



Missouri and GASB Statement No. 77

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Who in state government is most likely to influence GASB 77 disclosure? State Auditor Nicole Galloway. The State Auditor audits Missouri's CAFR and also serves as the auditor for counties within the state that do not have public auditors. Auditor Galloway was nominated for the 2017 [Gabrielle Giffords Rising Star](#) award, given annually to a female elected official who possesses the values and leadership demonstrated by former the former Congresswoman the award is named for. Galloway's nomination noted her particularly leadership in improving Missouri's online transparency of state financial records. The Director of the Kansas City Public Library Crosby Kemper III is an outspoken opponent of corporate subsidies for development. The Library reported \$2.7 million in library revenue foregone (out of an \$18 million budget) because of tax abatements granted by local governments. Its October 2016 CAFR report released the data a year before required to. Kemper has rallied librarians from Columbia and Springfield to express their concern about tax increment financing's (TIF) impact on their libraries' finances. Kemper also chairs the board of the libertarian Show-Me Institute, which has [actively spread the word on GASB 77](#) as a tool for exposing and curtailing ineffective incentives like TIF.

Who commented on the exposure Draft from Missouri? Three organizations and one elected official in Missouri submitted GASB 77 comments: The [Missouri Department of Transportation](#) expressed support for disclosure of public subsidies but expressed some concern whether governments experiencing passive losses would be able to collect data required from abating jurisdictions. Professor Todd Swanstrom, UM-SL (co-signed a [letter](#) with 47 other academics in support of the GASB 77) and Professor Kenneth Thomas (co-signed the same [letter](#) and [another](#) in his own name).

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), none of Missouri's 114 counties, 1,258 cities or

536 independent school districts is required by state law to use GAAP accounting. Ninety-five percent of Missouri school districts use [OCBOA](#) (Other Comprehensive Basis of Accounting) rules, which use cash accounting (instead of accrual accounting used under GAAP) and are less rigorous than GAAP. An unknown share of Missouri localities adheres to GAAP: the same 2008 GASB study indicates that many jurisdictions that are not legally required to follow GAAP do so anyway, presumably to satisfy credit ratings agencies and obtain the lowest possible interest rates on bond borrowings.

How many counties, municipalities and school districts reported on GASB 77 disclosures in 2018? 34 of 68 sampled counties/municipalities and 97 of 206 sampled school districts.

Is there a state office that collects CAFRS from counties/cities/school districts? The State Auditor's office collects CAFRs audit reports from local governments and school districts and posts them [online](#) in a searchable database. The State Auditor also collects and [posts](#) annual reports of all TIF districts in the state (few states do this).

Does the state government or do academic/NGO institutions provide technical assistance on GAAP, GASB or completing CAFRs? We could find no evidence of technical assistance programs for local government financial managers provided by the State Auditor, or other state offices or universities.

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

Which state office is responsible for completing state's CAFR? Missouri Office of Administration, Division of Accounting.

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

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