



May 20, 2015

Ms. Susan M. Cosper
Technical Director
Financial Accounting Standards Board
401 Merritt 7
PO Box 5116
Norwalk, CT 06856-5116

File Reference No. EITF-15C – I, EITF-15C – II, and EITF-15C – III

Dear Ms. Cosper:

McGladrey LLP is pleased to comment on the proposed Accounting Standards Updates (ASUs), *Plan Accounting (Topics 960, 962, and 965)—(I) Fully Benefit-Responsive Investment Contracts, (II) Plan Investment Disclosures, and (III) Measurement Date Practical Expedient (a consensus of the FASB Emerging Issues Task Force)*. In general, we support the amendments under the proposed ASUs and believe they will result in an improvement to practice with little or no incremental costs. In particular, we agree with the proposed amendment to measure, present, and disclose fully benefit-responsive investment contracts at contract value, as well as the proposed amendment to provide a practical expedient to permit plans to measure investments as of a month-end date that is closest to the plan's fiscal year-end, when the fiscal period does not coincide with month-end. However, we are concerned that the proposed amendments to plan disclosures may not accomplish the stated objectives.

We agree that amendments are necessary to simplify and make the investment disclosure requirements under Topic 820 and under Topics 960, 962, and 965 for employee benefit plans more effective. The proposed amendment to disaggregate investments only by general type, as required under Topics 960, 962, and 965, and not also by nature, characteristics, and risks as required under Topic 820, would eliminate the need for plans to group their investments in two different ways which requires extra effort but minimum benefit to financial statement users. The proposal to eliminate the disclosure of investments that represent 5 percent or more of net assets available for benefits will also result in a simplification in disclosure requirements as users can see a list of all investments (other than those held in brokerage accounts) held by the plan in the supplementary information attached to the financial statements and Form 5500 filing. However, we are concerned that by limiting the proposed amendment to eliminate disclosure of investment strategy for investments measured utilizing the net asset value per share practical expedient in Topic 820 to only investments in a fund that files a Form 5500 as a direct filing entity, the Board will be providing relief to far fewer plans than could have otherwise benefited from this amendment. In practice, more and more frequently insurance entities are choosing not to file as a direct filing entity. As a direct filing entity election is voluntary and becoming less common, we see no reason why the amendment to eliminate the disclosure of investment strategy for certain investments should be limited to investments in a fund that files a Form 5500 as a direct filing entity. Rather, plans should be allowed to eliminate disclosure of investment strategy for investments that are eligible or elect to utilize the net asset value per share (or its equivalent) as the information is not used to make investment decisions as much more timely information is available elsewhere such as through enrollment packages and investment summaries provided by third parties to sponsors and participants. In addition, while we agree with the proposal to allow for the aggregation of investments held in self-directed brokerage accounts into a single line item, consistent with the form 5500 reporting, it may not be appropriate to classify such item as an "investment type" as more than one investment type may comprise that "investment vehicle."

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Given that the proposed ASUs reduce complexity in employee benefit plan accounting, we anticipate that an implementation period of several months to a year would be sufficient. We believe that the proposed transition methods for adoption are appropriate and that early adoption should be permitted.

We appreciate this opportunity to provide feedback on the proposed ASUs and would be pleased to respond to any questions the Board or its staff may have concerning our comments. Please direct any questions to Rick Day at 563.888.4017 or Ginger Buechler at 612.455.9411.

Sincerely,

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

McGladrey LLP