

# Memorandum

**Date:** July 25, 2023

**To:** GAO's Financial Management and Assurance Team (FMA)  
Council of the Inspectors General on Integrity and Efficiency  
Financial Audit Community

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**Subject:** *Professional Standards Update No. 89, April through June 2023*

To alert you to changes in professional standards, we periodically issue *Professional Standards Updates* (PSU).<sup>1</sup> These updates highlight the effective dates of recently issued standards and guidance related to engagements conducted in accordance with *Government Auditing Standards*.<sup>2</sup> PSUs contain summary information only, and those affected by a change should refer to the respective standard or guidance for details.

This PSU has two sections:

- Section I identifies select standards and guidance with their respective effective dates. Section I contains standards effective for
  - audits of financial statements for periods ending after March 31, 2023;
  - attestation reports dated after March 31, 2023; and
  - accounting for reporting periods beginning after January 15, 2022.
- Section II identifies select standards and guidance that were issued from April 2023 through June 2023.

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<sup>1</sup>Previous PSUs can be found in the Related Publications section of <https://www.gao.gov/yellowbook>.

<sup>2</sup>GAO, *Government Auditing Standards: 2018 Revision Technical Update April 2021*, [GAO-21-368G](#) (Washington, D.C.: April 2021).

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# ***Professional Standards Update No. 89***

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## Section I: Effective Dates for Select Standards and Guidance

This section identifies select standards and guidance with their respective effective dates. In general, the standard setters mentioned in this section are those with standards and guidance that relate to auditing government entities. Table 1 is an overview. Detailed information follows the table. Those affected should refer to the respective standard or guidance for more information.

