

ALBANY STATE UNIVERSITY



Annual Financial Report
Fiscal Year 2022

ALBANY STATE UNIVERSITY
TABLE OF CONTENTS
For the Fiscal Year Ended June 30, 2022

| | |
|---|----|
| Financial Section | |
| Independent Accountant's Report | 3 |
| Management's Discussion and Analysis | 6 |
| Financial Statements (GAAP Basis) | |
| Statement of Net Position | 20 |
| Statement of Revenues, Expenses, and Changes in Net Position | 22 |
| Statement of Cash Flows | 24 |
| Statement of Fiduciary Net Position | 26 |
| Statement of Changes in Fiduciary Net Position | 27 |
| Notes to the Financial Statements | 28 |
| Required Supplementary Information | |
| Schedule of Contributions for Defined Benefit Pension Plan | 56 |
| Schedule of Proportionate Share of Net Pension Liability | 57 |
| Notes to the Required Supplemental Information for Pension Plans | 58 |
| Schedule of Contributions for OPEB Plan | 58 |
| Schedule of Proportionate Share of the Net OPEB Liability | 60 |
| Notes to the Required Supplemental Information for OPEB Plan | 61 |
| Supplementary Information | |
| Balance Sheet (Non-GAAP Basis) | 63 |
| Statement of Funds Available and Expenditures Compared to Budget (Non-GAAP Basis) | 64 |
| Statement of Changes to Fund Balance by Program and Funding Source (Non-GAAP Basis) | 66 |

Financial Section

**DOAA**Georgia Department
of Audits & Accounts**Greg S. Griffin**
State Auditor**INDEPENDENT ACCOUNTANT'S REVIEW REPORT**

The Honorable Brian P. Kemp, Governor of Georgia
Members of the General Assembly of the State of Georgia
Members of the State Board of Regents of the
University System of Georgia
and
Dr. Marion Ross Fedrick
Albany State University

We have reviewed the accompanying financial statements of the business-type activities and the fiduciary funds of Albany State University, as of and for the year ended June 30, 2022, and the related notes (financial statements), as listed in the table of contents. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of the Albany State University and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and required supplementary information listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting and for placing the basic financial statements in an appropriate operational, economic, or historical context. Such information is the responsibility of management. We have not audited, reviewed, or compiled the required supplementary information and we do not express an opinion, a conclusion, nor provide any assurance on it.

Other Matters

The accompanying supplementary information listed in the table of contents is presented for additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management. We have not audited, reviewed, or compiled the supplementary information and we do not express an opinion, a conclusion, nor provide any assurance on it. We did, however, perform certain procedures on the supplementary information.

Included in a separate Report on Review dated December 16, 2022 is a section on findings and other items for any matters that came to our attention during our engagement.

We have performed certain procedures at Albany State University to support our audit of the basic financial statements of the State of Georgia presented in the State of Georgia Annual Comprehensive Financial Report and the issuance of a State of Georgia Single Audit Report pursuant to the Single Audit Act Amendments, as of and for the year ended June 30, 2022.

This report is intended solely for the information and use of the management of Albany State University and the members of the Board of Regents of the University System of Georgia and is not intended to be, and should not be, used by anyone other than these specified parties.

Respectfully submitted,



Greg S. Griffin
State Auditor

December 16, 2022

ALBANY STATE UNIVERSITY

Management's Discussion and Analysis

Introduction

Albany State University (University) an historically black institution in Southwest Georgia, has been a catalyst for change in the region from its inception as the Albany Bible and Manual Training Institute to its designation as a university. The University is one of the 26 institutions of higher education of the University System of Georgia. The University, located in Albany, Georgia, University was founded in 1903 and has become known for offering a broad array of graduate, baccalaureate, associate, and certificate programs at its main campuses in Albany as well as at strategically-placed branch sites and online. Committed to excellence in teaching and learning, the University prepares students to be effective contributors to a globally diverse society, where knowledge and technology create opportunities for both personal and professional success. The University respects and builds on the historical roots of its institutional predecessors with its commitment to access and a strong liberal arts heritage that respects diversity in all its forms and gives all students the foundation they need to succeed. Through creative scholarship, research, and public service, the University's faculty, staff, students, and administrators form strategic alliances internally and externally to promote community and economic development, resulting in an improved quality of life for the citizens of southwest Georgia and beyond. This broad range of educational opportunities attracts a highly qualified faculty and a student body of more than 6,300 students each year. The institution continues to grow as shown by the comparison numbers that follow.

| | STUDENT HEADCOUNT | STUDENT FTE |
|---------|----------------------|-------------|
| FY 2022 | 6,328 | 5,588 |
| FY 2021 | 6,324 | 5,468 |
| FY 2020 | 6,509 | 5,699 |

Overview of the Financial Statements and Financial Analysis

The University is pleased to present its financial statements for fiscal year 2022. The emphasis of discussions about these statements will be on current year data. There are three Business-type Activities financial statements presented: the Statement of Net Position; the Statement of Revenues, Expenses and Changes in Net Position; and the Statement of Cash Flows. This discussion and analysis of the University's financial statements provides an overview of its financial activities for the year. Comparative data is provided for fiscal year 2022 and fiscal year 2021.

Statement of Net Position

The Statement of Net Position is a financial condition snapshot as of June 30, 2022 and includes all assets and liabilities, both current and noncurrent and deferred outflows and inflows of resources. The differences between current and non-current assets are discussed in the Notes to the Financial Statements. The Statement of Net Position is prepared under the accrual basis of accounting which requires revenue and asset recognition when the service is provided, and expense and liability recognition when goods or services are received despite when cash is actually exchanged.

From the data presented, readers of the Statement of Net Position are able to determine the assets available to continue the operations of the University and how much the University owes vendors. The difference between assets, deferred outflows of resources and liabilities and deferred inflows of resources (net position) is one indicator of the University's financial health. Increase or decreases in net position provide an indicator of the improvement or decline of the University's financial health when considered in conjunction with other non-financial conditions, such as facilities and enrollment. Net Position is divided into three major categories. The first category, net investment in capital assets, provides the University's equity in property, plant and equipment owned by the University.

The next category is the net investment in capital assets. It provides the University's equity in property, plant and equipment owned by the University.

The next category is restricted, which is divided into two categories, non-expendable and expendable. The corpus of non-expendable, restricted resources is available only for investment purposes. Expendable, restricted resources

are available for expenditure by the University but must be spent for purposes as determined by donors and/or external entities that have placed time or purpose restrictions on the use of the assets.

The final category is unrestricted. Unrestricted resources are available to the University for any lawful purpose.

| CONDENSED STATEMENT OF NET POSITION | | | Increase/ (Decrease) |
|--|-----------------------|------------------------|---------------------------------|
| | June 30, 2022 | June 30, 2021 | |
| ASSETS | | | |
| Current Assets | \$ 16,798,135 | \$ 15,608,864 | \$ 1,189,271 |
| Capital Assets, Net | 186,908,136 | 195,302,863 | (8,394,727) |
| Intangible Right-to-Use Assets, Net | 48,728 | — | 48,728 |
| Other Assets | 859,654 | 859,654 | — |
| TOTAL ASSETS | 204,614,653 | 211,771,381 | (7,156,728) |
| | | | |
| DEFERRED OUTFLOWS | 23,988,682 | 25,108,952 | (1,120,270) |
| | | | |
| LIABILITIES | | | |
| Current Liabilities | 12,513,925 | 15,346,134 | (2,832,209) |
| Non-Current Liabilities | 169,321,702 | 209,445,935 | (40,124,233) |
| TOTAL LIABILITIES | 181,835,627 | 224,792,069 | (42,956,442) |
| | | | |
| DEFERRED INFLOWS | 48,515,160 | 23,110,880 | 25,404,280 |
| | | | |
| NET POSITION | | | |
| Net Investment in Capital Assets | 96,884,524 | 100,960,617 | (4,076,093) |
| Restricted, Expendable | 84,310 | 80,440 | 3,870 |
| Unrestricted | (98,716,286) | (112,063,673) | 13,347,387 |
| TOTAL NET POSITION | \$ (1,747,452) | \$ (11,022,616) | \$ 9,275,164 |

(1) The amounts reported for fiscal year 2021 were not adjusted for the restatement of beginning net position. See Note 1 in the Notes to the Financial Statements for more information regarding the restatement.

Total assets decreased \$7,156,728 which was due to an increase in current assets of \$1,189,271, a decrease in net capital assets of \$8,394,727, an increase in net intangible assets of \$48,728, and remained constant in other assets. The overall decrease in unrestricted cash and investments was mostly driven by timing differences and increases in the spending for maintenance and renovation costs. Accounts receivables increased due to timing on collecting amounts due from sponsored grants and contracts, and an increase in prepaid expenses due to SIMS Lab project funded and managed by the Georgia State Financing and Investment Commission..

Total deferred outflows of resources decreased by \$1,120,270 which was primarily due to the University's proportionate share of the actuarially determined deferred loss on defined benefit pension plan administered by Teachers Retirement System of Georgia and Employees' Retirement System of Georgia.

Total liabilities decreased \$42,956,442 which was due to a decrease in current liabilities of \$2,832,209 and a decrease in non-current liabilities of \$40,124,233. Current liabilities decreased due to timing on the posting of unapplied financial aid. Non-current liabilities decreased due to a reduction in the university's net pension liability of \$31,829,336 related to the university's proportionate share of the actuarially determined liability for defined benefit plans administered by Teachers Retirement System of Georgia and Employees' Retirement System of Georgia, and a decrease in the university's net other post employment benefits (OPEB) of \$4,355,141.

The combination of the change in total assets and deferred outflows of resources and the change in total liabilities and deferred inflows of resources yielded an increase in net position of \$9,275,164. This change in net position is primarily in the category of unrestricted Net Position of \$13,347,387 and the decrease in Net Investment in Capital Assets, in the amount of \$4,076,093.

Total deferred inflows of resources increased by \$25,404,280 which was primarily due to the University's proportionate share of the actuarially determined deferred gain on defined benefit pension plan administered by Teachers Retirement System of Georgia and Employees' Retirement System of Georgia.

Statement of Revenues, Expenses and Changes in Net Position

Changes in total net position as presented on the Statement of Net Position are based on the activity presented in the Statement of Revenues, Expenses and Changes in Net Position. The purpose of the statement is to present the revenues received by the University, both operating and non-operating, and the expenses paid by the University, operating and non-operating, and any other revenues, expenses, gains and losses received or spent by the University. Generally, operating revenues are received for providing goods and services to the various customers and constituencies of the University. Operating expenses are those expenses paid to acquire or produce the goods and services provided in return for the operating revenues, and to carry out the mission of the University. Non-operating revenues are revenues received for which goods and services are not provided. For example state appropriations are non-operating because they are provided by the Legislature to the University without the Legislature directly receiving commensurate goods and services for those revenues.

| CONDENSED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION | June 30, 2022 | June 30, 2021 | Increase/ (Decrease) |
|--|----------------------|----------------------|---------------------------------|
| Operating Revenue | \$ 54,806,409 | \$ 49,272,885 | \$ 5,533,524 |
| Operating Expense | 137,103,111 | 108,863,535 | 28,239,576 |
| Operating Income/Loss | (82,296,702) | (59,590,650) | (22,706,052) |
| Non-Operating Revenue and Expense | 91,612,551 | 61,055,054 | 30,557,497 |
| Income (Loss) before Other Revenues, Expenses, Gains, or Losses | 9,315,849 | 1,464,404 | 7,851,445 |
| Other Revenues, Expenses, Gains, Losses and Special Items | — | — | — |
| Change in Net Position | 9,315,849 | 1,464,404 | 7,851,445 |
| Net Position at Beginning of Year, restated | (11,063,301) | (12,487,020) | 1,423,719 |
| Net Position at End of Year | \$ (1,747,452) | \$ (11,022,616) | \$ 9,275,164 |

(1) The amounts reported for fiscal year 2021 were not adjusted for the restatement of beginning net position. See Note 1 in the Notes to the Financial Statements for more information regarding the restatement.

The Statement of Revenues, Expenses and Changes in Net Position reflect a positive year, which is represented by an increase in net position of \$9,275,164 at the end of the year. Some highlights of the information presented on this statement are as follows:

Revenues

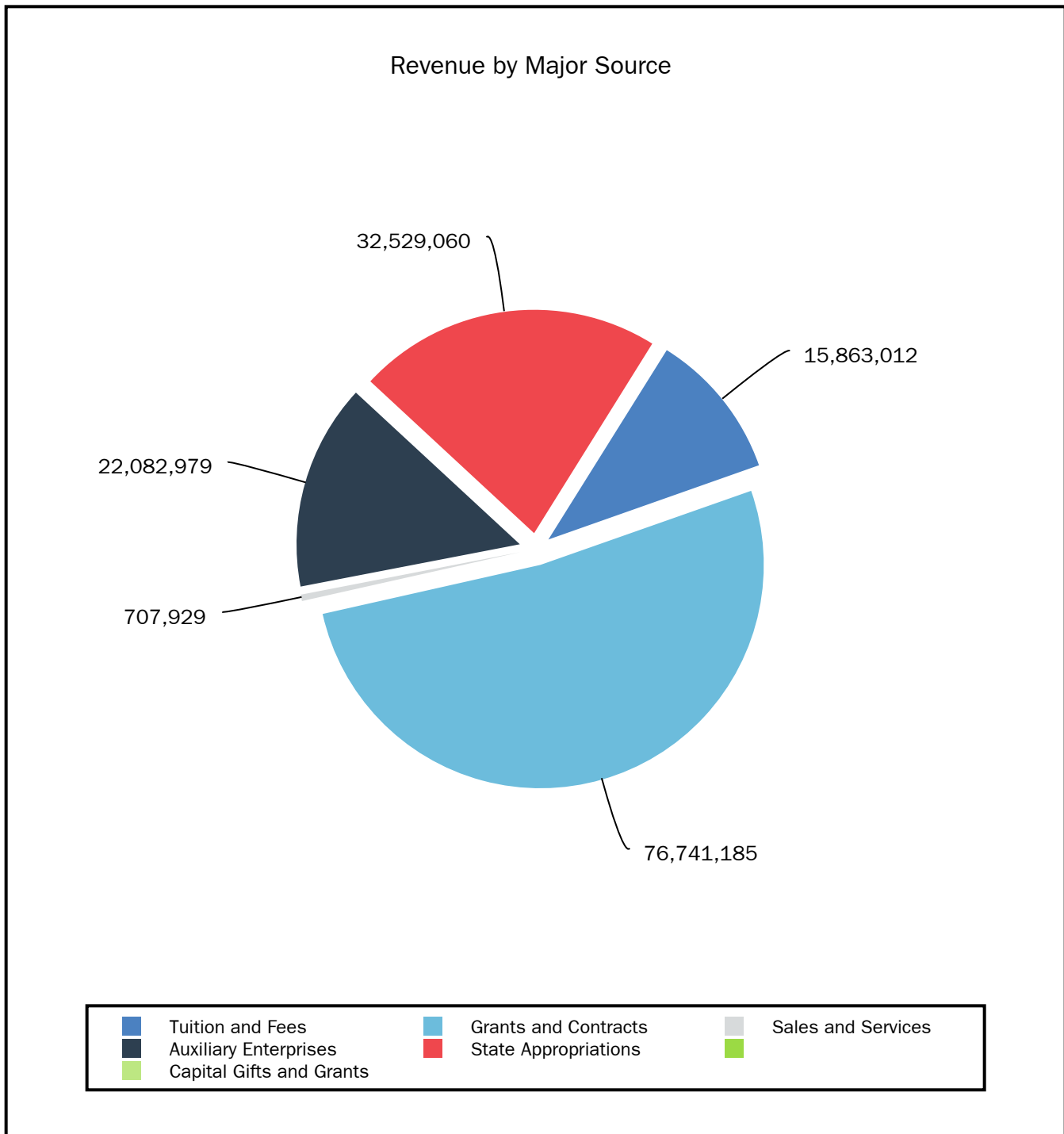
In fiscal year 2022, state appropriations increased \$6.7 million (25.94%), grants and contracts revenue increased \$27.5 million (55.89%) in fiscal 2022 largely due to an increase in HEERF/CARES Act funding.

