

## REPORT OF THE FASB CHAIRMAN

TO THE FINANCIAL ACCOUNTING FOUNDATION

October 1, 2011 through December 31, 2011

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### **ITEM 1: TECHNICAL ACTIVITIES**

#### **BOARD AND STAFF ACTIVITIES**

a. Final Documents Issued:

1. Accounting Standards Update No. 2011-10, *Property, Plant, and Equipment (Topic 360): Derecognition of in Substance Real Estate—a Scope Clarification* (a consensus of the FASB Emerging Issues Task Force) (issued December 14, 2011)
2. Accounting Standards Update No. 2011-11, *Balance Sheet (Topic 210): Disclosures about Offsetting Assets and Liabilities* (issued December 16, 2011)
3. Accounting Standards Update No. 2011-12, *Comprehensive Income (Topic 220): Deferral of the Effective Date for Amendments to the Presentation of Reclassifications of Items Out of Accumulated Other Comprehensive Income in Accounting Standards Update No. 2011-05* (issued December 23, 2011).

b. Exposure Documents Issued:

1. Proposed Accounting Standards Update, *Technical Corrections* (issued October 14, 2011). Comment deadline: December 13, 2011.
2. Proposed Accounting Standards Update, *Real Estate—Investment Property Entities (Topic 973)* (issued October 21, 2011). Revised comment deadline: February 15, 2012.
3. Proposed Accounting Standards Update, *Financial Services—Investment Companies (Topic 946): Amendments to the Scope, Measurement, and Disclosure Requirements* (issued October 21, 2011). Revised comment deadline: February 15, 2012.
4. Proposed Accounting Standards Update, *Consolidation (Topic 810): Principal versus Agent Analysis* (issued November 3, 2011). Revised comment deadline: February 15, 2012.
5. Proposed Accounting Standards Update, *Comprehensive Income (Topic 220): Deferral of the Effective Date for Amendments to the Presentation of Reclassifications of Items Out of Accumulated Other Comprehensive Income in Accounting Standards Update No. 2011-05* (issued November 8, 2011). Comment deadline: November 23, 2011.

6. Proposed Accounting Standards Update (Revised)—*Revenue Recognition (Topic 605): Revenue from Contracts with Customers* (issued November 14, 2011). Comment deadline: March 13, 2012.
  7. Proposed Accounting Standards Update, *Consolidation (Topic 810): Parent's Accounting for the Cumulative Translation Adjustment upon the Sale or Transfer of a Group of Assets That Is a Nonprofit Activity or a Business within a Consolidated Foreign Entity* (a consensus of the FASB Emerging Issues Task Force) (issued December 8, 2011). Comment deadline February 6, 2012.
- 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. New projects added to the agenda:
1. Presentation of Other Comprehensive Income (October 2011). The objective of this standards-setting project is to reconsider how entities are required to present items reclassified out of accumulated comprehensive income, in response to stakeholder concerns about the operability of new requirements published in Accounting Standards Update 2011-12.
  2. Not-for-Profit Financial Reporting: Financial Statements (November 2011). The objective of this standards-setting project is to reexamine existing standards for financial statement presentation by not-for-profit organizations, focusing on improving net asset classification requirements and information organizations provide about liquidity, financial performance, and cash flows. The FASB's Not-for-Profit Advisory Committee had identified those areas as in need of examination.
  3. Not-for-Profit Financial Reporting: Other Financial Communication—a research project (November 2011). The objective of this research project is to study how not-for-profit organizations use written communications, other than financial statements, to communicate their financial story. At the conclusion of this research effort, the Board expects to consider whether educational or standards-setting efforts can contribute to promoting such communications.
  4. Nonpublic Entity Fair Value Measurement Disclosures (November 2011). The objective of this project is to evaluate whether nonpublic entities should be exempt from some or all required disclosures about Level 3 fair value measurements, in light of stakeholder concerns about the costs of preparing and providing those disclosures.
  5. Application of Asset- or Entity-Based Guidance to Nonfinancial Assets Held in an Entity—a research project (November 2011).
- e. New projects considered but not added to the agenda:
1. A proposal that the Board address a lender's accounting for in substance real estate when a borrower ceases to have a controlling financial interest in an in substance real estate subsidiary as a result of default by the subsidiary on its nonrecourse debt. The FASB chairman decided not to add this narrow project,

