

**30<sup>th</sup> Anniversary Issue**

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The views expressed in this newsletter are the authors' views. Official positions of the Federal Accounting Standards Advisory Board are determined only after extensive due process and deliberations.

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## **FASAB Celebrates 30 Years**

October 10, 2020, marked the 30th anniversary of the Federal Accounting Standards Advisory Board (FASAB). As we reflect on the last three decades, it is clear that FASAB has built upon its historic beginnings to meet the needs of the federal financial management community it was created to serve.

Thank you for being part of the federal financial community and for your continued support of FASAB. We look forward to continuing to serve you.

### **Events in FASAB's History**

#### **1990-1999**

**October 10, 1990** – The U.S. Department of the Treasury, the Office of Management and Budget, and the Government Accountability Office jointly agree to sponsor FASAB by signing a Memorandum of Understanding.

**November 15, 1990** – The Chief Financial Officers Act is signed into law.

**January 18, 1991** – FASAB's sponsors name members, including Elmer Staats as chair.

**January 25, 1991** – FASAB holds its first meeting.

**March 30, 1993** – FASAB issues SFFAS 1, *Accounting for Selected Assets and Liabilities*.

**September 2, 1993** – FASAB issues SFFAC 1, *Objectives of Federal Financial Reporting*.

**January 20, 1997** – Wendy Payne is selected as the second executive director of FASAB.

**February 1, 1997** – David Mosso becomes the second chair of FASAB.

**May 1997** – The Accounting and Auditing Policy Committee is organized by OMB, GAO, Treasury, the Chief Financial Officers' Council (CFOC), and the Council of the Inspectors General on Integrity and Efficiency (CIGIE) (formally the President's Council on Integrity and Efficiency [PCIE]), as a new body to research accounting and auditing issues requiring guidance.

**October 19, 1999** – The American Institute of Certified Public Accountants' (AICPA) Council designates FASAB as the accounting standards-setting body for federal government entities under Rule 203 of the AICPA's Code of Professional Conduct.

#### 2000-2010

**January 11, 2002** – FASAB sponsors revise the Memorandum of Understanding to increase the number of public members on the board from three to six, decrease the number of federal government members from six to three, and provide for terms of up to 10 years.

**May 23, 2004** – AICPA Council unanimously votes to continue FASAB's status as a Rule 203 standard-setting authority.

**September 19, 2005 – December 6, 2005** – FASAB staff hold roundtables on budgetary integrity, operating performance, stewardship, and systems and control.

**November 2, 2006** – FASAB issues *FASAB's Strategic Directions—Clarifying FASAB's Near-Term Role in Achieving the Objectives of Federal Financial Reporting*.

**January 1, 2007** – Tom Allen becomes the third chair of FASAB.

**August 21, 2008** – FASAB hosts its first joint meeting with the Governmental Accounting Standards Board.

#### 2011-2020

**March 14, 2011** – FASAB issues its first annual report.

**January 11, 2012** – FASAB issues its first three-year plan.

**July 19, 2012** – FASAB updates its mission statement.

**January 1, 2016** – D. Scott Showalter becomes the fourth chair of FASAB.

**November 28, 2016** – FASAB releases a survey to gather stakeholders' opinions on priorities for the future and the reporting model and performance reporting projects.

**March 14, 2019** – Monica Valentine is selected as the third executive director of FASAB.

**July 1, 2019** – George Scott becomes the fifth chair of FASAB.

**April 23, 2020** – FASAB hosts its first virtual meeting because of COVID-19.

30 Years of FASAB Issuances			
	1991-2000	2001-2010	2011-2020
SSFACs	1-3	4-6	7-9
SFFASs	1-18	19-39	40-58
Interpretations	1-5	6-7	8-9
Technical Bulletins		TB 2000-1 – TB 2009-1	TB 2011-1 – TB 2020-1
Technical Releases	1-4	5-9	10-19
Staff Implementation Guidance		SIG 23.1, SIG 31.1	SIG 6.1

# Messages of Congratulations

## **Gene Dodaro, Comptroller General of the United States, Government Accountability Office**

I am Gene Dodaro, the Comptroller General of the United States and the head of the Government Accountability Office. On behalf of everyone here at GAO, I would like to extend our very best wishes to the Federal Accounting Standards Advisory Board as it celebrates its 30th anniversary.

