



September 13, 2021

Alan Skelton, CPA
Director of Research and Technical Activities
GASB
401 Merritt 7
PO Box 5116
Norwalk, CT 06856-5116

Re: July 1, 2021 GASB Proposed Statement, *Omnibus 20XX [Project No. 37-1]*

Dear Mr. Skelton:

The American Institute of CPAs (AICPA) is the world's largest member association representing the accounting profession, with more than 418,000 members in 143 countries, and a history of serving the public interest since 1887. One of the objectives that the Council of the AICPA established for the Private Company Practice Section (PCPS) Executive Committee is to speak on behalf of local and regional firms and represent those firms' interests on professional issues in keeping with the public interest, primarily through the Technical Issues Committee (TIC). This communication is in accordance with that objective. These comments, however, do not necessarily reflect the positions of the AICPA.

TIC appreciates the Board's efforts with this Omnibus ED to address a number of practice issues and technical inconsistencies in authoritative literature. Our only substantive comment is included below.

Financial Guarantees

TIC agrees with the Board's changes included in paragraphs 4-7 which align the guidance for exchange or exchange-like financial guarantees in GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, with the guidance in GASB Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*.

While we support this change, TIC is concerned that due to the lack of guidance on how revenue should be recognized for the consideration received by a guarantor, this could potentially lead to an inconsistency in practice related to revenue recognition for these types of transactions. TIC recognizes that the Board considered inclusion of such guidance as noted in BC8 and ultimately decided against doing so, however TIC would encourage the Board to revisit that decision.

TIC appreciates the opportunity to present these comments on behalf of PCPS member firms. We would be pleased to discuss our comments with you at your convenience.

Sincerely,

Bryan Bodnar

Chair, On Behalf of the PCPS Technical Issues Committee