

Dear Ms. Parlow,

Late last year you sent a request to Dr. Roger Conaway, the Association for Business Communication's past president, asking that our organization consider offering some advice on an exposure draft for a proposed new Statement of Federal Financial Accounting Standards entitled "Reporting Comprehensive Long-Term Fiscal Projections for the U.S. Government."

Roger forwarded your request to me (ABC's current president), and after reviewing your request, I asked Dr. Rebecca Pope-Ruark, the chair of one of our organization's special interest groups, to gather a few colleagues (see below) to read and respond to the draft. They have done so, and I believe the advice they provide will prove useful to you and your organization. While few of our members are truly expert in accounting, we do have expertise in strategies to communicate information effectively. The advice provided focuses on our primary area of expertise — clear, concise communication presented in a readable, accessible way.

If you have any questions or would like additional clarification, please feel free to contact me or Dr. Pope-Ruark.

We at ABC thank you for the opportunity to serve the Federal Accounting Standards Advisory Board.

Sincerely,

James M. Dubinsky, PhD
Associate Professor
President, Association for Business Communication
Director, Center for Student Engagement and Community Partnerships
Virginia Tech
Blacksburg, VA 24061

Committee of Respondents

Dr. Paula Lentz, Department of Business Communication, University of Wisconsin-Eau Claire

Dr. Rebecca Pope-Ruark, Department of English, Professional Writing and Rhetoric concentration, Elon University

Dr. Cynthia Ryan, Department of English, The University of Alabama at Birmingham

Dr. Linda Stallworth Williams, Department of English, North Georgia College & State University

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January 5, 2009

Wendy M. Payne, Executive Director
Federal Accounting Standards Advisory Board
Mailstop 6K17V
441 G Street, NW, Suite 6814
Washington, DC 20548

Subject: Association for Business Communication's Comments on the Federal Accounting Standards Advisory Board's Statement of Federal Accounting Standards Exposure Draft Dated 9.2.08

Dear Director Payne:

Thank you for considering the Association of Business Communication (ABC) in your document review process. Members of ABC are deeply concerned with improving the communication practices of private and public organizations for the good of our society. We appreciate the opportunity to participate in the development of the Statement of Federal Accounting Standards document.

The document was reviewed by four members of our Rhetoric Special Interest Group based on their specialties in document design, audience assessment, and rhetorical strategies. The ABC members are:

Dr. Paula Lentz, Department of Business Communication, University of Wisconsin-Eau Claire

Dr Rebecca Pope-Ruark, Department of English, Professional Writing and Rhetoric concentration, Elon University

Dr. Cynthia Ryan, Department of English, The University of Alabama at Birmingham

Dr. Linda Stallworth Williams, Department of English, North Georgia College & State University

While not experts in accounting, these members have developed a series of recommendations based on the information clarity and information structure of the document that we believe would enhance readability for your readers rather than address the content specific questions your Board asks on pages 8-14. We commend you for considering both the visual and the textual in your Exposure Draft and for providing examples of useful visuals in Appendix B—research show that most readers will greatly benefit from both visual and textual representations of information.

Our recommendations are listed primarily in page order in the section that follows, and primarily cover the following areas:

Improving the heading and subheading structure, both textually and visually, for better readability throughout

Clarifying some important points through word choice, bullets, and improved repetition

Highlighting important information through cross references and hyperlinking in the PDF version of the document

We hope you'll find these recommendations useful. Please feel free to contact us if you need additional information.

Sincerely,

James M. Dubinsky, PhD
Associate Professor
President, Association for Business Communication
Director, Center for Student Engagement and Community Partnerships
Virginia Tech
Blacksburg, VA 24061

Enclosure: Recommendations

Revision Suggestions for “Reporting Comprehensive Long-Term Fiscal Projections for the U. S. Government”

Heading Structure throughout Document: Documents with **talking headings** (longer headings that explain the content of a section more specifically) are easier to read, and headings such as "Purpose" and "Scope" or even one- and two-word headings (e.g., “Materiality,” “Effective Dates,” “Projection Dates”) less helpful than talking heads that give the reader a better understanding of the flow of the document and the connection among ideas expressed in each section.

For instance, on p. 15 “Purpose” is the head, but we’re not sure what purpose is fulfilled in the following points. Would a better talking heading be “Purpose of Federal Financial Reporting”?

Using talking headings will provide the reader a visual “map” through the document and show the logical flow and connection among the content in each section. Talking headings will also provide the document with better scannability and enable the reader to more quickly find what he/she needs.

One easy way to create talking headings is to **use questions in place of topics**. For instance, on page 35, the writers offer the question “What would this proposal add to existing reporting?” This effectively prompts the reader that the answer is what follows. If the writers compose other questions for headings, or at least use a heading that incorporates the purpose (e.g., “Defining the Scope of Responsibility of the xx”), the reader could take small sections of the report and make sense of them.

The coherence/cohesiveness of the document could be improved by making sure that **headings are consistent with content** that initially appears in each section. For example, on p. 17 the heading “Materiality” appears, but the first sentence of the paragraph talks about the provisions of the Statement not being applied to immaterial items and then switches back to material items. Question headings would help to eliminate this problem as the content of the section should answer the question specifically.

