UNIVERSITY OF WEST GEORGIA

Review Report
Fiscal Year 2023

UNIVERSITY OF WEST GEORGIA
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For the Fiscal Year Ended June 30, 2023

Introductory Section

Message from the President

Members of the University of West Georgia Community,

I am pleased to share with you the financial report for the University of West Georgia for Fiscal Year 2023. Within these pages, you will find our financial statements, as well as details on our economic impact on the region and performance on strategic investments we are making to position UWG for success for the 21st century and beyond.

One of our Becoming UWG Strategic Plan's key objectives is to shape and deploy next-generation operating and service models that emphasize financial stability and growth. To satisfy this objective, we must focus on creating margin in our resources to facilitate investment in the "next."

The information presented in this report demonstrates that focus and our dedication to curating a first-choice university, and I invite you to learn more about our strategic plan and its priorities and objectives at westga.edu/becominguwg.

In this financial report, you will learn how the plan is being operationalized financially to launch students' careers upon graduation - if not before. They hired us to provide them with a university experience that equips them with what they need to be competitive for what comes next in their lives, and we have to deliver on that promise every single day. Our focus on outcomes is driving us there.

Thank you for your commitment to the University of West Georgia.

Go West, and Go Wolves!

Brendan B. Kelly, Ph.D.
President
University of West Georgia

Letter of Transmittal

August 3, 2023

To: Dr. Brendan B. Kelly, President
University of West Georgia

The Annual Financial Report (AFR) for the University of West Georgia (Institution) includes the financial statements for the year ended June 30, 2023, as well as other useful information to help ensure the Institution's accountability and integrity to the public.

The University of West Georgia's 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.

Respectfully submitted,

Scott McElroy
Vice President
Business and Financial Services Division
University of West Georgia

DOAA
Georgia Department
of Audits & Accounts

Greg S. Griffin
State Auditor

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

The Honorable Brian P. Kemp, Governor of Georgia
Members of the General Assembly of the State of Georgia
Members of the State Board of Regents of the
University System of Georgia
and
Dr. Brendan B. Kelly
University of West Georgia

We have reviewed the accompanying financial statements of the business-type activities and the fiduciary funds of the University of West Georgia, as of and for the year ended June 30, 2023, 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 University of West Georgia 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.

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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 University of West Georgia'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, 2023. Additionally, we performed procedures on the University of West Georgia's Federal Student Aid programs for the year ended June 30, 2023, to meet the requirements of COC Standard 13.6. Included in a separate Report on Review and Federal Compliance Procedures dated September 19, 2023 is a section on findings and other items for any matters that came to our attention during our engagement, including results of our testing of the Federal Student Aid programs.

Additionally, we have performed certain procedures at University of West Georgia to support our audit of the basic financial statements of the State of Georgia presented in the State of Georgia Annual Comprehensive Financial Report and the issuance of a State of Georgia Single Audit Report pursuant to the Single Audit Act Amendments, as of and for the year ended June 30, 2023.

This report is intended solely for the information and use of the management of University of West Georgia, 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

Greg S. Griffin
State Auditor

September 19, 2023

UNIVERSITY OF WEST GEORGIA
Management's Discussion and Analysis

Introduction
University of West Georgia (Institution) is one of the 26 institutions of higher education in the University System of Georgia. As a comprehensive university, the Institution offers disciplinary, interdisciplinary, and professional programs at the baccalaureate and graduate levels. Of its 106 programs of study, 46 operate at the Bachelor's level, 30 at the Master's and Specialist's levels, and 5 are doctoral. In addition, the Institution offers 13 Post-Baccalaureate and 4 Post-Master's certificate programs. The Institution has achieved national recognition in areas such as academic debate, faculty-directed undergraduate research, and athletic competition.

The Institution's student enrollment numbers trended slightly down in fiscal year 2023 when compared to previous years, as shown below:

	STUDENT HEADCOUNT	STUDENT FTE
FY 2023	11,914	9,871
FY 2022	12,718	10,490
FY 2021	13,419	11,332

Overview of the Financial Statements and Financial Analysis
The Institution is pleased to present its financial statements for fiscal year 2023. The emphasis of discussions about these statements will be on current year data. The financial statements presented include: three business-type activity statements: the Statement of Net Position, the Statement of Revenues, Expenses and Changes in Net Position, and the Statement of Cash Flows; and two fiduciary fund statements: the Statement of Fiduciary Net Position and the Statement of Changes in Fiduciary Net Position. This discussion and analysis of the Institution's financial statements provides an overview of its financial activities for the year. Comparative data is provided for fiscal year 2023 and fiscal year 2022.

Statement of Net Position
The Statement of Net Position is a financial condition snapshot as of June 30, 2023 and includes all assets and liabilities, both current and noncurrent, and deferred outflows and inflows. 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 Institution and how much the Institution owes vendors. The difference between assets, deferred outflows of resources and liabilities, deferred inflows of resources (net position) is one indicator of the Institution's financial health. Increases or decreases in net position provide an indicator of the improvement or decline of the Institution'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 Institution's equity in property, plant and equipment owned by the Institution.

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 Institution 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 Institution for any lawful purpose.

CONDENSED STATEMENT OF NET POSITION	June 30, 2023	June 30, 2022	Increase/ (Decrease)
ASSETS			
Current Assets	$ 74,353,235	$ 81,808,502	$ (7,455,267)
Capital Assets, Net	293,924,473	301,211,176	(7,286,703)
Intangible Right-to-Use Assets, Net	985,807	373,576	612,231
Other Assets	3,740,942	4,725,823	(984,881)
TOTAL ASSETS	373,004,457	388,119,077	(15,114,620)
DEFERRED OUTFLOWS	82,036,809	58,340,718	23,696,091
LIABILITIES			
Current Liabilities	22,198,223	22,107,509	90,714
Non-Current Liabilities	372,549,104	327,190,771	45,358,333
TOTAL LIABILITIES	394,747,327	349,298,280	45,449,047
DEFERRED INFLOWS	62,237,192	89,600,583	(27,363,391)
NET POSITION			
Net Investment in Capital Assets	154,344,533	156,392,556	(2,048,023)
Restricted, Expendable	2,763,067	3,847,295	(1,084,228)
Unrestricted	(159,050,853)	(152,678,919)	(6,371,934)
TOTAL NET POSITION	$ (1,943,253)	$ 7,560,932	$ (9,504,185)

Total assets decreased by $15,114,620, which was due primarily to a decrease in current assets of $7,455,267 and a decrease in net capital assets of $7,286,703.

The decrease in current assets was primarily due to a decrease in cash and cash equivalents of $9,375,228. The decrease in cash and cash equivalents was primarily due to a reduction in the institutional portion of Higher Education Emergency Relief Funds, which decreased by $16,798,053.

The decrease in net capital assets was primarily due to current-year depreciation of $15,273,163.

Total deferred outflows of resources increased by $23,696,091, which was due primarily to the Institution's proportionate share of the actuarially determined deferred loss on the defined benefit pension plans administered by the Teachers Retirement System of Georgia and the Employees' Retirement System of Georgia.

Total liabilities increased by $45,449,047, which was due primarily to an increase in non-current liabilities of $45,358,333. The increase in non-current liabilities was due primarily to the increase in the Institution's proportionate share of the actuarially determined liabilities of the defined benefit pension plans administered by the Teachers Retirement System of Georgia and the Employees' Retirement System of Georgia.

Total deferred inflows of resources decreased by $27,363,391, which was due primarily to the deferred gain on the defined benefit pension plans administered by the Teachers Retirement System of Georgia and the Employees' Retirement System of Georgia.

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 a decrease in net position of $9,504,185. This change in net position is primarily in the category of Non-Current Liabilities, in the amount of $45,358,333, which reflects the impact of the overall increase in the Institution's proportionate share of the actuarially determined liabilities of the defined benefit pension plans administered by the Teachers Retirement System of Georgia and the Employees' Retirement System of Georgia.

Statement of Revenues, Expenses and Changes in Net Position

Changes in total net position as presented on the Statement of Net Position are based on the activity presented in the Statement of Revenues, Expenses and Changes in Net Position. The purpose of the statement is to present the revenues received by the Institution, both operating and non-operating, and the expenses paid by the Institution, operating and non-operating, and any other revenues, expenses, gains and losses received or spent by the Institution. Generally, operating revenues are received for providing goods and services to the various customers and constituencies of the Institution. 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 Institution. 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 Institution without the Legislature directly receiving commensurate goods and services for those revenues.

