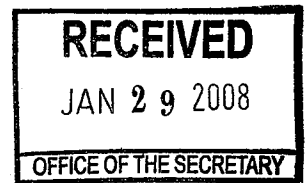


DEAN'S OFFICE
Marriott School



January 21, 2008

Nancy M. Morris
Federal Advisory Committee Management Officer
Securities and Exchange Commission
100 F Street, NE, Washington, DC 20549-1090

Dear Chairman Pozen:

This response is to your advisory committee's recommendation on page 34 of your January 11, 2008 Draft Discussion Memo that only three of the FAF's recommended members be designated (public accountant, preparer and investor/user) and that the FAF's recommended academic member be dropped as a requirement for FASB composition. Having a designated academic member of the FASB is critical for the following reasons:

1. Unlike other designated members, academic members are truly independent. They have no vested interest in the outcome of deliberations of standards; rather they only want the best and most transparent outcome. They neither favor preparer positions, public accounting positions, or investor/user positions. This independence is extremely important to insure that every argument on all sides of the issues is considered.
2. Academic members of the board bring an investigative rigor to the discussion that insures that past research is considered, that implications for users are considered and that political persuasiveness does not mandate the decisions or standards. The scientific method used by academics requires that all issues and implications, as well as possible outcomes, be considered. This rigor is extremely valuable in reaching optimal financial reporting decisions.
3. Academics are one of the four major constituencies that use the standards. Certainly, public accountants must be represented, as should users/investors and preparers. However, it is academics who educate the future members of all three groups. Without a voice in the standard-setting process, academics may become critical or even cynical of the process. Academics must be involved to insure that their voices are heard and that there is integrity in the standard-setting process.

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4. Your report states that additional investor involvement must be part of the standard setting process. While academics would make sure that investor concerns are always considered, they would avoid the kind of advocacy that has marred past standard setting where public accountants have had three seats on the board and where investors/users and preparers have been underrepresented and often at odds.

I would strongly encourage you to discuss the makeup of the FASB with Robert Herz, current FASB chairman. Even though his background is public accountancy, I believe he would argue that the rigor and consideration of all sides of the issues brought by the academic board member is extremely valuable to the standard-setting process.

I wish you success in your committee's deliberations. Improving financial reporting is critical to the transparency and future of financial reporting in the U.S.

Sincerely,



W. Steve Albrecht, Professor
Brigham Young University
Trustee, FAF