

Statutory Duties and Obligations of State Treasurer and Comptroller General

Presented by

Elizabeth Zeck and Mitchell Willoughby



**WILLOUGHBY
HUMPHREY
& D'ANTONI**

LITIGATION | REGULATORY | BUSINESS



South Carolina Office of
the State Treasurer

Duties and Powers of Comptroller General and State Treasurer are Defined by Statutes.

▶ “[T]he comptroller is a constitutional officer, having only such powers and duties as have been, or may be, provided by law.”

▶ [*State of South Carolina v. Corbin & Stone*, 16 S.C. 533 \(1882\)](#)

▶ “[The State Treasurer possesses no common law or inherent powers of office. Instead, it is recognized by authorities that “[t]he powers and duties of the state treasurer are generally only as specified by the state constitution and pertinent statutes.””

▶ [*In re Loftis* \(S.C.A.G. Op. 2011\), 2011 WL 5304078](#)

The Treasurer is the Custodian of State Funds

- ▶ State Treasurer “has by law the custody and control of the moneys of the State.”
In re Morris, 1998 WL 196487 (S.C.A.G.)
- ▶ S.C. Code §11-13-120
“All state departments, boards, bureaus, commissions or other state agencies charged with the collection of any taxes, licenses, fees, interest or any income to the State shall, with ordinary business promptness, deposit the same when collected with or to the credit of the State Treasurer, either at his office in the State Capitol or in such bank or banking institution within the State as shall be designated by the State Treasurer. . . .”
- ▶ S.C. Code §11-13-125
“All funds received by any department or institution of the state Government shall be deposited and maintained in appropriate accounts in the State Treasury . . .”

The Treasurer is the Investment Manager of State Funds

- ▶ S.C. Code Ann. § 11-9-660(A)

“The State Treasurer has full power to invest and reinvest all funds of the State” in statutorily designated investment vehicles.

All state spending must be authorized by appropriation by the General Assembly

- ▶ S.C. Constitution, Art. X, §8

Money shall be drawn from the treasury of the State . . . only in pursuance of appropriations made by law.

“[T]he Legislature has the exclusive power to direct how, when and for what purposes the public monies shall be applied in carrying out the objects of the State government.”

- *In re Leatherman*, (SC Atty Gen. Op. 2005)

Statutory Directives for Payment of State Funds

▶ S.C. Code Ann. § 11-5-140

The several amounts appropriated from year to year to meet the ordinary expenses of the State shall be paid by the Treasurer out of the usual income of the State and any unexpended balance in his hands not otherwise appropriated, in the manner prescribed by Section 11-3-130

▶ S.C. Code Ann. § 11-3-130

All payments by the State Treasurer . . . shall be made on warrants drawn by the Comptroller General, and the vouchers for the same must be filed in his office.

▶ S.C. Code § 11-5-130

Upon the receipt by the Comptroller General of the receipt warrant [from the requesting institution], the Comptroller General shall issue his warrant on the State Treasurer in favor of the treasurer of the [requesting] institution for the amount drawn, and the State Treasurer shall pay the warrant, the amount thereof to be charged to the appropriation account of such institution by the Comptroller General and the State Treasurer.



Managing State Funds in the Electronic Age Using the S.C. Enterprise Information System



- ▶ S.C. Code Ann. § 11-3-140

[T]he Comptroller General, after the installation of an electronic data processing system to serve the offices of Comptroller General and State Treasurer, shall present warrants for the payment of each State obligation directly to the State Treasurer, who shall then make payment of the obligation by check.

- ▶ S.C. Code § 11-53-20 (initially enacted in 2005, implementation began in 2009)

It is mandated by the General Assembly that SCEIS shall be implemented for all agencies

Role of Comptroller General in Release of State Funds

About SCEIS

Training

Finance

HR & Payroll

Materials Management

Reporting

Imaging

Technical

Finance

The SCEIS Finance modules provide agencies with the tools to consolidate all of their accounting and financial processes. Using transaction codes in SCEIS to perform accounting transactions, display account information, or look up documents, state employees will benefit greatly from the integrated system.