FASAB can be justly proud of its record of accomplishments since its creation in 1990. Over the last 30 years, FASAB has played a vital role in improving federal financial management. The Board's efforts to issue a set of accounting standards and related guidance have helped deliver greater transparency and accountability over the federal government's operations, financial condition, and outlook.

FASAB accounting standards were vital to realizing the CFO Act's goal of providing complete, reliable, consistent, and timely financial information. Financial statements prepared using accrual-based accounting standards provide key information that complements the primarily cash-based budget. The consistent application of accounting standards also helps ensure comparability of financial data across the government and helps promote uniform recording and reporting of financial activities.

In 1999, the American Institute of Certified Public Accountants recognized FASAB as the standard setter for generally accepted accounting principles for federal government entities. Your leadership in this area continues to impress.

In particular, I would like to commend your development of accounting standards tailored to the needs of the federal environment. The federal government faces large and growing structural deficits partly due to rising health care costs and our aging population. The sustainability financial statements FASAB developed for the government as a whole, as well as for social insurance programs like Social Security and Medicare, provide important information on the federal government's long-term fiscal outlook and the sustainability of its finances. The sustainability financial statements are critical to helping policy makers understand what challenges lie ahead for the federal government so that they can make informed fiscal policy decisions.

I am greatly encouraged by FASAB's continuing efforts to improve the usefulness of financial reports. I know you're taking a look at the financial reporting model, management's discussion and analysis, and note disclosures. Going forward, there may also be opportunities for FASAB to partner with others in the financial management community on ways to better link performance and cost information for decision-making.

Again, I would like to congratulate FASAB on this important milestone. Thank you for all you do to help our government work better. And happy birthday FASAB!

## **Tom Armstrong, General Counsel, Government Accountability Office**

Thanks for including me in your appeal for remembrances of FASAB's first thirty years. Not only was I the Board's Counsel for its first ten years, I was the lawyer who helped execute the idea for the Board, pursuing negotiations and founding documents as we organized the Board and helping to steer the Board during its formative years.

The Board was the vision of Comptroller General Chuck Bowsher and his Special Assistant, Milt Socolar. Their vision for the Board then remains the overarching objective of the Board today - - to enhance transparency and accountability of the federal government to Congress and the American people for the trillions of dollars of public funds entrusted annually to the various government agencies. (It is worth noting, I believe, that Comptroller General Bowsher worked tirelessly, as well, for enactment of the Chief Financial Officers Act.) It is a timeless objective, and most important today as our government leads the country through these unprecedented times.

To ensure the Board's credibility and the acceptance of the Board's standards, Mr. Bowsher convinced the Office of Management and Budget, together with the Department of the Treasury and the Congressional Budget Office, to agree to roles as organizing members. Department of Defense participation on the Board was important, too, obviously, given the large percentage of the federal budget dedicated to funding DOD. The constitution of the Board changed, of course, after it had firmly established itself within government, and especially on the Hill, to broaden acceptance of its standards. But, the original constitution of the Board was critically important to its early acceptance within the government. As with most organizations, there were growing pains, but the commitment of the founding members and the early participants to transparency and accountability sustained the Board through its formative years.

Congratulations to the Board as it celebrates its thirtieth – a productive, momentous thirty years!

**R. Scott Bell, Board Member, U.S. Department of the Treasury**

The Chief Financial Officers Act of 1990 transformed federal financial management and accountability. Over the past thirty years, the Federal Accounting Standards Advisory Board has played an integral role in that transformation, providing the critical foundation for effectively and reliably communicating the financial position and condition of federal agencies and the U.S. government as a whole. From the fundamental accounting building blocks of assets, liabilities, revenues, and costs, to uniquely federal topics, including social insurance and fiscal sustainability, FASAB has provided for a more informed public about federal finances. Looking ahead, in an era of rapidly evolving technologies and exponential growth in the availability and use of data, the accounting and accountability infrastructure established by FASAB will continue to be an important part of the future of federal financial management.

