

NOTE X: ACCOUNTING CHANGES AND ERROR CORRECTIONS

Notes to Preparer: There was an inadvertent error showing a 2024 date for compensated absences that is corrected to 2025.

If a correction of a prior year error or accounting change occurred, disclose the following information. Disclosures should also be made for Fiduciary Funds balances and amounts reported on the Schedule of Long-Term Liabilities, as applicable. If these items did not occur during the period, this note can be omitted. See GASB Statement 100 and (Cod.) Section (Sec.) 2250 — Additional Financial Reporting Considerations for more information.

For all accounting changes and error corrections, the notes should include:

- a. A narrative description, for each applicable category below
- b. Tabular format that reconciles beginning balances as previously reported, to beginning balances as adjusted or restated for each fund for each accounting change and/or error correction. Use the example table below.

Specific disclosure requirements for each accounting change and/or error correction:

Changes in accounting principles:

- a. The nature of the change including:
 - i. Identification of the financial statement line item affected
 - ii. Identification of the new pronouncement implemented
- b. The reason for the change; if not because of the implementation of a new pronouncement, include an explanation of why the new accounting principle is preferable

Change in accounting estimate:

- a. The nature of the change, including the identification of the line items affected
- b. The reason for the change to an input, if applicable, unless the change in measurement is required by a GASB pronouncement.

Change to or within the reporting entity:

- a. The nature of the change
- b. The reason for the change

Error correction:

- a. The nature of the error and the correction, including the periods affected by the error
- b. Identification of the financial statement line items that are affected by the error
- c. The effect on the prior period's change in fund balance, had the error not occurred.

Examples:

Example – Error correction: During the 20XX-20XX school year, the district identified

capital outlays related to a new school were not reported. Therefore, capital outlay expenditures reported in the Capital Projects Fund were understated by \$50,000. The effect of that error is shown in Column C of the table below.

Compensated Absences: - Change in Accounting Principle

For the year ended August 31, 2025, the District implemented guidance for the presentation and disclosures of compensated absences, as required by the School District Accounting Manual. These changes were in response to the provisions of GASB Statement No. 101. As a result, beginning balances for compensated absences liabilities presented on the Schedule of Long-Term Liabilities have been restated to reflect implementation of these requirements. Information regarding the District's compensated absences are presented in Note 1.

	8/31/20XX As previously reported	Change in accounting principle (A)	Change to or within the financial reporting Entity (B)	Error correction (C)	8/31/20XX As restated/ adjusted
[Fund]					
[Total Funds]					