INDEX

Page references followed by e indicate an exhibit

A
Accountability, 17, 183–192
Accounting
accrual basis, adjustments, 494–496
capital asset accounting, 315
differences, basis, 174
focus, government-wide financial statements
basis, 107–108
GAAP basis, 175e–176e
issues, 83–88
modified accrual basis, 430
policies, 135
principles, application, 73
reporting, funds (types usage), 30–37
standards, impact, 152
topics, 81–82
treatment, 273
Accounting and Financial Reporting and OPEB Plans (GASBTB 2006-1), 418–420
Accounting and Financial Reporting for Certain Investments and for External Investment Pools (GASBS 31), 95, 229, 518, 571
Accounting and Financial Reporting for Chapter 9 Bankruptcies (GASBS 58), 370–373
Accounting and Financial Reporting for Derivative Instruments (GASBS 53), 147, 285
Accounting and Financial Reporting for Impairment of Capital Assets (GASB 42), 213, 360
Accounting and Financial Reporting for Pensions (GASBS 68), 395, 427, 567
Accounting and Financial Reporting for Pollution Remediation Obligations (GASBS 49), 344, 360
Accounting and Financial Reporting for Postemployment Benefits (GASBS 75), 395
Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (GASBS 45), 395, 526
Accounting and Financial Reporting for Proprietary Funds and Governmental Entities (GASBS 20), 25
Accounting and Financial Reporting for Refundings of Debt Reported by Proprietary Activities (GASBS 23), 85–86
impact, 273–275
Accounting and Financial Reporting for Service Concession Arrangements (GASBS 60), 327–331
Accounting and Financial Reporting for Special Assessments (GASBS 6), 54, 68, 357
Accounting and Reporting for Securities Lending Transactions (GASBS 53), 147, 229
Accounting for Compensated Absences (SFAS 43), 451
Accounting for Contingencies (SFAS 5), 500
Accounting for Municipal Solid Waste Landfill Closure and Postclosure Care Costs (GASBS 18), 360, 383
Accounting for Nonrefundable Fees and Costs (SFAS 91), 518
Accounting for Operating Leases with Scheduled Rent Increases (GASBS 13), 478–480
Accounting for Pensions by State and Local Government Employers (GASBS 27), 40, 395, 526
Accounting for Termination Benefits (GASBS 47), 378–381
Accounting Standards Codification, 25
Accounts payable, 371
Accrual basis financial statements, expense, 380
Accrual basis of accounting, 38
modified accrual basis of accounting, 38
Accrual-basis requirements, 486–489
Acquisition
period, 332
value, 269
Activities
costs, diversity, 88
meaning, 334
statement, 112, 113–114, 146–147
Actuarial assumptions, 404
Actuarial calculations, parameters, 402–409, 541–545
Actuarial cost method, 405–407, 543, 563
Actuarial methods/assumptions, information, 538
Actuarial Standards of Practice 4, 404
Actuarial valuation
timing/frequency, 578, 591
timing limitations, 401
Advance refundings, 349–355
Advance Refundings Resulting in Defeasance of Debt (GASBS 7), 75–77, 350
disclosure guidance, 353
Advance refund, note disclosures, 353–354
Agency funds, 36, 91–93, 157
school district usage, 92
Agent employers, 442–443
financial statements notes, 430–431
required supplementary information, 431
rules, 399–400
Agent multiemployer defined benefit OPEB plan, 583
Agent multiemployer pension plans, 398–400, 528–529, 551
Agent multiple-employer pension plans, rules, 399–400
Agent OPEB plans, 590
Agent pension plans, 400, 577
Aggregate method, 406–407, 544–545
Allocated insurance contract, 532, 542, 554, 588
Allowable, term (usage), 352
American Institute of Certified Public Accountants (AICPA)
Accounting Research Bulletins, 316
Audit and Accounting Guide, State and Local Governments, 8–9, 230
Amortization
maximum/minimum period, 545–546
methods, 408–409, 546, 564
periods, 408–409
Amortized cost criteria, compliance, 236–237
Annual OPEB cost, 412–413
Annual pension cost
employer measurement/recognition, 398–399
measurement, 400
Annual required contribution of the employer (ARC), 400, 407–409, 545–546, 563–564
actuarial calculations, parameters, 402–409
amortization method, 408
calculation, 401–402
contribution deficiencies, 409
excess contributions, 409
level dollar amortization method, 408–409
maximum/minimum amortization periods, 408
Annuity contracts, 502–503, 515, 532
Appropriated budget, 170
Arbitrage rebate accounting, 69
Asset-backed securities, 234, 241
Asset retirement obligations (AROs), 336
initial measurement, 338–339
minority share, 341
recognition, 337–338
subsequent measurement/recognition, 339–340
Assets, 570
acquisition value, 269
actuarial value, 407, 563
characteristics/risks, 269–270
economic life, 463
fair value measurement, 251, 257
intra-entity transfers, 376
market activity volume/level, decrease, 259–260
nonfinancial assets, usage, 262–263
qualifying assets, 333
recognition criteria, 282
recording, valuation, 314–315
relative significance, 270
restriction, 83–84
type, specification, 270
usage, 532
Assigned fund balance, 120, 122–124
Assurance provisions, impact, 340–341
Attained age, 406, 544
Attribution method, 429
Available, term (usage), 48
### Index

**B**
- Balance sheet
  - fund balance display, 124
  - GASBS 28, impact, 273–274
- Banking pool, 511
- Basic financial statement (BFS), 104, 156
  - Basic Financial Statements and Management’s Discussion and Analyses (GASBS 34), 8, 28, 35, 79–80, 83–85
    - amendment, 3, 5
  - Basic Financial Statements—and Management’s Discussion and Analysis—for Public Colleges and Universities (GASBS 35), 603
- Basis of accounting, 45–48, 59, 72–73, 80–82
  - accrual basis of accounting, 38
  - cash basis of accounting, 38
  - definition, 37–40
  - determination, reference, 45e
- Basis risk, 307
- Benchmark, 361
  - interest rate, 293
  - recognition benchmarks, 361–362
- Benefits, projection, 378–379
- Bid/ask prices, impact, 255
- Blended component units, 198–210, 462
  - determination, 198–199
  - general fund, usage, 49
  - involvement, 368
- Blending Requirements for Certain Component Units (GASBS 80), 182
- Blue book, NCGA issuance, 10–11
- Boards of directors, appointment, 192
- Bond anticipation notes (BANs), 62–65
  - journal entries, usage, 64e–65e
- Bond notes, 355–357
- Bond proceeds, 69
- Bonds, sale (recording), 61
- Budget, 16–17, 169–173
  - accounting differences, basis, 174
  - amendments, 171–172
  - appropriated budget, 170
  - entities, differences, 175
  - executive budget, 170
  - financial intent, expression, 13
  - financial plan, 13
  - GAAP, differences, 174–176
  - legally adopted budget, financial results (comparison), 15
  - nonappropriated budget, 170
  - performance evaluation function, 13
  - perspectives, differences, 175
  - public policy expression, 12–13
  - reconciliation, 175e–176e
  - recording, journal entry examples, 177e–179e
  - setting, example, 171e
  - timing differences, 174
- Budgetary comparison schedules, 133–134
- Budgetary Comparison Schedules (GASBS 41), 133–134, 173
- Budgetary considerations, 199
- Budgetary control, 176–177
- Budgetary execution/management, 171
- Budgetary presentations, 201
- Budgetary reporting, 172–173
- Building
  - government sale, 44e–45e
  - useful life, 44e
- Business-type activities, 15–16, 193, 247

