GWSCPA

GREATER WASHINGTON SOCIETY OF CPAs

September 30, 2019

Monica R. Valentine, Executive Director
Federal Accounting Standards Advisory Board
441 G Street, NW – Suite 1155
Washington, DC 20548

Dear Ms. Valentine:

The Greater Washington Society of Certified Public Accountants (GWSCPA) Federal Issues and Standards Committee (FISC) appreciates the opportunity to provide comments on the Federal Accounting Standards Advisory Board's (FASAB) Exposure Draft (ED) on the proposed Technical Bulletin, *Loss Allowance for Intragovernmental Receivables*.

The GWSCPA consists of approximately 3,200 members, and the FISC includes nearly 30 GWSCPA members who are active in financial management, accounting, and auditing in the Federal sector. We sincerely appreciate the opportunity by the Board to share our views.

Our responses to the ED questions are included below.

Q1. The proposed Technical Bulletin (TB) would provide that the absence of explicit guidance distinguishing between the accounting of intragovernmental receivables and receivables from nonfederal entities in Statement of Federal Financial Accounting Standards (SFFAS) 1, *Accounting for Selected Assets and Liabilities*, does not mean the standards only apply to receivables from nonfederal entities.

Do you agree or disagree? Please provide the rationale for your answer.

A1. The FISC agrees with this clarification for the reasons stated in the ED.

Q2. The proposed TB would clarify that recognition of losses provided in paragraphs 41-51 of SFFAS 1 apply to both intragovernmental receivables and receivables from nonfederal entities.

Do you agree or disagree? Please provide the rationale for your answer.

A2. The FISC agrees with this clarification for the reasons stated in the ED.

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Q3. The proposed TB would clarify that an allowance recognized in a reporting entity's financial statements does not alter the underlying statutory authority to collect the receivable or legal obligation of the other intragovernmental entity to pay.

Do you agree or disagree? Please provide the rationale for your answer.

A3. The FISC agrees with this clarification for the reasons stated in the ED.

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This comment letter was reviewed by the members of FISC, and represents the consensus views of our members.

Very truly yours,

S. Ettefa

Sherif R. Ettefa
FISC Chair