

MIDDLE GEORGIA STATE UNIVERSITY

Annual Financial Report Fiscal Year 2025

MIDDLE GEORGIA STATE UNIVERSITY
TABLE OF CONTENTS
For the Fiscal Year Ended June 30, 2025

Financial Section	
Financial Statements (GAAP Basis)	
Statement of Net Position	18
Statement of Revenues, Expenses, and Changes in Net Position	20
Statement of Cash Flows	22
Statement of Fiduciary Net Position	24
Statement of Changes in Fiduciary Net Position	25
Notes to the Financial Statements	26
Required Supplementary Information	
Schedule of Contributions for Defined Benefit Pension Plan	56
Schedule of Proportionate Share of Net Pension Liability	57
Notes to the Required Supplemental Information for Pension Plans	58
Schedule of Contributions for OPEB Plan	59
Schedule of Proportionate Share of the Net OPEB Liability	60
Notes to the Required Supplemental Information for OPEB Plan	61
Supplementary Information	
Balance Sheet (Non-GAAP Basis)	63
Statement of Funds Available and Expenditures Compared to Budget (Non-GAAP Basis)	64
Statement of Changes to Fund Balance by Program and Funding Source (Non-GAAP Basis)	66

Financial Section

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

The Honorable Brian P. Kemp, Governor of Georgia
Members of the General Assembly of the State of Georgia
Members of the State Board of Regents of the
University System of Georgia
and
Dr. Christopher Blake, President
Middle Georgia State University

We have reviewed the accompanying financial statements of the business-type activities and the fiduciary funds of Middle Georgia State University, as of and for the year ended June 30, 2025, 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 Middle Georgia State University and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountant's Conclusion

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

Required Supplementary Information

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

Other Matters

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

This review report contains information pertinent to Middle Georgia State University's compliance with the requirements of the Southern Association of Colleges and Schools Commission on Colleges (COC) Standard 13.2 (Financial resources) as of and for the year ended June 30, 2025. Additionally, we performed procedures on Middle Georgia State University's Federal Student Aid programs for the year ended June 30, 2025, to meet the requirements of COC Standard 13.6. Included in a separate Report on Review and Federal Compliance Procedures 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 Middle Georgia State University to support our audit of the basic financial statements of the State of Georgia presented in the State of Georgia Annual Comprehensive Financial Report and the issuance of a State of Georgia Single Audit Report pursuant to the Single Audit Act Amendments, as of and for the year ended June 30, 2025.

This report is intended solely for the information and use of the management of Middle Georgia State University, members of the Board of Regents of the University System of Georgia and the Southern Association of Colleges and Schools – Commission on Colleges and is not intended to be, and should not be, used by anyone other than these specified parties.

Respectfully submitted,



Greg S. Griffin
State Auditor

October 10, 2025

MIDDLE GEORGIA STATE UNIVERSITY

Management's Discussion and Analysis

Introduction

Middle Georgia State University (University) is one of the 26 institutions of higher education of the University System of Georgia. The University, located in Macon, Georgia, was created through the merger of Middle Georgia College based in Cochran, Ga., and Macon State College based in Macon, Ga. Middle Georgia College was founded in 1884 while Macon State College was founded in 1968, making the University a unique combination of the contemporary and traditional in higher education. The University is committed to four core values: Stewardship, Engagement, Adaptability, and Learning. The University serves 8,000+ students on campuses in Macon, Cochran, Dublin, Eastman, and Warner Robins - and online. The University offers 70+ areas of study and degrees at the doctorate, master's, and bachelor's levels, along with select career-oriented associate's degrees and certificates. The University is home to Georgia's flagship School of Aviation and stands at the forefront of aviation education. With a commitment to excellence, the University continues to be a hub for innovation and academic achievement.

	STUDENT HEADCOUNT	STUDENT FTE
FY 2025	8,409	6,750
FY 2024	8,039	6,506
FY 2023	7,689	6,317

Overview of the Financial Statements and Financial Analysis

The University is pleased to present its financial statements for fiscal year 2025. The emphasis of discussions about these statements will be on current year data. There are three business-type activities financial statements presented: the Statement of Net Position; the Statement of Revenues, Expenses and Changes in Net Position; and the Statement of Cash Flows. This discussion and analysis of the University's financial statements provides an overview of its financial activities for the year. Comparative data is provided for fiscal year 2025 and fiscal year 2024 for business type activities.

Statement of Net Position

The Statement of Net Position is a financial condition snapshot as of June 30, 2025 and includes all assets and liabilities, both current and noncurrent and deferred outflows and inflows of resources. The differences between current and non-current assets are discussed in the Notes to the Financial Statements. The Statement of Net Position is prepared under the accrual basis of accounting which requires revenue and asset recognition when the service is provided, and expense and liability recognition when goods or services are received despite when cash is actually exchanged.

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

The next category is restricted, which is divided into two categories, non-expendable and expendable. The corpus of non-expendable, restricted resources is available only for investment purposes. Expendable, restricted resources are available for expenditure by the University but must be spent for purposes as determined by donors and/or external entities that have placed time or purpose restrictions on the use of the assets.

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

CONDENSED STATEMENT OF NET POSITION			Increase/ (Decrease)	% Change
	June 30, 2025	June 30, 2024		
ASSETS				
Current Assets	\$ 36,059,402	\$ 35,180,813	\$ 878,589	2.50 %
Intangible Right-to-Use Assets, Net	906,410	796,720	109,690	13.77 %
Capital Assets, Net	227,322,087	231,007,249	(3,685,162)	(1.60)%
Other Assets	3,964,550	3,655,542	309,008	8.45 %
TOTAL ASSETS	268,252,449	270,640,324	(2,387,875)	(0.88)%
DEFERRED OUTFLOWS				
	25,742,890	\$ 31,202,768	(5,459,878)	(17.50)%
LIABILITIES				
Current Liabilities	11,949,834	10,057,677	1,892,157	18.81 %
Non-Current Liabilities	185,474,464	201,964,437	(16,489,973)	(8.16)%
TOTAL LIABILITIES	197,424,298	212,022,114	(14,597,816)	(6.89)%
DEFERRED INFLOWS				
	35,637,028	32,870,139	2,766,889	8.42 %
NET POSITION				
Net Investment in Capital Assets	129,582,669	129,265,980	316,689	0.24 %
Restricted, Non-Expendable	33,739	31,221	2,518	8.07 %
Restricted, Expendable	49,512	45,824	3,688	8.05 %
Unrestricted	(68,731,907)	(72,392,186)	3,660,279	(5.06)%
TOTAL NET POSITION	\$ 60,934,013	\$ 56,950,839	\$ 3,983,174	6.99 %

Total assets decreased \$2,387,875 which was due to an increase in current assets of \$878,589, a decrease in net capital assets of \$3,685,162, and an increase in other assets of \$309,008. The overall increase in unrestricted cash and investments was mostly driven by less spending for maintenance and renovation costs. Accounts receivables increased due to the timing on collecting amounts due from sponsored grants and contracts, Georgia State Financing and Investment Commission, Georgia Student Finance Commission, and affiliated organizations.

Total deferred outflows of resources decreased by \$5,459,878 which was primarily due to the University's proportionate share of the actuarially determined deferred loss on defined benefit pension plan administered by Teachers Retirement System of Georgia and Employees' Retirement System of Georgia.

Total liabilities decreased \$14,597,816 which was due to an increase in current liabilities of \$1,892,157 and a decrease in non-current liabilities of \$16,489,973. Accounts payable increased \$560,861, which was largely attributable to an increase of unapplied financial aid balances, which fluctuates year to year. Advances increased \$514,855, which was attributable to prepaid tuition and fees related to an increase in enrollment for the summer semester. Compensated absences increased \$267,417, which was related to a combination of an increase in salaries and an increase in unused vacation leave. Net pension liability decreased \$9,090,989 related to the University's proportionate share of the actuarially determined liability for defined benefit plans administered by Teachers Retirement System of Georgia and Employees' Retirement System of Georgia.

Total deferred inflows of resources increased by \$2,766,889 which was primarily due to the University's proportionate share of the actuarially determined deferred gain on defined benefit pension plan administered by Teachers Retirement System of Georgia and Employees' Retirement System of Georgia.

The combination of the change in total assets and deferred outflows of resources and the change in total liabilities and deferred inflows of resources yielded an increase in net position of \$3,983,174. This change in net position is primarily in the category of Unrestricted, in the amount of \$3,660,279.

