

MINUTES



To: Board Members
From: Not-for-Profit Team (Gillard x273)
Subject: Minutes of May 29, 2013, Board Meeting
Date: June 4, 2013
cc: Sutay

The Board meeting minutes are provided for the information and convenience of constituents who want to follow the Board's deliberations. All of the conclusions reported are tentative and may be changed at future Board meetings. Decisions become final only after a formal written ballot to issue an Accounting Standards Update or a Statement of Financial Accounting Concepts.

Topic: Not-For-Profit Financial Reporting:
Financial Statements

Basis for Discussion: Memo 6, Operating Measure

Length of Discussion: 9:30 a.m. to 10:45 a.m. EDT

Attendance:

Board members present:	Seidman, Buck, Golden, Linsmeier, Schroeder, Siegel, and Smith
Board members absent:	None
Staff in charge of topic:	Klumpp
Other staff at Board table:	Cosper, Mechanick, Bossio, and Gillard
Outside participants:	None

Type of Document and Timing Based on the Technical Plan:

The FASB discussed defining and presenting an intermediate operating measure for not-for-profit entities (NFP).

The Boards' technical plan calls for an Exposure Draft to be issued in the fourth quarter of 2013.

Summary of Decisions Reached:

The Board tentatively decided to define an intermediate operating measure on the basis of two key dimensions:

- a. A mission dimension based on whether resources are from or directed at carrying out a NFP's purpose for existence.
- b. An availability dimension based on whether resources are available for current period activities, and reflecting both external limitations and internal actions of a NFP's governing board.

Before conducting further outreach, the Board directed the staff to explore whether the availability dimension should be limited to resources that are liquid.

(FASB: 7-0)

The Board also considered three alternatives for presenting an intermediate measure in a NFP's statement of activities. It tentatively decided to support an alternative that would present all legally available mission related revenues before reductions for amounts designated by the governing board for use in future periods, rather than only the net of those amounts. That presentation also would include amounts of previously unavailable resources that the governing board made available for use in the current period.

(FASB: 6-1)

The Board also discussed certain implementation matters but concluded that they would be better addressed later in the project. The Board will consider at a future meeting whether the presentation of an intermediate operating measure would be required, permitted, or encouraged.

General Announcements: None.