- but rather, to research whether a more fundamental change would solve a wider set of issues and provide a more durable solution. (See #d (5) above).
2. The Board considered several proposals relating to private companies and directed the staff to address these issues as follows:
    - a. To explore ways to clarify and provide examples about how private companies should apply consolidation guidance for variable interest entities.
    - b. To explore a request to exempt nonpublic entities from recognition and measurement of intangible assets acquired in a business combination.
    - c. To explore a request to permit private companies to disclose the terms of “plain vanilla” interest rate swap agreements and the fair value of the asset or liability positions of the swaps in the notes as a proxy for swap agreement’s current termination value.
  3. A proposal to address the scope of the exception allowed for measuring the fair value of a portfolio of financial instruments in paragraph 820-10-35-18D of Topic 820, as amended by Accounting Standards Update 2011-04. We will address this as part of our 2012 annual technical corrections project.
- f. No projects were removed from the technical agenda.
  - g. At the November 30, 2011 Board meeting, the Board ratified the consensus-for-exposure reached by the Task Force on Issue No. 11-A. The comment period for the Proposed Accounting Standards Update posted to the FASB website will end on February 6, 2012 (see Exposure Documents Issued above).
  - h. At the November 30, 2011 Board meeting, the Board ratified the final consensus reached by the Task Force on Issue No. 10-E (see Final Documents Issued above).
  - i. All seven Board members participated in the November 3, 2011 EITF meeting.
  - j. Outreach Activities—Meetings of FASB Standing Advisory Groups:
    1. Financial Accounting Standards Advisory Council (FASAC):
      - a. October 2011 meeting: All Board members and several staff members participated in the October meeting of the FASAC. Council members discussed a variety of topics, including the FAF Trustees’ plan for private company standard-setting, areas of difference between U.S. GAAP and IFRS (accounting for inventories; contingencies; impairment of nonfinancial assets; and property, plant, and equipment), disclosure framework, and risks and uncertainties.
      - b. December 2011 meeting: Six Board members and several staff members participated in the December meeting of the FASAC. Council members participated in an FASB webcast on the Revised Exposure Draft for Revenue Recognition and discussed various aspects of the proposed model, including identifying and satisfying performance obligations,

transaction price and allocation, onerous performance obligations, interim disclosures, and transfers of nonfinancial assets. Council members discussed a variety of other topics, including other comprehensive income.

2. Investors Technical Advisory Committee (ITAC): Three Board members and several staff members met with the ITAC in November 2011 in a closed meeting to discuss a variety of topics, including the use of IFRSs in the U.S. (including two SEC papers: *An Analysis of IFRS in Practice* and *A Comparison of US GAAP and IFRS*), financial instruments: impairment and risk and liquidity disclosures, hedge accounting research, European debt disclosures, the revenue recognition proposal, and two Proposed Accounting Standards Updates: Investment Property Entities and Investment Companies.
  3. Small Business Advisory Committee (SBAC): Six Board members and several staff members participated in the November 2011 meeting of the SBAC. The FAF president and CEO provided an overview of the FAF Board of Trustees' *Plan to Establish the Private Company Standards Improvement Council*. Committee members discussed the proposed plan and a variety of FASB projects, including the project to develop a decision-making framework for private companies, leases, disclosures about risks and uncertainties and the liquidation basis of accounting, and financial instruments: liquidity risk and interest rate risk disclosures.
  4. Private Company Financial Reporting Committee (PCFRC): The PCFRC met in Norwalk for 1 ½ days in November. A Board member and several staff members participated in the closed session held on the first day. Six Board members and several staff members participated in the public session on the second day. During the meeting, the FAF president and CEO discussed the FAF's *Plan to Establish the Private Company Standards Improvement Council*. Committee members discussed the proposed plan and a variety of FASB projects, including the project to develop a decision-making framework for private companies, leases (including related-party leases), investment property entities, disclosures about risks and uncertainties, revenue recognition, long-lived intangibles, and consolidations.
- k. General Outreach Activities—Meetings with Industry or Other Representative Groups:
1. October 2011 activities:
    - a. Edison Electric Institute (EEI) and American Gas Association (AGA). Two Board members and several staff members met with EEI and AGA in a closed meeting.

