

Uniform CPA Examination Business Analysis and Reporting (BAR)

Blueprint



Business Analysis and Reporting

The Business Analysis and Reporting (BAR) section of the Uniform CPA Examination (the Exam) assesses the knowledge and skills nCPAs must demonstrate with respect to:

- Financial statement and financial information analysis with a focus on an nCPA's role in comparing historical results to budgets and forecasts, deriving the impact of transactions, events (actual and proposed) and market conditions on financial and nonfinancial performance measures and comparing investment alternatives.
- Select technical accounting and reporting requirements under the Financial Accounting Standards Board (FASB) Accounting Standards Codification and the U.S. Securities and Exchange Commission (SEC) that are applicable to for-profit business entities and employee benefit plans.
- Financial accounting and reporting requirements under the Governmental Accounting Standards Board (GASB) that are applicable to state and local government entities.

The assessment will also incorporate:

- Data and technology concepts, including the:
 - Verification of the completeness and accuracy of source data used in comparing historical results to budgets and forecasts and deriving the impact of transactions and events (actual and proposed).
 - Determination of methods to transform data to make it useful for decision-making.
 - Determination of attribute structures, formats and sources of data needed to prepare financial statement analysis.
 - Use of outputs from data analytic techniques to explain an entity's results or to identify and detect discrepancies.
- Applied research with a focus on reviewing and using excerpts of source materials (e.g. FASB Accounting Standards Codification, GASB Statements of Governmental Accounting Standards) to complete a range of tasks including identifying issues, analyzing facts and determining appropriate responses.

A list of reference materials relevant to the BAR section of the Exam is included under References at the conclusion of this introduction.

Content organization and tasks

The BAR section blueprint is organized by content AREA, content GROUP and content TOPIC. Each group or topic includes one or more representative TASKS that an nCPA may be expected to complete in practice.

Tasks in the BAR section blueprint are representative. They are not intended to be (nor should they be viewed as) an all-inclusive list of tasks that may be tested in the BAR section of the Exam. Lists or examples included within the text of a representative task beginning with the word "including" are not intended to be exhaustive. Within some representative tasks are parenthetical lists. If a parenthetical list begins with "e.g.", this is not intended to be an exhaustive list but rather examples of the types of content that could be assessed. Parenthetical lists that do not include "e.g." are intended to be an exhaustive list of the content to be assessed with respect to that representative task.

Content allocation

The following table summarizes the content areas and the allocation of content tested in the BAR section of the Exam:

Content area		Allocation
Area I	Business Analysis	40–50%
Area II	Technical Accounting and Reporting	35–45%
Area III	State and Local Governments	10–20%

Overview of content areas

Area I of the BAR section blueprint covers historical, current and prospective analysis of the financial statements. The Area includes the following:

- Financial statement analysis, including comparison of current period financial statements to prior period or budget and interpretation of financial statement fluctuations and ratios.

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- Non-financial and non-GAAP measures of performance, including use of the balanced scorecard approach and interpretation of non-financial and non-GAAP measures to assess an entity's performance and risk profile.
- Managerial and cost accounting concepts and the use of variance analysis techniques.
- Budgeting, forecasting and projection techniques.
- Factors that influence an entity's capital structure, such as leverage, cost of capital, liquidity and loan covenants.
- Financial valuation decision models used to compare investment alternatives.
- The Committee of Sponsoring Organizations of the Treadway Commission (COSO) Enterprise Risk Management framework, including how it applies to environmental, social and governance (ESG) related risks.
- The effect of changes in economic conditions and market influences on an entity's business.

Area II of the BAR section blueprint covers financial accounting and reporting requirements in the FASB Accounting Standards Codification that are applicable to technical accounting and reporting topics. The Area includes the following:

- Indefinite-lived intangible assets, including goodwill.
- Internally developed software.
- Revenue recognition, specifically focusing on the analysis and interpretation of agreements, contracts and other supporting documentation to determine whether revenue was appropriately recognized.
- Stock compensation.
- Research and development costs.
- Business combinations.
- Consolidated financial statements, specifically focusing on topics including variable interest entities, noncontrolling interests, functional currency and foreign currency translation adjustments.

- Derivatives and hedge accounting.
- Leases, specifically focusing on recalling and applying lessor accounting requirements and analyzing the provisions of a lease agreement to determine whether a lessee appropriately accounted for the lease.
- Public company reporting topics, specifically focusing on Regulation S-X, Regulation S-K and segment reporting.
- Financial statements of employee benefit plans.

