

Section 18

GLOSSARY

The following definitions were taken from the FAMIS Financial Accounting Users Manual and the State of Texas Reporting Requirements for Annual Financial Reports of State Agencies and Universities.

A

ABR

See Automatic Budget Reallocation.

ABR Pool Table

A user-defined table assigning rules for budget pools and the subcode ranges participating in each pool.

Account

A functional unit, identified by an account ID, which serves a particular accounting purpose where one person has primary responsibility for it. Accounts include balance sheets (GL) and revenue/expenditure accounts (SL). A building (in the Plant Funds area) is an example of a General Ledger account and the President's Office is an example of a Subsidiary Ledger account.

Account Control

The last four digits in the account number for a General Ledger account. The account control designates a specific asset, liability, fund balance, fund addition, fund deduction or summary control.

Account ID

A 6-digit identification number for an account.

Account Number (10 digit)

A 10-position ID within the master file of the Financial Accounting System. The first 6 positions identify the specific account while the last four positions identify the account control for a balance sheet account (GL) and the object code for a revenue or expenditure account (SL).

Accounts Payable

Payables are amounts owed for goods or services actually rendered or provided to the agency by August 31, but for which the agency has not yet made payment.

Accounts Payable Module

An application of the Financial Records System. AP processes vendor invoices and keeps track of financial activity involving vendors.

Accounts Receivable

Receivables are amounts owed to the state entity from private persons or organizations for goods and services furnished.

Accumulated Depreciation

The amount of depreciation expense that has been recognized for the asset, or class of assets, to date.

Accrual Basis

The basis of accounting under which revenues are recorded when earned and expenditures (or expenses) are recorded as soon as they result in liabilities for benefits received, notwithstanding that the receipt of cash or the payment of cash may take place, in whole or in part, in another accounting period.

Accrue

To record revenues when earned and to record expenditures (or expenses) as soon as they result in liabilities for benefits received, notwithstanding that the receipt of cash or payment of cash may take place, in whole or in part, in another accounting period.

Accrued Expenses

An expense incurred during the current accounting period but the payment will not be made until a subsequent accounting period.

Accrued Interest Payable

A liability account that represents the amount of interest expense accrued at the balance sheet date but not due until a later date.

Accrued Revenue

A revenue that has been earned during the current accounting period but will not be collected until a subsequent accounting period.

Action/Context Line

The screen line (usually fourth from the top) or lines where the screen to be accessed and the key of the data to be addressed are input and displayed.

Agency Funds

A fund consisting of resources received and held by the governmental unit as an agent for others; for example, the employees' savings bonds accounts.

Agency General Ledger Account (AGL)

The AGL contains the agency and D23 agency fund to which or from which funds flow.

Alias

A commonly used name for a vendor, other than the formal vendor name (primary name) that prints on the check. The Purchasing System also offers a commodity alias name and permits you to define any number of alias names, once a vendor has been created.

Allowance for Doubtful Accounts

Reflects the portion of a receivable account that is not expected to be collected. The calculation of the Allowance for Doubtful Accounts should be reported on a reasonable, realistic, and supported basis. The remaining Balance is reflected as a Reserve or net realizable value of the related receivable.

AP

See Accounts Payable.

Assets

Probable future economic benefits obtained or controlled by a particular entity as a result of past transactions or events.

Assets Held in Trust

Capital assets held by an agency on behalf of a non-state entity (such as art collections owned by families, estates and others) and that are under the temporary control of the agency.

Attributes

Descriptive data associated with a record. Examples are school, department, function, name and responsible person. Attributes support a variety of sophisticated reporting techniques.

Automatic Budget Reallocation (ABR)

When transactions are entered, a process by which the system automatically transfers budget dollars from predefined budget pools to specific object codes.

B**Bank Transfer**

A movement of cash from one bank account to another.

Basic Financial Statements

Term used in GASB *Statement No. 34* to describe required government-wide financial statements, fund financial statements and notes to the financial statements.

Basis of Accounting

The standard (or standards) used to determine the point in time when assets, liabilities, revenues and expenses (expenditures) should be measured and recorded as such in the accounts of an entity.

Batch/Session

A collection of related transactions input to the system with a header record and sometimes with control totals, usually prepared by one person or subsystem feed.

Batch Interface

A type of interface where one system generates transaction to be batched for input into another system.

BBA

See Budget Balance Available.

Blending

The method of reporting the financial data of a component unit in a manner similar to the presentation of the primary government.

Budget

A plan of revenue and expenditures for an accounting period expressed in monetary terms.

Budget Balance Available (BBA)

That portion of budget funds that is unspent and unencumbered.

Budget Pool

A budget summarized at significant levels of revenue or expense.

