Community college district reporting guidelines–2026

The Arizona Auditor General created these reporting guidelines following the Governmental Accounting Standards Board's (GASB), the U.S. Government Accountability Office's, and the American Institute of Certified Public Accountants' authoritative literature. They include illustrative examples of financial statements, disclosures, and schedules, as well as the auditors' report. The examples are neither authoritative nor required to be followed. Instead, they provide sample displays and disclosures to help ensure consistent and accurate presentation.

When District management uses these guidelines, management agrees to take responsibility for preparing and fairly presenting the District's basic financial statements, related note disclosures, and all accompanying information, including required supplementary information (RSI), supplementary information other than RSI, and other required disclosures. District management should ensure that its reports follow applicable authoritative guidance.

[This font signifies inline placeholder text, instructions, or explanations that should not appear in the final report.]

[County name] County Community College District
(**[College name]** College) **[Use at District's discretion]**

June 30, 2026

Table of contents

Page

Independent auditors' report ..... **[X]**

Financial statements ..... **[X]**

Required supplementary information—management's discussion and analysis ..... **[X]**

Statement of net position—primary government ..... **[X]**

Statement of financial position—component unit1[1] ..... **[X]**

Statement of revenues, expenses, and changes in net position—primary government[1] ..... **[X]**

Statement of activities—component unit[1] ..... **[X]**

Statement of cash flows—primary government[2] ..... **[X]**

Notes to financial statements ..... **[X]**

Other required supplementary information ..... **[X]**

Schedule of District's proportionate share of the net pension/OPEB liability ..... **[X]**

Schedule of District pension/OPEB contributions ..... **[X]**

[1] **[When the discretely presented component unit's financial statements are presented on a separate page, appropriately label each financial statement to distinguish between the District's and the component unit's financial statements.]**

[2] **[*GASB Statement No. 34*, paragraph 125, requires that the District present only the statements of financial position and activities for a discretely presented component unit. The District should not include the statement of cash flows for the discretely presented component unit in the District's basic financial statements.]**

[Letterhead]

Independent auditors' report

Members of the Arizona State Legislature[1]

The Governing Board of
[County name] County Community College District

Report on the audit of the financial statements[2]

Opinions[3]

We have audited the accompanying financial statements of the business-type activities and discretely presented component unit of the **[County name]** County Community College District as of and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and discretely presented component unit of the District as of June 30, 2026, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with U.S. generally accepted accounting principles.

[Use this paragraph when making reference to other auditors[4]] We did not audit the financial statements of the discretely presented component unit. Those statements were audited by other auditors, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the discretely presented component unit, is based solely on the other auditors' report.

---

[1] **[Auditors contracted with the Arizona Auditor General should address the report to "The Arizona Auditor General."]**

[2] **[This example assumes that the auditors have not been engaged to report on key audit matters (KAMs). If the auditors have been engaged to report on KAMs, refer to AU-C section 701, *Communicating Key Audit Matters in the Independent Auditor's Report*, for guidance regarding the auditors' responsibilities for reporting KAMs in the auditors' report, including the report's form and content and the auditors' judgment about what to communicate.]**

[3] **[This example assumes that there are no opinion modifications to the auditors' report. If the auditors conclude that a qualified opinion, adverse opinion, or disclaimer of opinion should be issued, refer to AU-C section 705, *Modifications to the Opinion in the Independent Auditor's Report*, for guidance on the auditors' report.]**

[4] **[Refer to as aggregate discretely presented component units when multiple discretely presented component units are included in the opinion unit and modify the remainder of this paragraph, as appropriate, to refer to multiple other auditors' reports. This example assumes that there are no opinion modifications related to the discretely presented component unit. When a discretely presented component unit's financial statements have not been audited, auditors may need to issue a qualified opinion or disclaimer of opinion on those statements for a lack of sufficient appropriate audit evidence if unable to assume responsibility. When a discretely presented component unit's financial statements are omitted (not presented), auditors may need to consider issuing an adverse opinion on the reporting entity's financial statements (or a qualified opinion on the aggregate discretely presented component unit's financial statements, depending on materiality and significance of the omitted discretely presented component unit). Refer to AU-C section 600A, *Special Considerations—Audits of Group Financial Statements (Including the Work of Component Auditors)* for guidance.]**

Basis for opinions

We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the U.S. Comptroller General. Our responsibilities under those standards are further described in the auditors' responsibilities for the audit of the financial statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions. **[Add the following when the discretely presented component unit's financial statements were not audited in accordance with *Government Auditing Standards*]** The other auditors did not audit the discretely presented component unit's financial statements in accordance with *Government Auditing Standards*.

Emphasis of matter[5]

[Adoption of new accounting standard—Add an emphasis-of-matter paragraph if the District adopted a new GASB accounting standard during fiscal year 2026 and the implementation of the new standard had a material effect on the financial statements/disclosures. See AU-C 708.07–.12 and 708.A7–.A11 for additional guidance.]

As discussed in Note **[XX]** to the financial statements, for the year ended June 30, 2026, the District adopted new accounting guidance, Governmental Accounting Standards Board Statement No. **[Insert new accounting standards adopted]**. Our opinion is not modified with respect to this matter.

[Correction of a material misstatement (error) in previously issued financial statements—Add an emphasis-of-matter paragraph when the financial statements' beginning balances/net position are restated to correct a material misstatement in the previously issued financial statements. See AU-C 708.13–.16 and 708.A12–.A16 for additional guidance.]

As discussed in Note **[XX]** to the financial statements, the District restated beginning net position of its financial statements for the year ended June 30, 2026, to correct a misstatement(s) in its previously issued financial statements. Our opinion is not modified with respect to this matter.

Management's responsibilities for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. generally accepted accounting principles, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair

---

[5] **[Modify or remove commonly used example paragraphs provided, as appropriate. An emphasis-of-matter paragraph is used to draw users' attention to a matter appropriately presented or disclosed in the financial statements that is of such importance that it is fundamental to users' understanding of the financial statements in the auditors' judgment. An other-matter paragraph is used to draw users' attention to any other matter that is relevant to users' understanding of the audit, the auditors' responsibilities, or the auditors' report. Refer to AU-C section 706, *Emphasis-of-Matter Paragraphs and Other-Matter Paragraphs in the Independent Auditor's Report,* for guidance, including 706.A18–Exhibit B and 706.A19–Exhibit C, respectively, that outline other AU-C sections that require auditors to include an emphasis-of-matter paragraph or other-matter paragraph.]**

presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we express no such opinion.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.[6]

We are required to communicate with those charged with governance regarding, among other matters, the audit's planned scope and timing, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required supplementary information[7]

U.S. generally accepted accounting principles require that the management's discussion and analysis on pages **[XX]** through **[XX]**, schedule of the District's proportionate share of the net pension/OPEB liability on page **[XX]**, and schedule of District pension/OPEB contributions on page **[XX]** be presented to supplement the basic financial statements. Such information is management's responsibility and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with U.S. generally accepted auditing standards, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

---

[6] **[This example assumes that the entity is a going concern and will continue its operations for a reasonable period of time, and this paragraph should remain in the report regardless to explain the auditors' responsibilities. If the auditors conclude that there are conditions or events, considered in the aggregate, that raise substantial doubt about the entity's ability to continue as a going concern for a reasonable period of time, refer to AU-C section 570, *The Auditor's Consideration of an Entity's Ability to Continue as a Going Concern* for guidance on the appropriate modifications to the auditors' report.]**

[7] **[This example assumes that all required supplementary information (RSI) is included, auditors have applied the specified procedures, and no material departures from the financial reporting framework have been identified. However, if some or all the RSI has been omitted, specified procedures were not performed, or there are other material departures the auditors identified, refer to AU-C section 730, *Required Supplementary Information*, for guidance on reporting on RSI.]**

Supplementary information[8]

[Add the following paragraph pertaining to supplementary information if the District includes a schedule of expenditures of federal awards with its financial statements.]

Schedule of expenditures of federal awards[9]

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is not a required part of the basic financial statements. Such information is management's responsibility and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with U.S. generally accepted auditing standards. In our opinion, the accompanying schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

[Add the following 2 paragraphs pertaining to other information if the District issues an ACFR.]

Other information[10]

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance on the other information.

---

[8] **[This example assumes that the auditors have been engaged to provide an "in-relation-to" opinion on supplementary information (SI), are issuing an unmodified opinion on the financial statements, and have concluded that the SI is fairly stated, in all material respects, in relation to the financial statements as a whole. If the auditors have issued an opinion other than unmodified on the financial statements or if the auditors conclude that the SI is not fairly stated, in all material respects, in relation to the financial statements as a whole, refer to AU-C section 725, *Supplementary Information in Relation to the Financial Statements as a Whole*, for guidance. This section should be deleted if there is no SI on which the auditors are engaged to report.]**

[9] **[This example assumes that, if the schedule of expenditures of federal awards (SEFA) is included with the financial statements, all audit procedures to issue the in-relation-to opinion and to test the SEFA for compliance with Uniform Guidance were completed on or before the auditors' report date on the financial statements. If both example SI paragraphs apply for reporting on SI, the wording for both paragraphs may be combined into a single paragraph (see AAG-GAS 4.92–Example 4-1 illustrative report for guidance). Alternatively, the auditors may include the SEFA and in-relation-to opinion in the auditors' report issued to meet the requirements of the Uniform Guidance; therefore, refer to AAG-GAS Appendix B, 16.13–16.19 and Chapter 13, 13.68 Appendix-Illustrative Auditor's Reports Under the Uniform Guidance, as well as the single audit reporting guidelines for guidance.]**

[10] **[This example assumes that the other information (OI) is included in the annual report and all information was obtained prior to the date of the auditors' report. It also assumes that the auditors have applied the specific procedures on the OI, have detected no uncorrected material misstatements of the OI, and are issuing an unmodified opinion on the financial statements. If this is not the situation, refer to AU-C section 720, *The Auditor's Responsibilities Relating to Other Information Included in Annual Reports*, for guidance.]**

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other reporting required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated **[Insert report date]**, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

[OR]

In accordance with *Government Auditing Standards*, we will issue our report on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters at a future date. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Lindsey A. Perry, CPA, CFE
Auditor General

[Auditors' report date]

[OR]

[Auditors' report date], except for our report on the supplementary information—schedule of expenditures of federal awards for which the date is **[Insert auditors' report date].**[11]

[Illustrative auditors' reports, other than the preceding unmodified opinions on basic financial statements, are included in the AICPA Audit Guide, *Government Auditing*

[11] **[Refer to AAG-GAS Appendix B, 16.20-22 for guidance on dating the auditors' report on supplementary information consisting of the SEFA in relation to the financial statements as a whole.]**

***Standards and Single Audits*, Chapter 4, Appendix, and the AICPA Audit and Accounting Guide, *State and Local Governments*, Chapter 17, Appendix A.]**

[References]

[American Institute of Certified Public Accountants (AICPA) (April 2026). AICPA Codification of Statements on Auditing Standards (SAS) (SAS Numbers 122 to 149*, cited as AU-C). https://www.aicpa-cima.com/resources/download/aicpa-statements-on-auditing-standards-currently-effective

> *** Section 600A has been added to retain currently effective content until SAS No. 149 becomes effective.**

AICPA (April 1, 2025). AICPA Audit Guide: *Government Auditing Standards and Single Audits* (cited as AAG-GAS).

AICPA (March 1, 2025). AICPA Audit and Accounting Guide: *State and Local Governments* (cited as AAG-SLG).]

[County name] County Community College District
(**[College name]** College) **[Use at District's discretion]**
Management's discussion and analysis
June 30, 2026

[Management's discussion and analysis (MD&A)]

Highlighted content within this section was updated or added this year.

User instructions:

This should be printed on the District's letterhead or otherwise clearly noted that it is the District's document. The District's management's discussion and analysis (MD&A) must comply with the provisions of *GASB Statement No. 34*, as amended by *GASB Statement No. 103*, but cannot go beyond those provisions. Refer to *GASB Statement No. 37, paragraph 4*, and *GASB Statement No. 103, paragraph 8*.

GASB Statement Nos. 34 and 103 require that the basic financial statements be preceded by MD&A, which is presented as required supplementary information (RSI). MD&A should provide an objective and easily readable analysis of the District's financial activities based on currently known facts, decisions, or conditions and present comparisons between the current year and the prior year, with emphasis on the current year. The information presented in MD&A must be limited to the related topics discussed in five sections: (1) Overview of the Financial Statements, (2) Financial Summary, (3) Detailed Analyses, (4) Significant Capital Asset and Long-Term Financing Activity, and (5) Currently Known Facts, Decisions, or Conditions. Furthermore, *GASB Statement Nos. 34 and 103* stress that the detailed analyses should explain why balances and results of operations changed rather than simply presenting the amounts or percentages by which they changed. The analysis provided in MD&A should avoid unnecessary duplication by not repeating explanations that may be relevant to multiple sections and "boilerplate" discussions should be avoided by presenting only the most relevant information, focused on the primary government. In addition, information included in the MD&A must distinguish between that of the primary government and its discretely presented component units. See *GASB Statement No. 103, Appendix C, Exhibit 1*, for an illustrative MD&A example.

Our discussion and analysis of the District's financial performance provides an overview of the District's financial activities for the year ended June 30, 2026. Please read it in conjunction with the transmittal letter on page **[X]** and the District's basic financial statements, which begin on page **[X]**. **[Modify paragraph as needed.]**

Overview of the Financial Statements

This entire section was updated or added this year.

User instructions:

The District should provide an overview of the basic financial statements, including the relationships of the statements to each other. The overview should focus on the significant differences in the types of information the financial statements provide.

Financial Summary

This entire section was updated or added this year.

