



GASB accounting standard update

SPRING 2024

The Governmental Accounting Standards Board (GASB) establishes accounting and financial reporting standards for state and local governments that follow Generally Accepted Accounting Principles (GAAP). Below is a list of upcoming GASB accounting standards that may be applicable to you, along with links to related Plante Moran articles and webinars for your benefit.

To continue staying current with the upcoming changes, we welcome you to [subscribe](#) to our email distribution list, where you'll receive our most recent articles and invitations to our public sector webinars. **If you have questions or need assistance, don't hesitate to reach out — we're here to help!**

GASB STATEMENTS IMPACTING UPCOMING ENGAGEMENTS

Statement	Description	Effective date (fiscal years ending) as amended by GASB 95	Plante Moran articles & webinars
GASB 94: <i>Public-Private and Public-Public Partnerships and Availability Payment Arrangements</i> Effective for reporting periods beginning after June 15, 2022	Addresses the gap in current accounting guidance related to public-private and public-public partnerships (both referred to as PPPs) that do not meet the definition of a service concession arrangement. Action item: Consider whether any arrangements meet the definition of PPPs and therefore require further analysis.	June 30, 2023 Sept. 30, 2023 Dec. 31, 2023 March 31, 2024	You've mastered GASB leases, but are you ready for P3s and SBITAs? GASB 94 & 96: Preparing to implement new guidance for P3s & SBITAs
GASB 96: <i>Subscription-Based Information Technology Arrangements (SBITA)</i> Effective for reporting periods beginning after June 15, 2022	This Statement addresses accounting and financial reporting for subscription-based information technology arrangements (SBITAs), a type of information technology (IT) arrangement (i.e. software licensing). This Statement defines a SBITA, establishes that a SBITA results in a right-to-use subscription asset (intangible asset) and a corresponding subscription liability, provides capitalization criteria, and requires footnote disclosure. The standards for SBITAs are based on the standards established in Statement No. 87, <i>Leases</i> , as amended. Action item: Consider whether any of your organization's IT arrangements meet the definition of SBITAs and need to be analyzed further.	June 30, 2023 Sept. 30, 2023 Dec. 31, 2023 March 31, 2024	Understanding GASB 96, Subscription-Based Information Technology Arrangements You've mastered GASB leases, but are you ready for P3s and SBITAs? Implementing GASB 96 & 101: Next steps for higher education GASB 94 & 96: Preparing to implement new guidance for P3s & SBITAs

Statement	Description	Effective date (fiscal years ending) as amended by GASB 95	Plante Moran articles & webinars
GASB 99: Omnibus 2022 Effective for reporting periods as follows: <ul style="list-style-type: none"> • The requirements related to the extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63 are effective upon issuance • The requirements related to leases, PPPs, and SBITAs are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter • The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter 	<p>This Statement addresses various technical corrections, as follows: the remeasurement of certain assets and liabilities solely for a change in an index or rate used to determine variable payments, including those related to payment arrangements for public-private and public-public partnerships and subscription-based IT arrangements; the effect of a purchase option on contract terms and the measurement of the liability; the classification of derivative instruments that are neither hedges nor investments; the recognition of exchange and exchange-like financial guarantees; and technical corrections to terminology in the Codification.</p> <p>Action item: Consider whether any of the topics addressed by this Standard are applicable for your organization and, if so, determine the impact.</p>	<p>Leases, PPPs, and SBITAs:</p> <p>June 30, 2023</p> <p>Sept. 30, 2023</p> <p>Dec. 31, 2023</p> <p>March 31, 2024</p> <p>Financial guarantees and the classification and reporting of derivative instruments:</p> <p>June 30, 2024</p> <p>Sept. 30, 2024</p> <p>Dec. 31, 2024</p> <p>March 31, 2025</p>	
GASB 100: Accounting Changes and Error Corrections — an amendment of GASB Statement No. 62 Effective for fiscal years beginning after June 15, 2023	<p>This Statement improves the accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, comparable information for decision-making and will result in greater consistency in application in practice. Accounting changes, as defined in this standard, include changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity.</p> <p>Action item: Ensure familiarity with this standard not only for accounting requirements related to these types of changes/corrections but also new disclosure requirements. Note that this standard addresses the appropriate presentation and disclosure requirements for changes in major funds, which may happen more often than the other accounting changes or error corrections addressed in this standard.</p>	<p>June 30, 2024</p> <p>Sept. 30, 2024</p> <p>Dec. 31, 2024</p> <p>March 31, 2025</p>	

