September 18, 2015

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

Re: Proposed Statement of the Governmental Accounting Standards Board, "Accounting and Financial Reporting for Irrevocable Split-Interest Agreements"

Dear Sir:

The Michigan Government Finance Officers Association (MGFOA) has reviewed the Proposed Statement of the Governmental Accounting Standards Board on Accounting and Financial Reporting for Irrevocable Split-Interest Agreements, dated June 2, 2015. We offer the following comments and observations:

Overall, we are in agreement as to establishing specific criteria for accounting and reporting of irrevocable split-interest agreements. We offer the following comments:

1. It would be helpful if the final statement could clarify whether the beneficial interest asset should be reported at the full accrual level only, or at both the modified accrual and full accrual level. The basis of conclusion paragraph B25 implies that this asset would be reported at the modified accrual level also, perhaps that language could be included as part of the statement.

2. It would be helpful for financial statement preparers if examples for presentation could be provided of how the information flows within the statements.

These comments represent the consensus opinion of the Accounting Standards Committee and have been approved by our Board of Directors. Thank you for your consideration and the opportunity to express our points of view.

Very truly yours,

[Signature]
Edward J. Sell Jr., President
Michigan Government Finance Officers Association