



Texas A&M University System

Module 1-Overview

Fund Accounting Training

DEVELOPED BY THE SYSTEM OFFICE OF BUDGETS AND
ACCOUNTING

TRAINING OBJECTIVES

- Explain the structure of The Texas A&M University System (TAMUS) and services provided by the A&M System Office
- Define Generally Accepted Accounting Principles (GAAP) Hierarchy
- Introduce six primary financial statements and the unique fund groups used in accounting for various transactions at TAMUS institutions and agencies of higher education
 - Primary statements are similar to balance sheets, operating statements and cash flow statements presented in the corporate world
 - Fund groups represent columns in the financial statements

HISTORY

- The history of **Texas A&M University**, the first public institution of higher education in Texas, began in 1871, when the **Agricultural and Mechanical College of Texas** was established as a land-grant college by the Texas Legislature
 - Classes began on October 4, 1876
- The Texas A&M University **System** was officially **established in 1948** and has evolved into one of the largest systems of higher education in the nation, with a statewide network of 12 universities, 8 state agencies, a comprehensive health science center, a shared service center, a blended component unit and a system administration office

TAMUS STRUCTURE

Blended
Component
Unit-
Research
Foundation

TAMUS Board of Regents

Twelve
Institutions

TAMU
TAMUG
TSU
TAMUT
PVAMU
WTAMU
TAMUCT
TAMUCC
TAMIU
TAMUC
TAMUK
TAMUSA

Eight
Agencies

AgriLife Extension
AgriLife Research
TVMDL
TTI
TFS
TEEX
TEES
TDEM

Health
Institution

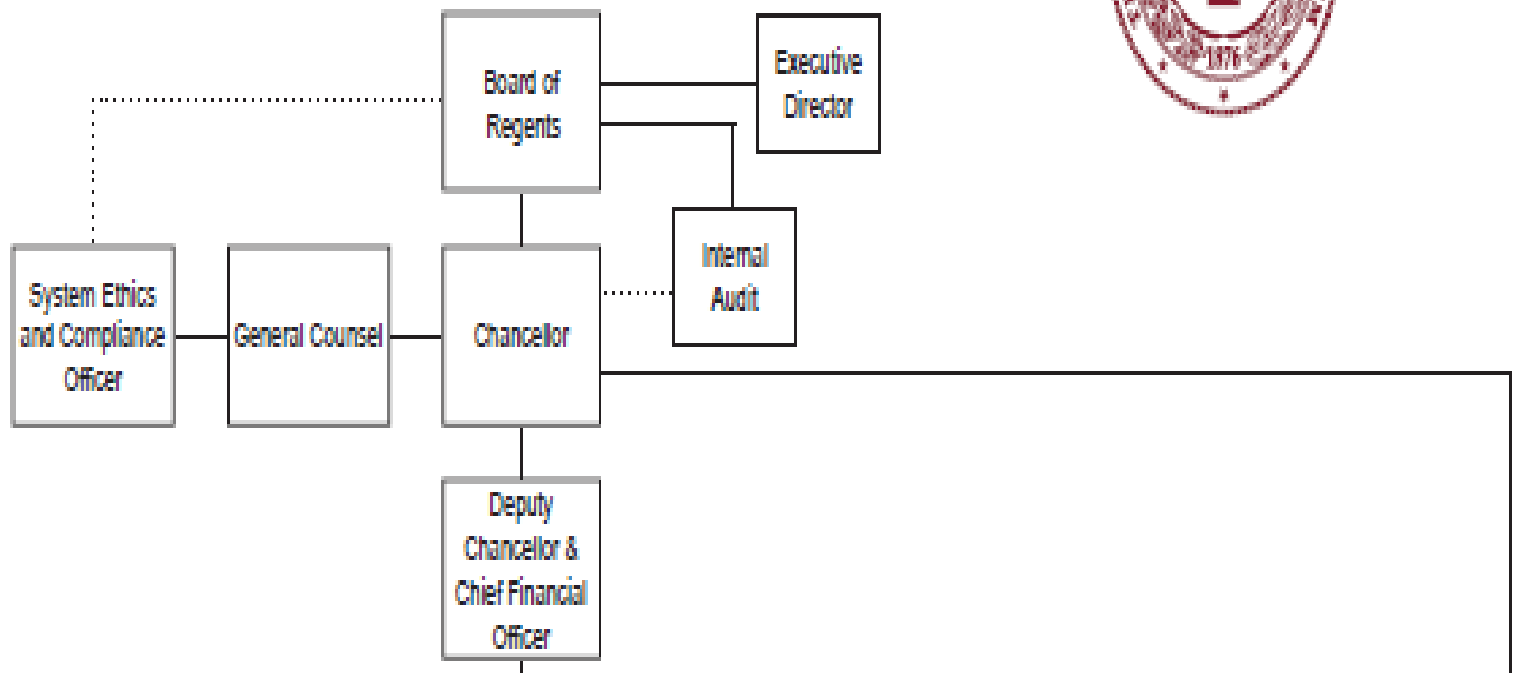
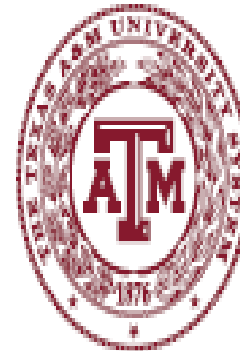
TAMHSC