Statement	Description	Effective date (fiscal years ending) as amended by GASB 95	Plante Moran articles & webinars
GASB 101: <i>Compensated Absences</i> Effective for fiscal years beginning after Dec. 15, 2023	<p>This Statement supersedes Statement 16, <i>Accounting for Compensated Absences</i>, which was issued in 1992. This Standard updates the recognition and measurement guidance for compensated absences by aligning the guidance under a unified model. This will result in a liability for compensated absences that more appropriately reflects when a government incurs an obligation and can be applied consistently to any type of leave.</p> <p>This statement also amends the existing requirement to disclose the gross increases and decreases in a liability for compensated absences, and allows governments to disclose only the net change in the liability. In addition, governments will no longer be required to disclose which governmental funds typically have been used to liquidate the compensated absence liability.</p> <p>Action item: Review all compensated absences and types of leave to consider additional changes to the process for measuring and recognizing this liability in accordance with this standard. Gathering certain historical information may be required that previously may not have been necessary under the extant standard.</p> <p><i>The general approach for measurement is to use an employee's pay rate as of the financial reporting date and to recognize if the leave was attributable to services already rendered, accumulates, and is more likely than not to be used for time off or otherwise paid or settled. However, there are some exceptions, such as parental leave and military leave, for which a liability wouldn't be recognized until the leave commences.</i></p>	Dec. 31, 2024 March 31, 2025 June 30, 2025 Sept. 30, 2025	<p>GASB 101, Compensated Absences: What's the big deal?</p> <p>Implementing GASB 96 & 101: Next steps for higher education</p> <p>GASB 101, Compensated Absences: Are you ready?</p> <p>Top 5 considerations for GASB 101 readiness</p>
GASB 102: <i>Certain Risk Disclosures</i> Effective for fiscal years beginning after June 15, 2024	<p>This Statement supersedes the Statement by the National Council on Governmental Accounting (NCGA) Interpretation 6, <i>Notes to the Financial Statements Disclosure</i>, paragraph 5. This Standard establishes financial reporting requirements for risks related to vulnerabilities due to certain concentrations or constraints. For concentrations and constraints meeting the definitions in the Standard, governments will disclose the concentrations or constraints, related events that could have a substantial impact, and actions taken to mitigate the risk.</p> <p>Action item: Review the definitions of "concentrations" and "constraints" in the Statement, then begin assessing risks and identifying those that may require disclosure.</p>	June 30, 2025 Sept. 30, 2025 Dec. 31, 2025 March 31, 2026	

Statement	Description	Effective date (fiscal years ending) as amended by GASB 95	Plante Moran articles & webinars
GASB 103: <i>Financial Reporting Model Improvements</i> Effective for fiscal years beginning after June 15, 2025	<p>The objective of this Standard is to make improvements to the financial reporting model, including Statement 34, <i>Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments</i>, and other reporting model-related pronouncements. A key change to this standard from the exposure draft is the removal related to the recognition in and the presentation of governmental funds. The standards scope includes MD&A; proprietary fund financial statement presentation, particularly the operating/nonoperating classification; budgetary comparisons; major component unit information; and the presentation of unusual or infrequent items.</p> <p>This Statement requires that MD&A be limited to the five topics noted in the standard and provides further guidance on how MD&A should be written. For proprietary fund financial reporting, the Statement defines operating and nonoperating revenue and expense. It also requires a new subtotal for “operating income (loss) and noncapital subsidies.” The Statement proscribes that budgetary comparison be RSI and notes what variance information to be included. Next, the Statement requires that major component unit information be presented separately in the statements of net position and activities, with a caveat for readability. Lastly, the Statement describes “unusual” and “infrequent” transactions and outlines how they should be presented separately.</p>	June 30, 2026 Sept. 30, 2026 Dec. 31, 2026 March 31, 2027	