User instructions:

The District should provide condensed financial information derived from the financial statements comparing the current year to the prior year. The District should present the information needed to support their analysis of financial position and results of operations required in the Detailed Analyses section below, including the following elements, if applicable:

- Total assets, distinguishing between capital assets and other assets
- Total deferred outflows of resources
- Total liabilities, distinguishing between long-term liabilities and other liabilities
- Total deferred inflows of resources
- Total net position, distinguishing between the net investment in capital assets, restricted net position, and unrestricted net position
- Operating revenues, by major source
- Total revenues
- Operating expenses, by function
- Total expenses
- Excess (deficiency) before contributions to term and permanent endowments or permanent fund principal, transfers, and unusual or infrequent items

- Contributions to term and permanent endowments or permanent fund principal
- Unusual or infrequent items
- Beginning net position
- Change in net position
- Ending net position.

Detailed Analyses

This entire section was updated or added this year.

User instructions:

The District should provide an analysis of the primary government's financial position and results of operations. The analysis should summarize significant changes as reported in the financial statements. In addition to reporting the amounts or percentages of significant changes, the analysis should explain why those changes from the prior year occurred and indicate the magnitude of those changes. The analysis should also include facts, decisions, or conditions about which the user may not be aware, with the understanding that not all users may be from the District's geographical area. Additionally, the analysis should include a discussion of significant policy changes (such as changes in tax rates or fees, or the imposition of a hiring freeze) and important economic factors (such as changes in the tax or employment bases) that significantly affected operating results for the year, as applicable.

Significant Capital Asset and Long-Term Financing Activity

This entire section was updated or added this year.

User instructions:

The District should provide a description of significant capital asset activity during the year, including intangible assets as defined in *GASB Statement Nos. 51, 87, 94 and 96*. The description should include a discussion of significant additions and disposals of capital assets and changes to commitments made for the acquisition of capital assets.

The description should address any significant policy changes and economic factors relevant to the capital asset activity that occurred during the year.

The District should provide a description of significant long-term financing activity during the year, including debt, leases, public-private and public-public partnerships (PPPs), and subscription-based information technology arrangements (SBITAs). The description should include a discussion of such agreements entered into, changes in credit ratings, and changes to debt limitations that may affect the financing of planned facilities or services, if any. The description should address any significant policy changes and economic factors relevant to the long-term financing activity that occurred during the year.

Currently Known Facts, Decisions, or Conditions

This entire section was updated or added this year.

User instructions:

The District should provide a description of currently known facts, decisions, or conditions that are expected to have a significant effect on financial position (net position) or that are expected to produce significant differences from current-period results of operations (revenues, expenses, and other changes in net position). Examples of the types of information that should be included in that description, if applicable, include the following:

- Trends in relevant economic and demographic data, such as changes in population (total or specific age groups), customer base, income levels, building permits, enrollment, and unemployment rates.
- Relevant factors used to develop the subsequent year's budget that will provide an indication of how results of operations are expected to change in the subsequent year, such as:
    - Those that are expected to result in changes in the total amount available for appropriation, referring as needed to relevant information about specific revenue sources, for example, changes in tax rates or fee amounts and changes in the economic bases or range of activities, respectively, to which they are applied.
    - Those that are expected to result in changes in planned spending, referring as needed to relevant explanatory factors such as inflation; labor contracts; new laws or regulations; and the addition, expansion, elimination, or reduction of programs.

- Actions the District has taken related to postemployment benefit liabilities, capital asset improvement plans, lessee liabilities, operator liabilities in PPP arrangements, SBITA liabilities, and other long-term financings that will affect the District in a subsequent period.
- Actions other parties have taken that will affect the District in a subsequent period, such as new legislation or regulations imposed on the District.

The above examples are not all-inclusive; information about any additional types of currently known facts, decisions, or conditions that are expected to have a significant effect on financial position or to produce significant differences from current-period results of operations should be provided.

General guidance pertaining to the impact of *GASB Statement No. 100* on RSI (MD&A) and SI (*GASB No. 100, paragraphs 35 through 39*)

Change in accounting principle and change to or within the financial reporting entity

User instructions:

For reporting periods that are presented in the basic financial statements, information for those periods that is presented in required supplementary information (RSI) (including management's discussion and analysis [MD&A]) or supplementary information (SI) should be consistent with the manner in which the information for those periods is presented in the basic financial statements. (That is, the reporting periods should be adjusted or restated in the same manner as the basic financial statements.

For prior reporting periods that are **earlier** than those presented in the basic financial statements, information for those prior periods that is presented in RSI (including MD&A) or SI should **not** be restated for a change in accounting principles or a change to or within the financial reporting entity.

If prior-period information presented in RSI (including MD&A) or SI is not consistent with current-period information as a result of a change in accounting principle or a change to or within the financial reporting entity, an explanation of why the information is not consistent should be provided in RSI (including MD&A) or SI, as applicable. In MD&A, that explanation should include a reference to the related note disclosure in the basic financial statements.

Error correction

User instructions:

For reporting periods that are presented in the basic financial statements, information for those periods that is presented in RSI (including MD&A) or SI should be restated. If the error affects periods **earlier** than those presented in the basic financial statements, **all affected information should be corrected** by restating the information for those prior periods in RSI (including MD&A) or SI, if practicable.

Information presented in RSI (including MD&A) or SI that is affected by an error should be identified as restated or not restated, as appropriate, and an explanation about the nature of the error should be provided in RSI (including MD&A) or SI, as applicable. In addition, if it is not practicable to restate information in RSI or SI, an explanation of why it is not practicable to restate should be provided in RSI (including MD&A) or SI, as applicable.

_____ County Community College District
(_____ College) Use at District's discretion
Statement of net position—primary government[1]
June 30, 2026

Financial statement line item	Business-type activities
Assets	
Current assets:	
Cash and cash equivalents	
Investments	
Receivables (net of allowances for uncollectibles):	
Accounts	
Property taxes	
Government grants and contracts	
Student loans, current portion	
Interest	
Leases	
Other	
Inventories	
Prepaid items	
Total current assets	
Noncurrent assets:	
Restricted assets:	
Cash and cash equivalents	
Cash and investments held by trustee(s)[2]	
Cash and investments held by pension plan—ASRS Contribution Prepayment Program	
Endowment investments	
Property taxes receivable (net of allowances of $_____)	
Interest receivable	
Student loans receivable (net of allowances of $_____)	
Leases receivable	
Investments	
Net other postemployment benefits asset	
Capital assets, not being depreciated/amortized	
Capital assets, being depreciated/amortized, net	
Total noncurrent assets	
Total assets	
Deferred outflows of resources	
Deferred outflows related to pensions and other postemployment benefits	
Deferred charge on debt refunding	
List other deferred outflows	
Total deferred outflows of resources	
Liabilities	
Current liabilities:	
Accounts payable	
Accrued payroll and employee benefits	
Interest payable	
Deposits held in custody for others[3]	
Unearned revenues	
Current portion of compensated absences payable	
Current portion of insurance claims payable	
Current portion of long-term debt	
Current portion of other long-term obligations ***(modify accordingly)***	
Total current liabilities	

_____ County Community College District
(_____ College) Use at District's discretion
Statement of net position—primary government[1]
June 30, 2026

Noncurrent liabilities:	
Deposits held in custody for others	
Compensated absences payable	
Insurance claims payable	
Long-term debt	
Other long-term obligations ***(modify accordingly)***	
Net pension and other postemployment benefits liability	
Total noncurrent liabilities	
Total liabilities	
Deferred inflows of resources	
Deferred inflows related to pensions	
Deferred inflows related to leases	
Deferred credit on debt refunding	
List other deferred inflows	
Total deferred inflows of resources	
Net position	
Net investment in capital assets	
Restricted:	
Nonexpendable:	
Student loans	
Endowments	
Expendable:	
Scholarships	
Grants and contracts	
Debt service	
Capital projects	
Future pension contributions	
Other ***Use this line item for the accumulation of immaterial restricted amounts.***	
Unrestricted (deficit)	
Total net position	

[1] *Label as "primary government" when the discretely presented component unit's counterpart financial statement is presented on a separate page.*

[2] *If the District has established a 115 trust to accumulate resources for future pension contributions, this line item can be used to report those amounts as restricted and held by trustee, and can be modified to be more descriptive as deemed appropriate.*

[3] *The District may report assets with a corresponding liability that otherwise should be reported in a custodial fund in the business-type activity statement of net position if those assets, upon receipt, are normally expected to be held for 3 months or less. Custodial activities that do not meet this 3-month exception and assets that should be reported in pension and other employee benefit trust funds, investment trust funds, and private-purpose trust funds should be reported in separate fiduciary fund financial statements, if material. (GASB Statement No. 84) For additional guidance on fiduciary fund financial statements, see the County Reporting Guidelines.*

_____ County Community College District
(_____ College) Use at District's discretion
Statement of financial position—component units[1,2]
June 30, 2026

Financial statement line item	(Name) Foundation	(1st Major component unit)	(2nd Major component unit)	Other (total nonmajor CUs)	Total

[1] When it is impractical to reformat the nongovernmental discretely presented component units' financial statements into a display that is comparable with the District's financial statements, the component units' individual fincancial statements should be presented on the page directly following the District's counterpart financial statement (GASB Comprehensive Implementation Guide, question 4.33.1).

[2] GASB Statement No. 103 requires the District to present each major component unit separately in the District's statement of net position and statement of activities if it does not reduce the readability of the statements. If the readability of those statements would be reduced, combining statements of major component units should be presented after the basic financial statements. Further, GASB Statement No. 103 eliminates the option to report information about major component units in the District's notes to financial statements.

_____ County Community College District
(_____ College) Use at District's discretion

Statement of revenues, expenses, and changes in net position—primary government[1]
Year ended June 30, 2026

With the implementation of GASB Statement No. 103, GASB re-defined operating and nonoperating revenues and expenses for proprietary funds, and thus entities will need to use professional judgement to determine the proper classification of their activities for financial reporting purposes. This template provides a basic framework, but entities should apply the guidance provided in the footnotes below, in combination with the detailed guidance provided within GASB Statement No. 103, to their specific operations to determine proper financial statement presentation of operating and nonoperating revenues and expenses.

Financial statement line item	Business-type activities
Operating revenues:[2]	
Tuition and fees (net of scholarship allowances of $_____)	
Government grants[3]	
Government contracts	
Private contracts	
Bookstore income	
Food service income	
Dormitory rentals and fees (net of scholarship allowances of $_____)	
Other	
Total operating revenues	
Operating expenses:[2]	
Educational and general:	
Instruction	
Public service	
Academic support	
Student services	
Institutional support	
Operation and maintenance of plant	
Scholarships	
Auxiliary enterprises	
Depreciation and amortization	
Total operating expenses	
Operating income (loss)	
Noncapital subsidies:[4]	
Property taxes	
State appropriations	
Share of State sales taxes	
Government grants[3]	
Private grants	
Donations and gifts	
Other ***(modify accordingly)***	
Total noncapital subsidies	
Operating income (loss) and noncapital subsidies	
Other nonoperating revenues (expenses):[2,4]	
Investment earnings	
Interest expense on debt	
Gain (Loss) on disposal of capital assets	
Capital appropriations	
Capital grants and gifts	
Additions to permanent endowments	
Other ***(modify accordingly)***	
Total other nonoperating revenues (expenses)	

See accompanying notes to financial statements.

_____ County Community College District
(_____ College) Use at District's discretion

Statement of revenues, expenses, and changes in net position—primary government[1]
Year ended June 30, 2026

Income (Loss) before unusual or infrequent items	
Unusual or infrequent items:	
(for each unusual or infrequent item, display the inflows and outflows separately)	
Increase (Decrease) in net position	
Net position, July 1, 2025	
Aggregate amount of adjustments to and restatements of beginning net position[5]	
Net position, July 1, 2025, as restated	
Net position, June 30, 2026	

[1] *Label as "primary government" when the discretely presented component unit's counterpart financial statement is presented on a separate page.*

[2] *Operating revenues and expenses are defined by GASB Statement No. 103 as revenues and expenses other than nonoperating revenues and expenses. Nonoperating revenues and expenses are (a) subsidies received and provided, (b) contributions to permanent and term endowments, (c) revenues and expenses related to financing, (d) resources from the disposal of capital assets and inventory, and (e) investment income and expenses. Revenues or expenses that otherwise would be classified as nonoperating in most business-type activities' (BTA) financial statements should be classified as operating revenues or operating expenses if those transactions constitute the BTA's principal ongoing operations.*

[3] *By nature, most government grants will likely be subsidies (nonoperating revenues) because the District is not providing anything in return to the grantor (nonexchange transaction), and would likely need to raise tuition if not receiving the grant funding. However, this is general guidance, and the District should analyze its government grant funding to determine where agreements should be classified in the financial statements. The following exceptions should be noted:*

Pell grants/student financial assistance. *The GASB Comprehensive Implementation Guide, 7.72.10, states that Pell grants should be reported as operating revenues in proprietary funds, and the reasoning is that Pell grants are "portable" and follow a specific student, regardless of the institution, and thus Pell grants are not subsidies to the District. The same concept can be applied to other forms of student financial assistance, e.g., if the aid is "portable" and follows the student, regardless of the institution, it should be classified as operating revenue.*

Research & development. *In general, most research and development grants will likely be operating revenues because the grantor is receiving something in return (exchange-like transaction), such as the results of the research, even if it is not an equal exchange.*

[4] *Subsidies are defined by GASB Statement No. 103 as follows: a. Resources received from another party (1) for which the District does not provide goods and services to the other party and (2) that directly or indirectly keep the District's current or future fees and charges lower than they would be otherwise; and b. Resources provided to another party (1) for which the other party does not provide goods and services to the District and (2) that are recoverable through the District's current or future pricing policies. If the subsidy is restricted solely for capital purposes (e.g., to build or purchase capital assets), it is a capital subsidy reported in the "other nonoperating revenues and expenses" section of this statement.*

[5] *The aggregate amount of adjustments to and restatements of beginning net position, fund balance, or fund net position, as applicable, should be displayed for each reporting unit. For purposes of this requirement, each separate column in the basic financial statements, except for total columns, is a reporting unit (GASB Statement No. 100, paragraph 31 and footnote 2). Nothing precludes an entity from separately displaying here on the face of the financial statements the affects of each accounting change or error correction by reporting unit, versus aggregation. If no accounting changes or error corrections (as defined by GASB Statement No.100) occurred during the current reporting period, this additional presentation is not necessary and should be omitted.*

_____ County Community College District
(_____ College) Use at District's discretion
Statement of activities—component units[1,2]
Year ended June 30, 2026

Financial statement line item	(Name) Foundation	(1st Major component unit)	(2nd Major component unit)	Other (total nonmajor CUs)	Total

[1] When it is impractical to reformat the nongovernmental discretely presented component units' financial statements into a display that is comparable with the District's financial statements, the component units' individual fincancial statements should be presented on the page directly following the District's counterpart financial statement (GASB Comprehensive Implementation Guide, question 4.33.1).

