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Question Text	Response	Status
* Please select the type of entity or individual responding to this feedback form.	Not Asked	Not Asked
Other, please specify (Specified)		
* Please select the type of entity or individual responding to this feedback form.	Industry Organization	Completed
Other, please specify (Specified)		
* Please provide contact information for any follow-up questions.	(Filled in as Follows:)	Completed
Organization *	Teacher Retirement System of Texas	
First name *	Matt	
Middle initial		
Last name *	Halstead	
Email address *	matt.halstead@trs.texas.gov	
Phone number	5125426828	
<p>Please describe what type of stakeholder you (or your organization) are from the list below, including a discussion of your background and what your point of view is when responding to this ITC:</p> <ul style="list-style-type: none"> a. Academic b. Investor, other allocator of capital, or other financial statement user, such as: <ul style="list-style-type: none"> 1. Equity analyst: buy side 	<p>7. Portfolio Manager - I am a Director at the Teacher Retirement System of Texas focusing on investments in real estate and digital assets</p>	Completed

<ul style="list-style-type: none"> 2. Equity analyst: sell side 3. Credit-rating agency analyst 4. Fixed-income analyst 5. Accounting analyst 6. Quantitative analyst 7. Portfolio manager 8. Private equity 9. Lender 10. Long/short focus 11. Other <ul style="list-style-type: none"> c. NFP organization preparer d. Practitioner/auditor e. Private company preparer f. Public company preparer g. Regulator h. Standard setter i. Other. 		
<p>Which topics in this ITC should be a top priority for the Board? Please explain your rationale, including the following:</p> <ul style="list-style-type: none"> a. Why there is a pervasive need to change GAAP (for example, what is the reason for the change) b. How the Board should address this topic (that is, the potential project 	<p>Given the rapid adoption of Bitcoin and the pervasiveness of awareness, it is prudent to focus on Bitcoin accounting treatment and the treatment of Digital Assets with a sense of general priority and urgency. It would be much easier and logical for the Teacher Retirement System of Texas to assess the value of a company's digital assets if they were carried at fair value across time and companies. Please consider this change.</p>	<p>Completed</p>

<p>scope, objective, potential solutions, and the expected costs and benefits of those solutions) c. What the urgency is of the Board completing a project on this topic (that is, how quickly the issues need to be addressed).</p>		
<p>Are there topics in this ITC that the Board should not address as part of its future standard-setting efforts? Please explain your rationale, such as there is no pervasive need to change GAAP, the scope would not be identifiable, or the expected benefits of potential solutions would not justify the expected costs.</p>	<p>None</p>	<p>Completed</p>
<p>Are there any financial reporting topics beyond those in this ITC that should be a top priority for the Board to address? Please describe: a. The nature of the topic b. The reason for the change c. Whether the topic is specific to a subset of companies, such as public companies, private companies,</p>	<p>Please consider the fair value treatment of Bitcoin and other digital assets in the broadest possible sense. This ensures fair and consistent comparison across companies and across time.</p>	<p>Completed</p>

<p>or NFPs, or specific to a certain industry</p> <p>c. How the Board should address this topic (that is, the potential project scope, objective, potential solutions, and the expected costs and benefits of those solutions)</p> <p>d. What the urgency is of the Board completing a project on this topic (that is, how quickly the issues need to be addressed).</p>		
<p>The objective of this ITC and the related 2021 Agenda Consultation process is to ensure that the FASB continues to allocate its finite resources to standard-setting activities that fulfill its primary mission of improving financial accounting and reporting standards and that are of the highest priority to its stakeholders. Therefore, feedback on the prioritization of projects on the FASB’s technical agenda (see Appendix A) would be helpful. Do you have any feedback on the FASB’s technical agenda, including the following:</p>	<p>No comment</p>	<p>Completed</p>

<p>a. Which projects on the FASB’s agenda should the Board prioritize completing? Please explain.</p> <p>b. Which projects, if any, should the Board deprioritize or consider removing from the agenda? Please explain.</p> <p>c. Which projects, if any, need to be redefined to improve the objective and/or scope? Please explain.</p>		
<p>Greater disaggregation and granularity of the types of financial reporting information described in Chapter 1 have been identified as decision useful to investors. The following insights would be helpful to the FASB when considering this area:</p> <p>a. Investors and other financial statement users— Which, if any, of the areas described in Chapter 1 should be a top priority for the FASB to consider requiring greater disaggregation—on the income statement, the statement of cash</p>	<p>No comment</p>	<p>Completed</p>

<p>flows, or the notes to financial statements? Would this information be most useful in the financial statements or in the notes to financial statements? How would this information be used to analyze a company and make capital allocation decisions?</p> <p>b. Preparers—What requests or questions does your company receive from analysts on the areas described within Chapter 1? Please explain any requests or questions your company has received.</p>		
<p>Investors and other financial statement users—What cash flow information, if any, required for your analysis is missing in a statement of cash flows prepared using the indirect method? How would this information influence your decisions and behavior? Please explain.</p>	<p>No comment</p>	<p>Completed</p>
<p>Preparers—What requests or questions, if any, does your company receive from analysts on cash flow information? Please explain.</p>	<p>No comment</p>	<p>Completed</p>

