



# State of Florida

## GASB 87 User Interface Training

Prepared by



# State of Florida

## GASB 87 Lite User Interface

Each Agency will be given an URL for their agency. Example: <https://gasb87-test.fhblackinc.com/0b7678adac864f491ce8623983b36ef3/110000>

Each Agency is responsible for entering all leases/contracts/agreements, whether they qualify as a GASB 87 lease or not. The GASB 87 Lite tool will collect all responses and provide the agency with two lists: 1) all of the GASB 87 leases and 2) all the non-GASB 87 leases.

## Definitions

### All Leases/Contracts/Agreements

**Lease ID (Short Name)** - Provide a unique, short alphanumeric name for the lease that begins with your OLO. 50 characters or fewer. Example: 430000-contract #-Copiers

**Lease Description** - An optional description for the lease can be specified.

**Lease Type** – Select Lessee or Lessor

### GASB 87 Decision Tree

**Does the contract meet any of the exclusions for GASB 87 in a. - f., below?** – Review the list and select Yes or No as appropriate.

**Does the contract transfer ownership of the underlying asset to the lessee by the end of the contract AND does not contain termination options, but may contain a fiscal funding or cancellation clause that is not reasonably certain of being exercised** – Select Yes or No as appropriate

**At the commencement of the lease term, is the maximum possible term of the lease contract 12 months or less, including any options to extend, regardless of their probability of being exercised?** – Select Yes or No as appropriate. Note: For a lease that is cancelable by either the lessee or the lessor, such as a rolling month-to-month lease or a year-to-year lease, the maximum possible term is the noncancelable period, including any notice periods.

**Does a contract exist that conveys control of the right to use another entity's non-financial asset for a period of time in an exchange or exchange-like transaction?** – Select Yes or No as appropriate. Select "No" if this is a lease between state agencies, such as between DMS and DOH.

**Does the contract specify that equal or near-equal value is exchanged for the user's right to use the asset?** – Select Yes or No as appropriate.

**Does the contract meet both of the following criteria?** – Review the criteria and select Yes or No as appropriate.

**Is there an identified non-financial asset, such as land, building, vehicles, and equipment?** – Select Yes or No as appropriate.

## Lease Details

**Organization's Year End Date** - Enter the organization's current year end date

**Department/Agency** – Enter 6 digit OLO Number of the agency where lease is recorded

**Fund Number** – Select the number of the fund where lease is recorded

**Lease Start Date** – Date on which the lease commences

**Lease Payment Date in Measurement Year** – Enter the date of the first lease payment that is due within the Measurement year. Measurement year is the fiscal year in which the lease is recorded per GASB 87.

**Measurement Date** – Lease start date, except in year of implementation, then it is the beginning of the first fiscal year presented in the financial statements.

**Lease Increment Between Payments** – Specify the number of months between successive payments.

**Lease Period (in months)** – Enter the total number of months lease covers from 'Lease Payment Date in Measurement Year' to end of lease term (including extension(s) when applicable). Note: Must be entered as months.

**Lease Annual Interest Rate** – Enter the Annual interest rate (listed in lease contract or calculated implied rate). Values are % values out of a 100, annually. So 6.25% annually would be entered as 6.25. See CEFP rate (link provided).

**Lease Payments (in months)** – Enter monthly payment amount. Note: If the lease is paid or received over a period other than monthly (such as annually), convert the payments/receipts to a monthly basis.

**Single Fixed Payment** – Fixed Monthly Payment Value - Use for a single fixed monthly payment amount for duration of lease.

### Escalation Rule –

**Start Date for Payments** – Provide the date the payments are to start. Payments within the fiscal year prior to the Payment Start Date will be autofilled with \$0. Payment escalation rules will be applied as of the Lease Payment Date in Measurement Year with the annual escalation rate applied every 12 months thereafter.

**Initial Annual Payment** – Enter the annual payment value at the start of the lease before any escalation factors have been applied.

**Annual Escalation Rate** – Enter the escalation rate to apply to the Initial Annual Payment, every 12 months after Lease Payment Date in Measurement Year. Value must be specified as a multiplier, for example, the multiplier 1.03 (3%) will be entered as 1.03.

*As an example, if a 10-year lease begins in July 2021 (Lease Payment Date in Measurement Year), the Start Date for Payments is August 2021, the Lease Period (months) = 120, the Initial Annual Payment is \$10,000 and the Escalation Rate is 3% (entered as 1.03), the breakdown is calculated as 7/2021 = \$0, 8/2021 = \$833.33,..., 6/2022 = \$833.33, 7/2022 = \$858.33 (i.e. 833.33 \* 1.03),..., 6/2031 = \$1087.31 (i.e. \$1,055.64 \* 1.03).*

**Monthly Breakdown – Payment Breakdown** - Specify the individual payments per period. You can paste values from the clipboard. Make sure the values are tab separated, and contain two columns - period in the format MM-yyyy or MMyyyy and payment amount. Select the first payment input box below and paste using Ctrl+V (Cmd+V on macOS)

**Other Lease Preparation Costs** – Enter amount of other lease prep costs. Other lease preparation costs are costs in addition to the lease payments that are necessary to put the leased asset into service. Examples include shipping, freight, and installation costs. Debt issuance costs are not included here. Leave blank if none.

