

**ACCOUNTING AND AUDIT POLICY COMMITTEE MEETING
FINAL MINUTES
November 29, 2007**

The meeting was convened at 1:00 PM in room 7C13 of the GAO Building, 441 G St., NW, Washington, DC.

ADMINISTRATIVE MATTERS

• **Attendance**

Present: Ms. Payne, Ms. Chadwick, Ms. Hug, Ms. Healy, Messrs. Bragg, Campbell, Dingbaum, McFadden, Sturgill, and Synowiec.

Absent: Mr. Fletcher

• **Minutes**

The minutes of September 27, 2007 were previously approved as final, having been circulated by E-mail to members.

• **Administrative**

None

PROJECT MATTERS

• **Project Agenda Status**

Inter-Entity Cost

Ms. Payne noted that the Committee would be discussing the finalization of two technical releases today and she turned the discussion on Technical Release (TR) 8 on Inter-Entity Cost over to Mr. McFadden, co-chairperson of the AAPC Inter-Entity Cost task force. Mr. McFadden began the discussion with a brief recap of the September meeting when the Committee reviewed the comments from the exposure draft and decided what additional revisions needed to be made to the final TR. Next, Mr. McFadden briefly went through the revisions and asked the members for any comments. He noted the following revisions:

- Treasury's Trust Fund Maintenance – clarification of the program's legislative requirements.
- Directness of Relationship and Identifiability – clarification of the guidance.
- Basis for Conclusions – added write-up on why GSA reduced and free rental services are not considered broad and general.

None of the Committee members objected to any of the additional revisions to the technical release. Ms. Payne then asked if the members were prepared to vote on the release of the

TR to the FASAB. All of the present members submitted their votes approving the release of the TR.

Heritage Assets and Stewardship Land

Mr. Synowiec and Ms. Hug, co-chairpersons of the AAPC HA/SL task force, also gave an overview of the revisions made to TR 9 since the September AAPC meeting. The following revisions were highlighted:

- Identification of Heritage Asset Examples – a museum/library collection example was added.
- Methodology for developing supporting documentation – language was added to improve the guidance.
- Assessing Condition – paragraph was added to reiterate that the examples in the TR provide a broad range of acceptable methods for assessing condition.
- Clarifying language was added in throughout the document.

None of the Committee members objected to any of the additional revisions to the technical release. Ms. Payne then asked if the members were prepared to vote on the release of the TR to the FASAB. All of the present members submitted their votes approving the release of the TR.

Ms. Valentine noted that staff's plan is to forward both technical releases to the FASAB on January 7, 2008 to start the 45-day review period that will end on February 20, 2008. This time frame will allow us to meet the requirement that the 45-day review period include the FASAB meetings on February 13 & 14, 2008.

• **Agenda Committee Report**

Mr. Campbell, chair of the AAPC agenda committee, noted that there was no report for the AAPC; however he did note that he was retiring from federal service effective January 2008. Ms. Payne and all members of the Committee congratulated Mr. Campbell on his retirement and wished him well.

• **New Business**

Ms. Payne noted that at the September 2007 FASAB meeting the Board discussed the agencies' costs of implementing the PP&E standards, more specifically the Department of Defense's (DoD) systems cost. The Board is discussing ways to assist DoD in implementing the standards and ultimately reducing some of their costs. A few of the areas of possible guidance being discussed by the Board include group/composite depreciation; accounting of assets deployed to a war zone; and full cost accounting for PP&E. Staff plans to provide a write up on the Board's recommendations to the AAPC sometime after the FASAB December meeting. Ms. Payne mentioned that if the project is accepted by the AAPC, the normal process would follow with selecting a chair to oversee a task force and then to begin forming a task force of members to address the issues. She also noted that the agenda committee would be contacted to discuss the issue before the January meeting in order to make their recommendation on the project to the full committee.

Ms. Payne then asked for a volunteer to join the agenda committee given the retirement of Mr. Campbell; Mr. Bragg agreed to join the agenda committee along with current members Mr. Dingbaum and Mr. Sturgill. Next Ms. Payne asked for a volunteer to chair the agenda committee from the three members; Mr. Dingbaum agreed to serve as chair of the agenda committee.

Ms. Payne also noted that the FASAB/AAPC general counsel advisor, Jeff Jacobson, would be retiring from federal service in January 2008. Ms. Payne and all members of the Committee congratulated Mr. Jacobson on his retirement and wished him well. Mr. Jacobson introduced his successor to the position of FASAB/AAPC general counsel advisor – Mr. Abe Dymond.

- **Next Meeting**

January 17, 2008

Adjournment: The meeting was adjourned at 1:40 PM.