



Glossary of Terms : GASB & GASB 45

GASB

The Governmental Accounting Standards Board (GASB) is currently the source of generally accepted accounting principles (GAAP) used by State and Local governments in the United States of America. As with most of the entities involved in creating GAAP in the United States, it is a private, non-governmental organization.

The mission of the Governmental Accounting Standards Board is to establish and improve standards of state and local governmental accounting and financial reporting that will result in useful information for users of financial reports and guide and educate the public, including issuers, auditors, and users of those financial reports.

GASB 45

Because of the growing concern over the potential magnitude of government employer obligations for post-employment benefits, the Governmental Accounting Standards Board (GASB) implemented GASB 45. By measuring and reporting the liabilities associated with other (than pension) post-employment benefits (or OPEB), GASB 45 will:

- Recognize the cost of OPEB benefits in the period when services are received.
- Provide information about the actuarial liabilities for the promised benefits.
- Provide information useful in assessing potential demands on future cash flows.