What is the GASB?
The Governmental Accounting Standards Board (GASB) is the independent organization that establishes and improves standards of accounting and financial reporting for U.S. state and local governments. Established in 1984 by agreement of the Financial Accounting Foundation (FAF) and 10 national associations of state and local government officials, the GASB is recognized by governments, the accounting industry, and the capital markets as the official source of generally accepted accounting principles (GAAP) for state and local governments.

Accounting and financial reporting standards designed for the government environment are essential because governments are fundamentally different from for-profit businesses. Furthermore, the information needs of the users of government financial statements are different from the needs of the users of corporate financial statements. The GASB members and staff understand the unique characteristics of governments and the environment in which they operate.

The GASB is not a government entity; instead, it is an operating component of the FAF, which is a private sector not-for-profit entity. Funding for the GASB comes primarily from an accounting support fee established under the Dodd-Frank Wall Street Reform and Consumer Protection Act as well as the sale of certain publications. Its standards are not federal laws or regulations and the organization does not have enforcement authority. Compliance with GASB’s standards, however, is enforced through the laws of individual states and through the audit process, when auditors render opinions on the fairness of financial statement presentations in conformity with GAAP.

Why is the GASB’s work important?
The GASB, in keeping with its mission, issues standards and other communications that result in decision-useful information for users of government financial reports including, for example, owners of municipal bonds, members of citizen groups, legislators and legislative staff, and oversight bodies. Those standards also help government officials demonstrate to their constituents their accountability for public resources. Additionally, the GASB works to educate the public, including financial statement preparers, auditors, and users, about its standards and the information those standards require governments to present in their financial reports.

In order to encourage broad public participation in the standards-setting process, GASB standards are issued only after completion of extensive and rigorous due process activities.

How does the GASB set standards?
Before issuing its standards, the GASB follows the due process activities described in its published Rules of Procedure. The GASB’s stringent due process activities are designed to encourage broad public participation in the standards-setting process. These activities promote timely, thorough, and open study of financial accounting and reporting issues by the preparers, auditors, and users of financial reports. For many of the issues it addresses, the GASB:

- Appoints an advisory task force of outside experts
- Studies existing literature on the subject and conducts or commissions additional research if necessary
- Publishes a discussion document for public comment setting forth the issues or concerns being addressed and possible solutions
- Broadly distributes an Exposure Draft of proposed standards for public comment
- Conducts public hearings and forums on its due process documents

Significant steps in the process are announced publicly. The GASB’s meetings are open for public observation—in person or by live webcast—and a public record is maintained. The GASB also is advised by the Governmental Accounting Standards Advisory Council, a 31-member group appointed by the FAF Trustees that represents a wide range of the GASB’s stakeholders.
Transcripts of public hearings, comment letters, research reports, and other relevant materials on projects leading to the issuance of pronouncements become part of the Board’s public record and are available for inspection. In addition, letters of comment are available on the GASB website. To encourage public comment, discussion documents and Exposure Drafts are available on the GASB website. Final pronouncements are distributed when published through GASB subscription plans and are posted to the GASB website. Printed copies of final pronouncements may be purchased by placing an order on the GASB website, www.gasb.org, or by contacting the GASB’s Order Department at 800-748-0659.

GASB Information and Communications
Website—www.gasb.org

Meeting the needs of stakeholders is one of the GASB’s key goals. In support of this important goal, the GASB makes a variety of resources available through its website, including up-to-date information about current agenda projects and major recent pronouncements, free copies of proposals, final pronouncements, and access to the Governmental Accounting Research System™.

Technical Inquiries
Questions about GASB standards or state and local government financial statements may be submitted to the GASB staff by filling out the technical inquiry form that can be accessed through a link on the GASB website homepage. The GASB responds to these inquiries in the interest of promoting the uniform application of GAAP and of fostering relations with our stakeholders.

Implementation Guides
The GASB staff prepares guides to implementing individual pronouncements in a question-and-answer format to help financial statement preparers and auditors gain a better understanding of their application and provisions. The Comprehensive Implementation Guide brings together questions from all of the individual guides and is updated and supplemented annually to incorporate provisions of standards for which individual guides were not published. The Comprehensive Implementation Guide answers more than 1,900 accounting questions affecting the governmental sector.

Publications
The GASB offers a full array of publications designed to keep its stakeholders informed about new GASB standards and other guidance, how to implement them, and what they mean. The GASB annually publishes a compendium of all of its original pronouncements and a volume that codifies them by subject. The GASB’s User Guide series explains the information contained in financial statements with average citizens and other nonaccountants in mind. Descriptions of the various types of GASB literature are available on the GASB website in the Publications section.

