



FASAB *NEWS*

FEDERAL ACCOUNTING STANDARDS ADVISORY BOARD

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Reclassifying Stewardship Responsibilities and Reporting Current Services Assessment

At its August meeting, the Board discussed audit-related concerns about reporting certain stewardship items with Chuck Landes, Director for Auditing Standards, American Institute of Certified Public Accountants. Mr. Landes indicated that the American Institute of Certified Public Accountants would work with the Board to provide appropriate guidance for the audit

See Stewardship, Page 3

FASAB Bids Farewell to Richard Mayo and Larry Modlin

Richard C. Mayo, Richard Mayo, one of the earliest members of FASAB's original staff, will retire on October 3, 2001 with 30 years of Federal service. Richard immigrated to the United States from China in 1966 and became a US citizen. Richard began his career as a broadcast writer with the Voice of America. He was a systems accountant at the Interstate Commerce Commission for over 6 years. He also worked for Westheimer, Fine, Berger & Co., a national CPA firm, and completed advanced training in credit and financial analysis in international lending at Chase Manhattan Bank in New York. Richard holds an MA in accounting from Catholic University and an MBA from George Washington University. He also is a Certified Public Accountant and a Certified Government Financial Manager.

See Farewell, Page 2

Board Issues Exposure Draft on Property, Plant, & Equipment

At its June meeting, the Board had decided on final changes to its draft exposure draft on National Defense Property, Plant, & Equipment. Staff incorporated those changes and other Board comments into the draft and in early August forwarded the finalized version of the draft to Board members for a ballot vote. At the August Board meeting, the Chairman announced that a majority of the Board voted to issue the exposure draft and instructed staff to publish the document.

The printed version of the exposure draft, *Accounting for National Defense PP&E and Associated Cleanup Costs: Amending SFFAS 11,*


Amendments to Property, Plant, and Equipment - Definitional Changes, Amending SFFAS 8, Supplementary Stewardship Reporting, Amending SFFAS 6, Accounting for Property, Plant, and Equipment, was mailed to the FASAB print mailing list in early September. As with all FASAB documents, the exposure draft also can be viewed and downloaded from the Internet. Go to FASAB's web page, at www.financenet.gov/fasab.htm and select "Exposure Drafts" from the sidebar menu.

Point of contact: Rick Wascak, 202-512-7363, wascakr@fasab.gov.




During the second half of his career, Richard worked for the Federal Railroad Administration and the Department of Energy. In 1988 Richard came to the General Accounting Office as an accountant in the Accounting and Financial Management Division. In 1991, he began working for FASAB. During his 10-years at FASAB, Richard was the project director for the Board's standard on assets and liabilities, and its more complex standards on credit reform and cost accounting. Richard's depth of understanding of complicated accounting and financial issues and his ability to communicate those issues have made him an invaluable asset to the Board.

Larry J. Modlin. Larry Modlin retired from 31 years of Federal service on August 31, 2001. Larry's extensive career began with 4 years in the Navy. Then after completing his BS in accounting at High Point College in North Carolina, he became an accountant for 6 years in the General Accounting Office's Norfolk regional office, 6 years with the Department of the Treasury in Saudi Arabia (as comptroller for the US representation of the US Saudi Arabia Joint Commission on Economic Cooperation), and 15 years with the General Accounting Office's Accounting and Information Division. Larry is a Certified Public Accountant and Certified Government Financial Manager. For 2 of his latter years with GAO, Larry was detailed to FASAB because of his expertise in cost accounting. He worked with Richard Mayo to facilitate and produce in 1995 FASAB's Statement of Federal Financial Accounting Standard 4 (SFFAS 4), *Managerial Cost Accounting*.

Not only is the Federal financial community losing extensive corporate memory and skills, it is losing two wonderfully capable and creative talents. We wish both Richard and Larry continuing good fortune in their future endeavors. 

