

CHAPTER 2: PRINCIPLES OF ACCOUNTING AND FINANCIAL REPORTING FOR STATE AND LOCAL GOVERNMENTS

OUTLINE			
<u>Number</u>	<u>Topic</u>	<u>Type/Task</u>	<u>Status (re: 17/e)</u>
Questions:			
2-1	Communicating financial information	Identify	9-1
2-2	Service activities categories	Identify	2-1
2-3	Reporting objectives	Compare	2-2
2-4	Modified accrual accounting	Explain	2-3
2-5	Fund categories	Identify	2-4
2-6	Purpose of funds	Explain	2-5
2-7	Deferred inflows and outflows of resources	Define	2-6
2-8	Expenses/Expenditures	Identify	2-7
2-9	Fund balance classifications	Identify	Same
2-10	Major fund criteria	Identify	Same
Cases:			
2-11	Accounting and reporting principles	Analysis	Revised
2-12	Evaluation of basic financial statements	Evaluate	Same
2-13	Fund balance classifications	Describe	Same
2-14	Financial reporting model	Summarize	New
Exercises/Problems:			
2-15	Examine the CAFR	Examine	2-14 revised
2-16	Various	Multiple Choice	2-15 items 11-15 are new; other items are same
2-17	Matching fund types with fund categories	Classify	2-16
2-18	Matching government-wide and fund financial reporting characteristics	Classify	2-17
2-19	Matching transactions with funds	Classify	2-18
2-20	Fund balance classifications	Analyze	2-19 revised
2-21	Determination of major funds	Analysis; calculate	2-20
2-22	Determination of major funds	Analysis; calculate	New

CHAPTER 2: PRINCIPLES OF ACCOUNTING AND FINANCIAL REPORTING FOR STATE AND LOCAL GOVERNMENTS

Answers to Questions

- 2-1. GASB *Concepts Statement No. 3* indicates that it is preferable to recognize an item on the face of the financial statements if the item meets the definition of an element and can be measured with sufficient reliability to allow it to be recorded. Note disclosures should accompany items recognized on the financial statements if the note can provide the user with essential information about the item. For example, notes accompany investments to allow the reader to understand the risk associated with the investment. Notes related to long-term liabilities provide important information about payment schedules, types of debt, and interest related to the debt. This type of information cannot be determined by looking at a number reported on the financial statements.

General Problem Information: Communicating financial information

Learning Objective: 2-1

Topic: Conceptual Framework—Providing Useful Financial Reports

Bloom's Taxonomy: Remember

Accreditation Skills tag: AACSB: Knowledge Application, AICPA: FN: Reporting

Level of Difficulty: Easy

- 2-2. The three categories of broad service activities of a general purpose government are governmental, business-type, and fiduciary. Governmental activities include administrative support and core government services. Business-type activities are activities that are generally intended to be self-supporting, such as public utilities. Fiduciary activities are those where the government acts as a trustee or custodian for parties outside the government.

General Problem Information: Service activities categories

Learning Objective: 2-2

Topic: Activities of Government

Bloom's Taxonomy: Remember

Accreditation Skills tag: AACSB: Communication, AICPA: BB Industry

Level of Difficulty: Easy

- 2-3. The primary objective of government-wide financial reporting is to report on the government's operational accountability so that users can evaluate whether the government is covering the cost of its services over the long run. Additionally, recall from Chapter 1 that operational accountability relates to how efficiently and effectively the government is using its resources in meeting its objectives. The objective of governmental fund financial reporting is to report on the government's fiscal accountability. Thus, governmental fund financial reporting helps users evaluate the short run objective of whether financial resources were raised and spent in accordance with

Ch. 2, Answers, Question 2-3 (Cont'd)

legal and budgetary restrictions. As can be seen from the objectives, the focus of the government-wide statements tends to be more long run and related to cost of services; whereas, the governmental fund financial statements tends to be short run and related to whether costs for services were incurred in accordance with restrictions.

General Problem Information: Reporting objectives

Learning Objective: 2-3

Topic: Financial Reporting Model

Bloom's Taxonomy: Understand

Accreditation Skills tag: AACSB: Communication, AICPA: BB Industry

Level of Difficulty: Medium

- 2-4. The modified accrual basis of accounting records revenues when they are measurable and available for use in paying current period obligations, while expenditures are recorded when an obligation has been incurred that will be paid from current financial resources. Because governmental fund financial statements focus on fiscal accountability, this basis of accounting allows for a focus on current sources and uses of financial resources as opposed to the longer-term view provided by accrual accounting.