For the years ended June 30, 2022 and June 30, 2021, revenues by source were as follows:

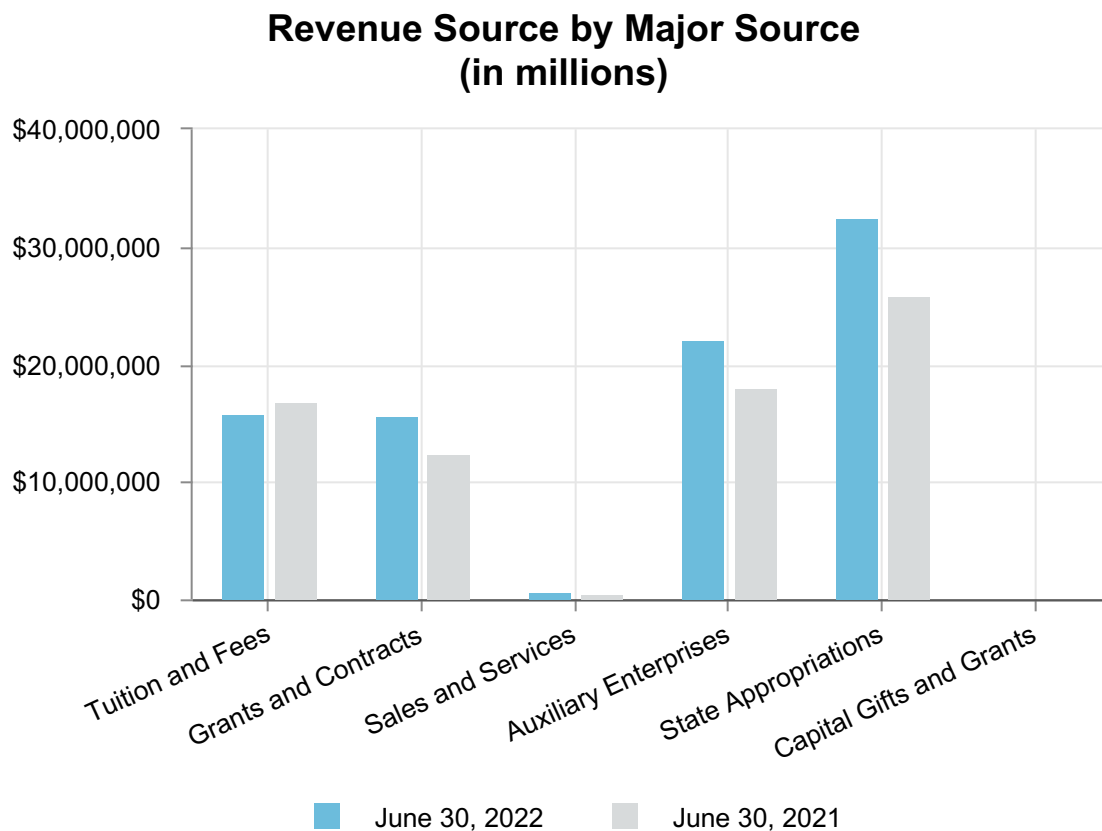
| REVENUES BY SOURCE | June 30, 2022 | June 30, 2021 | Increase/ (Decrease) |
|--|-----------------------|-----------------------|-------------------------|
| Tuition and Fees | \$ 15,863,012 | 16,871,020 | \$ (1,008,008) |
| Federal Appropriations | — | — | — |
| Grants and Contracts | 15,667,879 | 12,445,403 | 3,222,476 |
| Sales and Services | 707,929 | 580,711 | 127,218 |
| Auxiliary Enterprises | 22,082,979 | 17,957,645 | 4,125,334 |
| Other Operating Revenues | 484,610 | 1,418,106 | (933,496) |
| Total Operating Revenues | 54,806,409 | 49,272,885 | 5,533,524 |
| State Appropriations | 32,529,060 | 25,828,615 | 6,700,445 |
| Grants and Contracts | 61,073,306 | 36,782,371 | 24,290,935 |
| Gifts | 1,187,218 | 1,155,275 | 31,943 |
| Investment Income | 4,136 | 11,018 | (6,882) |
| Other Nonoperating Revenues | 23,577 | (36,940) | 60,517 |
| Total Nonoperating Revenues | 94,817,297 | 63,740,339 | 31,076,958 |
| State Capital Gifts and Grants | — | — | — |
| Other Capital Gifts and Grants | — | — | — |
| Total Capital Gifts and Grants | — | — | — |
| Additions to Permanent and Term Endowments | — | — | — |
| Special Items | — | — | — |
| Extraordinary Items | — | — | — |
| Total Revenues | \$ 149,623,706 | \$ 113,013,224 | \$ 36,610,482 |

(1) The amounts reported for fiscal year 2021 were not adjusted for the restatement of beginning net position. See Note 1 in the Notes to the Financial Statements for more information regarding the restatement.

Revenue by source (state appropriations, grants and contracts, tuition and fees, auxiliaries, gifts and other sources) is depicted by the following chart:



Revenue by major source for the years ended June 30, 2022 and June 30, 2021 is depicted by the following chart:



Expenses

For the years ended June 30, 2022 and June 30, 2021, expenses by functional classification were as follows:

| EXPENSES BY FUNCTIONAL CLASSIFICATION | June 30, 2022 | June 30, 2021 | Increase/ (Decrease) |
|---------------------------------------|--------------------|--------------------|----------------------|
| Instruction | 33,816,220 | 33,297,380 | 518,840 |
| Research | 1,332,634 | 815,897 | 516,737 |
| Public Service | 4,098,519 | 3,572,446 | 526,073 |
| Academic Support | 7,027,735 | 6,809,018 | 218,717 |
| Student Services | 7,234,517 | 6,601,037 | 633,480 |
| Institutional Support | 13,519,496 | 17,162,223 | (3,642,727) |
| Plant Operations and Maintenance | 11,125,814 | 10,405,140 | 720,674 |
| Scholarships and Fellowships | 37,347,786 | 12,632,260 | 24,715,526 |
| Auxiliary Enterprises | 21,600,390 | 17,568,134 | 4,032,256 |
| Total Operating Expenses | 137,103,111 | 108,863,535 | 28,239,576 |
| Interest Expense | 3,204,746 | 2,685,285 | 519,461 |
| Total Nonoperating Expenses | 3,204,746 | 2,685,285 | 519,461 |
| | | | |
| Total Expenses | 140,307,857 | 111,548,820 | 28,759,037 |

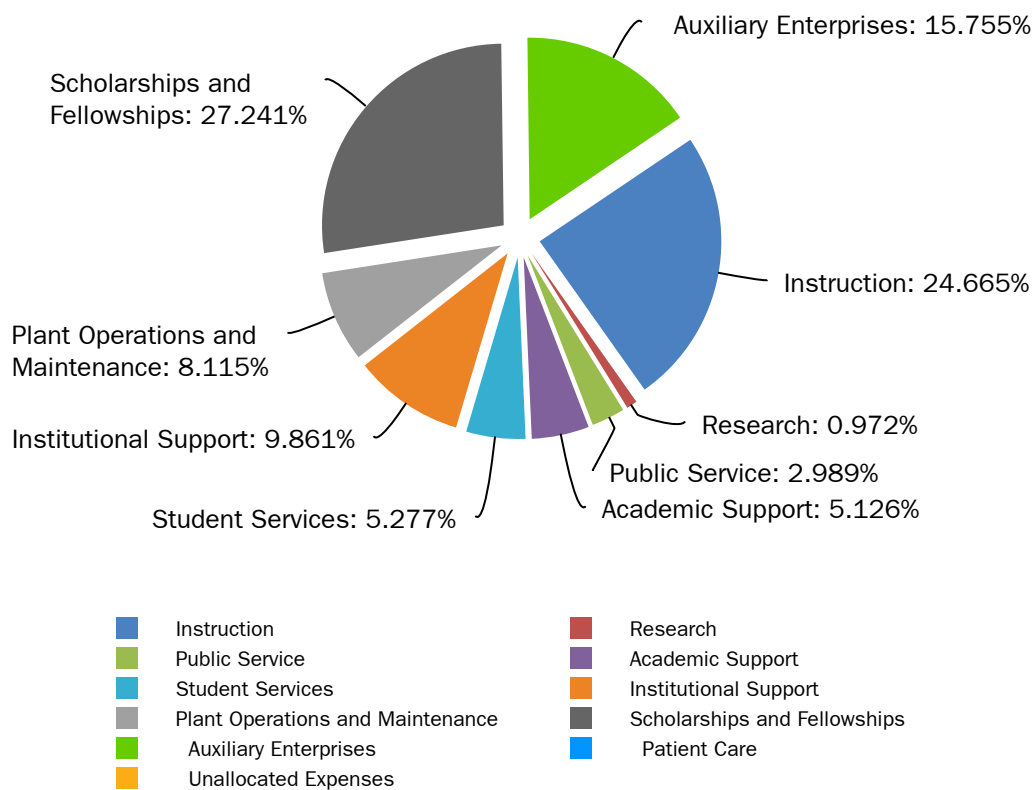
(1) The amounts reported for fiscal year 2021 were not adjusted for the restatement of beginning net position. See Note 1 in the Notes to the Financial Statements for more information regarding the restatement.

Total operating expenses were \$137.1 million in fiscal 2022, an increase of \$28.2 million (25.94%) when compared with fiscal year 2021. These increases are primarily attributable to the following functional classifications: Instruction (\$518.8 thousand; Research (\$516.7 thousand); Auxiliaries (\$4.0 million); Academic Support (\$218.7 thousand); Student Services (\$633.5 thousand); Scholarships and Fellowships (\$24.7 million) and Plant Operations (\$720.7 thousand). Institutional Support decreased \$3.7 million primarily due to the correction of functional classification for general institutional expenditures.

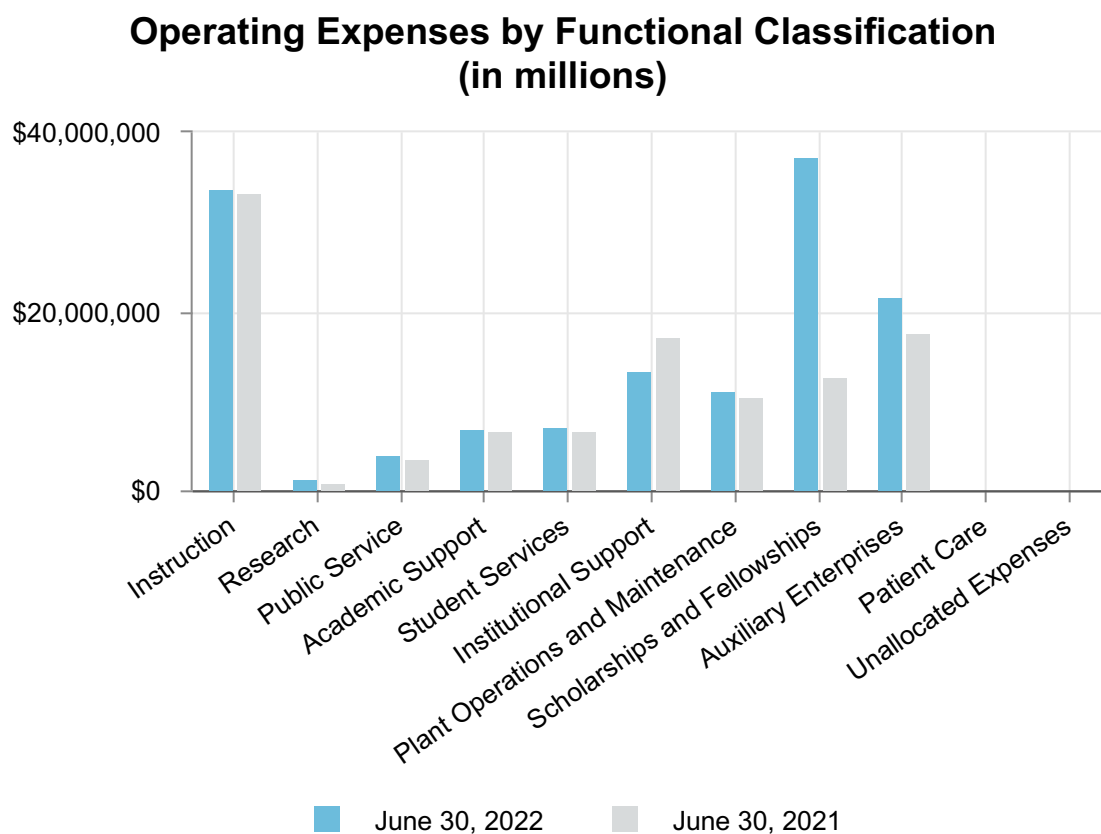
As noted above, operating expenses increased \$28.2 million (25.94%) in fiscal 2022 when compared with fiscal year 2021. The increases were substantially attributable to salaries and benefits, and scholarships. The increases are attributable to the increase in expenditures of Cares Act/HEERF projects including the largest increase attributable to student scholarships (\$24.7 million) and various institutional projects including the reimbursement for lost revenue. Employee benefits decreased due to decreases in pension expenses and OPEB expenses. Salaries increase due to a cost of living increase approved by the Georgia State Legislature.

The following chart depicts the fiscal 2022 operating expenses by functional classification.

Operating Expenses by Functional Classification

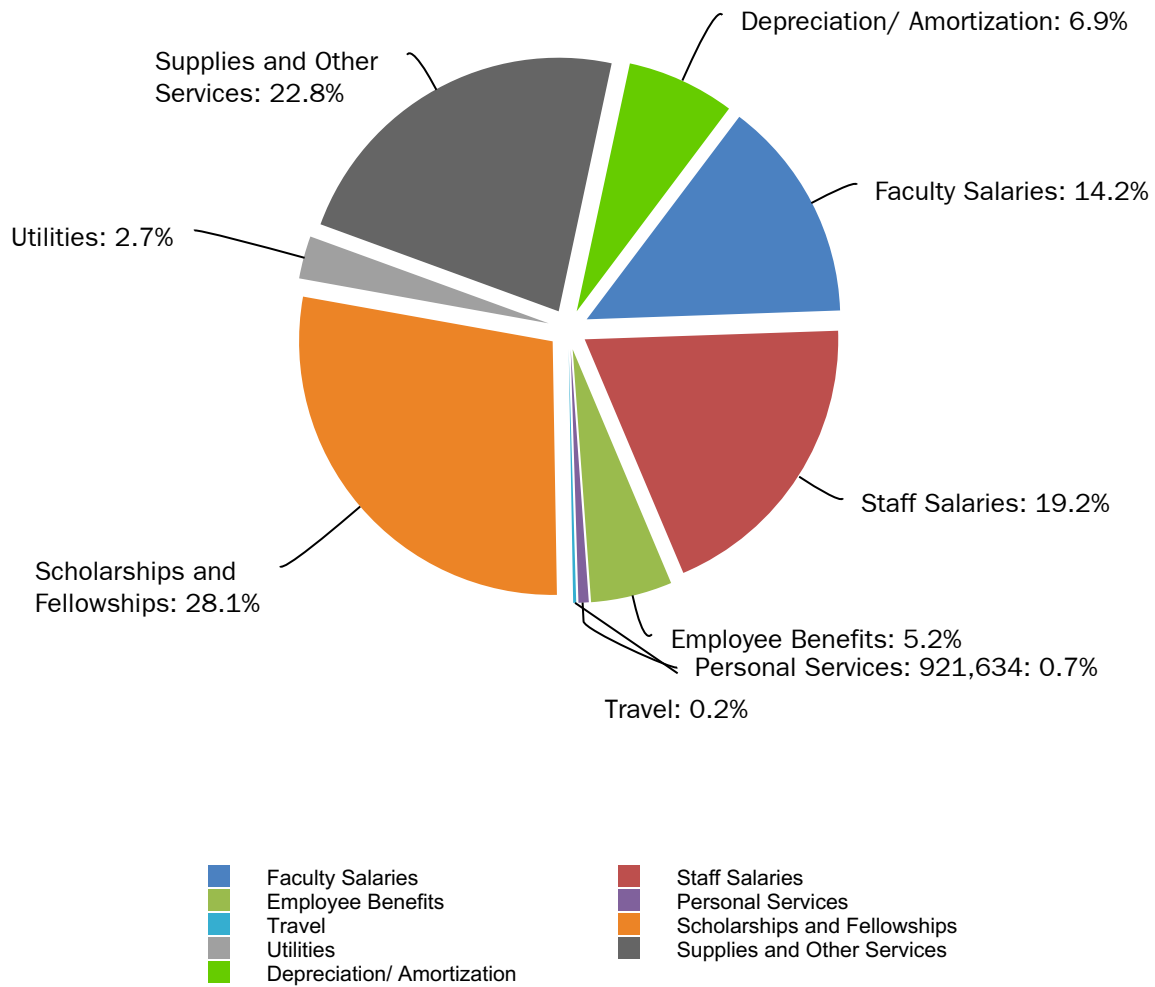


Operating expenses by functional classification for the years ended June 30, 2022 and June 30, 2021 is depicted by the following chart:

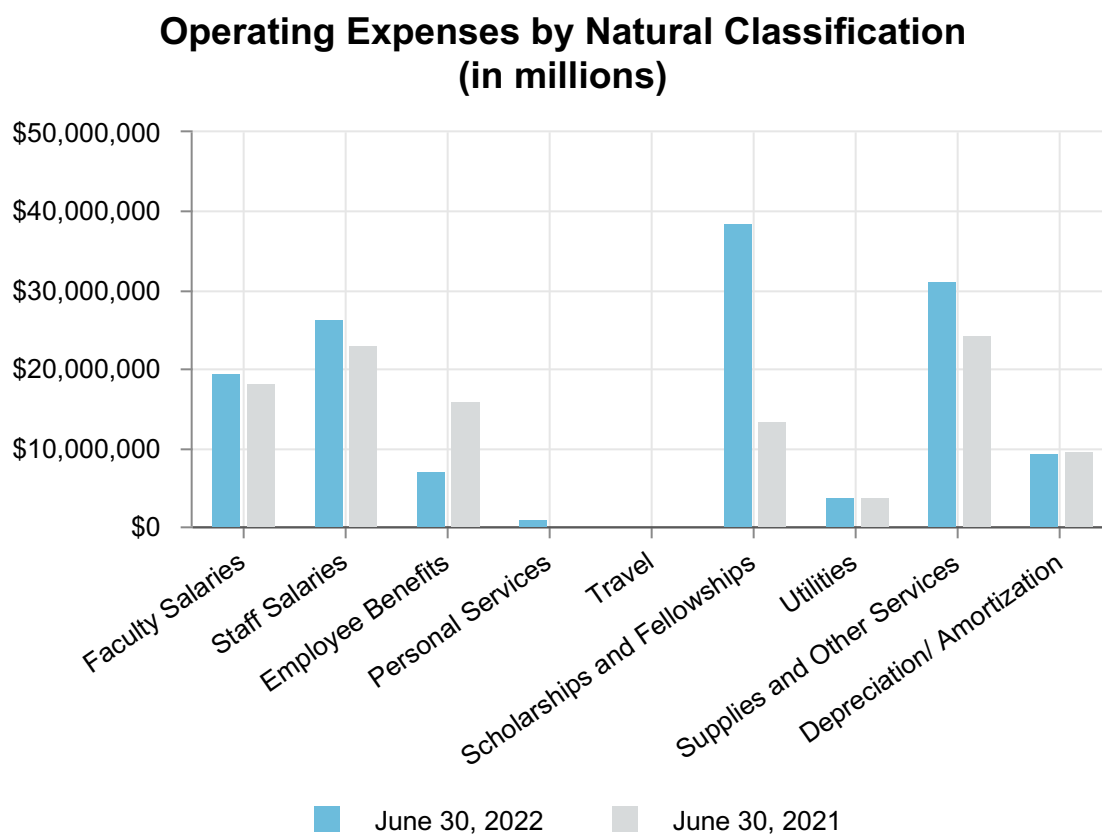


The following chart depicts the fiscal 2022 operating expenses by natural classification.

