



Colorado

Department of Personnel
& Administration
Office of the State Controller

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Governor

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Executive Director

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

Dear FAF Trustees:

This letter is in response to the Financial Accounting Foundation's (FAF) revised document titled GASB Scope of Authority: Consultation Process. Thank you for the opportunity to participate in this important decision.

Colorado expressed three primary concerns in its response to the original proposal. First, FAF's involvement, at the level proposed, would interfere with the independent role GASB plays in standard setting. Additionally, the FAF's lacks experience in governmental accounting, which would introduce inefficiencies into the process. Finally, the continuum from broad to narrow as a means of measuring scope did not appropriately represent governmental activity.

The revisions improve upon the original proposal, while providing the FAF an appropriate means of oversight. Specifically, a focus on consultation in a non-project specific manner better recognizes GASB's independent role as a standard setting body. Additionally, the use of the concept statements is an improvement over the previous continuum as the basis to classify information.

In conclusion, we believe the revisions address Colorado's primary concerns.

Sincerely,

Robert Jaros, CPA, MBA, JD
Colorado State Controller