Mr. David R. Bean  
Director of Research and Technical Activities, Project No. 34-3E  
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 exposure draft titled *Accounting and Financial Reporting for Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans*. We agree with the provisions of the exposure draft and applaud the board's decision to amend GASB 68 for those employers participating in these types of defined benefit pension plans. We do offer one comment requesting the board consider clarifying paragraph 2 part (b) regarding who the standard applies to. The wording within this sentence sounds somewhat contradictory when it says "This Statement establishes accounting and financial reporting standards for defined benefit pensions provided to the employees of state or local governmental employers ..." through a cost-sharing pension plan that "... (b) is used to provide defined benefit pensions to employees of employers that are not state or local governmental employers...."

Taking into consideration the context of the entire exposure draft, we interpret this sentence to mean the standard applies when a cost-sharing plan has more than one state or local governmental employer and at least one employer that is not a state or local government. We offer the following phrasing as an alternative: "... (b) also provides defined benefit pensions to employees of an employer that is not a state or local government,..."

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 email