**American Institute of Certified Public Accountants**

The American Institute of Certified Public Accountants would like to congratulate FASAB on its 30-year anniversary. We greatly appreciate the open lines of communication between our organizations over the years and the collaborative spirit and hard work done by FASAB to become recognized by the AICPA as the Rule 203 standard-setting body that establishes generally accepted accounting principles for the Federal government.

If we had to pick one word to sum up FASAB it would be "dedication." That is, dedication to the Board's mission, its technical work, and ultimately, serving the public interest. We are confident that FASAB will continue to take on important issues and further the good work done during its first 30 years. We look forward to continuing the partnership we have had with FASAB over the years and wish the Board and staff a hearty congratulations on a job well done!

**Sallyanne Harper, Non-federal Board Member, 2019 - Present**

As one of the newest FASAB members, I have come to appreciate the amount of effort that goes into assuring transparency and due process in all of the FASAB work. FASAB is committed to improving government accountability through the federal accounting and reporting standards it issues. In strengthening its efforts to engage the federal accounting and financial reporting community, outside experts, and importantly, users of federal financial information, FASAB engages the diversity of perspectives and experience of those most knowledgeable about the issues under consideration by the Board. This diversity of perspective and experience is reflected in the composition of the Board itself and strengthens the work of the board.

I also appreciate the support the Board receives from its Executive Director, small but highly skilled and knowledgeable staff, as well as the AAPC and taskforce members. The issues under FASAB consideration are important ones and the time and commitment of the individuals and communities which engage on these issues inform the ultimate decisions reached by the Board. When that happens, we are all better served.

# FASAB Reflects on 30 Years

We asked current and former Board members and staff, as well as other friends of FASAB, questions about FASAB's accomplishments and where they see FASAB going in the future. (Some responses have been edited for clarity and brevity.)

## What do you believe is FASAB's most significant contribution to improving federal financial management?

Standardization of financial statements. Facilitates comparison.

–**Robert Reid**, *former FASAB member*

FASAB provides a forum for accounting professionals to collaborate and develop timely solutions and approaches within existing federal financial management literature – credibility and integrity.

–**Donjette Gilmore**, *former AAPC member*

Elevation of federal financial reporting to be equivalent to (if not better than) financial reporting of other organizations. In doing so, FASAB has facilitated the sharing of decision useful information to the federal government's stakeholders.

–**D. Scott Showalter**, *former FASAB chair*

Although neither the Consolidated Financial Report nor agency reports are as widely read as they should be, the requirement that they adhere to FASAB standards imposes accounting and reporting discipline upon the preparers. Lacking such discipline, there would be little fiscal accountability.

–**Michael Granof**, *former FASAB member*

FASAB establishes generally accepted accounting principles through a deliberative, nonpartisan, and professional process that provides clarity and understanding to the financial affairs of the federal government.

–**Sam McCall**, *former FASAB member*

The Board has significantly contributed to improved professional Federal financial management through related "due process" developed and promulgated concepts and standards guidance.

–**Ken Winters**, *former FASAB member*

Serving as the catalyst of Generally Accepted Accounting Principles (GAAP) for the U.S. Federal Government that has led to improved transparency of financial statements and accountability of taxpayer funded programs, both cornerstones of a representative democracy.

–**Josh Williams**, *FASAB staff member*

The general acceptance and understanding of FASAB's standards by the federal government accountability community. FASAB earned acceptance of its standards by listening to the community and being willing to break new ground through patient reflection of what made sense for the federal government and by always operating with the utmost of integrity and professionalism.

–**Jeff Steinhoff**, *former FASAB task force member*

I believe that achieving recognition as a GAAP standards body is overall the most significant contribution as it provides the foundation for credibility, independence and ultimately trust.