On July 1, 2009 SCEIS replaced the 30-year-old Statewide Accounting and Reporting System (STARS) as the Book of Record for South Carolina state government. SCEIS is now the single place where all of South Carolina's financial transactions are recorded; this includes agencies that have converted to SCEIS as well as those preparing to do so.

▶ S.C. Code § 11-3-170

After the approval of the annual appropriation act by the Governor, monies may be obtained from the State Treasury only by drawing vouchers upon the Comptroller General. All vouchers, except for appropriated salaries, shall be accompanied by a classified and itemized statement of expenditures showing in each case the name of the payee and a list of articles purchased or services rendered, together with a certified statement that such articles or services were purchased or rendered exclusively for the purpose or activity for which the appropriation was made. These statements of expenditures shall be prepared on printed forms prescribed by the Comptroller General and they shall be prepared in duplicate, the copy to be retained for the purpose of assisting in the annual audit and as a permanent office record.



Who is Responsible for SCEIS?

▶ S.C. Code § 11-53-20

The [SCEIS] Oversight Committee, as appointed by the Comptroller General, shall provide oversight for implementation and continued operations of the system. . . .

▶ SCEIS Executive Oversight Committee is chaired by CGO’s representative.

▶ State Treasurer has one appointee among the eleven members

Name	Agency	Email Address
Eddie Gunn (Chairperson)	Office of the Comptroller General	egunn@cg.sc.gov
Senate Finance Committee Appointee		
Jake Scoggins	SC Senate Senate Finance Committee	JakeScoggins@scsenate.gov
House Ways and Means Committee Appointee		
Stephanie Meetze	SC House of Representatives House Ways and Means Committee	StephanieMeetze@schouse.gov
State Treasurer's Office Appointee		
Tonia Morris	State Treasurer's Office	Tonia.Morris@sto.sc.gov
Department of Revenue Appointee		
Laura Watts	Department of Revenue	Laura.watts@dor.sc.gov
Department of Social Services Appointee		
William Bray	Department of Social Services	William.BrayJr@dss.sc.gov
Department of Health and Human Services Appointee		
Rhonda Morrison	Health and Human Services	morrison@scdhhs.gov
Department of Administration, Division of State Human Resources Appointee		
Karen Wingo	Division of State Human Resources	Karen.Wingo@admin.sc.gov
Department of Administration Representatives		
Paul Koch	Chief of Staff, Department of Administration	Paul.Koch@admin.sc.gov
Ed Pearce	SCEIS Project, Department of Administration	Ed.Pearce@admin.sc.gov
Governor's Office Appointee		
Vacant	Governor's Office	
Department of Disabilities and Special Needs Appointee		
Vacant	Department of Disabilities and Special Needs	
Department of Mental Health Appointee		
Vacant	Department of Mental Health	
Department of Motor Vehicles Appointee		
Vacant	Department of Motor Vehicles	



The Comptroller General is the State Accounting Officer responsible for SCEIS

- ▶ 2023-24 Budget Proviso 97.2: GAAP Implementation and Refinement

It is the intent of the General Assembly that the State of South Carolina issue financial statements in conformance with Generally Accepted Accounting Principles (GAAP). To this end, **the Comptroller General is directed, as the State Accounting Officer, to maintain an Enterprise Information System for State Government (SCEIS)** that will result in proper authorization and control of agency expenditures, including payroll transactions, and in **the preparation and issuance of the official financial reports for the State of South Carolina**. Under the oversight of the General Assembly, the Comptroller General is given full power and authority to issue accounting policy directives to state agencies in order to comply with GAAP. The Comptroller General is also given full authority to conduct surveys, acquire consulting services, and implement new procedures required to implement fully changes required by GAAP.

Comptroller General Acknowledges Responsibility over SCEIS in its Accountability Reports

Agency Name:	COMPTROLLER GENERAL'S OFFICE			
Agency Code:	E120	Section:	097	
Item #	Law Number	Jurisdiction	Type of Law	Statutory Requirement and/or Authority Granted