[2] GASB Statement No. 103 requires the District to present each major component unit separately in the District's statement of net position and statement of activities if it does not reduce the readability of the statements. If the readability of those statements would be reduced, combining statements of major component units should be presented after the basic financial statements. Further, GASB Statement No. 103 eliminated the option of presenting condensed financial statements of major component units in the notes to the District's financial statements.

_____ County Community College District
(_____ College) Use at District's discretion
Statement of cash flows—primary government
Year ended June 30, 2026

With the implementation of GASB Statement No. 103, GASB re-defined operating and nonoperating revenues and expenses for proprietary funds as presented on the Statement of Revenues, Expenses, and Changes in Net Position (SRECNP). However, GASB did not revise the guidance for cash flow statements as presented in GASB Statement No. 9, which defines the various sections of the cash flow statement and what activities each section contains. Therefore, entities may have differing reconciling items in order to reconcile the revised format of the SRECNP to the operating activities section of the Statement of Cash Flows.

Financial statement line item	Business-type activities
Cash flows from operating activities:[1]	
Tuition and fees	
Contracts	
Bookstore receipts	
Food services receipts	
Dormitory rentals and fees	
Collection of loans to students	
Other receipts ***Describe if necessary.***[1]	
Payments to suppliers and providers of goods and services	
Payments for employee wages and benefits	
Payments to students for scholarships and (or) loans	
Other payments ***Describe if necessary.***[1]	
Net cash provided by (used for) operating activities	
Cash flows from noncapital financing activities:	
Property taxes	
State appropriations	
Grants	
Share of State sales taxes	
Noncapital endowments and gifts	
Federal direct lending receipts	
Federal direct lending disbursements	
Net cash provided by (used for) noncapital financing activities	
Cash flows from capital and related financing activities:	
Capital appropriations	
Proceeds from issuance of capital debt	
Capital endowments and gifts	
Proceeds from sale of capital assets	
Principal paid on capital debt/obligations	
Interest paid on capital debt/obligations	
Payments made to contractors	
Purchases of capital assets	
Net cash provided by (used for) capital and related financing activities	
Cash flows from investing activities:	
Proceeds from sales and maturities of investments	
Interest received on investments	
Purchases of investments	
Net cash provided by (used for) investing activities	
Net increase (decrease) in cash and cash equivalents	
Cash and cash equivalents, July 1, 2025	
Cash and cash equivalents, June 30, 2026	

See accompanying notes to financial statements.

_____ County Community College District
(_____ College) Use at District's discretion
Statement of cash flows—primary government
Year ended June 30, 2026

Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:	
Operating income (loss)	
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:	
Depreciation and amortization	
Provision for uncollectible accounts	
Changes in assets, deferred outflows of resources, liabilities, and deferred inflows of resources:	
Net other postemployment benefits asset	
Net pension and other postemployment benefits liability	
Deferred outflows of resources related to pensions and other postemployment benefits	
Deferred inflows of resources related to pensions and other postemployment benefits	
List other appropriate assets, deferred outflows of resources, liabilities, and deferred inflows of resources	
Net cash provided by (used for) operating activities	

If statement of net position line items are other than cash and cash equivalents, provide a reconciliation.

Noncash investing, capital, and noncapital financing activities:
Report information about all investing, capital, and noncapital financing activities during the year that affected recognized assets, deferred outflows of resources, liabilities, or deferred inflows of resources but did not result in cash receipts or cash payments during the year. Present this information in a separate schedule, which may be in either a narrative or a tabular format, and clearly describe the cash and noncash aspects of transactions involving similar items. The schedule may be presented, if space permits, on the same page as the statement of cash flows.

[1] *If the District chooses to report assets and liabilities of fiduciary activities in its statement of net position (see footnote 3 on that statement), it should separately report additions and deductions, if significant, as cash inflows and cash outflows, respectively, in the operating activities category.*

[Notes to financial statements]

User instructions:

In *GASB Statement No. 38*, the GASB emphasized that disclosure of immaterial information can be misleading and cited the following guidance in NCGA Interpretation 6, paragraph 6:

The notes to financial statements should not be cluttered with unnecessary and immaterial disclosures. Attendant circumstances and materiality must be considered in assessing the propriety of the notes to the financial statements disclosures.

Note 1 – Summary of significant accounting policies

[County name] County Community College District's accounting policies conform to U.S. generally accepted accounting principles applicable to public institutions engaged only in business-type activities adopted by the Governmental Accounting Standards Board (GASB).

For the year ended June 30, 2026, the District implemented the provisions of *GASB Statement No. 103—Financial Reporting Model Improvements*. This statement establishes new accounting and financial reporting requirements—or modifies existing requirements—related to (1) management's discussion and analysis; (2) unusual or infrequent items; (3) presentation of the statement of revenues, expenses, and changes in net position; (4) information about major component units in the basic financial statements; and (5) financial trends information in the statistical section.

For the year ended June 30, 2026, the District also implemented the provisions of *GASB Statement No. 104—Disclosure of Certain Capital Assets*. This statement requires information about the following capital assets and related amortization to be disclosed separately: (1) lease assets, by major class of underlying asset; (2) intangible right-to-use assets recognized by an operator, by major class of underlying partnership asset; (3) subscription assets; and (4) other intangible assets, by major class of asset. This statement also requires additional disclosures for capital assets held for sale.

The District's basic financial statements, disclosures, required supplementary information, and supplementary information, as applicable, have been modified to reflect the requirements of these new standards.

User instructions:

Modify accordingly— include any new accounting standards adopted that had a material effect on the District's financial statements and a brief description of their impact on the District's financial statements.

A. Reporting entity

The District is a special-purpose government that a separately elected governing body governs. It is legally separate and fiscally independent of other state and local governments. The accompanying financial statements present the activities of the District (the primary government) and its discretely presented component unit, the **[Foundation name]** Foundation.

The **[Foundation name]** Foundation is a legally separate, tax-exempt organization. It acts primarily as a fund-raising organization that receives gifts and bequests, administers those resources, and disburses payments to or on behalf of the District for scholarships, **[modify as appropriate]**. Although the District does not control the timing or amount of receipts from the Foundation, the Foundation's restricted resources can be used only by or for the benefit of the District or its constituents. Consequently, the Foundation is considered a component unit of the District and is discretely presented in the District's financial statements.

For financial reporting purposes, the Foundation follows the Financial Accounting Standards Board statements for not-for-profit organizations. As such, certain revenue recognition criteria and presentation features are different from GASB revenue recognition criteria and presentation features. No modifications have been made to the Foundation's financial information included in the District's financial report. Accordingly, those financial statements have been reported on separate pages following the District's respective counterpart financial statements. For financial reporting purposes, only the Foundation's statements of financial position and activities are included in the District's financial statements as required by generally accepted accounting principles for public colleges and universities. The Foundation has a June 30 year-end.

During the year ended June 30, 2026, the Foundation distributed $**[XX]** to the District for both restricted and unrestricted purposes. Complete financial statements for the Foundation are not available **[OR]** can be obtained from **[add address or website]**.

User instructions:

If the District holds a majority equity interest in a legally separate organization that does not meet the definition of an investment, the holding of the majority equity interest results in the District being financially accountable for the organization and, therefore, the District should report the legally separate organization as a component unit. (*GASB Statement No. 90*) Also, if the District has a defined contribution pension plan, defined contribution OPEB plan, or an other employee benefit plan (for example, certain Internal Revenue Code Section 457 plans) that has a governing board, the District should evaluate whether the plan is a component unit under *GASB Statement No. 14* and a fiduciary activity under *GASB Statement No. 84*. Such plans that do not have a governing board are not component units. (*GASB Statement No. 97*)

If the District has additional component units, the District should include a brief description of the component units and their relationships to the District. This disclosure should include a discussion of the rationale for including each component unit in the financial reporting entity and whether it is discretely presented, blended, or included in the fiduciary fund financial statements. The notes should also include information about how the separate financial statements for the individual component units may be obtained. *GASB Cod. §2600.122*

B. Basis of presentation and accounting

[If the District reports fiduciary activities in fiduciary fund financial statements, the District should modify this section to also address the fiduciary fund financial statements, see footnote 2 on the statement of net position and footnote 1 on the statement of cash flows.]

The financial statements include a statement of net position; a statement of revenues, expenses, and changes in net position; and a statement of cash flows.

A statement of net position provides information about the District's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position at the end of the year. Assets and liabilities are classified as either current or noncurrent. Net position is classified according to external donor restrictions or availability of assets to satisfy the District's obligations. Net investment in capital assets represents the value of capital assets, net of accumulated depreciation/amortization, less any outstanding liabilities incurred to acquire or construct the assets. Nonexpendable restricted net position includes gifts that have been received for endowment purposes and federal contributions for the Federal Perkins Loan Program, the corpus of which cannot be expended. **[Modify the preceding sentence as**

appropriate.] Expendable restricted net position represents grants, contracts, gifts, and other resources that have been externally restricted for specific purposes. Unrestricted net position consists of all other resources, including those that have been designated by management to be used for other than general operating purposes.

A statement of revenues, expenses, and changes in net position provides information about the District's financial activities during the year. Revenues and expenses are classified as either operating or nonoperating. Operating revenues and expenses are revenues and expenses other than nonoperating revenues and expenses. Nonoperating revenues and expenses are (a) subsidies received and provided, (b) contributions to permanent and term endowments, (c) revenues and expenses related to financing, (d) resources from the disposal of capital assets and inventory, and (e) investment income and expenses. Subsidies are defined as (1) resources received from another party (a) for which the District does not provide goods and services to the other party and (b) that directly or indirectly keep the District's current or future fees and charges lower than they would be otherwise; and (2) resources provided to another party (a) for which the other party does not provide goods and services to the District and (b) that are recoverable through the District's current or future pricing policies. If the subsidy is restricted solely for capital purposes (e.g., to build or purchase capital assets), it is a capital subsidy reported in other nonoperating revenues and expenses. **[Modify as appropriate in accordance with *GASB Statement No. 103, paragraph 13*. Revenues or expenses that otherwise would be classified as nonoperating should be classified as operating revenues or operating expenses if those transactions constitute the District's principal ongoing operations.]**

A statement of cash flows provides information about the District's sources and uses of cash and cash equivalents during the year. Increases and decreases in cash and cash equivalents are classified as either operating, noncapital financing, capital financing, or investing.

The financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned, and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Property taxes are recognized as revenue in the year for which they are levied. State appropriations are recognized as revenue in the year in which the appropriation is first made available for use. Grants and donations are recognized as revenue as soon as all eligibility requirements the provider imposed have been met.

[The District should disclose its policy for eliminating internal activity.]

[If both unrestricted and restricted net position are available prior to expenditure, the District should disclose its policy concerning which resources are used first.]

C. Cash and investments

For the statement of cash flows, the District's cash and cash equivalents are considered to be cash on hand, demand deposits, cash and investments held by the County Treasurer, investments in the State Treasurer's Local Government Investment Pool, and only those highly liquid investments with a maturity of 3 months or less when purchased. **[Modify as appropriate.]**

All investments are stated at fair value. **[Modify if the District has any investments that are not stated at fair value. The District should describe any investments not reported at fair value and its policy for valuing them.]**

User instructions:

Except as provided in *GASB Statement No. 72, paragraph 69, and GASB Statement No. 90, paragraph 5,* the District should report all investments at fair value. Exceptions to reporting investments at fair value include:

- Nonparticipating interest-earning investment contracts should be stated at cost.
- Money market investments and participating interest-earning investment contracts with a remaining maturity of 1 year or less at the time of purchase should be stated at amortized cost.
- Majority equity interest in a legally separate organization.

See *GASB Statement No. 72, paragraph 69,* for additional exceptions.

D. Inventories

Inventories are stated at the lower of cost (first-in, first-out method) or market.

E. Capital assets

Capital assets are reported at actual cost (or estimated historical cost if historical records are not available). Donated assets are reported at acquisition value.

Capitalization thresholds (the dollar values above which asset acquisitions are added to the capital asset accounts), depreciation/amortization methods, and estimated useful lives of capital assets are as follows:

	Capitalization threshold	Depreciation/ Amortization method	Estimated useful life
Land			
Land improvements			
Buildings			
Equipment			
Library books			
Capitalized collections			
Intangibles: **[list by major categories, see *GASB No. 104, paragraph 4]***			
Software **[modify category as appropriate]**			
Right-to-use subscription assets			
Right-to-use lease assets: **[list my major underlying asset category]**			
Land			
Land improvements			
Buildings			
Equipment			

Intangible right-to-use lease assets are amortized over the shorter of the lease term or the useful life of the underlying asset, unless the lease contains a purchase option that the District has determined is reasonably certain of being exercised—then the lease asset is amortized over the useful life of the underlying asset.

