How do account codes impact the University’s financial statements?

Tell Me

Expense account codes are used to summarize the effect of transactions on the University’s financial statements, which others rely on to make informed financial decisions (below are examples of how the University’s financial statements are used).

1. The University’s financial statements provide meaningful measures of the organization’s overall financial health and performance and indicate trends in financial growth, debt capacity, and capital activity.
2. University management reviews financial statement data for institutional decision-making, reporting financial performance to stakeholders, and supporting capital finance requirements.
3. The University’s financial statements also serve an important role in explaining the sources and uses of the University’s financial resources to taxpayers, students, and the general public.

Related FAQs

- What account should I use for employee training expenses?
- Should I record an offset to an expense account when I receive money back?
- How do I determine which “other” or “miscellaneous” account code to use?
- How do account codes impact the University’s financial statements?
- Which account code should I use to record a fixed asset when I create a new requisition?