- b. Corporate Reporting Users Forum (CRUF). A Board member met with representatives of CRUF (closed meeting).
  - c. National Association of Corporate Directors (NACD). A Board member met with representatives of NACD in a (closed meeting).
  - d. Group of North American Insurance Enterprises (GNAIE). Two Board members and several staff members met with GNAIE representatives and several insurance company CEOs (closed meeting).
  - e. Committee on Bank Accounting and Reporting. A Board member and the FASB technical director participated via teleconference in a closed meeting with the association of large banks.
  - f. American Coalition of Stock Plan Administrators. A Board member and the FASB technical director met privately with members of the American Coalition of Stock Plan Administrators (closed meeting).
  - g. Small Business Financial & Regulatory Affairs Committee of the Institute of Management Accountants. A Board member discussed via teleconference various projects that may affect small businesses (closed meeting).
  - h. AICPA Auditing Standards Board (Audit Issues Task Force Members). A Board member and some staff met with members of the Audit Issues Task Force (closed meeting).
  - i. Representatives of large public accounting firms. Two Board members and the FASB technical director met with representatives from the national offices of several large public accounting firms (closed meeting).
2. November/December 2011 activities:
- a. Committee on Corporate Reporting of Financial Executives Institute. A Board member discussed via teleconference various projects of interest to the committee (closed meeting).
  - b. Independent Community Bankers of America (ICBA). Three Board members and several staff met with the ICBA (closed meeting).
  - c. Business Accounting Council (BAC) within the Financial Services Agency of Japan. Two Board members, the FAF chairman, and the FAF president and CEO met with the BAC (closed meeting).
  - d. Academic outreach: A Board member participated in a roundtable of research academics and a meeting of the American Accounting Association.
1. Project-Specific Outreach Activities. Summaries of outreach activities on priority projects follow.
- 1. Accounting for financial instruments: Board and staff members obtained user perspectives on the FASB's and IASB's hedge accounting proposals

through more than a dozen calls with financial analysts from more than 10 organizations. Staff and/or Board members also discussed with various investors the usefulness of proposed disclosures for impaired financial assets. The staff met with representatives of eight different corporations, primarily financial institutions, and the major accounting firms to learn about the operability of the FASB's tentative classification and measurement approach. Staff members discussed the so-called three-bucket approach to impairment with representatives of the American Bankers Association, the International Bankers Federation, and the major accounting firms. Staff also discussed the Board's proposals related to the accounting for impairment of debt securities with companies and representatives of industry groups that would be significantly affected by those proposals.

2. Leases: Board and staff members discussed the leases project at six conferences and at three FASB standing advisory group meetings (FASAC, SBAC, and PCFRC). Staff and/or Board members also discussed the project with six different investor/user groups, several industry representative groups (National Association of Investment Real Estate Trusts and Aviation Working group), a major accounting firm, and an accounting firm focused primarily on the nonpublic entity sector.
3. Revenue recognition: The Board and staff raised awareness through participation in revenue recognition webcasts sponsored by two major accounting firms and discussions of the project with two FASB advisory groups (FASAC and ITAC). To gather information about the operability of the approach, staff and/or Board members have begun extensive outreach with stakeholders, including targeting specific industries that will be particularly affected by the proposals. The staff and Board members have discussed the Board's proposals with well over a dozen various preparer groups and two of the four major accounting firms. To obtain the perspectives of nonpublic entities, the project was discussed at meetings of the FASB's SBAC and PCFRC. In addition, staff or Board members presented information at approximately a dozen different conferences focused on the nonpublic sector including private companies and not-for-profit entities. Targeted outreach also was performed with private companies primarily in the construction industry, which included industry groups and associations.
4. Insurance contracts: Staff or Board members discussed the project with 8 different user groups and 18 different insurance companies or insurance industry representative groups.

5. Consolidation of investment companies and investment property entities: The project was discussed at a meeting of the FASB's ITAC and four other groups of investors and other users (these groups consisted of approximately 15 user organizations). Board or staff members gathered input and reactions on the proposal through meetings with five different preparer/auditor groups (these groups consisted of more than 25 organizations) and the FASB's PCFRC. Significant user outreach and additional preparer/auditor outreach for these proposals is planned to be completed in the first quarter of 2012 (to align with the comment period deadline).
6. Risks and uncertainties (formerly going concern): The project was discussed at meetings of the FASB's advisory groups (FASAC, SBAC, and PCFRC). To gather information about the needs of users, the staff discussed the project with members of ITAC and another group that represents users. The staff gathered information about a possible going concern assessment by management and held discussions and other correspondence with various preparers and accounting firms.
7. Reporting comprehensive income: The staff discussed various application issues with several stakeholders.
8. Private company issues roundtables. Three Board members and some staff participated in a roundtable in Chicago, and three other Board members and some staff participated in a roundtable in San Francisco.

