The following GROUP 2 inclusion in the scope is important in today’s forms of
government-specifically Public Private Partnerships and the use of Non-Profit
Corporations to carry out government functions:

4

- Notes to the basic financial statements.
- Non-traditional information about financial position or inflows and outflows of
  resources that do not meet the criteria for recognition (e.g., capital asset
  condition information).

5

- Required supplementary information.
- Operational or economic context (e.g., financial projections).

6

- Supplementary information (e.g., service capacity information).

7

- Other general purpose financial reports (e.g., SEA reporting suggested
  guidelines).

A project proposal may vary from city-to-city, state-to-state, and region-to-region. We
believe the identification may be difficult because of the variety. These relationships are
not fully revealed on the current Financial Statements. There may or may not be
references, but the full scope of the relationship is not easy to identify.

We believe these hybrid relationships should be reported under the governmental
financial statements. The weakness is the lack of accountability in Conflict of Interest
Codes because of the term “governmental decision.”

We, as the public reading these statements, must know the liquidity of the government
financial condition. These hybrids hide assets and cloud debt.
Due process is thwarted.

We rarely see a Financial Statement from a Non-Profit. We have no idea if they adhere to auditing standards. There is no central place to see if they advertise to review their annual records. Tax Returns are available on Guidestar.

Private companies do not want to reveal their financial information. We have no idea of the financial stability of Public Private Partnerships with private companies.

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