

# FUND ACCOUNTING TRAINING

Module 7

## Financial Statements

The University of Texas System

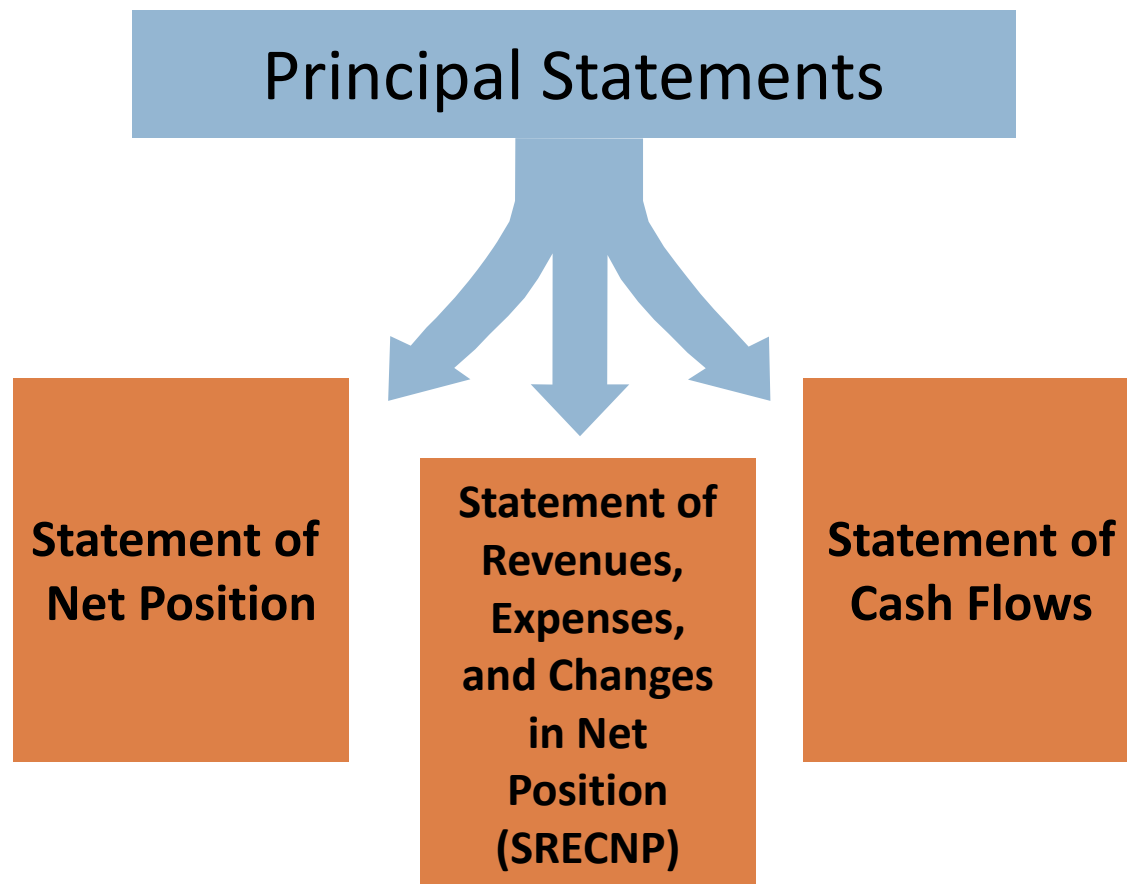
# OBJECTIVES



- Identify three principal financial statements of colleges and universities
- Describe basic content and layout of three principal financial statements
- Identify interrelated elements among these statements
- Explain Annual Financial Report preparation process
- Identify principal users of financial information

# FINANCIAL STATEMENTS – OVERVIEW

Colleges and universities use three principal financial statements:



# MD&A AND NOTES TO FINANCIAL STATEMENTS



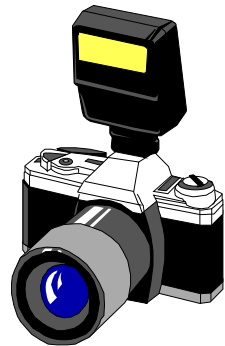
Preceding the primary financial statements is the Management's Discussion and Analysis (MD&A), which provides a high-level overview of the financial position and activities of U. T. System.

Another important component of the financial statement is the Notes to the Financial Statements. The Notes describe in greater detail various data presented in the statements themselves. For example, some of the topics of the Notes included in the U. T. System's Consolidated Financial Statements are:

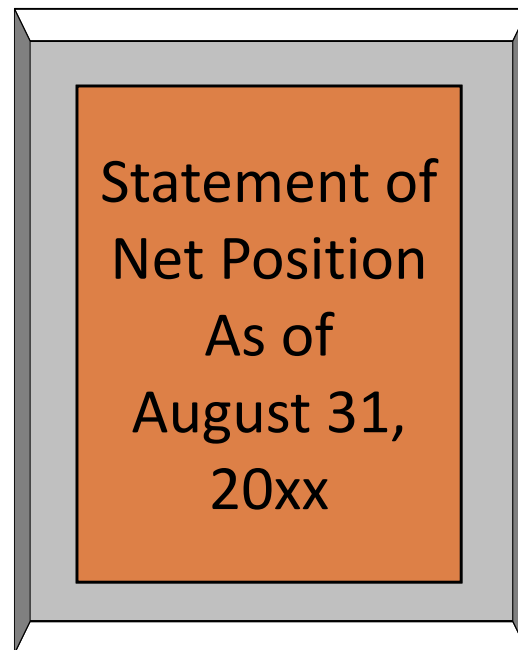
- Reporting Entities such as blended entities
- Summary of Significant Accounting Policies
- Deposits and Investments
- Capital Assets
- Bonds Payable
- Pension and Other Post Employment Benefits (OPEB) Obligations

# FINANCIAL STATEMENTS (CONTINUED)

There are two different approaches to presenting information in the financial statements. The first is reporting information as of a particular date . . . a snapshot in time.



