

**FEDERAL ACCOUNTING STANDARDS ADVISORY BOARD**  
**Board Meeting Minutes**  
**April 29-30, 2026**  
**Virtual Meeting via Zoom for Government**

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For research purposes, please see the briefing materials at [www.fasab.gov](http://www.fasab.gov). Briefing materials for each session are organized by topic; references to these topics in the minutes are hyperlinked.

**Attendance**

The following Federal Accounting Standards Advisory Board (FASAB or “the Board”) members were present throughout the meeting: Terry Patton (chair), R. Scott Bell, Eric Berman, Bob Dacey, Billy Morehead, and David Vaudt. Diane Dudley was not present. The executive director, Ms. Valentine, and FASAB counsel, Mr. Kirwan, were present throughout the meeting.

**Wednesday, April 29, 2026**

## Administrative Matters

- **Clippings and Updates**

Mr. Patton asked the members if there were any comments on the clippings provided by staff. He noted the article related to student loan activities being moved from the Department of Education to the Department of the Treasury and asked staff to continue to monitor these types of federal reporting entity reorganizations and abolishments. Ms. Valentine assured him that staff continues to monitor those activities.

Mr. Patton noted the list of outreach activities, the non-agenda topics memo, and the upcoming FASAB annual update training on June 2.

Mr. Patton recognized the two new members, Eric Berman and Billy Morehead, as well as the retirement of FASAB Executive Assistant Romona Parker Alexander. He also congratulated Mr. Bell and Mr. Dacey on the recent issuance of the fiscal year (FY) 2025 consolidated financial report of the U.S. Government.

Mr. Patton also noted the new FASAB structure. The restructuring includes moving from a membership of nine to seven members—one less non-federal member and one less federal member (the Office of Management and Budget [OMB]).

Ms. Roberta Reese, Governmental Accounting Standards Board (GASB) senior project manager, highlighted the following GASB projects:

- Infrastructure Assets – The GASB released an exposure draft (ED), *Infrastructure Assets*, in March 2026 with comments due in late June 2026. The GASB had previously released a preliminary views (PV) document in September 2024. The project is the result of research on capital assets. The proposed guidance would update the current guidance on accounting and financial reporting for infrastructure assets. The goal is to make the information (1) more comparable across governments and consistent over time, (2) more useful for making decisions and assessing government accountability, (3) more relevant to assessments of a government's economic condition, and (4) a better reflection of the capacity of those assets to provide service and how that capacity may change over time. GASB conducted three public hearings and one user forum to discuss feedback on the PV document.
- The proposed Statement defines infrastructure assets as capital assets that are part of a network of assets, are stationary in nature, and can be maintained or preserved for a significant number of years. Buildings that have a primary purpose that is integral to a network of infrastructure

assets but are only an ancillary part of that network would be considered infrastructure assets.

- The proposed Statement would require that if a component of an infrastructure asset has a cost that is significant in relation to the total cost of the infrastructure asset and the estimated useful life of that component is substantially different from the estimated useful life of the infrastructure asset, then that component would be considered a separate infrastructure asset in the determination of depreciation expense. This includes determining the estimated useful life and the required disclosures in the notes to the financial statements.
- In addition, the proposed Statement would require governments to divide information in note disclosures about infrastructure assets by their network.
- The ED includes alternative views from two members. In the first alternative view, the member believes that this Statement should provide more information that can be used to assess deferred maintenance of infrastructure assets. In the second alternative view, the member believes that componentization of infrastructure assets is too costly in relation to the total cost of the infrastructure asset. The member also believes that componentization is substantially different from the estimated useful life of the infrastructure asset to be considered a separate asset and depreciated at the estimated useful life of the component, rather than the estimated useful life of the infrastructure asset.
- Revenue and Expense Recognition – The objective of the project is to develop a comprehensive, principles-based model that would establish categorization, recognition, and measurement guidance applicable to a wide range of revenue and expense transactions. The GASB is reviewing feedback received on the June 2020 PV document and is working towards two EDs—one expected in the third quarter of 2027, the second in the fourth quarter of 2028, and a final Statement in the first quarter of 2031.
- Severe Financial Stress and Probable Dissolution Disclosures – The GASB issued a PV document in March 2025 that addresses issues related to disclosures for severe financial stress and probable dissolution (previously referred to as *going concern*), which are different. The comment period ended in June 2025. Severe financial stress is a condition where the government is near insolvency. Probable dissolution is a consideration of whether the government will continue as the same legal entity for at least 12 months beyond the date the financial statements are available to be issued. The GASB held three public forums on this topic between July and September 2025. More recently, the GASB has been deliberating on the term “going concern” and tentatively decided that the term should be eliminated from GASB guidance. Auditors seem to be

