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March 11, 2026

Federal Accounting Standards Advisory Board
441 G Street NW, Suite 1155
Washington, DC 20548

RE: Comments on FASAB *2025 Annual Report and Three-Year Plan*

The Financial Management Standards Board (FMSB) of the AGA appreciates the opportunity to provide comments to the Federal Accounting Standards Advisory Board on its three-year plan for its technical agenda.

General Comments

We are concerned that appointments for the Board chair and incoming new members have not yet been realized timely, resulting in cancelation of the Board's February meeting. The FASAB provides a critical and time-sensitive function for federal agencies that requires continuity of operations during Board member turnover. **We call on sponsoring agencies to resolve this situation in an expedited manner. We further suggest review of operating procedures to prevent a similar situation from occurring in the future.**

Regarding fiscal year 2025 accomplishments, we continue to appreciate the Board's educational and outreach efforts. While we understand the approach to providing CPE-eligible training courses as live events, we suggest making recordings of these events available on the FASAB YouTube channel or website, even if for a limited time. While not being eligible for CPE, this would better serve federal employees and maximize benefits and outcomes of this effort by reaching additional staff who might have had a conflict with the live date or serving as a later reference for attendees.

Finally, we wish to congratulate the Board on progress made with the Accounting Standards Implementation Committee. We view updates to the name, structure and governance of this committee as positive updates.

Accounting and Reporting of Government Land

We were unsure on whether this project had ended since the table did not identify further activity beyond FY 25. In any case, we would encourage the Board to plan for continued monitoring and the possibility of additional implementation guidance needed after transition occurs in FY 26.

Intangible Assets

We are supportive of this project and agree with the working definition the Board has developed for internal use.

We also agree that cloud-service arrangements are a different major category of intangible software technology assets. In particular, these arrangements are similar to leases and should be aligned with standards on leases unless there are compelling attributes or reasons to account differently. To that point, we encourage the Board to consider how the GASB addressed this topic in their Statement 96. For example, a positive aspect of the GASB's standard was a strong alignment of recognition guidance between leases and subscription based information technology arrangements.

Leases

We noted that the December Board meeting included discussion of implementation guidance on embedded leases. We agree with staff's recommendation on this topic, which would imply the need for additional guidance to be issued. This does not appear to be reflected in 3-year plan, but we would support proceeding with timely issuance of an exposure draft.

Public-Private Partnerships

We are supportive of this project and affirm the importance of research and engagement with agencies both in finalizing any new standards and in developing implementation guidance. In particular, we suggest that research identify potential inconsistencies in how agencies have implemented the standard. For example, situations where agencies have similar public-private partnerships, but some agencies disclose the agreement and others do not, and those agencies with disclosures present different information. We would also encourage research to consider the GASB's Statement 94 on this topic.

Re-examination of Existing Standards

We are supportive of this project and affirm the topics identified so far. We believe there could be more projects of interest – potentially more than would be feasible for the Board to pursue in the near-term.

However, we would suggest that topics identified by the re-examination be moved to their own research or standard-setting project. This would allow for identification of a series of projects over time, each of which would stand on its own and proceed at its own pace. This would also allow for the re-examination project to end when the Board has finished reviewing input and made decisions on what issues will be addressed through research topics, technical clarifications, or standard-setting projects.

As the Board considers further projects, we continue to encourage consideration of a project to evaluate the structure of existing standards. Specifically, we encourage the Board to consider moving to a codification-and-update model, such as the one used by the FASB. The handbook is currently organized by the history of standard setting, rather than logically organized by topic. And while the handbook is updated for amendments, a user may need to skip back and forth hundreds of pages to get a full understanding on a particular topic. The current handbook is over 2,900 pages long, and we would expect that projects resulting from the re-examination will further add to its length and complexity. We notice that the GASB has recently started a project evaluating the structure of its standards, so this may be an

opportunity for the Board to monitor lessons learned and outcomes. As we described in our original comment letter on the re-examination project, we believe this is an opportunity for standards to be significantly more accessible and usable to a new generation of learners.

Reporting Model

Overall, we found that proposed implementation guidance did not seem to add much clarification or guidance from the standard itself. In order to accomplish the outcomes envisioned by the standard, we anticipate a need for more detailed guidance or illustrations, whether provided by FASAB or another source. See our separate comments on the MD&A implementation guidance exposure draft.

Technical Clarifications and Omnibus Amendments

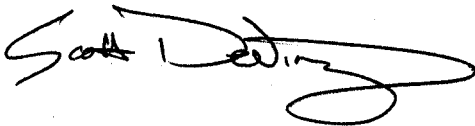
We appreciate the Board's work to provide technical clarifications and updates to standards.

We also affirm the Board's collaborative approach and ongoing efforts to resolve matters specific to the Department of Defense. However, we suggest that the annual plan include a high-level identification of the areas that need clarifications or additional guidance. The plan references the establishment of a project in 2014 to address these areas; it is our understanding that this original project had identified a detailed list of areas. It would be helpful to know what areas remain on the list, or whether new emerging issues have been identified for needed guidance.

Research Topics

We are supportive of the two research topics.

Sincerely,

A handwritten signature in black ink, appearing to read 'Scott DeViney', with a large, sweeping flourish at the end.

Scott DeViney, CPA
Chair, Financial Management Standards Board



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AGA
Financial Management Standards Board

The FMSB comprises the following 20 members with accounting and auditing backgrounds in federal, state, and local government, as well as academia and public accounting. The FMSB reviews and responds to proposed standards and regulations of interest to AGA members. The purpose of the FMSB is to advocate for the improvement of accounting and financial reporting standards at all levels of government and thus advance government accountability. The views of the FMSB do not necessarily represent those of AGA. Local AGA chapters and individual members are also encouraged to comment separately.

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