Statement of Revenues, Expenses and Changes in Net Position

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

The following table summarizes the Statement of Revenues, Expenses and Changes in Net Position:

CONDENSED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION	June 30, 2025	June 30, 2024	Increase/ (Decrease)	% Change
Operating Revenue	\$ 53,354,573	\$ 46,914,006	\$ 6,440,567	13.73 %
Operating Expense	135,814,785	121,804,977	14,009,808	11.50 %
Operating Income/Loss	(82,460,212)	(74,890,971)	(7,569,241)	10.11 %
Non-Operating Revenue and Expense	86,243,386	74,848,500	11,394,886	15.22 %
Income (Loss) before Other Revenues, Expenses, Gains, or Losses	3,783,174	(42,471)	3,825,645	(9,007.66)%
Other Revenues, Expenses, Gains, Losses and Special Items	200,000	2,964,328	(2,764,328)	-93.25 %
Change in Net Position	3,983,174	2,921,857	1,061,317	36.32 %
Net Position at beginning of year	56,950,839	54,028,982	2,921,857	5.41 %
Net Position at End of Year	\$ 60,934,013	\$ 56,950,839	\$ 3,983,174	6.99 %

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

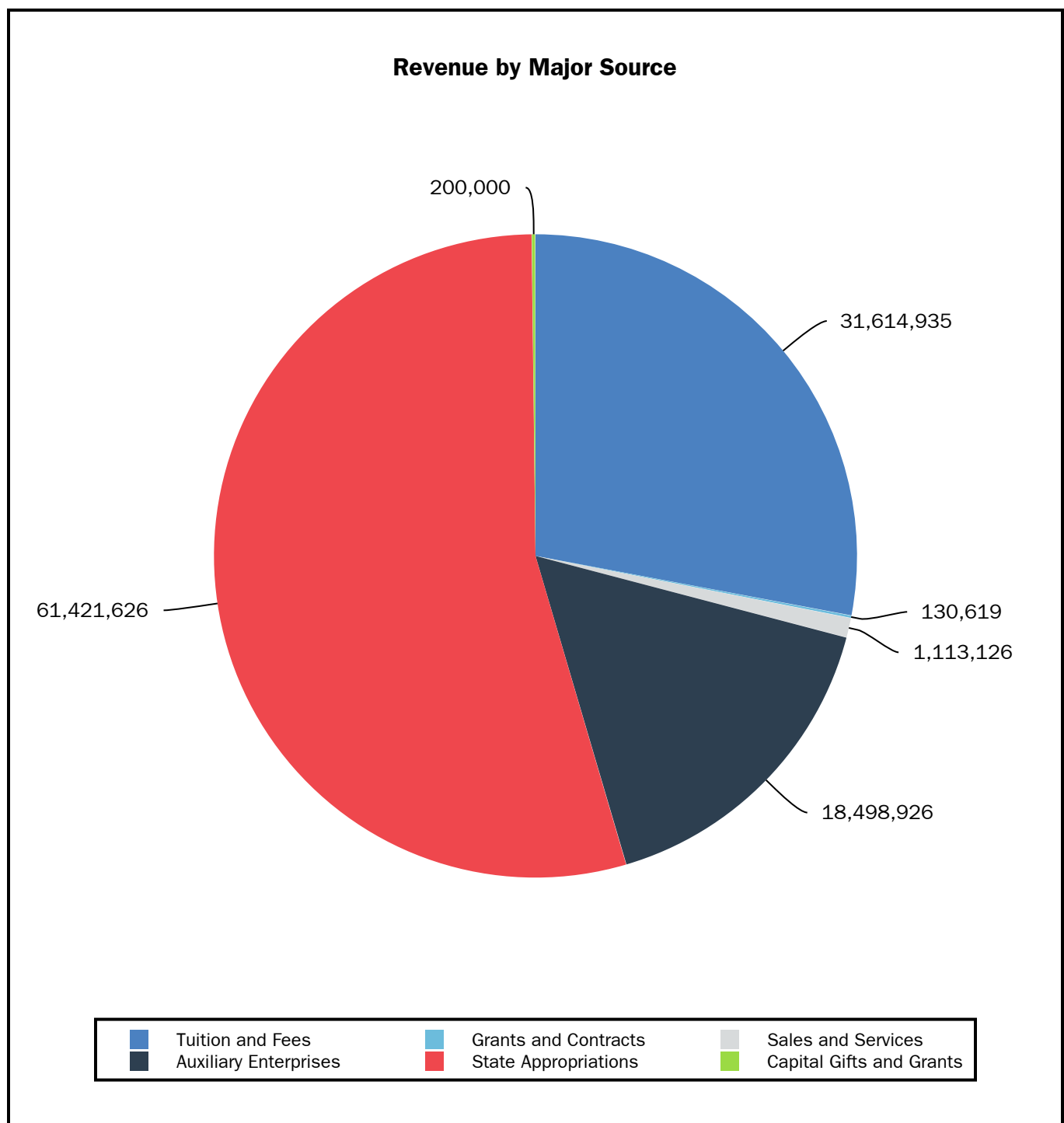
Revenues

In fiscal year 2025, state appropriations increased \$4,113,564 (7%), grants and contracts revenue increased \$4,628,152, and net tuition and fee revenues increased \$3,043,147 (11%), which is a direct result of a 4.6% enrollment increase and a 16% tuition increase for academic calendar 2024-2025.

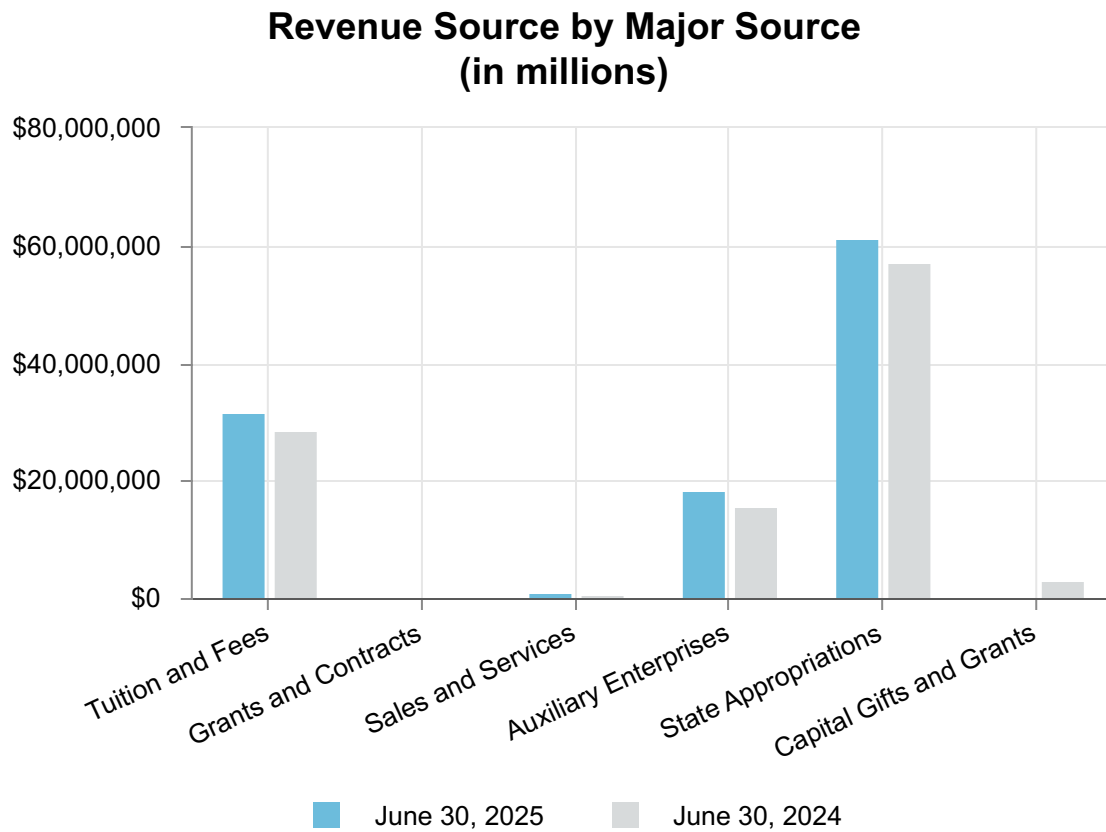
For the years ended June 30, 2025 and June 30, 2024, revenues by source were as follows:

REVENUES BY SOURCE	June 30, 2025	June 30, 2024	Increase/ (Decrease)	% Change
Tuition and Fees	\$ 31,614,935	28,571,788	\$ 3,043,147	10.65 %
Federal Appropriations	—	—	—	0.00 %
Grants and Contracts	130,619	324,787	(194,168)	-59.78 %
Sales and Services	1,113,126	524,353	588,773	112.29 %
Auxiliary Enterprises	18,498,926	15,765,143	2,733,783	17.34 %
Other Operating Revenues	1,996,967	1,727,935	269,032	15.57 %
Total Operating Revenues	53,354,573	46,914,006	6,440,567	13.73 %
State Appropriations	61,421,626	57,308,062	4,113,564	7.18 %
Grants and Contracts	24,610,235	19,787,915	4,822,320	24.37 %
Gifts	2,719,657	37,421	2,682,236	7,167.73 %
Investment Income	1,347,515	1,161,872	185,643	15.98 %
Other Nonoperating Revenues	(49,016)	(38,695)	(10,321)	26.67 %
Total Nonoperating Revenues	90,050,017	78,256,575	11,793,442	15.07 %
State Capital Gifts and Grants	—	2,964,328	(2,964,328)	-100.00 %
Other Capital Gifts and Grants	200,000	—	200,000	100.00 %
Total Capital Gifts and Grants	200,000	2,964,328	(2,764,328)	(93.25)%
Total Revenues	\$ 143,604,590	\$ 128,134,909	\$ 15,469,681	12.07 %

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



Revenue by major source for the years ended June 30, 2025 and June 30, 2024 is depicted by the following chart:



Expenses

For the years ended June 30, 2025 and June 30, 2024, expenses by functional classification were as follows:

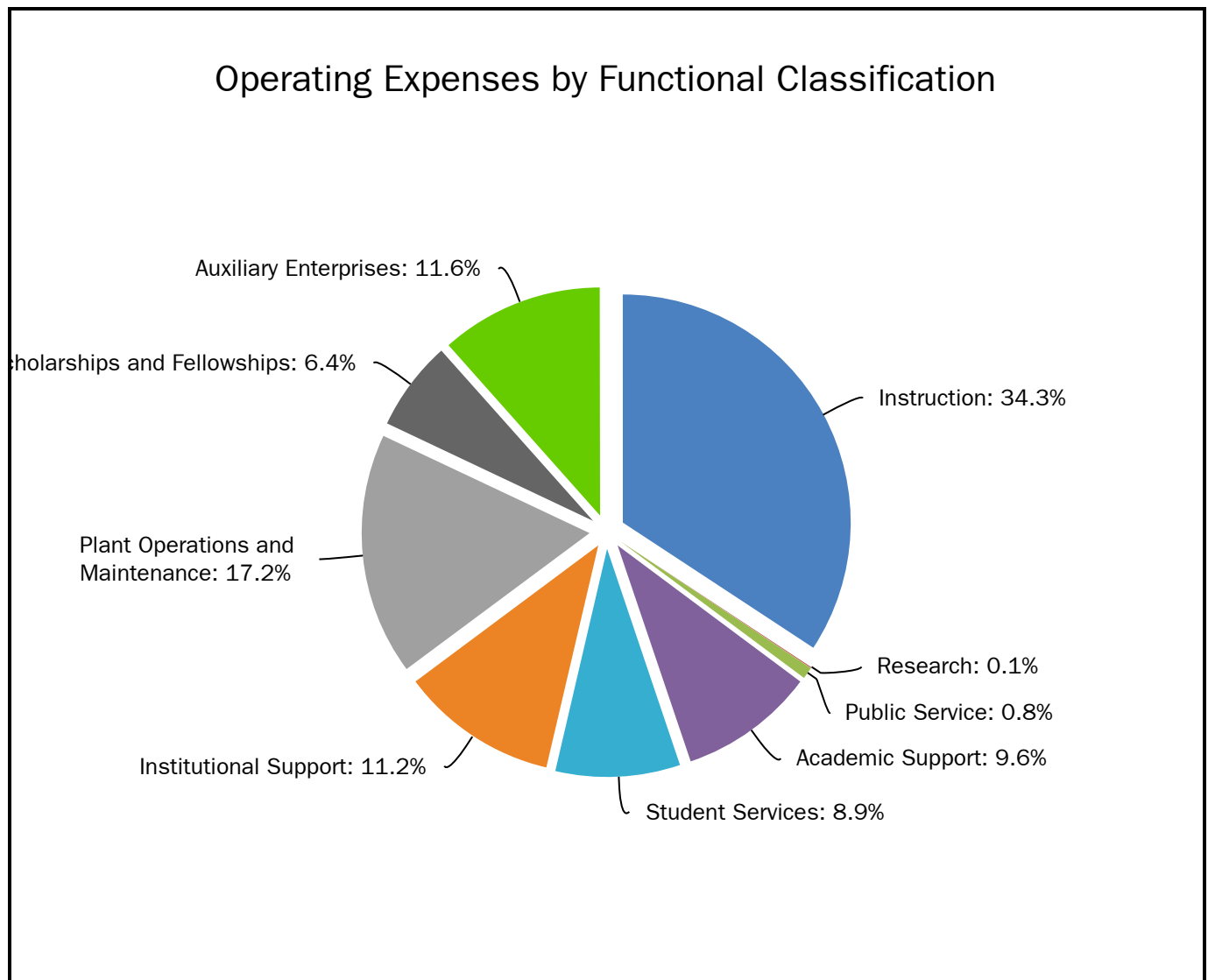
EXPENSES BY FUNCTIONAL CLASSIFICATION	June 30, 2025	June 30, 2024	Increase/ (Decrease)	% Change
Instruction	46,542,512	46,880,977	(338,465)	-0.72 %
Research	101,443	243,998	(142,555)	-58.42 %
Public Service	1,143,373	669,925	473,448	70.67 %
Academic Support	13,075,200	10,692,596	2,382,604	22.28 %
Student Services	12,024,761	10,493,059	1,531,702	14.60 %
Institutional Support	15,162,031	12,613,406	2,548,625	20.21 %
Plant Operations and Maintenance	23,353,501	16,246,826	7,106,675	43.74 %
Scholarships and Fellowships	8,690,961	10,337,178	(1,646,217)	-15.93 %
Auxiliary Enterprises	15,721,003	13,627,012	2,093,991	15.37 %
Total Operating Expenses	135,814,785	121,804,977	14,009,808	11.50 %
Interest Expense	3,806,631	3,408,075	398,556	11.69 %
Total Nonoperating Expenses	3,806,631	3,408,075	398,556	11.69 %
Total Expenses	139,621,416	125,213,052	14,408,364	11.51 %

Total operating expenses were \$135.8 million in fiscal year 2025, an increase of \$14.0 million (11.5%) when compared with fiscal 2024. These increases are primarily attributable to the following functional classifications: Public Service (\$473,448); Academic Support (\$2.4 million); Student Services (\$1.5 million); Institutional Support

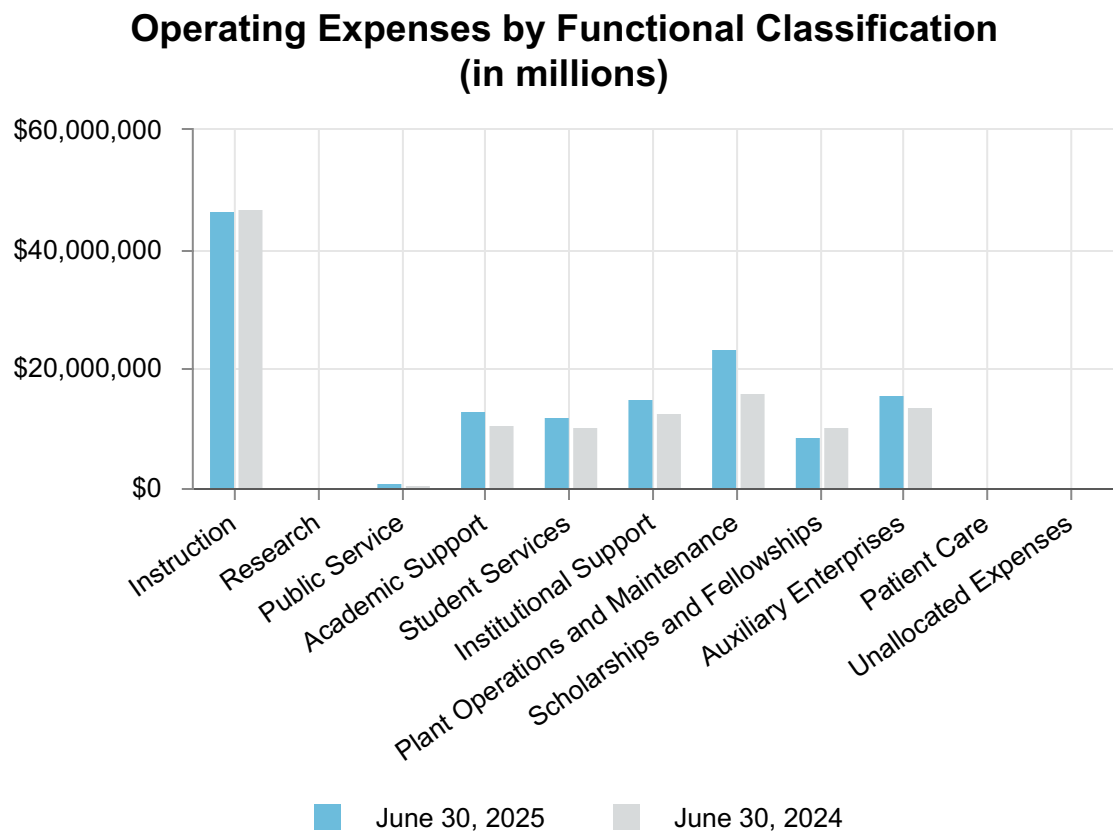
(\$2.5 million); Plant Operations and Maintenance (\$7.1 million). These amounts were partially offset by a decrease in Instruction (\$338,465); Research (\$142,555); and Scholarships and Fellowships (\$1.6 million).

