

**C. GASB 68 Journal Entries  
(Measurement year 2019)**

*Example: Angelo State RE# 1546*

*See attached T-Accounts*

J.E. #	J.E. Date	Description	Debit	Credit
①	8/31/2020	<i>Source Document: Prior Year Journal Entry</i>		
		Dr. Contribution Expense	1,400,000	
		Cr. Deferred Outflow of Resources		1,400,000
		<i>To reverse journal entry #3 from last year that recorded the contributions made after the measurement date of the ending NPL and before the end of the employer's fiscal year-end per GASB 68, par 57.</i>		
②	8/31/2020	<i>Source Document: Prior Year Journal Entry</i>		
		Dr. Deferred Inflow of Resources - Differences in Experience	540,485	
		Dr. Deferred Inflow of Resources - Change of Assumptions	248,195	
		Dr. Deferred Inflow of Resources - Difference in Investment Earnings	1,562,760	
		Dr. Deferred Inflow of Resources - Change in Proportionate Share	507,158	
		Cr. Pension Expense		2,858,598
		Dr. Pension Expense	10,230,532	
		Cr. Deferred Outflow of Resources - Differences in Experience		137,306
		Cr. Deferred Outflow of Resources - Change of Assumptions		7,942,233
		Cr. Deferred Outflow of Resources - Difference in Investment Earnings		1,144,791
		Cr. Deferred Outflow of Resources - Change in Proportionate Share		1,006,202
		<i>To eliminate the balances of deferred inflows and deferred outflows on the balance sheet @ 08/31/19. Reversal of last year's JE ⑦ thru JE ⑭</i>		
③	8/31/2020	<i>Source Document: Employer's Records</i>		
		Dr. Deferred Outflow of Resourcees	1,500,000	
		Cr. Contribution Expense		1,500,000
		<i>This is just an estimate for purposes of illustration.</i>		
		<i>To record the contributions made after the measurement date of the ending Net Pension Liability and before the end of the reporting entity's current fiscal year in conformance with GASB 68, par 57. (For 8/31 year ends this is the contributions from 9/1/19 to 08/31/20). (For Financial Statements prepared on the Economic Resources Basis, the credit may be to Cash.)</i>		
④	8/31/2020	<i>Source Document: Schedule of Pension Amounts by Employer</i>		

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		Dr. Net Pension Liability	1,442,363	
		Cr. Contribution Expense		1,442,363
		<i>To record employer contributions for current measurement year. From column 4 on the Schedule of Pension Amounts by Employer for employers with an 8/31 fiscal year end. For employers with a 6/30 year end, you will have to calculate this number.</i>		
⑤	8/31/2020	<i>Source Document: Schedule of Pension Amounts by Employer</i>		
		Dr. Net Pension Liability	-	
		Cr. Contribution Expense		-
		<i>To record additional contribution adjustments for current measurement year. From column 5 of the Schedule of Pension Amounts by Employer. This may be a debit or credit depending on the adjustment. Compare with column 4 to determine which it is.</i>		
⑥	8/31/2020	<i>Source Document: Schedule of Pension Amounts by Employer</i>		
		Dr. Net Pension Liability	835,850	
		Cr. Contribution Expense		835,850
		<i>To record Pension Expense for measurement year 2019. This is the sum of columns 6-10 of the Schedule of Pension Amounts by Employer. (Your RE may have a credit instead of a debit.)</i>		
⑦	8/31/2020	<i>Source Document: Schedule of Pension Amounts by Employer</i>		
		Dr. Deferred Outflow of Resources	89,990	
		Cr. Pension Expense		89,990
		<i>To record the Collective Deferred Outflow of Resources for the <u>Difference in Expected and Actual Actuarial Experience</u> for the years 2014 thru 2019. From column 12 of the Schedule of Pension Amounts by Employer.</i>		
⑧	8/31/2020	<i>Source Document: Schedule of Pension Amounts by Employer</i>		
		Dr. Deferred Outflow of Resources	6,646,064	
		Cr. Pension Expense		6,646,064