General Problem Information: Modified accrual accounting

Learning Objective: 2-3

Topic: Financial Reporting Model

Bloom's Taxonomy: Understand

Accreditation Skills tag: AACSB: Communication, AICPA: FN Reporting

Level of Difficulty: Medium

- 2-5. The three categories of funds are governmental, proprietary, and fiduciary. The fund types included in each category are shown below:

Governmental	Proprietary	Fiduciary
General Fund	Enterprise funds	Custodial funds
Special revenue funds	Internal service funds	Investment trust funds
Debt service funds		Pension (and other employee benefit) trust funds
Capital projects funds		Private-purpose trust funds
Permanent funds		

The basis of accounting used by governmental funds is modified accrual. Proprietary funds use the accrual basis of accounting, as do fiduciary funds.

General Problem Information: Fund categories

Learning Objective: 2-3

Topic: Financial Reporting Model

Bloom's Taxonomy: Remember

Accreditation Skills tag: AACSB: Communication, AICPA: FN Reporting

Level of Difficulty: Easy

Ch. 2, Answers (Cont'd)

- 2-6. Governmental accounting systems must provide both reporting in accordance with GAAP and reporting to determine and demonstrate compliance with finance-related legal and contractual requirements. To ensure that both GAAP and compliance reporting requirements are met, a separate accounting mechanism is used. The mechanism that is used is fund accounting, which makes it possible to ensure that the compliance reporting requirement is met.

A fund is a separate reporting entity that may be established by imposition of grant or contract provisions by external parties, by constitutional provisions or legislation, or by discretionary action of the reporting government.

General Problem Information: Purpose of funds

Learning Objective: 2-3

Topic: Financial Reporting Model

Bloom's Taxonomy: Understand

Accreditation Skills tag: AACSB: Communication, AICPA: FN Reporting

Level of Difficulty: Medium

- 2-7. Deferred outflows of resources are resources that have been consumed but are applicable to a future reporting period (e.g., costs related to a debt refunding). Deferred outflows increase net position. Deferred inflows of resources are resources that have been acquired but are applicable to a future period (e.g. resources received but unavailable for use until a future period). Deferred inflows decrease net position. These accounts, used only when required by a GASB standard, represent timing differences between the actual outflow or inflow of cash and the time period to which they apply.

General Problem Information: Deferred inflows and outflows of resources

Learning Objective: 2-3

Topic: Financial Reporting Model

Bloom's Taxonomy: Remember

Accreditation Skills tag: AACSB: Communication, AICPA: FN Reporting

Level of Difficulty: Easy

- 2-8 Expenditures report actual outlays of funds, whether for an operating cost or the purchase of an asset. Expenses focus on costs necessary to generate revenues or fund operations, and may be a result of the using up or expiration of an asset, even if no cash was paid out.

General Problem Information: Expenses/Expenditures

Learning Objective: 2-3

Topic: Financial Reporting Model

Bloom's Taxonomy: Remember

Accreditation Skills tag: AACSB: Communication, AICPA: FN Reporting

Level of Difficulty: Easy

Ch. 2, Answers (Cont'd)

- 2-9. The governmental fund balance classifications and an example for each are provided below. There are numerous examples of what could be included in each classification; therefore, consideration should be given to whether the student's answer appropriately fits the definition for the fund balance classification.

Nonspendable: This would include items such as endowments and prepaids (including inventory).

Restricted: This would include items restricted by those outside of government, such as operating and capital grants that can be used only for specific purposes, and resources restricted by contractual arrangements such as debt proceeds.

Committed: This would include items that the governing body has set aside as a result of formal legislative action, such as items related to capital acquisition/construction or operations (specific activities).

Assigned: These are items that the government intends to use for specific purposes but for which formal legislative action has not been taken. Items could be similar to those found under committed fund balances. Additionally, it would include any fund balances in special revenue, capital projects, debt service or permanent funds that have not been identified as nonspendable, restricted or committed.

Unassigned: This would be the balance in the General Fund that has not been identified as nonspendable, restricted, committed or assigned.

