

## FASAB Questions

**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 [land@fasab.gov](mailto:land@fasab.gov). If you are unable to respond by email, please call (202) 512-7350 to make alternate arrangements.*

---

This proposed Technical Bulletin (TB) would assist reporting entities in implementing Statement of Federal Financial Accounting Standards (SFFAS) 59, *Accounting and Reporting of Government Land*.

**QFR 1.** The proposed TB would clarify that categorizing general property, plant, and equipment (G-PP&E) land and stewardship land is based on intent or intended purpose, whereas the sub-categorization is based on predominant use. The determining factor when categorizing land between G-PP&E and stewardship is why the entity is currently managing/holding the land as opposed to its actual predominant use during the reporting period. Refer to paragraphs 5 and 6 and paragraph A4 in the basis for conclusions.

**Do you agree or disagree? Please provide the rationale for your answer.**

*GSA agrees the intended purpose of this TB and clarifications provided assists preparers of financial statements in determining stewardship land from GPP&E land. Moreover this also aligns with SFFAC 1, SFFAC 5 paragraphs 10-16, and SFFAS 29.*

**QFR 2.** The proposed TB would clarify that the reporting of non-outer continental shelf (OCS) submerged estimated acreage is optional and that the preparer has flexibility concerning the accounting and reporting of such land. Specifically, preparers have the

*Exposure Draft Technical Bulletin:**Technical Clarifications: SFFAS 59, Accounting and Reporting of Government Land*

option to either include or exclude non-OCS estimated acreage in the notes as part of the overall reported acreage estimates. If the entity has non-OCS submerged land, the entity should (1) disclose its policy for including or excluding this land from acreage estimates and (2) describe its mission related to such lands. Refer to paragraphs 7 and 8, paragraph A5 in the basis for conclusions, and appendix C.

**Do you agree or disagree? Please provide the rationale for your answer.**

GSA does agree. However, GSA does not have OCS acreage, but we do appreciate the additional flexibility provided by the Board to agency preparers to make OCS optional to disclose, as this category of unique acreage must be difficult to measure and confirm accuracy of the estimates. Having the optional disclosure helps to lessen the burden on agencies.

**QFR 3.** The proposed TB would clarify that the accounting and reporting of land improvements remains consistent with SFFAS 6, *Accounting for Property, Plant, and Equipment*. That is, land improvements would continue to be reported as G-PP&E after land acreage transitions to the notes. Refer to paragraphs 9-11 and paragraph A6-A9 in the basis for conclusions.

**Do you agree or disagree? Please provide the rationale for your answer.**

GSA agrees. The specificity of the accounting treatment of 'land improvements' in paragraph 10 along with the examples in paragraph 11 provide additional clarity and are extremely helpful. The basis for conclusion, paragraphs A6-A9 is helpful to understand the Board's intent for capitalization of land improvements, while the standard expenses land. Specifically paragraph A8 helps preparers to realize these costs of land improvement provide future benefits, should be capitalized as PP&E and depreciated over the periods benefited. GSA appreciates the basis for the conclusion section; it always provides helpful insight into the Boards intentions of the specific accounting treatment.

**QFR 4.** The proposed TB would clarify that all (G-PP&E and stewardship) permanent land rights are to be expensed as incurred. Refer to paragraphs 12 and 13 and paragraph A10-A11 in the basis for conclusions.

**Do you agree or disagree? Please provide the rationale for your answer.**

GSA agrees with FASAB to expense permanent land rights as incurred and temporary land rights are to be capitalized. In addition, we agree with FASAB's intention to alleviate preparer burden by not requiring a separate measurement of the cost of permanent land rights from its associated land as described in the last two sentences of paragraph 13, as this provision provides clarification for less stringent requirements from FASAB when it is appropriate.

*"In most cases, permanent land rights such as easements, water rights, or mineral rights are inseparable from the associated land that resulted in the land rights, and, as such, the value of such rights are measured as part of the cost of the land. Therefore,*

*Exposure Draft Technical Bulletin:**Technical Clarifications: SFFAS 59, Accounting and Reporting of Government Land*

*the intent of SFFAS 59 is not to require a separate measurement of the cost of permanent land rights from its associated land, as it is impractical and creates unnecessary preparer burden.”*

**QFR 5.** The proposed TB would clarify that ownership and related acquisition assertions can be supported by non-traditional documentation. For example, alternative methods, such as satellite imagery, expert analysis, legal precedents, and testimonies from land historians or long-established local communities, can help reconstruct ownership history and confirm the legitimacy of land claims. Additionally, practitioners may review land surveys, geological data, or archival government correspondence to corroborate acquisition details. Refer to paragraphs 14-17 and paragraph A12-A18 in the basis for conclusions.

**Do you agree or disagree? Please provide the rationale for your answer.**

*GSA agrees and supports the use of non-traditional documentation, as some historical documentation presents difficulty unraveling events that transpired many years prior. Moreover historical records are often illegible, when they can be found at all.*

**QFR 6.** The proposed TB would incorporate concepts regarding ownership in paragraphs 81-83 (Supporting Documentation) and paragraph 85 (Methodology for Developing Supporting documentation) of Technical Release 9, *Implementation Guide for Statement of Federal Financial Accounting Standards 29: Heritage Assets and Stewardship Land*. Refer to paragraphs 14-17 and paragraph A12-A18 in the basis for conclusions.

**Do you agree or disagree? Please provide the rationale for your answer.**

*GSA agrees. We appreciate the terminology in paragraph 15 allowing the use of reasonable estimates to support land acreage and providing the examples.*

**QFR 7.** Do you wish to comment on any other aspects of this proposal?

*Exposure Draft Technical Bulletin:*

*Technical Clarifications: SFFAS 59, Accounting and Reporting of Government Land*

GSA, OCFO appreciates the opportunity FASAB gives agencies to provide comments and to learn about the pending accounting standards prior to implementation.