

INVITATION TO COMMENT
REEXAMINATION OF EXISTING STANDARDS

Invitation to Comment

Written comments are requested by September 15, 2023

May 15, 2023

THE FEDERAL ACCOUNTING STANDARDS ADVISORY BOARD

The Secretary of the Treasury, the Director of the Office of Management and Budget (OMB), and the Comptroller General of the United States established the Federal Accounting Standards Advisory Board (FASAB or “the Board”) in October 1990. FASAB is responsible for promulgating accounting standards for the United States government. These standards are recognized as generally accepted accounting principles (GAAP) for the federal government.

Accounting standards are typically formulated initially as a proposal after considering the financial and budgetary information needs of citizens (including the news media, state and local legislators, analysts from private firms, academe, and elsewhere), Congress, federal executives, federal program managers, and other users of federal financial information. FASAB publishes the proposed standards in an exposure draft for public comment. In some cases, FASAB publishes a discussion memorandum, invitation for comment, or preliminary views document on a specific topic before an exposure draft. A public hearing is sometimes held to receive oral comments in addition to written comments. The Board considers comments and decides whether to adopt the proposed standards with or without modification. After review by the three officials who sponsor FASAB, the Board publishes adopted standards in a Statement of Federal Financial Accounting Standards. The Board follows a similar process for Statements of Federal Financial Accounting Concepts, which guide the Board in developing accounting standards and formulating the framework for federal accounting and reporting.

Additional background information and other items of interest are available at www.fasab.gov:

- [Memorandum of Understanding](#) among the Government Accountability Office, the Department of the Treasury, and the Office of Management and Budget, on Federal Government Accounting Standards and a Federal Accounting Standards Advisory Board
- [Mission statement](#)
- [Documents for comment](#)
- [Statements of Federal Financial Accounting Standards and Concepts](#)
- [FASAB newsletters](#)

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May 15, 2023

TO: ALL WHO USE, PREPARE, AND AUDIT FEDERAL FINANCIAL INFORMATION

The Federal Accounting Standards Advisory Board (FASAB or “the Board”) requests your comments on the Invitation to Comment, *Reexamination of Existing Standards*. Specific questions that are included in the Invitation to Comment are provided throughout the document and instructions for submitting your responses along with a link for a fillable form are on page 7, but you are welcome to comment on any aspect of the document. Your responses will be most helpful to the Board if you explain the reasons for your positions.

Responses are requested by September 15, 2023.

All comments received by FASAB are considered public information. Those comments will be posted to FASAB's website and will be included in the project's public record.

Please provide your comments by email to fasab@fasab.gov. We will confirm receipt of your comments. If you do not get a confirmation, please contact our office at 202-512-7350 to determine if your comments were received. If you are unable to email your responses, please call 202-512-7350 to make alternate arrangements.

FASAB's rules of procedure provide that the Board may hold one or more public hearings on the document. No hearing has yet been scheduled for this document. As described in the following pages, the Board may hold other forms of outreach once responses have been received.

FASAB will publish notice of the date and location of any public hearing on this document in the Federal Register and in its newsletter.

Sincerely,

George A. Scott

Chair

INVITATION TO COMMENT Q & A

WHAT IS AN INVITATION TO COMMENT?

The Board may develop an invitation to comment (ITC) to request feedback on alternatives or proposals. The Board may present an ITC in a wide variety of forms. ITCs present issues that the Board could address in the future and seeks alternative solutions to issues under consideration. The Board will only issue ITCs after at least a majority of members vote to approve the publication.

An ITC provides an opportunity for stakeholders¹ to provide information and data on topics requested by the Board that may influence the direction of the Board's deliberations. The ITC is an excellent tool to invite the public to comment on topics related to the reexamination of existing standards project.² It is important for stakeholders to provide their feedback on these topics by answering the questions posed in this ITC and providing detailed explanations for those responses.

WHAT IS THE PURPOSE OF THIS INVITATION TO COMMENT AND HOW WILL THE INFORMATION BE USED?

The purpose of this ITC is to gain insight from stakeholders regarding the Board's project to reexamine existing standards. The objective of the reexamination project is to improve the standards and ensure that they are effective in providing financial information that supports public accountability and meets user needs. It will include assessing their current relevance and identifying opportunities to streamline authoritative guidance.

Given the significance and comprehensive nature of the reexamination project, the Board believes that seeking broad stakeholder feedback and input is an essential step. The Board invites feedback on all matters discussed in this ITC. The Board will review and analyze responses to the ITC and determine whether additional outreach may be necessary. Additional outreach may include a public hearing, round table, or task force. As such, no Board guidance will result from the information presented in the ITC or the feedback gathered from it. Instead, the insights gained and information provided through the ITC (and additional outreach and analysis that follow) will assist the Board in prioritizing issues and developing an approach to the reexamination project.

The Board believes it prudent to ensure stakeholders understand the importance of responding to the ITC. It is an opportunity for stakeholders to comment on the existing pronouncements for the Board's consideration. It is critical that respondents support their answers with rationale and detailed explanation, including specific sections or paragraph references within pronouncements where appropriate. This will enable the Board to better understand stakeholder issues and concerns.

¹ Stakeholders is used broadly in this document to include users and the financial management community at large.

² See the [reexamination of existing standards project page](#) for additional details.

WHAT IS PRESENTED IN THE INVITATION TO COMMENT?

This ITC invites stakeholder input on the following two reexamination topics:

I. FASAB GAAP Hierarchy

[SFFAS 34](#), *The Hierarchy of Generally Accepted Accounting Principles for Federal Entities, Including the Application of Standards Issued by the Financial Accounting Standards Board*, incorporates the hierarchy of generally accepted accounting principles (GAAP) into FASAB's authoritative literature. Given its importance, the Board determined it should consider feedback on the effectiveness of the GAAP hierarchy, as set forth in SFFAS 34.

The Board requests input from stakeholders regarding the GAAP hierarchy to inform FASAB about how effective the current four-level federal GAAP hierarchy is in its current form.