CONDENSED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION	June 30, 2023	June 30, 2022	Increase/ (Decrease)
Operating Revenue	$ 108,721,209	$ 113,989,591	$ (5,268,382)
Operating Expense	223,141,041	228,100,329	(4,959,288)
Operating Income/Loss	(114,419,832)	(114,110,738)	(309,094)
Non-Operating Revenue and Expense	103,299,633	128,293,133	(24,993,500)
Income (Loss) before Other Revenues, Expenses, Gains, or Losses	(11,120,199)	14,182,395	(25,302,594)
Other Revenues, Expenses, Gains, Losses and Special Items	1,616,014	25,612,927	(23,996,913)
Change in Net Position	(9,504,185)	39,795,322	(49,299,507)
Net Position at Beginning of year	7,560,932	(32,234,390)	39,795,322
Net Position at End of Year	$ (1,943,253)	$ 7,560,932	$ (9,504,185)

Some highlights of the information presented on this statement are as follows:

Revenues
For the years ended June 30, 2023 and June 30, 2022, revenues by source were as follows:

REVENUES BY SOURCE	June 30, 2023	June 30, 2022	Increase/ (Decrease)
Tuition and Fees	$ 69,921,597	$ 76,937,216	$ (7,015,619)
Grants and Contracts	4,979,463	3,691,750	1,287,713
Sales and Services	1,505,800	777,465	728,335
Auxiliary Enterprises	29,206,889	29,561,643	(354,754)
Other Operating Revenues	3,107,460	3,021,517	85,943
Total Operating Revenues	108,721,209	113,989,591	(5,268,382)
State Appropriations	83,447,424	73,519,427	9,927,997
Grants and Contracts	23,826,679	58,650,615	(34,823,936)
Gifts	808,729	2,892,884	(2,084,155)
Investment Income	1,805,488	46,443	1,759,045
Other Nonoperating Revenues/(Expenses)	(60,200)	(11,750)	(48,450)
Total Nonoperating Revenues	109,828,120	135,097,619	(25,269,499)
State Capital Gifts and Grants	1,531,820	24,885,741	(23,353,921)
Other Capital Gifts and Grants	84,194	727,186	(642,992)
Total Capital Gifts and Grants	1,616,014	25,612,927	(23,996,913)
Total Revenues	$ 220,165,343	$ 274,700,137	$ (54,534,794)

Operating revenues decreased by $5,268,382, which was due primarily to a decrease in Tuition and Fees as a result of the elimination of the mandatory Institutional Fee during the fiscal year. Institutional Fee revenues decreased $7,824,168 from the prior year.

Nonoperating revenues decreased by $25,269,499, which was due primarily to an decrease in Grants and Contracts of $34,823,936 and an increase in State Appropriations of $9,927,997.

Total Capital Gifts and Grants decreased by $23,996,913, which was due primarily to a decrease in GSFIC (Georgia State Financing and Investment Commission)-funded projects. During the prior fiscal year, GSFIC transferred capital additions from GSFIC-managed projects valued at $22,899,978 to the Institution, which included the new, state-of-the-art college of business building.

Expenses
For the years ended June 30, 2023 and June 30, 2022 expenses by functional classification were as follows:

EXPENSES BY FUNCTIONAL CLASSIFICATION	June 30, 2023	June 30, 2022	Increase/ (Decrease)
Instruction	$ 82,332,429	$ 79,535,825	$ 2,796,604
Research	2,293,548	2,003,288	290,260
Public Service	451,098	312,819	138,279
Academic Support	29,434,393	25,571,831	3,862,562
Student Services	21,874,879	16,964,347	4,910,532
Institutional Support	20,991,674	24,775,457	(3,783,783)
Plant Operations and Maintenance	25,174,656	24,656,612	518,044
Scholarships and Fellowships	10,049,398	25,235,140	(15,185,742)
Auxiliary Enterprises	30,538,966	29,045,010	1,493,956
Total Operating Expenses	223,141,041	228,100,329	(4,959,288)
Interest Expense	6,528,487	6,804,486	(275,999)
Total Nonoperating Expenses	6,528,487	6,804,486	(275,999)
Total Expenses	$ 229,669,528	$ 234,904,815	$ (5,235,287)

Total expenses decreased by $5,235,287, which was due to a decrease in operating expenses of $4,959,288 and a decrease in nonoperating expenses of $275,999.

The decrease in operating expenses was due primarily to a decrease in Scholarships and Fellowships of $15,185,742. The decrease in Scholarships and Fellowships was due primarily to a reduction in the distribution of Higher Education Emergency Relief Funds, which decreased by $16,478,380.

Statement of Cash Flows

The Statement of Cash Flows presents detailed information about the cash activity of the Institution 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 Institution. 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, 2023 and 2022, Condensed

CONDENSED STATEMENT OF NET CASH FLOWS	June 30, 2023	June 30, 2022
Cash Provided (Used) by:		
Operating Activities	$ (98,848,110)	$ (104,254,705)
Non-Capital Financing Activities	104,897,455	135,214,182
Capital and Related Financing Activities	(17,862,269)	(21,320,042)
Investing Activities	1,805,488	46,443
NET CHANGE IN CASH	(10,007,436)	9,685,878
Cash, beginning of year	66,299,680	56,613,802
CASH, end of year	$ 56,292,244	$ 66,299,680

Capital Assets & Intangible Right-to-Use Assets

Capital assets, net of accumulated depreciation, at June 30, 2023 and June 30, 2022 were as follows:

CAPITAL ASSETS, net of accumulated depreciation and amortization	June 30, 2023	June 30, 2022	Increase (Decrease)
Land	$ 11,593,445	$ 11,593,445	$ —
Capitalized Collections	116,128	116,128	—
Construction Work-in-Progress	9,219,780	4,611,721	4,608,059
Infrastructure	8,910,221	9,484,446	(574,225)
Building and Building Improvements	253,276,858	263,814,897	(10,538,039)
Facilities and Other Improvements	5,248,053	5,694,398	(446,345)
Equipment	4,848,866	5,018,431	(169,565)
Library Collections	711,122	877,710	(166,588)
Capital Assets, net of accumulated depreciation and amortization	$ 293,924,473	$ 301,211,176	$ (7,286,703)

There were no significant capital asset additions or construction projects completed during fiscal year 2023.

Intangible Right-to-Use assets, net of accumulated amortization, at June 30, 2023 and June 30, 2022 were as follows:

INTANGIBLE RIGHT-TO-USE ASSETS, net of accumulated amortization	June 30, 2023	June 30, 2022	Increase (Decrease)
Equipment	$ 219,531	$ 373,576	$ (154,045)
Subscription Based IT Arrangements (SBITAs)	766,276	—	766,276
Intangible Right-to-Use Assets, net of accumulated amortization	$ 985,807	$ 373,576	$ 612,231

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

Long Term Liabilities
The University of West Georgia had Long-Term Liabilities of $143.9 million of which $10.2 million was reflected as a current liability at June 30, 2023.

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.

Economic Outlook
The University is not aware of any currently known facts, decisions or conditions that are expected to have a significant effect on the financial position or results of operations during this fiscal year beyond those unknown variations having a global effect on virtually all types of business operations. The University's overall financial position is strong and the University anticipates the current fiscal year will be much like the last and will maintain a close watch over resources to maintain the University's ability to react to unknown internal and external issues.

Financial Section

Financial Statements
(GAAP Basis)

UNIVERSITY OF WEST GEORGIA
STATEMENT OF NET POSITION
JUNE 30, 2023

ASSETS		
Current Assets		
Cash and Cash Equivalents	$	55,213,787
Cash and Cash Equivalents (Externally Restricted)		869,300
Accounts Receivable, net		
Federal Financial Assistance		6,473,486
Affiliated Organizations		37,544
Other		5,019,633
Inventories		770,105
Prepaid Items		5,969,380
Total Current Assets		74,353,235
Non-Current Assets		
Accounts Receivable, net		
Due From USO - Capital Liability Reserve Fund		1,376,057
Notes Receivable, net		2,155,728
Non-current Cash (Externally Restricted)		209,157
Intangible Right-to-Use Assets, net		985,807
Capital Assets, net		293,924,473
Total Non-Current Assets		298,651,222
TOTAL ASSETS		373,004,457
DEFERRED OUTFLOWS OF RESOURCES	$	82,036,809

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

UNIVERSITY OF WEST GEORGIA
STATEMENT OF NET POSITION
JUNE 30, 2023

LIABILITIES	
Current Liabilities	
Accounts Payable	$ 7,046,776
Salaries Payable	291,046
Benefits Payable	1,300,284
Contracts Payable	1,423,995
Retainage Payable	173,751
Advances (Including Tuition and Fees)	1,714,943
Deposits Held for Other Organizations	11,208
Other Liabilities	45,291
Subscription Obligations	192,240
Notes Payable	6,597,688
Lease Obligations - External	148,231
Compensated Absences	3,252,770
Total Current Liabilities	22,198,223
Non-Current Liabilities	
Subscription Obligations	506,904
Notes Payable	131,246,561
Lease Obligations - External	59,384
Compensated Absences	1,871,316
Net Other Post Employment Benefits Liability	115,824,461
Net Pension Liability	123,040,478
Total Non-Current Liabilities	372,549,104
TOTAL LIABILITIES	394,747,327
DEFERRED INFLOWS OF RESOURCES	62,237,192
NET POSITION	
Net Investment in Capital Assets	154,344,533
Restricted for:	
Expendable	2,763,067
Unrestricted (Deficit)	(159,050,853)
TOTAL NET POSITION	$ (1,943,253)

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

UNIVERSITY OF WEST GEORGIA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR FISCAL YEAR ENDED JUNE 30, 2023

OPERATING REVENUES		
Student Tuition and Fees (net)	$	69,921,597
Grants and Contracts		
Federal		1,533,145
State		941,601
Other		2,504,717
Sales and Services		1,505,800
Rents and Royalties		118,883
Auxiliary Enterprises		
Residence Halls		12,501,063
Bookstore		1,221,557
Food Services		7,060,546
Parking/Transportation		1,279,535
Health Services		1,553,662
Intercollegiate Athletics		4,957,820
Other Organizations		632,706
Other Operating Revenues		2,988,577
Total Operating Revenues		108,721,209
OPERATING EXPENSES		
Faculty Salaries		46,353,193
Staff Salaries		54,507,217
Employee Benefits		37,448,298
Other Personal Services		699,364
Travel		869,499
Scholarships and Fellowships		12,257,685
Utilities		5,045,605
Supplies and Other Services		50,286,727
Depreciation and Amortization		15,673,453
Total Operating Expenses		223,141,041
Operating Income (Loss)	$	(114,419,832)

