

ACCRUAL BASIS	CASH BASIS	MODIFIED ACCRUAL BASIS
Economic resources measurement focus	Current resources measurement focus	Current resources measurement focus
Long-term debt	Short-term debt	Short-term debt
Consumption of resources	Use of cash and other financial resources	Use of cash and other financial resources
Capital asset transactions - affects statement of financial position (cash, capital assets, liabilities), no impact on operating statement (OS) except for depreciation of capital assets that are recorded as expenses in the OS.	Affects operating statement (capital outlay, cash) (No depreciation recorded on cash basis-does not involve flow of cash)	Affects operating statement (capital outlay, cash)
Loss on sale of asset	No loss on sale of asset	No loss on sale of asset
Matching revenues to expenses	Resource inflows and outflows	Resource inflows and outflows
Revenue recognized when event takes place regardless of when cash is received	Only revenue received within the accounting period would be recognized	Revenues are recognized when earned or the event has taken place and is available
Defer revenues if not earned	Record revenue when cash is received	Defer revenue if not received within the established period of availability. Property taxes should be deferred if revenues are not received within 60 days.
Prepaid expenses and inventory		
Business type activities	Governmental type activities	Governmental type activities
Consumption method for use of funds	Purchasing method for use of funds	Purchasing method for use of funds Consumption method is optional
Funds Proprietary funds Enterprise Internal Service Fiduciary funds Pension Trust Private purpose Agency	Funds General Special Revenue Capital Projects Debt Service Permanent	Funds General Special Revenue Capital Projects Debt Service Permanent
Reports General purpose reports Project reports	Reports Budget reports	Reports General purpose reports Project reports