

FASAB Exposure Draft: Questions for Respondents due January 6, 2017

Federal Financial Reporting

Please select the type(s) of organization responding to this exposure draft. If you are not responding on behalf of an organization, please select "individual."

Accounting Firm	<input type="checkbox"/>	
Federal Entity (user)	<input type="checkbox"/>	
Federal Entity (preparer)	<input checked="" type="checkbox"/>	
Federal Entity (auditor)	<input type="checkbox"/>	
Federal Entity (other)	<input type="checkbox"/>	If other, please specify: <input type="text"/>
Association/Industry Organization	<input type="checkbox"/>	
Nonprofit organization/Foundation	<input type="checkbox"/>	
Other	<input type="checkbox"/>	If other, please specify: <input type="text"/>
Individual	<input type="checkbox"/>	

Please provide your name.

Name:

Please identify your organization, if applicable.

Organization:

- Q1.** The Statement illustrates the relationship between financial statements and required supplementary information (RSI) and the larger body of information available to users for assessing the government's accountability and for decision making. The reporting objectives are intended to be broad to address the range of information users need. In this Statement, FASAB focuses on the Operating Performance and Stewardship objectives and supports reporting budgetary information. The proposed concepts will assist the Board in determining the types of information presented in financial statements and RSI and will assist users in understanding the relationship between information presented in financial statements and RSI and other reported information (ORFI). Refer to paragraphs 6 to 11 and Figure 1: Information for Assessing Accountability and for Decision Making.

Do you agree or disagree with the discussion and illustration? Please provide the rationale for your answer.

We agree with the discussion laid out in paragraphs 6 thru 11 and in Figure 1. It is the responsibility of federal financial reporting to relay the most useful information in a way most understandable by the public. By clarifying SFFAC 1 and emphasizing the objectives most relevant for financial statements and RSI, and focusing on the operating performance and stewardship objectives as well as reporting budgetary information, this Statement will aid FASAB's direction in the development of future standards. This discussion agrees with our understanding of the purpose of the standard.

FASAB Exposure Draft: Questions for Respondents due January 6, 2017***Federal Financial Reporting***

- Q2.** The Financial Statements and RSI section of the Statement discusses the role of financial statements and RSI in achieving the financial reporting objectives. Refer to paragraphs 16 to 25.

Do you agree or disagree with the discussion on financial statements and RSI? Please provide the rationale for your answer.

We agree with most of FASAB's description of the relationship of Financial Statement and RSI reporting as described in paragraph 16 to 25. We believe that it would be useful if FASAB would clarify the basic concepts used to distinguish when projections should be used in financial statements and when the projections should be part of RSI.

- Q3.** The Other Reported Financial Information and Its Relationship to Financial Statements and RSI section of the Statement discusses ORFI that contributes to achieving the financial reporting objectives and its relationship to financial statements and RSI. Refer to paragraphs 26 to 31.

Do you agree or disagree with the discussion on ORFI and its relationship to financial statements and RSI? Please provide the rationale for your answer.

We agree with the items discussed in paragraphs 26 through 31 as it relates to ORFI and its relationship to Financial Statements and RSI section. It agrees with our understanding of the purpose of the standard.

- Q4.** The Concepts for Government-Wide and Component Reporting Entities section of the Statement discusses concepts for the government-wide and component reporting entities. The concepts include a discussion on the types of information the government-wide reporting entity financial statements and RSI collectively provide and the types of information component reporting entity financial statements and RSI collectively provide. Refer to paragraphs 33 to 48.

- a. Do you agree or disagree with the concepts pertaining to the government-wide reporting entity? Please provide the rationale for your answer.**

We agree with the concepts pertaining to the component reporting entities.

- b. Do you agree or disagree with the concepts pertaining to component reporting entities? Please provide the rationale for your answer.**

We agree with the concepts pertaining to the component reporting entities.

- Q5.** The Concepts for Budgetary Information in Component Reporting Entity Financial Statements and RSI section of the Statement discusses component reporting entity budgetary concepts. Refer to paragraphs 49 to 56.

FASAB Exposure Draft: Questions for Respondents due January 6, 2017***Federal Financial Reporting***

Do you agree or disagree with the concepts for budgetary information in component reporting entity financial statements and RSI? Please provide the rationale for your answer.

We agree with the concepts for budgetary information with the exception of Borrowing Authority in Paragraph 53, sub-paragraph b. This paragraph states that by receiving borrowing authority agencies are required to borrow funds. Borrowing Authority provides authority to borrow, but does not necessarily require agencies to borrow. Agencies may use borrowing authority based on the financial needs and other sources of budget authority for the corresponding program.

- Q6.** The Performance Results section of the Statement discusses the role of financial statements and RSI in providing information on the reporting entity's performance results. Refer to paragraphs 57 to 62.

Do you agree or disagree with the concepts for performance results information? Please provide the rationale for your answer.

We agree with the concepts for performance results information. It agrees with our understanding of the purpose of the standard.

- Q7.** The Summary Level Information section of the Statement discusses summary level information with respect to financial statements and RSI. Refer to paragraphs 63 to 70.

Do you agree or disagree with the concepts for summary level information? Please provide the rationale for your answer.

We agree with the concepts for summary level information.