A snapshot  
in time

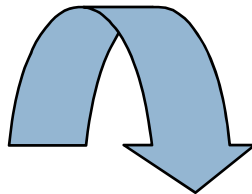


The Statement of Net Position is reported as of a particular date. One can think of the Statement of Net Position as a “**snapshot**” of the financial position of an institution on the reporting date.

# FINANCIAL STATEMENTS (CONTINUED)

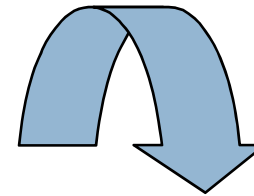
## Flow of Activities

Both the Statement of Revenues, Expenses, and Changes in Net Position (SRECNP) and the Statement of Cash Flows report activity for the entire year. These statements show the “flow” of resources into, and out of, the institution.

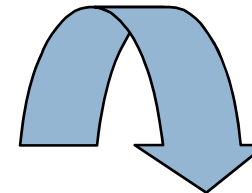


Statement of Revenues, Expenses, and Changes in Net Position

Statement of Cash Flows



For the Year Ended August 31, 20XX

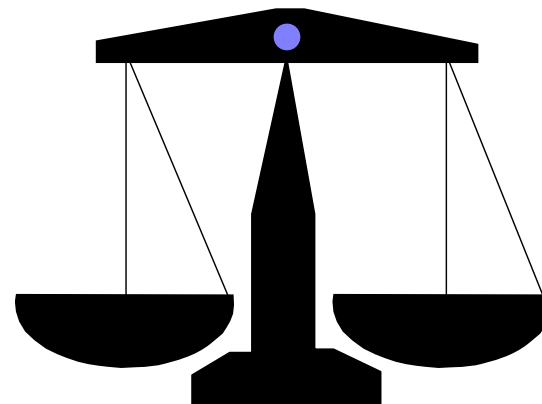


# FINANCIAL STATEMENTS – STATEMENT OF NET POSITION

The first statement we will examine is the Statement of Net Position. This statement is presented as “Exhibit A” in the completed report.

Unlike the SRECNP and the Statement of Cash Flows, this statement reports information **as of a particular date**. After the statement’s title, the reporting time frame of the statement is identified: As of August 31, 20XX

The Statement of Net Position reports the financial position of the institution at the report date.



# FINANCIAL STATEMENTS – STATEMENT OF NET POSITION

## Statement Layout:

The Statement of Net Position is presented in columnar form. For the final published statement, all of the fund groups are collapsed and only the total of all fund groups appears on the statement.

The Statement of Net Position is presented in three sections:

- Assets and Deferred Outflows
- Liabilities and Deferred Inflows
- Net Position

The assets and liabilities are further separated into current and non-current sections. Deferred outflows and deferred inflows are segregated from assets and liabilities. Assets plus deferred outflows less liabilities plus deferred inflows equals Net Position.

The University of Texas System - Statement of Net Position		
(\$ in millions)	Current Year	Prior Year
<b>ASSETS AND DEFERRED OUTFLOWS</b>		
<b>Assets</b>		
Current assets	\$ 7,532.6	7,838.1
Noncurrent investments	54,007.2	46,645.9
Other noncurrent assets	560.7	481.7
Capital assets, net	16,889.3	16,216.4
Total assets	78,989.8	71,182.1
<b>Deferred Outflows</b>		
Total deferred outflows	996.2	1,256.0
Total assets and deferred outflows	79,986.0	72,438.1
<b>LIABILITIES AND DEFERRED INFLOWS</b>		
<b>Liabilities</b>		
Current liabilities	9,167.3	8,219.4
Noncurrent liabilities	23,617.0	24,250.9
Total liabilities	32,784.3	32,470.3
<b>Deferred Inflows</b>		
Total deferred inflows	1,791.2	746.9
Total liabilities and deferred inflows	34,575.5	33,217.2
<b>NET POSITION</b>		
Net Investment in capital assets	6,632.4	6,334.6
Restricted	42,050.2	36,732.3
Unrestricted	(3,272.1)	(3,846.0)
Total Net Position	45,410.5	39,220.9



# FINANCIAL STATEMENTS – SRECNP

## SRECNP:

Of the three primary financial statements, the Statement of Revenues, Expenses and Changes in Net Position is the most detailed statement. The statement is presented as “Exhibit B” in the completed report.

To determine exactly what is reported in the statement, let’s dissect the statement’s title:

Statement of [REVENUES]  
[EXPENSES] and [CHANGES] in  
[NET POSITION]