**Lease Future Payment** – Enter amount due at end of lease, including, but not limited to, bulk payment due at end of lease. Leave blank if none.

**Incentives** – Enter the individual incentives per period, if applicable. Use positive numbers. Leave blank if there are no incentives.

**Penalties** – Enter the individual penalties per period, if applicable. Use positive numbers. Leave blank if there are no penalties.

**Lease Payment Sequence** – Specify whether payments are made at beginning of period or at the end of the period.

**Purchase Option Number of Years (Lessee only)** – Enter number of years from inception to purchase option payment. Leave blank if none or if purchase option will not be exercised.

**Purchase Option Future Payment Amount (Lessee only)** – Enter amount of payment to be made in the future to purchase the asset at the end of the lease. Leave blank if none or if purchase option will not be exercised.

**Purchase Option Payment Sequence (Lessee only)** – Specify whether payment for purchase option is made at beginning of period or at the end of the period.

**Future Payments due at beginning of Lease (Lessor only)** – Enter amount of payment(s) to be made at beginning of lease (ex. last month's rent due at start date).

**Is the Underlying Asset Depreciable?** – Select Yes or No as appropriate.

**Asset Useful Life (in months)** – Enter total remaining number of months in the asset's useful life if exercising purchase option, otherwise enter remaining lease term.

**Asset Value at Cost (Lessor only)** – Enter value of asset to be depreciated.

# Lessee Example



State of Florida - DFS GASB 87 Input Form

## GASB 87 Decision Tree - Agency 550000

### 1. Lease ID (Short Name) \*

550000-Buses

38 characters remaining

Provide a unique, short alphanumeric name for the lease that begins with your OLO. 50 characters or fewer.  
Example: 430000-contract #-Copiers

### 2. Lease Description

550000-Buses at location xxxxx

An optional description for the lease can be specified

### 3. Lease Type \*

- Lessee  
 Lessor

Specify whether the lease is for the lessee or lessor

### 4. Does the contract meet any of the exclusions for GASB 87 in a. - f., below? \*

- a. Leases of intangible assets, including rights to explore for or exploit natural resources, such as oil, gas, and minerals and similar nonregenerative resources; licensing contracts for items such as motion picture films, video recordings, plays, manuscripts, patents, and copyrights; and licensing contracts for computer software. In sublease transactions, however, GASB 87 does apply to the intangible right-to-use assets that are created by the original leases of tangible underlying assets.
- b. Leases of biological assets, including timber, living plants, and living animals.
- c. Leases of inventory.
- d. Contracts that meet the definition of a service concession arrangement (refer to GASB Statement 60, paragraph 4).
- e. Leases in which the underlying asset is financed with outstanding conduit debt, unless both the underlying asset and the conduit debt are reported by the lessor.
- f. Supply contracts, such as power purchase agreements.

- Yes  
 No

Popup text:

**4. Does the contract meet any of the exclusions for GASB 87 in a. - f., below? \***

- a. Leases of intangible assets, including rights to explore for or exploit natural resources, such as oil, gas, and minerals and similar nonregenerative resources; licensing contracts for items such as motion picture films, video recordings, plays, manuscripts, patents, and copyrights; and licensing contracts for computer software. In sublease transactions, however, GASB 87 does apply to the intangible right-to-use assets that are created by the original leases of tangible underlying assets.
- b. Leases of biological assets, including timber, living organisms, and other natural resources.
- c. Leases of inventory.
- d. Contracts that meet the definition of a service concession arrangement (refer to GASB Statement 60, paragraph 4).
- e. Leases in which the underlying asset is financed with outstanding conduit debt, unless both the underlying asset and the conduit debt are reported by the lessor.
- f. Supply contracts, such as power purchase agreements.

A service concession arrangement is an arrangement whereby a government or other public sector body contracts with a private operator to develop, operate and maintain an infrastructure asset such as a road, bridge, tunnel, airport, energy distribution network, prison or hospital.

**4. Does the contract meet any of the exclusions for GASB 87 in a. - f., below? \***

- a. Leases of intangible assets, including rights to explore for or exploit natural resources, such as oil, gas, and minerals and similar nonregenerative resources; licensing contracts for items such as motion picture films, video recordings, plays, manuscripts, patents, and copyrights; and licensing contracts for computer software. In sublease transactions, however, GASB 87 does apply to the intangible right-to-use assets that are created by the original leases of tangible underlying assets.
- b. Leases of biological assets, including timber, living organisms, and other natural resources.
- c. Leases of inventory.
- d. Contracts that meet the definition of a service concession arrangement (refer to GASB Statement 60, paragraph 4).
- e. Leases in which the underlying asset is financed with outstanding conduit debt, unless both the underlying asset and the conduit debt are reported by the lessor.
- f. Supply contracts, such as power purchase agreements.