Board Considers Treasury Proposal for Consolidated Financial Reporting Changes

Representatives of Treasury's Financial Management Service presented the Board with two reports that it had developed for replacing the Statement of Financing and the Statement of Budgetary Resources at the consolidated level. The two reports were the "Statement of Reconciliation of the Results of Operations," and the "Statement of Disposition of the Budget Surplus/Deficit."

In discussing the proposed statements, the Board first affirmed its position that Federal GAAP in the Board's Statements of Federal Financial Accounting Standards (SFFAS), unless specifically indicated otherwise, apply to both agency level and governmentwide level reporting. Then it generally agreed with Treasury's position that the Statements of Financing and Budgetary Resources, specifically designed with agency level activity in mind, were not particularly applicable at the consolidated financial level. The Board directed Staff to a) convene a small working level group from the Board members' staff and Treasury's FMS to discuss the Board's concerns on the format of Treasury's proposed reports, and b) conduct further research on how the Board's current standards address reporting at the consolidated level. Point of Contact: Lucy Lomax, 202-512-7359, lomaxm@fasab.gov. 

FASAB's Upcoming Meetings 2001

October 25 & 26
December 13 & 14

2002

February 27 & 28
(Future dates will be published in next issue.)

General Accounting Office
441 G Street, NW, Room 6N30,
Washington, DC 20548.

AAPC Meetings Dates 2001

Nov 8

General Accounting Office,
441 G Street, NW, in Room 4N30

Agendas and meeting times will be posted to the FASAB web page one week prior to meetings.
Point of contact: Monica R. Valentine, 202-512-7362,
ValentineM@fasab.gov

Meeting Attendance Security Reminder

If you wish to attend a FASAB or an AAPC meeting, please provide your name, organization, and phone number to Marian Nicholson, 202-512-7350, or email, nicholsonm@fasab.gov at least one day prior to the meeting. The General Accounting Office has increased its security procedures and your name must be provided to the security force before you can enter the building. Thank you.

Disclaimer

NOTE: *FASAB News* is published by the staff of the Federal Accounting Standards Advisory Board. This newsletter, highlighting recent Board actions, is issued after Board meetings to provide the public with an understanding of issues that the Board is considering. When an article refers to a Board decision, it should be understood that Board decisions are tentative until FASAB issues a Statement of Federal Financial Accounting Concepts (SFFAC) or Statement of Federal Financial Accounting Standards (SFFAS).

Please direct newsletter editorial questions to Lucy Lomax, 202-512-7359, lomaxm@fasab.gov

Please direct FASAB and AAPC administrative questions to Charles Jackson, 202-512-7352, jacksoncw1@fasab.gov

Reminder: FASAB's Email Addresses Have Changed

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Board Decides Not to Address Revising Pension Plan Accounting


The Board considered a request by the American Academy of Actuaries to address amending SFFAS 5, *Accounting for Liabilities of the Federal Government*, regarding pensions. The AAA recommended including requirements for pension plan reporting that were required of private sector plans by a recently repealed Public Law, PL 95-595. Because of higher priorities and differences between private and Federal pension plans, the Board decided not to initiate such a project at this time.

Point of Contact: Richard Fontenrose, 202-512-7358, fontenrosr@fasab.gov.

Stewardship, *From Page 1*

profession to deal with nonfinancial information that the Board may designate as “basic” information. The guidance would be consistent with users’ needs. The Board then discussed the rationale for, and implications of, its decision to eliminate the Required Supplementary Stewardship (RSSI) category.

The Board reaffirmed the tentative decisions made last year regarding the reclassification of stewardship responsibilities. The exposure draft will propose that the “current services assessment” and “risk assumed” information would be reclassified as required supplementary information (RSI). Social insurance information would be reclassified as “basic” information. The Board began reviewing specific language for the exposure draft.

Point of Contact: Robert Bramlett, 202-512-7355, bramletr@fasab.gov. 

