March 29, 2016

Director of Research and Technical Activities
Governmental Accounting Standards Board
401 Merritt 7, P O Box 5116
Norwalk, CT 06856-5116

Project No. 3-13E

Dear Sir:

We appreciate the opportunity to comment on the exposure draft, *Fiduciary Activities*. We offer the following comments for your consideration:

We are not opposed to the objectives of the Exposure Draft to establish specific criteria for identifying activities that should be reported as fiduciary activities and clarifying whether certain custodial business-type activities should be reported as fiduciary activities.

The illustrative flowchart presented in Appendix C is an added resource in determining the government’s responsibility to report fiduciary activities; however, one of the questions is confusing. When identifying whether the government is required to report an activity as a fiduciary fund or a business-type fund, the flowchart uses the phrase “does the government not have administrative involvement.” We suggest writing a question without a negative for users to more easily understand the question.

Thank you for the opportunity to participate in the standard-setting process.

Sincerely,

Brenda Morris, CPA
Financial Services Director

cc: Roberta Broeker - do