**Table 1: Effective Dates for Select Standards and Guidance**

Standard setter	Standard or guidance	Standards and guidance issued and effective dates
American Institute of Certified Public Accountants (AICPA)	Statements on Auditing Standards (SAS), Statements on Standards for Attestation Engagements (SSAE), and other guidance	<p><b>Effective for audits of financial statements for periods ending on or after December 15, 2022:</b>  <a href="#">SAS No. 142</a>, <i>Audit Evidence</i>  <a href="#">SAS No. 148</a>, <i>Amendment to AU-C Section 935</i> (amendment arising from SAS No. 142 only)</p> <p><b>Effective for audits of financial statements for periods ending on or after December 15, 2023:</b>  <a href="#">SAS No. 143</a>, <i>Auditing Accounting Estimates and Related Disclosures</i>  <a href="#">SAS No. 144</a>, <i>Amendments to AU-C Sections 501, 540, and 620 Related to the Use of Specialists and the Use of Pricing Information Obtained From External Information Sources</i>  <a href="#">SAS No. 145</a>, <i>Understanding the Entity and Its Environment and Assessing the Risks of Material Misstatement</i>  <a href="#">SAS No. 148</a>, <i>Amendment to AU-C Section 935</i> (amendments not arising from SAS No. 142)</p> <p><b>Effective for audits of financial statements for periods beginning on or after June 30, 2023:</b>  <a href="#">SAS No. 147</a>, <i>Inquiries of the Predecessor Auditor Regarding Fraud and Noncompliance with Laws and Regulations</i></p> <p><b>Effective for engagements for periods beginning on or after December 15, 2025:</b>  <a href="#">SAS No. 146</a>, <i>Quality Management for an Engagement Conducted in Accordance With Generally Accepted Auditing Standards</i></p> <p><b>Effective for engagements for periods ending on or after December 15, 2026:</b>  <a href="#">SAS No. 149</a>, <i>Special Considerations — Audits of Group Financial Statements (Including the Work of Component Auditors and Audits of Referred-to Auditors)</i></p>
Federal Accounting Standards Advisory Board (FASAB)	Statements of Federal Accounting Concepts (SFFAC), Statements of Federal Accounting Standards (SFFAS), and other guidance	<p><b>Effective upon issuance:</b>  <a href="#">Federal Financial Accounting Technical Release 21</a>, <i>Omnibus Technical Release Amendments 2022: Conforming Amendments</i> (September 2022)</p> <p><b>Effective for reporting periods beginning after September 30, 2023:</b>  <a href="#">SFFAS 54</a>, <i>Leases: An Amendment of Statement of Federal Financial Accounting Standards (SFFAS) 5, Accounting for Liabilities of the Federal Government, and SFFAS 6, Accounting for Property, Plant, and Equipment</i>  <a href="#">SFFAS 57</a>, <i>Omnibus Amendments 2019</i> (paras. 3–8, 11, and 12)  <a href="#">SFFAS 60</a>, <i>Omnibus Amendments 2021: Leases-Related Topics</i>  <a href="#">Federal Financial Accounting Technical Release 20</a>, <i>Implementation Guidance for Leases Technical Bulletin 2023-1, Intragovernmental Leasehold Reimbursable Work Agreements</i>  <a href="#">SFFAS 61</a>, <i>Omnibus Amendments 2023: Leases-Related Topics II</i></p> <p><b>Effective for reporting periods beginning after September 30, 2025:</b>  <a href="#">SFFAS 59</a>,<sup>a</sup> <i>Accounting and Reporting of Government Land</i></p>
Financial Accounting Standards Board (FASB)	Accounting Standards Updates (ASU)	A number of ASUs came into effect. To view the details and effective dates of ASUs, <a href="#">click here</a> .
Governmental Accounting Standards Board (GASB)	Accounting concepts, standards, and implementation guides	<p><b>Effective for fiscal years or reporting periods beginning after June 15, 2022:</b>  <a href="#">GASB Statement No. 94</a>, <i>Public-Private and Public-Public Partnerships and Availability Payment Arrangements</i>  <a href="#">GASB Statement No. 96</a>, <i>Subscription-Based Information Technology Arrangements</i>  <a href="#">GASB Statement No. 99</a>, <i>Omnibus 2022</i> (paras. 11–25)  <a href="#">GASB Implementation Guide No. 2021-1</a>, <i>Implementation Guidance Update—2021</i> (questions 4.1–4.21, 4.23, and 5.2–5.4)</p> <p><b>Effective for fiscal years or reporting periods beginning after June 15, 2023:</b>  <a href="#">GASB Statement No. 99</a>, <i>Omnibus 2022</i> (paras. 4–10)  <a href="#">GASB Statement No. 100</a>, <i>Accounting Changes and Error Corrections—an amendment of GASB Statement No. 62</i>  <a href="#">GASB Implementation Guide No. 2021-1</a>, <i>Implementation Guidance Update—2021</i> (question 5.1)  <a href="#">GASB Implementation Guide No. 2023-1</a>, <i>Implementation Guidance Update—2023</i></p>

Standard setter	Standard or guidance	Standards and guidance issued and effective dates
		<b>Effective for fiscal years or reporting periods beginning after December 15, 2023:</b> <a href="#">GASB Statement No. 101</a> , <i>Compensated Absences</i>

Source: GAO analysis of standards setters' effective dates.

<sup>a</sup>SFFAS 59 requires certain information to be presented as required supplementary information (RSI) for fiscal years 2022 through 2025. In fiscal year 2026, the statement requires such RSI to transition to note disclosures.

## A. AUDITING AND ATTESTATION STANDARDS AND GUIDANCE

### American Institute of Certified Public Accountants (AICPA)

Statements on Auditing Standards (SAS) ([Click here for link](#))

#### **Effective for audits of financial statements for periods ending on or after December 15, 2022:**

- **SAS No. 142**, *Audit Evidence* (July 2020). This statement provides guidance on what constitutes audit evidence in an audit of financial statements and sets out attributes of information that the auditor takes into account when evaluating information to be used as audit evidence. Taking these attributes into account assists the auditor in maintaining professional skepticism.
- **SAS No. 148**, *Amendment to AU-C Section 935* (August 2022), amendment arising from SAS No. 142 only. AU-C section 935, *Compliance Audits*, addresses the application of generally accepted auditing standards (GAAS) to a compliance audit. Certain AU-C sections, or portions thereof, are not applicable to a compliance audit. These AU-C sections, or specified requirements thereof, are identified in the appendix to AU-C section 935. SAS No. 148 amends AU-C section 935 to update the appendix to reflect that an amendment to AU-C section 501, *Audit Evidence — Specific Considerations for Selected Items*, arising from the issuance of SAS No. 142, *Audit Evidence*, applies to compliance audits. Early implementation of this portion of SAS No. 148 is permitted in conjunction with early implementation of SAS No. 142.