Statement of  
Revenues,  
Expenses, and  
Changes in Net  
Position



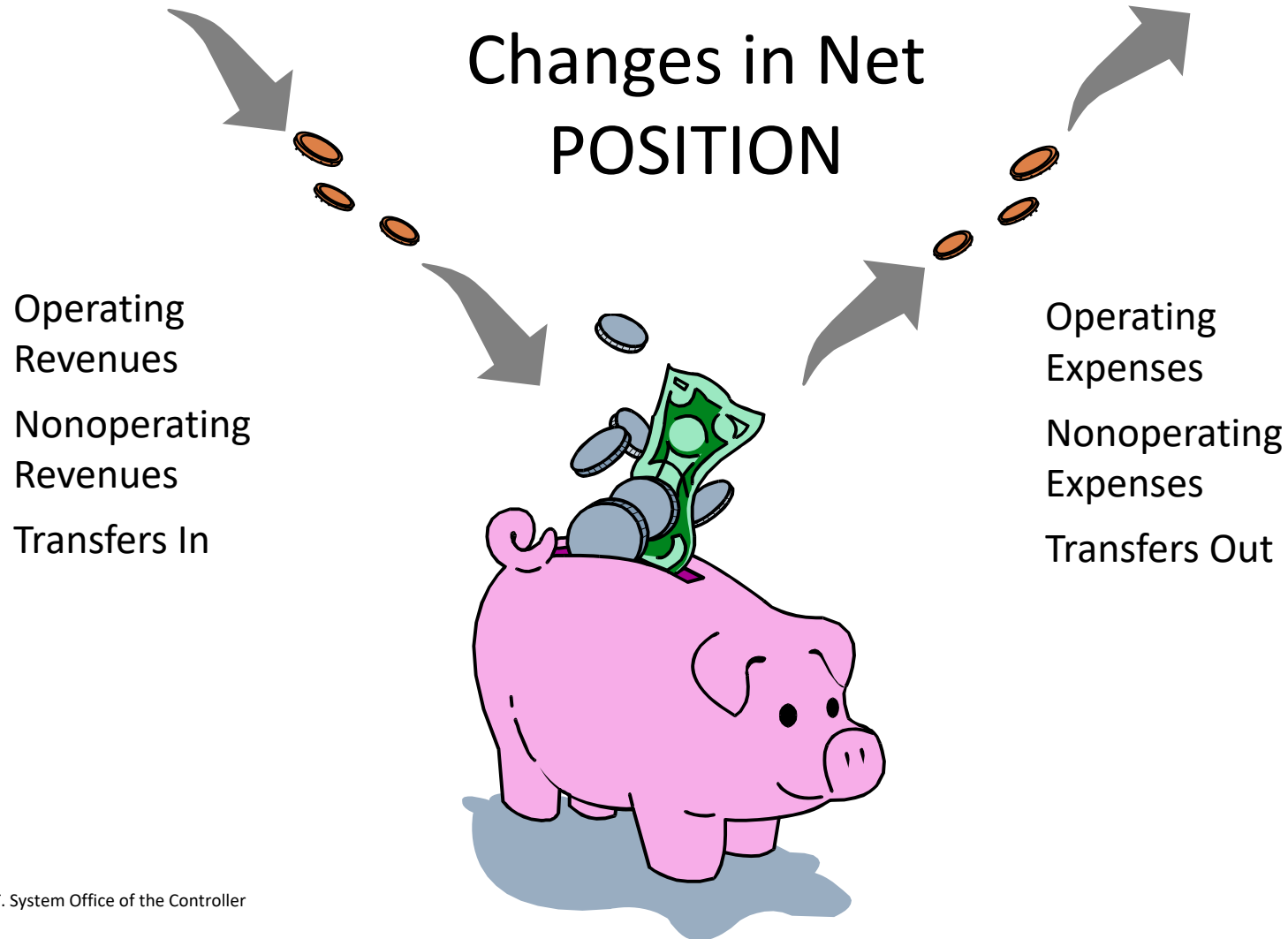
# FINANCIAL STATEMENTS – SRECNP (CONTINUED)

As discussed earlier, the SRECNP reports **activity** for the year. After the statement's title, the reporting time frame of the statement is identified:

For the Year Ended August 31, 20XX

So, we can conclude that this statement reports activity (in-flows or **Revenues**, out-flows or **Expenses**, and the impact on net position) for **all funds** for the fiscal year September 1, 20XX through August 31, 20XX.

# FINANCIAL STATEMENTS – SRECNP (CONTINUED)



# FINANCIAL STATEMENTS – SRECNP

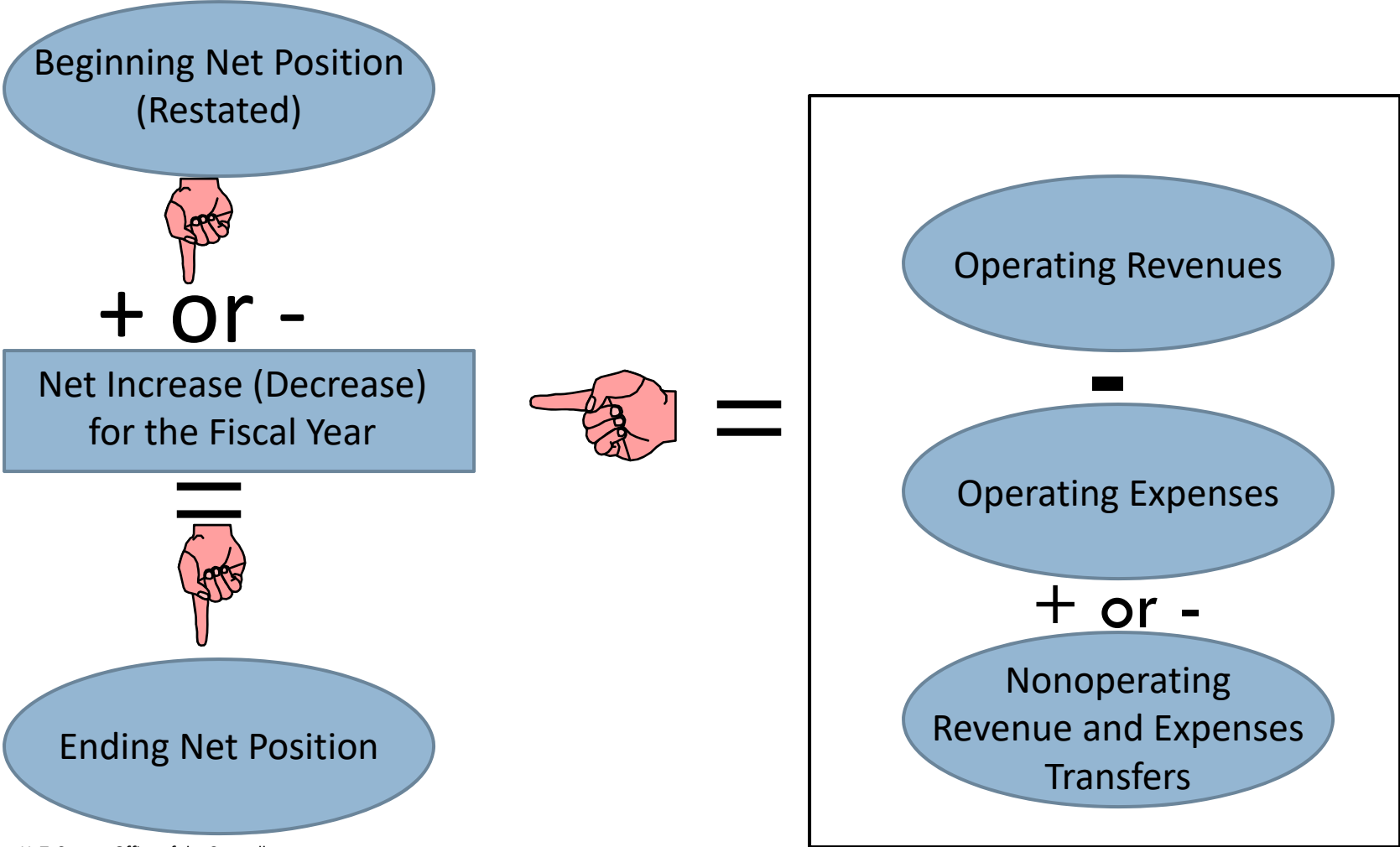
## Statement Layout:

The SRECNP is presented in columnar form and all the fund groups are collapsed. The statement is divided into the following sections:

- Operating Revenues
- Operating Expenses
- Nonoperating Revenues (Expenses)
- Other Revenues, Expenses, Gains/(Losses) and Transfers (not labeled)
- Net Position

The University of Texas System - SRECNP		
(\$ in millions)	Current Year	Prior Year
<b>Operating revenues:</b>		
Net student tuition and fees	\$ 1,828.3	1,718.4
Sponsored programs	3,298.0	3,198.2
Net patient care revenues	8,195.9	7,598.6
Net auxiliary enterprises	625.8	593.5
Other	936.8	926.9
<b>Total operating revenues</b>	<b>14,884.8</b>	<b>14,035.6</b>
<b>Total operating expenses</b>	<b>(18,722.1)</b>	<b>(18,306.1)</b>
<b>Operating loss</b>	<b>(3,837.3)</b>	<b>(4,270.5)</b>
<b>Nonoperating revenues (expenses):</b>		
State appropriations	2,268.1	2,226.3
Nonexchange Sponsored Programs	424.3	394.8
Gift contributions	448.1	446.6
Net investment income	4,279.3	3,178.0
Net inc. (dec.) in fair value of investments	3,105.6	1,512.8
Interest expense on capital asset financings	(281.7)	(262.6)
Net other nonoperating revenues (expenses)	(61.4)	50.3
<b>Income before other revenues, expenses, gains or losses</b>	<b>6,345.0</b>	<b>3,275.7</b>
Capital gifts and grants, add. to perm. endow.	458.3	319.7
Net Transfers to other State entities	(613.7)	(182.9)
<b>Change in net position</b>	<b>6,189.6</b>	<b>3,412.5</b>
<b>Net position, beginning of the year</b>	<b>39,220.9</b>	<b>41,282.1</b>
Restatements	-	(5,473.7)
<b>Net position, beginning of the year (as restated)</b>	<b>39,220.9</b>	<b>35,808.4</b>
<b>Net position, end of the year</b>	<b>\$ 45,410.5</b>	<b>39,220.9</b>

# STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION



# FINANCIAL STATEMENTS - STATEMENT OF CASH FLOWS

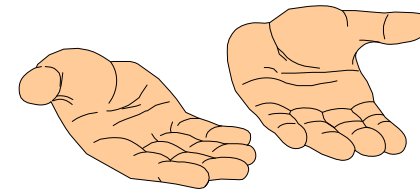
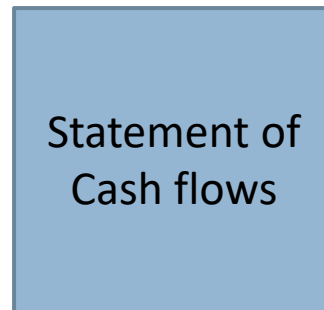
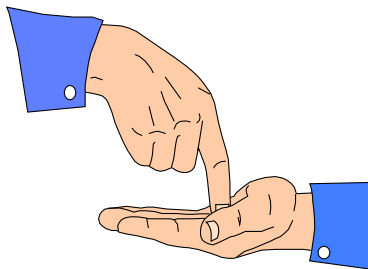
## Statement of Cash Flows:

The final statement of the three principal financial statements we will examine is the Statement of Cash Flows. This statement is presented as “Exhibit C” in the completed report.

As discussed earlier, this statement also reports **activity** for the year. After the statement’s title, the reporting time frame of the statement is identified:

For the Year Ended August 31, 20XX

So, we can conclude that this statement reports the major sources and uses of cash. The reporting period includes the fiscal year 9/1/20XX through 8/31/20XX.



# FINANCIAL STATEMENTS - STATEMENT OF CASH FLOWS (CONTINUED)

## Statement Layout:

The Statement of Cash Flows is presented in the following sections:

- Cash Flows from Operating Activities
- Cash Flows from Noncapital Financial Activities
- Cash Flows from Capital and Related Financing Activities
- Cash Flows from Investing Activities
- Net Change in Cash and Cash Equivalents
- Reconciliation of Operating Revenues (Expenses) to Net Cash Provided (Used) by Operating Activities (next slide)

### The University of Texas System - Cash Flows

(\$ in millions)	Current Year	Prior Year
<b>Cash flows:</b>		
Net cash provided (used) by operating activities	\$ (1,532.0)	(1,774.7)
Net cash provided (used) by noncapital financing activities	2,304.9	2,691.0
Net cash Provided (used) in capital and related financing activities	(1,887.9)	(1,509.8)
Net cash (used in)/provided by investing activities	1,129.0	906.3
Net (decrease)/increase in cash and cash equivalents	14.0	312.8
Cash and cash equivalents, beginning of year	3,189.5	2,876.7
Cash and cash equivalents, end of year	\$ 3,203.5	3,189.5

The objective of this statement is to show the changes in the cash and cash equivalents that occurred throughout the fiscal year. To accomplish this objective, the statement first tells the reader the major sources and uses of cash by activity.

