Ross Roundtable

On

Pension Accounting: The Next Big Battle for the FASB

Date/Time: Monday, March 27, 2006/ 4:00pm to 6:00pm

Location: New York University
Leonard N. Stern School of Business
44 West Fourth Street
Henry Kaufman Management Center
Barr-Kawamura Commons, Room 5-50
New York, NY 10012

Contact: 212-998-4143 or email aallison@stern.nyu.edu

Roundtable Coordinator:
Seymour Jones, Clinical Professor of Accounting, Department of Accounting, Taxation & Business Law and Associate Director, Vincent C. Ross Institute

Roundtable Theme:
Pension accounting has long been criticized as inadequate by various financial statement users. These critics argue that the current accounting for pensions does not represent the true cost to the firm, nor does it reflect the true pension obligations, and that disclosures are complex and difficult to understand. The FASB has on its technical agenda a project to comprehensively reconsider Statement 87, Employers’ Accounting for Pensions, and Statement 106, Employers’ Accounting for Postretirement Benefits Other Than Pensions, in order to improve the reporting of pensions and other postretirement benefit plans, and making information more useful and transparent for investors, creditors, employees, retirees, and other users.

The Roundtable discussion will revolve around the following issues, among others:

1. Should firms recognize the overfunded or underfunded status of defined benefit plans as an asset or liability on the balance sheet?
2. What is the best way to measure a firm’s benefit obligation and should rule makers exert more control over the assumptions used to estimate this long-term obligation?

3. How should the various elements that affect pension costs be recognized and displayed in earnings? How will investors react to increased volatility in earnings in the absence of smoothing?

4. Should the benefit trust be consolidated into the plan sponsor’s financial statements?

5. What role should public policy considerations related to retirement benefits play in determining accounting policy?

CONTINUING PROFESSIONAL EDUCATION CREDITS (CPE)

Learning Objectives: The Ross Roundtable provides a forum for "public opinion shapers" -- business writers, financial analysts, educators, corporate financial executives, regulators, etc. -- to discuss with policymakers important developments in capital markets and the financial world. To provide ample opportunity for participants to voice their opinions, the size of the Roundtable is limited.

Delivery Method: Group-live

Program Level Update

Prerequisites: Adequate business and/or academic experience.

To register for this course, contact: Atherine Allison, Vincent C. Ross Institute of Accounting Research at 212.998.4143 or visit our website, http://w4.stern.nyu.edu/ross.

Complaint Resolution Policy: For information regarding complaint and program cancellation policies, please contact our office at 212.998.4143

Earn 2 CPE credits (based on a 50 minute credit hour).

New York University, Stern School of Business is registered with the National Association of State Boards of Accountancy (NASBA), as a sponsor of continuing professional education on the National Registry of CPE Sponsors. State boards of accountancy have final authority on the acceptance of individual courses for CPE credit. Complaints regarding registered sponsors may be addressed to the National Registry of CPE Sponsors, 150 Fourth Avenue North, Suite 700, Nashville, TN, 37219-2417. Web site: www.nasba.org