Intangible right-to-use subscription assets are amortized over the shorter of the subscription term or the useful life of the underlying IT assets.

F. Postemployment benefits

For purposes of measuring the net pension and other postemployment benefits (OPEB) asset and liabilities, deferred outflows of resources and deferred inflows of resources related to pensions and OPEB, and pension and OPEB expense, information about the plans' fiduciary net position and additions to/deductions from the plans' fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

G. Investment earnings

Investment earnings is composed of interest, dividends, and net changes in the fair value of applicable investments.

H. Scholarship allowances

A scholarship allowance is the difference between the stated charge for goods and services the District provides and the amount that the student or third parties making payments on the student's behalf pays. Accordingly, some types of student financial aid, such as Pell grants and scholarships the District awards, are considered scholarship allowances. These allowances are netted against tuition and fees revenues in the statement of revenues, expenses, and changes in net position.

I. Compensated absences

Compensated absences payable consists of **[District should disclose the types of compensated absences accrued as a liability in the financial statements and any significant policies the District applies concerning their recognition and measurement of the liability, including flow assumptions for leave usage—examples include vacation [or annual] leave, sick leave, paid time off [PTO], holidays, parental leave, bereavement leave, and certain types of sabbatical leave.]**

***[GASB Statement No. 101* requires that liabilities for compensated absences be recognized for [1] leave that has not been used and [2] leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if [a] the leave is attributable to services already rendered, [b] the leave accumulates, and [c] the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means.]**

J. Leases and subscription-based information technology arrangements

Leases

As lessee, the District recognizes lease liabilities with an initial, individual value of $**[XX]** or more. The District uses its estimated incremental borrowing rate to measure lease liabilities unless it can readily determine the interest rate implicit in the lease. The District's estimated

incremental borrowing rate is based on **[describe how the District determined its estimated incremental borrowing rate]**.

As lessor, the District recognizes lease receivables with an initial, individual value of $**[XX]** or more. If there is no stated rate in the lease contract (or if the stated rate is not the rate the District charges the lessee) and the implicit rate cannot be determined, the District uses its own estimated incremental borrowing rate as the discount rate to measure lease receivables. The District's estimated incremental borrowing rate is calculated as described above.

Subscription-based information technology arrangements

The District recognizes subscription liabilities with an initial, individual value of $**[XX]** or more. The District uses its estimated incremental borrowing rate to measure subscription liabilities unless it can readily determine the interest rate implicit in the arrangement. The District's estimated incremental borrowing rate is calculated as described above.

Note [X] – Accounting changes and error corrections

User instructions:

1. Accounting changes are (a) changes in accounting principles, (b) changes in accounting estimates, and (c) changes to or within the financial reporting entity (see *GASB Statement No. 100, paragraphs 4 through 11,* for specific definitions).

(a) Change in accounting principle

Financial reporting (*GASB Statement No. 100, paragraph 15*): A change in accounting principle should be reported retroactively by restating beginning net position, fund balance, or fund net position, as applicable, for the cumulative effect, if any, of the change to the newly adopted accounting principle on prior periods.

Disclosure requirements (*GASB Statement No. 100, paragraphs 17, 29 and 32-34*):

- The note disclosures required by *GASB Statement No. 100* should correspond to the reporting units. Each separate column in the basic financial statements, except for the total columns, is a reporting unit. Further, these disclosures should be made in the reporting period in which the accounting change occurs.
- The nature of the change in accounting principle, including (1) identification of the financial statement line items (excluding totals and subtotals) affected by the

application of the new accounting principle and (2) for the implementation of a new pronouncement, identification of the pronouncement that was implemented.

- Except for the implementation of a new pronouncement, the reason for the change in accounting principle, including an explanation of why the newly adopted accounting principle is preferable.
- The effects on beginning net position, fund balance, or fund net position, as applicable. Those effects should be disclosed in a tabular format that reconciles beginning balances as previously reported to beginning balances as adjusted or restated for each reporting unit. If the government has separately displayed in the financial statements the effects of **each** accounting change or error correction by reporting unit, those effects need not be repeated in notes to financial statements. See the illustrative table at the end of this section for an example.
- For a change in accounting principle that does not have an effect on beginning net position, fund balance, or fund net position but that results in a **reclassification** in the financial statements, the disclosures required by *GASB Statement No. 100, paragraphs 17a and 17b,* should be included in the notes to financial statements.

(b) Change in accounting estimate

Financial reporting (*GASB Statement No. 100, paragraph 20*): A change in accounting estimate should be reported prospectively by recognizing the change in accounting estimate in the reporting period in which the change occurs.

Disclosure requirements (*GASB Statement No. 100, paragraphs 21 and 33-34*):

- The note disclosures required by *GASB Statement No. 100* should correspond to the reporting units. Each separate column in the basic financial statements, except for the total columns, is a reporting unit. Further, these disclosures should be made in the reporting period in which the accounting change occurs.
- A government should disclose the following in notes to financial statements in each circumstance in which a change **to** an input (that is, a change **to** the data, assumptions, or measurement methodologies) has a significant effect on the accounting estimate:
  - The nature of the change in accounting estimate, including identification of the financial statement line items (excluding totals and subtotals) affected.
  - If the change in accounting estimate results from a change in measurement methodology, (1) the reason for the change in measurement methodology and (2) except in circumstances in which the change in measurement methodology is

required by a GASB pronouncement, an explanation of why the new measurement methodology is preferable.

(c) Change to or within the financial reporting entity

Financial reporting (*GASB Statement No. 100, paragraph 22*): Report a change to or within the financial reporting entity by adjusting the current reporting period's beginning net position, fund balance, or fund net position, as applicable, for the effect of the change as if the change occurred as of the beginning of the reporting period.

Disclosure requirements (*GASB Statement No. 100, paragraphs 23 and 32-34*):

- The note disclosures required by *GASB Statement No. 100* should correspond to the reporting units. Each separate column in the basic financial statements, except for the total columns, is a reporting unit. Further, these disclosures should be made in the reporting period in which the accounting change occurs.
- The nature of the change to or within the financial reporting entity.
- The reason for the change to or within the financial reporting entity, except in circumstances in which a change in a fund's presentation results only from meeting or not meeting the quantitative threshold for major funds in paragraph 76 of Statement 34, as amended.
- The effects on beginning net position, fund balance, or fund net position, as applicable. Those effects should be disclosed in a tabular format that reconciles beginning balances as previously reported to beginning balances as adjusted or restated for each reporting unit. If the government has separately displayed in the financial statements the effects of **each** accounting change or error correction by reporting unit, those effects need not be repeated in notes to financial statements. See the illustrative table at the end of this section for an example.

2. **Error correction—**An error results from mathematical mistakes, mistakes in the application of accounting principles, or oversight or misuse of facts that existed at the time the financial statements were issued about conditions that existed as of the financial statement date. Facts that existed at the time the financial statements were issued are those facts that could reasonably be expected to have been obtained and taken into account at that time about conditions that existed as of the financial statement date. A change from (a) applying an accounting principle that is not generally accepted to transactions or other events that previously were significant to (b) applying a generally accepted accounting principle to those transactions or other events is an error correction. (*GASB Statement No. 100, paragraphs 12 and 13*)

Financial reporting (*GASB Statement No. 100, paragraph 25*): An error correction should be reported retroactively by restating beginning net position, fund balance, and fund net position, as applicable, for the cumulative effect of the error correction on prior periods.

Disclosure requirements (*GASB Statement No. 100, paragraphs 27, 30, and 32-34*):

- The note disclosures required by *GASB Statement No. 100* should correspond to the reporting units. Each separate column in the basic financial statements, except for the total columns, is a reporting unit. Further, these disclosures should be made in the reporting period in which the error is discovered and corrected.
- The nature of the error and its correction, including the periods affected by the error and identification of the financial statement line items (excluding totals and subtotals) affected by the error in prior periods.
- For financial statements that present a single period, the effect on the prior period's change in net position, fund balance, or fund net position, as applicable, had the error not occurred.
- The effects on beginning net position, fund balance, or fund net position, as applicable. Those effects should be disclosed in a tabular format that reconciles beginning balances as previously reported to beginning balances as adjusted or restated for **each** reporting unit. If the government has separately displayed in the financial statements the effects of each accounting change or error correction by reporting unit, those effects need not be repeated in notes to financial statements. See the illustrative table at the end of this section for an example.
- For an error correction that does not have an effect on beginning net position, fund balance, or fund net position but that results in a **reclassification** in the financial statements, the disclosures required by *GASB Statement No. 100, paragraph 27a*, should be included in the notes to financial statements.

When a material misstatement (error) is discovered subsequent to the issuance of the financial statements, management must take the following steps to ensure that anyone in receipt of the audited financial statements is informed of the situation, including that the audited financial statements are not to be relied upon. Management's steps may include the following, see AU-C §560:

- Notification to anyone who is known to be relying or who is likely to rely on the financial statements that the auditors' report and financial statements are not to be relied upon and that revised financial statements, together with a new auditors' report, will be issued.

- Issuing, as soon as practicable, revised financial statements with appropriate disclosure of the misstatement.
- Issuing the subsequent year's financial statements with the appropriate disclosure of the misstatement. This is usually appropriate when issuance of the subsequent year's financial statements is imminent.

The auditor should include an emphasis-of-matter paragraph in the auditors' report when there is an adjustment to correct a material misstatement in previously issued financial statements, see AU-C §708.

Adjustments to and restatements of beginning balances

[Illustrative example for adjustments to and restatements of beginning balances. For other illustrative disclosure examples, including an alternative tabular format to the presentation below, see *GASB Statement No. 100, Appendix C*.]

During fiscal year 2026, accounting changes and error corrections resulted in adjustments to and restatements of beginning net position, as follows:

	Reporting units affected by adjustments to and restatements of beginning balances		
	Business-type activities	**[Major] component unit**	**Nonmajor component units**
Net position as previously reported at June 30, 2025	$	$	$
[List brief description of each change in accounting principle]			
[List brief description of each change to or within the financial reporting entity]			
[List brief description of each error correction]			
Net position as restated, June 30, 2025	$	$	$

Note [X] – Violations of finance-related legal and contractual provisions

User instructions:

Disclose any significant violations of finance-related legal and contractual provisions, for example, violations of A.R.S. requirements for collateralization of District deposits, violations of A.R.S. requirements governing District budgeting, including actual expenditures exceeding budgeted expenditures, and violations of bond covenants. See *GASB Cod. §1200* for additional guidance. Also, disclose actions taken to address such violations as *GASB Statement No. 38, paragraph 9*, requires.

Note [X] – Deposits and investments

User instructions:

If the District participates in the Arizona State Retirement System's Contribution Prepayment Program (ASRS CPP) and places monies on deposit with the ASRS or establishes a 115 trust for future contribution payments, as long as those monies remain invested, prior to amortization against future contribution payments, the District should record restricted cash and investments and the associated restricted net position; further, those monies are subject to the same GASB disclosure requirements noted below, in accordance with how those monies are invested.

Arizona Revised Statutes (A.R.S.) requires the District to deposit special tax levies for the District's maintenance or capital outlay with the County Treasurer. Although not statutorily required, the District has also chosen to deposit other public monies in its custody with the County Treasurer. A.R.S. requires collateral for deposits at 102 percent of all deposits not covered by federal depository insurance. A.R.S. does not include any requirements for credit risk, concentration of credit risk, interest rate risk, or foreign currency risk for the District's investments.

[OR]

Arizona Revised Statutes (A.R.S.) requires the District to deposit special tax levies for the District's maintenance or capital outlay with the County Treasurer. A.R.S. does not require the District to deposit other public monies in its custody with the County Treasurer; however, the District must act as a prudent person dealing with another's property when making investment

decisions about those monies. A.R.S. requires collateral for deposits at 102 percent of all deposits not covered by federal depository insurance. A.R.S. does not include any requirements for credit risk, concentration of credit risk, interest rate risk, or foreign currency risk for the District's investments.

Deposits

At June 30, 2026, the carrying amount of the District's deposits was $**[XX]**, and the bank balance was $**[XX]**. Describe the District's formal policy with respect to custodial credit risk or indicate that the District does not have a policy. If the District has any category 3 deposits at fiscal year-end, add the following recap and modify as necessary.

At June 30, 2026, $**[XX]** of the District's bank balance was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	$
Uninsured with collateral held by the pledging financial institution	
Uninsured with collateral held by the pledging financial institution's trust department or agent but not in the District's name	
	$

[According to *GASB Implementation Guide No. 2016-1*, questions 4.5 and 4.6, certificates of deposit that are not negotiable and have redemption terms that do not consider market rates should be treated as deposits, and negotiable certificates of deposit should be treated as investments for purposes of *GASB Statement Nos. 3 and 40 disclosures.*]

Investments

The District had total investments of $**[XX]** at June 30, 2026. The District categorizes certain investments measured at fair value within the fair value hierarchy established by generally accepted accounting principles as follows.

[Investments with significantly different risk profiles should not be aggregated into a single investment type for all investment disclosures, as applicable. See question 1.3.2 in the *GASB Implementation Guide No. 2015-1*.]

		Fair value measurement using		
Investments by fair value level	**Amount**	**Quoted prices in active markets for identical assets (Level 1)**	**Significant other observable input (Level 2)**	**Significant unobservable inputs (Level 3)**
U.S. Treasury securities	$			
U.S. agency securities				
Local government bonds				
Common stock				
[List additional investment types]				
Total investments categorized by fair value level	$	$	$	$

Investments categorized as Level 1 are valued using prices quoted in active markets for those investments. **[For investments categorized as Level 2 or Level 3, describe the valuation technique used for each level by investment type. Also, if there was a change in any of the valuation techniques that had a significant impact on the result, disclose the change and the reason(s) for making it.]**

The District also had the following investments in external investment pools measured at fair value:

	Amount
State Treasurer's investment pools	$
County Treasurer's investment pool	
Total external investment pools measured at fair value	$

Investments in the State Treasurer's investment pools are valued at the pool's share price multiplied by the number of shares the District held. The fair value of a participant's position in the pools approximates the value of that participant's pool shares. The investment in the County Treasurer's pool is valued using the District's proportionate participation in the pool because the pool's structure does not provide for shares. The State Board of Investment provides oversight for the State Treasurer's investment pools. No comparable oversight is provided for the County Treasurer's investment pool.