As noted above, operating expenses increased \$14.0 million (11.5%) in fiscal year 2025 when compared with fiscal year 2024. The increases were substantially attributable to salaries and benefits, including other personal services, along with increased academic support, institutional support and repairs and maintenance. The increases in salaries and benefits are attributable to increases in pension expenses, OPEB expenses, faculty and staff increases, and merit increases.

The following chart depicts the fiscal 2025 operating expenses by functional classification.

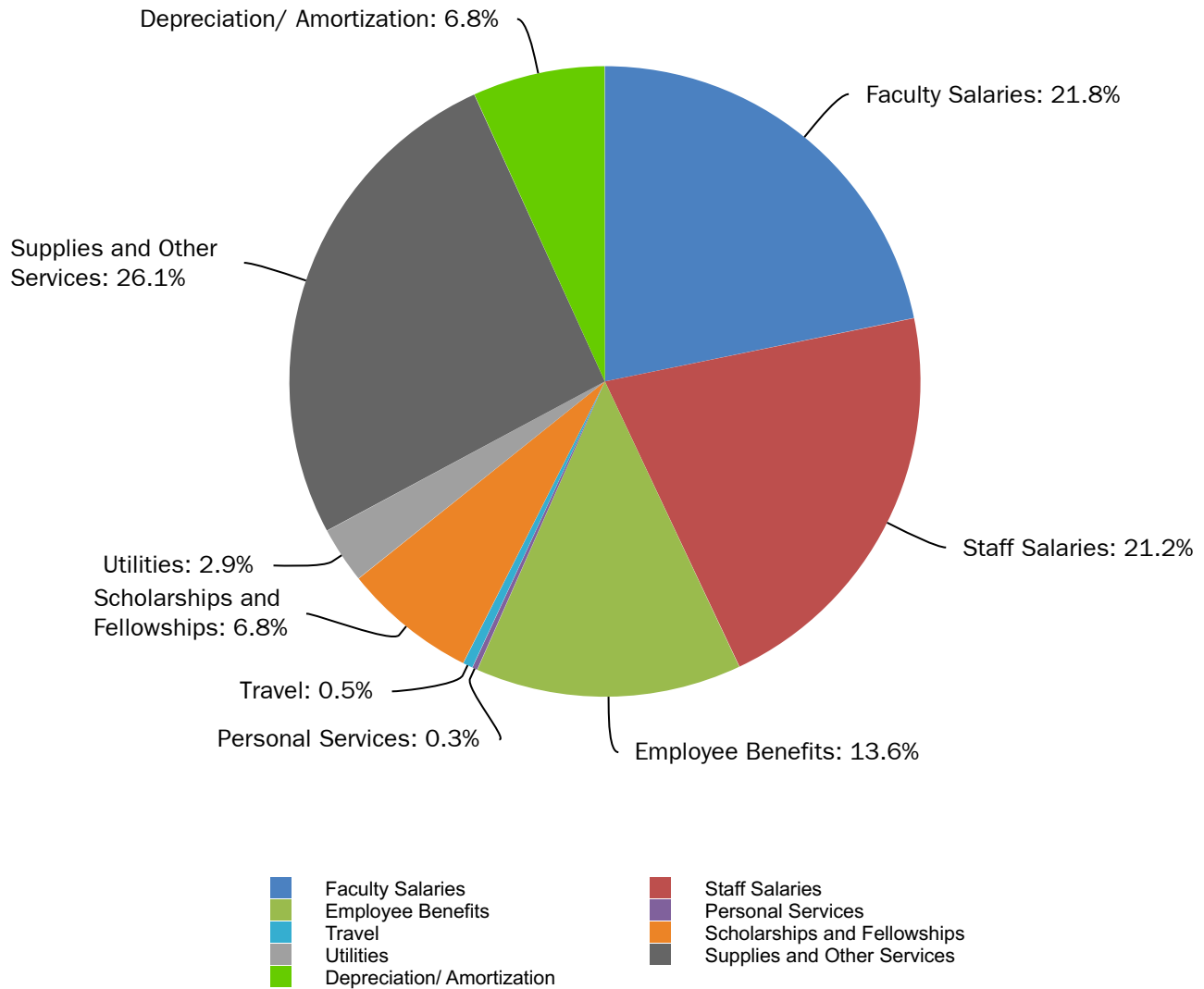


Operating expenses by by functional classification for the years ended June 30, 2025 and June 30, 2024 is depicted by the following chart:

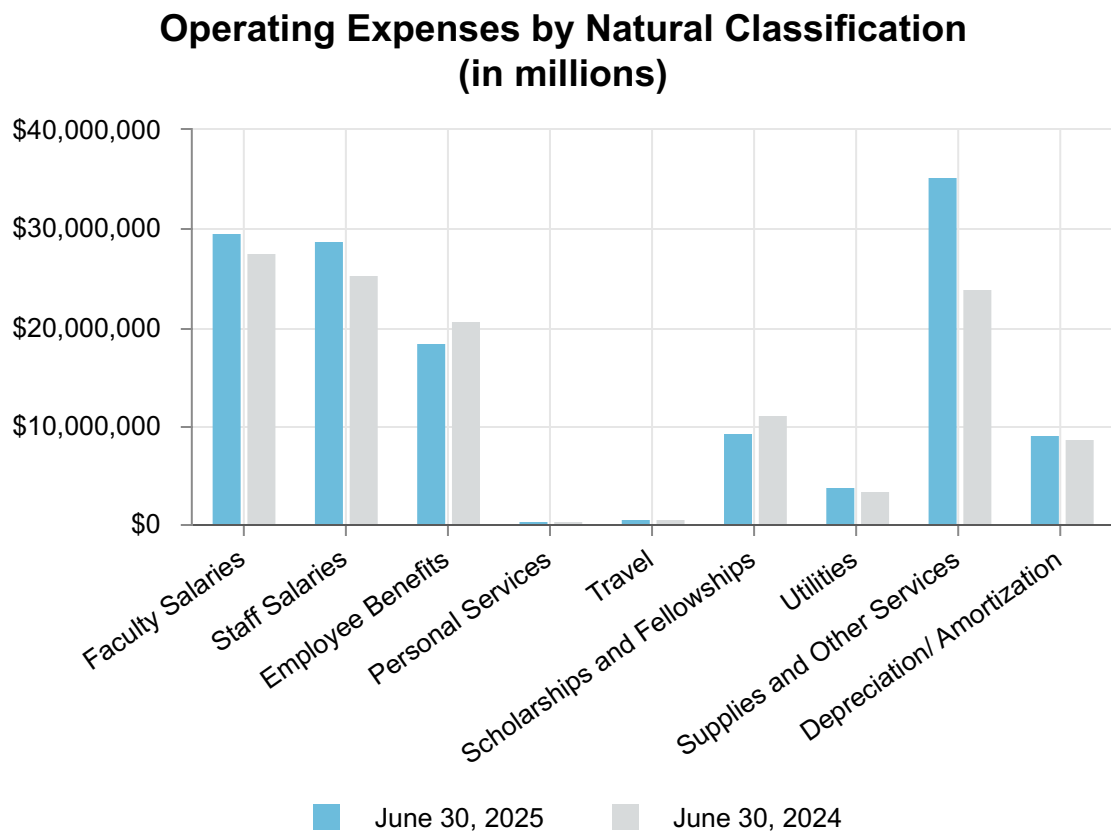


The following chart depicts the fiscal 2025 operating expenses by natural classification.