A conduit debt obligation is a debt instrument issued in the name of a state or local government (the issuer) for the benefit of a third party that is primarily liable for the repayment of the debt instrument (the third-party obligor). Refer to GASB 91, Conduit Debt Obligations, for more information.

**4. Does the contract meet any of the exclusions for GASB 87 in a. - f., below? \***

- a. Leases of intangible assets, including rights to explore for or exploit natural resources, such as oil, gas, and minerals and similar nonregenerative resources; licensing contracts for items such as motion picture films, video recordings, plays, manuscripts, patents, and copyrights; and licensing contracts for computer software. In sublease transactions, however, GASB 87 does apply to the intangible right-to-use assets that are created by the original leases of tangible underlying assets.
- b. Leases of biological assets, including timber, living organisms, and other natural resources.
- c. Leases of inventory.
- d. Contracts that meet the definition of a service concession arrangement (refer to GASB Statement 60, paragraph 4).
- e. Leases in which the underlying asset is financed with outstanding conduit debt, unless both the underlying asset and the conduit debt are reported by the lessor.
- f. Supply contracts, such as power purchase agreements.

A power purchase agreement, or PPA, is a contract between a government agency and a private utility company. The private company agrees to produce electricity, or some other power source, for the government agency over a long period of time.

**5. Does the contract \***

a. transfer ownership of the underlying asset to the lessee by the end of the contract

**AND**

b. does not contain termination options, but may contain a fiscal funding or cancellation clause that is not reasonably certain of being exercised?

- Yes
- No

**6. At the commencement of the lease term, is the maximum possible term of the lease contract 12 months or less, including any options to extend, regardless of their probability of being exercised? \***

Note: For a lease that is cancelable by either the lessee or the lessor, such as a rolling month-to-month lease or a year-to-year lease, the maximum possible term is the noncancelable period, including any notice periods.

- Yes
- No

**7. Does a contract exist that conveys control of the right to use another entity's non-financial asset for a period of time in an exchange or exchange-like transaction? \***

Answer "No" if this is a lease between state agencies, such as between DMS and DOH.

- Yes
- No

**8. Does the contract specify that equal or near-equal value is exchanged for the user's right to use the asset? \***

- Yes
- No

**9. Does the contract meet both of the following criteria? \***

- a. The right to obtain the present service capacity from use of the underlying asset as specified in the contract.
- b. The right to determine the nature and manner of use of the underlying asset as specified in the contract.

- Yes
- No

**10. Is there an identified non-financial asset, such as land, building, vehicles, and equipment? \***

- Yes
- No

## This is a GASB 87 Lease. Complete the lease details below.

### 11. Organization's Year End Date \*

06/30/2022



Provide the organization's year-end date

### 12. Department/Agency \*

550000

Name of the department or agency where lease is recorded

### 13. Fund Number \*

550000202586011

Number of the fund where lease is recorded

### 14. Lease Start Date \*

07/01/2021



Date on which the lease commences

### 15. Lease Payment Date in Measurement Year \*

07/01/2022



Date lease payment is due within the Measurement year. Measurement year is the fiscal year in which the lease is recorded per GASB 87

### 16. Measurement Date \*

07/01/2022



Lease start date, except in year of implementation, then it is the beginning of the first fiscal year presented

### 17. Lease Increment Between Payments \*

- 1 - Monthly  
 2 - Bi-monthly  
 12 - Annually

Specify the amount of months between successive payments

### 18. Lease Period (in months) \*

60

Total number of months lease covers from 'Lease Payment Date in Measurement Year' to end of lease term (including extension(s) when applicable)

### 19. Lease Annual Interest Rate \*

6.0

Annual interest rate (listed in lease contract or calculated implied rate). Values are % values out of a 100, annually. So 6.25% annually would be entered as 6.25. See [CEFP rate](#).



## Lease Payments:

### 20. Lease Payments (in months) \*

Specify payments

Note: If the lease is paid or received over a period other than monthly (such as annually), convert the payments/receipts to a monthly basis.

There are three types of payments to choose from: fixed, escalating, and variable. Another screen will pop up to identify the breakdown and three separate tabs may be chosen to enter the correct information into the type of payment.

#### Single Fixed Payment

Fixed Monthly Payments are entered on the first tab. Our example would be identified on this tab since the payment is fixed at \$2,000 per month

### Specify Monthly Payment Breakdown

Pick one of the three options below to specify the monthly payment breakdown.

Single Fixed Payment   Escalation Rule   Monthly Breakdown

#### Fixed Monthly Payment Value

Single fixed monthly payment amount for duration of lease

Accept & Close   Cancel

### 20. Lease Payments (in months) \*

Specify payments

The lease payment breakdown has been defined (single, fixed value of 2000).

Note: If the lease is paid or received over a period other than monthly (such as annually), convert the payments/receipts to a monthly basis.

## Escalation Rule


If the monthly payments escalated over time, here would be the tab to identify those payments and the software calculates the payments.

