



United States Department of the Interior

OFFICE OF THE SECRETARY
Washington, DC 20240

Ms. Wendy M. Payne, CPA, CGFM
Executive Director
Federal Accounting Standards Advisory Board
441 G Street, NW, Suite 6814
Washington, DC 20548

Re: Department of the Interior's Response to Technical Bulletin 2011-2 Exposure Draft
"Extended Deferral of the Effective Date of Technical Bulletin 2006-1, Recognition and Measurement of Asbestos-Related Cleanup Costs"

Dear Ms. Payne, *Wendy,*

Thank you for the opportunity to comment on the proposed additional one-year deferral of Technical Bulletin 2006-1, *Recognition and Measurement of Asbestos-Related Cleanup Costs*. The Department of the Interior (Interior) agrees with this proposed deferral for several reasons.

When Technical Bulletin 2006-1 was issued, Interior began working to achieve compliance with the requirement. In examining our portfolio, we found that we have over 160,000 buildings and structures on which we would have to report. Due to the size of our portfolio, we determined that surveying all of our buildings and structures would not be a cost-effective approach and instead decided to use a cost-modeling approach. This cost-modeling is based on historical data from our bureaus around asbestos survey costs incurred at our facilities. Since Interior's portfolio is very diverse, we consider it worthwhile to analyze our data to effectively develop cost factors and report reliable estimates.

We appreciate the Board's willingness to grant the previous two year deferral and for proposing the additional one year deferral. This additional deferral will allow us time to further analyze our data, refine our processes, and make necessary changes to our financial systems to capture the information we need. We also plan to use this additional time to coordinate with other federal agencies through the Chief Financial Officers Council as well as engage in knowledge sharing and leverage best practices around this requirement.

If you have any questions or concerns, please contact Ed King at (202) 208-3425.

Sincerely,

Douglas A. Glenn
Director, Office of Financial Management