Operating Expenses by Natural Classification



Operating expenses by by natural classification for the years ended June 30, 2022 and June 30, 2021 is depicted by the following chart:



Statement of Cash Flows

The Statement of Cash Flows presents detailed information about the cash activity of the University during the year and is divided into five sections. The first section is concerned with operating cash flows and reflects the net cash used by the various operating activities of the University. The second section is related to cash flows from non-capital financing activities, which reflects the cash received and spent for non-capital financing purposes. The third section summarizes cash flows from capital and related financing activities and contains cash used for the acquisition and construction of capital and related items. The fourth section is comprised of the cash flows from investing activities and includes the purchases, proceeds and interest received from investing activities. The fifth, and final, section reconciles the net cash used to the operating income or loss as reflected on the Statement of Revenues, Expenses and Changes in Net Position.

Flows for the Years Ended June 30, 2022 and 2021, Condensed

| CONDENSED STATEMENT OF NET CASH FLOWS | | |
|--|-----------------------|----------------------|
| | June 30, 2022 | June 30, 2021 |
| Cash Provided (Used) by: | | |
| Operating Activities | \$ (94,241,447) | (50,437,115) |
| Non-Capital Financing Activities | 94,836,467 | 63,392,199 |
| Capital and Related Financing Activities | (8,655,370) | (9,786,241) |
| Investing Activities | 4,136 | 11,018 |
| NET CHANGE IN CASH | \$ (8,056,214) | \$ 3,179,861 |
| Cash, beginning of year (restated) | 9,678,612 | 6,498,751 |
| CASH, end of year | \$ 1,622,398 | \$ 9,678,612 |

Capital Assets

Capital assets, net of accumulated depreciation, at June 30, 2022 and June 30, 2021 were as follows:

| CAPITAL ASSETS, net of accumulated depreciation and depreciation | June 30, 2022 | June 30, 2021 | Increase (Decrease) |
|---|-----------------------|-----------------------|----------------------------|
| Land | \$ 3,911,479 | 3,911,479 | \$ — |
| Capitalized Collections | 50,000 | 50,000 | |
| Infrastructure | 7,537,224 | 7,825,854 | (288,630) |
| Building and Building Improvements | 168,753,161 | 176,228,951 | (7,475,790) |
| Facilities and Other Improvements | 2,958,935 | 2,921,810 | 37,125 |
| Equipment | 3,648,951 | 4,243,414 | (594,463) |
| Library Collections | 48,386 | 121,355 | (72,969) |
| Capital Assets, net of accumulated depreciation and depreciation | \$ 186,908,136 | \$ 195,302,863 | \$ (8,394,727) |

The University started the design and construction of the Nursing SIM Lab building in FY 22. The SIM Lab building has an estimated cost of \$8.4 million. The majority of the funding for the project is from the Georgia State Financing and Investment Commission (GSFIC). The project expenditures are not reported on the University's ledgers until the building is complete and GSFIC has allowed the University to occupy the building.

For additional information concerning Capital Assets, see Notes 1, 6, 4, and 9 in the Notes to the Financial Statements.

Long Term Liabilities

Albany State University had Long-Term Liabilities of \$90,431,080 and current liabilities of \$6,015,334 at June 30, 2022.

For additional information concerning Long-Term Liabilities, see Note 6 in the Notes to the Financial Statements.

Notes to the Financial Statements

The Notes to the Financial Statements are an integral part of the basic financial statements and communicate information essential for fair presentation. For example, the notes convey information concerning significant accounting policies used to prepare the financial statements, detailed information on cash and investments, receivables, capital leases, compensated absences, retirement and other postemployment benefits, capital assets and a report of operating expenses by function.

Economic Outlook

Albany State University has experienced tremendous growth over the years that has made a strong economic impact on the Southwest region. The last two years have challenged us in new and unimaginable ways, while allowing us to display our agility and resilience despite a worldwide pandemic. The economic outlook for Albany State University is stable. We are expecting the enrollment to take a small drop over the next year or two. However, the University is focusing on new programs that should increase student retention and that will help to offset any drop in enrollment. As is the case for almost every university in the country, Albany State will need to address the cost increases caused by the rising inflation rates. The rising rates also impact our students so increasing tuition and fees might not be an option. The University maintains its focus on meeting the strategic goals and keeping the University strong.

Financial Statements (GAAP Basis)

ALBANY STATE UNIVERSITY
STATEMENT OF NET POSITION
JUNE 30, 2022

| | Albany State University |
|---|-------------------------|
| ASSETS | |
| Current Assets | |
| Cash and Cash Equivalents (Externally Restricted) | 1,622,398 |
| Accounts Receivable, net | |
| Federal Financial Assistance | 8,007,302 |
| Other | 4,141,974 |
| Prepaid Items | 3,026,461 |
| Total Current Assets | <u>16,798,135</u> |
| Non-Current Assets | |
| Accounts Receivable, net | |
| Due From USO - Capital Liability Reserve Fund | 801,382 |
| Notes Receivable, net | 58,272 |
| Capital Assets, net | 186,908,136 |
| Intangible Right-to-Use Assets, net | <u>48,728</u> |
| Total Non-Current Assets | <u>187,816,518</u> |
| TOTAL ASSETS | <u>204,614,653</u> |
| DEFERRED OUTFLOWS OF RESOURCES | |
| | <u>\$ 23,988,682</u> |

The notes to the financial statements are an integral part of this statement.

ALBANY STATE UNIVERSITY
STATEMENT OF NET POSITION
JUNE 30, 2022

Albany State University

LIABILITIES

Current Liabilities

| | | |
|---|----|-------------------|
| Accounts Payable | \$ | 1,199,310 |
| Salaries Payable | | 578,046 |
| Benefits Payable | | 146,285 |
| Contracts Payable | | |
| Retainage Payable | | |
| Due to Affiliated Organizations | | — |
| Due to USO - Capital Liability Reserve Fund | | — |
| Advances (Including Tuition and Fees) | | 4,574,950 |
| Deposits | | — |
| Deposits Held for Other Organizations | | — |
| Other Liabilities | | — |
| Notes and Loans Payable | | 4,141,210 |
| Lease Obligations - External | | 46,657 |
| Lease Obligations - Component Units | | — |
| Compensated Absences | | 1,827,467 |
| Total Current Liabilities | | <u>12,513,925</u> |

Non-Current Liabilities

| | | |
|--|--|---------------------------|
| Due to USO - Capital Liability Reserve Fund | | — |
| Advances (Including Tuition and Fees) | | — |
| Other Liabilities | | — |
| Notes and Loans Payable | | 83,427,184 |
| Lease Obligations - External | | 2,068 |
| Lease Obligations - Component Units | | — |
| Revenue Bonds and Notes Payable | | — |
| Claims and Judgments | | — |
| Compensated Absences | | 986,494 |
| Net Other Post Employment Benefits Liability | | 67,425,413 |
| Net Pension Liability | | 17,480,543 |
| Total Non-Current Liabilities | | <u>169,321,702</u> |
| TOTAL LIABILITIES | | <u>181,835,627</u> |

DEFERRED INFLOWS OF RESOURCES

48,515,160

NET POSITION

| | | |
|----------------------------------|-----------|---------------------------|
| Net Investment in Capital Assets | | 96,884,524 |
| Restricted for: | | |
| Nonexpendable | | — |
| Expendable | | 84,310 |
| Unrestricted (Deficit) | | <u>(98,716,286)</u> |
| TOTAL NET POSITION | \$ | <u>(1,747,452)</u> |

The notes to the financial statements are an integral part of this statement.

ALBANY STATE UNIVERSITY
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR FISCAL YEAR ENDED JUNE 30, 2022

| | Albany State University | |
|--------------------------------|-------------------------|--------------|
| OPERATING REVENUES | | |
| Student Tuition and Fees (net) | \$ | 15,863,012 |
| Grants and Contracts | | |
| Federal | | 13,878,889 |
| State | | 422,453 |
| Other | | 1,366,537 |
| Sales and Services | | 707,929 |
| Rents and Royalties | | 9,500 |
| Auxiliary Enterprises | | |
| Residence Halls | | 11,331,874 |
| Bookstore | | 470,173 |
| Food Services | | 7,294,192 |
| Parking/Transportation | | 441,934 |
| Health Services | | 372,568 |
| Intercollegiate Athletics | | 1,647,473 |
| Other Organizations | | 524,765 |
| Other Operating Revenues | | 475,110 |
| Total Operating Revenues | | 54,806,409 |
| OPERATING EXPENSES | | |
| Faculty Salaries | | 19,436,779 |
| Staff Salaries | | 26,316,527 |
| Employee Benefits | | 7,134,625 |
| Other Personal Services | | 921,634 |
| Travel | | 283,711 |
| Scholarships and Fellowships | | 38,539,787 |
| Utilities | | 3,746,934 |
| Supplies and Other Services | | 31,246,005 |
| Depreciation and Amortization | | 9,477,109 |
| Total Operating Expenses | | 137,103,111 |
| Operating Income (Loss) | \$ | (82,296,702) |

The notes to the financial statements are an integral part of this statement.

ALBANY STATE UNIVERSITY
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR FISCAL YEAR ENDED JUNE 30, 2022

| | Albany State University |
|---|------------------------------|
| NONOPERATING REVENUES (EXPENSES) | |
| State Appropriations | \$ 32,529,060 |
| Grants and Contracts | |
| Federal | 61,073,306 |
| Gifts | 1,187,218 |
| Investment Income | 4,136 |
| Interest Expense | (3,204,746) |
| Other Nonoperating Revenues (Expenses) | 23,577 |
| | <hr/> |
| Net Nonoperating Revenues | 91,612,551 |
| | <hr/> |
| Income (Loss) Before Other Revenues, Expenses, Gains, or Losses | 9,315,849 |
| | <hr/> |
| Change in Net Position | 9,315,849 |
| | <hr/> |
| Net Position, Beginning of Year, As Originally Reported | (11,022,616) |
| Prior Year Adjustments | (40,685) |
| Net Position, Beginning of Year, Restated | (11,063,301) |
| | <hr/> |
| Net Position, End of Year | <u><u>\$ (1,747,452)</u></u> |

The notes to the financial statements are an integral part of this statement.

ALBANY STATE UNIVERSITY

STATEMENT OF CASH FLOWS

FOR FISCAL YEAR ENDED JUNE 30, 2022

| | Albany State University |
|---|-------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | |
| Payments from Customers | \$ 36,935,667 |
| Federal Appropriations | |
| Grants and Contracts (Exchange) | 9,552,818 |
| Payments to Suppliers | (56,582,996) |
| Payments to Employees | (45,603,574) |
| Payments for Scholarships and Fellowships | (38,539,787) |
| Other Payments | (3,575) |
| Net Cash Used by Operating Activities | (94,241,447) |
| CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES | |
| State Appropriations | 32,529,060 |
| Gifts and Grants Received for Other Than Capital Purposes | 62,260,524 |
| Other Non-Capital Financing Receipts | 46,883 |
| Net Cash Flows Provided by Non-Capital Financing Activities | 94,836,467 |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | |
| Proceeds from Sale of Capital Assets | 4,095 |
| Purchases of Capital and Intangible Right-to-Use Assets | (1,184,810) |
| Principal Paid on Capital Debt and Leases | (4,097,066) |
| Interest Paid on Capital Debt and Leases | (3,377,589) |
| Net Cash Used by Capital and Related Financing Activities | (8,655,370) |
| CASH FLOWS FROM INVESTING ACTIVITIES | |
| Investment Income | 4,136 |
| Net Cash Provided by Investing Activities | 4,136 |
| Net Decrease in Cash and Cash Equivalents | (8,056,214) |
| Cash and Cash Equivalents, Beginning of Year | 9,678,612 |
| Cash and Cash Equivalents, End of Year | \$ 1,622,398 |

The notes to the financial statements are an integral part of this statement.

ALBANY STATE UNIVERSITY

STATEMENT OF CASH FLOWS

FOR FISCAL YEAR ENDED JUNE 30, 2022

| | Albany State University |
|--|-------------------------------|
| RECONCILIATION OF OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES: | |
| Operating Loss | \$ (82,296,702) |
| Adjustments to Reconcile Net Operating Loss to Net Cash Used by Operating Activities | |
| Depreciation and Amortization | 9,477,109 |
| Change in Assets and Liabilities: | |
| Receivables, net | (6,675,036) |
| Prepaid Items | (2,490,852) |
| Accounts Payable | (1,581,809) |
| Salaries Payable | 184,238 |
| Benefits Payable | 30,250 |
| Contracts Payable | (276,556) |
| Retainage Payable | (19,387) |
| Deposits | (306,919) |
| Advances (Including Tuition and Fees) | (228,876) |
| Funds Held for Others | (3,575) |
| Compensated Absences | 256,921 |
| Claims and Judgments | (823,168) |
| Net Pension Liability | (31,829,336) |
| Other Post-Employment Benefit Liability | (4,355,141) |
| Change in Deferred Inflows/Outflows of Resources: | |
| Deferred Inflows of Resources | 25,577,122 |
| Deferred Outflows of Resources | 1,120,270 |
| Net Cash Used by Operating Activities | <u><u>\$ (94,241,447)</u></u> |
| NON-CASH INVESTING, NON-CAPITAL FINANCING, AND CAPITAL AND RELATED FINANCING TRANSACTIONS | |
| Capital Financing Activities Noncash Items: | |
| Gain (Loss) on Disposal of Capital Assets | <u><u>\$ (27,401)</u></u> |
| Amortization of Deferred Gain (Loss) of Capital Debt Refunded | <u><u>\$ 172,843</u></u> |

The notes to the financial statements are an integral part of this statement.

ALBANY STATE UNIVERSITY
STATEMENT OF FIDUCIARY NET POSITION
FOR FISCAL YEAR ENDED JUNE 30, 2022

| | <u>Custodial Funds</u> |
|---|------------------------|
| ASSETS | |
| Receivables | — |
| Other | <u>2,948,282</u> |
| Total Assets | <u>2,948,282</u> |
| LIABILITIES | |
| Cash Overdraft | 1,215,320 |
| Advances | <u>1,091,775</u> |
| Total Liabilities | <u>2,307,095</u> |
| NET POSITION | |
| Restricted for: | |
| Individuals, Organizations, and Other Governments | <u>\$ 641,187</u> |

ALBANY STATE UNIVERSITY
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR FISCAL YEAR ENDED JUNE 30, 2022

| | <u>Custodial Funds</u> |
|---|--------------------------|
| ADDITIONS | |
| Federal Financial Aid | \$ 30,753,125 |
| State Financial Aid | 5,092,723 |
| Other Financial Aid | 2,767,024 |
| Clubs and Other Organizations Fund Raising | <u>846,879</u> |
| Total Additions | <u>39,459,751</u> |
| DEDUCTIONS | |
| Scholarships and Other Student Support | 38,605,826 |
| Student Organizations Support | <u>347,371</u> |
| Total Deductions | <u>38,953,197</u> |
| Net Increase (Decrease) in Fiduciary Net Position | <u>506,554</u> |
| Net Position, Beginning of Year | <u>134,633</u> |
| Net Position, End of Year | <u><u>\$ 641,187</u></u> |

Notes to the Financial Statements

ALBANY STATE UNIVERSITY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

Note 1 Summary of Significant Accounting Policies

Nature of Operations

Albany State University (University) serves the state and national communities by providing its students with academic instruction that advances fundamental knowledge and by disseminating knowledge to the people of Georgia, the nation, and throughout the world.