Operating Expenses by Natural Classification



Operating expenses by by natural classification for the years ended June 30, 2025 and June 30, 2024 is depicted by the following chart:



Statement of Cash Flows

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

Cash Flows for the Years Ended June 30, 2025 and 2024, Condensed

CONDENSED STATEMENT OF NET CASH FLOWS		
	June 30, 2025	June 30, 2024
Cash Provided (Used) by:		
Operating Activities	\$ (73,636,114)	(67,800,482)
Non-Capital Financing Activities	88,734,108	77,133,398
Capital and Related Financing Activities	(11,367,887)	(9,522,488)
Investing Activities	1,042,096	889,831
NET CHANGE IN CASH	\$ 4,772,203	\$ 700,259
Cash, beginning of year	23,708,572	23,008,313
CASH, end of year	\$ 28,480,775	\$ 23,708,572

Capital & Intangible Right-to-Use Assets

Capital assets, net of accumulated depreciation, at June 30, 2025 and June 30, 2024 were as follows:

CAPITAL ASSETS, net of accumulated depreciation	June 30, 2025	June 30, 2024	Increase (Decrease)	% Change
Land	\$ 11,063,189	\$ 11,063,189	\$ —	0.00 %
Construction Work-in-Progress	1,946,075	937,206	1,008,869	107.65 %
Infrastructure	820,572	820,572	—	0.00 %
Building and Building Improvements	207,602,951	212,787,677	(5,184,726)	-2.44 %
Facilities and Other Improvements	873,886	943,728	(69,842)	-7.40 %
Equipment	4,923,038	4,370,688	552,350	12.64 %
Library Collections	92,376	84,189	8,187	9.72 %
Capital Assets, net of accumulated depreciation	\$ 227,322,087	\$ 231,007,249	\$ (3,685,162)	(1.60)%

The University had one significant asset addition for facilities in fiscal year 2025. A new aviation hangar was completed on the Eastman Campus for the University's flight operations.

Intangible Right-to-Use assets, net of accumulated amortization, at June 30, 2025 and June 30, 2024 were as follows:

INTANGIBLE RIGHT-TO-USE ASSETS, net of accumulated amortization	June 30, 2025	June 30, 2024	Increase (Decrease)	% Change
Building and Building Improvements	\$ 617,942	\$ 476,226	\$ 141,716	29.76 %
Subscription Based IT Arrangements (SBITAs)	288,468	320,494	(32,026)	(9.99)%
Intangible Right-to-Use Assets, net of accumulated amortization	\$ 906,410	\$ 796,720	\$ 109,690	13.77 %

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

Long Term Liabilities

Middle Georgia State University had Long-Term Liabilities of \$96,136,743 of which \$6,259,226 was reflected as current liability at June 30, 2025.

For additional information concerning Long-Term Liabilities, see Note 8 and Note 13 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's overall financial position showed a \$3.98 million improvement from the previous fiscal year. The University continues to align its resources with its strategic plan and operate within budgetary constraints. The University will continue to monitor cash balances and hold costs to acceptable levels in order to maintain the University's ability to react to unknown internal and external issues.

Management is optimistic that with recent increases in freshmen classes and strategies to retain and matriculate these students; a newly created Bachelor of Science in Artificial Intelligence program; and recent tuition increases to align the University's tuition rates with the state university sector; Middle Georgia State University will be in a position to withstand its financial challenges in order to carry out its mission and achieve its strategic objectives.

Financial Statements (GAAP Basis)

MIDDLE GEORGIA STATE UNIVERSITY
STATEMENT OF NET POSITION
JUNE 30, 2025

	Middle Georgia State University
ASSETS	
Current Assets	
Cash and Cash Equivalents	\$ 28,480,775
Accounts Receivable, net	
Federal Financial Assistance	371,019
Affiliated Organizations	44,116
Component Units	2,916
Other	6,477,206
Inventories	45,201
Prepaid Items	638,169
Total Current Assets	<u>36,059,402</u>
Non-Current Assets	
Accounts Receivable, net	
Due From USO - Capital Liability Reserve Fund	725,970
Other	187,727
Investments	2,967,602
Investments (Externally Restricted)	83,251
Capital Assets, net	227,322,087
Intangible Right-to-Use Assets, net	906,410
Total Non-Current Assets	<u>232,193,047</u>
TOTAL ASSETS	<u>268,252,449</u>
DEFERRED OUTFLOWS OF RESOURCES (See Note 9)	<u>\$ 25,742,890</u>

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

MIDDLE GEORGIA STATE UNIVERSITY
STATEMENT OF NET POSITION
JUNE 30, 2025

	Middle Georgia State University
LIABILITIES	
Current Liabilities	
Accounts Payable	\$ 649,388
Salaries Payable	305,637
Benefits Payable	123,364
Advances (Including Tuition and Fees)	2,992,097
Deposits	1,506,818
Deposits Held for Other Organizations	111,595
Other Liabilities	1,709
Subscription Obligations	151,990
Notes and Loans Payable	4,013,699
Lease Obligations	58,778
Compensated Absences	2,034,759
Total Current Liabilities	11,949,834
Non-Current Liabilities	
Subscription Obligations	\$ 270,323
Notes and Loans Payable	88,167,194
Lease Obligations	506,781
Compensated Absences	933,219
Net Other Post Employment Benefits Liability	40,631,129
Net Pension Liability	54,965,818
Total Non-Current Liabilities	185,474,464
TOTAL LIABILITIES	197,424,298
DEFERRED INFLOWS OF RESOURCES (See Note 9)	35,637,028
NET POSITION	
Net Investment in Capital Assets	129,582,669
Restricted for:	
Nonexpendable	33,739
Expendable	49,512
Unrestricted (Deficit)	(68,731,907)
TOTAL NET POSITION	\$ 60,934,013

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

MIDDLE GEORGIA STATE UNIVERSITY
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR FISCAL YEAR ENDED JUNE 30, 2025

	Middle Georgia State University
OPERATING REVENUES	
Student Tuition and Fees (net)	\$ 31,614,935
Grants and Contracts	
Federal	41,398
State	89,221
Sales and Services	1,113,126
Rents and Royalties	491,656
Auxiliary Enterprises	
Residence Halls	10,118,888
Bookstore	1,517,050
Food Services	4,038,473
Parking/Transportation	357,935
Health Services	262,253
Intercollegiate Athletics	1,602,250
Other Organizations	602,077
Other Operating Revenues	1,505,311
Total Operating Revenues	53,354,573
OPERATING EXPENSES	
Faculty Salaries	29,581,289
Staff Salaries	28,811,752
Employee Benefits	18,534,170
Other Personal Services	362,325
Travel	702,572
Scholarships and Fellowships	9,284,460
Utilities	3,926,122
Supplies and Other Services	35,398,614
Depreciation and Amortization	9,213,481
Total Operating Expenses	135,814,785
Operating Income (Loss)	\$ (82,460,212)

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

MIDDLE GEORGIA STATE UNIVERSITY
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR FISCAL YEAR ENDED JUNE 30, 2025

	Middle Georgia State University
NONOPERATING REVENUES (EXPENSES)	
State Appropriations	\$ 61,421,626
Grants and Contracts	
Federal	22,892,776
State	250,177
Other	1,467,282
Gifts	2,719,657
Investment	1,347,515
Interest Expense	(3,806,631)
Other Nonoperating Revenues (Expenses)	(49,016)
Net Nonoperating Revenues	86,243,386
Income Before Other Revenues, Expenses, Gains, or Losses	3,783,174
Capital Grants and Gifts	
Other	200,000
Total Other Revenues, Expenses, Gains or Losses	200,000
Change in Net Position	3,983,174
Net Position, Beginning of Year, As Originally Reported	56,950,839
Net Position, End of Year	\$ 60,934,013

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

MIDDLE GEORGIA STATE UNIVERSITY
STATEMENT OF CASH FLOWS
FOR FISCAL YEAR ENDED JUNE 30, 2025

	Middle Georgia State University
CASH FLOWS FROM OPERATING ACTIVITIES	
Payments from Customers	\$ 52,433,039
Grants and Contracts (Exchange)	(6,634)
Payments to Suppliers	(58,019,502)
Payments to Employees	(58,744,880)
Payments for Scholarships and Fellowships	(9,284,460)
Other Payments	(13,677)
Net Cash Used by Operating Activities	<u>(73,636,114)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES	
State Appropriations	61,421,626
Gifts and Grants Received for Other Than Capital Purposes	27,329,892
Other Non-Capital Financing Payments	(17,410)
Net Cash Flows Provided by Non-Capital Financing Activities	<u>88,734,108</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Capital Gifts and Grants Received	2,017,933
Purchases of Capital and Intangible Right-to-Use Assets	(5,110,934)
Principal Paid on Capital Debt and Leases	(4,113,013)
Interest Paid on Capital Debt and Leases	(4,161,873)
Net Cash Used by Capital and Related Financing Activities	<u>(11,367,887)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Investment Income	1,042,096
Net Cash Provided by Investing Activities	<u>1,042,096</u>
Net Increase in Cash and Cash Equivalents	4,772,203
Cash and Cash Equivalents, Beginning of Year	<u>23,708,572</u>
Cash and Cash Equivalents, End of Year	<u><u>\$ 28,480,775</u></u>

