



# Cash Flow Statement

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TERESA & TRACY

# Rules Dictated by the Texas Comptroller's Office



- Each year the System Office reviews the Comptroller's Office Reporting Requirements to capture any changes or new line items
- Texas Higher Education Entities Operating/Plant funds are placed in the Proprietary fund group for the ACFR and thus a Cash Flow Statement is Required for the Proprietary funds, not required for the Fiduciary funds
- Use the **Direct** Method...includes the reconciliation section
- Certain rows must match the Balance Sheet and other must match the Operating Statement



Reporting Requirements for the  
**Annual Financial Reports**  
of State Agencies and Universities

# Overview of Statement

The purpose is to provide information on cash receipts and cash payments of an entity during the fiscal year

- The statement helps financial report users assess an entity's:
  - Ability to generate future net cash flows and meet obligations when due
  - Needs for external financing
  - Effects on the agency's financial position of both:
    - Cash and noncash investing
    - Capital and financing transactions

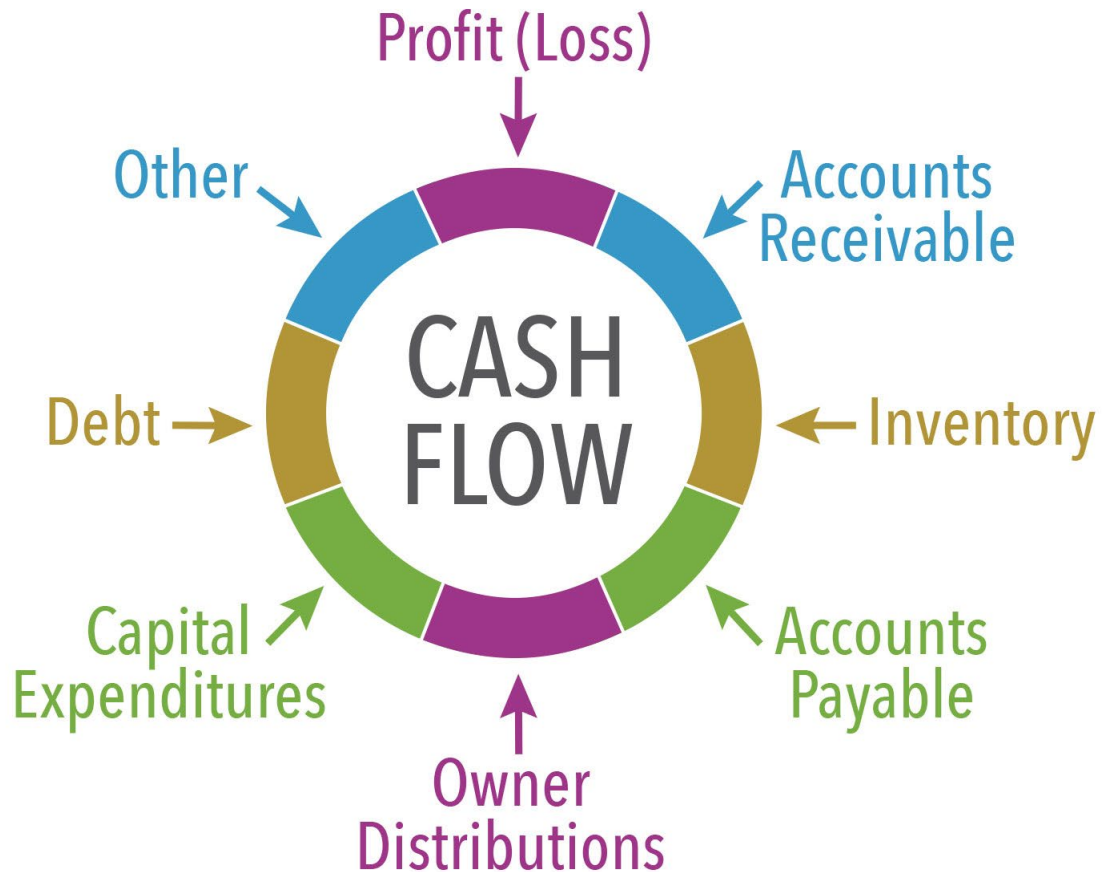




## Recommendations?

- How do you know when to start the Cash Flow Statement?
- How do you know when you are finished?

