



The Association of
Accountants and
Financial Professionals
in Business

February 4, 2015

Trustees, Financial Accounting Foundation
Members, Financial Accounting Standards Board
Members, Governmental Accounting Standards Board
401 Merritt 7
P.O. Box 5116
Norwalk, CT 06856-5116

Re: Strategic Plan – *Working Draft* – December 2014

Dear Ladies and Gentlemen:

The Financial Reporting Committee (FRC) of the Institute of Management Accountants (IMA) is writing to share its views on the Strategic Plan – *Working Draft* issued by the Financial Accounting Foundation (FAF), Financial Accounting Standards Board (FASB) and Governmental Accounting Standards Board (GASB).

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 in the Advocacy Activity section under the About IMA tab.

While the FAF, FASB and GASB share the common goal of developing the highest-quality financial accounting standards, each organization has distinct roles in the process as outlined in governing documents and consistent with historic practice. We believe that the independence of FASB and GASB standard setting is critical to the development of the highest-quality financial accounting standards. We are concerned that the combined strategic plan with a minimal level of explicit role definitions for each organization in the *Working Draft* compromises the independence of the standard setting boards. The strategic plan should clearly delineate the roles in accordance with the existing governing documents and explicitly state that the FAF has no direct role in standard setting. The clearest way to articulate the separation is for each organization to have separate plans with integration of the plans through cross referencing to each specific plan (essentially, FAF as oversight and FASB and GASB as independent standard setters).

We would be pleased to discuss our thoughts at your convenience.

Sincerely,

A handwritten signature in blue ink that reads "Schroeder".

Nancy J. Schroeder, CPA
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Institute of Management Accountants
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