FASAB's Web Page to Change

Regular readers are familiar with FASAB's web site, www.financenet.gov/fasab.htm. It's where you can access all of the FASAB's and its Accounting and Auditing Policy Committee's (AAPC) documents. Over 5 years ago, our web page was developed and has been maintained by Financenet, an organization financed by the Chief Financial Officers (CFO) Council. Recently, the CFO Council decided to focus its efforts in direct support of the CFO community's needs. Consequently, as of December 1, 2001, Financenet will no longer host the non-CFO functions, such as Financenet.

FASAB has secured a new web address, www.fasab.gov. However, this web page, which will be hosted by the General Accounting Office, is not yet active. We expect it to be activated before December 1, 2001. In the meantime, rest assured that you will be able to continue to access FASAB's web page at, www.financenet.gov/fasab.htm.

FASAB would like to thank Preston Rich, the director of the Financenet group, and his capable associates, Moe Than, Dinesh Sivagnanam, and Lysa Olympo, who have done an excellent job of supporting FASAB and its current web page.

**Document Resulting from the
Federal Accounting Standards Advisory Board (FASAB) and the
Accounting and Auditing Policy Committee (AAPC) Processes**

1	2	Number	Title	Date Issued	FY to Implement	GPO/Other Information*	Price
F	C	SFFAC 1	Objectives of Federal Financial Reporting	9/2/93	N/A	On Web Only	N/A
F	C	SFFAC 2	Entity and Display	6/6/95	N/A	041.001.00456.1	\$3.75
F	C	SFFAC3	Management's Discussion & Analysis	Apr-99	N/A	041.001.00541.2	\$5.00
F	S	SFFAS 1	Accounting for Selected Assets and Liabilities	3/30/93	1994	On Web Only	N/A
F	S	SFFAS 2	Accounting for Direct Loans and Loan Guarantees	8/23/93	1994	On Web Only	N/A
F	S	SFFAS 3	Accounting for Inventory and Related Property	10/27/93	1994	On Web Only	N/A
F	S	SFFAS 4	Managerial Cost Accounting Concepts & Standards	7/31/95	1998	041.001.00457.2	\$7.50
F	S	SFFAS 5	Accounting for Liabilities of the Federal Government	12/20/95	1997	041.001.00463.7	\$7.50
F	S	SFFAS 6	Accounting for Property, Plant & Equipment (PP&E)	11/30/95	1998	041.001.00462.9	\$6.50
F	S	SFFAS 7	Accounting for Revenue and Other Financing Sources	5/10/96	1998	041.001.00475.1	\$18.00
F	S	SFFAS 8	Supplementary Stewardship Reporting	6/11/96	1998	041.001.00493.9	\$7.50
F	S	SFFAS 9	Deferral of Implementation Date for SFFAS 4	10/3/97	1998	041.001.00494.7	\$1.75
F	S	SFFAS 10	Accounting for Internal Use Software	10/9/98	2001	041.001.00524.2	\$4.00
F	S	SFFAS 11	Amendments to Accounting for PP&E - Definitions	12/15/98	1999	041.001.00519.6	\$2.25
F	S	SFFAS 12	Recognition of Contingent Liabilities from Litigation	2/5/99	1998	041.001.00527.7	\$2.50
F	S	SFFAS 13	Deferral of Para.65.2-Material Rev.-Related Transactions	2/5/99	1999	041.001.00530.7	\$2.00
F	S	SFFAS 14	Amendments to Deferred Maintenance Reporting	Apr-99	1999	041.001.00531.5	\$3.00
F	S	SFFAS 15	Management's Discussion & Analysis	Apr-99	2000	041.001.00542.1	\$3.00
F	S	SFFAS 16	Amendments to Accounting for PP&E - Multi-Use Heritage As	Jul-99	2000	041.001.00548.0	\$4.25
F	S	SFFAS 17	Accounting for Social Insurance	Aug-99	2000	041.001.00540.4	\$12.00
F	S	SFFAS	Amendments to Accounting Standards for Direct & Guarantee	05/19/100	2001	020.000.00277.8	\$4.25
F	S	SFFAS	Technical Amendments to Accounting Standards for Direct &	Mar-101	2003		
F	S	SFFAS 20	Elimination of Disclosures Related to Tax Revenue Transacti	Sep-101	2002	In Printing	
F	S	SFFAS 21	Change in Certain Requirements for Reconciling Obligations	Oct-101	2001	UR	
F	S	SFFAS 22	Reporting Corrections of Errors and Changes in Accounting	Oct-101	2001	UR	
F	ED	N/A	Accounting for National Defense PP&E and Associated Clea	Sep-101	N/A	Available from FAS	N/A
F	PV	N/A	Preliminary Views on Eliminating the Category "Required Su	Dec-100	N/A	On Web Only	N/A
F	I	I-1	Reporting on Indian Trust Funds	3/12/97		On Web Only	N/A
F	I	I-2	Accounting for Treasury Judgment Fund Transactions	3/12/97		On Web Only	N/A
F	I	I-3	Measurement Date for Pension and Retirement Health Care	8/29/97		On Web Only	N/A
F	I	I-4	Accounting for Pension Payments in Excess of Pension Expe	12/19/97		On Web Only	N/A
F	I	I-5	Recognition by Recipient Entities of Receivable Nonexchang	Dec-98		On Web Only	N/A
F	R	Report 1	Overview of Federal Financial Accounting Concepts and Stan	12/31/96		Available - FASAB	N/A
F	R	Research	Accounting for the Natural Resources of the Federal Govern	Jun-100		Available from FAS	N/A
F	Cod	Volume 1	FASAB Volume 1, Original Statements	Dec-100		Available - GAO, #S	N/A

