

Solution:

(1)

$$\text{Net Income} = \$880,000 - \$580,000 = \$300,000$$

$$\text{Net Cash Provided by Operations} = \$300,000 + \$90,000 = \$390,000.$$

(2)

$$\text{Net Income} = \$880,000 - \$580,000 + \$90,000 - \$270,000 = \$120,000$$

$$\text{Net Cash Provided by Operations} = \$120,000 + \$270,000 = \$390,000.$$