#### **Effective for audits of financial statements for periods ending on or after December 15, 2023:**

- **SAS No. 143**, *Auditing Accounting Estimates and Related Disclosures* (July 2020). This statement addresses the auditor's responsibilities relating to accounting estimates, including fair value accounting estimates and related disclosures, in an audit of financial statements. It also includes requirements and guidance related to evaluating misstatements of accounting estimates and related disclosures and indicators of possible management bias.
- **SAS No. 144**, *Amendments to AU-C Sections 501, 540, and 620 Related to the Use of Specialists and the Use of Pricing Information Obtained From External Information Sources* (June 2021). This statement amended these sections by incorporating related Public Company Accounting Oversight Board (PCAOB) guidance as follows:
  - AU-C section 501, *Audit Evidence — Special Considerations for Selected Items*. This amendment adds application material from appendix A, "Using the Work of a Company's Specialist as Audit Evidence," of PCAOB Auditing Standard (AS) 1105, *Audit Evidence*, to enhance the quality of audits of nonissuers' financial statements.
  - AU-C section 540, *Auditing Accounting Estimates and Related Disclosures*. This amendment to AU-C section 540 adds a new appendix, "Use of Pricing Information From Third Parties as Audit Evidence," that provides guidance on using pricing information obtained from external information sources as audit evidence for estimates related to the fair value of financial instruments. This appendix takes into account PCAOB AS 2501, *Auditing Accounting Estimates, Including Fair*

*Value Measurements*, appendix A, “Special Topics, Identifying and Assessing Risks of Material Misstatement Related to the Fair Value of Financial Instruments.”

- AU-C section 620, *Using the Work of an Auditor’s Specialist*. This amendment adds material from PCAOB Release No. 2018-006, *Amendments to Auditing Standards for Auditor’s Use of the Work of Specialists*, to various application paragraphs to enhance the quality of audits of nonissuers’ financial statements.
- **SAS No. 145**, *Understanding the Entity and Its Environment and Assessing the Risks of Material Misstatement* (October 2021). This statement supersedes SAS No. 122, *Statements on Auditing Standards: Clarification and Reconciliation*, as amended, section 315, Understanding the Entity and Its Environment and Assessing the Risks of Material Misstatement, and amends various AU-C sections in AICPA Professional Standards. This statement enhances
  - requirements and guidance on identifying and assessing the risks of material misstatement, particularly in the areas of obtaining an understanding the entity’s system of internal control and assessing control risk, and
  - guidance that addresses the economic, technological, and regulatory aspects of the markets and environment in which entities and audit firms operate.
- **SAS No. 148**, *Amendment to AU-C Section 935* (August 2022), amendments not arising from SAS No. 142. SAS No. 148 amends AU-C section 935, *Compliance Audits*, to conform AU-C section 935 to reflect the issuance of SAS No. 145, *Understanding the Entity and Its Environment and Assessing the Risks of Material Misstatement*. This statement also corrects an inconsistency in extant AU-C 935, updates the appendix to AU-C 935, and makes certain other editorial revisions for clarity or consistency with other AU-C sections. Early implementation of SAS No. 148 is permitted in conjunction with early implementation of SAS No. 145.

**Effective for audits of financial statements for periods beginning on or after June 30, 2023:**

- **SAS No. 147**, *Inquiries of the Predecessor Auditor Regarding Fraud and Noncompliance With Laws and Regulations* (June 2022). This statement supersedes SAS No. 122, *Statements on Auditing Standards: Clarification and Reconciliation*, as amended, section 210, Terms of Engagement. This statement requires an auditor, once management authorizes the predecessor auditor to respond to inquiries from the auditor, to inquire of the predecessor auditor regarding identified or suspected fraud or noncompliance with laws or regulations.