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

UNIVERSITY OF WEST GEORGIA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR FISCAL YEAR ENDED JUNE 30, 2023

NONOPERATING REVENUES (EXPENSES)	
State Appropriations	$ 83,447,424
Grants and Contracts	
Federal	23,826,679
Gifts	808,729
Investment Income	1,805,488
Interest Expense	(6,528,487)
Other Nonoperating Revenues (Expenses)	(60,200)
Net Nonoperating Revenues	103,299,633
Income (Loss) Before Other Revenues, Expenses, Gains, or Losses	(11,120,199)
Capital Grants and Gifts	
State	1,531,820
Other	84,194
Total Other Revenues, Expenses, Gains or Losses	1,616,014
Change in Net Position	(9,504,185)
Net Position, Beginning of Year	7,560,932
Net Position, End of Year	$ (1,943,253)

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

UNIVERSITY OF WEST GEORGIA
STATEMENT OF CASH FLOWS
FOR FISCAL YEAR ENDED JUNE 30, 2023

CASH FLOWS FROM OPERATING ACTIVITIES	
Payments from Customers	$ 102,798,416
Grants and Contracts (Exchange)	2,682,344
Payments to Suppliers	(90,268,308)
Payments to Employees	(102,148,558)
Payments for Scholarships and Fellowships	(12,257,685)
Loans Issued to Students	(534,995)
Collection of Loans from Students	887,668
Other Payments	(6,992)
Net Cash Used by Operating Activities	(98,848,110)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES	
State Appropriations	83,447,424
Gifts and Grants Received for Other Than Capital Purposes	21,470,543
Other Non-Capital Financing Receipts	10
Other Non-Capital Financing Payments	(20,522)
Net Cash Flows Provided by Non-Capital Financing Activities	104,897,455
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Capital Gifts and Grants Received	2,211,597
Proceeds from Sale of Capital Assets	26,788
Purchases of Capital and Intangible Assets	(6,888,934)
Principal Paid on Capital Debt and Leases	(6,482,799)
Interest Paid on Capital Debt and Leases	(6,728,921)
Net Cash Used by Capital and Related Financing Activities	(17,862,269)
CASH FLOWS FROM INVESTING ACTIVITIES	
Investment Income	1,805,488
Net Cash Provided by Investing Activities	1,805,488
Net Decrease in Cash and Cash Equivalents	(10,007,436)
Cash and Cash Equivalents, Beginning of Year	66,299,680
Cash and Cash Equivalents, End of Year	$ 56,292,244

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

UNIVERSITY OF WEST GEORGIA
STATEMENT OF CASH FLOWS
FOR FISCAL YEAR ENDED JUNE 30, 2023

RECONCILIATION OF OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES:	
Operating Loss	$ (114,419,832)
Adjustments to Reconcile Net Operating Loss to Net Cash Used by Operating Activities	
Depreciation and Amortization	15,673,453
Operating Expenses Related to Noncash Gifts	510,690
Change in Assets and Liabilities:	
Receivables, net	(1,256,034)
Inventories	(23,671)
Prepaid Items	1,298,597
Notes Receivable, Net	352,673
Accounts Payable	524,417
Salaries Payable	(552,042)
Benefits Payable	157,193
Contracts Payable	(239,348)
Retainage Payable	(23,861)
Advances (Including Tuition and Fees)	(1,787,452)
Other Liabilities	7,432
Funds Held for Others	(6,992)
Compensated Absences	133,394
Net Pension Liability	87,271,428
Other Post-Employment Benefit Liability	(35,609,107)
Change in Deferred Inflows/Outflows of Resources:	
Deferred Inflows of Resources	(26,998,621)
Deferred Outflows of Resources	(23,860,427)
Net Cash Used by Operating Activities	$ (98,848,110)

NON-CASH INVESTING, NON-CAPITAL FINANCING, AND CAPITAL AND RELATED FINANCING TRANSACTIONS	
Noncapital Financing Activities Noncash Items:	
Noncapital Gifts	$ 510,690
Current Year Accruals Related to Non-operating Non-capital Grants and Gifts	$ 5,369,605
Capital Financing Activities Noncash Items:	
Current Year Accruals Related to Capital Financing Activities	$ 1,696,365
Gift of Capital Assets	$ 119,738
Gain (Loss) on Disposal of Capital Assets	$ (66,477)
Accrual of Capital Asset Related Payables	$ 1,686,246
Amortization of Deferred Gain (Loss) of Capital Debt Refunded	$ 200,434
Intangible Right-to-Use Assets Acquired by Incurring Lease Obligations	$ 28,392
Intangible Right-to-Use Assets Acquired by Incurring SBITAs	$ 776,552

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

UNIVERSITY OF WEST GEORGIA
STATEMENT OF FIDUCIARY NET POSITION
FOR FISCAL YEAR ENDED JUNE 30, 2023

	Custodial Funds
ASSETS	
Receivables	
Other	$ 3,703,367
Total Assets	3,703,367
LIABILITIES	
Cash Overdraft	3,582,705
Accounts Payable	74,147
Total Liabilities	3,656,852
NET POSITION	
Restricted for:	
Individuals, Organizations, and Other Governments	$ 46,515

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

UNIVERSITY OF WEST GEORGIA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR FISCAL YEAR ENDED JUNE 30, 2023

	Custodial Funds
ADDITIONS	
Federal Financial Aid	$ 53,887,070
State Financial Aid	19,130,146
Other Financial Aid	5,750,661
Clubs and Other Organizations Fund Raising	5,704
Total Additions	78,773,581
DEDUCTIONS	
Scholarships and Other Student Support	79,093,256
Student Organizations Support	3,989
Total Deductions	79,097,245
Net Increase (Decrease) in Fiduciary Net Position	(323,664)
Net Position, Beginning of Year	370,179
Net Position, End of Year	$ 46,515

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

Notes to the Financial Statements

UNIVERSITY OF WEST GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

Note 1 Summary of Significant Accounting Policies

Nature of Operations
The University of West Georgia (Institution) 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 Institution 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 Institution does not have the right to sue/be sued without recourse to the State. The Institution'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 Institution is not legally separate from the State. Accordingly, the Institution 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 Institution. These financial statements do not purport to, and do not, present fairly the financial position of the State as of June 30, 2023, the changes in its financial position or its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

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

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

The Institution'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 Institution reports the following fiduciary fund:

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

New Accounting Pronouncements

In May 2019, the GASB issued Statement No. 91*, Conduit Debt Obligations*, effective for fiscal years beginning after December 15, 2020. In fiscal year 2020, the Institution adopted GASB Statement No. 95, *Postponement of Effective Dates of Certain Authoritative Guidance* which postponed the effective dates of Statement No. 91 to fiscal year 2023. The objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. The adoption of this statement does not have a significant impact on the financial statements and will be applied prospectively.

In March 2020, the GASB issued Statement No. 94*, Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, effective for fiscal years beginning after June 15, 2022. The objectives of this statement are to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements and to provide guidance for accounting and financial reporting for availability payment arrangements. The adoption of this statement does not have a significant impact on the financial statements and will be applied retroactively.

In May 2020, the GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements,* effective for fiscal years beginning after June 15, 2022. This statement defines subscription-based information technology arrangements and provides uniform guidance for accounting and financial reporting for transactions that meet that definition. Under this Statement, a government is required to recognize a subscription liability and an intangible right-to-use asset for contracts that meet the definition of a subscription-based information technology arrangement.

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

Cash and Cash Equivalents

Cash and Cash Equivalents consist of petty cash, demand deposits and time deposits in authorized financial institutions, and cash management pools that have the general characteristics of demand deposit accounts. This includes the State Investment Pool (Georgia Fund 1) and the Board of Regents Short-Term Investment Pool. Cash and Cash Equivalents that cannot be used to pay current liabilities are classified as non-current assets in the Statement of Net Position. Cash and Cash Equivalents restricted as to use by a third party are reported as externally restricted.

Accounts Receivable

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

Inventories

Consumable supplies and resale inventories are carried at the lower of cost or market on the first-in, first-out ("FIFO") basis.

Prepaid Items

Payments made to vendors and state and local government organizations for services that will benefit periods beyond June 30, 2023 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 Institution'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 Institution, it is necessary to look at the activities of the Georgia State Financing and Investment Commission (GSFIC) - an organization that is external to the USG. GSFIC issues bonds for and on behalf of the State of Georgia, pursuant to powers granted to it in the Constitution of the State of Georgia and the Act creating the GSFIC. The bonds so issued constitute direct and general obligations of the State of Georgia, to the payment of which the full faith, credit and taxing power of the State are pledged.

For projects managed by GSFIC, GSFIC retains construction in progress in its accounting records throughout the construction period and transfers the entire project to the institutional unit of the 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 Institution leases certain academic spaces, administrative offices, and equipment under lease agreements. The Institution has leases under which it is obligated as a lessee. 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.

