



FedLease™

Federal Government Lease Accounting

Designed by accountants, for accountants, to help facilitate compliance with the new lease accounting standard

Are you ready to comply with the new lease accounting standard? Statement of Federal Financial Accounting Standards 54: *Leases* (SFFAS 54) fundamentally changes the rules that govern accounting for leases¹. Experience in the commercial sector has shown it can take significant time and effort to prepare. Sustainable compliance may require a dissection of the end-to-end lease process, and significant changes within organizations will likely be needed to facilitate how day-to-day transaction information and accounting around people, processes, and policy applications are executed, maintained, and governed. As a result, simple spreadsheets and manual processes likely will no longer be sufficient to maintain lease data, perform lease calculations, and generate necessary journal entries and disclosures.

That's why Deloitte built FedLease, software designed to help federal government agencies facilitate adoption of the new lease standard and streamline the end-to-end lease accounting process—incorporating functionality related to capturing management judgments and decisions to performing computations and generating drafts of journal entries and creating reporting and disclosure information.

About FedLease

- Software for storing, analyzing, and reporting lease accounting information
- User-friendly technology that helps strengthen and advance your organization's lease accounting program
- Cost-effective pricing that is based on the number of active contracts maintained in the system, not the number of users
- Can account for lessee and lessor leases under SFFAS 54
- Can be implemented as a software solution or bundled with ongoing services and provided as part of a managed service
- Covers all lease types, including real estate, equipment, and vehicles
- Flexible for any agency or other federal organization

¹SFFAS 54 will take effect for reporting periods beginning after Sept. 30, 2023.

New standard, new compliance challenges

The new lease standard will likely present significant accounting changes for federal government agencies. Here are examples of some challenges you may encounter—and how FedLease can help you address the challenges.

Illustrative challenges of the new standard

Deloitte's FedLease

Need for an agency-wide repository of leases and a calculation engine to more efficiently produce financial reporting

- Provides a central repository to store lease data with lease documentation and a calculation engine that supports analysis and reporting
- Assists with calculations and reporting for lessee and lessor positions, which helps to create “one version of the truth” for lease accounting and reporting
- Automates manual processes so professionals can focus on more strategic tasks
- Features customizable help text bubbles to facilitate and clarify the lease input process. These can be tailored for your agency's accounting policies to guide your team and help streamline the data entry process.
- Will include transition and modification calculations

Added reliance on contract data, which may be scattered across multiple decentralized locations and in different business and operating units

- Leverages the functionality of the software so data is accessible and restricted as needed
- Organizes lease agreements and data elements so you can easily retrieve information and efficiently perform calculations
- Designed with governance and controls in mind (segregation of duties, workflow approval functionalities), as well as validation functionality that provides preventative and detective controls around completeness, accuracy, and reasonability of lease data

Need for management judgment in lease assessment, as well as detailed supporting documentation

- Includes functionality to support several hundred workflow scenarios related to capturing management judgments and decisions
- Enables access, review, and distillation of data on a near-real-time basis. This can enable more effective operational decision-making, which may lead to new insights that improve performance.

The Deloitte Difference

Designed by accountants, for accountants, FedLease is backed by Deloitte's accounting and assurance experience. We designed the software based on the hands-on experience we've gained helping organizations across the country align with their compliance requirements outlined in regulations and standards. Built-in automated controls and audit support functionality can help to facilitate end-to-end compliance with the new lease standard.

FedLease can be implemented as a stand-alone software package or as a managed service, which can bring about the following benefits:

- Access to experienced professionals, leading-class processes, and our proprietary technology in a single offering
- Helps organizations to reduce risk and lower total cost of ownership while meeting the new lease accounting standard requirements

Take your lease accounting process from antiquated to automated—schedule a FedLease demo.

Contact us

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