

GASB 68 Journal Entries

Note: These journal entries are for STRS and SERS first year of implementation only. They are written for the specific deferred inflows/outflows STRS and SERS are reporting at June 30, 2015 (measurement date June 30, 2014). They anticipate a measurement date 12 months prior to the current reporting date. In governmental activities, School Districts report functional expenses; therefore, journal entries to pension expense will need allocated to the appropriate functions. In enterprise funds, pension expense can be allocated to natural classification. This allocation can be made following the method the School District uses to allocate employer contributions or any reasonable method. These journal entries will need modified to record the changes in deferred inflows/outflows and the change in proportionate share in subsequent years.

The following journal entries are to restate beginning net position at 6-30-2014

Dr. Net Position
Cr. Net Pension Liability (from pension system)

To record the net pension liability (NPL) at June 30, 2014 (measurement date June 30, 2013)

Dr. Deferred Outflows (payments subsequent)
Cr. Net Position

To defer payments subsequent to the June 30, 2013, measurement date—this amount is identified by the employer

The following journal entries are to record change in NPL and related deferred inflows/outflows for FY 2015

Dr. Net Pension Liability (change in NPL from the pension system)
Dr. Deferred Outflows (balance from pension system)
Dr. Pension Expense (from pension system-- allocate to the various functions/expenses)
Dr./Cr. Deferred Outflows/Inflows (See note below)
Cr. Deferred Inflows (from pension system)
Cr. Deferred Outflows (payments subsequent see restatement entry above)

To record the change in the NPL and the deferred inflows/outflows identified by the pension system for FY15 (measurement period 2014)

Note: The difference between the proportionate share of employer contributions and actual employer contributions is recorded as a deferred outflow/inflow

Dr. Deferred Inflows/Pension Expense (allocate to the various functions/expenses)
Cr. Deferred Outflows/Pension Expense (allocate to the various functions/expenses)

To record the current year amortization of the difference between the proportionate share of employer contributions and actual employer contributions

Dr. Deferred Outflows (payments subsequent)
Cr. Pension Expense (allocate to the various functions)

To defer FY 2015 payments subsequent to the June 30, 2014, measurement date—these amounts are identified by the employer