–**Don Hammond**, *former FASAB member*

The issuance of SFFAS 36 *Comprehensive Long Term Projections for the U. S. Government*. An income statement and balance sheet is fine for reporting financial results and position. This enables stakeholders to understand how an entity did for the year and will be able to perform in future years. But governments exist in perpetuity, rather than year-to-year. And our government is willing to take on responsibilities without regard to the financial implications. The Statement of Long Term Fiscal Projection for the U. S. Government and the accompanying required supplementary information, which resulted from SFFAS 36, reveals the future financial impact of the government's actions. This is far more important information than information that reports what happened in a single year. Now if the decision makers would only devote more attention to that statement.

–**Hal Steinberg**, *former FASAB member*

Reporting government activities and their economic effects using the accrual form of accounting so that users have an additional perspective to judge government performance.

–**Domenic Savini**, *FASAB staff member*

The Board continues to be willing to expand the boundaries of federal financial reporting to increase the relevance of the annual financial report and improve the transparency of financial activity for the users. A great example is fiscal sustainability reporting. By providing long term financial projections in the annual report, a user is able to assess the sustainability of public services and increase understanding of possible future financial, social, and political implications.

–**George Scott**, *FASAB chair*



Public accountability is different than federal financial management although good accounting and financial management standards should help improve financial management. That said - during the FASAB's 30 year history the most important and also most contentious projects have been the ones trying to focus on the federal governments ever increasing social insurance obligations; both the magnitude of these obligations and the amount of change in these obligations during a fiscal year. These issues received much attention before the time I was on the Board and during my tenure on the Board. After several/many contentious years of debate, public hearing, and compromise, much good information on these issues was presented in Statements 36 and 37. However much of the understandability and accordingly public accountability of Statement 36 (which deals with federal financial sustainability) was lost as federal agencies presenting this information did so as a percentage of GDP rather than percentages of increased taxes or expenditures as illustrated in the standard. Hopefully FASAB in the future will require presentation of this sustainability information as it was illustrated in the Standard. And the most important standard FASAB could issue sometime in the future would be to recognize these obligations and annual changes in these obligations as an integral part of the Federal Balance Sheet and Statement of Operations. While all FASAB standards are dealing with important issues of accountability, others I remember focusing a lot of time on included; trying to get to a practical starting point for fixed asset accountability such as statement 35 and others. Also statement 47 on the federal reporting entity was a challenging yet important statement for accountability.

–**Tom Allen**, *former FASAB chair*

Silo busting! FASAB helped to breakdown the silos that previously limited financial reporting and management. In the pre-CFO Act era, budgetary reporting was it. Period. Each functional area then owned its own information and decided what to track or not track. FASAB's adoption of a full accrual accounting model ensured information across all the usual functional silos had to be "improved." Improving meant standardizing information, establishing internal controls, and bringing information together in a comparable and understandable manner. Day-to-day decisions about resources and obligations became relevant to the CFO office because these decisions affect financial reports. Over time, the CFO office had to become the trustee of financial information to ensure a successful annual compliance exercise. This improved the quality of information for financial reports as well as for financial management.

–**Wendy Payne**, *former executive director*

I believe FASAB's most significant contribution is having been an integral part of the process, since the CFO Act of 1990, to vastly improve the integrity and quality of federal agency financial data. Most federal entities now receive unmodified audit opinions on their annual accrual-basis financial reports, something that would have been astonishing in 1990 when all we had was GAO's Title II for principles and Treasury's creaky annual accrual-type financial statements. (We had the flickering light of Treasury's "prototype" Financial Report of the United States Government though, first developed in the late 1970s by Fiscal Assistant Secretary and future FASB member and FASAB chairman David Mosso, which had Alexander Hamilton's picture on the cover, if memory serves.) Moreover, the integrity and quality of all federal agency financial data, whether it is for the US Standard General Ledger, Treasury Central Accounting System, or other purposes, is now trustworthy.

