



MEETING MINUTES

Date	02/16/2021	Time	1:00 PM
Subject	Agency Session #5	Location	WebEx
Agenda Prepared by	OSC/BFR	Minutes Prepared by	OSC.ASK

QUESTIONS

Question/Answer

Question: If our agency has an MOU with SED for leased space in a building would that be reportable under GASB 87?

Answer: Since the agreement is with another state agency, you do not need to report. If it was between an agency and SUNY/CUNY, Gaming, Unemployment, or Public Benefit Corporation – those need to be reported.

Question: so MOUs are reportable as well?

Answer: YES, if it is an agreement that is enforceable, then that needs to be reported.

Question: Are embedded leases included? We have a temporary release program for inmates that go into the community that have jobs and work. We have bus contracts for two facilities, the contract is via ISB, we reach out to the vendor to determine schedule and how many buses are needed, and also can adjust the route if needed. The buses are maintained by the vendor and they provide the driver. Is this a GASB related service?

Answer: This could be 87, but not 94. It depends on the amount of control you have over the buses.



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NOTES

- Reporting tool and memo due by **Friday February 19th**.
 - Please contact OSC if you need more time
- Reminder: There is one more working session on Monday, February 22, 2021 at 1:00 PM.
- Great News! – Reminder from last week’s session
 - GASB 87 Leases - \$20,000 annual – materiality threshold
 - GASB 96 SBITA - \$1,000 annual – materiality threshold
 - ** Must view contracts with a vendor in aggregate**
- After submission – Next Steps
 - Once you submit the memo, OSC has to review the toolkits submitted and may reach back out with follow up questions so we gain comfort over what you sent to us is complete. This may be a couple weeks – we’ll let you know if we have questions or are all set.
 - Once the review of all agreements is complete, we will work to set a materiality threshold sometime in the fall.
 - When threshold is established, we will need to analyze agreements that are above the threshold and may reach out to some agencies with additional questions.
 - We will work on 94 and 96 agreements at a later date (this implementation date is one year later).
- Remember to track new agreements
 - Everyone is reporting a population as of 02/01/2021. Once you submit your reporting tool, you should have a policy or procedure in place to track any new potential agreements that may fall in that scope, as we will need to report on these if they hit the new materiality threshold.
- Reporting Tool
 - Unsure – If you didn’t meet with OSC/BFR or couldn’t determine an answer, put a note on the toolkit that you are unsure and BFR will continue to work with you on determining if an agreement is included.
- Identifying PPP GASB 94 agreements –
 - Many agencies have said that GASB is not clear, and BFR agrees that GASB 94 has not been well defined. Please reach out to BFR with questions and they can bring these to GASB, and then follow up at these working sessions to help everyone.
 - For a 94 arrangement, the core of the underlying agreement will involve a fairly significant capital asset.

Example: A certain population that has healthcare that needs to be provided - *Would that healthcare be a 94?*
The core of the agreement is for agency staff to come into a building/space already in existence, and the agency is paying for staff and medical supplies (beds, medical imaging equipment). The focus is an agreement for services, not an underlying capital asset. If the agreement said you are going to build a hospital, or improve a building and then manage a space for medical services, THEN 94 will apply. Incidental capital assets involved is NOT 94.

Example: The agreement is with a 3rd party to provide treatment for individuals suffering from addiction, and sometimes as part of the agreement there are purchases for the treatment center. The heart of the agreement is to provide addiction recovery services, and the assets they get are incidental.