



Adjustment Period

Issue Summary	USG has decided to start utilizing adjustment periods for posting year end adjustments to account balances. When should the adjustment period be utilized and how should adjustment period transactions be reported in financial statements?
Background	<p>USG will be using period 998 to record year end adjustments. The Accounting Issues Committee needs to determine when to implement the new system configuration.</p> <p>Since the PeopleSoft upgrade will be completed in the middle of fiscal year 2008, should 2008 be the first year adjustment periods are used. If so, do all the GASB reports need to be updated to include the adjustment period in its balances?</p>
Risks	<ol style="list-style-type: none"> 1. Changes in accounting procedures and reporting need to be communicated clearly to institutions prior to their implementation; otherwise results could be misleading
Possible Solution(s)	<ol style="list-style-type: none"> 1. Implement adjustment periods in FY 2008 2. Implement adjustment periods in FY 2009 3. Modify GASB reports to include adjustment period 4. Clone GASB reports to include adjustment periods and leave a set without the adjustment period.
Escalating Sub-team and Lead	Functional – Deidre Crawford
Recommended Action	AIC should implement the adjustment period functionality in 2008. The GASB reports should be updated to include period 998 in the reported balances. If for any reason, the adjustment period needs to be excluded, end-users will use the drilldown functionality in nVision to break the adjustment period out.



Accounting Issues Committee Comments	<p>A subset of the accounting issues committee decided to roll out adjustment periods in fiscal year 2008. Any published financial reports (GASB) referencing the balance time span should be updated to include the adjustment period.</p>
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