

## GOVERNMENTAL ACCOUNTING STANDARDS BOARD

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### FOR IMMEDIATE RELEASE

#### **GASB Issues an Exposure Draft seeking input on proposed changes to Concepts Statement No. 2, *Service Efforts and Accomplishments Reporting***

**Norwalk, CT, April 4, 2008**—The Governmental Accounting Standards Board (GASB) today issued an Exposure Draft (ED) of proposed changes to Concepts Statement No. 2, *Service Efforts and Accomplishments Reporting*. The purpose of this ED is to update Concepts Statement 2 to reflect the knowledge gathered by the GASB through research and monitoring conducted during the 14 years since the Concepts Statement was issued. The proposed amendments also would clarify the role of the GASB in service efforts and accomplishments (SEA) reporting. Constituents are encouraged to review and provide written comments on the ED by July 3, 2008. The ED can be downloaded free from the GASB website, [www.gasb.org](http://www.gasb.org).

“SEA performance information has a long history of being recognized as an important component of public sector financial reporting, providing insight into how effectively and efficiently state and local governments utilize resources to achieve their missions on behalf of their citizens,” stated GASB Chairman Robert H. Attmore.

“The proposed changes in the Exposure Draft will bring the GASB’s conceptual framework up to date on the advances made by governments in reporting SEA information,” Attmore said. “It also will clarify the nature of the GASB’s involvement in SEA performance reporting. Our goal is to eliminate any confusion or misunderstanding that has developed on this topic.”

Specifically, the ED proposes to modify four sections of Concepts Statement 2 (Purpose and Scope, The Elements of SEA Reporting, Limitations of SEA Information, and Enhancing the Usefulness of SEA Information), and to eliminate one section (Developing Reporting Standards for SEA Information). It is the GASB’s belief that these proposed changes will enhance a common understanding of the elements, characteristics, limitations, and methods of communicating SEA performance information.

The proposed changes to the Purpose and Scope section would clarify that it is beyond the scope of the GASB to establish the goals and objectives of state and local government services, develop specific nonfinancial measures or indicators of service performance; or set standards for service performance. Some provisions of the section of the Concepts Statement entitled “Developing Reporting Standards for SEA Information” have been interpreted in ways that cause confusion. The GASB believes that the best way to avoid future confusion is to eliminate that section from the Concepts Statement entirely.

**The GASB also has scheduled a public hearing to take place on July 29, 2008, beginning at 9:00 a.m. EDT at the Hilton Hotel, 255 Courtland Street, NE, Atlanta, GA, in conjunction with the Association of Government Accountants' Professional Development Conference.** Individuals or organizations that want to make an oral presentation in person or by telephone are required to provide, by the deadline of July 3, 2008, a written notification of that intent and a copy of written comments addressing the changes proposed in the Exposure Draft. The notification and written submission should be addressed to the Director of Research and Technical Activities, Project No. 20-1, and e-mailed to [director@gasb.org](mailto:director@gasb.org) or mailed to the address below. Written comments should be addressed to the Director of Research and Technical Activities, Project No. 20-1, and e-mailed to [director@gasb.org](mailto:director@gasb.org), or mailed to the following address: Governmental Accounting Standards Board, 401 Merritt 7, PO Box 5116, Norwalk, CT 06856-5116. Additional details about participating in the hearing and responding in writing can be found in the ED.

### **About the Governmental Accounting Standards Board**

The GASB is the independent, not-for-profit organization formed in 1984 that establishes and improves financial accounting and reporting standards for state and local governments. Its seven members are drawn from the Board's diverse constituency, including preparers and auditors of government financial statements, users of those statements and members of the academic community. More information about the GASB can be found at its website, [www.gasb.org](http://www.gasb.org).

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