II. Reexamination of FASAB Standards

Standard setters should reexamine their accounting standards to ensure they are effective in providing financial information that supports public accountability and transparency and meets user needs. To further accomplish this, the Board is seeking feedback from respondents on opportunities for the Board to improve the standards. This includes the following potential improvements:

- Streamlining authoritative guidance
- Eliminating or revising unclear requirements
- Eliminating disclosures and other required information that may no longer benefit users
- Filling gaps in the standards where the guidance either does not address or does not adequately address areas where federal financial reporting objectives are not being met
- Resolving inconsistencies in current practice
- Clarifying the standards (including addressing areas where the standards are difficult to apply)
- Reconsidering areas where there is significant preparer or audit burden versus perceived value of the information or other cost/benefit concerns
- Considering overlaps or redundancy in requirements

Stakeholder feedback will give the Board insight on the respondents' views on these matters. Further, insights into which standards or topics stakeholders believe are most in need of reexamination will help the Board prioritize issues as it deliberates its approach to the project.

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QUESTIONS FOR RESPONDENTS

The Federal Accounting Standards Advisory Board (FASAB or “the Board”) encourages you to become familiar with the information provided in the Invitation to Comment before responding to the questions in the link provided below.

Individuals and organizations are invited to comment on all matters in this ITC, particularly on the issues and questions that are specifically asked in this document. All questions are included in a fillable Microsoft Word file. Respondents should use this form because it provides appropriate drop-down menus for answer selections.

While it would be helpful to receive feedback from respondents on all the questions in this ITC, the Board also welcomes comments from those who are only interested in a specific topic or topics described in this ITC. Responses are most helpful if they are as specific and detailed as possible, identify and clearly explain the topic or question to which they relate, and reference specific pronouncement sections or paragraphs and relevant context specific to federal financial accounting and reporting issues.

The Board believes the information obtained from respondents through the ITC (and additional outreach and procedures that follow) will assist the Board in making decisions, such as prioritizing issues and developing an overall reexamination approach.

Respondents should use the Microsoft Word file available at <https://www.fasab.gov/documents-for-comment/> to provide comments on this ITC. Additional information may be attached. Please submit your responses to fasab@fasab.gov. If you are unable to respond by email, please contact 202-512-7350.

All responses are requested by September 15, 2023.

INVITATION TO COMMENT

I. FASAB GAAP Hierarchy

1. [Statement of Federal Financial Accounting Standards \(SFFAS\) 34](#), *The Hierarchy of Generally Accepted Accounting Principles for Federal Entities, Including the Application of Standards Issued by the Financial Accounting Standards Board*, incorporates the hierarchy of GAAP into the Federal Accounting Standards Advisory Board's (FASAB or "the Board") authoritative literature. SFFAS 34, paragraph 5 states:

The hierarchy of generally accepted accounting principles, hereafter referred to as the GAAP hierarchy, governs what constitutes GAAP for federal reporting entities. It lists the priority sequence of pronouncements that a federal reporting entity should look to for accounting and financial reporting authoritative guidance. The sources of accounting principles that are generally accepted are categorized in descending order of authority as follows:

Level A. Officially established accounting principles consist of FASAB Statements of Federal Financial Accounting Standards (Standards) and Interpretations. FASAB Standards and Interpretations will be periodically incorporated in a publication by the FASAB.

Level B. FASAB Technical Bulletins and, if specifically made applicable to federal reporting entities by the AICPA and cleared by the FASAB, AICPA Industry Audit and Accounting Guides.

Level C. Technical Releases of the Accounting and Auditing Policy Committee of the FASAB.

Level D. Implementation guides published by the FASAB staff, as well as practices that are widely recognized and prevalent in the federal government.

2. SFFAS 34 generally carried forward the hierarchy as set forth in Statement of Auditing Standards (SAS) 91, *Federal GAAP Hierarchy*. At that time, the Board recognized that users would be familiar with this approach, and it would not significantly affect practices.
3. A goal of standard setters is to ensure the standards are effective in providing financial information that supports public accountability and meets user needs. Several years ago, both FASB and GASB revisited their respective four-level GAAP hierarchies and addressed the use of "authoritative" and "nonauthoritative" literature³ in the event that the accounting

³ With respect to GASB, sources of nonauthoritative accounting literature include GASB Concepts Statements; pronouncements and other literature of the Financial Accounting Standards Board, Federal Accounting Standards Advisory Board, International Public Sector Accounting Standards Board, and International Accounting Standards Board, and AICPA literature not cleared by the GASB; practices that are widely recognized and prevalent in state and local government; literature of other professional associations or regulatory agencies; and accounting textbooks, handbooks, and articles.

treatment for a transaction or other event is not specified within a source of authoritative GAAP. For example, GASB updated its GAAP hierarchy in GASB Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. GASB Statement No. 76 states:

This Statement reduces the GAAP hierarchy to two categories of authoritative GAAP and addresses the use of authoritative and nonauthoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP.

The requirements in this Statement improve financial reporting by (1) raising the category of GASB Implementation Guides in the GAAP hierarchy, thus providing the opportunity for broader public input on implementation guidance; (2) emphasizing the importance of analogies to authoritative literature when the accounting treatment for an event is not specified in authoritative GAAP; and (3) requiring the consideration of consistency with the GASB Concepts Statements when evaluating accounting treatments specified in nonauthoritative literature. As a result, governments will apply financial reporting guidance with less variation, which will improve the usefulness of financial statement information for making decisions and assessing accountability and enhance the comparability of financial statement information among governments.

