

# Federal Accounting Standards Advisory Board

FOR MORE INFORMATION:

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## NEWS RELEASE

### **FASAB Issues Statement of Federal Financial Accounting Standards 37, *Social Insurance: Additional Requirements for Management's Discussion and Analysis and Basic Financial Statements***

The Chairman of the Federal Accounting Standards Advisory Board (FASAB), Tom Allen, announced the issuance of Statement of Federal Financial Accounting Standards 37, *Social Insurance: Additional Requirements for Management's Discussion and Analysis and Basic Financial Statements*. The Statement requires additional discussion and analysis of social insurance programs, enhances the statement of social insurance, and creates a new financial statement presenting the causes of change in the net present value of the 75-year open group social insurance measure. The objective of the reporting is to present information that will significantly improve readers' understanding of the status and results of operations of the government's social insurance programs. The new requirements will be effective in fiscal year 2011.

Chairman Allen stated that "this Statement will lead to relevant information about these important programs being presented in a single location within management's discussion and analysis. This information will assist readers of the government's financial report in understanding the inter-generational effects of social insurance programs and how these change over time as a result of changing economic conditions or legislative action." The Statement is available at <http://www.fasab.gov/codifica.html>.

#### **ABOUT FASAB**

Accounting and financial reporting standards are essential for public accountability and for an efficient and effective functioning of our democratic system of government. Thus, federal accounting standards and financial reporting play a major role in fulfilling the government's duty to be publicly accountable and can be used to assess (1) the government's accountability and its efficiency and effectiveness, and (2) the economic, political, and social consequences 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](http://www.fasab.gov).