



# **SCO – Year End Reporting Overview**

- I. SCO's Financial Reporting Requirements
- II. FY 2023-24 Budgetary/Legal Reporting
- III. FY 2022-23 GAAP Basis Reporting
- IV. FY 2022-23 GASB Implementation



# I. SCO's Reporting Requirements

Government Code 12460 requires the Controller to issue the State's annual financial statements:

- *...all funds of the state on a budgetary-legal basis*
- *...in accordance with U.S. Generally Accepted Accounting Principles (GAAP)*



# I. SCO's Reporting Requirements (cont'd)

GC 12460 results in two largest financial reports published by SCO, State Government Reporting (SGR):

## ▶ Budgetary/Legal Basis

- ***Budgetary/Legal Basis Annual Report (BLBAR) & BLBAR Supplements***

## ▶ GAAP Basis

- ***Annual Comprehensive Financial Report (ACFR) & ACFR Supplement***



# I. SCO's Reporting Requirements (cont'd)

*Other SCO Financial Reports:*

- ▶ ***Pensions and Other Postemployment Benefits (OPEB) Reports*** – Used by departments that provide audited financial statements to SCO.
- ▶ ***State of California Retiree Health Benefits Program Actuarial Valuation Report*** – SGR facilitates data to support annual publication to fulfill Controller's role as Plan Sponsor of the State's OPEB plan.





# I. SCO's Reporting Requirements (cont'd)

## COMPLETE LIST OF REPORTS PUBLISHED/SUPPORTED BY SGR

1. *Budgetary/Legal Basis Annual Report (BLBAR)*
2. *BLBAR Supplements (2)*
3. *Annual Comprehensive Financial Report (ACFR)*
4. *ACFR Supplement*
5. *Pensions AU-C 805 Report*
6. *OPEB AU-C 805 Report*
7. *State of California Retiree Health Benefits Program Actuarial Valuation Report*  
*(Published by State's OPEB actuary with support of SGR staff)*



# I. SCO's Reporting Requirements (cont'd)

## NUMBER OF SGR STAFF SUPPORTING STATEWIDE FINANCIAL STATEMENT PUBLICATION EFFORTS

1. <i>Budgetary/Legal Reporting</i> .....	19
2. <i>GAAP Reporting (ACFR)</i> .....	18
3. <i>Pension and OPEB Reporting</i> .....	6
4. <i>GASB Implementation and Policy</i> .....	8



## II. FY 2023-24 Budgetary/Legal Reporting

### Deadlines and Deliverable Dates for Year-End B/L Financial Reports

Due Dates	Fund(s) Year-End Financial Reports
September 3, 2024	All funds. Submit electronic documents only.
November 15, 2024	Accounts Receivable Report

### New for 2023-24

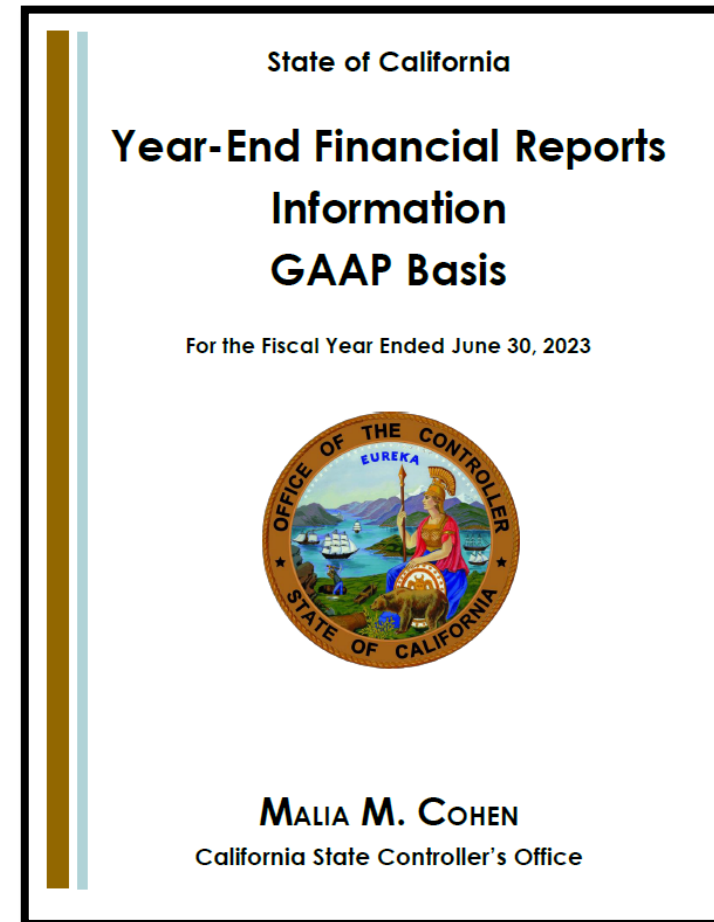
- Submit Reports 18/19 from FI\$Cal in an Excel format.