General Problem Information: Fund balance classifications

Learning Objective: 2-3

Topic: Financial Reporting Model

Bloom's Taxonomy: Remember

Accreditation Skills tag: AACSB: Communication, AICPA: FN Reporting

Level of Difficulty: Easy

- 2-10. The *GASB* requires that any fund that meets the following relative size criteria be designated as major:

- a. Total assets, liabilities, revenues or expenditures/expenses of that governmental or enterprise fund are at least 10 percent of the corresponding element total (assets, liabilities, and so forth) for all funds of that category or type (that is, total governmental or total enterprise funds), *and* (emphasis added)
- b. The same element that met the 10 percent criterion in (a) is at least 5 percent of the corresponding element total for all governmental and enterprise funds combined.

In addition to funds that meet these two criteria, the General Fund of a state or local government must always be reported as a major fund. Finally, at its discretion management can report as a major fund any other governmental or enterprise fund that it considers of significant importance to financial statement users.

General Problem Information: Major fund criteria

Learning Objective: 2-4

Topic: Fund Reporting

Ch. 2, Answers, Question 2-10 (Cont'd)

Bloom's Taxonomy: Remember

Accreditation Skills tag: AACSB: Communication, AICPA: FN Reporting

Level of Difficulty: Easy

Solutions to Cases

- 2-11. A quick look at these financial statements reveals that the statements clearly do not conform to the GASB reporting model.
- a. It appears the accrual basis of accounting was used. There are at least two items reported that would appear on statements prepared using accrual accounting but would not appear if modified accrual accounting was used. The two items are the capital asset accounts (Land, buildings and equipment), and expenses (modified accrual would record expenditures).
 - b. The information provided indicates that the town has two fund classifications: governmental funds (General fund and special revenue fund) and proprietary (enterprise fund). As a result the town would be required to prepare the following financial statements:
 - 1. Governmental fund financial statements: balance sheet, and statement of revenues, expenditures and changes in fund balances.
 - 2. Proprietary fund financial statements: statement of net position, statement of revenues, expenses and changes in fund net position, and statement of cash flows.
 - 3. Government-wide financial statements: statement of net position, and statement of activities.
 - c. The format seems most similar to the government-wide statements in that all three funds are being reported on the statements using what appears to be the accrual basis of accounting. To conform with the government-wide financial statements many changes would be needed:
 - 1. Governmental activities and business-type activities would need to be reported in different columns.
 - 2. The term *net assets* is a FASB term; the GASB uses *net position*.
 - 3. Additionally, the net position information would need to be classified as net position-restricted and net position-net investment in capital assets. The terms being used in the presented financial statements are FASB classifications.
 - 4. The statement of activities is not in the cost of services format recommended by GASB, where the expenses are adjusted for program revenues (such as charges for services) to determine the net expenses from which general revenues (such as taxes) are deducted (see Illustration A2-2, for example).
 - 5. Expense detail is lacking. More functional detail is needed under "Government services," such as general government, public safety, public

Ch. 2, Solutions, Case 2-11 (Cont'd)

works, and other relevant functions, so the amounts expended for each service area can be determined. Presumably, this would also reduce the relatively large amount reported as “Miscellaneous.”

General Problem Information: Accounting and reporting principles

Learning Objective: 2-3

Topic: Financial Reporting Model

Bloom’s Taxonomy: Analyze

Accreditation Skills tag: AACSB: Analytical Thinking, AICPA: FN Decision Making

Level of Difficulty: Hard

- 2-12. *a.* Based on the description of this city’s financial statements in the MD&A, the statements appear to conform very well to GASB standards. Specifically:

Government-wide Financial Statements

- Include the two required financial statements—statement of net position and statement of activities.
- Use “accounting methods similar to those used by the private sector,” i.e., economic resources measurement focus and the accrual basis of accounting.
- Report governmental and business-type activities in separate columns.

Fund Financial Statements

- Provide detailed information about *major funds*. All nonmajor funds are summarized and presented in a single column.
- Report on three kinds (i.e., categories) of funds—governmental, proprietary, and fiduciary.
- *Governmental funds* are “prepared on a modified accrual basis, which means they measure only current financial resources and uses.” Capital assets and other long-lived assets, along with long-term liabilities, are not presented in the governmental fund statements.
- *Proprietary funds* include both enterprise and internal service funds, prepared on the accrual basis and include all their assets and liabilities, current and long-term.
- *Fiduciary funds* include activities that report trust responsibilities of the city. “These assets are restricted in purpose and do not represent discretionary assets of the city. Therefore, these assets are not presented as a part of the government-wide financial statements.”