Building

A building is a structure that is permanently attached to the land, has a roof, is partially or completely enclosed by walls and is not intended to be transportable or moveable. Buildings that are an ancillary part of the state's highway network, such as rest area facilities and toll buildings, will be reported as infrastructure rather than as buildings.

Building Improvement

Building improvements are capital events that materially extend the useful life of a building or increase the value of a building, or both. A building improvement should be capitalized as a betterment and recorded as an addition of value to the existing building if the expenditure for the improvement is at the capitalization threshold.

Business-Type Activity (BTA)

Commercial-type activities of a government that are financed in whole or in part by fees charged to external parties for goods or services. Business-type activities are usually reported in enterprise funds.

C

Capital Assets

Assets of a long-term character that are intended to continue to be held or used, such as land, improvements to land, easements, buildings, building improvements, vehicles, machinery, equipment, works of art and historical treasures, infrastructure and all other tangible or intangible assets that are used in operations, have initial useful lives extending beyond a single reporting period, and meet Comptroller capitalization thresholds.

Capital Lease Obligations

Liabilities under capital leases are long-term leases to buy certain capital assets. The liability represents the obligation for future lease payments which are not funded by current resources. The related capital assets are recorded at the present value of the future minimum lease payments at the inception of the lease plus, any cash paid or trade-in value received.

Capital Leases

A lease that substantively transfers the benefits and risks of ownership of a capital asset to the lessee. Any lease that meets certain criteria specified in applicable accounting and reporting standards is a capital lease.

Capital Outlay

The purchase or construction of a capital asset which represents an exchange of an asset that can be spent (cash) for an asset that cannot be spent, thus resulting in a net decrease in current financial resources. This decrease is reported in the governmental fund operating statement.

Capital Projects Fund

A fund created to account for all resources to be used for the construction or acquisition of designed capital assets by a governmental unit except those financed by proprietary or fiduciary funds.

Cash

Coins, currency, checks, and anything else a bank will accept for immediate deposit.

Cash Disbursement

A payment for goods received, services rendered, reduction of debt or purchase of other assets.

Cash Equivalents

Short-term, highly liquid investments that are both readily convertible into known amounts of cash and so near their maturity that they present insignificant risk of changes in value due to changes in interest rates.

Cash Receipt

Cash received from cash sales, collections on accounts receivable and sale of other assets.

Cash Report

The Cash Report is a cash basis report for the State of Texas as required by statute. It is based on the activity of cash (General Ledger Account 0045) in the State Treasury. The Cash Report is prepared on a fiscal year basis with a hard cash close on August 31, each year.

Chart of Accounts

A listing, at the 6-digit level, of all account numbers within the Financial Accounting System. Sometimes the COA defines the accounts at the 10-digit level as well. The 10-digit level includes account controls and object codes.

Check Override

The capability to bypass, on an individual-voucher basis, controls that were previously set for all vouchers.

Claim-On- Cash

The share of ownership that an account has in the institution's moneys.

Clearing Account

A temporary summary account (such as a payroll account) which is periodically set to zero.

COA

See Chart of Accounts.

Combined Financial Statement

A financial statement that displays the combined financial data for various fund types and, if applicable, discretely presented component units in separate adjacent columns.

Combining Financial Statement

A financial statement that displays the financial data for each of the funds of a given fund type in separate adjacent columns. The totals reported for the fund type should agree with those reported in the column for that fund type in the combined financial statements.

Component Unit

Legally separate organizations for which the elected officials of the primary government are financially accountable. In addition, a component unit can be another organization for which the nature and significance of its relationship with a primary government is such that exclusion would cause the reporting entity's Annual Financial Report to be misleading or incomplete.

Compound Journal Entry

A transaction that posts more than one debit or credit.

Comprehensive Annual Financial Report (CAFR)

The CAFR is a financial report that encompasses all funds and component units of the government prepared in conformance with Generally Accepted Accounting Principles (GAAP) and Governmental Accounting Standards (GASB) requirements.

Construction-In-Progress

Construction-In-Progress reflects the economic construction activity status of buildings and other structures, infrastructure (highways, energy distribution systems, pipelines, etc.), additions, alterations, reconstruction, installation, and maintenance and repairs that are substantially incomplete. Construction- In-Progress should be included with capital assets in the statement of net assets. However, it should be reported with other assets not being depreciated, such as land, land improvements, and infrastructure accounted for using the modified approach.

Context

The information that identifies the record being displayed or to be displayed by the system.

Controlled Assets

Controlled assets are assets of the state, identified by the Comptroller's office, that must be secured and tracked on the State Property Accounting system (SPA) due to the nature of the items.

Credit Memo

The reduction of a payable previously paid or still open. A credit memo may result from overpayment, overbilling, or the return of goods.

Currency Code

A code which identifies a record in the Tax Currency Table. This record provides the factor to calculate foreign currency conversion costs or gains and the liability account used. The code is translated through a table into a conversion rate.

