



OFFICE OF THE UNDER SECRETARY OF DEFENSE
1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

COMPTROLLER

Ms. Wendy M. Payne
Executive Director
Federal Accounting Standards Advisory Board
Mailstop 6H19
441 G Street, NW, Suite 6814
Washington, DC 20548

Dear Ms. Payne:

The Department of Defense (DoD) is pleased to submit the attached comments to the Federal Accounting Standards Advisory Board (FASAB) exposure draft for the proposed Technical Bulletin, entitled *Intragovernmental Exchange Transactions*. The DoD understands the importance of providing useful, understandable information to users of the financial statements. Overall, the DoD agrees that a Technical Bulletin on intragovernmental exchange transactions is appropriate and we appreciate the Board and the FASAB Staff's efforts to provide clear guidance on this topic. The comments that DoD are providing are limited to a few sections where additional clarification would be appreciated.

Thank you for considering DoD's comments.

Sincerely,

A handwritten signature in black ink, appearing to read "Alaleh A. Jenkins", is written over a horizontal line.

Alaleh A. Jenkins
Assistant Deputy Chief Financial Officer

Enclosures:
As stated



FASAB Exposure Draft: Questions for Respondents due September 29, 2017
Intragovernmental Exchange Transactions

Please select the type(s) of organization responding to this exposure draft. If you are not responding on behalf of an organization, please select "individual."

Accounting Firm

Federal Entity (user)

Federal Entity (preparer)

Federal Entity (auditor)

Federal Entity (other)

Association/Industry Organization

Nonprofit organization/Foundation

Other

Individual

X

X

If other, please specify:

If other, please specify:

Please provide your name.

Name:

Alaleh A. Jenkins

Please identify your organization, if applicable.

Organization:

Office of the Under Secretary of Defense (Comptroller)

Q1. The proposed TB provides guidance to aid in determining whether intragovernmental arrangements are exchange transactions.

a. Do you agree or disagree with the proposed guidance? Please provide the rationale for your answer.

The DoD agrees with the proposed TB. The DoD provides the following two comments for consideration:

- Page 5, Paragraph 12b: Recommend changing "transferring" to "providing" to avoid confusion with non-exchange transfers of property.
- Page 6, Footnote 3: Recommend changing "exchange transfer" to "exchange transaction" to avoid confusion with transfers being a non-exchange transaction.