

Questions from OSC Virtual Financial Conference

1. Can it be both - On the MD&A improvement: Currently known facts vs cause significant differences from the current period Financial results?

Yes – in two different ways. The MD&A in general is to be based on currently known facts which of course includes your financial statements. The analysis of those statements is the backbone of the MD&A. There is a new section that is required that will include a discussion of how currently known facts may cause significant differences going forward from the current period financial results.

2. When will we implement Gasb 96 Subscription Based Information Technology Arrangements? Early adoption is encouraged. This has a big impact because IT programs are all moving to the cloud. Our entity was told we could not adopt until the State did.

OSC Answer: SBITA is effective for FY 2023. The State plans to implement in FY 2023 so entities that are part of the State's financial reporting entity and included in the State CAFR cannot implement GASB standards before the State implements. The financial statements, note disclosures, etc. presented in the State CAFR have to be consistent so all entities in the State CAFR have to implement the standard in the same fiscal year.

3. Will state appropriations to universities and other component units still be considered nonoperating revenue under the new model?

Generally I think the answer to this is yes, but it may vary on a case by case basis. OSC may want to weigh in on how they expect to see these appropriations.

4. Will FY2024 have to be restated for the reporting model changes in order to have comparative statements?

Yes if you choose to issue comparative statements.

Comments provided during OSC Virtual Financial Conference

1. I just wanted to say that Mrs. Edmundson checked all the boxes of a true leader as explained by Dr. Sweeney earlier. I thank her for her leadership and extraordinary work at the LGC.