



December 18, 2020

Mr. George A. Scott, Chair
Federal Accounting Standards Advisory Board
441 G Street NW
Suite 1155
Washington, DC 20548

Via email to fasab@fasab.gov

Dear Mr. Scott:

On behalf of the Association of Government Accountants (AGA), the Financial Management Standards Board (FMSB) appreciates the opportunity to provide comments to the Federal Accounting Standards Advisory Board (FASAB) on its October 29, 2020 exposure draft (ED) of an interpretation of federal financial accounting standards entitled Clarification of Non-Federal Non-Entity FBWT Classification (SFFAS 1, Paragraph 31): An Interpretation of SFFAS 1 and SFFAS 31.

We appreciate the FASAB's willingness to address this issue and agree that given the narrow scope of the question an interpretation is appropriate. The lack of a definition of "other non-Federal non-entity FBWT" allows for inconsistent accounting treatments and accentuates the need for this interpretation. Based on the information provided in paragraphs 3 through 6, we agree with the provisions of paragraph 7 that amounts received from non-federal non-entity sources for unfilled customer orders and deposited into the General Fund should be reported as an intergovernmental asset by the component reporting entity. We consider this statement as providing the needed clarification that should substantially eliminate inconsistent reporting.

If there are any questions regarding the comments in this letter, please contact me at (517) 334-8069.

Sincerely,

A handwritten signature in black ink that reads "Craig M. Murray". The signature is written in a cursive, flowing style.

Craig M. Murray, CGFM, CPA, CIA
Chair, Financial Management Standards Board

cc: Wendy Morton-Huddleston, CGFM, PMP, AGA National President

Association of Government Accountants
Financial Management Standards Board
July 2020 – June 2021

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