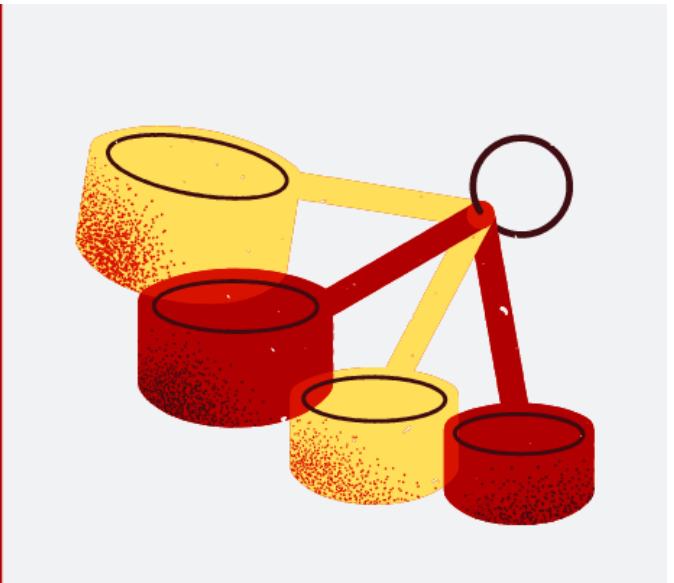


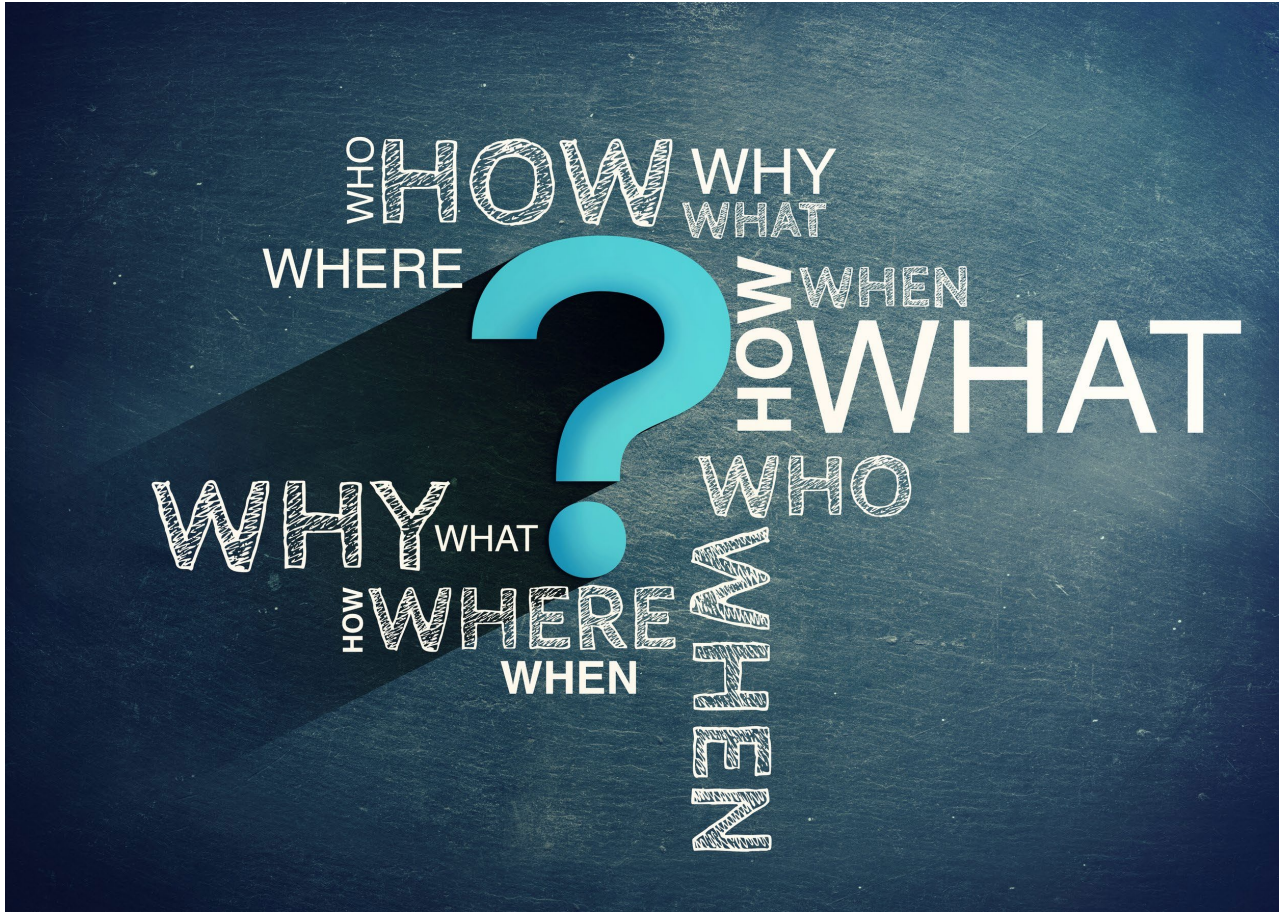


DO YOU  
NEED TO  
**EXPLAIN  
YOURSELF?**



# Flux Analysis

TERESA



# Fluctuation Analysis

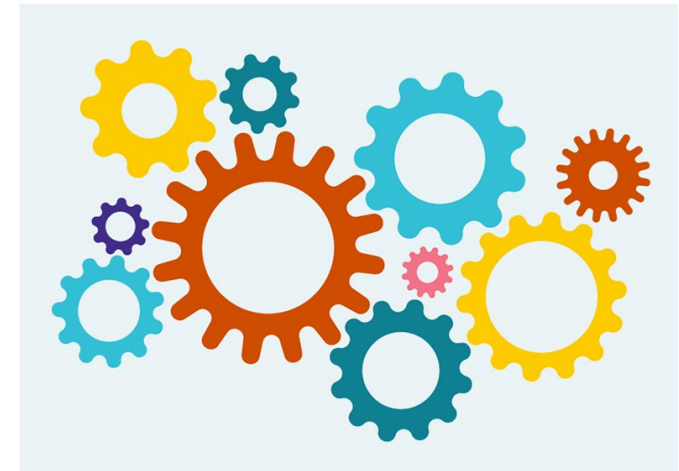
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- Required to be submitted when the members turns in their AFR
- Explanations required if greater than percentage (20%) and greater than total dollar amount (\$100,000)
- Looking for the whys
- Used to compile data for the Consolidated Flux
- Remember these explanations go into each member's AFR file and this data is available to be read by an auditor

# Mechanics

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- Tracy and Jorge provided helpful information on how to use OneStream
- Explanations are saved into OneStream
  - Experts in various areas can help provide responses
- The rows will be highlighted for the items we need explanations
- Can drill into OneStream to help gather data or use Business Objects and next year MicroStrategy





# What to Say

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- Good to explain the departmental expense increases and this increase is matching up with management's intent
- There could be changes which **increase** the number and **decrease** the number, it often helps to list both to help come back to the total we are trying to explain
- Lapsing State Funds
  - Define why required...common explanation is debt funds, we are not allowed to use on any other type of expense, so it must be lapsed
  - Not common is to lapse operational funds

Cash and Cash Equivalents (Schedule Three)	4,516,734.35	10,498,513.96	(5,981,779.61)	-56.98%	<p>The biggest contributor to our decrease in Restricted Cash and Cash Equivalents is due to our agency funds. In FY 2024 we transferred Texas Connection Consortium to Lamar Univeristy. In FY 2023 we had cash of \$1,134,894 in the TCC accounts. Additionally our Resident Student Meal Plans paid out the FY23 Liability in FY24 reducing the cash balance in FY24 when compared to FY23. With less cash in agency funds, it also affected the interest income from agency which was down \$900,653 in FY 2024. We also saw a minor loss in a couple of restricted accounts- our CRU funding showed \$365,779 less cash than at the end of last year and a piano was purchased in the Bosendorfer account which left that account showing \$235,999 less cash than the previous year.</p>