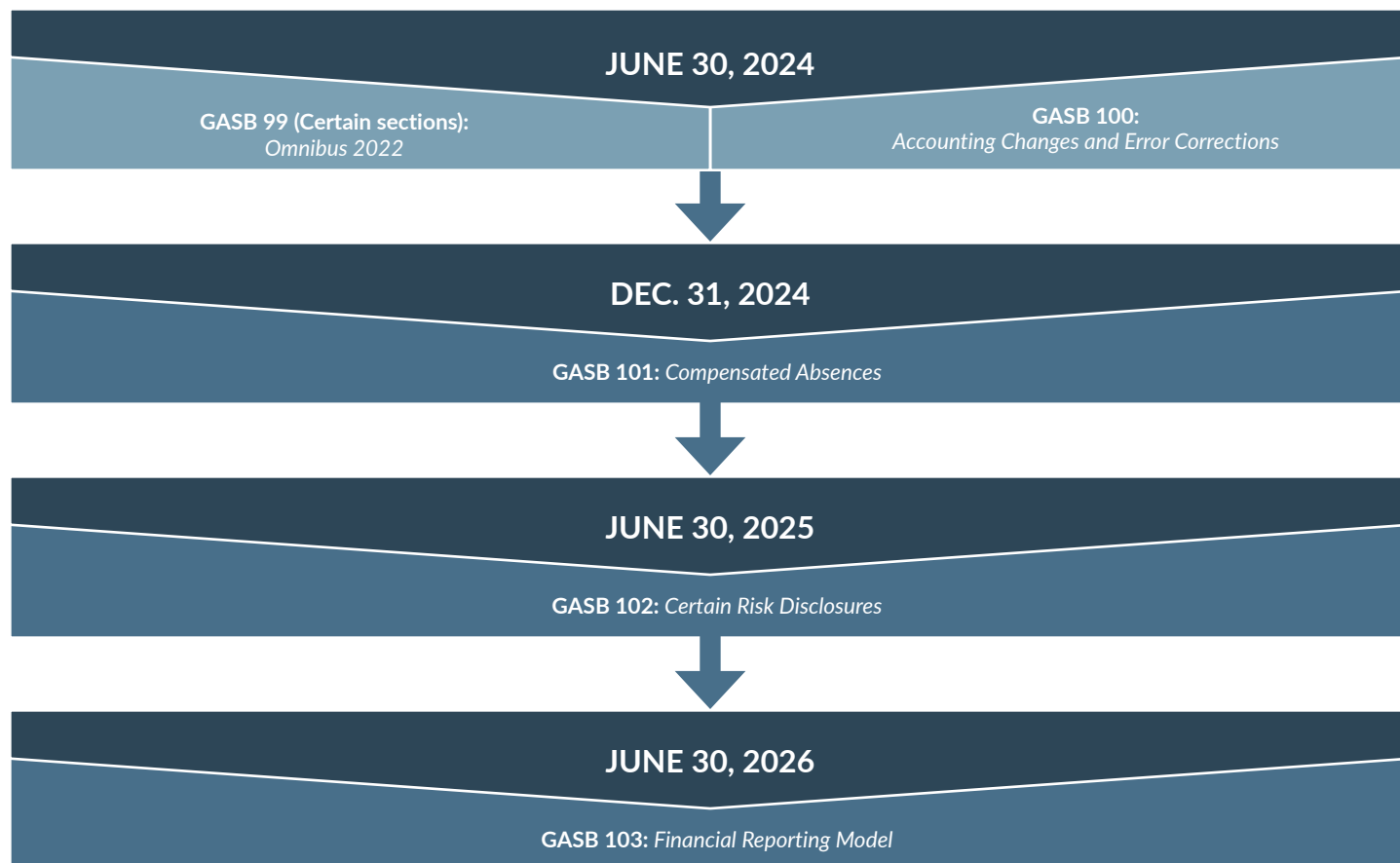
CURRENT GASB PROJECTS

Project	Description	Current stage (As of April 2024)
Revenue and Expense Recognition	<p>The objective of this project is to develop a comprehensive application model for the recognition of revenues and expenses that arise from nonexchange, exchange, and exchange-like transactions, including guidance for exchange transactions that hasn't been specifically addressed in the current literature.</p> <p>The purpose is: <i>to improve the information regarding revenues and expenses that users need to make decisions and assess accountability; to provide guidance regarding exchange and exchange-like transactions that have not been specifically addressed in GASB 33 and 36; to evaluate revenue and expense recognition in the context of the conceptual framework; and to address application issues identified in practice. The changes coming from FASB Topic 606 (Revenue from Contracts with Customers) prompted this project to be formed.</i></p>	<p>Current stage: Preliminary Views Re-deliberations</p> <p>Estimated issuance of exposure draft: Q1, 2025</p> <p>Estimated issuance of final standard: Q2, 2027</p>
Classification of Nonfinancial Assets (Exposure Draft: Disclosure and Classification of Certain Capital Assets)	<p>The objective of this project is to provide users of government financial statements with essential information about certain types of capital assets in a disaggregated format. The proposed Statement would require additional disclosure for certain capital assets in the capital assets note disclosure and additional note disclosure for capital assets held for sale.</p>	<p>Current stage: Exposure Draft Issued</p> <p>Estimated issuance of final standard: Q3, 2024</p>
Going Concern Uncertainties and Severe Financial Stress	<p>The objective of this project is to address issues related to disclosures regarding going-concern uncertainties and severe financial stress. The project will consider:</p> <ol style="list-style-type: none"> 1. <i>Improvements to existing guidance for going-concern considerations to address diversity in practice and clarify the circumstances under which disclosure is appropriate.</i> 2. <i>Developing a definition of severe financial stress and criteria for identifying when governments should disclose their exposure to severe financial stress.</i> 3. <i>What information about a government's exposure to severe financial stress is necessary to disclose.</i> 	<p>Current stage: Initial Deliberations</p> <p>Estimated issuance of preliminary views: Q4, 2024</p> <p>Estimated issuance of exposure draft: Q2, 2026</p> <p>Estimated issuance of final standard: Q2, 2027</p>
