

#5 - Department of Health and Human Services (HHS)

Organization Type	Organization Name	First name	Last name	Email
Federal entity (Preparer)	HHS	Carla	Mewborn	carla.mewborn@hhs.gov

QFR #1: The Board proposes a comprehensive set of standards to guide management in how to present an MD&A that is balanced, integrated, concise, and understandable about the reporting entity's organization and mission; financial position and condition; operating performance, opportunities, and risks; and systems, internal controls, and compliance with applicable laws and regulations. Do you agree, partially agree, or disagree that the proposed standards will provide adequate guidance for management to present an MD&A that is balanced, integrated, concise, and understandable about the reporting entity's organization and mission; financial position and condition; operating performance, opportunities, and risks; and systems, internal controls, and compliance with applicable laws and regulations? What is the rationale for your answer to QFR 1?

Response	Rationale	Organization Name
Partially agree	HHS partially agrees with the proposed amendments to SFFAS 15. HHS believes these updates are beneficial but not significant enough to issue a new standard and would recommend making these amendments to SFFAS 15 and/or leveraging OMB A-136, Financial Reporting Requirements.	HHS

QFR #2: The Board believes this proposal will reduce preparer costs and burden. Do you agree, partially agree, or disagree that the proposed standards will reduce preparer cost and burden? What is the rationale for your answer to QFR 2?

Response	Rationale	Organization Name
Partially agree	HHS agrees with the alternative view that this new standard may require additional efforts and potentially increase the length of the MD&A rather than shorten. This was not the original intent of the MD&A project.	HHS

QFR #3: The Board explains how management should present information in MD&A. Please refer to paragraphs 8-11. Do you agree, partially agree, or disagree that the proposed standards in paragraphs 8-11 provide adequate guidance on how management should present information in MD&A? What is the rationale for your answer to QFR 3?

Exposure Draft:**Management's Discussion and Analysis, Rescinding and Replacing SFFAS 15**

Comments Due December 7, 2023

Response	Rationale	Organization Name
Agree	HHS generally agrees that the proposed standards in paragraphs 8-11 may provide adequate guidance, as long as these requirements align with OMB Circular A-136 updates.	HHS

QFR #4: The Board explains what information management should include in MD&A. Please refer to paragraphs 12-13. Do you agree, partially agree, or disagree that the proposed standards in paragraphs 12-13 provide adequate guidance on what information management should include in MD&A? What is the rationale for your answer to QFR 4?

Response	Rationale	Organization Name
Partially agree	HHS partially agrees that the proposed standards in paragraphs 12-13 may provide adequate guidance, as long as these requirements align with OMB Circular A-136 updates and do not cause duplicative narratives/language.	HHS

QFR #5: The Board proposes to rescind and replace SFFAS 15. The Board believes that the MD&A proposal offers improvements over the standards in SFFAS 15. The improvements include reducing preparer burden; adopting broad principle-based guidance to assist agencies in presenting a balanced, concise, integrated, and understandable MD&A. Two Board members provided alternative views. One member provided an alternative view addressing the need for this Standard (see paragraphs A47-A53). Two members provided an alternative view on tiered reporting (see paragraph A54). Please refer to paragraphs A47 – A54 to review the alternative views as presented. Do you agree, partially agree, or disagree with the alternative views? What is the rationale for your answer to QFR 5?

Response	Rationale	Organization Name
Agree	HHS agrees with the alternative views since most of the requirements under the new proposal and SFFAS 15 appear to be quite similar. While HHS believes that continuous improvements/enhancements should be sought, the current SFFAS 15 requirements appear clear and concise (i.e., Board's alternative opinion).	HHS

Exposure Draft:

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QFR #6: Are there any other aspects of this proposal that you wish to provide comments on?
Please provide the rationale for your answer.

Comment	Organization Name
HHS has no additional comments/concerns.	HHS