April 21, 2020

Government Accounting Standard Board
Attn: Board Members
401 Merrit 7
Norwalk, Connecticut 06856-5116

Dear Chairman Vaudt and Board Members:

The exposure draft issued on April 14, 2020 for the proposed Postponement of the Effective Dates of Certain Authoritative Guidance is an important recognition how serious COVID-19 is having on personnel who are operating and supporting government.

These personnel are focused on sustaining their government’s vital functions in very challenging circumstances. The disruptions discussed in the Background of the exposure draft could result in delays in the issuance of financial statements, potential errors in the adoption of the standards, and/or failed audit procedures would result in a loss of confidence in the financial statements of government entities at a time when it is needed most. As the pandemic subsides, some governments could find themselves needing to access the capital markets. Completing the issuance and audits of their financial statements in a timely manner without the burden of implementing these standards is important for their process.

Deferring the implementation dates may also allow organizations to defer some or all of the implementation costs to future periods when the economic outlook is improved. The proposed standard permits early adoption for entities that have already completed a significant portion of their work. Also, this will allow entities to maximize the benefits of those implementation efforts as they see best.

Uniformly extending the required standards implementation dates by one year is a systematic approach that will allow governments and their auditors to interpret the extension period appropriately.

We support the statement presented in the exposure draft. The alternative to keep the existing implementation dates would create a burden for many reporting entities during these challenging times.

Sincerely,

Mark Weber, CPA
Controller