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Sent: Tuesday, February 01, 2011 7:24 AM

To: FASAB

Subject: Resending: Accounting for Federal Oil and Gas Resources/Federal Natural Resources Exposure Drafts (Deferral of the Effective Date of SFFAS38 and Technical Bulletin 2011-1)

I am resending the email submission below because Microsoft Exchange sent a "delivery delayed" message at 6:30pm yesterday. I am sorry for the delayed submission of our comments.

Tammy L. Smutny
Financial Policies & Procedures Division
Office of the Chief Financial Officer

From: Smutny, Tammy L

Sent: Monday, January 31, 2011 2:09 PM

To: 'fasab@fasab.gov'

Cc: SIDARI, David P; Vaiana, Jerome A; Tucker, Gerald A

Subject: Accounting for Federal Oil and Gas Resources/Federal Natural Resources Exposure Drafts (Deferral of the Effective Date of SFFAS 38 and Technical Bulletin 2011-1)

Thank you for the opportunity to provide comments on the above exposure drafts. Attached are the Department of Housing and Urban Development's comments for these exposure drafts. Please direct any questions concerning our response to me at the number listed below.

Tammy L. Smutny
Financial Policies & Procedures Division
Office of the Chief Financial Officer

Deferral of the Effective Date of SFFAS 38, *Accounting for Federal Oil and Gas Resources***Executive Summary**

The Board is proposing to defer the effective date for Statement of Federal Financial Accounting Standards 38, *Accounting for Federal Oil and Gas Resources*, for one year. Under this proposal, the standards would become effective as required supplementary information for periods beginning after September 30, 2012, with earlier implementation encouraged.

Questions for Respondents

Q1. Do you agree or disagree with the proposed one-year deferral of the effective date of SFFAS 38, *Accounting for Federal Oil and Gas Resources* (see paragraph 2 and further discussion in paragraphs A1 through A7)? Please explain the reasons for your position in as much detail as possible.

Response: We agree with the proposed one-year deferral of the effective date of SFFAS 38, *Accounting for Federal Oil and Gas Resources*. As stated by the Board, the reorganization of MMS is unusual in nature and goes beyond the normal course of operation. These increased challenges make implementation difficult. The one-year deferral would allow MMS to properly implement the standard.