

AAPC GPP&E Task Force  
Final Meeting Notes  
– October 7, 2008  
GAO HQ Building  
441 G Street, NW  
Conference Room 6N30  
10:30 a.m. – 12:00 p.m.

*Administrative Matters*

- Future meetings – dates and locations

Monica Valentine, FASAB/AAPC rep., noted that the next meeting date of the task force would be 12/2. The November (11/4) meeting was canceled since the date falls on Election Day, the following Tuesday 11/11 is Veterans Day, and November is a very busy month for financial managers. Members were given the 2009 meeting dates.

*Task Force Chair Updates*

- Donjette Gilmore

Ms. Gilmore thanked the group for their participation in the task force's work. Ms. Gilmore again stressed that the co-chairs need government-wide participation on the sub groups in order to produce implementation guidance that would be useful to the entire federal community. She informed the members of her update on the work of the task force to the AAPC at its September 18 meeting. She noted that the members were very interested in the task force's work and was anxious to see its draft guidance.

Ms. Gilmore reminded the members that she is always available to assist with getting additional members as well any other needs related to the work of the task force. Ms. Gilmore also reminded the members to focus on the ultimate goal of the task force and that is to produce implementation guidance related to G-PP&E. She also reiterated to the members that as the sub groups begin to put their draft guidance together to keep in mind that all participants' views

should be considered, both majority and minority views. She agreed to send each of the sub group leaders a basic template that would provide some guidance on how the final documents should be structured.

- Dan Fletcher

Mr. Fletcher was not available for the meeting.

### *FASAB/AAPC Updates*

- Monica Valentine

Ms. Valentine reminded the task force of the FASAB “sister” project that is addressing estimating the historical cost of G-PP&E. She noted that FASAB staff had initially presented a draft proposal to the Board that would amend SFFAS 6 & 23 allowing for the use of estimates when obtaining original transaction data historical cost is not practical. However at the August 20 FASAB meeting the Board agreed to eliminate any qualifiers related to when entities are allowed to use estimates to value G-PP&E. Ms. Valentine stressed to the members that the currently thinking of the Board is to continue with historical cost as the basis of accounting for valuing G-PP&E. She also informed the members that the draft ED for this project was available on the FASAB website as meeting materials for the October 22 – 23 Board meeting.

### *Sub-Group Updates*

- Acquisition: Alice Carey, sub group co-chair -- Ms Carey gave an update on the work of the Acquisition sub group. She mentioned that the group had been meeting regularly with both in-person and conference call meetings and that the last meeting was on October 2.

The issues being addressed by the Acquisition sub group include:

- Historical cost implementation issues (including estimating),
- Capitalization thresholds
- Spare Parts, and
- Lease/Preponderance of use.

Ms. Carey noted that the group was working primarily on the historical cost implementation issues, but was beginning its work on the other issue areas. She noted that the group was working to ensure that the examples noted in the guidance would be in compliance with current FASAB standards and that the agency names would be generic.

Ms. Carey mentioned that the upcoming year-end work will cause a slowdown of the group's work but hoped to resume current progress sometime after 11/15. The next scheduled meeting of the sub group is 10/15.

- Use: Fred Carr, sub group co-chair, gave an update on the work of the Use sub group. He noted that the group was working through several issues surrounding construction-in-progress and work-in-progress. The group was also reaching out to the 24 CFO agencies to get their input on all of the issues being addressed by the Use group. The sub group will be working with the Acquisition sub group on the preponderance of use issue. The next scheduled meeting of the sub group is 10/14.

- Disposal: Ms. Alaleh Amiri, sub group co-chair, gave an update on the work of the Disposal sub group. Ms. Amiri noted that the sub group has met several times and is developing working drafts for each of the areas currently being addressed by the sub group.

- Environmental liabilities -- recognition of cleanup cost (asbestos)

- Environmental liabilities – equipment disposal

The following areas were updated:

- The asbestos document will include the generic guidelines for identifying asbestos and estimating the cost of cleanup.

- The equipment disposal issues need more discussions.

The next scheduled meeting of the sub group is 10/28.

• Records Retention: John Lynskey, sub group chair gave an update on the work of the Records Retention sub group. Mr. Lynskey mentioned the following points as it relates to the work of the sub group:

- The group just welcomed a new member from PWC representing the Army Corp of Engineers.
- Their research is focusing in on reasonable records retention requirements for entities,
- What is the current guidance for records retention as required by IRS, international standards, and SEC (AICPA), and
- The NARA requirements.

Mr. Lynskey noted that there are basically two types of requirements for records retention (i.e., legal requirements and expenditure purchase requirements) and the sub group was looking into the differences.

*Review List of G-PP&E Issues – Update*

No specific update was given on the latest list of G-PP&E issues.

*Review Timeline – Key Dates*

No specific update was given on the project timelines.