

TOPIC	GAAP REPORTING	SUB-SECTION 27.40.26
SECTION	SUPPLEMENTARY SCHEDULES	ISSUANCE DATE May 20, 2019
SUB-SECTION	DEBT, ASSET RETIREMENT OBLIGATION AND POLLUTION REMEDIATION QUESTIONNAIRES	REVISED - 2021

DEBT, ASSET RETIREMENT OBLIGATION, AND POLLUTION QUESTIONNAIRES

DEBT QUESTIONNAIRE

The Governmental Accounting Standards Board, the authoritative standard-setting body for state and local governments' accounting and financial reporting, requires certain disclosures related to debt transactions and derivative instruments. Therefore, when an agency enters into short and long-term financing arrangements or derivative instruments that do not flow through the State Bond Commission, the agency must provide proper and timely documentation to Office of Financial Reporting (OFR) in support of each transaction.

Agency personnel or their representative should understand the complete transaction in order to make the necessary GAAP entries and disclosures for inclusion in the State's Comprehensive Annual Financial Report (CAFR). It is the agency's responsibility under Statement on Auditing Standards No. 112 - Communicating Internal Control Related Matters Identified in an Audit to report this information.

The debt questionnaire is completed to capture debt activity executed by each agency. Journal entries, if applicable, should be prepared to record debt activity. Please complete and submit the questionnaire with supporting documentation to OFR.

If your agency enters into a financing arrangement, derivative instrument or loan guarantee subsequent to your response, this questionnaire must be updated through June 30 and resubmitted to OFR.

ASSET RETIREMENT OBLIGATION

The Governmental Accounting Standards Board (GASB), the authoritative standard-setting body for state and local governments' accounting and financial reporting, requires governments to report a liability for obligations to permanently remove a capital asset from service. This standard focuses on obligations that meet the following criteria:

- The obligation is for the retirement of a tangible capital asset.
- The obligation is for the disposal of a replaced part that is a component of a tangible capital asset.
- The obligation is for the environmental remediation associated with the retirement of a capital asset that results from the normal operation of that capital asset.

The questionnaire is completed to assist in determining whether your agency assist has incurred an obligating event requiring recognition of an asset retirement obligation.

If an obligating event occurs subsequent to your response, this questionnaire must be updated through June 30 and resubmitted to OFR.

POLLUTION QUESTIONNAIRE

The Governmental Accounting Standards Board, the authoritative standard-setting body for state and local governments' accounting and financial reporting, requires governments to report a liability for obligations to remedy existing pollution. This standard focuses on obligations that meet both of the following criteria:

- The obligation is for remediation activities such as cleanup and contamination removal. It does not include outlays incurred to prevent or control pollution; and

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- The obligation is for existing conditions where an obligating event has already occurred.

The pollution questionnaire is completed to assist in determining whether your agency has incurred an obligating event requiring recognition of a remediation liability for this fiscal year.

If an obligating event occurs subsequent to your response, this questionnaire must be updated through June 30 and resubmitted to OFR.

Debt, Asset Retirement Obligation, and Pollution Remediation Questionnaires are available at the Office of Financial reporting webpage <http://www.dfa.ms.gov/dfa-offices/financial-reporting/> under Questionnaires