



Pension - GASB 68/71

GASB 68/71 Information

GASB 68 Implication Document

How you will get the information needed?

TRS and ERS are providing a data packet

USO will have pre-developed Retirement Note Disclosures

Data packets are being sent to USO and then provided to Institutions

Timeline for Receiving Information

What to do with the information?

Year End GAAP Entries

Extensive Note Disclosure

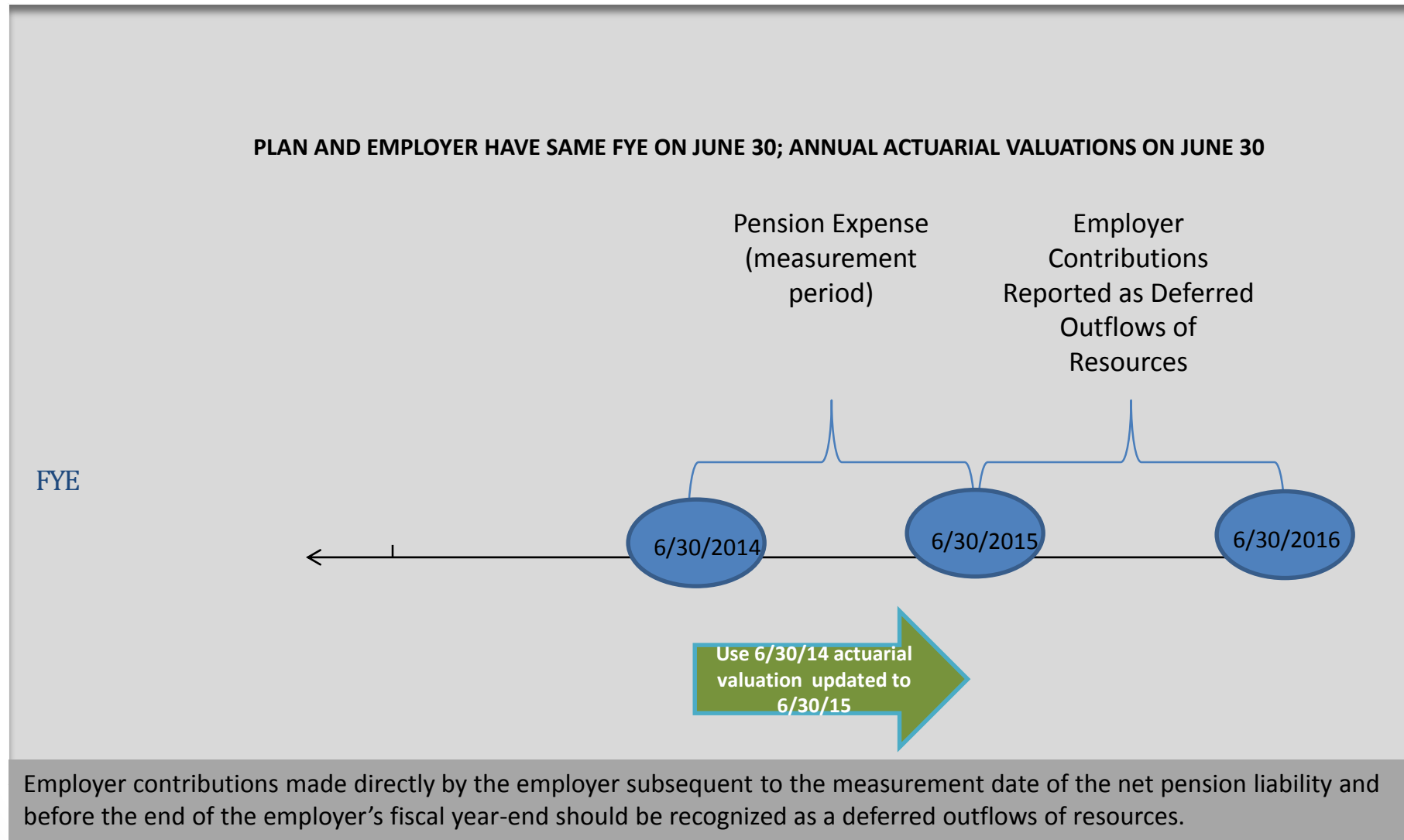
Required Supplementary Information

- Schedule of Proportionate Share of the Net Pension Liability

- Schedule of Contributions

- Notes to Required Supplementary Information

TRS/Employer Measurement Date – 6/30/15



GASB 68/71 Year End GAAP Entries

Employer
Employer Code

SOUTH GA OUTFLOW COLLEGE
9876

Journal Entries For District's Fiscal Year Ended June 30, 2015 (June 30, 2014 Measurement Date)

Deferred outflows of resources – District contributions 7/1/2013 – 6/30/2014
Net position – prior period adjustment
To record beginning resources for FY14
contributions based

Net position – prior period adjustment
Proportionate share of collective net pension liability

To record beginning proportionate share of net pension liability

Deferred outflows of resources – proportionate share of collective deferred outflows of resources

Pension expense

Deferred inflows of resources - proportionate share of collective deferred inflows of resources

Deferred outflows of resources - paragraph 54 and 55

Proportionate share of collective net pension liability

Deferred outflows of resources – district contributions 7/1/2013 – 6/30/2014

To record current year activity

Deferred outflows of resources – District contributions 7/1/2014 – 6/30/2015

Pension expense

To record deferred outflows of resources for contributions subsequent to measurement date

	DR	CR
(a)	1,078,797	1,078,797
(b)	14,615,641	14,615,641
(c)	817,749	0
(d)		3,792,646
(e)	317,042	
(f)	3,736,652	
(a)		1,078,797
	4,871,443	4,871,443
(g)	1,132,737	1,132,737

GASB 68/71 Year End GAAP Entries

Note: All entries made in the GAAP Ledger

Entry provided by TRS/ERS in
data packet.

Journal Entries

For Employer's Fiscal Year Ended June 30, 2016 (June 30, 2015 Measurement Date)

		DR	CR
170200	Deferred outflows of resources – proportionate share of collective deferred outflows of resources	0	