#### COLLABORATION WITH THE INTERNATIONAL ACCOUNTING STANDARDS BOARD

- a. The FASB and the IASB held several multi-day joint video-conference Board meetings and two face-to-face joint Board meetings (Norwalk and London).
- b. The FASB and the IASB held an insurance working group meeting in London.
- c. An FASB Board member attended an IFRS Advisory Committee meeting in London.
- d. The FASB technical director attended the IASB Valuation Advisory Committee meeting.
- e. Two Board members attended the Deloitte/IFRS Summit in New York.
- f. The FASB and the IASB held small-group video-conference meetings on insurance, leases, and financial instruments classification and measurement.

- g. The FASB and the IASB directors met periodically to discuss technical and administrative matters.

#### OTHER INTERNATIONAL ACTIVITIES

- a. The FASB chairman attended the IFRS conference in Boston.
- b. One Board member, the FASB technical director, and the FAF president and CEO met privately with the Australian Financial Reporting Council (closed meeting).
- c. The FASB chairman, a Board member, and the FASB technical director participated in a conference call with EFRAG (closed meeting).
- d. An FASB Board member participated in the Financial Stability Board roundtable on risk disclosures in Basel, Switzerland (open meeting).
- e. An FASB Board member participated in a discussion about the joint insurance contracts project at the IFRS Advisory Council meeting (open meeting).
- f. Two Board members and the FASB technical director met with members of the China Ministry of Finance (closed meeting).
- g. The FASB research director attended a meeting of the EFRAG project team on disclosure framework and participated by phone in two meetings.

#### XBRL ACTIVITIES

The FAF is responsible for the ongoing development and maintenance of the U.S. GAAP Financial Reporting Taxonomy applicable to public issuers registered with the SEC. The FAF has delegated these responsibilities to the FASB.

- a. The FASB delivered the final US GAAP Financial Reporting Taxonomy (UGT) and all supporting collateral to the SEC as per the SEC MOU requirements dated February 4, 2010, to enable its final review of the UGT).
- b. The staff hosted a face-to-face meeting of the FASB Taxonomy Advisory Group (TAG). The TAG includes participants from preparers, CPA firms, service providers, data aggregators, and analysts. This advisory group provides valuable input on the changes and directions taken with each taxonomy release.
- c. An FASB Board member and staff visited with management of SNL Financial to solicit their feedback and provide guidance on using the UGT. SNL Financial collects, standardizes, and disseminates corporate, financial, market, and M&A data. This was an initial outreach for the purpose of understanding XBRL consumption issues and how those consumption issues affect UGT developments, and providing guidance on using the current XBRL formatted data.
- d. XBRL staff participated in several presentations at the XBRL International 23<sup>rd</sup> Conference held in Montreal.



- e. An FASB Board member represented the FASB at an SEC roundtable, hosted by Columbia University, which brought together representatives from the filer and analyst community to address XBRL document creation and consumption issues.
- f. XBRL staff participated in the IASB XAC and XQRT face-to-face meeting in London. These two groups provide input and guidance for the IFRS taxonomy effort.
- g. FASB hosted an IN FOCUS webinar, “Summary of Changes for the Proposed 2012 Taxonomy and Using XBRL Tables.” In addition to providing an overview of the proposed 2012 Taxonomy, this was a technical session designed to help users with the more challenging aspects of using the Taxonomy. This was the 3rd XBRL webinar in 2011. These webinars continue to be very popular with over 1,000 live viewers participating in the latest session.

## **ITEM 2: EDUCATION AND COMMUNICATIONS**

### **EDUCATIONAL WEBCASTS AND PODCASTS DELIVERED**

- a. Webcasts (which averaged 850 participants for the live webcasts):
  - 1. IN FOCUS: Summary of Changes for the Proposed 2012 Taxonomy and Using XBRL
  - 2. The FAF’s Plan to Improve Private Company Financial Reporting
  - 3. IN FOCUS: Understanding the FASB's Proposals for Investment Companies, Investment Property Entities, and Consolidations
  - 4. IN FOCUS: Understanding the FASB’s Exposure Draft Revenue from Contracts with Customers
  - 5. IN FOCUS: FASB Update for Nonpublic Entities.
- b. Podcasts:
  - 1. November: Proposed Accounting Standard Update: Revenue Recognition from Contracts with Customers.

