



STATE OF NEW JERSEY

DEPARTMENT OF EDUCATION

A Memo from the New Jersey Department of Education

Date: April 3, 2020
To: Chief School Administrators, Charter School and Renaissance School Project Leads
Route To: School Business Administrators/Board Secretaries, Independent Public School Auditors
From: Kevin Dehmer, Assistant Commissioner/CFO
Division of Finance

Proposed Deferment of Implementation of Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities* and Statement No. 87, *Leases*

Please note that subsequent to release of GASB No. 84 guidance through the DOE Broadcast on March 27, 2020, the Governmental Accounting Standards Board (GASB) issued a [media advisory](#) dated March 26, 2020 considering postponing the effective dates of Statement No. 84, *Fiduciary Activities*, and Statement No. 87, *Leases*, as well as their related Implementation Guides. The Board expects to finalize the guidance in May 2020.

Key steps/actions

As implementation of GASB No. 84 will be challenging and require significant changes to accounting records and reporting, it is strongly recommended that school districts, charter schools and renaissance school projects postpone implementation of this standard pending final guidance from GASB in May.

In the interim, school districts, charter schools and renaissance school projects should consider the impact that this pronouncement will have on accounting and reporting, especially for Student Activity and Scholarship Funds, which GASB No. 84 requires to be reported in the Special Revenue Fund.

Finally, as implementation of GASB No. 87 was scheduled for FY 2020-21, we will await final GASB guidance in May 2020 to assess any action to be taken on this pronouncement.

Contact information

Please submit questions regarding this memo to doe.cafr@doe.nj.gov.

c: Members, State Board of Education
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