Dear Technical Director,

Thank you for the opportunity to comment on the Exposure Draft of a Proposed Accounting Standards Update regarding the definition of collections. I am writing on behalf of the American Association for State and Local History (AASLH), the largest professional organization representing history museums and historical societies across the United States. AASLH is a membership organization comprised of more than 5,000 individuals, agencies, and organizations acting in the public trust, engaged in the practice of history, and representing many disciplines and professions. Since 1940, AASLH has guided its members and the field at large in meeting standards and best practices. AASLH’s mission is to provide leadership and support for its members who preserve and interpret state and local history.

Question 1: Should the definition of the term collections include the concept of direct care? If not, why not?

AASLH is in favor of modifying the definition of collections to include direct care.

AASLH’s Statement of Standards and Ethics states, “Funds from the sale of collections may be used for the acquisition of collections, or the direct care or preservation of existing collections.” This principle, that calls attention to a museum’s responsibility for collections stewardship, is important especially to the many small historical organizations throughout the country that maintain collections documenting local heritage. For these organizations, caring for collections is often more critical than building collections.

The AASLH Standards and Ethics Statement continues, “Funds should not be used to provide financial support for institutional operations. In the case of institutions that accession their contributing buildings and landscapes (cultural and historical assets that are accessible to and interpreted for the public), funds acquired through deaccessioning can be used for direct care and preservation of objects, archives, buildings, archaeological sites, and cultural landscapes that provide public benefit as outlined/defined in their collections policy. Institutional policy should distinguish between building maintenance and building preservation.”
Question 2: Should there be a requirement to disclose an entity’s policy for use of proceeds from deaccessioned collections? If not, why not?

AASLH is in favor of a requirement to disclose the policy for use of proceeds from deaccessioned items.

As stated in the Association’s Statement of Standards and Ethics, history organizations “exist to serve the public interest and must always act in such a way as to maintain public confidence and trust.” Moreover, working to strengthen organizational sustainability and transparency in history organizations is one of the main pillars of AASLH’s strategic plan.

AASLH agrees with the American Alliance of Museums in its assertion that “each museum should include in both its own code of ethics and its collections management policy identical statements on the use of funds from deaccessioning, limiting use to new acquisitions and/or the direct care of existing collections. This ensures consistency and promotes accountability. Further, the Alliance encourages museums to foster transparency by explaining to their stakeholders any use of funds generated from collections. As a result, the field as a whole and museums individually will demonstrate more clearly how they uphold their stewardship responsibilities for the benefit of the public.”

Question 3: Would the proposed transition requirement of prospective application with retroactive application permitted be operable and would it provide decision-useful information? If not, please explain why and what you would recommend.

AASLH is in favor of prospective application with retroactive application permitted.

Question 4: Should the effective date of the proposed amendment be upon issuance of a final Update? If not, why not?

AASLH is in favor of the effective date being upon issuance of the final Update.

AASLH thanks FASB and its Not-for-Profit Advisory Committee for its work in reviewing this important issue.

Sincerely,

John Dichtl, PhD
President & CEO