### **SPEECHES DELIVERED**

FASB Board members or staff delivered speeches at the following conferences and events:

- AICPA Annual Health Care Industry Conference
- AICPA Governmental & NFP Training Program
- AICPA/IFRS Conference on International Financial Standards (IFRS): The North American Perspective

- AICPA National Conference on Credit Unions
- AICPA National Conference on Current SEC and PCAOB Developments
- AICPA/SIFMA Financial Management Society National Conference on the Securities Industry
- Alabama Society of CPAs Educators Conference
- American Accounting Association Northeast Region Conference
- American Accounting Association 2011 Midwest Region AAA Meeting
- Assoc. General Contractors of America Financial Management Conference
- CalCPA Education Foundation 2011 Accounting and Auditing Conference
- COBAR Fall Meeting
- Connecticut Society of CPAs Not-for-Profit Organization Committee Session
- Deloitte & Touche IFRS Summit 2011
- Ernst & Young Financial Services Accounting Change Symposium
- FDIC Division of Finance and Corporate University 2011 Accounting & Auditing Conference
- FEI CFRI Conference
- FEI Central PA Chapter Meeting
- FEI Northeastern Wisconsin Chapter Monthly Meeting
- Financial Executives Networking Group
- Financial Stability Board Roundtable
- Financial Times and Credit Suisse Lex Forum Series
- Florida Institute of CPAs (FICPA) and the University of Florida Fisher School of Accounting Conference
- Geneva Association Insurance and Finance Seminar
- Georgia Society of CPAs A&A Conference
- Greater Washington Society of CPAs 23<sup>rd</sup> Annual GWSCPA Not-for-Profit Organizations Symposium
- Illinois CPA Society Accounting & Auditing Conference
- Investment Company Institute Conference
- Kennesaw State University Financial Reporting Roundtable
- KPMG Financial Reporting & Valuation Conference
- Michigan State University Postgraduate Technical Assistant Program Presentation
- Mortgage Bankers Association Accounting, Tax & Financial Management Conference
- NASBA Annual Meeting
- National Association of Real Estate Companies Annual Conference
- National Council for Public Private Partnerships Real Estate Forum
- NYSSCPA Rockland Chapter CPE Program
- NYSSCPA/FAE IFRS Conference
- NYSSCPA Banking Committee Breakfast
- NYSSCPA Annual SEC/FASB Conference
- Ohio Society of CPAs SEC Conference
- Oklahoma State University Financial Reporting Conference
- Padgett Stratemann 2011 Construction Conference
- Pennsylvania Institute of Certified Public Accountants Construction Industry Conference
- Pepsico Annual Conference

- PhRMA and Pharma/Biotech Companies Accounting and Reporting Annual Meeting
- PKF North American Summit
- PricewaterhouseCoopers 13<sup>th</sup> Annual Meet the Experts
- Professional Development Institute University of North Texas Accounting & Financial Reporting Update Conference
- RR Donnelly SEC Hot Topics Institute
- Society of Insurance Financial Management SIFM December Meeting
- South Carolina Association of CPAs 2011 Accounting & Auditing Conference
- Standard & Poor’s Accounting Hot Topics Conference
- The Clearing House First Annual Business Meeting & Conference
- Washington Society of CPAs Annual NFP Conference
- Washington Society of CPAs Accounting & Auditing Update Conference
- William & Mary College Veris CPA Trek Program

**ITEM 3: ADMINISTRATIVE, PROCEDURAL, AND STRATEGIC ACTIVITIES**

a. Administrative Matters:

1. All Board members attended the November FAF Trustees meeting.

b. Professional Development—FASB Board and Staff

1. The following professional development sessions were presented to the Board and staff:
  - a. Long-Term Health Care Planning, Owen Svalestad, Financial Representative with New England Financial Group—the facts and myths of long-term health care and the importance of proper planning. The presentation covered the cost of care and who pays the bills (what Medicare and Medicaid cover).
  - b. The Fiscal Policy Space and Condition of Cities, Christopher Hoene, Center Director, Research & Innovation, National League of Cities (NLC). The presentation provided an overview of the “fiscal policy space” of cities—the structures and attributes that determine the fiscal policy tools available to cities, including state rules and constraints, underlying economic drivers, variation in local service demands, and local political and institutional factors. The presentation also provided the latest assessment of the fiscal health of the nation’s cities, drawing on NLC’s release of “City Fiscal Conditions in 2011,” a report based on an annual survey of city finance officers and city budgets. Contemporary concerns about pension and health care costs, municipal default, and municipal bankruptcy also were addressed in the presentation.
  - c. Lunch and Learn: Real Estate Today, Patricia Rattray. Selling your home and finding qualified buyers can be extremely challenging in today’s real estate market, but it is absolutely possible. This workshop helped employees

