Not-for-Profit Entities Expert Panel
January 15-16, 2020 Meeting Highlights

The Not-for-Profit Entities Expert Panel serves the needs of AICPA members on financial and business reporting and audit and attest matters. The expert panel protects the public interest by bringing together knowledgeable parties in the not-for-profit industry to deliberate and come to agreement on key issues.

I. FASB Projects and Standards – The following FASB projects are being monitored or considered by members of the NFP Expert Panel:
   a. GIK Contributions – The NFP Expert Panel and FASB staff discussed the issues to be addressed by the upcoming proposed ASU on contributions of nonfinancial assets. The Expert Panel will assist FinREC in the drafting of the FinREC comment letter when the proposed ASU is released on 2/10.
   b. Replacement of LIBOR – FASB Staff asked the Expert Panel to assist in spreading the word about the shift away from LIBOR.
   c. Restricted Cash – The EP recapped the FinREC-approved language to be included in the NFP Guide that discusses the types of assets that typically are or include restricted cash in NFPs.

II. Industry Needs – Continued the discussion of activities underway or to be undertaken by the EP in identifying NFP industry needs. Opportunities discussed include:
   a. Although not directly in the purview of the EP, the impact of the TCJA (Tax reform legislation) and the repeal of some key provisions in December 2019 on NFPs was discussed. There are no fewer significant changes that impact NFPs.
   b. Each member brought an issue of interest or that are troublesome to NFPs and their auditors or their constituents for discussion. The goal is to educate, provide input and gain understanding. Articles and webcasts can be developed as deemed necessary to provide education to the industry.

III. Updates on current projects – Updates were provided on one project that are currently in process or have been recently completed:
   a. The EP is considering the extent to which guidance can be included in the AICPA NFP Guide relating to PPE purchased by the grantee with grant money where title is retained by the grantor and how that has changed under 2014-09/2018-08.

IV. Near-term Projects – Projects that the NFP Expert Panel wanted to consider in the near-term is:
   a. Providing implementation examples for NFPs under the new leases standard.
   b. Continuing to assess how technology will impact NFPs and the audit.

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