System
Office &
SSC

The central
management and
coordination of
TAMUS, issues
*Policies and
Procedures* for all
A&M members

SSC=shared
services center

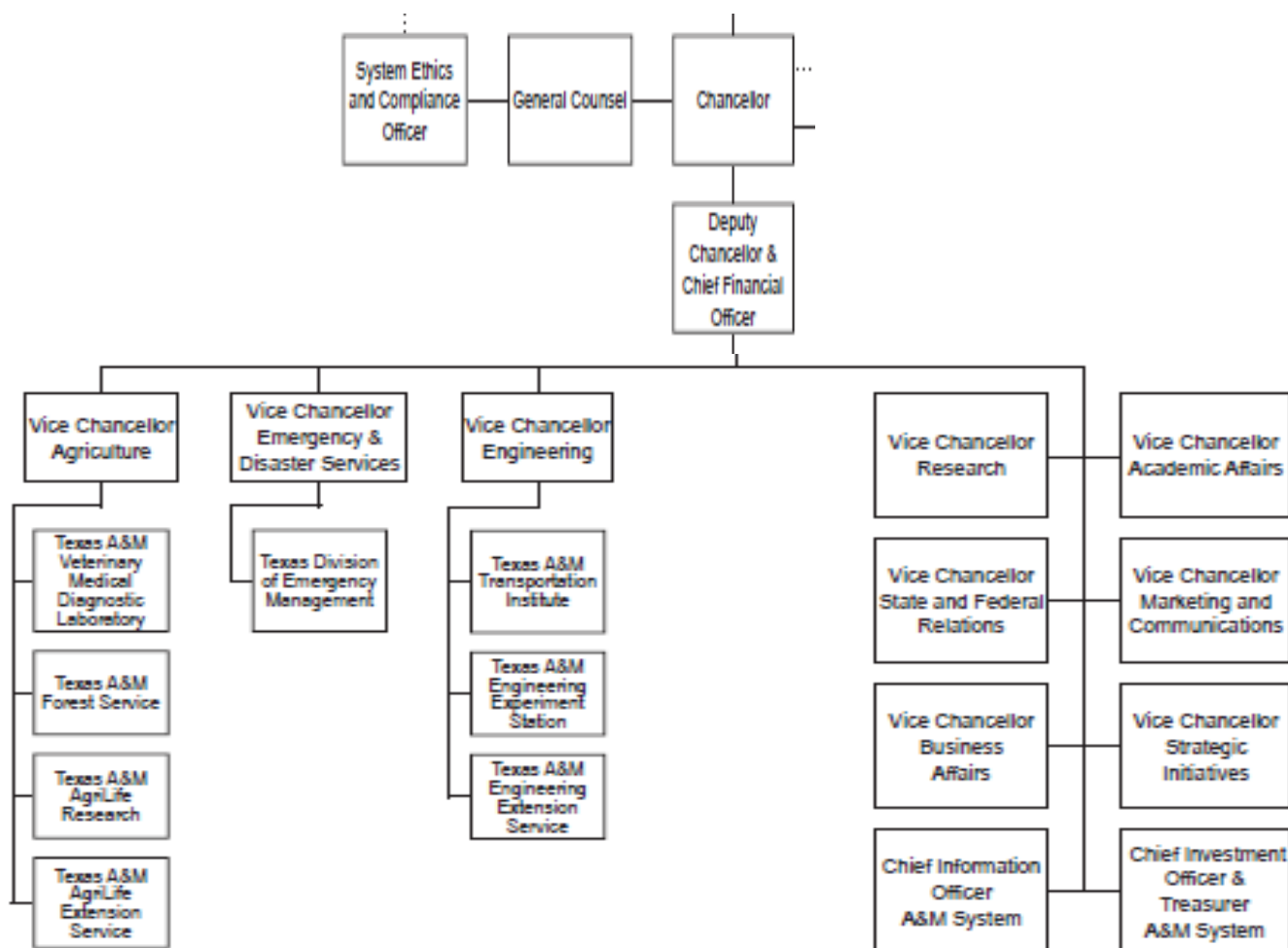
The Texas A&M University System ORGANIZATIONAL CHART



