November 30, 2015

Mr. David R. Bean  
Director of Research and Technical Activities  
Project No. 24-16ED  
Governmental Accounting Standards Board  
401 Merritt 7  
P.O. Box 5116  
Norwalk, CT 06856-5116

Dear Mr. Bean:

We are writing to you on behalf of the Government Finance Officers Association of the United States and Canada (GFOA) in response to the Governmental Accounting Standards Board’s (GASB) Exposure Draft (ED), *Proposed Implementation Guide of the Governmental Accounting Standards Board, Implementation Guide No.20XX-X, Implementation Guidance Update-20XX*. This response was prepared by the GFOA’s standing Committee on Accounting, Auditing, and Financial Reporting (CAAFR), all of whose members are active government finance officers.

GFOA supports the guidance proposed in the ED and believes it will be helpful in clarifying existing standards for practitioners. At the same time, we have identified two potential modifications for the board’s consideration.

First, we recommend that draft Question 4.20 be modified to incorporate the specific circumstances surrounding the proposed guidance, rather than referencing three other questions. Citing other questions rather than incorporating that information into the question itself needlessly complicates the task of the reader. That is, we believe it would be better to identify the situation directly and then parenthetically reference the other questions should the reader wish to investigate further.

Second, we recommend that the answer to question 4.30 be amended to clarify that GAAP require investments of bond proceeds to be recorded at fair value, unless an exception for amortized cost is provided.

If you have any questions regarding our position, please contact the GFOA’s Director of Technical Services, Stephen J. Gauthier (312/917-6101; FAX 312/977-4806; e-mail: sgauthier@gfoa.org).

Sincerely yours,

Melinda Gildart, Chair  
Committee on Accounting, Auditing, and Financial Reporting  
Melanie Seale, Vice-chair  
Committee on Accounting, Auditing, and Financial Reporting