



April 19, 2013

Financial Accounting Foundation
401 Merritt 7
PO Box 5116
Norwalk, CT 06856-5116

Re: GASB Agenda Process

Dear Sir or Madam,

The Michigan Government Finance Officers Association (MGFOA) has reviewed the Request for Comment, *GASB's Scope of Authority: Proposed Changes to Agenda-Setting Process* dated February 2013. We offer the following comments and observations:

First, we want to commend the FAF for taking on this project. We agree wholeheartedly with the statement in the Request for Comment that "there is a lack of shared understanding about which aspects of accountability are suited for assessment through financial reporting", and believe that setting appropriate boundaries on the GASB's scope of authority is a worthy undertaking.

We found the three groups of government information and seven categories of the financial reporting scope spectrum to be useful tools in evaluating this Request for Comment. However, we believe that forward-looking projections and other general purpose financial reports (such as SEA) are more properly placed in group 3, as "clearly recognized as being beyond the GASB's standard-setting authority". It is our belief that the GASB should limit its efforts to historical financial information. While we support the idea of an Oversight Committee to help limit the number of instances in which the GASB seeks to exceed its purview, we feel that more clearly articulated limits imposed beforehand by the FAF might be equally as effective.

These comments represent the consensus opinion of the Accounting Standards Committee and have been approved by our Board of Directors. Thank you for your consideration and the opportunity to express our points of view.

Very truly yours,

Karen Lancaster, President
Michigan Government Finance Officers
Association

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