

From: [THOMAS, SARAH](#)
To: [Director - FASB](#)
Subject: NO. 1820-100 Revenue Recognition- Topic 605
Date: Thursday, September 30, 2010 10:06:11 AM
Attachments: [image001.png](#)

Dear Sir or Madam:

I am a user of contractor financial statements. I provide surety bonds for various construction projects. I have looked into the proposed changes regarding the recognition of revenue and am in disagreement with moving to a performance obligation model. I will continue to require % of completion financial statements from my accounts and prospective accounts. This will result in my contractors incurring additional CPA costs to complete two statements.

Breaking up projects into performance obligations will make accounting very complicated for my accounts, most of whom are small businesses. Many of them do not currently have systems that would allow them to do this easily. In short, it would require them to take on additional costs in the way they manage the accounting for their business. Their margins are low enough as it is, especially in this economy when every penny counts.

None of my contractors perform international work. It is not necessary that their statements agree with the rest of the world. They work primarily in West Texas, for heavens sake. The changes that you are proposing might be valuable for contractors who do large international jobs or who have foreign ownership, but that does not encompass the vast majority of contractors in the US who require surety bonds.

I request re-evaluation of the proposed changes and am against their implementation.

Thank you for your consideration.

Sincerely,

Sarah Thomas

Surety Underwriter II

We've Moved! See new address below:

5910 North Central Expwy., Suite 850

Dallas, TX 75206

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