**C**
- Call premium, payment, 76
- Cancellation clause, 480
- Capital activities, 165–166
- Capital assets, 312
  - building, government purchase, 44e
  - component, net investment, 148
  - cost, 314
  - depreciation, 315–326
  - description, 106
  - disclosures, 326–327
  - impairment, 323–324
  - investment, 108–109
  - note disclosure, illustration, 326e–327e
  - recognition, 337–338
  - reporting, 28
- Capital, concept, 84–85
- Capital financing, cash inflows/outflows, 167
- Capitalization
  - contracts, 517–518
  - contributions, 506–507, 517
  - period, 334
  - policy, 313–314
- Capitalized interest, disclosures, 335–336
- Capital leases, 371, 465–466
  - agreements, 202
  - disclosure, sample, 468e–469e
  - lessee recording, 465
- Capital projects
  - debt usage, government issuance, 42e
  - funds, 32, 48, 60, 173
Index

Cash
definition, 161–162
disbursements, classification, 162–166
equivalents, 161–163
generation, asset ability, 266
inflows, examples, 165
outflows, 164, 165
receipts, classification, 162–166
Cash basis of accounting, 38
Cash flow
difference, 352–353
direct reporting, operating activities (impact), 166–167
gross cash flows, 162–166
hedges, 292–293, 297, 298, 300–301
investing activities, impact, 166
net cash flows, 162–166
proprietary funds statement, 129e–130e
representation, 165–166
Committed fund balance, 120, 121–122
Commodity swaps
cash flow hedges, 298
fair value hedges, 298–299
Commodity transaction, hedgeable item, 298
Common stock, equity interests, 269
Communication methods, 20–21
Compliance, determination (assistance), 15
Component units
blended component units, 198–210
blending, reason, 198
component joint venture characteristics, 209
considerations, 53
defining, 186
determination, flowchart (usage), 187e
discretely presented component units, 199
discrete presentation, 197–198
display, 196–210
evaluation questionnaire, 221e–225e
reporting, 194, 200
reporting organizations, comparison, 205
Comprehensive annual financial report (CAFR), 104, 134, 153–160, 601
formal transmittal, 155
outline/minimum content, 154–155
requirements, 154–160
statistical tables, usage, 158
Comprehensive Implementation Guide, Exposure Draft (GASB), 2–3
Concepts Statements. See Governmental Accounting Standards Board Concepts Statement
usage, 23
Condensed statement of cash flows, 140
Condensed statement of net position, 140
Condensed statement of revenues/expenses, 140
Conduit debt, 5
Connection fees, 87
Consistent critical terms method, 290–294, 298–299
Consolidated Omnibus Budget Reconciliation Act (COBRA), 379
Construction period, interest cost (accounting), 4
Consumer, services received/resources
(relationship), 16
Consumption method, 39, 55–56
Contingencies
accounting, 364–366
gain contingencies, 366
loss contingencies, probability classifications, 365

Index
Continuing governments, 213–214
measurement/eliminations, 214
recognition, 213–214
Contractor, government payment, 44e
Contracts, components/combinations, 482
Contractual obligation, relationship, 329
Contributed capital, 84–85
Contribution, deficiencies/excess, 546–547, 564
Cost-of-living adjustments (COLAs), 573, 575
Cost-sharing arrangements, 210
Cost-sharing employers, 413, 416–417,
431–432, 444
Cost-sharing multiemployer defined benefit OPEB
plan, 583
Cost-sharing multiemployer pension plans, 399,
415, 529, 551
Cost-sharing OPEB plans, 589–590
Cost-sharing pension plans, 576–577
Counterparty
credit quality ratings, 306
criteria, 240
Credit risk, 276–277, 306–308
concentration, 249
evaluation, 277
loss, maximum amount, 306
net exposure concentrations, 307
Crossover transaction, 77–78
Current financial resources
financial statements, recognition/measurement, 368
measurement focus, usage, 322–323, 430
usage, 340–342
Current-financial-statement-date-based
measurement (remeasured amount), 22
Custodial credit risk, 248
Customer deposits, 87

D
Daily liquid assets (GASBS 79), 242
Debt, 84
accounting, 344–346
capacity information, 159
disclosures, 3, 348
extinguished debt, prepaid insurance, 354–355
government liability, 358
hedged debt, 307
in-substance defeasance, accounting/financial
reporting, 354
obligations, 371
redeeming, 76
refundings, 85–86, 149
securing, 34

Index
Demand bonds, 66–67, 346–349
footnote disclosure, illustration, 349e
issuance, cash outlays, 347
Demand Bonds Issued by State and Local
Governmental Entities (GASBI 1),
66–67, 347
Demographic/economic information, 159–160
Dependent variables, usage, 297, 301
Deposit and Investment Risk Disclosures
(GASBS 40), 228
Deposits
credit quality, evaluation, 239
disclosures, 247–250
policies, 248
Deposits with Financial Institutions, Investments
(GASBS 3), 228
Depreciable assets, categories, 316
Depreciation
expense, calculation, 317–318
rules, 317
Derivative instruments
payments, on-behalf payments (inclusion), 303
recognition/measurement, 288–289
Derivative instruments, hedging, 289–290, 305–308
aggregate fair value, 307
fair value changes, 289
objectives/terms, 306
risks, 306–307
Determining the Annual Required Contribution
Adjustment for Postemployment Benefits
(GASB 2008-1), 420
Determining Whether Certain Organizations Are
Component Units (GASBS 39), 10, 182,
193–195
Developer deposits, 87
Direct expenses, 115
Direct financing lease, lessor footnote disclosure
(sample), 477e
Direct-financing leases, 469, 470
Disclosure of Conduit Debt Obligations, 241
Disclosures, 124–125, 134–141, 243
identification, 137–138
requirements, 198, 208, 244–247, 276–283
Discounting, 502, 515
Discount rate, 379, 429, 579–580, 594
Discretely presented component units, 199–201,
462
Discussion Memorandum (DM), issuance, 23
Diversification limits, calculation, 241
Dividend income, 556
Dollar-offset method, 296, 300
Double-declining balance method, 316
Duration, 250
E
Earmarks, 109
Economic assumptions, 404–405, 543, 562–563
Economic Condition Reporting (GASBS 44),
153–154
Economic gain/loss, 352–353
Economic information, 159–160
Economic resources financial statements,
recognition/measurement, 367–368
Economic resources measurement focus, usage, 320
Elements of Financial Statements (GASBCS 4),
21, 147
Employee benefit trust funds, 36, 93–94
Employers
contributions, schedule, 547–548, 565
defined contribution plans, 425–426
employer-paid member contributions,
classification, 438
multiple pension plans/funds, 415
pension disclosures, 420–425
reporting, 540
Employer’s annual required contribution. See
Annual required contribution of the
employer
Employer’s defined benefit pension, termination
benefit (impact), 380
Enabling legislation, 109
Encumbrances, 177
Endowments, 33
Enterprise funds, 33–35, 82–88
background/uses, 82–83
purpose, NCGAS 1 definition, 33
Entities, examination, 9
Entry age, 405–406, 543–544
Equity interest, 208, 269
Equity Method of Accounting for Investments in
Common Stock (APB Opinion 18), 232
Equity securities, 230–232
Executive budgets, 170
Expected cash flow technique, 361
Expenditures, 54–55, 60, 72, 331
expenditure-driven grants, 497–498
expenditure-driven revenue, 487
government funds statement, 126e–127e
recognition, 73–75
reporting, 42
Expenses
duplications, 89
presentation, 112, 115
Experience refunds, 516
Exposure Draft (ED)
implementation guide, 2–4
issuance, 23
Extended discovery coverage, 508
External investment pools, 229, 230
accounting/financial reporting standards,
245–247
external portion, 95
financial reporting, 245–246
participants, accounting/financial reporting, 243
qualifying external investment pools, 243
registration, absence, 235–236
reporting election, 245
Extinguished debt, prepaid insurance, 354–355
Extraordinary items, 117