# FINANCIAL STATEMENTS - STATEMENT OF CASH FLOWS (CONTINUED)

## Statement Layout (continued):

Next, the change in cash is computed based upon the sources (inflows) and uses (outflows) of cash throughout the year. This change in cash is used to determine the amount of cash and cash equivalents at year end.

Then a reconciliation of net operating revenues (expenses) to net cash provided (used) by operating activities is performed.

A list of non-cash transaction that do not impact the inflows and outflows of cash is provided at the bottom of the statement.

<b>The University of Texas System - Cash Flows (Continued)</b>		
(\$ in millions)	Current Year	Prior Year
<b>Reconciliation of Net Operating Revenues (Expenses) to Net Cash Provided (Used) by Operating Activities:</b>		
Operating Loss	\$ (3,837.3)	(4,270.5)
Adjustments to Reconcile Operating Loss to Net Cash:		
Depreciation, Impairment, and Bad Debt Expense	2,907.0	3,259.4
Changes in Assets and Liabilities	(601.7)	(763.6)
Total Adjustments	2,305.3	2,495.8
Net Cash Provided (Used) by Operating Activities:	\$ <u>(1,532.0)</u>	<u>(1,774.7)</u>
<b>Noncash Transactions:</b>		
Net Increase (Decrease) in Fair Value of Investments	2,881.8	1,830.5
Donated Capital Assets	58.6	26.0
Capital Assets Acquired Under Capital Lease Purchases	1.4	0.7
Miscellaneous Noncash Transactions	(20.8)	19.5



# FINANCIAL STATEMENTS



## **Interrelated Elements:**

The *Annual Financial Report* consists of numerous schedules and statements that are interrelated. The scope of this presentation is limited to three primary statements; the explanation of interrelated elements will also be limited to these three statements.

# FINANCIAL STATEMENTS (CONTINUED)

The University of Texas System - Statement of Net Position		
(\$ in millions)	Current Year	Prior Year
<b>Assets and Deferred Outflows:</b>		
Cash and cash equivalents	\$ 3,203.5	3,189.5
Current assets	4,336.5	4,653.8
Noncurrent investments	54,007.2	46,645.9
Other noncurrent assets	553.3	476.5
Capital assets, net	16,889.3	16,216.4
Deferred Outflows	996.2	1,256.0
Total assets and deferred outflows	<u>79,986.0</u>	<u>72,438.1</u>
<b>Liabilities and Deferred Inflows:</b>		
Current liabilities	9,167.3	8,219.4
Noncurrent liabilities	23,617.0	24,250.9
Deferred inflows	1,791.2	746.9
Total liabilities and Deferred Inflows	<u>34,575.5</u>	<u>33,217.2</u>
<b>Net Position:</b>		
Net Investment in capital assets	6,632.4	6,334.6
Restricted	42,050.2	36,732.3
Unrestricted	(3,272.1)	(3,846.0)
Total Net Position	<u>45,410.5</u>	<u>39,220.9</u>

Statement of Net Position – The sum of cash and cash equivalents (unrestricted and restricted) reported as both current and non-current assets must equal the cash and cash equivalents at year end on the Statement of Cash Flows.

The University of Texas System - Cash Flows		
(\$ in millions)	Current Year	Prior Year
<b>Cash flows:</b>		
Net cash provided (used) by operating activities	\$ (1,532.0)	(1,774.7)
Net cash provided (used) by noncapital financing activities	2,304.9	2,691.0
Net cash Provided (used) in capital and related financing activities	(1,887.9)	(1,509.8)
Net cash (used in)/provided by investing activities	<u>1,129.0</u>	<u>906.3</u>
Net (decrease)/increase in cash and cash equivalents	14.0	312.8
Cash and cash equivalents, beginning of year	3,189.5	2,876.7
Cash and cash equivalents, end of year	<u>\$ 3,203.5</u>	<u>3,189.5</u>

# FINANCIAL STATEMENTS (CONTINUED)

The University of Texas System - SRECNP		
(\$ in millions)	Current Year	Prior Year
<b>Operating revenues:</b>		
Net student tuition and fees	\$ 1,828.3	1,718.4
Sponsored programs	3,298.0	3,198.2
Net patient care revenues	8,195.9	7,598.6
Net auxiliary enterprises	625.8	593.5
Other	936.8	926.9
<b>Total operating revenues</b>	<b>14,884.8</b>	<b>14,035.6</b>
<b>Total operating expenses</b>	<b>(18,722.1)</b>	<b>(18,306.1)</b>
<b>Operating loss</b>	<b>(3,837.3)</b>	<b>(4,270.5)</b>
<b>Nonoperating revenues (expenses):</b>		
State appropriations	2,268.1	2,226.3
Nonexchange Sponsored Programs	424.3	394.8
Gift contributions	448.1	446.6
Net investment income	4,279.3	3,178.0
Net inc. (dec.) in fair value of investments	3,105.6	1,512.8
Interest expense on capital asset financings	(281.7)	(262.6)
Net other nonoperating revenues (expenses)	(61.4)	50.3
<b>Income before other revenues, expenses, gains or losses</b>	<b>6,345.0</b>	<b>3,275.7</b>
Capital gifts and grants, add. to perm. endow.	458.3	319.7
Net Transfers to other State entities	(613.7)	(182.9)
<b>Change in net position</b>	<b>6,189.6</b>	<b>3,412.5</b>
<b>Net position, beginning of the year</b>	<b>39,220.9</b>	<b>41,282.1</b>
Restatements	-	(5,473.7)
<b>Net position, beginning of the year (as restated)</b>	<b>39,220.9</b>	<b>35,808.4</b>
<b>Net position, end of the year</b>	<b>\$ 45,410.5</b>	<b>39,220.9</b>