avoid losing thousands of dollars in price reductions and provided a step-by-step process for adding 10 percent or more to the price of a sale.

- d. The Conceptual Framework Project: An Overview, Part 2—Current Issues, Ron Lott, FASB Research Director, and Jim Leisenring, FASB Senior Advisor. Messrs. Lott and Leisenring continued their discussion on the history of the Conceptual Framework, including the issues that were in process when work on the framework was suspended. At the conclusion of this presentation, participants were able to understand the difficulties that the Board will face when deliberations are resumed.
  - e. Reflections on My Time at the Securities and Exchange Commission, Wayne Carnall, Partner—PriceWaterhouseCoopers, Former Chief Accountant in the Division of Corporation Finance. Mr. Carnall discussed his experiences at the Securities and Exchange Commission and focused on discussing accounting and reporting issues in which the staff noted entities that had challenges complying with the accounting guidance and/or the staff had challenges enforcing compliance with the accounting guidance. He also shared his perspective on changes that can be made to improve financial reporting.
  - f. Successful Leaders in Today's Business Environment (the third of the FAF Leadership Series), Ursula Burns, Chief Executive Officer, Xerox Corporation. This session provided the staff with Ms. Burns' insights on what makes a good leader; how good leaders inspire, motivate, and coach others to work together for a common objective; and what she believes are the challenges and obstacles to good leadership. The objective of this session was to provide the staff with a better understanding of what makes a great leader and how those traits can be used to find success outside the workplace.
- c. Professional staff attended the following external conferences:
- 1. FEI 30<sup>th</sup> Annual Current Financial Reporting Issues Conference
  - 2. AICPA National Conference on Current SEC and PCAOB Developments
  - 3. 2011 FASB-IASB Financial Reporting Issues Conference.

#### **ITEM 4: GOVERNMENT AND REGULATORY LIAISON ACTIVITIES**

- a. Members of SEC, PCAOB, Congress, their staffs, and the Administration were informed about the activities of the FASB through various meetings and other forums, including:
  - 1. An FASB Board member participated in a meeting of the Financial Reporting Series, with the Chairman of the PCOAB, the SEC Chief Accountant, and

- numerous external participants. The topic was measurement uncertainty. Several planning and follow-up calls were held.
2. An FASB Board member, the FAF president and CEO, and FAF staff conducted a conference call with U.S. Treasury Deputy Assistant Secretary for International Markets & Development to discuss the drafting of the G20 communiqué for accounting issues.
  3. FASB Board members, FASB senior staff, and the FAF president and CEO participated in a monthly update conference call conducted by FAF staff on pending and emerging congressional activities and issues as well as Administration regulatory initiatives.
  4. FASB Board members and FAF staff provided a quarterly briefing of emerging technical, and policy issues to the SEC and PCAOB leadership and senior staff, in addition to numerous telephone conversations about various matters.
  5. The FASB chairman, an FASB Board member, and the FASB technical director met with a representative of FINRA to discuss matters of mutual interest.

