February 12, 2018

Via electronic mail
Governmental Accounting Standards Board
401 Merritt 7
PO Box 5116
Norwalk, CT 06856-5116

RE: Accounting for Interest Cost during the Period of Construction: Project 9-5

On behalf of the more than 22,000 members of the Pennsylvania Institute of Certified Public Accountants (PICPA) and its Committee on Local Government Accounting and Auditing, thank you for the opportunity to review and comment on GASB’s Accounting for Interest Cost during the Period of Construction Exposure Draft - Project 9-5.

Founded in 1897, the PICPA is the fourth-largest CPA organization in the country with membership comprised of CPAs in public accounting, business and industry, government, and education. PICPA members are trusted advisors to thousands of Pennsylvania’s leading businesses and industries, as well as individual taxpayers.

We appreciate the proposed statement as it simplifies reporting. Our committee discussed whether interest should be included as an operating or a nonoperating expense and concluded that the client should elect the appropriate category.

Once again, thank you for the opportunity to have a voice in GASB’s standard-setting process. Please do not hesitate to contact me at (215) 343-2727 or cbergvall@bbco-cpa.com or Peter Calcara, PICPA vice president – government relations, at pcalcara@picpa.org or (717) 231-1821 with questions.

Respectfully submitted,

Cynthia Bergvall, CPA, Chair
GASB Subcommittee of the PICPA Local Government Accounting and Auditing Committee