Documents available at <http://www.financenet.gov/fasab.htm>. Documents in print available from FASAB, 202-512-7350, GPO, 202-512-1800, or GAO (as noted 202-512-6000. Updated: 10/1/01. Doc #35820v1. Page 1 of 2

**Document Resulting from the
Federal Accounting Standards Advisory Board (FASAB) and the
Accounting and Auditing Policy Committee (AAPC) Processes**

1	2	Number	Title	Date Issued	FY to Implement	GPO/Other Information*	Price
A	TR	TR 1	Audit Legal Letter Guidance	3/1/98		041.001.00503.0	\$1.00
A	TR	TR 2	Environmental Liabilities Guidance	3/15/98		041.001.00504.8	\$2.00
A	TR	TR 3	Preparing and Auditing Estimates for Direct and Guaranteed	Feb-99		On Web Only	
A	TR	TR 4	Reporting on Non-valued Seized and Forfeited Property	07/31/99		On Web Only	
A	TR	TR 5	Implementation Guidance on SFFAS 10: Accounting for Intern	5/14/01		On Web Only	

Key:

Column 1: F = FASAB; A = AAPC

Column 2: C = Concept; S = Standard; ED = Exposure Draft; IFV = Invitation for Views; I = Interpretation; R = Report;
Cod. = Codification; TR = Technical Release, PV = Preliminary Views

* "In Printing Process" - Document signed and approved for implementation; available on Web. Print version not yet available.

"Under Hill Review" - Signed recommended capital accounting standard undergoing 45 day Hill review period. When released by Hill, will be available for implementation - Web version will be updated, list will be updated, and print version will be issued.

"UR" and "SFFAS Under Review" - "UR" means "Under review." Document approved by FASAB and sent to principals for 90-days. At the end of the 90-day period, the document will be posted to the Web, this list will be updated, and the print version will be issued.

Change of Address or Cancellation?

Forward this form to FASAB at:
**441 G Street, NW, Room 6K17V
Washington, DC 20548**

or

Fax to:
(202) 512-7366

Old Address:
(if there is no mailing label)

New Address:



**FEDERAL ACCOUNTING
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