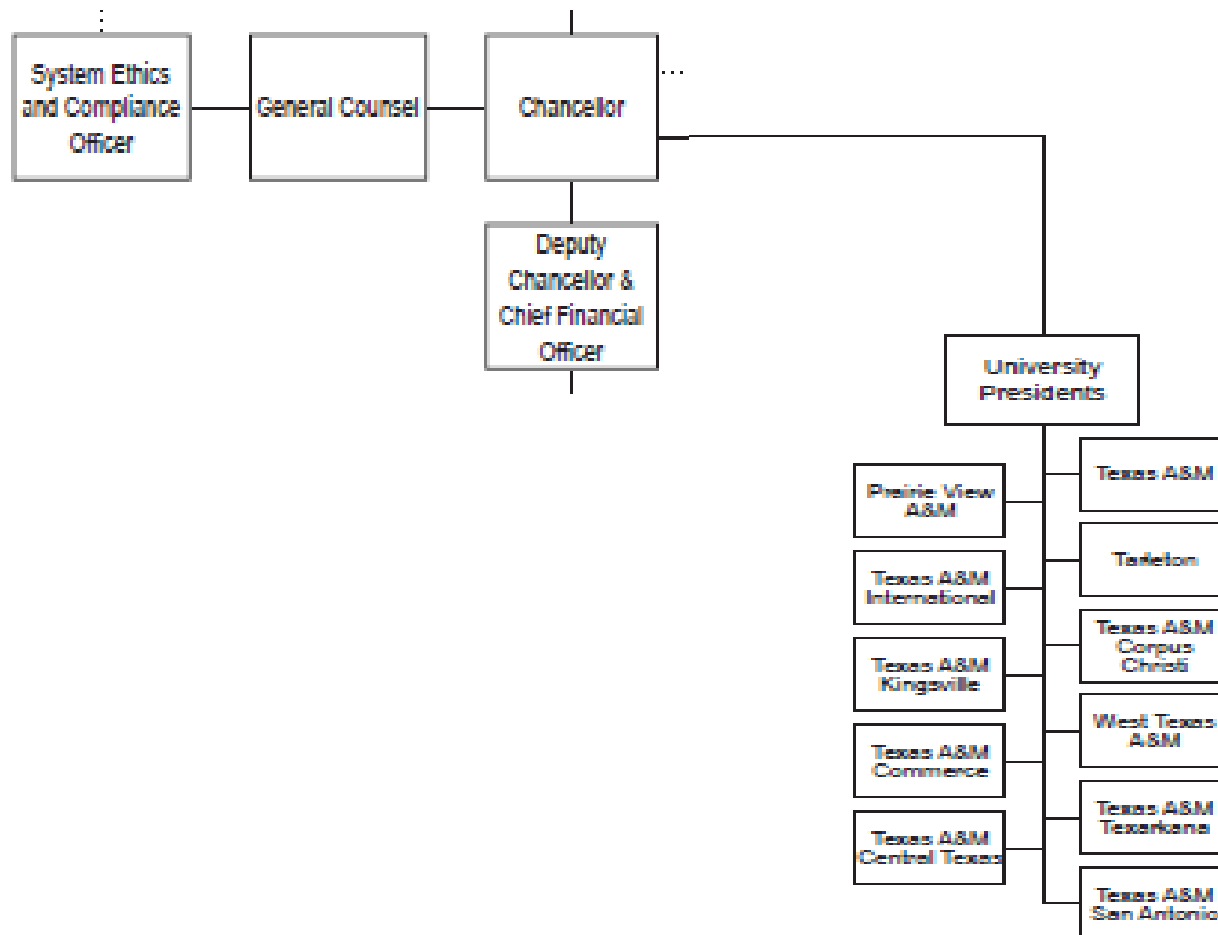
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The Texas A&M University System