## The Many Drivers of Cash Flow



## Several Sections Using the Direct Method

- Cash Flows from Operating Activities
- Cash Flows from Noncapital Financing Activities
- Cash Flows from Capital and Related Financing Activities
- Cash Flows from Investing Activities
- Ending Cash and Cash Equivalents
- Reconciliation of Operating Loss to Cash Flows from Operating Activities

UNAUDITED

Exhibit V

The Texas A&M University System  
Statement of Cash Flows  
For the Year Ended August 31, 2024

Current Year

Prior Year

**Cash Flows From Operating Activities**

Proceeds Received From Tuition and Fees	\$ 1,454,079,341.45	\$ 1,359,429,801.00
Proceeds Received From Customers	364,147,370.12	444,939,241.76
Proceeds From Grants and Contracts	1,326,332,047.30	1,255,124,489.11
Proceeds From Auxiliary Enterprises	426,373,483.39	386,912,735.02
Proceeds From Loan Programs	637,069,704.49	615,009,692.77
Proceeds From Other Operating Revenues	144,789,683.64	108,793,657.36
Payments to Suppliers for Goods and Services	(2,935,336,329.89)	(3,336,642,307.87)
Payments to Employees	(3,269,797,041.50)	(2,948,826,617.07)
Payments for Loans Provided	(641,522,756.93)	(623,389,275.71)
Payments for Other Operating Expenses	(597,561,828.97)	(780,038,167.16)
<b>Net Cash Used By Operating Activities</b>	<b>\$ (3,091,426,326.90)</b>	<b>\$ (3,518,686,750.79)</b>

Must Match  
Recon section

State  
Appropriations in  
Noncapital  
Financing Section

SAO audits Proceeds from Sales of Investments and Payments to Acquire Investments annually

**Cash Flows From Noncapital Financing Activities**

Proceeds From State Appropriations	\$ 1,757,742,642.73	\$ 1,437,633,060.91
Proceeds From Gifts	305,255,739.75	399,807,545.45
Proceeds From Endowments	6,189,746.07	12,110,247.28
Proceeds From Transfers From Other Funds	740,037,864.70	512,379,566.80
Proceeds From Other Grant Receipts	1,205,946,777.87	2,409,131,756.81
Proceeds From Other Noncapital Financing Activities	48,830,239.12	120,929,389.83
Payments for Transfers to Other Funds	(18,743,105.26)	(2,322,291.71)
Payments for Other Noncapital Financing Uses	(47,961,891.75)	(119,792,789.38)
<b>Net Cash Provided By Noncapital Financing Activities</b>	<b>\$ 3,997,298,013.23</b>	<b>\$ 4,769,876,485.99</b>

**Cash Flows From Capital and Related Financing Activities**

Proceeds From Sale of Capital Assets	\$ 1,597,780.72	\$ 5,924,232.97
Proceeds From Debt Issuance	956,820,491.06	633,625,395.95
Proceeds From Interfund Payables	10,007,803.99	-
Proceeds From Other Financing Activities	28,282,147.69	11,755,585.39
Payments for Additions to Capital Assets	(920,150,736.05)	(709,783,577.51)
Payments of Principal On Debt	(613,865,951.75)	(712,981,967.60)
Payments for Leases/SBITA	(8,781,129.00)	(15,719,055.76)
Payments of Interest On Debt Issuance	(168,471,512.49)	(183,022,710.07)
Payments for Interfund Receivables	(1,551,196.61)	(11,612,292.82)
Payments of Other Costs On Debt Issuance	(3,592,937.89)	(3,606,873.76)
<b>Net Cash (Used) By Capital &amp; Related Financing Activities</b>	<b>\$ (719,705,240.33)</b>	<b>\$ (985,421,263.21)</b>

<b>Cash Flows From Investing Activities</b>			
Proceeds From Sales of Investments	\$	2,769,437,574.47	\$ 2,070,604,185.06
Proceeds From Interest and Investment Income		270,810,874.80	198,839,661.14
Payments to Acquire Investments		(2,762,961,893.23)	(2,206,032,736.24)
<b>Net Cash Provided By Investing Activities</b>	<b>\$</b>	<b>277,286,556.04</b>	<b>\$ 63,411,109.96</b>
<b>Net Increase (Decrease) In Cash and Cash Equivalents</b>	<b>\$</b>	<b>463,453,002.04</b>	<b>\$ 329,179,581.95</b>
Proprietary Cash and Cash Equivalents, Beginning of Year	\$	2,371,506,420.80	\$ 2,042,326,838.85
<b>Proprietary Cash and Cash Equivalents, End of Year (Sch Three)</b>	<b>\$</b>	<b>2,834,959,422.84</b>	<b>\$ 2,371,506,420.80</b>

