Board of Trustees
Financial Accounting Foundation
401 Merritt 7, P.O. Box 5116
Norwalk, CT 06856-5116
presidentsdesk@f-a-f.org

Dear Financial Accounting Foundation:

It is my opinion that the FAF needs to accept the recommendations made by the Blue Ribbon Panel on Private Company Financial Reporting regarding differential standards and a separate standard-setting entity for private companies. A modification is required to effectively ensure appropriate financial reporting for private companies and the users of their financial statements.

The current standard-setting process does not adequately take into account the needs of the private company sector. The panel has shown that there is not a proper weighing of costs and benefits when it comes to setting standards for private companies.

A new, separate body with standard-setting authority must be established directly under FAF and not subject to FASB approval. This might be the most important recommendation to implement.

The work completed by the panel was extensive and took into account input from all the key constituencies of private company financial reporting. Differential standards and an independent standard-setting body to implement them for private companies are currently required.

Thank you.
Sincerely,

Larry Bittner
CPA practitioner
Baker Tilly Virchow Krause, LLP