



Florida Institute of Certified Public Accountants

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October 12, 2021

Director of Research and Technical Activities  
Project Number 3-34  
Governmental Accounting Standards Board  
401 Merritt 7, P.O. box 5116  
Norwalk CT 06856-5116

Submitted via email to [director@gasb.org](mailto:director@gasb.org)

To Whom it May Concern:

The State and Local Governmental Committee (the Committee) of the Florida Institute of Certified Public Accountants (FICPA) respectfully submits its comments on the Proposed Statement of the Governmental Accounting Standards Board (GASB, the Board) on concepts related to *Communication Methods in General Purpose External Financial Statements: Notes to Financial Statements* (the ED). The Committee is a technical committee of the FICPA and has reviewed and discussed the proposed Statement.

As to the specific feedback requested on page iii of the ED, the Committee is in total agreement that essential information is evidenced by the situations in both (a) and (b). However, with respect to the situation in (c), the Committee generally believes this may be problematic in application. The Committee's basis for this generally aligns with the reasons of the Alternative View stated in paragraph B52. Like the Alternative View, the Committee believes "meaningful effect" is subjective and "breadth or depth" creates an unnecessary additional responsibility on current and future Board members.

As for the process by which current and future Board members will determine what information is essential, the Committee is concerned outreach efforts will not result in representative feedback. Committee members are concerned outreach will be only to users of financial statements prepared by large and or complex governments resulting in no or little input from users of small government financial statements. Most Committee members have experience with small and medium sized governments as well as larger governments and all agree the users of these statements represent very diverse constituencies. As such, the Committee respectfully asks the Board to list all individuals (along with their affiliations and type of user) involved in any specific outreach effort in the Basis for Conclusions section of any future standard where applicable.

While the revised ED asked for specific input, the Committee would like to again state their disagreement with the requirement for notes to provide information corresponding to the reporting units presented in the statements. As stated in the Committee's original response to this project, this can be problematic for preparers who have little "real control" over discretely presented component units and for auditors when auditors of such component units are not the same as the auditor of the primary government. The Committee believes including a reference to where individual financial statements of discretely presented component units may be obtained is an extremely cost beneficial method to provide the detailed level information required in paragraph B16.

After considering both the original and revised ED, as well as various exposure documents over the past few years, the Committee believes it is time for the Board to develop some process to consider the effect of current and future standards on smaller governments and their stakeholders. For example, the Board could consider establishing a group such as the Financial Accounting Standards Board has done with its Private Company Council.



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The Committee appreciates this opportunity to comment on this proposed Statement and would like to thank the Board for thoughtfully considering comments received in the original ED due process in this revised ED.

Should you have any questions, please contact me or the FICPA's Director of Governmental Affairs Justin Thames at [justin@ficpa.org](mailto:justin@ficpa.org).

Sincerely,

A handwritten signature in blue ink that reads "Racquel C. McIntosh". The signature is written in a cursive style with a horizontal line through the middle.

Racquel C. McIntosh, CPA  
Chair – FICPA State and Local Government Committee