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Director and Project Manager:

I am sending you all my belated comments on the EDs. These won't be as formal as I or you would like, but it's the best I could pull off given my schedule in recent months.

Once again, I commend the board members and staff for all the hard work and important service you render to the all users of governmental financial statements. Thank you.

At the end of these comments is the written version of my 10-minute oral testimony in Chicago. Thank you again for the opportunity to submit my thoughts and comments concerning the proposed amendments of Statement Nos. 25 and 27.

Immediately following is rough outline of the primary areas of my comments, in particular order. It does not contain a lot of detail and specificity. I would be pleased to fill in some more blanks at a later date. Also, I rushed through this, so please pardon my typos.

1. Timetable

- a. Field test. There was too much work to do in too little time to really do an adequate job of identifying all the devilish details; and there are several that we know of and likely more that we will not discover till later, after the standard is adopted.
- b. Cost sharing plans will have a harder time meeting the implementation schedule than single employer plans. You might consider making it effective for cost sharing employers (and maybe the respective plans) for the year beginning after June 15, 2014 instead of 2013.
- c. However, I understand the GASB's push to get this implemented. If you do not change the implementation year, I suspect that most of the cost sharing plans will indeed be able to comply; but it will be very hard and some may not be able to comply in time.
- d. If the board adopts some of the recommendations included herein and from other commentators, it would make it easier and ensure more complete compliance.

2. Who pays for all this work?

- a. I don't think it is the role to the GASB to wade into that matter.