Current Assets

Those assets that are available or can be made readily available to meet the cost of operations or to pay current liabilities. Some examples are cash, temporary investments, and taxes receivable that will be collected within 60 days from the balance sheet date.

Current Liabilities

Liabilities payable within a relatively short period of time, usually no longer than a year.

Cycle

Two or more programs that are run in a specific sequence.

D

Data

Data are representations, such as characters, to which meaning might be assigned. They provide information and can be used to control or influence a process. This term is not synonymous with information. Information is data to which meaning has been assigned.

Database

The collected information that is accessible to the computer for processing.

Data Control

The tracking of input, processing and output, and the comparing of actual results to expected results in order to verify accuracy.

Data Element HELP

An on-line feature which assists the user by providing immediate information about any particular field on a screen.

Data Entry

A means for adding information into the system.

Default

The value that the system will assign if no other value is entered.

Delete Flag

A data element whose condition signifies that a document will be permanently removed from the data base during the next archive cycle.

Demand Voucher

Voucher to be paid during the next Check Cycle.

Depreciation

Allocating, in a systematic manner, the cost of a capital asset over its useful life.

Debt Service Fund

A fund established to finance and account for the payment of interest and principal on all tax-supported debt, serial, and term, including debt payable from special assessment.

Deferred Charges

Long-term prepayments of expenses subject to amortization. Examples are the cost of issuing bonds and certain pension costs.

Deferred Revenue

Resource inflows of an accounting period that will not be earned until a subsequent period must be

reported as deferred revenue on the balance sheet and must not be reported as revenue until earned. Unearned amounts are always reported as deferred revenue. In governmental funds, earned amounts also are reported as deferred revenue until they are available to liquidate liabilities of the current period.

Diagnostic Message HELP

An on-line feature which assists the user with data entry by providing an explanation of a message and the appropriate action to take.

Diagnostics

The messages that describe the results of processing. These messages may indicate an error and provide information about a process by noting what action to take to correct the error.

Digit 3 of TC

The third digit of the Transaction Code (Entry Code) which specifies the type of transaction.

Discount Account

The account credited for discounts taken by the system when a check is written.

Discount Table

A table containing user-defined values representing discount terms for vendors.

Dollar Data

A record of the dollar amount and the type of financial transactions posted to an account.

Dollar Limit

A code used in Accounts Payable to specify a check amount. If the amount of a vendor's check is greater than this value, the check will not be generated.

Drop Flag

A data element whose condition signifies that a document is to be removed from the data base immediately.

Due To/From Other Agencies

Accruals of reimbursements, transfers, federal/state grant pass-throughs, and shared funds that are owed to or from other state agencies or universities.

DUNS

The Data Universal Numbering System (DUNS) is a unique nine-digit identification number provided by the commercial company Dun & Bradstreet. The Office of Management and Budget uses it to keep track of how Federal money is awarded and dispersed and is required on all federal grant applications.

E

Employees' Compensable Leave

Liabilities for the vacation and compensatory leave accrued by employees. The balance will need to be shown in both the current and non-current liability section of the balance sheet or statement of net assets.

Encumbrance

An obligation incurred in the form of a purchase order or contract. Also referred to as an open commitment.

Endowment

Funds received by an institution from a donor who specifies the condition that the principal not be spent.

Endowment Income

The income generated by investing the principal of an Endowment Fund.

Entry Code

The initial three-digit code on a transaction that denotes the transaction type. This code, which is mandatory for all FRS transactions, is predefined by the system. It is also known as the Transaction Code.

Exchange Transactions

Transactions in which each party receives direct tangible benefits commensurate with the resources provided, for example sales between a buyer and a seller.

Exchange-Like Transactions

A transaction in which the values exchanged, though related, may not be quite equal or in which the direct benefits may not be exclusively for the parties to the transactions, unlike a *pure* exchange transaction.

Expenditures

Decreases in net financial resources under the current financial resources measurement focus not properly classified as other financing uses.

Expenses

Charges incurred, whether paid or unpaid, for operation, maintenance, interest, and other charges presumed to benefit the current fiscal period.

External Investment Trust Fund

Fiduciary fund type used to report governmental external investment pools in separately issued reports and the external portion of these same pools when reported by the sponsoring government.

Extraordinary Items

Extraordinary items are events and transactions that are distinguished by their unusual nature *and* by the infrequency of their occurrence.

F**FA**

See Financial Accounting.

Facilities

Assets (other than general use buildings) built, installed, or established to enhance the quality or facilitate the use of land for a particular purpose.

Fair Value

The amount for which an asset could be exchanged in a current transaction between willing parties.

Federal Grants and Contracts

Direct federal revenue includes: (1) all unrestricted amounts received by grants, contracts and agreements from federal governmental entities for current operations; (2) all amounts received through restricted grants, contracts, and cooperative agreements to the extent expended for current operations; and (3) all federal funds received from non- state entities. Each revenue stream must be analyzed to determine whether the funds will be classified as operating or non-operating revenue.