**Effective for engagements for periods beginning on or after December 15, 2025:**

- **SAS No. 146**, *Quality Management for an Engagement Conducted in Accordance With Generally Accepted Auditing Standards* (June 2022). This statement supersedes SAS No. 122, *Statements on Auditing Standards: Clarification and Reconciliation*, as amended, section 220, Quality Control for an Engagement Conducted in Accordance With Generally Accepted Auditing Standards, and amends various AU-C sections in AICPA Professional Standards. This statement addresses the specific responsibilities of the auditor regarding quality management at the engagement level for an audit of financial statements, and for other engagements conducted in accordance with GAAS, and the related responsibilities of the engagement partner.

**Effective for engagements for periods ending on or after December 15, 2026:**

- **SAS No. 149**, *Special Considerations — Audits of Group Financial Statements (Including the Work of Component Auditors and Audits of Referred-to Auditors)* (March 2023). This statement supersedes SAS No. 122, *Statements on Auditing Standards: Clarification and Recodification*, as amended, section 600, Special Considerations — Audits of Group Financial Statements (Including the Work of Component Auditors), and amends various AU-C sections in AICPA Professional Standards. This

statement addresses special considerations that apply to a group audit, including in circumstances in which component auditors are involved or when the group auditor makes reference to the audit of a referred-to auditor. The requirements and guidance in this statement refer to, or expand on, the application of other relevant AU-C sections to a group audit.

## **B. ACCOUNTING STANDARDS AND GUIDANCE**

### **Federal Accounting Standards Advisory Board (FASAB)**

Concepts, Statements, Technical Bulletins, Interpretations, and Technical Releases ([Click here for link](#))

#### **Effective upon issuance:**

- **Federal Financial Accounting Technical Release 21**, *Omnibus Technical Release Amendments 2022: Conforming Amendments* (September 2022). This technical release provides conforming amendments to Technical Release 10, *Implementation Guidance on Asbestos Cleanup Costs Associated with Facilities and Installed Equipment*; Technical Release 11, *Implementation Guidance on Cleanup Costs Associated with Equipment*; Technical Release 14, *Implementation Guidance on the Accounting for the Disposal of General Property, Plant & Equipment*; and Technical Release 20, *Implementation Guidance for Leases*.

#### **Effective for reporting periods beginning after September 30, 2023:**

- **Statement of Federal Financial Accounting Standards (SFFAS) 54**, *Leases: An Amendment of Statement of Federal Financial Accounting Standards (SFFAS) 5, Accounting for Liabilities of the Federal Government, and SFFAS 6, Accounting for Property, Plant, and Equipment* (April 2018). This statement revises the financial reporting standards for federal lease accounting. It provides a comprehensive set of lease accounting standards to recognize federal lease activities in the reporting entity's general purpose federal financial reports and includes appropriate disclosures. Early adoption is not permitted.
- **SFFAS 57**, *Omnibus Amendments 2019*, paragraphs 3–8, 11, and 12 (September 2019). This statement addresses consistency issues and other improvements identified during implementation and application of certain federal accounting standards. Early adoption is not permitted.
- **SFFAS 60**, *Omnibus Amendments 2021: Leases-Related Topics* (November 2021). This statement amends paragraphs in SFFAS 54, *Leases*; SFFAS 57, *Omnibus Amendments 2019*; SFFAS 5, *Accounting for Liabilities of the Federal Government*; and SFFAS 6, *Accounting for Property, Plant, and Equipment*. These changes are necessary technical corrections and clarifications and other omnibus changes to address areas of concern with implementing these statements' standards.
- **Federal Financial Accounting Technical Release 20**, *Implementation Guidance for Leases* (November 2021). This technical release assists reporting entities in implementing SFFAS 54, *Leases*.
- **Technical Bulletin 2023-1**, *Intragovernmental Leasehold Reimbursable Work Agreements* (March 2023). This technical bulletin provides accounting and reporting requirements for intragovernmental leasehold reimbursable work agreements (often referred to in practice as reimbursable work authorizations). Early adoption is not permitted.
- **SFFAS 61**, *Omnibus Amendments 2023: Leases-Related Topics II* (April 2023). This statement amends certain paragraphs in SFFAS 54, *Leases*, and SFFAS 60, *Omnibus Amendments 2023*. The changes provide technical clarifications and address areas of concern with implementation of the standards in these statements, including by clarifying (1) the treatment of purchase options and defaults on payments and (2) the discounting of lease liabilities and receivables. Early adoption is not permitted.



