

# Memo

**To:** Business Managers  
**From:** Loc Pho, Associate Accountant  
**cc:** Superintendents  
**Date:** August 16, 2018  
**Re:** On Behalf of Payments Reporting Requirements (GASB 68 changes)

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Due to the changes of how "On Behalf of Payments" are reported, Teachers' Retirement Board will no longer send out correspondence referencing GASB 5 and GASB 24.

GASB 68 changed the focus of reporting pension information from the amount contributed to the amount of calculated pension expense.

This includes the determination of the on-behalf amounts for each participating employer. This is discussed in GASB 68 paragraph 95 as follows:

## **Support of Non-employer Contributing Entities in a Special Funding Situation**

*95. Revenue should be recognized in an amount equal to the non-employer contributing entities' total proportionate share of the collective pension expense (measured in conformity with paragraph 102) that is associated with the employer.*

Therefore, under GASB 68, the amount reported as revenue and expense in accordance with GASB 24 is now the employer's proportional share of the pension expense and not the proportional share of the amount contributed by the non-employer entity (State).

This information is available annually in the audit report issued for the State Teachers' Retirement Plan for the Schedule of Employer Allocations and Schedule of Pension Amounts by Employer. This is the third year that the report has been prepared. The most recently issued report for June 30, 2016, is available on our website ([www.ct.gov/trb](http://www.ct.gov/trb)) along with the GASB 67 and 68 reports prepared by the actuary. The town is responsible for providing this information to their auditors. The anticipated completion of the June 30, 2017, is October 2018.