

October 12, 2009

Technical Director
Financial Accounting Standards Board
407 Merritt 7
PO Box 5116
Norwalk, Connecticut 06856-5116

File Reference No. 1710-100

Re: Exposure Draft: *Fair Value Measurement and Disclosures (Topic 820)*

The Accounting Principles and Auditing Standards Committee (the AP&AS “Committee”) of the California Society of Certified Public Accountants (CalCPA) is pleased to provide our comments to the Financial Accounting Standards Board (“FASB”) on the proposed accounting standard update.

The AP&AS Committee is the senior technical committee of the CalCPA. CalCPA has approximately 32,000 members. The Committee is comprised of 50 members, of whom 67 percent are from local or regional firms, 23 percent are sole practitioners in public practice, 5 percent are in industry and 5 percent are in academia.

Following are the committee’s responses to the ED for your consideration.

The Committee finds the proposed disclosures in the ED as well as the related proposed IFRS, interesting but excessive. They will be both costly and difficult operationally to implement. We feel the level of detail in the FASB proposal is inappropriate for a body seeking principles-based rules instead of detailed prescriptions.

Although both the FASB and the related IASB proposals contain the same basic notions, there are many differences in wording and the FASB version has more detail. (e.g. paragraphs 820-10-50-2 f. and 820-10-50-2A et seq.) We feel the FASB should work with the IASB to achieve a greater level of convergence.

Non-public entities that are not regulated financial institutions should be excluded from entities subject to the FASB proposal. The FASB “cost-benefit” analysis states that the benefits of increased transparency will outweigh the costs of compliance. The Committee cannot fathom how this statement could apply to non-public entities that are not regulated financial institutions; most users of financial statements for those entities are owners, lenders and vendors who likely have little interest in the information and can usually obtain it from the entity if it is needed.

We thank you for the opportunity to comment on this matter. We would be glad to discuss our opinions with you further should you have any questions or require additional information.

Sincerely,

A handwritten signature in black ink, reading "JoAnn Guattery". The signature is written in a cursive style with a large initial "J" and "G".

JoAnn Guattery, Chair
Accounting Principles and Auditing Standards Committee
California Society of Public Accountants