

REPORT OF THE FASB CHAIRMAN
TO THE FINANCIAL ACCOUNTING FOUNDATION
January 1, 2011 through March 31, 2011

ITEM 1: TECHNICAL ACTIVITIES

BOARD AND STAFF ACTIVITIES

- a. Final Document Issued:
1. Accounting Standards Update No. 2011-01, *Receivables (Topic 310): Deferral of the Effective Date of Disclosures about Troubled Debt Restructurings in Update No. 2010-20* (issued January 19, 2011).
- b. Exposure Documents Issued:
1. Proposed Accounting Standards Update, *Balance Sheet (Topic 210): Offsetting* (issued January 28, 2011). Comment deadline: April 28, 2011.
 2. Supplementary Document, *Accounting for Financial Instruments and Revisions to the Accounting for Derivative Instruments and Hedging Activities—Impairment* (issued January 31, 2011). Comment deadline: April 1, 2011.
 3. Discussion Paper, Invitation to Comment—*Selected Issues about Hedge Accounting (including IASB Exposure Draft, Hedge Accounting)* (issued February 9, 2011). Comment deadline: April 25, 2011.
- c. From time to time, the FASB issues Accounting Standards Updates to amend the nonauthoritative portions of the *FASB Accounting Standards Codification*® (such as the nonauthoritative SEC content). No such Updates were issued this quarter.
- d. No new projects were added to the Technical Agenda.
- e. An agenda request to add a project to the Technical Agenda on the definition of a nonpublic entity was considered but declined.
- f. No projects were removed from the Technical Agenda.
- g. Outreach Activities—Public Roundtable Meetings. The FASB held the following public roundtable meetings:
1. Four public roundtable meetings were held to discuss the Exposure Draft on Leases. One of those roundtable meetings, held in Chicago, was composed solely of nonpublic company participants.
- h. Outreach Activities—Meetings of FASB Standing Advisory Groups:

1. Financial Accounting Standards Advisory Council (FASAC) meeting. Seven Board members and several FASB staff members met with FASAC in March to discuss the Board's projects on Accounting for Financial Instruments, Revenue Recognition, and Leases. Participants also discussed their views about issues that the FASB should consider in setting its future agenda, once it completes the current priority projects.
 2. Investors Technical Advisory Committee (ITAC) meeting. Five Board members and several FASB staff members met with ITAC in an open meeting in January to discuss the Board's projects on Leases and Accounting for Financial Instruments and the Discussion Paper on Effective Dates and Transition Methods. Participants also discussed the need for a potential future FASB project on the Accounting for Pensions.
 3. Not-for-Profit Advisory Committee (NAC) meeting. Two Board members and several staff members met with NAC members in an open meeting to discuss the definition of public and private entities, the reporting model for not-for-profit organizations, the Board's projects on Revenue Recognition and Leases, and other matters of interest.
- i. Outreach Activities—Other Consultations with Stakeholders:
1. National Association of College and University Business Officers (NACUBO). Five Board members and several staff members met in an open meeting with representatives of the NACUBO's Accounting Principles Council in January. Participants discussed what readers of higher education financial statement want to know, focusing on both public and nonpublic entities. Participants also discussed the Board's projects on Accounting for Financial Instruments, Revenue Recognition, and Leases, as well as feedback on the classification requirements for net asset by not-for-profit organizations.
 2. Chartered Financial Analysts Institute (CFA). Five Board members and several staff members met in an open meeting with representatives of the CFA's Corporate Disclosure Policy Committee in February. Participants discussed individual and cross-cutting issues on the priority projects. Participants also discussed the Board's projects on Disclosure Framework, Effective Dates and Transition Methods, Financial Statement Presentation, Loss Contingencies, and Investment Properties.
 3. Three FASB members met privately with representatives from the Campaign for Quality Construction (CQC) and the Mechanical Contractors Association of America (MCAA) to discuss the ongoing project on Disclosures about an Employer's Participation in a Multiemployer Plan.
 4. Two FASB members met privately with representatives from the National Council of Real Estate Investment Fiduciaries (NCREIF) to discuss the ongoing project on Investment Properties.

- j. Other significant project-specific outreach activities:
 - 1. Offsetting financial assets and financial liabilities—representatives of the FASB participated in over 25 calls and other meetings with various groups of investors, preparers, and auditors.
 - 2. Revenue recognition—the project team continued their targeted outreach program to obtain feedback throughout the redeliberations process. The staff met with various companies and industry organizations including representatives from the entertainment and media, aerospace and defense, engineering and construction, technology, software, pharmaceutical and biotechnology, and financial services industries.
 - 3. Financial statement presentation—representatives of the FASB meet privately with the Investment Company Institute working group.
 - 4. Goodwill impairment—representatives of the FASB participated in calls with a number of preparers, users, and auditor groups.