–**Richard Fontenrose**, *former FASAB staff member*

FASAB has worked diligently to improve federal financial management by issuing relevant accounting standards and providing guidance that meets the needs of internal and external users of federal financial information.

–**Gila Bronner**, *FASAB member*

FASAB provided a framework and accounting standards to make the federal government's finances more transparent and accountable to its citizens.

–**Melissa Batchelor**, *FASAB staff member*

## **What do you see as FASAB's role in most effectively improving federal financial management in the future?**

Being attentive to the needs of the Federal government's stakeholders and using emerging trends in financial reporting to meet those needs. In many instances and as they have done in the past, FASAB will need to lead those efforts.

–**D. Scott Showalter**, *former FASAB chair*

I believe FASAB serves the government accounting community as an authoritative yet collaborative entity. FASAB allows organizations to present real time, everyday accounting challenges.

–**Donnette Gilmore**, *former AAPC member*

Further expanding the aperture of federal financial reporting to online, real-time public reporting that captures the attention of the public.

–**Jeff Steinhoff**, *former FASAB task force member*

Enhancing the link between financial and performance measures.

–**Michael Granof**, *former FASAB member*

The Board should continue to improve Federal financial management through related expanded guidance on improved Federal financial accountability, including integrated financial and performance information/insights and independent validation.

–**Ken Winters**, *former FASAB member*

Going forward FASAB should continue to build on this foundation to facilitate transparent and comprehensible financial information. The federal government's finances are increasingly complex and being able to support the work policy makers and financial educators are doing will be critical.

–**Don Hammond**, *former FASAB member*

Continue to improve the framework and accounting standards by developing standards for any voids identified in existing standards, reconsider existing standards when necessary, and assist the financial management community with implementation issues identified.

–**Melissa Batchelor**, *FASAB staff member*

Recognize the areas in which current accounting policies do not result in full, fair, and CONSISTENT exposure of operating practices. Since the genesis of the government's financial record keeping has been accounting for the allocation of funds (the budget) and then execution of the budget, there are too many instances where the accounting reflects what is required by the appropriations statutes and not what is happening economically. Moreover, since the statutes for the same type of activity can differ among agencies, the accounting policies for the same type of action is accounted for differently. Developing accounting standards that reveal the financial/economic impact of these budgetary actions and assure that the presentations are comparable among the agencies will help the Congress and other stakeholders make better decisions.

–**Hal Steinberg**, *former FASAB member*

FASAB improving accountability in the future. I think most important are those sustainability / social insurance issues I mentioned previously and the need to more fully integrate that information into the federal governments Basic Financial Statements. I also think the issue of Tax Expenditures is very important for financial accountability. The Board was working on this issue as I left and later issued Statement 52 which encourages a lot of very good information that I believe in the future should be more specific and integrated into basic financial statements or RSI.

–**Tom Allen**, *former FASAB chair*

FASAB should continue publishing GAAP with specific consideration to the cost-benefit relationship of the effort and resources required for preparers to account for the financial condition of U.S. Government agencies versus the ultimate benefit that is provided to users (for example, taxpayers and congressional committees) of that information.

–**Josh Williams**, *FASAB staff member*

Continuing to monitor and respond to the accounting and financial reporting challenges facing federal agencies and their internal and external stakeholders through the continued issuance and clarification of relevant accounting standards, interpretations, and other technical memoranda.

–**Gila Bronner**, *FASAB member*

Lasting improvements in financial management require the CFO to transition from the role of information trustee to that of information purveyor. An information trustee ensures compliance with financial and budgetary reporting requirements. An information purveyor creates information that is useful to managers within the organization. There are signs that this key transition is happening in some – hopefully many – agencies.

FASAB's role is all about external financial reporting—creating compliance requirements. As such, FASAB efforts may be viewed as deterring progress on managerial improvements. However, it's important to remember the role of standards and audits in ensuring the availability of high-quality information—information purveyors providing low quality information are unlikely to remain in business. To aid the CFO in its transition, the FASAB could:

- a. increase the quality and quantity of implementation guidance and educational resources to limit the burden of compliance
- b. aid in developing and explaining metrics useful to external and internal users through its management's discussion and analysis Project
- c. develop educational materials to aid users of information in understanding financial reports

FASAB members and staff are well equipped for these efforts and can offer valuable insights to the community.