Federal Pass-Through Grants from Other State Agencies and Universities

These are funds received from other state agencies or universities through restricted grants, contracts, and cooperative agreements for current operations. Separately identify amounts by CFDA# and received from agency name, agency number, and USAS D23 fund number. This amount must agree with the federal grants received from other state agencies reported in the Schedule of Expenditures of Federal Awards.

Federal Receivables

Funds expended or services performed for which federal contract and /or grant funds have not yet been collected during the current fiscal year are to be reported as Federal Receivables. Funds expended and/or services performed for which non-federal contract and grant funds have not been collected should be reported as Accounts Receivable. Grant awards not yet funded and for which the institution has not yet performed services should not be considered as assets to be accounted for in the financial statements.

Feed

Transactions from other systems that are transferred to the Financial Records System.

Field

That part of a control record, transaction or screen established for displaying or entering information.

File

A storage area established within a computer system or database for the purpose of organizing similar data.

Financial Accounting (FA)

A Financial Records System application that balances the General and Subsidiary ledgers while providing a complete audit trail of all transactions.

Financial Records System (FRS)

A system that supports the financial record-keeping and reporting of a college or university.

Financial Transaction

An entry made to the system to record information.

Flag

A data element used to set controls or conditions on a process or program.

Freeze Flag

A data element whose condition signifies that the data on this document cannot be transferred. This includes no feeds or invoice postings for this document.

FRS

See Financial Records System.

Full Accrual Basis of Accounting

Method of accounting that recognizes the financial effect of transactions, events, and interfund activities when they occur, regardless of the timing of related cash flows. Full accrual-basis accounting recognizes expenses, not expenditures. Expenses and revenues resulting from exchange and exchange-like transactions should be recognized when the exchange takes place. Expenses and revenues resulting from non-exchange type transactions should be recognized in accordance with requirements of GASB Statement No. 33.

Fund

An accounting entity (a 6-digit GL account) with a self-balancing set of 10-digit accounts for recording assets, liabilities, a fund balance and changes in the balance.

Fund Balance

The equity of a fund (the difference between assets and liabilities).

Fund Financial Statements

Basic financial statements presented on the basis of funds and reports more detailed information about the primary government. Term used in contrast with government-wide financial statements.

Fund Group

A related collection of funds (6-digit GL accounts). Examples include Current Unrestricted, Current Restricted, Loan, Endowment, Annuity and Life Income, Plant, and Agency.

Fund Group ID

A one-digit identification number representing the fund group with which an account is associated.

Fund Transfer

A movement of dollars from one fund balance to another.

Fund Type

A classification of funds that is similar in purpose and character.

Funds Held for Others

Consists of funds held in a custodial nature, but not belonging to the state.

G

GEB

See Generate Expense Budget.

GL

See General Ledger.

General Ledger (GL)

A balance sheet account for the institution. All GL account numbers begin with "0" (zero).

Generate Expense Budget (GEB) Flag

A GEB Flag with a value of 'Y' means that as revenue is added to or subtracted from an account, a corresponding expense budget is created. GEB budgets are created in a nightly batch process for the net revenue entered for that day.

GL/SL Relationships

User-defined structures relating Subsidiary Ledger (SL) revenue/expense accounts to General Ledger (GL) fund accounts.

Global Subcode Edit (GSE)

A system edit which checks each new 10-digit account against a table which specifies valid combinations of 6-digit accounts and subcodes.

GSE

See Global Subcode Edit.

H

Header

That portion of a Purchasing document containing basic information such as the document's number, the date and amount.

HELP

An on-line feature which accesses PREDICT in order to supply descriptions, valid values and suggested actions. See Data Element HELP, Diagnostic Message Help and Screen HELP.

Higher Education Assistance Fund

The constitutional appropriation for acquiring land with or without permanent improvements, constructing and equipping buildings or other permanent improvements, major repair or rehabilitation of building, or other permanent improvements and acquisition of capital equipment, library books and library materials at the eligible institutions and agencies of higher education.

I

Indirect Updating

The automatic posting of real dollar activity to a GL Balance Sheet account as a result of a direct transaction.

Infrastructure Assets

Long-lived capital assets that are normally stationary in nature and can be preserved for a significantly greater number of years than most capital assets. These assets are often linear and continuous in nature (i.e. highway systems).

Inquiry Screen

A screen which only displays information and cannot be used for entering data.

Interface

A communication link between data processing systems or parts of systems that permits sharing of information.

Interfund Borrowing

The transfer of an asset or liability from one fund to another.

Internal Service Fund

A fund established to finance and account for services and commodities furnished by a designated department or agency to other departments and agencies within a single governmental unit, or to other

governmental units.

