

This document reflects the result of analyses, discussions and review by UCOP staff and has been reviewed with PwC.

University of California
Governmental Accounting Standards Board (GASB) Statement No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*

Issues Resolution Memo No. 57-1

Evaluation of GASB Statement No. 57 as it Relates to the UC Reporting Entities

Issued: December 3, 2010

Background

Governmental Accounting Standards Board (GASB) Statement No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans* amends Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, to permit an agent employer that has an individual-employer OPEB plan with fewer than 100 total plan members to use the alternative measurement method, at its option, regardless of the number of total plan members in the agent multiple-employer OPEB plan in which it participates. Consistent with this change to the employer-reporting requirements, this Statement also amends GASB Statement No. 43, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, requirement that a defined benefit OPEB plan obtain an actuarial valuation. The amendment permits the requirement to be satisfied for an agent multiple-employer OPEB plan by reporting an aggregation of results of actuarial valuations of the individual-employer OPEB plans or measurements resulting from use of the alternative measurement method for individual-employer OPEB plans that are eligible. In addition, GASB Statement No. 57 clarifies that when actuarially determined OPEB measures are reported by an agent multiple-employer OPEB plan and its participating employers, those measures should be determined as of a common date and at a minimum frequency to satisfy the agent multiple-employer OPEB plan's financial reporting requirements.

Define Issues

The University must determine whether this amendment to GASB Statements No. 43 and 45 related to OPEB measurements changes any existing financial reporting and disclosure requirements for any of the University's financial reporting entities.

Authoritative Guidance and Approach

The authoritative guidance is presented below.

For All of the University's Financial Reporting Entities

GASB Statements No. 43 and 45 each also included related provisions with regard to the timing and frequency of the measurement of actuarial information, including the requirement that agent multiple-employer plans report aggregated individual-employer actuarial information as of the same actuarial valuation date. GASB Statement No. 57 establishes standards for the measurement and financial reporting of actuarially determined information by agent employers with individual-employer OPEB plans that have fewer than 100 total plan members and by the agent multiple-employer OPEB plans in which they participate. In addition, it clarifies requirements of Statements No. 43 and 45 related to the coordination of the timing and frequency of OPEB measurements by agent employers and the agent multiple-employer OPEB plans in which they participate.

Implementation

The University's has only one OPEB Plan (UCHBRT), and the Plan has more than 100 total plan members. Therefore this Statement is not applicable to the University or any of its financial reporting entities.

Next Steps—Required Actions

None.