

Summary of Substantive Changes Accounting Standards and Procedures for Counties

The 2025 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 2025 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. 102, *Certain Risk Disclosures*.
- Incorporated provisions from any new laws chaptered in 2024 (as applicable) and from the following GASB Statements (GASBS) which have yet to be codified as of June 2025:
 - GASBS No. 103, *Financial Reporting Model Improvements*
 - GASBS No. 104 *Disclosure of Certain Capital Assets*
- Added bullet style summaries for GASBS 102, 103, and 104, to the introduction section of Appendix E.
- Added a table to the introduction section of Chapter 7, that provides a high-level summary of terms in GASBS 103.
- Provided a flowchart at the end of Chapter 24.01 that outlines the treatment of leave entitlements that meet the definition of compensated absences as defined in GASBS 101.
- Guidance previously presented in Appendix A of the ASP manual has been incorporated into the applicable chapters. Therefore, Appendix A of the 2025 edition of the ASP manual does not contain any preliminary guidance at this time.
- Provided links to GASB’s “*Technical Plan*” and “*Current Projects*” in the introduction section of Appendix A.
- Added new definitions for the terms “*Assets Held for Sale*”, “*Blended Component Units*”, “*Concentration*”, “*Constraint*”, and “*Subsidies*” to Appendix B.
- Updated the current definitions for “*Management Discussion & Analysis (MD&A)*”, “*Nonoperating Revenue*”, “*Nonoperating Expense*”, “*Operating Revenue*”, and “*Operating Expense*” in Appendix B.
- Provided link to GASB “*User Guides*” in Appendix C.
- 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).

Summary of Substantive Changes Accounting Standards and Procedures for Counties

Substantive changes concerning specific chapters of the 2025 edition of the ASP manual are listed in the following table:

Description of Change	Purpose/Reason for Change
Chapter 7, Classification and Terminology	
Updated guidance (as needed) in this chapter to be consistent with the applicable provisions of GASBS No. 103.	To confirm that the guidance provided is consistent with the provisions of GASBS No. 103, <i>Financial Reporting Improvements</i> , which are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter.
Chapter 9, Reporting Capital Assets	
Updated guidance (as needed) in this chapter to be consistent with the applicable provisions of GASBS No. 104. Added two new sections to this chapter: 9.10, <i>Separate Disclosure of Certain Capital Assets</i> and 9.11, <i>Certain Assets Held For Sale</i> .	To confirm that guidance provided is consistent with the provisions of GASB 104 <i>Disclosure of Certain Capital Assets</i> , which are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter.
Chapter 11, Financial Reports	
Updated guidance (as needed) in this chapter to be consistent with the applicable provisions of GASBS No. 102 and GASBS No. 103 Added a new section to the chapter: 11.09 <i>Risks Related to Certain Concentrations or Constraints</i> .	To confirm that guidance provided is consistent with the provisions of GASB 102 <i>Certain Risk Disclosures</i> and GASB 103 <i>Financial Reporting Model Improvements</i> The provisions of GASB 102 are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter. The provisions of GASB 103 are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter.
Chapter 24, Compensated Absences	
Revised guidance (as needed) in this chapter to be consistent with the applicable provisions of GASB Codification as it pertains to compensated absences	To confirm that guidance provided is consistent with the provisions of GASB 101 <i>Compensated Absences</i> as codified. The provisions of GASB 101 are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter.

Summary of Substantive Changes Accounting Standards and Procedures for Counties

Description of Change	Purpose/Reason for Change
Appendix E: Examples of Financial Reporting	
Updated examples in Appendix E for relevancy (where applicable) and ADA compliancy (where possible).	To allow for the revision of existing examples to be consistent with the provisions of the following GASB Statements: GASB 102 <i>Certain Risk Disclosures</i> GASB 103 <i>Financial Reporting Models Improvements</i> GASB 104 <i>Disclosure of Certain Capital Assets</i>
Appendix F: Record Retention	
Updated guidance in Appendix F to be consistent with applicable laws or best practices.	To confirm that guidance provided in Appendix F is consistent applicable California code sections or as recommended “best practice” by the California State Association of County Auditors.