

Federal Accounting Standards Advisory Board

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January 22, 2004

NEWS RELEASE

FASAB PUBLISHES STATEMENT OF FEDERAL FINANCIAL ACCOUNTING AND AUDITING TECHNICAL RELEASE 3 (revised), *Auditing Estimates for Direct Loan and Loan Guarantee Subsidies under the Federal Credit Reform Act* (Amendments to Technical Release 3: *Preparing and Auditing Direct Loan and Loan Guarantee Subsidies under the Federal Credit Reform Act*)

and

FEDERAL FINANCIAL ACCOUNTING AND AUDITING TECHNICAL RELEASE 6, *Preparing Estimates for Direct Loan and Loan Guarantee Subsidies under the Federal Credit Reform Act* (Amendments to Technical Release 3: *Preparing and Auditing Direct Loan and Loan Guarantee Subsidies under the Federal Credit Reform Act*)

The Chairman of the Federal Accounting Standards Advisory Board (FASAB), David Mosso, announced today that the FASAB has issued Statement of Federal Financial Accounting and Auditing Technical Release 3 (revised), *Auditing Estimates for Direct Loan and Loan Guarantee Subsidies under the Federal Credit Reform Act* (Amendments to Technical Release 3: *Preparing and Auditing Direct Loan and Loan Guarantee Subsidies under the Federal Credit Reform Act*) and Statement of Federal Financial Accounting and Auditing Technical Release 6, *Preparing Estimates for Direct Loan and Loan Guarantee Subsidies under the Federal Credit Reform Act* (Amendments to Technical Release 3: *Preparing and Auditing Direct Loan and Loan Guarantee Subsidies under the Federal Credit Reform Act*).

The purpose of Technical Release (TR) 3 is to amend the guidance for auditors to audit credit subsidy estimates provided in the original technical release (July 1999). The most significant changes made in this amended TR 3 are (1) the removal of the guidance for the preparation of credit subsidy estimates from this amended TR to only include the audit guidance and (2) procedural changes updating the document to reflect new guidance and changes in terminology in the area of credit reform (e.g., SFFAS 18 & 19; and OMB Circular A-11).

The purpose of Technical Release 6 is to amend the implementation guidance for agencies to prepare and report credit subsidy estimates provided in the original technical release (July 1999). The most significant changes made between the original TR3 and this amended TR are (1) the removal of the audit guidance from this amended TR to only include the guidance for the preparation of credit subsidy estimates; (2) clarification of OMB's role in the credit subsidy estimation and re-estimation process; and 3) credit subsidy re-estimates may now include 6 months of actual data and 6 months of projected estimates.

The guidance outlined in TR 3 & TR 6 is effective immediately. The technical releases are available on the FASAB web site at <http://www.fasab.gov>. Printed copies can be obtained from FASAB by calling 202-512-7350.

ABOUT FASAB

The mission of the FASAB is to promulgate federal accounting standards after considering the financial and budgetary information needs of citizens, congressional oversight groups, executive agencies, and the needs of other users of federal financial information.

Federal accounting standards and financial reporting play a role in fulfilling the Government's duty to be publicly accountable. Federal financial reports can help report users assess the government's accountability, efficiency, and effectiveness, including the consequences of the allocation and use of resources. For more on FASAB, please visit our website: www.fasab.gov.