

# FAQ

## GASB Statement 68

Updated 1/31/18

Q	A
Am I required to use the GASB 68 report?	<p>If you are an employer who produces GAAP-compliant financial statements using <b>Governmental Accounting Standards Board (GASB) standards</b>, then yes, GASB 68 is effective for fiscal years beginning after June 15, 2014.</p> <p>If you are an employer who follows the <b>Kansas Municipal Accounting and Auditing Guide (KMAAG) standards</b> (regulatory basis), then the basic note disclosure requirements are included in the KMAAG.</p> <p>If you are an employer who follows <b>Financial Accounting Standards Board (FASB) standards</b>, then continue to comply with FASB guidelines regarding pension disclosure.</p> <p>If you are an employer who prepares financial statements on a <b>cash basis</b>, note disclosure of the net pension liability is encouraged.</p>
What measurement date do I use?	<p>The measurement date must correspond to KPERS' fiscal year-end. The measurement date cannot be before the end of your employer's last fiscal year. If your fiscal year ends June 30, 2017, use the GASB 68 report dated June 30, 2016. If your fiscal year ends December 31, 2017, use the GASB 68 report dated June 30, 2017.</p>
Whose liability is it?	<p>GASB 68 does not change the fact that KPERS' liability belongs to the employers. GASB 68 requires that employers recognize their proportionate share of the collective pension amounts on their financial statements and note disclosures.</p>
How are "special funding situations" for vocational-technical schools and community colleges treated?	<p>The State contributes employer contributions directly to KPERS for these non-unified school district (USD) employers. The State is treated as a nonemployer contributing entity in KPERS. The notes to their financial statements must disclose certain elements. See page 93 of the GASB 68 report dated June 30, 2017, for a table showing the special funding allocations of contributions.</p>

Q	A
<p>I am a school employer. Why do the contributions in the GASB 68 report not match the quarterly contributions we received from the Kansas State Department of Education (KSDE)?</p>	<p>Transfers are always one quarter in arrears. The four transfer dates included in a fiscal year are:</p> <ol style="list-style-type: none"> <li>1. Pay dates July 1 to September 30 – transfer date October 15</li> <li>2. Pay dates October 1 to December 31 – transfer date January 15</li> <li>3. Pay dates January 1 to March 31 – transfer date April 15</li> <li>4. Pay dates April 1 to June 30 – transfer date July 15</li> </ol> <p>There are several other differences. Transfers from KSDE include contributions for two different components: employer contributions and death and disability insurance contributions. Also, transfers do not include “working after retirement” payments made by the USD.</p>
<p>What is a GASB 68 audit? Why was my employer chosen?</p>	<p>The GASB 68 report requires audits of both the schedules and the report’s underlying census data. Our outside auditor (currently CliftonLarsonAllen) selects which employers are audited each year. If selected for an audit, your employer will be asked to provide documentation to verify the information provided on your pay period reporting to KPERS.</p> <p>The American Institute of CPAs (AICPA) has issued whitepapers on this topic. AICPA also published a new <i>State and Local Governments Audit and Accounting Guide</i>, which includes guidance on GASB 67 and 68. The Audit Guide is available on the AICPA website.</p>
<p>Where can I find more information on GASB statements?</p>	<p>You can find a link to the Implementation Toolkit for Governments on the KPERS website:  <a href="http://www.kpers.org/employers/gasb.html">www.kpers.org/employers/gasb.html</a>.</p>