

March 17, 2008

## **NFMA RELEASES POSITION PAPER ON GASB AND ITS IMPORTANCE TO MUNICIPAL CREDIT ANALYSIS**

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The National Federation of Municipal Analysts (“NFMA”) today released a *Position Paper on GASB and Its Importance to Municipal Credit Analysis* on its website, [www.nfma.org](http://www.nfma.org). A number of government associations recently questioned the need for the Governmental Accounting Standards Board (GASB) to continue to function as an independent standard setting body. This controversy was prompted partly in response to GASB’s efforts to promote the accounting of service efforts and accomplishments (“SEA”) – a topic which some believe should not be taken up by GASB. In this context, the NFMA has chosen to make a statement regarding the importance to the analyst community of GASB’s continued existence as an independent body, dedicated to the unique accounting issues of state and local government. A cross-section of members -- analysts from the buy side, sell side and bond insurance -- drafted the position paper.

The NFMA has actively addressed issues of primary and secondary disclosure in the municipal market since release of its *Disclosure Handbook for Municipal Securities* in 1991. This Position Paper follows a series of *Recommended Best Practices in Disclosure*, covering thirteen distinct sectors, and five other white papers and position papers on disclosure and related issues in the market. All of these publications can be found on the website, [www.nfma.org](http://www.nfma.org), under “Disclosure Guidelines” and “Position Statements.”

Established in 1983, the NFMA is an organization of approximately 1,000 members, primarily research analysts, who evaluate credit and other associated risks in the municipal market. These individuals represent, among others, mutual funds, insurance companies, broker/dealers, bond insurers, rating agencies, and financial advisory firms.