
**Addis ababa medical and business college individual ass.assignment of
accounting for public sector and civil society.Mark Allotted (20%)**

Part I: Matching

Choose the letter of the sample transaction in the right-hand column that would most likely be reported in the fund listed in the left-hand column.

1. Agency	A. Construction of public buildings.
2. Capital projects	B. Costs of a central purchasing and warehouse function.
3. Debt service	C. Gifts in which the principal must be invested and preserved but the investment earnings must be used to provide scholarships to children of police officers who died in the line of duty.
4. Enterprise	D. Administrative expenses of the city manager's office.
5. General	E. Assets held for external government participants in the government's investment pool for the purpose of earning investment income.
6. Internal service	F. Gifts in which the principal must be invested and preserved but the investment earnings can be used for public purposes
7. Investment trust	G. Costs of operating a municipal swimming pool.
8. Pension trust	H. Taxes collected on behalf of another governmental unit.
9. Permanent	I. Assets held in trust to provide retirement benefits for municipal workers.
10. Private-purpose trust	J. Principal and interest payments on general

	long-term debt.
11. Special revenue	K. Grant revenues restricted for particular operating purposes.

PART II Multiple choice

- Before placing a purchase order, a department should check that available appropriations are sufficient to cover the cost of the item being ordered. This type of budgetary control is achieved by reviewing:
 - Appropriations minus expenditures.
 - Appropriations plus expenditures minus encumbrances.
 - Appropriations minus estimated revenues.
 - Appropriations minus the sum of expenditures and encumbrances.
- Which fund should record the proceeds of a federal grant made to assist in financing the future construction of a police training facility?

A. General Fund	C. Capital Projects Fund
B. Special Revenue Fund	D. Enterprise Fund
- Which fund should record the receipts from a special tax levied to pay principal and interest on general obligation bonds issued to finance the construction of a city hall?

A. Debt Service Fund	C. Enterprise Fund
B. Capital Projects Fund	D. Special Revenue Fund
- Which fund would recognize a transaction in which a municipal electric utility paid \$150,000 for new equipment out of its earnings?

A. Enterprise Fund	C. Capital Projects Fund
B. General Fund	D. Special Revenue Fund

PART III : Discussion Questions

1. Describe the difference between *economic resources measurement focus* and *current financial resources measurement focus*. Which measurement focus is used in each fund category? (1 Pt.)
2. List the governmental-type funds, and briefly describe the use of each. (1 Pt.)
3. Explain the relationship between Debt Service Funds and Capital Projects Funds. (1 Pt.)
4. Distinguish between: (3 Pts.)
 - a. Expenditures and Encumbrances.
 - b. Revenues and Estimated Revenues.
 - c. Reserve for Encumbrances and Encumbrances.
 - d. Reserve for Encumbrances and Fund Balance.
 - e. Appropriations and Expenditures.
