



STATE OF NEW JERSEY

DEPARTMENT OF EDUCATION

A Memo from the New Jersey Department of Education

Date: November 24, 2021
To: Chief School Administrators, Charter School and Renaissance School Project Leads
Route To: School Business Administrators
From: Scott Henry, Director
Office of Fiscal Policy and Planning
Division of Finance and Business Services

Implementation of Governmental Accounting Standards Board Statement No. 98, the Annual Comprehensive Financial Report

The Governmental Accounting Standards Board (GASB) is an independent, nonprofit organization that establishes financial accounting and reporting standards for state and local governments, including school districts, charter schools and renaissance school projects. New Jersey state law and administrative code (*N.J.S.A. 18A:4-14* and *N.J.A.C. 6A:23A-16.1 et seq.*) require school districts, charter schools and renaissance school projects to follow generally accepted governmental accounting principles in accordance with statements issued by the GASB.

GASB Statement No. 98 establishes the term “annual comprehensive financial report” and its acronym ACFR. That new term and acronym replace of the term “comprehensive annual financial report” and its acronym in generally accepted accounting principles for state and local governments. This Statement, which does not otherwise establish new accounting and financial reporting terms or requirements, was developed in response to concerns raised by stakeholders that the common pronunciation of the acronym for “comprehensive annual financial report” sounds like a racial slur. This Statement’s introduction of the new term is founded on a commitment to promoting inclusiveness. GASB Statement No. 98 is required for fiscal year ending June 30, 2022.

Key steps/actions

School districts, charter schools and renaissance schools are advised to review all documents, websites and applications in use for FY 2021-2022 to ensure full compliance with [GASB Statement No. 98](#) for fiscal year ending June 30, 2022.

Local education agencies may direct questions and inquiries to doe.acfr@doe.nj.gov.

c: Members, State Board of Education
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NJDOE Staff
Statewide Parent Advocacy Network
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