Investment Trade Payable

An account used to record a purchase of an investment pending the cash settlement.

Investment Trade Receivable

An account used to record a sale of an investment pending the cash settlement.

J

JCL

See Job Control Language.

Job Control Language (JCL)

A problem-oriented language, used in IBM, which expresses the statements of a job. It is also used to identify the job or describe its requirements, usually to an operating system.

Journal Entry

A non-cash transfer of dollars between two or more accounts.

L

Land

Land is the surface or crust of the earth, which can be used to support structures and may be used to grow crops, grass, shrubs, and trees. Land is characterized as having an unlimited life (indefinite).

Land Improvement

Land improvements consist of betterments, site preparation and site improvements (other than buildings) that ready land for its intended use. The costs associated with improvements to land are added to the cost of the land.

Lapsed Appropriations

This amount represents unexpended Legislative Appropriations per the General Appropriations Act and from other special appropriations returned to the state. Current year appropriations normally should not be lapsed until the following year.

Leasehold Improvements

Construction of new buildings or improvements made to existing structures by the lessee, who has the right to use these leasehold improvements over the term of the lease. These improvements will revert to the lessor at the expiration of the lease.

Ledger

A collection of account records for an organization. FRS contains two ledgers: the GL (balance sheet) and the SL (revenue and expense). See also General Ledger and Subsidiary Ledger.

Legislative Appropriations

This amount represents the balance of an agency's unexpended Legislative Appropriations authority on the Balance Sheet and the total spending authority received on the Operating Statement.

Liability Account

A GL account that is credited for the liability when a voucher is processed.

Library Books and Materials

A library book is generally a literary composition bound into a separate volume and identifiable as a separate copyrighted unit. Library reference materials are information sources other than books which include journals, periodicals, microforms, audio/visual media, computer-based information, manuscripts, maps, documents and similar items which provide information essential to the learning process or which enhance the quality of academic, professional, or research libraries.

Loans and Contracts

Loans and Contracts are written contractual agreements containing an unconditional promise to pay a certain sum of money under terms specified in the contract or loan. Any Variable Rate Notes proceeds receivables, which are not in substance bonds, should be included in this account. Student loans should be included.

Long-Term Liabilities

Liabilities with a maturity of more than one year after the date of the fiscal-year end.

M**Maintenance Costs**

The costs that allow an asset to continue to be used during its originally established useful life. These costs are expensed in the period incurred.

Major Funds

A governmental fund or enterprise fund reported as a separate column in the basic fund financial statements. Major funds are funds whose revenues, expenditures/expenses, assets, or liabilities (excluding extraordinary items) are at least 10 percent of corresponding totals for all governmental or enterprise funds and at least 5 percent of the aggregate amount for all governmental and enterprise funds for the same item. Only agencies that require an outside audit opinion will use major funds. Major funds for the State of Texas will only be used at the CAFR level. If agency officials believe any other governmental or enterprise fund is particularly important, that fund may be reported as a major fund.

Management Discussion and Analysis (MD&A)

Narrative information, in addition to the basic financial statement, in which management provides a brief, objective, and easily readable analysis of the government's financial performance for the year and its financial position at year-end. MD&A is required by GASB's *Statement No. 34* for state and local

governments to discuss the current-year results in comparison with the prior year, with emphasis on the current year. The narrative should be a fact-based analysis discussing the positive and negative aspects of the comparison with the prior year. The analysis should focus on the primary government.

Map Code

A five-digit attribute code in an SL account indicating the GL Fund ID to which it relates.

Memo Bank Account

An account that represents the balances of demand deposits for operating accounts.

Menu

A screen containing a list of available processes, screens or other menus.

Modified Accrual Basis of Accounting

Modified accrual basis of accounting is accrual accounting adapted or *modified* for governmental funds. The focus of governmental funds is on expenditures rather than expenses. Expenditures must be measurable and recognized when the related fund liability is incurred. Because expenditures are measurable when incurred, they are generally recognized on the modified accrual basis. For revenue recognition to occur, the criteria in GASB 33 should have been met and the revenues should be available. Revenues are considered available if they are collected in the current period or soon enough thereafter to be used to pay liabilities of the current period.

N**Name Rotation**

A feature that allows users to print a vendor name in one format on checks and then rotate it to another format for sorting on reports.

Net Assets

In the statement of net assets, assets minus liabilities equal net assets. Net assets should be displayed in three components: (a) invested in capital assets, net of related debt; (b) restricted; and (c) unrestricted.

Net Book Value

Net book value is an asset's historical cost less accumulated depreciation.

Network of Assets

Composed of all assets that provide a particular type of service for a government. For example, a network of infrastructure assets may be a dam composed of a concrete dam, a concrete spillway and a series of locks.