Reporting Entity

As defined by Official Code of Georgia Annotated (O.C.G.A) § 20-3-50, the University is part of the University System of Georgia (USG), an organizational unit of the State of Georgia (the State) under the governance of the Board of Regents (Board). The Board has constitutional authority to govern, control and manage the USG. The Board is composed of 19 members, one member from each congressional district in the State and five additional members from the state-at-large, appointed by the Governor and confirmed by the Senate. Members of the Board serve a seven year term and members may be reappointed to subsequent terms by a sitting governor.

The University does not have the right to sue/be sued without recourse to the State. The University's property is the property of the State and subject to all the limitations and restrictions imposed upon other property of the State by the Constitution and laws of the State. In addition, the University is not legally separate from the State. Accordingly, the University is included within the State's basic financial statements as part of the primary government as defined in section 2100 of the Governmental Accounting Standards Board (GASB) Codification of Governmental Accounting and Financial Reporting Standards.

The accompanying basic financial statements are intended to supplement the State's Annual Comprehensive Financial Report (ACFR) by presenting the financial position and changes in financial position and cash flows of only that portion of the business-type activities of the State that is attributable to the transactions of the University. These financial statements do not purport to, and do not, present fairly the financial position of the State as of June 30, 2022, the changes in its financial position or its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

The accompanying basic financial statements should be read in conjunction with the State's ACFR. The most recent State of Georgia ACFR can be obtained through the State Accounting Office, 200 Piedmont Avenue, Suite 1604 (West Tower), Atlanta, Georgia 30334 or online at <https://sao.georgia.gov/statewide-reporting/acfr>.

Basis of Accounting and Financial Statement Presentation

The financial statements have been prepared in accordance with generally accepted accounting principles (GAAP) as prescribed by the GASB and are presented as required by these standards to provide a comprehensive, entity-wide perspective of the University's assets, deferred outflows, liabilities, deferred inflows, net position, revenues, expenses, changes in net position and cash flows.

The University's business-type activities and fiduciary fund financial statements have been presented using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned, and expenses are recorded when an obligation has been incurred. Grants and similar items are recognized as revenues in the fiscal year in which eligibility requirements imposed by the provider have been met. All significant intra-fund transactions have been eliminated.

The University reports the following fiduciary fund:

- Custodial Funds - Accounts for activities of resulting from the University acting as an agent or fiduciary for various governments, companies, clubs or individuals.

New Accounting Pronouncements

In June 2017, the GASB issued Statement No. 87, *Leases*, effective for fiscal years beginning after December 15, 2019. In fiscal year 2020, the University adopted GASB Statement No. 95, *Postponement of Effective Dates of Certain Authoritative Guidance* which postponed the effective dates of Statement No. 87 to fiscal year 2022. This statement establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use asset, and a lessor is required to recognize a lease receivable and deferred inflow of resources. The adoption of this statement resulted in a restatement of the net position of the business-type activities..

In June 2018, the GASB issued Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, effective for fiscal years beginning after December 15, 2019. In fiscal year 2020, the University adopted GASB Statement No. 95, *Postponement of Effective Dates of Certain Authoritative Guidance* which postponed the effective dates of Statement No. 89 to fiscal year 2022. The objectives of this statement are to both enhance the relevance and comparability of information about capital assets and the cost of borrowing and to simplify accounting for interest costs incurred before the end of a construction period. The adoption of this statement does not have a significant impact on the financial statements and will be applied prospectively.

In January 2020, the GASB issued Statement No. 92, *Omnibus 2020*, effective for fiscal years beginning after June 15, 2020. In fiscal year 2020, the University adopted GASB Statement No. 95, *Postponement of Effective Dates of Certain Authoritative Guidance* which postponed the effective dates of Statement No. 92 to fiscal year 2022. The objective of this statement is to enhance comparability in accounting and financial reporting and improve the consistency of authoritative literature by focusing on practice issues that have been identified during the implementation of various GASB Statements. The adoption of this statement does not have a significant impact on the financial statements.

In March 2020, the GASB issued Statement No. 93, *Replacement of Interbank Offered Rates* effective for years beginning after June 15, 2020. In fiscal year 2020, the University adopted GASB Statement No. 95, *Postponement of Effective Dates of Certain Authoritative Guidance* which postponed the effective dates of Statement No. 93 to fiscal year 2022. This statement establishes accounting and financial reporting requirements related to the replacement of Interbank Offered Rates in hedging derivative instruments and leases. This statement also identifies appropriate benchmark interest rates for hedging derivative instruments. The adoption of this statement does not have a significant impact on the financial statements.

In October 2021, the GASB issued Statement No. 98, *The Annual Comprehensive Financial Report* effective for fiscal years beginning after December 15, 2021. This statement establishes a new designation of the acronym for state and local government annual financial statements, the Annual Comprehensive Financial Report (ACFR). The adoption of this statement resulted in changes to the naming convention used throughout the report, but has no impact on the financial information provided.

In April 2022, the GASB issued Statement No. 99, *Omnibus 2022*, effective for certain elements of the requirement effective upon issuance. The objectives of this statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation. The adoption of this statement does not have a significant impact on the financial statements.

Cash and Cash Equivalents

Cash and Cash Equivalents consist of petty cash, demand deposits and time deposits in authorized financial institutions, and cash management pools that have the general characteristics of demand deposit accounts. This includes the Board of Regents Short-Term Investment Pool. Cash and Cash Equivalents that cannot be used to pay current liabilities are classified as non-current assets in the Statement of Net Position. Cash and Cash Equivalents restricted as to use by a third party are reported as externally restricted.

Accounts Receivable

Accounts receivable consists of tuition and fees charged to students and auxiliary enterprise services provided to students, faculty and staff, the majority of whom reside in the State of Georgia. Accounts receivable also includes amounts due from federal, state and local governments, or private sources, in connection with reimbursement of allowable expenditures made pursuant to the University's grants and contracts. Accounts receivable are recorded net of estimated uncollectible amounts.

Prepaid Items

Payments made to vendors and state and local government organizations for services that will benefit periods beyond June 30, 2022 are recorded as prepaid items. A large majority of our prepaid balance is related to the university's SIM Lab Building. The SIM Lab is partially funded and being managed by GSFIC.

Capital Assets

Capital assets are recorded at cost at the date of acquisition, or acquisition value (entry price) at the date of donation in the case of gifts. For equipment, the University's capitalization policy includes all items with a unit cost of \$5,000 or more, and an estimated useful life of greater than one year. Renovations to buildings, infrastructure, and land improvements that exceed \$100,000 and/or significantly increase the value or extend the useful life of the structure are capitalized. Routine repairs and maintenance are charged to operating expense in the year in which the expense was incurred.

Depreciation, which also includes amortization of intangible assets such as water, timber, and mineral rights, easements, patents, trademarks, and copyrights, as well as software, is computed using the straight-line method over the estimated useful lives of the assets, generally 40 to 60 years for buildings, 20 to 25 years for infrastructure and land improvements, 10 years for library books, and 3 to 20 years for equipment. Residual values will generally be 10% of historical costs for infrastructure, buildings and building improvements, and facilities and other improvements.

To fully understand plant additions in the University, it is necessary to look at the activities of the Georgia State Financing and Investment Commission (GSFIC) - an organization that is external to the USG. GSFIC issues bonds for and on behalf of the State of Georgia, pursuant to powers granted to it in the Constitution of the State of Georgia and the Act creating the GSFIC. The bonds so issued constitute direct and general obligations of the State of Georgia, to the payment of which the full faith, credit and taxing power of the State are pledged.

For projects managed by GSFIC, GSFIC retains construction in progress in its accounting records throughout the construction period and transfers the entire project to the institutional unit of the USG when complete. For projects managed by institutions of the USG, the institutions retain construction in progress on their books and are reimbursed by GSFIC.

Intangible Right-To-Use Assets

The University leases certain academic spaces, administrative offices, and equipment under lease agreements. The University has both leases under which it is obligated as a lessee and leases for which it is a lessor. Leases, as a lessee, are included in intangible right-to-use assets and lease obligations on the Statement of Net Position. Financed leases, which transfer ownership, are included in capital assets and notes payable on the Statement of Net Position.

An intangible right-to-use asset represents the University's right to use an underlying asset for the lease term. Lease obligations represent the University's liability to make lease payments arising from the lease agreement. Intangible right-to-use assets and lease obligations are recognized based on the present value of lease payments over the lease term, where the initial term exceeds 12 months. Residual value guarantees and the value of an option to extend or terminate a lease are reflected to the extent it is reasonably certain to be paid or exercised. Variable payments based on future performance or usage are not included in the measurement of the lease liability. Intangible right-to-use assets are amortized using a straight-line basis over the shorter of the lease term or useful life of the underlying asset.

Capital Liability Reserve Fund

The Capital Liability Reserve Fund (Fund) was established by the Board of Regents to protect the fiscal integrity of the USG to maintain the strongest possible credit ratings associated with Public Private Venture (PPV) projects and to ensure that the Board of Regents can effectively support its long-term capital lease obligations. All USG

institutions participating in the PPV program finance the Fund. The Fund serves as a pooled reserve that is managed by the Board of Regents. The Fund shall only be used to address significant shortfalls and only insofar as a requesting USG institution is unable to make the required PPV capital lease payment to the designated affiliated organization. The Fund will continue as long as the Board of Regents has rental obligations under the PPV program and at the conclusion of the program, funds will be returned to each institution. The balance included on the University's Statement of Net Position as Due from USO - Capital Liability Reserve Fund represents the University's contribution to the Fund.

Deferred Outflows of Resources

Deferred outflows of resources consist of the consumption of net position that is applicable to a future reporting period.

Advances

Advances include amounts received for tuition and fees and certain auxiliary activities prior to the end of the fiscal year but related to the subsequent accounting period. Advances also include amounts received from grant and contract sponsors that have not yet been earned.

Compensated Absences

Employee vacation pay is accrued at the end of the fiscal year for financial statement purposes. The liability and expense incurred are recorded at the end of the fiscal year as compensated absences in the Statement of Net Position, and as a component of compensation and benefit expense in the Statements of Revenues, Expenses, and Changes in Net Position.

Non-current Liabilities

Non-current liabilities include: (1) liabilities that will not be paid within the next fiscal year; (2) lease obligations with contractual maturities greater than one year; and (3) other liabilities that, although payable within one year, are to be paid from funds that are classified as non-current assets.

Deferred Inflows of Resources

Deferred inflows of resources consist of the acquisition of net position that is applicable to a future reporting period.

Other Post-Employment Benefit (OPEB)

The net OPEB liability represents the University's proportionate share of the difference between the total OPEB liability and the fiduciary net position or the fair value of the plan assets as of a given measurement date.

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Board of Regents Retiree Health Benefit Plan (the Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

Pensions and Net Pension Liability

The net pension liability represents the University's proportionate share of the difference between the total pension liability as a result of the exchange for employee services for compensation and the fiduciary net position or the fair value of the plan assets as of a given measurement date.

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the pension plans' fiduciary net position, additions to/deductions from the plans fiduciary net position have been determined on the same basis as they are reported by Teachers Retirement System of Georgia and Employees' Retirement System of Georgia. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Net Position

The University's net position is classified as follows:

Net investment in capital assets represents the University's total investment in capital assets, net of outstanding debt obligations related to those capital assets and intangible right-to-use assets.. To the extent debt has been incurred but not yet expended for capital assets or intangible right-to-use assets, such amounts are not included as a component of net investment in capital assets. The term "debt obligations" as used in this definition does not include debt of the GSFIC as discussed previously in Note 1 - Capital Assets section.

Restricted - expendable net position includes resources in which the University is legally or contractually obligated to spend resources in accordance with restrictions by external third parties.

Unrestricted net position represents resources derived from student tuition and fees, state appropriations, and sales and services of educational departments and auxiliary enterprises. These resources are used for transactions relating to the educational and general operations of the University, and may be used at the discretion of the governing board or management to meet current expenses for those purposes, except for unexpended state appropriations (surplus). Unexpended state appropriations must be refunded to the Office of the State Treasurer. These resources also include auxiliary enterprises, which are substantially self-supporting activities that provide services for students, faculty and staff.

When an expense is incurred that can be paid using either restricted or unrestricted resources, the University's policy is to first apply the expense towards unrestricted resources, and then towards restricted resources.

Income Taxes

The University, as a political subdivision of the State of Georgia, is excluded from Federal income taxes under Section 115(1) of the Internal Revenue Code, as amended.

Classification of Revenues and Expenses

The Statement of Revenues, Expenses and Changes in Net Position classifies fiscal year activity as operating and nonoperating according to the following criteria:

- Operating revenue includes activities that have the characteristics of exchange transactions, such as (1) student tuition and fees, net of scholarship allowances, (2) certain federal, state and local grants and contracts, and (3) sales and services.
- Nonoperating revenue includes activities that have the characteristics of non-exchange transactions, such as gifts and contributions, and other revenue sources that are defined as non-operating revenue by GASB Statements No. 9, *Reporting Cash Flows of Proprietary and Non-expendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting*, and No. 34, *Basic Financial Statements— and Management's Discussion and Analysis—for State and Local Governments*, such as state appropriations and investment income.
- Operating expense includes activities that have the characteristics of exchange transactions.
- Nonoperating expense includes activities that have the characteristics of non-exchange transactions, such as capital financing costs and costs related to investment activity.

Scholarship Allowances

Scholarship allowances are the difference between the stated charge for goods and services provided by the University, and the amount that is paid by students and/or third parties making payments on the students' behalf. Certain governmental grants, such as Pell grants, and other Federal, state or nongovernmental programs are recorded as either operating or non-operating revenues in the University's financial statements. To the extent that revenues from such programs are used to satisfy tuition, fees and other student charges, the University has recorded contra revenue for scholarship allowances. Tuition, fees and other student charges reported on the Statement of Revenues, Expenses and Changes in Net Position are net of discounts and allowances of \$16,953,830.

Restatement of Prior Year Net Position

The University made the following restatements:

| | Business-type Activities |
|---|-------------------------------|
| Net position, beginning of year, as originally reported | \$ (11,022,616) |
| Changes in accounting principles | <u>(40,685)</u> |
| Net position, beginning of year, restated | <u><u>\$ (11,063,301)</u></u> |

The University made prior period adjustments due to the adoption of GASB Statement No. 87, which required the restatement of the June 30, 2021 business type activities's net position. Under this statement, a lessee is required to recognize a lease obligation and an intangible right-to-use asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. As a lessee, the result is an increase to the liability (lease obligation) of \$142,712 and an increase in the intangible right-to-use assets of \$142,712 for business-type activities. Existing capital assets were reclassified as intangible right-to-use assets and restated to equal the beginning lease obligation. This change in accounting principle led to a restatement of \$40,685. This change is in accordance with generally accepted accounting principles.

Note 2 Deposits and Investments

Cash and cash equivalents and investments as of June 30, 2022 are classified in the accompanying statement of net position and in the statement of fiduciary net position as follows:

Statement of Net Position

Current

| | |
|---|--------------|
| Cash and Cash Equivalents (Externally Restricted) | \$ 1,622,398 |
|---|--------------|

Statement of Fiduciary Net Position

| | |
|---------------------------|-------------------|
| Cash and Cash Equivalents | (1,215,320) |
| | <u>\$ 407,078</u> |

Cash on hand, deposits and investments as of June 30, 2022 consist of the following:

| | |
|--------------------------------------|-------------------|
| Cash on Hand | \$ 3,445 |
| Deposits with Financial Institutions | 195,225 |
| Investments | 208,408 |
| | <u>\$ 407,078</u> |

A. Deposits with Financial Institutions

Deposits include certificates of deposits and demand deposit accounts, including certain interest bearing demand deposit accounts. The custodial credit risk for deposits is the risk that in the event of a bank failure, the University's deposits may not be recovered. Funds belonging to the State of Georgia (and thus the University) cannot be placed in a depository paying interest longer than ten days without the depository providing a surety bond to the State. In

lieu of a surety bond, the depository may pledge as collateral any one or more of the following securities as enumerated in the Official Code of Georgia Annotated (O.C.G.A.) § 50-17-59:

1. Bonds, bills, notes, certificates of indebtedness, or other direct obligations of the United States or of the State of Georgia.
2. Bonds, bills, notes, certificates of indebtedness or other obligations of the counties or municipalities of the State of Georgia.
3. Bonds of any public authority created by the laws of the State of Georgia, providing that the statute that created the authority authorized the use of the bonds for this purpose.
4. Industrial revenue bonds and bonds of development authorities created by the laws of the State of Georgia.
5. Bonds, bills, certificates of indebtedness, notes or other obligations of a subsidiary corporation of the United States government, which are fully guaranteed by the United States government both as to principal and interest and debt obligations issued by the Federal Land Bank, the Federal Home Loan Bank, the Federal Intermediate Credit Bank, the Central Bank for Cooperatives, the Farm Credit Banks, the Federal Home Loan Mortgage Association and the Federal National Mortgage Association.
6. Letters of credit issued by a Federal Home Loan Bank.
7. Guarantee or insurance of accounts provided by the Federal Deposit Insurance Corporation.