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# Cash and Cash Equivalents

Other Current Liabilities	2,965,033.09	9,101,499.97	(6,136,466.88)	-67.42%	<p>The decrease in Other Current Liabilities is due in large part to the fact that we are no longer administering Texas Connection Consortium (TCC). Last year we had a fund balance of \$3,948,086 in the TCC account. Additionally in FY 2023 we showed a higher fund balance in our Meal Plan Clearing- Resident Student account due to the fact that the Fall Installment for meal plans was not posted until September (FY 2024) in the amount of \$1,662,714.</p>
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# Change in Cash Also Relates to Liabilities

19.69	4,945,218.60	30.34%	<p><b>E) The increase in Federal Revenue-Operating is due in large part to two grants from the National Science Foundation totaling \$1,241,525 for the Major Research Instrumentation Program. Additionally the Embry Riddle Aeronautical University sponsored Luce 23 project generated \$970,973 more in federal revenues this fiscal year.</b></p>
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# Federal Operating Revenue

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	2,744,060.98	1,828,971.76	915,089.22	50.03%	<p><b>The increase in Other Non Operating Revenues is due in large part to a prior year correction to change the funding for expenses in FY 2023 from local to state to fully utilize our state funds. This amounted to moving \$1,482,020 in expenses. On the flip side of that in FY 2023 we had a prior year correction of debt service for Energy savings- RFS Bonds Series 2020A in the amount of \$438,783 and a prior year correction for Compass Furniture and equipment in the amount of \$263,473.</b></p>
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# Other NonOp Revenues

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Which member were these explanations applicable to?

