



January 22, 2013

Technical Director
Financial Accounting Standards Board
401 Merritt 7
PO Box 5116
Norwalk, Connecticut 06856-5116

Re: File Reference No. 2013-200

Dear Technical Director:

On behalf of the National Association of College and University Business Officers (NACUBO), we submit the following comments on the Proposed Accounting Standards Update, "Clarifying the Scope and Applicability of a Particular Disclosure to Nonpublic Entities (Topic 825)" (the ASU). NACUBO's comments on the proposal were developed with input from our member institutions and our Accounting Principles Council (APC). The APC consists of experienced business officers from various types of institutions who, collectively, possess a thorough knowledge of higher education accounting and reporting issues and practices.

NACUBO is a nonprofit professional organization representing chief financial and administrative officers at more than 2,100 nonprofit colleges and universities. In its capacity as a professional association, NACUBO issues accounting and reporting guidance for the higher education industry and educates over 2,000 higher education professionals annually on accounting and reporting issues and practices.

Overall Comments on the ASU

We appreciate the Board's clarification of the scope of the requirement to disclose the level of the fair value hierarchy within which amounts carried at other than fair value, but for which fair value information is disclosed, are categorized. We request, however, that the Board exempt all not-for-profit entities (NFPs) from this disclosure requirement, rather than only those without publicly traded debt.

Through direct inquiry, we have been unable to identify any users of NFP financial statements that utilize the fair values disclosed for items measured at other than fair value. This includes rating agencies, governing boards, bond holders and management. As such, requiring additional disclosures would be time consuming and would add no value to the financial statements.

In addition, we note that paragraph BC-107 of ASU 2011-04, states that “in general, the users of the financial statements of nonpublic entities have a greater ability to access information about the financial position of the reporting entity.” This is true of all NFPs, whether or not they have publicly traded debt.

Based on these factors, we reiterate our request that the Board exempt all NFPs from the requirement to disclose the level of the fair value hierarchy within which amounts carried at other than fair value, but for which fair value information is disclosed, are categorized.

We wish to express our appreciation for the opportunity to comment. We look forward to answering any questions the Board or the staff may have about our response. Please direct your questions to Sue Menditto at 202-861-2542 or sue.menditto@nacubo.org.

Sincerely,

Susan M. Menditto
Director, Accounting Policy