To the extent there are accounting or reporting differences between public business entities and nonpublic business entities, such differences may be tested for the financial accounting and reporting topics in the BAR section blueprint.

Area III of the BAR section blueprint covers GASB's financial accounting and reporting requirements for state and local governments under the GASB standards and interpretations. The Area includes the following:

- Basic concepts and principles of the government-wide, governmental funds, proprietary funds and fiduciary funds financial statements.
- Preparing government-wide, governmental funds, proprietary funds and fiduciary funds financial statements and other components of the financial section of the annual comprehensive financial report.
- Deriving the government-wide financial statements and reconciliation requirements.
- Accounting for specific types of transactions such as net position, fund balances, capital assets, long-term liabilities, interfund activity, nonexchange revenue, expenditures and expenses and budgetary accounting within the governmental entity financial statements.

Section assumptions


The BAR section of the Exam includes multiple-choice questions and task-based simulations. Candidates should assume that all of the information provided in each question is material and should apply all stated assumptions. In addition, candidates should assume that each question applies to a for-profit business

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entity reporting under U.S. GAAP unless otherwise stated in the fact pattern for a question. For example, questions that apply to the state and local governments include phrases such as “local government,” “state,” “municipality” or “city.”

Skill allocation

The Exam applies a skill framework based on the revised Bloom’s Taxonomy of Educational Objectives⁵. Bloom’s Taxonomy classifies a continuum of skills depicted in the table below:

Skill Levels	
 Evaluation	The examination or assessment of problems, and use of judgment to draw conclusions.
Analysis	The examination and study of the interrelationships of separate areas in order to identify causes and find evidence to support inferences.
Application	The use or demonstration of knowledge, concepts or techniques.
Remembering and Understanding	The perception and comprehension of the significance of an area utilizing knowledge gained.

The BAR section of the Exam assesses content at the first three skill levels of Bloom’s taxonomy as described below:

- Remembering and Understanding is tested in all three areas of the BAR blueprint. Tasks, such as identifying criteria and recalling concepts, require nCPAs to demonstrate their comprehension of accounting concepts, frameworks and standards. Areas II and III have the highest concentration of remembering and understanding tasks.

- Application skills are tested in all three areas of the BAR blueprint. Tasks, such as calculating and determining the impact of a transaction on the business, preparing journal entries and preparing financial statements, require nCPAs to use accounting and business concepts to measure an entity’s performance and to measure and recognize financial statement amounts.
- Analysis skills are tested in Areas I and II of the BAR blueprint. Tasks, such as interpreting results, comparing alternatives, reconciling account balances and interpreting agreements, require nCPAs to demonstrate a higher level of interpretation. Area I has the highest concentration of analysis tasks.

The representative tasks combine both the applicable content knowledge and the skills required in the context of the work that an nCPA would reasonably be expected to perform.

References – Business Analysis and Reporting

The References detailed below are the sources of the subject matter eligible for assessment in the BAR section, to the extent that the subject matter is included in the blueprint’s content areas, groups and topics. Further, the assessment of the subject matter described in a representative task that identifies an organization, publication, law, regulation, standard or framework is limited to the specific sections of the References detailed below. Similarly, subject matter identified in a representative task and related subject matter is eligible for assessment to the extent it is included in the References detailed below.

- FASB Accounting Standards Codification
- U.S. SEC References:
 - Securities Exchange Act of 1934
 - Regulation S-X of the Code of Federal Regulations (17 CFR Part 210)
 - Regulation S-K of the Code of Federal Regulations (17 CFR Part 229)

⁵ Revised taxonomy see Anderson, L.W. (Ed.), Krathwohl, D.R. (Ed.), Airasian, P.W., Cruikshank, K.A., Mayer, R.E., Pintrich, P.R., Rath, J., & Wittrock, M.C. (2001). A taxonomy for learning, teaching, and assessing: A revision of Bloom’s Taxonomy of Educational Objectives (Complete Edition). New York: Longman. For original taxonomy see Bloom, B.S. (Ed.), Engelhart, M.D., Furst, E.J., Hill, W.H., & Krathwohl, D.R. (1956). Taxonomy of educational objectives: The classification of educational goals. Handbook 1: Cognitive domain. New York: David McKay.

