February 26, 2015

Mr. David R. Bean  
Director of Research and Technical Activities, Project No. 3-24P  
Governmental Accounting Standards Board  
401 Merritt 7  
P.O. Box 5116  
Norwalk, CT 06856-5116

Dear Mr. Bean:

We appreciate the opportunity to respond to the Governmental Accounting Standards Board’s preliminary views (PV) document titled Leases. We generally agree with the Board’s preliminary views on this topic. Given the Financial Accounting Standards Board’s project on leases, we support GASB’s efforts to update accounting standards on leases to become more in line with private sector accounting standards. Such changes should be very beneficial for practitioners in not having to learn vastly different guidance when serving public and private sector clients. We are mindful of the initial implementation cost of instituting a 12 month cutoff for short term leases that large governments may face in updating their accounting and subsidiary systems. However, we think the corresponding benefits of enhanced comparability of financial statement will be worth the cost.

If you have any questions regarding our comments, please contact me or Craig M. Murray, Director of Professional Practice.

Sincerely,

Doug Ringler  
Auditor General

c: C. Murray, CPA, CIA

Via e-mail