The District also had the following investments measured at amortized cost:

	Amount
Repurchase agreements	$
[List additional investment types]	
Total investments measured at amortized cost	$

Credit risk

[Briefly describe the District's formal investment policy with respect to credit risk or indicate that it does not have one.] At June 30, 2026, credit risk for the District's investments was as follows: **[Modify as necessary.]**

Investment type	Rating	Rating agency	Amount
U.S. agency securities			$
Repurchase agreements			
Corporate bonds			
Local government bonds			
State Treasurer's investment pool 5	AAAf/S1+	Standard and Poor's	
State Treasurer's investment pool 7	Unrated	Not applicable	
			$

User instructions:

Disclose the credit quality ratings of investments in debt securities as described by nationally recognized statistical rating agencies at fiscal year-end, by aggregating investment amounts by investment type and rating categories. When multiple ratings exist and the District is aware of the different ratings, present the rating with the greatest degree of risk. U.S. government obligations and obligations the U.S. government explicitly guarantees do not require disclosure of credit risk. However, obligations of U.S. government-sponsored enterprises that the U.S. government implicitly guarantees are subject to credit risk disclosures. See question *1.9.7* in the *GASB Implementation Guide No. 2015-1* for more information. Repurchase agreements are not subject to credit risk if the securities underlying the repurchase agreements are exempt from credit risk disclosures. See question *1.9.10* in the *GASB Implementation Guide No. 2015-1*. If credit risk disclosure is required and the investment is unrated, the disclosure should indicate that fact. See *Illustrations 1-4* in *GASB Statement No. 40* for additional examples of required disclosures.

Custodial credit risk

For an investment, custodial credit risk is the risk that, in the event of the counterparty's failure, the District will not be able to recover the value of its investments or collateral securities that are in an outside party's possession. **[Briefly describe the District's formal investment**

policy with respect to custodial credit risk or indicate that it does not have one. If the District had any category 3 investments at fiscal year-end, add the following and modify as necessary:] At June 30, 2026, the District had $**[XX]** of name of investment type that was uninsured, not registered in the District's name, and held by the counterparty, and $**[XX]** of **[name of investment type]** that was uninsured, not registered in the District's name, and held by the counterparty's trust department or agent but not in the District's name. **[Disclose amounts by investment type and how the investments were held. See *Illustration 1* in *GASB Statement No. 40* for an example of required disclosure. Investments in external investment pools and in open-end mutual funds are not exposed to custodial credit risk. (*GASB Statement No. 40, paragraph 9*)]**

> **User instructions:**
>
> Normally, the line item cash and investments held by trustees is category 3 (see questions 1.16.4 and 1.16.5 of the *GASB Implementation Guide No. 2015-1*).

Concentration of credit risk

If the District's investments held at year-end were exposed to concentration of credit risk, briefly describe the District's formal investment policy with respect to concentration of credit risk or indicate that it does not have one. The District had investments at June 30, 2026, of 5 percent or more in **[investment name]** and **[investment name]**. These investments were **[XX]** percent and **[XX]** percent, respectively, of the District's total investments. **[Modify as necessary depending on the number of investments in any one issuer of 5 percent or more. See *Illustration 2* in *GASB Statement No. 40* for an example of required disclosure. Investments the U.S. government issues or explicitly guarantees and investments in mutual funds, external investment pools, and other pooled investments are excluded from this requirement. (*GASB Statement No. 40, paragraph 12*)]**

Interest rate risk

> **User instructions:**
>
> Briefly describe the District's formal investment policy with respect to interest rate risk or indicate that it does not have one. See *Illustrations 1-5* in *GASB Statement No. 40* for examples of required disclosure. List investments by investment type and amount using one of the following interest rate risk methods: segmented time distribution, specific

identification, weighted average maturity, duration, or simulation model. Governments are encouraged to select the disclosure method that is most consistent with the method they use to identify and manage interest rate risk.

The interest rate risk disclosure for a government's investments in mutual funds, external investment pools, or other pooled investments should be limited to investments in debt mutual funds, external debt investment pools, or other pooled debt investments that do not meet the requirements to measure investments at amortized cost in accordance with *GASB Statement No. 79, paragraph 4*. (*GASB Statement No. 59, paragraph 6*)

At June 30, 2026, the District had the following investments in debt securities:

[Segmented time distribution example]

		Investment maturities			
Investment type	**Amount**	**Less than 1 Year**	**1-5 years**	**6-10 years**	**More than 10 years**
State Treasurer's investment pools	$	$	$	$	$
County Treasurer's investment pool					
U.S. Treasury securities					
U.S. agency securities					
Repurchase agreements					
Local government bonds					
	$	$	$	$	$

[OR]

[Specific identification example]

Investment	**Maturity**	**Amount**
State Treasurer's investment pool 5		$
State Treasurer's investment pool 7		
County Treasurer's investment pool		
U.S. Treasury bills **[list each investment separately]**		
Federal National Mortgage Association **[list each investment separately]**		
		$

[OR]

[Weighted average maturity example]

Investment type	Amount	Weighted average maturity (years) [or] (months)
State Treasurer's investment pool 5	$	
State Treasurer's investment pool 7		
County Treasurer's investment pool		
U.S. Treasury securities		
U.S. agency securities		
Local government bonds		
	$	

[See *Illustration 3* in *GASB Statement No. 40* for an example of how to calculate weighted average maturity.]

[OR]

Duration

[See *Illustration 4* in *GASB Statement No. 40*.]

[OR]

Simulation model

[See *Illustration 5* in *GASB Statement No. 40*]

[The District must also disclose the terms of investments with fair values that are highly sensitive to changes in interest rates. See *Illustration 7* in *GASB Statement No. 40* for an example of this required disclosure. Further, if a method requires an assumption regarding timing of cash flows (for example, whether an investment is or is not assumed to be called), interest rate changes, or other factors that affect interest rate information, the District should disclose that assumption.]

Foreign currency risk

> **User instructions:**
>
> If the District's deposits or investments held at year-end were exposed to foreign currency risk, disclose the following: briefly describe the District's formal investment policy with respect to foreign currency risk or indicate that it does not have one. Also, the District should disclose the U.S. dollar balances of deposits or investments exposed to foreign currency risk organized by currency denomination and investment type. See *Illustration 8* in *GASB Statement No. 40* for an example of required disclosure.

A reconciliation of cash, deposits, and investments to amounts shown on the statement of net position follows:

Cash, deposits, and investments:	
Cash on hand	$
Amount of deposits	
Amount of investments	
Total	$

Statement of net position:	
Cash and cash equivalents	$
Current investments	
Restricted assets:	
Cash and cash equivalents	
Cash and investments held by trustee(s)	
Cash and investments held with pension plan—ASRS Contribution Prepayment Program	
Endowment investments	
Total	$

Note [X] – Receivables

> **User instructions:**
>
> If the District had significant individual receivable accounts whose nature is obscured by aggregation, provide details about those accounts here. Also, describe any receivable balance not expected to be collected within 1 year. See *GASB Statement No. 38, paragraph 13*.

Lease receivables

> **User instructions:**
>
> The District, as lessor, should disclose the following about its lease activities (which may be grouped), other than short-term leases.

The District leases **[describe assets by major classes, such as building space,]** to third parties under the provisions of various lease agreements. **[Modify as appropriate – the District should provide a general description of its leasing arrangements.]**

During the fiscal year ended June 30, 2026, the District recognized total lease-related revenues of $**[XX]**. **[The District should include the total amount of revenue, for example, lease revenue, interest revenue, and any other lease-related revenue, recognized in the fiscal year from leases, if that amount cannot be determined based on the amounts displayed on the face of the financial statements. (*GASB Statement No. 87, paragraph 57 [b]*)]**

[If the District has material variable lease payments, residual value guarantees, and/or termination penalties that are NOT included in the lease receivables, disclose the following information as applicable. (*GASB Statement No. 87, paragraph 57 [a], [c]*)]

Variable lease payments

The District's lease contracts include variable lease payments, including residual value guarantees, that are not included in the lease receivable because they are not fixed in substance. **[Modify as appropriate. Describe the basis, terms, and conditions on which variable payments not included in the measurement of the lease receivable are**

determined.] During the fiscal year ended June 30, 2026, the District recognized revenues of $**[XX]** for variable lease payments not included in the measurement of the lease receivables.

Other payments

The District's lease contracts include other payments, such as termination penalties, that are not included in the lease receivable. During the fiscal year ended June 30, 2026, the District recognized revenues of $**[XX]** for other payments not included in the measurement of the lease receivables.

User instructions:

The District should also provide relevant disclosures for the following transactions, if applicable:

- Leases of assets that are investments (see *GASB Statement No. 87, paragraph 41*)
- Certain regulated leases (see *GASB Statement No. 87, paragraph 60*)
- Sublease transactions (see *GASB Statement No. 87, paragraph 81*)
- Sale-leaseback transactions (see *GASB Statement No. 87, paragraph 85*)
- Lease-leaseback transactions (see *GASB Statement No. 87, paragraph 87*)

Note [X] – Public-private and public-public partnerships

User instructions:

If the District participates in public-private or public-public partnerships (P3s), the following disclosures should be made for the District acting as the transferor or as the operator:

A **transferor** should disclose the following about its P3 activities (which may be grouped for purposes of disclosure, see *GASB Statement No. 94, paragraphs 35-36*):

a. A general description of its P3 arrangements, including the status of projects during the construction period, if applicable, and the basis, terms, and conditions on which any variable payments not included in the measurement of the receivable for installment payments are determined.

b. The nature and amounts of assets and deferred inflows of resources related to P3s that are recognized in the financial statements.

c. The discount rate or rates applied to the measurement of the receivable for installment payments, if any.

d. The amount of inflows of resources recognized in the reporting period for variable and other payments not previously included in the measurement of the receivable for installment payments, including inflows of resources related to residual value guarantees and termination penalties.

e. The nature and extent of rights retained by the transferor or granted to the operator under the P3 arrangements.

f. Some P3 arrangements may include provisions for guarantees and commitments. For each period in which a guarantee or commitment exists, disclosures should be made about the guarantees and commitments, including identification, duration, and significant contract terms.

An **operator** should disclose the following about its P3 activities (which may be grouped for purposes of disclosure, see *GASB Statement No. 94, paragraphs 57-59*):

a. A general description of its P3 arrangements, including the status of projects during the construction period, if applicable, and the basis, terms, and conditions on which any variable payments not included in the measurement of the liability for installment payments are determined.

b. The nature and amounts of assets, liabilities, and deferred outflows of resources related to P3s that are recognized in the financial statements.

c. The discount rate or rates applied to the measurement of the liability for installment payments, if any.

d. Principal and interest requirements to maturity, presented separately, for the liability for installment payments for each of the 5 subsequent fiscal years and in 5-year increments thereafter.

e. The amount of outflows of resources recognized in the reporting period for variable payments not previously included in the measurement of the liability for installment payments.

f. The nature and extent of rights granted to the operator or retained by the transferor under P3 arrangements.

g. The components of any loss associated with an impairment (the impairment loss and any related change in the liability).

h. Some P3 arrangements may include provisions for guarantees and commitments. For each period in which a guarantee or commitment exists, disclosures should be made about the guarantees and commitments, including identification, duration, and significant contract terms.

Note [X] – Capital assets

User instructions:

In the table below, intangible right-to-use lease assets for land/land improvements would only be presented in the capital assets not being depreciated/amortized section of the table below if the lease contract has a purchase option that the District has determined is reasonably certain of being exercised. Otherwise, they would be amortized over the lease term. (*GASB Statement No. 87, paragraph 32*)

Note that if an agreement meets the GASB definition of a lease (*GASB Statement No. 87, paragraph 4*) or SBITA (*GASB Statement No. 96, paragraph 6*), prepaying the entire balance does NOT mean the agreement is no longer classified as a lease or SBITA. Although no liability would be recorded, the District would still be responsible for the recording and subsequent amortization of an intangible right-to-use lease or subscription asset, as applicable, including the appropriate disclosures.

