



June 25, 2020

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

Dear Mr. Bean:

On behalf of the National Association of State Auditors, Comptrollers and Treasurers, we appreciate the opportunity to respond to the Governmental Accounting Standards Board's Exposure Draft (ED) of the proposed Technical Bulletin, *Accounting and Financial Reporting Issues Related to the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) of 2020 and Coronavirus Diseases*.

We generally agree with proposed responses to the questions posed in the technical bulletin and believe they will provide consistency in the application of generally accepted accounting principles for similar transactions and events. However, we have the following specific comments that we believe the Board should consider as it finalizes this statement.

*Paragraph 6*

If the funds are passed through to a subrecipient, the pass through of the funds may be made based on a formula rather than eligibility requirements. Therefore, it would be helpful if the Board added guidance to answer the question of whether funds received by the primary recipient and passed through to subrecipients should continue to be recognized by the primary recipient as a liability from the federal government and as an advance to the pass-thru entity until the pass-thru entity confirms that the funds were expended for allowable purposes under the program.

*General Comment*

We request that the Board add the short title to each of the six questions in the document that was used in the table of contents. For example, instead of "Question 1," use "Question 1 – Coronavirus Relief Fund (CRF)" and instead of "Question 2," use "Question 2 – Reimbursements for Loss of Revenue," etc. We believe adding these short titles to the questions will make the document more user friendly.

We appreciate the opportunity to provide our comments. Should you have any questions or need additional information regarding our response, please contact Kim O'Ryan of NASACT at (859) 276-1147 or me at (802) 828-3322.

Sincerely,

Beth Pearce  
President, NASACT  
State Treasurer, Vermont