



Greater Washington Society of CPAs and GWSCPA Educational Foundation

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December 4, 2009

Wendy Payne, Executive Director
Federal Accounting Standards Advisory Board
Mail Stop 6K17V
441 G Street, NW – Suite 6814
Washington, DC 20548

Dear Ms. Payne:

The Greater Washington Society of Certified Public Accountants (GWSCPA) Federal Issues and Standards Committee (FISC) appreciates the opportunity to provide comments on the Federal Accounting Standards Advisory Board's (FASAB or Board) Exposure Draft (ED) of the proposed Federal Financial Accounting Technical Release (TR), *Implementation Guidance on Cleanup Costs Associated with Equipment*.

FISC consists of 16 GWSCPA members who are active in accounting and auditing in the Federal sector. This comment letter represents the consensus comments of our members. Our responses to the ED question follows.

- Q1. In the case of cleanup costs associated with equipment at disposal, outlined in paragraphs 12 – 16, do you agree with the consideration factors to apply as outlined in the guidance?
- A1. FISC agrees with the consideration factors contained in paragraphs 12 – 16 of the ED. However, we recommend that the FASAB provide examples at the end of paragraph 13 of instances in which an agency may conclude that “future outflows of resources for environmental cleanup are not probable.” If an agency plans to transfer its liability for cleanup to another party with or without remuneration (e.g., a contractor, another Federal agency, etc.), then it is unclear from the current narrative why the liability wouldn't remain on the agency's records until the asset is transferred, disposed of, or abandoned.
- Q2. In the case of cleanup costs associated with equipment during ongoing operations, outlined in paragraphs 17 – 21, do you agree with the consideration factors to apply as outlined in the guidance?
- A2. Except for the relevance of our answer in question 1 to the narrative in paragraph 18, FISC agrees with the consideration factors contained in paragraphs 17 – 21 of the ED.

Q3. Do you believe additional technical guidance related to equipment cleanup costs at disposal is needed in this proposal?

A3. FISC is not aware of any additional technical that needs to be incorporated into this ED.

Q4. Do you believe additional technical guidance related to equipment cleanup costs during ongoing operations is needed in this proposal?

A4. FISC is not aware of any additional technical that needs to be incorporated into this ED.

Other Comments

- In the last sentence of paragraph 10, there is a space missing between “diagram 1.1” and “on.”
- There is a period missing at the end of the last sentence in paragraph 19.

This comment letter was reviewed by the members of FISC, and represents the consensus views of our members.

Very truly yours,



Andrew C. Lewis
FISC Chair