

June 18, 2025

Dear FASAB Board Members:

Once again, my thanks to you for allowing me the privilege of serving on this vitally important P3 Task Force as a citizen representative. It's been an honor for me to work with Mr. Savini and all of the other highly professional members of the Task Force who over the past several years have toiled diligently and in good faith to produce this Exposure Draft entitled, *Implementation Guidance for Public-Private Partnerships*, —which **I firmly believe provides essential guidelines for government agencies to follow when engaging in P3 arrangements. Not to mention the potential it has to provide greater transparency and possibly help save taxpayers billions of dollars.**

Such guidance to agencies could not come at a better time given the recent national attention to our nation's annual national deficits and overarching debt, which to many, seem to be raging out of control.

My comments here, however, are not so much related specifically to the individual questions in the ED, but rather to its potential positive impact on the regulatory environment in which the guidelines it contains may ultimately be released.

The P3 Task Force continues to emphasize the need for enhanced transparency and accountability among both government agency auditors and accountants, as well as their prospective private sector partners. However, **current trends in the regulatory environment present significant challenges.** There appears to be a diminishing emphasis on oversight and accountability at the federal level, which raises concerns about the effective implementation of the P3 guidelines. **Without strong, proactive support from this board, there is a real risk that the substantial effort and resources invested in developing these standards may not achieve their intended impact.**

I have weighed in with my concerns before (see the letter dated Oct. 2, 2023, addressed to you, the Board, below). Given the current reductions in federal staffing, it's my understanding that FASAB may face pushback, and if risk-disclosures are adversely impacted, this would mean the loss of its most significant positive impact and undermine financial transparency.

As I've written to you before, once it is established that the Board's intention is to permit loopholes for private entities seeking to do business with the U.S. government, it will proliferate without restraint to the balance of the SFFAS 49 requirements and in essence fundamentally weaken—if not over time—totally eviscerate SFFAS 49, which the P3 task force and many of its original members have worked so long and hard to create.

Bottomline: You, as members of the FASAB Board, are our first—and perhaps last—line of defense when it comes to holding the line on what it means to enter into a well-defined, well-thought out and well-negotiated P3 arrangement. Nothing less than billions

of taxpayer dollars are at stake, as well as the credibility of government agencies to manage our taxpayer dollars wisely and responsibly.

Most taxpayers understand that their tax dollars are an investment in the services their government can provide. Like all investors they want to see a good return on investment (ROI). You can play a big role in making that happen.

I ask, therefore, that you take a strong stand in favor of this Exposure Draft. I thank you in advance for doing so.

Respectfully and Sincerely,
Larry Checco
U.S. Citizen and Taxpayer

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October 2, 2023

Dear Members of the Board,

As an SFFAS 49 Task Force member, I wish to thank you for the opportunity to serve as a citizen representative. Please accept the following comments on behalf of the many hard-working, tax-paying Americans—including yourselves—who may share my views as an “average citizen.” And please forgive the fact that these comments come to you a bit late as I wanted to first read the comment letters from the preparers and auditors prior to formulating my thoughts.

As a private citizen representing American taxpayers on the FASAB P3 task force, I do not believe taxpayers would—or should—favor anything that represents a “loophole” to private enterprises seeking to do business with the U. S. government in these extremely long-term P3 arrangements. As some respondents have recommended, this would include the Board’s either retaining or altering paragraph 24b, i.e. “exclusion of the amounts of non-federal partner funding in situations where such information was not available.”

Even if the Board were to adopt a higher-threshold, as some respondents have noted, once it is established that it is the Board’s intention to not only permit, but continue such a loophole, it will proliferate without restraint to the balance of the SFFAS 49 requirements and in essence fundamentally weaken—if not over time—totally eviscerate standard 49, which the P3 task force and many of its original members have worked so long and hard to help create.

As a noun the word standard is defined as “a required or agreed level of quality or attainment.” As an adjective it means “used or accepted as normal or average.” In support of eliminating the

loophole, I was relieved to see that some government agencies are more willing to enforce the SFFAS 49 standards as written and intended for full disclosure than others. I believe that these agencies who hold themselves to a higher bar represent the best in government as opposed to those who search out ways to avoid transparency in financial reporting.

As we are all aware, come tax time, if we cannot, or do not, provide appropriate documentation related to our taxes to the IRS, regardless of whatever “reasonable” efforts we may—or may not—employ to produce such documents, the IRS does not absolve us from paying our taxes. For the sake of transparency and accountability, therefore, private entities and their sponsoring agencies seeking to partner over the long-term should be held to the same standard of compliance. With all due respect, they must be required to comply with the reporting of risk that the taxpayers may have to absorb if things don’t turn out as intended—just as we taxpayers must comply with IRS standards.

P3 contracts are proliferating at a rapid pace within the federal government, and the Individual stakes are high. Billions of taxpayer dollars are at risk. At the very least, we—all of us— deserve transparency and accountability.

Thank you for seriously considering my comments on behalf of all taxpayers, and I sincerely hope that you will amend paragraph 24b’s exclusion clause as reflected in the Exposure Draft.

Sincerely,  
Larry Checco  
U.S. Citizen and Taxpayer