GASB 87 Automation Tool

An **FHB** extension developed
for the **workiva** platform

Keeping up with GASB pronouncements is a never-ending challenge. So, we've developed a tool to help you:

Identify leases that need to be accounted for in accordance with GASB 87
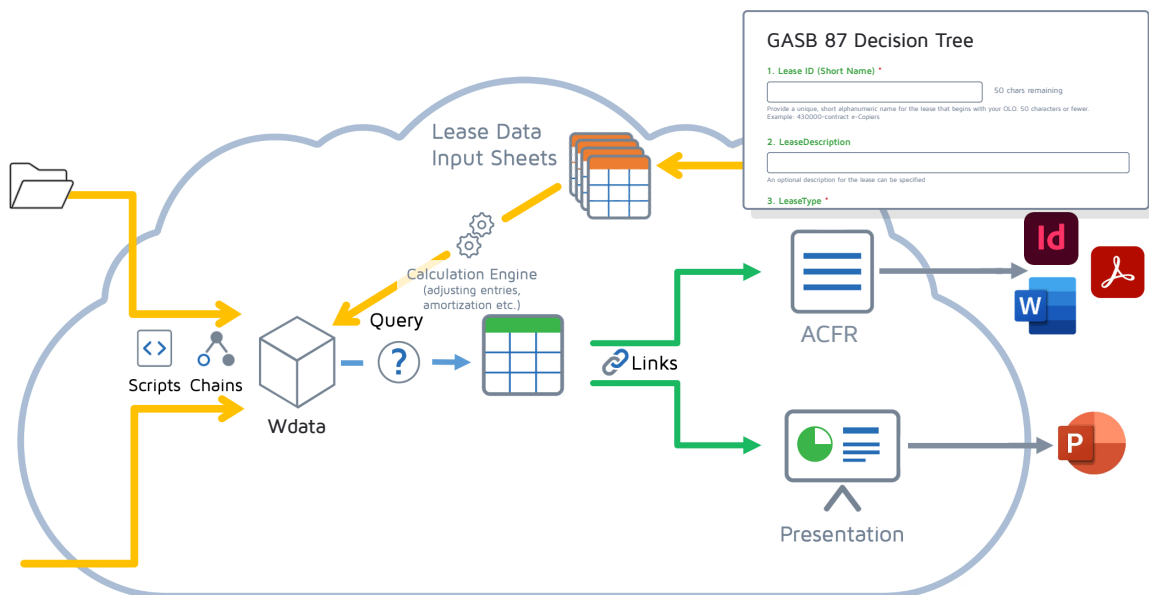
Calculate adjustments necessary to comply with GASB 87

Pass your audit with flying colors

With existing tools, processing a single lease can take from 20 minutes to an hour or more. With our automation tool, you can process all your leases in a fraction of that time.

STEP 1

Enter your data into the Decision Tree, which:

- Simplifies data entry via form completion
- Can be configured to match desired verbiage and logic
- Decentralizes data entry, allowing numerous agencies/units to submit data individually
- Centralizes evaluation processes, including method and criteria

- Uses branching logic to create a custom series of questions based on your responses
- IDs and records both leases that qualify for GASB 87 and those that do not (tracked for audit purposes)
- Ensures data entered is consistent and accurate

GASB 87 Decision Tree

1. Lease ID (Short Name) *
50 chars remaining
Provide a unique, short alphanumeric name for the lease that begins with your OLO. 50 characters or fewer.
Example: 430000-contract e-Copiers

2. LeaseDescription
An optional description for the lease can be specified

3. LeaseType *

Lease Data Input Sheets

Calculation Engine (adjusting entries, amortization etc.)

Scripts Chains

Wdata

Query

?

Links

ACFR

Presentation

STEP 2

Autogenerate your journal entries, summaries, and reports.

Once you've entered your data, our GASB tool performs the necessary calculations and saves your results to Wdata, where your ACFR and other data is stored. You can use your existing query engine to generate summaries, journal entries, and reports, including:

Lease Liability and Asset Summaries at Inception	Lease Liability and Asset Summaries at Period End Date	By Government and Enterprise Fund Types
Lease Liability Repayment Disclosure	Lease Liability Repayment Schedule by Period	By Asset Class
Lease Asset Amortization Disclosure	Lease Asset Amortization by Period	By Separate Disclosure of Internal Service Funds and Component Units
Annual Journal Entries and Activity for Inception	Annual Journal Entries and Activity for Year-end	Potential Duplicates
Deferred Inflow Amortization Disclosure	Deferred Inflow Value and Amortization	Recorded Non-GASB Lease
Future Lease Receivables for Note Disclosure	Lease Receivable Schedule by Period	Below Threshold Leases
Consolidated Lease Liability Repayment Disclosure	Consolidated Lease Receivable Schedule Disclosure	

STEP 3

Automatically power your footnotes and other required GASB disclosures.

