
FASAB Update

AGA DC Chapter- Spring Training Event

April 13, 2026

Disclaimer

- Views expressed are those of the speaker
- The Board expresses its views in official publications

Agenda

1. Current Focus
2. Research Topics
3. Active Projects
4. Post-Issuance Activities
5. Looking Forward
6. Technical Inquiries

Current Focus

- Helping to implement new standards
- Reexamining old standards
- Address quickly evolving issues in federal reporting environment



Research Topics

Reexamination – Revenue

- The Board added this topic to the research agenda to potentially address **narrow-scope issues**
 - Issues identified for review include private debt collections and non-exchange revenue recognition for unpaid assessments
- At the April 2025 Board meeting, the Board agreed to add a project on reporting entity reorganizations and abolishments to its technical agenda.
- The Board acknowledged that this would delay the continuation of research on the revenue reexamination project for the time being.

Team Lead – Mr. Alan Perry

Reporting Entity Reorganizations and Abolishments

- Evaluate reorganization and abolishment accounting principles and related practice issues
- Consider whether current accounting and disclosure standards and guidance applicable to reorganizations and abolishments are sufficient to meet practitioner and user information needs

KEEPING OUR EYE ON THE BALL

Team Lead – Mr. Alan Perry



Active Projects

Commitments

- FASAB has issued pronouncements on specific types of commitments; however, there is no Statement on general commitments.
- The Board is considering developing an accounting Statement that defines commitments and develops guidance on reporting general commitments.
- Current Status: The Board revised a commitment working-definition during the December 2025 meeting and generally did not support including "measurable" in the definition to avoid excluding significant non-measurable agreements.
- Staff is working with the CFO Council and a task force to develop specific categories of federal commitments to help entities identify reportable agreements.

Software Technology

- To date, the Board has deliberated accounting guidance updates for
 - Cloud-service arrangements
 - Software licenses
 - Shared software
 - Agile software development



The Board plans to discuss additional SFFAS 10 updates and emerging issues, such as digital assets, AI, and cybersecurity

Intangible Assets

- The Board agreed on a framework to develop **intangible asset standards**
 - Capitalize cost incurred to acquire an identifiable intangible asset from another entity
 - Rescind SFFAS 10 and reissue the internal use software guidance, including updates from the Board software technology project, as a component of the intangible asset Statement
- At the December 2025 meeting, the Board deliberated accounting guidance for useful life estimation and amortization for intangible assets and internal use software.
- The Board also agreed to develop concept amendments to address intangible assets at a minimal and high level.

Reexamination - Direct Loans and Loan Guarantee Disclosures

- Federal reporting entities' direct loan and loan guarantee note disclosures have become lengthy with numerous schedules and narratives.
- The Board is considering ways to **streamline required note disclosures** to improve usability of information and reduce preparer burden.

Reexamination - Federal GAAP Hierarchy

- SFFAS 34 provides the sources of GAAP and framework for selecting those sources when preparing federal financial reports.
 - The Board is considering ways to **clarify and streamline** the federal GAAP hierarchy to ensure it is effective.
- At the December 2025 meeting, the Board agreed that SFFASs and Interpretations will remain at the highest-level GAAP.
 - Technical Bulletins (TBs), Technical Releases (TRs), and Staff Implementation Guides (SIGs) will continue to be classified as lower-level GAAP.
 - The Board agreed to discontinue the use of SIGs for future topics, relying instead on TBs for narrow, time-sensitive guidance.
 - Other Literature: AICPA Industry Audit and Accounting Guides, along with SFFACs, will be reclassified as "other accounting literature"

Post-Issuance Activities

Public-Private Partnerships (P3s)

- In May 2025, ASIC released an exposure draft for a Technical Release titled, *Implementation Guidance for SFFAS 49, Public-Private Partnerships*
- This document would provide **implementation guidance** for challenges identified with implementing SFFAS 49.
- At the December 2025 meeting, the Board reviewed a revised TR for SFFAS 49 and forwarded it to the ASIC for finalization.
- On February 4, 2026, the ASIC approved moving to a formal ballot for the SFFAS 49 implementation guidance TR.

