

NACUBO Accounting Principles Council
December 2021
Work-in-Process (updates since last month are in red)

STANDING GAAP COMMITTEES

Committee	Areas of Focus	Initiatives	Additional Notes / Comments	Completed Items
GASB	1. Relationship with GASB 2. GASB Revenue and Expense recognition project 3. Public Institution tuition discount calculation using the alternative method Two GASB APC members scheduled to roll off	○ Effects of proposed standards on higher education / cost of compliance 2. Alternative Method: Discounting project ○ Develop one (or more) better methodology(s) ○ Target end date: 6/30/22 ○ If possible, test calculations of tuition discount under two methods (joint project with FASB committee)	<ul style="list-style-type: none"> ● GASAC – Peggy Arrivas (until Mar 2022) ● Anita Kovacs – March 2022 – March 2024 – with two additional two-year terms if agreeable ● Big 3 Projects: <ul style="list-style-type: none"> ○ Reporting model (ED issued) ○ Revenue / Expense Recognition (PV issued) ○ Disclosure Framework (ED issued) 	<ul style="list-style-type: none"> ● Liaison Meeting with GASB staff, Board chair, and Brian C. (member) – Nov. 10, 2021 Reset conversation Fiduciary activities <ul style="list-style-type: none"> a. Fund reporting consequences b. Statement 24, direct lending, administrative involvement Operating activities – <ul style="list-style-type: none"> a. inspired by leasing / lessor question (Lessor accounting and reporting: operating and nonoperating/financing distinctions) b. good time to discuss considering financial reporting SRECNP changes. Investments – <ul style="list-style-type: none"> a. FFE b. Minority equity interests ● Comments submitted on Disclosure Concepts ED (10/15) ● Tom and Bob participation in capital assets research roundtables (Sept. and Oct) ● Annual meeting: public institutions roundtable ● Comment letter-ED on Compensated Absences ● Comment letters on GASB ED for Financial Reporting Model Improvements and PV

NACUBO Accounting Principles Council
December 2021
Work-in-Process (updates since last month are in red)

Committee	Areas of Focus	Initiatives	Additional Notes / Comments	Completed Items
				<p>on Revenue and Expense Recognition.</p> <ul style="list-style-type: none"> • Revenue and expense field tests – The Ohio State University, George Mason University, and the University of California <ol style="list-style-type: none"> a. Rev and Exp Field Test Debrief 6/17/21, 12 – 1 ET b. Participate in project hearings c. HEAF session on Rev/Exp project and experience of field testers (Ewing, Heinle, Wheeler) • HEAF session on Leases (S Bryant MSU)
FASB	<ol style="list-style-type: none"> 1. Relationship with FASB 2. Two FASB open APC positions 	<ol style="list-style-type: none"> 1. Meeting with FASB <ol style="list-style-type: none"> a. Virtual – need to schedule for Spring 2022 b. Agenda needed 2. For Public institution “discounting / institutional aid” project: FASB institutions to explain their methodology to GASB workgroup 3. NFP expert panel exploring Codification, re: future FASB consolidation project 	<ul style="list-style-type: none"> • FASB Not-for-Profit Advisory Committee (NAC) – Drew Paluf representing higher ed. (Term ends 3/23) <ul style="list-style-type: none"> ▪ September meeting recap ▪ Meeting materials 	<ul style="list-style-type: none"> • Comment letter – discount rate flexibility for lessees • Comment on proposed FASB Concept Statement (CS) Concepts Statement 8— Conceptual Framework for Financial Reporting— Chapter 4: Elements of Financial Statements. • HEAF session on Leases (Cornell, U of Rochester)

NACUBO Accounting Principles Council
 December 2021
 Work-in-Process (updates since last month are in red)

PROJECT COMMITTEES

Committee	Leader / Committee Members	Areas of Focus	Initiatives	Additional Notes / Comments	Completed Items
Audit Items & Internal Controls	Lead: Bob Karen Team: James (ACUA) Sue M.	1. Areas of Auditor Focus 2. Improved Financial Statement Disclosures	1. HEERF and other relief: FY21 UG single audit issues 2. Engage with accounting firms – what’s on their radar? a. Invite auditors to Jan APC meeting? b. Agenda? 3. Explore opportunities to better organize and shorten disclosures (NYU is a model).	AICPA NFP Expert Panel – • Sharon is the EP rep thru 2022 NASACT Group • Russ H. is participating in NASACT Group on auditing and financial reporting issues.	• GAQC members attended APC call, June 4, 2021 ▪ Meeting summary

