



The Association of
Accountants and
Financial Professionals
in Business

November 8, 2014

Mr. Russell Golden, Chairman
Financial Accounting Standards Board
401 Merritt 7
P.O. Box 5116
Norwalk, CT 06856-5116

Re: File Reference No. 2014-260, Exposure Draft (ED) of Proposed Accounting Standards Update (ASU) – *Practical Expedient for the Measurement Date of an Employer’s Defined Benefit Obligation and Plan Assets*

Dear Mr. Golden:

The Financial Reporting Committee (FRC) of the Institute of Management Accountants (IMA) is writing to share its views on the Financial Accounting Standards Board’s (FASB) Exposure Draft of Proposed ASU – *Practical Expedient for the Measurement Date of an Employer’s Defined Benefit Obligation and Plan Assets*.

The IMA is a global association representing more than 70,000 accountants and finance team professionals. Our members work inside organizations of various sizes, industries and types, including manufacturing and services, public and private enterprises, not-for-profit organizations, academic institutions, government entities and multinational corporations. The FRC is the financial reporting technical committee of the IMA. The committee includes preparers of financial statements for some of the largest companies in the world, representatives from the world’s largest accounting firms, valuation experts, accounting consultants, academics and analysts. The FRC reviews and responds to research studies, statements, pronouncements, pending legislation, proposals and other documents issued by domestic and international agencies and organizations. Additional information on the FRC can be found at www.imanet.org under the Advocacy section.

We have noted in many comment letters to the FASB our concern about the complexity of financial reporting requirements and, in a letter to you dated May 27, 2014, we expressed our support of the Board’s Simplification Initiative. We are pleased to see the Initiative result in this proposed ASU.

We support the provision of a practical expedient for companies with fiscal year-ends that do not fall on a month-end which permits those companies to measure defined benefit plan assets and obligations as of the month-end that is closest to the company’s fiscal year-end. The practical expedient simplifies the effort, reducing costs for such companies. The sooner the proposal can be adopted the sooner costs will be reduced. We agree that the practical expedient should be applied consistently for all company plans and should be disclosed. We support limiting adjustments to the funded status to contributions between the measurement date and the fiscal year-end as that information is readily available to preparers.

Sincerely,

A handwritten signature in blue ink that reads "N. Schroeder". The signature is written in a cursive, flowing style.

Nancy J. Schroeder, CPA
Chair, Financial Reporting Committee
Institute of Management Accountants
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