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Letter of Comment No. 10 File Reference: 25-20E Date Received: 8/26/13 Governor Terry E. Branstad Lt. Governor Kim Reynolds

Mike Carroll, Director

August 23, 2013

David Bean, Director of Research and Technical Activities Project No. 25-20 Governmental Accounting Standards Board 401 Merritt 7, P.O. Box 5116 Norwalk, CT 06856-5116

RE: Pension Transition for Contributions Made Subsequent to the Measurement Date

Dear Mr. Bean:

We appreciate the opportunity to respond to the GASB's Exposure Draft (ED) on *Pension Transition for Contributions Made Subsequent to the Measurement Date*.

We concur with the Board's observation that, in those instances where it is not practical to determine the amount of all deferred outflows of resources and deferred inflows of resources at transition, there is the potential for significant misstatement of a contributor's beginning net position and subsequent expense. Therefore, we support an exception, to the all or nothing recognition requirements of Statement 68, to allow for the recognition of a beginning deferred outflow of resources for the amount of pension contributions made subsequent to the measurement date of the beginning net pension liability and before the start on the contributor's fiscal year.

Further, we comment that the identification of this issue, following the issuance of Statement 68, serves to demonstrate the challenges and complexity confronting preparers in the implementation of the new pension accounting and reporting standards.

If you have questions or need additional information regarding this response, please contact Rich Schoeppner at (515) 281-4064.

Sincerely,

Calvin Mc Kelvogue

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