

GASB 34

The State Board of
Accounts Perspective

Basic Questions

- Why are we here?
- What is the big deal about GASB 34?
- Who is really affected and when?
- What does SBA expect from you?
- What if you don't do GASB 34?

Why Are We Here?

In regards to GASB 34, we are here to discuss
State Board of Accounts

- Policies
- Expectations
- Actions

What Is the Big Deal With GASB 34?

CAPITAL ASSETS

Who Is Really Affected and When?

Counties

2002

Allen
Lake
St Joseph
Marion

2003

Delaware
Elkhart
Hamilton
Hendricks
Johnson
LaPorte
Madison
Monroe
Porter
Tippecanoe
Vanderburgh
Vigo

Cities And Towns

2002

Ft. Wayne
Evansville
South Bend
Gary

2003

Anderson	Michigan City
Bloomington	Mishawaka
Carmel	Muncie
East Chicago	New Albany
Elkhart	Noblesville
Fishers	Richmond
Hammond	Terre Haute
Highland	West Lafayette
Kokomo	? Columbus
Lafayette	? Greenwood
Lebanon	? Lawrence
Marion	

**What Does
State Board of Accounts
Expect From You?**

Capital Asset Policy

- Ordinance or Resolution
- Effective Date
- Responsible Employee
- Definition of Capital Assets
- Classification of Capital Assets
 - Threshold for Capitalizing
 - Depreciation Method
 - Useful lives of Assets
- Physical Inventory and Reconciliation
- Acquisitions and Dispositions
- Gains and Losses on Dispositions
- Method to Determine Maintenance from Capitalization
- Items Below the Threshold

Capital Asset Policy Infrastructure Assets

- Definitions of Networks and Subsystems
- Method to Obtain Actual Cost
- Implementation Date and Plan for Retroactive
 - Estimate Cost
- Depreciation or Asset Management System
- Description of the Required Record Keeping

What More Does State Board of Accounts Expect From You?

- Infrastructure Records
- Other Capital Asset Records
- Depreciation Figures
- Reclassification Assistance
- Management Discussion and Analysis (MD&A)

What Happens If You Don't Do This?

- The Independent Auditor's Opinion could be modified
 - Qualified
 - Adverse
- Your bond rating could go down

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