Infrastructure Assets	<p>This project would address issues related to accounting and financial reporting for infrastructure assets, including how it should be recognized and measured in financial statements, evaluation of the use of the modified approach, and consideration of whether additional information such as maintenance and preservation of infrastructure assets should be presented in financial statements.</p>	<p>Current stage: Initial Deliberations</p> <p>Estimated issuance of preliminary views: Q3, 2024</p> <p>Estimated issuance of exposure draft: Q1, 2026</p> <p>Estimated issuance of final standard: Q2, 2027</p>

Project	Description	Current stage (As of October 2023)
<i>Subsequent Events</i>	The objective of this project is to improve the accounting and financial reporting for subsequent events. The project hopes to address challenges associated with applying existing standards, inconsistencies in practice, and the usefulness of the information provided about subsequent events.	<p>Current stage: Initial Deliberations</p> <p>Estimated issuance of exposure draft: Q4, 2024</p> <p>Estimated issuance of final standard: Q4, 2025</p>
<i>Implementation Guidance – Update</i>	The outcome of this program would be additional implementation guidance for additional issues that come to the attention of GASB staff. The GASB staff has begun to develop proposals for potential inclusion in an implementation guide update and is continuing to monitor issues for possible inclusion.	<p>Current stage: Initial Deliberations</p> <p>Estimated issuance of exposure draft: Q4, 2024</p> <p>Estimated issuance of final standard: Q3, 2025</p>

Let's look ahead

Upcoming GASB standards are effective starting with the following fiscal year-ends:



Projects in the works

Upcoming GASB projects have estimated final standard issuance dates as follows:

2024

- ✓ Disclosure and Classification of Certain Capital Assets

2025

- ✓ Subsequent Events
- ✓ Implementation Guide – Update

2027

- ✓ Revenue and Expense Recognition
- ✓ Going Concern Uncertainties and Severe Financial Stress
- ✓ Infrastructure Assets