



Derivative Valuation and Monitoring Services

ADVISORS • ASSET MANAGEMENT • BOND LOGISTIX

Compliance with GASB 53, FASB 133, and FASB 157 Requirements

DON'T BE CAUGHT OFF GUARD. Plan now for the GASB 53 reporting requirement, which is effective for fiscal years beginning after June 15, 2009. An effective derivative valuation and reporting program will be essential for the accurate and timely filing of financial statements.



GET IN COMPLIANCE. Both FASB 133 (Accounting for Derivative Instruments and Hedging Activities), which became effective for fiscal years beginning after June 15, 2000, and FASB 157 (Fair Value Measurements), which became effective for fiscal years beginning after November 15, 2007, can be complex and time consuming undertakings.

As the use of interest rate swaps and similar instruments ("derivatives") has become more widespread, organizations including 501(c)(3) non-profits and government entities, that utilize them have become increasingly aware of the need to monitor their derivative positions on an on-going basis. FASB, and more recently GASB, have issued accounting statements which require both qualitative and quantitative analyses in connection with the use of derivatives. Detailed information on derivative use and positions must be disclosed in financial statements. Major auditing firms and end users of financial statements have come to expect third party valuations and related reports to be provided by qualified, independent derivative specialists.

BLX provides comprehensive derivative valuation and reporting services designed to meet the special needs of governmental and non-profit organizations. Our reports summarize important market sensitive information including mark-to-market valuations, credit ratings, and collateral thresholds as well as detailed calculations confirming historical payment amounts, historical basis calculations (comparing the hedge and the hedged item), as well as auditor-ready GASB 53, FASB 133, and FASB 157 compliance calculations.

BLX is a SEC Registered Investment Advisory firm offering a full spectrum of financial advisory services including swap advisory, arbitrage compliance, debt issuance advisory, portfolio management, structured products, and post-issuance compliance to state and local governments and nonprofit organizations. BLX traces its roots back to 1989 with the original founding members of our organization leading the company today. More than 50 full-time professional consultants represent BLX across the country with offices in Boston, Portland, Dallas, Los Angeles, Phoenix, New York, Tampa and San Francisco.



Our Mission: To be the premier provider of post-issuance, investment related, and derivative product advisory services to the public finance and non-profit community.



For more information on our derivative valuation and reporting services, go to our website:

www.blxgroup.com

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You can also reach us toll free at: **866 342 5259**