troubled by this because their literature links up with the term “going concern.” The GASB has tentatively decided to add a forward-looking assessment of insolvency as one aspect of the assessment of severe financial stress.

- Implementation Guide Update – The GASB is pursuing an implementation guide update that focuses solely on questions and answers related to the application of the definition of subsidies in GASB Statement No. 103, *Financial Reporting Model Improvements*. In February, an ED of a proposed implementation guide was issued for public comment; the comment period ended on April 27, 2026.
- Voluntary Digital Financial Reporting – The objective of the project is to develop one or more governmental digital taxonomies for generally accepted accounting principles (GAAP) financial reporting. The taxonomies that may result from this effort could be used by governments on a voluntary basis to report their GAAP financial statements in digital formats. The GASB is working towards a discussion memorandum to be issued later in the summer. Members expect it to address how to include the reporting entity and how to accommodate note disclosures. It will also address financial statements in the taxonomy, the structure for the government-wide statement of net position, and the governmental funds statement of revenues, expenditures, and changes in fund balance. There will be two different measurement focuses and bases of accounting. It will include some note disclosures to show how they would be handled in a taxonomy, as well as some of the required supplementary information (RSI).
- Research topics
  - GAAP structure: The objective for the first phase of the pre-agenda research was to evaluate the effectiveness of GASB’s current dual-authority approach to communicating a GAAP structure that includes both original pronouncements and codification. Based on the results of the first phase, the second phase of the research is intended to explore a single-authority structure, including whether and how it could be operationalized. The GASB issued a discussion memorandum in April 2026, and the comment period ends on August 31, 2026.
  - Pension / other post-employment benefits (OPEB) disclosures: The objective is to research existing pension and OPEB disclosures considering the requirements for essentiality in Concepts Statement No. 7, *Communication Methods in General Purpose External Financial*

*Reports That Contain Basic Financial Statements: Notes to Financial Statements.*

- Note disclosures for revenue and expense recognition: The project would bring in note disclosures and coincide with the revenue and expense recognition project.
- Monitoring topics
  - Digital assets: In the GASB chair's first quarter report for 2026, Joel Black noted that the topic of digital assets was ranked as one of the top three highest priorities. The GASB staff plans to develop a pre-agenda research proposal and technical plan on digital assets for members to discuss at the next meeting.

One member commented on GASB's pre-agenda research proposal on digital assets. The member noted that several states are incorporating digital assets into their public finance activities.

Another member commented that several states are adding bitcoin to their public finance activities.

Mr. Patton thanked Ms. Reese for keeping the Board informed of the GASB's activities.

Mr. George Scott, International Public Sector Accounting Standards Board (IPSASB) member, highlighted the following IPSASB activities/projects:

Mr. Scott noted that IPSASB last met in March in Toronto. The March meeting was the first for the new chair, Thomas Mueller, as well as four new members from Bolivia, Brazil, United Arab Emirates, and the United States.

- Presentation of Financial Statements – The project objective is to enhance the clarity of financial information reported in general purpose financial statements by replacing International Public Sector Accounting Standards (IPSAS) 1, *Presentation of Financial Statements*. The project is in the consultation paper development phase, and IPSASB approved it for exposure.
- Making Materiality Judgments – The project objective is to develop public sector non-authoritative guidance on making materiality judgments when preparing financial statements in accordance with IPSAS standards to better align with International Financial Reporting Standards (IFRS)

Practice Statement 2: *Making Materiality Judgements*. This project has a narrow scope, and the ED was approved for release.