COLLABORATION WITH THE INTERNATIONAL ACCOUNTING STANDARDS BOARD

- a. The FASB and the IASB held multi-day joint Board meetings in January, February, and March using their video-conferencing capabilities and a three-day face-to-face joint Board meeting in London in February and Norwalk in March.
- b. FASB staff participated in IASB Board meetings to discuss technical issues on the Boards' various joint projects.
- c. FASB members participated in joint Board advisor meetings on Revenue Recognition, and Insurance.
- d. The FASB and the IASB held joint education sessions on Revenue Recognition, Leases, and Insurance.
- e. Two FASB Board members and staff participated in a public meeting of the Leases Working Group (Norwalk).
- f. An FASB Board member and staff participated in a public meeting of the Leases Working Group (London).
- g. FASB staff participated with IASB staff in conducting outreach on the projects on Impairment and Offsetting Financial Assets and Financial Liabilities.
- h. The FASB and IASB directors met periodically to discuss technical and administrative matters.

OTHER INTERNATIONAL ACTIVITIES

- a. Two FASB Board members, the technical director, and several staff members met with representatives of the Accounting Standards Board of Japan to discuss progress on their shared goal of convergence. The Boards also discussed the projects on Accounting for Financial Instruments, Revenue Recognition, Leases, and the issues surrounding the interest rate on the measurement of liabilities.
- b. The FASB sponsored the National Standard Setters two-day meeting and dinner in New York. The FASB chairman, an FASB Board member, and the FASB technical director participated in the meeting.
- c. The FASB chairman, the FAF chairman, and the FAF CEO met with representatives of the European Commission, EFRAG, the U.S. Treasury, and the U.S. Ambassador to the E.U. to discuss progress on the convergence projects and other matters of mutual interest.

XBRL ACTIVITIES

The FAF is responsible for the ongoing maintenance of the taxonomy applicable to public issuers registered with the SEC. The FAF has delegated those maintenance responsibilities to the FASB.

- a. On January 18, 2011, we posted the 2011 U.S. GAAP Financial Reporting Taxonomy (UGT) to the FASB website. The SEC officially adopted the 2011 UGT on February 28, 2011, making it available for use by public issuers registered with the SEC.

EDUCATIONAL WEBCASTS AND PODCASTS DELIVERED

1. 2011 Chairman's Outlook for the FASB (January webcast)
2. XBRL 2011 Taxonomy Overview (February webcast)
3. The FASB's Supplementary Document on Impairment (January podcast)

SPEECHES DELIVERED

The following is a list of speeches delivered during the 1st quarter of 2011:

- AAA Financial Accounting & Reporting Section—Midyear Meeting
- CFA Institute—Cayman CFA Society
- CFA Institute
- Corporate Directors Forum
- CT Society of CPAs (CSCPA) Not-for-Profit Committee Meeting
- Deloitte Trueblood Seminar
- FEI Central Florida Chapter
- FEI Tampa Chapter

- FEI Philadelphia Chapter
- FEI Committee on Corporate Reporting
- Financial Services Roundtable
- Florida State University College of Business
- Investor Roadshow (CLSA sponsored)
- LTA Committee Conference
- National Association of Regulatory Utility Commissioners
- National Society of Accountants for Cooperatives Roundtable
- NCFC Legal, Tax & Accounting Conference & NSAC Conference
- New York State Society of CPAs (NYSSCPA) Higher Education Conference
- NYSSCPA Annual Not-for-Profit Conference
- Northwestern Law School's 38th Annual Securities Regulation Institute
- Pathways Commission
- Public Company Accounting Oversight Board (PCAOB) Annual Inspections Training
- Standard & Poor's Accounting Conference
- United States Chamber of Commerce, Center for Competitiveness
- University of Wisconsin, Arthur Andersen Center School of Business.

PROFESSIONAL DEVELOPMENT—FASB STAFF AND BOARD

- a. The following professional development sessions were presented to the Board and staff:
 1. Bank Regulatory Capital, presented by Steven P. Merriett, Assistant Director and Chief Accountant—Supervision for the Federal Reserve Board's Division of Banking Supervision and Regulation, and R. Ryan Richards, Senior Supervisory Financial Analyst for the Federal Reserve Board's Division of Banking Supervision and Regulation.
 2. XBRL in 2011, presented by Louis Matherne, FASB Chief of Taxonomy Development; Christine Tan, FASB XBRL Project Manager; Adrian Hong, FASB XBRL Technical Research Assistant; and David Shaw, FASB XBRL Technical Research Assistant.
 3. Conducting Interviews for Research, presented by Dean Mead, GASB Research Manager.
 4. Effective Writing, presented by Mary Huydic, FASB Editor.

ITEM 2: ADMINISTRATIVE MATTERS AND STRATEGIC ACTIVITIES

- a. All Board members attended the January FAF Trustees meeting.
- b. In March, the FASB launched live video-webcasting of its education sessions.

