

# Accounting Principles Committee (APC)

## TACUBO Winter Conference

Tuesday, January 28, 2025

7:15 a.m. – 8:15 a.m.

### Agenda

- **Welcome (Leanna Odom/Leslie Fluharty)**

The focus of this Winter 2025 meeting is the tuition discounting conclusions.

We will pick back up in the Summer 2025 session with final thoughts on GASB 101 as well as other GASBs and accounting updates.

- **Tuition Discounting (Greg Argueta, UT Dallas)**

- Update on subcommittee work including Comptroller outreach
- Questions and answers

- **GASB Statement No. 101, *Compensated Absences*, effective fiscal 2025.** GASB 101:

- Updates the recognition and measurement guidance for compensated absences by:
  - Aligning the recognition and measurement guidance under a unified model
  - Amending certain previously required disclosures
- Amends the existing requirement to disclose the gross increases and decreases in a liability for compensated absences to allow governments to disclose only the net change in the liability
- Supersedes GASB 16

**Things to consider (from past notes):**

- Sick leave is a challenge; it is calculating to be twice as much as vacation payouts.
- Review all earned balances; determine what percentage is being used. If 60%, then this will be the current and non-current liability.
- Per GASB, other institutions have already been recording sick leave in their liability balances, so this standard is bringing our financials in line with others.
- NACUBO stated it is accelerating the sick leave expense.
- Need to communicate with the budgeting team for planning purposes.
- Is it going to be “more than likely used”? Page 40 under B/Appendix C. There’s some language that speaks to us.
- Remember the catastrophic leave pool in the calculation.
- The State does not require restatement of FY 2024. An external audit would require it.
- Consider caps (example: two times FMLA) since it is highly unlikely anyone would be off for three years.
- Consider a review of your estimate and methodology by an external CPA firm.

**Current things to consider:**

- What assumptions/caps have you made? Any other GASB 101 insights?
- Payroll taxes related to sick leave calculations (and vacation).

- **Anything else?**

- **Adjourn**