–**Wendy Payne**, *former executive director*

FASAB's role in most effectively improving federal financial management has been in focusing attention on the best concepts for federal financial accounting and reporting, starting with objectives of accounting and reporting and the users' needs and progressing to financial reporting elements and recognition and now the reporting model's effectiveness. Best practices string from such concepts.

–**Richard Fontenrose**, *former FASAB staff member*

As FASAB broadens its outreach with other standard setters, and, more importantly, preparers and users, the Board will be able to adjust rapidly to the needs of all users of the financial reports to fulfill the mission of the Board.

–**George Scott**, *FASAB chair*

To establish generally accepted accounting principles that guide the reporting of financial information that can be understood by all branches and levels of government, by citizens, and other users.

–**Sam McCall**, *former FASAB member*

Partnering more closely with the preparer and audit communities to help decrease burden by thoroughly reviewing existing standards while increasing greater financial transparency, consistency in GAAP application and comparability.

–**Domenic Savini**, *FASAB staff member*

## What was your most rewarding FASAB experience or project that you contributed to?

My most rewarding experience was working with and learning from both Board members and staff, all of whom were exceeding intelligent, knowledgeable of accounting as well as the federal government, and dedicated to improving federal fiscal management.

–**Michael Granof**, *former FASAB member*

The Land Project stands out as the one that really resonates with me and, for which I have been involved, soup to nuts, and still going! The Land project focuses on how the federal government classifies, values, and presents federal land holdings. It is also a project that directly or indirectly is on the minds of many Americans as they explore our great nation during this COVID-19 period, experiencing national parks and other lands across the country, that are owned and managed by the federal government.

–**Gila Bronner**, *FASAB member*

Contributions to the Board's Managerial Cost Accounting and Social Insurance guidance.

–**Ken Winters**, *former FASAB member*

Recognition by AICPA.

–**Robert Reid**, *former FASAB member*

I would say SFFAS 36 *Comprehensive Long Term Projections for the U. S. Government* for the reasons cited above.

–**Hal Steinberg**, *former FASAB member*

I helped the Board develop standards for federal liabilities in the mid-1990s, including pension and other retirement benefits. And I staffed the Board's long battles over the most appropriate accounting and reporting of Social Security and other social insurance programs. I remember when the Board was criticized for even using the words "social insurance." Sometimes in the early days at least one staff member would get objections to referring to FASAB work as being "in the public interest." But it was and is.

–**Richard Fontenrose**, *former FASAB staff member*

The initial standard for Social Insurance was an incredibly rewarding experience. While the standard has evolved greatly, being able to reach agreement on an initial approach was essential for dramatically improving the presentation of information and providing easier reference.

–**Don Hammond**, *former FASAB member*

The Reporting Model. This Model recognizes that financial and other information can be provided at the summary and more detailed levels to meet the information needs of users. Such information promotes accountability by providing information needed to assess the service efforts and accomplishments of government programs, activities, and functions.

–**Sam McCall**, *former FASAB member*

I provided staff support to Treasury's board member for the first 15 years. I also was the project manager for FASAB's Concept Statement No. 4 and was a member of the AAPC for one year. I have wonderful memories of being involved with FASAB and thank Gerald Murphy, Don Hammond, and Robert Reid for giving me the opportunity!

Here are some signature expressions from original board members:

1. "We're building castles in the sky." (Tucker)
2. "They must be smoking something funny." (Ives)
3. "It kind of makes you glad you're not going to be around." (Tierney)
4. "When you're in a hole stop digging." (Chapin)
5. "This is a big-ticket item." (Murphy)

–**Allan Lund**, *former Treasury support staff and former AAPC member*

Working with Monica when she was my peer and recalling how she defended my actions on the DM&R project. She didn't have to speak up on my behalf but she did and as it turned out, we issued two standards and brought transparency to this "hidden" multi-billion cost. I will never forget how I felt at that meeting – I knew that she was a servant-leader and that one day she'd be my Director. I will always remember and cherish that moment.

