

Department of Defense (DoD or "the Department")

#	FASAB Technical Projects	Comments
1	Accounting and Reporting of Government Land	In accordance with SFFAS 59, DoD reported the estimated acreage by predominate use sub-categories for the General PP&E Land, Stewardship Land, and Permanent Land Rights in the Required Supplementary Information section of the FY 2022 DoD Annual Financial Report. The Department has prioritized data cleansing for land in support of SFFAS 59 to report the predominant use. Due to the timing of the requirement, the Components implemented the new breakout in time for year-end of FY 2022. The Department did not have the breakout available for the start and year-end of FY 2021, but will report it in future fiscal years. Some Components reported consolidated estimated acreage for General PP&E Land and Stewardship Land. As the data and processes for reporting continue to improve, the Department will update the predominant use of its Land accordingly based on information available. Given the potential implementation challenges related to SFFAS 59, the Department agrees for the Board to continue to monitor implementation challenges and to assess the need, as appropriate, for actions to address those challenges prior to transition of the Required Supplementary Information requirements to the notes. Request the Board consider hosting working group sessions with federal agencies, auditors, and other stakeholders as it works through the assessment and research activities of potential implementation challenges.
2	Climate-Related Financial Reporting	The report states that Climate-Related Financial Reporting in Table 2 on page 23 (under Column FY22, Row B.) "FI" phase has occurred in FY22. This could possibly be an error as it is stated in the same table that RE and DE phases will happen in FY23 and FY24 respectively.
3	Intangible Assets	The Department is actively engaged in the intangible assets task force and has provided essential information to assist FASAB to establish a scope and a project plan for developing updates for software technology guidance. We look forward to continue working within the intangible assets task force to address reporting guidance for cloud-service arrangements and other software-technology resources to ensure reporting consistency throughout the federal government.
4	Leases	The Department was actively involved in the formulation of FASAB's Implementation Guidance for Leases (Technical Release 20), the Leases Omnibus Amendments (SFFAS 60), and the Intragovernmental Leases-related Reimbursable Work Agreements. The Department is satisfied with these provisions as these will facilitate implementation of SFFAS 54 requirements and the omnibus amendments will provide clarifications, technical corrections, and also facilitate implementation of SFFAS 54. The Department requests for the Board's continued involvement and monitoring of implementation progress in order to identify and address any potential challenges that the Federal entities may have in implementing SFFAS 54.
5	Reexamination of Existing Standards	When the Board issued <i>Statement of Federal Financial Accounting Concepts 9, Materiality: Amending Statement of Federal Financial Accounting Concepts (SFFAC) 1, Objectives of Federal Financial Reporting, and SFFAC 3, Management's Discussion and Analysis</i> , the Board concluded not to provide detailed quantitative and qualitative guidance or references for materiality considerations. The Department requests the Board to consider revisiting this decision during the Reexamination of Existing Standards Project, as this guidance would greatly benefit the reporting entities who would otherwise look towards other governing bodies for this guidance.
6	Accounting and Auditing Policy Committee Technical Guidance Update	According to page 21 section J., AAPC Technical Guidance Update project has completed DE/FI phases in FY22 and no phases are scheduled to happen in FY23-35. This information is inconsistent with Table 2 on page 23 where "FI" phase is listed under FY23.
7	Implementation Guidance for DoD	The Department suggests the following two topics for the Implementation Guidance for DoD project: 1. Presentation of Fund Balance with Treasury for collections at Treasury (in the Central Accounting Reporting System) but not distributed to the reporting entity at end-of-month or other financial reporting period. 2. Valuation of cryptocurrency assets including their purchase/acquisition, recording, consumption, and disposal.