The Institution also entered into certain subscription-based agreements to use vendor-provided information technology (IT). Subscription-based information technology arrangements (SBITAs) result in an intangible right-to-use asset and a subscription obligation on the Statement of Net Position. The Institution capitalizes SBITA items that are greater than $100,000 over the subscription term and the initial term exceeds 12 months.

An intangible right-to-use asset represents the Institution's right to use an underlying asset for the lease or subscription term. Lease and/or subscription obligations represent the Institution's liability to make lease and/or subscription payments arising from the lease and/or subscription agreement. Intangible right-to-use assets, lease obligations, and subscription obligations are recognized based on the present value of lease and/or subscription 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 and/or subscription 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 and/or subscription liability. Intangible right-to-use assets are amortized using a straight-line basis over the shorter of the lease and/or subscription term or useful life of the underlying asset. Prepayments made before the commencement of the lease and/or subscription are reported as intangible right-to-use assets in progress.

Capital Liability Reserve Fund
The Capital Liability Reserve Fund (Fund) was established by the Board of Regents to protect the fiscal integrity of the USG to maintain the strongest possible credit ratings associated with Public Private Venture (PPV) projects and to ensure that the Board of Regents can effectively support its long-term capital lease obligations. All USG institutions participating in the PPV program finance the Fund. The Fund serves as a pooled reserve that is managed by the Board of Regents. The Fund shall only be used to address significant shortfalls and only insofar as a requesting USG institution is unable to make the required PPV capital lease payment to the designated affiliated organization. The Fund will continue as long as the Board of Regents has rental obligations under the PPV program and at the conclusion of the program, funds will be returned to each institution. The balance included on the Institution's Statement of Net Position as Due from USO - Capital Liability Reserve Fund represents the Institution'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 others 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) and Net OPEB Liability
The net OPEB liability represents the Institution'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 Institution'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 Institution's net position is classified as follows:

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

Restricted - expendable net position includes resources in which the Institution 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 Institution, 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 Institution's policy is to first apply the expense towards unrestricted resources, and then towards restricted resources.

Income Taxes

The Institution, 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 differences between the stated charge for goods and services provided by the Institution, 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 Institution's financial statements. To the extent that revenues from such programs are used to satisfy tuition, fees and other student charges, the Institution 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 $17,110,598.

Note 2 Deposits and Investments

Cash and cash equivalents and investments as of June 30, 2023 are classified in the accompanying statement of net position and statement of fiduciary net position as follows:

Statement of Net Position		
Current		
Cash and Cash Equivalents	$	55,213,787
Cash and Cash Equivalents (Externally Restricted)		869,300
Noncurrent		
Non-Current Cash (Externally Restricted)		209,157
Statement of Fiduciary Net Position		
Cash and Cash Equivalents		(3,582,705)
	$	52,709,539

Cash on hand, deposits and investments as of June 30, 2023 consist of the following:

Cash on Hand	$	126,207
Deposits with Financial Institutions		36,891,518
Investments		15,691,814
	$	52,709,539

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 Institution's deposits may not be recovered. Funds belonging to the State of Georgia (and thus the Institution) 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 Institution 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, 2023, the bank balances of the Institution's deposits totaled $37,713,004. This balance includes deposits in Fiduciary funds as these balances are not separable from the holdings of the Institution. Of these deposits, none were exposed to custodial credit risk.

B. Investments

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

The following table summarizes the valuation of the Institution's investments measured at fair value on a recurring basis and at net asset value as of June 30, 2023.

Investment Pools	
Board of Regents	
Short-Term Fund	$ 6,585,302
Office of the State Treasurer	
Georgia Fund 1	9,106,512
Total Investments	$ 15,691,814

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 Institution's position in the pooled investment fund options is described below.

Short-Term Fund

The Short-Term Fund is available to both University System of Georgia institutions and their affiliated organizations. The Fund provides a current return and stability of principal while affording a means of overnight liquidity for projected cash needs. Investments are in securities allowed under O.C.G.A. § 50-17-59 and 50-17-63. The average maturities of investments in this fund will typically range between daily and four years, and the fund will typically have an overall average duration of 4 - 12 months.

The overall character of the portfolio is of Agency quality, possessing a minimal degree of financial risk. The market value of the Institution's position in the Short-Term Fund at June 30, 2023 was $6,585,302, of which 100% is invested in debt securities. The Effective Duration of the Fund is 0.93 years.

Office of the State Treasurer Investment Pool

The Georgia Fund 1 Investment Pool, managed by the Office of the State Treasurer, is not registered with the Securities and Exchange Commission as an investment company, and the State does not consider Georgia Fund 1 to be a 2a7-like pool. This investment is valued at the pool's share price, $1.00 per share. The Georgia Fund 1 Investment Pool is an AAAf rated investment pool by Standard and Poor's. The Weighted Average Maturity of the Fund is 28 days.

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. Because the Institution limits its investments to the USG and State managed pools and funds described above, no formal policy has been developed pertaining to managing interest rate risk for investments.

Credit Quality Risk

Credit quality risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Because the Institution limits its investments to the USG and State managed pools and funds described above, no formal policy has been developed pertaining to managing credit quality risk for investments.

Investments subject to interest rate and credit quality risk include:

Investment Pools	
Board of Regents	
Short-Term Fund	$ 6,585,302
Office of the State Treasurer	
Georgia Fund 1	9,106,512
Total Investments	$ 15,691,814

Note 3 Accounts Receivable

Accounts receivable as of June 30, 2023 are classified in the accompanying statement of net position as follows:

	Business Type Activities	Fiduciary Fund
Student Tuition and Fees	$ 1,767,830	$ 78
Auxiliary Enterprises and Other Operating Activities	855,832	—
Federal Financial Assistance	6,473,486	3,575,340
Georgia State Financing and Investment Commission	170,062	—
Due from Affiliated Organizations	37,544	—
Due From Other USG Institutions	4,325,882	—
Other	1,795,343	127,949
	15,425,979	3,703,367
Less: Allowance for Doubtful Accounts	2,519,259	—
Net Accounts Receivable	$ 12,906,720	$ 3,703,367

Note 4   Inventories

Inventories consisted of the following at June 30, 2023:

Consumable Supplies	$ 230,839
Merchandise for Resale	539,266
Total	$ 770,105

Note 5   Notes and Loans Receivable

The Nurse Faculty Loan Program (NFLP) and the Federal Perkins Loan Program (Perkins) comprise substantially all of the loans receivable at June 30, 2023.

NFLP provides for cancellation of a loan at rates of 20% and 25% per year up to a maximum of 85%, if the participant complies with certain provisions. The Federal government reimburses the Institution for amounts canceled under these provisions.

Perkins provides for cancellation of a loan at rates of 10% to 30% per year up to a maximum of 100%, if the participant complies with certain provisions. The Federal government reimburses the Institution for amounts canceled under these provisions. As the Institution determines that loans 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.

The Institution has provided an allowance for uncollectible loans, which, in management's opinion, is sufficient to absorb loans that will ultimately be written off. At June 30, 2023, the allowance for uncollectible loans was $0.

Note 6 Capital Assets and Intangible Right-to-Use Assets

Changes in capital assets for the year ended June 30, 2023 are shown below:

	Balance July 1, 2022	Additions	Reductions	Balance June 30, 2023
Capital Assets, Not Being Depreciated:				
Land	$ 11,593,445	$ —	$ —	$ 11,593,445
Capitalized Collections	116,128	—	—	116,128
Construction Work-in-Progress	4,611,721	5,501,458	893,399	9,219,780
Total Capital Assets Not Being Depreciated	16,321,294	5,501,458	893,399	20,929,353
Capital Assets, Being Depreciated:				
Infrastructure	14,078,895	—	—	14,078,895
Building and Building Improvements	426,110,546	1,694,717	—	427,805,263
Facilities and Other Improvements	11,290,520	—	—	11,290,520
Equipment	32,756,052	1,685,455	1,186,328	33,255,179
Library Collections	18,241,445	64,704	230,955	18,075,194
Total Capital Assets Being Depreciated	502,477,458	3,444,876	1,417,283	504,505,051
Less: Accumulated Depreciation				
Infrastructure	4,594,449	574,225	—	5,168,674
Building and Building Improvements	162,295,649	12,232,756	—	174,528,405
Facilities and Other Improvements	5,596,122	446,345	—	6,042,467
Equipment	27,737,621	1,788,545	1,119,853	28,406,313
Library Collections	17,363,735	231,292	230,955	17,364,072
Total Accumulated Depreciation	217,587,576	15,273,163	1,350,808	231,509,931
Total Capital Assets, Being Depreciated, Net	284,889,882	(11,828,287)	66,475	272,995,120
Capital Assets, net	$ 301,211,176	$ (6,326,829)	$ 959,874	$ 293,924,473

For projects managed by GSFIC, GSFIC retains construction-in-progress on its books throughout the construction period and transfers the entire project to the Institution when complete. For projects managed by the Institution, the Institution retains construction-in-progress on its books and is reimbursed by GSFIC. For the year ended June 30, 2023, GSFIC did not transfer any capital additions to the Institution. At June 30, 2023, GSFIC had construction in progress of $18,419,965 for incomplete GSFIC-managed projects for the Institution.

