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May 20, 2022

Federal Accounting Standards Advisory Board  
441 G Street NW, Suite 1155  
Washington, DC 20548

RE: Response to FASAB Exposure Draft – *Omnibus Technical Release Amendments 2022: Conforming Amendments*

The Financial Management Standards Board (FMSB) of the AGA appreciates the opportunity to provide comments on the Federal Accounting Standards Advisory Board’s proposed standards.

Q1. Do you agree with the proposed amendments and that this TR clarifies the technical guidance?

We found that the proposed amendments in paragraph 24 were unclear. We would expect that if an asset is disposed, retired or removed from service, the corresponding deferred maintenance and repair (DM&R) estimates would be eliminated at that point (rather than being re-estimated). The proposed guidance appears to assume the estimated DM&R costs in question are calculated on a group basis and only part of the asset group is being disposed, retired or removed. If this is the case, it would be helpful to clarify that the guidance is in relation to a situation where DM&R costs are estimated for an asset group and the re-estimate should be performed only for the assets remaining in the group.

Other than the above comment, we agree with the proposed amendments. We especially appreciated the amendments that reference Interpretation 9 in paragraphs 15 and 25, which allows for some flexibility in determining which reporting entity will carry environmental liabilities.

Q2. Are there additional conforming amendments that the AAPC should consider in this TR?

No.

General Comments

We continue to encourage FASAB to consider transitioning to a codification-and-update model like the one used by the Financial Accounting Standards Board (FASB). We believe such a model would make amendments such as the ones in the exposure draft easier to communicate and administer, as well as allow for standards to be presented in a logical, topical order in their current state. As the number of standards increases and the standards are subjected to numerous layers of amendments, it becomes necessary to move to a different format for presenting the current set of standards in a manner that is coherent, comprehensive, readily accessible, and leaves no room for ambiguity or misinterpretation.

For example, our members found it difficult to evaluate the exposure draft, since it involved having to trace layers of amendments to technical releases – all of which reference standards that have their own layers of amendments.



As another example, in evaluating the exposure draft, one of our members found difficulty with how a number of locations in the Handbook continue to include the term “Federal Mission PP&E,” including extensive content in SFFAS 6 Appendix A that is not rescinded or footnoted. While it is possible to follow the layers of amendments to SFFAS 6 to arrive at the current state, having obsolete content in the handbook makes it harder to follow, search and use.

Sincerely,

Scott DeViney, CPA  
Chair, Financial Accounting Standards Board

cc: Gerry Boaz, CPA, CGFM, CGMA, AGA National President

AGA  
Financial Management Standards Board

The FMSB is comprised of the following 23 members with accounting and auditing backgrounds in federal, state, and local government, as well as academia and public accounting. The FMSB reviews and responds to proposed standards and regulations of interest to AGA members. The purpose of the FMSB is to advocate for the improvement of accounting and financial reporting standards at all levels of government and thus advance government accountability. The views of the FMSB do not necessarily represent those of AGA. Local AGA chapters and individual members are also encouraged to comment separately.

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