Capital asset activity for the year ended June 30, 2026, was as follows:

	Balance July 1, 2025	Increases	Decreases	Balance June 30, 2026
Capital assets not being depreciated/amortized:				
Land				
Land improvements				
Construction in progress				
Intangibles:				
Right-to-use lease assets:				
Land				
Land improvements				
Total capital assets not being depreciated/amortized				
Capital assets being depreciated/amortized:				

	Balance July 1, 2025	Increases	Decreases	Balance June 30, 2026
Buildings				
Equipment				
Library books				
Intangibles: **[list by major categories*]**				
Software **[modify category as appropriate]**				
Right-to-use subscription assets				
Right-to-use lease assets: **[modify underlying assets as appropriate]**				
Land				
Land improvements				
Buildings				
Equipment				
Infrastructure				
Total				
Less accumulated depreciation/amortization for:				
Buildings				
Equipment				
Library books				
Capitalized collections				
Intangibles: **(list by major categories*)**				
Software **[modify category as appropriate]**				
Right-to-use subscription assets				
Right-to-use lease assets: **[modify underlying assets as appropriate]**				
Land				
Land improvements				
Buildings				
Equipment				
Total				
Total capital assets being depreciated/amortized, net				
Capital assets, net				

[GASB Statement No. 104* requires information about the following capital assets and related amortization to be disclosed separately: (1) lease assets, by major class of**

underlying asset; (2) intangible right-to-use assets recognized by an operator, by major class of underlying partnership asset; (3) subscription assets; and (4) other intangible assets, by major class of asset. (*GASB Statement No. 104, paragraph 4*)]

Included in capital assets are buildings **[modify as appropriate]** that are capital assets held for sale. They have a total historical cost of $**[XX]** and an accumulated depreciation of $**[XX]**, and they are pledged as collateral for debt with a balance of $**[XX]**. **[modify as appropriate—the District should evaluate whether a capital asset is a capital asset held for sale each reporting period. A capital asset is a capital asset held for sale if [a] the District has decided to pursue the sale of the asset and [b] it is probable [likely to occur] that the sale will be finalized within one year of the financial statement date. A capital asset held for sale should continue to be reported within the appropriate major class of capital assets. Additionally, the District should disclose capital assets held for sale in the notes to financial statements, with separate disclosure of historical cost and accumulated depreciation [or amortization], by major class of asset. The District should also disclose the carrying amount of debt for which capital assets held for sale are pledged as collateral, for each major class of asset. *GASB Statement No. 104, paragraphs 5 - 8*)]**

[If the District has any collections (such as art or historical treasures) that are not capitalized, describe the collection and disclose why the assets are not capitalized. See *GASB Statement No. 34, paragraph 118*.]

Note [X] – Construction and other commitments

The District had major contractual commitments related to various capital projects at June 30, 2026, for the construction of **[list projects]**. At June 30, 2026, the District had spent $**[XX]** on these projects and had remaining contractual commitments with contractors of $**[XX]**. These projects are being financed **[describe source of payment/financing and terms of the commitment]**.

The District had contractual commitments related to leases for which the lease term had not yet commenced at June 30, 2026, for **[list lease assets by major classes]**. At June 30, 2026, the District had made payments of $**[XX]** to the lessors and had remaining contractual commitments with lessors of $**[XX]**, including the lease liabilities that will be recognized at the commencement of the lease terms. **[*GASB Statement No. 87, paragraph 37 [g]*]**

The District had contractual commitments related to subscription-based information technology arrangements for which the subscription term had not yet commenced at June 30, 2026, for **[describe IT software and/or underlying IT assets]**. At June 30, 2026, the District had made payments of $**[XX]** to the vendors and had remaining contractual commitments with vendors of $**[XX]**, including the subscription liabilities that will be recognized at the commencement of the subscription terms. **[*GASB Statement No. 96, paragraph 60 [f]*]**

[If the District had other significant commitments, provide a description of the commitment, dollar amounts and basic terms of the commitment (including amounts spent to date and amounts remaining under the commitment), and source of payment.]

Note [X] – Short-term liabilities

Payables

User instructions:

If the District had significant individual payable accounts whose nature is obscured by aggregation, provide details about those accounts here. See *GASB Statement No. 38, paragraph 13*.

Short-term debt

User instructions:

If the District had short-term debt (e.g., anticipation notes, lines of credit, and similar loans) activity during the year, even if no short-term debt is outstanding at year-end, the District should explain why the debt was issued and present a schedule of changes that discloses beginning and ending balances as well as increases and decreases. See *GASB Statement No. 38, paragraph 12*, as amended by *GASB Statement No. 88, paragraphs 4 and 6*. The District should also disclose summarized information about assets pledged as collateral for the debt and terms specified in the debt agreement related to significant (1) events of default with finance-related consequences, (2) termination events with finance-related consequences, and (3) subjective acceleration clauses. See *GASB Statement No. 88, paragraph 5*.

Note [X] – Long-term liabilities

The following schedule details the District's long-term liability and obligation activity for the year ended June 30, 2026:

	Balance July 1, 2025	Additions	Reductions	Balance June 30, 2026	Due within 1 year
Bonds payable:					
General obligation bonds					
Revenue bonds					
Discounts/premiums					
Total bonds payable					
Certificates of participation payable					
Financed purchases					
Leases payable					
Subscriptions liability					
Asset retirement obligations					
Net pension and other postemployment benefits liability					
Insurance claims payable					
Compensated absences payable*					
Total long-term liabilities					

[* The District should present either (a) the separate increases and decreases or (b) a net increase or a net decrease in its liability for compensated absences. If the District presents a net amount, it should indicate that it is a net amount.]

[Complete the following sentence if the District had short-term or long-term debt outstanding. *GASB Statement No. 88, paragraph 5.a.*]

The District also had (an) unused line(s) of credit in the amount of $**[XX]**.

User instructions:

In the following bonds, certificates of participation, and financed purchase disclosures, the District should disclose summarized information about assets pledged as collateral for the debt and terms specified in the debt agreement related to significant (1) events of default with finance-related consequences, (2) termination events with finance-related consequences, and (3) subjective acceleration clauses. The District should also separate

information regarding (a) direct borrowings and direct placements of debt from (b) other debt. *GASB Statement No. 88, paragraphs 5 and 6*.

The District is not required to disclose collateral pledged as a security for a lease if that collateral is solely the asset underlying the lease. (*GASB Statement No. 87, paragraph 39*) If the District has issued debt for which the principal and interest payments are secured by lease payments, describe the existence, terms, and conditions of options by the lessee to terminate the lease or abate payments. (*GASB Statement No. 87, paragraph 57 [d]*)

Bonds

The District's bonded debt consists of various issues of general obligation and revenue bonds that are generally callable (noncallable) with interest payable semiannually (annually). Bond proceeds pay primarily for acquiring or constructing capital facilities. Bonds have also been issued to advance-refund previously issued bonds. The District repays general obligation bonds from voter-approved property taxes. Revenue bonds are repaid from tuition and fees and dormitory rentals and fees. **[Modify as necessary.] [Include the following as applicable.]** During the year, the District issued general obligation bonds totaling $**[XX]** to **[describe the purpose]**. In addition, revenue bonds totaling $**[XX]** were issued to **[describe the purpose]**.

Of the total general obligation bond and revenue bond amounts originally authorized, $**[XX]** and $**[XX]**, respectively, remain unissued. **[If all the authorized bonds were issued, delete the preceding sentence.]** The following bonds were outstanding at June 30, 2026:

Description	Original amount authorized	Amount issued	Maturity ranges	Interest rates	Outstanding principal
General obligation bonds	$	$			$
General obligation bonds—refunding					
Revenue bonds					
Revenue bonds—refunding					

User instructions:

If issuing an annual comprehensive financial report for the GFOA certificate program, it is recommended that the District disclose the information above for each debt issuance. The District should also describe the legal debt limit/margin and the applicability of federal arbitrage regulations.

The following schedule details debt service requirements to maturity for the District's bonds payable at June 30, 2026:

Year ending June 30	General obligation bonds		Revenue bonds	
	Principle	Interest	Principle	Interest
2027				
2028				
2029				
2030				
2031				
2032-36				
2037-41				
2042-46				
2047-51				
2052-56				
Total				

User instructions:

If the District has variable-rate debt, disclose interest requirements based on the rate effective at the end of the reporting year. In addition, the District should add a paragraph following the table that discloses the terms under which interest rates may change. See *GASB Statement No. 38, paragraph 10*.

Pledged revenues are those specific revenues that have been formally committed to directly collateralize or secure debt (e.g., bonds, certificates of participation, etc.) of a pledging government, or directly or indirectly collateralize or secure debt of a component unit. For each period in which secured debt remains outstanding, the District must disclose the following:

a. Identification of the specific revenue pledged and the approximate pledge amount,
b. Identification of, and general purpose for, the debt the pledged revenue secures,
c. Commitment term,
d. Relationship of the pledged amount to the total for that specific revenue stream (i.e., percent of the specific revenue stream that has been pledged),
e. Comparison of the pledged revenues recognized during the period to the principal and interest requirements for the debt those revenues directly or indirectly collateralize.

See *GASB Statement No. 48, paragraph 21*, for more information regarding the disclosure requirements for pledged revenues. Also, see *Appendix D*, *Examples 1-3*, in *GASB Statement No. 48* for examples of required disclosure. For more complex situations, the District may want to present tables with the required disclosures.

Complete the applicable portions of the following paragraph and schedule for the fiscal year in which a bond refunding occurs.

During the year ended June 30, 2026, the District issued general obligation (revenue) bonds with an average interest rate of **[XX]** percent to advance-refund older, higher-rate issues with an average interest rate of **[XX]** percent. The District realized net proceeds of $**[XX]** after payment of $**[XX]** in underwriting fees, insurance, and other issuance costs, plus $**[XX]** of **[description]** sinking fund monies. The District used these proceeds to purchase securities that it placed in an irrevocable trust to provide resources for all future debt service payments on the refunded debt. The refunded debt is considered defeased, and related liabilities are not included in the District's financial statements. Details of the refunding transactions are as follows:

	Bond category
Amount of refunding bonds issued	
Amount of bonds refunded	
Reduction in debt service payments	
Economic gain (loss)	

[Complete the following paragraph for the fiscal year in which bonds are defeased using only existing resources. *GASB Statement No. 86*]

During the year ended June 30, 2026, the District defeased $**[XX]** of general obligation (revenue) bonds to **[include reason for defeasance]**. Accordingly, the related liabilities are not included in the District's financial statements. The District placed $**[XX]** of cash and other

monetary assets acquired with existing resources **[modify as necessary]** in an irrevocable trust to provide resources for all future debt service payments of $**[XX]** on the defeased debt.

[For all periods following an advance refunding, or in-substance defeasance using only existing resources, that end with defeased bonds still outstanding, complete the next paragraph.]

In prior years, the District defeased certain general obligation and revenue bonds by placing the proceeds of new bonds and existing resources **[modify as necessary]** in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for these defeased bonds are not included in the District's financial statements. At June 30, 2026, the following outstanding bonds were considered defeased:

Description	Amount **[principal balance of defeased bonds outstanding at June 30, 2026]**
General obligation bonds	
Revenue bonds	

User instructions:

For all in-substance defeasances for which substitution of essentially risk-free monetary assets with monetary assets that are not essentially risk-free is not prohibited, the District should disclose the information required by *GASB Statement No. 86, paragraphs 10 and 11*, as applicable.

If the refunded (old) debt is variable-rate debt, it cannot be considered defeased because of the uncertainty of the future debt service requirements. It is possible to defease old fixed-rate debt with new variable-rate debt, but additional disclosures should be made. See footnote *4* of *GASB Statement No. 7* for additional details.

Certificates of participation

The District has issued certificates of participation that are generally callable (noncallable) with interest payable semiannually (annually) to purchase or construct **[describe the assets and any related collateral arrangements for assets pledged as collateral, as required by *GASB Statement No. 88, paragraph 5(b)*]**. During the year, the District issued certificates totaling $**[XX]** to **[describe the purpose]**.

Of the total amount(s) originally authorized, $**[XX]** remains unissued. **[If all the authorized certificates were issued, delete the preceding sentence]**. The following certificates were outstanding at June 30, 2026:

Description	Original amount authorized	Amount issued	Maturity ranges	Interest rates	Outstanding principal
[List by COP issue]	$	$			$

User instructions:

Describe other significant features of certificates of participation issues. Also, if the District advance-refunded any certificates of participation or defeased any certificates of participation using only existing resources during the fiscal year, modify the wording in the second- and third-to-last paragraph of the bonds payable note accordingly, as applicable.

In all periods following an advance refunding or in-substance defeasance using only existing resources for which certificates of participation defeased in substance remain outstanding, the amount of those certificates of participation, if any, outstanding at fiscal year-end should be disclosed. Modify the wording of the last paragraph of the bonds payable note accordingly.

For all in-substance defeasances for which substitution of essentially risk-free monetary assets with monetary assets that are not essentially risk-free is not prohibited, the District should disclose the information required by *GASB Statement No. 86, paragraphs 10 and 11*, as applicable.

The following schedule details debt service requirements to maturity for the District's certificates of participation payable at June 30, 2026:

Year ending June 30	Principle	Interest
2027		
2028		
2029		
2030		
2031		
2032-36		
2037-41		
2042-46		
2047-51		
2052-56		
Total		

Financed purchases

The District has acquired **[describe assets by major classes]** under contract agreements at a total purchase price of $**[XX]**. The following schedule details debt service requirements to maturity for the District's financed purchases at June 30, 2026:

Year ending June 30	Principle	Interest
2027		
2028		
2029		
2030		
2031		
2032-36		
2037-41		
2042-46		
Total		

Leases

[The District, as lessee, should disclose the following about its lease activities (which may be grouped), other than short-term leases.]

The District has obtained the right to use **[describe assets by major classes]** under the provisions of various lease agreements. **[Modify accordingly – the District should provide a general description of its leasing arrangements.]**

The total amount of lease assets and the related accumulated amortization are as follows: **[*GASB Statement No. 87, paragraph 37 [b]*]**

Total intangible right-to-use lease assets	
Less: accumulated amortization	
Carrying value	

The following schedule details minimum lease payments to maturity for the District's leases payable at June 30, 2026:

Year ending June 30	Principle	Interest
2027		
2028		
2029		
2030		
2031		
2032-36		
2037-41		
2042-46		
Total		

[If the District has material variable lease payments, residual value guarantees, and/or other payments that are NOT included in the lease liability, disclose the following information as applicable. (*GASB Statement No. 87, paragraph 37 [a], [d], [e]*)]

Variable lease payments

The District's lease contracts include variable lease payments that are not included in the lease liability because they are not fixed in substance. **[Describe the basis, terms, and conditions on which variable payments not included in the measurement of the lease liability are determined.]** During the fiscal year ended June 30, 2026, the District recognized expenses of $**[XX]** for variable lease payments not included in the measurement of the lease liabilities.