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- State and Local Government References:
 - GASB Codification of Governmental Accounting and Financial Reporting Standards
 - GASB Statements, Interpretations, Technical Bulletins and Concepts Statements
 - National Council on Governmental Accounting (NCGA) Statements and Interpretations
- The Committee of Sponsoring Organizations of the Treadway Commission (COSO):
 - Enterprise Risk Management – Integrating with Strategy and Performance
 - Enterprise Risk Management – Applying Enterprise Risk Management to Environmental, Social and Governance-related risks
- Current textbooks on accounting for business entities, state and local government entities, data analytics, economics, finance, managerial and cost accounting

Summary Blueprint

Content area allocation	Weight
I. Business Analysis	40–50%
II. Technical Accounting and Reporting	35–45%
III. State and Local Governments	10–20%

Skill allocation	Weight
Evaluation	–
Analysis	30–40%
Application	45–55%
Remembering and Understanding	10–20%

The following pages include the detailed blueprints that define the areas, groups, topics and representative tasks for the BAR section. It is important to note that the number of representative tasks associated with a particular content group or topic is not indicative of the extent to which such content group, topic or related skill level will be assessed on the Exam (i.e., more numerous tasks in a particular group, topic or skill compared to another should not infer more content weight assigned to that group, topic or skill).

Area I – Business Analysis (40–50%)

	Skill				
Content group/topic	Remembering & Understanding	Application	Analysis	Evaluation	Representative Task
A. Current period/historical analysis, including the use of data					
1. Financial statement analysis		✓			Determine attribute structures, format and sources of data needed to prepare financial statement analysis.
			✓		Compare current period financial statement accounts to prior periods or budget and explain variances.
			✓		Interpret financial statement fluctuations and ratios (e.g., profitability, liquidity, solvency, performance).
			✓		Use outputs (e.g., reports, visualizations) from data analytic techniques to identify patterns, trends and correlations to explain an entity's results.
			✓		Derive the impact of transactions on the financial statements and notes to the financial statements.
2. Non-financial and non-GAAP measures of performance	✓				Identify relevant non-financial and non-GAAP measures used to analyze an entity's performance.
		✓			Identify and apply internal and external benchmarking (e.g., competitor analysis) techniques to measure an entity's performance.
		✓			Use a balanced scorecard approach to measure an entity's performance.
			✓		Interpret non-financial (e.g., customer retention rate, employee turnover, labor productivity rate, ticket response time) and non-GAAP (e.g., EBITDA, free cash flow, core earnings, adjusted net income for non-recurring expenses) measures and analyze specific aspects of an entity's performance and risk profile.
3. Managerial and cost accounting		✓			Calculate fixed, variable and mixed costs.
		✓			Describe and use the different costing methods including absorption, variable, activity-based, process and job order costing.

Area I – Business Analysis (40–50%) (continued)

Content group/topic	Skill				Representative Task
	Remembering & Understanding	Application	Analysis	Evaluation	
A. Current period/historical analysis, including the use of data (continued)					
3. Managerial and cost accounting (continued)			✓		Derive the appropriate variance analysis method to measure the key cost drivers by analyzing business scenarios.
			✓		Interpret sales results by performing price, volume and mix analysis.
B. Prospective analysis, including the use of data					
1. Budgeting, forecasting and projection		✓			Determine methods to transform (e.g., preparing, cleaning, scrubbing) structured and unstructured data to make it useful for decision-making.
		✓			Prepare a budget using supportable assumptions.
		✓			Use forecasting and projection techniques to model financial results including revenue growth, cost and expense characteristics and profitability.
			✓		Prepare and interpret the results of planning techniques including cost benefit analysis, sensitivity analysis, what-if scenarios, breakeven analysis and predictive analytics.
			✓		Analyze results of forecasts and projections using ratio analysis and explanations of correlations to, or variations from, key financial indices.
2. Capital structure		✓			Calculate the cost of capital for a given financial scenario.
		✓			Determine the impact of changes in an entity's capital structure on cost of capital, loan covenants, liquidity and leverage.
			✓		Compare the strategies for financing new business initiatives and operations within the context of an optimal capital structure.
			✓		Interpret the impact of various capital structures on financial statements and key performance measures.