F
Facilities
access right, governmental operator accounting/
financial reporting, 330
Facilities, transferor accounting/financial reporting,
329–330
Fair value
application, 265–267, 269
changes, 268, 288–289
hedges, 293–294, 297–299
measurement, 259–260, 270
method, 479
readily determinable fair value, 267–269
Fair value hierarchy, 255–259
level, 270
level 1 inputs, 255, 256–258
level 2 inputs, 255, 258
level 3 inputs, 255, 258–259
Fair Value Measurement and Application
(GASBS 72), 229
Fee-for-service operations, 16
Fiduciary Activities (GASBS 84), 96
Fiduciary activities, identification, 96
Fiduciary component units, 96–97
reporting, 100
Fiduciary funds, 35–36, 118, 174
fiduciary activities, reporting, 98–99
financial statements, recognition, 416
GASBS 34 update, 91
types, 247
Fiduciary funds statement of changes in fiduciary net
position, 131e
Fiduciary net position
changes, statement, 100, 571–572, 584, 585–586
fiduciary funds statement of changes, 131e
net increase/decrease, 572, 586
statement, 99, 130e–131e, 570–572, 584
Finance-related laws/rules/regulations, compliance
(determination), 15
Financial accountability, 186–191
Financial Accounting Foundation (FAF), 10
Financial Accounting Standards Board (FASB)
Accounting Standards Codification, 25
standards, 10
Statement 6 (SFAS 6), 63
Financial assistance, 496–498
recording, 496
revenue, 497–498
Financial condition, assessment, 15
Financial guarantee contract, definition, 287
Financial information, condensation, 106
Financial instrument, hedgeable item, 292
Financial Instruments Omnibus (GASBS 59),
235, 571
Financial instruments, types
(GASBS 53 identification), 287
Financial intent, expression, 13
Financial reporting, 206–207
actuarial methods/assumptions, application, 541
characteristics, 17e–18e
entity, defining, 184–192
framework, 530–537
funds, types usage, 30–37
impact, 19–20
information, characteristics, 17
limitations, 17, 18–19
objectives, 19–20
OPEB plans, usage, 549–551
requirements, 243–244
sponsoring government usage, 246–247
users, 14
uses, 15
Financial Reporting Entity (GASBS 14), 10, 96,
182, 232, 247, 602–603
Financial Reporting Entity (GASBS 61), 192–193
Financial Reporting for Defined Benefit Pension
Plans (GASBS 25), 526
Financial Reporting for Pension Plans
(GASBS 67), 427
Financial reporting model, 5
GASB design, 7
improvements, government funds (Invitation to
Comment), 4
Financial Reporting of Deferred Compensation
Plans Adopted under the Provisions of
Internal Revenue Code Section 457
(GASBS 2), 229

Financial Reporting of Deferred Outflows of
Resources, Deferred Inflows of Resources
(GASBS 63), 147

Financial resources, usage, 340–342

Financial statements
condensation, provision, 140
elements, 21–23
preparation, 430
preparer, considerations, 189–191
recognition, 21
recognition/measurement, current financial
resources (usage), 340–342
reporting entity note, illustration, 203e–204e
separate/stand-alone financial statements, 200,
204–205

Financial statements notes, 220–221, 305, 341, 443,
449–450
disclosure, 21, 143, 276, 422–424
Financial trends information, 158–159
Financing activities, cash flows, 165
Financing sources, 61–69
Fiscal dependency, concept, 191–192
Fiscal funding clause, 480
Fiscal independence/dependence, determination,
185–186
Fixed assets, infrastructure/contribution, 87–88
Flow of current financial resources, usage, 42
Flow of economic resources, usage, 42
Food stamps, special program considerations, 52
Foreign currency risk, 250, 307, 308
For-profit corporations, investments, 199, 200
Forward contracts, 294, 299
Fringe benefits/salaries, on-behalf payments (special
program considerations), 52–53

Frozen attained age, 406, 544
Frozen entry age, 406, 544

Fund
agency funds, 36
capital projects funds, 32
charges, amounts, 505
criteria, 153
debt service funds, 32–33
definition, 28–30
employee benefit trust funds, 36
enterprise funds, 33–35
fiduciary funds, 35–36
financial presentations, 157

internal service funds, 35, 35e
investment trust funds, 36
legal requirements, 49
liabilities/expenditures, recognition/
measurement, 40–45
major funds, 36–37
net position, changes, 128e–129e
number, establishment/determination, 29–30
pension funds, 36
permanent funds, 33
private-purpose trust funds, 36
proprietary (business-type) funds, 33
type usage, 512
usage types, 30–37

Fund accounting
GASBS 34 Reporting Model, usage, 29
government usage, 29
purpose, 28–30
usage, 13, 16–17

Fund Balance Reporting and Governmental Fund
Definitions (GASBS 54), 48–50, 57, 59, 71

Fund balances, 57, 120
changes, 126e–127e
classifications, 123, 125
display, 124

Fund financial statements, 104, 117–118, 136,
145–146

Funding
excess, 407
impact, 340–341
progress, schedule, 547, 560, 565

Future revenues, 374–375
disclosures, 377–378
intra-entity transfer, 150, 376
pledges, 373–378
sales, 150, 373–378

Future-year taxpayers, current-year services
(payment burden), 17

G
Gain contingencies, 366
Gains, reporting, 42
Gasoline tax revenue, road repairs (relationship), 51