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		<i>To record the Collective Deferred Outflow of Resources for the <u>Changes in Assumptions</u> for the years 2014 thru 2019. From column 13 of the Schedule of Pension Amounts by Employer.</i>			
⑨	8/31/2020	<i>Source Document: Schedule of Pension Amounts by Employer</i>			
		Dr. Deferred Outflow of Resources	1,287,879		
		Cr. Pension Expense			1,287,879
		<i>To record the Collective Deferred Outflow of Resources for the <u>Difference in Projected and Actual Investment Earnings</u> for the years 2014 thru 2019. From column 14 of the Schedule of Pension Amounts by Employer.</i>			
⑩	8/31/2020	<i>Source Document: Schedule of Pension Amounts by Employer</i>			
		Dr. Deferred Outflow of Resources	1,182,409		
		Cr. Pension Expense			1,182,409
		<i>To record the Collective Deferred Outflow of Resources for the <u>Difference in Employer Contributions and Proportionate Share of Contributions and the Changes in Proportion</u> for the years 2014 thru 2019. From column 15 of the Schedule of Pension Amounts by Employer.</i>			
<b><i>At this point your Deferred Outflow of Resources should equal column 16 of the Schedule of Pension Amounts by Employer - Total Deferred Outflow of Resources.</i></b>					
⑪	8/31/2020	<i>Source Document: Schedule of Pension Amounts by Employer</i>			
		Dr. Pension Expense	743,795		
		Cr. Deferred Inflow of Resources			743,795
		<i>To record the Collective Deferred Inflow of Resources for the <u>Difference in Expected and Actual Actuarial Experience</u> for the years 2014 thru 2019. From column 17 of the Schedule of Pension Amounts by Employer.</i>			
⑫	8/31/2020	<i>Source Document: Schedule of Pension Amounts by Employer</i>			
		Dr. Pension Expense	2,746,648		
		Cr. Deferred Inflow of Resources			2,746,468

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		<i>To record the Collective Deferred Inflow of Resources for the <u>Changes in Actuarial Assumptions</u> for the years 2014 thru 2019. From column 18 of the Schedule of Pension Amounts by Employer.</i>		
⑬	8/31/2020	<i>Source Document: Schedule of Pension Amounts by Employer</i>		
		Dr. Pension Expense	1,072,781	
		Cr. Deferred Inflow of Resources		1,072,781
		<i>To record the Collective Deferred Inflow of Resources for the <u>Difference in Projected and Actual Investment Earnings</u> for the years 2014 thru 2019. From column 19 of the Schedule of Pension Amounts by Employer.</i>		
⑭	8/31/2020	<i>Source Document: Schedule of Pension Amounts by Employer</i>		
		Dr. Pension Expense	332,294	
		Cr. Deferred Inflow of Resources		332,294
		<i>To record the Collective Deferred Inflow of Resources for the <u>Difference in Employer Contributions and Proportionate Share of Contributions and the Changes in Proportion</u> for the years 2014 thru 2019. From column 20 of the Schedule of Pension Amounts by Employer.</i>		
<b>At this point you should have the following matches:</b>				
<b>**Total Deferred Inflow of Resources should equal column 21 of the Schedule of Pension Amounts by Employer.</b>				
<b>**Ending Net Pension Liability should match column #11 on the Schedule of Pension Amounts by Employer.</b>				
<b>**The net(debits less credits) of journal entries 2,5,6,7,8,9,10,11,12,13 for Pension expense should match column #26 on the Schedule of Pension Amounts by Employer.</b>				
⑮	8/31/2020	<i>Source Document: Schedule of NonEmployer Contributing Entity On-Behalf Payments</i>		
		Dr. Grant Expense	XXX,XXX	
		Cr. Grant Revenue		XXX,XXX
		<i>To record Pension Expense and Revenue for <u>State Support</u> in conformity with GASB 68, par. 93 and 94.</i>		