Board Issues Preliminary Views on RSSI

The Federal Accounting Standards Advisory Board (FASAB) seeks comments on its preliminary views on eliminating Required Supplementary Stewardship Information (RSSI) as a category of information in federal financial reports. (Note: RSSI is a category unique to federal financial reporting; for background information on RSSI please see the last several issues of the FASAB News.) Board Chairman David Mosso explained that this document is a step toward one or more exposure drafts of a Statement of Federal Financial Accounting Standards, but it is not an exposure draft of a proposed standard. The Board would proceed to a final Statement of Standards on this subject only after considering comments on this document and on one or more subsequent exposure drafts issued pursuant to it.

Comments are due to FASAB offices by March 15, 2001. Copies of the Preliminary Views document are available at FASAB’s website at www.financenet.gov/financenet/fed/fasab/concepts.htm. Printed copies will be sent to those on FASAB’s mailing list. If the Board decides that public interest justifies a public hearing on these issues, it will announce such in the Federal Register and in the FASAB News.

Point of Contact: Robert Bramlett, 202-512-7355, bramlettr.fasab@gao.gov.

Board Considers Prior Period Adjustments

Staff presented the Board with a draft exposure draft on an issue that the Board had not previously considered. Chairman Mosso said that the draft proposes resolving an issue that affects financial statement presentation and audit.

Statement of Federal Financial Accounting Standards (SFFAS) 7, Accounting for Revenue and Other Financing Sources, does not permit restatement of prior period adjustments in the financial statements. The Board believed that financial statements should remain as originally issued to ensure historical accuracy and budget reconciliation. Further, the Board believed that requiring agencies to restate prior period adjustments might be burdensome. An unforeseen consequence of the SFFAS 7 prohibition, however, is that entities making corrections for a prior period error encounter presentation and audit difficulties in their comparative financial statements. That is, if agencies don’t restate prior year...
After discussing the issue, the Board generally agreed with the intent of the draft exposure draft. Staff will incorporate Board changes and send the revised draft to Board Members for pre-ballot comments. Point of Contact: Andrea Palmer, 202-512-7360, palmera.fasab@gao.gov.

NOTE: Because of the holidays, this is an abbreviated newsletter. To learn more about the reported topics and other FASAB standards and documents, log onto FASAB's website, www.financenet.gov/fasab.htm. Happy Holidays!
Upcoming Meeting Dates

2001
FASAB — February 21 & 22
AAPC — January 11 (Room 6846)

Location
General Accounting Office, 441 G Street, NW, Washington, DC 20548.
When available, the room number is listed next to the meeting date.
Agendas are posted to the FASAB web page one week prior to meetings.

FASAB’s Web Page:
www.financenet.gov/fasab.htm

NOTE: FASAB News is published by the staff of the Federal Accounting Standards Advisory Board. This newsletter, highlighting recent Board actions, is issued after Board meetings to provide the public with an understanding of issues that the Board is considering. When an article refers to a Board decision, it should be understood that Board decisions are 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 Lucy Lomax, 202-512-7359, lomaxm.fasab@gao.gov

Please direct FASAB and AAPC administrative questions to Dick Tingley, 202-512-7361, tingleyr.fasab@gao.gov
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Forward this form to FASAB at:
441 G Street, NW, Room 6K17V
Washington, DC 20548

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