

Memorandum

Non-Agenda Topics

October 7, 2026

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

OBJECTIVE

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

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

Technical Agenda Projects

- Land Post-Implementation
- Leases
- MD&A SIG

Research Topics

- Digital Assets
- Non-Federal Investments
- 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 October. 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

October 7, 2026

Attachment 1

TECHNICAL AGENDA PROJECTS

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 technical bulletin 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 fieldwork has commenced and that the auditors are awaiting information. The agency is hoping that the technical bulletin 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.

LEASES

The Board unanimously approved proposed SFFAS 65, *Embedded Leases Practical Expedient*, soon after the August meeting. The proposed Statement is now undergoing a 90-day sponsor review period and a concurrent 45-day congressional review period. Pending these reviews, the final pronouncement is expected to be issued on approximately December 4, 2026.

Following the Board's approval, staff sought and obtained GAO and Treasury approval for a procedural exception, whereby a pending copy to the proposed Statement is posted to the FASAB Standards and Guidance and Leases Project pages. These pending copies are appropriately marked and for informational purposes. They will be removed and replaced following final issuance of the proposed Statement.

MD&A: IMPLEMENTING SFFAS 64

To help agencies implement SFFAS 64 for FY 2026, Staff provided Encore SFFAS 64 MD&A trainings. Encore trainings were unique for each agency depending on their implementation needs and may have included more than one session.

Staff provided approximately 20 encore trainings from July – September 2026.

RESEARCH TOPICS

DIGITAL ASSETS

At the August 2026 Board meeting, the Board agreed to add digital assets as a research topic. Staff is researching accounting guidance needs for digital assets in the federal government.

NON-FEDERAL INVESTMENTS

At the August 2026 Board meeting, the Board agreed to add non-federal investments as a 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.

At the August 2026 Board meeting, the Board discussed project priorities, and a few members raised questions regarding how the Board might prioritize this project. Staff is in the process of preparing a project prospectus to facilitate further prioritization discussions on this research topic.

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. There are currently no new or open inquiries.