Other payments

The District's lease contracts include other payments, such as residual value guarantees and termination penalties, that are not included in the lease liability because they are not reasonably certain of being required. **[Modify as appropriate. Describe the existence, terms, and conditions of residual value guarantees.]** During the fiscal year ended June 30, 2026, the District recognized expenses of $**[XX]** for other payments not included in the measurement of the lease liabilities.

User instructions:

The District should also provide relevant disclosures for the following transactions, if applicable.

- The components of any impairment loss and any related change in the lease liability (see *GASB Statement No. 87, paragraph 37 [h]*)
- Sublease transactions (see *GASB Statement No. 87, paragraph 81*)
- Sale-leaseback transactions (see *GASB Statement No. 87, paragraph 85*)
- Lease-leaseback transactions (see *GASB Statement No. 87, paragraph 87*)

Subscription-based information technology arrangements (SBITAs)

[The District should disclose the following about its SBITAs (which may be grouped), other than short-term SBITAs.]

The District has obtained the right to use **[describe IT software and/or underlying IT assets]** under the provisions of various subscription-based information technology arrangements. **[Modify accordingly – the District should provide a general description of its SBITAs.]**

The total amount of subscription assets and the related accumulated amortization are as follows: **[(*GASB Statement No. 96, paragraph 60 [b]*)]**

Total intangible right-to-use subscription assets	
Less: accumulated amortization	
Carrying value	

The following schedule details minimum subscription payments to maturity for the District's subscriptions liability at June 30, 2026:

Year ending June 30	Principle	Interest
2027		
2028		
2029		
2030		
2031		
2032-36		
2037-41		
2042-46		
Total		

[If the District has material variable subscription payments and/or other payments that are NOT included in the subscriptions liability, disclose the following information as applicable. (*GASB Statement No. 96, paragraph 60 [a], [c], [d]*)]

Variable subscription payments

The District's SBITAs include variable subscription payments that are not included in the subscriptions liability because they are not fixed in substance. **[Describe the basis, terms, and conditions on which variable payments not included in the measurement of the subscriptions liability are determined.]** During the fiscal year ended June 30, 2026, the District recognized expenses of $**[XX]** for variable subscription payments not included in the measurement of the subscriptions liability.

Other payments

The District's SBITAs include other payments, such as termination penalties, that are not included in the subscriptions liability because they are not reasonably certain of being required. **[Modify as appropriate.]** During the fiscal year ended June 30, 2026, the District recognized

expenses of $**[XX]** for other payments not included in the measurement of the subscriptions liability.

[The District should also provide relevant disclosures for the components of any impairment loss and any related change in the subscriptions liability, as applicable (see *GASB Statement No. 96, paragraph 60 [g]*)]

Asset retirement obligations

[If the District has recognized asset retirement obligations, it should disclose the information required by *GASB Statement No. 83, paragraphs 27 – 29*.]

Note [X] – Conduit debt

User instructions:

The District (as the issuer) should disclose the following general information about conduit debt obligations (*GASB Statement No. 91, paragraph 25*):

a. A general description of the issuer's conduit debt obligation(s).

b. A general description of the issuer's limited commitment(s).

c. A general description of the issuer's voluntary commitment(s).

d. A general description of the issuer's additional commitment(s), including:

   (1) The legal authority and limits for extending the commitment(s).

   (2) The length of time of the commitment(s).

   (3) Arrangements, if any, for recovering payments from the third-party obligor(s).

e. The aggregate outstanding principal amount of all conduit debt obligations that share the same type of commitment(s) at the end of the reporting period.

If the District **has also recognized a liability** in accordance with *GASB Statement No. 91, paragraphs 10-17*, it should make additional disclosures as follows (*GASB Statement No. 91, paragraph 26*):

a. A brief description of the timing of recognition and measurement of the liability and information about the changes in the recognized liability, including the following:

   (1) Beginning-of-period balances.

   (2) Increases, including initial recognition and adjustments increasing estimates.

(3) Decreases, including payments made and adjustments decreasing estimates.

(4) End-of-period balances.

b. Cumulative amounts of payments that have been made on the recognized liability at the reporting date, if any.

c. Amounts expected to be recovered from those payments, if any.

Note [X] – Risk management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District carries commercial insurance for all such risks of loss, including workers' compensation, employees' health, and accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past 3 fiscal years. **[Modify as appropriate.]**

[Provide similar disclosures for all other district risk-financing activities when it assumes the risks of loss, including its participation in a risk pool or being self-insured for health, dental, and other benefits to its employees. See *GASB Codification §§C50.145 and Po20* for disclosure requirements.]

Note [X] – Pension and other postemployment benefits

User instructions:

The notes to the financial statements should not include immaterial disclosures (*GASB Statement No. 38*). Accordingly, the District should omit the disclosures shown below for any OPEB plan that is not material. If a net OPEB asset or liability is included for the plan on the statement of net position, the District may mention the plan and state that it is not further disclosed because of its relative insignificance to the District's financial statements.

If the District provides its own retirees' healthcare benefits, the District should also follow the accounting and disclosure requirements of *GASB Statements No. 74 or 75*, as applicable.

If the District makes **employer** contributions to a 457 plan that meets the definition of a pension plan, the District should follow the accounting and disclosure requirements of GASB *Statements No. 68 or 73*, as applicable. (*GASB Statement No. 97*)

Plan description

District employees participate in the Arizona State Retirement System (ASRS). The ASRS administers a cost-sharing multiple-employer defined benefit pension plan, a cost-sharing multiple-employer defined benefit health insurance premium benefit (OPEB) plan, and a cost-sharing multiple-employer defined benefit long-term disability (OPEB) plan. The Arizona State Retirement System Board governs the ASRS according to the provisions of A.R.S. Title 38, Chapter 5, Articles 2 and 2.1. The ASRS is a component unit of the State of Arizona. The ASRS issues a publicly available financial report that includes its financial statements and required supplementary information. The report is available on its website at www.azasrs.gov.

Benefits provided

The ASRS provides retirement, health insurance premium supplement, long-term disability, and survivor benefits. State statute establishes benefit terms. Retirement benefits are calculated on the basis of age, average monthly compensation, and service credit as follows:

ASRS	Retirement Initial membership date:	
	Before July 1, 2011	**On or after July 1, 2011**
Years of service and age required to receive benefit	Sum of years and age equals 80 10 years, age 62 5 years, age 50* any years, age 65	30 years, age 55 25 years, age 60 10 years, age 62 5 years, age 50* any years, age 65
Final average salary is based on	Highest 36 consecutive months of last 120 months	Highest 60 consecutive months of last 120 months
Benefit percent per year of service	2.1% to 2.3%	2.1% to 2.3%

*With actuarially reduced benefits.

Retirement benefits for members who joined the ASRS prior to September 13, 2013, are subject to automatic cost-of-living adjustments based on excess investment earnings. Members with a membership date on or after September 13, 2013, are not eligible for cost-of-living adjustments. Survivor benefits are payable upon a member's death. For retired members, the retirement benefit option chosen determines the survivor benefit. For all other

members, the beneficiary is entitled to the member's account balance that includes the member's contributions and employer's contributions, plus interest earned.

Health insurance premium benefits are available to retired or disabled members with 5 years of credited service. The benefits are payable only with respect to allowable health insurance premiums for which the member is responsible. For members with 10 or more years of service, benefits range from $100 per month to $260 per month depending on the age of the member and dependents. For members with 5 to 9 years of service, the benefits are the same dollar amounts as above multiplied by a vesting fraction based on completed years of service.

Active members are eligible for a monthly long-term disability benefit equal to two-thirds of monthly earnings. Members receiving benefits continue to earn service credit up to their normal retirement dates. Members with long-term disability commencement dates after June 30, 1999, are limited to 30 years of service or the service on record as of the effective disability date if their service is greater than 30 years.

Contributions

In accordance with state statutes, annual actuarial valuations determine active member and employer contribution requirements. The combined active member and employer contribution rates are expected to finance the costs of benefits employees earn during the year, with an additional amount to finance any unfunded accrued liability. For the year ended June 30, 2026, statute required active ASRS members to contribute at the actuarially determined rate of 12.00 percent (11.86 percent for retirement and 0.14 percent for long-term disability) of the members' annual covered payroll, and statute required the District to contribute at the actuarially determined rate of 12.00 percent (11.83 percent for retirement, 0.03 percent for health insurance premium benefit, and 0.14 percent for long-term disability) of the active members' annual covered payroll. **[If the District also made alternative contributions for retired members who returned to work, add the following sentence:]** In addition, the District was required by statute to contribute at the actuarially determined rate of 9.75 percent (9.72 percent for retirement and 0.03 percent for long-term disability) of annual covered payroll of retired members who worked for the District in positions that an employee who contributes to the ASRS would typically fill. The District's contributions to the pension, health insurance premium benefit, and long-term disability plans for the year ended June 30, 2026, were $**[XX]**, $**[XX]**, and $**[XX]**, respectively. **[Source: district records]**

Liability

At June 30, 2026, the District reported the following asset and liabilities for its proportionate share of the ASRS' net pension/OPEB asset or liability. **[Source: ASRS schedule of pension/OPEB amounts by employer]**

ASRS	Net pension/OPEB (asset) liability
Pension	
Health insurance premium benefit	
Long-term disability	

The net asset and net liabilities were measured as of June 30, 2025. The total liability used to calculate the net asset or net liability was determined using update procedures to roll forward the total liability from an actuarial valuation as of June 30, 2024, to the measurement date of June 30, 2025. The total liabilities as of June 30, 2025, reflect changes in actuarial assumptions based on the results of an actuarial experience study for the 5-year period ended June 30, 2024, including increasing the inflation rate from 2.3 percent to 2.4 percent and changing the projected salary increases from 2.9–8.4 percent to 3.0–8.4 percent.

The District's proportion of the net asset or net liability was based on the District's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2025. The District's proportion measured as of June 30, 2025, and the change from its proportions measured as of June 30, 2024, were: **[Source: ASRS schedule of employer pension/OPEB allocations and calculation of difference between percentage from ASRS schedules of employer pension/OPEB allocations for current and prior measurement date]**

ASRS	Proportion June 30, 2025	Increase (decrease) from June 30, 2024
Pension	%	
Health insurance premium benefit		
Long-term disability		

[If any changes expected to have a significant effect on the measurement of the District's proportionate share of the collective net pension/OPEB liability occurred between the measurement date and the reporting date, the District should provide a brief description of the nature of the changes and the amount of the expected resultant change in the District's proportionate share of the collective net pension/OPEB liability, if known.]

Expense

For the year ended June 30, 2026, the District recognized the following pension and OPEB expense. **[Source: ASRS schedule of pension/OPEB amounts by employer]**

ASRS	Pension/OPEB expense
Pension	
Health insurance premium benefit	
Long-term disability	

Deferred outflows/inflows of resources

At June 30, 2026, the District reported deferred outflows of resources and deferred inflows of resources related to pensions and OPEB from the following sources: **[Source: ASRS schedule of pension/OPEB amounts by employer]**

	Pension		Health insurance premium benefit		Long-term disability	
ASRS	Deferred outflows of resources	Deferred inflows of resources	Deferred outflows of resources	Deferred inflows of resources	Deferred outflows of resources	Deferred inflows of resources
Differences between expected and actual experience	$	$	$	$	$	$
Changes of assumptions or other inputs						
Net difference between projected and actual earnings on plan investments						
Changes in proportion and differences between district contributions and proportionate share of contributions						
District contributions subsequent to the measurement date **[Source: district records]**						
Total						

The amounts reported as deferred outflows of resources related to ASRS pensions and OPEB resulting from district contributions subsequent to the measurement date will be recognized as an increase of the net asset or a reduction of the net liability in the year ending June 30, 2027. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to ASRS pensions and OPEB will be recognized as expenses as follows: **[Source:**

ASRS schedule of net deferred outflows and inflows of resources by employer to be recognized in pension/OPEB expense, 5 years and in aggregate thereafter, which is by measurement date. The schedule below should be by the District's reporting fiscal year. For example, in the schedule below, report the June 30, 2026 (measurement date), ASRS schedule amount for the District's June 30, 2027 (reporting date).]

Year ending June 30	Pension	Health insurance premium benefit	Long-term disability
2027			
2028			
2029			
2030			
2031			
Thereafter			

Actuarial assumptions

The significant actuarial assumptions used to measure the total pension/OPEB liability are as follows:

ASRS	
Actuarial valuation date	June 30, 2024
Actuarial roll forward date	June 30, 2025
Actuarial cost method	Entry age normal
Investment rate of return	7.0%
Projected salary increases	3.0-8.4%
Inflation	2.4%
Permanent benefit increase	Included for pensions/not applicable for OPEB
Mortality rates	2017 SRA Scale U-MP for pensions and health insurance premium benefit
Recovery rates	2012 GLDT for long-term disability
Healthcare cost trend rate	Not applicable

Actuarial assumptions used in the June 30, 2024, valuation were based on the results of an actuarial experience study for the 5-year period ended June 30, 2024.

The long-term expected rate of return on ASRS plan investments was determined to be 7.0 percent using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected

rate of return by weighting the expected future real rates of return by the target asset allocation percentage. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

ASRS asset class	Target allocation	Long-term expected geometric real rate of return
Public equity	44%	4.48%
Credit	23%	4.40%
Real estate	17%	6.05%
Private equity	10%	6.11%
Interest rate sensitive	6%	(0.45)%
Total	100%	

Discount rate

At June 30, 2025, the discount rate used to measure the ASRS total pension/OPEB liability was 7.0 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the ASRS Board's funding policy, which establishes the contractually required rate under Arizona statute. Based on those assumptions, the plans' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension/OPEB liability.

