

December 29, 2014

Technical Director  
File Reference No. EITF-14B  
FASB  
401 Merritt 7, PO Box 5116  
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Via email to: [director@fasb.org](mailto:director@fasb.org)

Re: *Proposed Accounting Standards Update*  
Fair Value Measurement (Topic 820), Issued October 30, 2014  
Disclosures for Investments in Certain Entities that Calculate  
Net Asset Value per Share (or Its Equivalent)

Dear Ms. Cosper:

The Accounting Principles and Auditing Standards Committee (the Committee) of the Florida Institute of Certified Public Accountants (FICPA) respectfully submits its comments on the referenced proposal. The Committee is a technical committee of the FICPA and has reviewed and discussed the above referenced Proposed Accounting Standards Update issued by the Financial Accounting Standards Board (FASB), including the questions posed in the proposal. The FICPA has approximately 18,500 members, with its membership comprised primarily of CPAs in public practice and industry. The Committee is comprised of more than 20 members, of whom 42% are from local or regional firms, 24% are from large multi-office firms, 14% are sole practitioners, 10% are in international firms, and 10% are in academia or private industry. Therefore we are addressing this exposure draft both from the viewpoint of preparers of financial statements as well as those performing attest services on them. The Committee has the following comments related to the questions posed by the Board:

1. After much discussion the consensus of the Committee is investments for which fair values are measured at net asset value (or its equivalent) using the practical expedient should not be excluded from categorization within the fair value hierarchy. Although this method is not consistent with the basis of the inputs to valuation techniques applied in other measurements, it is a measure which warrants at least a level 3 categorization. Further guidance is recommended to eliminate the diversity in practice related to these investments.
2. The scope of the disclosures required, the Committee agrees, should be limited to investments measured at net asset value (or its equivalent) using the practical expedient rather than all investments eligible to be measured at net asset value. To the extent the net asset value approach is not used, no additional disclosures are necessary.
3. The disclosures outlined in paragraph 820-10-50-6A the Committee believes are sufficient requiring no additional information of relevance.
4. For purposes of consistency and comparability, the Committee agrees the proposed amendments should be applied retrospectively to all periods presented.

5. The consensus of the Committee is the time needed to implement the proposed amendments would be negligible and finds no reason to prevent early adoption.
6. It is the Committee's opinion no additional time is needed for private companies and not-for-profit entities to apply the proposed amendments since the disclosure requirements remain the same as under the existing standard with minimal effort required to exclude those qualified investments from the fair value hierarchy.

The Committee appreciates this opportunity to respond to this Proposed Accounting Standards Update. Members of the Committee are available to discuss any questions you may have regarding this communication.

Respectfully submitted,

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Chair, FICPA Accounting Principles and Auditing Standards Committee

Committee members coordinating this response:  
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