

# FASAB News

Issue 77

December 2002 - January 2003

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The following articles provide highlights of the FASAB's December 11-12, 2002 Meeting. After Board approval, detailed minutes of the meeting will be posted to

FASAB's web page:

[www.fasab.gov](http://www.fasab.gov)

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### ***National Defense PP&E – Status of SFFAS 23***

As reported in earlier issues of FASAB News, the Board approved standards that would eliminate the category of property, plant, and equipment referred to as "National Defense PP&E" in July 2002. The standards were submitted for the 45-day Congressional review period required for capital asset accounting standards. The Congressional session ended before the necessary 45-days of session were attained. Therefore, FASAB plans to resubmit the standards to a new session of Congress in January 2003. The 45-day review period should be completed by late April or early May of 2003. Nothing in the standards that we resubmit to Congress in January 2003 will be changed, including the effective date (FY2003).

Point of Contact: Rick Wascak, 202-512-7363, [wascakr@fasab.gov](mailto:wascakr@fasab.gov).

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***Reclassifying Stewardship Responsibilities and Eliminating the Current Services Assessment***

The Board confirmed its previous tentative decisions to:

--eliminate the requirement to present the current services assessment and classify information about risk assumed as required supplementary information (RSI), effective immediately;

--classify the Statement of Social Insurance as an integral part of the basic financial statements, and classify other information about social insurance as RSI, effective for FY 2005.

At its meeting in February, the Board will consider a pre-ballot draft of a final Statement of Federal Financial Accounting Standards to accomplish these changes.

Point of Contact: Robert Bramlett, 202-512-7355, [bramletr@fasab.gov](mailto:bramletr@fasab.gov).

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***Board Continues Discussing Dedicated Collections***

The Board tentatively agreed on recognizing dedicated collections as a segregated portion of net position. The Board also discussed ways in which the flows (e.g., revenues and expenses) could be segregated on the financial statements. The Board generally agreed that this category should include funds that have been designated for a specific purpose by law, including funds classified as revolving funds, trust funds, and special funds.

Point of contact: Andrea Palmer, 202-512-7360, [palmera@fasab.gov](mailto:palmera@fasab.gov).

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***Exposure Draft Evolving on Fiduciary Activity***

The Board agreed to finalize an exposure draft on accounting for fiduciary activities for release early in 2003. Fiduciary activities include the Thrift Savings Fund, Indian monies, escrow funds, and other funds. The exposure draft contains a proposed definition and criteria for differentiating "true" fiduciary activity from earmarked revenue. This differentiation is necessary due to use of "trust fund" to track both types of federal activity. The ED would also propose accounting and reporting requirements for fiduciary activity.

The proposed standard would require a) recognizing certain assets and liabilities in the financial statements of the Federal administrative entity, and b) providing footnote disclosure as an integral part of the basic financial statements. The

disclosures would have to conform to the recognition and measurement criteria in the FASAB standards.

Concurrently, the Board is developing a standard to improve accounting and reporting for dedicated collections.

Point of Contact: Richard Fontenrose, 202-512-7358, [rfontenrose@worldnet.att.net](mailto:rfontenrose@worldnet.att.net)

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### ***Board Discusses Natural Resources Project***

Staff presented its analysis of Board comments on issues outlined at the previous meeting and on recommendations from the Natural Resources task force's June 2000 discussion paper. Members generally supported describing and recognizing natural resources owned by the Federal Government, provided recognition criteria is met. Members also favored developing individual standards for each type of natural resource.

Based on staff analysis and recommendations, the Board concurred with beginning the project by addressing oil and gas resources. The Board also agreed that the sample framework for the oil and gas resource phase, which included excerpts from private sector guidance, should be used as a model for all phases of the project. At its February meeting, the Board will begin discussing accounting for oil and gas resources.

Points of Contact: Monica Valentine, 202-512-7362, [valentinem@fasab.gov](mailto:valentinem@fasab.gov), and Rick Wascak, 202-512-7363, [wascakr@fasab.gov](mailto:wascakr@fasab.gov).

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### ***Board 2003 Calendar***

All meetings will be held in the General Accounting Office Building, 441 G Street, NW, Washington, DC 20548, from 9:00 a.m. until 4:00 p.m. Room numbers will be available before each meeting. The meeting agenda will be released approximately one week before the meeting. The agenda will be available via the electronic mailing list, the FASAB website, or by calling, 202-512-7350.

#### ***Meeting dates:***

**February 12-13, 2003**

**April 23-24, 2003**

**June 18-19, 2003**

**August 13-14, 2003**

**October 8-9, 2003**

**December 10-11, 2003**

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***AAPC 2003 Calendar***

The AAPC will meet as needed in 2003. Dates will be announced at least 15 days in advance of meetings. Agendas will be posted to the FASAB web page one week prior to meetings. Point of contact: Monica R. Valentine, 202-512-7362, [valentinem@fasab.gov](mailto:valentinem@fasab.gov)

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***How to Get FASAB Documents***

Effective November 2002, FASAB discontinued mailing print versions of its publications to its mailing list. All documents now are being sent to FASAB's electronic mailing list. Documents also will continue to be available for downloading directly from FASAB's website:

**[www.fasab.gov](http://www.fasab.gov)**

The FASAB electronic mailing list is a 'send only' list used to distribute information about Board activities to interested parties. Messages will be sent to provide Board meeting agendas, distribute newsletters, announce publications, and make other Board news available on a timely basis. We also may announce financial management training events periodically as a service to the community. The mailing list is sponsored by the General Accounting Office and will include "GAO" in the address.

To subscribe to the list, send an email message to [listserv@listserv.gao.gov](mailto:listserv@listserv.gao.gov). In the body (not the subject line) of your message, type "subscribe fasab" without the quotes. (Note that the use of stationery in e-mails sometimes prevents the listserv from recognizing your command.)

If you are already on the list you may unsubscribe by, sending an email to [listserv@listserv.gao.gov](mailto:listserv@listserv.gao.gov). In the body (not the subject line) of your message type "unsubscribe fasab" without the quotes.

If you have difficulty subscribing or unsubscribing, please send a message to [fasab@fasab.gov](mailto:fasab@fasab.gov) and we will try to help you as soon as possible.

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**Disclaimer**

NOTE: The staff of the Federal Accounting Standards Advisory Board publishes FASAB News 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 Board decisions are tentative until FASAB issues a Statement of Federal Financial Accounting Concepts (SFFAC) or Statement of Federal Financial Accounting Standards (SFFAS).

Points of contact for questions on the **FASAB News**:

Editorial questions: Lucy Lomax, 202-512-7359, [lomaxm@fasab.gov](mailto:lomaxm@fasab.gov)

AAPC technical questions: Monica Valentine, 202-512-7362, [valentinem@fasab.gov](mailto:valentinem@fasab.gov)

FASAB and AAPC administrative questions: Charles Jackson, 202-512-7352, [jacksoncw1@fasab.gov](mailto:jacksoncw1@fasab.gov)

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