

COLUMBUS STATE UNIVERSITY

Annual Financial Report
Fiscal Year 2022

COLUMBUS STATE UNIVERSITY
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For the Fiscal Year Ended June 30, 2022

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March 26, 2023

To: John Fuchko, Ed.D.
Interim President
Columbus State University

The Annual Financial Report (AFR) for the Columbus State University includes the financial statements for the year ended June 30, 2022, as well as other useful information to help ensure the University's accountability and integrity to the public. The AFR also includes the Management Discussion and Analysis, with all necessary disclosures to assist the reader in gaining a broader and more thorough understanding of the University's financial position as a result of operations for the fiscal year ended June 30, 2022.

Columbus State University management is responsible for the accuracy of this information and for the completeness and fairness of its presentation, including all disclosures. We believe the information is accurate and fairly presents the Institution's financial position, revenues, expenses and other changes in net position.

The University's financial records are included in the University System of Georgia's financial report, which is audited by the State of Georgia Department of Audits and Accounts (DOAA) on an annual basis. The audit of the University's financial assistance programs is performed by the DOAA in conjunction with the statewide Single Audit.

The Georgia Department of Audits and Accounts (DOAA) was engaged to complete a review engagement at Columbus State University for Fiscal Year 2022. The engagement is in respect to the financial statements of the business type activities and fiduciary funds, including the notes to the institution's financial statements. DOAA performs procedures to the extent necessary so that DOAA might express an opinion on the basic financial statements of the University System of Georgia Annual Financial Report and the Annual Comprehensive Financial Report of the State of Georgia. The procedures will not constitute an audit of the institution's financial statements. For this reason, DOAA did not express an opinion on the financial statements.

Sincerely,
Mr. Richard Sears
Vice President, Business & Finance

Financial Section



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. John M. Fuchko
Columbus State University

We have reviewed the accompanying financial statements of the business-type activities and the fiduciary funds of Columbus 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 Columbus 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.

This review report contains information pertinent to the Columbus State University's compliance with the requirements of the Southern Association of Colleges and Schools Commission on Colleges (COC) Standard 13.2 (Financial resources) as of and for the year ended June 30, 2022. Included in a separate Report on Review dated April 3, 2023 is a section on findings and other items for any matters that came to our attention during our engagement.

This report is intended solely for the information and use of the management of Columbus State University, members of the Board of Regents of the University System of Georgia and the Southern Association of Colleges and Schools – Commission on Colleges 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

April 3, 2023

COLUMBUS STATE UNIVERSITY

Management's Discussion and Analysis

Introduction

Columbus State University (University) is one of the 26 institutions of higher education in the University System of Georgia. The University, located in Columbus, Georgia, was founded in 1958 and has become known for its nationally accredited programs in art, business, nursing, music theatre and teacher education. The University offers baccalaureate, master and doctorate degrees in a wide variety of subjects. This wide range of educational opportunities attracts highly qualified faculty and staff and a student body of more than 7,900 students each year. The institution is making efforts to stabilize enrollment and increase retention. In recent years, the University has implemented several initiatives to stabilize enrollment and increase retention. These initiatives follow many of the principles outlined in the USG's Complete University Georgia program. The results of these efforts can be seen in the table below. Enrollment has increased during the period covered in the table, reaching a record high total in FY 2021.

	STUDENT HEADCOUNT	STUDENT FTE
FY 2022	7,924	6,596
FY 2021	8,376	7,064
FY 2020	7,877	6,671

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 activity 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, deferred outflows of resources, and liabilities, deferred deferred inflows of resources, both current and noncurrent and net position. 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, liabilities and deferred inflows of resources (net position) is one indicator of the University's financial health. Increases 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 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			
	June 30, 2022	June 30, 2021	Increase/ (Decrease)
ASSETS			
Current Assets	\$ 25,491,968	\$ 25,856,104	\$ (364,136)
Capital Assets, Net	146,598,188	115,115,470	31,482,718
Intangible Right-to-Use Assets, Net	27,211,555	—	27,211,555
Other Assets	7,080,897	8,140,725	(1,059,828)
TOTAL ASSETS	206,382,608	149,112,299	57,270,309
DEFERRED OUTFLOWS			
	26,967,647	29,476,707	\$ (2,509,060)
LIABILITIES			
Current Liabilities	13,850,048	12,144,922	1,705,126
Non-Current Liabilities	158,718,318	175,237,563	(16,519,245)
TOTAL LIABILITIES	172,568,366	187,382,485	(14,814,119)
DEFERRED INFLOWS			
	49,094,445	13,690,677	35,403,768
NET POSITION			
Net Investment in Capital Assets	106,218,049	77,757,285	28,460,764
Restricted for:			
Restricted, Non-Expendable	2,434,446	2,382,206	52,240
Restricted, Expendable	3,927,607	5,277,008	(1,349,401)
Unrestricted	(100,892,658)	(107,900,655)	7,007,997
TOTAL NET POSITION	\$ 11,687,444	\$ (22,484,156)	\$ 34,171,600

(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 increased \$57,270,309 which was due to a decrease in current assets of \$364,136, and an increase in net capital assets of \$31,482,718, and an increase intangible right-to-use assets of \$27,211,555.

The total assets increase is primarily related to an increase in Capital Assets, net due to the gift of Frank Brown Hall in the amount of \$26,013,676. This gift was made by Foundation Properties, Inc., an affiliated organization of the University. The increase in intangible right-to-use assets is directly related to the implementation of GASB issued Statement No. 87, Leases, whereby the lessee is required to record an asset for leases that convey control of the right-to-use another entity's non-financial asset.

Total deferred outflows of resources decreased by \$2,509,060 which was primarily due to the University's proportionate share of the actuarially determined deferred loss on the USG's Other Post Employment Benefits (OPEB) plan and the defined benefit pension plans administered by Teachers Retirement System of Georgia and Employees' Retirement System of Georgia.

Total liabilities decreased \$14,814,119 which was due to an increase in current liabilities of \$1,705,126 and a decrease in non-current liabilities of \$16,519,245. The decrease in net liabilities is primarily attributable to the decrease in net pension liability of \$36,463,258 and the decrease in net other post employment benefits (OPEB) liability by \$7,146,590. The substantial decreases are related to Teachers Retirement System of Georgia and Employees' Retirement System of Georgia change in assumptions and an update in their respective experience study as well as the decrease in University's proportionate share of the actuarially determined liability for other post employment benefits plans (OPEB). These decreases were offset by increases in notes payable of \$38,211,649 due to the implementation of GASB 87. GASB 87 requires a different accounting treatment for contracts that transfer ownership of the underlying asset to the purchaser by the end of the contract and does not contain termination options. These contracts, also known as finance purchases, are now accounted for as notes payable.

Total deferred inflows of resources increased by \$35,403,768 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' System of Georgia and Employees' Retirement System of Georgia change in assumptions and an update in their respective experience study.

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 \$34,171,600. This change in net position is primarily in the category of Net Investment in Capital Assets in the amount of \$28,460,764. These changes are primarily attributable to the gift of Frank Brown Hall and the implementation of GASB 87.

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.

The summary comparison of the University's activities as of June 30, 2022 and June 30, 2021 is as follows:

CONDENSED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION	June 30, 2022	June 30, 2021	Increase/ (Decrease)
Operating Revenue	\$ 59,570,219	\$ 57,913,179	\$ 1,657,040
Operating Expense	134,544,202	129,467,967	5,076,235
Operating Loss	(74,973,983)	(71,554,788)	(3,419,195)
Non-Operating Revenue and Expense	81,905,080	62,861,872	19,043,208
Income (Loss) before Other Revenues, Expenses, Gains, or Losses	6,931,097	(8,692,916)	15,624,013
Other Revenues, Expenses, Gains, Losses and Special Items	26,819,744	1,209,074	25,610,670
Change in Net Position	33,750,841	(7,483,842)	41,234,683
Net Position at Beginning of year, Restated	(22,063,397)	(15,000,314)	(7,063,083)
Net Position at End of Year	\$ 11,687,444	\$ (22,484,156)	\$ 34,171,600

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

Revenues

In fiscal year 2022, tuition and fees net of waivers decreased by \$854,944 which is a result a 5.4% decline in enrollment in 2021-22 versus 2020-21. The decrease in net tuition and fee was offset by and 86.5% increase in sales and services and an increase of 6.62% in Auxiliary revenue.