Area I – Business Analysis (40–50%) (continued)

	Skill				
Content group/topic	Remembering & Understanding	Application	Analysis	Evaluation	Representative Task
B. Prospective analysis, including the use of data (continued)					
3. Investment alternatives using financial valuation decision models		✓			Use assumptions (e.g., highest and best use, market participant assumptions, unit of account) and approaches (cost, income, market) to measure fair value.
		✓			Determine the impact of changes to assumptions used to value an asset.
			✓		Compare investment alternatives (e.g., system replacement, make, lease or buy decisions) using financial metrics and modeling (e.g., payback period, net-present value, economic value added, cash flow analysis, internal rate of return).
4. Risk management	✓				Recall the purpose and objectives of the COSO ERM framework.
	✓				Recall how the COSO ERM framework can be applied to identify, respond to, and report environmental, social and governance (ESG) related risks.
		✓			Apply the COSO ERM framework to identify risk/opportunity scenarios in an entity.
		✓			Use strategies to mitigate financial risks (e.g., market, interest rate, currency, liquidity).
			✓		Compare various strategies for managing the working capital of an entity.
			✓		Derive the impact of a proposed transaction on key performance measures of an entity.
			✓		Interpret an entity's strengths, weaknesses, opportunities and threats (SWOT) analysis to assess the entity's options to achieve its overall business strategy.
5. Economic and market influences on business		✓			Determine the effect of supply and demand and elasticity measures on a product.
		✓			Calculate the effect of inflation on a product's real price or an entity's investments, debt and future expenses.

Area I – Business Analysis (40–50%) (continued)

	Skill				
Content group/topic	Remembering & Understanding	Application	Analysis	Evaluation	Representative Task
B. Prospective analysis, including the use of data (continued)					
5. Economic and market influences on business (continued)		✓			Calculate and use ratios and measures to quantify risks associated with risks of an entity (e.g., interest rates, currency exchange, prices).
		✓			Calculate the opportunity cost of a business decision.
			✓		Interpret the impact of market influences on an entity's business strategy, operations and risk (e.g., sourcing production inputs, innovating to develop or diversify product offerings, seeking new markets, undertaking productivity or cost-cutting initiatives).
			✓		Compare acquisition and divestiture opportunities based on given market analysis and investment criteria.

Area II – Technical Accounting and Reporting (35–45%)

Content group/topic	Skill				Representative Task
	Remembering & Understanding	Application	Analysis	Evaluation	
A. Indefinite-lived intangible assets, including goodwill					
	✓				Recall impairment indicators for goodwill and other indefinite-lived intangible assets.
		✓			Calculate the carrying amount of goodwill and other indefinite-lived intangible assets reported in the financial statements (initial measurement and impairment) and prepare journal entries.
B. Internally developed software					
	✓				Recall the criteria necessary to capitalize software developed for internal use or software developed for sale in the financial statements.
		✓			Calculate capitalized software developed for internal use or software developed for sale to be reported in the financial statements and the related amortization expense.
C. Revenue recognition					
			✓		Interpret agreements, contracts and/or other supporting documentation to determine the amount and timing of revenue to be recognized in the financial statements using the five-step model.
			✓		Interpret source data and outputs from data analytic techniques (e.g., reports, visualizations) to detect, investigate and resolve potential discrepancies (e.g., errors, outliers, unexpected contract elements) in the recognition of revenue in the financial statements using the five-step model.
D. Stock compensation (share-based payments)					
	✓				Recall concepts associated with share-based payment arrangements (e.g., grant date, vesting conditions, inputs to valuation techniques, valuation models).
		✓			Use a given fair value measurement of a share-based payment arrangement classified as equity to prepare journal entries to recognize compensation cost.

Area II – Technical Accounting and Reporting (35–45%) (continued)

Content group/topic	Skill				Representative Task
	Remembering & Understanding	Application	Analysis	Evaluation	
D. Stock compensation (share-based payments) (continued)					
		✓			Use given fair value measurements of a share-based payment arrangement classified as a liability to prepare journal entries to recognize compensation cost.
E. Research and development costs					
	✓				Identify research and development costs and classify the costs as an expense in the financial statements.
		✓			Calculate the research and development costs to be reported as an expense in the financial statements.
F. Business combinations					
	✓				Recall concepts associated with the accounting for business combinations (e.g., business vs. asset acquisition, contingent consideration, measurement period adjustments).
		✓			Prepare journal entries to record the identifiable net assets acquired in a business combination that results in the recognition of goodwill or a bargain purchase gain.
		✓			Prepare journal entries to record the identifiable net assets acquired in a business combination that includes a noncontrolling interest.
		✓			Calculate the consideration transferred in a business combination.
G. Consolidated financial statements					
	✓				Recall basic consolidation concepts and terms (e.g., controlling interest, noncontrolling interest, primary beneficiary, variable interest entity).

