

August 8, 2018

Ms. Susan M. Cospers
Technical Director
Financial Accounting Standards Board
401 Merritt 7
P.O. Box 5116
Norwalk, CT 06856-5116

By e-mail: director@fasb.org

Re: Proposed Accounting Standards Update—*Not-for-Profit Entities (Topic 958): Updating the Definition of Collections*

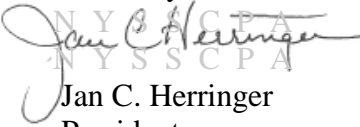
(File Reference No. 2018-250)

Dear Ms. Cospers:

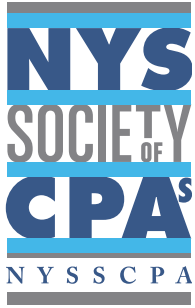
The New York State Society of Certified Public Accountants (NYSSCPA), representing more than 26,000 CPAs in public practice, business, government and education, welcomes the opportunity to comment on the above-captioned exposure draft.

The NYSSCPA's Financial Accounting Standards Committee deliberated the proposed accounting standards update and prepared the attached comments. If you would like additional discussion with us, please contact Margaret A. Wood, Chair of the Financial Accounting Standards Committee, at (201) 401-7844, or Ernest J. Markezin, NYSSCPA staff, at (212) 719-8303.

Sincerely,


NYSSCPA
Jan C. Herringer
President

Attachment



**NEW YORK STATE SOCIETY OF
CERTIFIED PUBLIC ACCOUNTANTS**

COMMENTS ON

**PROPOSED ACCOUNTING STANDARDS UPDATE—*NOT-FOR-PROFIT ENTITIES*
(*TOPIC 958*): *UPDATING THE DEFINITION OF COLLECTIONS***

(File Reference No. 2018-250)

August 8, 2018

Principal Drafters

**William Epstein
Margaret A. Wood**

NYSSCPA 2018–2019 Board of Directors

Jan C. Herringer, <i>President</i>	Darcy Aldous	Kimberly G. Johnson
Ita Rahilly, <i>President-elect</i>	Dennis N. Annarumma	Jennifer Kartychak
Anthony T. Abboud, <i>Secretary/Treasurer</i>	Sol S. Basilyan	Gerard LoVerde
Charles Abraham, <i>Vice President</i>	Carnet Brown	Patricia McGrath
Salvatore A. Collemi, <i>Vice President</i>	Rumbi Bwerinofa-Petrozzello	Candice R. Meth
Iralma Pozo, <i>Vice President</i>	Christopher G. Cahill	Steven Morse
Janeen Schrann, <i>Vice President</i>	Catherine Censullo	Tracey J. Niemotko
Joanne S. Barry, <i>ex officio</i>	Anthony S. Chan	Kevin P. O’Leary
	Mitchell A. Davis	Thomas S. Pirro
	Harold L. Deiters III	Renee Rampulla
	William H. Dresnack	Brian M. Reese
	Edward F. Esposito	Robert Rollmann
	Mark L. Farber	Michael M. Todres
	Lynne M. Fuentes	Mark M. Ulrich
	Timothy Hammon	David Young
	Douglas L. Hoffman	

NYSSCPA 2018–2019 Accounting and Auditing Oversight Committee

Renee Mikalopas-Cassidy, <i>Chair</i>	Victoria L. Pitkin	William M. Stocker III
J. Michael Kirkland	Joseph J. Puglisi	Margaret A. Wood
Jason M. Palmer	Robert M. Rollmann	Jonathan Zuckerman
Rita M. Piazza	Dominic J. Rovano	

NYSSCPA 2018–2019 Financial Accounting Standards Committee

Margaret A. Wood, <i>Chair</i>	Jo Ann Golden	Joseph Montero
Jeffrey A. Keene, <i>Vice Chair</i>	Fred R. Goldstein	Lingyun Ou
Agwu Agwu	Abraham E. Haspel	Michael A. Pesce
Brian M. Aledort	Orume A. Hays	Pedro D. Pile
Olga Bashkatova	Jean-Pierre Henderson	Richard M. Posen
Christina K. Catalina	Edward P. Ichart	Laura C. Prevratil
Ramona Cedeno	Tamar Kadosh	Renee Rampulla
Sara C. D'Agostino	Min Jung Kang	Robert M. Rollmann
Muneeb Danish	Michael D. Kasperski	Troy P. Segar
Timothy P. Demetres	Angela V. Katehis	Ahmed Shaik
J. Roger Donohue	Ira G. Kawaller	Daniel Shea
Deepak K. Doshi	Mueed Kumandan	Mark Springer
Robert A. Dyson	Joseph A. Maffia	A'Isha Torrence
William Epstein	Nigyar Mamedova	Joshua D. Verni
Roseanne T. Farley	Sean Martell	Rosemarie E. Whyte
Sharon Sabba Fierstein	Sean D. Matthews	Yan Zhang
Christopher Gagliardi	John J. McEnerney	

NYSSCPA Staff

Ernest J. Markezin

New York State Society of Certified Public Accountants

Comments on

Proposed Accounting Standards Update—*Not-for-Profit Entities (Topic 958): Updating the Definition of Collections*

(File Reference No. 2018-250)

General Comments

We welcome the opportunity to respond to the Financial Accounting Standards Board's (FASB or the Board) invitation to comment on the Proposed Accounting Standards Update—*Not-for-Profit Entities (Topic 958): Updating the Definition of Collections* (Proposed Update).

We concur with the Board's action to re-align the definition of the term *collections* in the Master Glossary of the *FASB Accounting Standards Codification* with the definition used in the American Alliance of Museums' *Code of Ethics for Museums*. Overall, we agree with the Proposed Update. Our detailed responses to Questions for Respondents are presented below.

Specific Comments

Question 1: Should the definition of the term *collections* include the concept of direct care? If not, why not?

Response: We believe the definition of the term *collections* should include the concept of direct care and agree with the FASB's proposed language.

Question 2: Should there be a requirement to disclose an entity's policy for the use of proceeds from deaccessioned collections? If not, why not?

Response: We believe that an entity should disclose their policy for the use of proceeds from deaccessioned collection items.

Question 3: Would the proposed transition requirement of prospective application with retrospective application permitted be operable and would it provide decision-useful information? If not, please explain why and what you would recommend.

Response: We believe that prospective application with retrospective application permitted is operable and that entities disclose the option that was taken.

Question 4: Should the effective date of the proposed amendment be upon issuance of a final Update? If not, why not?

Response: We believe that the effective date should *not* be upon issuance of a final update. We suggest an adoption as of a period end, such as periods ending after December 15, 2018 with early adoption permitted. This will eliminate any transition issues related to timing of the issuance of the standard and financial statements in the process of being issued and permit time for those entities that need to change the definition and amend disclosures to make the necessary changes.