Department of Administrative Services
Statewide Accounting & Reporting Services
GASB 96, *Subscription-Based IT Arrangements* , Proposed Entries

SBITA entries at contract commencement/when the asset is placed into service

Step	Description of transaction	T-Code	DR	CR	Cobj	Governmental Fund	Government-Wide	Proprietary Fund	Fiduciary Fund
1.	Recognize SBITA contract proceeds	908R	1551-Deposit Liability	3200-GAAP Revenue Offset	1701	X		X	X
2.	Recognize acquisition of asset (complete SBITA purchase-exp)	909R	3600-GAAP Expenditure Offset	1551-Deposit Liability	5356	X		X	X
3.	Establish SBITA liability (eliminate 1701)	462	3200-GAAP Revenue Offset	1728-Subscription-based IT Obligations	1701		X	X	X
4.	Establish SBITA asset (eliminate 5356)	545 or 555 (FID)	0819-Subscription-Based IT Asset / 3074-Change in Cap. Assets	3600-GAAP Exp. Offset / 3018-Net Invest. In Cap. Assets	5356		X	X	X

SBITA entries throughout the fiscal year

Step	Description of transaction	T-Code	DR	CR	Cobj	Governmental Fund	Government-Wide	Proprietary Fund	Fiduciary Fund
5.	Record accumulated amortization of SBITA contract	542 or 541 (FID)	3600-GAAP Exp. Offset / 3018-Net Invest. In Cap. Assets	0895-Accum Amort - SBITA / 3074-Change in Cap. Assets	7489		X	X	X
6a.	a. Record SBITA payment (principal portion)	222	3500-Expenditure Control Cash	0070-Cash on Deposit w/ OST	7009	X		X	X
	b. Record SBITA payment (interest portion)	222	3500-Expenditure Control Cash	0070-Cash on Deposit w/ OST	7402	X		X	X
	OR								
6b.	a. Record total SBITA payment	222	3500-Expenditure Control Cash	0070-Cash on Deposit w/ OST	7009	X		X	X
	b. Reclassify principal portion of SBITA payment	416	0070-Cash on Deposit w/ OST	3500-Expenditure Control Cash	7009	X		X	X
	c. Reclassify interest portion of SBITA payment	415	3500-Expenditure Control Cash	0070-Cash on Deposit w/ OST	7402	X		X	X
7.	Reduce SBITA liability by <u>principal</u> payments	459	1728-Subscription-based IT Obligations	3600-GAAP Exp. Offset	7009		X	X	X

SBITA entries at fiscal year end

Step	Description of transaction	T-Code	DR	CR	Cobj	Governmental Fund	Government-Wide	Proprietary Fund	Fiduciary Fund
8.	Reclass current portion of SBITA liability								
	a. Reduce SBITA liability-noncurrent	475R	1728-Subscription-based IT Obligations	2951-System Clearing GL	N/A		X	X	X
	b. Establish/adjust SBITA liability-current	475	2951-System Clearing GL	1282-Subscription-based IT Obligations	N/A		X	X	X

SBITA entries at contract remeasurement or modification

Step	Description of transaction	T-Code	DR	CR	Cobj	Governmental Fund	Government-Wide	Proprietary Fund	Fiduciary Fund
1.	a. Recognize SBITA proceeds	908R	1551-Deposit Liability	3200-GAAP Revenue Offset	1701	X		X	X
	b. Recognize acquisition of asset	909R	3600-GAAP Expenditure Offset	1551-Deposit Liability	5356	X		X	X
	c. Adjust SBITA liability (eliminate amount from 1a)	462	3200-GAAP Revenue Offset	1728-Subscription-based IT Obligations	1701		X	X	X
	d. Adjust SBITA asset (eliminate amount from 1b)	545 or 555 (FID)	0819-Subscription-Based IT Asset / 3074-Change in Cap. Assets	3600-GAAP Exp. Offset / 3018-Net Invest. In Cap. Assets	5356		X	X	X
2.	Recognize gain/(loss) on SBITA asset **only** if the change reduces the carrying value of the asset to zero.	537 or 536 (FID)	3200-GAAP Revenue Offset / 3018-Net Invest. In Cap. Assets	0819-Subscription-Based IT Asset / 3074-Change in Cap. Assets	2333		X	X	X

SBITA entries at contract termination or at the end of the contract

Step	Description of transaction	T-Code	DR	CR	Cobj	Governmental Fund	Government-Wide	Proprietary Fund	Fiduciary Fund
1.	Move current portion of SBITA liability to noncurrent subscription liability								
	a. Reduce SBITA liability-current	475R	1282-Subscription-based IT Obligations	2951-System Clearing GL	N/A		X	X	X
	b. Adjust SBITA liability-noncurrent	475	2951-System Clearing GL	1728-Subscription-based IT Obligations	N/A		X	X	X
2.	a. Eliminate excess asset value, record gain/(loss)	537 or 536 (FID)	3200-GAAP Revenue Offset / 3018-Net Invest. In Cap. Assets	0819-Subscription-Based IT Asset / 3074-Change in Cap. Assets	2333		X	X	X
	b. Adjust accumulated amortization	573	0895-Amort. of SBITA	2951-System Clearing GL	N/A		X	X	X
	c. Adjust asset value	574	2951-System Clearing GL	0819-SBITA Asset	N/A		X	X	X
3.	Adjust SBITA liability	462R	1728-Subscription-based IT Obligations	3200-GAAP Revenue Offset	2333		X	X	X