

## Summary of Substantive Changes Accounting Standards and Procedures for Counties

The 2023 edition of the *Accounting Standards and Procedures for Counties* (ASP) manual has been reviewed to confirm consistency with current GAAP guidelines according to Governmental Accounting Standards Board (GASB) Codification.

General changes implemented in the 2023 edition of the ASP manual are as follows:

- Confirmed that guidance provided is consistent with GASB Codification in order to maintain efficiency and accuracy for future GAAP updates and to reduce redundancy.
- Revised language (as needed) for consistency with GASB Codification up to and including GASB Statement No. 98, *The Annual Comprehensive Financial Report*, exceptions apply (GASB Statements No. 94, 96, 99, 100, and 101).
- Incorporated provisions from any new laws chaptered in 2022 (as applicable) and from the following GASB Statements (GASBS) that have not yet been codified as of December 2022:
  - GASBS No. 99, *Omnibus 2022*
  - GASBS No. 100, *Accounting Changes and Error Corrections—an Amendment of GASBS No. 62*
  - GASBS No. 101, *Compensated Absences*
- Guidance previously presented in Appendix A of the 2022 edition of the ASP manual has been incorporated into the applicable chapters. No new GASB pronouncements were scheduled for release, therefore Appendix A of the 2023 edition of the ASP manual does not contain any preliminary guidance at this time.
- Improved clarity of language through sentence structure changes, consolidation of duplicate material, and the elimination of guidance determined to be outside the authority of the State Controller's Office (SCO).
- Updated tables, charts, and journal entries to ADA compliant format (where possible).

Substantive changes concerning specific chapters of the ASP manual are listed in the following table:

## Summary of Substantive Changes Accounting Standards and Procedures for Counties

Description of Change	Purpose/Reason for Change
<b>Chapter 11, <i>Financial Reports</i></b>	
<p>Updated guidance (as needed) in this chapter to be consistent with the applicable provisions of GASBS No. 100 that were previously presented in Appendix A, <i>Upcoming Changes</i>.</p> <p>Moved all examples from the end of this chapter to Appendix E, <i>Examples of Financial Reporting</i>. The examples were updated for relevancy (where applicable) and ADA compliancy (where possible).</p>	<p>To confirm that the guidance provided is consistent with the provisions of GASBS No. 100, <i>Accounting Changes and Error Corrections—an amendment of GASB 62</i>.</p> <p>The provisions of GASBS No. 100 are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter.</p>
<b>Chapter 14, <i>Contracts and Agreements</i></b>	
<p>Updated guidance (as needed) in this chapter to be consistent with the applicable provisions of GASBS No. 99 that were previously presented in Appendix A, <i>Upcoming Changes</i>.</p> <p>Added new subsection entitled, "Recognition and Measurement of Derivative Instruments" to the end of section 14.03. Also added new section (14.04) entitled "Hedge Accounting".</p>	<p>To confirm that the guidance provided is consistent with the provisions of GASBS No. 99, <i>Omnibus 2022</i>.</p> <p>The provisions of GASBS No. 99 are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter.</p>
<b>Chapter 15, <i>Public-Private and Public-Public Partnerships (PPP) and Availability Payment Arrangements (APA)</i></b>	
<p>Updated guidance (as needed) in this chapter to be consistent with the applicable provisions of GASBS No. 99 that were previously presented in Appendix A, <i>Upcoming Changes</i>.</p> <p>Added illustrative examples (including journal entries) for PPP and APA to sections 15.10 and 15.11 respectively.</p>	<p>To confirm that the guidance provided is consistent with the provisions of GASBS No. 94, <i>Public-Private and Public-Public Partnerships and Availability Payment Arrangements</i> and GASBS No. 99, <i>Omnibus 2022</i>.</p> <p>The provisions of GASBS No. 94 and No. 99 are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter.</p>

## Summary of Substantive Changes Accounting Standards and Procedures for Counties

Description of Change	Purpose/Reason for Change
<b>Chapter 16, <i>Investments and Lending</i></b>	
Added new section entitled "Pooled Interest Allocation", including a link to the <i>Local Agency Investment Guidelines</i> document posted on the California State Treasurer's website for additional information.	To respond to feedback received from the State Association of County Auditors, Accounting Standards Committee, to add guidance on the subject of pooled interest allocation. Guidance incorporated primarily based on the provisions of Government Code sections 27130 et seq. and 53630 et seq.
<b>Chapter 24, <i>Compensated Absences</i></b>	
Updated guidance (as needed) in this chapter to be consistent with the applicable provisions of GASBS No. 101 that were previously in Appendix A, <i>Upcoming Changes</i> .	To confirm that the guidance provided is consistent with the provisions of GASBS No. 101, <i>Compensated Absences</i> .  The provisions of GASBS No. 101 are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter.
<b>Chapter 27, <i>Subscription-Based Information Technology Arrangements (SBITA)</i></b>	
Updated guidance (as needed) in this chapter to be consistent with the applicable provisions of GASBS No. 99 that were previously in Appendix A, <i>Upcoming Changes</i> . Added an illustrative example (including journal entries) of a SBITA to section 27.09.	To confirm that the guidance provided is consistent with the provisions of the GASB Statement (GASBS) No. 96, <i>Subscription-Based Information Technology Arrangements</i> and GASBS No. 99, <i>Omnibus 2022</i> .  The provisions of GASBS No. 96 and No. 99 are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter.
<b>Appendix E: <i>Examples of Financial Reporting</i></b>	
Examples previously presented at the end of Chapter 11, <i>Financial Reports</i> , have been moved to this new appendix for the 2023 edition of the ASP manual.	To allow for the addition of new examples in future editions without affecting the length of the existing chapter (Chapter 11) and assist the SCO in their continuing efforts to update publications for ADA compliancy.