



COLORADO
Department of Education
School Finance and
Operations Division

March 31, 2016

Mr. David Bean
Director of Research and Technical Activities
Project No. 3-13E
Governmental Accounting Standards Board
401 Merritt 7, PO Box 5116
Norwalk, CT 06856-5116

Emailed to: director@gasb.org

On behalf of the Colorado Department of Education we appreciate the opportunity to respond to the Governmental Accounting Standards Board's (GASB) Exposure Draft (ED), Fiduciary Activities.

We have reviewed the ED and have some questions on how the provisions within this ED would be applied to the activities that are currently being reported as fiduciary funds by the Colorado School Districts. Currently, Colorado School Districts report activities involving school-sponsored pupil organizations and activities that are considered to be self-supporting as an Agency fund of the district. Some Colorado School Districts also report scholarship arrangements as Private-Purpose Trust Funds of the district.

The assets administered through these funds normally are not tied to a trust or equivalent arrangement. So our questions relate to application of the following with regard to these activities:

Would the activities related to student clubs and student scholarships be considered as "provided for the benefit of individuals that are not required to be residents or recipients of the government's goods or services as a condition of being a beneficiary" or not?

If not, would the activities related to student clubs and student scholarships be considered as "provided to organizations or other governments that are neither part of the financial reporting entity nor recipients of the government's goods or services"?

Does the GASB expect to see these student clubs and student scholarships to be reported as fiduciary funds or as being reported with the governmental activities (such as a special revenue fund) of the school district under the application of this ED?

We appreciate the opportunity to provide our comments. Should you have any questions or need additional information regarding our response, please contact me at (303) 866-6610, or at weber_k@cde.state.co.us.

Sincerely,

Kirk O. Weber, CPA, CGMA, CPFO
Financial Accounting Technical Advisor
Colorado Department of Education