- b.* This is a straightforward way of saying that the governmental fund information focuses only on current financial resources, not all economic resources. As a result, it is necessary to present a reconciliation of the governmental fund total fund balances to the government-wide governmental activities net position and change in fund balances to change in net position, as explained in Chapter 2 and shown in Illustrations A2-4 and A2-6 for the City and County of Denver.

Ch. 2, Solutions, Case 2-12 (Cont'd)

General Problem Information: Evaluation of basic financial statements

Learning Objective: 2-3

Topic: Financial Reporting Model

Bloom's Taxonomy: Evaluate

Accreditation Skills tag: AACSB: Analytical Thinking, AICPA: FN Decision Making

Level of Difficulty: Easy

- 2-13. There are a variety of reasons for the amounts that have been provided for each fund balance classification appearing on the governmental fund balance sheet for Denver. Following are some of the reasons provided in the 2016 CAFR.

Nonspendable sources: The majority of the nonspendable fund balance appears in the Other Governmental Funds column. A large portion of the balance appearing in the Other Governmental Funds column is related to prepaid assets. The remaining nonspendable balance is endowment (permanent fund).

Restricted sources: Most of the functions of the government (General Government, Public Safety, Public Works, Health, Parks and Recreation, among others) have received restricted resources. Fund balances are restricted for a variety of reasons having to do with the many sources from which the amounts were received. The external sources that are contributing to the restricted fund balance amounts include operating (e.g., special projects and maintenance) and capital grants, assets held for sale, and restricted loans.

Committed sources: A number of governmental funds identify committed fund balances. For the City and County of Denver it is the city council that has the authority to commit funds through the passing of an ordinance. Funds have been committed for a variety of capital (fixed asset) projects. Fund balances have also been committed for a number of community projects, and economic development.

Assigned sources: The City and County of Denver allows the city council, as authorized by city charter, to assign funds for specific purposes. There is only one function of government with assigned funds and that is Public Works. These assigned funds are to be used for General Improvement District activities.

General Problem Information: Major Fund Criteria

Learning Objective: 2-2

Topic: Financial Reporting Model

Bloom's Taxonomy: Understand

Accreditation Skills tag: AACSB: Communication, AICPA: FN Reporting

Level of Difficulty: Medium

Ch. 2, Solutions (Cont'd)

2-14. The answer to the current status of the financial reporting model project will depend on when the student does the research. The Invitation to Comment period ends March 31, 2017. A Preliminary Views document is planned for fall of 2018 with an Exposure Draft to be issued in May 2020. The major changes being considered in the Invitation to Comment include the following:

1. Recognition approaches for governmental fund financial statements—three different recognition approaches are under consideration:
 - Near-term approach – recognizes the resources available for spending and the spending that occurred in the reporting period
 - Working capital approach – recognizes the financial resource inflows and outflows for the period, as well as year end balances for short-term (one year) financial assets and liabilities
 - Total financial resources approach – recognizes all assets and liabilities except capital assets and capital-related debt.All three methods make considerable change to the current modified accrual approach used by governmental funds.
2. A change to the format of the current statement of revenues, expenditures and changes in fund balance is being considered. The change would separate resource inflows and outflows into current and long-term activities.
3. The addition of a statement of cash flows at the governmental fund level is also being considered should the working capital or the total financial resources approach to recognition be adopted.

General Problem Information: Financial reporting model

Learning Objective: 2-3

Topic: Financial Reporting Model

Bloom's Taxonomy: Understand

Accreditation Skills tag: AACSB: Communication, AICPA: FN Reporting

Level of Difficulty: Medium

Solutions to Exercises and Problems

2-15. Each student should have a different governmental annual report, so will have different answers to questions in this exercise. We suggest allowing students to discuss their answers, which will give them an idea of the range of the answers of other students.

