

Federal Accounting Standards Advisory Board

FOR MORE INFORMATION:

February 4, 2009

Ross Simms
(202) 512-2512
simmsr@fasab.gov

NEWS RELEASE

FASAB Issues a Concepts Statement Entitled *Distinguishing Basic Information, Required Supplementary Information, and Other Accompanying Information*

The Chairman of the Federal Accounting Standards Advisory Board (FASAB), Tom Allen, announced today that the FASAB issued Statement of Federal Financial Accounting Concepts 6, *Distinguishing Basic Information, Required Supplementary Information, and Other Accompanying Information*. The Statement amends Statement of Federal Financial Accounting Concepts 2, *Entity and Display*, to provide guidance for use by the FASAB in determining whether information should be basic information, required supplementary information (RSI), or other accompanying information (OAI).

Existing concepts provide the FASAB with guidance on what information should be reported to achieve the reporting objectives and identifies different methods that may be used to communicate it to readers, such as financial statements and management's discussion and analysis (MD&A). The Statement expands the existing conceptual framework to provide a process the FASAB may apply in selecting whether an item of information should be considered basic information, RSI, or OAI. "These concepts will provide a common foundation for guiding the Board in distinguishing basic information, RSI, and OAI," according to Chairman Allen.

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.