

Advisory Committee on County Accounting Procedures

Minutes of Friday, November 15, 2024

The Advisory Committee on County Accounting Procedures (Committee) officially approved the following minutes at the subsequent public Committee meeting held on Friday, December 19, 2025.

I. Call to Order/Roll Call

Chair Harn called the meeting to order at 10:34 a.m. and requested SCO to conduct a roll call of those in attendance as displayed below:

Committee Members present:

None

Committee Members present via Teleconference:

Joe Harn (Chair), Jeffery Burgh, Nathan M. Black, Graciela Gutierrez, Darcie Antle, and Angela Curro.

Excused Absences:

Monica Nino, Tracie M. Riggs, and Edward C. Scofield

State Controller's Office (SCO) Staff present:

Sandeep Singh, Gene Hughes, Jason Narayan, Henry Mathews, Brian Rock, and William Rojas.

SCO Staff present via Teleconference:

Thanh Tran and Zakia Tipton

Members of the Public present:

None

Members of the Public present via Teleconference:

Betsy Schaffer [Santa Barbara County Auditor-Controller and State Association of County Auditors (SACA), Accounting Standards Committee (ASC) Chair]

II. Review of Minutes from June 26, 2024

A. Committee Discussion

Chair Harn asked the Committee members if they had any questions or comments concerning the meeting minutes from June 26, 2024, prior to them being considered for approval. There were no comments or questions from the Committee or the public.

B. Motion and Vote to Approve Minutes from June 26, 2024

Chair Harn requested that Mr. Black make a motion to approve the meeting minutes from June 26, 2024, which he subsequently did. Ms. Gutierrez seconded the motion.

The motion passed unanimously 6-0 on a roll call vote without any abstentions.

III. Review Proposed Publication Plan for *Accounting Standards and Procedures for Counties (ASP) manual (2025 Edition)*

A. Committee Discussion

Mr. Singh provided a high-level overview of the 2025 ASP Publication Plan, which was provided to Committee members and the public prior to the meeting. He noted the plan was subject to change depending on feedback received related to Agenda Item IV or due to recommendations received from SACA ASC during the vetting process.

Mr. Singh summarized by stating that the goal was to ensure the 2025 edition of the ASP manual was consistent with the latest Governmental Accounting Standards Board (GASB) pronouncements and any recommendations from SACA ASC. He then asked if there were any questions and/or comments related to the 2025 ASP Publication Plan as presented. Ms. Gutierrez spoke on behalf of the Committee and stated that there were no questions and/or comments related to the 2025 ASP Publication Plan at this time.

Mr. Singh noted that due to current staffing shortages within his team, SCO could not provide a definitive time frame as to when the proposed items in the publication will be incorporated into the ASP manual. He added that while he did not want to make a commitment as to when the changes will be incorporated at this time, he is hoping to have the task completed by mid-year or late 2025. The meeting was then turned back over to Chair Harn.

B. Public Comments

Chair Harn asked if there were any comments from the public related to the proposed plan presented by SCO. There were no comments or questions from the public.

C. Motion and Vote to Approve ASP Publication Plan — 2025 Edition

Chair Harn requested Ms. Gutierrez to make a motion to approve the proposed 2025 ASP Publication Plan, which she subsequently did. Mr. Burgh seconded the motion.

The motion passed unanimously 6-0 on a roll call vote without any abstentions.

IV. Discuss Proposed Changes to ASP manual (2024 Edition)

A. Reincorporation of guidance related to Record Retention

Mr. Singh stated that SCO had removed the existing record retention guidance from the ASP manual beginning with the 2020 edition (Appendix D), as it was determined the Secretary of State (SOS) was the proper authority for this guidance. He added that in early 2024, some counties expressed a need to have record retention guidance specific to local governments. Subsequently SCO Executive Office met with SOS and determined that SCO would provide the record retention guidance. Mr. Singh continued that in order to meet this obligation, it was decided the 2024 ASP manual would be the most appropriate vehicle to provide the record retention guidance in a timely manner.

Mr. Singh confirmed that earlier this week, a redline version of the record retention guidance was provided to SACA ASC for their review with a requested two-week turnaround time for completion. He added the intention was just for a high-level review of the appendix that was removed from the 2020 edition of the ASP manual. Mr. Singh added that SCO staff mainly verified that language for any legislative code sections was current and did not make any material changes to guidance related to county specific recommendations that had been previously provided by SACA ASC. Additionally, Mr. Singh stated the disclaimer statements in the proposed appendix were being reviewed by SCO legal department during the same two-week window, with a target of updating the 2024 ASP manual with the record retention guidance by late December 2024.

