



## South Carolina and GASB Statement No. 77

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**Who in state government is most likely to influence GASB 77 disclosure?** State Treasurer Curtis Loftis, Jr. is responsible for overseeing transfers of state funds to local governments. Because of this, his office has oversight authority for local government audit statements. State Comptroller General Richard Eckstrom is the state's chief accounting officer, and therefore plays a role in defining the accounting standards and practices of local governments.

**Who commented on the Exposure Draft from South Carolina?** None.

**Does the state's most recent CAFR include GASB 77 disclosure?** No.

**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 South Carolina's 85 school districts as well as public universities use GAAP accounting. But none of South Carolina's 46 counties, or its 269 municipalities are required by state law to use GAAP accounting. However, the same 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?** 41 of 53 sampled counties/municipalities and 54 of 59 sampled school districts.

**Is there a state office that collects CAFRS from counties/cities/school districts?** The South Carolina Association of Counties (not a state office) collects and [posts](#) budgets and CAFRs from all of the counties in the state. Counties and municipalities are required under [Section 14-1-208 of the 1976 State Code](#) to submit copies of audit statements to the State Treasurer. Non-compliance subjects local government bodies to a withholding of 25 percent of any state grant money until the audits are submitted. The State Treasurer maintains publicly posted [lists of non-](#)

[compliant local governments](#). Although the Treasurer's Office receives local CAFRs, it does not post them online. The State Comptroller has since 2008 operated a [local government spending transparency webpage](#), which includes several dozen participating counties and municipalities that post anything from their check registers to their financial statements. Links from the transparency website connect users to the local governments' financial disclosure websites. The State Department of Education collects, aggregates and publishes detailed annual reports on [expenditures](#) and [revenue](#) by district. This site would be a useful place to gather GASB 77 disclosure information.

**Does the state government or do academic/NGO institutions provide technical assistance on GAAP, GASB or completing CAFRs?** No State departments or agencies play a significant role in providing local governments with technical assistance in completing financial reporting documents. The South Carolina Association of Counties hosted a [webinar](#) on GASB 77 on December 8, 2016.

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

**Which state office is responsible for completing state's CAFR?** South Carolina Comptroller General's Office.

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

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