## Effective for reporting periods beginning after September 30, 2025:

- **SFFAS 59**, *Accounting and Reporting of Government Land* (July 2021). This statement
  - requires reclassifying general property, plant, and equipment (G-PP&E) land as a non-capitalized asset for periods beginning after September 30, 2025;
  - clarifies the definition for the stewardship land category;
  - requires the reporting of acreage of G-PP&E land and stewardship land using three predominant use subcategories: conservation and preservation land, operational land, and commercial use land; and
  - requires consistent and comparable disclosures of information for land.

Acreage information by predominant use is reported in required supplementary information for fiscal years 2022 through 2025. This information will transition to basic information within note disclosures in fiscal year 2026, when the asset dollar amounts for G-PP&E land and permanent land rights are removed from the balance sheet. Early adoption is not permitted.

## **Financial Accounting Standards Board (FASB)**

### Accounting Standards Updates (ASU)

- The FASB Accounting Standards Codification® (FASB Codification) is the sole source of authoritative generally accepted accounting principles other than Securities and Exchange Commission (SEC)–issued rules and regulations that apply only to SEC registrants. FASB issues ASUs to communicate changes to the FASB Codification, including changes to nonauthoritative SEC content. ASUs are not authoritative standards. To view details and the effective dates of ASUs, [click here](#).

## **Governmental Accounting Standards Board (GASB)**

### Statements and Implementation Guides ([Click here for link](#))

## Effective for fiscal years or reporting periods beginning after June 15, 2022:

- **GASB Statement No. 94**, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements* (March 2020). This statement addresses issues related to public-private and public-public partnership arrangements. This statement provides accounting and financial reporting requirements for such partnership arrangements that
  - do not meet the definition of a lease as defined in GASB Statement No. 87, *Leases*, as amended and clarified by this statement, and
  - do not meet the definition of a service concession arrangement.

This statement also provides guidance for accounting and financial reporting for availability payment arrangements. Earlier application is encouraged.

- **GASB Statement No. 96**, *Subscription-Based Information Technology Arrangements* (May 2020). This statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITA) for government end users. This statement
  - defines an SBITA;
  - establishes that an SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability;
  - provides the capitalization criteria for outlays other than subscription payments, including implementation costs of an SBITA; and
  - requires note disclosures regarding an SBITA.

To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. Earlier application is encouraged.

- **GASB Statement No. 99**, *Omnibus 2022*, paragraphs 11–25 (April 2022). This statement enhances comparability in accounting and financial reporting and improves the consistency of authoritative literature. Specifically, it addresses practice issues identified during implementation and application of certain other statements. These paragraphs cover the following topics:
  - Leases
  - Public-Private and Public-Public Partnerships
  - SBITAs

Earlier application is encouraged and is permitted by individual topic to the extent that all requirements associated with a topic are implemented simultaneously.

- **GASB Implementation Guide No. 2021-1**, *Implementation Guidance Update—2021* (May 2021). Earlier application is encouraged if the pronouncement addressed by the question and answer has been implemented.

New questions and answers (questions 4.1–4.21 and 4.23) relate to Accounting and Financial Reporting for Derivative Instruments; Fiduciary Activities; Leases; and GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

Revised questions and answers (questions 5.2–5.4) from Implementation Guide 2015-1 and Implementation Guide 2019-1 relate to (1) Basic Financial Statements and Management’s Discussion and Analysis and (2) GASB Statement No. 48, *Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues*.

#### **Effective for fiscal years or reporting periods beginning after June 15, 2023:**

- **GASB Statement No. 99**, *Omnibus 2022*, paragraphs 4–10 (April 2022). This statement enhances comparability in accounting and financial reporting and improves the consistency of authoritative literature. Specifically, it addresses practice issues identified during implementation and application of certain other statements. These paragraphs cover the following topics:
  - Financial Guarantees
  - Derivative Instruments

Earlier application is encouraged and is permitted by individual topic to the extent that all requirements associated with a topic are implemented simultaneously.

