December 15, 2016

Mr. David R. Bean
Director of Research and Technical Activities
Project No. 37E
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) Omnibus 201X. This response was prepared by GFOA’s standing Committee on Accounting, Auditing, and Financial Reporting (CAAFR), all of whose members are active government finance officers.

The GFOA supports all of the guidance proposed in the exposure draft. In particular, we are gratified by the changes that have been proposed to bring financial reporting for pensions and other postemployment benefits (OPEB) into even closer alignment. Furthermore, now that comprehensive final standards are in place for both pensions and OPEB, we recommend that in the future the GASB address common issues related to both simultaneously and issue proposed changes in the form of a single due-process document.

In addition, since the various proposed changes are independent of one another, we also recommend that the final standard expressly allow “piecemeal” early implementation.

Finally, for the Board’s consideration in developing future standards, the GFOA believes that the guidance on employer-paid employee contributions should apply in reverse to situations where employees pay a portion of the employer contribution for either OPEB or pensions. Moreover, to minimize the very real possibility of confusion or misunderstanding in such cases, the GFOA recommends that the GASB require that employers expressly disclose the details of contributions in either situation in the notes to the financial statements.
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
Melanie Seale, Vice-chair
Chair
Committee on Accounting, Auditing, Committee on Accounting, Auditing, and Financial Reporting and Financial Reporting

Melinda Gildart, Chair
Committee on Accounting, Auditing, and Financial Reporting