

*Exposure Draft SIG 64.1, Guidance for Implementing SFFAS 64:
Management’s Discussion and Analysis*

#17 - U.S. Department of Labor (DOL)

Please select the type 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"/>		
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Please email your responses to mda@fasab.gov. If you are unable to respond by email, please call (202) 512-7350 to make alternate arrangements.

The proposed SIG 64.1 would assist reporting entities in implementing Statement of Federal Financial Accounting Standards (SFFAS) 64, *Management’s Discussion and Analysis*.

QFR 1 The proposed SIG 64.1 provides information on how to achieve a balanced, concise, integrated, and understandable MD&A.

Do you agree or disagree that the proposed SIG 64.1 provides information to implement a balanced, concise, integrated, and understandable MD&A? Please provide the rationale for your answer.

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Neither agree nor disagree.

QFR 2 The proposed SIG 64.1 provides information about how reporting entities may discuss mission and organization in MD&A.

Do you agree or disagree that the proposed SIG 64.1 provides information for how to discuss mission and organization in MD&A? Please provide the rationale for your answer.

Neither agree nor disagree.

QFR 3 The proposed SIG 64.1 provides information about how reporting entities may discuss and analyze financial position and financial condition.

Do you agree or disagree that the proposed SIG 64.1 provides information for how to discuss and analyze financial position and condition in MD&A? Please provide the rationale for your answer.

Regarding paragraph 45, agencies should not be required to discuss/analyze beginning balances and ending balances related to financial position and financial condition unless comparative financial statements are required by OMB in Circular A-136. Furthermore, A-136 may require comparative financial statements, but OMB may authorize single-year financial statements for a specific agency; an agency should not be required to discuss/analyze beginning and ending balances under these circumstances. Presenting comparative discussion/analysis may conflict with the reasons for the single-year presentation.

Similarly, agencies should not be required to discuss/analyze prior year activity and current year activity unless Circular A-136 requires comparative financial statements. Exceptions to the comparative discussion/analysis would be when OMB (1) requires single-year financial statements, (2) authorizes single-year financial statements for a

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specific agency, or (3) authorizes selected financial statements for a specific agency (e.g., Balance Sheet only or Statement of Budgetary Resources only). Presenting comparative discussion/analysis may conflict with the reasons for these types of presentations.

The concepts in this response should apply to the entire SIG.

QFR 4 The proposed SIG 64.1 provides information about how reporting entities may discuss and analyze key performance results and associated costs.

Do you agree or disagree that the proposed SIG 64.1 provides information for how to discuss and analyze key performance results and associated costs in MD&A? Please provide the rationale for your answer.

Refer to response for QFR 3.

QFR 5 The proposed SIG 64.1 provides information about how reporting entities may discuss and analyze significant opportunities and risks in MD&A.

Do you agree or disagree that the proposed SIG 64.1 provides information for how to discuss and analyze significant opportunities and risks? Please provide the rationale for your answer.

Neither agree nor disagree.

QFR 6 The proposed SIG 64.1 provides information about how reporting entities may discuss and analyze management's assessment of the reliability of the reporting entity's financial information by explaining significant weaknesses in

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the financial management system, related systems, internal controls, or non-compliance with applicable laws.

Do you agree or disagree that the proposed SIG 64.1 provides information for how to discuss and analyze management's assessment of the reliability of the reporting entity's financial information by explaining significant weaknesses in the financial management system, related systems, internal controls, or non-compliance with applicable laws? Please provide the rationale for your answer.

Neither agree nor disagree.

QFR 7 Do you wish to comment on any other aspects of this proposal?

Not applicable.