–**Domenic Savini**, *FASAB staff member*



I have thoroughly enjoyed working on the leases project. It has been an honor to participate in the creation of the implementation guidance for SFFAS 54 and the omnibus amendments. It is rewarding to work with FASAB staff, the Board, and the AAPC to develop meaningful guidance for the federal community.

—**Christi Dewhirst**, *FASAB fellow*

This is exciting! I had the distinct honor and pleasure of serving on the Accounting and Audit Policy Committee (AAPC) and served as the chair of the AAPC General Property Plant & Equipment (G-PP&E) Task Force. The objective of the task force was to develop implementation guidance for federal G-PP&E related to SSFAS 6, *Accounting for PPP-E*.

There were 70 members including 4 public accounting firms and 21 federal government agencies on the task force. We issued 5 Technical Releases (TR).

Monica Valentine (New Executive Director, FASAB) – phenomenal successor selection - was our FASAB lead and Wendy M. Payne was the AAPC Chair and Executive Director (Retired).

—**Donjette Gilmore**, *former AAPC member*

My most rewarding experiences while on FASAB as a board member and the chair was the pleasure to work with dedicated and hardworking FASAB staff and board members. I appreciated their diversity of views, learned much from each of them, and witnessed their focused efforts to enhance federal financial reporting. In the end, I feel greatly enriched from my experience on the board.

—**D. Scott Showalter**, *former FASAB chair*

I have many rewarding experiences to comment on given that I was at OMB when FASAB was established. But these are the two that are easiest to comment on. The first was to work with Wendy Payne to establish the AAPC. The second was to get the board to support our position that NASA's space exploration equipment was R&D.

—**Ron Longo**, *former FASAB member*

*Reporting Entity* because it affected every federal reporting entity. SFFAS 47, *Reporting Entity* established principles to guide preparers in determining what organizations should be included in the financial reports for financial accountability purposes and the most appropriate means—consolidated financial statements or disclosures—to include information about these organizations.

—**Melissa Batchelor**, *FASAB staff member*

The initiative to develop the first conceptual framework document.

—**Jeff Steinhoff**, *former FASAB task force member*

I can actually think of several. First, it is so rewarding to be working with an organization of outstanding colleagues both Board members and staff. Working to improve federal financial reporting accountability and transparency with other professionals committed to the same mission is truly gratifying.

Considering the projects, I have participated in my Board term, I consider the reporting of government land as one of my most fulfilling experiences both from a deliberation process and a pioneering technical effort. I appreciate the thoughtful and open discussion at the Board as well as the extensive research and outreach performed by FASAB staff. The commitment of the Board to take the unusual approach of requiring the reporting of arguably one of the most recognized assets of the Federal government in a nontraditional, nonfinancial representation is truly extraordinary.

—**George Scott**, *FASAB chair*

## What direction do you see FASAB going in the future?

I see FASAB focusing on two major efforts:

- Codification of the FASAB Handbook: Clearly the users, as well as Board members, have recognized the need to codify the extensive list of FASAB standards and guidance. Such a codification will assist all users in application of the FASAB guidance while enhancing the usability. As a practical matter, it will decrease the amount of time and effort required by users to resolve accounting research issues and improve compliance.
- Enhancing the Comprehensive Annual Report: The Board has started the long journey to increase the relevance of financial reporting for the next decade, including not only content but presentation methods. Working with a broad spectrum of users in and out of the Federal government coupled with extensive piloting, this inclusive and deliberative approach will assist the Board in ensuring the quality, relevance, and comprehensiveness of reporting in the future.