The GASB strives to keep the public informed through the GASB Outlook, a quarterly, electronic newsletter designed to keep stakeholders in-the-know about key GASB projects and activities and the GASB Report, a free electronic notification service focused on recent technical developments. Visit the GASB website, www.gasb.org to subscribe to either or both services.

Speeches
The GASB members and staff maintain a rigorous schedule of appearances at professional conferences and seminars across the country to discuss implementation of new standards, bring constituents up-to-date on what the GASB is doing, and answer questions regarding its standard-setting activities.

Plain-Language Articles
The GASB is committed to communicating in plain language with constituents about its standards and standards-setting activities. Proposed and final GASB standards are typically accompanied by an explanatory article that uses a minimum of technical language and focuses on both the requirements of the document and the rationale for issuing it.
Members of the GASB

Board members are appointed by the Trustees of the FAF for a 5-year term and may serve up to 10 years. The chair, who is appointed for a single seven-year term, serves full time and the other six members, including the vice chair, serve on a part-time basis. The members of the GASB are required to have knowledge of governmental accounting and finance and a concern for the public interest in matters of accounting and financial reporting. (Expiration dates of Board members’ current terms are indicated below.)

David A. Vaudt (2020) was appointed to serve as chair of the GASB effective July 1, 2013. Mr. Vaudt came to the GASB after serving for 10 years as Iowa’s elected state auditor. Prior to his election, Mr. Vaudt worked for 25 years in the Des Moines, Iowa office of KPMG LLP, including 13 years as an audit partner. Mr. Vaudt has served as president of the National State Auditors Association, chair of the National Association of State Boards of Accountancy, and chair of the Iowa Accountancy Examining Board. He also served on the boards of numerous nonprofit service organizations in Iowa. Mr. Vaudt, a graduate of Upper Iowa University, is a Certified Public Accountant.

Jeffrey J. Previdi (2021) Jeffrey J. Previdi was appointed to serve as vice chairman of the GASB effective July 1, 2017. He began serving as a member of the GASB on July 1, 2016. Before joining the Board, he served in a variety of roles for more than two decades at Standard & Poor’s Ratings Services, now known as S&P Global Ratings. Most recently he served as managing director and project leader in the agency’s risk program. In that role, he led a global team of individuals who analyzed and implemented rules stemming from the Dodd-Frank Wall Street Reform and Consumer Protection Act. Prior to that role, Mr. Previdi was a municipal credit analyst with S&P for 20 years. Starting as a tax-exempt housing bond analyst, he progressed to leading S&P’s team covering municipal structured finance ratings, and then to co-leading the group responsible for all tax-backed ratings in the United States. Mr. Previdi also served on the U.S. Public Finance Criteria Committee for many years. Mr. Previdi received a bachelor’s degree in economics from Connecticut College and a master of public policy degree from the College of William & Mary. He is a member of the National Federation of Municipal Analysts. Mr. Previdi’s current term on the GASB concludes in 2021. At that time, he will be eligible for reappointment to an additional term of five years.

James E. Brown (2022) began serving as a member of the GASB on July 1, 2012 and was reappointed to a second term, which began July 1, 2017. Previously, he was a partner at BKD LLP serving in the National Office Accounting and Auditing Quality Control Department from 2003 until 2011. Prior to that, he was the director of Accounting and Auditing and an audit partner in BKD’s Southern Missouri offices. He was also the professional practices partner for BKD’s government and not-for-profit organizations assurance practice from 1984 until 2011. Mr. Brown is a member of the American Institute of Certified Public Accountants and is a past member of its Auditing Standards Board and Board of Examiners. He also is an instructor for AICPA continuing education courses. Mr. Brown is a graduate of Missouri Southern State University and is a Certified Public Accountant and a Certified Government Financial Manager.

