

What to Expect for Accounting Changes in the Coming Year



Cathy Clarke, Principal
Dan Frein, CPA, Principal

LarsonAllen's 17th Annual Nonprofit & Foundation
Conference—May 6, 2010

LarsonAllen
LLP
CPAs, Consultants & Advisors

©2010 LarsonAllen LLP

1

Learning Objectives

At the end of this session, you will leave with:

- An understanding of the most recent accounting standards for the upcoming year
- Tools to help you prepare for those changes.

©2010 LarsonAllen LLP



2

Uncertainty in Taxes & Disclosure Changes

- What is the definition of a tax position for nonprofits and pass-through entities?
- Should public and nonpublic entities have different disclosure requirements?
- Effective Date
 - If your entity adopted FIN48, ASU 2009-06 is effective for periods ending after September 15, 2009.
 - If your entity has not yet adopted FIN48, ASU 2009-06 is effective when you adopt the accounting for uncertainty in income taxes guidance.

3

NOTICEABLY DIFFERENT



©2010 LarsonAllen LLP

Subsequent Events – SFAS No. 165

- What does this mean for you?
 - Does not significantly change the subsequent events an organization reports
 - Accounting and reporting is the responsibility of management, not auditor
- Effective Date
 - This statement is effective for interim or annual financial periods ending after June 15, 2009

4

NOTICEABLY DIFFERENT



©2010 LarsonAllen LLP

Fair Value Updates

- ASU 2010-6 Improving Disclosures about Fair Value Measurements
- What does this mean for you?
- Effective Date
 - Generally effective for interim and annual reporting periods beginning after December 15, 2009
 - However, requirement to disclose purchases, sales, issuances, and settlements separately is effective for fiscal years beginning after December 15, 2010

5

NOTICEABLY DIFFERENT

©2010, Larrabee LLP

- ASU 2009-05 Measuring Liabilities at Fair Value
- Effective Date
 - All years beginning after August 2009
 - Applies to all types of entities

6

NOTICEABLY DIFFERENT

©2010, Larrabee LLP

Nonprofit Mergers & Acquisitions

- Accounting method
- Intangible assets
- Non-controlling interests
- Effective Date
 - Statement is effective for
 - ◇ Mergers dated on or after the beginning of an initial reporting period beginning on or after December 15, 2009.
 - ◇ Acquisitions dated on or after the beginning of the first annual reporting period beginning on or after December 15, 2009

7

NOTICEABLY DIFFERENT



©2010 Linneman LLP

Nonprofit Endowments

- FSP FAS 117-1
- What does this mean for you?
- Effective date
 - This FSP went to effect with fiscal years ending after December 15, 2008

8

NOTICEABLY DIFFERENT



©2010 Linneman LLP

Other New Accounting Standards

- ASU 2009-13
 - Multiple-Deliverable Revenue Agreements
- ASU 2009-14
 - Certain revenue arrangements that include software elements

9

NOTICEABLY DIFFERENT

©2010, Larrabee LLP

New Audit Guidance

- SAS 115 – Communicating Internal Control Related Matters Identified in an Audit
- SAS 117 – Compliance Audits
 - Effective date
 - ◇ Effective for compliance audits for periods ending on or after June 15, 2010
- The Re-Codification of Auditing Standards
 - Effective date
 - ◇ The new standards will have the same effective date, expected to be for years beginning after December 31, 2010

10

NOTICEABLY DIFFERENT

©2010, Larrabee LLP

Other Changes & Considerations

11

NOTICEABLY DIFFERENT

©2010 Lancaster LLP

Recovery Act & Single Audits

- What does this mean for you?
 - Fund reporting
 - Quarterly reporting
 - Controls
 - Audit Impact

12

NOTICEABLY DIFFERENT

©2010 Lancaster LLP

Sampling in OMB Circular A-133 Audits

- Newest edition of Audit Guide contains
 - Planning considerations
 - Suggested minimum sample sizes
 - Selection methods
 - Documentation related to sampling
- Effective date
 - New A-133 Guide was effective upon issuance

13

NOTICEABLY DIFFERENT



©2010 LarsonAllen LLP

Even More Changes...

- Adoption of SAS 115 definition of control deficiencies by OMB for A-133 audits
- Governance and the IRS
- Convergence of U.S. GAAP and International Accounting Standards
 - Effective date

14

NOTICEABLY DIFFERENT



©2010 LarsonAllen LLP

Contact Information:
Cathy Clarke & Dan Frein
Principals

LarsonAllen LLP
Nonprofit and Government Group
Health Care Group
612/ 376-4535 and 612/ 376-4712
cclarke@larsonallen.com and dfrein@larsonallen.com

220 South Sixth Street, Suite 300, Minneapolis, MN 55402
Main 612/376-4500, Fax 612/376-4850, www.larsonallen.com

LarsonAllen is a member of Nexia International, a worldwide network of independent accounting & consulting firms.

.....
NOTICEABLY DIFFERENT

**17th Annual
Nonprofit and
Foundation
Conference**



LarsonAllen
LLP
CPAs, Consultants & Advisors

©2010 LarsonAllen LLP

