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## [FASAB Amends Memorandum of Understanding](#)

The Board’s sponsors have agreed to changes to the Memorandum of Understanding (MOU) governing the Federal Accounting Standards Advisory Board (FASAB or “the Board”).

The following changes are effective immediately:

- Board membership is reduced from nine to seven members—two members representing sponsor agencies (the Department of the Treasury and the Government Accountability Office [GAO]) and five nonfederal members.
- Office of Management and Budget (OMB) remains a sponsor and continues to serve on the Steering Committee, Appointments Panel, and the Accounting Standards Implementation Committee (ASIC).
- The 90-day sponsor review responsibility shifts from OMB to Treasury. Treasury will consult with OMB during the process.

The American Institute for Certified Public Accountants (AICPA) continues to recognize FASAB as the standard setter for generally accepted accounting principles (GAAP) for the federal government.

As a result of the changes to the MOU, FASAB made corresponding edits to its charter and the Appointments Panel charter.

- The updated MOU is available at [https://files.fasab.gov/pdf/files/fasab\\_mou\\_04\\_2026.pdf](https://files.fasab.gov/pdf/files/fasab_mou_04_2026.pdf).
- The updated FASAB charter is available at [https://files.fasab.gov/pdf/files/fasab\\_charter\\_2026.pdf](https://files.fasab.gov/pdf/files/fasab_charter_2026.pdf).
- The updated Appointments Panel charter is available at [https://files.fasab.gov/pdf/files/appointments\\_panel\\_charter\\_2026.pdf](https://files.fasab.gov/pdf/files/appointments_panel_charter_2026.pdf).

## Board Member News

### [Terry Patton Appointed as Board Chair](#)

Terry Patton has been appointed to serve as chair of the Board effective April 1, 2026, after nearly seven years of service as a nonfederal member. Dr. Patton's term concludes on June 30, 2029.

Dr. Patton is professor emeritus at Midwestern State University in Wichita Falls, Texas (MSU Texas), where he taught financial accounting, auditing, and governmental accounting for 18 years. He also previously served as chair of the accounting, MIS, and legal studies department and dean at the Dillard College of Business Administration at MSU Texas.

Dr. Patton has co-authored three governmental and nonprofit accounting textbooks, including *Accounting for Governmental and Nonprofit Organizations* (Cambridge Business Publishers); and was co-author on PPC's *Guide to Governmental Financial Reporting Model: Implementing GASB's No. 34*. Previously, Dr. Patton was the Research Manager at the Governmental Accounting Standards Board (GASB). He has served on numerous boards as well as the Governmental Accounting Standards Advisory Council. Dr. Patton received a doctor of philosophy from Texas Tech University as well as a master of science from the University of North Texas and a bachelor of business administration from MSU Texas. He is a Certified Public Accountant (Texas) and a Certified Government Financial Manager.

## Eric Berman Appointed to the Board

Eric S. Berman has been appointed to serve on the Board effective April 19, 2026. Mr. Berman's term concludes on June 30, 2029, with the option for a second five-year term.

Mr. Berman, MSA, CPA, has over 30 years of governmental accounting and auditing experience. He is a retired Government Advisory Services Partner from Eide Bailly LLP. Before Eide Bailly LLP, he was a quality control principal with a public accounting firm in California.

Mr. Berman is the author of the Governmental Library for preparers for CCH including the *Governmental GAAP Update Service*, and the annually updated *Governmental GAAP Guide* and the *Governmental GAAP Practice and Disclosures Manual*. Mr. Berman's public-sector experience includes his current work performing a post-retiree project for the Commonwealth of Massachusetts Office of the State Comptroller. He previously served as a Deputy Comptroller for the Commonwealth from 1999 to 2010, and the Chief Financial Officer of the Massachusetts Water Pollution Abatement Trust from 1994 to 1999. Mr. Berman is a licensed CPA in Massachusetts.