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

MIDDLE GEORGIA STATE UNIVERSITY

STATEMENT OF CASH FLOWS

FOR FISCAL YEAR ENDED JUNE 30, 2025

Middle Georgia State
University

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

Operating Loss	\$ (82,460,212)
Adjustments to Reconcile Net Operating Loss to Net Cash Used by Operating Activities	
Depreciation and Amortization	9,213,481
Change in Assets and Liabilities:	
Receivables, net	(2,191,761)
Inventories	33,478
Prepaid Items	4,247,785
Accounts Payable	560,863
Salaries Payable	83,316
Benefits Payable	12,443
Deposits	254,957
Advances (Including Tuition and Fees)	514,855
Other Liabilities	1,403
Funds Held for Others	290
Compensated Absences	267,417
Net Pension Liability	(9,090,989)
Other Post-Employment Benefit Liability	(3,665,448)
Change in Deferred Inflows/Outflows of Resources:	
Deferred Inflows of Resources	3,122,130
Deferred Outflows of Resources	5,459,878
Net Cash Used by Operating Activities	<u>\$ (73,636,114)</u>

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

Noncapital Financing Activities Noncash Items:

Gain (Loss) on Disposal of Capital Assets	<u>\$ (97,952)</u>
Intangible Right-to-Use Assets Acquired by Incurring Lease Obligations	<u>\$ 171,600</u>
Intangible Right-to-Use Assets Acquired by Incurring SBITAs	<u>\$ 432,486</u>
Amortization of Deferred Gain (Loss) of Capital Debt Refunded	<u>\$ 355,241</u>
Other Capital Financing Activities Noncash Items	<u>\$ (20,941)</u>
Unrealized Gain (Loss) on Investments	<u>\$ 305,419</u>

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

**MIDDLE GEORGIA STATE UNIVERSITY
STATEMENT OF FIDUCIARY NET POSITION
FOR FISCAL YEAR ENDED JUNE 30, 2025**

	<u>Custodial Funds</u>
ASSETS	
Other	\$ 1,236,443
LIABILITIES	
Cash Overdraft	1,130,755
Accounts Payable	<u>3,344</u>
Total Liabilities	<u>1,134,099</u>
NET POSITION	
Restricted for:	
Individuals, Organizations, and Other Governments	<u><u>\$ 102,344</u></u>

MIDDLE GEORGIA STATE UNIVERSITY
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR FISCAL YEAR ENDED JUNE 30, 2025

	<u>Custodial Funds</u>
ADDITIONS	
Federal Financial Aid	\$ 26,148,609
State Financial Aid	11,565,469
Other Financial Aid	4,230,957
Clubs and Other Organizations Fund Raising	74,286
Miscellaneous	<u>480,092</u>
Total Additions	<u>42,499,413</u>
DEDUCTIONS	
Scholarships and Other Student Support	41,962,540
Student Organizations Support	77,256
Other Payments	<u>453,750</u>
Total Deductions	<u>42,493,546</u>
Net Increase (Decrease) in Fiduciary Net Position	5,867
Net Position, Beginning of Year	<u>96,477</u>
Net Position, End of Year	<u><u>\$ 102,344</u></u>

Notes to the Financial Statements

MIDDLE GEORGIA STATE UNIVERSITY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025

Note 1 Summary of Significant Accounting Policies

Nature of Operations

Middle Georgia State University (University) educates and graduates inspired, lifelong learners whose scholarship and careers enhance the region through professional leadership, innovative partnerships, and community engagement.

Reporting Entity

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

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

The accompanying basic financial statements are intended to supplement the State's Annual Comprehensive Financial Report (ACFR) by presenting the financial position and changes in financial position and cash flows of only that portion of the business-type activities of the State that is attributable to the transactions of the University. These financial statements do not purport to, and do not, present fairly the financial position of the State as of June 30, 2025, the changes in its financial position or its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

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

Basis of Accounting and Financial Statement Presentation

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

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

The University reports the following fiduciary fund:

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

New Accounting Pronouncements

In June 2022, the GASB issued Statement No. 101, Compensated Absences, effective for fiscal years beginning after December 15, 2023. The objectives of this statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. Under this statement, leave liabilities should be recognized for both unused and used-but-unsettled leave, attributable to services already rendered, that accumulates and is likely to be used or paid. The adoption of this statement does not have a significant impact on the financial statements.

In December 2023, the GASB issued Statement No. 102, Certain Risk Disclosures, effective for fiscal years beginning after June 15, 2024. The objectives of this Statement are to enhance accounting and financial reporting requirements to provide better information to understand and anticipate certain risks to the financial condition by disclosing certain concentrations or constraints and related events that have occurred or have begun to occur that could result in a substantial impact. The adoption of this statement does not have a significant impact on the financial statements and will be applied prospectively.

Cash and Cash Equivalents

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

Investments

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

Accounts Receivable

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

Inventories

Resale inventories are valued at cost using the average-cost basis.

Prepaid Items

Payments made to vendors and state and local government organizations for services that will benefit periods beyond June 30, 2025 are recorded as prepaid items.

Capital Assets

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

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

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

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

Intangible Right-To-Use Assets

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

The University 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 University 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 University's right to use an underlying asset for the lease or subscription term. Lease and/or subscription obligations represent the University'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.

Rental income arising from leases as a lessor is included as a receivable and deferred inflow of resources at the commencement of the lease and revenue is recognized on a straight line basis over the lease term.

Capital Liability Reserve Fund

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

Deferred Outflows of Resources

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

Deposits

Deposits represent good faith deposits from students to reserve housing assignments, meal plans or other auxiliary services.

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 leave with pay is accrued at the end of the fiscal year for financial statement purposes for any unused or unsettled balances. 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 and subscription obligations with contractual maturities greater than one year; and (3) other liabilities that, although payable within one year, are to be paid from funds that are classified as non-current assets.

Deferred Inflows of Resources

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

Other Post-Employment Benefit (OPEB)

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

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

Pensions and Net Pension Liability

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

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

Net Position

The University's net position is classified as follows:

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

Restricted - non-expendable net position includes endowments and similar type funds in which donors or other outside sources have stipulated, as a condition of the gift instrument, that the principal is to be maintained inviolate and in perpetuity, and invested for the purpose of producing present and future income, which may either be

expended or added to principal. For institution-controlled, donor-restricted endowments, the by-laws of the Board of Regents of the University System of Georgia permits each individual institution to use prudent judgment in the spending of current realized and unrealized endowment appreciation. Donor-restricted endowment appreciation is periodically transferred to restricted - expendable accounts for expenditure as specified by the purpose of the endowment. The University maintains pertinent information related to each endowment fund including donor; amount and date of donation; restrictions by the source of limitations; limitations on investments, etc.

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

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

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

Income Taxes

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

Classification of Revenues and Expenses

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

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

Scholarship Allowances

Scholarship allowances are the difference between the stated charge for goods and services provided by the University, and the amount that is paid by students and/or third parties making payments on the students' behalf. Certain governmental grants, such as Pell grants, and other Federal, state or nongovernmental programs are recorded as either operating or non-operating revenues in the University's financial statements. To the extent that revenues from such programs are used to satisfy tuition, fees and other student charges, the University has recorded contra revenue for scholarship allowances. Tuition, fees and other student charges reported on the Statement of Revenues, Expenses and Changes in Net Position are net of discounts and allowances of \$12,573,895 and waivers in the amount of \$3,243,925.

Changes in Accounting Estimates

In 2000, the National Association of College and University Business Officers (NACUBO) provided initial guidance on accounting for and reporting financial aid as a discount, commonly referred to as a scholarship allowance. However, NACUBO Advisory 2023-1 recognized that the initial guidance from 2000 understated the actual scholarship allowance while overstating the expense. For the fiscal year ended June 30, 2025, the University adopted the revised principles outlined in NACUBO Advisory 2023-1 to ensure more accurate calculations of the scholarship allowance, resulting in a change in accounting estimate.

The change in estimate was implemented prospectively and reflects updated assumptions and methodologies based on the Advisory's recommendations. The impact of this change on the financial statements for the current fiscal year, as reflected in the Statement of Revenues and Expenditures, is an increase in Student Tuition and Fees (net) and a decrease in Operating Expenses: Scholarship and Fellowships.

This change in methodology does not have any impact on the change in net position for prior years.