Mr. Singh then outlined a number of issues outside his control that may cause delays, such as the type of feedback received by SACA ASC, a request for additional review time from SCO legal department, and/or the adherence to the provisions of the Bagley-Keene Open Meeting Act, any of which could push the update of the 2024 ASP manual into early 2025. Mr. Singh asked if any of the Committee members wanted SCO to share the redline document with them at this time or if they had any questions concerning the proposed record retention guidance. Chair Harn stated his preference was to keep the meeting brief and noted that SACA ASC Chair Schaffer would keep them informed concerning any documents sent to her group. Mr. Singh was in agreement with this preference and added that any recommendations from SACA ASC, along with a SCO response, would be shared with the Committee members for their review prior to the next meeting.

Ms. Schaffer stated that she had just spoken with Connie Yee [SACA Policy and Interpretations (P&I) Sub-committee Chair] and they did not have any comments/issues with the proposed changes to ASP Chapter 26.06 (Agenda Item IV B). Ms. Schaffer then asked if the current discussion was for changes to both record retention and ASP Chapter 26.06. Mr. Singh explained that the minor changes (approximately two paragraphs) to ASP Chapter 26.06 were being proposed for the 2024 ASP so that the guidance would be consistent with the updated guidance in the SCO Cost Plans Handbook and not lead to any confusion by local governments that utilize both publications.

Ms. Schaffer reaffirmed that SACA ASC and SACA P&I have no issue with the proposed changes for ASP Chapter 26.06. However, she and Ms. Yee respectfully requested an extension to the end of February 2025 be granted for review of the record retention guidance. Ms. Schaffer noted that SACA ASC and SACA P&I committee members have competing deadlines to meet over the next couple of months, including finalizing their respective Annual Comprehensive Financial Reports and responding to GASB concerning infrastructure assets before the comment period ends. Mr. Singh clarified SCO intent was to provide the record retention guidance as it appeared in the 2020 edition of the ASP manual, along with any necessary updates. He added that the counties that led the effort to add the record retention guidance back into the ASP manual requested that it be done as soon as possible and to meet their request SCO was targeting the end of December 2024 to complete the task. Mr. Singh stated that SCO is open to a February 2024 deadline if additional review time is needed.

Ms. Gutierrez recommended that a formal extension to February be granted for a complete review and incorporated the redline version of the record retention guidance into the 2024 ASP manual. Mr. Singh suggested that the redline version of record retention guidance could be incorporated into the 2024 ASP manual and also be reviewed as part of the 2025 ASP manual.

Mr. Singh explained that the redline version of the record retention guidance was for all intent and purpose the same guidance that was removed from the 2020 ASP manual. He added that the main changes had to do with updating the formatting/appearance to be consistent with the 2024 ASP manual. He continued that reviewing the record retention guidance would be added to the 2025 ASP Publication Plan and would significant time for an extensive review from all interested parties, as the 2025 ASP manual would not be published for approximately another eight months or so. Ms. Gutierrez stated what Mr. Singh recommended was reasonable and she was open to making a motion to incorporate the redline version of the record retention guidance into the 2024 ASP manual with the understanding that it would be added to the 2025 ASP Publication Plan. This would allow SACA ASC and SACA P&I sufficient time to perform a more extensive and in-depth review and provide proper recommendations.

B. Update language in ASP Chapter 26.06, *Countywide Cost Allocation Plans—Capital Lease Exclusions*, pertaining to Right-to-Use Leases and Subscription-Based Information Technology Arrangements

The proposed changes were discussed during Agenda Item IV A. Committee members had no issue with incorporating the proposed changes into the 2024 ASP manual.

C. Motion and Vote to Add the Proposed Redline Guidance for Record Retention and Chapter 26.06 to the ASP manual (2024 Edition)

Chair Harn requested Ms. Gutierrez to make a motion to add the proposed redline guidance for record retention and Chapter 26.06 to the 2024 edition of the ASP manual. Ms. Gutierrez made a motion to add the redline guidance for record retention and Chapter 26.06 to the 2024 edition of the ASP manual. Mr. Burgh seconded the motion. Ms. Schaffer commented that as SACA ASC Chair, she was in full support of the motion.

The motion passed unanimously 6-0 on a roll call vote without any abstentions.

Mr. Singh thanked the Committee for making/approving the motion, and stated that SCO would add record retention to the 2025 ASP Publication Plan. He added that SCO would still look for any high-level feedback from SACA ASC (grammatical, etc.) within the next two weeks, in addition to any recommendations from SCO legal department concerning the disclaimer statements in the record retention guidance and may delay incorporating the record retention guidance in the 2024 ASP manual.

V. Other Discussion Items/New Business

Chair Harn asked the Committee members if there was a need for any further discussion on any other matter. There was no response.

VI. Plan for Next Meeting

Chair Harn stated that he and SCO would contact the Committee members as needed to schedule the next meeting. The meeting would be to review the 2024 ASP manual with the redline version of record retention guidance and the proposed changes to Chapter 26.06 incorporated.

VII. Adjournment

Chair Harn moved to adjourn the meeting at 11:02 a.m., all in favor with zero opposing to adjourn.