



LeaseController™ for Federal Government Agencies

Designed by accountants, for accountants, to help facilitate compliance with 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 leases.¹ Experience in the commercial sector has shown it can take upward of 12 to 18 months to prepare.² 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 LeaseController, software designed to help federal government agencies facilitate adoption of the new lease standard and streamline the end-to-end lease accounting process—from incorporating functionality related to capturing management judgments and decisions to performing computations, generating journal entries, and creating reporting and disclosure information.

About LeaseController

- Software for storing, analyzing, and reporting lease accounting information
- User-friendly technology that helps strengthen and advance your lease accounting program
- Cost-effective pricing that is based on the number of active lease contracts maintained in the system, not the number or location 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 leases, including real estate leases, equipment, and vehicles
- Flexible for any agency or other federal organization

¹Under the proposed deferral, SFFAS 54 would take effect for reporting periods beginning after Sept. 30, 2022.

²Based on experience with commercial clients with lease portfolios exceeding 1,000 records.

New standards, 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 LeaseController can help you address the challenge.

Illustrative challenges of the new standard

Deloitte's LeaseController

Need for an agency-wide repository 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 bubbles to facilitate and clarify the lease input process. These can be tailored for your accounting policies to guide your team and help streamline the data entry process
- Includes 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 (such as 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 supports more effective operational decision-making, which can lead to new insights that improve performance

The Deloitte difference

Designed by accountants, for accountants, LeaseController 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 meet their compliance demands outlined in regulations and standards. Built-in, automated controls and audit support functionality will help to ease end-to-end compliance with the new leasing standard.

LeaseController can be implemented as a stand-alone software package or as a managed service that can bring about the following benefits:

- Combines experienced professionals, leading-class processes, and our proprietary technology in a single offering
- Enables organizations to strengthen compliance, decrease risk, reduce organizational complexity, 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 LeaseController demo.

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