- Improvements to IPSASs – The IPSASB considered potential amendments to IPSASs to better align with amendments to IFRSs. The IPSASB also considered potential public-sector-specific improvements.
  - Issues identified:
    - Supplier Finance Arrangements: A common practice in the public sector to warrant disclosure guidance.
    - Business combinations: (1) Narrow the guidance on the definition of “operation” in public sector combinations and introduce an optional concentration test to simplify the assessment of whether an acquired set of activities and assets is an operation. (2) Clarify the guidance on the recognition of provisions and contingent liabilities assumed as part of a public sector combination. Both EDs were approved for release.
    - Climate Related Disclosure – Phase 2, Public Policy Programs: The project objective is to support global action to combat climate change by providing principles for public sector climate-related disclosures that provide information for improved decision making and accountability. IPSASB discussed issues raised by respondents on the proposed Sustainability Reporting Standards in relation to climate-related public policy programs. The core text of disclosures would continue to be based on the framework from the task force on climate-related financial disclosures. IPSASB also agreed to modify guidance on disclosure to address public policy as opposed to public policy programs because of several concerns raised on the extensiveness of reporting.
- Measurement-Application of Current Operational Value to Intangibles: The project objective is to evaluate the applicability of the current operational value (COV) in IPSAS 31, *Intangible Assets*. COV is the amount an entity would pay for an asset’s remaining service potential in its current use rather than its highest and best use. IPSASB discussed the population of intangible assets in the public sector and the practical applicability of COV. The increasing value of rare earth minerals that exist on the seabed has increased the value of information that exists in maps of the ocean floor that are often held by public-sector entities.
- Post-Implementation Reviews of Existing Standards: The objective of the post-implementation review is to assess whether the effects of applying existing IPSASB pronouncements is as intended. Based on feedback and

as a pilot, the staff reviewed related party disclosures based on inquiries from stakeholders. Staff ultimately recommended that the IPSASB not proceed with the post-implementation review of IPSAS 20, *Related Party Disclosures*. IPSASB created the Financial Reporting Implementation Forum, which will meet quarterly to begin gathering stakeholder concerns and suggestions.

IPSASB's next meeting is in Washington, DC, from June 9-11.

Mr. Patton thanked Mr. Scott for keeping the Board informed of IPSASB's activities.

## Agenda Topics

- **Leases**

Mr. Perry, assistant director, introduced [topic A](#), providing an overview of the proposed pre-ballot ED on embedded leases and the additional feedback incorporated into the master document based on Board member feedback submitted to staff in advance of the meeting.

**Question 1 – Do members agree with staff recommendation #1 (items A1-A3) and the associated analysis? If not, which alternative(s), or combination thereof, do members favor?**

**Question 2 – Do members agree with staff recommendation #2 (items B1-B2) and the associated analysis? If not, which alternative(s), or combination thereof, do members favor?**

**Question 3 – Do members agree with staff recommendation #3 (items C1-C3) and the associated analysis?**

**a. Do members have any suggested revisions or improvements to the executive summary (item C1)?**

**b. Do members have any suggested revisions or additions to the questions for respondents (QFRs) or specific matters for comment (item C2)?**

**c. Do members have any suggested revisions or additions to the basis for conclusions (item C3)?**

Mr. Perry noted that members generally agreed with the updates throughout the draft, including items A1-C3 in their preliminary responses to questions 1-3 in the briefing material. He summarized pre-meeting updates to the draft, as follows:

- Proposed streamlining edits to the scope section to better align the content with the purpose of the section, with some of the stricken language moved to the basis for conclusions, paragraph A2

- A proposed clarifying edit to paragraph 77E, inserting the words “to apply”
- An additional proposed paragraph, 77F, and a related basis for conclusions discussion under paragraph A11
- An additional proposed basis for conclusions paragraph, A12, discussing the proposed rescission of paragraphs 96A-96E
- An additional proposed basis for conclusions paragraph, A13, discussing early implementation

The Board discussed the scope revisions and decision not to define the term “embedded leases” in the standards. Members agreed that a formal definition could create inconsistencies with the eligibility conditions contained in paragraph 77A.

