FASAB
THE FEDERAL ACCOUNTING STANDARDS ADVISORY BOARD

Memorandum

Non-Agenda Topics

August 4, 2026

To: Members of the Board

From: Monica R. Valentine, Executive Director

Subject: Non-Agenda Project Updates (**Topic H**)

OBJECTIVE

Staff is providing project updates on all active projects currently on the Board's technical agenda, research topics, monitoring topics that will not be discussed at the August 2026 meeting.

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

Technical Agenda Projects

- Direct Loans & Loan Guarantees Disclosures Reexamination
- Land Post-Implementation
- MD&A SIG
- Public-Private Partnerships (P3) Measurement and Recognition

Research Topic

- Revenue Reexamination

Monitoring Topic

- Reporting Entity Reorganizations and Abolishments

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 August. 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
August 4, 2026
Attachment 1

TECHNICAL AGENDA PROJECTS

DIRECT LOANS & LOAN GUARANTEES DISCLOSURES REEXAMINATION

At the April 2026 meeting, the Board discussed alternatives presented to reduce and streamline the loan note disclosure. The alternatives in staff's memo were:

- Alternative A: Eliminate/streamline certain loan disclosure requirements.
- Alternative B: Relocate certain loan disclosure requirements to Required Supplementary Information (RSI) instead of basic.

The consensus from the Board was a hybrid approach that combined both alternatives A and B. This approach was referred to as "alternative C." For alternative C, staff would perform a more detailed analysis of the loan disclosure requirements considered for potential change and present this to the Board. This approach would allow the Board members to deliberate whether specific loan disclosure requirements should be retained, eliminated, or relocated to RSI. The Board members provided suggestions on the type of research and analysis staff should consider when working on the proposal for alternative C.

Since the April meeting staff has:

- Performed an analysis of the credit subsidy information found in the *Federal Credit Supplement* and compared that to the credit information required in the loan disclosure.
- Evaluated the loan disclosure requirements at the governmentwide vs agency level.
- Performed a detailed analysis of the loan disclosure requirements recommended for potential change.
- Met with the loan disclosure task force to receive feedback on the loan disclosure requirements recommended for potential change.

Staff plans to present this research to the Board at the October meeting.

LAND POST-IMPLEMENTATION

On September 26, 2025, the Board issued Technical Bulletin (TB) 2025-1, *Technical Clarifications: SFFAS 59, Accounting and Reporting of Government Land*. Specifically, this TB primarily clarifies that (1) the categorization of land is based on current intent or the current intended purpose of its holdings, (2) sub-categorization is based on actual predominant use, (3) preparers have flexibility concerning the reporting of non-outer continental shelf submerged land as well as ownership and related acquisition assertions; (4) the accounting and reporting of land improvements remain consistent with SFFAS 6, (5) G-PP&E permanent land rights are expensed as incurred; (6) preparers have flexibility concerning ownership and related acquisition assertions by incorporating concepts from Technical Release 9 implementation guidance.

Staff has been notified by both a major land holding agency and its auditors that field work has commenced and that the auditors are awaiting information. The agency is hoping that the TB will help address matters concerning land ownership and acreage estimates raised during last year's audit. As previously noted, staff met with this agency's audit firm's team to discuss attestation procedures of land ownership, the Board's intent concerning estimating acreage, and the application of statistical sampling procedures on aggregated land holdings comprised of different (acquisition) vintages.

Staff will continue monitoring audit activity at the major land holding agencies and provide Board updates as we become aware of developments.

MD&A: TOOLS FOR IMPLEMENTING SFFAS 64

SIG 64.1: FASAB published Staff Implementation Guidance (SIG) 64.1 on June 26, 2026, to assist agencies with implementing SFFAS 64.

Encore Training: Staff is also providing Encore SFFAS 64 MD&A training by agency, by appointment. Encore training is unique depending on each agency's implementation status. For encore training staff may include:

- presenting what changed from SFFAS 15 to SFFAS 64
- how to use SIG 64.1
- analyzing agency financial reports
- reviewing recommendations for draft FY26 MD&As
- providing strategies for collecting information in accordance to SFFAS 64 standards from co-workers across their agency (i.e. accountants, budget, performance, risk, and program staff) who have been engrained for many years in providing information for SFFAS 15

Agencies have an opportunity to work with FASAB staff multiple times, if needed, to help prepare MD&A in accordance with SFFAS 64 for FY2026. Staff has provided 11 encore trainings beginning in June 2026, and 10 more agencies are scheduled beyond the August 2026 Board meeting.

PUBLIC-PRIVATE PARTNERSHIPS (P3) MEASUREMENT AND RECOGNITION

The Public-Private Partnerships (P3) Measurement and Recognition Task Force (TF) held its inaugural meeting on March 9th to review the results of a straw poll conducted among users, preparers, and auditors. The polling results highlight a natural and expected tension between preparers and users. Furthermore, while some auditors slightly prefer a separate P3 asset class on the balance sheet (with corresponding P3 liabilities), they expressed doubt regarding whether the completeness assertion can be satisfactorily met under that model.

Stakeholder Perspectives:

- Preparers: Concerned about an increased reporting burden, preparers prefer to maintain existing disclosures under SFFAS 49.
- Users: Conversely, users are advocating for greater transparency. They favor establishing a separate P3 asset class on the balance sheet, complemented by robust SFFAS 49 narrative disclosures specifically focused on risk reporting.

Additionally, a smaller P3 Measurement and Recognition Working Group (WG) has met twice to identify various classification methods currently used to measure P3s. These approaches include:

- Capital assets
- Investment assets
- Reporting entities
- Subsidy classifications
- Appraised value methods (typically reserved for specific cases like divestitures or privatization)

Staff is working with the WG to develop various options that may allow preparers to continue with existing measurement practices while refining SFFAS 49 disclosure requirements. This refinement would serve two primary purposes requiring that the P3 note disclosure: (1) act as a “traffic cop” to guide users toward related and relevant P3 information within the financial statements, and (2) emphasize and expanding upon risk reporting. After further WG discussions, staff will present to the Board the identified issues and potential options that consider a practical balance between the needs of users and the capabilities of preparers. Such an approach would consider a reexamination of the SFFAS 49 disclosure requirements.

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RESEARCH TOPIC

REVENUE REEXAMINATION

At the April 2025 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 acknowledged that this would delay the continuation of research on the revenue reexamination project for the time being.

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MONITORING TOPIC

REPORTING ENTITY REORGANIZATIONS AND ABOLISHMENTS

At the August 2025 meeting, the Board discussed feedback received through the request for information and comment and additional research. Much of the information provided was tentative and characterized by considerable uncertainty, such as further executive, legislative, judicial branch actions or reviews. Members agreed to move the project to the research agenda and develop a project prospectus. A few members discussed the importance of actively monitoring this area, responding to emerging issues, and developing the project prospectus.