GASB 33 & 34

Changing Accounting Practices of the County
GASB STATEMENT NUMBERS 33 & 34
CHANGING COUNTY FINANCIAL ACCOUNTING PRACTICES

PRESENTED BY:

THE OFFICE OF THE AUDITOR-CONTROLLER

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Statement No. 33 of the Governmental Accounting Standards Board

Accounting and Financial Reporting for Nonexchange Transactions

GASB 33
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Revenue Recognition

- Recognize revenue in the accounting period when:
  - The department is **entitled** to the revenue
  - The revenue becomes **available** and **measurable**
Revenue Entitlement

Part 1

Entitled to revenue based on one of the following:

- Underlying exchange transaction occurred

- Enforceable legal claim (lien date)
Revenue Entitlement
Part 2

Entitled to revenue based on one of following:

- Use permitted by time requirement
- All eligibility requirements met
TIME REQUIREMENT

Stipulates the period(s) when resources may be used, begin to be used or not used at all (indefinite period or occurrence of an event).
Availability

- County has collected revenue in the current period
- Revenue is expected to be collected soon enough after the end of the period to use for payment of current liabilities
Measurable

Reasonably estimable
MAJOR Impact: Trust Funds

Fees/charges received with restricted uses were held until expended

Now requires revenue recognition
GASB 33 is effective for the fiscal year 2000/2001