### Specify Monthly Payment Breakdown ✕

Pick one of the three options below to specify the monthly payment breakdown.

[Single Fixed Payment](#) [Escalation Rule](#) [Monthly Breakdown](#)

**Start Date for Payments \***



Provide the date the payments are to start. Payments within the fiscal year prior to the Payment Start Date will be autofilled with \$0. Payment escalation rules will be applied as of the Lease Payment Date in Measurement Year with the annual escalation rate applied every 12 months thereafter.

**Initial Annual Payment**

The annual payment value at the start of the lease before any escalation factors have been applied

**Annual Escalation Rate**

Escalation rate to apply to the Initial Annual Payment, every 12 months after Lease Payment Date in Measurement Year. Value must be specified as a multiplier, for example, the multiplier 1.03 (3%) will be entered as 1.03.

As an example, if a 10-year lease begins in July 2021 (Lease Payment Date in Measurement Year), the Start Date for Payments is August 2021, the Lease Period (months) = 120, the Initial Annual Payment is \$10,000 and the Escalation Rate is 3% (entered as 1.03), the breakdown is calculated as 7/2021 = \$0, 8/2021 = \$833.33,..., 6/2022 = \$833.33, 7/2022 = \$858.33 (i.e. 833.33 \* 1.03),..., 6/2031 = \$1087.31 (i.e. \$1,055.64 \* 1.03).

[Accept & Close](#) [Cancel](#)

## 20. Lease Payments (in months) \*

[Specify payments](#)

The lease payment breakdown has been defined (escalation rule, start date of 07-01-2022, initial annual payment of 2000, escalation factor of 1.03).

Note: If the lease is paid or received over a period other than monthly (such as annually), convert the payments/receipts to a monthly basis.

## Monthly Breakdown

Variable payments would be identified under this tab.

### Specify Monthly Payment Breakdown ✕

Pick one of the three options below to specify the monthly payment breakdown.

[Single Fixed Payment](#)   [Escalation Rule](#)   **Monthly Breakdown**

#### Payment Breakdown \*

Specify the individual payments per period.  
You can paste values from the clipboard. Make sure the values are tab separated, and contain two columns - period in the format yyyy-MM or yyyyMM and payment amount. Select the first payment input box below and paste using Ctrl+V (Cmd+V on macOS)

Period	Amount
2022-07	<input type="text"/>
2022-08	<input type="text"/>
2022-09	<input type="text"/>
2022-10	<input type="text"/>
2022-11	<input type="text"/>
2022-12	<input type="text"/>
2023-01	<input type="text"/>
2023-02	<input type="text"/>
2023-03	<input type="text"/>
2023-04	<input type="text"/>
2023-05	<input type="text"/>

## 20. Lease Payments (in months) \*

Specify payments

The lease payment breakdown has been defined (breakdown starting 07-01-2022 with 4 payments specified).

Note: If the lease is paid or received over a period other than monthly (such as annually), convert the payments/receipts to a monthly basis.

### 21. Other Lease Preparation Costs

Other lease preparation costs are charges necessary to put the leased asset into service. Examples include shipping, freight, and installation costs. Debt issuance costs are not included here.

### 22. Lease Future Payment

Amount due at end of lease, including, but not limited to, bulk payment due at end of lease

### 23. Incentives

Specify incentives

Lease incentives (if applicable)

Pop up will be as follows:

## Specify Lease Incentives



### Incentive Breakdown \*

Specify the individual incentives per period. Use positive numbers.

Period	Amount
2022-07	<input type="text" value="833.00"/>
2022-08	<input type="text"/>
2022-09	<input type="text"/>
2022-10	<input type="text"/>
2022-11	<input type="text"/>
2022-12	<input type="text"/>
2023-01	<input type="text"/>
2023-02	<input type="text"/>
2023-03	<input type="text"/>
2023-04	<input type="text"/>
2023-05	<input type="text"/>
2023-06	<input type="text"/>
2023-07	<input type="text"/>
2023-08	<input type="text"/>
2023-09	<input type="text"/>

## 24. Penalties

Specify penalties

Lease penalties (if applicable)

Pop up will be as follows:

### Specify Lease Penalties

**Penalty Breakdown \***

Specify the individual penalties per period. Use positive numbers.