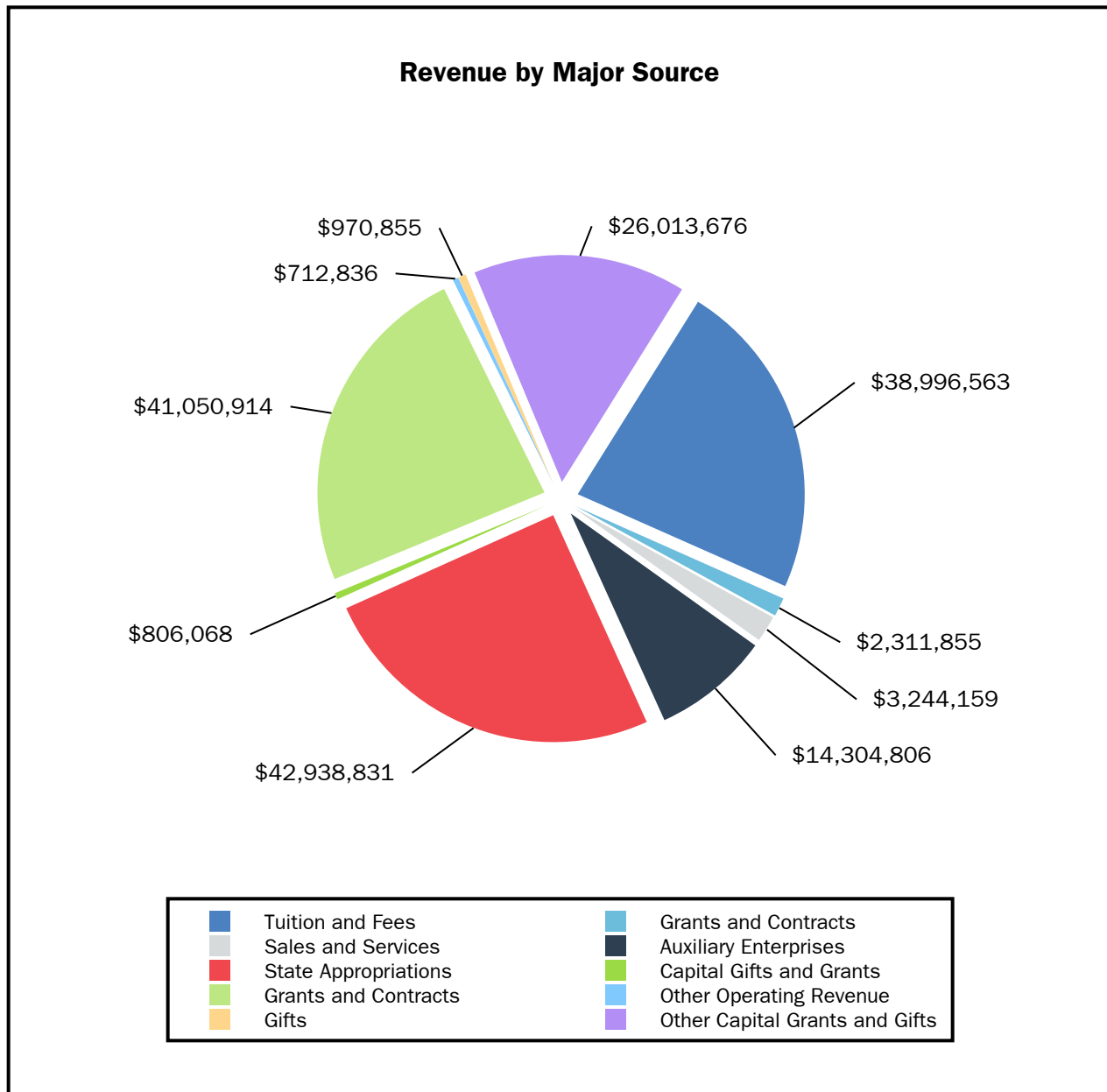
Net nonoperating revenues and expenses increased by \$19 million for the following reasons: \$4.1 million increase in state appropriations due to an allocation for the cost-of-living adjustment and grants and contracts increased by \$17 million due to increase in Higher Education Emergency Relief Funds (HEERF) received from the Department of Education.

Other capital gifts and grants increased by \$26,013,676 due to gift of Frank Brown Hall that was provided by Foundation Properties, Inc..

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	\$ 38,996,563	\$ 39,851,507	\$ (854,944)
Grants and Contracts	2,311,855	2,296,037	15,818
Sales and Services	3,244,159	1,739,112	1,505,047
Auxiliary Enterprises	14,304,806	13,416,589	888,217
Other Operating Revenues	712,836	609,934	102,902
Total Operating Revenues	59,570,219	57,913,179	1,657,040
State Appropriations	42,938,831	38,793,399	4,145,432
Grants and Contracts	41,050,914	23,975,171	17,075,743
Gifts	970,855	134,440	836,415
Investment Income	(942,357)	1,559,056	(2,501,413)
Other Nonoperating Revenues	(4,042)	(10,878)	6,836
Total Nonoperating Revenues	84,014,201	64,451,188	19,563,013
State Capital Gifts and Grants	806,068	1,209,074	(403,006)
Other Capital Gifts and Grants	26,013,676	—	26,013,676
Total Capital Gifts and Grants	26,819,744	1,209,074	25,610,670
Additions to Permanent and Term Endowments	—	—	—
Total Revenues	\$ 170,404,164	\$ 123,573,441	\$ 46,830,723

Revenue by source (state appropriations, operating grants and contracts, tuition and fees, auxiliaries, gifts and other sources) 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:

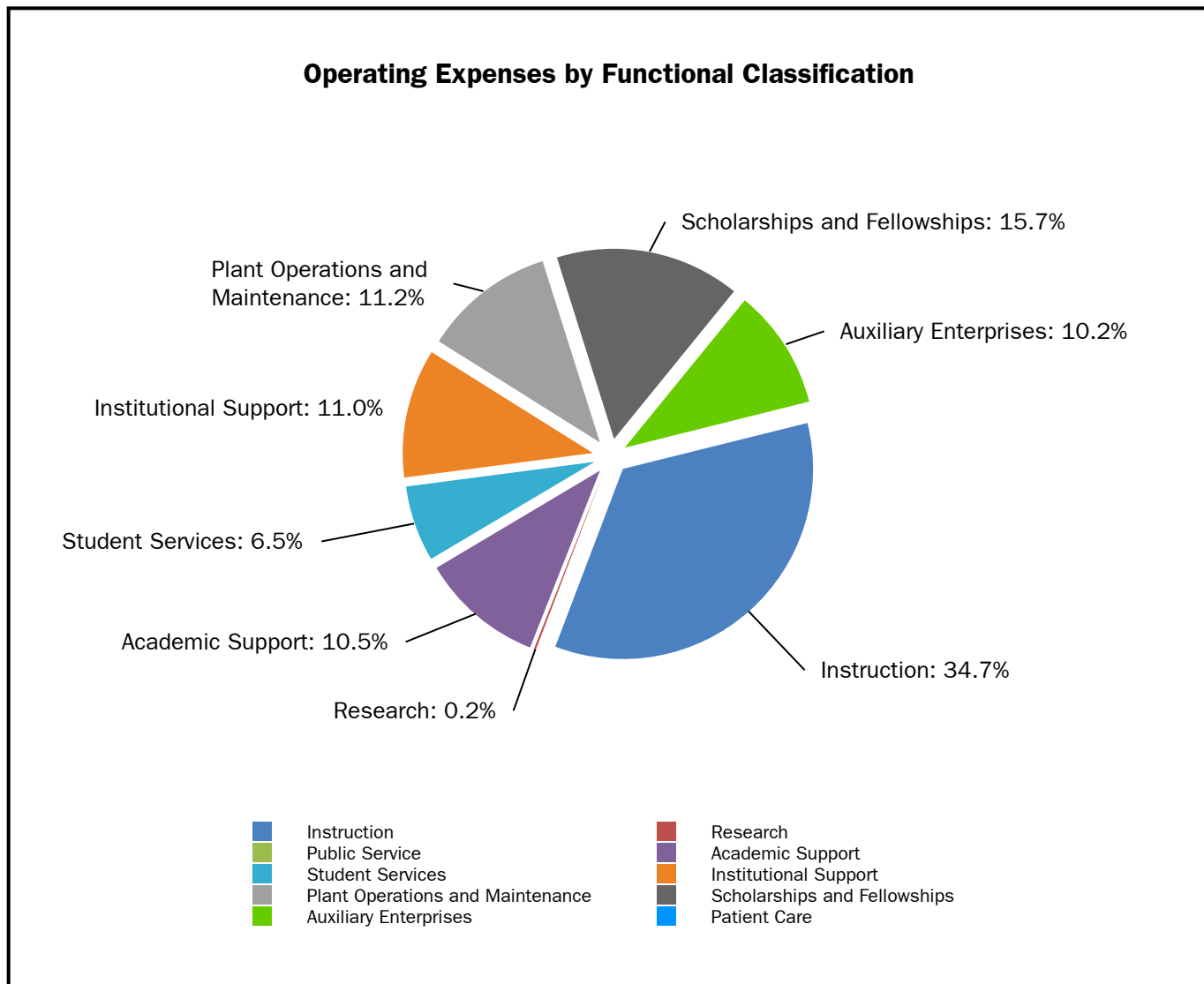
EXPENSES BY FUNCTIONAL CLASSIFICATION	June 30, 2022	June 30, 2021	Increase/ (Decrease)
Instruction	\$ 46,664,180	\$ 47,426,735	\$ (762,555)
Research	269,264	169,037	100,227
Academic Support	14,093,903	15,071,229	(977,326)
Student Services	8,691,652	7,882,431	809,221
Institutional Support	14,781,474	20,222,994	(5,441,520)
Plant Operations and Maintenance	15,108,029	14,045,773	1,062,256
Scholarships and Fellowships	21,170,090	11,722,284	9,447,806
Auxiliary Enterprises	13,765,610	12,927,484	838,126
Total Operating Expenses	134,544,202	129,467,967	5,076,235
Interest Expense	2,109,121	1,589,316	519,805
Total Nonoperating Expenses	2,109,121	1,589,316	519,805
Total Expenses	\$ 136,653,323	\$ 131,057,283	\$ 5,596,040

Total operating expenses were \$134.5 million in fiscal 2022, an increase of \$5 million when compared with fiscal 2021. These increases are primarily attributable to the following functional classifications:

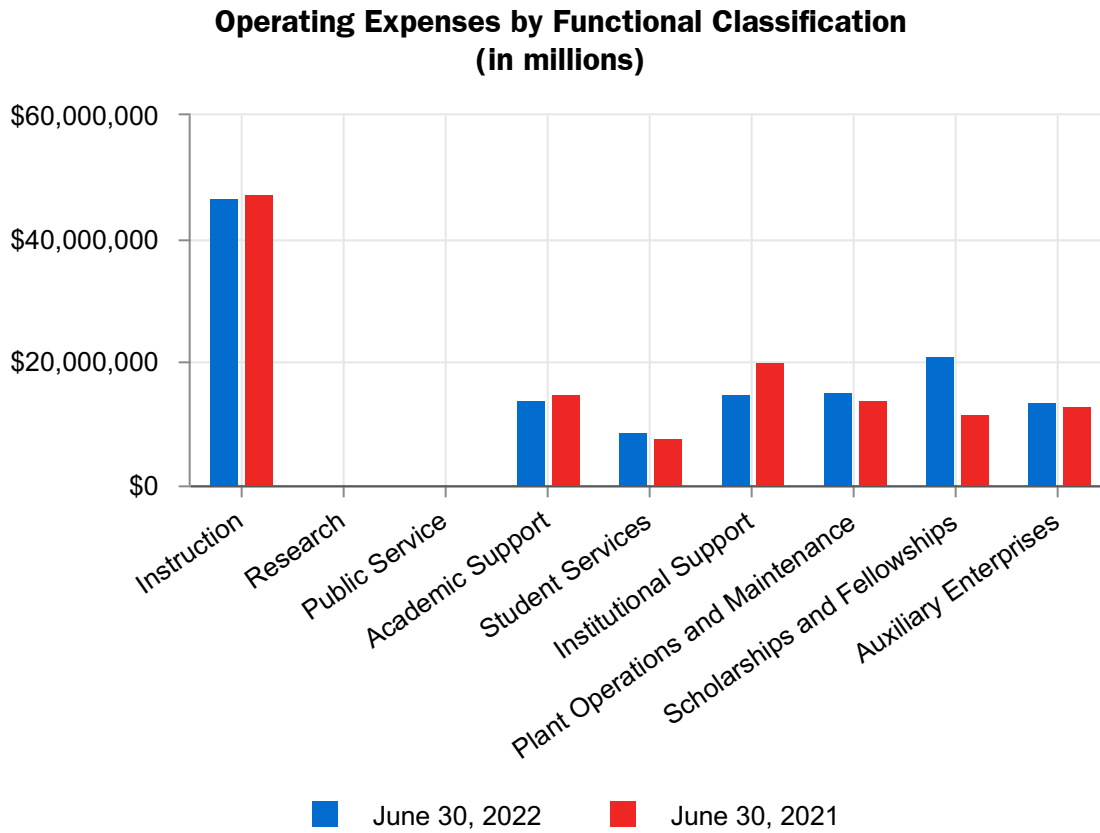
Scholarships and Fellowships increased \$9.4 million. This increase was due largely to growth in HEERF funding for student scholarship totaling \$7.96 million from FY21 to FY22.

This increase, however, was offset by a significant decrease in pension expense. TRS made significant assumption changes between last year and this year that decreased the net pension liability from \$55.4 million to \$19 million. This resulted in a decrease in pension expense in the amount of \$5.46 million.

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

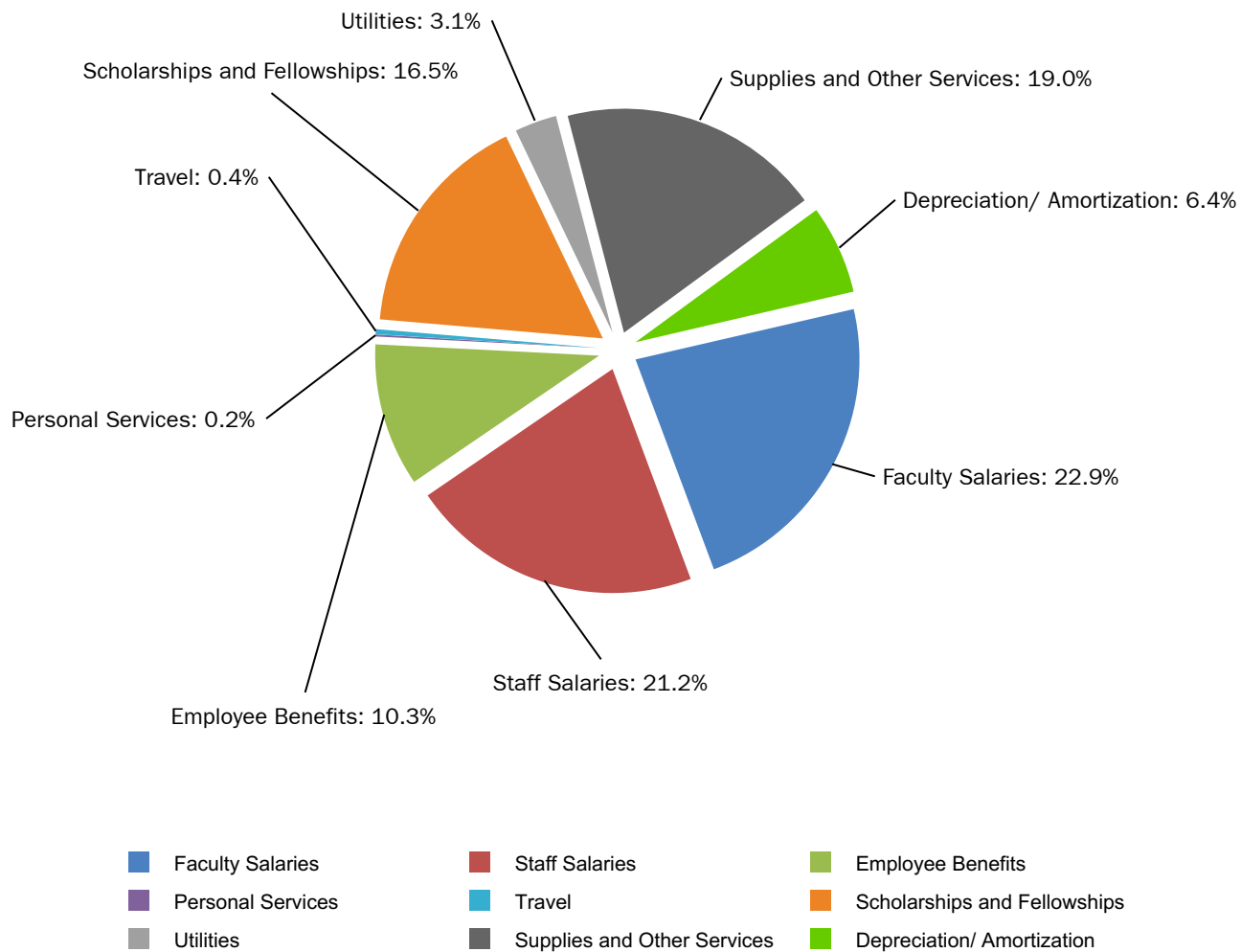


Operating expenses by functional classification for the years ended June 30, 2022 and June 30, 2021 is depicted by the following chart:

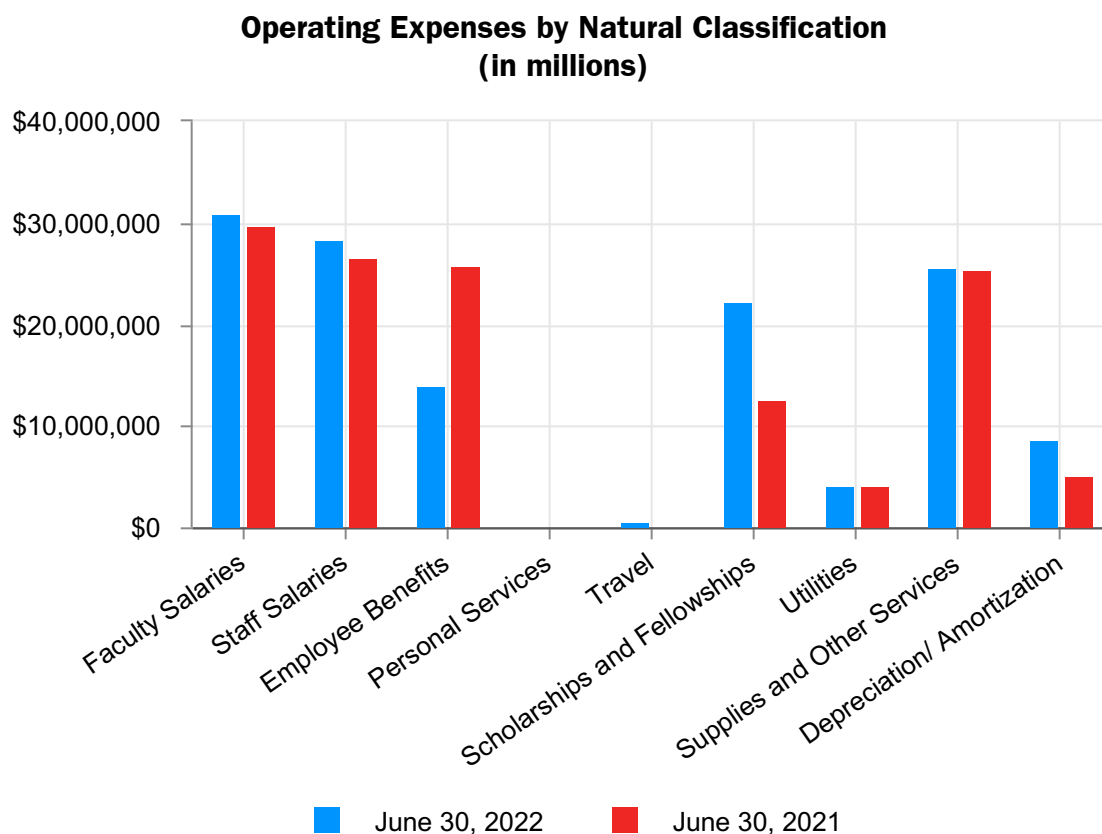


The following chart depicts the fiscal 2022 operating expenses by natural classification.

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.

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

CONDENSED STATEMENT OF NET CASH FLOWS			
	June 30, 2022	June 30, 2021	Increase/ (Decrease)
Cash Provided (Used) by:			
Operating Activities	\$ (73,618,325)	\$ (55,342,346)	\$ (18,275,979)
Non-Capital Financing Activities	83,278,514	61,386,393	21,892,121
Capital and Related Financing Activities	(11,773,930)	(4,044,546)	(7,729,384)
Investing Activities	19,610	1,979	17,631
NET CHANGE IN CASH	(2,094,131)	2,001,480	(4,095,611)
Cash, beginning of year (restated)	20,270,030	18,268,550	2,001,480
CASH, end of year	\$ 18,175,899	\$ 20,270,030	\$ (2,094,131)

Capital Assets

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

CAPITAL ASSETS, net of accumulated depreciation and amortization	June 30, 2022	June 30, 2021	Increase (Decrease)
Land	\$ 5,029,431	\$ 3,309,431	\$ 1,720,000
Capitalized Collections	22,000	22,000	—
Construction Work-in-Progress	3,389,612	408,550	2,981,062
Infrastructure	572,291	318,057	254,234
Building and Building Improvements	129,904,931	104,281,801	25,623,130
Facilities and Other Improvements	316,879	326,656	(9,777)
Equipment	6,295,111	5,184,808	1,110,303
Library Collections	1,067,933	1,264,167	(196,234)
Capital Assets, net of accumulated depreciation and amortization	\$ 146,598,188	\$ 115,115,470	\$ 31,482,718

The University had significant capital asset addition for land and building improvements in fiscal year 2022 in the amount of \$26,013,676 with the addition of Frank Brown Hall.

