

From: Johnson, Carol S.
Sent: Friday, September 02, 2011 01:46 PM
To: Payne, Wendolyn M
Subject: Earmarked Funds Standard

Hi Wendy:

I know the deadline for comments on the earmarked funds standard has passed, but I am wondering whether it would be possible to add to the standard a requirement that the government-wide financial report include a footnote that explains the non-earmarked funds (or non-dedicated collections) total on the balance sheet. I think this might help the lay reader understand the significance of what is currently the largest negative number on the balance sheet.

I am thinking that it might be nice to explain what the number represents both mathematically and conceptually. Maybe the footnote could say something along the following lines. "The non-earmarked funds [non-dedicated collections] balance is the Government's net position less the balances of funds that receive dedicated collections. It represents the cumulative results of operations plus future program commitments for certain/all [whichever word is accurate] non-exchange programs that receive dedicated collections."

If everyone thinks that the non-earmarked funds line is self-explanatory, then please disregard my comment. Many thanks.