Period	Amount
2022-07	<input type="text"/>
2022-08	<input type="text"/>
2022-09	<input type="text"/>
2022-10	<input type="text"/>
2022-11	<input type="text"/>
2022-12	<input type="text"/>
2023-01	<input type="text"/>
2023-02	<input type="text"/>
2023-03	<input type="text"/>
2023-04	<input type="text"/>
2023-05	<input type="text"/>
2023-06	<input type="text"/>
2023-07	<input type="text"/>
2023-08	<input type="text"/>

### 25. Lease Payment Sequence \*

- 1 - Beginning of period
- 0 - End of period

Specify whether payments are made at beginning of period or at the end of the period

### 26. Purchase Option Number of Years

Number of years from inception to purchase option payment

### 27. Purchase Option Future Payment Amount

Amount of payment to be made in the future to purchase the asset at the end of the lease

### 28. Purchase Option Payment Sequence

- 1 - Beginning of period
- 0 - End of period

Specify whether payments are made at beginning of period or at the end of the period

This concludes the questions, the next step is submission of the data by clicking:

[Save & Send To Workiva](#)

# Lessor Example



State of Florida - DFS GASB 87 Input Form

## GASB 87 Decision Tree - Agency 110000

### 1. Lease ID (Short Name) \*

Lessor lease  38 characters remaining

Provide a unique, short alphanumeric name for the lease that begins with your OLO. 50 characters or fewer.  
Example: 430000-contract #-Copiers

### 2. Lease Description

Review all questions for final approval

An optional description for the lease can be specified

### 3. Lease Type \*

- Lessee  
 Lessor

Specify whether the lease is for the lessee or lessor

### 4. Does the contract meet any of the exclusions for GASB 87 in a. - f., below? \*

- a. Leases of intangible assets, including rights to explore for or exploit natural resources, such as oil, gas, and minerals and similar nonregenerative resources; licensing contracts for items such as motion picture films, video recordings, plays, manuscripts, patents, and copyrights; and licensing contracts for computer software. In sublease transactions, however, GASB 87 does apply to the intangible right-to-use assets that are created by the original leases of tangible underlying assets.
- b. Leases of biological assets, including timber, living plants, and living animals.
- c. Leases of inventory.
- d. Contracts that meet the definition of a service concession arrangement (refer to GASB Statement 60, paragraph 4).
- e. Leases in which the underlying asset is financed with outstanding conduit debt, unless both the underlying asset and the conduit debt are reported by the lessor.
- f. Supply contracts, such as power purchase agreements.

- Yes  
 No



Popup text:

**4. Does the contract meet any of the exclusions for GASB 87 in a. - f., below? \***

- a. Leases of intangible assets, including rights to explore for or exploit natural resources, such as oil, gas, and minerals and similar nonregenerative resources; licensing contracts for items such as motion picture films, video recordings, plays, manuscripts, patents, and copyrights; and licensing contracts for computer software. In sublease transactions, however, GASB 87 does apply to the intangible right-to-use assets that are created by the original leases of tangible underlying assets.
- b. Leases of biological assets, including timber, living organisms, and other biological resources.
- c. Leases of inventory.
- d. Contracts that meet the definition of a service concession arrangement (refer to GASB Statement 60, paragraph 4).
- e. Leases in which the underlying asset is financed with outstanding conduit debt, unless both the underlying asset and the conduit debt are reported by the lessor.
- f. Supply contracts, such as power purchase agreements.

A service concession arrangement is an arrangement whereby a government or other public sector body contracts with a private operator to develop, operate and maintain an infrastructure asset such as a road, bridge, tunnel, airport, energy distribution network, prison or hospital.

**4. Does the contract meet any of the exclusions for GASB 87 in a. - f., below? \***

- a. Leases of intangible assets, including rights to explore for or exploit natural resources, such as oil, gas, and minerals and similar nonregenerative resources; licensing contracts for items such as motion picture films, video recordings, plays, manuscripts, patents, and copyrights; and licensing contracts for computer software. In sublease transactions, however, GASB 87 does apply to the intangible right-to-use assets that are created by the original leases of tangible underlying assets.
- b. Leases of biological assets, including timber, living organisms, and other biological resources.
- c. Leases of inventory.
- d. Contracts that meet the definition of a service concession arrangement (refer to GASB Statement 60, paragraph 4).
- e. Leases in which the underlying asset is financed with outstanding conduit debt, unless both the underlying asset and the conduit debt are reported by the lessor.
- f. Supply contracts, such as power purchase agreements.

A conduit debt obligation is a debt instrument issued in the name of a state or local government (the issuer) for the benefit of a third party that is primarily liable for the repayment of the debt instrument (the third-party obligor). Refer to GASB 91, Conduit Debt Obligations, for more information.

**4. Does the contract meet any of the exclusions for GASB 87 in a. - f., below? \***

- a. Leases of intangible assets, including rights to explore for or exploit natural resources, such as oil, gas, and minerals and similar nonregenerative resources; licensing contracts for items such as motion picture films, video recordings, plays, manuscripts, patents, and copyrights; and licensing contracts for computer software. In sublease transactions, however, GASB 87 does apply to the intangible right-to-use assets that are created by the original leases of tangible underlying assets.
- b. Leases of biological assets, including timber, living organisms, and other biological resources.
- c. Leases of inventory.
- d. Contracts that meet the definition of a service concession arrangement (refer to GASB Statement 60, paragraph 4).
- e. Leases in which the underlying asset is financed with outstanding conduit debt, unless both the underlying asset and the conduit debt are reported by the lessor.
- f. Supply contracts, such as power purchase agreements.

A power purchase agreement, or PPA, is a contract between a government agency and a private utility company. The private company agrees to produce electricity, or some other power source, for the government agency over a long period of time.