- **GASB Statement No. 100**, *Accounting Changes and Error Corrections—an amendment of GASB Statement No. 62* (June 2022). This statement enhances the accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. Earlier application is encouraged.
- **GASB Implementation Guide No. 2021-1**, *Implementation Guidance Update—2021* (May 2021). Earlier application is encouraged if the pronouncement addressed by the question and answer has been implemented.

The revised question and answer (question 5.1) from Implementation Guide 2015-1 relates to Basic Financial Statements and Management’s Discussion and Analysis.

- **GASB Implementation Guide No. 2023-1**, *Implementation Guidance Update—2023* (June 2023). For questions 4.1-4.9 and 5.1, earlier application is encouraged if the pronouncement addressed by the question and answer has been implemented. For question 4.10, earlier application depends on simultaneous or previous application of GASB Statement No. 100.

New questions and answers (questions 4.1–4.10) relate to GASB Statement No. 87, *Leases*; GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*; and GASB Statement No. 100, *Accounting Changes and Error Corrections*.

Revised question and answer (question 5.1) from Implementation Guide 2019-3 relates to *Leases*.

**Effective for fiscal years or reporting periods beginning after December 15, 2023:**

- **GASB Statement No. 101**, *Compensated Absences* (June 2022). This statement updates the recognition and measurement guidance for compensated absences. Earlier application is encouraged.

## Section II: Select Standards and Guidance Issued April 2023 through June 2023

This section includes select standards and related guidance issued during the period covered by this *Professional Standards Update* (PSU)—April 2023 through June 2023—to the extent that such materials were publicly available as of June 30, 2023. The section also identifies the standard setters whose publications and updates we review to prepare PSUs. These updates highlight the recent issuance and key points of standards and related guidance. This PSU only summarizes the standards or guidance. Those affected by these changes should refer to the respective standard or guidance for details.

### A. AUDITING AND ATTESTATION STANDARDS AND GUIDANCE

#### Government Accountability Office (GAO)

Government Auditing Standards ([Click here for link](#))

- Government Auditing Standards were not updated during the period covered by this PSU.

#### American Institute of Certified Public Accountants (AICPA)

Statements on Auditing Standards (SAS) ([Click here for link](#))

- There were no new SASs issued during the period covered by this PSU.

Statements on Standards for Attestation Engagements (SSAE) ([Click here for link](#))

- There were no new SSAEs issued during the period covered by this PSU.

### B. ACCOUNTING STANDARDS AND GUIDANCE

#### Federal Accounting Standards Advisory Board (FASAB)

Concepts, Statements, Technical Bulletins, Interpretations, and Technical Releases ([Click here for link](#))

- **Statement of Federal Financial Accounting Standards (SFFAS) 61, *Omnibus Amendments 2023: Leases-Related Topics II*** (April 2023). This statement amends certain paragraphs in SFFAS 54, *Leases*, and SFFAS 60, *Omnibus Amendments 2023*. The changes provide technical clarifications and address areas of concern with implementation of the standards in these statements including by clarifying (1) the treatment of purchase options and defaults on payments and (2) the discounting of lease liabilities and receivables. The requirements of this statement are effective for reporting periods beginning after September 30, 2023. Early adoption is not permitted.
- **[Invitation to Comment](#), *Reexamination of Existing Standards*** (May 2023). FASAB issued this Invitation to Comment (ITC) to seek input from stakeholders on its project to reexamine existing standards. The objective of the reexamination project is to improve the standards and ensure that they are effective in providing financial information that supports public accountability and meets user needs. The reexamination project is expected to address issues related to (1) inconsistencies with current practice, (2) confusion or difficulties applying requirements, (3) the need for clarifications, and (4) the usefulness of disclosures and other required information. FASAB requests responses to the ITC by September 15, 2023. See [here](#) for more information.

## **Financial Accounting Standards Board (FASB)**

Accounting Standards Updates (ASU) (listed only) ([Click here for link](#))

- There were no new ASUs issued during the period covered by this PSU.

