Letter of Comment No. 9
File Reference No. 3-20E
Date Received: 9/26/13

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Affiliations
Florida Institute of Certified Public Accountants
American Institute of Certified Public Accountants
Private Companies Practice Section
Tax Division

September 17, 2013

Mr. David Bean, Director of Research and Technical Activities
Governmental Accounting Standards Board
401 Merritt 7
P.O. Box 5116
Norwalk, CT 06856-5116

Via email to director@gasb.org

Re: Project No. 3-20E. Proposed Statement of Governmental Accounting Concepts, *Measurement of Elements of Financial Statements.*

Dear Director:

I have reviewed the above referenced Exposure Draft.

I believe the concept of historical cost and fair value to be the most appropriate forms of measurement/valuation. I believe the concepts of replacement cost and settlement amount to be inconsistent with FASB guidance and confusing. The existing and already established concept that the financial statements are to be useful and easy to understand is being lost by the separation (inconsistencies) between FASB and recent GASB standards. This fact must be considered when the users of both governmental financial statements and non-governmental financial statements are significantly the same user group (ie: bankers, business community bond insurers, investors, actuaries, etc). We must not forget the government community and to a large extent the general public is interested in the fund level statements which must continue to reflect revenues and expenditures as it is controlled by the budget. These proposed concepts again introduce artificial "accounting type" adjustment that move away from the single most important function of the governmental statement that being cash flow or current resources. Lastly, we believe the change proposed would unnecessarily make the financial statements more complex rather than easier to use and prepare. It is important to keep in mind that the governing boards charged with approving the financial statements and the most likely and closest to home users are generally not interested in the "accounting treatment" but rather simply actual results and actual results vs. budget. Any artificial valuations simply mask the results they seek and make the statements too hard to understand for the people charged with approving them. As a profession this is the group that is required to procure an audit and is responsible for its results. We should not overcomplicate the issue.

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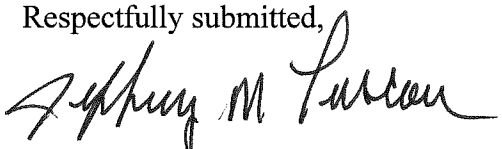
As always, I appreciate this opportunity to respond to this proposed statement and thank you for the opportunity to respond. Should you have any questions regarding the above, I am available to discuss any questions or concerns raised by this response.

Respectfully submitted,



Jeffrey M. Tuscan, CPA
For the Firm