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I found the discussion about software as an adjunct to the revisiting of both Intangible Assets and Subscription-Based Information Technology Arrangements as Potential Projects very interesting. I was disappointed to not see accounting for the cost of software development in an Agile Environments also listed as a potential project. SFFASs 6 and 10 still reflect the traditional (or waterfall) method of software development, which means reporting entities must adapt their accounting methods (as allowed by GAAP), which inevitably puts them at odds with their auditors. Accurate accounting for software costs in an agile environment requires that cost reporting protocols are established early in the software acquisition cycle, and if that window is missed it's expensive, if at all possible to insert adequate reporting protocols into awarded projects. The nature of an ongoing development project, which is both in service and in development at the same time, is more than some experienced accountant I have worked with can conceive of. In addition, tracking pieces of code from one "sprint" to the next, and matching that code with functionality with any specificity (as required by a strict reading of SFFAS 10) is a huge burden, which far outstrips the benefit derived.

I would suggest a comprehensive look at accounting for software be under-taken, and guidance reflecting acquisition practices be issued as quickly as reasonable.

Thank you,

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