



## Kentucky and GASB Statement No. 77

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**Who in state government is most likely to influence GASB 77 disclosure?** Controller Ed Ross and Division of Local Government Services Direct J.W. Bryan. The Controller reports to the Secretary of Finance and Administration Office, a cabinet level position. The Controller is the Commonwealth's Chief Accounting Office, though their role is almost exclusively focused on overseeing state government and state agencies. The Division of Local Government Services is housed within the Controller's office and provides financial, payroll, personnel, administrative, and social security coverage services to local governments.

**Who commented on the Exposure Draft from Kansas?** The Kentucky Center on Economic Policy joined two other state fiscal policy organizations and a small business organization in a joint comment calling for disclosure of personal income tax diversions.

**Does the state's most recent CAFR include GASB 77 disclosure?** Yes.

**How many counties, municipalities and school districts in the state are required to conform with GAAP and therefore GASB Statements?** According to GASB's [research brief](#) titled "State and Local Government Use of Generally Accepted Accounting Principles for General Purpose External Financial Reporting" (2008), all of Kentucky's 176 school districts and 345 of 424 municipalities are required by state law to use GAAP accounting (79 municipalities fall beneath \$75,000 a year in spending and are thus excluded). None of the state's 119 counties are required to use GAAP and most prepare financial statements on a cash basis.

**How many counties, municipalities and school districts reported on GASB 77 disclosures in 2018?** 7 of 23 sampled counties/municipalities and 4 of 156 sampled school districts.

**Is there a state office that collects CAFRS from counties/cities/school districts?** None identified so far. The Commonwealth's Auditor of Public Accounts does perform a very limited number of targeted audits of local government agencies and school districts. However, financial reports do not appear to be attached to the publicly available audit opinions.

**Does the state government or do academic/NGO institutions provide technical assistance on GAAP, GASB or completing CAFRs?** The Controller's Office publishes a quarterly newsletter dealing with a range of accounting topics, but does not appear to deal with advice on completing financial reports or timely GASB topics.

**Does state government monitor fiscal stress within county/municipality/school district?** No.

**Which state office is responsible for completing state's CAFR?** Kentucky Finance and Administration Cabinet; Office of the Controller; Statewide Accounting Services.

**For more information on GASB 77, visit:** <http://www.goodjobsfirst.org/gasb>

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