For additional information concerning Capital Assets, see Notes 1, 6, 8, and 13 in the Notes to the Financial Statements.

Long Term Liabilities

The University had Long-Term Liabilities of \$68,861,412 of which \$6,862,669 was reflected as current liability at June 30, 2022.

For additional information concerning Long-Term Liabilities, see Note 8 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.

Restatement

The June 30, 2021 amounts do not reflect the effects of the restatement of July 1, 2022 net position related to the implementation of GASB 87. See Note 1 in the Notes to the Financial Statements for more information.

Economic Outlook

Data from the National Student Clearinghouse Research Center (Clearinghouse) shows that college attendance continues to decline. Unfortunately, Columbus State University is among institutions affected by the national enrollment trend. Higher Education is also grappling with the effects of rising inflation. To cope with these challenges, the University continues to evaluate its value proposition, marketing strategies, and program offerings to attract more students, faculty and staff. Initial results suggest these efforts are meeting with some success as retention rates increased in Fall 2022 by nearly five percent and Spring credit hour enrollment was slightly positive as of the census date. New undergraduate and graduate enrollment credit hours in the Spring were up by over 20% and 30%, respectively.

In September 2022, CSU's Department of Campus Recreation signed a Memorandum of Agreement with Columbus Technical College (CTC). This agreement will allow students, faculty, and staff from CTC to purchase individual monthly memberships to CSU's Student Recreation Center. CTC students, faculty and staff will also be able to participate in Intramural Sports programming for an additional fee. This agreement will enhance the community relationship between the two institutions, create an additional source of revenue and serve as a recruitment opportunity.

The University is also considering multiple Intergovernmental Support Agreement (IGSA) contracts with Ft. Benning for an outsourced provider of services where it supports the University's mission. These contracts, if successful, are 10 year contracts. We have been approached by Ft. Benning for two, possibly more, contracts: National Environmental Planning Act (NEPA), Cultural Resources (Estimated \$800,000 annually) for base planning and recovery/cataloging cultural artifacts found during base activities including construction and Vent Hood cleaning for base food services (estimated \$94,000 annually).

Although we anticipate a decrease in revenues for the upcoming fiscal year, we are confident that we have the measures in place to manage cost without compromising service offerings to our students. Our efforts included a strategic alignment process projected to save nearly \$6 million annually. Overall, Columbus State's economic outlook is positive. The University will continue to monitor its operations and look for cost containment opportunities to ensure an ongoing stable financial position.

Financial Statements (GAAP Basis)

**COLUMBUS STATE UNIVERSITY
STATEMENT OF NET POSITION
JUNE 30, 2022**

Columbus State University

ASSETS

Current Assets

Cash and Cash Equivalents	\$	17,562,927
Cash and Cash Equivalents (Externally Restricted)		612,972
Accounts Receivable, net		
Federal Financial Assistance		2,904,174
Affiliated Organizations		856,153
Other		3,345,430
Prepaid Items		210,312
Total Current Assets		25,491,968

Non-Current Assets

Accounts Receivable, net		
Due From USO - Capital Liability Reserve Fund		259,144
Investments		2,565,291
Notes Receivable, net		523,486
Investments (Externally Restricted)		3,732,976
Capital Assets, net		146,598,188
Intangible Right-to-Use Assets, net		27,211,555
Total Non-Current Assets		180,890,640

TOTAL ASSETS

206,382,608

DEFERRED OUTFLOWS OF RESOURCES

\$ 26,967,647

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

**COLUMBUS STATE UNIVERSITY
STATEMENT OF NET POSITION
JUNE 30, 2022**

LIABILITIES

Current Liabilities

Accounts Payable	\$ 3,092,053
Salaries Payable	410,124
Benefits Payable	213,983
Contracts Payable	41,792
Retainage Payable	4,644
Advances (Including Tuition and Fees)	3,201,623
Deposits Held for Other Organizations	18,520
Other Liabilities	4,640
Notes and Loans Payable	2,194,297
Lease Obligations	2,892,640
Compensated Absences	1,775,732
Total Current Liabilities	<u>13,850,048</u>

Non-Current Liabilities

Notes and Loans Payable	36,017,352
Lease Obligations	24,546,005
Compensated Absences	1,435,386
Net Other Post Employment Benefits Liability	77,696,722
Net Pension Liability	19,022,853
Total Non-Current Liabilities	<u>158,718,318</u>

TOTAL LIABILITIES

172,568,366

DEFERRED INFLOWS OF RESOURCES

49,094,445

NET POSITION

Net Investment in Capital Assets	106,218,049
Restricted for:	
Nonexpendable	2,434,446
Expendable	3,927,607
Unrestricted (Deficit)	<u>(100,892,658)</u>

TOTAL NET POSITION

\$ 11,687,444

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

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

OPERATING REVENUES

Student Tuition and Fees (net)	\$	38,996,563
Grants and Contracts		
Federal		2,028,860
State		213,788
Other		69,207
Sales and Services		3,244,159
Rents and Royalties		51,780
Auxiliary Enterprises		
Residence Halls		4,666,929
Bookstore		197,189
Food Services		5,227,520
Parking/Transportation		1,208,487
Health Services		607,865
Intercollegiate Athletics		2,164,399
Other Organizations		232,417
Other Operating Revenues		661,056
		<hr/>
Total Operating Revenues		59,570,219
		<hr/>

OPERATING EXPENSES

Faculty Salaries		30,858,910
Staff Salaries		28,452,632
Employee Benefits		13,920,261
Other Personal Services		214,520
Travel		514,058
Scholarships and Fellowships		22,254,690
Utilities		4,101,196
Supplies and Other Services		25,562,556
Depreciation and Amortization		8,665,379
		<hr/>
Total Operating Expenses		134,544,202
		<hr/>
Operating Income (Loss)	\$	(74,973,983)
		<hr/>

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

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

NONOPERATING REVENUES (EXPENSES)

State Appropriations	\$ 42,938,831
Grants and Contracts	
Federal	35,772,885
Other	5,278,029
Gifts	970,855
Investment Loss	(942,357)
Interest Expense	(2,109,121)
Other Nonoperating Revenues (Expenses)	<u>(4,042)</u>
Net Nonoperating Revenues	<u>81,905,080</u>
Income (Loss) Before Other Revenues, Expenses, Gains, or Losses	<u>6,931,097</u>
Capital Grants and Gifts	
State	806,068
Other	<u>26,013,676</u>
Total Other Revenues, Expenses, Gains or Losses	<u>26,819,744</u>
Change in Net Position	<u>33,750,841</u>
Net Position, Beginning of Year, As Originally Reported	(22,484,156)
Prior Year Adjustments	<u>420,759</u>
Net Position, Beginning of Year, Restated	<u>(22,063,397)</u>
Net Position, End of Year	<u><u>\$ 11,687,444</u></u>

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

**COLUMBUS STATE UNIVERSITY
STATEMENT OF CASH FLOWS
FOR FISCAL YEAR ENDED JUNE 30, 2022**

CASH FLOWS FROM OPERATING ACTIVITIES

Payments from Customers	\$ 55,838,785
Grants and Contracts (Exchange)	2,345,036
Payments to Suppliers	(49,915,805)
Payments to Employees	(59,762,969)
Payments for Scholarships and Fellowships	(22,254,690)
Loans Issued to Students	(239,932)
Collection of Loans from Students	370,035
Other Receipts	1,215
Net Cash Used by Operating Activities	<u>(73,618,325)</u>

CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES

State Appropriations	42,938,831
Gifts and Grants Received for Other Than Capital Purposes	40,339,683
Net Cash Flows Provided by Non-Capital Financing Activities	<u>83,278,514</u>

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Capital Gifts and Grants Received	1,024,473
Proceeds from Sale of Capital Assets	6,000
Purchases of Capital and Intangible Right-to-Use Assets	(5,665,570)
Principal Paid on Capital Debt and Leases	(4,911,277)
Interest Paid on Capital Debt and Leases	(2,227,556)
Net Cash Used by Capital and Related Financing Activities	<u>(11,773,930)</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Investment Income	19,610
Net Cash Provided by Investing Activities	<u>19,610</u>

Net Decrease in Cash and Cash Equivalents	(2,094,131)
Cash and Cash Equivalents, Beginning of Year	<u>20,270,030</u>
Cash and Cash Equivalents, End of Year	<u>\$ 18,175,899</u>

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

COLUMBUS STATE UNIVERSITY

STATEMENT OF CASH FLOWS

FOR FISCAL YEAR ENDED JUNE 30, 2022

RECONCILIATION OF OPERATING LOSS TO
NET CASH USED BY OPERATING ACTIVITIES:

Operating Loss	\$ (74,973,983)
Adjustments to Reconcile Net Operating Loss to Net Cash Used by Operating Activities	
Depreciation and Amortization	8,665,379
Change in Assets and Liabilities:	
Receivables, net	(419,856)
Prepaid Items	111,047
Notes Receivable, Net	130,103
Accounts Payable	(746,194)
Salaries Payable	31,146
Benefits Payable	27,237
Deposits	(50)
Advances (Including Tuition and Fees)	(906,493)
Other Liabilities	(6,195)
Funds Held for Others	1,215
Compensated Absences	46,903
Net Pension Liability	(36,463,258)
Other Post-Employment Benefit Liability	(7,146,590)
Change in Deferred Inflows/Outflows of Resources:	
Deferred Inflows of Resources	35,522,204
Deferred Outflows of Resources	2,509,060
	(73,618,325)
Net Cash Used by Operating Activities	(73,618,325)