4. As noted, SFFAS 34 generally carried forward the hierarchy as set forth in the AICPA's SAS 91. The Board believes it important to review the hierarchy levels to assess whether the federal financial reporting environment has significantly changed so as to warrant the consideration of changes to certain aspects of the hierarchy.
5. Accordingly, the Board is interested in learning about stakeholders' experiences with the GAAP hierarchy, particularly as to its effectiveness and clarity. The Board generally believes that it is important that GAAP hierarchies generally distinguish between categories of authority based on the rigor of due process and the standard-setting body's intended purpose of the guidance. Also, consistency in application of standards is desired because less variation would generally improve consistency and thereby increase the usefulness of financial statement information. Obtaining input from stakeholders regarding the GAAP hierarchy and its application is needed to inform the Board on the extent to which the current federal GAAP hierarchy is working effectively.
6. The Board is also interested in clarifying (1) where administrative directives (for example, Office of Management and Budget and Department of the Treasury guidance) would be considered in the hierarchy and (2) whether "practices that are widely recognized and prevalent in the federal government" is sufficiently clear. Both FASB and GASB include "practices that are widely recognized and prevalent" in their discussion of non-authoritative literature but do not define it further.⁴

⁴ At the time FASAB issued SFFAS 34, the Board considered some respondents' beliefs that it would be useful to discuss the location of administrative directives within the hierarchy. As explained in the basis for conclusions, there were multiple sources of administrative directives, many types of directives, and varying processes for developing directives. Further, the Board believed that resolving placement for all administrative directives may require significant study. As a result, the Board adopted the GAAP hierarchy as it then existed in the AICPA audit literature and did not intend to change then current practices.

7. Therefore, the Board requests stakeholders provide specific details and practice examples about issues related to the federal GAAP hierarchy that would assist the Board in determining its effectiveness.

FASAB GAAP HIERARCHY QUESTIONS

QUESTION 1.1: The federal GAAP hierarchy in SFFAS 34 provides the sources of accounting principles and the framework for selecting the principles used in the preparation of general purpose financial reports of federal entities that conform with GAAP. **Do you agree that SFFAS 34 clearly and sufficiently explains the federal GAAP hierarchy and its application to federal accounting and reporting?**

Choose an item.

Please explain your response. [Click here to enter text.](#)

QUESTION 1.2: Have you experienced challenges in applying and using the federal GAAP hierarchy in SFFAS 34 to resolve accounting or reporting issues?

Choose an item.

Please explain your response, including any perceived challenges with applying SFFAS 34 (for example, utility in applying SFFAS 34 to resolving accounting and reporting issues, need to clarify authoritative vs non-authoritative guidance, relationship to other standard setters when FASAB guidance is silent, inconsistencies with different levels of GAAP, or questions regarding the application of “practices that are widely recognized and prevalent in the federal government.”) [Click here to enter text.](#)

II. Reexamination of FASAB Standards

8. FASAB has issued 61 Statements⁵ since 1993, including 16 amending standards, eight now-rescinded standards, six deferrals, and three omnibus standards. Additionally, there are eight concepts statements, 11 Interpretations, and other lower-level pronouncements. Given the amount of guidance issued since FASAB’s inception, the Board believes there will be great value in assessing the full set of standards.
9. The Board is dedicated to ensuring that its standards are effective in providing financial information that supports public accountability and meets user needs. To accomplish this, the Board is seeking feedback from respondents on where they believe there are opportunities for the Board to improve the standards. This includes the following potential improvements:
- Streamlining authoritative guidance
 - Eliminating or revising unclear requirements

⁵ See [Appendix A: Reexamination Table of Pronouncements](#) for more details.

- Eliminating disclosures and other required information that may no longer benefit users
- Filling gaps in the standards where the guidance either does not address or does not adequately address areas where federal financial reporting objectives are not being met
- Resolving inconsistencies in current practice
- Clarifying the standards (including addressing areas where the standards are difficult to apply)
- Reconsidering areas where there is significant preparer or audit burden versus perceived value of the information or other cost/benefit concerns
- Considering overlaps or redundancy in requirements

Stakeholder feedback will give the Board insight on respondents' views on these matters.

10. Although FASAB has evaluated portions of existing standards and provided technical clarifications on certain matters,⁶ this would be the first comprehensive reexamination of federal GAAP. Insights into which standards or topics stakeholders believe are most in need of reexamination will help the Board prioritize issues as it deliberates its approach to the project.
11. The plan for the reexamination project is to assess most⁷ Statements of Federal Financial Accounting Standards (SFFASs), Interpretations, and Technical Bulletins. Including these pronouncements will ensure the reexamination is thorough and consistent.
12. Federal Financial Accounting Technical Releases will not be included in the reexamination project because FASAB's Rules of Procedure authorize the Accounting and Auditing Policy Committee (AAPC) to issue Technical Releases⁸ related to existing federal accounting standards. The Board anticipates that the AAPC would begin a similar project to conform all TRs to be consistent with revisions to existing standards that result from the reexamination project. Staff will review the Staff Implementation Guidance (SIG)⁹ to ensure they conform to such revisions.
13. In addition, Statement of Federal Financial Accounting Concepts (SFFAC) will not be included in the reexamination project because most SFFACs were considered when the Board completed its reporting model project.¹⁰ Also, the Board notes that SFFACs are not GAAP. SFFACs guide the Board's development of accounting and reporting standards by providing the Board with a common foundation and basic reasoning on which to consider the merits of alternatives.

⁶ The [technical clarifications of existing standards project](#) (and now-archived [evaluation of existing standards project](#)) addresses requests to clarify portions of existing standards whereas the reexamination of existing standards will be a comprehensive assessment of the standards.

⁷ Certain pronouncements may be excluded from the reexamination project due to specific reasons. Please see [Appendix A: Reexamination Table of Pronouncements](#) for more details.

⁸ Proposed Technical Releases are submitted to FASAB for a 45-day review. If neither a majority of FASAB nor a member representing a FASAB sponsor objects to the proposed Technical Release during the review period, then it becomes final.

⁹ As of May 2023, there are three SIGs.

¹⁰ See the now-archived [concepts – the financial report project page](#) for more details.