—**George Scott**, *FASAB chair*

FASAB in the future-- continue the good job they are doing. Hopefully they can more actively engage outside constituent groups like taxpayers associations, think tanks, academics, and other non political groups and come up with a set of basic questions that the federal financial statements should answer, and get long term buyin from the federal government (particularly GAO, CBO and others not as directly affected by party politics). I hope that includes inter-generational equity which I think would be the most important yet most challenging issue any board could deal with.

—**Tom Allen**, *former FASAB chair*

Looking forward, I see FASAB continuing to play an important role in our nation by providing a financial reporting framework that promotes public accountability and an efficient and effective functioning of our government, which is particularly critical in what has become a highly charged political environment. I see FASAB continuing to engage in standards setting that is holistic and all encompassing with respect to the economic, political, and social consequences of the allocation and uses of federal resources.

–**Gila Bronner**, *FASAB member*

FASAB should work to support accounting principles that allow evaluation and analysis of the economy, efficiency, effectiveness, and equity of appropriation and expenditure decisions. Those accounting principles should promote accountability and be so clear that when decisions are made having financial impact and consequences, those passing laws and those establishing policy to carry out those laws ask the question – who benefits and who is harmed by this action, who bears the financial burden for this action, and will this action be seen as fair by current and future generations?

–**Sam McCall**, *former FASAB member*

The first two areas that come to mind when I think about what FASAB will be doing in the future are: (1) improving the reporting model to reflect the way 21st century users access information and what information they need, and (2) placing more emphasis on integrating budget data in its reporting model.

–**Richard Fontenrose**, *former FASAB staff member*

Redesign what we know as financial reporting today. If any standard setter is able to do it, it will be FASAB.

–**D. Scott Showalter**, *former FASAB chair*

The Board should pursue greater Federal accountability and thereby strengthen stakeholder financial and performance understanding, insights and acceptance.

–**Ken Winters**, *former FASAB member*

FASAB should consider publishing standards that seeks to improve U.S. Federal Government agency reporting and analysis of how efficiently taxpayer funded programs are benefiting society with specific consideration towards comparing objective results to costs.

–**Josh Williams**, *FASAB staff member*

I envision the FASAB taking the lead in promoting electronic reporting.

–**Michael Granof**, *former FASAB member*

Financial reporting needs to tell a story that incorporates financial and performance results. According to the Pew Research Center, U.S. Politics & Policy, public trust in government nears historic lows. Financial reporting certainly does not drive this poor public perception. However, greater transparency and accountability through citizen-centric reporting can serve as a catalyst to help the long climb to re-earning the respect of the public. Technology is an enabler to move to a new day in financial reporting and auditing and will change the role and expectations of the government accountability community.

–**Jeff Steinhoff**, *former FASAB task force member*

The Federal government is different in responsibilities, objectives, structure, etc. than business entities and state and local governments. The Board, in its early years, issued the accounting concepts and standards necessary for it to issue financial statements that properly reflect those differences. While one could argue that once that was accomplished, there is nothing further for the Board to issue guidance on. But the Financial Accounting Standards Board and the Governmental Accounting Standards Board are examples of why that is not appropriate. Additional areas for which guidance is needed arise because certain areas might not have been addressed initially or because new activities, types of transaction, etc. evolve for which accounting guidance is needed. The question will be whether the Board embraces a pace consistent with the notion that the foundation has been established; or it recognizes that with significant issues remaining and continuing to emerge, a more pro-active regimen is needed.

–**Hal Steinberg**, *former FASAB member*

Communicating our importance and relevance to the financial management community as an independent venue where accounting issues can be brought forward and deliberated in a fair and democratic manner. I also see us working to preserve our AICPA Rule 203 independence by ensuring that staff has sufficient resources in place and is able to manage its agenda and task forces without political interference.

–**Domenic Savini**, *FASAB staff member*

For the future, I would love to see FASAB continue on the same path and maintain its objective independent work.

–**Don Hammond**, *former FASAB member*

Continue to balance federal financial management authority and responsibility.

–**Donjette Gilmore**, *former AAPC member*

What is one word that sums up FASAB to you?

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