Note 2 Deposits and Investments

Cash and cash equivalents and investments as of June 30, 2025 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	\$	28,480,775
---------------------------	----	------------

Noncurrent

Non Current - Investments		2,967,602
---------------------------	--	-----------

Noncurrent Investments (Externally Restricted)		83,251
--	--	--------

Statement of Fiduciary Net Position

Cash and Cash Equivalents		(1,130,755)
	\$	<u>30,400,873</u>

Cash on hand, deposits and investments as of June 30, 2025 consist of the following:

Cash on Hand	\$	(651)
Deposits with Financial Institutions		21,092,492
Investments		9,309,032
	\$	<u>30,400,873</u>

A. Deposits with Financial Institutions

Deposits include certificates of deposits and demand deposit accounts, including certain interest bearing demand deposit accounts. The custodial credit risk for deposits is the risk that in the event of a bank failure, the University's deposits may not be recovered. Funds belonging to the State of Georgia (and thus the University) cannot be placed in a depository paying interest longer than ten days without the depository providing a surety bond to the State. In lieu of a surety bond, the depository may pledge as collateral any one or more of the following securities as enumerated in the Official Code of Georgia Annotated (O.C.G.A.) § 50-17-59:

1. Bonds, bills, notes, certificates of indebtedness, or other direct obligations of the United States or of the State of Georgia.
2. Bonds, bills, notes, certificates of indebtedness or other obligations of the counties or municipalities of the State of Georgia.
3. Bonds of any public authority created by the laws of the State of Georgia, providing that the statute that created the authority authorized the use of the bonds for this purpose.
4. Industrial revenue bonds and bonds of development authorities created by the laws of the State of Georgia.

5. Bonds, bills, certificates of indebtedness, notes or other obligations of a subsidiary corporation of the United States government, which are fully guaranteed by the United States government both as to principal and interest and debt obligations issued by the Federal Land Bank, the Federal Home Loan Bank, the Federal Intermediate Credit Bank, the Central Bank for Cooperatives, the Farm Credit Banks, the Federal Home Loan Mortgage Association and the Federal National Mortgage Association.
6. Letters of credit issued by a Federal Home Loan Bank.
7. Guarantee or insurance of accounts provided by the Federal Deposit Insurance Corporation.

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

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

At June 30, 2025, the bank balances of the University's deposits totaled \$25,288,781. None of these deposits were exposed to custodial credit risk.

B. Investments

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

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

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

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

Level 3 - Pricing inputs are unobservable for the investment and include situations where there is little, if any, market activity for the investments. Investments classified in Level 3 include guaranteed investment contracts. Guaranteed investment contracts are valued by discounting the related cash flows based on current yields of similar instruments with comparable durations considering the credit worthiness of the issuer.

Net Asset Value (NAV) – Investments whose fair value is measured at the NAV are excluded from the fair value hierarchy as a practical expedient to fair value. Investments reported at NAV include real estate funds that invest primarily in U.S. commercial real estate. The fair values of real estate investments in this category have been estimated using the net asset value of the University's ownership interest in partners' capital. Real estate investments are less liquid and, generally, cannot be redeemed with the funds through normal redemption procedures. Distributions from real estate investment funds will be received as the underlying investments of a fund are liquidated.

The following table summarizes the valuation of the University's investments measured at fair value on a recurring basis and at net asset value as of June 30, 2025.

	Fair Value
Investment Pools	
Board of Regents	
Short-Term Fund	\$ 6,258,179
Balanced Income Fund	1,123,518
Diversified Fund	<u>1,927,335</u>
Total Investments	<u>\$ 9,309,032</u>

Board of Regents Pooled Investment Program

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

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

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

1. Short-Term Fund

The Short-Term Fund is available to both University System of Georgia institutions and their affiliated organizations. The Fund provides a current return and stability of principal while affording a means of overnight liquidity for projected cash needs. Investments are in securities allowed under O.C.G.A. § 50-17-59 and 50-17-63. The average maturities of investments in this fund will typically range between daily and four years, and the fund will typically have an overall average duration of $\frac{3}{4}$ - 1 year. The overall character of the portfolio is of Agency quality, possessing a minimal degree of financial risk. The market value of the University's position in the Short-Term Fund at June 30, 2025 was \$6,258,179, of which 100% is invested in debt securities. The Effective Duration of the Fund is 1.03 years.

2. Balanced Income Fund

The Balanced Income Fund is available to both University System of Georgia institutions and their affiliated organizations. The Fund is designed to be a vehicle to invest funds that are not subject to the state regulations concerning investing in equities. This pool is appropriate for investing longer term funds that require a more conservative investment strategy. Permitted investments in the fund are domestic US equities, domestic investment grade fixed income, and cash equivalents.

The equity allocation shall range between 20% and 40%, with a target of 30% of the total portfolio. The fixed income (bond) portion of the portfolio shall range between 60% and 80%, with a target of 70% of the total portfolio. Cash reserves and excess income are invested at all times in the highest quality par stable (A1, P1) institutional money market mutual funds, or other high quality short term instruments. The market value of the University's position in the Balanced Income Fund at June 30, 2025 was \$1,123,518, of which 66% is invested in debt securities. The Effective Duration of the Fund is 5.22 years.

3. Diversified Fund

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

The equity allocation shall range between 60% and 80% of the portfolio, with a target of 70% of the total portfolio. The fixed income (bond) portion of the portfolio shall range between 20% and 40%, with a target of 30% of the total portfolio. Cash reserves and excess income are invested at all times in the highest quality par stable (A1, P1) institutional money market mutual funds, or other high quality short term instruments. The market value of the University's position in the Diversified Fund at June 30, 2025 was \$1,927,335, of which 29% is invested in debt securities. The Effective Duration of the Fund is 5.03 years.

Interest Rate Risk

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

Note 3 Accounts Receivable

Accounts receivable consisted of the following at June 30, 2025:

	Business Type Activities	Fiduciary Fund
Student Tuition and Fees	\$ 1,900,122	\$ 1,501
Auxiliary Enterprises and Other Operating Activities	1,509,554	—
Federal Financial Assistance	371,019	7,422
Georgia Student Finance Commission	—	1,176,151
Georgia State Financing and Investment Commission	4,722,378	—
Due from Affiliated Organizations	44,116	—
Due from Component Units	2,916	—
Due From Other USG Institutions	869,370	—
Lease Receivable	201,548	0
Other	288,037	52,295
	<u>9,909,060</u>	<u>1,237,369</u>
Less: Allowance for Doubtful Accounts	<u>2,100,106</u>	<u>926</u>
Net Accounts Receivable	<u>\$ 7,808,954</u>	<u>\$ 1,236,443</u>

Note 4 Inventories

Inventories consisted of the following at June 30, 2025:

Merchandise for Resale	<u>\$ 45,201</u>
------------------------	------------------

Note 5 Notes and Loans Receivable

The University had no notes and loans receivable at June 30, 2025.

Note 6 Capital and Intangible Right-to-Use Assets

Capital Assets

Changes in capital assets for the year ended June 30, 2025 are shown below:

	Balance July 1, 2024	Additions	Reductions	Balance June 30, 2025
Capital Assets, Not Being Depreciated:				
Land	\$ 11,063,189			\$ 11,063,189
Construction Work-in-Progress	937,206	3,568,869	2,560,000	1,946,075
Total Capital Assets Not Being Depreciated	12,000,395	3,568,869	2,560,000	13,009,264
Capital Assets, Being Depreciated/Amortized:				
Infrastructure	10,851,156			10,851,156
Building and Building Improvements	339,884,763	2,560,000	617,287	341,827,476
Facilities and Other Improvements	7,264,689			7,264,689
Equipment	20,000,536	1,533,195	332,495	21,201,236
Library Collections	3,596,368	29,811	198,002	3,428,177
Total Capital Assets Being Depreciated/Amortized	381,597,512	4,123,006	1,147,784	384,572,734
Less: Accumulated Depreciation/Amortization				
Infrastructure	10,030,584			10,030,584
Building and Building Improvements	127,097,086	7,744,726	617,287	134,224,525
Facilities and Other Improvements	6,320,961	69,842	—	6,390,803
Equipment	15,629,848	909,482	261,132	16,278,198
Library Collections	3,512,179	21,624	198,002	3,335,801
Total Accumulated Depreciation/Amortization	162,590,658	8,745,674	1,076,421	170,259,911
Total Capital Assets, Being Depreciated/Amortized, Net	219,006,854	(4,622,668)	71,363	214,312,823
Capital Assets, net	\$ 231,007,249	\$ (1,053,799)	\$ 2,631,363	\$ 227,322,087

For projects managed by GSFIC, GSFIC retains construction-work-in-progress on its books throughout the construction period and transfers the entire project to the University when complete. For projects managed by the University, the University retains construction-work-in-progress on its books and is reimbursed by GSFIC. In addition, at June 30, 2025, GSFIC had construction in progress of approximately \$3,349,647 for incomplete GSFIC managed projects for the University.

