



STATE OF SOUTH CAROLINA DEPARTMENT OF EDUCATION

MOLLY M. SPEARMAN
STATE SUPERINTENDENT OF EDUCATION

MEMORANDUM

TO: School Business Officials

FROM: Hershula D. Davis ~~ADD~~
Audits Manager, Office of Auditing Services

DATE: May 22, 2020

SUBJECT: Proposed Statement of the Governmental Accounting Standards Board,
Postponement of Certain Authoritative Guidance (GASB Statement No. 84,
Fiduciary Activities and GASB Statement No. 87, *Leases*)

The South Carolina Department of Education (SCDE) has reviewed the Exposure Draft of the Proposed Statement of the Governmental Accounting Standards Board (GASB), *Postponement of Certain Authoritative Guidance* for the potential effects on South Carolina school districts. The purpose of the Proposed Statement is to extend for one year the effective dates of certain provisions in Statements and Implementation Guides to provide temporary relief to governments, such as school districts, from certain new accounting and financial reporting requirements due to the impact of the COVID-19 pandemic.

GASB has included in the Proposed Statement the provisions contained in GASB Statement No. 84, *Fiduciary Activities* and GASB Statement No. 87, *Leases* (Please see GASB's Proposed Statement for a complete list of affected Statements and Implementation Guidance). The requirements of GASB Statement No. 84 and 87 have been extended for one year and are now effective as follows:

- Statement No. 84 and Implementation Guide 2019-2—reporting periods beginning after December 15, 2019
- Statement No. 87 and Implementation Guide 2019-3—fiscal years beginning after December 15, 2020, and all reporting periods thereafter

On September 3, 2019, the SCDE issued a memorandum to school districts related to the adoption and implementation of GASB Statement No. 84, *Fiduciary Activities* with an effective date of the reporting period ending June 30, 2020. As a result of the Proposed Statement, the effective date of the adoption and implementation of the guidance issued in SCDE's



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memorandum dated September 3, 2019 has been postponed until the reporting period ending June 30, 2021.

If you have any questions, please contact me, Hershula D. Davis, at 803-734-6022 or hdavis@ed.sc.gov or Melissa A. Myers, at 803-734-8453 or mmyers@ed.sc.gov.

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