

RULE 1.1 – ACCOUNTING PRINCIPLES & STANDARDS

Adopted Date: 05/23/2005

Revised Date: 05/18/2020

PURPOSE

This rule establishes the accounting principles and standards that the City and County of Denver will follow.

This fiscal accountability rule shall be read in conjunction with, and users shall comply with, all applicable provisions of the following Denver Revised Municipal Codes and all Fiscal Accountability Rules, to ensure compliance and understanding:

- [Denver Revised Municipal Code – Chapter 20 – Finance, Article II. – Fiscal Code](#)
- [Denver Revised Municipal Code – Chapter 20 – Finance, Article VIII. – Fiscal Rules](#)

DEFINITIONS

Generally Accepted Accounting Principles (GAAP) – A framework of accounting standards, rules, and procedures that serve as the standard for the fair presentation of financial statements.

Governmental Accounting Standards Board (GASB) – [GASB](#) is a component of the Financial Accounting Foundation (FAF) that provides authoritative guidance on accounting and financial reporting and establishes generally accepted accounting principles (GAAP) for state and local governments.

RULES

1. The accounting principles of the City and County of Denver shall be based on Generally Accepted Accounting Principles (GAAP) as adopted by the Governmental Accounting Standards Board (GASB).
2. When a conflict between the Denver Revised Municipal Code and GAAP exists, GAAP takes precedence in financial reporting.

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AUTHORITY AND ACCOUNTABILITY

The **Controller's Office** is responsible for this fiscal accountability rule and any procedures, guides, job aids, forms, and one-page summaries associated with this rule.

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