



February 8, 2021

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), *Implementation Guidance Update—2021*.

We generally agree with the provisions of the ED and appreciate the important guidance. However, we have the following specific comment that we believe the Board should consider as it finalizes this statement.

*Question and Answer 4.3*

We request that the answer provide more explanation as to how the conclusion was reached that the amounts would continue to be assets in a governmental or proprietary fund of the local government.

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 (916) 445-0255.

Sincerely,

Elaine M. Howle  
President, NASACT  
State Auditor, California