The University participates in the State's Secure Deposit Program (SDP), a multi-bank pledging pool. The SDP requires participating banks that accept public deposits in Georgia to operate under the policy and procedures of the program. The Georgia Office of State Treasurer (OST) sets the collateral requirements and pledging level for each covered depository. There are four tiers of collateralization levels specifying percentages of eligible securities to secure covered Deposits: 25%, 50%, 75%, and 110%. The SDP also provides for collateral levels to be increased to amount of up to 125% if economic or financial conditions warrants. The program lists the type of eligible collateral. The OST approves authorized custodians.

In accordance with the SDP, if a covered depository defaults, losses to public depositors are first satisfied with any applicable insurance, followed by demands of payment under any letters of credit or sale of the covered depository's collateral. If necessary, any remaining losses are to be satisfied by assessments made against the other participating covered depositories. Therefore, for disclosure purposes, all deposits of the SDP are considered to be fully collateralized.

At June 30, 2022, the bank balances of the University's deposits totaled \$884,092. Of these deposits, \$0 were exposed to custodial credit risk.

B. Investments

The University maintains an investment policy which fosters sound and prudent judgment in the management of assets to ensure safety of capital consistent with the fiduciary responsibility it has to the citizens of Georgia and which conforms to Board of Regents investment policy. All investments are consistent with donor intent, Board of Regents policy and applicable federal and state laws.

The following table summarizes the valuation of Albany State University's investments measured at fair value on a recurring basis and at net asset value as of June 30, 2022.

| | <u>Fair Value</u> |
|------------------|-------------------|
| Investment Pools | |
| Board of Regents | |
| Short-Term Fund | \$ 208,408 |

Board of Regents Pooled Investment Program

The USG serves as fiscal agent for various units of the University System of Georgia and affiliated organizations. The USG pools the monies of these organizations with the USG's monies for investment purposes. The investment pool is not registered with the U.S. Securities and Exchange Commission as an investment company. The fair value of the investments is determined daily. The pool does not issue shares. Each participant is allocated a pro rata share of each pooled investment fund balance at fair value along with a pro rata share of the pooled fund's investment returns.

The USG maintains investment policy guidelines for each pooled investment fund that is offered to qualified University System participants. These policies are intended to foster sound and prudent responsibility each institution has to the citizens of Georgia and which conforms to the Board of Regents investment policy. All investments must be consistent with donor intent, Board of Regents policy, and applicable Federal and state laws. Units of the University System of Georgia and their affiliated organizations may participate in the Pooled Investment Fund program. The overall character of the pooled fund portfolio should be one of above average quality, possessing at most an average degree of investment risk.

The University's position in the pooled investment fund options are described below.

1. Short-Term Fund

The Short-Term Fund is available to both University System of Georgia institutions and their affiliated organizations. The Fund provides a current return and stability of principal while affording a means of overnight liquidity for projected cash needs. Investments are in securities allowed under O.C.G.A. § 50-17-59 and 50-17-63. The average maturities of investments in this fund will typically range between daily and four years, and the fund will typically have an overall average duration of $\frac{3}{4}$ - 1 year. The overall character of the portfolio is of Agency quality, possessing a minimal degree of financial risk. The market value of the University's position in the Short-Term Fund at June 30, 2022 was \$208,408, of which 100% is invested in debt securities. The Effective Duration of the Fund is 0.98 years.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates of debt investments will adversely affect the fair value of an investment. The University does not have a formal policy for managing interest rate risk for investments.

Credit Quality Risk

Credit quality risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Institution's policy for managing credit quality risk is contained in the investment policy guidelines for the various pooled investment funds, colleges, universities, and foundations:

1. In the Short-Term Fund, all debt issues must be eligible investments under O.C.G.A § 50-17-59 and 50-17-63. Other investment portfolios of debt securities funds also must meet the eligible investment criteria under the same code section.

Note 3 Accounts Receivable

Accounts receivable consisted of the following at June 30, 2022:

| | Business Type Activities | Fiduciary Fund |
|--|-----------------------------|----------------|
| Student Tuition and Fees | \$ 2,201,437 | \$ — |
| Auxiliary Enterprises and Other Operating Activities | 2,141,218 | — |
| Federal Financial Assistance | 8,007,302 | 954,313 |
| Georgia Student Finance Commission | — | 1,987,093 |
| Georgia State Financing and Investment Commission | 663,381 | — |
| Due from Affiliated Organizations | — | — |
| Due From Other USG Institutions | 841,582 | — |
| Other | 2,011,812 | 6,876 |
| | 15,866,732 | 2,948,282 |
| Less: Allowance for Doubtful Accounts | 2,916,074 | — |
| Net Accounts Receivable | \$ 12,950,658 | \$ 2,948,282 |

Note 4 Capital and Intangible Right-to-Use Assets

Changes in capital assets for the year ended June 30, 2022 are shown below:

| | (Restated) Balance July 1, 2021 | Additions | Reductions | Balance June 30, 2022 |
|--|---------------------------------------|-----------------------|--------------------|--------------------------|
| Capital Assets, Not Being Depreciated: | | | | |
| Land | \$ 3,911,479 | \$ — | \$ — | \$ 3,911,479 |
| Capitalized Collections | 50,000 | — | — | 50,000 |
| Total Capital Assets Not Being Depreciated | 3,961,479 | — | — | 3,961,479 |
| Capital Assets, Being Depreciated: | | | | |
| Infrastructure | 14,112,338 | — | — | 14,112,338 |
| Building and Building Improvements | 318,180,679 | — | — | 318,180,679 |
| Facilities and Other Improvements | 9,261,588 | 223,622 | — | 9,485,210 |
| Equipment | 20,886,709 | 863,483 | 730,054 | 21,020,138 |
| Library Collections | 10,156,787 | 18,105 | 262 | 10,174,630 |
| Total Capital Assets Being Depreciated | 372,598,101 | 1,105,210 | 730,316 | 372,972,995 |
| Less: Accumulated Depreciation | | | | |
| Infrastructure | 6,286,483 | 288,631 | — | 6,575,114 |
| Building and Building Improvements | 141,951,727 | 7,475,791 | — | 149,427,518 |
| Facilities and Other Improvements | 6,335,991 | 190,284 | — | 6,526,275 |
| Equipment | 16,830,483 | 1,337,341 | 796,637 | 17,371,187 |
| Library Collections | 10,035,428 | 91,078 | 262 | 10,126,244 |
| Total Accumulated Depreciation | 181,440,112 | 9,383,125 | 796,899 | 190,026,338 |
| Total Capital Assets, Being Depreciated, Net | 191,157,989 | (8,277,915) | (66,583) | 182,946,657 |
| Capital Assets, net | <u>\$ 195,119,468</u> | <u>\$ (8,277,915)</u> | <u>\$ (66,583)</u> | <u>\$ 186,908,136</u> |

For projects managed by GSFIC, GSFIC retains construction-in-progress on its books throughout the construction period and transfers the entire project to the University when complete. For projects managed by the University, the University retains construction-in-progress on its books and is reimbursed by GSFIC. At June 30, 2022 GSFIC had construction in progress of \$37,616 for incomplete GSFIC -managed projects for the University.

Intangible Right-to-Use Assets

Changes in intangible assets for the year ended June 30, 2022 are shown below:

| | Restated Beginning Balances July 1, 2021 | Intangible Right-to-Use Recategorization | Additions | Reductions | Ending Balance June 30, 2022 |
|-------------------------------------|---|--|--------------------|-------------|------------------------------------|
| Intangible Right-to-use Assets | | | | | |
| Equipment | \$ 142,712 | \$ — | \$ — | \$ — | \$ 142,712 |
| Total Leased Assets Being Amortized | 142,712 | — | — | — | 142,712 |
| Less: Accumulated amortization | | | | | |
| Equipment | — | — | 93,984 | — | 93,984 |
| Total Accumulated Amortization | — | — | 93,984 | — | 93,984 |
| Intangible Right-to-use Assets, net | <u>\$ 142,712</u> | <u>\$ —</u> | <u>\$ (93,984)</u> | <u>\$ —</u> | <u>\$ 48,728</u> |

Note 5 Advances (Including Tuition and Fees)

Advances, including tuition and fees, consisted of the following at June 30, 2022:

| | Current Liabilities |
|--------------------------|---------------------|
| Prepaid Tuition and Fees | \$ 1,407,946 |
| Research | 2,972,503 |
| Other - Advances | 194,501 |
| Totals | <u>\$ 4,574,950</u> |

Fiduciary fund advances in the amount of \$1,091,775 consists of student support received prior to eligibility requirements being met.

Note 6 Long-Term Liabilities

Changes in long-term liability for the year ended June 30, 2022 was as follows:

| | (Restated) Balance July 1, 2021 | Additions | Reductions | Balance June 30, 2022 | Current Portion |
|-----------------------------|---------------------------------------|---------------------|---------------------|--------------------------|---------------------|
| Leases | | | | | |
| Lease Obligations | \$ 142,712 | \$ — | \$ 93,987 | \$ 48,725 | \$ 46,657 |
| Other Liabilities | | | | | |
| Compensated Absences | 2,557,041 | 1,872,070 | 1,615,150 | 2,813,961 | 1,827,467 |
| Notes and Loans Payable | 91,571,476 | — | 4,003,082 | 87,568,394 | 4,141,210 |
| Claims and Judgments | 823,168 | — | 823,168 | — | — |
| Total | <u>94,951,685</u> | <u>1,872,070</u> | <u>6,441,400</u> | <u>90,382,355</u> | <u>5,968,677</u> |
| Total Long-Term Obligations | <u>\$ 95,094,397</u> | <u>\$ 1,872,070</u> | <u>\$ 6,535,387</u> | <u>\$ 90,431,080</u> | <u>\$ 6,015,334</u> |

See Note 10, Retirement Plans, for information related to net pension liability. See Note 13, Post-Employment Benefits Other Than Pension Benefits, for information related to net other post employment benefits liability.

The July 1, 2021 balance was restated from \$91,571,474 to \$142,712 for lease obligations and \$91,571,476 to Notes and Loans Payable. See Note 1 - Restatement of Prior Year Net Position for additional information related to these transactions.

Notes and Loans Payable

Financing Lease Agreements

The University is obligated under various multi-year financing lease agreements for the acquisition or use of real property and equipment, whereby the asset(s) transfers ownership at the end of the agreement.

In accordance with O.C.G.A. § 50-5-64, these agreements shall terminate absolutely and without further obligation at the close of the fiscal year in which it was executed and at the close of each succeeding fiscal year for which it may be renewed. These agreements may be renewed only by a positive action taken by the University. In addition, these agreements shall terminate if the State does not provide adequate funding, but that is considered a remote possibility. The University's principal and interest payments related to financing lease agreements for fiscal year 2022 were \$4,003,081 and \$3,372,671, respectively. Interest rates range from 3.067% to 5.867%.

The University has \$87,568,396 in outstanding notes and loans payable due to affiliated organizations for financing lease agreements.

The following is a summary of the carrying values of assets held under financing lease agreements at June 30, 2022:

| Description | Gross Amount | Less: Accumulated Amortization | Net Assets Held Under Financing Lease Arrangements at June 30, 2022 | Outstanding Balances per Lease Schedules at June 30, 2022 |
|---|-----------------------|--------------------------------|---|---|
| | (+) | (-) | (=) | |
| Finance Buildings and Building Improvements | <u>\$ 122,648,173</u> | <u>\$ 47,159,104</u> | <u>\$ 75,489,069</u> | <u>\$ 87,568,395</u> |

The following schedule lists the pertinent information for each of the University's financing lease agreements:

| Description | Lessor | Original Principal | Lease Term | Begin Month/ Year | End Month/ Year | Outstanding Principal |
|------------------------|----------------|----------------------|------------|-------------------|-----------------|-----------------------|
| Student Housing H1-H4 | USG Foundation | 24,361,718 | 15 years | June 2019 | May 2034 | 20,517,534 (1) |
| Student Housing H5-H6 | USG Foundation | 20,588,970 | 18 years | October 2020 | June 2039 | 18,682,392 (1) |
| Student Recreation CTR | USG Foundation | 13,725,980 | 18 Years | October 2020 | June 2039 | 12,460,175 (1) |
| Darton Student Center | USG Foundation | 20,173,433 | 25 years | July 2015 | June 2040 | 17,538,667 (1) |
| Darton Commons | USG Foundation | 8,854,463 | 20 years | October 2020 | June 2041 | 8,086,770 (1) |
| Darton Village South | USG Foundation | 11,269,317 | 20 years | October 2020 | June 2041 | 10,282,857 (1) |
| Total Leases | | <u>\$ 98,973,881</u> | | | | <u>\$ 87,568,395</u> |

(1) These financing lease agreements are related party transactions.

Below is the annual debt service related to the outstanding notes and loans payable at June 30, 2022.

| | Principal | Interest |
|------------------------------|----------------------|-------------------|
| Year Ending June 30: | | |
| 2023 | 4,141,210.00 | 3,228,195.00 |
| 2024 | 4,306,339.00 | 3,083,791.00 |
| 2025 | 4,459,343.00 | 2,921,836.00 |
| 2026 | 4,629,553.00 | 2,759,495.00 |
| 2027 | 4,793,517.00 | 2,590,672.00 |
| 2028 through 2032 | 26,811,431.00 | 10,183,503.00 |
| 2033 through 2037 | 25,806,393.00 | 5,060,117.00 |
| 2038 through 2042 | <u>12,620,610.00</u> | <u>766,001.00</u> |
| Total Minimum Lease Payments | <u>87,568,396</u> | <u>30,593,610</u> |

Note 7 Deferred Outflows and Inflows of Resources

Deferred outflows and inflows of resources reported on the Statement of Net Position as of June 30, 2022, consisted of the following:

Deferred Outflows of Resources

| | |
|---|----------------------|
| Deferred Outflow on Defined Benefit Pension Plans (See Note 10) | \$ 12,818,702 |
| Deferred Outflows on OPEB Plan (See Note 13) | 11,169,980 |
| Total Deferred Outflows of Resources | \$ 23,988,682 |

Deferred Inflows of Resources

| | |
|--|----------------------|
| Deferred Gain on Debt Refunding | \$ 2,455,218 |
| Deferred Inflow on Defined Benefit Pension Plans (See Note 10) | 29,393,545 |
| Deferred Inflow on OPEB Plan (See Note 13) | 16,666,397 |
| Total Deferred Inflows of Resources | \$ 48,515,160 |

Deferred Loss/Gain on Debt Refunding

The unamortized deferred gain or loss on debt refunding related to changes in the provisions of various leases that resulted from a refunding by the lessor of tax-exempt debt in which a portion of the perceived economic advantages of the refunding were passed through to the Institution.

Note 8 Net Position

The breakdown of business-type activity net position for the University fund at June 30, 2022 is as follows:

| | |
|----------------------------------|----------------|
| Net Investment in Capital Assets | \$ 96,884,524 |
| Restricted for | |
| Expendable | |
| Federal Loans | 84,310 |
| Sub-Total | 84,310 |
| Unrestricted | |
| Auxiliary Enterprises Operations | (170,070) |
| Reserve for Encumbrances | 2,209,039 |
| Capital Liability Reserve Fund | 801,382 |
| Other Unrestricted | (101,556,637) |
| Sub-Total | (98,716,286) |
| Total Net Position | \$ (1,747,452) |

Other unrestricted net position is reduced by \$72,921,830 related to the recording of net OPEB liability, deferred inflow of resources, and deferred outflow of resources related to the OPEB plan. Other unrestricted net position is also reduced by \$34,055,386 related to the recording of net pension liability, deferred outflow of resources, and deferred outflow of resources related to the defined benefit pension plans. These OPEB and pension balances are mostly funded through state appropriation, student tuition and fees that are subject to State surplus rules which prevents the accumulation of budgetary fund balance. Therefore, the University is statutorily unable to maintain accumulated net position to offset these OPEB and pension balances.

Changes in Net Position for the year ended June 30, 2022 are as follows:

| | (Restated) Balance July 1, 2021 | Additions | Reductions | Balance June 30, 2022 |
|-----------------------------------|---------------------------------------|----------------|----------------|--------------------------|
| Net Investments in Capital Assets | \$ 100,919,932 | \$ 5,202,279 | \$ 9,237,684 | \$ 96,884,527 |
| Restricted Net Position | 80,440 | 76,741,185 | 76,737,315 | 84,310 |
| Unrestricted Net Position | (112,063,673) | 72,858,944 | 59,511,560 | (98,716,289) |
| Total Net Position | \$ (11,063,301) | \$ 154,802,408 | \$ 145,486,559 | \$ (1,747,452) |

Note 9 Significant Commitments

See the Net Position note for amounts reserved for outstanding encumbrances at June 30, 2022.