General fixed assets, infrastructure/contribution, 87–88

General funds, 31, 47, 173, 466–467, 471–472
assets/liabilities/fund balances, accounting, 55–57
characteristics/use, 48–49
revenue/expenditures, accounting, 52–55
transfers, debt service payments resources, 74–75
usage, 503–504
Generally accepted accounting principles (GAAP), 59
accounting basis, 175–176
budget, differences, 174–176
hierarchy, 24
requirements, 72
revenues preclusion, 32
usage, 74
General obligation debt, 359
restitution accumulation, requirement, 49
General or unspecified operations risks, 366
General-purpose governments, 8
General revenues, 116
Government
capitalization criteria, 312–313
characteristics, 270
combinations, 210–221
commitments, 142–143
continuing governments, 213–214
continuing involvement, assessment, 373–375
control purposes, fund accounting (usage), 13
direct obligations, 76
dissimilarities, 13
employee, employment termination, 41
federal system, 12
financial guarantee, 368
financial position, analysis, 106
generally accepted accounting principles (GAAP)
hierarchy, 24
government-mandated nonexchange transactions, 150, 486, 487–489
hospitals, 610
intermediary, 279–281
lead interest beneficiary, 280–281
mergers, 212–214, 220–221
new governments, 212–213
objective/mission, 270
operations, 30, 210, 219–221
organizations, boards (appointment), 192
remainder interest beneficiary, 279–280
reporting entity, component unit, 186
representative form, 12
structure, control characteristics, 12–13
structure/services, characteristics, 12
Government acquisition
consideration, 216–217
costs, 217
definition, 211
intra-entity government acquisitions, 217
recognition/measurement, 214–215
reporting, 217–218
value, use (exceptions), 215
Governmental Accounting and Financial Reporting Principles (NCGAS 1), 169
Governmental Accounting, Auditing, and Financial Reporting (GAAFR), 10–11, 48, 74, 153, 345
recommendation, 87
Governmental accounting/financial reporting, objectives, 11–19
Governmental accounting principles, entities coverage, 8–10
Governmental Accounting Standards Board (GASB) 42, 213
Codification, 137–138
debt service payment conclusions, 73
financial reporting model design, 7
Implementation Guide, 109–110
implementation guides, 2–3
jurisdiction, 601
project plan, 5
pronouncements, 1
Technical Agenda, 1
Governmental Accounting Standards Board Concepts Statement (GASBCS)
GASBCS 1, 11–12, 19
GASBCS 2, 18
GASBCS 3, 20–21
GASBCS 4, 21
GASBCS 5, 18
GASBCS 6, 22
Governmental Accounting Standards Board Interpretation (GASBI)
GASBI 1, 66–67, 347
GASBI 5, 490
GASBI 6, 40–41, 74
Governmental Accounting Standards Board Statement (GASBS)
GASBS 2, 229
GASBS 3, 228, 246
GASBS 4, 147
GASBS 6, 54, 68, 357
GASBS 7, 75–78, 350, 353
GASBS 9, 161–166
GASBS 10, 360, 499–505
GASBS 13, 478–480
GASBS 14, 10, 96, 182, 232, 247, 374, 602–603
conditions, 191
emphasis/specification, 203
reporting entity considerations, 606
GASBS 16, 451–452
GASBS 18, 360, 383
Governmental Accounting Standards Board
Statement (GASBS) (*cont’d*)
GASBS 20, 25
GASBS 23, 85–86
GASBS 24, 52–53, 496
GASBS 25, 526–528
  amendments, 537–548
  disclosure requirements, 548
  requirement supplementary information, 538–539
GASBS 27, 40, 395, 410–411, 526
  amendment, 421–422
  provisions, 426
  requirement supplementary information, 424–425
GASBS 28, 229, 246, 272–275
GASBS 30, 499
GASBS 31, 95, 229, 518, 571
  noncovered transactions, 233e
  requirements, 231
  requirements, application, 233–236
  specification, 244
GASBS 32, 94
GASBS 33, 485–489
GASBS 34, 8, 28, 35, 79–80, 83–85, 121–122
  amendment, 3, 5
  cash flows, direct reporting, 166–167
  deliberations, 40
  elements, 106
  Reporting Model, 29
  requirements, 139, 172
  usage, 95–96, 105
GASBS 35, 603
GASBS 36, 488–489
GASBS 37, 172
GASBS 38, 3, 134
GASBS 39, 10, 182, 193–195
GASBS 40, 228, 247–248, 277
GASBS 41, 133–134, 173
GASBS 42, 213, 360
GASBS 43, 11, 400, 550–552
  actuarial requirements, 561
  requirements, 556
GASBS 44, 153–154, 160
GASBS 45, 11, 395, 526
  actuarial requirements, 561
  requirement supplementary information, 424–425
GASBS 46, 110
GASBS 47, 378–381
GASBS 48, 344, 373
GASBS 49, 344, 360
GASBS 50, 420–422, 526, 537–548
GASBS 52, 233–243
GASBS 53, 147, 229, 285, 287, 571
GASBS 54, 48–50, 57, 59, 71, 120–124
GASBS 57, 399–400
GASBS 58, 370–373
GASBS 59, 235, 287, 571
GASBS 60, 327–331
GASBS 61, 192–193
  disclosure requirements, 476
  requirements, application, 366
GASBS 63, 147, 149
GASBS 65, 147, 149
GASBS 66, 26, 503
GASBS 67, 96–99, 229, 567, 572
  amendments, 436
  assumptions, selection, 578
  benefit payments, projection, 578–579
  discount rate, 579–580
  financial statements, notes, 572–574
  required schedules, notes, 577
  required supplementary information, 576–577
GASBS 68, 96–99, 395, 427, 567
  amendments, 436
  effective date/transition, 434
GASBS 69, 182, 210, 218
GASBS 70, 344, 366–370
GASBS 71, 395, 434–435
GASBS 72, 229, 250–260, 270
GASBS 73, 395, 435–438
GASBS 74, 96–99
  assumptions, selection, 591
  discount rate, 592–598
  effective date/transition, 598
  financial statements, notes, 586–588
  OPEB plan requirements, 581–582
  required schedules, notes, 590–591
  required supplementary information, 588–590
GASBS 75, 395, 439–445
  alternative measurement method, 441–442
  effective date, 447
  special funding situations, 446
GASBS 76, 24
GASBS 77, 141–144
GASBS 79, 236
  deposit, credit quality (evaluation), 239
  diversification limits, calculation, 241
  provision, 237
GASBS 80, 182
Index

| GASBS 81, 278–283 | government mergers, reporting, 214 |
| GASBS 82, 395, 438 | government operations, disposals (reporting), 220–221 |
| GASBS 83, 336–342 | operations, transfers (reporting), 219 |
| GASBS 84, 96–100 | Governmental GAAP Guide, 1 |
| GASBS 85, 395, 447–450 | Governmental not-for-profit organizations, 610–611 |
| effective date, 450 | Governmental operator |
| recognition/measurement, 449 | accounting/financial reporting, 330 |
| GASBS 86, 354–355 | financial statements notes, disclosures, 331 |
| GASBS 87, 480–483 | Governmental-type activities, objectives, 19 |
| benefit payments, projection, 592 | Government Combinations and Disposals of Government Operations (GASBS 69), 182, 210 |
| financial statements notes, 449–450 | Government Finance Officers Association (GFOA), 10 |
| required schedule notes, 450 | Certificate of Achievement for Excellence in Financial Reporting Program, 153 |
| Governmental accounting standards, hierarchy, 23–24 | budgets, adoption, 173–174 |
| Governmental accounting standards setting, history, 10–11 | statement of revenues/expenditures, 126e–127e |
| Governmental activities, 132e–133e, 247 | closure/postclosure care costs, 386–388 |
| Governmental business-type activities, performance, 16 | preparation, 317 |
| Governmental colleges/universities, 8, 603–609 | proprietary funds/presentation, 207 |
| Governmental entity leasing issues, 478–483 | recognition, 416 |
| not-for-profit organization, contrast, 8–10 | Grants, 496–498 |
| presumptions, 9 | Gross cash flows, 162–166 |
| Governmental environment, characteristics (GASBCS 1 perspective), 12e | Grouping, use, 566, 596 |
| Governmental funds, 31–33, 117, 118, 388, 466 | Guaranteed obligations, government issuance, 369–370 |
| activities, reconciliation, 118 | Guarantee/guarantor, credit rating, 239 |
| balance reporting, 120 | Guarantees of indebtedness of others, term (usage), 366 |
| balance sheet, 119e–120e | |
| balances, net change (reconciliation), 132e–133e | |
| examples, 42e–44e | |
| financial reporting, 148 | |
| financial report model improvements, 4 | |
| financial statement, 363, 416 | |
| fund balances, reconciliation, 132e | |
| measurement focus, usage, 42 | |
| operating/direct financing lease, 470 | |
| pension expenditures, 414 | |
| usage, 207, 506–507 | |
| Governmental funds financial statements | |
| government acquisitions, reporting, 217–218 | |
| H | |
| Health care cost trend rate, 379, 566, 595 | |
| Health care providers, 610 | |
| Health-care-related termination benefits, 378–379 | |
| Health insurance premiums | |
| requirements, application, 597 | |
| usage, 566, 595 | |
| Hedge | |
| effectiveness, 290–292 | |
| one-sided hedges, 291 | |
| Hedged debt, 307 | |
| Hedging derivative instrument | interest receipts/payments, 295 |
| interest payments, 295 | notional amount, 295 |
Hierarchy of Generally Accepted Accounting Principles for State and Local Governments (GASBS 76) (GASBS 55), 24
Historical age-based turnover experience, 596
Housing finance authority, creation, 182–183
Hybrid instruments, 301–304, 308–309

