

# Federal Accounting Standards Advisory Board

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## NEWS RELEASE

### **FASAB Issues Statement of Federal Financial Accounting Standards 58, *Deferral of the Effective Date of SFFAS 54, Leases***

The chair of the Federal Accounting Standards Advisory Board (FASAB), George A. Scott, announced today that the Board has issued Statement of Federal Financial Accounting Standards (SFFAS) 58, *Deferral of the Effective Date of SFFAS 54, Leases*.

“In learning more about implementation challenges faced by reporting entities, particularly with respect to developing and implementing systems and data requirements, the Board agreed that providing additional time to complete ongoing implementation preparation activities was appropriate,” according to Mr. Scott. “After receiving additional feedback from the community through the public comment process and other outreach, the Board extended the originally-proposed deferral to three years in the final Statement,” he added.

SFFAS 58 amends the effective date of SFFAS 54 to reporting periods beginning after September 30, 2023. Early implementation is not permitted. SFFAS 58 is available at <https://fasab.gov/accounting-standards/>.

According to Chairman Scott, the Accounting and Auditing Policy Committee (AAPC)—a permanent committee of the Board—will issue a Technical Release to address a broad range of implementation issues. The Board is also considering omnibus amendment candidates that could provide minor technical clarifications when implementing SFFAS 54. Constituents are encouraged to monitor these ongoing Board and AAPC technical activities and respond to exposure documents when released for public comment.

## **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>.