

From: Kirk Foreman <kforeman6@hotmail.com>
Sent: Thursday, November 4, 2021 7:17 AM
To: KARLA BOWER
Subject: 202X Accounting Procedure draft

Hey Karla, hope you and the drafting team are doing well.

The comments below are a representation of the San Antonio Society's (PASSA) executive committee and JI and Audit committee chairs. For transparency purposes our 30 society members did not respond to my requests for comments. Since we meet every other month (next meeting NOV 16, 2021) we have not been able to call a special meeting to discuss the current draft of AP 202X. If the accounting procedure draft continues to be open for discussion, our society will meet before our JAN 25th, 2022, meeting to discuss with attendees.

For the record, San Antonio JI Committee voted "NO" during the fall conference vote. Our Audit Committee would have voted "NO" also.

Here is our position on the "BIG ITEMS" as of NOV 3, 2021:

1. SA Vote "NO" – inclusion of direct charges for field agent functions. "Field Agent" description may cause confusion. What is a field agent? Companies may try to fit all kind of non-billable stuff under the term "Field Agent".
2. SA Vote "NO" – inclusion of the word "prevent". We recommend "prevent" be removed.
3. SA Vote "YES" - we support limiting #2 to technical services that handle/address specific operating conditions or problems for same operations without the word "Prevent".
4. SA Vote "NO" – omission of dollar threshold for environmental projects. We believe there should be a dollar threshold.
5. SA Vote "NO" – eliminating MFI references. We recommend they should stay in.
6. SA Vote "NO" – removing audit forfeiture provision. We recommend keeping this.
7. SA Vote "NO" – retiring 2005 AP. We do not want 202X AP to replace 2005, nor do we want to retire 2005.

These are San Antonio's very general comments on the AP draft "BIG ITEMS". To try and get our member feedback, we need to perform a more detailed review and discussion during our JAN 2022 Society meeting.

Also, we recommend that there will NOT be a vote during the winter or spring 2022 meetings. We believe there should be more "open discussion" on the draft at the 2022 Spring meeting and request a vote during the Fall 2022 meeting.

PASSA would like to thank the drafting team for their dedication and hard work on the 202X Accounting Procedure Draft.