## Patricia Lapolla

Michael Schepers [mschepers@wcuwl.org] From:

Monday, January 29, 2007 10:23 PM Sent:

To: Director - FASB

Subject: File Reference 1500-100 & 1500-200

Dear FASB Director,

After reviewing FASB's October 9, 2006 Exposure Drafts of proposed Statements of Financial Accounting Standards, Not-for-Profit Organizations: Mergers and Acquisitions, and Not-for-Profit Organizations: Goodwill and Other Intangible Assets Acquired in a Merger or Acquisition, I support the position of the United Way of America Financial Issues Committee in its formal response to FASB dated 1/25/07.

First, I do not agree with the proposed requirement to treat all mergers of not-for-profits as acquisitions. Here in the Cincinnati and Dayton area, several local United Ways are presently exploring a possible merger. We are insistent that whatever may come of these deliberations, this is to be a merger of equals, NOT an acquisition by one of the many. I believe very strongly that many such mergers are, in fact, true mergers of equals, with neither organization being an acquirer of the other. In fact, I believe that many such mergers would not occur at all if either party felt that it was being acquired by the other.

Second, I do not agree with the proposed requirement to treat donor lists as Identifiable Intangible Assets separate from Goodwill and record them at "fair market value" during a merger or acquisition. Donor lists are not marketable commodities that can be bought and sold withoug violating privacy policies. The proposed process of testing for impairment, I believe, will be cumbersome at best, and unworkable at worst.

Thank you for this opportunity to comment on the Exposure Draft.

Sincerely,

## Michael Schepers

Executive Director

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