



## Virginia and GASB Statement No. 77

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**Who in state government is most likely to influence GASB 77 disclosure?** Auditor of Public Accounts Martha Mavredes (Appointed by the Virginia General Assembly in 2013). The State Auditor audits state government and its agencies and other entities receiving state funds. The Auditor is responsible for establishing accounting standards for governments in Virginia. Auditor Mavredes expressed concern about GASB 77 during the public [comment](#) period, arguing that financial statements are not a good place for such disclosure and questioning whether data provided could be verified. Auditor Mavredes is active with the National Association of State Auditors and has been active in NASA's Peer-to-Peer audit review process. State Treasurer Manju Ganeriwala is past president of the National Association of State Treasurers and currently sits on the NASACT Executive Committee.

### Who commented on the Exposure Draft from Virginia?

- Virginia Organizing joined 14 other affiliates of the Alliance for a Just Society in a broadly supportive [comment](#) calling for inclusion of TIFs and of future year abatement liabilities in the reporting.
- Delegate Kaye Kory and Richmond School Board member Tichi Pinkney Eppes joined 60 other local elected officials in submitting a [comment](#) broadly supportive of GASB 77. Delegate Kory also submitted the same [comment](#) under her signature alone.
- Virginia's Auditor of Public Accounts submitted a critical [comment](#) arguing that financial statements are not a good medium for subsidy disclosure; that disclosures as prescribed would be difficult to verify; and that the picture would be incomplete without also requiring disclosure of benefits derived. The Auditor also wrote that disclosure of future-year abatement liabilities would improve the disclosure.
- The Virginia Governmental Financial Officers Association (GFOA) filed a [comment](#) with similar concerns expressed by GFOA affiliates in other states: that disclosure only of costs paints an incomplete picture; that definitions of abatements are too vague and will lead to confusion; and that required disclosures may violate rules surrounding taxpayer confidentiality.

**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), 94 of 95 Virginia counties, 72 of 229 municipalities and all 296 of the state’s school districts are required by state law to use GAAP accounting. Counties and cities with fewer than 3,500 residents are legally exempt from GAAP reporting (but many may do so to get good credit ratings and lower interest rates when issuing bond offerings).

**How many counties, municipalities and school districts reported on GASB 77 disclosures in 2018?** 55 of 241 sampled counties/municipalities and 0 of 6 sampled school districts.

**Is there a state office that collects CAFRS from counties/cities/school districts?** The State Auditor’s office gathers CAFRS from counties, cities and school districts and posts them [online](#). The Auditor’s office extracts data from CAFRS and creates an [annual comparative data spreadsheet](#) that would be an ideal place to include aggregate GASB 77 data.

**Does the state government or do academic/NGO institutions provide technical assistance on GAAP, GASB or completing CAFRS?** The Auditor’s Office posts a [range of technical assistance](#) on audits for local governments. It published a range of information on [GASB 68](#) (pensions) compliance, but has posted nothing so far on GASB 77. The [Cooper Center for Government](#) at the University of Virginia runs Local Government Academies throughout the state, and might be a good contact for disseminating information on GASB 77 compliance.

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

**Which state office is responsible for completing state’s CAFR?** Virginia Office of the State Comptroller.

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

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