



**UNITED STATES DEPARTMENT OF COMMERCE**  
**Chief Financial Officer and**  
**Assistant Secretary for Administration**  
Washington, D.C. 20230

Monica R. Valentine  
Executive Director  
Federal Accounting Standards Advisory Board  
Washington, DC

Dear Ms. Valentine:

The Department of Commerce has reviewed the Exposure Draft, *Deferral of the Effective Date of SFFAS 54, Leases* dated December 18, 2019.

Please find enclosed answers to the questions that were asked of respondents. If you have any questions, please contact me at (202) 482-1207 or galston@doc.gov.

Sincerely,

Gordon T. Alston  
Director of Financial Reporting and Policy,  
Internal Controls, and Travel

Enclosure

cc: Kristin Salzer  
Bruce Henshel  
Christine Pham

Exposure Draft Question for Respondents

Due: January 31, 2020

*Deferral of the Effective Date of SFFAS 54, Leases*

**Please select the type(s) of organization responding to this exposure draft. If you are not responding on behalf of an organization, please select "individual."**

Accounting Firm	<input type="checkbox"/>	
Federal Entity (user)	<input type="checkbox"/>	
Federal Entity (preparer)	<input checked="" type="checkbox"/>	
Federal Entity (auditor)	<input type="checkbox"/>	
Federal Entity (other)	<input type="checkbox"/>	If other, please specify: <input type="text"/>
Association/Industry Organization	<input type="checkbox"/>	
Nonprofit organization/Foundation	<input type="checkbox"/>	
Other	<input type="checkbox"/>	If other, please specify: <input type="text"/>
Individual	<input type="checkbox"/>	

**Please provide your name.**

Name:

**Please identify your organization, if applicable.**

Organization:

*Please email your responses to [fasab@fasab.gov](mailto:fasab@fasab.gov). If you are unable to respond by email, please fax your comments to (202) 512-7366.*

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- Q1.** Do you agree with the proposed two-year deferral of the effective date of SFFAS 54, *Leases: An Amendment of SFFAS 5, Accounting for Liabilities of the Federal Government, and SFFAS 6, Accounting for Property, Plant, and Equipment*? The new effective date would provide for full implementation of SFFAS 54 for reporting periods beginning after September 30, 2022. Please provide supporting details behind reasons for your position.

**Department of Commerce Response:**

The Department agrees with the proposed two-year deferral of the effective date of SFFAS 54. Given the significant changes to the standard, the Department feels this would be beneficial to allow adequate time to plan resources, accounting tools, system requirements, and internal controls prior to full implementation.

## CONSOLIDATED BUREAU RESPONSES TO FASAB QUESTION REGARDING FASAB EXPOSURE DRAFT: DEFERRAL OF THE EFFECTIVE DATE OF SFFAS 54, LEASES

### QUESTIONS FOR RESPONDENTS

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The Federal Accounting Standards Advisory Board (FASAB or “the Board”) encourages you to become familiar with all proposals in the Statement before responding to the question below. In addition to the question below, the Board also welcomes your comments on other aspects of the proposed Statement. Because FASAB may modify the proposals before a final Statement is issued, it is important that you comment on proposals that you favor as well as any that you do not favor. Comments that include the reasons for your views are especially appreciated.

The Board believes that this proposal would improve federal financial reporting and contribute to federal financial reporting objectives. The Board has considered the perceived costs associated with this proposal. In responding, please consider the expected benefits and perceived costs and communicate any concerns that you may have regarding this proposal.

The question below is available in a Word file for your use at <https://www.fasab.gov/documents-for-comment/>. Your responses should be sent to [fasab@fasab.gov](mailto:fasab@fasab.gov). If you are unable to respond by email, please fax your responses to (202) 512-7366. Alternatively, you may mail your responses to:

Monica R. Valentine, Executive Director  
Federal Accounting Standards Advisory Board  
441 G Street, NW  
Suite 1155  
Washington, D.C. 20548

All responses are requested by January 31, 2020.

- Q1. Do you agree with the proposed two-year deferral of the effective date of SFFAS 54, *Leases: An Amendment of SFFAS 5, Accounting for Liabilities of the Federal Government, and SFFAS 6, Accounting for Property, Plant, and Equipment*? The new effective date would provide for full implementation of SFFAS 54 for reporting periods beginning after September 30, 2022. Please provide supporting details behind reasons for your position.

**Census Bureau Response (David Freeland):**Agree: ☒Disagree: ☐

The U.S. Census Bureau agrees with the proposed two year deferral of the implementation of SFFAS 54. The Census Bureau only has operating leases, therefore, the SFFAS 54 implementation will not significantly impact the Census Bureau. Should the Census Bureau ever enter into capital lease agreements; the bureau would need time and funding to develop and acquire information technology, data elements, core systems requirements and internal controls prior to full implementation.

**NIST Response (Erin Price):**Agree: ☒Disagree: ☐

NIST agrees with the board's recommendation to defer the implementation of SFFAS 54. Given the significant changes to the standard, we feel this would be beneficial to allow adequate time for preparation and implementation across the department.

**NOAA Response (Amy Lin):**Agree: ☒Disagree: ☐

NOAA agrees with the two-year deferral of the effective date of SFFAS 54. This action will allow NOAA additional time to plan resources, accounting systems/tools, and internal controls for the upcoming policy changes. NOAA anticipates issues in adjusting real property software to be able to produce the required reporting because it is older and there are often unexpected issues when significant changes are made.

**NTIS Response (Andrea Patterson):**Agree: ☐Disagree: ☐

While NTIS does not currently have anything to report, we agree with the deferral of the effective date to give agencies additional time to overcome the challenges incurred when making the implementation.

**USPTO Response (Shana Willard):**Agree: ☒Disagree: ☐

USPTO agrees the two-year deferral of the effective date of SFFAS 54 seems reasonable; it will allow federal agencies ample time for preparations to make changes with regard to the financial reporting for leases.