Intangible Right-to-Use Assets

Changes in intangible assets for the year ended June 30, 2023 are shown below:

	Balance July 1, 2022	Additions	Reductions	Balance June 30, 2023
Intangible Right-to-use Assets				
Equipment	$ 569,499	$ 90,882	$ 55,661	$ 604,720
Subscription Based IT Arrangements (SBITAs)	—	921,639	—	921,639
Total Leased Assets Being Amortized	569,499	1,012,521	55,661	1,526,359
Less: Accumulated amortization				
Equipment	195,923	244,927	55,661	385,189
Subscription Based IT Arrangements (SBITAs)	—	155,363	—	155,363
Total Accumulated Amortization	195,923	400,290	55,661	540,552
Intangible Right-to-use Assets, net	$ 373,576	$ 612,231	$ —	$ 985,807

A comparison of depreciation and amortization expense for the last three fiscal years is as follows:

Fiscal Year	Depreciation & Amortization Expense
2023	$ 15,673,453
2022	$ 16,067,890
2021	$ 16,100,825

Note 7 Advances (Including Tuition and Fees)

Advances, including tuition and fees, consisted of the following at June 30, 2023:

Prepaid Tuition and Fees	$	1,246,186
Research		468,195
Other - Advances		562
Totals	$	1,714,943

Note 8 Long-Term Liabilities

Changes in long-term liability for the year ended June 30, 2023 were as follows:

	Balance July 1, 2022	Additions	Reductions	Balance June 30, 2023	Current Portion
Lease & Subscription Obligations					
Lease Obligations	$ 377,903	$ 28,392	$ 198,680	$ 207,615	$ 148,231
Subscription Obligations	—	776,552	77,408	699,144	192,240
Total	377,903	804,944	276,088	906,759	340,471
Other Liabilities					
Compensated Absences	4,990,693	3,987,490	3,854,097	5,124,086	3,252,770
Notes Payable	144,050,960	—	6,206,711	137,844,249	6,597,688
Total	149,041,653	3,987,490	10,060,808	142,968,335	9,850,458
Total Long-Term Obligations	$ 149,419,556	$ 4,792,434	$ 10,336,896	$ 143,875,094	$ 10,190,929

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.

Notes and Loans Payable

Financing Lease Agreements

The Institution 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 Institution. In addition, these agreements shall terminate if the State does not provide adequate funding, but that is considered a remote possibility. The Institution's principal and interest payments related to financing lease agreements for fiscal year 2023 were $6,206,711 and $6,719,799, respectively. Interest rates range from 2.845% to 5.789%.

The Institution has $135,286,991 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, 2023:

Description	Gross Amount	Less: Accumulated Amortization	Net Assets Held Under Financing Arrangements at June 30, 2023	Outstanding Balances per Lease Schedules at June 30, 2023
	(+)	(-)	(=)	
Financed Land and Land Improvements	$ 4,202,011	$ —	$ 4,202,011	$ 3,114,773
Financed Buildings and Building Improvements	176,048,700	78,622,275	97,426,425	130,497,459
Financed Facilities and Other Improvements	4,159,691	2,454,218	1,705,473	3,083,403
Financed Equipment	1,549,548	1,549,548	—	1,148,614
Total Assets Held Under Finance Lease Arrangements	$ 185,959,950	$ 82,626,041	$ 103,333,909	$ 137,844,249

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

Description	Lessor	Original Principal	Lease Term	Begin Month/ Year	End Month/ Year	Outstanding Principal	
University Suites	UWG Foundation, Inc.	$ 5,883,088	10 Yrs	MAR 2019	JUN 2029	$ 3,906,390	(1)
Arbor View Apartments	UWG Foundation, Inc.	9,358,981	10 Yrs	MAR 2019	JUN 2029	6,169,598	(1)
Greek Village	UWG Foundation, Inc.	17,722,384	20 Yrs	MAR 2019	JUN 2039	14,787,410	(1)
University Campus Ctr.	UWG Real Estate Foundation, Inc.	27,100,000	23 Yrs	AUG 2012	JUN 2035	19,554,798	(1)
Athletic Complex	UWG Real Estate Foundation, Inc.	27,660,000	24 Yrs	JAN 2015	JUN 2039	24,464,500	(1)
Center Pointe Suites	UWG Real Estate Foundation, Inc.	23,900,106	29 Yrs	JUL 2012	JUN 2041	19,828,210	(1)
Athletic Office Bldg.	UWG Real Estate Foundation, Inc.	3,756,636	27 Yrs	AUG 2012	JUN 2039	2,788,908	(1)
Evergreen - Parking Lots	UWG Foundation, Inc.	6,040,451	20 Yrs	MAR 2019	JUN 2039	5,259,296	(1)
University Bookstore	USG Real Estate Foundation III, Inc.	4,434,260	21 Yrs	MAR 2020	JUN 2041	4,007,746	(1)
East Commons	UWG Real Estate Foundation, Inc.	11,681,410	29 Yrs	AUG 2013	JUN 2042	9,541,620	(1)
Bowdon Hall	UWG Real Estate Foundation, Inc.	9,141,259	29 Yrs	AUG 2013	JUN 2042	7,468,499	(1)
The Oaks	UWG Real Estate Foundation, Inc.	21,434,416	29 Yrs	AUG 2013	JUN 2042	17,510,016	(1)
Student Health Center	TMC/Campus Health Center, LLC	3,501,944	20 Yrs	JAN 2018	DEC 2038	2,557,258	
Total Leases		$ 171,614,935				$ 137,844,249	

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

Below is the annual debt service related to the outstanding notes payable at June 30, 2023.

	Principal	Interest
Year Ending June 30:		
2024	$ 6,597,688	$ 6,422,608
2025	7,023,790	6,092,444
2026	7,468,810	5,747,799
2027	7,928,140	5,384,206
2028	8,413,208	4,996,772
2029 through 2033	39,587,987	19,304,260
2034 through 2038	40,513,934	9,854,723
2039 through 2043	20,310,692	1,710,899
Total Minimum Lease Payments	$ 137,844,249	$ 59,513,711

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, 2023, consisted of the following:

Deferred Outflow of Resources	
Deferred Loss on Debt Refunding	$ 2,363,968
Deferred Outflows on Defined Benefit Pension Plans (See Note 14)	58,972,115
Deferred Outflows on OPEB Plan (See Note 17)	20,700,726
Total Deferred Outflows of Resources	$ 82,036,809
Deferred Inflow of Resources	
Deferred Gain on Debt Refunding	$ 2,492,462
Deferred Inflows on Defined Benefit Pension Plans (See Note 14)	9,221,345
Deferred Inflows on OPEB Plan (See Note 17)	50,523,385
Total Deferred Inflows of Resources	$ 62,237,192

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

Note 10 Net Position

The breakdown of business-type activity net position for the Institution fund at June 30, 2023 is as follows:

Net Investment in Capital Assets	$ 154,344,533
Restricted for	
Expendable	
Sponsored and Other Organized Activities	1,276
Federal Loans	2,083,033
Institutional Loans	471,447
Capital Projects	207,311
Sub-Total	2,763,067
Unrestricted	
Auxiliary Enterprises Operations	22,060,443
Reserve for Encumbrances	24,684,779
Reserve for Inventory	291,785
Capital Liability Reserve Fund	1,376,057
Other Unrestricted	(207,463,917)
Sub-Total	(159,050,853)
Total Net Position	$ (1,943,253)

Other unrestricted net position is reduced by $145,647,119 related to the recording of net OPEB liability, deferred inflows of resources, and deferred outflows of resources related to the OPEB plan. Other unrestricted net position is also reduced by $73,289,708 related to the recording of net pension liability, deferred inflows of resources, and deferred outflows of resources 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 Institution 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, 2023 were as follows:

	Balance July 1, 2022	Additions	Reductions	Balance June 30, 2023
Net Investments in Capital Assets	$ 156,392,556	$ 15,548,255	$ 17,596,278	$ 154,344,533
Restricted Net Position	3,847,295	30,422,156	31,506,384	2,763,067
Unrestricted Net Position	(152,678,919)	189,803,387	196,175,321	(159,050,853)
Total Net Position	$ 7,560,932	$ 235,773,798	$ 245,277,983	$ (1,943,253)

Note 11 Endowments

The Institution did not have donor restricted endowments at June 30, 2023.

Note 12 Significant Commitments

See the Net Position note for amounts reserved for outstanding encumbrances at June 30, 2023. This amount is not reflected in the accompanying basic financial statements.

Note 13 Leases and Subscriptions

Lease Obligations

The Institution leases office and other equipment. The Institution also enters into certain subscription-based contracts to use vendor-provided information technology (IT). Although lease and/or subscription terms may vary, many leases and/or subscription agreements 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 Institution. In addition, these agreements shall terminate if the State does not provide adequate funding, but that is considered a remote possibility. The Institution's principal and interest payments related to leases for fiscal year 2023 were $184,144 and $3,720, respectively. Interest rate ranges from 2.26% to 3.45%.

The Institution's principal and interest payments related to SBITAs for fiscal year 2023 were $77,408 and $5,404, respectively. Interest rate is 2.26%.