14. It may be helpful for respondents to the ITC to understand the process and rationale by which new projects are added to the FASAB agenda. A detailed discussion is included in [Appendix B: FASAB Agenda Setting](#).
15. Given the significance and comprehensive nature of the reexamination project, the Board believes that stakeholders' response to the ITC is critical. It is an opportunity for stakeholders to provide insights on issues and concerns surrounding the existing pronouncements for the Board's consideration.
16. Responses should include rationale and detailed information, including specific pronouncement references where appropriate, which will enable the Board to better understand issues and concerns. Respondents are encouraged to provide information that would help the Board understand why the reexamination of a particular SFFAS might take precedence or be considered more important than other SFFASs. For example, respondents may offer detail in terms of materiality, audit findings, cost-benefit, or other significant information to explain the need for reexamination of the SFFAS. It is important for respondents to be specific with their reasoning and provide as much detail as possible because there are reporting entities of various sizes with different levels of materiality that may have different types of issues deemed critical that are put forth for the Board's consideration.
17. The Board will ask respondents to identify issues and concerns with FASAB pronouncements by considering 23 "reexamination topics" for stakeholder consideration in question 2. The Board grouped the 61 SFFASs and related Interpretations and Technical Bulletins into "reexamination topics." The Board recognizes that certain pronouncements have been amended or rescinded by later pronouncements¹¹ and grouped them accordingly into the 23 "reexamination topics" for stakeholder consideration. Please see [Appendix A: Reexamination Table of Pronouncements](#) for additional detail and an explanation of how the Board determined the 23 reexamination topics in question 2.¹²

REEXAMINATION OF FASAB STANDARDS QUESTION

QUESTION 2: Below are the 23 reexamination topic areas for which the Board is requesting your response. Respondents may review [Appendix A: Reexamination Table of Pronouncements](#)¹³ in its entirety for a full understanding. **For each reexamination topic (column 1), please indicate the priority level for reexamination from the following options:**

(1) High priority: topic and related SFFASs are of significant concern and should be included in the reexamination with priority. Please provide ***no more than five*** high priority topics.

¹¹ As noted, FASAB has issued 61 Statements, including 16 amending standards, at least eight now-rescinded standards, six deferrals, and three omnibus standards.

¹² There would have been 27 topics, but four SFFASs were excluded from the reexamination project because of their status (for example, as part of a current Board project or the SFFAS has not been implemented yet). Although these are not topics for which the Board is specifically requesting feedback, respondents are welcome to provide relevant feedback.

¹³ [Appendix A: Reexamination Table of Pronouncements](#) provides more details regarding how the 61 SFFASs result in 23 reexamination topics for consideration.

(2) Medium priority: topic and related SFFASs are of concern and should be included in the reexamination, but after high priority topics are addressed.

(3) Low priority: topic and related SFFASs are not of concern and do not need to be reexamined at this time.¹⁴

Please explain your response, including specific details¹⁵ and examples to support your rationale, especially those ranked high priority and medium priority. Provide information (including specific SFFAS references where appropriate) that would help the Board understand why the reexamination of a particular SFFAS might take precedence or be considered more important than other SFFASs. To accomplish this, the Board is seeking feedback from respondents on where they believe there are opportunities for the Board to improve guidance within the 23 reexamination topics. This includes the following potential improvements:

- Streamlining authoritative guidance
- Eliminating or revising unclear requirements
- Eliminating disclosures and other required information that may no longer benefit users
- Filling gaps in the standards where the guidance either does not address or does not adequately address areas where federal financial reporting objectives are not being met
- Resolving inconsistencies in current practice
- Clarifying the standards (including addressing areas where the standards are difficult to apply)
- Reconsidering areas where there is significant preparer or audit burden versus perceived value of the information or other cost/benefit concerns
- Considering overlaps or redundancy in requirements

Please be explicit regarding opportunities to eliminate or revise requirements, whether those are in the standards or elsewhere. Stakeholder feedback will give the Board insight on respondent's views on these matters.

Topic #1	SFFAS 1, Accounting for Selected Assets and Liabilities Interpretation 10, Clarification of Non-federal Non-entity FBWT Classification (SFFAS 1, Paragraph 31): An Interpretation of SFFAS 1 and SFFAS 31 TB 2020-1, Loss Allowance for Intragovernmental Receivables
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Choose a priority level.

Please explain your response. [Click here to enter text.](#)

Topic #2	SFFAS 2, Accounting for Direct Loans and Loan Guarantees AS AMENDED BY: SFFAS 18 , SFFAS 19
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¹⁴ The Board anticipates that the topics for reexamination will need to be reassessed in the future.

¹⁵ For example, respondents may offer detail in terms of materiality, audit findings, cost-benefit, or other significant information to explain the need for reexamination of the SFFAS.

Choose a priority level.

Please explain your response. [Click here to enter text.](#)

Topic #3	SFFAS 3 , <i>Accounting for Inventory and Related Property</i> AS AMENDED BY: SFFAS 48 Interpretation 7 , <i>Items Held for Manufacture</i>
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Choose a priority level.

Please explain your response. [Click here to enter text.](#)

Topic #4	SFFAS 4 , <i>Managerial Cost Accounting Standards and Concepts</i> AS AMENDED BY: SFFAS 55
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Choose a priority level.

Please explain your response. [Click here to enter text.](#)

Topic #5	SFFAS 5 , <i>Accounting for Liabilities of The Federal Government</i> AS AMENDED BY: SFFAS 12 , SFFAS 25 Interpretation 2 , <i>Accounting for Treasury Judgment Fund Transactions: An Interpretation of SFFAS 4 and SFFAS 5</i> Interpretation 4 , <i>Accounting for Pension Payments in Excess of Pension Expense</i> TB 2002-1 , <i>Assigning to Component Entities Costs and Liabilities that Result from Legal Claims Against the Federal Government</i> TB 2017-1 , <i>Intragovernmental Exchange Transactions</i>
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Choose a priority level.

