

Federal Accounting Standards Advisory Board

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NEWS RELEASE

Member News: John Farrell and James Patton Complete Service; Michael Granof and Scott Showalter Begin Five-Year Terms

The Chairman of the Federal Accounting Standards Advisory Board (FASAB), Tom Allen, announced today that Michael H. Granof and D. Scott Showalter have been appointed to the Board for five-year terms beginning on July 1, 2009. Dr. Granof and Mr. Showalter were selected to replace John Farrell, retired KPMG partner, and James Patton, professor at the University of Pittsburgh's Katz School of Business, who completed their second terms of service on June 30, 2009.

Mr. Allen expressed his gratitude for the contributions of Messrs. Farrell and Patton, stating that "John and Jim represented the public's interest by seeking to hold federal officials accountable for the complex and often opaque financial transactions undertaken by sovereign entities. It is difficult to say farewell at the end of each Board member's term but it is particularly difficult to part with two such outstanding colleagues at once. Each will be sorely missed."

An Appointments Panel—composed of three federal members, the FASAB chairman, and three individuals representing the American Institute of CPAs, the Financial Accounting Foundation and the Accounting Research Association—advises the FASAB Sponsors on appointments and re-appointments for the six nonfederal members of the Board. The Sponsors—Timothy F. Geithner, the Secretary of the Treasury; Peter R. Orszag, the Director of the Office of Management and Budget; and Gene L. Dodaro, the Acting Comptroller General of the United States, made the final appointments.

Dr. Granof is the Ernst & Young Distinguished Centennial Professor of Accounting and a University Distinguished Teaching Professor at the University of Texas at Austin. Mr. Showalter is a retired partner at KPMG LLP and Teaching Professor at North Carolina State University.

Regarding the appointments, Chairman Allen said, "I am pleased to welcome both Michael and Scott to the Board. Michael is uniquely qualified as an academic who authors both governmental and financial accounting textbooks. Scott is a recognized

leader in the field – having been with KPMG for more than 30 years including service as the public sector industry leader for the firm. Michael’s service on the Association of Government Accountants’ Financial Management Standards Board and Scott’s position as the co-editor of “Government Accounting and Auditing Update” from 1996 – 2008 demonstrates that they have both followed the most recent work of the FASAB. I am confident that Michael and Scott will hit the ground running, enabling the Board to continue its work on critical federal financial reporting issues under consideration.”

ABOUT FASAB

Accounting and financial reporting standards are essential for public accountability and for an efficient and effective functioning of our democratic system of government. Thus, federal accounting standards and financial reporting play a major role in fulfilling the government’s duty to be publicly accountable and can be used to assess (1) the government’s accountability and its efficiency and effectiveness, and (2) the economic, political, and social consequences of the allocation and various uses of federal resources. The FASAB issues federal accounting standards after following a due process consistent with the Memorandum of Understanding under which it operates. Due process includes consideration of the financial and budgetary information needs of citizens, congressional oversight groups, executive agencies, and the needs of other users of federal financial information.

For more information on FASAB, please visit our website: www.fasab.gov.