

Dear School/College/Division Finance Officers,

As a follow up to the GASB 87 Q&A session on January 15, 2021, below are key talking points regarding the new lease standard and the current information request:

- The new accounting standard requires UW-Madison to record leases in a different manner
- The new accounting standard goes into effect June 30, 2022, however since UW Madison must present a two-year financial report, FY21 costs will need to be reviewed and reported for compliance in FY22.
- The standard applies to contracts where UW-Madison is a lessee or a lessor
- All Schools/Colleges/Divisions need to help accumulate and summarize lease contracts from their respective units
- An excel spreadsheet was provided to complete this exercise
- Short-term leases (less than 12 months) are excluded from compliance with this standard
- If you are uncertain whether to include a lease on the spreadsheet, default to including as it can always be removed later
- A Frequently Asked Questions (FAQ) document is being prepared and will continue to be updated from feedback
- If you or your team want a brief overview of the standard or a Q&A with a smaller group of people, please reach out to the following contacts and a meeting will be scheduled:

Tony Helmke – FP&M (tony.helmke@wisc.edu)

Amy Rognsvoog – Accounting Services (amy.rognsvoog@wisc.edu)

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