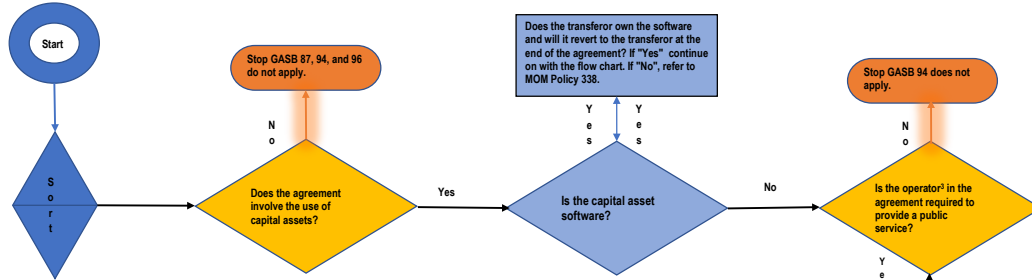


GASB 94 Flow Chart

Determining which GASB to Use - 94 or 96

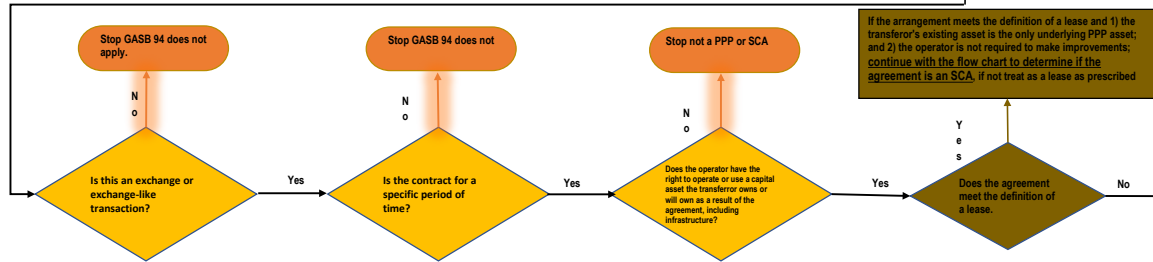


¹ A Public-Private and Public-Public Partnership (PPP) is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset) for a period of time in an exchange or exchange-like transaction.

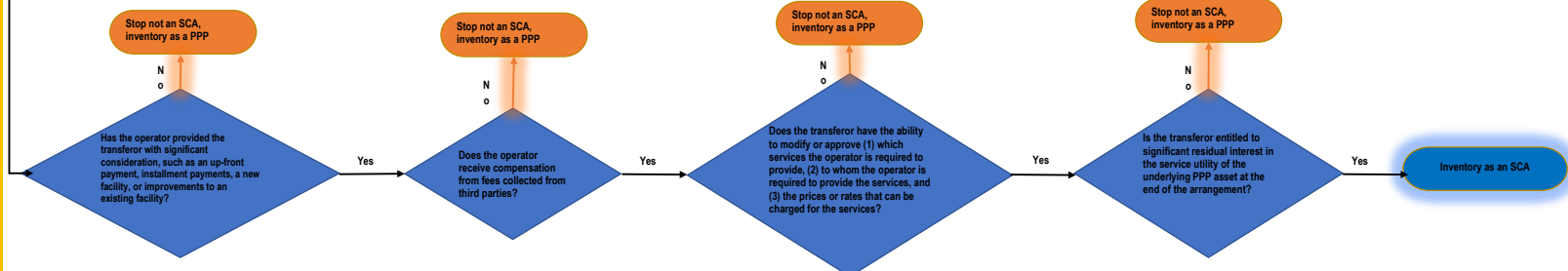
² Some PPPs meet the definition of an Service Concession Arrangement (SCA) which is a PPP in which (1) the operator collects and is compensated by fees from third parties; (2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services; and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement.

³ The operator may be a governmental entity or a nongovernmental entity. References to an operator include both governmental and nongovernmental entities, except for operator accounting and financial reporting provisions, which only apply to governmental entities.

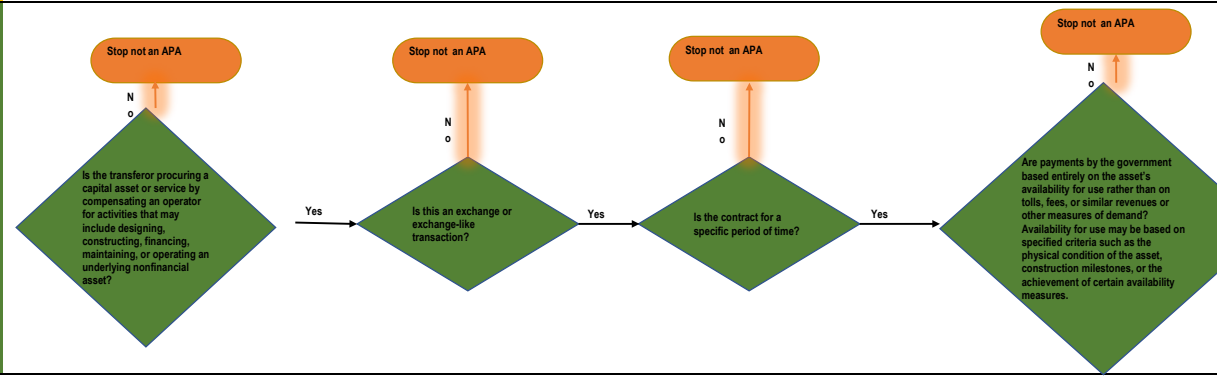
⁴ Underlying PPP assets include (a) existing assets of a transferor, (b) assets that are newly purchased or constructed by the operator, or (c) existing assets of a transferor that are to be improved by the operator.



PPP or SCA?



APA⁵



⁵ An Availability Payment Arrangement (APA) is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction.