

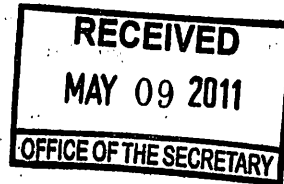
NASBA

National Association of State Boards of Accountancy

150 Fourth Avenue North ♦ Suite 700 ♦ Nashville, TN 37219-2417 ♦ Tel 615/880-4201 ♦ Fax 615/880/4291 ♦ dcostello@nasba.org

4-600
11

May 2, 2011



James L. Kroeker, Chief Accountant
The Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C.

Dear Mr. Kroeker:

We read with great interest the press release on April 20, 2011 announcing the formation of the SEC roundtable to discuss the benefits or challenges in potentially incorporating International Financial Reporting Standards (IFRS) into the financial reporting system for U.S. issuers. The July 7 event as reported will feature three panels representing investors, smaller public companies, and regulators.

As you are aware, NASBA represents the world's largest collective body of accounting regulators—the 55 state boards of accountancy. With authority vested by Amendment X of the U.S. Constitution, state boards of accountancy have the responsibility to determine and enforce professional accounting, auditing, and ethics standards used by its licensed CPAs and respective firms. NASBA on behalf of its member boards works closely with the AICPA, the PCAOB, Financial Accounting Foundation, FASB, and the SEC to coordinate all aspects of accounting regulation including development and adoption of professional standards so that state, national, and international interests (where appropriate) are not inconsistently advanced. NASBA also administers the CPA licensing examination, jointly develops the Uniform Accountancy Act (UAA), and has primary responsibility for the UAA's Model Rules. Among those Model Rules are provisions which implement applicable standards including, of course, the very standards which the SEC roundtable will be considering.

NASBA was one of the early responders (February 19, 2009) to comment on the SEC's "Roadmap For The Potential Use Of Financial Statements Prepared In Accordance With International Financial Reporting Standards By U.S. Issuers" (Roadmap). We cited our concerns with the Roadmap at that date and based on strong negative reaction from state regulatory authorities recommended withdrawal of the Roadmap.

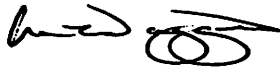
It is important to note that NASBA and its member boards endorse the concept of high quality global standards but we can only support that which is developed and vetted thoroughly and transparently with all the appropriate parties. NASBA is one of the more appropriate parties to be a member of the roundtable panel discussing "the regulatory environment of incorporating IFRS" and accordingly we are requesting that NASBA representatives be included as a member.

Our request is totally consistent with Section 209 of the Sarbanes-Oxley Act which recognizes the cooperation and coordination of state regulatory authorities and the SEC. Section 209 acknowledges the necessity of state boards' input and anticipates a substantive voice for state boards in a roundtable such as the one the SEC is convening: *"In supervising nonregistered public accounting firms and their associated persons, appropriate State regulatory authorities should make an independent determination of the proper standards applicable, particularly taking into consideration the size and nature of the business of the accounting firms they supervise and the size and nature of the business of the clients of those firms. The standards applied by the Board under this Act should not be presumed to be applicable for purposes of this section for small and medium sized nonregistered public accounting firms."*

NASBA was represented on the Treasury Department's Advisory Committee on the Auditing Profession," and more recently on the FAF/AICPA/NASBA Blue Ribbon Panel of the Financial Accounting Foundation to consider the development and promulgation of accounting standards. Our presence and significant input were highly beneficial to these groups because we are the only official voice for state accounting regulation.

We commend you and the SEC staff for your forward thinking in forming the roundtable, and your efforts to assemble the appropriate representatives for the panel. We respectfully suggest that exclusion of the state boards of accountancy in the roundtable could not only undermine the ability of NASBA and its member boards to understand, recommend and implement applicable standards, but would seem to be inconsistent with the Congressional intent as expressed in Section 209. We therefore offer you the service of NASBA and the collective resources of our member boards and look forward to joining other appropriate parties at your roundtable.

Sincerely,



Michael T. Daggett, CPA
Chairman



David A. Costello, CPA
President & CEO

ccs: Mary Shapiro, Chairman , SEC
Elizabeth M. Murphy, Secretary, SEC