ORGANIZATIONAL CHART

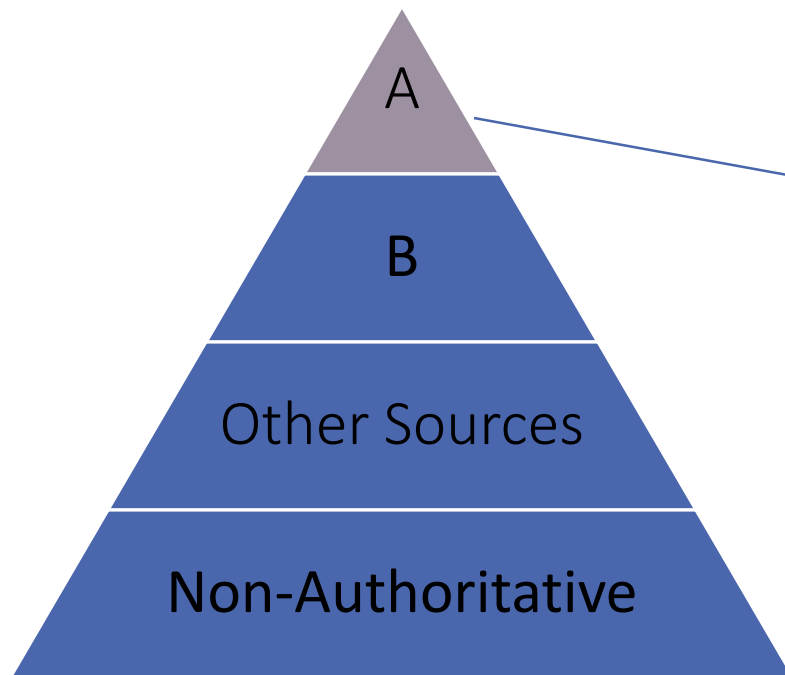


The Texas A&M University System ORGANIZATIONAL CHART



GAAP HIERARCHY FOR STATE AND LOCAL GOVERNMENTS

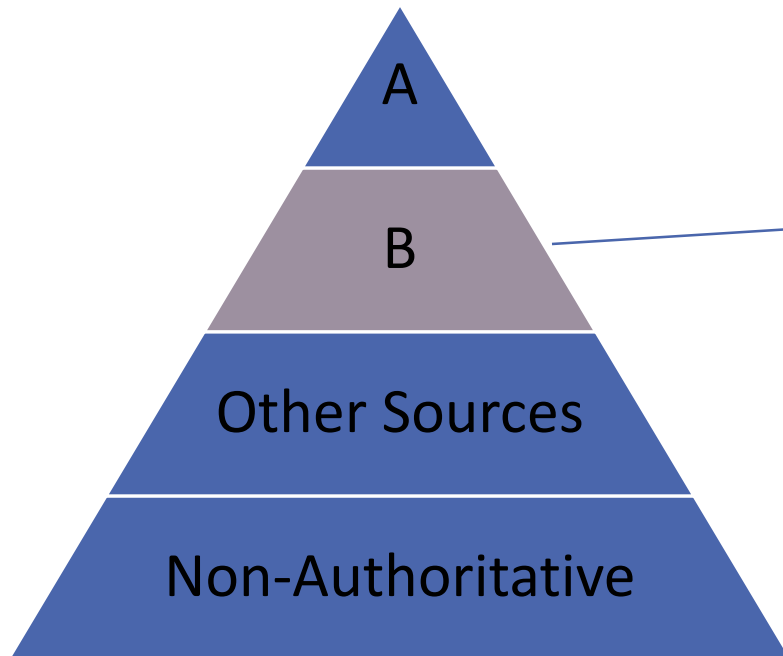
The TAMUS financial reports are subject to the following hierarchy of accounting literature:



Two Primary Categories A&B

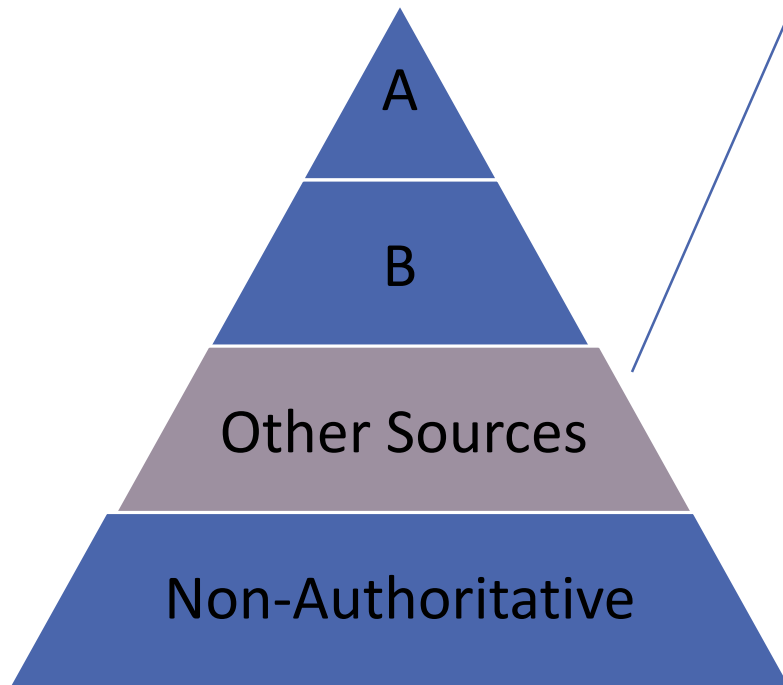
A-GASB Statements and Interpretations, per GASB 76, issued in June, 2015

GAAP HIERARCHY-CATEGORY B



B-GASB Technical Bulletins, Implementation Guides and literature of the AICPA cleared by GASB

GAAP HIERARCHY-OTHER SOURCES



Other Sources of non-authoritative accounting literature include GASB Concepts Statements; pronouncements and other literature of the Financial Accounting Standards Board, Federal Accounting Standards Advisory Board, International Public Sector Accounting Standards Board, and International Accounting Standards Board, and AICPA literature not cleared by the GASB;

Practices that are widely recognized and prevalent in state and local government; literature of other professional associations or regulatory agencies; and accounting textbooks, handbooks, and articles (**NACUBO**)

