Asbestos-Related Liabilities

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Disclaimer

Views expressed are those of the speaker. The Board expresses its views in official publications.

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Asbestos-Related Liabilities

- **Technical Bulletin 2006-1, *Recognition and Measurement of Asbestos-Related Cleanup Costs***
  - Effective in fiscal year 2013
  - Affects all agencies that own buildings, facilities, ships, or other tangible PP&E that contains any form of asbestos

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Asbestos-Related Liabilities

- **Requirements of Technical Bulletin 2006-1**
  - Clarifies the required reporting of liabilities and related expenses arising from asbestos-related cleanup costs
  - Includes friable and non-friable
  - Additional disclosures

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Asbestos-Related Liabilities

- **Additional Guidance issued in June 2010**
  - Technical Release 10: *Implementation Guidance on Asbestos Cleanup Costs Associated with Facilities and Installed Equipment*
    - http://www.fasab.gov/pdffiles/handbook_tr_10.pdf

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Asbestos-Related Liabilities

- **FASAB Roundtable**
  - Held in June 2011
  - Offered valuable tips and lessons learned
  - Complete minutes are posted on the FASAB Web site at:
    - http://www.fasab.gov/pdffiles/minutes_asbestos_roundtable.pdf

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Asbestos-Related Liabilities

- **Two main pieces of information needed:**
  - Population of PP&E that is likely to contain asbestos
  - Information on how much it will cost to remove the asbestos from the population

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Asbestos-Related Liabilities

- **Selected Roundtable Tips**
  - FASAB standards require a reasonable estimate
  - Surveys of PP&E are not the only acceptable option
  - Various assumptions may be used
  - An allowance may be used
  - A contingency factor may be used

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Asbestos-Related Liabilities

- **Early Implementers:**
  - Department of Justice (FY 2010)
  - Department of Energy (FY 2011)
- **Other Potential Resources:**
  - Department of the Interior
  - National Aeronautics and Space Administration

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Asbestos-Related Liabilities

- FASAB does not anticipate further deferral of the requirements

- **Questions:**
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