NON-CASH INVESTING, NON-CAPITAL FINANCING, AND CAPITAL AND
RELATED FINANCING TRANSACTIONS

Current Year Accruals Related to Non-operating Non-capital Grants and Gifts	\$ 3,351,283
Amortization of Non-capital Financing Activities Advances and Deferred Inflows	162,833
Current Year Accruals Related to Capital Financing Activities	99,818
Gift of Capital Assets	26,013,676
Gain (Loss) on Disposal of Capital Assets	(3,573)
Accrual of Capital Asset Related Payables	46,435
Capital Assets Acquired by Incurring Financing Lease Arrangements	77,110
Intangible Right-to-Use Assets Acquired by Incurring Lease Obligations	37,443
Deferred Gain (Loss) due to Debt Refundings	37,443
Amortization of Deferred Gain (Loss) of Capital Debt Refunded	118,435
Unrealized Gain (Loss) on Investments	\$ (961,967)

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

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

ASSETS	<u>Custodial Funds</u>
Receivables	
Other	\$ 1,515,413
	<hr/>
Total Assets	1,515,413
	<hr/>
LIABILITIES	
Cash Overdraft	729,613
Accounts Payable	1,884
Advances	37,483
Deposits held for other organizations	34,253
	<hr/>
Total Liabilities	803,233
	<hr/>
NET POSITION	
Restricted for:	
Individuals, Organizations, and Other Governments	\$ 712,180
	<hr/> <hr/>

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

	<u>Custodial Funds</u>
ADDITIONS	
Federal Financial Aid	\$ 32,104,510
State Financial Aid	10,364,333
Other Financial Aid	4,718,177
Clubs and Other Organizations Fund Raising	346,403
Public-Private Partnership Passthrough	6,114,695
	<hr/>
Total Additions	53,648,118
DEDUCTIONS	
Administrative Expense	
Scholarships and Other Student Support	47,163,478
Student Organizations Support	112,520
Public-Private Partnership Passthrough	6,064,201
	<hr/>
Total Deductions	53,340,199
	<hr/>
Net Increase (Decrease) in Fiduciary Net Position	307,919
	<hr/>
Net Position, Beginning of Year	404,261
	<hr/>
Net Position, End of Year	\$ 712,180
	<hr/> <hr/>

Notes to the Financial Statements

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

Note 1 Summary of Significant Accounting Policies

Nature of Operations

Columbus State 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 sao.georgia.gov/annual-comprehensive-financial-reports.

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 and discretely presented component units.

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. 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.

Investments

Investments include financial instruments with terms in excess of 13 months, certain other securities for the production of revenue, land, and other real estate held as investments by endowments. The University accounts for its investments at fair value. Changes in the fair value of investments are reported as a component of investment income in the Statement of Revenues, Expenses, and Changes in Net Position. The Board of Regents Diversified Fund is included as investments. Investments that cannot be used to pay current liabilities are classified as non-current assets in the Statement of Net Position. Assets 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.

Capital Assets

Capital assets are recorded at cost at the date of acquisition, or fair market value 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 System. 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 University System 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 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.

Deposits Held for Other Organizations

Deposits held for other organizations result primarily from escheated funds that are the result of unclaimed property.

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 - non-expendable net position includes endowments and similar type funds in which donors or other outside sources have stipulated, as a condition of the gift instrument, that the principal is to be maintained inviolate and in perpetuity, and invested for the purpose of producing present and future income, which may either be expended or added to principal. For institution-controlled, donor-restricted endowments, the by-laws of the Board of Regents of the University System of Georgia permits each individual institution to use prudent judgment in the spending of current realized and unrealized endowment appreciation. Donor-restricted endowment appreciation is periodically transferred to restricted - expendable accounts for expenditure as specified by the purpose of the endowment. The University maintains pertinent information related to each endowment fund including donor; amount and date of donation; restrictions by the source of limitations; limitations on investments, etc.

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 \$13,445,472.

Restatement of Prior Year Net Position

The University made the following restatements:

	<u>Business-type Activities</u>
Net position, beginning of year, as originally reported	\$ (22,484,156)
Changes in accounting principles	<u>420,759</u>
Net position, beginning of year, restated	<u><u>\$ (22,063,397)</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 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(s) is/are an increase the liability (lease obligation) of \$30,184,676 and an increase in the intangible right-to-use assets of \$30,184,676, for business-type activities. In addition, all leases were re-evaluated under this statement which resulted in a net change of \$420,759 to net position related to the the addition of finance purchase leases. The above table reflects the results of this restatement. 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 as follows:

Statement of Net Position

Current		
Cash and Cash Equivalents	\$	17,562,927
Cash and Cash Equivalents (Externally Restricted)		612,972
Noncurrent		
Non Current - Investments		2,565,291
Noncurrent Investments (Externally Restricted)		3,732,976

Statement of Fiduciary Net Position

Cash and Cash Equivalents		(729,613)
	\$	<u>23,744,553</u>

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

Cash on Hand	\$	22,459
Deposits with Financial Institutions		17,423,827
Investments		6,298,267
	\$	<u>23,744,553</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 \$18,170,551. This balance includes deposits in Fiduciary funds as these balances are not separable from the holdings of the USG. 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.

GASB Statement No. 72, *Fair Value Measurements and Application* requires fair value measurement be classified and disclosed in one of the following three categories ("Fair Value Hierarchy"):

Level 1 - Quoted prices are available in active markets for identical investments as of the reporting date.

Level 2 - Pricing inputs are observable for the investments, either directly or indirectly, as of the reporting date, but are not the same as those used in Level 1; inputs include comparable market transactions, pricing of similar instruments, values reported by the administrator, and pricing expectations based on internal modeling. Fair value is determined through the use of models or other valuation methodologies.

Level 3 - Pricing inputs are unobservable for the investment and include situations where there is little, if any, market activity for the investments.

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

	Fair Value	Fair Value Hierarchy		
		Level 1	Level 2	Level 3
Investment type:				
Equity Securities - Domestic	\$ 227,450	\$ 227,450	\$ —	\$ —
Investment Pools				
Board of Regents				
Diversified Fund	6,070,817			
Total Investments	<u>\$ 6,298,267</u>			

Investments classified in Level 1 are valued using prices quoted in active markets for those securities.

Investments classified in Level 2 are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

Investments classified in Level 3 includes real estate funds that invest primarily in U.S. commercial real estate and guaranteed investment contracts. The fair values of real estate investments in this category have been estimated using the net asset value of the University's ownership interest in partners' capital. Real estate investments are less

liquid and, generally, cannot be redeemed with the funds through normal redemption procedures. Distributions from real estate funds will be received as the underlying investments of the fund are liquidated. Guaranteed investment contracts are valued by discounting the related cash flows based on current yields of similar instruments with comparable durations considering the credit worthiness of the issue.

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. Diversified Fund

The Diversified Fund is available to both University System of Georgia institutions and their affiliated organizations. The Fund is designed to provide improved return characteristics with reduced volatility through greater diversification. This pool is appropriate for investing longer term funds such as endowments. Permitted investments in the fund may include domestic, international and emerging market equities, domestic fixed income and global fixed income.

The equity allocation shall range between 60% and 80% of the portfolio, with a target of 70% of the total portfolio. The fixed income (bond) portion of the portfolio shall range between 20% and 40%, with a target of 30% of the total portfolio. Cash reserves and excess income are invested at all times in the highest quality par stable (A1, P1) institutional money market mutual funds, or other high quality short term instruments. The market value of the University's position in the Diversified Fund at June 30, 2022 was \$6,070,817, of which 28% is invested in debt securities. The Effective Duration of the Fund is 5.9 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.

Other Investments	
Equity Securities - Domestic	\$ 227,450
Investment Pools	
Board of Regents	
Diversified Fund	6,070,817
Total Investments	<u>\$ 6,298,267</u>

Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of a failure of the counterparty to a transaction, the University will not be able to recover the value of the investment or collateral securities that are in the possession of an outside party. The University does not have a formal policy for managing custodial credit risk for investments.

At June 30, 2022, \$0 was uninsured and held by the investment's counterparty's trust department or agent, but not in the University's name.

Credit Quality Risk

Credit quality risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The University does not have a formal policy for managing credit quality risk for investments.

In the Diversified Funds, total fixed income portfolios should have an average credit quality rating of at least A. Overnight investments shall be limited to high quality institutional money market funds rated A1, P1 or other high quality short-term debt instruments rated at least AA+.

The investments subject to credit quality risk are reflected below:

	<u>Fair Value</u>
Investment Pools	
Board of Regents	
Diversified Fund	\$ 6,070,817

Note 3 Accounts Receivable

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

	<u>Business Type Activities</u>	<u>Fiduciary Fund</u>
Student Tuition and Fees	\$ 2,809,841	\$ 326,465
Auxiliary Enterprises and Other Operating Activities	543,493	
Federal Financial Assistance	2,904,174	370,964
Georgia Student Finance Commission		698,171
Georgia State Financing and Investment Commission	99,818	
Due from Affiliated Organizations	856,153	
Due From Other USG Institutions	270,343	
Other	765,039	119,813
	<u>8,248,861</u>	<u>1,515,413</u>
Less: Allowance for Doubtful Accounts	883,960	
Net Accounts Receivable	<u>\$ 7,364,901</u>	<u>\$ 1,515,413</u>

Note 4 Inventories

Columbus State University had no inventories on June 30, 2022

Note 5 Notes and Loans Receivable

Notes receivable consists of resources made available for financial loans to students of the institution. Allowances for uncollectible loans are reported based on management's best estimate considering type, age, collection history, and other factors considered appropriate. The University has not provided an allowance for uncollectible loans.

