

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 | | |
| Federal Entity (user) | x | |
| Federal Entity (preparer) | x | |
| Federal Entity (auditor) | | |
| Federal Entity (other) | | If other, please specify: _____ |
| Association/Industry Organization | | |
| Nonprofit organization/Foundation | | |
| Other | | If other, please specify: _____ |
| Individual | | |

Please provide your name.

Name: Mary E. Peterman, Deputy Director

Please identify your organization, if applicable.

Organization: Department of Homeland Security – Office of the Chief Financial Officer

- 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.

DHS Response: DHS agrees with the discussion and illustration which demonstrate the relationship between the financial statements and RSI, and ORFI.

- 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.

DHS Response: DHS agrees with the discussion on the financial statements and RSI. The discussion provides explanations and objectives for the various type of reported information on the financial statements. However, there is no mention of modified accrual basis. DHS suggests including modified accrual basis as one of the presentation methods in paragraph 19, and later defining in paragraph 21 or a separate paragraph.

- 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.

DHS Response: DHS agrees with the discussion on ORFI and its relationship to financial statements and RSI. The ED presents the objectives of ORFI that contributes to achieving the financial reporting objectives and its relationship to financial statements and RSI.

- 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.**

DHS Response: DHS agrees with the concepts pertaining to the government-wide reporting entity. The ED provides a comprehensive explanation to assist users to understand the federal government's responsibilities and operations.

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

DHS Response: DHS agrees with the concepts pertaining to component reporting entities. The ED provides a comprehensive explanation to assist users to understand component reporting goals and objectives.

- 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.

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.

DHS Response: DHS agrees with the concepts for budgetary information in component reporting entity financial statements and RSI. The ED provides a comprehensive explanation of the complexities of the budget process and budget authority.

- 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.

DHS Response: DHS agrees with the concepts for performance results information. The ED provides the rationale for presenting this type of information which help users understand performance measures and the factors that may have affected the reported performance.

- 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.

DHS Response: DHS agrees with the concepts for summary level information. The ED provides a comprehensive explanation for condensed information visual representations that could engage users while reading the financial statements and related information.