The following is a summary of the carrying values of intangible right-to-use assets held under lease at June 30, 2023:

Description	Gross Amount	Less: Accumulated Amortization	Net Assets Held Under Lease Obligations at June 30, 2023	Outstanding Balance per Lease Schedules at June 30, 2023
	(+)	(-)	(=)	
Leased Equipment	$ 604,720	$ 385,189	$ 219,531	$ 207,615
Total Assets Held Under Lease	$ 604,720	$ 385,189	$ 219,531	$ 207,615

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

Description	Lessor	Original Principal	Lease Term	Begin Month/ Year	End Month/ Year	Outstanding Principal
Various Copiers	Various Vendors	$ 269,228	2 to 5 Years	JUL 2021	OCT 2027	$ 121,989
Various Printing Equipment	Various Vendors	230,846	3 to 5 Years	JUL 2021	FEB 2026	85,626
Total Leases		$ 500,074				$ 207,615

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, 2023:

	Principal	Interest
Year Ending June 30:		
2024	$ 148,231	$ 2,058
2025	39,841	790
2026	15,940	229
2027	3,114	44
2028	489	2
Total Minimum Lease Payments	$ 207,615	$ 3,123

Subscription Obligations

There were no variable payments based on performance, nor termination penalties expensed for fiscal year ended June 30, 2023.

The following is a summary of the carrying values of intangible right-to-use assets held under SBITA at June 30, 2023:

Description	Gross Amount	Less: Accumulated Amortization	Net Assets Held Under Subscription Obligations at June 30, 2023	Outstanding Balance per Subscription Schedules at June 30, 2023
Subscription Based IT Arrangements (SBITAs)	$ 921,639	$ 155,363	$ 766,276	$ 699,144
Total Assets Held Under Subscription Based Information Technology Arrangements (SBITAs)	$ 921,639	$ 155,363	$ 766,276	$ 699,144

Below is the future commitments related to the outstanding subscription obligations year at June 30, 2023:

	Principal	Interest
Year Ending June 30:		
2024	$ 192,240	$ 13,551
2025	198,889	9,133
2026	144,073	5,926
2027	147,353	2,647
2028	16,589	117
Total Minimum Subscription Payments	$ 699,144	$ 31,374

Note 14. Retirement Plans

The Institution 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 Institution also provides one other retirement plan - the Regents Retirement Plan.

The significant retirement plans that the Institution 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 Institution 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 2023. The Institution's contractually required contribution rate for the year ended June 30, 2023 was 19.98% of the

Institution annual payroll. The Institution's contributions to TRS totaled $11,049,101 for the year ended June 30, 2023.

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, 2023 was 31.01% of annual covered payroll for old and new plan members and 27.47% for GSEPS members. The rates include the annual actuarially determined contribution rate of 24.67% of annual covered payroll for old and new plan members and 21.59% for GSEPS members, plus a 6.34% adjustment to the old and new plan and a 5.88% adjustment to the GSEPS plan for the commencement of COLA prefunding for certain retired ERS members. The Institution's contributions to ERS totaled $84,757 for the year ended June 30, 2023. 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, 2023, the Institution 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, 2022. The total pension liability used to calculate the net pension liability was based on an actuarial valuation as of June 30, 2021. An expected total pension liability as of June 30, 2022 was determined using standard roll-forward techniques. The Institution's proportion of the net pension liability was based on contributions to TRS and ERS during the fiscal year ended June 30, 2022. At June 30, 2022, the Institution's TRS proportion was 0.377008%, which was a decrease of (0.024854)% from its proportion measured as of June 30, 2021. At June 30, 2022, the Institution's ERS proportion was 0.009264%, which was an decrease of (0.000443)% from its proportion measured as of June 30, 2021.

For the year ended June 30, 2023, the Institution recognized pension expense of $15,849,771 for TRS and $181,422 for ERS. At June 30, 2023, the Institution 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	$ 5,081,759	$ 637,234	$ 1,329	$ 5,611
Changes of assumptions	18,428,385	—	109,979	—
Net difference between projected and actual earnings on pension plan investments	24,052,398	—	71,886	—
Changes in proportion and differences between contributions and proportionate share of contributions	88,943	8,569,056	3,578	9,444
Contributions subsequent to the measurement date	11,049,101	—	84,757	—
Total	$ 58,700,586	$ 9,206,290	$ 271,529	$ 15,055

The Institution's contributions subsequent to the measurement date are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ending June 30, 2024. 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
2024	$ 9,723,911	$ 90,232
2025	$ 6,745,628	$ 24,408
2026	$ 5,040,482	$ 1,792
2027	$ 16,935,174	$ 55,285

Actuarial assumptions

The total pension liability as of June 30, 2022 was determined by an actuarial valuation as of June 30, 2021 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	6.90%, 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 improvement 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, 2021 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 investment rate of return and payroll growth assumption.

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, 2021 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 %	0.20 %	30.00 %	0.20 %
Domestic large equities	46.30 %	9.40 %	46.30 %	9.40 %
Domestic small equities	1.20 %	13.40 %	1.20 %	13.40 %
International developed market equities	12.30 %	9.40 %	12.30 %	9.40 %
International emerging market equities	5.20 %	11.40 %	5.20 %	11.40 %
Alternatives	5.00 %	10.50 %	5.00 %	10.50 %
Total	100.00 %		100.00 %	

* Rates shown are net of inflation

Discount rate

The discount rate used to measure the total TRS and ERS pension liability was 6.90% 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 Institution's proportionate share of the net pension liability to changes in the discount rate:
The following presents the Institution's proportionate share of the net pension liability calculated using the discount rate as well as what the Institution'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 5.90%	Current discount rate 6.90%	1% Increase 7.90%
Proportionate share of the net pension liability	$ 184,693,931	$ 122,421,785	$ 71,568,341

Employees' Retirement System:

	1% Decrease 6.00%	Current discount rate 7.00%	1% Increase 8.00%
Proportionate share of the net pension liability	$ 823,595	$ 618,693	$ 446,386

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

B. Defined Contribution Plan:

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

Funding Policy
The institutions of the USG make monthly employer contributions to the Regents Retirement Plan on behalf of participants at rates determined by the Board. The Board reviews the contribution amount every three (3) years. For fiscal year 2023, 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 Institution and the covered employees made the required contributions of $3,168,928 (9.24%) and $2,058,475 (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 2023, 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 Institution'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 Institution 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 Institution, if any, are generally considered to be actions against the State of Georgia. Accordingly, significant litigation, claims and assessments pending against the State of Georgia are disclosed in the State of Georgia Annual Comprehensive Financial Report for the fiscal year ended June 30, 2023.

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 2023, 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 Institution's membership in the Plan consisted of the following at June 30, 2023:

Active Employees	1,311
Retirees or Beneficiaries Receiving Benefits	489
Retirees or Beneficiaries Eligible But Not Receiving Benefits	—
Retirees Receiving Life Insurance Only	103
Total	1,903

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 Institution 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 2023 plan year, the employer rate was approximately 84% of the total health insurance cost for eligible retirees and the retiree rate was approximately 16%. For employees hired on or after January 1, 2013 and retirees after January 1, 2018, the amount the USG contributes is tied to years of service, which ranges from 0% to 100%. 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 2023, the Institution contributed $2,903,195 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, 2023, the Institution reported a liability for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2022. The total OPEB liability used to calculate the net OPEB liability was based on an actuarial valuation as of May 1, 2022. An expected total OPEB liability as of June 30, 2022 was determined using standard roll-forward techniques. The Institution's proportion of the net OPEB liability was actuarially determined based on employer contributions during the fiscal year ended June 30, 2022. At June 30, 2022, the Institution's proportion was 2.923884%, which was a decrease of (0.084881)% from its proportion measured as of June 30, 2021.

For the year ended June 30, 2023, the Institution recognized OPEB expense of $(1,190,867). At June 30, 2023, the Institution 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	$ 5,348,111	$ 969,979
Changes of assumptions	9,958,603	41,710,464
Net difference between projected and actual earnings on OPEB plan investments	468,571	—
Changes in proportion and differences between contributions and proportionate share of contributions	2,022,246	7,842,942
Contributions subsequent to the measurement date	2,903,195	—
Total	$ 20,700,726	$ 50,523,385

The Institution's contributions subsequent to the measurement date of $2,903,195 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, 2024. 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:		
2024	$	(8,602,607)
2025	$	(8,666,469)
2026	$	(8,991,867)
2027	$	(6,019,695)
2028	$	(445,216)

Actuarial assumptions

The total OPEB liability as of June 30, 2022 was determined by an actuarial valuation as of May 1, 2022 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	Interest Rate as of 6/30/2022 3.54% GO 20-Municipal Bond Index Rate Interest Rate as of 6/30/2021 2.16% from Bond Buyers GO 20- Municipal Bond Index; Discount Rate 2.18% Long-term Rate of Return 4.36% General Inflation 2.40% Salary Increase 3.75%
Mortality Rates	Pub - 2010 for Teachers (headcount weighted) projected with a scale MP-2021
Initial Healthcare Cost Trend	
Pre-Medicare Eligible	7%
Medicare Eligible	4%
Ultimate Trend Rate	
Pre-Medicare Eligible	4.5%
Medicare Eligible	4%
Year Ultimate Trend is Reached	Fiscal Year 2034 for Pre-Medicare Eligible, Fiscal Year 2022 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.
- Trend rate schedule was updated to reflect anticipated future experience.
- Mortality improvement scale was updated from MP-2020 to MP-2021.
- Mortality base rates for future disabled participants were updated to reflect Pub-2010 for Teachers (headcount weighted) disabled mortality,
- The discount rate was updated from 2.18% as of June 30, 2021, to 3.54% as of June 30, 2022; and
- The Expected Return on Assets was changed from 4.37% to 4.36%.

