Exposure Draft Omnibus Amendments: *Amending Statements of Federal Financial Accounting Standards 38, 49, and Technical Bulletin 2011-1*

Please select the type(s) of organization responding to this exposure draft. If you are not responding on behalf of an organization, please select "individual."

Accounting Firm	☐		
Federal Entity (user)	☒		
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Please provide your name.

Name: **NASA (National Aeronautics Space Administration)**

Please identify your organization, if applicable.

Organization: **OCFO (Office of the Chief Financial Officer)**

Please email your responses to fasab@fasab.gov. If you are unable to respond by email, please call (202) 512-7350 to make alternate arrangements.

Q1. Federal Financial Accounting Standards (SFFAS) 38, *Accounting for Federal Oil and Gas Resources*, requires the value of the federal government's estimated petroleum royalties from the production of federal oil and gas proved reserves be reported as required supplementary information (RSI) in a schedule of estimated federal oil and gas petroleum royalties by the component entity that is responsible for collecting royalties. TB 2011-1, *Accounting for Federal Natural Resources Other than Oil and Gas*, applies the reporting requirements in SFFAS 38 to federal natural resources other than oil and gas and requires reporting as RSI the value of the federal government's estimated royalties and other revenue from federal natural resources that are (1) under lease, contract, or other long-term agreement and (2) reasonably estimable as of the reporting date. It was the Board's intent when issuing SFFAS 38 and TB 2011-1 that the information required would eventually transition from presentation as RSI to basic information after three years. The Board is now proposing that the information required in SFFAS 38 and TB 2011-1 continue to be reported as RSI. Please refer to basis for conclusions paragraphs A1-A15.

Do you agree, partially agree, or disagree with the Board's decision? Please provide the rationale for your answer.

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N/A for NASA

Q2. The Board proposes removing the "where available" exception in paragraph 24b of SFFAS 49, *Public-Private Partnerships: Disclosure Requirements*. The Board intended for paragraph 24b to allow exclusion of the amounts of non-federal partner funding in situations where such information was not available. The Board proposes revising SFFAS 49 to require disclosure of the amounts of non-federal partner funding in all circumstances and to avoid potential misapplication of paragraph 24b to the amounts of federal funding and other cash flow disclosure requirements. Please refer to basis for conclusions paragraphs A16-A19.

Do you agree, partially agree, or disagree with the Board's proposal to remove the exception in paragraph 24b? Please provide the rationale for your answer.

Disagree. This would not result in a change. The next sentence allows for amounts that are not available, basically stating the same thing. Refer also to the FASAB request for responses to Reexamination of Existing Standards (due 9/15/2023).

SFFAS 49 is identified as being supplemental information and any disclosed amounts or activity should be based on the contractual arrangement/transaction contained within the government's contractual documentation. Unless the non-federal funding is specifically identified in the arrangement/transaction along with provisions to provide changes to the Federal agency, the Federal agency does not have access, purview, or oversight into a partners funding. Additionally, the government would not have a requirement to cover those non-federal funds and should not be included in the government financial statement information.

Disclosures should be based on the arrangement/transaction and not unsubstantiated amounts perceived by the federal agency. By providing unsubstantiated amounts, the federal agency could open themselves to a lawsuit if the information were to be misused, e.g., further awards being withheld based on that information. Although enhanced use leases (EULs) and energy savings type contracts have been identified as potential P3s, the information provided is simply what is contained in the lease or contracts. Both of these could be identified in the RSI if not provided elsewhere. EUL may become unrelated to P3, except in extreme situations, as it will generally be reported under SFFAS 54.

SFFAS 49 is based upon a subjective review of criteria that is not well-defined nor readily available through the general accounting information used in the financial statements. It requires a federal agency to review for remote risk that is not well defined. Remote risk is not based in actual events and unlike contingent liabilities is not required to have an event occur.

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We propose consideration by the Board of whether SFFAS 49 should be aligned to required supplementary information (RSI) to communicate information relevant and important to the reporting objectives that are other than financial measures, e.g., qualitative rather than as a note disclosure in the statements (considered basic information under SFFAC 6).