The Federal Perkins Loan Program (the Program) comprises substantially all of the loans receivables at June 30, 2021. The Program provides for cancellation of a loan at rates of 10% to 30% per year up to the maximum of 100% if the participant complies with certain provisions. The Federal government reimburses the university for amounts canceled under these provisions. As the University determines that loan are uncollectible and not eligible for reimbursement by the federal government, the loans are written off and assigned to the U.S, Department of Education.

Note 6 Capital Assets and Intangible Right-to-Use

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

	(Restated)			
	Balance			Balance
	July 1, 2021	Additions	Reductions	June 30, 2022
Capital Assets, Not Being Depreciated:				
Land	\$ 3,309,431	\$ 1,720,000	\$ —	\$ 5,029,431
Capitalized Collections	22,000	—	—	22,000
Construction Work-in-Progress	408,550	4,092,446	1,111,384	3,389,612
Total Capital Assets Not Being Depreciated	<u>3,739,981</u>	<u>5,812,446</u>	<u>1,111,384</u>	<u>8,441,043</u>
Capital Assets, Being Depreciated/Amortized:				
Infrastructure	2,283,823	268,512	—	2,552,335
Building and Building Improvements	179,205,153	24,503,817	—	203,708,970
Facilities and Other Improvements	2,348,862	—	—	2,348,862
Equipment	21,297,230	2,205,761	140,646	23,362,345
Library Collections	8,522,945	6,852	231,722	8,298,075
Total Capital Assets Being Depreciated/Amortized	<u>213,658,013</u>	<u>26,984,942</u>	<u>372,368</u>	<u>240,270,587</u>
Less: Accumulated Depreciation/Amortization				
Infrastructure	1,965,766	14,278	—	1,980,044
Building and Building Improvements	69,468,249	4,335,790	—	73,804,039
Facilities and Other Improvements	2,022,206	9,777	—	2,031,983
Equipment	16,112,422	1,091,884	137,072	17,067,234
Library Collections	7,258,778	203,087	231,723	7,230,142
Total Accumulated Depreciation/Amortization	<u>96,827,421</u>	<u>5,654,816</u>	<u>368,795</u>	<u>102,113,442</u>
Total Capital Assets, Being Depreciated/Amortized, Net	<u>116,830,592</u>	<u>21,330,126</u>	<u>3,573</u>	<u>138,157,145</u>
Capital Assets, net	<u>\$ 120,570,573</u>	<u>\$ 27,142,572</u>	<u>\$ 1,114,957</u>	<u>\$ 146,598,188</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. For the year ended June 30, 2022, GSFIC did not transfer any assets to the University. The CSU Foundation gifted Frank Brown Hall to the university. The land and building was valued at \$26,013,676.

Intangible Right-to-Use Assets

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

	(Restated)			Ending
	Beginning			Balance
	Balances			
	July 1, 2021	Additions	Reductions	June 30, 2022
Intangible Right-to-Use Assets				
Building and Building Improvements	\$ 29,954,422	\$ —	\$ —	\$ 29,954,422
Equipment	<u>230,253</u>	<u>37,443</u>	<u>—</u>	<u>267,696</u>
Total Intangible Right-to-Use Assets Being Amortized	30,184,675	37,443	—	30,222,118
Less: Accumulated amortization				
Building and Building Improvements	—	2,928,767	—	2,928,767
Equipment	<u>—</u>	<u>81,796</u>	<u>—</u>	<u>81,796</u>
Total Accumulated Amortization	<u>—</u>	<u>3,010,563</u>	<u>—</u>	<u>3,010,563</u>
Total Intangible Right-to-Use Assets, net	<u>\$ 30,184,675</u>	<u>\$ (2,973,120)</u>	<u>\$ —</u>	<u>\$ 27,211,555</u>

Note 7 Advances (Including Tuition and Fees)

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

	Current Liabilities
Prepaid Tuition and Fees	\$ 2,145,564
Research	152,579
Other - Advances	<u>903,480</u>
Totals	<u>\$ 3,201,623</u>

Fiduciary fund advances in the amount of \$37,483 consists of student support received prior to eligibility requirements being met.

Note 8 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	\$ 30,184,676	\$ 37,443	\$ 2,783,474	\$ 27,438,645	\$ 2,892,640
Other Liabilities					
Compensated Absences	3,164,214	2,195,204	2,148,300	3,211,118	1,775,732
Notes and Loans Payable	40,262,342	77,110	2,127,803	38,211,649	2,194,297
Total	43,426,556	2,272,314	4,276,103	41,422,767	3,970,029
Total Long-Term Obligations	\$ 73,611,232	\$ 2,309,757	\$ 7,059,577	\$ 68,861,412	\$ 6,862,669

See Note 14, Retirement Plans, for information related to net pension liability. See Note 17, Post-Employment Benefits Other Than Pension Benefits, for information related to net other post employment benefits liability.

The July 1, 2021 balance was restated \$30,184,676 to lease obligations and \$40,262,342 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 \$2,127,803 and \$1,729,940, respectively. Interest rates range from 1.742%-4.50%.

The University has \$38,150,067 in outstanding notes and loans payable due to affiliated organizations and other related party 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 Lease at June 30, 2022	Outstanding Balance per Lease Schedules at June 30, 2022
	(+)	(-)	(=)	
Finance Buildings and Building Improvements	\$ 61,544,431	\$ 22,448,760	\$ 39,095,671	\$ 38,150,067
Financed Equipment	77,110	14,137	62,973	61,582
Total Assets Held Under Finance Lease Arrangement	\$ 61,621,541	\$ 22,462,897	\$ 39,158,644	\$ 38,211,649

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
Carpenter's Hall	Foundation Properties	\$ 6,010,597	25 years	July 2006	June 2032	\$ 2,702,155 (1)
Parking Deck	Foundation Properties	9,180,000	25 years	July 2006	June 2032	4,815,000 (1)
Cunningham Center	Foundation Properties	4,483,500	20 years	July 2012	June 2033	3,082,500 (1)
Maryland Circle Student Housing	Foundation Properties	806,461	18 years	July 2013	June 2031	513,245 (1)
Student Recreation Center	USG Real Estate Foundation	32,124,727	29 years	July 2010	June 2039	22,435,415 (1)
Command College	Foundation Properties	1,033,391	28 Years	July 2011	June 2038	601,666 (1)
Theatre Arts	Foundation Properties	7,905,496	20 years	July 2012	June 2031	4,000,086 (1)
Tasers	Axon	77,110	5 Years	July 2021	June 2026	61,582
Total Leases		<u>\$ 61,621,282</u>				<u>\$ 38,211,649</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.

Year Ending June 30:	Principal	Interest
2023	\$ 2,194,294	\$ 1,686,212
2024	2,263,149	1,646,118
2025	2,337,217	1,591,388
2026	2,418,860	1,543,353
2027	2,485,128	1,488,709
2028 through 2032	14,301,085	5,833,183
2033 through 2037	8,506,923	1,958,000
2038 through 2042	3,704,993	254,145
Total Minimum Lease Payments	<u>\$ 38,211,649</u>	<u>\$ 16,001,108</u>

Note 9 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 Outflow of Resources

Deferred Outflow on Defined Benefit Pension Plans (See Note 14)	\$ 14,121,235
Deferred Outflow on OPEB Plan (See Note 17)	12,846,412
Total Deferred Outflows of Resources	\$ 26,967,647

Deferred Inflow of Resources

Deferred Inflow on Debt Refunding	\$ 1,894,964
Deferred Inflow on Defined Benefit Pension Plans (See Note 14)	31,317,692
Deferred Inflow on OPEB Plan (See Note 17)	15,881,789
Total Deferred Inflows of Resources	\$ 49,094,445

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 the a portion of the perceived economic advantages of the refunding where passed through to the Institution.

Note 10 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	\$ 106,218,049
Restricted for	
Nonexpendable	
Permanent Endowment	<u>2,434,446</u>
Expendable	
Sponsored and Other Organized Activities	1,521,116
Federal Loans	74,584
Institutional Loans	2,190,159
Quasi-Endowments	<u>141,748</u>
Sub-Total	3,927,607
Unrestricted	
Auxiliary Enterprises Operations	9,576,788
Auxiliary Enterprises Renewals and Replacement Reserve	
Reserve for Encumbrances	3,712,760
Capital Liability Reserve Fund	259,144
Other Unrestricted (Deficit)	<u>(114,441,350)</u>
Sub-Total	<u>(100,892,658)</u>
Total Net Position	<u>\$ 11,687,444</u>

Other unrestricted net position is reduced by \$80,732,099 related to the recording of net OPEB liability, deferred gain on OPEB plan, and deferred loss on OPEB plan. Other unrestricted net position is also reduced by \$36,219,310 related to the recording of net pension liability, deferred gain on defined benefit pension plans, and deferred loss on defined benefit pension plans. These OPEB and pension balances are mostly funded through state appropriation and 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	\$ 78,178,044	\$ 36,557,612	\$ 8,517,607	\$ 106,218,049
Restricted Net Position	7,659,214	70,182,513	71,479,674	6,362,053
Unrestricted Net Position	<u>(107,900,655)</u>	100,225,693	<u>93,217,696</u>	<u>(100,892,658)</u>
Total Net Position	<u>\$ (22,063,397)</u>	<u>\$ 206,965,818</u>	<u>\$ 173,214,977</u>	<u>\$ 11,687,444</u>

Note 11 Endowments

Donor Restricted Endowments

Investments of the University's endowment funds are pooled, unless required to be separately invested by the donor. For University controlled, donor-restricted endowments, where the donor has not provided specific instructions, the Board of Regents permits Institutions to develop policies for authorizing and spending realized and unrealized endowment income and appreciation as they determined to be prudent. Realized and unrealized appreciation in excess of the amount budgeted for current spending is retained by the endowments. Current year net loss for the endowment accounts was \$1,092,597 and is reflected as expendable restricted net position.

For endowment funds where the donor has not provided specific instructions, investment return of the University's endowment funds is predicated on the total return concept. Annual payouts from the University's endowment funds are based on a spending policy which limits spending between 3.0% and 4.0% of endowment principal market value. To the extent that the total return for the current year exceeds the payout, the excess is added to principal. If current year earnings do not meet the payout requirements, the University uses accumulated income and appreciation from restricted expendable net asset endowment balances to make up the difference.