Sensitivity of the District's proportionate share of the ASRS net pension/OPEB (asset) liability to changes in the discount rate

The following table presents the District's proportionate share of the net pension/OPEB (asset) liability calculated using the discount rate of 7.0 percent, as well as what the District's proportionate share of the net pension/OPEB (asset) liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.0 percent) or 1 percentage point higher (8.0 percent) than the current rate: **[Source: ASRS schedule of pension amounts by employer]**

ASRS Districts's proportionate share of the	1% Decrease (6.0%)	Current discount rate (7.0%)	1% Increase (8.0%)
Net pension liability	$	$	$
Net insurance premium benefit liability (asset)			

ASRS Districts's proportionate share of the	1% Decrease (6.0%)	Current discount rate (7.0%)	1% Increase (8.0%)
Net long-term disability liability			

Plan fiduciary net position

Detailed information about the plans' fiduciary net position is available in the separately issued ASRS financial report.

Contributions payable

The District's accrued payroll and employee benefits included $**[XX]** of outstanding pension and OPEB contribution amounts payable to ASRS for the year ended June 30, 2026. **[If the District reported other payables to ASRS for pensions or OPEB at fiscal year-end, the District should disclose the payable amount, significant terms related to the payable, and a description of what gave rise to the payable.]**

Note [X] – Operating expenses

The District's operating expenses are presented by functional classification in the statement of revenues, expenses, and changes in net position—primary government. The operating expenses can also be classified into the following:

Personal services	
Contract services	
Supplies and other services	
Communications and utilities	
Scholarships	
Depreciation/amortization	
Other	
Total	

Note [X] – Concentrations and constraints

User instructions:

Required disclosures (*GASB Statement No. 102, paragraph 9*. Illustrative examples can be found in *GASB Statement No. 102, Appendix C*.)

For each concentration or constraint that meets ALL the disclosure criteria described in *GASB Statement No. 102, paragraph 7*, the District should disclose the information required by subparagraphs (a)–(c) below. The District should provide information in sufficient detail to enable financial statement users to understand the nature of the circumstances disclosed and the District's vulnerability to the risk of a substantial impact associated with the concentration or constraint. The disclosures should be made in accordance with the general principles outlined in *GASB Statement No. 102, paragraph 8*, and should include descriptions of the following:

a. The concentration or constraint.

b. Each event associated with the concentration or constraint that could cause a substantial impact if the event had occurred or had begun to occur prior to the issuance of the financial statements.

c. Actions taken by the District prior to the issuance of the financial statements to mitigate the risk.

Note [X] – Unusual or infrequent items

User instructions:

The District should disclose the program, function, or identifiable activity to which an unusual or infrequent item is related, if applicable, and whether that item is within the control of management. (*GASB Statement No. 103, paragraph 10*)

Note [X] – Other disclosures

User instructions:

If the District had related organizations (*GASB Cod. §2600, paragraph 128*); joint ventures or jointly governed organizations (*GASB Cod. §J50*); related-party transactions or going concern considerations (*GASB Cod. §2250*); donor-restricted endowments (*GASB Cod. §2300*); significant contingencies (*GASB Cod. §§1500 and C50*); significant subsequent events (*GASB Cod. §§2250, 2300, and C50*); or restricted assets obscured

by aggregation, disclose the details here. Also, see the financial statement disclosure checklist for a list of other disclosures that may apply.

Note [X] – Discretely presented component unit disclosures

User instructions:

The District must include those disclosures of the discretely presented component unit that are essential to the fair presentation of the District's basic financial statements. Determining which discretely presented component unit disclosures are essential to fair presentation is a matter of professional judgment and a consideration of the nature and significance of the component unit's relationship to the District. See *GASB Statement No. 61, paragraph 11*, for disclosure requirements.

The District should segregate discretely presented component unit disclosures from disclosures relating to the District. The District can accomplish this by presenting component unit information after the district information for each relevant disclosure or by presenting the component unit's disclosures after the District's disclosures. *GASB Implementation Guide No. 2015-1, question 4.39.6*.

GASB Statement No. 103 eliminated the option of presenting condensed financial statements of major component units in the notes to the District's financial statements. Rather, the District is required to display major discretely presented component unit financial statements separately in the District's financial statements. Determination that a component unit is "major" should be based on the nature and significance of its relationship to the primary government. (*GASB Statement No. 61, paragraph 7,* and *GASB Cod. §2600.108*). The reporting requirements may be satisfied by one of the following (*GASB Statement No. 103, paragraph 15*):

- Presenting each major component unit in a separate column in the District's statements of net position and activities.
- Including combining statements of major component units in the basic financial statements after the District's statements.

Nonmajor component units should be aggregated in a single column. A combining statement for the nonmajor component units is not required but may be presented as supplementary information. (*GASB Statement No. 34, paragraph 126, footnote 50,* and *GASB Statement No. 61, paragraph 7*)

Further, the notes to the financial statements should disclose, for each major component unit, the nature and amount of significant transactions with the primary government and other component units.

[Required supplementary information]

[General guidance (*GASB Statement No. 100, paragraphs 35-39*):]

User instructions:

Change in accounting principle and change to or within the financial reporting entity

- For reporting periods that are presented in the basic financial statements, information for those periods that is presented in required supplementary information (RSI) (including management's discussion and analysis [MD&A]) or supplementary information (SI) should be consistent with the manner in which the information for those periods is presented in the basic financial statements. (That is, the reporting periods should be adjusted or restated in the same manner as the basic financial statements.)
- For prior reporting periods that are **earlier** than those presented in the basic financial statements, information for those prior periods that is presented in RSI (including MD&A) or SI should **not** be restated for a change in accounting principles or a change to or within the financial reporting entity.
- If prior-period information presented in RSI (including MD&A) or SI is not consistent with current-period information as a result of a change in accounting principle or a change to or within the financial reporting entity, an explanation of why the information is not consistent should be provided in RSI (including MD&A) or SI, as applicable. In MD&A, that explanation should include a reference to the related note disclosure in the basic financial statements.

Error correction

- For reporting periods that are presented in the basic financial statements, information for those periods that is presented in RSI (including MD&A) or SI should be restated. If the error affects periods **earlier** than those presented in the basic financial statements, all affected information should be corrected by restating the information for those prior periods in RSI (including MD&A) or SI, if practicable.
- Information presented in RSI (including MD&A) or SI that is affected by an error should be identified as restated or not restated, as appropriate, and an explanation about the nature of the error should be provided in RSI (including MD&A) or SI, as applicable. In addition, if it is not practicable to restate information in RSI or SI, an explanation of why it is not practicable to restate should be provided in RSI (including MD&A) or SI, as applicable.

[County name] County Community College District
(**[College name]** College) **[Use at District's discretion]**
Required supplementary information
Schedule of the District's proportionate share of the net pension/OPEB liability
June 30, 2026

[Schedule of the District's proportionate share of the net pension/OPEB liability]

User instructions:

Payroll amounts presented in the schedules below should be for the fiscal year ended on the measurement date of the net pension/OPEB liability. For example, the payroll reported in the fiscal year 2026 column (the District's fiscal year-end) should be the payroll for fiscal year 2025 (the measurement date of the net pension/OPEB liability).

Sources:

- District's proportion of the net pension/OPEB liability: plan schedule of employer allocations.
- Districts proportionate share of the net pension/OPEB liability: plan schedule of pension/OPEB amounts by employer.
- District covered payroll: district records.

ASRS—Pension

	Reporting fiscal year (Measurement date)									
	2026 (2025)	**2025 (2024)**	**2024 (2023)**	**2023 (2022)**	**2022 (2021)**	**2021 (2020)**	**2020 (2019)**	**2019 (2018)**	**2018 (2017)**	**2017 (2016)**
District's proportion of the net pension liability	%	%	%	%	%	%	%	%	%	%
District's proportionate share of the net pension liability	$	$	$	$	$	$	$	$	$	$
District's covered payroll	$	$	$	$	$	$	$	$	$	$
District's proportionate share of the net pension liability as a percentage of its covered payroll	%	%	%	%	%	%	%	%	%	%
Plan fiduciary net position as a percentage of the total pension liability	78.78%	76.93%	75.47%	74.26%	78.58%	69.33%	73.24%	73.40%	69.92%	67.06%

See accompanying notes to pension/OPEB plan schedules.

[County name] County Community College District
(**[College name]** College) **[Use at District's discretion]**
Required supplementary information
Schedule of the District's proportionate share of the net pension/OPEB liability
June 30, 2026

ASRS—Health insurance premium benefit

	Reporting fiscal year (Measurement date)									
	2026 (2025)	**2025 (2024)**	**2024 (2023)**	**2023 (2022)**	**2022 (2021)**	**2021 (2020)**	**2020 (2019)**	**2019 (2018)**	**2018 (2017)**	**2017 (2016)**
District's proportion of the net OPEB (asset)	%	%	%	%	%	%	%	%	%	Information Not Available
District's proportionate share of the net OPEB (asset)	$	$	$	$	$	$	$	$	$	Information Not Available
District's covered payroll	$	$	$	$	$	$	$	$	$	Information Not Available
District's proportionate share of the net OPEB (asset) as a percentage of its covered payroll	%	%	%	%	%	%	%	%	%	Information Not Available
Plan fiduciary net position as a percentage of the total OPEB liability	144.12%	137.51%	134.37%	137.79%	130.24%	104.33%	101.62%	102.20%	103.57%	Information Not Available

ASRS—Long-term disability

	Reporting fiscal year (Measurement date)									
	2026 (2025)	**2025 (2024)**	**2024 (2023)**	**2023 (2022)**	**2022 (2021)**	**2021 (2020)**	**2020 (2019)**	**2019 (2018)**	**2018 (2017)**	**2017 (2016)**
District's proportion of the net OPEB liability	%	%	%	%	%	%	%	%	%	Information Not Available
District's proportionate share of the net OPEB liability	$	$	$	$	$	$	$	$	$	Information Not Available
District's covered payroll	$	$	$	$	$	$	$	$	$	Information Not Available
District's proportionate share of the net OPEB liability as a	%	%	%	%	%	%	%	%	%	Information Not Available

[County name] County Community College District
(**[College name]** College) **[Use at District's discretion]**
Required supplementary information
Schedule of the District's proportionate share of the net pension/OPEB liability
June 30, 2026

	Reporting fiscal year (Measurement date)									
	2026 (2025)	**2025 (2024)**	**2024 (2023)**	**2023 (2022)**	**2022 (2021)**	**2021 (2020)**	**2020 (2019)**	**2019 (2018)**	**2018 (2017)**	**2017 (2016)**
percentage of its covered payroll										
Plan fiduciary net position as a percentage of the total OPEB liability	110.50%	98.77%	93.70%	95.40%	90.38%	68.01%	72.85%	77.83%	84.44%	Information Not Available

See accompanying notes to pension/OPEB plan schedules.

[County name] County Community College District
(**[College name]** College) **[Use at District's discretion]**
Required supplementary information
Schedule of District pension/OPEB contributions
June 30, 2026

[Schedule of District pension/OPEB contributions]

User instructions:

Amounts presented in the schedules below should be for the District's fiscal year-end.

Statutorily required contributions presented below should exclude amounts, if any, associated with payables to the plan that arose in a prior fiscal year and those associated with separately financed specific liabilities of the District to the plan.

Sources:

- Statutorily required contributions: The sum of the following:
  - For active members: actual covered payroll from district records multiplied by the pension, health insurance premium benefit, or long-term disability portion of the employer contribution rate, as applicable.
  - For retired members: actual covered payroll from district records multiplied by the pension, health insurance premium benefit, or long-term disability portion of the alternative contribution rate, as applicable.
- District contributions in relation to the statutorily required contributions: district records.
- District covered payroll: district records.

ASRS—Pension

	Reporting fiscal year									
	2026	**2025**	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**
Statutorily required contribution	$	$	$	$	$	$	$	$	$	$
District's contributions in relation to the statutorily required contribution										
District's contribution deficiency (excess)	$	$	$	$	$	$	$	$	$	$
District's covered payroll	$	$	$	$	$	$	$	$	$	$

[County name] County Community College District
(**[College name]** College) **[Use at District's discretion]**
Required supplementary information
Schedule of District pension/OPEB contributions
June 30, 2026

	Reporting fiscal year									
	2026	**2025**	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**
District's contributions as a percentage of covered payroll	%	%	%	%	%	%	%	%	%	%

ASRS—Health insurance premium benefit

	Reporting fiscal year									
	2026	**2025**	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**
Statutorily required contribution	$	$	$	$	$	$	$	$	$	$
District's contributions in relation to the statutorily required contribution										
District's contribution deficiency (excess)	$	$	$	$	$	$	$	$	$	$
District's covered payroll	$	$	$	$	$	$	$	$	$	$
District's contributions as a percentage of covered payroll	%	%	%	%	%	%	%	%	%	%

ASRS—Long-term disability

	Reporting fiscal year									
	2026	**2025**	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**
Statutorily required contribution	$	$	$	$	$	$	$	$	$	$
District's contributions in relation to the statutorily required contribution										
District's contribution deficiency (excess)	$	$	$	$	$	$	$	$	$	$
District's covered payroll	$	$	$	$	$	$	$	$	$	$
District's contributions as a percentage of covered payroll	%	%	%	%	%	%	%	%	%	%

[County name] County Community College District
(**[College name]** College) **[Use at District's discretion]**
Required supplementary information
Notes to pension/OPEB plan schedules
June 30, 2026

[Notes to pension/OPEB plan schedules]

Note 1 – Factors that affect trends

User instructions:

Disclose information about the factors that significantly affect trends in the amounts reported in the schedules including, for example, changes in benefit provisions, changes in the size or composition of the population covered by the benefit terms, or the use of different assumptions. Information about investment-related factors that significantly affect trends in the amounts reported should be limited to those factors over which the plan or the District have influence–for example, changes in investment policies. Information about external economic factors–for example, changes in market prices–should not be presented.