<b>Reconciliation of Operating Loss to Net Cash Used By Operating Activities</b>			
Operating Loss	\$	(3,838,226,199.70)	\$ (4,396,211,209.55)
<b>Adjustments to Reconcile Operating Loss to Net Cash Used By Operating Activities</b>			
Amortization and Depreciation	\$	586,407,632.07	\$ 558,093,162.64
Bad Debt Expense		9,611,806.97	4,922,989.79
Pension Expense		176,508,587.00	94,504,755.00
OPEB Expense		68,337,135.00	171,048,559.00
<b>Changes In Assets and Liabilities</b>			
(Increase) Decrease In Receivables		20,859,048.02	(58,996,505.36)
(Increase) Decrease In Due From Agencies/Funds		(737,783.52)	(20,629,409.24)
(Increase) Decrease In Inventories		(4,442,457.43)	3,152,134.29
(Increase) Decrease In Prepaid Expenses		(4,579,261.93)	(23,881,913.17)
(Increase) Decrease In Loans and Contracts		(2,999,965.60)	(7,113,033.16)
(Increase) Decrease In Other Assets		(2,734,855.81)	512,458.05
(Increase) Decrease In Deferred Outflows - Pensions		(68,468,637.00)	(172,309,364.00)
(Increase) Decrease In Deferred Outflows - OPEB		(97,070,126.00)	16,825,109.00
Increase (Decrease) In Payables		(6,707,704.87)	65,408,853.22
Increase (Decrease) In Due to Other Agencies/Funds		(61,506,050.54)	172,320,634.77
Increase (Decrease) In Unearned Revenue		105,043,900.48	38,027,460.50
Increase (Decrease) In Deposits		518,645.39	(192,649.75)
Increase (Decrease) In Employees Compensable Leave		10,414,866.04	7,765,529.54
Increase (Decrease) In OPEB Liability		(453,158,515.00)	(494,842,582.00)
Increase (Decrease) In Pension Liability		101,090,162.00	401,789,991.00

Must Match  
First  
Section

Increase (Decrease) In Pension Liability	101,090,162.00	401,789,991.00
Increase (Decrease) In Self Insured Accrued Liability	(1,875,107.00)	(1,263,058.00)
Increase (Decrease) In Other Liabilities	2,266,329.48	(125,930,467.13)
Increase (Decrease) In Deferred Inflows - Pensions	(116,334,373.00)	(299,827,844.00)
Increase (Decrease) In Deferred Inflows - OPEB	493,844,040.00	425,248,673.00
Increase (Decrease) in Deferred Inflows – Leases	(7,487,441.95)	97,955,182.64
Increase (Decrease) in Deferred Inflows – PPP Assets	-	24,935,792.13
<b>Total Adjustments</b>	<b>\$ 746,799,872.80</b>	<b>\$ 877,524,458.76</b>
<b>Net Cash Used By Operating Activities</b>	<b>\$ (3,091,426,326.90)</b>	<b>\$ (3,518,686,750.79)</b>
<b>Non-Cash Transactions</b>		
Donation of Capital Assets	\$ 29,314,020.48	\$ 11,546,181.21
Net Change In Fair Value of Investments	649,630,815.00	351,449,853.11
Amortization of Bond Premiums and Discounts	22,206,412.44	22,185,539.25
Borrowing Under Lease Purchase	21,980,860.81	95,052,474.94
Other	(1,754,485.00)	2,422,674.62



# Let's Review a Few 2024 Statements

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# OneStream Cash Flow Template

