

**ACCOUNTING AND AUDIT POLICY COMMITTEE MEETING
FINAL MINUTES
July 21, 2011**

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 (chairperson), Mr. Bragg, Ms. Gilmore, Ms. Kearney, Mr. Synowiec, and Ms. Julie Edwards (substituting for Mr. Rebich).

FASAB/AAPC project director, Ms. Valentine was present at the meeting.

Absent: Mr. Brewer, Ms. Carey, Mr. Marchowsky, and Mr. Rebich

• **Minutes**

The minutes of May 19, 2011 were previously approved as final, having been circulated by E-mail to members.

• **Administrative**

Ms. Payne mentioned that she had done a radio interview with Federal News Radio about the AAPC's recently issued *MD&A Best Practices Report*. She noted that in a few different venues she has been asked about the report and it seems to be well received.

PROJECT MATTERS

Project Agenda

General PP&E

- **G-PP&E Task Force Update** - Ms. Gilmore gave a brief overview of the work of the taskforce and its five subgroups.
- **Review of Ballot Draft -- Technical Release 14, *Implementation Guide on the Accounting for the Disposal of G-PP&E***

Ms. Valentine reminded the Committee that at the May 19th meeting Staff agreed to discuss with the FASAB at its June meeting the issue of "temporary" and "permanent" and whether the introduction of these terms would cause the technical release's Level C guidance to override the Level A guidance outlined in SFFAS 6. This issue was raised due to a comment letter received from KPMG that questioned the ED's introduction of the terms "temporary" and "permanent." The Board asked that the word "temporary" be

changed to “other than permanent.” The draft technical release (TR) was revised to include the new wording.

On July 7, Staff sent a Pre-Ballot draft of the TR to the Committee for review. There were a few minor edits made to the Pre-Ballot draft and a Ballot draft was sent to the members for discussion at today’s meeting. Two members provided additional “typo-type” edits to the Ballot draft at the meeting.

Mr. Synowiec asked if “temporary” could be defined in the FASAB asset impairment project. Ms. Payne responded by stating that “temporary” is used in a different context in the asset impairment project. The asset impairment project deals with lost service utility due to an impairment and whether that impairment is temporary or permanent. Ms. Payne noted that KPMG’s issue was how can the TR use the term “temporary” when SFFAS 6 does not address temporary. Ms. Payne also pointed out that at the June FASAB meeting a majority of the Board agreed that SFFAS 6 only addresses permanent removal from service.

No other edits were suggested to the Ballot draft. Staff provided the members with ballots to approve the release of the draft TR to FASAB for final issuance after the required 45 day review period.

Conclusions: AAPC members have until August 4, 2011 to submit ballots to approve the release of TR 14 to the FASAB. The FASAB 45-day review period will begin after enough affirmative AAPC ballots are receive.

- **Agenda Committee Report**

None

- **New Business**

None

The meeting adjourned at 1:25 pm.