I
Impairment
definition, 323
indication, events/circumstances (impact), 323–324
indicator, 322
losses, reporting, 325
measurement, 324–325
testing, 324
Implementation Guides, 23–24
Implicit rate subsidy, 561–562
Incurred but not reported (IBNR) claims, 501–502, 516
Independent auditor, report, 156–157
Individual investment accounts, 95, 245–247
Industry-specific standards, 82
Infrastructure asset, modified approach (usage), 317
Initial-transaction-date-based measurement (initial amount), 22
Inputs, 255–259
Instrumentalities, 9
In-substance assignment, 303–304
In-substance defeasance transactions, financial statements notes, 355
Insurance
activities, 151, 500
contracts, 287
coverage, 508–509
insurance-purchasing pool, 511
insurance-related activities, 499
insurance-related transactions, 507–509
recoveries, 325–326
Insured benefits, 413
Insured plans, 426
Intangible assets
accounting/financial reporting, 320, 322–323
amortization issues, 322
GASBS 51 definition, 319–320
impairment indicator, 322
internally generated intangible assets, 320–322
Interest
assignments, 244
capitalization, 331–336
cost, capitalization (absence), 332–333
income, 534, 556
payments, meeting, 76
undivided interests, 209–210
Interest-earning investment contracts, 229, 230, 234
Interest rate risk, 249–250, 307, 308
Interest rate swaps, 292–294
notional amount, 292
reference rate, 293
Interfund balances, reporting, 136
Interfund loan, 146
Interfund reimbursements, 146
Interfund services, 146
Interfund transactions, 104, 145–146
Interfund transfers, 146
Intergovernmental revenues, prevalence, 12
Internal investments pools, 244
Internally generated intangible assets, 320–322
Internally generated software, usage, 320–322
Internal Revenue Code, Section 457, 93
Internal Revenue Code, Section 501, 9
Internal Revenue Service (IRS), arbitrage limits, 76
Internal service funds, 35, 35e, 88–90, 157
accounting issues, 89–90
background/uses, 88–89
usage, 504–505
International Public Sector Accounting Standards Board (IPSASB), IPSAS/IFRS convergence, 11
International Public Sector Accounting Standards (IPSAS), IFRS (IPSASB convergence), 11
Interperiod equity, 17
Intra-entity activity, 147
Intra-entity balances, 199, 201–202
Intra-entity government acquisitions, 217
Intra-entity nonexchange financial guarantees, blended component units (involvement), 368
Intra-entity transactions, 104, 146–147, 199, 201–202
Intrinsic value, 291
Inventories, 55–56
Investing activities, cash inflows/outflows, 167
Investment Company Act of 1940, 235
Investments, 518–519, 554, 571
derivative instruments, 289, 308
disclosures, 269–271
expense, 572, 586
income, 572, 586
liquidity, 242
maturity, 238
Index

measurements/statements, 266–267
policies, 248
risk disclosures, 247–250
types, examples, 250
valuation, 230–233
Investments, fair value, 554
application, 265–267
measurements, disclosures, 271–272
net appreciation (depreciation), 534, 556
Investment trust funds, 36, 95, 99
Invitations to Comment (ITCs), 1
financial reporting model improvements
(governmental funds), 4
GASB issuance, 4
issuance, 23
revenue/expense recognition, 4–5
Involuntary termination benefits, 380
Irrevocable split-interest agreement,
components, 279
Irrevocable Split-Interest Agreements (GASBS 81),
278–283
Items, assets/liabilities reporting, 149
Items Previously Reported as Assets and Liabilities
(GASBS 65), 147, 149

J
Joint building/finance authorities, 209
Jointly appointed boards of directors, presence, 192
Jointly governed organizations, 205, 209
Joint organizations, issues, 208
Joint ventures, 205–206
financial interest/responsibility, 206–207
financial reporting, 206–207
note disclosure, sample, 207e–208e
Journal entries
consumption method, usage, 56e
recording, 78
usage, 61–62, 64e–65e

L
Land and Other Real Estate Held as Investments by
Endowments (GASBS 52), 233–243
Landfill closure
applicability, 383–384
assets, trust placement (accounting), 389
disclosures, 390–391
estimates, changes (recording), 389–390
note disclosure, illustration, 390e–391e
responsibility, 389–390
Landfill closure cost
estimation, 384–385
element, 386–387
governmental funds, 388
recording, 386–388
Lead interest beneficiary, 280–281
Leaseback transaction, 482–483
Leases, 151
accounting, 461, 463–464
definition, 480
disclosure requirements, 467–468, 476
disclosure sample, 468e–469e
fiscal funding/cancellation clauses, 480
gross investment, difference, 474
minimum lease payments, definition, 464e–466e
operating/capital leases, lessee recording, 465
payments, minimum, 474
provisions, change, 475
short-term leases, 482
termination, 475, 481, 482
Leases (GASBS 87), 480–483
Leasing issues, 478–483
Legal defeasance, occurrence, 76
Lending activities, 151
Lessee accounting, 463–464, 481
Lessor
accounting, 469, 481
footnote disclosure, sample, 477e
Letter of credit agreement, 66
Level dollar amortization method, 408–409,
546, 564
Level percentage of projected payroll amortization
method, 409, 564
Leverage, 286
Leveraged leases, 469, 473–474
Leveraged yield, 302
Liabilities, 263–265
calculation factors, 458
characteristics/risks, 269–270
fair value measurement, 251
holding, 264
market activity volume/level, decrease, 259–260
measurement, 362
principles, 263–264
relative significance, 270
transfer, prevention restrictions, 265
type, specification, 270
Life settlement contracts, investments, 267
Liquidated expenditures, 176
Loans, 144
commitments, 287
origination fees/costs, 151–152, 518–519
purchase, 151
Local governments
governmental GAAP coverage, 8
insurance activities, 500
London Interbank Offered Rate (LIBOR), 250,
286, 294
Long-term assets/liabilities, recording
(avoidance), 48
Long-term debt
account group, demand bonds (footnote
disclosure), 349e
activity, description, 106
advance refunding, accounting, 75–78, 349
issuance, 84
Long-term liabilities, 80
disclosures, requirement, 139
reporting, 28
Loss accrual, amount, 502
Loss contingencies
accrual, 365
disclosure, 365–366, 501–503, 515
existence, 501
liability, 501
probability classifications, 365
Losses, reporting, 42

