

GASB Statement No. 84

Fiduciary Activities

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GASB Definition of a Pension / OPEB Trust

- Qualified trust has the following characteristics:
 - Contributions to the pension / OPEB plan by employer governments or other entities and earnings are irrevocable
 - Sole purpose of assets in the pension / OPEB plan – provide pensions / OPEB under the benefit terms
 - Assets in pension / OPEB plan protected from creditors of employer governments, administrator, contributors, plan members

Fiduciary Fund Reporting

- Fiduciary fund types for *legally entrusted* arrangements
 - Pension (and other employee benefit) trust funds
 - Pension plans
 - OPEB trust
 - Fiduciary component units (e.g., pensions that meet component unit criteria as per GASB Statement No. 14, *The Financial Reporting Entity*)

Fiduciary Fund Reporting (cont.)

- Investment trust funds – external investment pools
- Private-purpose trust funds
 - Legally entrusted assets that are *not* pension or OPEB assets
 - Government named as trustee but *not* the beneficiary
 - May be expendable or nonexpendable in nature

Fiduciary Fund Reporting (cont.)

- Fiduciary fund type for such activities *not legally entrusted*
 - Current agency relationships
 - Custodial funds
 - Such funds may have equity

When are activities other than Pensions/OPEB considered to be fiduciary?

- When the following are all met:
 - The assets are controlled by the government
 - When the government holds the assets, and
 - When the government has the ability to direct the use of the assets
 - The assets are not derived from either
 - Own-source revenues (solely), OR
 - Government-mandated or voluntary nonexchange transactions

When..? (cont.)

- The assets have one or more of the following characteristics
 - Assets are administered through a trust, dedicated to providing benefits according to specified terms, and legally protected from creditors
 - Assets are for the benefit of individuals and the government does NOT have administrative involvement

Fiduciary Financial Statements

- Statement of Fiduciary Net Position
- Statement of Changes in Fiduciary Net Position
- Prepared on economic resources measurement focus, accrual basis of accounting

Implementation Date

- Implementation Guide 2019-2, *Fiduciary Activities*, released in June 2019
- Fiscal years that begin *after* ~~12/15/18~~
12/15/19 (FYE 6/30/21)