Non-Exchange Transactions

Transactions in which the donor derives no direct tangible benefits from the recipient agency, for example, a contribution to or support for a government or not-for-profit organization.

Non-Reciprocal Interfund Activity

Includes transfers, previously referred to as operating transfers, and reimbursements. Reimbursements will be eliminated in the CAFR and therefore, will not be reported as interfund activity in the financial statements. Transfers will be reported as the final item before change in net assets.

Non-Operating Expenses

Expenses incurred for the performance of activities not directly related to supplying the basic service by a governmental enterprise. An example of a non-operating expense is interest paid on outstanding revenue bonds.

Notes and Loans Payable

These liabilities result from issuing an interest-bearing certificate or making a loan to derive resources to finance acquisition of long-lived assets. Any Variable Rate Notes should be included in this account. Any debt instrument considered to be Commercial Paper or Variable Rate Notes re-financed after less than one year should be classified as Notes and Loans Payable and not Bonds Payable. These debt instruments are not considered long term in nature. Examples include PUF Variable Rate Notes. The debt instruments must be separated into current and non-current liabilities for presentation on the Balance Sheet or Statement of Net Assets.

O

Object Code

A four-digit number identifying specific items of revenue/expense or attribute records.

Operating Expense

These expenses are incurred as a direct result of the nature of activity being reported.

Operating Leases

A rental-type lease in which the lessor substantively retains the risks and benefits of ownership and that does not meet the criteria defined in applicable accounting and reporting standards as a capital lease.

Operating Revenue

These revenues are derived from the nature of the activity being reported. An example would be tax revenue or assessed fees.

Other Contracts and Grants

This category includes unrestricted and restricted amounts received from city and county agencies, organizations, or individuals. This category also includes amounts from non-governmental organizations and individuals, including funds resulting from contracting for the furnishing of goods and services of an instructional, research, or public service nature. It includes all unrestricted gifts, grants, and bequests as

well as all restricted gifts, grants, and bequests from non-governmental sources to the extent expended in the current fiscal year. Grants and contracts from foreign governments are included in the category. If material, non-monetary donations of services (e.g., professionals or members of religious groups donating their services, or computer time donated to the institution by an organization), should be recorded as gift revenue at a rate as close to fair market value as can be objectively determined. An equivalent value should be reported as expenditures by the department or division receiving the services, following the same classification as other expenditures.

Other Financing Sources

An operating statement classification, in which financial inflows other than revenues are reported, for example, proceeds of long-term capital-related debt and transfers-in.

Other Financing Uses

An operating statement classification in which financial outflows other than expenditures are reported, for example, transfers-out.

P

Parameter

A variable that is assigned a constant value for a specific purpose or process. It provides the user with defined choices for report selection, processing or output requirements.

Pension Trust Fund

A fiduciary fund type used to report resources that are required to be held in trust for the members and beneficiaries of defined benefit pension plans, defined contribution plans, other post-employment benefit plans, or other employee benefit plans.

Petty Cash

A sum of money set aside for the purpose of making change or paying small obligations for which the issuance of a formal voucher and check would be too expensive and time consuming.

Permanent Fund

The governmental-type fund used to account for public-purpose trust for which the earnings are expendable for a specified purpose, but the principal amount is not expendable.

Personal Property

Fixed or movable tangible assets to be used for operations, the benefits of which extend beyond one year from date of acquisition and rendered into service. Improvements or additions to existing personal property that constitute a capital outlay or increase the value or life of the asset by 25 percent of the original cost or life should be capitalized as a betterment and recorded as an addition of value to the existing asset.

Preservation Costs

These costs are costs that extend the useful life of an asset beyond its previously established useful life.

Primary Government

Primary government is a state government or general-purpose local government. Also, a special-purpose government that has a separately elected governing body, is legally separate and is fiscally independent of other state or local governments.

Private Purpose Trust Fund

A fiduciary trust fund type used to report all trust arrangements, other than those properly reported in pension trust funds or investment trust funds, under which principal and income benefit individuals, private organizations, or other governments.

Professional Fee Revenue (Higher Ed)

These receipts are revenues for colleges and universities and are derived from the fees charged by the professional staffs at health institutions as part of the Medical Practice Plans. These revenues are also identified as Practice Plan income. Examples of such fees could include doctor's fees for clinic visits, medical and dental procedures, professional opinion, and anatomical procedures, such as analysis of specimens after a surgical procedure, etc. Other revenues generated from non-professional fees and miscellaneous income, e.g. reimbursement for long distance charges, collections for photocopy services, lab fees, computer services, rental of microscopes, etc. should be reported in the Hospital Sales of Goods and Services category.