Heading Fonts: The headings that follow bolded headings (e.g., Management’s Discussion and Analysis on page 31) need another access strategy to clarify their place in the hierarchy (italics, perhaps?). Many headings at this level occur throughout the document, and it is unclear how they tie into the larger heading with which they are grouped.

Page 5: Suggestions for making the first few sentences more concise and clearer: Revise #7 to say: provide information to help users assess whether financial burdens without related benefits were passed on by current-year taxpayers to future-year taxpayers (inter-period equity).

Revise next sentence to say: Clearly communicating such a complex analysis is critical.

Revise #1 to say: Projections are based on maintaining current policy without change regarding federal public services and taxation. This leads to understanding where the government is headed if it maintains its current course.

Revise #4 to say: Presenting the trend in debt-to-GDP ratios in graphic form facilitates understanding if and when the rising drain on financial markets might constrain borrowing.

Page 6: [Revise Stewardship Objective](#) (Objective 3) to say: Federal financial reporting should help report users to assess the impact on the country of the government's operations and investments for the period and to understand how the government's and the nation's financial condition has changed and may change in the future.

Page 8: Recommend that Objective 3, found again on page 8, be revised as suggested above.

Page 15: Objective 3 is found here again; recommend the above revision be inserted here as well.

Page 17-18: Point 9 states that the FAQ section in Appendix C provides a "plain English" explanation for the "terms and concepts used in this Statement." However, many of the "terms and concepts" that are defined in the FAQ use the identical wording to the definitions of the terms in the Statement. [If the definitions in the FAQ are to be "plain English," the reader will assume that the wording in the FAQ would be different from what is in the Statement.](#) If this is not the case and the terms in the Statement are already in "plain English," then point 9 should be removed for clarity.

Page 18: If all of these terms are defined in Appendix C and the definitions on p 18 and Appendix C are identical, what is gained by having a section for them here? If there is a gain, make clear to the reader what these terms are doing in the "Accounting Standard" section at this point.

If this document is to be used electronically, add [hyperlinks in the .pdf file that connect the definitions in the Definitions section to Appendix C](#) and from Appendix C back to the statement. This way, the reader wouldn't have to scroll/click the forward-back arrows continually to go back and forth between the Statement and the appendix. Furthermore, the terms are not in any particular order in Appendix C, so the reader may have a hard time finding them quickly, and a good linking structure would be helpful in speeding the reading process. This structure could be used throughout all the Appendices for clarity and ease of use.

Pages 18-19: How does the heading "Accounting Standard" connect to "Definitions." What is the logic of having the "Definition" heading after the "Accounting Standard"

heading? Generally speaking, **avoid stacked headings without intervening text.** Some text here to set up the section for the reader would be useful.

Page 19: Is “Policy, Economic, and Demographic Assumptions” really a subheading of the “Scope”? The font size for the “Policy...” heading is smaller and would indicate that it is, but the content of “Scope” does not seem tied to the “Policy” content.

In addition, the “Policy, Economic, and Demographic Assumptions” section is very long for most readers. **Using subheadings (e.g., “Policy Assumptions,” “Economic Assumptions,” and “Demographic Assumptions”) would help to clarify this section for the readers.** Furthermore, some of the items in this section don't seem related to these assumptions (e.g., #19, 20, and 21—do they need to be in their own section? e.g., “Long-Term Projections: Sustaining Services & Meeting Obligations”?).

Pages 24-26: The “Disclosures” section is very long, also. **Consider using some graphic highlighting to make the topics of each numbered item stand out and perhaps highlight some of the main ideas within each numbered item**—again, better scannability.

Page 27: This statement also appears on p. 17, “Materiality,” #10. Is there a reason that it is in a box on p. 27? Add a connecting statement for readers if so.

Page 30, top of the page: Suggest rewording the end of the sentence that begins “Presenting information about the overall size of the economy . . .”—change “in comparison to past experience or the experience of other countries” to “in comparison to prior experience within U.S. and international budgets.”

Page 31, section A12: the bracketed [3] and [6] are identified in the paragraph for A12, but the look of these additional numbers is confusing. Possibly the writers could underline or italicize the words “paragraphs 3 and 6 of the . . .” to clarify this shift.

Page 32: Note 3 is placed in the middle of the page rather than at the bottom as is more accepted. While it is understood that paragraph 3 adds another layer to the document, but the note should go at the bottom of the page with others for consistency.

Page 34, A23: The writers might **consider bullets for the three alternative sets of economic and demographic assumptions** to make them more accessible.

Page 42: Further Definition Suggestions: Several of the sections on this page (and earlier) appear to focus on defining terms or documents. The writers might clarify these purposes in headings (Defining Basic Financial Statements) or boldface terms used throughout the document when they are offering a definition (an example of a way to consistently format the document).

Page 44, A55: The sentence simply introduces the content of the next A56 and A57 without providing the reader additional valuable information. This point could easily be deleted or folded into the previous point.

Page 64: “9. Other Required Information” reiterates the point made at the beginning of Appendix B that the provided sample illustrations are not all-inclusive and that others will be required. **Some rationale for why these additional graphics were not included or where readers might go for samples of these also required graphics might be valuable.** Overall, though, the graphic examples and discussion of the possible accompanying narratives is very useful.