



California Public Employees' Retirement System
P.O. Box 942709
Sacramento, CA 94229-2709
(888) CalPERS (or **888-225-7377**)
TTY: (877) 249-7442
www.calpers.ca.gov

Reference No.:
Circular Letter No.: 200-045-14
Distribution: XII, XVI
Special:

Circular Letter

July 31, 2014

TO: **SCHOOL EMPLOYERS AND INTERESTED PARTIES**

SUBJECT: **GASB NO. 27 ACCOUNTING AND DISCLOSURE INFORMATION FOR 2014**

The purpose of this Circular Letter is designed to assist employers in preparation of the accounting information and footnote disclosure which may be required of School employers that participate in cost-sharing multiple-employer plans (cost-sharing employers) under Governmental Accounting Standards Board Statement Number 27 (GASB 27) for the fiscal year ending on June 30, 2014. Note this will be the final GASB 27 accounting and disclosure information circular letter you will receive. The next fiscal year's accounting information will be reported under GASB 68. CalPERS intends to provide the required GASB 68 accounting information in 2015.

The material in this Circular Letter supplements the "GASB NO. 27 Accounting and Disclosure Information" provided on the CalPERS website. It will be needed for preparing the accounting and disclosure information for the fiscal year ending on June 30, 2014. It is expected that the reader has read and understands the "GASB NO. 27 Accounting and Disclosure Information" provided on the CalPERS website.

To download this information, go to www.CalPERS.ca.gov and select **Employers** at the top of the page. From the menu on the left, select **Actuarial, Risk Pooling, & GASB 27 Information**. Next, click on **Governmental Accounting Standards Board 27 Resources**. Finally, click on **GASB 27 Accounting and Disclosure Information**.

Please note that the employer is already in receipt of all plan-specific information needed to produce the required GASB 27 information for June 30, 2014 financial statements. The Annual Required Contribution (ARC) rate for fiscal year 2013-14 was 11.442% percent. Note: Section 17651 of the Revenue and Taxation Code provides for reimbursement of certain costs of legislatively mandated programs. These mandated benefits include (i) Unused Sick Leave Credit and (ii) Increased Death Benefits which are included in the current school employer contribution pool rate of 11.442% percent.

It is recommended that employers provide a copy of this Circular Letter to their auditors.

Circular Letter No.: 200-045-14

July 31, 2014

Page 2

Note that effective for financial statements for fiscal years beginning after June 15, 2014, GASB 68 replaces GASB 27; disclosure required under GASB 68 will require additional reporting. CalPERS is planning to provide GASB 68 disclosure information upon request. We urge you to start discussions with your auditors on how to implement GASB 68. CalPERS will provide additional information over the next few months as additional details on the implementation of GASB 68 are finalized.

If you have any questions, please call our CalPERS Customer Contact Center at **888 CalPERS** (or **888-225-7377**).

ALAN MILLIGAN
Chief Actuary