2	97.2	State	Proviso	<p>(CG: GAAP Implementation & Refinement) It is the intent of the General Assembly that the State of South Carolina issue financial statements in conformance with Generally Accepted Accounting Principles (GAAP). To this end, the Comptroller General is directed, as the State Accounting Officer, to maintain an Enterprise Information System for State Government (SCEIS) that will result in proper authorization and control of agency expenditures, including payroll transactions, and in the preparation and issuance of the official financial reports for the State of South Carolina. Under the oversight of the General Assembly, the Comptroller General is given full power and authority to issue accounting policy directives to state agencies in order to comply with GAAP. The Comptroller General is also given full authority to conduct surveys, acquire consulting services, and implement new procedures required to implement fully changes required by GAAP.</p>
---	------	-------	---------	---

Does this law specify who your agency must or may serve? (Y/N)	Does the law specify a product or service your agency must or may provide?	<i>If yes, what type of service or product?</i>	<i>If other service or product, please specify what service or product.</i>
--	--	---	---

Yes	Yes	Other service product our agency must/may provide	Maintain SCEIS that will result in proper authorization and control of agency expenditures.
-----	-----	---	---

CGO's Continuing Responsibility over SCEIS: FY2022 Accountability Report

FY2022

Legal Data

as submitted for the Accountability Report by:

E120 - COMPTROLLER GENERAL'S OFFICE

Law number	Jurisdiction	Type	Description	Purpose the law serves:	Notes:	Changes made during FY2022
97.2	State	FY22-23 Proviso	(CG: GAAP Implementation & Refinement) It is the intent of the General Assembly that the State of South Carolina issue financial statements in conformance with Generally Accepted Accounting Principles (GAAP). To this end, the Comptroller General is directed, as the State Accounting Officer, to maintain an Enterprise Information System for State Government (SCEIS) that will result in proper authorization and control of agency expenditures, including payroll transactions, and in the preparation and issuance of the official financial reports for the State of South Carolina. Under the oversight of the General Assembly, the Comptroller General is given full power and authority to issue accounting policy directives to state agencies in order to comply with GAAP. The Comptroller General is also given full authority to conduct surveys, acquire consulting services, and implement new procedures required to implement fully changes required by GAAP.	Requires a service	Maintain SCEIS that will result in proper authorization and control of agency expenditures.	No Change

CGO Establishes Accounting Policies and Procedures for Other State Agencies



South Carolina
Comptroller General

Brian J. Gaines

[Meet the Comptroller General](#)

[Financial Reports](#)

[Guidance and Forms for State Agencies](#)

[Home](#) » [Guidance and Forms for State Agencies](#) » Accounting Policies and Procedures

Accounting Policies and Procedures

Accounting Forms

[Fund Validation Form](#) - This form is used by state agencies to request the use of an existing fund in SCEIS not currently authorized for that agency.

[Journal Entry Template](#)

[New Fund Request Form](#) - This form is used by state agencies to request a new fund in [SCEIS](#).

[New General Ledger Account Request Form](#)

[Primary Finance Contacts Form](#)



WILLOUGHBY HUMPHREY & D'ANTONI
LITIGATION | REGULATORY | BUSINESS



South Carolina Office of
the State Treasurer

CGO Defines SCEIS Funds for Use by Other State Agencies

State of South Carolina Statewide Fund Definition Guidance

Effective Date	Continuous
Current Through	12/31/23

Purpose

The following Statewide Accounting Policy has been established by the Comptroller General's Office to reduce errors, improve consistency and reporting. The fund definitions are applicable to transactional processing in the General Ledger. Other funds starting with a 6XXXXXXX are used to record Composite Account activity and other financial statement activity. 9XXXXXXX funds are used for a specific purpose by CG's Financial Reporting team. The definition for the GASB 54 fund balance classification is listed in Section 20 (Fund Balance and Net Assets) of the "Year-End Reporting Policies and Procedures Manual".

FUND DEFINITIONS

- **General Fund:**
 - General Fund amounts are appropriated through the Appropriations Act for funds starting with 1XXXXXXX.
 - General Fund cash revenue is posted to funds starting with 2XXXXXXX.
- **Earmarked Fund:**
 - Earmarked Fund amounts are authorized through the Legislative process for funds starting with 3XXXXXXX.
 - Earmarked Funds consist of deposits from revenues which are to be used by certain agencies for purposes specified by law.
 - Earmarked Funds must have both cash and authority in order to process disbursement related transactions.

