



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL



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April 17, 2018

**CERTIFICATE OF EXCELLENCE
REVIEW COMMENTS**

**RIVER FOREST PUBLIC SCHOOLS DISTRICT 90
For the Fiscal Year End June 30, 2017**

It is the consensus of the Review Team to award the Certificate of Excellence (COE). The District is to be commended for its efforts. The Comprehensive Annual Financial Report (CAFR) is of high quality.

PAGE REFERENCE

COMMENTS

FINANCIAL SECTION

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| 30 | 1. It is inaccurate to state in the second paragraph that unearned revenue arises when a potential revenue does not meet both the “measurable” and “available” criteria for recognition in the current period. The reference to unearned revenue should be removed in the second sentence of this paragraph as well. |
| 36-38 | 2. The District should include information on the fair value inputs (Level 1, Level 2, or Level 3) for investments. (GASBS 72) |
| 41-42 | 3. The notes to the financial statements should disclose the original amount of the bond issued. (2012 GAAFR, pages 375-379) |

GASB UPDATES

The following information is provided as a courtesy. The school district should consider the effects of the following GASB Statements, as applicable, in preparing future Comprehensive Annual Financial Reports:

The GASB issued **Statement 75**, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* in June 2015. This Statement replaces the requirements of Statement 45 and requires governments to report a liability on the face of the financial statements for the OPEB that they provide. Statement 75 requires governments in all types of OPEB plans to present more extensive note disclosures and required supplementary information (RSI) about their OPEB liabilities. Among the new note disclosures is a description of the effect on the reported OPEB liability of using a discount rate and a healthcare cost trend rate that are one percentage point higher and one percentage point lower than assumed by the government. The new RSI includes a schedule showing the causes of increases and decreases in the OPEB liability and a schedule comparing a government's actual OPEB contributions to its contribution requirements. The requirements of this Statement are effective for financial statements for reporting periods beginning after June 15, 2017. Earlier application is encouraged.

The GASB issued **Statement No. 81**, *Irrevocable Split-Interest Agreements* in March 2016. This Statement requires that a government that receives resources pursuant to an irrevocable split-interest agreement recognize assets, liabilities, and deferred inflows of resources at the inception of the agreement. The requirements of this Statement are effective for periods beginning after December 15, 2016.

The GASB issued **Statement No. 83**, *Certain Asset Retirement Obligations* in November 2016. This Statement establishes criteria for determining the timing and pattern of recognition of a liability and a corresponding deferred outflow of resources for asset retirement obligations. The requirements of this Statement are effective for periods beginning after June 15, 2018.

The GASB issued **Statement No. 84**, *Fiduciary Activities* in January 2017. This Statement establishes standards of accounting and financial reporting for fiduciary activities. The requirements of this Statement are effective for periods beginning after December 15, 2018.

The GASB issued **Statement No. 85**, *Omnibus 2017* in March 2017. This Statement establishes accounting and financial reporting requirements for blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits). The requirements of this Statement are effective for periods beginning after June 15, 2017.

The GASB issued **Statement No. 86**, *Certain Debt Extinguishment Issues* in May 2017. This Statement establishes standards of accounting and financial reporting for in-substance defeasance transactions in which cash and other monetary assets acquired with only existing resources—that is, resources other than the proceeds of refunding debt—are placed in an irrevocable trust for the purpose of extinguishing debt. This Statement also amends accounting and financial reporting requirements for prepaid insurance associated with debt that is extinguished, whether through a legal extinguishment or through an insubstance defeasance, regardless of how the cash and other monetary assets were acquired. Finally, this Statement establishes an additional disclosure requirement related to debt that is defeased in substance, regardless of how the cash and other monetary assets were acquired. The requirements of this Statement are effective for periods beginning after June 15, 2017.

The GASB issued **Statement No. 87**, *Leases* in June 2017. This Statement establishes standards of accounting and financial reporting for leases by lessees and lessors. The requirements of this Statement are effective for periods beginning after December 15, 2019.