Note 10 Leases

Lease Obligations

The University leases equipment, and other assets. Although lease terms vary, many leases are subject to appropriation from the General Assembly to continue the obligation. In accordance with O.C.G.A. § 50-5-64, these agreements shall terminate absolutely and without further obligation at the close of the fiscal year in which it was

executed and at the close of each succeeding fiscal year for which it may be renewed. These agreements may be renewed only by a positive action taken by the University. In addition, these agreements shall terminate if the State does not provide adequate funding, but that is considered a remote possibility. The University's principal and interest cash payments related to leases for fiscal year 2022 were \$93,985 and \$4,919, respectively. Interest rates range from 3.067% to 5.867%.

There were no residual guaranteed payment, variable payments based on performance, nor termination penalties expensed for fiscal year ended June 30, 2022.

The following is a summary of the carrying values of intangible right-to-use assets held under lease at June 30, 2022:

| Description | Gross Amount | Less: Accumulated Amortization | Net, Assets Held Under Lease at June 30, 2022 | Outstanding Balance per Lease Schedules at June 30, 2022 |
|------------------|--------------|--------------------------------|---|--|
| | (+) | (-) | (=) | |
| Leased Equipment | \$ 142,712 | \$ 93,984 | \$ 48,728 | \$ 48,725 |

The following schedule lists the pertinent information for each of the University's leases:

| Description | Lessor | Original Principal | Lease Term | Begin Month/Year | End Month/Year | Outstanding Principal |
|--------------|---------------|--------------------|------------|------------------|----------------|-----------------------|
| Vehicles | Enterprise FM | \$ 37,210 | 1 year | July 2021 | April 2022 | \$ — |
| Vehicles | Enterprise FM | 83,053 | 1 year | July 2021 | September 2023 | 37,848 |
| Vehicles | Enterprise FM | 22,449 | 1 year | July 2021 | June 2022 | 10,877 |
| Total Leases | | <u>\$ 142,712</u> | | | | <u>\$ 48,725</u> |

Below is the future commitments related to the outstanding lease obligations as of June 30, 2022:

| Year Ending June 30: | Principal | Interest |
|------------------------------|---------------|-----------------|
| 2023 | \$ 46,657 | \$ 1,405 |
| 2024 | <u>2,068</u> | <u>20</u> |
| Total Minimum Lease Payments | <u>48,725</u> | <u>\$ 1,425</u> |

Note 11. Retirement Plans

The University participates in various retirement plans administered by the State of Georgia under two major retirement systems: Teachers Retirement System of Georgia (TRS) and Employees' Retirement System of Georgia (ERS). These two systems issue separate publicly available financial reports that include the applicable financial statements and required supplementary information. The reports may be obtained from the respective administrative offices.

The University also provides the Regents Retirement Plan.

The significant retirement plans that the University participates in are described below. More detailed information can be found in the plan agreements and related legislation. Each plan, including benefit and contribution provisions, was established and can be amended by State law.

A. Teachers Retirement System of Georgia and Employees' Retirement System of Georgia

General Information about the Teachers Retirement System

Plan description

All teachers of the University as defined in O.C.G.A. § 47-3-60 are provided a pension through the Teachers Retirement System of Georgia (TRS). TRS, a cost-sharing multiple-employer defined benefit pension plan, is administered by the TRS Board of Trustees (TRS Board). Title 47 of the O.C.G.A. assigns the authority to establish and amend the benefit provisions to the State Legislature. TRS issues a publicly available financial report that can be obtained at trsga.com/publications.

Benefits Provided

TRS provides service retirement, disability retirement, and death benefits. Normal retirement benefits are determined as 2% of the average of the employee's two highest paid consecutive years of service, multiplied by the number of years of creditable service up to 40 years. An employee is eligible for normal service retirement after 30 years of creditable service, regardless of age, or after 10 years of service and attainment of age 60. Ten years of service is required for disability and death benefits eligibility. Disability benefits are based on the employee's creditable service and compensation up to the time of disability. Death benefits equal the amount that would be payable to the employee's beneficiary had the employee retired on the date of death. Death benefits are based on the employee's creditable service and compensation up to the date of death.

Contributions

Per Title 47 of the O.C.G.A., contribution requirements of active employees and participating employers, as actuarially determined, are established and may be amended by the TRS Board. Contributions are expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Employees were required to contribute 6% of their annual pay during fiscal year 2022. The University's contractually required contribution rate for the year ended June 30, 2022 was 19.81% of annual the University payroll. The University's contributions to TRS totaled \$5,163,909 for the year ended June 30, 2022.

General Information about the Employees' Retirement System

Plan description

ERS is a cost-sharing multiple-employer defined benefit pension plan established by the Georgia General Assembly during the 1949 Legislative Session for the purpose of providing retirement allowances for employees of the State of Georgia and its political subdivisions. ERS is directed by a Board of Trustees. Title 47 of the O.C.G.A. assigns the authority to establish and amend the benefit provisions to the State Legislature. ERS issues a publicly available financial report that can be obtained at ers.ga.gov/financials.

Benefits provided

The ERS Plan supports three benefit tiers: Old Plan, New Plan, and Georgia State Employees' Pension and Savings Plan (GSEPS). Employees under the old plan started membership prior to July 1, 1982 and are subject to plan provisions in effect prior to July 1, 1982. Members hired on or after July 1, 1982 but prior to January 1, 2009 are new plan members subject to modified plan provisions. Effective January 1, 2009, new state employees and rehired state employees who did not retain membership rights under the Old or New Plans are members of GSEPS.

ERS members hired prior to January 1, 2009 also have the option to irrevocably change their membership to GSEPS.

Under the old plan, the new plan, and GSEPS, a member may retire and receive normal retirement benefits after completion of 10 years of creditable service and attainment of age 60 or 30 years of creditable service regardless of age. Additionally, there are some provisions allowing for early retirement after 25 years of creditable service for members under age 60.

Retirement benefits paid to members are based upon the monthly average of the member's highest 24 consecutive calendar months, multiplied by the number of years of creditable service, multiplied by the applicable benefit factor. Annually, postretirement cost-of-living adjustments may also be made to members' benefits, provided the members were hired prior to July 1, 2009. The normal retirement pension is payable monthly for life; however, options are available for distribution of the member's monthly pension, at reduced rates, to a designated beneficiary upon the member's death. Death and disability benefits are also available through ERS.

Contributions

Member contributions under the old plan are 4% of annual compensation, up to \$4,200, plus 6% of annual compensation in excess of \$4,200. Under the old plan, the State pays member contributions in excess of 1.25% of annual compensation. Under the old plan, these State contributions are included in the members' accounts for refund purposes and are used in the computation of the members' earnable compensation for the purpose of computing retirement benefits. Member contributions under the new plan and GSEPS are 1.25% of annual compensation. The required contribution rate for the year ended June 30, 2022 was 24.63% of annual covered payroll for old and new plan members and 21.57% for GSEPS members. The University's contributions to ERS totaled \$75,569 for the year ended June 30, 2022. Contributions are expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2022, the University reported a liability for its proportionate share of the net pension liability for TRS and ERS. The net pension liability was measured as of June 30, 2021. The total pension liability used to calculate the net pension liability was based on an actuarial valuation as of June 30, 2020. An expected total pension liability as of June 30, 2021 was determined using standard roll-forward techniques. The University's proportion of the net pension liability was based on contributions to TRS and ERS during the fiscal year ended June 30, 2021. At June 30, 2021, the University's TRS proportion was 0.194489%, which was an decrease of (0.007266)% from its proportion measured as of June 30, 2020. At June 30, 2021, the University's ERS proportion was 0.011941%, which was a increase of 0.001575% from its proportion measured as of June 30, 2020.

For the year ended June 30, 2022, the University recognized pension expense of \$(2,518,396) for TRS and \$97,262 for ERS. At June 30, 2022, the University reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | TRS | | ERS | |
|--|--------------------------------|-------------------------------|--------------------------------|-------------------------------|
| | Deferred Outflows of Resources | Deferred Inflows of Resources | Deferred Outflows of Resources | Deferred Inflows of Resources |
| Differences between expected and actual experience | \$ 4,104,766 | \$ — | \$ 6,609 | \$ — |
| Changes of assumptions | 3,329,247 | — | 80,427 | — |
| Net difference between projected and actual earnings on pension plan investments | — | 25,160,577 | — | 258,129 |
| Changes in proportion and differences between contributions and proportionate share of contributions | — | 3,974,839 | 58,175 | — |
| Contributions subsequent to the measurement date | 5,163,909 | | 75,569 | |
| Total | <u>\$ 12,597,922</u> | <u>29,135,416</u> | <u>\$ 220,780</u> | <u>\$ 258,129</u> |

The University's contributions subsequent to the measurement date are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ending June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| Year Ending June 30: | TRS | ERS |
|----------------------|----------------|-------------|
| 2023 | \$ (5,340,253) | \$ 43,993 |
| 2024 | \$ (4,490,680) | \$ (25,232) |
| 2025 | \$ (5,449,511) | \$ (62,731) |
| 2026 | \$ (6,420,959) | \$ (68,948) |

Actuarial assumptions

The total pension liability as of June 30, 2021 was determined by an actuarial valuation as of June 30, 2020 using the following actuarial assumptions, applied to all periods included in the measurement:

Teachers Retirement System

| | |
|-----------------------------------|--|
| Inflation | 2.50% |
| Salary increases | 3.00% - 8.75%, average, including inflation |
| Investment rate of return | 7.25%, net of pension plan investment expense, including inflation |
| Post retirement benefit increases | 1.50% semi-annually |

Post-retirement mortality rates for service retirements and beneficiaries were based on the Pub-2010 Teachers Headcount Weighted Below Median Healthy Retiree mortality table (ages set forward one year and adjusted 106%) with the MP-2019 Projection scale applied generationally. The rates of improvement were reduced by 20% for all years prior to the ultimate rate. Post-retirement mortality rates for disability retirements were based on the Pub-2010 Teachers Mortality Table for Disabled Retirees (ages set forward one year and adjusted 106%) with the MP-2019 Projection scale applied generationally. The rates of improvement were reduced by 20% for all years prior to the ultimate rate. The Pub-2010 Teachers Headcount Weighted Below Median Employee mortality table with ages set forward one year and adjusted 106% as used for death prior to retirement. Future improved in mortality rates was assumed using the MP-2019 projection scale generationally. These rates of improvement were reduced by 20% for all years prior to the ultimate rate.

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2013 – June 30, 2018, with the exception of the long-term assumed rate of return and the assumed annual rate of inflation.

Employees' Retirement System

| | |
|---------------------------|--|
| Inflation | 2.50% |
| Salary increases | 3.00 – 6.75%, including inflation |
| Investment rate of return | 7.00%, net of pension plan investment expense, including inflation |

Post-retirement mortality rates were based on the Pub-2010 General Employee Table, with no adjustments, projected generationally with the MP-2019 scale used for both males and females while in active service. Post-retirement mortality rates were based on the Pub-2010 Family of Tables, with the MP-2019 projection scale applied generationally, as follows: service retirees – General Healthy Annuitant mortality table with further adjustments (set forward one year and adjusted 105% and 108% respectively for males and females); disability retirees – General Disabled Table (set back three years for males, and adjusted 103% and 106% for males and females, respectively); beneficiaries – General Contingent Survivors Table (set forward to two years for both males and females and adjusted 106% and 105% respectively).

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2014 – June 30, 2019.

The long-term expected rate of return on TRS and ERS pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected nominal returns, net of pension plan investment expense and the assumed rate of inflation) are developed for each major asset class.

These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

| Asset class | TRS Target allocation | TRS Long-term expected real rate of return* | ERS Target allocation | ERS Long-term expected real rate of return* |
|---|-----------------------|---|-----------------------|---|
| Fixed income | 30.00 % | (0.80)% | 30.00 % | (1.50)% |
| Domestic large equities | 46.30 % | 9.30 % | 46.40 % | 9.20 % |
| Domestic small equities | 1.20 % | 13.30 % | 1.10 % | 13.40 % |
| International developed market equities | 11.50 % | 9.30 % | 11.70 % | 9.20 % |
| International emerging market equities | 6.00 % | 11.30 % | 5.80 % | 10.40 % |
| Alternatives | 5.00 % | 10.60 % | 5.00 % | 10.60 % |
| Total | <u>100.00 %</u> | | <u>100.00 %</u> | |

* Rates shown are net of inflation

Discount rate

The discount rates used to measure the total TRS and ERS pension liabilities were 7.25% and 7.00%, respectively. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer and State of Georgia contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the TRS and ERS pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Institute's proportionate share of the net pension liability to changes in the discount rate:

The following presents the University's proportionate share of the net pension liability calculated using the discount rate as well as what the University's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

Teachers Retirement System:

| | 1% Decrease 6.25% | Current discount rate 7.25% | 1% Increase 8.25% |
|--|-------------------------|-----------------------------------|-------------------------|
| Proportionate share of the net pension liability | \$ 46,335,623 | 17,201,255 | \$ (6,672,350) |

Employees' Retirement System:

| | 1% Decrease 6.00% | Current discount rate 7.00% | 1% Increase 8.00% |
|--|-------------------------|-----------------------------------|-------------------------|
| Proportionate share of the net pension liability | \$ 511,790 | \$ 279,289 | \$ 82,657 |

Pension plan fiduciary net position

Detailed information about the pension plan's fiduciary net position is available in the separately issued TRS and ERS financial reports which are publicly available at trsga.com/publications and ers.ga.gov/financials, respectively.

B. Defined Contribution Plan:

Regents Retirement Plan

Plan Description

The Regents Retirement Plan, a single-employer defined contribution plan, is an optional retirement plan that was created/established by the Georgia General Assembly in O.C.G.A. § 47-21-1 et seq. and administered by the Board of Regents of the University System of Georgia (Board). O.C.G.A. § 47-3-68(a) defines who may participate in the Regents Retirement Plan. An "eligible university system employee" is a faculty member or all exempt full and partial benefit eligible employees, as designated by the regulations of the Board. Under the Regents Retirement Plan, a plan participant may purchase annuity contracts from three approved vendors (VALIC, Fidelity, and TIAA-CREF) for the purpose of receiving retirement and death benefits. Benefits depend solely on amounts contributed to the plan plus investment earnings. Benefits are payable to participating employees or their beneficiaries in accordance with the terms of the annuity contracts.

Funding Policy

The institutions of the USG make monthly employer contributions to the Regents Retirement Plan on behalf of participants at rates determined by the Board. The Board reviews the contribution amount every three (3) years. For fiscal year 2022, the employer contribution was 9.24% for the participating employee's earnable compensation. Employees contribute 6.00% of their earnable compensation. Amounts attributable to all plan contributions are fully vested and non-forfeitable at all times.

The University and the covered employees made the required contributions of \$937,670 (9.24%) and 604,797 (6.00%), respectively.

VALIC, Fidelity, and TIAA-CREF have separately issued financial reports which may be obtained through their respective corporate offices.

Note 12 Risk Management

The USG offers its employees and retirees under the age of 65 access to three self insured healthcare plan options and one fully insured plan option. For the USG's Plan Year 2022, the following self-insured health care options were available: Blue Choice HMO plan, (Blue Cross and Blue Shield of Georgia) Consumer Choice HSA plan, and the (Blue Cross and Blue Shield of Georgia) Comprehensive Care plan.

The University's participating employees and eligible retirees pay premiums into the plan fund to access benefits coverage. All units of the USG share the risk of loss for claims associated with these plans. The plan fund is considered to be a self-sustaining risk fund. The USG has contracted with Blue Cross and Blue Shield of Georgia, a wholly owned subsidiary of Anthem, Inc., to serve as the claims administrator for the self-insured healthcare plan options. In addition to the self-insured healthcare plan options offered to the employees and eligible retirees of the USG, a fully insured HMO healthcare plan option also is offered through Kaiser Permanente. The Comprehensive Care plan has a carved-out prescription drug plan administered through CVS Caremark. Pharmacy drug claims are processed in accordance with guidelines established for the Board of Regents' Prescription Drug Benefit Program. Generally, claims are submitted by participating pharmacies directly to CVS Caremark for verification, processing and payment. CVS Caremark maintains an eligibility file based on information furnished by Blue Cross and Blue Shield of Georgia on behalf of the various organizational units of the University System of Georgia. The self-insured dental plan is administered through Delta Dental.

Retirees age 65 and older participate in a secondary healthcare coverage for Medicare-eligible retirees and dependents provided through a retiree health care exchange option. The USG makes contributions to a health reimbursement account, which can be used by the retiree to pay premiums and out-of-pocket healthcare-related expenses.

The Department of Administrative Services (DOAS) has the responsibility for the State of Georgia of making and carrying out decisions that will minimize the adverse effects of accidental losses that involve State government assets. The State believes it is more economical to manage its risks internally and set aside assets for claim settlement. Accordingly, DOAS processes claims for risk of loss to which the State is exposed, including general liability, property and casualty, workers' compensation, unemployment compensation, and law enforcement officers' indemnification. Limited amounts of commercial insurance are purchased applicable to property, employee and automobile liability, fidelity and certain other risks.

