

## **Accounting and Auditing Policy Committee (AAPC) Meeting Minutes - DRAFT**

February 1, 2024, 1:30 PM ET  
Virtual via Zoom for Government

### **Attendance**

#### **Members**

Ms. Monica Valentine (AAPC Chair)  
Ms. Pauletta Battle (CIGIE)  
Mr. Brian Casto (Treasury)  
Ms. Carol Johnson (OMB)  
Present: Mr. Prasad Kotiswaran (CFOC)  
Ms. Sarah Nelson (CIGIE)  
Mr. Joseph O'Neill (GAO)  
Dr. Dorothy Potter (At-large)  
Mr. Robert Smalskas (CFOC)

Absent: Ms. Kim Laurance (CFOC)  
Mr. Troy Meyer (CIGIE)

#### **Staff**

Ms. Robin Gilliam, Assistant Director  
Ms. Sherry Lee, Senior Analyst  
Mr. Ricky Perry, Assistant Director  
Mr. Brian Robinson, Analyst  
Mr. Josh Williams, Senior Analyst  
  
Mr. Jason Kirwan, General Counsel

### **Welcome, Administrative Matters**

The meeting began at 1:35 PM. Ms. Valentine began the meeting by welcoming members.

Mr. Perry called roll and welcomed Ms. Pauletta Battle as the new Committee member.

### **Omnibus TR Amendments – Pre-ballot exposure draft**

Messrs. Perry and Williams presented finalizing changes to attachment A.1. - a pre-ballot draft of proposed Technical Release (TR) XX, *Omnibus Technical Release Amendments 202X: Amendments to Technical Releases 10, 16, 20, and 21*.

#### **Amendments to footnote 5A of TR 10 and paragraph 4 of TR 21**

The Committee agreed to edits in the Executive Summary, questions for respondents (QFR) 1, and paragraph 3 clarifying that the proposal would supersede and replace relevant portions of TR 21, *Omnibus Technical Release Amendments 2022*, paragraph 4, which previously amended footnote 5A of TR 10, *Implementation Guidance on Asbestos Cleanup Costs Associated with Facilities and Installed Equipment*. The Committee also agreed that the proposed TR would further amend footnote 5A to conform to paragraph 18 of SFFAS 6, *Accounting for Property, Plant, and Equipment*, by stating that real property includes leasehold improvements.

Mr. O'Neill stated that, when read in conjunction with the rest of TR 10, footnote 5A suggests that the federal government could be obligated to pay asbestos clean-up costs on leasehold improvements to leased facilities and installed equipment. He proposed a third QFR that would provide feedback for the Committee to assess the applicability of this guidance by better understanding if any reporting entities have (or have had) leasehold improvements that require asbestos cleanup for which the federal government is responsible. The Committee agreed with the proposed QFR.

### Amendments to TR 16 and TR 20

The Committee agreed to edits in the Executive Summary, QFR 2, and paragraphs 5 and 6 clarifying that the proposal would supersede previous amendments in TR 20, *Implementation Guidance for Leases*, paragraphs 101-102, which rescinded portions of the TR 16, *Implementation Guidance for Internal Use Software*, guidance on software licenses. Ms. Johnson suggested that paragraph A6 should be improved to reflect the basis more accurately for the effective date proposal. The Committee revised paragraph A6 accordingly. Specifically, the Committee agreed to explain that the effective date for reporting periods beginning after September 30, 2023, would allow the effective date of the amendments to coincide with the effective reporting period of SFFAS 54, *Leases*, and its related effects on the amended TRs. The Committee agreed this language better explained the reason for the proposed effective date.

Additionally, the Committee removed language in paragraph A6 that asserted that the “AAPC does not have the authority under the Board’s Rules of Procedure and the AAPC charter to amend existing accounting standards or promulgate new standards.” The Committee agreed the language was not necessary for the exposure draft.

### Exposure draft comment period

The Committee decided on a 60-day comment period for the exposure draft. The Committee agreed that this would allow adequate time for public feedback and would allow staff sufficient time to review comments for the Committee to deliberate the feedback at the next AAPC meeting on May 8<sup>th</sup>.

### Next steps

The Committee tentatively approved the pre-ballot TR exposure draft. Mr. Perry explained that staff would next provide ballot copies of the exposure draft and electronic ballots requesting Committee member approval to release the document for public comment.

### Adjournment

Ms. Valentine thanked the Committee for its input on the topic.

The meeting adjourned at 2:30 PM.