For endowment funds where the donor has not provided specific instructions, investment return of the University's endowment funds is predicated under classical trust doctrines. Unless the donor has stipulated otherwise, capital gains and losses are accounted for as part of the endowment principal and are not available for expenditure.

For the current year, the University did not incur investment losses that exceeded the related endowment's available accumulated income and net appreciation.

Note 12 Significant Commitments

See the Net Position note for amounts reserved for outstanding encumbrances at June 30, 2022. In addition to these encumbrances, the University had no other significant unearned outstanding construction or renovation contracts as of June 30, 2022.

Note 13 Leases

Lease Obligations

The University leases facilities, office and computer 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 payments related to leases for fiscal year 2022 were \$2,783,474 and \$497,616, respectively. Interest rates range from .3449% - 1.742%.

The University has \$26,682,820 in outstanding lease obligations due to affiliated organizations and other related party organizations.

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 Depreciation	Net, Assets Held Under Lease at June 30, 2022	Outstanding Balance per Lease Schedules at June 30, 2022
	(+)	(-)	(=)	
Leased Equipment	\$ 267,696	\$ 81,796	\$ 185,900	\$ 178,771
Leased Buildings and Building Improvements	29,954,423	2,928,767	27,025,656	27,259,874
Total Assets Held Under Capital Lease	<u>\$ 30,222,119</u>	<u>\$ 3,010,563</u>	<u>\$ 27,211,556</u>	<u>\$ 27,438,645</u>

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
1002 Broadway	Foundation Properties	\$ 41,919	3 Years	July 2021	June 2024	\$ 28,266 (1)
Broadway Crossing	Foundation Properties	2,151,554	9 Years	July 2021	June 2030	1,948,401 (1)
CSU Film School	Developers Investors	119,570	2 Years	July 2021	June 2023	59,888
CORTA Clubhouse	CORTA	527,164	27 Years	July 2021	June 2048	517,166
1019 Broadway	Foundation Properties	111,800	4 Years	July 2021	June 2025	84,989 (1)
Sol Loeb	Foundation Properties	83,432	3 Years	July 2021	June 2024	56,376 (1)
Rankin	Foundation Properties	1,630,748	9 Years	July 2021	June 2030	1,476,766 (1)
RiverPark Parking Deck	Foundation Properties	2,022,479	9 Years	July 2021	June 2030	1,831,515 (1)
RiverPark Student Housing	Foundation Properties	13,985,155	9 Years	July 2021	June 2030	12,664,650 (1)
Dillingham	Foundation Properties	950,792	10 Years	July 2021	January 2032	877,141 (1)
One Aresnal Place	Foundation Properties	8,329,810	11 Years	July 2021	June 2032	7,714,716 (1)
XEROX Copier & Server	XEROX	193,825	3 Years	July 2021	June 2024	129,439
Arrival Tracking System	Pitney Bowes	36,428	3 Years	July 2021	June 2024	24,327
Send Pro Pseries Mailing System	Pitney Bowes	37,443	3 Years	July 2021	December 2023	25,005
Total Leases		<u>\$ 30,222,119</u>				<u>\$ 27,438,645</u>

(1) These leases are related party transactions.

Certain leases provide for renewal and/or purchase options. Generally purchase options at bargain prices of one dollar are exercisable at the expiration of the lease terms.

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

	Principal	Interest
Year Ending June 30:		
2023	\$ 2,892,641	\$ 451,088
2024	2,944,851	402,758
2025	2,926,306	352,841
2026	3,013,634	301,330
2027	3,133,392	247,877
2028 through 2032	12,144,526	450,735
2033 through 2037	94,099	29,500
2038 through 2042	116,078	20,385
2043 through 2047	141,452	9,214
2048 through 2052	31,666	299
	<u>\$ 27,438,645</u>	<u>\$ 2,266,027</u>
Total Minimum Lease Payments	<u>\$ 27,438,645</u>	<u>\$ 2,266,027</u>

Note 14. 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 one other retirement plan - 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 the University's annual payroll. The University's contributions to TRS totaled \$5,535,047 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 \$10,554 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 0.214299%, which was a decrease of (0.014469)% from its proportion measured as of June 30, 2020. At June 30, 2021, the University's ERS proportion was 0.002973%, which was an increase of 0.001323% from its proportion measured as of June 30, 2020.

For the year ended June 30, 2022, the University recognized pension expense of \$70,231 for TRS and \$13,378 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	\$ 4,522,864	\$ —	\$ 1,646	\$ —
Changes of assumptions	3,668,353	—	20,024	—
Net difference between projected and actual earnings on pension plan investments	—	27,723,349	—	64,267
Changes in proportion and differences between contributions and proportionate share of contributions	330,562	3,530,076	32,184	
Contributions subsequent to the measurement date	5,535,047		10,554	
Total	\$ 14,056,826	\$ 31,253,425	\$ 64,408	\$ 64,267

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 ended 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	\$ (4,484,959)	\$ 22,286
2024	\$ (4,703,518)	\$ 86
2025	\$ (6,274,809)	\$ (15,618)
2026	\$ (7,268,360)	\$ (17,167)
2027	\$ —	\$ —

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 rate used to measure the total TRS and ERS pension liability was 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 University'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 above discount rate of 7.25% for TRS and 7.00% for ERS, 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	\$ 51,055,215	\$ 18,953,317	\$ (7,351,973)

Employees' Retirement System:

	1% Decrease 6.00%	Current discount rate 7.00%	1% Increase 8.00%
Proportionate share of the net pension liability	\$ 127,422	\$ 69,536	\$ 20,579

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 publically 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 \$1,937,514 (9.24%) and \$1,258,126 (6.00%), respectively.

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

Note 15 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 16 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 Comprehensive Annual Financial Report for the fiscal year ended June 30, 2022.

Note 17 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	740
Retirees or Beneficiaries Receiving Benefits	269
Retirees Receiving Life Insurance Only	<u>89</u>
Total	<u><u>1,098</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 \$2,254,976 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 June 30, 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 1.543721%, which was a decrease of (0.046976)% from its proportion measured as of June 30, 2020.

For the year ended June 30, 2022, the University recognized OPEB expense of \$2,138,385. 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	\$ 4,183,088	\$ 265,820
Changes of assumptions	6,408,348	10,715,974
Net difference between projected and actual earnings on OPEB plan investments	—	192,674
Changes in proportion and differences between contributions and proportionate share of contributions	—	4,707,321
Contributions subsequent to the measurement date	<u>2,254,976</u>	<u>—</u>
Total	<u>\$ 12,846,412</u>	<u>\$ 15,881,789</u>

The University's contributions subsequent to the measurement date of \$2,254,976 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	\$	(2,151,552)
2024	\$	(1,563,670)
2025	\$	(1,501,773)
2026	\$	(1,265,945)
2027	\$	569,375
Thereafter	\$	623,212

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 Buyer.

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	\$ 94,046,116	\$ 77,696,722	\$ 65,088,929

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	\$ 65,560,038	\$ 77,696,722	\$ 93,672,870
Pre-Medicare Eligible	5.4% decreasing to 3.5%	6.4% decreasing to 4.5%	7.4% decreasing to 5.5%
Medicare Eligible	3%	4%	5%

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 18 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	\$ 27,503,740	\$ 5,529,678	\$ 8,852,342	\$ 2,000	\$ 181,582
Research	75,680	31,801	15,079		646
Academic Support	3,250,668	5,073,901	2,362,598	25,231	132,396
Student Services	7,500	4,217,237	1,427,520	—	71,225
Institutional Support	21,322	7,293,687	(844,598.00)	187,289	80,713
Plant Operations and Maintenance		3,497,819	1,207,825		13,439
Scholarships and Fellowships	—	—	—	—	—
Auxiliary Enterprises		2,808,509	899,495		34,057
Total Operating Expenses	<u>\$ 30,858,910</u>	<u>\$ 28,452,632</u>	<u>\$ 13,920,261</u>	<u>\$ 214,520</u>	<u>\$ 514,058</u>

Functional Classification	Natural Classification				Total Operating Expenses
	Scholarships and Fellowships	Utilities	Supplies and Other Services	Depreciation/Amortization	
Instruction	\$ 28,960	\$ 14,260	\$ 2,910,097	\$ 1,641,521	\$ 46,664,180
Research	84,521		43,948	17,589	269,264
Academic Support		37,055	2,851,472	360,582	14,093,903
Student Services	55,900	5,395	1,929,345	977,530	8,691,652
Institutional Support		206,031	7,019,552	817,478	14,781,474
Plant Operations and Maintenance		3,700,261	3,805,901	2,882,784	15,108,029
Scholarships and Fellowships	21,170,090	—	—	—	21,170,090
Auxiliary Enterprises	915,219	138,194	7,002,241	1,967,895	13,765,610
Total Operating Expenses	\$ 22,254,690	\$ 4,101,196	\$ 25,562,556	\$ 8,665,379	\$ 134,544,202

Note 19 Subsequent Event

Columbus State University had no known subsequent events as of the date of this report.