552900	Pension expense – proportionate share of collective pension expense (a)	7,512,458	
552900	Pension expense – current year change in proportionate share (b)	3,071,108	
298200	Deferred inflows of resources - proportionate share of collective deferred inflows of resources (c)	18,485,371	
170200	Deferred Outflows of Resources – paragraph 54 and 55 (d)	12,898,656	
291500	Proportionate share of collective net pension liability (e)		31,456,611
298200	Deferred outflows of resources – district contributions 7/1/2014 – 6/30/2015 (f)		10,510,982
To record current year activity		41,967,593	41,967,593

The amount provided by TRS/ERS maybe different from the amount that the institution recorded last year. Your entry must agree with TRS/ERS information. If different you will need to adjust the difference through Pension Expense.

GASB 68/71 Year End GAAP Entries

Note: All entries made in the GAAP Ledger

New Entry for FY 2016

298200	Deferred inflows of resources – paragraph 54 and 55	(g)	429,749		
170200	Deferred outflows of resources – paragraph 54 and 55			(h)	0
552900	Pension expense				429,749
	To record pension expense for paragraphs 54 and 55 deferred balances arising in prior measurement periods				
170200	Deferred outflows of resources – District contributions 7/1/2015 – 6/30/2016	(i)	x,xxx		
552900	Pension expense			(i)	x,xxx
	To record deferred outflows of resources for contributions subsequent to measurement date*				

*Should include employer specific contributions

Just like PY. This entry is the contributions that you made to TRS/ERS during FY 2016.

Retirement Note Disclosure

	TRS		ERS	
	Deferred Outflow of Resources	Deferred Inflows of Resources	Deferred Outflow of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ -	\$ -	\$ -
Changes of assumptions	0	0	0	0
Net difference between projected and actual earnings on pension plan investments	0	0	0	0
Changes in proportion and differences between College/University contributions and proportionate share of contributions	0	0	0	0
College/University contributions subsequent to the measurement date	0		0	
Total	\$ -	\$ -	\$ -	\$ -

The Deferred Inflow and Outflow amounts in the Note disclosure should agree to the face of the Statement of Net Position.

