

University of Florida Financial Statements

Helpful Definitions

Accounts Receivable - assets due to the University, typically due from students (for tuition & fees); from federal, state, and private sponsors (for research); and from patients

Allowances for Uncollectible Receivables - reported based on management's best estimate as of fiscal year-end, considering type, age, collection history, and other factors considered appropriate; there is no allowance for grants and contracts receivable, as these are considered to be fully collectable

Assets - resources held by the University with future economic value that can be measured and expressed monetarily

Capital Assets - assets not easily converted to cash in the regular course of the University's operations; expected that the benefits gained from the asset will extend beyond a time frame of one year

Compensated Absences - employees earn the right to be compensated during absences for vacation and sick leave, and this accrued leave is to the credit of the employee; records are kept on each employee's unused leave balance and the University reports a liability for the accrued and unused leave in accordance with its policy regarding leave payment upon separation from employment

Current Assets - assets on the balance sheet that are cash, a cash equivalent, or which can be converted to cash within one year

Current Liabilities - debts or obligations of the University that are due within one year

Deferred Inflows - an acquisition of net assets by the University that is applicable to a future reporting period

Deferred Outflows - a consumption of net assets by the University that is applicable to a future reporting period

Depreciable - assets in which the cost of the asset is allocated over its useful life; this is done with a process called depreciation for tangible assets (e.g., cars) or amortization for intangible assets (e.g., software)

Depreciation Expense - the allocated portion of the cost of the University's fixed assets that is appropriate for the accounting period shown on the University's Income Statement

Fair Value - the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at a specific date

Fiscal Year - UF's fiscal year runs July 1 - June 30

Liabilities - claims against the University's resources (assets)

Loans and Notes Receivable - all amounts owed on promissory notes from debtors, including student loans made under the Federal Perkins Loan Program and other loan programs

Net Position - the difference between assets plus deferred outflows and liabilities plus deferred inflows

Noncurrent Assets - an asset that is not likely to turn into cash within one year of the balance sheet date; also called a long-term asset

Noncurrent Liabilities - long-term financial obligations listed on the University's balance sheet that are not due in the present fiscal year

Nondepreciable - capital assets that are inexhaustible or where the useful life does not decrease or expire over time; examples would include land or art collections

Unearned Revenue - when the University receives payment for a service or product, but the University has not yet performed the service or delivered the goods

Unrealized - an unrealized gain is a profit as a result of any type of investment increasing in value after it has been purchased, but the investment has not been cashed in; an unrealized loss occurs when an investment decreases after it is purchased, but the investment has not been sold. Gains and losses are "realized" when the investment is sold