M
Major capital facilities, 59
Major funds, 36–37
Majority equity interests, accounting/financial
reporting, 3
Management’s discussion and analysis (MD&A),
104–107, 156, 172
Marital/dependency status, 566, 595
Markets
conditions, change, 253
fair value approach, 254
GASBS 72 perspective, 251–252
market-access risk, 307
participants, 252
price/transaction costs, 252–253
determination, 37
definition, 37
government-wide financial statements basis,
107–108
Measurement of Elements of Financial Statements
(GASBCS 6), 22

N
National Committee on Municipal Accounting
(NCMA), 10
National Council on Governmental
Accounting (NCGA)
debt service payment conclusions, 73
standards, 10
National Council on Governmental Accounting
Interpretation (NCGAI)
NCGAI 9, 62–63, 356
NCGAI 10, 169–171
National Council on Governmental Accounting
Statement (NCGAS)
NCGAS 1, 32–33, 94, 169, 173, 312
requirements, adoption, 314
NCGAS 2, 32
NCGAS 5, 461
Nationally recognized statistical rating organization
(NRSRO), security rating, 238
Net appreciation (depreciation), 534
Net Assets Restricted and Enabling Legislation
(GASBS 46), 110
Net asset value (NAV) per share, calculation, 267–268, 271–272
Net carrying amount, 86
Net cash flows, 162–166
Net OPEB liability
changes, schedule, 589–590
measurement, 591
Net OPEB obligation, 412–414
Net pension liability
changes, schedule, 576
measurement, 577–578
Net pension obligation, 409–411
Net position
capital assets component, net investment, 148
components, 108
condensed statement, 140, 200–201, 247
proprietary funds classified statement, 127e–128e
restricted/unrestricted components, 148
total net position, 201
Net position statement, 108–112, 146, 148
line items, presentation, 270
sample, 111e–112e
Net settlement, 286
New fair value measurement/application standard, 250–253
New governments, 212–213
measurement/impairment, 213
recognition, 212
New markets, development, 253
Nonappropriated budget, 170
Nonauthoritative accounting literature, sources, 24
Noncapital activities, representation, 165–166
Noncapital financing activities, cash flows, 164–165
Noncapital financing, cash inflow/outflows, 167
Noncapitalized (operating) leases, commitments, 136
Noncash activities, information disclosures, 168
Nonequity interests, 208
Nonexchange financial guarantees
disclosures, 368–369
transactions, accounting/financial reporting, 367
Nonexchange revenues, imposition, 486, 487, 489
Nonexchange transactions, 149–150
accounting, accrual basis (adjustments), 494–496
accounting/financial reporting requirements, 486–493
accrual-basis requirements, 486–489
assumptions, 491
classes, 485–486
financial assistance, 496–498
grants, 496–498
income/sales taxes, 493–494
modified accrual basis, 489
property taxes, 489–493
purpose restrictions, 486–487
time requirements, 486
Nonfinancial assets, usage, 262–263
Non-health-care-related termination benefits, 379
Nonmajor funds, 247
nonmajor component unit financial statements/schedules, combination, 157–158
Nonmajor governmental/enterprise funds, 157
Nonparticipating contracts, defining, 234
Nonperformance penalties, 287
Nonperformance risk, 264–265
Nonreciprocal interfund activity, 146
Non-revenue-producing capital assets, investment, 13–14
Nonspendable fund balance, 120–121, 125
Normal cost, 545
Notes
disclosures, 200, 202–204
obligations, 371
Not-for-profit organization
building, government sale, 44e–45e
governmental entity, contrast, 8–10
powers, investment, 183
purpose, 194
O
Obligations
accounting, 344–346
events, 361
Off-market terms, usage, 302
Omnibus 2017 (GASBS 85), 395, 447–450
On-behalf payments, 52–53
inclusion, 303
One-sided hedges, 291
OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans
(GASBS 57), 399
Open-end mutual funds, 229, 230–231
Operating activities
cash flows, 163–164
cash outflows, 163–164
impact, 166–167
Operating cash receipts/payments, classes, 167
Operating information, 160
Operating leases
disclosure, sample, 468e–469e
fair value method, 479
governmental/proprietary funds, 470
Operating leases (cont’d)
initial indirect costs, 151, 462
lessee recording, 465
lessor footnote disclosure sample, 477e
measurement criteria, 478–479
scheduled rent, increases, 478–480
straight-line method, 479
Operating statement, GASBS 28 (impact), 274–275
Operations, results, 15
Operations, transfer, 218–219
defining, 211–212
government mergers, relationship, 220–221
reporting, 219
Operator payments, transferor accounting/financial
reporting, 329–330
Option
intrinsic value, 291
minimum value, 291
Organization, 205
debt obligation, 190–191
deficits, financing obligation (assumption), 190
jointly governed organizations, 205, 209
joint organization, issues, 208
resources, access, 189–190
“Other accounting literature,” 11
Other fiduciary activities, 97–98
Other financing sources, usage, 42, 61–69, 72
Other financing uses, usage, 42, 60, 72
Other postemployment benefits (OPEBs), 93, 96, 394, 526, 537, 549
actuarial cost method, 563
arrangements, 97
costs, actuarial assumptions, 562
disclosures, 420–425
economic assumptions, 562–563
entities, 100
expenses/expenses, recognition, 415–418
financial reporting, 397, 552–560
inclusion, 403–404
insured benefits, 413
liabilities/assets, 413–417
liability, measurement, 440–441
parameters, 560–564
plan investments, 587–588
plan net position, 555e, 557e
provision, asset accumulation, 598
required supplementary information, 560
required supplementary schedules, 565–566
short-term differences, 412
termination benefit, 380, 397–398
types, 582–583
Other postemployment benefits (OPEBs) plan, 371–372
fiduciary net position to projected benefit
payments, projections (comparison), 593
funded status/funding progress, 559
GASBS 74 requirements, 581–582
number, 583–584
requirements, 398–400
trust administration, absence, 566–567
types, 582–583
usage, 549–551
Own-source revenues, 98
P
Participating contracts, defining, 234
Participation contracts, 510
Pass-through grants, 92
Payables, balances, 136
Pension
actuarial cost method, 405–407
actuarial/economic assumptions, 404–405
arrangements, 97
benefits, 371–372
entities, 100
expenditures/expenses, recording, 414–415
expense, measurement, 430–431
funds, 36
GASBS 67 definition, 568
pension-related assets/liabilities, recording,
414–415
trust funds, 93–94, 157
Pension Disclosures (GASBS 50), 420–422, 526,
537–548
Pension Issues (GASBS 82), 395, 438
Pension plan
accounting/financial reporting, 527
administration, 529–530
alternative measurement method, 565–566
fiduciary net position, projections (comparison),
579–580
funded status, information, 538
investments, 531–532, 573–574
liabilities, 437, 532–533
note disclosures, 535–537
number, 569–570
operations, assets (usage), 532, 554
Pension plan net position, 533, 554–555
changes, statement, 534, 555–557
changes, statement (deductions), 535
note disclosures, 535e, 557–560
statement, 531–534, 553–555
Index

