

April 15, 2024

George A. Scott, Chair
Federal Accounting Standards Advisory Board
441 G Street, NW, Suite 1155
Washington, D.C. 20548
Sent via email to fasab@fasab.gov

OMNIBUS TECHNICAL RELEASE
AMENDMENTS 202X:
CONFORMING AMENDMENTS TO TECHNICAL RELEASES 10, 16, 20, AND 21

Dear Mr. Scott:

The Virginia Society of CPAs (VSCPA) Accounting & Auditing Advisory Committee (Committee) has reviewed the Exposure Draft (ED) issued by the Federal Accounting Standards Advisory Board (FASAB) — OMNIBUS TECHNICAL RELEASE AMENDMENTS 202X: CONFORMING AMENDMENTS TO TECHNICAL RELEASES 10, 16, 20, AND 21.

The VSCPA is the leading professional association in Virginia dedicated to enhancing the success of all CPAs and their profession by communicating information and vision, promoting professionalism, and advocating members' interests. The VSCPA membership consists of nearly 13,000 individual members who actively work in public accounting, private industry, government, and education.

The Committee is in general agreement with the proposed changes and supports FASAB's continuing research for modifications and enhancements to internal use software guidance, as part of the Board's software technology project. The responses to the specific questions are shown below.

QFR 1. Do you generally support the proposed amendments to TR 10, *Implementation Guidance on Asbestos Cleanup Costs Associated with Facilities and Installed Equipment*, under paragraph 3 of this proposed TR? This amendment is intended to align the guidance in footnote 5A of TR 10 with that of Statement of Federal Financial Accounting Standards (SFFAS) 6, *Accounting for Property, Plant, and Equipment*, paragraph 18, as amended by SFFAS 60, *Omnibus Amendments 2021*. It would also supersede and replace relevant portions of a previous amendment to this footnote under TR 21, *Omnibus Technical Release Amendments 2022*. Please explain the reasons for your position.

Response

Yes. The proposed changes sufficiently align the existing guidance of TR 10, SFFAS 6, and TR21.

QFR 2. Do you generally support the proposed amendments to TR 16, *Implementation Guidance for Internal Use Software*, under paragraphs 4-7 of this proposed TR? Paragraphs 5-6 would restore portions of prior guidance for perpetual software licenses based on Board requirements under SFFAS 10, *Accounting for Internal Use Software*. The amendments would also supersede previous amendments in TR 20, *Implementation Guidance*

for Leases, that rescinded portions of this guidance. Paragraph 4 removes reference to SFFAS 5, *Accounting for Liabilities of the Federal Government*, under scope paragraph 8 of TR 16, as TR 16 no longer clarifies SFFAS 5 after the earlier conforming amendments provided under TR 20. Paragraph 7 is a technical correction and conforming amendment to paragraph 32 of TR 16. Further modifications and enhancements to internal use software guidance are under research and development as part of the Board's software technology project. The AAPC will consider additional updates in coordination with the Board's project. Please explain the reasons for your position.

Response

Yes. The proposed changes sufficiently align the existing guidance of TR 16, TR 20, SFFAS 5, and SFFAS 10.

QFR 3. Should paragraph 8B, footnote 5A, of TR 10 retain the reference to “leasehold improvements?” The proposed change to TR 10 would retain reference to “leasehold improvements” as an item within footnote 5A. The wording, in conjunction with the rest of TR 10, suggests that the federal government could be obligated to pay asbestos clean-up costs on leasehold improvements to leased facilities and installed equipment. The AAPC would like to better understand if any reporting entities have (or have had) leasehold improvements that require (or required) asbestos cleanup for which the federal government is (or was) responsible.

Response

The Committee has no comments on this question given our limited exposure to this area.

The VSCPA appreciates the opportunity to respond to this update. Please direct any questions or concerns to VSCPA Vice President, Advocacy & Pipeline Emily Walker, CAE, at ewalker@vscpa.com or (804) 612- 9428.

Sincerely,

Zach Borgerding, CPA
Chair 2023-2024
VSCPA Accounting & Auditing Advisory Committee

VSCPA Accounting & Auditing Advisory Committee 2023-2024

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