# Lesson 2.1 Practice Quiz

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Correct

1 / 1 points

1. Budgets fulfill the decision-facilitating and decision-influencing roles of managerial accounting.

1. **True**

**Correct Response**

Correct! Budgeting fulfills both main roles of managerial accounting.

1. False

Correct

1 / 1 points

2. Which of the following best describes a budget?

1. Only used for influencing/guiding decisions
2. Aggregated, without much detail
3. Qualitative
4. **Time-specific**

**Correct Response**

Correct! Budgets are created for specific time periods, including months, quarters, and years.

Correct

1 / 1 points

3. Which of the following is an advantage of participative budgeting?

1. Leverages local knowledge

**Correct Response**

Correct! Participative budgeting draws on information and knowledge from managers and employees throughout the organization.

1. Time-consuming
2. Focuses on knowledge of upper management