He obtained an M.S. in Accountancy from Bentley University. Mr. Berman is also a past National Treasurer of AGA. He also served on or led many of AGA's committees throughout his career. Mr. Berman also represented the AGA serving as the Vice Chairman of the Government Accounting Standards Advisory Council to the GASB. He also has served on GASB task forces and working groups.

Mr. Berman was a previous chair of the AICPA's Governmental Performance and Accountability Committee and was a former member of the AICPA's State and Local Government Expert Panel.

## William Morehead Appointed to the Board

William Morehead has been appointed to serve on the Board effective April 19, 2026. Dr. Morehead's term concludes on June 30, 2029, with the option for a second five-year term.

Dr. Morehead is currently a Professor of Accountancy, Director of Graduate Accounting, and Director of the Center for Faith, Service, and Ethics at Mississippi College in Clinton, MS. Dr. Morehead teaches undergraduate and graduate accounting students in accounting systems, data analytics, fraud examination, and governmental accounting. He also teaches higher education finance. Dr. Morehead is a frequent speaker on leadership, fraud, and internal controls.

Dr. Morehead's career in state government and higher education spans 40 years, encompassing audit, finance, and academic positions in the State of Mississippi, including the State Auditor's Office, Department of Finance and Administration,

Department of Mental Health, Delta State University, and Mississippi College. Dr. Morehead is a Certified Public Accountant (CPA), Certified Government Financial Manager (CGFM), and a Chartered Global Management Accountant (CGMA). He is a 40-year member of the AGA, where he has served in numerous and various leadership positions at the chapter, regional, and national levels, including National Treasurer and National President.

Dr. Morehead has a Bachelor of Business Administration in Accounting from Delta State University, a Master of Accountancy from Millsaps College, a Master of Arts in Discipleship from New Orleans Baptist Theological Seminary, and a Ph.D. in International Development from the University of Southern Mississippi.

An Appointments Panel—composed of the FASAB chair, GAO and Treasury Board members, an OMB representative, and three individuals representing the AICPA and the Financial Accounting Foundation—advises the FASAB sponsors on appointments and re-appointments for the five nonfederal members of the Board including selection of the chair. The sponsors made the final appointments.

## Staff News

### [FASAB Bids Farewell to Romona Parker](#)

After nine and a half years working for the Board, FASAB bids a fond farewell to Romona Parker. Ms. Parker, FASAB's executive assistant, coordinated the logistics for Board meetings and Board members, as well as handling many other administrative tasks. The Board and staff thank Ms. Parker for her many contributions to FASAB and wish her all the best in her future endeavors.

## Current Board Projects

*(For more information, click on the title of the project to be directed to the related active project page.)*

### [Intangible Assets](#)

At the April 2026 meeting, the Board deliberated:

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

Visit the [intangible assets project page](#) to learn more.

For questions about this project, email [intangibles@fasab.gov](mailto:intangibles@fasab.gov).

## Leases

At the April 2026 meeting, the Board discussed and finalized a proposed exposure draft (ED) to provide a practical expedient for embedded leases. After the meeting, the Board electronically approved the proposal and released it for a 90-day public comment period on May 1.

The proposed Statement of Federal Financial Accounting Standards (SFFAS), titled [Embedded Leases Practical Expedient](#), would amend SFFAS 54, *Leases*, by permanently extending the transitional relief provided under SFFAS 62.

The Board believes that providing permanent relief through a practical expedient would considerably reduce the expected ongoing costs of applying SFFAS 54 requirements without substantially diminishing the quality of leases reporting.

The proposal would make available a practical expedient to contracts or agreements meeting certain eligibility conditions and allow reporting entities to account for them as nonlease in their entirety. The proposal would preserve key aspects of SFFAS 62 transitional relief, including the eligibility conditions and the option of applying the expedient to groups of contracts or agreements that are reasonably similar in nature. Reporting entities electing the practical expedient would be required to disclose the election.