Public-Private Partnerships (P3s)

Phase I – In 2016 the Board issued SFFAS 49, *Public-Private Partnerships: Disclosure Requirements*, effective FY 2019

Phase II – Measurement and Recognition (M&G)

- Work has begun with a P3 M&R Task Force and M&R Working Group to prepare a Board recommendation concerning:
- Should we M&R P3 assets (as a distinct asset category/class)? And if so, What do we measure and how?
- Other matters such as: How do we recognize profits/losses?; How do we treat liabilities?; How do we treat risk?; and Do we amend SFFAS 49?

Land

SFFAS 59, Accounting and Reporting of Government Land:

- Reclassifies G-PP&E land as a **non-capitalized asset**
- Requires reporting estimated land acres

- **FY22-FY25** - Required supplementary information
- **FY26** - Notes disclosure
 - Remove G-PP&E land and permanent land rights from balance sheet

Land

- TB 2025-1, *Technical Clarifications: SFFAS 59, Accounting and Reporting of Government Land* **issued Sept 2025**
- Clarifies SFFAS 59 requirements:
 - Land acreage categorization
 - Preparer flexibility for reporting non-outer continental shelf submerged land and ownership/acquisition assertions
 - Expensing permanent land rights

Leases

- SFFAS 54 became effective for the FY 24 reporting period with a temporary transitional accommodation to exclude embedded leases.
 - Transitional relief scheduled to **expire September 30, 2026**
- At the December 2025 meeting, the Board tentatively decided to propose a "practical expedient" for certain embedded leases. Members agreed that the costs of identifying and measuring embedded leases on a prospective basis likely outweigh the benefits, as they are expected to be immaterial.
- The Board will review project timelines and a draft practical expedient for embedded leases at its next 2026 meeting, keeping in mind the September 30, 2026, transition end-date.

Team Lead – Mr. Alan Perry

MD&A

- In 2024, the Board issued SFFAS 64, *Management's Discussion and Analysis: Rescinding and Replacing SFFAS 15*
 - Effective for reporting periods beginning after **September 30, 2025**
 - Early implementation is permitted
- The Statement provides a comprehensive set of standards for a balanced, integrated, concise, and understandable MD&A:
 - About the organization and mission; financial position and condition; operating performance, opportunities, risks; and systems, internal controls, and compliance with applicable laws and regulations
- It encourages flexibility for management to efficiently and effectively prepare MD&A content, thus reducing preparer burden in the long run.

MD&A

- Staff released an exposure draft (ED) for SIG 64.1, Guidance for Implementing SFFAS 64, on January 13, 2026.
- The public comment period closed March 13, 2026.
- Public comments currently being processed.

MD&A

- **SFFAS 64 Implementation Review Sessions Available**
 - Work with FASAB Staff to review agency's MD&A in accordance with SFFAS 64
 - How to Request a Review
 - Send an email to mda@fasab.gov
 - Subject line: Agency Name - Request MD&A Review Session
 - Include FY26 MD&A draft in accordance with SFFAS 64
 - Include point of contact(s) information with name and title and how to contact (email, cell)
 - Include any major concerns to help staff prepare the review

Team Lead – Ms. Robin Gilliam

Looking Forward

Potential Accounting Issues on the Horizon

Potential issues **specific to accounting and financial reporting** include:

- Divested assets and liabilities caused by changes in program responsibilities
 - Asset impairments, fair value assessments, gains/losses, defining control
- Direct loans halted or delayed
 - Revenue and interest income impacts, loss allowance, loan modifications

Potential Accounting Issues on the Horizon

- Accounting and reporting for a sovereign wealth fund
 - Reporting entity characteristics, invested assets, liabilities, revenue sources
- Evolution of characteristics and use of digital assets in federal government
- Impact on CFR consolidations
 - Reporting entity changes
 - Discontinued operations

Technical Inquiries

If you need **help applying GAAP** for implementation or existing accounting issues then visit our technical inquiry page to learn

- How we can help
- Who we help
- What you can expect from the TI process once you submit the new form at <https://fasab.gov/technical-inquiries-2/>

How to Stay Connected

- Sign up for our listserv
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Questions?

Contact Information

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