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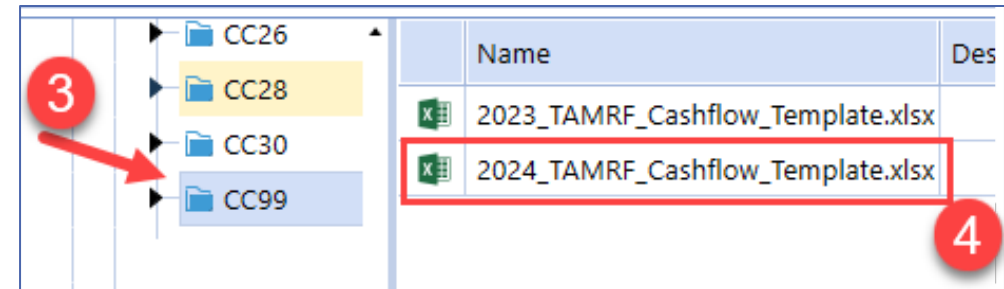
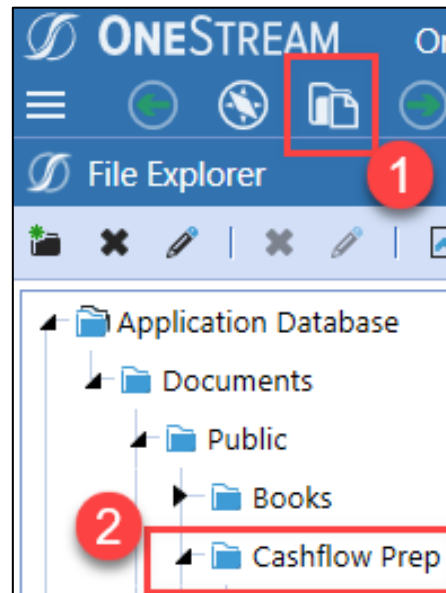


- OneStream Spreadsheet is a tool similar to Excel
- Cash flow template formulas pull in data directly from OneStream, much simpler than the method used prior to FY24
- System Office sets up template for new fiscal year in September
- Members open template, refresh data and enter reclassifications

# Cash Flow Template Navigation

All steps outlined in OneStream User Guide

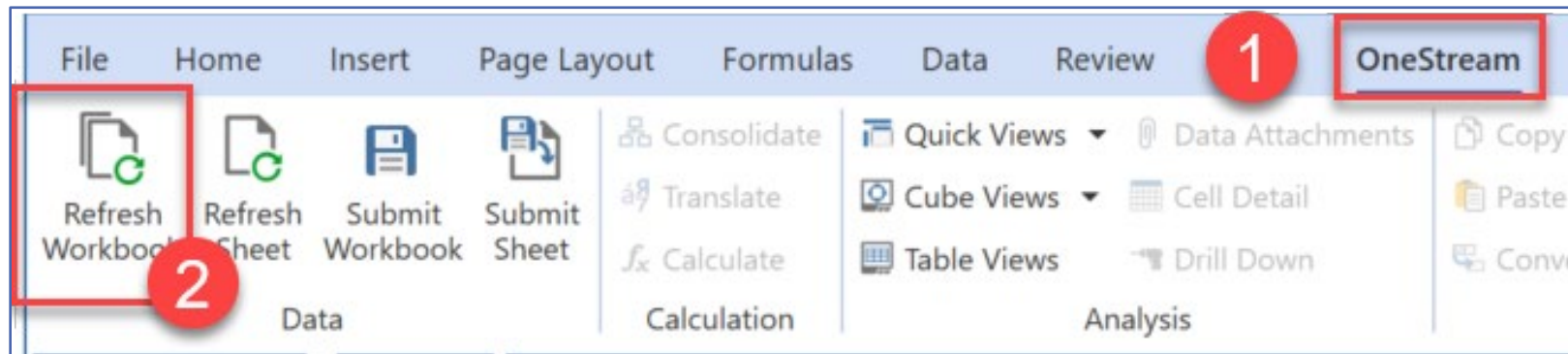
1. Open template from **File Explorer**
2. Under Public Folders, open “Cashflow Prep”
3. Select campus code folder
4. **Right-Click on file name, select Open in Spreadsheet Page**



After file opens, close File Explorer

# OneStream Cash Flow – Refresh Data

- After the file opens, very simple to update
- Select OneStream (top right corner), then click **Refresh Workbook**  
(Repeat this step when data import changes)



# Example.....Refreshed Data

Spreadsheet - Documents/Public/Cashflow Prep/CC01/2024\_SO\_Cashflow\_Template.xlsx

File Home Insert Page Layout Formulas Data Review View **OneStream**

Refresh Workbook Refresh Sheet Submit Workbook Submit Sheet Consolidate Translate Calculate Quick Views Cube Views Table Views Data Attachments Cell Detail Drill Down Copy POV From Data Cell Paste POV As XFGetCell Convert To XFGetCells Object Lookup Select Member Save Offline Copy Spreading (Evening) Flag Selected Cells Clear Flags

