

GASB 68 Reconciliation and Sample Journal Entries for Teacher Employers
For the Measurement Date of June 30, 2025

Information used in these sample entries is related to the Total Teacher Plan and Employer 40100.
 (Page references are related to the GASB Statement No. 68 Report for the Virginia Retirement System prepared as of June 30, 2025)

Reconciliation of Entries Necessary to Record June 30, 2025, Net Pension Liability

	All Teacher Employers			Employer 40100		
	Debit	Credit		Debit	Credit	
Net Pension Liability - July 1, 2024	\$ 9,386,934,637		p 67	\$ 27,502,780		p 67
FY 2024 Deferred Inflows of Resources	\$ 1,726,333,758		FY 2024	\$ 6,901,677		FY 2024
FY 2025 Employer Pension Expense	\$ 543,517,810		p 61	\$ 807,496		p 61
FY 2025 Deferred Outflows of Resources	\$ 2,766,868,311		p 61	\$ 8,055,361		p 61
FY 2025 Employer Contributions		\$ 1,621,177,166	(A)		\$ 4,804,063	(A)
FY 2024 Deferred Outflows of Resources		\$ 2,028,449,010	FY 2024		\$ 5,760,080	FY 2024
FY 2025 Deferred Inflows of Resources		\$ 2,008,083,647	p 61		\$ 6,727,047	p 61
Net Pension Liability - June 30, 2025		\$ 8,765,944,693	p 67		\$ 25,976,124	p 67
	<u>\$ 14,423,654,516</u>	<u>\$ 14,423,654,516</u>		<u>\$ 43,267,314</u>	<u>\$ 43,267,314</u>	

A - The employer contributions are the proportionate share of the total Regular employer contributions to the Teacher Plan in FY 2025 and not the agency's actual employer contributions.
 Refer to FY 2025 - Analysis of FY 2025 Teacher Employer Change on Net Pension Liability under GASB Audit Opinions and Disclosure Guidance on the VRS website.

1. To set up July 1, 2024, Net Pension Liability and Reverse FY 2024 Deferred Inflows and Outflows.

	All Teacher Employers			Employer 40100		
	Debit	Credit		Debit	Credit	
Adjusted Net Pension Liability - July 1, 2024	\$ 9,386,934,637		p 67	\$ 27,502,780		p 67
FY 2024 Deferred Inflows of Resources	\$ 1,726,333,758		FY 2024	\$ 6,901,677		FY 2024
FY 2024 Deferred Outflows of Resources		\$ 2,028,449,010	FY 2024		\$ 5,760,080	FY 2024
Adjusted Net Pension Liability - July 1, 2024		\$ 9,084,819,385	Calculated		\$ 28,644,377	Calculated
	<u>\$ 11,113,268,395</u>	<u>\$ 11,113,268,395</u>		<u>\$ 34,404,457</u>	<u>\$ 34,404,457</u>	

This entry establishes the adjusted Net Pension Liability at July 1, 2024, exclusive of beginning Deferred Inflows and Outflows of Resources.

2. To Reverse FY 2024 Reclassification of the FY 2025 Employer Contributions as Deferred Outflows of Resources.

	All Teacher Employers		Employer 40100	
	Debit	Credit	Debit	Credit
FY 2025 Employer Contributions	\$	—	\$	—
FY 2024 Deferred Outflows of Resources		\$		\$
	\$	—	\$	—

This is the employer's FY 2025 Employer Contributions for Pensions. Since the Measurement Date for the prior year was June 30, 2024, employer contributions made after that date were reclassified as Deferred Outflows of Resources in the FY 2025 Financial Statements.

3. To set up June 30, 2025 Deferred Inflows and Outflows and Record FY 2025 Pension Expense.

	All Teacher Employers			Employer 40100		
	Debit	Credit		Debit	Credit	
FY 2025 Employer Pension Expense	\$ 543,517,810		p 61	\$ 807,496		p 61
FY 2025 Deferred Outflows of Resources	\$ 2,766,868,311		p 61	\$ 8,055,361		p 61
Net Pension Liability - June 30, 2025	\$ 318,874,692		Calculated	\$ 2,668,253		Calculated
FY 2025 Employer Contributions		\$ 1,621,177,166	(A)		\$ 4,804,063	(A)
FY 2025 Deferred Inflows of Resources		\$ 2,008,083,647	p 61		\$ 6,727,047	p 61
	<u>\$ 3,629,260,813</u>	<u>\$ 3,629,260,813</u>		<u>\$ 11,531,110</u>	<u>\$ 11,531,110</u>	

This entry records the FY 2025 Employer Pension Expense and the related Deferred Inflows and Outflows at June 30, 2025.

A - The employer contributions are the proportionate share of the total Regular employer contributions to the Teacher Plan in FY 2025 and not the agency's actual employer contributions.
Refer to FY 2025 - Analysis of FY 2025 Teacher Employer Change on Net Pension Liability under GASB Audit Opinions and Disclosure Guidance on the VRS website.

4. To Reclassify the FY 2026 Employer Contributions as Deferred Outflows of Resources.

		All Teacher Employers		Employer 40100	
		Debit	Credit	Debit	Credit
FY 2025 Deferred Outflows of Resources		\$	—	\$	—
	FY 2026 Employer Contributions		\$		\$
		\$	—	\$	—

This is the employer's FY 2026 Employer Contributions for Pensions. Since the Measurement Date is June 30, 2025, employer contributions made after that date must be reclassified as Deferred Outflows of Resources. These contributions will be part of the Total Employer Pension Expense in the FY 2027 Financial Statements.