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To: [FASAB](#)
Cc: [Valentine, Monica R](#); [DiGiantommaso, Jennifer M. - OCFO](#); [Wyes, Tesfaye T - OCFO](#); [Maurer, Jennifer - OCFO](#); [Sacchetti, Dylan M - OCFO](#); [Polen, Chris P - OCFO](#); [Simpson, Cynthia - OCFO](#)
Subject: US DOL/OCFO/FRD Comments on FASAB Exposure Draft, "Classified Activities"
Date: Friday, March 16, 2018 4:46:02 PM

Below please find comments from the U.S. Department of Labor (DOL), Office of the Chief Financial Officer (OCFO), Financial Reporting Division (FRD) on the exposure draft (ED) of proposed Statement of Federal Financial Accounting Standards, "Classified Activities (December 14, 2017)." Comments were requested by March 16, 2018. DOL/OCFO/FRD is a Federal entity preparer.

At this time, DOL/OCFO/FRD has no comments on the Board’s questions 1 through 5. However, we are providing comments per the memorandum included in the ED, which states “you are welcome to comment on any aspect of this proposal.”

We appreciate the opportunity to provide comments. If there are any questions, please contact: Cynthia Simpson, simpson.cynthia@dol.gov or Jennifer DiGiantommaso, DiGiantommaso.Jen@dol.gov

Regards,

Cynthia D. Simpson
 U.S. Department of Labor
 Office of the Chief Financial Officer
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Comments on Other Aspects of the Proposal

1. We suggest that FASAB include a requirement for the Board/staff to review the accounting standard at least annually. In this manner, FASAB may act proactively as opposed to reactively in response to changes that may occur in the Federal security environment.

2. We are requesting the following implementation guidance:
 - 2a. With regard to the disclosures in paragraphs 10, 11, and 12, Agencies should not be required to disclose (e.g., in the significant accounting policies) that they implemented a new accounting standard/interpretation; disclosing that a new accounting standard/interpretation was implemented will interfere with the disclosure options available to Agencies in paragraphs 10, 11, and 12. As an example, wording such as: “Agencies are not required to disclose that the standard/interpretation was implemented as a new accounting standard/interpretation.”

 - 2b. With regard to disclosures in paragraphs 10, 11, and 12, Agencies that made no modification should not be required to disclose that fact. As an example, wording such as: “Agencies are not be required to disclose that the statements (or other information) were not modified.”

2c. Agencies should not be required to implement retroactively, in particular if the accounting standard/interpretation is issued after the end of an accounting period, but before a reporting deadline and is effective upon issuance. As an example, wording such as: “Agencies are not required to apply the statement/interpretation to the prior accounting period; agencies may apply the statement/interpretation to the prior accounting period, in the current accounting period that it was issued, or prospectively.

3. Where the accounting standard uses “net results of operations and net position,” instead use “net results of operations **or** net position” in the event that a modification does not flow through net results of operations.