

November 18, 2011

Governmental Accounting Standards Board 401 Merritt 7 PO Box 5116 Norwalk, CT 06856

RE: Proposed Statement of the Governmental Accounting Standards Board, Reporting Items Previously Recognized as Assets and Liabilities

Director of Research and Technical Activities:

One of the expressed goals of the Texas Society of Certified Public Accountants (TSCPA) is to speak on behalf of its members when such action is in the best interest of its members and serves the cause of Certified Public Accountants in Texas, as well as the public interest. The TSCPA has established a Professional Standards Committee (PSC) to represent those interests on accounting and auditing matters. The views expressed herein are written on behalf of the PSC, which has been authorized by the TSCPA Board of Directors to submit comments on matters of interest to the committee's membership. The views expressed in this letter have not been approved by the TSCPA Board of Directors or Executive Board and, therefore, should not be construed as representing the views or policy of the TSCPA.

Our committee has reviewed the above-referenced exposure draft (ED) and we are in agreement with the guidance being proposed. We have no problems with the guidance, nor do we see any conflicts with existing standards.

We believe the changes that are being proposed in the ED, while well written, will require an education process for users of financial statements. This is due to the fact that the guidance introduces some unique reporting concepts of which many users are likely to be unfamiliar. We strongly urge the Board to consider issuing an explanatory document designed to help preparers and users better understand the changes being proposed. Such a document would be of great assistance to preparers of the financial statements in explaining the information required by this ED to those who use the financial statements.

We appreciate the opportunity to participate in the standard-setting process.

Sincerely,

Kathryn W. Kapka, CPA, CIA, CGAP

Kathryn N. Kapka

Chair. Professional Standards Committee

Texas Society of Certified Public Accountants