Data Calculation Analysis General Spreading

J69

	A	B	C	D	E	F	J
46	<b>Proceeds Received from Customers:</b>						
47							
48	Net Sales of Goods & Services	3,083,653.25					P_OthSaleGoodServ
49	Discounts and Allowances - Sales	-					P_DiscAllowSale
50	Net Professional Fees	279,938.01					P_ProfFees
51							
52							
53	<b>Adjustments:</b>			PY	CY	Difference	
54	Accounts Receivable:						
55	Customer A/R		1300	335,435.05	1,819,187.83	1,483,752.78	101300
56	Vet Hospital Receivables		1311	-	-	-	101311
57	Dept Receivables-Manual		1312	8,102,055.07	945,006.76	(7,157,048.31)	101312

These values drive the formulas

# Cash Flow Template - Multiple Tabs

- **Exhibit V** - Statement of Cash Flows (published schedule)
- **Separate tab for each fund group** - Analyze activity by fund group to determine if reclassifications are needed
- **Summary** - Includes check figure at the bottom to verify Cash Balance
- Formula compares to ending cash & CE, verify variance is zero before entering reclassification adjustments

	Designated	Auxiliary	Restricted
	<i>DSG</i>	<i>AUX</i>	<i>RES</i>
<u>Check Figure - Ending Cash</u>			
CY Cash Balance as of 08/31	1,120,184,480.92	710,975.08	359,757.71
Variance	-	-	0.00



# Common Reclassifications



## 1380 - Federal Receivable for NonOperating Revenue

- Reclass from Proceeds from Grants & Contracts (operating section) to NonCapital Proceeds from Grant Receivable

## 1800 - Due From State Agencies

- Reclass from Proceeds from Customers to Grants & Contracts OR Transfers from Other Funds (other agencies)

## 2100 - Accounts Payable

- Reclass from Payments to Suppliers to Payments for Additions to Capital Assets

## 18xx - Due From Members

- Reclass from Proceeds from Customers to Contracts/Grants, Capital Transfers or NonCap Financing

## 28xx - Due To Members

- Reclass from Payments to Suppliers to Capital Transfers or Payments for Other Operating (Contract/Grant activity)

# Fund Group Tabs – Color Coding

- Legend at top of spreadsheet
  - **Light blue (aqua)** cells will auto-populate to another cell...follow this amount and ensure it lands where expected – see reference in column I
  - **Dark blue** cells are additional adjustments within a fund group, these cells should total zero...both sides must be entered
  - Verify Cash still balances after entering adjustments

	Reclassifying entries within worksheet - enter in blank cells and it pulls to the appropriate offset			
	Manual adjustments - Explanation required			
	Ties to Summary by Fund worksheet			
	Pulled to Reconciliation of Net Optg Rev/Exp from corresponding Asset/Liab/Other adjustments			
	Four section subtotals tie to Net Increase/Decrease in Cash			
<b>Stmt of Changes</b>	<b>Statement of Net Position</b>		<b>Other</b>	<b>Cash Flow</b>
<b>Operating Exp.</b>	<b>PY</b>	<b>CY</b>	<b>Adjustments</b>	<b>Amounts</b>

# Sample Reclassification – Leg. Transfer In

Intrasystem Transfers for Capital Debt (Mandatory):										
Mandatory Transfers from Other Members									-	
Mandatory Transfers to Other Members									-	
Legislative Transfers In		1,005,112.00							1,005,112.00	
Legislative Transfers Out		(9,778,047.53)							(9,778,047.53)	
									(8,772,935.53)	
<b>Adjustments:</b>										
				<u>PY</u>	<u>CY</u>	<u>Difference</u>				
Plus: Due From Members for Mand Debt Service Transfers (pull from Recei	1801-1899			-	-	-			-	h
Plus: Due To Members for Mand Debt Service Transfers (pull from Pmts to	2801-2899			-	-	-			-	o
<b>Other Adjustments:</b>										
Plus: Mandatory Transfers from Other Funds (enter as -###)	4810-4894						-		-	ac
Less: Mandatory Transfers to Other Funds (enter as +###)	5810-5894						-		-	ad
Less: Legislative Transfers In for non-debt purposes (ex: TEES-Fd 5071 or TTI-Fd 0006; enter as -###)									-	am
Less: Hazlewood Appropriation to State Appropriations							(1,005,112.00)		(1,005,112.00)	zx

