

September 21, 2011

Board of Trustees  
Financial Accounting Foundation  
401 Merritt 7, PO Box 5116  
Norwalk, CT 06856

Dear Financial Accounting Foundation,

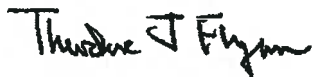
On behalf of the more than 10,000 members of the MSCPA I write to urge the FAF to adopt the recommendations of the Blue Ribbon Panel. The Society strongly supports the panel's efforts to create a clear, uniform accounting standard for private businesses and to do away with the present reliance on rules designed for public companies.

For our members, the issue is one of fairness. In this time of economic crisis, many of the nation's seven million small businesses also struggle with the additional burden of meeting accounting standards designed for large, public companies. While these rules are appropriate to ensure transparency in public companies, small businesses must expend scarce resources to meet standards that are in many cases irrelevant. Indeed, the panel found that many GAAP requirements superfluous to small businesses are also the most expensive, a state of affairs that forces companies to stretch tight budgets in order to conform to standards neither they nor their clients need.

The panel's recommendations would do much to lift this burden and allow private companies to use a simple, direct set of standards geared to their needs and the needs of their clients. The MSCPA is especially pleased to see that the reforms include a new standard-setting board focused on the needs of private companies; moreover, this board's mandate would be to modify the existing GAAP with attention paid to the special needs of smaller businesses, not to create a completely separate and perhaps redundant set of standards. This "modified GAAP" approach also has the advantage of allowing successful private companies to more easily make the transition to publicly-traded company.

The MSCPA applauds the panel's recognition that there are systemic problems with the current standards regime. The reforms cited above will do much to correct these problems and give millions of American businesses new financial tools to compete and to thrive.

Sincerely,



Theodore J. Flynn, CAE  
President / CEO