CGO's Reporting Requirements

- ▶ S.C. Code § 11-3-90

The Comptroller General shall report, annually, to the General Assembly his transactions **in regard to unappropriated funds in the State Treasury.**

- ▶ S.C. Code § 11-3-175

The . . . Comptroller General shall implement appropriate accounting procedures to consolidate accounts, in connection with lump sum agencies, as necessary for proper accounting and for facilitation of financial reporting in accordance with generally accepted accounting principles.”

- ▶ S.C. Code § 11-3-210

The Comptroller General shall enter in books, kept for that purpose, such statements of the accounts of persons having the distribution of public money, directed by law to be rendered to him, as will enable him, at any time, to show how such accounts stand between the parties, respectively.

CGO's Reporting Requirements, cont.

► S.C. Code § 11-3-90

The Comptroller General shall keep a set of books exhibiting the separate transactions of the State Treasury. Such set of books shall be **a transcript of the books of the Treasury, constituting a complete check upon that office.** And the Comptroller shall, in addition to the exhibits of cash transactions of the Treasury, annually report to the General Assembly a balance sheet of the books aforesaid, setting forth as well by whom debts are due to the State as the amounts of those debts.

Treasurer's Reporting Requirements: Reporting within SCEIS

► Daily Reports -- S.C. Code § 11-5-170 – “Performed by SCEIS”

The State Treasurer shall, at the close of business on each day, send to the Comptroller General a report of all monies paid out by him, to whom paid and on what account, except that paid upon warrants of the Comptroller General.

AGENCY NAME:	Office of the Comptroller General		
AGENCY CODE:	E120	SECTION:	097

2022 Accountability Report

Law number	Jurisdiction	Type	Description	Purpose the law serves:	Notes:	Changes made during FY2022
11-5-170.	State	Statute	(State Treasurer to send daily reports to Comptroller General) The State Treasurer shall, at the close of business on each day, send to the Comptroller General a report of all monies paid out by him, to whom paid and on what account, except that paid upon warrants of the Comptroller General.	Not related to agency deliverable	Performed by SCEIS	No Change

Treasurer's Reporting Requirements: Reporting within SCEIS

- ▶ **Monthly Reports -- S.C. Code § 11-5-180 – “Performed by SCEIS”**
- ▶ The State Treasurer shall, at the end of every month, report to the Comptroller General an accurate statement of the cash transactions of the Treasury, of every description, stating therein every sum of money received or paid away in behalf of the State, particularizing the person and his office of whom received and to whom paid, as also on what account received and for what purpose paid.
- ▶ He shall, at all times, when required by the Comptroller General, produce to him satisfactory statements of the cash in hand and furnish him promptly with the official information, duly certified, relative to any matter connected with the revenue and finance of the State.

AGENCY NAME:	Office of the Comptroller General
AGENCY CODE:	E120
SECTION:	097

2022 Accountability Report

11-5-180.	State	Statute	(Monthly reports to Comptroller General of cash transactions) The State Treasurer shall, at the end of every month, report to the Comptroller General an accurate statement of the cash transactions of the Treasury, of every description, stating therein every sum of money received or paid away in behalf of the State, particularizing the person and his office of whom received and to whom paid, as also on what account received and for what purpose paid. He shall, at all times, when required by the Comptroller General, produce to him satisfactory statements of the cash in hand and furnish him promptly with the official information, duly certified, relative to any matter connected with the revenue and finance of the State.	Not related to agency deliverable	Performed by SCEIS	No Change

Treasurer's Reporting Requirements: Reporting within SCEIS

S.C. Code § 11-5-100

The Treasurer shall raise an account in the Treasury books in every instance for the several appropriations made by the General Assembly, so that the appropriations of money and application thereof conformably thereto may appear clearly and distinctly on the Treasury books.

