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# Government Reporting

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# Fund Accounting

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## □ Definition of a fund:

- fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

# Major Fund Determination

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- ❑ Funds are reported as major if the revenues, expenses, assets or liabilities are at least 10% of the corresponding totals for all governmental or enterprise funds and at least 5% of the aggregate amount for all governmental and enterprise funds.

# Types of Funds

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- ❑ Governmental
  - Modified accrual basis of accounting
  - Current financial resources focus
- ❑ Proprietary
  - Accrual basis of accounting
  - Economic resources measurement focus
- ❑ Fiduciary
  - Accrual basis of accounting
  - Economic resources measurement focus

# Types of Governmental Funds

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- ❑ General Fund
  - major operating fund of the government
- ❑ Special Revenue Funds
  - accounts for specific revenue sources that are restricted or committed for a certain purpose (ex. Liquid Fuels), should never have unassigned fund balance.
- ❑ Capital Projects Funds
  - used to finance major capital projects
- ❑ Debt Service Funds
  - used to pay the principal and interest on long-term debt
- ❑ Permanent Funds
  - used to account for resources that are legally restricted to the extent that only earnings (not principal) may be used for purposes that support the government's programs.

# Fund Balances - Governmental

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- ☐ Nonspendable
- ☐ Restricted
- ☐ Committed
- ☐ Assigned
- ☐ Unassigned

# Types of Proprietary Funds

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## ☐ Enterprise Funds

- accounts for any activity where external users are charged a fee for the good or service.
- Self-supporting/ can operate on it's own

## ☐ Internal Service Funds

- accounts for goods and services provided by departments on a cost-reimbursement basis.
- should only be used if the reporting government is the main participant in the activity

# Net Position – Proprietary Fund

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- ☐ Restricted
- ☐ Unrestricted
- ☐ Net Investment in Capital Assets
  - Capital assets net of accumulated depreciation less the outstanding balances of bonds, notes, or other borrowings that are related to the acquisition/construction of those assets.



# Types of Fiduciary Funds

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## ❑ Custodial Funds

- used to report resources of the reporting government that are held in a strictly custodial nature. Meaning assets equal the liabilities.
- Pension, External Investment Trust, Private Purpose

# GASB 34

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- ❑ Created to aid in the following:
  - Assess the finances of the government in its entirety, including the year's operating results
  - Determine whether the government's overall financial position improved or deteriorated
  - Evaluate whether the government's current-year revenues were sufficient to pay for current-year services

# GASB 34

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- ❑ Created to aid in the following:
  - See how the government finances its programs—through user fees and other program revenues versus general tax revenues
  - Understand the extent to which the government has invested in capital assets, including roads, bridges, and other infrastructure assets
  - Assess long-term liabilities (Debt and Pension/OPEB obligations)

# Required Statements

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- ❑ Government – Wide Statements
- ❑ RSI (Required Supplementary Information)
  - MD&A (Management Discussion & Analysis)
  - Budgetary Comparisons
  - Pension and OPEB plan information and schedules

## GASB 34 Conversion Entries

- ☐ Capital Assets
- ☐ Recognition of unearned tax revenue
- ☐ Long-term Debt
- ☐ Compensated Absences
- ☐ Net Pension/OPEB Asset/Liability
- ☐ Eliminate governmental interfunds
- ☐ Reclass of revenues

# Supplementary Information

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- ☐ Combing statements for non-major funds
- ☐ Combing statements for fiduciary funds
- ☐ Schedule of Expenditures of Federal Awards (SEFA)
- ☐ Other schedules of current year information

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# **Social Q&A for Government Update Session 6: Government Reporting**

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# **Session Evaluation for Government Update Session 6: Government Reporting**



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**Poll: Which is your favorite Christmas movie?**

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**Poll: Governmental fund statements are reported  
on which basis of accounting:**

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**Poll: Government-wide statements are reported on  
which basis of accounting:**

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**Poll: Proprietary fund statements are reported on  
which basis of accounting:**

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**Poll: Fiduciary fund statements are reported on  
which basis of accounting:**

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**Poll: Which fund type is excluded from government-wide financial statements:**

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**Poll: Which of the following funds is used to account for the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt or capital projects:**

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**Poll: Which of the following funds is used to account for the financial resources that are restricted, committed or assigned to expenditures for capital outlays:**



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**Poll: Which of the following funds may be used to account for any activity for which a fee is charged to external users for goods or services:**

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**Poll: On the governmental fund statements, taxes collected after 60 days are recorded as:**

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**Poll: On the government-wide statements, taxes collected after 60 days are recorded as:**

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**Poll: What is your favorite Christmas song?**

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**Poll: On the governmental fund statements, current year bond issuance is recorded as:**

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**Poll: On the government-wide statements, current year bond issuance is recorded as:**

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**Poll: Interfund due to/from should be included on  
which statements:**

