

***Stanislaus County Employees’
Retirement Association***



ACCOUNTING POLICY

Policy 4001

June 28, 2001

Purpose

Stanislaus County Employees' Retirement Association (StanCERA) is a governmental Fiduciary fund used to report resources that are required to be held in trust for the members and beneficiaries of the defined benefit pension plan. This document describes the principles under which StanCERA records their operational transactions and reports their financial position.

Policy

The County Employees' Retirement Law of 1937 and Public Employees' Pension Reform Act of 2013 govern the administration of StanCERA.

California Government Code Section 30200 requires the State Controller to prescribe uniform accounting procedures for governmental entities. The State Controller issued the *Accounting Standards and Procedures for Counties*. Chapter 20 of the State Controller's *Accounting Standards and Procedures for Counties* is the guidance for governmental retirement systems.

In accordance with the State Controller's *Accounting Standards and Procedures for Counties*, StanCERA operations will follow generally accepted accounting principles (GAAP). According to GAAP, Fiduciary funds should be maintained on the accrual basis of accounting.

In addition to the State Controller's guidance, the Governmental Accounting Standards Board (GASB) issued the following statements pertaining to governmental pension plans:

1. GASB Statement No. 25 – *Financial Reporting for Defined Benefit Pension Plans and Note Disclosures* which establishes financial reporting standards.
2. GASB Statement No. 67 – *Financial Reporting for Pension Plans* which is an amendment of GASB Statement No. 25 improving financial reporting for governmental pension plans and employers.
3. GASB Statement No. 72 – *Fair Value Measurement and Application* which provides guidance on determining the fair value measurement for financial reporting purposes.
4. GASB Statement No. 82 – *Pension Issues* which provides further clarification regarding GASB Statement No. 67.

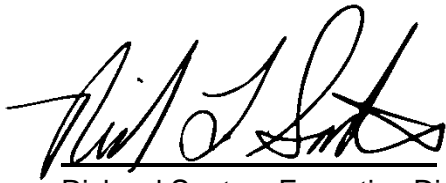
Governmental pension plan accounting and financial reporting standards established in these authoritative pronouncements are to be incorporated into the various sections of the StanCERA Comprehensive Annual Financial Report. Processes and procedures incorporated to maintain this policy are documented, reviewed and included in the year end audit, annually.

Policy Review

This policy shall be reviewed at least every three years.

Policy History

Adopted by the Board of Retirement on June 28, 2011
Amended May 23, 2017
Reviewed June 11, 2020

A handwritten signature in black ink, appearing to read 'Richard Santos', written over a horizontal line.

Richard Santos, Executive Director

POLICY APPROVAL DATE: June 28, 2011