

SEP 27 2019



UNITED STATES DEPARTMENT OF COMMERCE
Chief Financial Officer and
Assistant Secretary for Administration
Washington, D.C. 20230

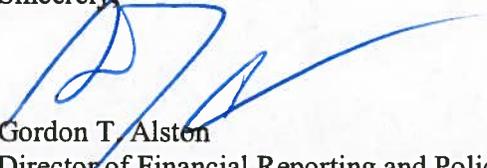
Monica R. Valentine
Executive Director
Federal Accounting Standards Advisory Board
Washington, DC

Dear Ms. Valentine:

The Department of Commerce has reviewed the Exposure Draft of Technical Bulletin – *Loss Allowance for Intragovernmental Receivables*, dated August 30, 2019.

Please find enclosed answers to the questions that were asked of respondents. If you have any questions, please contact me at (202) 482-1207 or galston@doc.gov.

Sincerely,



Gordon T. Alston
Director of Financial Reporting and Policy,
Internal Controls, and Travel

Enclosure

FASAB Exposure Draft: Questions for Respondents due October 1, 2019

Loss Allowance for Intragovernmental Receivables

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	<input type="checkbox"/>	
Federal Entity (user)	<input type="checkbox"/>	
Federal Entity (preparer)	<input checked="" type="checkbox"/>	
Federal Entity (auditor)	<input type="checkbox"/>	
Federal Entity (other)	<input type="checkbox"/>	If other, please specify: <input type="text"/>
Association/Industry Organization	<input type="checkbox"/>	
Nonprofit organization/Foundation	<input type="checkbox"/>	
Other	<input type="checkbox"/>	If other, please specify: <input type="text"/>
Individual	<input type="checkbox"/>	

Please provide your name.

Name:

Please identify your organization, if applicable.

Organization:

Q1. The proposed Technical Bulletin (TB) would provide that the absence of explicit guidance distinguishing between the accounting of intragovernmental receivables and receivables from nonfederal entities in Statement of Federal Financial Accounting Standards (SFFAS) 1, *Accounting for Selected Assets and Liabilities*, does not mean the standards only apply to receivables from nonfederal entities.

Do you agree or disagree? Please provide the rationale for your answer.

The Department agrees. This will allow for consistent reporting of both federal and non-federal accounts receivable.

Q2. The proposed TB would clarify that recognition of losses provided in paragraphs 41-51 of SFFAS 1 apply to both intragovernmental receivables and receivables from nonfederal entities.

Do you agree or disagree? Please provide the rationale for your answer.

The Department agrees. The clarification will allow for consistent reporting of both federal and non-federal accounts receivable.

Q3. The proposed TB would clarify that an allowance recognized in a reporting entity's financial statements does not alter the underlying statutory authority to collect the receivable or legal obligation of the other intragovernmental entity to pay.

Do you agree or disagree? Please provide the rationale for your answer.

FASAB Exposure Draft: Questions for Respondents due October 1, 2019
Loss Allowance for Intragovernmental Receivables

The Department agrees. Recording an allowance does not write off a receivable or negate the collection process.