

# The FASB and the GASB: Meet the New Staff Leaders

By Terri Polley

"It's the most exciting yet scariest thing I've ever done." That's what **Alan Skelton** says about accepting the position of Director of Research and Technical Activities at the Governmental Accounting Standards Board (GASB). The successor to David Bean, who had served in the role for 31 years, Alan knew it was now or never. "This role doesn't open up very often. I looked at myself and said 'if I really want to be the best accountant I can be, how would I not want to take this on?'" Alan officially joined the GASB earlier this year on April 1.

The Financial Accounting Standards Board (FASB) also welcomed a new technical director recently. **Hillary Salo** (who was recently a featured speaker at the CTCPA Accounting, Auditing, and Financial Reporting Conference) joined the FASB staff in August of last year as Director of Technical Activities and Chair of the Emerging Issues Task Force. Hillary was not looking for a new job when she heard about the

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Director of Research  
and Technical Activities  
Governmental Accounting  
Standards Board



**Hillary Salo**  
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position opening. What got her thinking about it was her KPMG partner's comment: "Well, that's your perfect job."

Looking at the backgrounds of Alan and Hillary, one can conclude that it's the perfect job for both of them.

## Why Accounting?

Hillary has known she wanted to be an accountant since high school. During an independent study her senior year, she took an accounting course and it "clicked." She picked her college – the University of North Carolina – based on its strong accounting program.

Her professor suggested that he nominate her for the FASB Post-Graduate Technical Assistant (PTA) program – a highly competitive program where new accounting graduates kick off their careers with a year at the FASB. The PTAs are immersed in technical projects and the standard-setting process. Hillary's year-long stint as a PTA enabled her to become an expert on the accounting for derivatives and hedging when the new standard – known then as FASB Statement 133 – was finalized.

"FASB set me up for success," Hillary says, parlaying her understanding of the ins and outs of derivatives accounting into the advisory practice at KPMG LLP in Chicago, and then several years later joining KPMG's national office in New York at the beginning of the financial crisis. She served as a Professional

Accounting Fellow at the SEC – yet another prestigious appointment – starting in 2013. Upon rejoining KPMG in 2015, Hillary became an audit partner in the financial services practice.

In Alan's case, he doesn't remember ever not wanting to be an accountant. He loved math and while he comes from a family of teachers, Alan knew he wanted to be in the business world. Every business would always need math which, for him, was like a puzzle and appealed to the logical side of his brain. He double majored in accounting and finance at Florida State University in Tallahassee. Why FSU? Sure, it has a good accounting program. But Alan's real motivation was college football – Deion Sanders was one of his classmates.

Alan spent the first part of his career working in the Auditor General's office in Florida and then as a senior manager at EY. When his youngest son was in preschool, Alan had a self-described "fork in the road moment." For a school project on "what does your daddy love to do?," Alan's son created a piece of artwork with the theme: "My Daddy loves to work." Ouch. "Kids are the most important thing," Alan says.

Around that time, he had the opportunity to become Deputy State Accounting Officer of Georgia, where the state also was implementing an Enterprise Resource Planning (ERP) system for which Alan was a subject matter ex-

pert. Few people knew how to be a state controller while also implementing an ERP. But Alan did. And he was able to achieve more balance between his work life and his family life.

He went on to become Georgia's State Accounting Officer and became active in the National Association of State Auditors, Comptrollers and Treasurers, which led him to join the GASB's primary advisory group, the Governmental Accounting Standards Advisory Council (GASAC), ultimately serving as Vice Chair of that body.

### Starting a New Job in a 100-Year Pandemic

For both Alan and Hillary, their familiarity with the GASB and the FASB, and their engagement in and exposure to the standard-setting process over the course of their careers, eased their transition in a highly unusual, unprecedented environment. Alan's service as GASAC Vice Chair meant that he already knew the GASB members and most of the staff – and, importantly, they knew him.

