



## Accounting Academy - EXERCISE

### Fund Types and Basis of Accounting

Choose the *best* fund type from the list below, in which to record each transaction. Include the basis of accounting used by each fund type as well.

A. Permanent	G. Enterprise
B. Private-purpose Trust	H. Custodial
C. Internal Service	I. General
D. Capital Projects	J. Pension & OPEB Trust
E. Investment Trust	K. Debt Service
F. Special Revenue	

Fund Type	Basis of Accounting	Transaction
		1. Sales tax receipts restricted for a particular purpose.
		2. The County collects property taxes on behalf of the local municipality who levied the tax.
		3. Principal and interest payments made on general long-term debt.
		4. Costs for operating a water utility.
		5. Assets held in trust to provide retirement benefits for public safety employees.

Fund Type	Basis of Accounting	Transaction
		6. Gifts in which the principal must be preserved but the investment earnings may be used for a public purpose.
		7. Costs associated with a central municipal garage that maintains all of the City's vehicles and equipment, and allocates those costs to the applicable departments.
		8. General administrative costs of the County
		9. Costs to construct a new Village Hall.
		10. Amusement tax receipts that are restricted for use on tourism.

Fund Type	Basis of Accounting	Transaction
		11. Assets of the local government that the State is holding in trust in a government-sponsored external investment pool.
		12. State's own resources that are invested in a State-sponsored external investment pool for general purposes.
		13. Gifts in which the principal and interest are held in trust and may be used to provide scholarships for low income children at the local high school.
		14. Fees and charges associated with the provision of sanitary sewer services.
		15. Proceeds from the issuance of debt for general purposes.

Fund Type	Basis of Accounting	Transaction
		16. General planning expenditures associated with the overall strategy for the City's economic development.
		17. Federal revenues being held by a local school district for the reimbursement of costs associated with its school lunch program.
		18. Assets of the local government that the State is holding in an external investment pool that is <i>not</i> in a trust.
		19. Greens fees charged to golfers in conjunction with a Village-owned golf course.
		20. Costs associated with the major reconstruction of roads within the County.

Fund Type	Basis of Accounting	Transaction
		21. Principal payment made on general government debt.
		22. Resources held in trust for prisoners to make purchases at the prison canteen.
		23. Property taxes levied by the local government and collected by the County for distribution back to the local government. How would County classify?
		24. Costs associated with risk management that are allocated to the applicable departments/funds based on their proportionate share of the full cost.
		25. An endowment received by the Village that must be spent to beautify the downtown. The principal must remain intact; only the earnings may be spent.