Treasurer's Reporting Requirements: Reporting to the Public

Statement of the State Treasurer's Bank Deposits As of Close of Business 12/31/2023

PUBLISHED AS REQUIRED BY SECTION 11-5-120, CODE OF LAWS OF S.C. 2016

Arthur State Bank	5,063
Bank of America, NA	1,050,033,759
BNY Mellon	75,994
Blue Ridge Bank	4,273
Citizens Bank	859,842
Coastal Carolina National Bank	50,921
Enterprise Bank of SC	4,555
Farmers & Merchants Bank of SC	1,525
First Citizens Bank of SC	3,021,081
First National Bank of South Carolina	775
JP Morgan	5,301,612
Palmetto State Bank	935,444
South State Bank	5,735,924
Synovus Bank	2,445,773
TD Bank	27,526,349
The Bank of Clarendon	37,320
Truist Bank	193,738
United Community Bank	151,855,434
Wells Fargo Bank	584,621,282
TOTAL	1,832,710,664

Deposits in excess of federal insurance limits are collateralized in accordance with Statute 11-13-60.

S.C. Code § 11-5-120

The State Treasurer shall publish, quarterly, *by electronic means and in a manner that allows for public review*, a statement showing the amount of money on hand and in what financial institution it is deposited and the respective funds to which it belongs. *(since 2008)*

The State Treasurer shall publish, quarterly, *in one daily paper in the city of Columbia*, a statement showing the amount of money on hand and in what financial institution it is deposited and the respective funds to which it belongs. *(before 2008)*

PUBLIC NOTICE	
IN ACCORDANCE WITH STATE LAW, THE STATE TREASURER'S OFFICE HAS PREPARED THE FOLLOWING STATEMENT OF BANK DEPOSITS AS OF March 31, 2004	
STATEMENT OF BALANCES IN THE STATE TREASURER'S OFFICE SHOWING THE BANK IN WHICH FUNDS ARE DEPOSITED AT THE CLOSE OF BUSINESS 3/31/2004	
PUBLISHED AS REQUIRED BY SECTION 11-5-120, CODE OF LAWS OF S.C. 1976	
Anderson Brothers Bank	2,000,500.00
Arthur State Bank	5,002,373.49
Bank of America	80,100,651.75
Bank of Anderson, N. A.	100,000.00
Bank of Camden	3,700,000.00
Bank of Greatleyville	1,000,000.00
Bank of New York	6,335,423.98
Bank of Ridgeway	500,000.00
Bank of Travelers Rest	3,000.00
Bank of Walterboro	1,600,000.00
Blus Ridge Bank	6,731.50
Branch Bank and Trust	254,158.12
CapitalBank	10,000,000.00
Carolina Bank & Trust Co	500.00
Carolina Commercial Bank	506,012.98
Carolina Community Bank	5,000,000.00
Carolina First Bank	763,767.79
Coastal Federal Savings & Loan	5,000,000.00
Conway National Bank	10,000,000.00
Enterprise Bank of SC	585.84
Farmers & Merchants Bank of SC	5,001,506.00
First Citizens Bank	508,002.82
First Federal of Charleston	5,000,000.00
First National Bank of Spartanburg	4,000,000.00
First National Bank of SC	4,003,601.79
First Palmetto Savings Bank	10,000,000.00
First Reliance Bank	5,000,000.00
First Savors	5,000,000.00
First South Bank	2,000,000.00
Founders FCU	7,500,000.00
Home Federal Savings & Loan	500,000.00
National Bank of S C	20,050,655.91
National Bank of York County	10,000,000.00
Palmetto State Bank	11,882.45
Peoples Commercial Bank fo S C	5,000,000.00
Peoples National Bank	100,000.00
Plantation Federal Savings	5,000,000.00
Provident Community Bank	7,000,000.00
S C Bank & Trust	10,546,125.18
S C Teko FCU	100,000.00
SC Community Bank	300,000.00
Security Federal Savings	10,000,000.00
Seneca National Bank	100,000.00
Southcoast Community Bank	3,000,000.00
Summit National Bank	4,000,000.00
The Bank of Clarendon	27,792.40
The Citizens Bank	3,000,000.00
The Exchange Bank of SC	5,000.00
The Palmetto Bank	23,793.57
Wachovia Bank of SC	100,008,091.64
Williamsburg First National Bank	23,324.27
U.S. First Income Securities	2,020,670,024.00
TOTAL	3,208,359,506.38
THE ABOVE BANK BALANCES INCLUDE \$350,000,000.00 IN FULLY COLLATERALIZED CERTIFICATES OF DEPOSIT WHICH ARE PLACED BY COMPETITIVE BID. THE REMAINING BALANCES ARE TO COVER OUTSTANDING CHECKS	
GRADY L. PATTERSON, JR STATE TREASURER	

