



June 23, 2021

Mr. Alan Skelton
Director of Research and Technical Activities
Project No. 3-42
Governmental Accounting Standards Board
401 Merritt 7
P.O. Box 5116
Norwalk, CT 06856-5116

Dear Mr. Skelton:

Members of the American Institute of Certified Public Accountants (AICPA) State and Local Government Expert Panel have reviewed the Governmental Accounting Standards Board (GASB) Exposure Draft (ED), *The Annual Comprehensive Financial Report*, and are pleased to offer our comments.

We support the Board's proposal to replace the use of comprehensive annual financial report in generally accepted accounting principles for state and local governments with the term and acronym, annual comprehensive financial report (ACFR). Inclusion is one of the AICPA's core values. Therefore, we appreciate the Board's responsiveness after learning that the common pronunciation of the current acronym was objectionable in certain cultures.

We have already taken steps to remove the current acronym from our publications and training and stand ready to make additional revisions as needed once the Board completes this project. We have also and will continue to educate our members on this matter.

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The AICPA appreciates the opportunity to comment on the ED. This comment letter was prepared by members of the AICPA's State and Local Government Expert Panel and was reviewed by representatives of the Financial Reporting Executive Committee who did not object to its issuance. Representatives of the AICPA would be pleased to discuss these comments with you at your convenience.

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Sincerely,



Michelle Watterworth
Chair
AICPA State and Local Government
Expert Panel



Mary M. Foelster
Senior Director
AICPA Governmental Auditing and
Accounting

cc: State and Local Government Expert Panel
Dan Noll