The University is part of the State of Georgia reporting entity, and as such, is covered by the State of Georgia risk management program administered by DOAS. Premiums for the risk management program are charged to the various state organizations by DOAS to provide claims servicing and claims payment.

A self-insured program of professional liability for its employees was established by the Board of Regents of the University System of Georgia under powers authorized by the O.C.G.A § 45-9-1.

The program insures the employees to the extent that they are not immune from liability against personal liability for damages arising out of the performance of their duties or in any way connected therewith. The program is administered by DOAS as a Self-Insurance Fund.

Note 13 Contingencies

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies. This could result in refunds to the grantor agency for any expenditure disallowed under grant terms. The amount of expenditures which may be disallowed by the grantor cannot be determined at this time although the Institution expects such amounts, if any, to be immaterial to its overall financial position.

Litigation, claims and assessments filed against the University, if any, are generally considered to be actions against the State of Georgia. Accordingly, significant litigation, claims and assessments pending against the State of Georgia are disclosed in the State of Georgia Annual Comprehensive Financial Report for the fiscal year ended June 30, 2022.

Note 14 Post-Employment Benefits Other Than Pension Benefits

Board of Regents Retiree Health Benefit Plan

Plan Description and Funding Policy

The Board of Regents Retiree Health Benefit Plan (Plan) is a single-employer, defined-benefit, healthcare plan administered by the University System Office, an organizational unit of the USG. The Plan was authorized pursuant to OCGA § 47-21-21 for the purpose of accumulating funds necessary to meet employer costs of retiree post-employment health insurance benefits.

Pursuant to the general powers conferred by the OCGA § 20-3-31, the USG has established group health and life insurance programs for regular employees of the USG. It is the policy of the USG to permit employees of the USG eligible for retirement or who become permanently and totally disabled to continue as members of the group health and life insurance programs. The USG offers its employees and retirees under the age of 65 access to three self-insured healthcare plan options and one fully insured plan option. For the USG's Plan Year 2022, the following self-insured health care options were available: Blue Choice HMO plan, (Blue Cross and Blue Shield of Georgia) Consumer Choice HSA plan, and the (Blue Cross and Blue Shield of Georgia) Comprehensive Care plan. The USG offers a self-insured dental plan administered by Delta Dental.

Retirees age 65 and older participate in a secondary healthcare coverage for Medicare-eligible retirees and dependents provided through a retiree health care exchange option. The USG makes contributions to the retirees' health reimbursement account, which can be used by the retiree to pay premiums and out-of-pocket healthcare related expenses.

The University's membership in the Plan consisted of the following at June 30, 2022:

| | |
|---|---------------------|
| Active Employees | 611 |
| Retirees or Beneficiaries Receiving Benefits | 315 |
| Retirees or Beneficiaries Eligible But Not Receiving Benefits | — |
| Retirees Receiving Life Insurance Only | <u>104</u> |
| Total | <u><u>1,030</u></u> |

The contribution requirements of plan members and the employer are established and may be amended by the Board. The Plan is substantially funded on a "pay-as-you-go" basis; however, amounts above the pay-as-you-go basis may be contributed annually, either by specific appropriation or by Board designation.

The University pays the employer portion for group insurance for eligible retirees. The employer portion of health insurance for its eligible retirees is based on rates that are established annually by the Board for the upcoming plan year. For the 2022 plan year, the employer rate was approximately 88% of the total health insurance cost for eligible retirees and the retiree rate was approximately 12%. With regard to life insurance, the employer covers the total premium cost for \$25,000 of basic life insurance. If an individual elects to have supplemental, and/or, dependent life insurance coverage, such costs are borne entirely by the retiree.

For fiscal year 2022, the University contributed \$1,978,704 to the plan for current premiums or claims.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2022, the University reported a liability for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2021. The total OPEB liability used to calculate the net OPEB liability was based on an actuarial valuation as of May 1, 2021. An expected total OPEB liability as of June 30, 2021 was determined using standard roll-forward techniques. The University's proportion of the net OPEB liability was actuarially determined based on employer contributions during the fiscal year ended June 30, 2021. At June 30, 2021, the University's proportion was 1.339645%, which was a decrease of (0.006143)% from its proportion measured as of June 30, 2020.

For the year ended June 30, 2022, the University recognized OPEB expense of \$173,170. At June 30, 2022, the University reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|--------------------------------------|-------------------------------------|
| Differences between expected and actual experience | \$ 3,630,095 | \$ 230,680 |
| Changes of assumptions | 5,561,181 | 9,299,349 |
| Net difference between projected and actual earnings on OPEB plan investments | — | 167,203 |
| Changes in proportion and differences between contributions and proportionate share of contributions | — | 6,969,161 |
| Contributions subsequent to the measurement date | 1,978,704 | — |
| Total | <u>\$ 11,169,980</u> | <u>\$ 16,666,393</u> |

The University's contributions subsequent to the measurement date of \$1,978,704 are reported as deferred outflows of resources and will be recognized as a reduction of the net OPEB liability in the year ending June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending June 30:

| | |
|------------|----------------|
| 2023 | \$ (3,500,803) |
| 2024 | \$ (2,062,571) |
| 2025 | \$ (1,881,325) |
| 2026 | \$ (1,133,009) |
| 2027 | \$ 545,705 |
| Thereafter | \$ 556,886 |

Actuarial assumptions

The total OPEB liability as of June 30, 2021 was determined by an actuarial valuation as of May 1, 2021 using the following actuarial assumptions, applied to all periods included in the measurement:

| | |
|--|---|
| Cost Method | Entry Age Normal |
| Amortization Method | Closed amortization period for initial unfunded and subsequent actuarial gains/losses. |
| Asset Method | Fair Value |
| Interest Discounting and Salary Growth | Discount Rate as of 6/30/2021 2.18% GO 20-Municipal Bond Index Rate Discount Rate as of 6/30/2020 2.21% from Bond Buyers GO 20- Municipal Bond Index Long-term Rate of Return 4.37% General Inflation 2.10% Salary Increase 3.75% |
| Mortality Rates | Pub - 2010 for Teachers (headcount weighted) projected with a scale MP-2020 |
| Initial Healthcare Cost Trend | |
| Pre-Medicare Eligible | 6.4% |
| Medicare Eligible | 4% |
| Ultimate Trend Rate | |
| Pre-Medicare Eligible | 4.5% |
| Medicare Eligible | 4% |
| Year Ultimate Trend is Reached | Fiscal Year 2031 for Pre-Medicare Eligible, Fiscal Year 2021 for Medicare Eligible |
| Experience Study | Economic and demographic assumptions are based on the results of the most recent actuarial experience study over the Plan, which covered a three-year period ending June 30, 2019 with the exception of the disability and salary increase assumptions. These assumptions are based on the results of the most recent actuarial experience study of the Teachers Retirement System of Georgia, which covered the five year period ending June 30, 2018. |

Changes in Assumptions Since Prior Valuation

The financial accounting valuation reflects the following assumption changes:

- Expected claims costs were updated to reflect actual experience.
- Mortality improvement scale was updated from MP-2019 to MP-2020.
- The discount rate was updated from 2.21% as of June 30, 2020 to 2.18% as of June 30, 2021.
- The disability rates were changed to be consistent with the Teacher's Retirement System of Georgia Pension June 30, 2019 valuation report.
- The salary scale was changed from 4.00% to 3.75% to be consistent with the Teacher's Retirement System of Georgia Pension June 30, 2019 valuation report.
- The HRA annual increase assumption was updated from 4.50% to 4.00% to reflect general long term HRA employer marketplace trends that show HRA amounts increasing slightly lower than long term medical trends but higher than inflation.
- The Expected Return on Assets was changed from 3.75% to 4.37%.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rates of return for each major asset class included in the target asset allocation as of June 30, 2021 are summarized in the following table:

| Asset Class | Long-Term Expected Real Rate of Return Net of Inflation | Target Allocation |
|-------------------|--|-------------------|
| Fixed Income | 0.69 % | 70 % |
| Equity Allocation | 4.21 % | 30 % |

Discount rate

The Plan's projected fiduciary net position at the end of 2025 is \$0, based on the valuation completed for the fiscal year ending June 30, 2021. As such, the Plan's fiduciary net position was not projected to be available to make all projected future benefit payments for current Plan members. The projected "depletion date" when projected benefits are not covered by projected assets is 2025. Therefore, the long-term expected rate of return on Plan investments of 4.37% per annum was not applied to all periods of projected benefit payments to determine the total OPEB liability as of June 30, 2021. Instead, a yield or index rate for a 20 year, tax-exempt general obligation municipal bond with an average rating of AA or higher was used. This rate was determined to be 2.18% from the Bond Buyers GO 20-Bond Municipal Bond Index. This rate is comprised primarily of the yield or index rate for a 20 year, tax exempt general obligation municipal bond with an average rating of AA or higher (2.16% from the Bond Byers GO 20-Bond Municipal Bond Index).

Sensitivity of the net OPEB liability to changes in the discount rate

The following presents the the University's proportionate share of the net OPEB liability, as well as what the University's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1% lower (1.18%) or 1% higher (3.18%) than the current discount rate (2.18%):

| | 1% Decrease 1.18% | Current Rate 2.18% | 1% Increase 3.18% |
|---|----------------------|-----------------------|----------------------|
| Proportionate Share of the Net OPEB Liability | \$ 81,613,458 | \$ 67,425,413 | \$ 56,484,337 |

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates

The following presents the University's proportionate share of the net OPEB liability, as well as what the University's proportionate share of the net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% lower or 1% higher than the current healthcare cost trend rates:

| | 1% Decrease | Current Rate | 1% Increase |
|---|-------------------------|-------------------------|-------------------------|
| Proportionate Share of the Net OPEB Liability | \$ 56,893,168 | \$ 67,425,413 | \$ 81,289,554 |
| Pre-Medicare Eligible | 5.4% decreasing to 3.5% | 6.4% decreasing to 4.5% | 7.4% decreasing to 5.5% |
| Medicare Eligible | 3.0% | 4.0% | 5.0% |

OPEB plan fiduciary net position:

Detailed information about the Plan's fiduciary net position is available in the USG Consolidated Annual Financial Report which is publicly available at usg.edu/fiscal_affairs/financial_reporting/.

Note 15 Operating Expenses with Functional Classifications

Business-type activity operating expenses by functional classification for fiscal 2022 are shown below:

| Functional Classification | Natural Classification | | | | |
|----------------------------------|------------------------|----------------------|---------------------|-------------------|-------------------|
| | Faculty Salaries | Staff Salaries | Employee Benefits | Personal Services | Travel |
| Instruction | \$ 17,400,287 | \$ 4,988,709 | \$ 6,748,411 | \$ — | \$ 56,662 |
| Research | 190,075 | 223,885 | 105,712 | — | 11,956 |
| Public Service | 135,390 | 1,742,312 | 686,447 | — | 28,615 |
| Academic Support | 470,297 | 3,399,935 | 1,319,382 | 4,000 | 27,641 |
| Student Services | 23,057 | 3,149,422 | 1,210,658 | — | 65,203 |
| Institutional Support | 1,217,650 | 7,044,023 | (4,700,085) | — | 44,739 |
| Plant Operations and Maintenance | — | 2,864,461 | 1,034,751 | — | 11,780 |
| Scholarships and Fellowships | — | 7,575 | 904 | 466,572 | — |
| Auxiliary Enterprises | 23 | 2,896,205 | 728,445 | 451,062 | 37,115 |
| Total Operating Expenses | <u>\$ 19,436,779</u> | <u>\$ 26,316,527</u> | <u>\$ 7,134,625</u> | <u>\$ 921,634</u> | <u>\$ 283,711</u> |

| Functional Classification | Natural Classification | | | | |
|----------------------------------|------------------------------|---------------------|-----------------------------|---------------------------|--------------------------|
| | Scholarships and Fellowships | Utilities | Supplies and Other Services | Depreciation/Amortization | Total Operating Expenses |
| Instruction | \$ 571,191 | \$ 166,941 | \$ 1,877,747 | \$ 2,006,272 | \$ 33,816,220 |
| Research | 364,745 | — | 397,190 | 39,071 | 1,332,634 |
| Public Service | 7,520 | 32,168 | 1,465,653 | 414 | 4,098,519 |
| Academic Support | — | 24,520 | 1,482,540 | 299,420 | 7,027,735 |
| Student Services | 57,662 | 12,348 | 1,303,018 | 1,413,149 | 7,234,517 |
| Institutional Support | — | 193,490 | 8,927,411 | 792,268 | 13,519,496 |
| Plant Operations and Maintenance | — | 2,494,475 | 3,474,998 | 1,245,349 | 11,125,814 |
| Scholarships and Fellowships | 36,872,735 | — | — | — | 37,347,786 |
| Auxiliary Enterprises | 665,934 | 822,992 | 12,317,448 | 3,681,166 | 21,600,390 |
| Total Operating Expenses | <u>\$ 38,539,787</u> | <u>\$ 3,746,934</u> | <u>\$ 31,246,005</u> | <u>\$ 9,477,109</u> | <u>\$ 137,103,111</u> |

Required Supplementary Information

**ALBANY STATE UNIVERSITY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
DEFINED BENEFIT PENSION PLAN
FOR THE LAST TEN YEARS**

| | Year Ended | Actuarially Determined Contribution (a) | Contributions in Relation to the Actuarially Determined Contribution (b) | Contribution Deficiency (Excess) (b-a) | Covered Payroll (c) | Contributions as a Percentage of Covered Payroll (b/c) |
|---------------------------------|---------------|--|---|---|---------------------------|---|
| Employees' Retirement System | June 30, 2022 | \$ 75,569 | \$ 75,569 | \$ — | \$ 306,817 | 24.63% |
| | June 30, 2021 | \$ 64,733 | \$ 64,733 | \$ — | \$ 262,500 | 24.66% |
| | June 30, 2020 | \$ 64,145 | \$ 64,145 | \$ — | \$ 260,118 | 24.66% |
| | June 30, 2019 | \$ 48,946 | \$ 48,946 | \$ — | \$ 197,521 | 24.78% |
| | June 30, 2018 | \$ 45,619 | \$ 45,619 | \$ — | \$ 187,500 | 24.33% |
| | June 30, 2017 | \$ 46,405 | \$ 46,405 | \$ — | \$ 187,042 | 24.81% |
| | June 30, 2016 | \$ 16,109 | \$ 16,109 | \$ — | \$ 65,166 | 24.72% |
| | June 30, 2015 | \$ 9,150 | \$ 9,150 | \$ — | \$ 44,526 | 20.55% |
| | June 30, 2014 | \$ 7,606 | \$ 7,606 | \$ — | \$ 41,202 | 18.46% |
| | June 30, 2013 | \$ 7,897 | \$ 7,897 | \$ — | \$ 53,000 | 14.90% |
| Teachers' Retirement System | June 30, 2022 | \$ 5,163,909 | \$ 5,163,909 | \$ — | \$ 26,067,183 | 19.81% |
| | June 30, 2021 | \$ 4,810,110 | \$ 4,810,110 | \$ — | \$ 25,305,220 | 19.01% |
| | June 30, 2020 | \$ 5,519,922 | \$ 5,519,922 | \$ — | \$ 25,788,474 | 21.40% |
| | June 30, 2019 | \$ 5,390,422 | \$ 5,390,422 | \$ — | \$ 26,622,150 | 20.25% |
| | June 30, 2018 | \$ 4,483,588 | \$ 4,483,588 | \$ — | \$ 28,217,717 | 15.89% |
| | June 30, 2017 | \$ 4,040,398 | \$ 4,040,398 | \$ — | \$ 30,656,121 | 13.18% |
| | June 30, 2016 | \$ 4,379,630 | \$ 4,379,630 | \$ — | \$ 31,877,853 | 13.74% |
| | June 30, 2015 | \$ 4,191,939 | \$ 4,191,939 | \$ — | \$ 31,601,176 | 13.27% |
| | June 30, 2014 | \$ 3,880,177 | \$ 3,880,177 | \$ — | \$ 31,230,435 | 12.42% |
| | June 30, 2013 | \$ 3,563,589 | \$ 3,563,589 | \$ — | \$ 30,371,789 | 11.73% |

ALBANY STATE UNIVERSITY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
MULTIPLE EMPLOYER DEFINED BENEFIT PENSION PLANS
FOR THE LAST EIGHT FISCAL YEARS*

| | Year Ended | Proportion of the Net Pension Liability | Proportionate Share of the Net Pension Liability | Covered Payroll | Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll | Plan Fiduciary Net Position as a Percentage of the Total Pension Liability |
|------------------------------|---------------|--|--|--------------------|---|--|
| Employees' Retirement System | June 30, 2022 | 0.011941% | \$ 279,289 | \$ 262,500 | 106.40% | 87.62% |
| | June 30, 2021 | 0.010366% | \$ 436,922 | \$ 260,118 | 167.97% | 76.21% |
| | June 30, 2020 | 0.007836% | \$ 323,355 | \$ 197,521 | 163.71% | 76.74% |
| | June 30, 2019 | 0.007351% | \$ 302,202 | \$ 187,500 | 161.17% | 76.68% |
| | June 30, 2018 | 0.007625% | \$ 309,677 | \$ 187,042 | 165.57% | 76.33% |
| | June 30, 2017 | 0.008670% | \$ 132,546 | \$ 65,166 | 203.40% | 72.34% |
| | June 30, 2016 | 0.180000% | \$ 73,816 | \$ 44,526 | 165.78% | 76.20% |
| | June 30, 2015 | 0.183000% | \$ 68,636 | \$ 41,202 | 166.58% | 77.99% |
| Teachers Retirement System | June 30, 2022 | 0.194489% | \$ 17,201,255 | \$ 25,305,220 | 67.98% | 92.03% |
| | June 30, 2021 | 0.201755% | \$ 48,872,958 | \$ 25,788,474 | 189.51% | 77.01% |
| | June 30, 2020 | 0.211013% | \$ 45,373,501 | \$ 26,622,150 | 170.44% | 78.56% |
| | June 30, 2019 | 0.223471% | \$ 41,481,004 | \$ 28,217,717 | 147.00% | 80.27% |
| | June 30, 2018 | 0.245381% | \$ 45,604,814 | \$ 30,656,121 | 148.76% | 79.33% |
| | June 30, 2017 | 0.279702% | \$ 57,696,976 | \$ 31,877,853 | 180.99% | 76.06% |
| | June 30, 2016 | 0.302005% | \$ 45,981,677 | \$ 31,601,176 | 145.51% | 81.44% |
| | June 30, 2015 | 0.309464% | \$ 39,129,036 | \$ 31,230,435 | 125.29% | 84.03% |

17,201,255

*This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

**ALBANY STATE UNIVERSITY
REQUIRED SUPPLEMENTARY INFORMATION
NOTES TO THE REQUIRED SUPPLEMENTAL INFORMATION
DEFINED BENEFIT PENSION PLAN
METHODS AND ASSUMPTIONS
FOR FISCAL YEAR ENDED JUNE 30, 2022**

Changes of assumptions

Employees' Retirement System:

On December 17, 2020, the Board adopted recommended changes to the economic and demographic assumptions utilized by the System based on the experience study prepared for the five-year period ending June 30, 2019. Primary among the changes were the updates to the rates of mortality, retirement, withdrawal, and salary increases. This also included a change in the long-term assumed investment rate of return to 7.00%.