Treasurer's Reporting Requirements: Reporting to the General Assembly

▶ S.C. Code § 11-5-185

In addition to other reports required by law to be made, by the State Treasurer, he shall also report annually to the General Assembly in the month of January on the following matters:

- (1) The amount of state revenue collected in the previous fiscal year.
- (2) The amount of such revenue deposited in the state general fund.
- (3) The location of general fund revenue in banks and other financial institutions including invested funds, as of the end of the previous fiscal year.
- (4) The interest accrued from deposits and investments for the previous fiscal year and the use of such interest.
- (5) The amount expended for debt service in the previous fiscal year.
- (6) The current status of the general fund reserve including any expenditure or reimbursement thereof.
- (7) Any other information relating to state revenue which the Treasurer deems pertinent and of value to the General Assembly, including such items as special state funds, the highway fund and other funds not specified herein, as may be deemed appropriate by the Treasurer.

Reports provided to General Assembly



THE HONORABLE CURTIS M. LOFTIS, JR.
State Treasurer

SECTION 11-5-185. Treasurer's annual report to the General Assembly.

In addition to other reports required by law to be made, by the State Treasurer, he shall also report annually to the General Assembly in the month of January on the following matters:

	Requested Information
(1) The amount of state revenue collected in the previous fiscal year.	This information is available in SCEIS, the South Carolina Board of Economic Advisors Monthly Revenue Monitor Fiscal Year 2022-23 Final and as reported by the Comptroller General in the Year End Financial Summary and the ACFR .
(2) The amount of such revenue deposited in the state general fund.	This information is available in SCEIS, the South Carolina Board of Economic Advisors Monthly Revenue Monitor Fiscal Year 2022-23 Final and as reported by the Comptroller General in the Year End Financial Summary and the ACFR .
(3) The location of general fund revenue in banks and other financial institutions including invested funds, as of the end of the previous fiscal year.	The Bank Balances Annual Report - FY23 and STO Investment Performance Annual Report FY23 are posted on the STO website.
(4) The interest accrued from deposits and investments for the previous fiscal year and the use of such interest.	Accrued interest is reported in ACFR and is also available in SCEIS.
(5) The amount expended for debt service in the previous fiscal year.	The STO reports this in the Accountability Report and it is also available within SCEIS.
(6) The current status of the general fund reserve including any expenditure or reimbursement thereof.	This information is available in SCEIS and is reported by the Comptroller General in the Year End Financial Summary and the ACFR .

Over time, most of this reporting has been absorbed due to changes in technology (SCEIS) within other state processes with the Board of Economic Advisors and Comptroller General, to which we submit our portion of data that is then reported out in compilation.



AGENCY NAME:	State Treasurer's Office
AGENCY CODE:	E160
SECTION:	98

2022 Accountability Report

SUBMISSION FORM

have reviewed and approved the data submitted by the agency in the following templates:

- Data Template
 - Reorganization and Compliance
 - FY2022 Strategic Plan Results
 - FY2023 Strategic Plan Development
 - Legal
 - Services
 - Partnerships
 - Report or Review
 - Budget
- Discussion Template
- Organizational Template

have reviewed and approved the financial report summarizing the agency's budget and actual expenditures, as entered by the agency into the South Carolina Enterprise Information System.

The information submitted is complete and accurate to the extent of my knowledge.

AGENCY DIRECTOR (SIGN AND DATE):	
(TYPE/PRINT NAME):	The Honorable Curtis M. Loftis, Jr.

SUMMARY

Role of Comptroller General

- ▶ State Accounting Officer
- ▶ Maintain SCEIS
- ▶ Adopt accounting policies and procedures, including creating “funds” within SCEIS
- ▶ Prepare and issue official financial reports (Annual Comprehensive Financial Report)
- ▶ Issue warrants to authorize and control agency expenditures
- ▶ Provide “complete check” on state funds in treasury

Role of Treasurer

- ▶ State’s Banker
- ▶ Custody state funds
- ▶ Invest and reinvest state funds
- ▶ Release state funds pursuant to warrants/authorization issued by Comptroller General
- ▶ Report to public and to General Assembly regarding custodied state funds