ITEM 3: WASHINGTON ACTIVITIES

- a. Members of Congress, their staffs, and the Administration were informed about the activities of the FASB through various meetings and other forums, including:
 1. The FASB chairman and FASB staff and FAF staff provided the Treasury Assistant Secretary for International Markets & Development with a conference call update on convergence, offsetting, and hedging.
 2. An FASB Board member and FAF staff met with the PBGC Director and senior staff to brief them on the FASB's Multi-Employer Plan Disclosure Exposure Draft.
 3. An FASB Board member and FAF staff met with Senate HELP Committee and Senate Finance Committee staff to brief them on the FASB's Multi-Employer Plan Disclosure Exposure Draft. In addition, FASB and FAF staff conducted a conference call with Senate staff members of the HELP Committee to answer questions on the proposed disclosure requirements in the Multi-Employer Exposure Draft.

ITEM 4: ADDITIONAL COMMUNICATIONS ACTIVITIES

- a. The FASB issued the following press releases/media advisories:
 1. 1-10-11: Susan M. Cospser Named Technical Director of the Financial Accounting Standards Board
 2. 1-14-11: Financial Accounting Foundation Appoints Daryl E. Buck and R. Harold Schroeder to the Financial Accounting Standards Board
 3. 1-14-11: MEDIA ADVISORY: FASB to Host January 25 Webcast, *2011 Chairman's Outlook on the FASB* with Leslie F. Seidman
 4. 1-19-11: MEDIA ADVISORY: Registration Is Now Open for January 25 Webcast, *2011 Chairman's Outlook on the FASB* with Leslie F. Seidman
 5. 1-28-11: IASB and FASB Propose to Align Balance Sheet Netting Requirements—*Differences in IFRS and US GAAP Offsetting Requirements to Be Eliminated*
 6. 1-31-11: IASB and FASB Propose Common Solution for Impairment Accounting—*Boards Jointly Address Fundamental Aspect of Financial Instruments Accounting*
 7. 2-9-11: FASB Discussion Paper Seeks Input on Issues about Hedge Accounting
 8. 2-11-11: Representatives of the Accounting Standards Board of Japan and the Financial Accounting Standards Board Meet to Discuss Global Convergence
 9. 2-14-11: FASB to Host February 24 Webcast, *XBRL 2011 Taxonomy Overview*
 10. 2-17-11: The Financial Accounting Foundation Reappoints Thomas J. Linsmeier to a Second Term on the FASB
 11. 2-22-11: MEDIA ADVISORY: Register Now for February 24 Webcast, *XBRL 2011 Taxonomy Overview*

12. 3-1-11: MEDIA ADVISORY: 2011 US GAAP Financial Reporting Taxonomy Adopted and Supported by SEC Effective February 28, 2011
 13. 3-7-11: Financial Accounting Foundation Announces Live Video Webcasting of FASB Education Sessions
 14. 3-17-11: Financial Accounting Standards Board Announces Joint FASB/IASB Public Roundtable Meetings on Proposed Standard on Offsetting
- b. The FASB issued “FASB in Focus” documents during the month of January for the Exposure Draft on Offsetting of Financial Assets and Liabilities and the Supplementary Document on Impairment of Financial Assets.
 - c. In January, Leslie Seidman was interviewed by Ellen Heffes of *Financial Executives Magazine* for an in-depth profile of the new FASB chairman.
 - d. On March 3, Leslie Seidman participated in an interview conducted by Matt Lamoreaux for the *Journal of Accountancy*. The interview covered a broad array of topics regarding the new chairman’s priorities for the FASB in 2011 and beyond.
 - e. The following student groups visited the FASB for tours:
 - a. Creighton University—January 5, 20 students
 - b. University of New Hampshire—March 10, 30 students
 - c. Texas A&M Fellows—March 16, 13 students
 - d. Champlain College—March 30, 15 students

ITEM 5: GASB LIAISON ACTIVITIES

- a. GASB meeting minutes were sent to the FASB directors.
- b. The GASB RTA director and the FASB P&S director held monthly meetings and met quarterly with the FASB and GASB chairmen.
- c. The GASB staff distributed a draft of the preliminary views document, *Recognition of Elements of Financial Statements and Measurement Approaches*, to the FASB for review.
- d. The FASB staff distributed the following drafts for GASB’s review:
 - Accounting Standards Update, *Receivables (Topic 310): Deferral of the Effective Date of Disclosures about Troubled Debt Restructurings in Update No. 2010-20*
 - Accounting Standards Update, *Fair Value Measurement (Topic 820): Amendments to Achieve Common Fair Value Measurement and Disclosure Requirement in U.S. GAAP and IFRS*
 - Accounting Standards Update, *Comprehensive Income (Topic 220): Presentation of Comprehensive Income*
 - Accounting Standards Update, *Receivables (Topic 310): Clarifications to Accounting for Troubled Debt Restructurings by Creditors*
 - Proposed Accounting Standards Update, *Balance Sheet (Topic 210): Offsetting*

- Proposed Accounting Standards Update, *Intangibles—Goodwill and Other (Topic 350): Testing Goodwill for Impairment*.