Please explain your response. [Click here to enter text.](#)

Topic #6	SFFAS 6 , <i>Accounting for Property, Plant, and Equipment</i> AS AMENDED BY: SFFAS 23 , SFFAS 40 , SFFAS 50 Interpretation 9 , <i>Cleanup Cost Liabilities Involving Multiple Component Reporting Entities: An Interpretation of SFFAS 5 & SFFAS 6</i> TB 2006-1 , <i>Recognition and Measurement of Asbestos-Related Cleanup Costs (as amended by TB 2009-1 and TB 2011-2)</i> TB 2017-2 , <i>Assigning Assets to Component Reporting Entities</i>
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Choose a priority level.

Please explain your response. [Click here to enter text.](#)

Topic #7	SFFAS 7 , <i>Accounting for Revenue and Other Financing Sources and Concepts for Reconciling Budgetary and Financial Accounting</i> AS AMENDED BY: SFFAS 20 , SFFAS 21 , SFFAS 53 Interpretation 5 , <i>Recognition by Recipient Entities of Receivable Nonexchange Revenue: An Interpretation of SFFAS 7</i> Interpretation 11 , <i>Debt Cancellation: An Interpretation of SFFAS 7, Paragraph 313</i>
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	TB 2002-2 , <i>Disclosures Required by Paragraph 79(g) of SFFAS 7 Accounting for Revenue and Other Financing Sources and Concepts for Reconciling Budgetary and Financial Accounting</i> TB 2017-1 , <i>Intragovernmental Exchange Transactions</i>
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Choose a priority level.

Please explain your response. [Click here to enter text.](#)

Topic #8	SFFAS 10 , <i>Accounting for Internal Use Software</i>
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Choose a priority level.

Please explain your response. [Click here to enter text.](#)

	SFFAS 15 , <i>Management's Discussions and Analysis</i> ¹⁶
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Please provide feedback if you wish to do so. [Click here to enter text.](#)

Topic #9	SFFAS 17 , <i>Accounting for Social Insurance</i> AS AMENDED BY: SFFAS 26 , SFFAS 37
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Choose a priority level.

Please explain your response. [Click here to enter text.](#)

Topic #10	SFFAS 24 , <i>Selected Standards for the Consolidated Financial Report of the United States Government</i> SFFAS 32 , <i>Consolidated Financial Report of the United States Government Requirements: Implementing Statement of Federal Financial Accounting Concepts 4 "Intended Audience and Qualitative Characteristics for the Consolidated Financial Report of the United States Government"</i>
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Choose a priority level.

Please explain your response. [Click here to enter text.](#)

Topic #11	SFFAS 27 , <i>Identifying and Reporting Funds from Dedicated Collections</i> AS AMENDED BY: SFFAS 43
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Choose a priority level.

Please explain your response. [Click here to enter text.](#)

Topic #12	SFFAS 29 , <i>Heritage Assets and Stewardship Land</i>
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¹⁶ SFFAS 15, *Management's Discussions and Analysis*, is excluded from reexamination because the SFFAS is currently being reviewed under an active Board project. Respondents may provide general comments and feedback for the Board's consideration.

Choose a priority level.

Please explain your response. [Click here to enter text.](#)

Topic #13	SFFAS 31 , <i>Accounting for Fiduciary Activities</i>
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Choose a priority level.

Please explain your response. [Click here to enter text.](#)

Topic #14	SFFAS 33 , <i>Pensions, Other Retirement Benefits, and Other Postemployment Benefits: Reporting the Gains and Losses from Changes in Assumptions and Selecting Discount Rates and Valuation Dates</i>
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Choose a priority level.

Please explain your response. [Click here to enter text.](#)

Topic #15	SFFAS 34 , <i>The Hierarchy of Generally Accepted Accounting Principles, Including the Application of Standards Issued by the Financial Accounting Standards Board</i>
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Choose a priority level.

Please explain your response. [Click here to enter text.](#)

Topic #16	SFFAS 36 , <i>Comprehensive Long-Term Projections for the U.S. Government</i>
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Choose a priority level.

Please explain your response. [Click here to enter text.](#)

Topic #17	SFFAS 38 , <i>Accounting for Federal Oil and Gas Resources</i> TB 2011-1 , <i>Accounting for Federal Natural Resources Other Than Oil and Gas</i>
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Choose a priority level.

Please explain your response. [Click here to enter text.](#)

Topic #18	SFFAS 39 , <i>Subsequent Events: Codification of Accounting and Financial Reporting Standards Contained in the AICPA Statement on Auditing Standards</i>
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Choose a priority level.

Please explain your response. [Click here to enter text.](#)

Topic #19	SFFAS 44 , <i>Accounting for Impairment of General Property, Plant, and Equipment Remaining in Use</i>
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Choose a priority level.

Please explain your response. [Click here to enter text.](#)

Topic #20	SFFAS 47, Reporting Entity
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Choose a priority level.

Please explain your response. [Click here to enter text.](#)

Topic #21	SFFAS 49, Public-Private Partnerships: Disclosure Requirements
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Choose a priority level.

Please explain your response. [Click here to enter text.](#)

Topic #22	SFFAS 51, Insurance Programs
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Choose a priority level.

Please explain your response. [Click here to enter text.](#)

Topic #23	SFFAS 52, Tax Expenditures
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Choose a priority level.

Please explain your response. [Click here to enter text.](#)

	SFFAS 54, Leases¹⁷ AS AMENDED BY: SFFAS 57 , SFFAS 60 , SFFAS 61 TB 2023-1, Intragovernmental Leasehold Reimbursable Work Agreements
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Please provide feedback if you wish to do so. [Click here to enter text.](#)

	SFFAS 56, Classified Activities¹⁸ Interpretation 8, An Interpretation of Statement of Federal Financial Accounting Standards 56, Classified Activities
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Please provide feedback if you wish to do so. [Click here to enter text.](#)

	SFFAS 59, Accounting and Reporting of Government Land¹⁹
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Please provide feedback if you wish to do so. [Click here to enter text.](#)

¹⁷ SFFAS 54, *Leases*, is excluded from the reexamination project because the SFFAS is not yet effective. Respondents may provide general comments and feedback for the Board's consideration.