The Board also discussed clarifying edits to paragraphs 77E-77F. Members agreed with the proposals and the basis outlined in the basis for conclusions paragraphs.

One Board member expressed concerns regarding permitting early implementation before the proposal would become authoritative. Specifically, the projected effective date outlined in the briefing materials would occur after the audited financial statements are expected to be issued. The Board discussed accelerating the timetable through an additional July meeting or removing the early implementation option. The Board agreed that removing the implementation option would be the most practical approach based on the accelerated timelines for issuance. Accordingly, the Board directed staff to remove proposed basis for conclusions paragraph A13 and any references to early implementation throughout the draft.

Members were supportive of the remainder of the ED presented, including the proposed executive summary, QFRs, standards, and basis for conclusions.

**Question 4 – Do members agree with staff recommendation #4 (regarding the project plan and timelines) and the associated analysis? Please provide feedback on the shortened balloting periods, 90-day comment period, and other considerations.**

Members discussed and expressed support for staff’s project plan, timelines for streamlining balloting procedures, and contingencies for extending balloting timelines, consistent with the Rules of Procedure, if such extensions become unexpectedly necessary.

Mr. Patton instructed staff to implement the changes agreed to by the Board and return to the Board with an updated pre-ballot draft later in the meeting for additional review prior to the distribution of ballot copies and member ballots.

- **Intangible Assets/Software Technology**

Mr. Williams, assistant director, introduced [topic B](#) by explaining that the objective of the meeting is for the Board to review and consider the following staff recommendations:

- Accounting guidance for impairment of intangible assets and internal use software (IUS)
- Accounting guidance for multiple-element arrangements

Mr. Williams said that staff was requesting the Board's feedback on the recommendations.

**Question 1 – Does the Board agree with staff's recommended accounting guidance for intangible asset and IUS impairment? Please provide your feedback on staff's analysis and recommendation.**

The Board agreed with staff's recommended accounting guidance for intangible asset and IUS impairment. Based on member suggestions, the Board agreed to the following edits to the recommended guidance:

- Streamline language in paragraph X3 so that the guidance directly states that management may identify impairment as conspicuous events or changes in circumstances arise, and they are not required to perform periodic assessments. Additionally, remove "oversight entities" and "others" to emphasize that management is responsible for identifying impairment.
- Move the last sentence in paragraph X5 to the first sentence so the paragraph addresses the actionable guidance for preparers upfront.
- Remove "inflation-adjusted" from paragraph X7.a. and add language that more directly explains that reporting entities should deflate the cost to acquire an intangible asset that would provide similar remaining service capacity of the impaired asset, back to the period the entity initially acquired the impaired asset.
- Edit paragraph X8 to more concisely say that reporting entities should consider updating the useful life of an impaired intangible asset, regardless of if they are able to measure the impairment in accordance with paragraph X7.
- Edit the first sentence of paragraph X10 so the guidance clarifies that software assets should be "considered" for impairment in accordance with paragraphs X3-X6.

**Question 2 – Does the Board agree with staff’s recommended accounting guidance for multiple-element arrangements? Please provide your feedback on staff’s analysis and recommendation.**

The Board agreed with staff’s recommended accounting guidance for multiple-element arrangements. Based on member suggestions, the Board agreed to the following edits to the recommended guidance:

- Add “For example,” to the beginning of the last sentence in paragraph Y2 to emphasize that price discounts are just one potential scenario where reporting entities may have to estimate cost allocations for multiple-element arrangements.

Mr. Williams said that he would implement the edits for inclusion in the draft Statement. He said that staff next planned to recommend accounting guidance updates, as needed, for capitalization threshold, integrated software, and multiuse software.

- **Annual Report**

Ms. Valentine introduced the FY 2025 annual report comments discussion from [topic D](#) of the briefing materials.

Ms. Valentine noted that FASAB had issued its FY 2025 annual report and three-year plan on January 16, 2026, with comments requested by March 13, 2026. Staff received seven comment letters on the annual report from various federal entities and professional organizations. Ms. Valentine gave an overview of the comments received on the current projects and outreach and training.

