September 30, 2013

Mr. David Bean  
Director of Research and Technical Activities  
Project No. 3-20E  
Governmental Accounting Standards Board  
401 Merritt 7  
PO Box 5116  
Norwalk, CT 06856-5116

Dear Mr. Bean:

We are pleased to have the opportunity to provide our comments on the Governmental Accounting Standards Board (GASB) Exposure Draft (ED), Measurement of Elements of Financial Statements (the ED). Overall, we agree with the concepts proposed in the ED and the GASB’s efforts to provide a conceptual framework for measurement that can be used as a basis for establishing consistent financial reporting standards. We also agree with the Board’s proposed measurement approaches (i.e., initial amount and remeasured amount) and attributes (i.e., historical cost, fair value, replacement cost, and settlement amount).

We would like to take this opportunity to reiterate our comments made on the preceding Preliminary Views, Recognition of Elements of Financial Statements and Measurement Approaches, relating to recognition of elements of financial statements. Specifically, we stated that the proposed concepts failed to articulate a clearly stated purpose or an explanation of what the financial statements using the proposed measurement focus were intended to communicate. We also stated that because of the importance of that concept statement to preparers, users, and auditors, we recommended that the Board align the issuance of the next due process document for this project with the Board’s due process document relating to the reexamination of the financial reporting model (Statement 34 reexamination).

It is our understanding the recognition portion of the original PV is now a separate project and that a proposed recognition Concepts Statement will be issued for comment at a later date. We continue to recommend that the Board align the issuance of the next due process document relating to recognition with a future due process document relating to the reexamination of the financial reporting model (i.e., the Statement 34 reexamination).

If you have any questions or need additional information regarding our comments, please contact Jeff Markert at 212-909-5306 or jmarkert@kpmg.com.

Very truly yours,

[Signature]

[Address]