Area II – Technical Accounting and Reporting (35–45%) (continued)

Content group/topic	Skill				Representative Task
	Remembering & Understanding	Application	Analysis	Evaluation	
G. Consolidated financial statements (continued)					
	✓				Recall the basic functional currency concepts including the indicators to be considered when determining a subsidiary's functional currency.
		✓			Calculate foreign currency translation adjustments (local currency to functional currency and/or functional currency to reporting currency) to prepare consolidated financial statements.
		✓			Determine the appropriate presentation of foreign currency translation adjustments in the consolidated statement of comprehensive income.
H. Derivatives and hedge accounting					
	✓				Identify the characteristics of a freestanding and/or embedded derivative financial instrument to be recognized in the financial statements.
	✓				Identify the criteria necessary to qualify for hedge accounting.
	✓				Recall the appropriate presentation of gains and losses on derivative financial instruments (swaps, options and forwards) in the financial statements.
		✓			Use given inputs (interest rates, notional amounts, fair value measurements) to prepare the journal entries to record the net settlements and changes in fair value for an interest rate swap that qualifies for hedge accounting (fair value hedge, cash flow hedge).
I. Leases					
	✓				Identify the criteria for classifying a lease arrangement for a lessor.
		✓			Calculate the carrying amount of lease-related assets and liabilities and prepare journal entries that a lessor should record.
		✓			Calculate the amount of lease income that a lessor should recognize in the income statement.

Area II – Technical Accounting and Reporting (35–45%) (continued)

Content group/topic	Skill				Representative Task
	Remembering & Understanding	Application	Analysis	Evaluation	
I. Leases (continued)					
		✓			Prepare journal entries that the seller/lessee should record for a sale and leaseback transaction.
			✓		Interpret agreements, contracts and/or other supporting documentation to determine the appropriate accounting treatment of a leasing arrangement and prepare the journal entries that the lessee should record.
J. Public company reporting topics					
	✓				Recall public company reporting requirements of Regulation S-X and Regulation S-K.
	✓				Recall the purpose, objective and key characteristics of XBRL business reporting.
	✓				Recall the criteria used to identify reportable segments.
	✓				Recall the financial statement note disclosure requirements for reportable segments.
K. Financial statements of employee benefit plans					
	✓				Identify the required financial statements for a defined benefit pension plan and a defined contribution pension plan.
	✓				Recall the disclosure requirements for the notes to the financial statements of a defined benefit pension plan and a defined contribution pension plan.
		✓			Prepare a statement of changes in net assets available for benefits for a defined benefit pension plan and a defined contribution pension plan.
		✓			Prepare a statement of net assets available for benefits for a defined benefit pension plan and a defined contribution pension plan.

Area III – State and Local Governments (10–20%)

Content group/topic	Skill				Representative Task
	Remembering & Understanding	Application	Analysis	Evaluation	
A. Format and content of the financial section of the annual comprehensive financial report					
1. Government-wide financial statements	✓				Identify and recall basic concepts and principles associated with government-wide financial statements (e.g., required activities, financial statements, financial statement components).
		✓			Prepare the government-wide statement of net position for a state or local government from trial balances and supporting documentation.
		✓			Prepare the government-wide statement of activities for a state or local government from trial balances and supporting documentation.
2. Governmental funds financial statements	✓				Identify and recall basic concepts and principles associated with governmental fund financial statements (e.g., required funds, financial statements, financial statement components).
		✓			Prepare the statement of revenues, expenditures and changes in fund balances for the governmental funds of a state or local government from trial balances and supporting documentation.
		✓			Prepare the balance sheet for the governmental funds of a state or local government from trial balances and supporting documentation.
3. Proprietary funds financial statements	✓				Identify and recall basic concepts and principles associated with proprietary fund financial statements (e.g., required funds, financial statements, financial statement components).
		✓			Prepare the statement of revenues, expenses and changes in fund net position for the proprietary funds of a state or local government from trial balances and supporting documentation.
		✓			Prepare the statement of net position for the proprietary funds of a state or local government from trial balances and supporting documentation.
		✓			Prepare the statement of cash flows for the proprietary funds of a state or local government.