Required Supplementary Information

**COLUMBUS STATE UNIVERSITY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
DEFINED BENEFIT PENSION PLAN
FOR THE LAST TEN FISCAL 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	\$ 10,554	\$ 10,554	\$ —	\$ 42,850	24.63%
	June 30, 2021	\$ 10,258	\$ 10,258	\$ —	\$ 41,600	24.66%
	June 30, 2020	\$ 10,259	\$ 10,259	\$ —	\$ 41,600	24.66%
	June 30, 2019	\$ 9,912	\$ 9,912	\$ —	\$ 40,000	24.78%
	June 30, 2018	\$ 32,875	\$ 32,875	\$ —	\$ 70,746	46.47%
	June 30, 2017	\$ 24,100	\$ 24,100	\$ —	\$ 96,017	25.10%
	June 30, 2016	\$ 23,216	\$ 23,216	\$ —	\$ 93,916	24.72%
	June 30, 2015	\$ 20,422	\$ 20,422	\$ —	\$ 93,000	21.96%
	June 30, 2014	\$ 16,946	\$ 16,946	\$ —	\$ 91,798	18.46%
	June 30, 2013	\$ 11,946	\$ 11,946	\$ —	\$ 80,174	14.90%
Teachers' Retirement System	June 30, 2022	\$ 5,535,047	\$ 5,535,047	\$ —	\$ 27,886,240	19.85%
	June 30, 2021	\$ 5,318,068	\$ 5,318,068	\$ —	\$ 27,867,291	19.08%
	June 30, 2020	\$ 6,243,602	\$ 6,243,602	\$ —	\$ 29,532,696	21.14%
	June 30, 2019	\$ 6,114,882	\$ 6,114,882	\$ —	\$ 29,291,306	20.88%
	June 30, 2018	\$ 4,876,842	\$ 4,876,842	\$ —	\$ 28,651,428	17.02%
	June 30, 2017	\$ 3,839,426	\$ 3,839,426	\$ —	\$ 26,737,483	14.36%
	June 30, 2016	\$ 3,582,733	\$ 3,582,733	\$ —	\$ 24,967,171	14.35%
	June 30, 2015	\$ 3,231,447	\$ 3,231,447	\$ —	\$ 24,486,177	13.20%
	June 30, 2014	\$ 2,974,886	\$ 2,974,886	\$ —	\$ 24,194,447	12.30%
	June 30, 2013	\$ 2,664,917	\$ 2,664,917	\$ —	\$ 23,538,386	11.32%

**COLUMBUS 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	0.002973%	\$ 69,536	\$ 41,600	167.15%	87.62%
	June 30, 2021	0.001650%	\$ 69,547	\$ 41,600	167.18%	76.21%
	June 30, 2020	0.001587%	\$ 65,488	\$ 40,000	157.42%	76.74%
	June 30, 2019	0.002744%	\$ 114,040	\$ 70,746	161.20%	76.68%
	June 30, 2018	0.003914%	\$ 158,961	\$ 96,017	165.56%	76.33%
	June 30, 2017	0.004039%	\$ 191,062	\$ 93,916	203.44%	72.34%
	June 30, 2016	0.004068%	\$ 164,811	\$ 93,000	177.22%	76.20%
	June 30, 2015	0.004077%	\$ 152,913	\$ 91,798	166.58%	77.99%
Teachers Retirement System	June 30, 2022	0.214299%	\$ 18,953,317	\$ 27,867,291	68.01%	92.03%
	June 30, 2021	0.228768%	\$ 55,416,564	\$ 29,532,696	187.64%	77.01%
	June 30, 2020	0.238753%	\$ 51,338,351	\$ 29,291,306	175.27%	78.56%
	June 30, 2019	0.241117%	\$ 44,756,480	\$ 28,651,428	156.21%	80.27%
	June 30, 2018	0.232877%	\$ 43,280,908	\$ 26,737,483	161.87%	79.33%
	June 30, 2017	0.228057%	\$ 47,050,702	\$ 24,967,171	188.45%	76.06%
	June 30, 2016	0.230000%	\$ 35,403,276	\$ 24,486,177	144.58%	81.44%
	June 30, 2015	0.240000%	\$ 29,979,978	\$ 24,194,447	123.91%	84.03%

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

**COLUMBUS 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.

**COLUMBUS STATE UNIVERSITY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS FOR OPEB PLAN
BOARD OF REGENTS RETIREE HEALTH BENEFIT PLAN
FOR THE LAST SIX FISCAL 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	\$ 2,254,976	\$ 2,254,976	\$ —	\$ 53,335,134	4.23%
June 30, 2021	\$ 1,812,031	\$ 1,812,031	\$ —	\$ 50,150,010	3.61%
June 30, 2020	\$ 1,635,109	\$ 1,635,109	\$ —	\$ 51,783,441	3.16%
June 30, 2019	\$ 2,615,271	\$ 2,615,271	\$ —	\$ 51,109,942	5.12%
June 30, 2018	\$ 2,634,317	\$ 2,634,317	\$ —	\$ 47,749,065	5.52%
June 30, 2017	\$ 1,684,409	\$ 1,684,409	\$ —	\$ 47,281,716	3.56%

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

**COLUMBUS STATE UNIVERSITY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF NET OPEB LIABILITY
BOARD OF REGENTS RETIREE HEALTH BENEFIT PLAN
FOR THE LAST FIVE FISCAL 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	1.543721%	\$ 77,696,722	\$ 50,150,010	154.93%	3.74%
June 30, 2021	1.590697%	\$ 84,843,312	\$ 51,783,441	163.84%	2.91%
June 30, 2020	1.630641%	\$ 72,915,221	\$ 51,109,942	142.66%	3.13%
June 30, 2019	1.662870%	\$ 73,345,057	\$ 47,749,065	153.61%	1.69%
June 30, 2018	1.691447%	\$ 71,374,427	\$ 47,281,716	150.96%	0.19%

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

**COLUMBUS 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

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

ASSETS

Cash and Cash Equivalents	\$ 3,543,785.20
Investments	3,647,895.02
Accounts Receivable	
Federal Financial Assistance	2,904,174.23
Other	5,247,478.20
Prepaid Expenditures	210,311.90
Other Assets	11,200.00
	<hr/>
Total Assets	<u>\$ 15,564,844.55</u>

LIABILITIES AND FUND EQUITY

Liabilities

Accrued Payroll	\$ 369,276.13
Encumbrance Payable	3,380,509.60
Accounts Payable	954,168.25
Unearned Revenue	2,827,999.42
Funds Held for Others	17,077.85
Other Liabilities	1.91
	<hr/>
Total Liabilities	<u>7,549,033.16</u>

Fund Balances

Reserved	
Department Sales and Services	2,647,110.02
Indirect Cost Recoveries	625,569.69
Technology Fees	361,158.40
Restricted/Sponsored Funds	2,636,130.54
Uncollectible Accounts Receivable	562,111.33
Tuition Carry - Forward	1,020,571.37
Unreserved	
Surplus	163,160.04
	<hr/>
Total Fund Balances	<u>8,015,811.39</u>
Total Liabilities and Fund Balances	<u>\$ 15,564,844.55</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.

**COLUMBUS 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	\$ 38,619,267.00	\$ 42,990,374.00	\$ 42,990,374.00	\$ —
Federal Funds				
Federal Funds Not Specifically Identified	—	18,589,356.00	16,284,957.46	
Federal Funds-COVID19				
Federal Funds Not Itemized - Covid	—	27,074,164.00	21,412,230.81	—
Other Funds	77,826,405.00	56,518,611.00	52,584,414.55	7,229,227.99
Total Operating Activity	\$ 116,445,672.00	\$ 145,172,505.00	\$ 133,271,976.82	\$ 7,229,227.99

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.

**COLUMBUS 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	\$ —	\$ 42,990,374.00	\$ —	\$ 42,990,349.00	\$ 25.00	\$ 25.00
Federal Funds						
Federal Funds Not Specifically Identified		16,284,957.46	(2,304,398.54)	16,284,957.46	2,304,398.54	—
Federal Funds-COVID19						
Federal Funds Not Itemized - Covid		21,412,230.81	(5,661,933.19)	21,412,230.81	5,661,933.19	—
Other Funds		59,813,642.54	3,295,031.54	52,499,023.78	4,019,587.22	7,314,618.76
Total Operating Activity	\$ —	\$ 140,501,204.81	\$ (4,671,300.19)	\$ 133,186,561.05	\$ 11,985,943.95	\$ 7,314,643.76

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.

**COLUMBUS 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	\$ 44,497.56	\$ —	\$ (44,497.56)	\$ 124,428.23	\$ —
Federal Funds					
Federal Funds Not Specifically Identified					
Federal Funds-COVID19					
Federal Funds Not Itemized - Covid		—	—	—	—
Other Funds	7,236,273.32	(7,229,227.99)	(7,045.33)	34,475.97	(19,847.90)
Total Operating Activity	<u>7,280,770.88</u>	<u>(7,229,227.99)</u>	<u>(51,542.89)</u>	<u>158,904.20</u>	<u>(19,847.90)</u>
Prior Year Reserves					
Not Available for Expenditure					
Uncollectible Accounts Receivable	542,263.43				19,847.90
Budget Unit Totals	<u>\$ 7,823,034.31</u>	<u>\$ (7,229,227.99)</u>	<u>\$ (51,542.89)</u>	<u>\$ 158,904.20</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.

**COLUMBUS 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	\$ —	\$ 25.00	\$ 124,453.23	\$ —	\$ 124,453.23	\$ 124,453.23
Federal Funds						
Federal Funds Not Specifically Identified						
Other Funds	—	7,314,618.76	7,329,246.83	7,290,540.02	38,706.81	7,329,246.83
Total Operating Activity	—	7,314,643.76	7,453,700.06	7,290,540.02	163,160.04	7,453,700.06
Prior Year Reserves						
Not Available for Expenditure						
Uncollectible Accounts Receivable			562,111.33	562,111.33		562,111.33
Budget Unit Totals	<u>\$ —</u>	<u>\$ 7,314,643.76</u>	<u>\$ 8,015,811.39</u>	<u>\$ 7,852,651.35</u>	<u>\$ 163,160.04</u>	<u>\$ 8,015,811.39</u>
				Departmental Sales and Services	\$ 2,647,110.02	\$ 2,647,110.02
				Indirect Cost Recovery	625,569.69	625,569.69
				Technology Fees	361,158.40	361,158.40
				Restricted/Sponsored Funds	2,636,130.54	2,636,130.54
				Tuition Carry-Forward	1,020,571.37	1,020,571.37
				Uncollectible Accounts Receivable	562,111.33	562,111.33
				Surplus	—	163,160.04
					<u>\$ 7,852,651.35</u>	<u>\$ 163,160.04</u>
						<u>\$ 8,015,811.39</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.

COLUMBUS STATE UNIVERSITY

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