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 May 1, 2022 are summarized in the following table:

Asset Class	Long-term Expected Real Rate of Return, Net of Inflation	Target Allocation
Fixed Income	0.34 %	70 %
Equity Allocation	4.03 %	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, 2022. 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 2026. 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, 2022. 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 3.54% from the Bond Buyers GO 20-Bond Municipal Bond Index. This rate is comprised primarily of the yield or index rate for a 20-year, tax exempt general obligation municipal bond with an average rating of AA or higher (2.16% from the Bond Buyers GO 20-Bond Municipal Bond Index).

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

The following presents the the Institution's proportionate share of the net OPEB liability, as well as what the Institution's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1% lower (2.54%) or 1% higher (4.54%) than the current discount rate (3.54%):

	1% Decrease 2.54%	Current Rate 3.54%	1% Increase 4.54%
Proportionate Share of the Net OPEB Liability	$ 137,587,176	$ 115,824,461	$ 98,695,871

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

The following presents the Institution's proportionate share of the net OPEB liability, as well as what the Institution'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	$ 99,388,845	$ 115,824,461	$ 136,930,369
Pre-Medicare Eligible	6.0% decreasing to 3.5%	7.0% decreasing to 4.5%	8.0% 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 Annual Consolidated 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 2023 are shown below:

	Natural Classification				
Functional Classification	Faculty Salaries	Staff Salaries	Employee Benefits	Personal Services	Travel
Instruction	$ 39,987,251	$ 6,602,785	$ 17,425,454	$ 66,139	$ 414,538
Research	923,289	604,962	363,525	—	34,888
Public Service	12,000	220,795	81,705	—	10,813
Academic Support	5,045,912	10,201,136	6,465,543	5,271	154,772
Student Services	147,635	10,524,411	4,504,655	24,468	93,950
Institutional Support	237,106	11,340,378	1,200,182	603,486	90,899
Plant Operations and Maintenance	—	7,317,650	3,906,142	—	29,228
Scholarships and Fellowships	—	—	—	—	—
Auxiliary Enterprises	—	7,695,100	3,501,092	—	40,411
Total Operating Expenses	$ 46,353,193	$ 54,507,217	$ 37,448,298	$ 699,364	$ 869,499

	Natural Classification				
Functional Classification	Scholarships and Fellowships	Utilities	Supplies and Other Services	Depreciation/ Amortization	Total Operating Expenses
Instruction	$ —	$ 34,507	$ 15,239,423	$ 2,562,332	$ 82,332,429
Research	—	53	355,078	11,753	2,293,548
Public Service	—	2,204	118,305	5,276	451,098
Academic Support	132,973	39,300	6,742,204	647,282	29,434,393
Student Services	—	24,414	5,625,328	930,018	21,874,879
Institutional Support	—	11,610	7,045,689	462,324	20,991,674
Plant Operations and Maintenance	639	2,351,350	6,677,443	4,892,204	25,174,656
Scholarships and Fellowships	10,049,398	—	—	—	10,049,398
Auxiliary Enterprises	2,074,675	2,582,167	8,483,257	6,162,264	30,538,966
Total Operating Expenses	$ 12,257,685	$ 5,045,605	$ 50,286,727	$ 15,673,453	$ 223,141,041

Note 19 Subsequent Events

No subsequent events requiring disclosure in the financial statements were noted.

Required Supplementary Information

UNIVERSITY OF WEST GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
DEFINED BENEFIT PENSION PLANS
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, 2023	$ 84,757	$ 84,757	$ —	$ 275,076	30.81%
	June 30, 2022	$ 52,856	$ 52,856	$ —	$ 212,159	24.91%
	June 30, 2021	$ 56,715	$ 56,715	$ —	$ 229,740	24.69%
	June 30, 2020	$ 57,027	$ 57,027	$ —	$ 231,547	24.63%
	June 30, 2019	$ 60,964	$ 60,964	$ —	$ 123,532	49.35%
	June 30, 2018	$ 54,101	$ 54,101	$ —	$ 203,446	26.59%
	June 30, 2017	$ 55,341	$ 55,341	$ —	$ 220,214	25.13%
	June 30, 2016	$ 46,712	$ 46,712	$ —	$ 200,704	23.27%
	June 30, 2015	$ 36,490	$ 36,490	$ —	$ 180,362	20.23%
	June 30, 2014	$ 33,241	$ 33,241	$ —	$ 251,697	13.21%
Teachers' Retirement System	June 30, 2023	$ 11,049,101	$ 11,049,101	$ —	$ 55,715,748	19.83%
	June 30, 2022	$ 10,108,838	$ 10,108,838	$ —	$ 50,856,581	19.88%
	June 30, 2021	$ 9,942,993	$ 9,942,993	$ —	$ 52,293,517	19.01%
	June 30, 2020	$ 11,964,277	$ 11,964,277	$ —	$ 56,477,969	21.18%
	June 30, 2019	$ 11,530,921	$ 11,530,921	$ —	$ 54,888,104	21.01%
	June 30, 2018	$ 9,101,744	$ 9,101,744	$ —	$ 53,791,518	16.92%
	June 30, 2017	$ 7,034,933	$ 7,034,933	$ —	$ 48,812,374	14.41%
	June 30, 2016	$ 6,154,630	$ 6,154,630	$ —	$ 42,445,253	14.50%
	June 30, 2015	$ 5,224,342	$ 5,224,342	$ —	$ 39,652,503	13.18%
	June 30, 2014	$ 3,778,698	$ 3,778,698	$ —	$ 33,120,850	11.41%

UNIVERSITY OF WEST GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
MULTIPLE EMPLOYER DEFINED BENEFIT PENSION PLANS
FOR THE LAST NINE 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, 2023	0.009264%	$ 618,693	$ 212,159	291.62%	67.44%
	June 30, 2022	0.009707%	$ 227,037	$ 229,740	98.82%	87.62%
	June 30, 2021	0.009184%	$ 387,102	$ 231,547	167.18%	76.21%
	June 30, 2020	0.004834%	$ 199,477	$ 123,532	161.48%	76.74%
	June 30, 2019	0.007506%	$ 308,574	$ 203,446	151.67%	76.68%
	June 30, 2018	0.008695%	$ 353,133	$ 220,214	160.36%	76.33%
	June 30, 2017	0.008106%	$ 383,448	$ 200,704	191.05%	72.34%
	June 30, 2016	0.007000%	$ 294,456	$ 180,362	163.26%	76.20%
	June 30, 2015	0.007000%	$ 247,241	$ 251,697	98.23%	77.99%
Teachers Retirement System	June 30, 2023	0.377008%	$ 122,421,785	$ 50,856,581	240.72%	72.85%
	June 30, 2022	0.401862%	$ 35,542,013	$ 52,293,517	67.97%	92.03%
	June 30, 2021	0.437236%	$ 105,915,673	$ 56,477,969	187.53%	77.01%
	June 30, 2020	0.451778%	$ 97,144,486	$ 54,888,104	176.99%	78.56%
	June 30, 2019	0.451985%	$ 83,898,098	$ 53,791,518	155.97%	80.27%
	June 30, 2018	0.426329%	$ 79,234,558	$ 48,812,374	162.32%	79.33%
	June 30, 2017	0.387765%	$ 80,000,243	$ 42,445,253	188.48%	76.06%
	June 30, 2016	0.376000%	$ 57,299,661	$ 39,652,503	144.50%	81.44%
	June 30, 2015	0.349000%	$ 44,133,617	$ 33,120,850	133.25%	84.03%

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

UNIVERSITY OF WEST GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
NOTES TO THE REQUIRED SUPPLEMENTAL INFORMATION
DEFINED BENEFIT PENSION PLAN
METHODS AND ASSUMPTIONS
FOR FISCAL YEAR ENDED JUNE 30, 2023

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 7.00%.

On April 21, 2022, the Board adopted a new funding policy which, in part, provides that the Actuarial Accrued Liability and Normal Cost of the System will include a prefunded variable Cost-of-Living Adjustment (COLA) for eligible retirees and beneficiaries of the System. Under the new policy, future COLAs are provided through a profit-sharing mechanism using the System's asset performance. The assumption for future COLAs was set at 1.05%. In addition, the funding policy set the assumed rate of return at 7.20% for the June 30, 2021 valuation and established a new Transitional Unfunded Actuarial Accrued Liability as of June 30, 2021 which will be amortized over a closed 20-year period.

Teachers Retirement System:
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.

On May 11, 2022, the Board adopted recommended changes to the long-term assumed rate of return and payroll growth assumption utilized by the System. The long-term assumed rate of return was changed from 7.25% to 6.90%, and the payroll growth assumption was changed from 3.00% to 2.50%.

