March 31, 2016

Mr. David Bean, Director of Research and Technical Activities
Project No. 3-13E
Governmental Accounting Standards Board
401 Merritt 7, P.O. Box 5116
Norwalk, CT 06856-5116

RE: GASB Exposure Draft – Fiduciary Activities

Dear Mr. Bean:

We appreciate the opportunity to respond to NASACT on the GASB’s Exposure Draft (ED) Fiduciary Activities.

Generally, we support the requirements of the proposed statement and believe it will function to enhance consistency and comparability in financial reporting.

We appreciate the relief offered by the provision, which allows for aggregated reporting of additions and deductions in custodial funds, for resources expected to be held for three months or less.

We consider the inclusion of the flow charts and illustration to be both relevant and practical, and encourage the Board to continue to providing these tools wherever possible.

However, we do not support the criteria that would exclude all activities, which provide assets for residents or recipients of the government’s goods and services, from reporting as a fiduciary activity. For example, we believe the assets (cash) provided by the residents of a Veterans’ Home that are held, with no trust arrangement, by a government for the benefit and use of those residents is fiduciary in nature, and is therefore more appropriately reported as a fiduciary activity rather than as a governmental or business-type activity.

If you have questions or need additional information regarding this response, please do not hesitate to contact Rich Schoeppner at (515) 281-4064.

Sincerely,

Calvin McKelvogue

Calvin McKelvogue, Chief Operating Officer
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