#### **ITEM 5: OTHER COMMUNICATIONS ACTIVITIES**

- a. The FASB issued the following press releases/media advisories/Tweets:
  1. 10.3.11: FASB Not-for-Profit Advisory Committee Recommends Improvements to Financial Reporting
  2. 10.12.11: MEDIA ADVISORY: FASB Adds Agenda Project to Consider Deferring Certain Aspects of Accounting Standards Update No. 2011-05, *Comprehensive Income (Topic 220): Presentation of Comprehensive Income*
  3. 10.14.11: FASB Seeks Comments on Proposed Technical Corrections to Codification
  4. 10.21.11: FASB Seeks Comments on Proposal to Clarify Criteria for Investment Company Accounting
  5. 10.21.11: FASB Seeks Comments on Proposal on Accounting for Investment Property Entities
  6. 11.4.11: FASB Seeks Comments on Proposal for Improving Financial Reporting of Consolidations
  7. 11.9.11: FASB Chairman Adds Two Agenda Projects to Improve Financial Reporting by Not-for-Profit Organizations
  8. 11.14.11: IASB and FASB Publish Revised Proposal for Revenue Recognition
  9. 11.17.11: MEDIA ADVISORY: Registration Is Now Open for November 28 Webcast, *IN FOCUS: Understanding the FASB's Proposals for Investment Companies, Investment Property Entities, and Consolidations*
  10. 11.29.11: FASB Chairman Adds an Agenda Project on Fair Value Measurement Disclosures for Private Companies and Not-for-Profit Organizations
  11. 11.30.11: MEDIA ADVISORY: Registration Opens for December 20 Webcast, *IN FOCUS: FASB Update for Nonpublic Entities*
  12. 12.1.11: MEDIA ADVISORY: Registration Opens for December 8 Webcast, *IN FOCUS: Understanding the Exposure Draft, Revenue from Contracts with Customers*
  13. 12.16.11: IASB and FASB Issue Common Offsetting Disclosure Requirements

14. 12.21.11: The FASB Announces Public Roundtable Meetings to Solicit Input on Proposal to Improve Accounting for Investment Companies and Proposal on Investment Property Entities
15. 12.23.11: FASB Defers Certain Aspects of Comprehensive Income Accounting Standards Update

b. The FASB issued “FASB in Focus” documents for the following:

1. 11.18.11: Proposed Improvements to Criteria for Investment Company Accounting and Proposed Accounting Guidance for Investment Property Entities
2. 11.23.11: FASB Issues Proposed Improvements to Consolidation Accounting
3. 11.14.11: FASB and IASB Publish Revised Exposure Draft on Revenue from Contracts with Customers
4. 12.19.11: FASB Issues Accounting Standards Update No. 2011-11: *Balance Sheet (Topic 21): Disclosures about Offsetting Assets and Liabilities*
5. 12.23.11: FASB Defers Certain Aspects of Comprehensive Income Accounting Standards Update

c. Media Outreach:

1. During the quarter ended December 31, 2011, members of the FASB or its staff participated in numerous interviews with media.

#### **ITEM 6: GASB LIAISON ACTIVITIES**

a. GASB meeting minutes were sent to the FASB directors.

b. The GASB and FASB directors met monthly to discuss their technical agenda projects and other matters of mutual interest. The FASB and GASB chairmen and their respective directors held their quarterly meeting to discuss technical issues and other matters of mutual interest.

c. The GASB staff distributed the following draft to the FASB for review:

- Exposure Draft, *Government Combinations*.

d. The FASB staff distributed the following drafts for GASB’s review:

- Accounting Standards Update, *Property, Plant, and Equipment (Topic 360): Derecognition of in Substance Real Estate—a Scope Clarification* (a consensus of the FASB Emerging Issues Task Force)
- Accounting Standards Update, *Balance Sheet (Topic 210): Offsetting Disclosures*
- Accounting Standards Update, *Comprehensive Income (Topic 220): Deferral of the Effective Date for Amendments to the Presentation of Reclassifications of Items of Other Comprehensive Income in Accounting Standards Update No. 2011-05*

- Proposed Accounting Standards Update, *Financial Services—Investment Companies (Topic 946): Amendments to the Scope, Measurement, and Disclosure Requirements*
- Proposed Accounting Standards Update, *Consolidation (Topic 810): Principal versus Agent Analysis*
- Proposed Accounting Standards Update, *Revenue Recognition (Topic 605): Revenue from Contracts with Customers*
- Proposed Accounting Standards Update, *Comprehensive Income (Topic 220): Deferral of the Effective Date for Amendments to the Presentation of Reclassifications of Items of Other Comprehensive Income in Accounting Standards Update No. 2011-05*
- Proposed Accounting Standards Update, *Consolidation (Topic 810): Parent’s Accounting for the Cumulative Translation Adjustment upon the Sale or Transfer of a Group of Assets That Is a Nonprofit Activity or a Business within a Consolidated Foreign Entity* (a consensus of the FASB Emerging Issues Task Force)
- Proposed Accounting Standards Update, *Revenue Recognition (Topic 605): Revenue from Contracts with Customers—Proposed Amendments to the FASB Accounting Standards Codification®.*