



July 27, 2011

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

*Advancing
Government
Accountability*

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Dear Ms. Payne:

On behalf of the Association of Government Accountants (AGA), the Financial Management Standards Board (FMSB) appreciates the opportunity to provide comments to the Federal Accounting Standards Advisory Board (FASAB) on its July 13, 2011 exposure draft of Technical Bulletin 2011-2. This bulletin proposes to defer the effective date of Technical Bulletin 2006-1, *Recognition and Measurement of Asbestos-Related Cleanup Costs*.

The FMSB is comprised of 25 members (list attached) 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. Local AGA chapters and individual members are also encouraged to comment separately.

Technical Bulletin 2011-2 proposes to provide federal entities with an additional one year extension to implement the guidance regarding recognition and measurement of asbestos-related cleanup costs. This represents the second extension granted to federal entities on this matter. We agree that a deferral is warranted given that agencies with a significant number of buildings and square footage have stated that they are not yet ready to implement the requirements of Technical Bulletin 2006-1.

As we asked last year, we question whether there is even a need for such a standard since there are vast differences between agencies and a "one size fits all" approach may not be the best one. Perhaps the FASAB might consider deferring final implementation of this standard until the on-going efforts of FASAB and the CFO Council (cited in Appendix A, A8) to coordinate implementation of Technical Bulletin 2006-1 is complete. That effort could provide savings through the sharing of relevant cost information and methodologies amongst the federal agencies. This might result in more accurate estimates developed in a cost effective manner that can be applied across federal agencies.



Q1. Do you agree or disagree with the proposed additional one-year deferral of Technical Bulletin 2006-1? The new effective date would be for reporting periods beginning after September 30, 2012. Please explain the reasons for your position in as much detail as possible (see discussion in pars. A1 through A9).

We agree with the proposed change.

We appreciate the opportunity to comment on this document and would be pleased to discuss this letter with you at your convenience. No member of the FMSB objected to the issuance of this letter. If there are any questions regarding the comments in this letter, please contact Steven E. Sossei, CPA, AGA's staff liaison for the FMSB, at ssossei@agacgfm.org or at 703-684-6931, extension 307.

Sincerely,

A handwritten signature in black ink, appearing to be 'EB', with a long horizontal flourish extending to the right.

Eric S. Berman, CPA, Chair
AGA Financial Management Standards Board

cc: Richard O. Bunce, Jr., CGFM, CPA
AGA National President

Association of Government Accountants Financial Management Standards Board

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