



2013-260
Comment Letter No. 51
CliftonLarsonAllen LLP
10700 West Research Drive, Suite 200
Milwaukee, WI 53226
414-476-1880 | fax 414-476-7286
www.cliftonlarsonallen.com

May 31, 2013

Technical Director
Financial Accounting Standards Board (FASB)
401 Merritt 7
P.O. Box 5116
Norwalk, CT 06856-5116

Re: File Reference No. 2013-260

Proposed Accounting Standards Update—Fair Value Measurement (Topic 820): Deferral of the Effective Date of Certain Disclosures for Nonpublic Employee Benefit Plans in Update No. 2011-04

Dear Director:

We are pleased to provide comments on the proposal to indefinitely defer the effective date of certain disclosures for nonpublic employee benefit plans.

We agree with the FASB's conclusion that a nonpublic employee benefit plan's disclosure of quantitative information about the significant unobservable inputs used in valuing investments held in its plan sponsor's own nonpublic equity securities could result in public dissemination of information about the plan sponsor that is considered proprietary information. We believe the potential harm to the plan sponsor of making such information publicly available outweighs the benefits of providing that information to the U.S. Department of Labor, plan participants, and other users of the plan's financial statements. It is appropriate for the FASB to defer these disclosure requirements pending further evaluation of the potential effects of requiring these disclosures in the financial statements of nonpublic employee benefit plans. The proposals to limit the scope to a plan sponsor's own nonpublic entity equity securities, and to limit the deferral only to nonpublic employee benefit plans (as that term is defined in the proposed update), are appropriate.

While we agree that the proposed update should apply to all employee benefit plans other than those subject to the Securities and Exchange Commission's Form 11-K filing requirements, we believe using the term "nonpublic employee benefit plans" to define such entities would cause confusion. Many stakeholders interpret the term "nonpublic entity" to include a private entity controlled by a public entity. Using that interpretation, an employee benefit plan sponsored by a public entity would be considered a "public entity" for certain FASB ASC requirements and a "nonpublic employee benefit plan" for other requirements. To avoid this confusion, we recommend replacing the term "nonpublic employee benefit plans" in proposed FASB ASC 820-10-65-8(a)(2) and (3) with "employee benefit plans other than those subject to the Securities and Exchange Commission's form 11-K filing requirements."

We appreciate the speed at which the FASB has responded to the need for this deferral, and we agree the proposed amendment should be effective upon issuance.

May30, 2013
Financial Accounting Standards Board (FASB)
Page 2

We would be pleased to discuss our comments further with the FASB staff. Please direct questions to William Drimel (bill.drimel@cliftonlarsonallen.com) at (414) 721-7550.

Sincerely,

CliftonLarsonAllen LLP

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

William F. Drimel
National Technical Partner, Assurance Services
(414) 721-7550
bill.drimel@cliftonlarsonallen.com

To ensure compliance imposed by IRS Circular 230, any U.S. federal tax advice contained in this communication (including attachments) is not intended or written to be used, and cannot be used by any taxpayer, for the purpose of avoiding penalties that may be imposed by governmental tax authorities.