¹⁸ SFFAS 56, *Classified Activities*, is excluded from the reexamination project due to the topic. Respondents may provide general comments and feedback for the Board's consideration.

¹⁹ SFFAS 59, *Accounting and Reporting of Government Land*, is excluded from the reexamination project because the SFFAS is not yet effective. Respondents may provide general comments and feedback for the Board's consideration.

APPENDIX A: REEXAMINATION TABLE OF PRONOUNCEMENTS

The Board asks respondents to identify issues and concerns with FASAB pronouncements by considering 23 “reexamination topics” or groupings of FASAB pronouncements derived from the below table of all the Statement of Federal Financial Accounting Standards (SFFASs) that are listed one-by-one (or chronologically) along with related Interpretations and Technical Bulletins.

The table provides the 61 SFFASs issued by FASAB chronologically (as shown in column 2) and aggregated into reexamination topics (as shown in column 1) for stakeholder consideration. The Board has promulgated 16 amending standards, 8 rescinded standards, 6 deferrals, and 3 omnibus—resulting in fewer topic standards when grouping the amending or rescinding SFFASs with the affected SFFAS. Certain SFFAS will be excluded from the reexamination due to factors deemed appropriate by the Board and explained in the table. As a result, there are 23 reexamination topics for consideration. The table also provides related Interpretations²⁰ and Technical Bulletins²¹ with the associated reexamination SFFAS topic,²² as these pronouncements will be included²³ in the reexamination project.

The legend will assist in your understanding of the table.

Legend:

RESCINDED- SFFAS will not be in the reexamination.

DEFERRAL- SFFAS will not be in the reexamination since the deferral resolved with time.

AMENDMENT or OMNIBUS- SFFAS is considered with the appropriate (amended) SFFAS topic. The amended SFFAS topic lists the SFFASs that are included.

SFFAS is EXCLUDED²⁴ from reexamination – see notes for more information.

Re-exam Topic #	SFFAS #	Statement of Federal Financial Accounting Standards (SFFASs), Interpretations of Federal Financial Accounting Standards (Interpretations), and Technical Bulletins (TBs) with links to full pronouncement	Notes
1	1	SFFAS 1, Accounting for Selected Assets and Liabilities Interpretation 10, Clarification of Non-federal Non-entity FBWT Classification (SFFAS 1, Paragraph 31): An Interpretation of SFFAS 1 and SFFAS 31 TB 2020-1, Loss Allowance for Intragovernmental Receivables	
2	2	SFFAS 2, Accounting for Direct Loans and Loan Guarantees AS AMENDED BY: SFFAS 18 , SFFAS 19	
3	3	SFFAS 3, Accounting for Inventory and Related Property AS AMENDED BY: SFFAS 48 Interpretation 7, Items Held for Manufacture	

²⁰ Interpretations that have been rescinded (Interpretations 1, 3, 6, and 8) are not included in the matrix and will not be in the reexamination.

²¹ Technical Bulletins [2001-1](#) and [2003-1](#) are not included in the matrix due to the nature of the topics and will not be in the reexamination.

²² Certain Interpretations and Technical Bulletins may provide guidance or relate to multiple SFFASs (for example, [Interpretation 9, Cleanup Cost Liabilities Involving Multiple Component Reporting Entities: An Interpretation of SFFAS 5 & SFFAS 6](#)). To ensure consistent stakeholder consideration, the pronouncements were placed in the matrix once in the topic most closely aligned and deemed appropriate.

²³ As discussed in paragraphs 12-13, Technical Releases and concepts statements will not be assessed in the reexamination project.

²⁴ Although the SFFAS is excluded from the reexamination project and not a topic for consideration, the Board will accept feedback.

Re-exam Topic #	SFFAS #	Statement of Federal Financial Accounting Standards (SFFASs), Interpretations of Federal Financial Accounting Standards (Interpretations), and Technical Bulletins (TBs) with links to full pronouncement	Notes
4	4	SFFAS 4 , <i>Managerial Cost Accounting Standards and Concepts</i> AS AMENDED BY: SFFAS 55	
5	5	SFFAS 5 , <i>Accounting for Liabilities of The Federal Government</i> AS AMENDED BY: SFFAS 12 , SFFAS 25 Interpretation 2 , <i>Accounting for Treasury Judgment Fund Transactions: An Interpretation of SFFAS 4 and SFFAS 5</i> Interpretation 4 , <i>Accounting for Pension Payments in Excess of Pension Expense</i> TB 2002-1 , <i>Assigning to Component Entities Costs and Liabilities that Result from Legal Claims Against the Federal Government</i> TB 2017-1 , <i>Intragovernmental Exchange Transactions</i>	
6	6	SFFAS 6 , <i>Accounting for Property, Plant, and Equipment</i> AS AMENDED BY: SFFAS 23 , SFFAS 40 , SFFAS 50 Interpretation 9 , <i>Cleanup Cost Liabilities Involving Multiple Component Reporting Entities: An Interpretation of SFFAS 5 & SFFAS 6</i> TB 2006-1 , <i>Recognition and Measurement of Asbestos-Related Cleanup Costs (as amended by TB 2009-1 and TB 2011-2)</i> TB 2017-2 , <i>Assigning Assets to Component Reporting Entities</i>	
7	7	SFFAS 7 , <i>Accounting for Revenue and Other Financing Sources and Concepts for Reconciling Budgetary and Financial Accounting</i> AS AMENDED BY: SFFAS 20 , SFFAS 21 , SFFAS 53 Interpretation 5 , <i>Recognition by Recipient Entities of Receivable Nonexchange Revenue: An Interpretation of SFFAS 7</i> Interpretation 11 , <i>Debt Cancellation: An Interpretation of SFFAS 7, Paragraph 313</i> TB 2002-2 , <i>Disclosures Required by Paragraph 79(g) of SFFAS 7 Accounting for Revenue and Other Financing Sources and Concepts for Reconciling Budgetary and Financial Accounting</i> TB 2017-1 , <i>Intragovernmental Exchange Transactions</i>	
	8	SFFAS 8 , <i>Supplementary Stewardship Reporting</i>	Rescinded
	9	SFFAS 9 , <i>Deferral of the Effective Date of Managerial Cost Accounting Standards for the Federal Government in SFFAS No. 4</i>	Deferral
8	10	SFFAS 10 , <i>Accounting for Internal Use Software</i>	
	11	SFFAS 11 , <i>Amendments to Accounting for Property, Plant, and Equipment – Definitional Changes – Amending SFFAS 6 and SFFAS 8 Accounting for Property, Plant, and Equipment and Supplementary Stewardship Reporting</i>	Rescinded
	12	SFFAS 12 , <i>Recognition of Contingent Liabilities Arising from Litigation: An Amendment of SFFAS 5, Accounting for Liabilities of the Federal Government</i>	Considered under Topic #5
	13	SFFAS 13 , <i>Deferral of Paragraph 65.2—Material Revenue-Related Transactions Disclosures</i>	Deferral
	14	SFFAS 14 , <i>Amendments to Deferred Maintenance Reporting Amending SFFAS 6, Accounting for Property, Plant and Equipment and SFFAS 8, Supplementary Stewardship Reporting</i>	Rescinded
	15	SFFAS 15 , <i>Management's Discussions and Analysis</i>	Excluded – current project