Alan emphasizes the efforts of Dave Bean, the outgoing technical director, in ensuring a smooth transition and transfer of knowledge. Over phone calls and Zooms, Dave introduced Alan to the leadership of close to 30 key stakeholder organizations. "The feedback loop is extremely important," says Alan. Those introductions smoothed the path for Alan's ongoing outreach in the standard-setting process.

Hillary admits that it did seem odd to start her new job remotely. "You get a computer shipped to you and you start work," she says. Hillary estimates that she knew around one-third of the FASB staff members. But having been at the FASB as a PTA, she knew the staff was top-notch and that they were committed to the mission. Overall, she describes her transition as "seamless."

Within her first few weeks, the FASB met with most of its advisory groups – an alphabet soup comprising FASAC, NAC, PCC, SBAC, EITF, and so on. In some ways, the pandemic encouraged more frequent interactions with stakeholders – fewer calendar challenges in scheduling online meetings without the

further challenges of travel time. Hillary notes that, "Everyone is really busy, but it's fairly easy to carve out 15 minutes on someone's calendar for a Zoom, versus trying to find a date for an in-person meeting." She's looking forward to being back in the office, which will enable informal touchpoints with staff especially. Hillary jokes, "A lot of staff members don't know how tall I am!"

### What's Next at the GASB and the FASB?

While much has changed at the leadership level at the GASB and the FASB – in addition to Alan's and Hillary's roles, both standard-setting boards seated new chairs last July – one important thing has not: the FASB and GASB's commitment to engaging with stakeholders.

The FASB has issued an invitation to comment on priorities for its future agenda. Stakeholders are asked to review and provide comment by September 22, 2021. Hillary notes the importance of stakeholder feedback and emphasizes that this is not an exercise solely for the Big 4 or mega-investors. "We want an open, listening culture, with as broad a basis as possible," notes Hillary.

What are the accounting and financial reporting challenges that CPAs are facing? The FASB wants to know. In addition to the future agenda, the FASB wants to know how some of the recent standards are working in the real world. Through the post-implementation review (PIR) process, the FASB is currently looking at the standards on revenue recognition, leasing, and current expected credit losses. What they learn through the PIR process can help those who will be implementing those standards in the near future – like private companies.

At the GASB, the financial reporting model project – the blueprint for the content of state and local governments' financial reports – is at a critical phase. With a goal of issuing a final standard by mid-2022, the time to provide feedback is now. Alan notes the diverse points of view: "If you talk to 20 people, you'll get 20 views. The GASB will need to be slow and methodical and deliberate in next steps." That's

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why feedback is so critical. Alan says that the GASB is working to implement an electronic feedback form similar to what the FASB uses to make it easier to provide comments.

The PIR process is underway on several key GASB standards – pensions, other post-retirement benefits, and leasing. One key area of interest is cost-benefit. Alan notes, "We analyze costs and benefits before a standard is issued. But the PIR process helps us to know what the costs really are, and whether the standard is doing what was intended."

Alan and Hillary clearly share a passion for accounting, for standard-setting, and for engaging with their stakeholders. They both have deep and broad experience in financial reporting. They both have a passion for excellence and continuous improvement. The standard-setting world just may have found the right combination for post-pandemic financial reporting.

As Hillary puts it, "I never wanted a job more than this job." And, as Alan sums it up, "It's pretty awe-inspiring. There are only two of us in the United States. And that's also the scary part of it."



*Terri Polley retired from the Financial Accounting Foundation, the parent organization of the FASB and the GASB, in June*

*2019, where she had served as the President and Chief Executive Officer. She is a CPA in the state of Pennsylvania and a long-time member of the Connecticut Society of CPAs. For more information about the activities of the FASB and the GASB, and on ways to engage in the standard-setting process, see [www.fasb.org](http://www.fasb.org) and [www.gasb.org](http://www.gasb.org).*