



**Department of Energy**  
Washington, DC 20585

March 29, 2019

**MEMORANDUM FOR THE FEDERAL ACCOUNTING STANDARDS ADVISORY BOARD (FASAB)**

**FROM** Karin Dasuki  
Deputy Director, Office of Finance and Accounting  
Department of Energy

**KARIN DASUKI**

Digitally signed by KARIN DASUKI  
Date: 2019.03.29 09:24:42 -04'00'

**SUBJECT** Department of Energy Responses to FASAB Exposure Draft:  
*Materiality: Amending Statement of Federal Financial Accounting Concepts (SFFAC) 1, Objectives of Federal Financial Reporting, and SFFAC 3, Management's Discussion and Analysis.*

The Department of Energy (DOE) appreciates the opportunity to respond to questions in the FASAB's Exposure Draft: *Materiality: Amending Statement of Federal Financial Accounting Concepts (SFFAC) 1, Objectives of Federal Financial Reporting, and SFFAC 3, Management's Discussion and Analysis.*

**Q1.** The Board proposes materiality concepts providing a discussion of users, scope, and factors to consider in the federal government environment. Refer to paragraph 1.

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

**DOE Response:** The Department agrees with the proposed materiality section. The text does not include substantive changes to underlying concepts, and it adds elements including a discussion of users, a clearer concept of misstatement, and specific federal environment considerations.

b. Do you have any suggestions that would enhance the section?

**DOE Response:** The Department does not have suggestions for changes to the section.

**Q2.** The Board proposes placing the materiality concepts in Statement of Federal Financial Accounting Concepts 1, Objectives of Federal Financial Reporting. Refer to paragraph A14. Do you agree or disagree with the placement within concepts and specifically in SFFAC 1? Please provide the rationale for your answer.

**DOE Response:** The Department agrees with the proposed amendments to SFFAC 1 and SFFAC 3 regarding materiality since placement of the materiality guidance in SFFACs would not override existing guidance on materiality and would be classified as other literature in the GAAP hierarchy.

For questions concerning the Department's responses, please contact William Truitt, Director, Financial Policy Division, Office of Finance and Accounting, at (202) 586-1065.