Any additional insight?

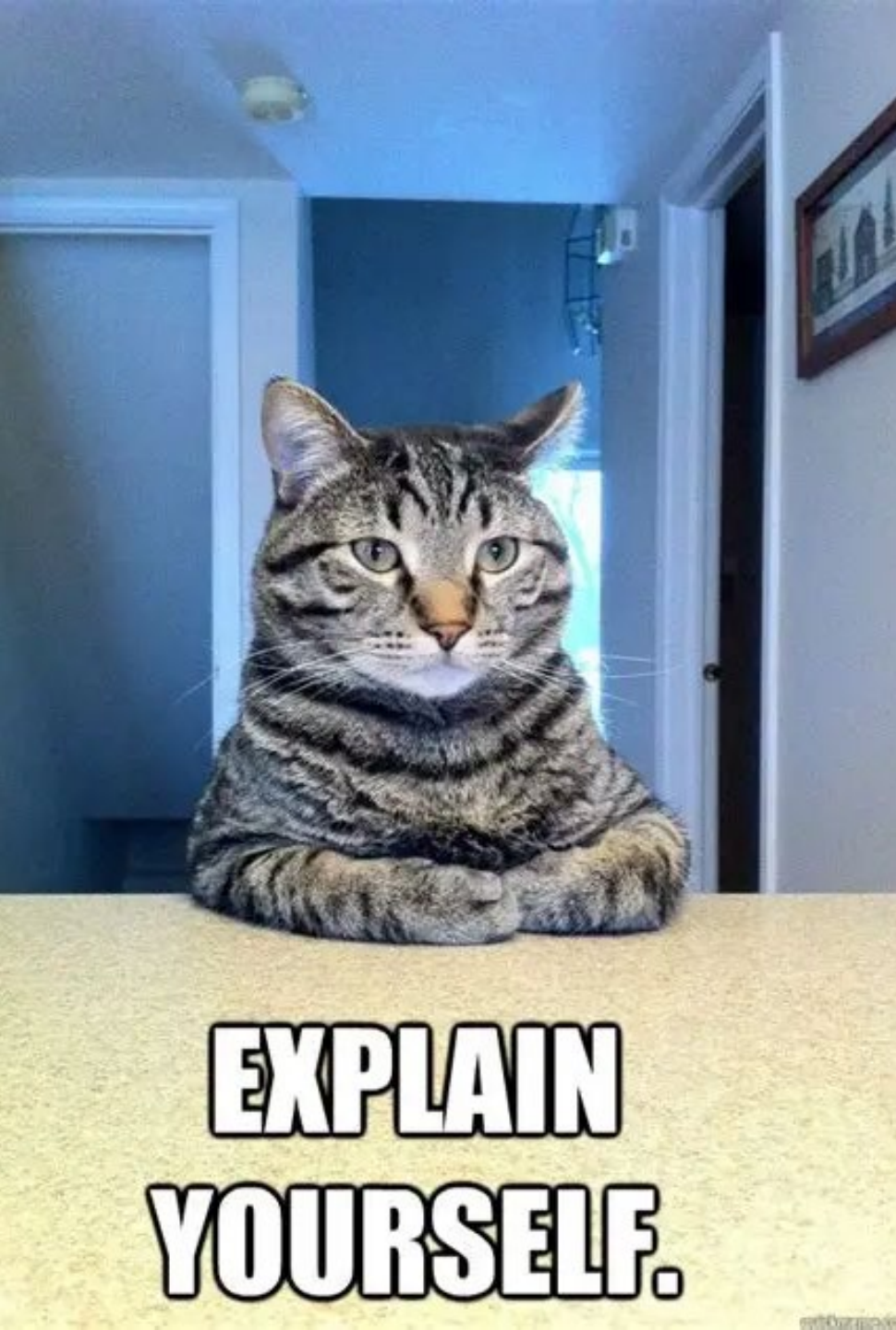
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How did they do it?

# Puzzling Flux Explanations

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- Due to the System Office, they required this change
- Please check with some one else
- Because
- This will require more time to research, which I do not have
- ‘Cuz’
- I am going to place some text in this box in hoping this will be good enough...who really reads these explanations anyway?



What about  
these  
Reponses?

