

Federal Accounting Standards Advisory Board

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NEWS RELEASE

FASAB Requests Your Comments Regarding Deferral of the Transition of Long-Term Projections to Basic Information

The Chairman of the Federal Accounting Standards Advisory Board (FASAB), Tom Allen, announced today that the FASAB is seeking input on a proposed one-year deferral of the transition of the statement presenting long-term fiscal projections for the U.S. government and related disclosures from required supplementary information (RSI) to a basic financial statement. Under the proposal, the transition would occur in fiscal year 2015 rather than fiscal year 2014. For fiscal year 2014, all the information would be provided as RSI.

The American Institute of Certified Public Accountants has been considering guidance for auditors and appropriate audit report language regarding the statement of long-term projections, the statement of social insurance, and the statement of changes in social insurance amounts. Final guidance is expected to be issued in the coming months. Additional time will be needed for the preparer and the auditor to plan for the audit based upon the final guidance.

Chairman Allen noted “long-term fiscal projections are essential for the reader of the financial statements to assess whether future budgetary resources are likely to be sufficient to sustain public services. Careful consideration and adequate planning of the auditor role is needed to transition this important information to full audit status.”

Your views regarding the proposed deferral are sought. You are encouraged to provide the reasons for your views. The exposure draft requests comments by **June 2, 2014**. The exposure draft in PDF format is available at the FASAB website:

<http://www.fasab.gov/board-activities/documents-for-comment/exposure-drafts-and-documents-for-comment/>

ABOUT FASAB

The FASAB serves the public interest by improving federal financial reporting through issuing federal financial accounting standards and providing guidance after considering the needs of external and internal users of federal financial information.

Financial reports, which include financial statements prepared in conformity with generally accepted accounting principles, are essential for public accountability and for an efficient and effective functioning of our democratic system of government. Thus, the Board plays a major role in fulfilling the government's responsibility to be publicly accountable. Federal financial reports should be useful in assessing (1) the government's accountability and its efficiency and effectiveness, and (2) the economic, political, and social consequences, whether positive or negative, of the allocation and various uses of federal resources.

The FASAB issues federal accounting standards after following a due process consistent with the Memorandum of Understanding under which it operates. Due process includes consideration of the financial and budgetary information needs of citizens, congressional oversight groups, executive agencies, and the needs of other users of federal financial information.

For more information on FASAB, please visit our website: www.fasab.gov.