Brian W. Caputo (2019) Brian W. Caputo began serving as a member of the GASB on July 1, 2015. His first term concludes on June 30, 2019, and he is eligible for reappointment to a second term. In March of 2017, Mr. Caputo became the Vice President for Administrative Affairs and Chief Financial Officer of the College of DuPage, located in Glen Ellyn, Illinois, upon retirement from a career in municipal government finance. Previously Mr. Caputo served nearly 19 years as the Chief Financial Officer/City Treasurer for the City of Aurora. Earlier he worked as an auditor with Price Waterhouse in Chicago. Mr. Caputo is a past president of the Illinois Government Finance Officers Association and a past chair of the association’s Technical Accounting Review Committee. His other professional affiliations include the Government Finance Officers Association, the National Association of College and University Business Officers, the AICPA, and the Illinois CPA Society. In addition, Mr. Caputo has served as an adjunct professor of public finance at Northern Illinois University (NIU). He holds a B.S. from the United States Military Academy, an M.S. in Accountancy from DePaul University, and an M.P.A. from Northern Illinois University. Mr. Caputo earned a Ph.D. degree from NIU with fields of study in public administration, public policy, and government finance. He is a Certified Public Accountant and a Certified Public Finance Officer. Due to FAF by-law restrictions on Board member turnover in a single year, Mr. Caputo’s term initially will extend through June 30, 2019.
Michael H. Granof (2020) was reappointed for a second term on the GASB July 1, 2015. He began serving as a member of the GASB on July 1, 2010. Dr. Granof is the Ernst & Young Distinguished Centennial Professor of the McCombs School of Business at the University of Texas at Austin, where he has been a member of the faculty since 1972. Appointed in 1984 to his current role, he served as chairman of the school’s Department of Accounting from 1984 to 1988. Concurrently, he is also a professor of public affairs at the Lyndon B. Johnson School of Public Affairs of the University of Texas at Austin, a position he has held since 1999. In addition to writing a number of articles and textbooks on accounting and auditing issues, he is currently a part-time member of the Financial Accounting Standards Advisory Board for the federal government, and he previously was a member of the National Council of Governmental Accounting, the AICPA Committee on Governmental Accounting and Auditing, the U.S. Comptroller General’s Advisory Council on Government Auditing Standards, and various committees of the Texas Society of CPAs. He holds a Ph.D. from the University of Michigan.

Kristopher E. Knight (2022) began serving as a member of the GASB on July 1, 2017. Mr. Knight is Delaware’s deputy secretary of state and director of the state’s Division of Corporations. In his role, he oversees the state’s $1 billion corporate franchise and servicing of the 1.2 million business entities that make their legal home in Delaware. Mr. Knight also supervises several other divisions of the Delaware Department of State, including the Office of the State Banking Commissioner, the state’s Corporate and International Development office, and Delaware’s abandoned property Voluntary Disclosure Agreement program. Since 2012, he has also served as treasurer of the Delaware Sustainable Energy Utility’s Board of Directors. There, Mr. Knight led a comprehensive overhaul of the utility’s financial policies and practices. Previously, Mr. Knight served as the director of Delaware’s Division of Accounting. In that role, he administered policy related to the state’s procurement card program, which has an $80 million annual budget. Prior to his career in public service, Mr. Knight served in positions of increasing responsibility at KPMG LLP for more than a decade. As senior audit manager, he managed all aspects of governmental client audits, including those for the University of Delaware, the state of Delaware, and Philadelphia Gas Works. Mr. Knight holds a bachelor’s degree in business administration—accounting from Loyola University. He is a certified public accountant and a member of the AICPA. Mr. Knight’s term concludes on June 30, 2022, and he is eligible for reappointment to a second term.

The GASB Staff

The Board has a professional staff drawn from government, public accounting, and the user community. The staff works directly with the Board and its task forces, conducts research, participates in public hearings, analyzes oral and written comments received from the public on documents, and prepares drafts of documents for consideration by the Board.

David E. Sundstrom (2019) began serving as a member of the GASB on July 1, 2009 and was reappointed to a second term which began July 1, 2014. In December 2011, he was appointed by the Sonoma County Board of Supervisors to fill the remaining term of the retired auditor-controller, treasurer-tax collector. Following Orange County’s bankruptcy in 1995, Mr. Sundstrom joined the county as its director of internal audit and helped lead the county’s recovery. He was then elected as the county auditor-controller in June 1998. Mr. Sundstrom was university auditor for the California State University System from 1989 to 1996, and was campus audit manager for the University of California, Davis from 1980 to 1989. He is also a member of numerous professional and community organizations, including the California State Society of Certified Public Accountants, the American Institute of Certified Public Accountants, and the Government Finance Officers Association. Mr. Sundstrom received his bachelor’s degree in management from Sonoma State University and his master of business administration degree in finance accounting and management information systems from the University of California, Davis.

David R. Bean joined the GASB staff in 1990 as its first full-time director of research and technical activities. Previous to working at the GASB, he was with Ernst & Young. He also was the director of the Technical Services Center of the Government Finance Officers Association and worked for the State Comptroller’s Office in Illinois. He holds a B.S. degree from Illinois State University and is a CPA.