General Problem Information: Examine the CAFR

Learning Objective: 2-3

Topic: Financial Reporting Model

Ch. 2, Solutions, Exercise 2-15 (Cont'd)

Bloom's Taxonomy: Remember

Accreditation Skills tag: AACSB: Communication, AICPA: FN Reporting

Level of Difficulty: Easy

- | | | | |
|-------|--------------|---------------|---------------|
| 2-16. | 1. <i>a.</i> | 6. <i>d.</i> | 11. <i>d.</i> |
| | 2. <i>d.</i> | 7. <i>b.</i> | 12. <i>b.</i> |
| | 3. <i>c.</i> | 8. <i>c.</i> | 13. <i>c.</i> |
| | 4. <i>a.</i> | 9. <i>c.</i> | 14. <i>b.</i> |
| | 5. <i>b.</i> | 10. <i>b.</i> | 15. <i>a.</i> |

General Problem Information: Various

Learning Objective: 2-1

Learning Objective: 2-2

Learning Objective: 2-3

Learning Objective: 2-4

Topic: Various chapter topics

Bloom's Taxonomy: Understand

Accreditation Skills tag: AACSB: Communication, AICPA: BB Industry

Level of Difficulty: Medium

- | | | |
|-------|--|----|
| 2-17. | 1. Custodial fund | FF |
| | 2. Permanent fund | GF |
| | 3. Debt service fund | GF |
| | 4. Internal service fund | PF |
| | 5. Pension (and other employee benefit) trust fund | FF |
| | 6. Special revenue fund | GF |
| | 7. Enterprise fund | PF |
| | 8. General Fund | GF |
| | 9. Investment trust fund | FF |
| | 10. Capital projects fund | GF |
| | 11. Private-purpose trust fund | FF |

General Problem Information: Matching fund types with fund categories

Learning Objective: 2-3

Topic: Financial Reporting Model

Bloom's Taxonomy: Remember

Accreditation Skills tag: AACSB: Communication, AICPA: FN Reporting

Level of Difficulty: Easy

Ch. 2, Solutions (Cont'd)

2-18.

- | | |
|---|--|
| 1. Governmental funds | <i>b, e, f, i</i> |
| 2. Proprietary funds | <i>a, d, g, h, j</i> |
| 3. Fiduciary funds | <i>a, c, g, k</i> |
| 4. Governmental activities,
government-wide | <i>a, g, h, j</i> (Note: Internal service fund information is typically reported in governmental activities using the same measurement focus and basis of accounting.) |
| 5. Business-type activities,
government-wide | <i>a, g, h, j</i> (Note: Internal service fund information may be reported as part of business-type activities if the internal service activity primarily supports an enterprise activity) |

General Problem Information: Matching government-wide and fund financial reporting characteristics

Learning Objective: 2-3

Topic: Financial Reporting Model

Bloom's Taxonomy: Understand

Accreditation Skills tag: AACSB: Communication, AICPA: FN Reporting

Level of Difficulty: Medium

2-19.

- | | |
|--------------|---------------|
| 1. <i>h.</i> | 7. <i>e.</i> |
| 2. <i>a.</i> | 8. <i>i.</i> |
| 3. <i>j.</i> | 9. <i>f.</i> |
| 4. <i>g.</i> | 10. <i>c.</i> |
| 5. <i>d.</i> | 11. <i>k.</i> |
| 6. <i>b.</i> | |

General Problem Information: Matching transactions with funds

Learning Objective: 2-3

Topic: Financial Reporting Model

Bloom's Taxonomy: Understand

Accreditation Skills tag: AACSB: Communication, AICPA: FN Reporting

Level of Difficulty: Medium

2-20.

- | | |
|--------------|---------------|
| 1. <i>d.</i> | 6. <i>a.</i> |
| 2. <i>c.</i> | 7. <i>e.</i> |
| 3. <i>a.</i> | 8. <i>d.</i> |
| 4. <i>d.</i> | 9. <i>c.</i> |
| 5. <i>b.</i> | 10. <i>e.</i> |

Ch. 2, Solutions, Exercise 2-20 (Cont'd)

General Problem Information: Fund balance classifications

Learning Objective: 2-3

Topic: Financial Reporting Model

Bloom's Taxonomy: Analyze

Accreditation Skills tag: AACSB: Analytical Thinking, AICPA: FN Decision Making

Level of Difficulty: Hard

2-21. DATE: xxx
 MEMO TO: City Manager, Forest City
 FROM: Independent Auditor
 RE: Major Special Revenue Funds