The University of Texas System - Statement of Net Position		
(\$ in millions)	Current Year	Prior Year
<b>ASSETS AND DEFERRED OUTFLOWS</b>		
<b>Assets</b>		
Current assets	\$ 7,532.6	7,838.1
Noncurrent investments	54,007.2	46,645.9
Other noncurrent assets	560.7	481.7
Capital assets, net	16,889.3	16,216.4
<b>Total assets</b>	<b>78,989.8</b>	<b>71,182.1</b>
<b>Deferred Outflows</b>		
Total deferred outflows	996.2	1,256.0
<b>Total assets and deferred outflows</b>	<b>79,986.0</b>	<b>72,438.1</b>
<b>LIABILITIES AND DEFERRED INFLOWS</b>		
<b>Liabilities</b>		
Current liabilities	9,167.3	8,219.4
Noncurrent liabilities	23,617.0	24,250.9
<b>Total liabilities</b>	<b>32,784.3</b>	<b>32,470.3</b>
<b>Deferred Inflows</b>		
Total deferred inflows	1,791.2	746.9
<b>Total liabilities and deferred inflows</b>	<b>34,575.5</b>	<b>33,217.2</b>
<b>NET POSITION</b>		
Net Investment in capital assets	6,632.4	6,334.6
Restricted	42,050.2	36,732.3
Unrestricted	(3,272.1)	(3,846.0)
<b>Total Net Position</b>	<b>45,410.5</b>	<b>39,220.9</b>

## Interrelated Elements:

The ending net position from the SRECNP must agree to the ending net position reported on the Statement of Net Position.

# FINANCIAL STATEMENTS (CONTINUED)

A reader can look at the Statement of Net Position and determine the amount of the net position for each fund group. However, if the reader wants to analyze the changes in the net position since the last reporting period, they should look at the SRECNP.

The University of Texas System - Statement of Net Position		
(\$ in millions)	Current Year	Prior Year
<b>ASSETS AND DEFERRED OUTFLOWS</b>		
<b>Assets</b>		
Current assets	\$ 7,532.6	7,838.1
Noncurrent investments	54,007.2	46,645.9
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Total Net Position	45,410.5	39,220.9

The University of Texas System - SRECNP		
(\$ in millions)	Current Year	Prior Year
<b>Operating revenues:</b>		
Net student tuition and fees	\$ 1,828.3	1,718.4
Sponsored programs	3,298.0	3,198.2
Net patient care revenues	8,195.9	7,598.6
Net auxiliary enterprises	625.8	593.5
Other	936.8	926.9
<b>Total operating revenues</b>	14,884.8	14,035.6
<b>Total operating expenses</b>	(18,722.1)	(18,306.1)
<b>Operating loss</b>	(3,837.3)	(4,270.5)
<b>Nonoperating revenues (expenses):</b>		
State appropriations	2,268.1	2,226.3
Nonexchange Sponsored Programs	424.3	394.8
Gift contributions	448.1	446.6
Net investment income	4,279.3	3,178.0
Net inc. (dec.) in fair value of investments	3,105.6	1,512.8
Interest expense on capital asset financings	(281.7)	(262.6)
Net other nonoperating revenues (expenses)	(61.4)	50.3
<b>Income before other revenues, expenses, gains or losses</b>	6,345.0	3,275.7
Capital gifts and grants, add. to perm. endow.	458.3	319.7
Net Transfers to other State entities	(613.7)	(182.9)
<b>Change in net position</b>	6,189.6	3,412.5
<b>Net position, beginning of the year</b>	39,220.9	41,282.1
Restatements	-	(5,473.7)
<b>Net position, beginning of the year (as restated)</b>	39,220.9	35,808.4
<b>Net position, end of the year</b>	\$ 45,410.5	39,220.9

# FINANCIAL STATEMENTS (CONTINUED)

## The University of Texas System - SRECNP

(\$ in millions)	Current Year	Prior Year
<b>Operating revenues:</b>		
Net student tuition and fees	\$ 1,828.3	1,718.4
Sponsored programs	3,298.0	3,198.2
Net patient care revenues	8,195.9	7,598.6
Net auxiliary enterprises	625.8	593.5
Other	936.8	926.9
<b>Total operating revenues</b>	<b>14,884.8</b>	<b>14,035.6</b>
<b>Total operating expenses</b>	<b>(18,722.1)</b>	<b>(18,306.1)</b>
<b>Operating loss</b>	<b>(3,837.3)</b>	<b>(4,270.5)</b>
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Restatements	-	(5,473.7)
<b>Net position, beginning of the year (as restated)</b>	<b>39,220.9</b>	<b>35,808.4</b>
<b>Net position, end of the year</b>	<b>\$ 45,410.5</b>	<b>39,220.9</b>

**Interrelated Elements:** The SRECNP is also interrelated with the Statement of Cash Flows. Total operating income (loss), as well as depreciation and amortization expense, flows to the reconciliation section of the Statement of Cash Flows.

## The University of Texas System - Cash Flows

(\$ in millions)	Current Year	Prior Year
<b>Cash flows:</b>		
Net cash provided (used) by operating activities	\$ (1,532.0)	(1,774.7)
Net cash provided (used) by noncapital financing activities	2,304.9	2,691.0
Net cash Provided (used) in capital and related financing activities	(1,887.9)	(1,509.8)
Net cash (used in)/provided by investing activities	1,129.0	906.3
Net (decrease)/increase in cash and cash equivalents	14.0	312.8
Cash and cash equivalents, beginning of year	3,189.5	2,876.7
Cash and cash equivalents, end of year	\$ 3,203.5	3,189.5
<b>Reconciliation of Net Operating Revenues (Expenses) to Net Cash Provided (Used) by Operating Activities:</b>		
Operating Loss	\$ (3,837.3)	(4,270.5)
Adjustments to Reconcile Operating Loss to Net Cash:		
Depreciation, Impairment, and Bad Debt Expense	2,907.0	3,259.4
Op. Income & Cash Flow Categories Classification Differences	-	-
Changes in Assets and Liabilities	(601.7)	(763.6)
Total Adjustments	2,305.3	2,495.8
Net Cash Provided (Used) by Operating Activities:	\$ (1,532.0)	(1,774.7)
<b>Noncash Transactions:</b>		
Net Increase (Decrease) in Fair Value of Investments	2,881.8	1,830.5
Donated Capital Assets	58.6	26.0
Capital Assets Acquired Under Capital Lease Purchases	1.4	0.7
Miscellaneous Noncash Transactions	(20.8)	19.5

# FINANCIAL STATEMENTS (CONTINUED)

## Preparation of the Annual Financial Report

The *Texas Education Code* requires U. T. System to submit the *Consolidated Primary Financial Statements* to the Texas State Comptroller's Office each fiscal year. The financial statements must be in compliance with Governmental Accounting Standards Board (GASB) pronouncements. The Financial Reporting division of the Office of the Controller at U. T. System Administration consolidates the individual institution annual reports into the consolidated Systemwide report. The Financial Reporting division also acts as a liaison to the Texas Comptroller of Public Accounts regarding reporting changes or questions concerning the preparation of the report.

