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February 26, 2021
Public Comment

Director of Research and Technical Activities
Governmental Accounting Standards Board

By email to director@gasb.org

Subject: Project No. 3-20

Dear GASB Director of Research and Technical Activities:

Thank you for the opportunity to comment on the Exposure Draft, *Recognition of Elements of Financial Statements*.

Summary This proposed Concepts Statement addresses concepts for recognition of elements of financial statements. ... two aspects of state and local government financial statements:

- The *measurement focus* ... determines *what* items should be reported as elements ...
- The related *basis of accounting* determines *when* those items should be reported. (p.v)

Appendix B “Effectiveness of Governmental Fund Information

B4. After extensive stakeholder outreach and consideration of that input, the Board determined that governmental fund financial statements have not been as effective as they could have been in providing information that is essential for decision making and assessing a government’s fiscal accountability. (p.7)

Comment: Technology affects expectations regarding effectiveness. Access to data for analysis in big datasets and by artificial intelligence would increase user productivity. *Conversations....:*

“I started--USAFacts.orgit’s very hard to understand the government ...by government’s own data. I also believe we have really good professional people in the statistical agencies in the government.... ...how do you assemble that data in...a 10-K ...comprehensive view.... Government data is not very current. ...particularly state and local government.... The data systems are not built to ... [solve societal problems].... ...there is an information-collection problem from the counties.... We’ve got a team that literally goes through both by hand and using technology to assemble that data....”¹

GASB’s *Research Memorandum: Timeliness of Financial Reporting*, 12/12/2018 considers technology from the viewpoint of the government (Tables 25-26. p.49; and Table 32. p.63).

Please consider enhancing who, how and why in addition to *what* and *when*.

Sincerely,



Caroline Ann Walker, CPA (CA, IL, WA) (Individual)

¹ Steve Ballmer, Founder, USAFacts; Former CEO, Microsoft. “17. Data-Driven”, pp.79-83. In *Conversations with Mike Milken, Interviews with Global Leaders in Health, Government, Industry, and Academia*; Volume 1 | Leadership in a Time of Crisis, April-May 2020. [Kindle Editions of Volume I dated 13 October 2020 and Vol. 2 on 11 January 2021 are offered online.]