

*FAEC Forum -- July 21 & 22,
1999*

Looking Ahead with Federal
Accounting Standards

IN TRANSITION

- FASAB Structure and Process
- FASAB Standards
- Federal Financial Reporting Model
- Federal Management Model

FINANCIAL REPORTING MODEL

- Components of a GPFFR
- Financial Report vs. Accountability Report
- Audit status
- MD&A - The Capstone

Most Recent Standards

- Internal Use Software (SFFAS 10)
- Amendments to Stewardship PP&E (SFFAS 11)
- Contingent Liabilities Arising from Litigation or Potential Litigation (SFFAS 12)
- Deferral of Paragraph 65.2 of SFFAS 7 (SFFAS 13)

Soon to be Completed

- Deferred Maintenance Reporting (SRAS 14 -- on the Hill)
- Management's Discussion and Analysis (SFFAC 3 & SRAS 15)
- Multi-Use Heritage Assets (SRAS 16)
- Social Insurance
- National Defense PP&E
- Direct Loans and Loan Guarantees

Deferred Maintenance Reporting

- In search of consistent, verifiable, and comparable information
- Implementation realities
- Status and future efforts by AAPC and others

Management's Discussion and Analysis

- Standards
- Concepts
- Excellence

Multi-Use Heritage Assets

- Amends SFFAS 8
- All costs for multi-use heritage assets are “general PP&E”
- Implementation guidance

Social Insurance

- Bi-polar views
- Statement of Social Insurance
- Changes from the ED
 - increase visibility
 - provide components for more detailed analysis

Amendments to National Defense PP&E Reporting

- Reporting requirements
- Status of amendments
- Project objectives

Direct Loans and Loan Guarantees

- Born of the Government-wide Working Group
- Proposes an analysis of changes in the subsidy allowance or loan guarantee liability
- Proposes a narrative discussion
- Comments favorable but some seek later effective date

On the Horizon

- Inter-Entity Costs
- Grant Accounting and a Federal Asset Definition
- Performance Measures/Reporting
- Natural Resources

Inter-Entity Costs

- FY98 & FY99 guidance from OMB
- AAPC working group
 - push cost down or pull costs in
 - significant costs (cost/benefit)

Grant Accounting & a Federal Asset Definition

- Asset definition -- Tangible or intangible items owned by the federal government which would have probable economic benefits that can be obtained or controlled by a federal government entity.
 - “Owned”
 - “Economic benefits”
 - “Obtained or controlled”
- role of “assets” definition in standard setting

Grant Accounting & a Federal Asset Definition, continued

- Accounts Receivable issue
 - drawdowns
 - improper payments
- Accounts Payable issue
 - reimbursable costs incurred but not reported
 - obligated but not incurred costs
- Current Reporting vs. Ideal Reporting

Performance Measures/Reporting

- OMB guidance
- Role of FASAB
- Lessons Learned from GASB's SEA Efforts

Natural Resources

- Task force
- Research report
- Issues before the Board in early-2000

AAPC Products

- Stewardship Report Review
 - Determining Materiality for Nonfinancial Information
 - Condition Disclosures, Categories and Auditing
 - Stewardship Investments
- Inter-entity Costs
- Other Issues