Re-exam Topic #	SFFAS #	Statement of Federal Financial Accounting Standards (SFFASs), Interpretations of Federal Financial Accounting Standards (Interpretations), and Technical Bulletins (TBs) with links to full pronouncement	Notes
	16	SFFAS 16 , <i>Amendments to Accounting For Property, Plant, and Equipment—Measurement and Reporting for Multi-Use Heritage Assets: Amending SFFAS 6 and SFFAS 8 Accounting for Property, Plant, and Equipment and Supplementary Stewardship Reporting</i>	Rescinded
9	17	SFFAS 17 , <i>Accounting for Social Insurance</i> AS AMENDED BY: SFFAS 26 , SFFAS 37	
	18	SFFAS 18 , <i>Amendments to Accounting Standards For Direct Loans and Loan Guarantees in SFFAS No. 2</i>	Considered under Topic #2
	19	SFFAS 19 , <i>Technical Amendments to Accounting Standards For Direct Loans and Loan Guarantees in SFFAS 2</i>	Considered under Topic #2
	20	SFFAS 20 , <i>Elimination of Certain Disclosures Related to Tax Revenue Transactions by the Internal Revenue Service, Customs, and Others, Amending SFFAS 7, Accounting for Revenue and Other Financing Sources</i>	Considered under Topic #7
	21	SFFAS 21 , <i>Reporting Corrections of Errors and Changes in Accounting Principles, Amendment of SFFAS 7, Accounting for Revenue and Other Financing Sources</i>	Considered under Topic #7
	22	SFFAS 22 , <i>Change in Certain Requirements for Reconciling Obligations and Net Cost of Operations, Amendment of SFFAS 7, Accounting for Revenue and Other Financing Sources</i>	Rescinded
	23	SFFAS 23 , <i>Eliminating the Category National Defense Property, Plant, and Equipment</i>	Considered under Topic #6 SFFAS 6
10	24	SFFAS 24 , <i>Selected Standards for the Consolidated Financial Report of the United States Government</i>	CFR topic-Considered with SFFAS 32 , both under Topic #10
	25	SFFAS 25 , <i>Reclassification of Stewardship Responsibilities and Eliminating the Current Services Assessment</i>	Considered under Topic #5
	26	SFFAS 26 , <i>Presentation of Significant Assumptions for the Statement of Social Insurance: Amending SFFAS 25</i>	Considered under Topic #10
11	27	SFFAS 27 , <i>Identifying and Reporting Funds from Dedicated Collections</i> AS AMENDED BY: SFFAS 43	
	28	SFFAS 28 , <i>Deferral of the Effective Date of Reclassification of the Statement of Social Insurance: Amending SFFAS 25 and 26</i>	Deferral
12	29	SFFAS 29 , <i>Heritage Assets and Stewardship Land</i>	
	30	SFFAS 30 , <i>Inter-Entity Cost Implementation: Amending SFFAS 4, Managerial Cost Accounting Standards and Concepts</i>	Rescinded
13	31	SFFAS 31 , <i>Accounting for Fiduciary Activities</i>	

Re-exam Topic #	SFFAS #	Statement of Federal Financial Accounting Standards (SFFASs), Interpretations of Federal Financial Accounting Standards (Interpretations), and Technical Bulletins (TBs) with links to full pronouncement	Notes
	32 ²⁵	SFFAS 32 , Consolidated Financial Report of the United States Government Requirements: Implementing Statement of Federal Financial Accounting Concepts 4 “Intended Audience and Qualitative Characteristics for the Consolidated Financial Report of the United States Government”	CFR topic- Considered with SFFAS 24 , both under Topic #10
14	33	SFFAS 33 , Pensions, Other Retirement Benefits, and Other Postemployment Benefits: Reporting the Gains and Losses from Changes in Assumptions and Selecting Discount Rates and Valuation Dates	
15	34	SFFAS 34 , The Hierarchy of Generally Accepted Accounting Principles, Including the Application of Standards Issued by the Financial Accounting Standards Board	
	35	SFFAS 35 , Estimating the Historical Cost of General Property, Plant, and Equipment: Amending Statements of Federal Financial Accounting Standards 6 and 23	Rescinded
16	36	SFFAS 36 , Comprehensive Long-Term Projections for the U.S. Government	
	37	SFFAS 37 , Social Insurance: Additional Requirements for Management’s Discussion and Analysis and Basic Financial Statements	Considered under Topic #9
17	38	SFFAS 38 , Accounting for Federal Oil and Gas Resources TB 2011-1 , Accounting for Federal Natural Resources Other Than Oil and Gas	
18	39	SFFAS 39 , Subsequent Events: Codification of Accounting and Financial Reporting Standards Contained in the AICPA Statement on Auditing Standards	
	40	SFFAS 40 , Deferred Maintenance and Repairs: Definitional Changes	Considered under Topic #6
	41	SFFAS 41 , Deferral of the Effective Date of SFFAS 38 , Accounting for Federal Oil and Gas Resources	Deferral
	42	SFFAS 42 , Deferred Maintenance and Repairs: Amending Statements of Federal Financial Accounting Standards 6, 14, 29, and 32	Considered under Topic #6
	43	SFFAS 43 , Dedicated Collections: Amending SFFAS 27 , Identifying and Reporting Earmarked Funds	Considered under Topic #11
19	44	SFFAS 44 , Accounting for Impairment of General Property, Plant, and Equipment Remaining in Use	
	45	SFFAS 45 , Deferral of the Transition to Basic Information for Long-Term Projections	Rescinded
	46	SFFAS 46 , Deferral of the Transition to Basic Information for Long-Term Projections – Amending SFFASs 36 and 45	Deferral
20	47	SFFAS 47 , Reporting Entity	
	48	SFFAS 48 , Opening Balances for Inventory, Operating Materials and Supplies, and Stockpile Materials	Considered under Topic #3