**5. Does the contract \***

a. transfer ownership of the underlying asset to the lessee by the end of the contract

**AND**

b. does not contain termination options, but may contain a fiscal funding or cancellation clause that is not reasonably certain of being exercised?

- Yes
- No

**6. At the commencement of the lease term, is the maximum possible term of the lease contract 12 months or less, including any options to extend, regardless of their probability of being exercised? \***

Note: For a lease that is cancelable by either the lessee or the lessor, such as a rolling month-to-month lease or a year-to-year lease, the maximum possible term is the noncancelable period, including any notice periods.

- Yes
- No

**7. Does a contract exist that conveys control of the right to use another entity's non-financial asset for a period of time in an exchange or exchange-like transaction? \***

Answer "No" if this is a lease between state agencies, such as between DMS and DOH.

- Yes
- No

**8. Does the contract specify that equal or near-equal value is exchanged for the user's right to use the asset? \***

- Yes
- No

**9. Does the contract meet both of the following criteria? \***

- a. The right to obtain the present service capacity from use of the underlying asset as specified in the contract.
- b. The right to determine the nature and manner of use of the underlying asset as specified in the contract.

- Yes
- No

**10. Is there an identified non-financial asset, such as land, building, vehicles, and equipment? \***

- Yes
- No

Next

## This is a GASB 87 Lease. Complete the lease details below.

### 11. Organization's Year End Date \*

06/30/2022



Provide the organization's year-end date

### 12. Department/Agency \*

110000

OLO Number of the agency where lease is recorded

### 13. Fund Number \*

110000101000002

Number of the fund where lease is recorded

### 14. Lease Start Date \*

07/01/2021



Date on which the lease commences

### 15. Lease Payment Date in Measurement Year \*

07/01/2022



Date lease payment is due within the Measurement year. Measurement year is the fiscal year in which the lease is recorded per GASB 87

### 17. Lease Increment Between Payments \*

- 1 - Monthly
- 2 - Bi-monthly
- 12 - Annually

Specify the amount of months between successive payments

### 18. Lease Period (in months) \*

219

Total number of months lease covers from 'Lease Payment Date in Measurement Year' to end of lease term (including extension(s) when applicable)

### 19. Lease Annual Interest Rate \*

1.5

Annual interest rate (listed in lease contract or calculated implied rate). Values are % values out of a 100, annually. So 6.25% annually would be entered as 6.25. See [CEEP rate](#)

## Lease Payments:

#20 before entry

### 20. Lease Payments (in months) \*

Specify payments

Note: If the lease is paid or received over a period other than monthly (such as annually), convert the payments/receipts to a monthly basis.

There are three types of payments to choose from: fixed, escalating, and variable. Another screen will pop up to identify the breakdown and three separate tabs may be chosen to enter the correct information into the type of payment.

### Single Fixed Payment

Fixed Monthly Payments are entered on the first tab. Our example would be identified on this tab since the payment is fixed at \$2,000 per month

## Specify Monthly Payment Breakdown



Pick one of the three options below to specify the monthly payment breakdown.

Single Fixed Payment

Escalation Rule

Monthly Breakdown

### Fixed Monthly Payment Value

2000.00

Single fixed monthly payment amount for duration of lease

Accept & Close

Cancel

After Fixed Payment entry

### 20. Lease Payments (in months) \*

Specify payments

The lease payment breakdown has been defined (single, fixed value of 2000).

Note: If the lease is paid or received over a period other than monthly (such as annually), convert the payments/receipts to a monthly basis.

## Escalation Rule


If the monthly payments escalated over time, here would be the tab to identify those payments and the software calculates the payments.

### Specify Monthly Payment Breakdown ✕

Pick one of the three options below to specify the monthly payment breakdown.

Single Fixed Payment  Escalation Rule  Monthly Breakdown

**Start Date for Payments \***



Provide the date the payments are to start. Payments within the fiscal year prior to the Payment Start Date will be autofilled with \$0. Payment escalation rules will be applied as of the Lease Payment Date in Measurement Year with the annual escalation rate applied every 12 months thereafter.

**Initial Annual Payment**

The annual payment value at the start of the lease before any escalation factors have been applied

**Annual Escalation Rate**

Escalation rate to apply to the Initial Annual Payment, every 12 months after Lease Payment Date in Measurement Year. Value must be specified as a multiplier, for example, the multiplier 1.03 (3%) will be entered as 1.03.

As an example, if a 10-year lease begins in July 2021 (Lease Payment Date in Measurement Year), the Start Date for Payments is August 2021, the Lease Period (months) = 120, the Initial Annual Payment is \$10,000 and the Escalation Rate is 3% (entered as 1.03), the breakdown is calculated as 7/2021 = \$0, 8/2021 = \$833.33, ..., 6/2022 = \$833.33, 7/2022 = \$858.33 (i.e.  $833.33 * 1.03$ ), ..., 6/2031 = \$1087.31 (i.e.  $\$1,055.64 * 1.03$ ).

