

## Don't Miss Your Filing Deadline – Implement GASB No. 87 Now

The Government Accounting Standards Board (GASB) issued Statement No. 87 Leases (GASB 87) to establish a single leasing model for accounting and reporting purposes. Under its provisions, leases are treated as financing arrangements in which the “right-to-use” an underlying asset exists.

GASB 87 is applicable to all school districts whose financial statements are prepared in accordance with Generally Accepted Accounting Principles (GAAP) and **the effective date for implementation is fiscal year ending June 30, 2022.**

### Requirements and Implementation

Implementation of the provisions of GASB 87 will require costs to be reflected as principal and interest expenditures versus operating expenditures on the modified accrual basis of accounting. Various, complex present value calculations and new financial statement disclosures will now be required.

Depending on the number of leases your school district has, the implementation of GASB 87 may be extensive. It is imperative that school districts take action now and develop an implementation plan. It should include gathering all lease agreements and any other pertinent documents. Any delay in implementation may affect the school district's ability to meet the financial reporting filing deadline for your respective state.

### Flexible Cost Options for School Districts

Understanding the challenges and costs associated with implementing such a significant new accounting standard, we offer several cost-effective options to assist with implementation. In addition to our public sector expertise and GASB implementation support services, we have vetted several third-party providers who specialize in GASB 87 services for school districts.

### May 5th Webinar Can Help You Gear Up

On Thursday, May 5<sup>th</sup> at 11:00 we're hosting a one-hour webinar during which software provider [DebtBook](#) will walk you through a step-by-step guide on how to implement and comply with the new GASB 87. This powerful and easy-to-use debt and lease management software can help make GASB 87 implementation and compliance less difficult for your school district. For more information and to register, [click here](#).

### Contact Us

Please contact your engagement partner to assess the magnitude of work needed to implement GASB 87. If the school district has entered into a significant number of lease transactions, it may be cost-effective to utilize a third-party provider.

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