

Federal Accounting Standards Advisory Board

FOR MORE INFORMATION:

April 30, 2018

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NEWS RELEASE

FASAB Issues Exposure Draft ***Accounting and Reporting of Government Land***

The chairman of the Federal Accounting Standards Advisory Board (FASAB), D. Scott Showalter, announced today that FASAB is seeking input on the proposed Statement of Federal Financial Accounting Standards (SFFAS) entitled *Accounting and Reporting of Government Land*.

To ensure consistent accounting treatment and reporting for land holdings while considering user information needs, the Board is proposing to (1) reclassify general property, plant, and equipment (G-PP&E) land as a non-capitalized asset, (2) clarify the definition for the stewardship land (SL) category, (3) require the reporting of G-PP&E land and SL using three predominant use sub-categories: conservation and preservation land; operational land; and commercial use land, and (4) require consistent and comparable disclosures of information for land (that is, reporting estimated acres of land, physical quantity information, estimated acres of land held-for-disposal or exchange, and predominant land use).

“The Board believes the proposed requirements address concerns that the Stewardship and Operating Performance reporting objectives and qualitative characteristics such as relevance and comparability are not being met. The proposed changes would require disclosure of relevant and comparable non-financial information in a manner that meets user needs while also considering preparer concerns,” according to Chairman Showalter.

Respondents are encouraged to provide the reasons for their positions. The Board requests comments on the exposure draft by July 30, 2018. The exposure draft in PDF format and the specific questions raised in Word format are available at the FASAB website at <http://www.fasab.gov/documents-for-comment/>.

ABOUT FASAB

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.

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.

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