

Advisory Committee on County Accounting Procedures

Minutes of Thursday, June 9, 2022 Microsoft Teams/Teleconference

The Advisory Committee on County Accounting Procedures (Committee) officially approved the following minutes at the subsequent public committee meeting held on Thursday, May 25, 2023.

I. Call to Order/Roll Call **10:01 am – 10:02 am**

Chair Harn called the meeting of the Advisory Committee on County Accounting Procedures (Committee) to order at 10:01 am and conducted a roll call of those in attendance as displayed below:

Committee Members present:

Joe Harn (Committee Chair), Jeffery Burgh, Nathan M. Black, Phyllis Taynton, Graciela Gutierrez, Tracie M. Riggs, Darcie Antle, and Edward C. Scofield

Committee Members absent:

Peter W. Huebner (unexcused absence) and Todd Leopold (excused absence)

State Controller's Office (SCO) Staff present:

Sandeep Singh, Jenny Liu, Gene Hughes, Jason Narayan, Henry Mathews, Daniel Basso, and Sheirlyn Singh

II. Acknowledgment/Introduction of New Committee Members **10:02 am – 10:03 am**

Ms. Liu introduced and welcomed the two new Committee members. First to be introduced was Ms. Tracie M. Riggs (County Administrator for Tuolumne County) who was officially appointed to the Committee on January 10, 2022. Next to be introduced was Ms. Darcie Antle (County Executive Officer for Mendocino County) who was appointed to the Committee on April 29, 2022.

III. Review of Minutes from December 6, 2021 **10:03 am – 10:05 am**

Chair Harn asked the Committee members if they had any issues related to the meeting minutes from December 6, 2021 before they were considered for approval. No Committee member had any edits that needed discussion. Mr. Black made a motion to approve the meeting minutes from December 6, 2021. Mr. Burgh seconded the motion. Ms. Riggs and Ms. Antle both abstained from voting since they did not join the Committee until after December 6, 2021.

The motion passed 6-0 with two members abstaining.

IV. Summary of Proposed Changes to Accounting Standards and Procedures for Counties (ASP) manual – 2022 Edition **10:05 am – 10:08 am**

A. List of Substantive Changes

Ms. Liu informed the Committee that the 2022 edition of the *Accounting Standards and Procedures for Counties* (ASP) manual had been reviewed to confirm consistency with current GAAP guidelines according to Governmental Accounting Standards Board (GASB) Codification.

Ms. Liu stated that the guidance provided in the ASP manual is consistent with GASB Codification in order to maintain consistency and accuracy for future GAAP updates and to reduce redundancy. Ms. Liu also added that the State Controller’s Office (SCO) revised language for consistency with GASB Codification up to and including GASB Statement No. 98, *The Annual Comprehensive Financial Report*, exceptions apply to GASB Statements No. 91, 94, and 96.

Additional changes to the 2022 edition of the ASP manual included the following: revised and improved clarity of language through sentence structure changes, consolidated duplicate material, and eliminated guidance determined to be outside the scope of authority of SCO. Moreover, tables, charts and journal entries were made ADA compliant where possible.

Lastly, Ms. Liu provided a summary of the substantive changes made to specific chapters of the ASP manual. She reviewed the high-level changes mentioned in the *List of Substantive Changes* document which was provided to the Committee prior to the meeting to assist in their review of the 2022 edition of the ASP manual.

V. Approval of Proposed Changes to ASP Manual **10:08 am – 10:26 am**

A. Discussion **10:08 am – 10:25 am**

Mr. Black asked the SCO team if the purpose of the ASP manual is to provide guidelines to the counties on how to implement GASB codifications and to understand how the various California legislation/code sections work.

Mr. Singh replied stating that yes, partially that is the understanding and elaborated that the governmental code sections are broad and do not go in much detail, so SCO provides a manual that serves as a guide to the counties, other local governments and applicable entities. Mr. Singh added that for future publications, SCO is working with Chair Schaffer of the State Association of County Auditors (SACA), Accounting Standards Committee (ASC), to develop potential new methods for the publications.

Mr. Black asked if the term “local government entity” refers strictly to counties, or if the term includes other local governments. Mr. Singh replied that the term “local government entity” is defined by SCO to mean any local government to which the provisions and guidance in the ASP manual is applicable. Mr. Black commented that the ASP manual should keep the policies and procedures separate, be updated as codification changes, and that hopefully SCO can implement a change which will be beneficial for the counties. Mr. Singh stated that SCO is open to suggestions since SCO wants any applicable local government entity to find the manual useful.

Ms. Gutierrez added that since SCO states that the counties should reach out to their office with any questions, it may result in receiving different answers as people move on from their positions through promotion or retirement. Ms. Gutierrez suggested that SCO keep adding detailed information and examples to the chapters so counties will be able to rely on the ASP manual for current guidance.

Ms. Taynton commented that for the past several years, SACA ASC has been asking if the ASP manual should have additional practical accounting examples and be more of a procedural type of manual. Ms. Taynton added that Chair Schaffer was supposed to have a discussion with SCO to discuss this specific concern.

Mr. Singh confirmed that SCO had a meeting with Chair Schaffer and added that the ASP manual is a living document and an ongoing project, so if anything is left out of a certain edition, it will be addressed in the following edition.

B. Motion and Vote to Approve Proposed Changes to ASP manual – 2022 Edition 10:25 am – 10:26 am

Ms. Gutierrez made a motion to approve publication of the 2022 edition of the ASP manual with the SCO proposed changes. Ms. Riggs seconded the motion. Chair Harn called for a vote by the Committee on the motion, which passed unanimously.

The motion passed unanimously 8-0.

VI. Bagley-Keene Open Meeting Act 10:26 am – 10:27 am

A. Discussion 10:26 am – 10:27 am

Ms. Liu informed the Committee members that the new SCO legal team informed the Local Government Policy Unit (LGPU) that all SCO advisory committees should follow the Bagley-Keene Open Meeting Act (Act) and noted that a complete copy of the Act was attached to the meeting invite. Ms. Liu added that SCO is still reviewing the specific provisions of the Act that would be applicable to the Committee. Once SCO has completed a review of the applicable provisions, the relevant information will be emailed to all Committee members.

B. Application of Bagley-Keene provisions for future meetings 10:27 am – 10:27 am

Ms. Liu informed the Committee that the next meeting will follow the Bagley-Keene Open Meeting Act.

VII. Other Discussion Items/New Business 10:27 am – 10:29 am

There was no discussion under this agenda item.

VIII. Plan for Next Meeting 10:29 am – 10:29 am

Chair Harn stated that SCO will contact the committee members to schedule the next meeting. Mr. Singh mentioned that SCO is planning to publish the 2023 edition of the ASP manual between March and May of 2023.

IX. Adjournment 10:29 am

Chair Harn adjourned the meeting at 10:29 am.