Pension Transition for Contributions Made Subsequent to the Measurement Date (GASBS 71), 395, 434–435

Performance, evaluation (budget mechanism), 13
Periodic principal, meeting, 76
Permanent funds, 33, 121
Physical substance, absence, 319
Policyholder dividends, 516
Policy/participation contract acquisition costs, 515–516
Policy, term (usage), 510
Political process, characteristics, 14, 16
Pollution remediation liabilities/outlays, disclosures, 363–364
Pollution remediation obligations, 360–364
Pollution remediation outlays, capitalization, 363
Pooled securities, 275–276
Pools, defining, 209
Portfolio
  diversification requirements, 240–241
  liquidity requirements, 241–242
  maturity requirements, 237–238
  quality requirements, 238–240
Postclosure care costs
  applicability, 383–384
  assets, trust placement (accounting), 389
disclosures, 390–391
estimates, changes (recording), 389–390
estimation, 384–385
governmental funds, 388
note disclosure, illustration, 390e–391e
recording, 386–388
responsibility, 389–390
Postemployment benefits, 371–372
  accounting/reporting, 11
  defining, 549
  plans, 549–567
  scope/applicability, 395–398
Postretirement, term (usage), 396
Powers, separation, 12
Preencumbrances, 177
Preliminary Views (PV) document, 23
Premium deficiency, 516–517
Premium revenue recognition, 512–514
Prepaidas, 55–56
Present service capacity, 265–266
  basis, 266
Present value, 403
Primary government
  business-type activity, 193
  defining, 184–192
  financial accountability, 186
  financial benefit/burden, 188–189
  not disclosures, 200, 202–204
  reporting periods, 199, 202
  voting majority, 188
Primary government organization
debt obligation, 190–191
deficits, financing obligation (assumption), 190
resources, access, 189–190
Private-purpose funds, principal/corpus amount, 312
Private-purpose trust funds, 36, 95–100, 157
Program revenues, 116
Program-specific capital grants/contributions, 116
Program-specific operating grants/contributions, 116
Projected benefit payments, actuarial present value (attribution), 580–581, 594
Projected payroll amortization method, level percentage, 546
Projected (unprojected) unit credit, 406
Property owners, contributions, 69
Property taxes, 489–493
  assumptions, 491
Property Tax Revenue Recognition in Governmental Funds (GASB 15), 490
Proprietary (business-type) funds, 33, 118, 174, 472, 506
  accounting, application, 414
  basis of accounting, 80–82
  characteristics/accounting, 79
classified statement of net position, 127e–128e
closure/postclosure care costs, recording, 386–388
  examples, 43e–45e
  financial statements, recognition, 416
  flow of economic resources, usage, 42
  measurement focus, 80–82
  operating/direct financing lease, 470
  presentation, 207
  statement of cash flows, 129e–130e
  statement of revenues/expenses, 128e–129e
Public authorities
  governmental GAAP coverage, 8
  utility operation, 182
Public benefit corporations, 611–613
Public corporations
  components, 9
  examples, 9e
Public employee retirement systems (PERS), 93, 161, 527, 551–552
  governmental GAAP coverage, 8
  requirement, 529–530
Index

Public entity risk pool, 499, 500
accounting/financial reporting, 510–523
claims-made policies, 507–508
defining, 510–512
disclosure requirements, 509–510, 519–523
entity participation, 506–507
financial reporting framework, 530–537
insurance-related transactions, 507–509
policyholder/pool dividends, 508
required supplementary information, 519–523
ten-year loss development information format, sample, 521e–522e
types, 511
Public hospitals, governmental GAAP coverage, 8
Public sector, 8
Public university, cash flow statement (sample), 605e–606e
Public university, net position
statement of revenues, expenses, and changes (sample), 604e–605e
statement, sample, 603e–604e
Purchase method, 39, 55–56

Qualifying assets, 333
Qualifying external investment pools, 243
Quasi-external operating activities, cash receipts, 163
Quoted prices
impact, 257
usage, 261–272

Reacquisition price, 86
Real estate
investments, 518
life interests, 281
Real estate mortgage investment conduits (REMICs), 231
Receivables, 553–554, 570
balances, 136
sales/pledges, 373–378
transactions, 373–374
Recipient Reporting for Certain Shared Nonexchange Revenues (GASBS 36), 488–489
Reciprocal interfund activity, 145–146
Recognition and Measurement of Certain Fund Liabilities and Expenditures (GASBI 6), 40, 74
Recognition benchmarks, 361–362
Recognition of Pension and Other Postemployment Benefit Expenditures/Expense and Liabilities (GASBTB 2004-2), 395
Recoveries, accounting, 362–363
Reference rate
inconsistency, 203
time interval, 293
Reference rate/payment, 293
Refunding bonds, 77–78
Regression analysis method, 296–297, 300–301
Regulators, requirements, 152
Reimbursements, 144–145
Reinsurance, 517
Related entity (component unit determination), flowchart (usage), 187e
Remainder interest beneficiary, 279–280
Remediation liability, 361–362
Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities (GASBS 9), 161
Reporting entity
accountability, focus, 183–192
background, 182–183
issues, 199–206
note, example, 203e–204e
organizations, inclusion, 194–195
Reporting organizations, component units (comparison), 205
Reporting periods, 199, 202
useful life, extension, 319
Reporting periods, effectiveness (evaluation), 291
Repurchase agreement, collateralization, 240
Required characteristics eligibility requirements, 375
Required supplementary information (RSI), 21, 104, 133, 153, 156, 431, 443
payroll-related measures, presentation, 438
schedules, notes, 436
Residual interest, 377–378
Residual value, 474
Resources
deferred inflows, 104, 147–153, 430–431, 492
Restoration cost method, 325
Restricted assets, usage, 83–84
Restricted fund balance, 120, 121
Restricted net position, 109–111
Restricted, term (definition), 49
Retrospectively rated policies, 508

Q
Quasi-external operating activities, cash receipts, 163

R
Reimbursements, 144–145
Reinsurance, 517
Regulators, requirements, 152
Recognition benchmarks, 361–362
Index

