

Instructions: Please record your comments in the table below.

Section. Provide the section number for each comment.

Page: Identify the page number

Sentence(s). Specify the sentence(s) for which the comment is provided.

Reason: Specify whether the comment is provided because the draft language is: (1) unnecessary, (2) unclear, or (3) inaccurate.

Proposed Change: For draft language that is unclear or inaccurate, please provide revised language.

Commenter. Please provide a contact name for each comment.

Commenter Contact Info: List your email or phone number

Section	Page	Sentence	Reason	Proposed Change	Commenter	Contact Info
Q1	3		We disagree with the proposed wording as it appears to create the potential for significant inconsistencies in financial reporting and would appear to increase the likelihood that components (and subs) will not meet the concepts of full cost accounting by components, leading to incomplete/inaccurate management reporting of costs incurred, and in program performance measurements. Further, the examples of the valid bases that may be applied appear to conflict with the guidelines for characteristics of assets as defined in SFFAC 5. Also see comment below regarding paragraph 9 inconsistencies.	We would recommend that if reporting entities are permitted to develop policies in this regard, it should be indicated that agency policies must be consistent with SFFAC 5 concepts of assets, and SFFAS 4's requirements to assign costs to the levels of components (and subs) that management uses for its cost accounting and performance measurement reporting.	Ed Gramp	edward.gramp@gsa.gov
Q1	3		We also disagree with the proposals as worded, since the limited guidance in paragraph 9 is incomplete, as it does not indicate how the accounting transactions should be recognized as assignment is recorded on trial balances on the individual entities. Also see interrelated comments below on questions posed under Q3	We request expansion of the guidance to discuss recognition of the asset assignment in financial records (such a trial balances, balance sheets, statement of changes in net position of components (and subs). As an example, guidance may include discussions to indicate whether asset assignment should be recognized as non-reciprocal transfers in accordance with SFFAS 7, such as if one component may originally buy the assets and originally record the cost, liabilities, and payments, but another component may ultimately be assigned to carry the asset on its records as they will be the user of the asset.	Ed Gramp	edward.gramp@gsa.gov
Q2	3		We believe this requirement should only be upon entities -reporting, components, subs - where it is needed to understand the assets and associated balances displayed in the financial reports. For instance, a disclosure of policy for assignment of assets to subcomponents would only be necessary when assets, associated costs, and measures are separately displayed in financial statements per subcomponent.	Language should be clarified that disclosures are only required for entities displaying financial statements where they have been assigned assets based on this TB/	Ed Gramp	edward.gramp@gsa.gov
Paragraph 9	5		The wording of paragraph 9 also appears internally inconsistent, as the 1st and 4th sentences speak to assignment and policies needing to be consistently applied, while the 3rd sentence indicates that different bases can be used for different assets (which would imply inconsistent approaches can be used for different assets). Should such guidance be limited to liabilities related to assets such as clean-up costs or also address all government-related events? Are there other types of liabilities for which guidance would be helpful?	It should be clarified how these sentences are not inconsistent, or reworded to eliminate the appearance of this conflict, or eliminate the 3rd sentence that allows of different bases for assigning different assets.	Ed Gramp	edward.gramp@gsa.gov
Q3	3			We believe guidance on possible assignment of liabilities is needed, including liabilities associated with clean-up, government-related events and possibly many more. Due to this TB providing guidance on asset assignment, we consider it inherently necessary that liability assignment be address as well, preferably in the same TB, as there may be significant reasons why assets to be assigned should carry their associated liabilities as part of the transfer/assignment process when recognizing the transactions in the ledgers of components (and subs).	Ed Gramp	edward.gramp@gsa.gov