## III. FY 2022-23 GAAP Basis Reporting

- ▶ Detailed FY 2022-23 GAAP basis reporting instructions for departments can be found on SCO's website at:

[https://sco.ca.gov/Files-ARD/ACFR/Year\\_End\\_Financial\\_Reports\\_Information\\_Fiscal\\_Year\\_Ended\\_June\\_30\\_2023\\_Final.pdf](https://sco.ca.gov/Files-ARD/ACFR/Year_End_Financial_Reports_Information_Fiscal_Year_Ended_June_30_2023_Final.pdf)







# III. FY 2022-23 GAAP Basis Reporting

(cont'd)

## Deadlines and Deliverable Dates for FY 2022-23 Year-End GAAP Requirements

- April 30, 2024 – GAAP adjustments and unaudited financial statements due
- May 31, 2024 – Audit reports due
- See Year-End Financial Reports Information 2022-23



# III. FY 2022-23 GAAP Basis Reporting

(cont'd)

## ► Emphasis of GAAP Reporting Requirements:

[Year-End Financial Reports Information 2022-23](#) provides updated guidance pertaining to the following requirements. Please ensure your team's revisit the current guidance.

- Management Representation Letters
- Certification Letters
- Audited Funds' Net Investment in Capital Assets (NICA)
- Encumbrances/Commitments
- Pension and OPEB Allocations
- Asset Retirement Obligations
- GASB 87 Leases



# III. FY 2022-23 GAAP Basis Reporting

(cont'd)

## ► Reminders:

- **Auto-Reversals** – SCO “auto-reverses” GAAP accruals on an annual basis. Departments should not provide entries that reverse accruals.
- **GAAP Adjustment Identification** – It is the department’s responsibility to assess the need for GAAP adjusting journal entries to the department’s modified accrual numbers and submit those entries to SCO. Journal entry templates or other resources provided by SCO are not intended to suggest that SCO has performed analysis of the department’s funds determine what entries are necessary.



# III. FY 2022-23 GAAP Basis Reporting

(cont'd)

## ► Reminders:

- **GAAP Assistance** – SCO strongly recommends that departments with significant GAAP reporting requirements engage with a CPA firm/consultant to provide professional guidance toward GAAP compliance.
  - While SCO is happy to answer questions and assist to the best of our ability, we have limited resources and ability to provide technical guidance on complex GAAP reporting issues specific to each department.





## IV. 2022-23 GASB Implementation

- ▶ SCO will be sending letters addressed to department executives with information pertaining to the following Governmental Accounting Standards Board (GASB) statement implementations for FY 2022-23.
  - GASB 87, Leases (most departments)
  - GASB 91, Conduit Debt Obligations (select departments)
  - GASB 94, Public-Private/Public-Public Partnerships and Availability Payment Arrangements (select departments)
  - GASB 96, Subscription-Based IT Arrangements (most departments)
- ▶ For GASB inquiries, please contact [SARDStatePolicy@sco.ca.gov](mailto:SARDStatePolicy@sco.ca.gov).