



# Ingram, Wallis & Co., P.C.

CERTIFIED PUBLIC ACCOUNTANTS

December 20, 2023

To the Board of Directors  
Texas A&M Research Foundation  
College Station, Texas

We have audited the financial statements of the Texas A&M Research Foundation (the "Foundation") for the year ended August 31, 2023. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards* and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter to you dated June 13, 2023. Professional standards also require that we communicate to you the following information related to our audit.

## Significant Audit Matters

### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Foundation are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during fiscal year 2023. We noted no transactions entered into by the Foundation during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

The financial statement disclosures are neutral, consistent, and clear.

### *Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

### *Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. The attached schedule summarizes uncorrected misstatements of the financial statements. Management has determined that their effects are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. The following material misstatement detected as a result of audit procedures were corrected by management:

- The Foundation did not make an adjustment to record all fiscal year 2023 expenses paid in October and November 2023 in accounts payable at August 31, 2023. This resulted in accounts payable, research expenses, unbilled receivables, and grant revenue being understated by \$2,524,260.

### *Disagreements with Management*

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

### *Management Representations*

We have requested certain representations from management that are included in the management representation letter dated December 20, 2023.

### *Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Foundation's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

### *Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Foundation's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

### Other Matters

We applied certain limited procedures to the management's discussion and analysis, which is required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the schedule of expenditures of federal awards, which accompanies the financial statements but is not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

This information is intended solely for the information and use of the Board of Directors and management of the Texas A&M Research Foundation and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

*Ingram, Wallis & Company, P.C.*  
Ingram, Wallis & Company

**Summary of Passed Audit Adjustments  
For Texas A&M Research Foundation  
8/31/2023**

	Financial Statement Classification				
	Assets	Liabilities	Net Position	Revenues	Expenses
Prior Year Effect	\$ -	\$ -	\$ (10,923)	\$ 10,923	\$ -
Cash	6,750	-	-	-	-
Research-Other Operating Expenses <i>(To correct Wells Fargo cash balance at 8/31/23)</i>	-	-	-	-	(6,750)
Prepaid Expenses	14,597	-	-	-	-
Research-Other Operating Expenses <i>(To record prepaid software subscription at 8/31/23)</i>	-	-	-	-	(14,597)
	\$ 21,347	\$ -	\$ (10,923)	\$ 10,923	\$ (21,347)