The Board invites stakeholders to provide their input and perspectives on the proposal. Feedback will guide the Board in its re-deliberations and finalization-phase decisions. [Access the ED and question for respondents file here](#), and submit comments by July 30, 2026.

Visit the [leases project page](#) to learn more.

For questions about this project, email [leases@fasab.gov](mailto:leases@fasab.gov).

## Public-Private Partnerships

The Board approved forwarding staff-recommended edits to the proposed Technical Release (TR) titled *Implementation Guidance for Public-Private Partnerships* to the ASIC for finalization. Staff's proposed edits clarify that consolidated entities must still consider SFFAS 49, *Public-Private Partnerships*, requirements if a P3 arrangement exists.

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.

Visit the [P3s project page](#) to learn more.

For questions about this project, email [p3s@fasab.gov](mailto:p3s@fasab.gov).

## Reexamination of Existing Standards

### Direct Loans and Loan Guarantees Disclosures

At the April 2026 meeting, staff provided an update to the Board on the project research and outreach efforts in 2025. Staff gave an overview of the feedback received from stakeholders and the loan disclosure task force.

The Board then discussed alternatives presented to reduce stakeholder burden and improve the loan disclosure. Members agreed to explore an approach that reduces the loan disclosure requirements by combining elimination and relocation to required supplementary information.

Visit the [direct loans and loan guarantees disclosures project page](#) to learn more.

For questions about this project, email [directloans@fasab.gov](mailto:directloans@fasab.gov).

## Reporting Model

### Management's Discussion and Analysis

At the April 2026 meeting, the Board reviewed the proposed Staff Implementation Guidance (SIG) 64.1 for SFFAS 64, *Management's Discussion and Analysis*, which included recommendations from 19 comment letters based on the ED released for public comment on January 13, 2026.

Throughout SIG 64.1, members updated examples, added parenthetical references to SFFAS 64 instead of including specific content, and focused management on telling a cohesive streamlined story.

Members also agreed to update specific implementation guidance for questions related to significant, specific number of pages, balanced, concise, integrated, number of years for trend reporting, financial condition, forward-looking information, and systems, controls, and legal compliance.

Visit the [MD&A project page](#) to learn more.

For questions about this project, email [mda@fasab.gov](mailto:mda@fasab.gov).

# Accounting Standards Implementation Committee

## ASIC P3s Project

The Board approved forwarding staff-recommended edits to the proposed TR titled *Implementation Guidance for Public-Private Partnerships* to the ASIC for finalization. Staff's proposed edits clarify that consolidated entities must still consider SFFAS 49 requirements if a P3 arrangement exists. Once staff receives final approval from the ASIC, the proposed TR will be resubmitted to the Board.

Visit the [ASIC P3s project page](#) to learn more.

For questions about this project, email [p3s@fasab.gov](mailto:p3s@fasab.gov).

# FASAB Meeting Schedule

2026

June 16

August 18-19

October 20-21

December 15-16

Agendas and briefing materials are available at <https://www.fasab.gov/briefing-materials/> approximately one week before the meetings. Agendas include login information for those interested in observing the meetings.

# ASIC Meeting Schedule

2026

August 12

December 2

Agendas are available at <https://fasab.gov/about-asic/asic-meetings/> approximately one week before the meetings. Agendas include login information for those interested in observing the meetings.

# Security Notice for In-Person Meetings

If you wish to attend the Board meeting in-person, please register on our website at <https://www.fasab.gov/pre-registration/> **no later than 5 p.m. the Thursday before the meeting to be observed.** Due to security concerns late registrations will not be accepted – NO EXCEPTIONS. GAO, which provides space for our meetings, has increased its security procedures, and your name must be provided in advance to the GAO security force before you can enter the building. **When you arrive, please advise the security officer that you are attending a FASAB meeting. Doing so will assist the officer in locating the correct security list.** Thank you.