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ACCOUNTING AND FINANCIAL REPORTING MANAGER

OFFICE OF STATE CONTROLLER

DECEMBER 11, 2018





## FINANCIAL REPORTING PROJECTS

- Lease Inventory GASB 87
- Fiduciary Activities Survey GASB 84
- DSS IBM Cognos PowerPlay upgrade
- Statewide Workers Compensation Program



- GASB 87 Leases Implementation FY 2021
- GASB standard issued May 2017
- Financial Reporting Update (FRU) summer 2019
- Template to assist agencies and component units with creating a lease inventory
- Pilot agencies to receive lease template December 2018 for feedback in spring 2019
- Template to all other agencies and component units summer 2019



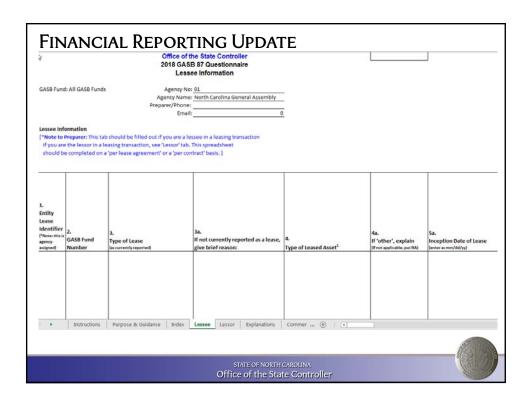
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#### FINANCIAL REPORTING PROJECTS

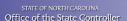
- Inventory will be maintained by agencies and component units
- Aid in determining the liability of all financing arrangements that will be considered leases according to GASB 87
- GASB 87 will require a restatement for FY 2020
- Start identifying leases now



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- GASB 84 Fiduciary Activities Implementation FY 2020
- Implementation at beginning of fiscal year July 1, 2019
- October 1, 2018 Financial Reporting Update Detailed information on the new standard
- Survey January/February 2019
  - Analyze all funds to determine whether or not a fiduciary fund
- Beginning July 1, 2019 Fiduciary Funds will need to be accounted for according to the new standard.





#### FINANCIAL REPORTING PROJECTS

- IBM Cognos PowerPlay client upgrade version 10 to version 11 spring 2019
- 1 month of overlap of both versions
- NCID login and password with version 11 rather than separate DSS login and password
- Slight change in graphics but functionality of reports unchanged
- DSS static reports portal at GDAC remains unchanged







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## FINANCIAL REPORTING PROJECTS

- Statewide Workers Compensation Program 2018 Pilot
- GASB Codification C50 Claims and Judgements governments record liability if probable and amount reasonably estimated
- Some agencies were reporting liabilities
- Previously liability was probable but amount could not be reasonably estimated
- 2015-16 Office of State Human Resources (OSHR)/Corvel revised methodology for estimating reserve
- July 2017 OSC took a serious look at developing a pilot
  - Kicked off February 2018
  - 3 agencies and 2 universities
  - OSHR / Corvel Claim Reserve Balance by agency
  - \$617.9 Million Claim Reserve Balance 6/30/18 \$525.5 Million reported through pilot



- Expanding to all agencies that report workers compensation claims through the OSHR/Corvel
- February/March 2019 OSC will distribute instructions with reserve balances maintained by OSHR/Corvel
- Agencies'/universities' responsibility to determine if reasonable
- Agencies/universities will report a 2018 restatement with their 2019 financial statements
- June 30, 2019 balances will be distributed in July 2019



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#### FINANCIAL REPORTING PROJECTS

• Questions?