Return on investment (ROI), consideration, 14
Revenue, 72
capacity information, 159
duplication, 89
government funds statements, 126e–127e
miscellaneous revenues, 54
notes, 355–357
own-source revenues, 98
presentation, 116–117
proprietary funds statement of revenues/expenses, 128e–129e
reporting, 42
revenue-producing capital assets, 16
sharing arrangements, accounting, 330–331
sources, 50, 61–69
Revenue bonds, types, 84
Revenue/expense recognition (Invitation to Comment), 4–5
Risk
basis risk, 307
credit risk, 276–277, 306–308
entity retention, 503–505
financing, 50, 499, 500
foreign currency risk, 250, 307, 308
general or unspecified operations risks, 366
interest rate risk, 249–250, 307, 308
market-access risk, 307
nonperformance risk, 264–265
pooling, 506–507
pools, governmental entity participation, 505
risk-sharing pool, 511
rollover risk, 307
termination risk, 307
transfer, 506–507, 511–512
Risk Financing Omnibus (GASBS 30), 499
Rollover risk, 307
S
Sabbatical leave, 457
Sale-leaseback transactions, 151, 462
Sales and Pledges of Receivables and Future Revenues (GASBS 48), 344, 373
Sales, qualifications, 375–376
Sales-type leases, 469, 474–476
Salvage
representation, 514
value, consideration (absence), 316
School districts, 601
allocation methods, 608
fund accounting, 602
fundraising, activities (cost), 606–608
governmental GAAP coverage, 8
incidental activities, 608–609
legal compliance, 602
reporting entity, 602–603
Section 457 plans, 94
Securities
maturity, determination, 237–238
NRSRO rating, 238
option contracts, impact, 229
pooled securities, 275–276
receivables, 531
Securities Industry and Financial Markets Association (SIFMA) swap index, 286
Securities lending transaction
accounting treatment, 273–274
disclosures, 249
nature, 272–273
note disclosure, sample, 278e
Segmented time distributions, 249
Self-balancing, 28
Separate legal standing, 184–185
Separately elected governing boards, presence, 191–192
Separate/stand-alone financial statements, 200, 204–205
Service accomplishments, measures, 19
Service concession arrangements, 327–331
Service efforts
efficiency/effectiveness, evaluation, 15
measures, 19
Service Efforts and Accomplishment Reports (GASBCS 2), 18
Service efforts and accomplishments (SEA), 18–19
Service Efforts and Accomplishments Reporting—An Amendment of GASB Concepts Statement No. 2 (GASBCS 5), 18
Service receivers, taxpayers (relationship), 12
Services, charges, 116
Services received/resources, relationship, 16
Service units method, 325
Settlement factors, 285
Shadow pricing requirements, 242–243
Short-term financing, sources, 62
Short-term leases, 482
Short-term obligation, refinancing (intent), 63
Sick leave (compensated absence), 453–457
liability, calculation, 454e–457e
Simulation model, 250
Single employers, 442–443
financial statements notes, 430–431
OPEB plan, 589–590
Single employers (cont’d)
  pension plans, 398–400, 528–529, 574–577
  plans, 551
  required supplementary information, 431
Single entity, obligations, 241
Single fund, usage, 503
Special assessment, 53–54, 93
debt, 67–69, 357–359
levy, 358
Special funding situations, 426, 432–433, 446
Special items, 117
Special program considerations, examples, 52–53
Special-purpose governments, 8, 609
  fiscal independence, 185
  legal separation, determination, 184–185
  separately elected governing boards, presence, 191
Special revenue funds, 31–32, 47, 49–51, 173
  assets/liabilities/fund balances, accounting, 55–57
  number, determination, 51e
  purpose, disclosure, 50
  revenue/expenditures, accounting, 52–55
Split-interest agreements, 278–279
Stabilization agreements, 123–125
State and Local Government Budgetary Reporting (NCGAI 10), 169–170
State and Local Governments (AICPA Audit and Accounting Guide), 8–9, 230
State and Local Government Series (SLGS) securities, 76
State-appointed boards, impact, 194–195
State governments
  governmental GAAP coverage, 8
  insurance activities, 500
Statement of activities, 112, 146–147
  sample, 113e–114e
Statement of cash flow
  format, 167–168
  preparation/reporting, 104, 160–168
  requirement, 161
Statement of cash flows of a public university
  sample, 605e–606e
Statement of changes in plan net position, 534
Statement of fiduciary net position, 99, 130e–131e, 570–572, 584, 585–586
Statement of Financial Accounting Standards (SFAS)
  SFAS 5, 500
  SFAS 6, 63, 356
  SFAS 91, 518
Statement of net position of a public university, sample, 603e–604e
Statement of revenues, expenses, and changes in net position of a public university (sample), 604e–605e
Straight-line method, 479
Structured notes, cash flow characteristics, 235
Sublease transaction, 482–483
Subrogation, 514
Subsidy, reflection, 562
Supplemental Nutrition Assistance Program (SNAP), 52
Supplementary information, 21
Supplementary schedules, 547–548
Surpluses/deficits, 89–90
Susceptible to accrual, term (meaning), 48
Synthetic Guaranteed Investment Contracts (SGICs), 304–305, 309
Synthetic instrument method, 295–296, 299–300
Systems development fees, 87
T
  Tail coverage, 508
Take-out agreement, 66–67, 347–348
Tap fees, 87
Tax Abatement Disclosures (GASBS 77), 141–144
Tax abatements
  disclosure requirements, 141–144
  disclosures, GASBS 77 principles, 141–142
Tax anticipation notes, 355–357
Tax-exempt borrowings/gifts/grants, involvement, 334–335
Tax-exempt debt, issuance, 9
Tax-exempt organization, reporting, 193
Tax levy, enactment/enforcement (power), 9
Taxpayers, service receivers (relationship), 12
Tax revenues
  derivation, 485, 487, 489, 493–494
  expectations, 171
Technical Bulletins (TBs), 23
Temporary Assistance for Needy Families (TANF) program, federal funds, 12
Termination benefits
  disclosures, 380–381
  health-care-related termination benefits, 378–379
  impact, 380
  liabilities/expenditures, recognition, 380
Index 677

- non-health-care-related termination benefits, 379
- voluntary/involuntary termination benefits, 380
- Termination liabilities, recognition, 380
- Termination payment method, 454, 454e–456e
- Termination risk, 307
- Third party, intermediary role, 282–283
- Time-value-of-money, perspective, 351
- Tobacco settlement authorities (TSAs), 195–196
- Total investment expenses, 534, 556
- Total OPEB liability, 591
- Total pension liability, 578–581
- Total projected benefits, actuarial present value, 403, 561
- Total unfunded actuarial accrued liability, amortization, 407–408, 545
- Transactions
  - accounting, 375–376
  - costs, 252–253
  - eliminations/reclassifications, 117
  - identification, 260–261
- Transferor
  - accounting/financial reporting, 329–330
  - financial statements notes, disclosures, 331
  - payments, governmental operator accounting/financial reporting, 330
- Turnover, 566, 595
  - requirements, application, 596–597
- 2a7-like pool, defining, 235
- U
  - Unallocated insurance contract, 532
  - Unassigned fund balance, 120, 123
- Undivided interests, 209–210
- Unilateral dissolution, governmental potential, 9
- Unit of account, guidance, 251
- Unliquidated expenditures, 176
- Unprojected (or projected) unit credit, 544
- Unrestricted net position, 111
- Up-front payment, off-market terms (usage), 302
- Useful life, extension, 319
- U.S. government
  - direct obligations, 351
  - security, maturity, 238
- Utilities, 612–613
- V
  - Vacation leave (compensated absence), 452–453
    liability calculation, example, 453e
    scenarios, 453
  - Valuation techniques/approaches, 253–260
    inputs, 255
    principles, 255
  - Vesting method, 456
    usage, 456e–457e
  - Voluntary nonexchange transactions, 150, 486
  - Voluntary termination benefits, 380
  - Voting majority, appointment, 188
- W
  - Water utility fund, 145
  - Weekly liquid assets (GASBS 79), 242
  - Weighted-average maturity, 250
  - “Why Governmental Accounting and Financial Reporting Is—and Should Be—Different,” 20
- Will, imposition, 188
- Written option, in-the-money characteristic, 302