²⁵ SFFAS 32 is a consolidated financial report of the U.S. Government (CFR) related topic and was grouped with SFFAS 24 so that SFFASs specific to the CFR (SFFAS 24 & SFFAS 32) are considered together.

Re-exam Topic #	SFFAS #	Statement of Federal Financial Accounting Standards (SFFASs), Interpretations of Federal Financial Accounting Standards (Interpretations), and Technical Bulletins (TBs) with links to full pronouncement	Notes
21	49	SFFAS 49 , <i>Public-Private Partnerships: Disclosure Requirements</i>	
	50	SFFAS 50 , <i>Establishing Opening Balances for General Property, Plant, and Equipment: Amending Statement of Federal Financial Accounting Standards (SFFAS) 6, SFFAS 10, SFFAS 23, and Rescinding SFFAS 35</i>	Considered under Topic #6
22	51	SFFAS 51 , <i>Insurance Programs</i>	
23	52	SFFAS 52 , <i>Tax Expenditures</i>	
	53	SFFAS 53 , <i>Budget and Accrual Reconciliation</i>	Considered under Topic #7
	54	SFFAS 54 , <i>Leases</i> AS AMENDED BY: SFFAS 57 , SFFAS 60 , SFFAS 61 TB 2023-1 , <i>Intragovernmental Leasehold Reimbursable Work Agreements</i>	EXCLUDED - SFFAS is not yet effective
	55	SFFAS 55 , <i>Amending Inter-entity Cost Provisions</i>	Considered under Topic #4
	56	SFFAS 56 , <i>Classified Activities</i> Interpretation 8 , <i>An Interpretation of Statement of Federal Financial Accounting Standards 56, Classified Activities</i>	EXCLUDED - due to topic of SFFAS
	57	SFFAS 57 , <i>Omnibus Amendments 2019</i>	Considered with SFFAS 54
	58	SFFAS 58 , <i>Deferral of the Effective Date of SFFAS 54, Leases</i>	Deferral
	59	SFFAS 59 , <i>Accounting and Reporting of Government Land</i>	EXCLUDED - SFFAS is not yet effective
	60	SFFAS 60 , <i>Omnibus Amendments 2021: Leases-Related Topics</i>	Considered with SFFAS 54
	61	SFFAS 61 , <i>Omnibus Amendments 2023: Leases-Related Topics II</i>	Considered with SFFAS 54

APPENDIX B: FASAB AGENDA SETTING

It may be helpful for respondents to the ITC to understand the process and rationale by which new projects are added to the FASAB agenda. New projects are added to the agenda based on periodic prioritization by the Board. The Board annually reviews its technical agenda in August just prior to the start of the federal government's fiscal year to determine priorities for the upcoming year. The Board also conducts a mid-year review of the technical agenda at the February meeting after receiving comments on FASAB's annual report and three-year plan.

During its annual agenda review, the Board identifies its priorities so that research can begin when resources are available. Projects identified as priorities but not as active agenda topics are considered "research topics." In August of each year, the Board discusses those priorities and makes needed adjustments to the technical agenda.²⁶ The Board prioritizes projects based on the following factors:

- The likelihood a potential project will significantly contribute to meeting the operating performance and stewardship reporting objectives²⁷ established in SFFAC 1, *Objectives of Federal Financial Reporting*
- The significance of the issue relative to meeting reporting objectives
- The pervasiveness of the issue among federal entities
- The potential project's technical outlook and resource needs

Members also consider the following additional factors that they deem significant in planning the technical agenda:

- A focus on citizens and citizen intermediaries as the primary users of the consolidated financial report of the U.S. Government
- Attention to the needs of Congress and program managers
- Effects on preparers and auditors due to declining real budgets
- Increasing risks due to fiscal uncertainty and operational complexity
- Increased electronic reporting and availability of relevant information in sources other than financial reporting

²⁶ The Board initially added the reexamination project as a research topic and then approved it as an active project in August 2021.

²⁷ The Board determined that the operating performance and stewardship reporting objectives would be "primary near-term objectives" when the Board revisited the concepts given the changes in the federal financial reporting environment. See FASAB's strategic directions report titled [Clarifying FASAB's Near-Term Role in Achieving the Objectives of Federal Financial Reporting](#) for more details.

APPENDIX C: ABBREVIATIONS

AAPC	Accounting and Auditing Policy Committee
FASAB	Federal Accounting Standards Advisory Board
GAAP	Generally Accepted Accounting Principles
ITC	Invitation to Comment
PIR	Post Implementation Review
SAS	Statement of Auditing Standards
SFFAC	Statement of Federal Financial Accounting Concepts
SFFAS	Statement of Federal Financial Accounting Standards
SIG	Staff Implementation Guidance
TB	Technical Bulletin

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