Ms. Susan M. Cosper  
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. Cosper:

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,

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, President
Ita Rahilly, President-elect
Anthony T. Abboud, Vice President
Salvatore A. Collemi, Vice President
Iralma Pozo, Vice President
Joanne S. Barry, Vice President
ex officio

Darcy Aldous
Sol S. Basiyan
Rumbi Bwerinofa-Petrozzello
Christopher G. Cahill
Catherine Censullo
Mitchell A. Davis
Harold L. Deiters III
William H. Dresnack
Mark L. Farber
Lynne M. Fuentes
Douglas L. Hoffman

Kimberly G. Johnson
Jennifer Kartychak
Gerard LoVerde
Patricia McGrath
Candice R. Meth
Steven Morse
Tracey J. Niemotko
Kevin P. O’Leary
Thomas S. Pirro
Renee Rampulla
Brian M. Reese
Michael M. Todres
Mark M. Ulrich
David Young

NYSSCPA 2018–2019 Accounting and Auditing Oversight Committee

Renee Mikalopas-Cassidy, Chair
J. Michael Kirkland
Jason M. Palmer
Rita M. Piazza
Victoria L. Pitkin
Joseph J. Puglisi
Robert M. Rollmann
Dominic J. Rovano

NYSSCPA 2018–2019 Financial Accounting Standards Committee

Margaret A. Wood, Chair
Jeffrey A. Keene, Vice Chair
Agwu Agwu
Brian M. Aledort
Olga Bashkatova
Christina K. Catalina
Ramona Cedeno
Sara C. D'Agostino
Muneeb Danish
Timothy P. Demetres
J. Roger Donohue
Deepak K. Doshi
Robert A. Dyson
William Epstein
Roseanne T. Farley
Sharon Sabha Fierstein
Christopher Gagliardi

Jo Ann Golden
Fred R. Goldstein
Abraham E. Haspel
Orume A. Hays
Jean-Pierre Henderson
Edward P. Ichart
Tamar Kadosh
Min Jung Kang
Michael D. Kasperski
Angela V. Katehis
Ira G. Kawaller
Mueed Kumandan
Joseph A. Maffia
Nigyar Mamedova
Sean Martell
Sean D. Matthews
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.