



**Remarks of David A. Vaudt
Chairman, Governmental Accounting Standards Board
GASB@30 Celebration
The Union League Club
New York, New York
July 31, 2014**

Good evening.

I am very pleased to welcome all of you to this celebration of the GASB at 30, an important milestone in the history of our organization.

Each and every one of you here this evening has made important contributions to the success of the GASB.

You are our founders, our Trustees, our Board members, our staff, our PTAs, members of our advisory council, and leaders of our stakeholder groups. You often hear people say “the GASB is a family.” You are all part of that family. So really, tonight is simply a big family get-together.

When I look around the room tonight I see the faces of people who love what they do and find meaning and fulfillment in it. Some of you have even retired and that means that you got to spend your professional life doing what you loved; what you were good at; and what helped your government and its citizens.

We’re here this evening to reflect on our history; to celebrate 30 years of governmental standard-setting; and, of course, to recognize and thank those who have been instrumental in it. Dan Ebersole, a member of the FAF Board of Trustees and immediate past GASAC chair, will do just that when he makes remarks after dinner.

Speaking of history, the venue for our event this evening, the Union League Club, is celebrating its 150th anniversary. Founded in 1863 by a group of concerned New York citizens to help preserve the union, the Club's mission continues to include a strong focus on good government – a focus we definitely share in common – which is why we chose this location for tonight's celebration.

Tonight, we move beyond our first 30 years. We move into a new period in which we will continue to build on to the accomplishments of the past.

We know GASB is all about governmental accounting; but the question is why did we – all of us in this room tonight – pick governmental accounting? What drew us to it? What led all of us to this path?

In my case, from a very young age I thought wanted to be a teacher – I wanted to help others learn... and then along the way, taking a bookkeeping class in high school led to a sudden change in plans.

Many of us probably knew early on that accounting held a special appeal and charm. It clicked with us. It appealed to our sense of order. That all may be true, but the question remains: why governmental accounting?

Was it to bring additional clarity to an area where perhaps clarity was needed? Over the last 30 years, the GASB has taken what was once cloudy financial information and provided improved guidance that produces a much clearer picture about state and local governments.

But I think there's another larger reason we all chose governmental accounting. I believe many of us were drawn to our field because we saw that it offered the opportunity to make a real difference.

We each might define what that means a little differently, but I think we all recognize one common thread. The work the GASB does, in one way or another, helps people live better lives – better lives because of the positive, and significant, impact our work has on government and the citizens it serves.

While we can look back to the recent past and see major improvements in the pension area; and while we can point to the work that we are currently doing on other postemployment benefits; the real test for the GASB team going forward is to ensure accounting and financial reporting for state and local governments remains transparent, relevant, and useful.

As we begin to move into the second generation of the GASB, we find a world that is more immediate, more fragmented, more specialized, and more challenging than any of us might have previously envisioned. We will undoubtedly be challenged to write standards that tackle emerging issues and new transactions in an ever-changing landscape.

And because things never stop changing, we'll also need to continue to look back and reconsider what we've done – reconsider to make sure it remains effective – and reconsider what we can do to make it even more relevant in the current climate.

For example, we are currently conducting pre-agenda research on a potential reexamination of the financial reporting model. That research will require us to answer some very difficult questions: Are there ways to improve, and simplify, the current reporting model? Which disclosures are truly essential? Can any changes be made that positively impact the timeliness of government reports?

And, to answer these and other questions, we will need our stakeholders help more than ever. To make sure we get it right going forward, discussion and dialogue with our stakeholders will be more critical than ever; we will need your input, your ideas, and your inspiration. Yes, the future will be both exciting and challenging; but, I know you will be there to assist us.

Earlier this evening, you may have noticed the portrait of George Washington above the fireplace where we were gathered for cocktails. He is the father of our country; his image is carved sixty feet high into the face of Mount Rushmore; and even young school children can name who is pictured on the one dollar bill.

When the Continental Congress asked Washington to lead the army, he tried to decline, saying he wasn't equal to the task. But he ultimately accepted the post, and began to transform the army immediately. Washington took what was viewed as a rag-tag collection of inexperienced farmers and, quickly turned them into a polished, disciplined, and highly skilled force to be reckoned with—and shocked the world, not to mention King George. These men were intensely loyal to their general, and the loyalty he was able to inspire, some say, was one of his greatest achievements.

When Washington was later asked to serve as leader of the young nation—as its first president—he again declined; but as before, let himself be talked into it. Establishing and implementing the three branches of government, developing the monetary system, and completing a comprehensive tour of the country were all accomplishments in his first term. When asked to lead for a second term, he replied wouldn't it be better if I just rode back to Mount Vernon and let someone else take over the reins? ... I don't have to tell you what happened.

In the course of all of this, he chose to serve, again, and again; and he served as perhaps no one has since. He set the example – he defined what it meant in this country to be Presidential. And the tone he set so long ago, carries forward to today.

What is the lesson here? What does all of this mean to the GASB?

Just like George Washington, once the GASB was asked to lead – it was done with resolve; it was done with hard work; it was done with a great team that included you; and it was done with the benefit of wise counsel – or as one could say, “with broad input from our stakeholders.” You set the example – you defined what it means to lead with excellence. And, you demonstrated how to make a meaningful difference as a governmental standard-setter.

I would like to also tell you - even young school children can name who the GASB is. But, like George Washington, I cannot tell a lie!

In all seriousness – thanks to all of you, the first 30 years of the GASB are now in the books. Our challenge is to live up to the reputation you established. I can tell you this much: we won't forget the example you set. We won't forget where we came from. In other words, the innovations of our future will be firmly rooted in the traditions of our past.

Without question, we have important things to do.

Let's use the opportunities we have in front us to leave things better than we found them.

Let's continue to make a real difference.

Let's continue to do all these things together.

And, let's make the next thirty years something to also truly celebrate.