Program Revenue

Term used in connection with the government-wide statement of activities. Revenue provided by those who purchase, use or directly benefit from the goods or services of a program. Program revenues reduce the net cost of the function to be financed from the government's general revenues. The statement of activities (a government-wide financial statement) should separately report three categories of program revenues: (a) charges for services, (b) program-specific operating grants and contributions, and (c) program-specific capital grants and contributions. The following types of revenue are classified as program revenues:

- Revenues financed by those who purchase, use, or directly benefit from the goods and services of the program. (This group may extend beyond the boundaries of the reporting government's taxpayers or citizenry or be a subset of it.)
- Revenues financed by parties outside the reporting government's citizenry that are restricted to be used for specific programs. (This group includes other governments and nongovernmental entities or individuals.)
- Earnings on endowments or permanent fund investments that are restricted to programs specifically identified in the agreement or contract.

Proprietary Fund

Sometimes referred to as income-determination, business-like, or commercial-type funds of a state or local governmental unit.

R

Regular Order

A type or purchase order that denotes a typical order.

Remit-To Address

The address to which the check for goods and/or services rendered will be sent.

Required Supplementary Information (RSI)

Information that is required under GASB to support the basic financial statements. The information includes the Management Discussion and Analysis, budgetary comparison schedules for governmental funds and information about infrastructure assets reported using the modified approach.

Requisition

A type of document that internally requests goods and/or services to be acquired. It must be authorized before being converted to a purchase order.

Reserve for Encumbrances

A segregation of a portion of fund balances in the amount of encumbrances outstanding.

Reserve for Inventory

A segregation of a portion of fund balances to indicate that assets equal to the amount of the reserve are invested in inventories and are, therefore, not available for appropriation.

Residual Value

The estimated fair value of a capital asset, infrastructure or otherwise, remaining at the conclusion of its estimated useful life.

Restricted Fund

A fund established to account for assets, the use of which is limited by the requirements of donors or grantors.

Restricted Net Assets

Assets are considered restricted when constraints placed on the asset are either: (1) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws and regulations of other governments, or (2) imposed by law through constitutional provisions or enabling legislation. An *enabling legislation* is *legally enforceable* when a government can be compelled by an external party—such as citizens, public interest groups, or the judiciary—to use resources created by enabling legislation only for the purposes specified by the legislation. Intended to identify resources that were received or earned by the government with an explicit understanding between the government and the resource providers that the funds would be used for a specific purpose. Two additional components – expendable and nonexpendable – may be displayed when permanent endowments or permanent fund principal amounts are included in restricted net assets. Nonexpendable net assets are those that are required to be retained in perpetuity.

Retention Months

A data element defined when creating a vendor. This indicates the number of months a vendor is to be maintained on file after all outstanding items have been paid or reconciled.

Run Parameter

A parameter from a control record or a program control transaction (as opposed to a file maintenance transaction).

S**6-Digit Account**

For GL: a fund which consists of a self-balancing set of 10-digit accounts.

For SL: an entity of revenues and/or expenses.

Screen HELP

An on-line feature that assists the user with data entry by providing information on the purpose and operation of a particular screen.

Secondary Vendor

The vendor record holding the multiple addresses that are used periodically, as opposed to the primary address.

Session

A control mechanism to track real-time posting of a group of financial transactions in order to provide an audit trail.

Shared Funds

Shared funds are funds that are statutorily authorized for use by more than one state agency. The State Highway Fund (0006) and the Texas Collegiate License Plate Fund (Fund 5015) are good examples of a fund covered by these procedures. The *Controlling Agency* is the state entity that receives the major portion of the shared fund and is identified in the Comptroller Manual of Accounts or the Appropriated Fund (D22) profile in USAS in the Report Route Agency field. The controlling agency is responsible for reporting the entire cash in state treasury balance of the fund on its report. Other Balance Sheet/Statement of Net Assets accounts should only reflect the accounts of the controlling agency. The cash in state treasury balance on the non-controlling agency should be reclassified as a Due From Other Agencies. The noncontrolling agencies will report their own activities out of shared funds by reporting actual revenues and expenditures.

SL

See Subsidiary Ledger.

Special Items

Special items are significant transactions or other events within the control of management that are *either* unusual in nature *or* infrequent in occurrence.

Special Revenue Fund

A governmental fund type used to account for the proceeds of specific revenue sources (other than for major capital projects) that are legally restricted to expenditure for specified purposes.

Split Encumbrance

An encumbrance which applies to several accounts.

Standing Order

A type of purchase order used for reoccurring services like those provided by the telephone and electric companies.

State Grants and Contracts

This category includes grants and contracts received from junior colleges and private universities of the State of Texas and other states and cities.

State Pass-Through Grants from Other State Agencies and Universities

A state grant that is applied for and received from another state agency or university that had the appropriation with the authorization to grant it to other state agencies or universities. The agency received the funds based on meeting specific qualifications. The agency disbursing the grant did not receive any consideration or benefit in exchange for the funds. The disbursing agency must record a State Grant Pass-Through Expenditure and the receiving university must record a State Grant Pass-Through Revenue. These grants include (but are not limited to) Advanced Technology Program (ATP), Advanced Research Program (ARP), Remedial Education Program, College Work Study Program and Scholarship Fund for Fifth Year Accounting Students Account received from the Texas Higher Education Coordinating Board (THECB).