The Financial Reporting staff assists the institutions in preparation of their reports by conducting the AFR workshop. Each year, employees from the U. T. institutions who are responsible for preparing the institution's annual financial report are invited to attend a meeting or videoconference to discuss topics relevant to the preparation process. In addition, there are numerous emails and phone calls throughout the year for any changes necessitated by GASB or the Texas Comptroller of Public Accounts.

# FINANCIAL STATEMENTS (CONTINUED)

## **Preparation of the Annual Financial Report (continued)**

After August 31<sup>st</sup>, the close of the fiscal year, institution employees prepare all annual report financial statements and supporting schedules for their institution; then they submit the annual financial report to U. T. System Administration. The Financial Reporting staff reviews the reports primarily to determine if the principal statements and the supporting schedules tie appropriately. Any inconsistencies are communicated to the appropriate person at the institution, and revisions or corrections are made by the institution as necessary.

The Financial Reporting staff also examines any significant fluctuations in account balances from one year to the next. If an account balance changes between two years by a large percentage, the Financial Reporting staff asks the institution's staff to investigate the reason for the significant change. The main purpose of this verification is to detect possible reporting errors. External auditors and the Texas State Comptroller's Office also request fluctuation analysis for significant line items.

# FINANCIAL STATEMENTS (CONTINUED)

## Preparation of the Annual Financial Report (continued)

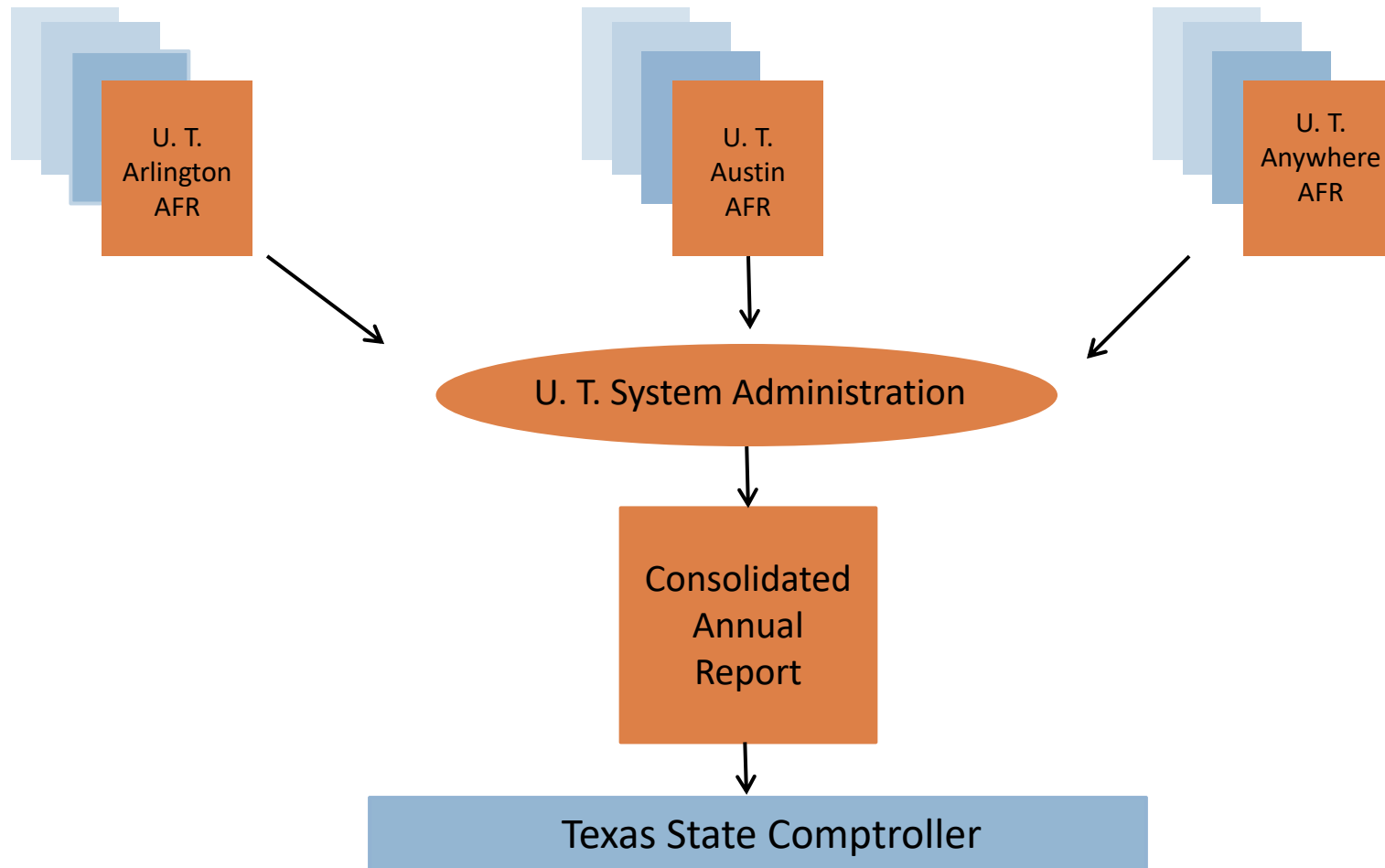
When the institution completes all revisions, they begin work on preparing a final “print-ready” copy of their report. It is sent to the Financial Reporting division, which coordinates printing of the individual institution’s Annual Financial Report. Meanwhile, the Financial Reporting staff is also charged with the task of consolidating the principal (or primary) statements of all institutions and producing the *Consolidated Primary Financial Statements*. The consolidated financial statements and notes to financial statements of The University of Texas System are audited by external auditors.

