Internal Use Software Working Group Status Update

February 19, 2015
Recap of Events

- Feb / Mar 2014: Presented Working Group’s findings and recommendation to AAPC and FASAB
- Board requested that the WG peruse two concurrent avenues:
  1. Perform research on information relevant to the Users of the Financial Statements to determine if a change to the standard would be appropriate
  2. Draft implementation guidance for IUS
Changes to the Standard

- Met with OMB to understand budgetary reporting requirements
  - Requirements align to the standard in that costs associated with each software development phase should be reported
  - OMB and GSA moving toward agile development acquisition practices focused on short-term software capability deliveries
- Interviewed Program Managers from select agencies to understand goals and software investment decisions
  - PMs and leadership typically focus on total program / project costs, not just the development (capital) portion
- Working Group believes that a change to the standard that does not completely remove the reporting requirement within the financial statements and notes would cause agencies to incur costs that would exceed the expected benefit
Implementation Guidance

- February 2015: The IUS Working Group will hold a re-entrance meeting to re-engage agencies in drafting Implementation Guidance

- Guidance will consist of two major topic areas:
  1. Standard clarification
  2. Practical examples of implementation

- Requires input from agencies who have successfully undergone an audit of their IUS balances

- DoD initiated IUS policy review and will work in concert with initiative to draft Implementation Guidance