NOTE 6 - LEASES AND SUBSCRIPTION OBLIGATIONS

A. Right to Use Leased Assets

The state enters into leases for land, buildings option of the state, and are accounted for leases with variable payments not included value guarantees. Leased assets are amor for the fiscal year ended June 30, 2023 for million, $5.3 million, and $3.5 million, re

For details on Right to Use Lease Assets,

Amortization for the remaining lease term

Fiscal Year End June 30	
2024	
2025	
2026	
2027	
2028	
2029-2033	
2034-2038	
2039-2043	
2044-2048	
2049-2053	
Total Amortiza	

E. Principal and Interest Requirements for Lease Liability

The state routinely leases land, buildings and equipment in lieu of purchasing assets. As of June 30, 2023, the state's governmental activities, business-type activities, and component units for lease liabilities totaled approximately $692.9 million, $77.7 million, $788.5 million, respectively.

The following is a schedule by thousands):

Fiscal Year Ending June 30	P
2024	$
2025	
2026	
2027	
2028	
2029-2033	
2034-2038	
2039-2043	
2044-2048	
2049-2053	
Total lease liabilities	$

C. Lease Receivables

The state leases land, buildings and equipment to third parties with various terms and interest rates. As of June 30, 2023, the state's governmental activities, business-type activities, and component unit receivables for lease payments totaled $13.9 million, $18.7 million, and $151.4 million, respectively.

The following are schedules of future minimum payments to be received by year by the state as of June 30, 2023 (in thousands):

Year Ending June 30	Governmental Activities Principal	Interest	Business-type Activities Principal	Interest	Component Units Principal	Interest
2024	$ 3,341	$ 384	$ 1,374	$ 384	$ 49,407	$ 590
2025	2,062	337	3,377	337	14,736	585
2026	2,068	289	3,388	289	14,736	579
2027	2,076	239	3,399	239	14,732	573
2028	355	206	582	206	14,736	568
2029-2033	1,943	410	3,182	785	73,672	2,755
2034-2038	2,052	140	3,360	268	73,672	2,614
2039-2043	—	—	—	—	73,672	2,473
2044-2048	—	—	—	—	73,671	2,330
2049-2053	—	—	—	—	73,671	2,198
Total Lease Receivable	$ 13,897	$ 2,005	$ 18,662	$ 2,508	$ 476,705	$ 15,265

For the fiscal year ended June 30, 2023, the state's governmental activities and component units recognized $3.2 million and $22.3 million in lease revenue, respectfully. For the fiscal year ended June 30, 2023, the component units recognized $3 million in interest income, respectfully.

Why Choose Us?

Public sector process improvement is all we do.

Our expertise and experience in public-sector finance, budgets, and internal auditing are unmatched. While our competitors provide a wide array of services for a variety of industries, our sole focus is improving and automating business processes for people just like you.

We bring all the expertise of a large consultancy, with the specialized attention of a boutique firm.

When we say we put our clients first, we mean it. Our 99.8% client-retention rate reflects that commitment. Your **dedicated FHB team** of CPAs, programmers, graphic designers, and project managers will bring the right skills, tools, experience, and time to ensure your project's sustained success.

> "F.H. Black has the best consultants I have seen in my whole career. Not only are they IT experts, but they know the accounting side."
>
> **Dongmei Li**, CPA, CPFO
> Deputy Controller at Chicago Public Schools

> "We looked at quite a few solutions, probably 8 or 9 different platforms over 6 to 7 months...FHB answered all our questions and steered us in the right direction."
>
> **Daniel Emerson**
> Budget Manager at Deschutes County, Oregon

You can count on an unbiased software recommendation.

FHB does not accept any referral fees or commission from software companies. We invest heavily in research and testing of leading industry tools. Once we've assessed your unique needs, we'll recommend the **best solution available** to meet them.

We help overworked teams get their lives back.

Our process improvements can eliminate 50-75% of your organization's low-value, manual work—giving your staff the precious gift of time and putting **work-life balance** within reach.

> "[In previous years] I was here a lot of evenings making sure everything looked right and tied together correctly. We didn't have that this year; [after FHB's implementation] I didn't find myself working any evenings or weekends."
>
> **Kathleen Smith**,
> Finance Manager at the City of Fort Wayne, Indiana

Our Team + Our Experience = Our Results

Our Team	Our Experience	Our Results
• CPAs and technology experts	• 65+ yrs in public sector finance	• 700+ satisfied clients
• Budget book, ACFR, and CANFR award reviewers	• 132+ yrs in public sector auditing	• 1,000+ CPA-led projects
• Across every time zone in the US and Canada	• 109+ yrs in IT consulting	• 99.8% client retention
	• 30+ yrs developing custom solutions	

workiva ELITE PARTNER

Contact us today to discuss your needs and how we can help!

FHB *LEAVE NOTHING TO CHANCE*