PCPS
PRIVATE COMPANIES PRACTICE SECTION

LETTER OF COMMENT NO. 3

November 29, 2007

Russell G. Golden, CPA
Director of Technical Application and Implementation Activities
FASB
401 Merritt 7
PO Box 5116
Norwalk, CT 06856-5116

Re: 9/27/07 Proposed FASB Staff Position (FSP) SOP 94-3-a and AAG HCO-a, *Omnibus Changes to Consolidation and Equity Method Guidance for Not-for-Profit Organizations*

Dear Mr. Golden:

One of the objectives that the Council of the American Institute of Certified Public Accountants (AICPA) established for the PCPS Executive Committee is to act as an advocate for all local and regional firms and represent those firms' interests on professional issues, primarily through the Technical Issues Committee (TIC). This communication is in accordance with that objective. These comments, however, do not necessarily reflect the positions of the AICPA.

TIC has reviewed the Proposed FSP and is providing the following comments for your consideration.

TIC believes the guidance in the Proposed FSP will be very helpful for not-for-profit organizations, especially the sections that:

- confirm the continued applicability of certain EITF Issues relating to the consolidation of special-purpose entities involved in leasing transactions and
- clarify the accounting for investments in for-profit partnerships, LLC's and similar entities.

The proposal will effectively resolve long-standing practice issues in these areas and provide for consistent guidance among related pronouncements.

TIC supports the stated effective date and appreciates the extended transition period adopted by the Board.

TIC appreciates the opportunity to present these comments on behalf of PCPS member firms. We would be pleased to discuss our comments with you at your convenience.

AICPA®

American Institute of Certified Public Accountants
220 Leigh Farm Road, Durham, NC 27707-8110
800.CPA.FIRM • Fax 800.329.1112
ISO Certified

8653-830

Sincerely,

Stephen Bodine

Stephen Bodine, Chair
PCPS Technical Issues Committee

cc: PCPS Executive and Technical Issues Committee

American Institute of Certified Public Accountants
220 Leigh Farm Road, Durham, NC 27707-8110
800.CPA.FIRM • Fax 800.329.1112
ISO Certified