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**Poll: Which is your favorite Christmas cookie?**



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**Poll: On the governmental fund statements, new operating lease (lessee) is recorded as:**

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**Poll: On the government-wide statements, new operating lease (lessee) is recorded as:**

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**Poll: On the governmental fund statements, new operating lease (lessor) is recorded as:**

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**Poll: On the government-wide statements, new operating lease (lessor) is recorded as:**

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**Poll: Lease liability should be recorded at:**

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**Poll: On the government-wide statements, pension plans held in a trust should recorded as:**

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**Poll: A lease that transfers ownership at the end of the lease should be reported as a:**

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**Poll: Capital assets should be reported on which of the following statements:**



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**Poll: Federal funds received in advance that are  
unspent at year-end should be reported as:**

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**Poll: Federal funds received in advance should be reported on which of the following statements:**

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**Poll: What was the highest-grossing Christmas movie of all time?**

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**Poll: Which of the following columns might you find  
on the Statement of Net Position:**

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**Poll: Net investment in Capital Assets includes –  
Capital assets less related debt offset by unspent  
bond proceeds:**

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**Poll: What is your favorite part of Christmas?**

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**Poll: Statement of Activities shows Expenses net of  
Program Revenues:**

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**Poll: On the Statement of Activities tax revenue is shown as Program Revenues:**



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**Poll: Program Revenues on the Statement of Activities includes Charges for services, Investment earnings and Capital Grants:**

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**Poll: Which of the following columns will you NOT find on the Governmental fund statements:**

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**Poll: Eggnog, good or bad?**

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**Poll: Which of the following funds are would generally be included as a Governmental fund-type:**

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**Poll: Which of the following are examples of fund balance categories:**

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**Poll: Which of the following are examples of Non-spendable fund balance:**

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**Poll: Which Fund is the only fund allowed to have positive unassigned fund balance:**

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**Poll: When do you think it is acceptable to start playing Christmas music?**



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**Poll: Reconciliations are used to show the differences between Government-wide statements and Governmental Fund statements:**

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**Poll: Governmental Accounting Standards Board  
requires the budget to actual statement to be part  
of the Basic Financial Statements:**

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**Poll: The budget to actual statement should on  
which basis of accounting:**

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**Poll: Budget to Actual statements are required for which of the following funds that have legally adopted budgets:**

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**Poll: On average, how long does it take for a tree to reach the ideal Christmas tree height (6-7 feet)?**

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**Poll: Proprietary Funds are the only funds that  
include a Statement of Cash Flows:**

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**Poll: Which of the following might be common  
Proprietary Funds:**

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**Poll: Which of the following fund types is a Pension Trust Fund:**



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**Poll: Which of the following funds are also Fiduciary Funds:**

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# Poll: When do you take your Christmas tree down?

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**Poll: Required Supplementary Information is  
required by:**

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**Poll: Which of the following is Required  
Supplementary Information:**

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**Poll: Note disclosure related to Required  
Supplementary Information should be included only  
for the most current actuarial valuation year:**

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**Poll: Which of the following is NOT Supplementary Information:**

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**Poll: Which of the following are examples of Other Information:**

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**Poll: How much do Americans spend on holiday shopping?**



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**Poll: Which GASBs are effective for 12/31/23  
financial statements:**

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**Poll: Which of the upcoming GASBs is most like the  
GASB 87 on Leases:**

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**Poll: Which of the following is NOT considered when financial accountability for another entity:**

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**Poll: Which of the following risks is NOT included in investment disclosure:**

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**Poll: Disclosure for the hierarchy levels for investments is similar to FASB prepared disclosures:**

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**Poll: Tax abatement programs are a required  
footnote disclosure:**

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**Poll: The number of senior centers and recreation centers is a required footnote disclosure:**

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**Poll: Depreciation/amortization by  
function/program is required footnote disclosure:**



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**Poll: Pension and OPEB disclosures are excessive  
and not wildly helpful:**

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**Poll: Long-term liability disclosure should include principal and interest for each of the next 5 years and thereafter:**

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**Poll: Construction commitments for project the government is thinks it will complete in the next year:**

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**Poll: A Single Audit is required when an entity  
expends more than \$XX, federal funds:**

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**Poll: Donated commodities from the federal government should be included on the SEFA:**

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**Poll: The auditor is required to test what % of federal expenditures if the entity that is considered a low-risk auditee:**

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**Poll: An entity qualifies as a low-risk auditee if the following is true for the last two years:**

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**Poll: Single audit reporting includes an Independent Auditor's Report regarding Yellow Book and Uniform Guidance:**



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**Poll: Which of the following is NOT required to be included in a current year finding:**

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**Poll: Summary Schedule of Prior Findings should be prepared by the auditors:**

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**Poll: When the entity has Prior Findings the entity should prepare a corrective action plan:**

# Contact Info

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