UNIVERSITY OF WEST GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS FOR OPEB PLAN
BOARD OF REGENTS RETIREE HEALTH BENEFIT PLAN
FOR THE LAST SEVEN 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, 2023	$ 2,903,195	$ 2,903,195	$ —	$ 92,826,048	3.13%
June 30, 2022	$ 4,278,897	$ 4,278,897	$ —	$ 92,072,563	4.65%
June 30, 2021	$ 3,531,711	$ 3,531,711	$ —	$ 89,463,731	3.95%
June 30, 2020	$ 3,195,912	$ 3,195,912	$ —	$ 94,484,910	3.38%
June 30, 2019	$ 5,057,496	$ 5,057,496	$ —	$ 94,564,972	5.35%
June 30, 2018	$ 4,922,784	$ 4,922,784	$ —	$ 90,255,375	5.45%
June 30, 2017	$ 3,001,693	$ 3,001,693	$ —	$ 80,808,146	3.71%

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

UNIVERSITY OF WEST GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF NET OPEB LIABILITY
BOARD OF REGENTS RETIREE HEALTH BENEFIT PLAN
FOR THE LAST SIX 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, 2023	2.923884%	$ 115,824,461	$ 92,072,563	125.80%	5.08%
June 30, 2022	3.008765%	$ 151,433,568	$ 89,463,731	169.27%	3.74%
June 30, 2021	3.109106%	$ 165,830,986	$ 94,484,910	175.51%	2.91%
June 30, 2020	3.153387%	$ 141,005,844	$ 94,564,972	149.11%	3.13%
June 30, 2019	3.107427%	$ 137,060,871	$ 90,255,375	151.86%	1.69%
June 30, 2018	3.014235%	$ 127,192,454	$ 80,808,146	157.40%	0.19%

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

UNIVERSITY OF WEST GEORGIA
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, 2023

Changes in Assumptions Since Prior Valuation

The financial accounting valuation reflects the following assumption changes:

- Expected claims costs were updated to reflect actual experience.
- Trend rate schedule was updated to reflect anticipated future experience.
- Mortality improvement scale was updated from MP-2020 to MP-2021.
- Mortality base rates for future disabled participants were updated to reflect Pub-2010 for Teachers (headcount weighted) disabled mortality,
- The discount rate was updated from 2.18% as of June 30, 2021, to 3.54% as of June 30, 2022; and
- The Expected Return on Assets was changed from 4.37% to 4.36%.

Supplementary Information

UNIVERSITY OF WEST GEORGIA
BALANCE SHEET (NON-GAAP BASIS)
BUDGET FUNDS
JUNE 30, 2023
(UNAUDITED)

ASSETS		
Cash and Cash Equivalents	$	28,324,265.08
Accounts Receivable		
Federal Financial Assistance		6,473,485.70
Other		3,960,582.70
Prepaid Expenditures		560,430.30
Inventories		454,406.11
Other Assets		2,641,464.26
Total Assets	$	42,414,634.15
LIABILITIES AND FUND EQUITY		
Liabilities		
Accrued Payroll	$	244,016.80
Encumbrance Payable		23,978,651.80
Accounts Payable		3,159,022.33
Unearned Revenue		2,539,088.31
Funds Held for Others		11,120.30
Other Liabilities		28,783.31
Total Liabilities		29,960,682.85
Fund Balances		
Reserved		
Capital Outlay		22,434.46
Department Sales and Services		2,473,335.32
Indirect Cost Recoveries		1,271,123.89
Technology Fees		4,731,815.19
Restricted/Sponsored Funds		325.85
Uncollectible Accounts Receivable		1,798,538.74
Inventories		291,784.89
Tuition Carry - Forward		1,842,946.44
Unreserved		
Surplus		21,646.52
Total Fund Balances		12,453,951.30
Total Liabilities and Fund Balances	$	42,414,634.15

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.

UNIVERSITY OF WEST GEORGIA
STATEMENT OF FUNDS AVAILABLE AND EXPENDITURES COMPARED TO BUDGET
BY PROGRAM AND FUNDING SOURCE
BUDGET FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

			Funds Available Compared to Budget	
	Original Appropriation	Final Budget	Current Year Revenues	Prior Year Reserve Carry-Over
Teaching				
State Appropriation				
State General Funds	$ 81,715,143.00	$ 83,460,143.00	$ 83,460,143.00	$ —
Federal Funds				
Federal Funds Not Specifically Identified	23,550,292.00	22,445,036.00	22,445,035.82	—
Federal Funds - COVID19				
Federal Funds Not Specifically Identified - COVID19	—	2,475,154.00	2,475,154.00	—
Other Funds	88,032,313.00	99,764,732.00	93,475,809.67	12,046,263.77
Total Teaching	193,297,748.00	208,145,065.00	201,856,142.49	12,046,263.77
Total Operating Activity	$ 193,297,748.00	$ 208,145,065.00	$ 201,856,142.49	$ 12,046,263.77

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.

UNIVERSITY OF WEST GEORGIA
STATEMENT OF FUNDS AVAILABLE AND EXPENDITURES COMPARED TO BUDGET
BY PROGRAM AND FUNDING SOURCE
BUDGET FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Funds Available Compared to Budget			Expenditures Compared to Budget		
	Program Transfers or Adjustments	Total Funds Available	Variance Positive (Negative)	Actual	Variance Positive (Negative)	Excess (Deficiency) of Funds Available Over/(Under) Expenditures
Teaching						
State Appropriation						
State General Funds	$ —	$ 83,460,143.00	$ —	$ 83,460,143.00	$ —	$ —
Federal Funds						
Federal Funds Not Specifically Identified	—	22,445,035.82	(0.18)	22,445,035.82	0.18	—
Federal Funds - COVID19						
Federal Funds Not Specifically Identified - COVID19	—	2,475,154.00	—	2,475,154.00	—	—
Other Funds	—	105,522,073.44	5,757,341.44	95,089,514.77	4,675,217.23	10,432,558.67
Total Teaching	—	213,902,406.26	5,757,341.26	203,469,847.59	4,675,217.41	10,432,558.67
Total Operating Activity	$ —	$ 213,902,406.26	$ 5,757,341.26	$ 203,469,847.59	$ 4,675,217.41	$ 10,432,558.67

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.

UNIVERSITY OF WEST GEORGIA
STATEMENT OF CHANGES TO FUND BALANCE
BY PROGRAM AND FUNDING SOURCE
BUDGET FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Beginning Fund Balance/(Deficit)	Fund Balance Carried Over from Prior Year as Funds Available	Return of Fiscal Year 2022 Surplus	Prior Year Adjustments	Other Adjustments
Teaching					
State Appropriation					
State General Funds	$ 285.17	$ —	$ (285.17)	$ 10,478.35	$ —
Federal Funds					
Federal Funds Not Specifically Identified	—	—	—	—	—
Federal Funds - COVID19					
Federal Funds Not Specifically Identified - COVID19	—	—	—	—	—
Other Funds	12,058,697.48	(12,046,263.77)	(12,433.71)	139,140.73	(218,550.08)
Total Teaching	12,058,982.65	(12,046,263.77)	(12,718.88)	149,619.08	(218,550.08)
Total Operating Activity	12,058,982.65	(12,046,263.77)	(12,718.88)	149,619.08	(218,550.08)
Prior Year Reserves					
Not Available for Expenditure					
Inventories	242,889.13				48,895.76
Uncollectible Accounts Receivable	1,628,884.42				169,654.32
Budget Unit Totals	$ 13,930,756.20	$ (12,046,263.77)	$ (12,718.88)	$ 149,619.08	$ —

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.

UNIVERSITY OF WEST GEORGIA
STATEMENT OF CHANGES TO FUND BALANCE
BY PROGRAM AND FUNDING SOURCE
BUDGET FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Early Return of Fiscal Year 2023 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	$ —	$ —	$ 10,478.35	$ —	$ 10,478.35	$ 10,478.35
Federal Funds						
Federal Funds Not Specifically Identified	—	—	—	—	—	—
Federal Funds - COVID19						
Federal Funds Not Specifically Identified - COVID19	—	—	—	—	—	—
Other Funds	—	10,432,558.67	10,353,149.32	10,341,981.15	11,168.17	10,353,149.32
Total Teaching	—	10,432,558.67	10,363,627.67	10,341,981.15	21,646.52	10,363,627.67
Total Operating Activity	—	10,432,558.67	10,363,627.67	10,341,981.15	21,646.52	10,363,627.67
Prior Year Reserves						
Not Available for Expenditure						
Inventories			291,784.89	291,784.89		291,784.89
Uncollectible Accounts Receivable			1,798,538.74	1,798,538.74		1,798,538.74
Budget Unit Totals	$ —	$ 10,432,558.67	$ 12,453,951.30	$ 12,432,304.78	$ 21,646.52	$ 12,453,951.30

	Reserved	Surplus/(Deficit)	Total
Capital Outlay	$ 22,434.46	$ —	$ 22,434.46
Departmental Sales and Services	2,473,335.32	—	2,473,335.32
Indirect Cost Recovery	1,271,123.89	—	1,271,123.89
Technology Fees	4,731,815.19	—	4,731,815.19
Restricted/Sponsored Funds	325.85	—	325.85
Tuition Carry-Forward	1,842,946.44	—	1,842,946.44
Uncollectible Accounts Receivable	1,798,538.74	—	1,798,538.74
Inventories	291,784.89	—	291,784.89
Surplus	—	21,646.52	21,646.52
	$ 12,432,304.78	$ 21,646.52	$ 12,453,951.30

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.

UNIVERSITY OF WEST GEORGIA

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