## After Escalation of Payment entry

### 20. Lease Payments (in months) \*

The lease payment breakdown has been defined (escalation rule, start date of 2022-07-01, initial annual payment of 1000, escalation factor of 1.03).

Note: If the lease is paid or received over a period other than monthly (such as annually), convert the payments/receipts to a monthly basis.

## Monthly Breakdown

Variable payments would be identified under this tab.

### Specify Monthly Payment Breakdown ✕

Pick one of the three options below to specify the monthly payment breakdown.

[Single Fixed Payment](#)   [Escalation Rule](#)   **Monthly Breakdown**

#### Payment Breakdown \*

Specify the individual payments per period.

You can paste values from the clipboard. Make sure the values are tab separated, and contain two columns - period in the format MM-yyyy or MMyyyy and payment amount. Select the first payment input box below and paste using Ctrl+V (Cmd+V on macOS)

Period	Amount
07-2022	<input type="text" value="1000"/>
08-2022	<input type="text"/>
09-2022	<input type="text"/>
10-2022	<input type="text"/>
11-2022	<input type="text"/>
12-2022	<input type="text"/>
01-2023	<input type="text"/>
02-2023	<input type="text"/>

*After Monthly payment entry*

### 20. Lease Payments (in months) \*

Specify payments

The lease payment breakdown has been defined (breakdown starting 07-01-2022 with 1 payments specified).

Note: If the lease is paid or received over a period other than monthly (such as annually), convert the payments/receipts to a monthly basis.

**21. Other Lease Preparation Costs**

Other lease preparation costs are charges necessary to put the leased asset into service. Examples include shipping, freight, and installation costs. Debt issuance costs are not included here.

**22. Lease Future Payment**

Amount due at end of lease, including, but not limited to, bulk payment due at end of lease

*Before entering incentives*

**23. Incentives**

Specify incentives

Lease incentives (if applicable)

**Specify Lease Incentives** ✕

---

**Incentive Breakdown \***

Specify the individual incentives per period. Use positive numbers.

Period	Amount
07-2022	<input type="text" value="1000"/>
08-2022	<input type="text"/>
09-2022	<input type="text"/>
10-2022	<input type="text"/>
11-2022	<input type="text"/>
12-2022	<input type="text"/>
01-2023	<input type="text"/>
02-2023	<input type="text"/>

After entering incentives

### 23. Incentives

Specify incentives

The incentives breakdown has been defined (breakdown with 1 incentives specified).

Lease incentives (if applicable)

Before entering penalties

### 24. Penalties

Specify penalties

Lease penalties (if applicable)

#### Specify Lease Penalties ✕

**Penalty Breakdown \***

Specify the individual penalties per period. Use positive numbers.

Period	Amount
07-2022	<input type="text" value="1000"/>
08-2022	<input type="text"/>
09-2022	<input type="text"/>
10-2022	<input type="text"/>
11-2022	<input type="text"/>
12-2022	<input type="text"/>
01-2023	<input type="text"/>
02-2023	<input type="text"/>



After entering penalties

## 24. Penalties

Specify penalties

The penalties breakdown has been defined (breakdown with 1 penalties specified).

Lease penalties (if applicable)

## 25. Lease Payment Sequence \*

1 - Beginning of period

0 - End of period

Specify whether payments are made at beginning of period or at the end of the period

## 26. Future Payments due at beginning of Lease

Amount of payment(s) to be made at beginning of lease (ex. last month's rent due at start date)

## 27. Is the Underlying Asset Depreciable? \*

Yes

No

## 28. Asset Useful Life (in months)

Total remaining number of months in the asset's useful life.

## 29. Asset Value at Cost

## Non-GASB 87 Leases

When the decision tree responses lead to a non-GASB 87 decision:

**Non GASB 87 Lease** ✕

This is not a GASB 87 lease. No further input is required.

**Save & Send To Workiva** **Cancel**

## Errors and Warnings

When required fields are left blank they are highlighted in red:

### 1. Lease ID (Short Name) \*

50 chars remaining

Provide a unique, short alphanumeric name for the lease that begins with your OLO. 50 characters or fewer.  
Example: 430000-contract #-Copiers

### 2. Lease Description

An optional description for the lease can be specified

### 3. Lease Type \*

- Lessee
- Lessor

Select the lease type.

Specify whether the lease is for the lessee or lessor

## 20. Lease Payments (in months) \*

The payment breakdown is required.

Specify payments

Note: If the lease is paid or received over a period other than monthly (such as annually), convert the payments/receipts to a monthly basis.

### Specify Monthly Payment Breakdown ✕

Pick one of the three options below to specify the monthly payment breakdown.

Single Fixed Payment   Escalation Rule   Monthly Breakdown

#### Fixed Monthly Payment Value

abc !

The fixed monthly payment value must be a valid numeric amount without dollar signs or commas.  
Single fixed monthly payment amount for duration of lease

Accept & Close   Cancel

## Specify Monthly Payment Breakdown



Pick one of the three options below to specify the monthly payment breakdown.