## **Governmental Accounting Standards Board (GASB)**

Statements, Concepts, Technical Bulletins, Interpretations, and Implementation Guides ([Click here for link](#))

- **GASB Implementation Guide No. 2023-1, *Implementation Guidance Update—2023*** (June 2023). This implementation guide amends portions of Implementation Guide 2019-3 and Implementation Guide 2021-1 related to leases. New questions and answers relate to the following topics:
  - GASB Statement No. 87, *Leases*
  - GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*
  - GASB Statement No. 100, *Accounting Changes and Error Corrections*

This implementation guide is effective for fiscal years beginning after June 15, 2023. For questions 4.1-4.9 and 5.1, earlier application is encouraged if the pronouncement addressed by the question and answer has been implemented. For question 4.10, earlier application depends on simultaneous or previous application of GASB Statement No. 100.

## **C. REGULATORY GUIDANCE**

### **Office of Management and Budget (OMB)**

Circulars ([Click here for link](#))

- **Circular No. A-136, *Financial Reporting Requirements – Revised*** (May 22, 2023). This circular provides OMB guidance for executive branch entities required to submit audited financial statements, interim financial statements, and performance and accountability reports or agency financial reports under the Chief Financial Officers Act of 1990, as amended; the Government Management Reform Act of 1994; and the Accountability of Tax Dollars Act of 2002. This circular also provides general guidance to Government corporations required to submit annual management reports under chapter 91 of title 31, *United States Code*. This circular is applicable to the financial statements issued for fiscal year 2023.

Memoranda (listed only) ([Click here for link](#))

- There were no relevant new or updated memoranda issued during the period covered by this PSU.

Other Information (listed only) ([Click here for link](#))

- **2023 Compliance Supplement – 2 CFR Part 200 Appendix XI** (May 19, 2023)

### **Department of the Treasury**

Treasury Financial Manual (TFM) Chapters ([Click here for link](#))

- There were no relevant new or updated TFM chapters issued during the period covered by this PSU.

TFM Bulletins ([Click here for link](#))

- [TFM, Volume I, Bulletin No. 2023-07](#), *Current Value of Funds Rate (CVFR)* (April 19, 2023), publishes the presiding CVFR used for Federal debt collection, cash discounts, and rebate evaluation based on the current value of funds to the Department of the Treasury.
- [TFM, Volume I, Bulletin No. 2023-08](#), *Change to Bulletin No. 2023-04, U.S. Standard General Ledger (USSGL) — A Treasury Financial Manual (TFM) Supplement* (June 7, 2023), notifies agencies that Part 1 and Part 2 of the USSGL Supplement have been revised for fiscal years 2023 and 2024. Part 1 requirements for fiscal year 2023 and Part 2 requirements for fiscal year 2024 are effective immediately.
- [TFM, Volume I, Bulletin No. 2023-09](#), *2023 Year-End Closing* (June 14, 2023), provides entities with guidance for preparing year-end closing reports and other financial reports, including required deadlines for federal entities to submit fiscal year 2023 financial data to the Department of the Treasury's Bureau of the Fiscal Service for timely certification and reporting.

## **D. INTERNATIONAL AUDITING STANDARDS AND GUIDANCE**

### **International Auditing and Assurance Standards Board (IAASB)**

The IAASB sets international standards for auditing, quality control, review, other assurance, and related services and facilitates the convergence of international and national standards. To review recently issued IAASB pronouncements, [click here](#).

## **E. INTERNAL AUDIT GUIDANCE**

### **Institute of Internal Auditors (IIA)**

The International Professional Practices Framework (IPPF) is the conceptual framework that organizes authoritative guidance that the IIA promulgates. Authoritative guidance includes mandatory guidance and recommended guidance. Elements of mandatory guidance include *International Standards for the Professional Practice of Internal Auditing* and IIA's Code of Ethics. Recommended guidance includes implementation guidance and supplemental guidance. IIA implementation guidance assists internal auditors in applying the standards. IIA supplemental guidance provides detailed processes and procedures for internal audit practitioners. To review recently issued IIA standards, [click here](#), and to review recommended guidance, [click here](#).