Teachers Retirement System:

Changes of assumptions: In 2010 and later, the expectation of retired life mortality was changed to the RP-2000 Mortality Tables rather than the 1994 Group Annuity Mortality Table, which was used prior to 2010. In 2010, rates of withdrawal, retirement, disability and mortality were adjusted to more closely reflect actual experience. In 2010, assumed rates of salary increase were adjusted to more closely reflect actual and anticipated experience.

On November 18, 2015, the Board adopted recommended changes to the economic and demographic assumptions utilized by the System. Primary among the changes were the updates to rates of mortality, retirement, disability, withdrawal and salary increases. The expectation of retired life mortality was changed to RP-2000 White Collar Mortality Table with future mortality improvement projected to 2025 with the Society of Actuaries' projection scale BB (set forward one year for males).

On May 15, 2019, the Board adopted and recommended changes from the smoothed valuation interest rate methodology that has been in effect since June 30, 2009, to a constant interest rate method. In conjunction with the methodology, the long-term assumed rate of return in assets (discount rate) has been changed from 7.50% to 7.25%, and the assumed annual rate of inflation has been reduced from 2.75% to 2.50%.

In 2019 and later, the expectation of retired life mortality was changed to the Pub-2010 Teachers Headcount Weighted Below Median Healthy Retiree mortality table from the RP-2000 Mortality Tables. In 2019, rates of withdrawal, retirement, disability and mortality were adjusted to more closely reflect actual experience.

**ALBANY STATE UNIVERSITY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS FOR OPEB PLAN
BOARD OF REGENTS RETIREE HEALTH BENEFIT PLAN
FOR THE LAST SIX YEARS***

| Year Ended | Contractually Required Contribution (a) | Contributions in Relation to the Contractually Required Contribution (b) | Contribution Deficiency (Excess) (b-a) | Covered Employee Payroll (c) | Contributions as a Percentage of Covered Employee Payroll (b/c) |
|---------------|--|---|---|------------------------------------|---|
| June 30, 2022 | \$ 1,978,704 | \$ 1,978,704 | \$ — | \$ 41,903,933 | 4.72% |
| June 30, 2021 | \$ 1,572,485 | \$ 1,572,485 | \$ — | \$ 38,747,891 | 4.06% |
| June 30, 2020 | \$ 1,383,362 | \$ 1,383,362 | \$ — | \$ 38,442,428 | 3.60% |
| June 30, 2019 | \$ 2,206,814 | \$ 2,206,814 | \$ — | \$ 37,921,291 | 5.82% |
| June 30, 2018 | \$ 2,320,391 | \$ 2,320,391 | \$ — | \$ 37,448,992 | 6.20% |
| June 30, 2017 | \$ 1,586,617 | \$ 1,586,617 | \$ — | \$ 37,796,205 | 4.20% |

*This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

**ALBANY STATE UNIVERSITY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF NET OPEB LIABILITY
BOARD OF REGENTS RETIREE HEALTH BENEFIT PLAN
FOR THE LAST FIVE YEARS***

| Year Ended | Proportion of the Net OPEB Liability | Proportionate Share of the Net OPEB Liability | Covered Employee Payroll | Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll | Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability |
|---------------|---|---|--------------------------------|--|---|
| June 30, 2022 | 1.339645% | \$ 67,425,413 | \$ 38,747,891 | 174.01% | 3.74% |
| June 30, 2021 | 1.345788% | \$ 71,780,554 | \$ 38,442,428 | 186.72% | 2.91% |
| June 30, 2020 | 1.375965% | \$ 61,527,211 | \$ 37,921,291 | 162.25% | 3.13% |
| June 30, 2019 | 1.464709% | \$ 64,604,668 | \$ 37,448,992 | 172.51% | 1.69% |
| June 30, 2018 | 1.593246% | \$ 67,230,614 | \$ 37,796,205 | 177.88% | 0.19% |

*This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

**ALBANY STATE UNIVERSITY
REQUIRED SUPPLEMENTARY INFORMATION
NOTES TO THE REQUIRED SUPPLEMENTAL INFORMATION FOR OPEB PLAN
BOARD OF REGENTS RETIREE HEALTH BENEFIT PLAN
METHODS AND ASSUMPTIONS
FOR FISCAL YEAR ENDED JUNE 30, 2022**

Changes in Assumptions Since Prior Valuation

The financial accounting valuation reflects the following assumption changes:

- Expected claims costs were updated to reflect actual experience.
- Mortality improvement scale was updated from MP-2019 to MP-2020.
- The discount rate was updated from 2.21% as of June 30, 2020 to 2.18% as of June 30, 2021.
- The disability rates were changed to be consistent with the Teacher's Retirement System of Georgia Pension June 30, 2019 valuation report.
- The salary scale was changed from 4.00% to 3.75% to be consistent with the Teacher's Retirement System of Georgia Pension June 30, 2019 valuation report.
- The HRA annual increase assumption was updated from 4.50% to 4.00% to reflect general long term HRA employer marketplace trends that show HRA amounts increasing slightly lower than long term medical trends but higher than inflation.
- The Expected Return on Assets was changed from 3.75% to 4.37%.

Supplementary Information

**ALBANY STATE UNIVERSITY
BALANCE SHEET (NON-GAAP BASIS)
BUDGET FUNDS
JUNE 30. 2022**

ASSETS

| | |
|------------------------------|------------------|
| Accounts Receivable | |
| Federal Financial Assistance | \$ 8,007,301.80 |
| Other | 5,506,188.13 |
| Prepaid Expenditures | 25,591.04 |
| | <hr/> |
| Total Assets | \$ 13,539,080.97 |
| | <hr/> |

LIABILITIES AND FUND EQUITY

Liabilities

| | |
|---------------------|-----------------|
| Cash Overdraft | \$ 1,918,423.77 |
| Accrued Payroll | 529,001.42 |
| Encumbrance Payable | 1,579,272.46 |
| Accounts Payable | 436,308.81 |
| Unearned Revenue | 4,077,032.90 |
| | <hr/> |
| Total Liabilities | 8,540,039.36 |
| | <hr/> |

Fund Balances

| | |
|-------------------------------------|------------------|
| Reserved | |
| Department Sales and Services | \$ 782,346.95 |
| Indirect Cost Recoveries | 646,682.83 |
| Technology Fees | 1,317,430.14 |
| Uncollectible Accounts Receivable | 1,599,555.45 |
| Tuition Carry - Forward | 630,445.24 |
| Unreserved | |
| Surplus | 22,581.00 |
| | <hr/> |
| Total Fund Balances | 4,999,041.61 |
| | <hr/> |
| Total Liabilities and Fund Balances | \$ 13,539,080.97 |
| | <hr/> |

Actual amounts were prepared on a prescribed basis of accounting that demonstrates compliance with budgetary statutes and regulations of the State of Georgia, which is a special purpose framework.

ALBANY STATE UNIVERSITY
STATEMENT OF FUNDS AVAILABLE AND EXPENDITURES COMPARED TO BUDGET
BY PROGRAM AND FUNDING SOURCE
BUDGET FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

| | Original Appropriation | Final Budget | Funds Available Compared to Budget | |
|---|---------------------------|-----------------------|------------------------------------|----------------------------------|
| | | | Current Year Revenues | Prior Year Reserve Carry-Over |
| Teaching | | | | |
| State Appropriation | | | | |
| State General Funds | \$ 26,493,104.00 | \$ 32,536,571.00 | \$ 32,536,571.00 | \$ — |
| Federal Funds | | | | |
| Federal Funds Not Specifically Identified | | 45,211,362.00 | 33,323,611.25 | |
| Federal Funds COVID19 | | | | |
| Federal Funds Not Itemized-Covid | | 76,901,109.00 | 40,073,405.21 | — |
| Other Funds | 79,126,127.00 | 35,784,593.00 | 31,380,107.60 | 3,005,544.90 |
| Total Teaching | 105,619,231.00 | 190,433,635.00 | 137,313,695.06 | 3,005,544.90 |
| Total Operating Activity | \$ 105,619,231.00 | \$ 190,433,635.00 | \$ 137,313,695.06 | \$ 3,005,544.90 |

Actual amounts were prepared on a prescribed basis of accounting that demonstrates compliance with budgetary statutes and regulations of the State of Georgia, which is a special purpose framework.

ALBANY STATE UNIVERSITY
STATEMENT OF FUNDS AVAILABLE AND EXPENDITURES COMPARED TO BUDGET
BY PROGRAM AND FUNDING SOURCE
BUDGET FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

| | Funds Available Compared to Budget | | | Expenditures Compared to Budget | | Excess (Deficiency) of Funds Available Over/(Under) Expenditures |
|--|-------------------------------------|--------------------------|---------------------------------|---------------------------------|---------------------------------|---|
| | Program Transfers or Adjustments | Total Funds Available | Variance Positive (Negative) | Actual | Variance Positive (Negative) | |
| Teaching | | | | | | |
| State Appropriation | | | | | | |
| State General Funds | \$ — | \$ 32,536,571.00 | \$ — | \$ 32,536,223.67 | \$ 347.33 | \$ 347.33 |
| Federal Funds | | | | | | |
| Federal Funds Not Specifically Identified | | 33,323,611.25 | (11,887,750.75) | 33,323,611.25 | 11,887,750.75 | 0 |
| Federal Funds COVID19 | | | | | | |
| Federal Funds Not Itemized- Covid | — | 40,073,405.21 | (36,827,703.79) | 40,073,405.21 | 36,827,703.79 | — |
| Other Funds | — | 34,385,652.50 | (1,398,940.50) | 31,559,662.50 | 4,224,930.50 | 2,825,990.00 |
| Total Teaching | — | 140,319,239.96 | (50,114,395.04) | 137,492,902.63 | 52,940,732.37 | 2,826,337.33 |
| Total Operating Activity | \$ — | \$ 140,319,239.96 | \$ (50,114,395.04) | \$ 137,492,902.63 | \$ 52,940,732.37 | \$ 2,826,337.33 |

Actual amounts were prepared on a prescribed basis of accounting that demonstrates compliance with budgetary statutes and regulations of the State of Georgia, which is a special purpose framework.

ALBANY STATE UNIVERSITY
STATEMENT OF CHANGES TO FUND BALANCE
BY PROGRAM AND FUNDING SOURCE
BUDGET FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

| | Beginning Fund Balance/(Deficit) | Fund Balance Carried Over from Prior Year as Funds Available | Return of Fiscal Year 2021 Surplus | Prior Year Adjustments | Other Adjustments |
|---|-------------------------------------|--|--|---------------------------|----------------------|
| Teaching | | | | | |
| State Appropriation | | | | | |
| State General Funds | \$ 3,145.44 | \$ — | \$ (3,145.44) | \$ 22,097.67 | \$ — |
| Federal Funds | | | | | |
| Federal Funds Not Specifically Identified | — | — | — | — | — |
| Federal Funds - COVID | | | | | |
| Federal Funds Not Specifically Identified - COVID | — | — | — | — | — |
| Other Funds | 3,009,910.63 | (3,005,544.90) | (4,365.73) | 0.40 | 551,050.76 |
| Total Teaching | 3,013,056.07 | (3,005,544.90) | (7,511.17) | 22,098.07 | 551,050.76 |
| Total Operating Activity | 3,013,056.07 | (3,005,544.90) | (7,511.17) | 22,098.07 | 551,050.76 |
| Prior Year Reserves | | | | | |
| Not Available for Expenditure | | | | | |
| Inventories | — | | | | — |
| Uncollectible Accounts Receivable | 2,150,606.21 | | | | (551,050.76) |
| Budget Unit Totals | <u>\$ 5,163,662.28</u> | <u>\$ (3,005,544.90)</u> | <u>\$ (7,511.17)</u> | <u>\$ 22,098.07</u> | <u>\$ —</u> |

Actual amounts were prepared on a prescribed basis of accounting that demonstrates compliance with budgetary statutes and regulations of the State of Georgia, which is a special purpose framework.

ALBANY STATE UNIVERSITY
STATEMENT OF CHANGES TO FUND BALANCE
BY PROGRAM AND FUNDING SOURCE
BUDGET FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

| | Early Return of Fiscal Year 2022 Surplus | Excess (Deficiency) of Funds Available Over/(Under) Expenditures | Ending Fund Balance/(Deficit) June 30 | Analysis of Ending Fund Balance | | |
|---|--|--|---|---------------------------------|-------------------|-----------------|
| | | | | Reserved | Surplus/(Deficit) | Total |
| Teaching | | | | | | |
| State Appropriation | | | | | | |
| State General Funds | \$ — | \$ 347.33 | \$ 22,445.00 | \$ — | \$ 22,445.00 | \$ 22,445.00 |
| Federal Funds | | | | | | |
| Federal Funds Not Specifically Identified | — | — | — | — | — | — |
| Federal Funds - COVID | | | | | | |
| Federal Funds Not Specifically Identified - COVID | — | — | — | — | — | — |
| Other Funds | — | 2,825,990.00 | 3,377,041.16 | 3,376,905.16 | 136.00 | 3,377,041.16 |
| Total Teaching | — | 2,826,337.33 | 3,399,486.16 | 3,376,905.16 | 22,581.00 | 3,399,486.16 |
| Total Operating Activity | — | 2,826,337.33 | 3,399,486.16 | 3,376,905.16 | 22,581.00 | 3,399,486.16 |
| Prior Year Reserves | | | | | | |
| Not Available for Expenditure | | | | | | |
| Inventories | | | — | — | | — |
| Uncollectible Accounts Receivable | | | 1,599,555.45 | 1,599,555.45 | | 1,599,555.45 |
| Budget Unit Totals | \$ — | \$ 2,826,337.33 | \$ 4,999,041.61 | \$ 4,976,460.61 | \$ 22,581.00 | \$ 4,999,041.61 |
| Capital Outlay | | | | — | — | — |
| Departmental Sales and Services | | | | 782,346.95 | — | 782,346.95 |
| Indirect Cost Recovery | | | | 646,682.83 | — | 646,682.83 |
| Technology Fees | | | | 1,317,430.14 | — | 1,317,430.14 |
| Restricted/Sponsored Funds | | | | — | — | — |
| Property Reserves | | | | — | — | — |
| Tuition Carry-Forward | | | | 630,445.24 | — | 630,445.24 |
| Uncollectible Accounts Receivable | | | | 1,599,555.45 | — | 1,599,555.45 |
| Inventories | | | | — | — | — |
| Early Retirement Program | | | | — | — | — |
| Surplus | | | | — | 22,581.00 | 22,581.00 |
| Deficit | | | | — | — | — |
| | | | | \$ 4,976,460.61 | \$ 22,581.00 | \$ 4,999,041.61 |

Actual amounts were prepared on a prescribed basis of accounting that demonstrates compliance with budgetary statutes and regulations of the State of Georgia, which is a special purpose framework.

ALBANY STATE UNIVERSITY

2400 Gillionville Road
Albany, GA 31707

asurams.edu