



FASAB Newsletter *Federal Accounting* *Standards Advisory Board*

August-September 2020 **TABLE OF CONTENTS**

| | |
|--|---|
| Staff News | 1 |
| FASAB Welcomes Joshua Williams as a Senior Analyst | 1 |
| FASAB Welcomes Mercedes Heath as a Fall Intern | 2 |
| Apply to be a FASAB Student Volunteer Intern..... | 2 |
| Listen to P3s Podcast | 2 |
| Reminder to Submit Technical Inquiries..... | 2 |
| Current Board Projects | 3 |
| Accounting and Reporting of Government Land..... | 3 |
| Leases Omnibus..... | 3 |
| Reporting Model Initiative..... | 4 |
| Management’s Discussion and Analysis | 4 |
| Note Disclosures..... | 4 |
| Technical Clarifications of Existing Standards..... | 5 |
| Non-Federal, Non-Entity Fund Balance with Treasury..... | 5 |
| Accounting and Auditing Policy Committee..... | 6 |
| Leases Implementation..... | 6 |
| FASAB Meeting Schedule | 7 |
| AAPC Meeting Schedule | 7 |
| Security Notice for In-Person Meetings..... | 7 |

[Staff News](#)

[FASAB Welcomes Joshua Williams as a Senior Analyst](#)

Mr. Williams joined the Federal Accounting Standards Advisory Board (FASAB or “the Board”) in August 2020. He began his federal career in 2008 with the U.S. Army Corps of Engineers (USACE) and served various roles as a budget analyst and an accountant. He managed many aspects of the USACE Civil Works financial statement audit for multiple years in which USACE received a clean opinion every year. In 2018 he led a team that managed the first ever USACE Military Construction financial statement audit and successfully achieved a clean audit opinion. During his tenure at USACE, Mr. Williams was also responsible for other financial management activities, including analyzing overhead cost accounts, writing policies, updating regulations, and managing programs to fund USACE construction field management of military construction contracts. Mr. Williams is a Certified Public Accountant in the District of Columbia. He holds a bachelor’s degree in business administration with concentrations in economics and finance from the University of North Carolina

Wilmington as well as a master's in business administration and a master's in public administration from Syracuse University.

Disclaimer

The staff of the Federal Accounting Standards Advisory Board publishes the FASAB newsletter following board meetings to provide highlights of recent Board actions and issues. When an article refers to a Board decision, it should be understood that this is tentative until FASAB issues a Statement of Federal Financial Accounting Concepts (SFFAC) or Statement of Federal Financial Accounting Standards (SFFAS).

Please direct newsletter editorial questions to Leigha Kiger at 202-512-7358 or kigerl@fasab.gov.

Please direct FASAB and AAPC administrative questions to Romona Parker at 202-512-7350 or parkerr1@fasab.gov.

FASAB Welcomes Mercedes Heath as a Fall Intern

Ms. Heath joined FASAB as a fall intern in September. She is currently a Penn State senior expected to graduate in May 2021 with a bachelor's degree in accounting. She is also a member of the Penn State Accounting Club. She was born and raised in Washington DC.

[Apply to be a FASAB Student Volunteer Intern](#)

Are you a student interested in interning for FASAB? Do you know someone who might be? We have a vacancy open for a student volunteer intern. For more information on the vacancy, please review the [USA Jobs listing](#).

[Listen to P3s Podcast](#)

FASAB staff just released a podcast on public-private partnerships. Please see our [homepage](#) to listen to the latest episode of FASAB Bits and Bytes. You can listen to other episodes of FASAB Bits and Bytes by reviewing our [podcast archive](#).

[Reminder to Submit Technical Inquiries](#)

Not sure how to address an accounting issue that has come up because of the Coronavirus Disease 2019? Wondering how to resolve a question around your fiscal year-end accounting? Submit a [technical inquiry](#). The sooner we know, the sooner we can help!

Submitting a TI begins the process for FASAB staff to research and analyze federal technical questions about generally accepted accounting principles (GAAP). Receiving a TI helps staff to determine if GAAP exists to address the technical issue or if the issue requires Board deliberation.

Current Board Projects

(For more information, click on the title of the project to be directed to the related active project page.)

[Accounting and Reporting of Government Land](#)

At the August 2020 meeting, members considered staff recommendations concerning several issues raised by the preparer panelists in June.¹

Several issues were identified by the panelists in the draft Statement of Federal Financial Accounting Standards (SFFAS) XX, *Accounting and Reporting of Government Land*. Those issues were discussed during the Board's August deliberations. The issues are noted below:

- Creation of multi-use/tribal-use classifications
- Non-financial Information (NFI) materiality assessments
- Definition of commercial use
- Definition of predominant use
- Clarifying that system integration is not required and that data from outside of the financial system is acceptable
- Whether the outer continental shelf (submerged lands) should be reported
- Whether easements should be separately presented
- Consider if predominant use sub-categorizations should permanently stay in RSI
- Clarification on land ownership records and title implications
- Clarity on estimated acreage

Staff will present a revised draft document for September distribution to members in preparation for the October pre-ballot document.

Visit [the land project page](#) to learn more.

Point of Contact: Domenic Savini, 202-512-6841, savinid@fasab.gov

[Leases Omnibus](#)

At the August 2020 meeting, the Board finalized and approved all omnibus amendment candidate proposals for leases-related topics. Board members unanimously concurred with certain staff-recommended revisions to the proposals reflected in the briefing materials. Omnibus proposals included minor technical corrections, clarifying edits, and rescissions of certain disclosure requirements.

