

March 24, 2016

Director of Research and Technical Activities
Project No. 3-27E
director@gasb.org

RE: Proposed Statement of the Governmental Accounting Standards Board *Certain Asset Retirement Obligations*

To Whom It May Concern:

One of the expressed goals of the Texas Society of Certified Public Accountants (TSCPA) is to speak on behalf of its members when such action is in the best interest of its members and serves the cause of Certified Public Accountants in Texas, as well as the public interest. The TSCPA has established a Professional Standards Committee (PSC) to represent those interests on accounting and auditing matters. The views expressed herein are written on behalf of the PSC, which has been authorized by the TSCPA Board of Directors to submit comments on matters of interest to the committee membership. The views expressed in this letter have not been approved by the TSCPA Board of Directors or Executive Board and, therefore, should not be construed as representing the views or policy of the TSCPA.

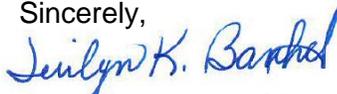
The following is our response to the above-referenced exposure draft (ED) *Certain Asset Retirement Obligations*.

We generally support the provisions of the proposed ED. The definitions in paragraphs 5 and 6 are clearly presented. The recognition of a liability as described in paragraphs 8-10 is adequately described and clearly presented. We do, however, believe that paragraph 11 is in need of some clarification. Regarding the completion of an asset retirement plan, is the reference here to the completion of the document or completion of the work? That sentence caused some controversy among our committee and we were not sure of the appropriate interpretation.

In paragraphs 14 to 28 we did not identify any specific concerns. The initial measurement and subsequent measurement statements appear to be consistent with the related professional literature. However, our committee members raised some concern regarding the number of items that are being added to the deferred outflows/deferred inflows of resources. We are a bit concerned about the amount of data that is being added to the financial statements and related footnotes. Our profession continues to call for financial statements that are more transparent, consistent, and clear. However, we suspect that the deferred inflow/deferred outflow categories are moving in a direction that is contrary to these goals.

We appreciate the opportunity to participate in the standard setting process.

Sincerely,



Jerilyn K. Barthel, CPA
Chair, Professional Standards Committee
Texas Society of Certified Public Accountants