

Federal Accounting Standards Advisory Board

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NEWS RELEASE

FASAB Issues an Exposure Draft: *Management's Discussion and Analysis, Rescinding and Replacing SFFAS 15*

The chair of the Federal Accounting Standards Advisory Board (FASAB or “the Board”), George A. Scott, announced today that the Board is seeking input on the exposure draft (ED) of a proposed Statement of Federal Financial Accounting Standards (SFFAS) titled *Management's Discussion and Analysis: Rescinding and Replacing SFFAS 15*.

The proposed standards would update the guidance for management's discussion and analysis (MD&A). This proposal would provide a comprehensive set of standards to guide management in how to present an MD&A that is balanced, integrated, concise, and understandable about the reporting entity's organization and mission; financial position and condition; operating performance, opportunities, and risks; and systems, internal controls, and compliance with applicable laws and regulations. The Board proposes these standards to provide a principle-based approach that would merge and update relevant content from SFFAC 3 and SFFAS 15 and is consistent with FASAB's reporting objectives for budgetary integrity, operating performance, stewardship, and systems and controls.

“This proposal would provide more flexibility for reporting MD&A, reduce preparer burden and redundancy, and enhance transparency,” according to Chairman Scott.

The Board requests comments on the ED by December 7, 2023. Respondents are encouraged to provide the reasons for their positions. The ED and the specific questions raised are available in PDF on the [FASAB website](#). The questions are available to answer online at https://gaosurvey.gao.gov/jfe/form/SV_6thq8SVhOJtNtWu. Specific instructions for providing your responses to this ED are available once you enter the online questionnaire. If you have any issues with the online questions, please contact us at fasab@fasab.gov or (202) 512-7350.

ABOUT FASAB

FASAB serves the public interest by improving federal financial reporting through issuing federal financial accounting standards and providing guidance after considering the needs of external and internal users of federal financial information.

Financial reports, which include financial statements prepared in conformity with generally accepted accounting principles, are essential for public accountability and for an efficient and effective functioning of our democratic system of government. Thus, the Board plays a major role in fulfilling the government's responsibility to be publicly accountable. Federal financial reports should be useful in assessing (1) the government's accountability and its efficiency and effectiveness and (2) the economic, political, and social consequences, whether positive or negative, of the allocation and various uses of federal resources.

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 <https://www.fasab.gov>.