**NACUBO Accounting Principles Council
December 2021
Work-in-Process (updates since last month are in red)**

<p>Regulatory and Compliance</p>	<p>Lead: Team: Sue M. Kelli P. Karen Terri</p> <p>(NACUBO colleagues Mary B., Bryan D.)</p>	<ol style="list-style-type: none"> 1. Single Audit – <ul style="list-style-type: none"> - HEERF funding - CARES, CRSAA, ARPA - SEFA - Ancillary programs 2. Department of Education <ul style="list-style-type: none"> -Financial Responsibility <ul style="list-style-type: none"> • Neg Reg (negotiated rulemaking) Jan/Feb 2022 • NACUBO will nominate reps and alternates • https://www.govinfo.gov/content/pkg/FR-2021-12-08/pdf/2021-26571.pdf -Foreign gift/grant reporting 3. IPEDS – Calculation of CFI 4. Cost of compliance 	<ol style="list-style-type: none"> 1. Monitor compliance and address questions with new Department of ED disclosure requirements and “supplemental schedule” in audited financials 2. Inclusion of CFI ratio calculations in the IPEDS form – easy to do or not? <ul style="list-style-type: none"> o HEAF sessions for FASB and GASB calculations on committee’s agenda 3. How do we calculate cost of compliance for both reporting standards and regulatory requirements? 	<p>Compliance with GLBA requirements for Single Audit purposes:</p> <ul style="list-style-type: none"> o should we consider a webcast or article? o HEAF and AM programming <ul style="list-style-type: none"> • what are the issues? • what should future work be? • perhaps talk with audit community? 	<ul style="list-style-type: none"> • Documenting the use of HEERF Program Funds for Annual Reporting: 8/23 comments submitted to ED (NACUBO and NASFA) <ol style="list-style-type: none"> a. ED backed off of functional expense use of funds reporting b. One year extension for student demographic information c. Withdrew with and without HEERF aid comparisons • NACUBO Webcast: June 14, HEERF: Common Accounting Questions (Anita, Kelli, Sue) • NACUBO Webcast on Financial Responsibility Feb 4, 2021 • NACUBO Advisory: CFI calculations for IPEDS Finance Survey • NACUBO Town Hall on Financial Responsibility (Nov 30, 2020) • NACUBO Advisory https://www.nacubo.org/Publications/Advisories/AR-19-04-Financial-Responsibility-Standards • 2021 COVID related tutorials: Rev Rec, SEFA, lost revenue, JEs
---	--	---	---	--	--

NACUBO Accounting Principles Council
December 2021
Work-in-Process (updates since last month are in red)

Committee	Leader / Committee Members	Areas of Focus	Initiatives	Additional Notes / Comments	Completed Items
					discharging student balances <ol style="list-style-type: none"> a. Future Tutorial (?) - documenting the use of HEERF funds for single audit b. APC examples to include(?) c.
Other Projects	<u>Lead:</u> TBD <u>Team:</u> TBD	<u>Potential projects:</u> <ol style="list-style-type: none"> 1. Guide to interpreting financial statements for non-accountants 2. Accounting guidance for Income Share Agreements (ISAs) 3. Remote work environment and what the “new normal” might look like. 			<ul style="list-style-type: none"> • HEAF session – “What no bagels” (R Kuehler) • Article - Remote work environment and what the “new normal” might look like. (for Summer issue of NACUBO’s Accounting and Tax Quarterly)

MEETING SCHEDULE

2021 APC In-person meetings: none

2021 Virtual meetings with FASB and GASB: (GASB, 11/10/21)

2021 APC Conference Call Schedule:

All calls are on Friday / 1:00 Eastern and scheduled for 90 minutes ([Ring Central link](#))

Dates: February 5, March 12, April 23, June 4, July 9, August 13, September 24, November 5, December 10