Statement of Activities

The statement of activities presents the operations of the government in a format that reports the net (expense) revenue of its individual functions. It presents governmental activities at the level of detail required in the governmental fund statement of revenues, expenditures, and changes in fund balances – at a minimum by function.

Statement of Cash Flows

The statement of cash flows explains the change during the period in cash and cash equivalents regardless of restrictions on their use.

Statement of Net Assets

The statement of net assets reports the difference between assets and liabilities, as net assets and not fund balances or equity.

Subcode

Four digits appended to the account ID to identify attributes and dollar records within an account.

Subsequent Events

Any events that occur between the end of the period covered by the financial statements and the statement completion date that may materially affect the financial condition of the agency are to be considered subsequent events.

Subsidiary Ledger

Revenue and expenditure accounts for the institution. All SL account numbers begin with a ledger number of 1 through 9.

Suspense Account

A GL clearing account reflecting real dollar activity directed to the Suspense File.

Suspense Fund

A fund established to account separately for certain receipts pending the distribution or disposal thereof.

Sweep Accounts

Arrangements in which a bank automatically *sweeps* cash that exceeds the target balance into short-term cash investments.

T

1099 Vendor

A vendor (usually a consultant or professional service hired by an institution) whose payments must be reported to the IRS on Form 1099.

1099 Voucher

A voucher that must be reported to the IRS on Form 1099.

10-Digit Account

The six-digit account ID combined with the four-digit subcode.

TANF Program and Early High School Program

Programs such as the TANF (Temporary Assistance for Needy Families) Program and the Early High School Program received from the THECB are applied to tuition of qualified students. Any accruals at year-end must be reported as Accounts Receivable/Accounts Payable.

Tax Code

A code that identifies a record in the PO Tax Table (for the Purchasing System) and in the Tax Currency Table (for Accounts Payable). The code must be the same for both tables. This record contains the tax percentage and the tax liability account to be used.

Tax ID

A Social Security Number or Federal Employer Identification Number (FEIN) that is available for 1099 report preparation.

Taxes

An additional charge on the acquisition of goods which is imposed by the taxing authority and should be paid with the invoice.

Temporary Vendor

A vendor from whom only one purchase or service is required. No further transactions, for this vendor, are expected.

Transaction Code

A three-digit code that uniquely identifies a transaction type and determines editing criteria and dollar fields to be updated.

Tuition and Fees

This category covers all tuition and fees assessed against students (net of refunds) for educational and general purposes. Tuition and fee remissions or exemptions should be assessed and reported as revenues even though there is no intention of collection from the student. The amount of such tuition remissions or exemptions will be offset as expenditures classified as *Scholarships and Fellowships*. This income category shall differentiate tuition and fee amounts pledged to revenue bond debt issues such as General Use Fee Bonds, Tuition Revenue Bonds, or Skiles Act Bonds.

Tuition Rebates for Certain Undergraduates

A qualified student is eligible for a rebate of a portion of the undergraduate tuition the student has paid if the student:

- Is awarded a baccalaureate degree from a general academic teaching institution;
- Has attempted no more than three hours in excess of the minimum number of semester credit hours required to complete the degree, including transfer credits and course credit earned exclusively by examination (TEX EDUC CODE ANN & 54.0065). The tuition recognized should be equal to the full amount charged (2000 Miller Governmental GAAP Guide, pg. 33.15). Any rebates should be coded to Comptroller Object 7696. The rebates will be paid from appropriated Fund 02XX.

U

Update Screen

A screen that allows a user to enter data for updating the files.

Useful Life

The amount of time an asset is expected to be in service. This timing will vary and should be based on the government's own experience and plans for the assets.

V

Valid Value

A value of a data element that has been defined in the DBD of IDD.

Value-Based

A mechanism used to restrict operator access to information by comparing operator security authorization with the value stored in the field.

Vendor

A provider of goods and/or services.

Vendor Addresses

See Order-From Addresses and Remit-To Addresses.

Vendor Automatic

A feature that automatically assigns a specific Number Assignment to the vendor in the Action/Context Line.

Vendor Commodity

A good or service purchased from a specific vendor.

Vendor File

A record of all attributes, dollar data, and control information for all vendors.

W

Works of Art and Historical Treasures

Collections or individual items of significance that are owned by a state agency which are not held for financial gain, but rather for public exhibition, education, or research in the furtherance of public service. These collections or individual items that are protected, cared for, or preserved and are subject to an organizational policy that requires the proceeds from sales of collection items be used to acquire other items for collections.