

June 16, 2008

Director of Research and Technical Activities
Project No. 3-18
Email: director@gasb.org

Dear Director:

On behalf of the Illinois Government Finance Officers Association, the Technical Accounting Review Committee (TARC) appreciates the opportunity to provide comments on the Governmental Accounting Standards Board's (GASB) exposure draft (ED), Fund Balance Reporting and Governmental Fund Type Definitions.

We support the Boards efforts to clarify and split the spendable and non-spendable portions of fund balance and to phrase it in layman's terms.

We recommend elimination of the "assigned" classification within the General Fund's spendable portion of fund balance. Throughout our discussions, this classification continued to cause confusion and therefore we came to the conclusion that it was unnecessary.

Additionally, we felt clarification was needed on how to reflect fund balance deficits within the assigned classification in Special Revenue, Debt Service and Capital Project Funds.

We appreciate the invitation to comment and would be pleased to discuss this letter with you at our convenience. If you have questions on our comments, please contact me at 847-968-3223 or bmcleod@co.lake.il.us.

Sincerely,

Bonnie M. McLeod, Chair
Illinois GFOA
Technical Accounting Review Committee