Area III – State and Local Governments (10–20%) (continued)

	Skill				
Content group/topic	Remembering & Understanding	Application	Analysis	Evaluation	Representative Task
A. Format and content of the financial section of the annual comprehensive financial report (continued)					
4. Fiduciary funds financial statements	✓				Identify and recall basic concepts and principles associated with fiduciary fund financial statements (e.g., required funds, financial statements, financial statement components).
		✓			Prepare the statement of changes in fiduciary net position for the fiduciary funds of a state or local government from trial balances and supporting documentation.
		✓			Prepare the statement of net position for the fiduciary funds of a state or local government from trial balances and supporting documentation.
5. Notes to financial statements	✓				Recall the disclosure requirements for significant accounting policies, infrastructure and capital assets and long-term liabilities in the notes to the basic financial statements of state and local governments.
6. Management’s discussion and analysis	✓				Recall the objectives and components of management’s discussion and analysis in the annual comprehensive financial report for state and local governments.
7. Budgetary comparison reporting	✓				Recall the objectives and components of budgetary comparison reporting in the annual comprehensive financial report for state and local governments.
8. Required supplementary information (RSI) other than management’s discussion and analysis	✓				Recall the objectives and components of required supplementary information other than management’s discussion and analysis in the annual comprehensive financial report for state and local governments.
9. Financial reporting entity, including blended and discrete component units	✓				Recall the criteria for classifying an entity as a component unit of a state or local government and the financial statement presentation requirements (discrete or blended).

Area III – State and Local Governments (10–20%) (continued)

Content group/topic	Skill				Representative Task
	Remembering & Understanding	Application	Analysis	Evaluation	
B. Deriving government-wide financial statements and reconciliation requirements					
		✓			Prepare worksheets to convert the governmental fund financial statements to the governmental activities reported in the government-wide financial statements.
		✓			Prepare the schedule to reconcile the total fund balances and the net change in fund balances reported in the governmental fund financial statements to the net position and change in net position reported in the government-wide financial statements.
C. Typical items and specific types of transactions and events: measurement, valuation, calculation and presentation in governmental entity financial statements					
1. Net position and components thereof		✓			Calculate the net position balances (unrestricted, restricted and net investment in capital assets) for state and local governments and prepare journal entries.
2. Fund balances and components thereof		✓			Calculate the fund balances (assigned, unassigned, nonspendable, committed and restricted) for state and local governments and prepare journal entries.
3. Capital assets and infrastructure assets	✓				Identify capital assets reported in the government-wide financial statements of state and local governments.
		✓			Calculate the net general capital assets balance for state and local governments and prepare journal entries (initial measurement and subsequent depreciation and amortization).
4. General and proprietary long-term liabilities	✓				Identify general and proprietary long-term liabilities reported in the government-wide financial statements of state and local governments.
	✓				Recall the recognition and measurement requirements for a net pension liability for a defined benefit pension plan for state and local governments.
	✓				Recall the recognition and measurement requirements for a net other post employment benefit (OPEB) liability for an OPEB plan for state and local governments.

Area III – State and Local Governments (10–20%) (continued)

Content group/topic	Skill				Representative Task
	Remembering & Understanding	Application	Analysis	Evaluation	
C. Typical items and specific types of transactions and events: measurement, valuation, calculation and presentation in governmental entity financial statements (continued)					
4. General and proprietary long-term liabilities (continued)		✓			Calculate the total indebtedness to be reported in the government-wide financial statements of a state or local government.
		✓			Calculate the net general long-term debt balance for state and local governments and prepare journal entries (e.g., debt issuance, interest payments, issue premiums, issue discounts).
5. Interfund activity, including transfers		✓			Prepare eliminations of interfund activity in the government-wide financial statements of state and local governments.
		✓			Prepare journal entries to recognize interfund activity within state and local governments.
6. Nonexchange revenue transactions		✓			Calculate the amount of nonexchange revenue to be recognized by state and local governments using the modified accrual basis of accounting and prepare journal entries.
		✓			Calculate the amount of nonexchange revenue to be recognized by state and local governments using the accrual basis of accounting and prepare journal entries.
7. Expenditures and expenses		✓			Calculate expenditures to be recognized under the modified accrual basis of accounting (paid from available fund financial resources) for state and local governments and prepare journal entries.
		✓			Calculate expenses to be recognized under the accrual basis of accounting for state and local governments and prepare journal entries.
8. Budgetary accounting and encumbrances	✓				Recall and explain the types of budgets used by state and local governments.
		✓			Prepare journal entries to record budgets (original and final) of state and local governments.
		✓			Prepare journal entries to record encumbrances of state and local governments.