Proceeds from State Appropriations:										
Legislative Revenue		67,102,665.86							67,102,665.86	
Lapsed Appropriations		-							-	
HEF Appropriation Revenue		11,459,464.00							11,459,464.00	
<b>Other Adjustments:</b>										
Plus: Hazlewood Appropriation to State Appropriations (Reclass from Transfer)							1,005,112.00		1,005,112.00	zx

# Sample Reclassification – Prepaid Expense

<b>Payments to Suppliers for Goods &amp; Services:</b>					
<u>Payments for Other Expenses</u>					
Cost of Goods Sold	-				-
Professional Fees & Services	(801,187.23)				(801,187.23)
Travel	(28,939.92)				(28,939.92)
Materials & Supplies	(1,546,927.00)				(1,546,927.00)
Communication & Utilities	(534,462.20)				(534,462.20)
Repairs & Maintenance	(115,469.78)				(115,469.78)
Rentals & Leases	(58,054.44)				(58,054.44)
Printing & Reproduction	(354.26)				(354.26)
Interest	(1.80)				(1.80)
Other Operating Expense	(65,577.82)				(65,577.82)
					<u>(3,150,974.45)</u>
<u>Adjustments:</u>					
			<u>PY</u>	<u>CY</u>	<u>Difference</u>
Prepaid Expense		1500	202,486.72	187,007.23	(15,479.49)
Less Prepaid Expense related to Scholarships			(202,486.72)	(187,007.23)	15,479.49

Adjustment for  
PY and CY  
amount

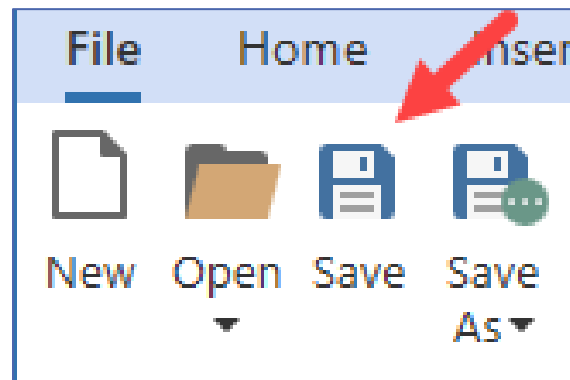
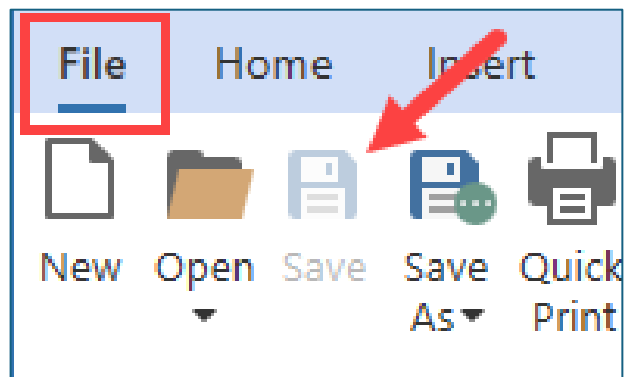
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<b>Payments for Other Operating Expenses:</b>					
Federal Pass Through	-				-
State Pass Through	-				-
Bad Debt Expense	-				-
Scholarships	(1,102,326.19)				(1,102,326.19)
Claims & Losses	-				-
					<u>(1,102,326.19)</u>
<u>Adjustments:</u>					
			<u>PY</u>	<u>CY</u>	<u>Difference</u>
Prepaid Expense					
Plus Prepaid Expense related to Scholarships (formula pulling from above)		1500	202,486.72	187,007.23	(15,479.49)

