

Memorandum

Non-Agenda Topics

June 3, 2025

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

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 June 2025 meeting.

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

Technical Agenda Projects

- Intangible Assets Guidance
- Leases Post-implementation
- Management's Discussion and Analysis Implementation
- Reexamination
 - o Commitments
 - o GAAP Hierarchy
- P3 Implementation

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 June. 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

June 3, 2025

Attachment 1

TECHNICAL AGENDA PROJECTS

INTANGIBLE ASSETS GUIDANCE

At the February 2025 meeting, the Board agreed with staff's recommended concepts amendments for both SFFAC 2, *Entity and Display*, and SFFAC 5, *Definitions of Elements and Basic Recognition Criteria for Accrual-Basis Financial Statements*, to address intangible assets at a minimal and high level. Additionally, the Board agreed with staff's recommended scope, definition, and recognition language for intangible asset standards.

Based on deliberations, staff will consider minor edits to the concepts and continue to research and recommend accounting guidance for intangible asset standards. Staff will develop a draft exposure draft for the agreed upon intangible asset concepts amendments in an omnibus concepts amendment Statement for the Board to consider in the future.

LEASES POST-IMPLEMENTATION

No leases technical inquiries have been submitted during the second or third quarters.

Staff tentatively plans to provide another limited-scope post-implementation update to the Board at the December 2025 meeting.

MANAGEMENT'S DISCUSSION AND ANALYSIS IMPLEMENTATION

In May 2025, Staff completed the four months of trainings to assist agencies in transitioning MD&A reporting from SFFAS 15 to SFFAS 64. [Details available in the outreach spreadsheet] Staff is now developing the Staff Implementation Guidance based on information collected from these agency trainings.

Staff also provided a *Spotlight, SFFAS 64, MDA* panel discussion at the FASAB Annual Update on May 15, 2025. FASAB thanks the Department of Defense (DOD) and Health and Human Services for sharing how they are transitioning to SFFAS 64 and resources for other agencies to reference. Implementation resources, including slide decks and DOD's MD&A SFFAS 64 Template are available on the [MD&A Project Page](#).

Staff will continue to work with agencies—by request—to help them transition to MD&A reporting in accordance with SFFAS 64 through FY2026, the effective period.

REEXAMINATION: COMMITMENTS

In April 2025, staff met with agencies currently reporting commitments according to OMB guidance, including Agriculture, DOE, DOT, Millenium Challenge Corporation, State, Treasury, and the Treasury treaties team, and learned about how these agencies collected the commitments information, the method of determining the commitments amount, the level of effort involved, whether there was confusion between commitments and contingencies, and issues and concerns the agencies might have.

In addition to the one-on-one meetings, the call for volunteers to join the commitments task force was sent out on April 8, 2025. A total of 46 federal and non-federal stakeholders have volunteered to join. Staff held meetings on May 6 and May 13 to go over the logistics. Staff also held a meeting with the task force on June 3, 2025, to discuss the staff research on commitments. A questionnaire will be sent out to the task force in early June. A meeting to discuss the responses to the questionnaire is scheduled for July 9, 2025. Staff plans to share the consolidated responses with the Board at the August 2025 meeting.

REEXAMINATION: GAAP HIERARCHY

At the April 2025 meeting, the Board approved the federal GAAP hierarchy reexamination project plan. As detailed in the project plan, staff coordinated and established a FASAB GAAP hierarchy working group. The working group roster includes representatives from each of the sponsors, financial management CFO community, audit community, and affiliated associations. The working group will hold a series of roundtable meetings to assist the Board as it considers ways to improve, simplify, clarify, and streamline the federal GAAP hierarchy to ensure it is effective. The first working group meeting is scheduled for June 3, 2025. Considering it is the first meeting, the meeting is primarily focused on background information and objectives of the project.

P3 IMPLEMENTATION

At the April 2025 meeting, staff requested the Board's review and consideration to expose the ASIC Technical Release XX: *Implementation Guidance for SFFAS 49, Public-Private Partnerships*.

Members provided and unanimously agreed to some additional non-substantive edits to improve the Technical Release and agreed to ASIC's issuance of the exposure draft. The exposure draft is available for comment until June 30, 2025.

RESEARCH TOPICS

CLIMATE-RELATED FINANCIAL REPORTING

At the October 2024 meeting, 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. No additional updates.

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. Follow-up with certain key ITC respondents remains in process.

At the April Board meeting, the Board discussed resource limitations and project prioritization issues. It was noted that the staff member assigned to the revenue reexamination research project would be assigned to the proposed project on reporting entity reorganizations and abolishments. The Board agreed to add the proposed project to its technical agenda. The Board acknowledged that this would delay the continuation of research on the revenue reexamination project for the time being.