

TSB - journal entry template - updated for FY 2022 employer reporting

Template for journal entries - Government-wide financial statements - to record pension expense, net pension asset, and related deferred inflows/outflows

	DR	CR	information source
Step 1	Record a deferred outflow for contributions made to the plan subsequent to the plan measurement date of June 30, 2021		
Deferred Outflow	\$ XXX,XXX		
Employer contribution expense (ADC) - e.g., the functional expense line items that include employer pension contributions during FY 2022		\$ XXX,XXX	FY 2022 employer contributions to the System - contributions subsequent to the measurement date of June 30, 2021
Step 2	Record FY 2022 pension expense and related deferred inflows/outflows		
Net pension asset (change)	\$ XXX,XXX		net pension asset - change from beginning of year - end of year - amounts calc'd from Schedule B
Pension expense (gross amount)	\$ XXX,XXX		Schedule B
Change in Deferred Outflows (other than contributions subsequent to measurement date)	\$ XXX,XXX		Calculate the difference between prior year total deferred outflows and current year total deferred outflows - from OAG report - Schedule B (current and prior year)
Change in Deferred Inflows - (a debit if a net reduction in deferred inflows - a credit if an increase in deferred inflows)	\$ XXX,XXX		Calculate the difference between prior year total deferred inflows and current year total deferred inflows - from OAG report - ScheduleB (current and prior year)
Deferred outflows (contributions subsequent to measurement date)		\$ XXX,XXX	Recognition of deferred outflow from prior year for contributions subsequent to the measurement date. Use the amount booked as a deferred outflow in the prior year for contributions subsequent to the measurement date of June 30, 2020 (reverse prior year journal entry)
Proof	after recording the above journal entries, the net pension liability at June 30, 2022 on the entity's gov't wide financial statements should match the ending net pension liability amount for the municipality as shown in our report -- Schedule B; additionally deferred inflows and outflows should match to the Schedule B amounts		