Ms. Valentine noted that, based on staff’s assessment of the annual report responses, the progress of the current technical projects, and the current staffing level, staff does not recommend any change to the Board’s current technical agenda. Staff will also continue to monitor changes occurring in the federal environment. Staff plans to continue its outreach and training efforts.

Mr. Patton asked the members to respond to the questions staff had posed to the Board.

**Question 1 – Does the Board want to follow up with any of the respondents to get further information or clarity on their comments?**

**Question 2 – Does the Board agree with staff’s assessment of the responses, recommendations, and planned actions?**

**Question 3 – Does the Board have other specific comments on any of the responses?**

One member noted the lower-than-normal response rate to the annual report and three-year plan. The member suggested emphasizing the opportunity for the community to provide feedback to the Board on its three-year plan when marketing the annual report.

The members agreed with staff's recommendation not to make any change at this time to the Board's current technical agenda, to continue monitoring changes occurring in the federal environment, and to continue its outreach and training efforts

The meeting adjourned for lunch.

- **Proposed P3 Implementation Technical Release**

Mr. Savini, assistant director, introduced [topic C](#) by providing a historical overview of the project and introducing key task force members who helped craft the risk-based disclosure requirement. Staff noted that the public-private partnerships (P3s) project began 14 years ago in 2012 to address concerns about the breadth of reporting required for what are often considered alternative financing arrangements that are off-budget and/or off-balance sheet. The purpose of Statement of Federal Financial Accounting Standards (SFFAS) 49, *Public-Private Partnerships: Disclosure Requirements*, was to solicit disclosures regarding risks associated with P3s leveraged by agencies to manage budget shortfalls and unfunded mandates. SFFAS 49 was designed to narrowly identify material P3s requiring measurement before commencing with the project's second phase addressing measurement and recognition.

Staff explained that the key discussion point being finalized in the Technical Release (TR) titled *Implementation Guidance for Public-Private Partnerships* concerns a dissent prepared by the Government Accountability Office's (GAO) Mr. Joe O'Neill. Mr. O'Neill is a member of the Accounting Standards Implementation Committee (ASIC). Mr. Dacey explained that Mr. O'Neill's point is that if a "private" partner is legally separate but under the federal government's authority and control, it might be illogical to report P3 risks when those risks remain within the same reporting entity. Mr. Savini noted that footnote 6 of SFFAS 49 was not meant to define a reporting boundary but rather to simply exclude public entities from SFFAS 49's scope.

Staff then reviewed the proposed rephrasing of a question and answer in the TR, removing the modifier "private" from certain paragraphs to clarify that consolidated entities must still consider SFFAS 49 requirements if a P3 arrangement exists.

**Question 1 – Does the Board agree with staff's proposed recommended edits to the TR?**

Except for Mr. Dacey, who abstained, a majority of the Board did not object to staff's recommended edits. Members noted that while entities might be consolidated for financial reporting, they remain legally separate. This distinction is critical for understanding the risks and rewards of a partnership. Some members noted that more complex issues regarding the definition and scope of P3s should be addressed in the

second phase of the project. The Board expressed appreciation for the long-term efforts of the task force. A majority of members did not object to the draft TR.

Staff's next step is to reengage with the ASIC to ensure agreement on the revisions approved by the Board, including the ASIC member's dissent. The dissenting member will also have an opportunity to either retract, revise, or keep his dissent.

- **Leases (continued)**

Mr. Perry introduced additional edits to the ballot draft following the Board's morning discussion, including the revisions to QFR 3 and the removal of paragraph A13 from the basis for conclusions.

The Board also discussed language describing anticipated implementation cost reductions and concluded that the proposed wording was acceptable at the ED stage.

Members agreed to proceed with balloting. Mr. Perry indicated that members would receive both clean and marked ballot copies, along with ballots for submission. He noted that staff would release the ED for comment on Friday, provided that a majority of members submitted approval ballots.

## **Adjournment**

The Board meeting adjourned for the day at 1:45 p.m.

