



National Association of State Auditors, Comptrollers and Treasurers

September 30, 2013

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Terri S. Polley
President and Chief Executive Officer
Financial Accounting Foundation
401 Merritt 7
P.O. Box 5116
Norwalk, CT 06856

Dear Ms. Polley:

We appreciate the Financial Accounting Foundation's request for input on *GASB's Scope of Authority: Consultation Process*. Overall, we agree with the changes set forth relating to the proposed pre-agenda consultation process and the procedural improvements to further clarify the boundaries for GASB's scope. We believe the proposed revisions improve upon the original proposal, while providing the FAF an appropriate means of oversight. Specifically, we believe the pre-agenda consultation better recognizes GASB's independent role as a standard setting body.

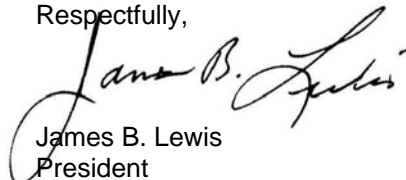
In addition, the new proposal is more efficient, as the timing of the consultation is earlier in the process, and scope authority will be determined before significant GASB resources have been used. We strongly believe that more consideration should be given to efficient use of resources. This consideration should include the impact the standard-setting process has, and resulting standards will have, on governments. Most governments are operating with fewer resources, so it is more critical today that the benefits derived from new standards outweigh the cost to implement or comply with the standards.

In reviewing the revised proposal, we did identify the following items, which if added, would provide clarification to the revised proposal:

- On page 12, footnote 9 provides what we believe is important information. Consider including the information in the relevant paragraph rather than placing it within a footnote.
- The original proposal directed the Oversight Committee to provide the trustees a project scope recommendation; however, in the revised proposal no recommendation would be provided to the trustees. Consider whether it is appropriate for the Oversight Committee to provide a recommendation to the trustees rather than just referring the matter to the trustees without specific input.

We appreciate the efforts of the Foundation's Board of Trustees and the opportunity to provide our comments on this important proposal. Should you have any questions or need additional information regarding our response, please contact me at (505) 955-1172 or Kinney Poynter, NASACT's executive director, at (859) 276-1147.

Respectfully,



James B. Lewis
President