



April 25, 2016

Technical Director
Financial Accounting Standards Board
401 Merritt 7, P.O. Box 5116
Norwalk, CT 06856-5116
director@fasb.org

Re: File Reference No. 2016-210: Proposed Accounting Standards Update (ASU) – *Compensation— Retirement Benefits – Defined Benefit Plans – General (Topic 715-20): Changes to the Disclosure Requirements for Defined Benefit Plans*

The Accounting and Auditing Procedures Committee (the committee) of the Pennsylvania Institute of Certified Public Accountants (PICPA) appreciates the opportunity to comment on the proposed ASU on defined benefit plan disclosures. The PICPA is a professional CPA association of more than 22,000 members working to improve the profession and better serve the public interest. Founded in 1897, the PICPA is the second-oldest CPA organization in the United States. Membership includes practitioners in public accounting, education, government, and industry. The committee is composed of practitioners from both regional and small public accounting firms, members serving in financial reporting positions, and accounting educators.

The committee agrees that the disclosures for defined benefit pension plans are extensive and not always decision-useful, and believes that many of the proposed changes will assist in providing a clearer picture of defined pension plan obligations. However, the committee does not agree with eliminating the disclosure of the accumulated benefit obligation (ABO).

It is not clear to the committee why the ABO is being eliminated. The ABO provides the reader of a financial statement with the actual benefit obligation earned by participants at specified dates, and accordingly would represent the pension obligation of a company if management were to terminate the plan. This information could be useful to the decision makers of a company or to the users of a financial statement.

We appreciate your consideration of our comments. We are available to discuss any of these comments with you at your convenience.

Sincerely,

A handwritten signature in blue ink that reads "Lisa A. Ritter".

Lisa A. Ritter, CPA
Chair, PICPA Accounting and Auditing Procedures Committee