As shown by the blue shading in the calculations provided below, only the Housing and Urban Development Grant must be reported as a major fund. Neither the Gas Tax Revenue Fund nor the Forest City Library Fund meets the GASB threshold for major fund reporting; that is, none of the four elements of those funds (assets, liabilities, revenues, or expenditures) is at least 10% of the corresponding total of all governmental funds *and* at least 5% of the corresponding total of all governmental and enterprise funds. Both total assets and total revenues of the Housing and Urban Development Grant meet the 10 percent of all governmental funds and 5 percent of all governmental and enterprise funds combined criteria. Although the Gas Tax Revenue Fund did not meet the criteria for major fund reporting, in the past year there were rapidly escalating gas taxes tied to the rising price of gasoline, which might warrant reporting this fund as a major fund to improve accountability to citizens. GASB standards permit government officials to designate any governmental or enterprise fund as a major fund if, in their judgment, the fund is of sufficient importance to warrant designation as a major fund.

Ch. 2, Solutions, Exercise 2-21 (Cont'd)

Calculation of Major Fund Thresholds						
Financial Statement Elements	Gas Tax Revenue Fund		Housing and Urban Development Fund		Forest City Library Fund	
	>10% of Governmental Funds	>5% of Governmental and Enterprise Funds	>10% of Governmental Funds	>5% of Governmental and Enterprise Funds	>10% of Governmental Funds	>5% of Governmental and Enterprise Funds
Assets	Yes-10.3%	No-4.6%	Yes-11.2%	Yes-5.01%	No-6.5%	No-2.9%
Liabilities	No-8.4%	No-4.9%	No-9.8%	Yes-5.7%	No-0.0%	No-0.0%
Revenues	No-9.0%	No-4.6%	Yes-11.1%	Yes-5.7%	No-7.8%	No-4.0%
Expenditures	No-8.3%	No-4.6%	No-8.7%	No-4.9%	No-8.0%	No-4.5%

General Problem Information: Determination of major funds

Learning Objective: 2-4

Topic: Major Funds

Bloom's Taxonomy: Apply

Accreditation Skills tag: AACSB: Knowledge Application, AICPA: FN Decision Making

Level of Difficulty: Hard

- 2-22. The students should identify the General Fund as a major fund because it is always considered a major fund. The only other governmental fund that meets the 10% and the 5% criteria is the Debt Service Fund. It meets the criteria on both expenditures and revenues. Of the enterprise funds, the Utility Fund and City Airport Fund would be considered major. The Utility Fund meets the criteria on assets, expenses and revenues, while the City Airport Fund meets the criteria for all four elements. The following table provides the calculations for the major fund determination. The columns next to the elements indicate if the 10% criterion was met (Y=Yes, N=No), and whether the 5% criterion was met (Y=Yes, N=No). Those funds and elements with both the 10% and 5% criteria met are highlighted in blue.

Ch. 2, Solutions, Exercise 2-22 (Cont'd)

Calculation of Major Fund Thresholds

	Assets	Met?	Liabilities	Met?	Expenditures /Expense	Met?	Revenues	Met?
Governmental Funds								
General Fund	462.2		52.8		915.9		992.8	
Health & Human Services Fund	110.7	YN*	11.9	YN	118.8	NY	125.1	NY
Community Development Fund	220.5	YN	20.9	YN	28.4	NN	16.6	NN
Debt Service Fund	70.8	NN	6.1	NN	132.4	YY	134.7	YY
Total of Governmental Funds by Element	864.2		91.7		1,195.5		1,269.2	
10% of Total Governmental Funds by Element	86.42		9.17		119.55		126.92	
Enterprise Funds								
Utility Fund	639.4	YY	97.5	NN	104.1	YY	115.9	YY
City Airport Fund	5,419.5	YY	5,017.3	YY	616.7	YY	661.6	YY
Golf Course Fund	48.9	NN	8.6	NN	19.6	NN	18.1	NN
Total of Enterprise Funds by Element	6,107.8		5123.4		740.4		795.6	
10% of Total Enterprise Funds by Element	610.78		512.34		74.04		79.56	
5% of the Total of Governmental & Enterprise Funds by Element	348.6		260.755		96.795		103.24	

* First letter indicates if the 10% criterion is met the second letter indicates if the 5% criterion is met.

General Problem Information: Determination of major funds

Learning Objective: 2-4

Topic: Major Funds

Bloom's Taxonomy: Apply

Accreditation Skills tag: AACSB: Knowledge Application, AICPA: FN Decision Making

Level of Difficulty: Hard