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Sent: Tuesday, February 05, 2008 8:16 PM
To: Terri Polley
Subject: FAF Oversight, Structure, and Operations



LETTER OF COMMENT NO. 16

Dear Teresa,

It was with much interest that I read the recent proposals made by the FAF's Board of Trustees and their request for public comments. My career has spanned governmental accounting/auditing and consulting and I am now working for an internationally-based manufacturing company whose ownership stock is not traded in the U.S.

The importance of GASB seems to be well understood by the FAF and I applaud their move to provide a stable funding base. I do not agree that the chairperson of GASB should have the power to set the agenda of the committee. The spirit of the board is to allow all members who come from varied positions throughout governmental accounting to have an equal determination of the agenda topics to be considered. Giving this power to one person is too similar to what we must now contend with in Congress where the chairperson can withhold a bill from consideration on a whim. We do not want to replicate the potential for these same power struggles for a board that is setting standards for our industry.

The changes to the FASB seem to be in line with the intent of the SOX legislation when the FASB became a quasi-governmental agency; however, I must again reject the idea of having the agenda-setting power in the hands of one individual. Nimbleness and efficiency are poor excuses for creating a situation where one individual could be perceived as operating for outside interests.

The FASB and GASB have thus retained equal power within the committees for agenda-setting and my strong desire is that this continues. These standard setting boards must consider that even one of their own could be unduly influenced by outside pressures. By retaining agenda-setting power equally to all committee members, we will retain the opportunity for free and open debate on all potential issues. Surely, it is much more desirable to retain this open dialogue and maintain the ethical fortitude of these committees than it is to create a situation where the chairperson can actually keep a topic off of the agenda.

Thank you for the opportunity to present my views on these potential changes. I have only the highest regard for the FAF, FASB and GASB.

Thank you,

Cheryl Mullins