

Memorandum

Non-Agenda Topics

January 31, 2025

To: Members of the Board
From: Monica R. Valentine, Executive Director
Subject: **Non-Agenda Project Updates** (Topic J)

OBJECTIVE

Staff is providing project updates on all active projects currently on the Board's technical agenda and research topics that will not be discussed at the February 2025 meeting.

Attachment 1 of this memo includes brief updates on the following topics.

Technical Agenda Projects

- Public-Private Partnerships
- Reexamination
 - o Federal GAAP Hierarchy

Research Topics

- Climate-related Financial Reporting
- Revenue Reexamination

REQUEST FOR FEEDBACK

These topics do not include any questions for the Board or requests for member feedback. These topics will not be on the Board's discussion agenda for February. Members may provide input and submit follow-up questions on any of these topics to the related staff member at any time.

ATTACHMENT

1. Updates

Updates

Non-Agenda Topics

January 31, 2025

Attachment 1

TECHNICAL AGENDA PROJECTS

PUBLIC-PRIVATE PARTNERSHIPS

Staff will be meeting with the ASIC on February 6 to review an updated P3 proposed draft Technical Release (TR) exposure draft. ASIC deliberations have been ongoing since November 2023. Please recall that practitioners identified implementation challenges when applying the SFFAS 49 guidance in light of existing accounting standards. As a result, this proposed TR would provide implementation guidance regarding application of SFFAS 49, to include general principles for disclosure requirements and consideration of: a. Identification of an entity's P3 risk residing in its arrangements or transactions and application of the SFFAS 49 risk-based characteristics, b. P3-related entities that require disclosure pursuant to SFFAS 47, *Reporting Entity*, c. P3-related leases pursuant to SFFAS 54, *Leases*, and d. P3-related standards requiring coordination with the SFFAS 49 disclosures.

FEDERAL GAAP HIERARCHY

The Board added the Federal GAAP Hierarchy reexamination project to the current technical agenda at the August 2024 meeting. Staff is preparing a project plan for Board consideration and approval. Staff is also performing research for this important project. Staff anticipates presenting the project plan at the April 2025 Board meeting.

RESEARCH TOPICS

CLIMATE-RELATED FINANCIAL REPORTING

On October 22, 2024, the Board agreed to move the climate-related financial reporting project from an active project to a research topic since the two phases addressing the project objective were complete as follows. Phase I developed and released a non-authoritative staff paper *Statements of Federal Financial Accounting Standards That May Be Relevant to Climate-Related Financial Reporting* on May 17, 2022. Phase II determined that agencies should report climate-related financial information in MD&A according to the framework in *SFFAS 64, Management's Discussion and Analysis: Rescinding and Replacing SFFAS 15* (SFFAS 64), released as final on September 27, 2024. Staff updated the phase I staff paper to replace SFFAS 15 with SFFAS 64 information.

REVENUE REEXAMINATION

At the August 2024 meeting, the Board added Revenue reexamination as a research topic. Staff will be preparing a research plan for the Board's consideration. Prior to developing this plan, however, staff is reaching out to certain ITC respondents to obtain clarification and receive updates on the status of the high-priority issues raised in their comment letters. This follow-up will help staff design an appropriate research plan and facilitate the Board's review of that plan.