- **Steering Committee Meeting**

The Committee discussed FASAB's proposed FY 2027 budget, as well as other administrative matters.

## **Thursday, April 30, 2026**

### **Agenda Topics**

- **MD&A SIG 64.1**

Ms. Gilliam, assistant director, introduced [topic E](#) by noting that FASAB had issued SFFAS 64, *Management's Discussion and Analysis*, on September 27, 2024. Ms. Gilliam then reviewed the timeline thus far for developing the proposed Staff Implementation Guidance (SIG) 64.1 for SFFAS 64.

From February through May 2025, staff provided implementation training for over 35 federal reporting entities and collected questions to draft the proposed SIG 64.1 ED. From July through August 2025, staff drafted the proposed SIG 64.1 ED with the questions, implementation guidance, and examples. Then three project managers reviewed the document, and the executive director and chair approved it for public review.

On September 4, 2025, staff held a public meeting to review the draft proposed SIG 64.1 ED. Approximately 150 people attended the public meeting from over 50 federal entities and organizations. Attendees provided feedback to 14 polling questions to advise staff on what to update in the ED.

Staff released the SIG 64.1 ED on January 13, 2026, for a 60-day comment period. Staff reviewed 19 comment letters and updated the final proposed SIG 64.1 using this feedback. Members reviewed this draft prior to the meeting.

**Question 1 – Does the proposed final SIG 64.1 provide adequate implementation guidance for SFFAS 64, *Management’s Discussion and Analysis*?**

Ms. Gilliam thanked the members for their preliminary responses. She had incorporated these preliminary comments and edits into the document prior to the session.

Ms. Gilliam reviewed the following implementation guidance topics in the proposed SIG 64.1 with members for additional comments and edits:

Significant

Members agreed to remove “material” because the Board chose not to use that term in SFFAS 64. SFFAS 64 uses the term “significant” instead because a topic in management’s discussion and analysis (MD&A) can be significant without being material. Management uses judgment to determine what is significant.

Members updated the examples to explain how management may discuss and analyze information that is considered significant in MD&A.

**Topics for presenting information in MD&A**

Members agreed to add a reference to performance and accountability reports (PARs) because agencies may include an MD&A in an agency financial report or a PAR.

Maximum number of pages

Members agreed to change “maximum” to “specific” to state that SFFAS 64 does not recommend a specific number of pages or page reduction for MD&As. Members agreed to add “to tell its story” to emphasize that as agencies gain experience with applying the broad, principles-based standards of balanced, concise, integrated and understandable, telling a streamlined story will likely lead to fewer pages and reduce preparer burden.

Balanced

Members agreed to clarify how agencies should include both positive and negative effects to achieve a balanced MD&A. Members updated the examples to show both positive and negative effects.

Concise

Members agreed to update implementation guidance for vital few matters, relevant information, and how to limit duplicative content.

### Integrated

Members agreed to explain integrating information as a “cohesive story, where management may consider integrating budgetary, financial, and key performance information, and how it is leveraging significant opportunities and mitigating significant risks in accordance with the statement of net cost breakout, such as by “major” program or strategic goals and objectives.”

Members updated the examples for how to integrate information in MD&A for different types of reporting entities, such as ones with and without key organizational components.

### Understandable

Members updated the examples with more specifics, such as adding a heading for the internal control assessment or a graph that could help explain quantitative information for a trend.

### Information discussed and analyzed in an MD&A

Members agreed to restructure the lead-in sentence for the topics by removing specific SFFAS 64 content and instead adding a parenthetical reference.

### Mission and organization

Members changed the example to read, “...and indicate where more details are in the reporting entity’s webpage,” instead of “...with reference to relevant details in the reporting entity’s webpage.”

### Financial position

Members removed “significant” from “causes.”

### Years for trend reporting

Members requested a new chart to better represent a trend. Members agreed to update the example to “request informative information ... to show when a significant change in assets, liabilities, net position, costs, revenues, budgetary resources, or financing sources happened.”

Members updated the paragraph on providing a summary discussion that explains when and why significant changes affected the agency’s financial position, as well as what steps management is taking to manage the trend to maintain or achieve positive results.

