currently giving back to the profession should be granted full use of the Codification for teaching and research purposes. It is just as important that students planning to enter the profession have the ability to fully explore the new authoritative GAAP free of charge. Until these matters are resolved, the adoption of the new Codification should not take place.

As a graduate student, I believe the proposed Codification will be an extremely useful tool in my career. I commend the efforts of FASB and look forward to its full implementation.

Sincerely,

Erin T. Martin