¹ Agency representatives included Ms. Lynn Moaney, Department of Agriculture; Mr. Douglas Glenn, Department of Defense; and Mr. Scott Cameron, Department of the Interior.

Staff will provide a pre-ballot draft for discussion at the October meeting. The discussion will focus primarily on questions for respondents, aspects of the joint exposure document (including the implementation guidance component), and Board comments on the basis for conclusions. The Board plans to issue a joint exposure draft (of the omnibus amendments to leases-related topics and leases implementation guidance) for public comment sometime in November.

Visit the [leases project page](#) to learn more.

Point of Contact: R. Alan Perry, Jr., 202-512-5720, perryra@fasab.gov

[Reporting Model Initiative](#)

[Management's Discussion and Analysis](#)

At the August 2020 meeting, members began work on the management's discussion and analysis (MD&A) vision framework. The framework was in response to members' request to develop a cohesive vision of the MD&A without duplicative language found in the MD&A objectives. The framework will be used for the MD&A pilot to begin in early 2021.

After an in-depth discussion about each section, members agreed to a draft MD&A vision framework.

Visit the [MD&A project page](#) to learn more.

Point of Contact: Robin Gilliam, 202-512-7356, gilliamr@fasab.gov

[Note Disclosures](#)

At the August 2020 meeting, the Board considered the following types of information that note disclosures may present:

- Relevant information for supplementing and further explaining financial statement line items
- Context or background information regarding the reporting entity and its activities
- Past events, current conditions, and circumstances not previously recognized but may affect an entity's financial position, financial condition, or budgetary resources
- Other information users may need to assess the government's accountability.

Members discussed edits to enhance descriptions of each type, including language to distinguish note disclosures from required supplementary information. For the October

2020 meeting, staff will incorporate members' comments in a revised discussion of the types of information note disclosures present.

Visit [the note disclosures project page](#) to learn more.

Point of Contact: Ross Simms, 202-512-2512, simmsr@fasab.gov

[Technical Clarifications of Existing Standards](#)

[Non-Federal, Non-Entity Fund Balance with Treasury](#)

At the August 2020 meeting, the Board considered a draft Interpretation titled *Clarification of Non-Federal Non-entity FBWT Classification (SFFAS 1 Paragraph 31): An Interpretation of SFFAS 1 and SFFAS 31*. The purpose of the Interpretation is to clarify ambiguity regarding the presentation of non-federal non-entity Fund Balance with Treasury (FBWT). The request for guidance relates to how monies received in deposit funds from non-federal sources in anticipation of an order (that is, an advance) should be presented (that is, classification between intragovernmental and governmental) on component entity financial statements.

The proposed Interpretation would clarify the classification as intragovernmental by explaining that the standards do not define the phrase "other non-federal non-entity FBWT." The inclusion was intended to provide for similar treatment of activities that are comparable with fiduciary activity but that had not been identified specifically in SFFAS 31, *Accounting for Fiduciary Activities*. The Board did not intend to require similar treatment for activities that were explicitly excluded (as with unearned revenue) from the provisions of SFFAS 31.

All Board members were agreeable to the proposed draft Interpretation, *Clarification of Non-Federal Non-entity FBWT Classification (SFFAS 1 Paragraph 31): An Interpretation of SFFAS 1 and SFFAS 31*. An updated draft will be presented at the October 2020 board meeting.

Visit the [non-federal, non-entity fund balance with Treasury project page](#) to learn more.

Point of Contact: Melissa Batchelor, 202-512-5976, batchelorm@fasab.gov

Accounting and Auditing Policy Committee

Leases Implementation

At the August 2020 Accounting and Auditing Policy Committee (AAPC or “the Committee”) meeting, the Committee reviewed a complete working draft of the leases implementation guidance proposals developed by the staff and the task force. The working draft included 96 questions and answers on SFFAS 54, *Leases*. The Committee preliminarily approved a substantial portion of the proposed guidance during the meeting.

At the September 2020 AAPC meeting, staff presented revisions to the implementation guidance and the remaining proposed guidance requiring Committee approval. A joint exposure document (in tandem with the leases omnibus proposal) is expected to be released in November for public comment.

Visit the [AAPC leases implementation project page](#) to learn more.

Point of Contact: R. Alan Perry, Jr., 202-512-5720, perryra@fasab.gov

Until further notice, FASAB and AAPC meetings will be held via teleconference. If you wish to observe a FASAB meeting via teleconference, the telephone number and observer passcode are available on the posted agendas.

FASAB Meeting Schedule

October 21-22^
December 15-16

^ Beginning at 9:30 a.m. on both days.

All remaining FASAB 2020 meetings will be held via teleconference and WebEx. Agendas and briefing materials are available at <https://www.fasab.gov/briefing-materials/> approximately one week before the meetings. Agendas include conference line information for those interested in observing the teleconference meetings.

AAPC Meeting Schedule

November 19

All remaining AAPC 2020 meetings will be held via teleconference and WebEx. Agendas are available at <https://fasab.gov/about-aapc/aapc-meetings/> approximately one week before the meetings. Agendas include conference line information for those interested in observing the teleconference meetings.

Security Notice for In-Person Meetings

If you wish to attend a FASAB or an AAPC meeting, please pre-register on our website at <https://www.fasab.gov/pre-registration/> **no later than 8 a.m. the Tuesday before the meeting to be observed.** GAO, which provides space for our meetings, has increased its security procedures, and your name must be provided in advance to the GAO security force before you can enter the building. **When you arrive, please advise the security officer that you are attending either a FASAB or an AAPC meeting. Doing so will assist the officer in locating the correct security list.** Thank you.