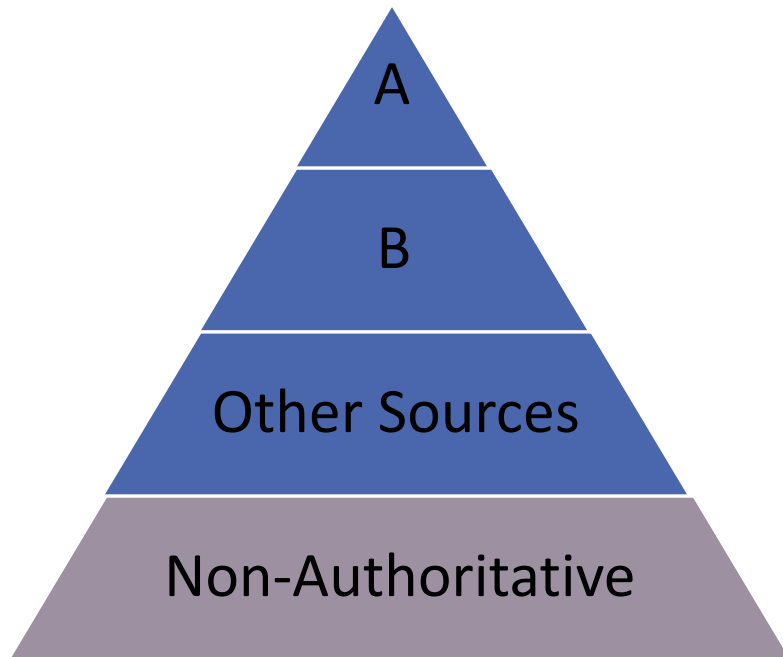
NACUBO

- The National Association of College and University Business Officers (NACUBO)
- A membership organization providing leadership and sector-wide guidance on accounting, finance, and tax issues in higher education
- Issues and Updates Financial Accounting and Reporting Manual for Higher Education (FARM)
- Financial Statements use
 - NACUBO Fund Groups
 - NACUBO Functions



National Association of College and
University Business Officers

GAAP HIERARCHY-NON-AUTHORITATIVE



In evaluating the appropriateness of **non-authoritative** accounting literature, a governmental entity should consider the consistency of the literature with the GASB Concepts Statements, the relevance of the literature to particular circumstances, the specificity of the literature, and the general recognition of the issuer or author as an authority

TASSCUBO & SACUBO

- Texas Association of State Senior College & University Business Officers (TASSCUBO)
 - Organized in 1967 for the purpose of contributing to the advancement of higher education in its fullest and broadest implications and specifically to the professional advancement of the office or officers of business and fiscal affairs which exist in the state supported senior colleges and universities in the State of Texas
- Southern Association of College & University Business Officers (SACUBO)
 - Founded in 1928 to inform higher education institutions in the southern region of the United States about issues affecting higher education

PRIMARY FINANCIAL STATEMENTS

Six primary statements include:

- Statement of Net Position (Exhibit III)
- Statement of Revenues, Expenses and Changes in Net Position (Exhibit IV)
- NACUBO Function to Natural Classification Matrix (Exhibit IV-1)
- Statement of Cash Flows (Exhibit V)
- Statement of Fiduciary Net Position (Exhibit VI)
- Statement of Changes in Fiduciary Net Position (Exhibit VII)

TAMUS IS PUBLISHED IN THE STATE OF TEXAS CAFR



Colleges and Universities – Major Enterprise Fund

There are six university systems and five independent universities in Texas' primary government presented in a single-column as a major fund on the basic financial statements. Schedules were prepared to report the breakdown of the following universities:

University of Texas System

Texas A&M University System

Texas Tech University System

University of Houston System

Texas State University System

University of North Texas System

Texas Woman's University

Stephen F. Austin State University

Texas Southern University

Midwestern State University

Texas State Technical College



CONCLUSION

Congratulations!

You have completed Module 1

Select the next presentation to continue
to learn about TAMUS and Fund
Accounting