### Financial condition

Members approved the new example on business-type activity, which includes a footnote referencing the definition from the FASAB Handbook. Members requested that staff add a line chart.

### Performance results and associated costs

Members had no additional comments or edits.

### Forward-looking information

Members updated the question to ask whether SFFAS 64 requires forward-looking information in a separate section. Members updated the implementation guidance to clarify that SFFAS 64 requires forward-looking information through a discussion of significant opportunities and risks, although not in a separate section.

### Significant opportunities and risks

Members had no additional comments or edits.

### Systems, controls, and legal compliance

Members updated the question to ask whether SFFAS 64 requires systems, controls, and legal compliance information in a separate section. Members updated the guidance to explicitly say that SFFAS 64 does not require systems, controls, and legal compliance information in a separate section.

### Statement of social insurance in MD&A

Members had no additional comments or edits.

### Basis for conclusions

Members did not object to staff streamlining the basis for conclusions.

**Next steps:** Members requested an updated draft proposed SIG 64.1—track changes and clean versions—with the edits from the session prior to the 15-day review and vote. If a majority of the Board does not object during the 15-day review, then the executive director will publish the SIG 64.1.

- **Direct Loan/Loan Guarantee Disclosures**

Mr. Robinson, analyst, introduced [topic F](#) by stating that the objective of the meeting was to update the Board on staff's research and outreach efforts in 2025. He then recapped the objectives of the direct loans and loan guarantees disclosures project and staff's research process.

Mr. Robinson gave an overview of the feedback received from the following stakeholder groups:

- Congressional stakeholders
- Auditors
- Federal entity preparers
- GAO
- OMB

Mr. Robinson then discussed the loan disclosure task force's composition and the feedback received from the task force on improving, streamlining, and clarifying the loan note disclosures. He highlighted the loan disclosure requirements that the task force believed were the most burdensome and were candidates for potential change. He also highlighted areas that were identified that could add value to the loan disclosure.

Mr. Robinson then discussed the potential alternatives to reduce the length and complexity of the loan note disclosure based on research. The two alternatives presented to the Board for discussion were:

Alternative A: Eliminate/streamline certain loan disclosure requirements

Alternative B: Relocate certain loan disclosure requirements to RSI instead of basic information

Mr. Robinson discussed the costs and benefits of the presented alternatives and then explained his rationale for recommending alternative B (RSI). He then summarized the Board members' preliminary views on the alternatives presented.

**Question 1 – Does the Board agree with staff's recommendation to consider alternative B and the associated analysis? If not, do members prefer alternative A staff presented or any other alternative? Please explain your rationale.**

**Question 2 – Does the Board have any concerns or suggestions for staff and the task force to consider while proceeding with the project?**

The Board's consensus was to explore a combination of alternatives A and B. Several members remarked that the alternatives presented should not be viewed as mutually exclusive. The hybrid approach discussed by Board members was referred to as "alternative C."

For alternative C, staff would perform a more detailed analysis of the loan disclosure requirements under consideration for change and present it 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 members suggested the type of research and analysis staff should consider when working on the proposal for alternative C.

One member mentioned that staff should use the government-wide note disclosure as a baseline to begin identifying the disclosure requirements that should be in agency loan disclosures. The member also suggested analyzing which loan disclosure information is currently found in other informational sources, such as the *Federal Credit Supplement*.

Another member suggested that, when evaluating whether loan disclosure requirements should be changed, it is important to do so on an individual basis. It is important to evaluate each disclosure based on the reason for the requirement, the informational value the requirement was intended to provide, what may have changed from then to now, and whether the Board believes the current disclosures adequately address the disclosure requirements.

Another Board member suggested that staff work through a reporting entity disclosure to provide a visual of proposed changes to the loan disclosure. This would make it easier for Board members with less experience with credit reform to better conceptualize the potential changes to the loan disclosure.

Several members also discussed improving the narrative portions of the loan disclosure to provide better informational value to the reader.

## **Adjournment**

The Board meeting adjourned for the day at 12:30 p.m.