



May 8, 2013

Terri S. Polley
President and Chief Executive Officer
401 Merritt 7
P.O. Box 5116
Norwalk, CT 06856

RE: Financial Accounting Foundation's Request for Comment, *GASB's Scope of Authority: Proposed Changes to Agenda-Setting Process*

Dear Ms. Polley:

Thank you for the opportunity to provide comments on the Financial Accounting Foundation's Request for Comment, *GASB's Scope of Authority: Proposed Changes to Agenda-Setting Process*. We appreciate the Financial Accounting Foundation's (FAF) concern for stakeholder input to the GASB's standard setting process. The result of this process should develop generally accepted accounting principles which gain "general acceptance" by the governmental financial community.

We support the FAF and GASB as the standard setters for governmental accounting and financial reporting. If the FAF moves forward with the proposed change to the GASB standard setting process, we feel that the FAF government trustees should be play a significant role in the modified process given their strong governmental accounting backgrounds. We suggest all three government trustees serve on the Standard Setting Oversight Committee and the Committee should not make recommendations to the FAF trustees concerning scope issues unless at least two of the three government trustees agree with the recommendation. This would be an efficient allocation of existing FAF resources that would ensure the appropriate governmental experience and knowledge of governmental accounting issues for the review process.

Also, we believe that more consideration should be given to the cost/benefit analysis of proposed new standards. Most governments are operating with fewer resources so it is more critical today that the benefits derived from new standards outweigh the cost to implement or comply with the standards. We are very concerned the timeliness of CAFRs are being impacted with the prolific standard setting pace we have experienced in recent years. Timeliness is critical to the usefulness of the report. In addition, the CAFR size and complexity has increased over the years making it less useful to some users. We are frequently told that no one reads our CAFR or can understand it. It may be a good time to reevaluate the direction of governmental financial reporting.

Again, thank you for the opportunity to respond to this document. If you have questions or need additional information regarding this response, please do not hesitate to contact me at (515) 281-4877.

Sincerely,

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