<p>What challenges, if any, are there in applying the guidance on the definition of a derivative and the related derivative scope exceptions in Subtopic 815-10? Please explain the challenges and whether and how they could be addressed through standard setting.</p>	<p>No comment</p>	<p>Completed</p>
<p>Investors—How significant are holdings in digital assets, such as crypto assets, in the companies you analyze? What type of financial reporting information about holdings in digital assets do you use in your analysis of a company? How does that information influence your decisions and behaviors? If there is other financial reporting information about digital assets that would be decision useful, what is that information and why is it decision useful?</p>	<p>Digital assets including Bitcoin are significant our expectation is that these holdings will greatly grow in significance over time. The Teacher Retirement System of Texas is focused on the space long-term. We need the ability to value at fair value the digital asset holdings of companies across time, geographies, and industries. Having a mark-to-market, fair value treatment would be the most helpful.</p>	<p>Completed</p>
<p>Preparers and practitioners—Does your company (or companies that you are involved with) hold significant</p>	<p>We do hold digital assets as a long term holdings in our investment portfolio. This is a rapidly growing area of focus.</p>	<p>Completed</p>

<p>digital assets, such as crypto assets? What is the purpose of those holdings?</p>		
<p>If the Board were to pursue a project on digital assets, which improvements are most important, what types of digital assets should be included within the scope, and should this guidance apply to other nonfinancial assets?</p>	<p>Please consider a fair value approach to all listed/traded digital assets.</p>	<p>Completed</p>
<p>Are there common ESG-related transactions in which there is a lack of clarity or a need to improve the associated accounting requirements? Please describe the specific transactions and why standard setting is needed.</p>		<p>Completed</p>
<p>Are there common financial KPIs or metrics—either widely applicable to all companies or industry specific—that would provide decision-useful information if they were defined by the FASB? Please explain.</p>		<p>Completed</p>
<p>If the FASB were to define certain financial KPIs or metrics, should all companies be required to provide</p>		<p>Completed</p>

<p>those metrics or should providing those metrics be optional?</p>		
<p>If the Board were to pursue a project on the recognition and measurement of government grants, should the FASB leverage an existing grant or contribution model (such as the models in IAS 20 or Subtopic 958-605) or develop a new model? If you prefer leveraging an existing model, which would be most appropriate and why? If the FASB were to develop a new model, what should the model be?</p>		<p>Completed</p>
<p>The FASB has encountered challenges in identifying a project scope that can be sufficiently described for government grants. If the Board were to pursue a project on the recognition and measurement of government grants, what types of government grants should be included within the scope and why (for example, narrow or broad scope)?</p>		<p>Completed</p>
<p>The FASB has encountered challenges in</p>		<p>Completed</p>

<p>identifying a project scope that can be sufficiently described for intangible assets. If the Board were to pursue a project on intangible assets, what types of intangible assets should be included within the scope and why? Within that scope, should a project on intangible assets be primarily focused on improvements to recognition and measurement or to disclosure?</p>		
<p>What challenges, if any, exist in applying the capitalization thresholds in Subtopics 350-40 and 985-20? What improvements, if any, could be made to the software capitalization guidance to overcome those challenges? Should there continue to be a capitalization threshold when accounting for software depending on whether it is for internal use or whether it is to be sold, leased, or otherwise marketed? Please explain.</p>		<p>Completed</p>
<p>Should the Board prioritize a potential project on current and noncurrent</p>		<p>Completed</p>

<p>classification of assets and/or liabilities in a classified balance sheet? If yes, what should be the scope? Please explain.</p>		
<p>Should the Board prioritize a potential project to simplify the consolidation guidance in Topic 810? Please explain why or why not. If yes, should the approach focus on targeted improvements or a holistic review of Topic 810?</p>		<p>Completed</p>
<p>What challenges, if any, exist in accounting for debt modifications in accordance with the guidance in Subtopic 470-50, Debt—Modifications and Extinguishments? Please explain the challenges and how they could be overcome through standard setting.</p>		<p>Completed</p>
<p>Stakeholders noted many challenges in applying the liabilities and equity guidance, but they had mixed views on how the Board should improve the accounting for financial instruments with characteristics of equity. The Distinguishing</p>		<p>Completed</p>

<p>Liabilities from Equity Phase 2 project is intended to align the two existing indexation models in Topic 480 and Subtopic 815-40. Should the Board continue pursuing this project in its current scope and objective, or does the Board need to reevaluate this project? Please explain why or why not and if the project scope and objective need to be reevaluated, what should the approach be?</p>		
<p>How helpful would it be in evaluating disclosure materiality if the materiality guidance in paragraph 105-10-05-06 that “the provisions of the Codification need not be applied to immaterial items” was repeated in the Disclosure Section of each Codification Subtopic? Please explain.</p>		<p>Completed</p>
<p>Which, if any, of the FASB processes described in Chapter 4 of this ITC could be improved? Please explain your rationale for each, including the following:</p>		<p>Completed</p>

<p>a. Why that process needs improvement</p> <p>b. How the FASB should improve that process</p> <p>c. What the urgency is of that process improvement.</p>		
<p>Please provide any additional comments on the Invitation to Comment:</p>		<p>Completed</p>
<p>Please provide any comments on the electronic feedback process:</p>		<p>Completed</p>