

between the original budget and the final budget as a part of the schedule. Presumably, a discussion of significant amendments to the budget will continue to be required in the notes to RSI, which will provide proper context for the user to evaluate original to final budget figures. Adding a column to the schedule causes visual clutter and does not provide meaningful information since significant changes are already discussed in the notes to RSI.

Other Issues

Communication of Major Component Unit Information

We believe that the current reporting requirements for major component units are sufficient. The inclusion of combining component unit statements could be presented as an option to governments that wish to provide additional detail, but only as supplementary information. We are opposed to the Board's preliminary view related to requiring additional major component unit reporting because it would serve only to dilute the focus of the basic financial statements on the primary government.

Schedule of Expenses by Natural Classification

We are opposed to the Board's preliminary view that state and local government entities that prepare a CAFR should prepare a schedule of expenses by natural classification. The cost and effort to prepare this schedule would greatly outweigh the benefit to users of the financial statements. We believe that such information is most useful to internal users within the government, such as management and those charged with governance, who already receive the necessary data through other means of communication and reports.