Single Fixed Payment

Escalation Rule

Monthly Breakdown

### Start Date for Payments \*

mm/dd/yyyy  

Start date for payments must be a valid date on or after Lease Payment Date in Measurement Year.

Provide the date the payments are to start. Payments within the fiscal year prior to the Payment Start Date will be autofilled with \$0. Payment escalation rules will be applied as of the Lease Payment Date in Measurement Year with the annual escalation rate applied every 12 months thereafter.

### Initial Annual Payment



The initial annual payment value must be a valid numeric amount without dollar signs or commas.

The annual payment value at the start of the lease before any escalation factors have been applied

### Annual Escalation Rate



The annual escalation rate must be a valid numeric value expressed as a factor.

Escalation rate to apply to the Initial Annual Payment, every 12 months after Lease Payment Date in Measurement Year.

Value must be specified as a multiplier, for example, the multiplier 1.03 (3%) will be entered as 1.03.

As an example, if a 10-year lease begins in July 2021 (Lease Payment Date in Measurement Year), the Start Date for Payments is August 2021, the Lease Period (months) = 120, the Initial Annual Payment is \$10,000 and the Escalation Rate is 3% (entered as 1.03), the breakdown is calculated as 7/2021 = \$0, 8/2021 = \$833.33, ..., 6/2022 = \$833.33, 7/2022 = \$858.33 (i.e.  $833.33 * 1.03$ ), ..., 6/2031 = \$1087.31 (i.e.  $\$1,055.64 * 1.03$ ).

Accept & Close

Cancel

## Specify Monthly Payment Breakdown



Pick one of the three options below to specify the monthly payment breakdown.

Single Fixed Payment

Escalation Rule

Monthly Breakdown

### Payment Breakdown \*

Specify the individual payments per period.

You can paste values from the clipboard. Make sure the values are tab separated, and contain two columns - period in the format MM-yyyy or MMyyyy and payment amount. Select the first payment input box below and paste using Ctrl+V (Cmd+V on macOS)

**Period** **Amount**

07-2022

payment amount must be specified and be a valid numeric amount without dollar signs or commas.

08-2022

### 21. Other Lease Preparation Costs

The other lease preparation costs value must be a valid numeric amount without dollar signs or commas.

Other lease preparation costs are charges necessary to put the leased asset into service. Examples include shipping, freight, and installation costs. Debt issuance costs are not included here.

### 22. Lease Future Payment

The lease future payment value must be a valid numeric amount without dollar signs or commas.

Amount due at end of lease, including, but not limited to, bulk payment due at end of lease

**Specify Lease Incentives** ✕

**Incentive Breakdown \***

Specify the individual incentives per period. Use positive numbers.

Period	Amount
07-2022	abc <span style="color: red;">!</span>
incentives amount must be a valid numeric amount without dollar signs or commas.	
08-2022	<input type="text"/> <span style="color: green;">✓</span>

**Specify Lease Penalties** ✕

**Penalty Breakdown \***

Specify the individual penalties per period. Use positive numbers.

Period	Amount
07-2022	abc <span style="color: red;">!</span>
penalties amount must be a valid numeric amount without dollar signs or commas.	
08-2022	<input type="text"/> <span style="color: green;">✓</span>

**26. Purchase Option Number of Years**

abc !

The purchase option number of years value must be a valid, positive number.  
 Number of years from inception to purchase option payment

**27. Purchase Option Future Payment Amount**

abc !

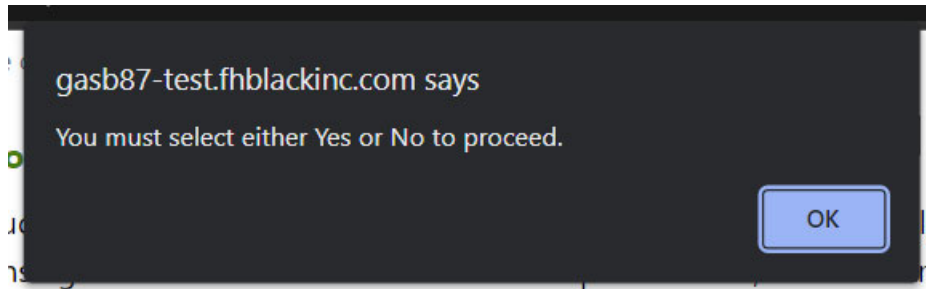
The purchase option future payment amount value must be a valid numeric amount without dollar signs or commas.  
 Amount of payment to be made in the future to purchase the asset at the end of the lease

### 30. Asset Useful Life (in months)

abc 

When the lease asset is marked as depreciable, the Asset Useful Life field is required to be specified as a numeric value in months. Total remaining number of months in the asset's useful life.

When answer is required before moving on:



When successfully completed:

### GASB 87 Decision Tree - Agency 110000

GASB 87 lease queued successfully.

### GASB 87 Decision Tree - Agency 110000

Non-GASB 87 lease queued successfully.