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**NASBA PRAISES THE FAF'S OUTREACH TO FINANCIAL INFORMATION USERS  
ON STANDARD SETTING FOR PRIVATE COMPANIES**

**NASHVILLE, TN, October 4, 2011** – The National Association of State Boards of Accountancy ([NASBA](#)) has praised the regulatory vigor demonstrated by the Financial Accounting Foundation ([FAF](#)), as it reached out to hear from users of financial information in its recent project to determine the optimum course for setting private company financial standards. Through interviews and meetings, the FAF provided forums for lenders, investors, regulators, donors, representatives of CPA firms, private companies, not-for-profit organizations, academia and others concerned about accounting for private companies to have their issues heard. This diligent effort resulted in the paper released today by the FAF which outlines the next steps in developing quality standards that meet the needs of private companies and those monitoring their financial performance.

The project was spurred on by a Blue Ribbon Panel jointly sponsored by the FAF, NASBA and the American Institute of Certified Public Accountants. Its deliberations, from April 2010 through the beginning of this year, highlighted existing problems and offered some solutions. The Panel's recommendations were considered as part of the FAF's strategic initiative to review private company issues before creating an action plan. The FAF then went on to conduct additional information gathering before developing the steps presented in today's report and releasing those recommended steps for public comment.

"We applaud the Financial Accounting Foundation for actively soliciting the views of all interested parties," NASBA Chair Michael D. Daggett said. "As NASBA has stated, complex and irrelevant accounting standards need to be reined in, for both private and public companies. Recent efforts by the Financial Accounting Standards Board have demonstrated that they are aware of the need to give added attention to private companies and we look forward to further progress in that direction."

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NASBA President David Costello noted the history of this issue: “For more than 30 years, the differences between the accounting needs of private companies and public companies have been underscored. State Boards of Accountancy, who hold the authority to set the standards under which CPAs practice, are united in their support of a process which produces standards that fill the public’s needs and that can effectively be met by CPAs.”

### **About NASBA**

Celebrating 103 years of service, the National Association of State Boards of Accountancy (NASBA) serves as a forum for the nation’s state boards of accountancy, which administer the Uniform CPA Examination, license over 650,000 certified public accountants and regulate the practice of public accountancy in the United States. NASBA’s mission is to enhance the effectiveness of state boards of accountancy in meeting their regulatory responsibilities. The Association promotes the exchange of information among accountancy boards, serving the needs of the 55 U.S. jurisdictions.

NASBA is headquartered in Nashville, TN, with a satellite office in New York City and an International Computer Testing and Call Center in Guam. To learn more about NASBA, visit [www.nasba.org](http://www.nasba.org).

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