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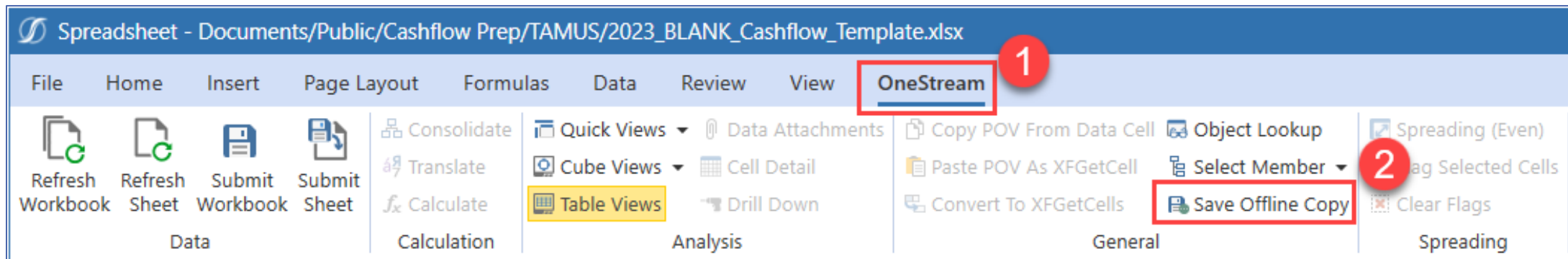
# OneStream Cash Flow – Save Template

- Remember to **save changes** as updates are made to the template
  - **Navigate to File tab** (if nothing has been changed in the template, the Save button will be grayed out)
  - Click **Save** to save changes
- Best practice is to assign a primary person to update Cash flow template, avoid having multiple users update the file



# OneStream Cash Flow – Export to Excel

- Select OneStream tab at top of spreadsheet, **Save Offline Copy**
- Select location to save the file (will not automatically open)
- After exporting, all formulas are converted to numbers



# Template Mapping Changes for 2025

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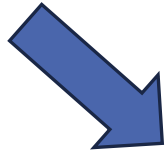
- 2750-Unearned Revenue - For Restricted Funds, move from Proceeds from Tuition & Fees to Proceeds from Grants & Contracts
- 4300-Legislative Tsfr from State Agency (mostly Hazlewood) – moved from Proceeds from State Appn to Transfer to Other Funds
  - Eliminate the need for reclassification on workpaper
- Non-Cash Section
  - Capital Asset Transfers, formula updated to **exclude intra-system**
  - NonMonetary Gifts, added formula, pull in subcode 0295 and acct ctrl 4117

# Simplified Transfer Categories

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- Collapsed transfer categories in Capital & Related Financing Section

Transfer of Capital Debt Proceeds from System (Non-Mandatory)
Intrasystem Transfers for Capital Debt (Mandatory)
Intrasystem Transfers for Construction Projects (Non-Mandatory)



Intrasystem Transfers for Capital Debt & Construction Projects

# Cash Flow Statement Desk Review

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- Verify **beginning** cash & cash equivalents matches Prior Year column ending balance
- Verify ending cash equals Schedule Three/Balance Sheet
- Operating Loss Matches the Operating Statement
- Intra-System transfers match the Cash Flow tab in the Due To/From Transfers workpaper
- Cash Flows from Operating Activities Matches Recon section



# Cash Flow Statement Desk Review, cont.

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- Review for negative proceeds or positive payments, reclassify as needed
  - Analyze single column total
- Classification difference must be zero (reconciliation section)
- Review Summary tab percentage changes...anything unusual? Entry needed or is it understandable based upon the activity?





Questions?



# AFR Tips & Tricks

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Everyone

# What is the one thing you verify or ensure is accurate?

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- Things I think about
  - Cash in State Treasury
  - GR Recon
- What are your thoughts?
- Verna and Bryan will be helping us think about additional items tomorrow after lunch....

# Closing Comments for Day 1

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- Any questions?
- The 2024 evaluations asked for us to incorporate comments from AFR contacts who have worked on an AFR for many years
- Be thinking about your ideas...anyone want to share now?



# Break Into 2 Groups

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- Interested in OneStream Move to the Front
- Institutions who want to learn more about change in Tuition Discounting move to the back of the room





# OneStream Session

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- Any questions?
- How can we help?



# Discussions on Tuition Discounting

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- Many institutions are working on this change in processes
- TAMU, TAMHSC and TAMUG have worked through their analysis
  - Cris shared her experience with us
- TAMUCT has worked through this change
  - Any tips for us?
- We have met with TAMUCC, TSU





# NACUBO's Recommendation

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- At the NACUBO Conference Sue Menditto asked who was mad at NACUBO for this recommended change?
  - Several raised their hands
- Understanding a more detailed calculation is time consuming, many institutions are working through this nationally
- Is this really happening?