Management's Discussion and Analysis (MD&A)

Financial managers of College/Universities are knowledgeable about the transactions, events, and conditions that are reflected in their financial report and of the fiscal policies that govern its operations. Those financial managers are asked to share their insights in the MD&A by giving readers an objective and easily readable analysis of the College/University's financial performance for the year. This analysis should provide users with the information they need to help them assess whether the government's financial position has improved or deteriorated as a result of the year's operations.

Management's Discussion and Analysis (MD&A)

Required Components:

- Overview: A brief discussion of the basic financial statements, including the relationships of the statements to each other, and the significant differences in the information they provide. This discussion should include analyses that assist in understanding measurements and results reported in financial statements
- Condensed Financial Information - SNP, SRECNP and Cash Flow Statements
- Description of significant capital asset and long term debt activity during the year
- Current year results in comparison with the prior year with emphasis on CY
- Discusses positives and negative trends
- Discusses other significant or unusual activity reflected on the financial statements
- May use charts, graphs and tables to enhance understandability of the information
- Should avoid “boilerplate” discussion
- Economic Outlook – Description of currently known facts, decisions or conditions that are expected to have a significant effect on financial position or results of operations – *Not a platform to pontificate*

Management's Discussion and Analysis (MD&A)

Polls of financial statement users have suggested the following about the MD&A:

- Sped up the process of identifying key issues and potential red flags
- When well written, the MD&A can make their jobs easier by answering the questions that they often have to call a government to get answers to
- “ MD&A's been a huge value...when it's done well...because it saves an analyst...a phone call or it shortens the phone call that they've got to make. If it's written well and written within...the spirit of the standard.”
- Boilerplate MD&A's that are not tailored to the specific government in question are not very useful
- The quality of the MD&A also appeared to be an indicator to some of the quality of a government's management

Schedule of Expenditures of Federal Awards (SEFA) Reconciliation

FY 2015 SEFA/SRECNP Reconciliation	
Georgia State University	
Federal Expenditures Per SRECNP	
Operating Federal Grants & Contracts	\$ 58,752,706.00
Operating Federal Stimulus	\$ 658,682.00
Non Operating Federal Grants & Contracts	\$ 61,007,670.00
Total Federal Expenditures per SRECNP	\$ 120,419,058.00
Add:	
Federal Direct Loans	\$ 193,120,884.00
Perkins Loan Cancellations	\$ -
Federal Perkins Capital Contributions	\$ -
Deduct:	
Fixed Price and Service Contracts	(\$4,428,169.10)
Subtotal	\$ 309,111,772.90
Federal Expenditures Per SEFA	Monetary
Federal Program Expenditures	\$115,990,888.66
Federal Direct Loans	\$ 193,120,884.00
Perkins Loan Cancellations	\$ -
Federal Perkins Capital Contributions	\$ -
SEFA Total	\$309,111,772.66
Rounding	\$ 0.24
Variance	\$ 0.00

Engagement Changes

Changed from Full Disclosure Management Report to Agreed Upon Procedures Engagement:

- Clayton State
- Georgia Southwestern
- Valdosta State
- Armstrong

Student Financial Aid Compliance

SFA Compliance for FY 2016

- Albany State
- Darton
- Bainbridge
- Georgia Highlands
- East Georgia

Note: Sufficient compliance work will be conducted at all institutions that had SFA findings in prior years that are unresolved or partially resolved to determine the current year status of the deficiency.

SAO Risk Assessment Project

SAO's Risk Assessment/Internal Control Documentation Timeline

Projected Timeline for Internal Control Guidance/Framework

2016										
Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
Control Environment										
		Risk Assessment								
				Control Activities						
						Information and Communication				
								Monitoring		

SAO Risk Assessment Project

- USO will be updating the current risk assessment document template utilized by institutions.
- Updated template will be available in July
- Institutions should make sure that their current risk assessment document is completely up to date.
- Complete updated template in the fall prior to the deadlines established by SAO.

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