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## Example: Completed a New Building

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- Capital Asset increase
- Depreciation increase
- Debt increase
- Utility increase
- Landscaping costs increase
- Other Expenses
- Salary costs
- Benefit costs

# AI?

- Why write my own explanation when I can ask Google or an AI tool for help?
- More tools are available
- Mostly, we normally, just need more time
- If your team needs more time to complete the flux, let us know



# AI Financial Statement Flux

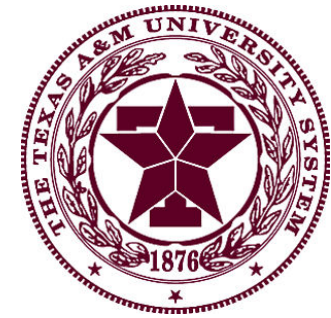
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- AI agents are transforming how finance teams perform flux analysis by automating variance detection, explanation, and reporting
- These agents connect directly to your ERP, detecting period-over-period variances and generating contextual, narrative-ready explanations on demand
- This shift from manual to automated flux analysis is not just faster; it's **structurally different**, allowing finance teams to spend less time pulling numbers and more time understanding what's driving change
- This capability is particularly valuable in a world where boards and business partners expect answers **today**, not next week

# Review

## 2024 Consolidated Flux

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- These the amounts and the ‘why’s’
- Process
  - Post entries into USAS for agency 798-All Members and elimination entries
  - Run USAS Flux Report
  - Explain the amounts greater than 10% or \$1,000,000
    - Report only prints these amounts
- Review the Balance Sheet and Operating Statement for Proprietary funds, single column
- Notice descriptions have agency numbers, part numbers, initials

# Are we good listeners?

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- It does seem we are moving through our work at a much quicker speed
- It makes it challenging to slow down and listen
- Wiley Thedford told me about 18 years ago...Teresa you need to look up and smell the roses more....when I think about it and as we attend NACUBO and SACUBO conferences, this is true..these are wise words



# NACUBO Speaker-Managing Conflict

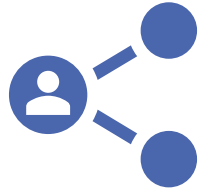
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- Be ready for team members to need help...not if, but when
- If we did not have conflict we would not grow?
- How can we work through conflicts?
- Helping others through the AFR process
- Being able to work smarter
  - Is there anything we can do to help?
  - Is there something that helps your team?

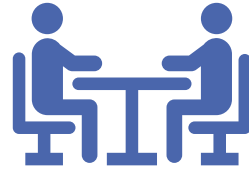
Think about  
**building a  
team vs.  
being the  
Fixer**

**Meet  
people  
where  
they are**





What works for your team?



Do you separate by topic?



Any tips?

# Volunteers

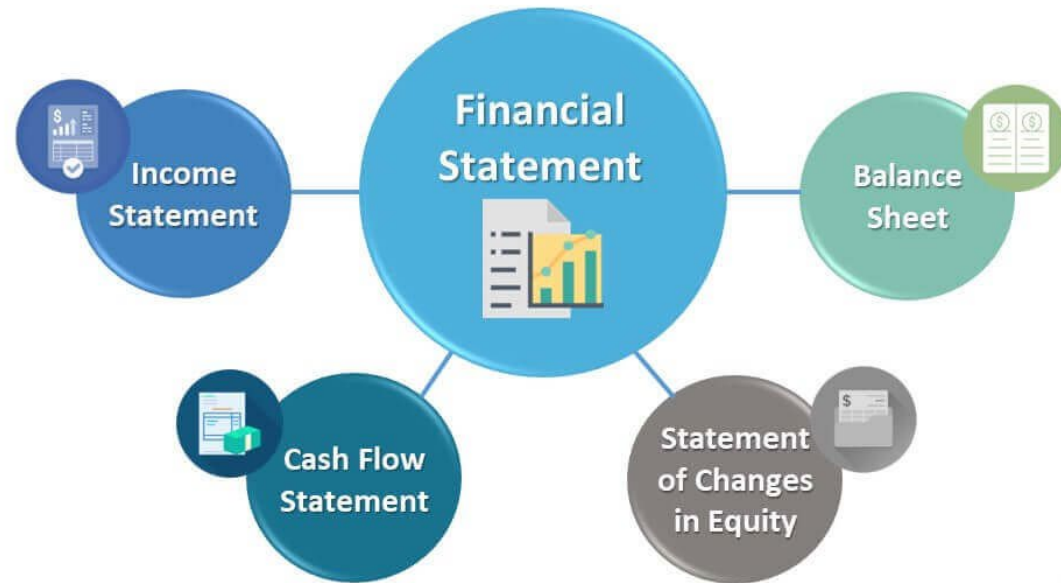


# Questions?

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- Hopefully, this presentation helped
- Your Story **does matter**, and we want to understand how your institution or agency did in 2025

# Financial Statements



## Closing Comments

- We have official kicked off the AFR Season
- Looking forward to working with your team
- Safe travels home