

GOVERNMENTAL ACCOUNTING, AUDITING AND FINANCIAL REPORTING EXAMINATION

A. Examination Specifications

Specifications account for 160 of the 175 prescribed examination questions. Item writers are instructed to develop examination items that require application of knowledge or higher cognitive levels.

I. Accounting and internal control (55)

- A. Objectives of internal control
- B. Elements of a comprehensive framework of internal control
- C. Principles of effective internal control
- D. Responsibility for internal control
- E. Inherent limitations of internal control
- F. Evaluating control-related policies and procedures
- G. Internal control and fraud prevention
- H. Enterprise risk management

II. Auditing (25)

- A. Types of audits and auditors
- B. Auditing standards
- C. Reasonable assurance
- D. Materiality
- E. Opinion units
- F. Material weaknesses
- G. Single Audit
- H. Independent auditor's reports and findings
- I. Obtaining a financial audit
- J. Auditor rotation
- K. Audit committees
- L. Performance auditing
- M. Internal auditing

III. Financial Reporting (80)

- A. Internal financial reporting
- B. Special-purpose external financial reporting
- C. Characteristics of accounting data
- D. Reporting entity
- E. Users of general-purpose external financial reports
- F. Sources of generally accepted accounting principles for governments
- G. Fund accounting and fund financial statements
- H. Measurement focus and basis of accounting
- I. Significance of fund balance
- J. Pensions and other post-employment benefits
- K. Government-wide financial reporting
- L. The comprehensive annual financial report
- M. Contents of the letter of transmittal
- N. Contents of management's discussion and analysis
- O. Popular financial reporting
- P. Financial statement analysis

Governmental Accounting, Auditing, and Financial Reporting Examination Recommended Readings

Candidates are responsible for all GASB statements issued through the end of 2018. Readings from GFOA Publications

- *An Elected Official's Guide to Internal Controls 2nd Edition*
- *An Elected Official's Guide to Audit Committees*
- *An Elected Official's Guide to The New Pension Accounting*
- # *Evaluating Internal Controls: A Local Government Manager's Guide*
- *What Everyone Needs to Know About the New Fund Balance*
- *Governmental Accounting, Auditing, and Financial Reporting - 2012 Edition*
 - Chapter 1 "Accounting, Financial Reporting, and the Financial Statement Audit: An Overview"
 - Chapter 2 "The Government Environment and Its Impact on Accounting and Financial Reporting"
 - Chapter 3 "Sources of Governmental GAAP"
 - Chapter 4 "Funds, Fund Types, and Interfund Activity"
 - Chapter 5 "Government-wide Financial Reporting"
 - Chapter 6 "The Primary Government and Its Component Units"
 - Chapter 7 "Measurement Focus and Basis of Accounting"
 - Chapter 13 "Governmental Fund Financial Statements"
 - Chapter 16 "Proprietary Fund Financial Statements"
 - Chapter 18 "Fiduciary Fund Financial Statements"
 - Chapter 20 "Government-wide Financial Statements"
 - Chapter 33 "Structure and Contents of the Comprehensive Annual Financial Report"
 - Chapter 40 "Popular Financial Reporting"
 - Chapter 43 "Monitoring and the Periodic Evaluation of Internal Control"
 - Chapter 44 "The Financial Statement Audit"
 - Chapter 45 "The Single Audit"
 - Chapter 47 "Financial Statement Analysis"

Best Practices (Accounting & Financial Reporting) GFOA Web site: www.gfoa.org.

Free on GFOA Website: www.gfoa.org/cpfo and click on GFOA Reading Material