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GASB Issues Proposal to Enhance Concepts for Notes to Financial Statements.

Norwalk, CT, February 21, 2020 — The Governmental Accounting Standards Board (GASB) has issued a proposed Concepts Statement that would provide enhanced guidance to the Board when it establishes note disclosure requirements for state and local governments.

When finalized, these concepts may be used by preparers and auditors when applying the generally accepted accounting principles hierarchy in assessing specific information items in certain circumstances for which the GASB does not provide authoritative guidance. These concepts also may help stakeholders to better understand the fundamental concepts underlying future GASB standards.

The [Exposure Draft](#), *Communication Methods in General Purpose External Financial Reports That Contain Basic Financial Statements: Notes to Financial Statements*, describes the purpose of notes to financial statements and the intended users of notes. The proposals set forth in the Exposure Draft would replace the existing criteria for disclosing information in notes to financial statements.

The proposals elaborate on the types of information that should be disclosed in notes and the types of information that are not appropriate for note disclosures. Of particular importance, the Board is proposing the characteristics that distinguish information that is essential to users in making economic, social, or political decisions or assessing accountability. Those proposed characteristics are that (1) the information is currently being utilized in users' analyses for making decisions or assessing accountability or (2) would be utilized if it became available.

The Exposure Draft is available for download at no charge on the GASB website, www.gasb.org. Stakeholders are encouraged to review and provide comments by April 17, 2020.

The Board has scheduled a public hearing on May 17, 2020 in New Orleans, in conjunction with the annual conference of the Government Finance Officers Association. Additional information is available in the Exposure Draft. The deadline for providing written notice of intent to participate is April 17, 2020.