The *Consolidated Financial Statements* are entered into USAS for the Texas Comptroller of Public Accounts, which consolidates this financial information into the CAFR.



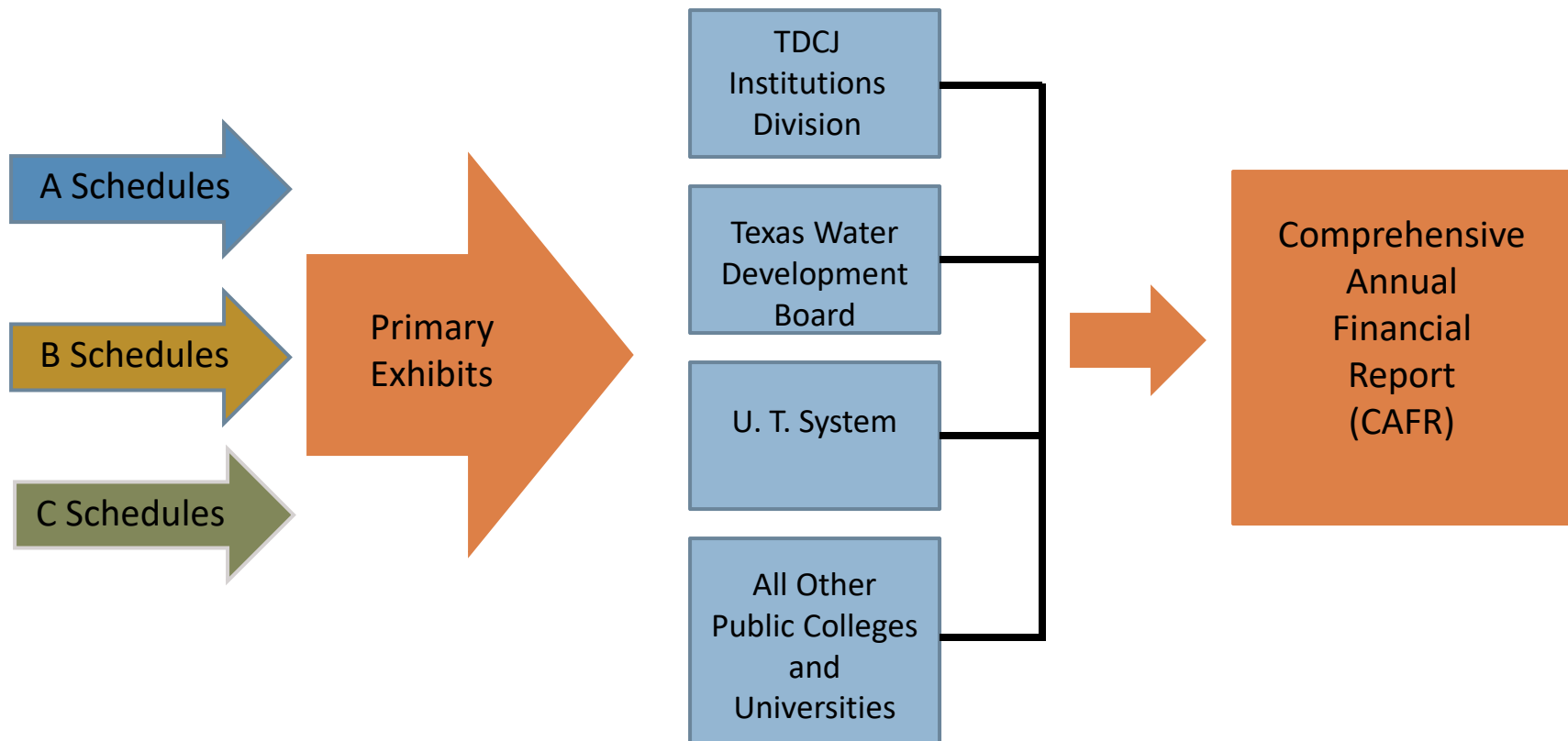
# FINANCIAL STATEMENTS (CONTINUED)

## Institutions



# FINANCIAL STATEMENTS (CONTINUED)

## Enterprise Funds



# FINANCIAL STATEMENTS (CONTINUED)

The reporting objectives discussed above are set forth in the:

- GASB (Governmental Accounting Standards Board) Statements and Interpretations
- GASB Technical Bulletins
- AICPA (American Institute of Certified Public Accountants) Practice Bulletins
- GASB Implementation Guides
- NACUBO (National Association of College and University Business Officers) Financial Account and Reporting Manual for Higher Education
- Texas State Comptroller of Public Accounts' Annual Financial Reporting Requirements for Colleges and Universities

These publications were developed to increase uniformity and adequate disclosure in institutional accounting and reporting practices. They are the primary authoritative guidance for the preparation of U. T. System's financial statements.

# FINANCIAL STATEMENTS (CONTINUED)



The *Annual Financial Report* for the entire U. T. System is prepared in accordance with Generally Accepted Accounting Principles (GAAP) and the Texas State Comptroller's guidelines.

The annual financial report is audited each year and we have received a clean audit opinion every year.

The Board of Regents and Bond Rating Agencies rely on financial reports to make important planning decisions, like whether or not U. T. System can afford to issue more bonds.

Executive Management uses the reports to determine if there are enough resources available to fund operations for the fiscal year.

The reports influence the decisions made at every level of management throughout U. T. System. Accurate, reliable information will facilitate sound management decisions.

# CONCLUSION



You have completed the Fund Accounting Training. Exit the training by clicking the link below and access the exam.

[Fund Accounting Training](#)