Intangible Right-to-Use Assets

	Beginning Balances July 1, 2024	Additions	Reductions	Ending Balance June 30, 2025
Intangible Right-to-use Assets, Being Amortized:				
Building and Building Improvements	\$ 576,568	\$ 171,600.00	\$ 22,962	\$ 725,206
Subscription Based IT Arrangements (SBITAs)	615,409	432,486.00	131,400.00	916,495
Total Leased Assets Being Amortized	1,191,977	604,086	154,362	1,641,701
Less: Accumulated amortization				
Building and Building Improvements	100,342	6,922		107,264
Subscription Based IT Arrangements (SBITAs)	294,915	460,885	127,773	628,027
Total Accumulated Amortization	395,257	467,807	127,773	735,291
Total Intangible Right-to-use Assets, Being Amortized, Net	796,720	136,279	26,589	906,410
Intangible Right-to-use Assets, net	<u>\$ 796,720</u>	<u>\$ 136,279</u>	<u>\$ 26,589</u>	<u>\$ 906,410</u>

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

	Depreciation & Amortization
Fiscal Year	Expense
2025	9,213,481
2024	8,638,292
2023	8,298,416

Note 7 Advances (Including Tuition and Fees)

Advances, including tuition and fees, consisted of the following at June 30, 2025:

	Current Liabilities
Prepaid Tuition and Fees	\$ 1,969,008
Other - Advances	1,023,089
Totals	<u>\$ 2,992,097</u>

Note 8 Long-Term Liabilities

Changes in long-term liability for the year ended June 30, 2025 was as follows:

	Balance July 1, 2024	Additions	Reductions	Balance June 30, 2025	Current Portion
Lease & Subscription Obligations					
Lease Obligations	\$ 476,226	\$ 171,600	\$ 82,267	\$ 565,559	\$ 58,778
Subscription Obligations	201,469	432,486	211,642	422,313	151,990
Total	<u>677,695</u>	<u>604,086</u>	<u>293,909</u>	<u>987,872</u>	<u>210,768</u>
Other Liabilities					
Compensated Absences	2,700,561	2,203,421	1,936,004	2,967,978	2,034,759
Notes and Loans Payable	96,027,990	—	3,847,097	92,180,893	4,013,699
Total	<u>98,728,551</u>	<u>2,203,421</u>	<u>5,783,101</u>	<u>95,148,871</u>	<u>6,048,458</u>
Total Long-Term Obligations	<u>\$ 99,406,246</u>	<u>\$ 2,807,507</u>	<u>\$ 6,077,010</u>	<u>\$ 96,136,743</u>	<u>\$ 6,259,226</u>

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

In accordance with O.C.G.A. § 50-5-64, these agreements shall terminate absolutely and without further obligation at the close of the fiscal year in which it was executed and at the close of each succeeding fiscal year for which it may be renewed. These agreements may be renewed only by a positive action taken by the University. In addition, these agreements shall terminate if the State does not provide adequate funding, but that is considered a remote possibility. The University's principal and interest payments related to financing lease agreements for fiscal year 2025 were \$3,847,097 and \$4,130,805, respectively. Interest rates range from 3.66% to 5.42%.

The University has \$92,180,893 in outstanding notes and loans payable for financing lease agreements.

The following is a summary of the carrying values of assets held under financing lease agreements at June 30, 2025:

Description	Gross Amount	Less: Accumulated Amortization	Net Assets Held Under Financing Lease Arrangements at June 30, 2025	Outstanding Balances per Lease Schedules at June 30, 2025
	(+)	(-)	(=)	
Finance Buildings and Building Improvements	\$ 124,618,465	\$ 40,262,329	\$ 84,356,136	\$ 92,180,893
Total Assets Held Under Finance Lease Arrangement	<u>\$ 124,618,465</u>	<u>\$ 40,262,329</u>	<u>\$ 84,356,136</u>	<u>\$ 92,180,893</u>

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

Description	Lessor	Original Principal	Lease Term	Begin Month/Year	End Month/Year	Outstanding Principal
Anderson Hall/ Gateway Hall/ Harris Hall	USG Real Estate Foundation VII, LLC	\$ 21,500,750	17 years	June 2018	June 2035	\$ 14,680,073 (1)
Regents Hall	USG Real Estate Foundation VII, LLC	12,344,832	20 years	June 2018	June 2038	9,317,265 (1)
Knight Hall	USG Real Estate Foundation VII, LLC	12,548,479	20 years	June 2018	June 2038	9,174,547 (1)
Aviation Hall	USG Real Estate Foundation VII, LLC	7,036,195	20 years	June 2018	June 2038	4,957,387 (1)
Wellness Center	Middle Georgia State College Real Estate Foundation, Inc.	22,940,947	28 years	July 2014	June 2042	17,188,973 (1)
Lakeview Pointe	USG Real Estate Foundation IX, LLC	20,067,631	30 years	July 2020	May 2050	18,692,328 (1)
University Pointe	Middle Georgia State University Real Estate Foundation, Inc.	18,457,450	30 years	June 2024	June 2054	18,170,320 (1)
Total Leases		<u>\$ 114,896,284</u>				<u>\$ 92,180,893</u>

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

Below is the annual debt service related to the outstanding notes and loans payable at June 30, 2025.

Year Ending June 30:	Principal	Interest
2026	\$ 4,013,699	\$ 3,966,277
2027	4,181,388	3,794,654
2028	4,363,319	3,621,302
2029	4,556,629	3,428,887
2030	4,764,569	3,233,666
2031 through 2035	27,110,681	12,928,029
2036 through 2040	18,310,131	7,691,833
2041 through 2045	10,666,112	4,466,941
2046 through 2050	10,019,818	2,307,555
2051 through 2055	4,194,547	459,791
Total Minimum Lease Payments	<u>\$ 92,180,893</u>	<u>\$ 45,898,935</u>

Note 9 Deferred Outflows and Inflows of Resources

Deferred outflows and inflows of resources reported on the Statement of Net Position as of June 30, 2025, consisted of the following:

Deferred Outflows of Resources

Deferred Outflows on Defined Benefit Pension Plans (See Note 14)	\$ 18,858,365
Deferred Outflows on OPEB Plan (See Note 17)	6,884,525
Total Deferred Outflows of Resources	\$ 25,742,890

Deferred Inflows of Resources

Deferred Inflows on Debt Refunding	\$ 5,477,064
Deferred Inflows on Defined Benefit Pension Plans (See Note 14)	7,847,118
Deferred Inflows on OPEB Plan (See Note 17)	22,111,297
Deferred Inflows of Resources - Leases	201,549
Total Deferred Inflows of Resources	\$ 35,637,028

Deferred Inflow on Debt Refunding

The unamortized deferred inflow on debt refunding is related to changes in the provisions of various leases that resulted from a refunding by the lessor of tax-exempt debt in which the lessor passed on a portion of the perceived economic advantages of the refunding to the University.

Unavailable Revenues

Resources from certain non-exchange transactions received before time requirements are met, but after all other eligibility requirements have been met, are reported as a deferred inflow of resources.

Leases

In February 2020, the University entered into an agreement with Tarpon Towers for a parcel of land for a cell phone tower located in Laurens County, Georgia. The agreement is renewable for ten (10) years, with the right to renew for two (2) additional five (5) year periods, for a total of \$305,296 payable to the University. The amortized revenue recorded in fiscal year 2025 was \$13,819 and the remaining deferred inflow of resources was \$201,549.

Note 10 Net Position

The breakdown of business-type activity net position for the University fund at June 30, 2025 is as follows:

Net Investment in Capital Assets	\$ 129,582,669
Restricted for	
Nonexpendable	
Permanent Endowment	\$ 33,739
Expendable	
Quasi-Endowments	\$ 49,512
Unrestricted	
Auxiliary Enterprises Operations	\$ 12,296,303
Reserve for Encumbrances	10,931,263
Capital Liability Reserve Fund	725,970
Other Unrestricted	(92,685,443)
Sub-Total	\$ (68,731,907)
Total Net Position	\$ 60,934,013

Other unrestricted net position is reduced by \$55,857,901 related to the recording of net OPEB liability, deferred inflows of resources on OPEB plan, and deferred outflows of resources on OPEB plan. Other unrestricted net position is also reduced by \$43,954,571 related to the recording of net pension liability, deferred inflows of resources on defined benefit pension plans, and deferred outflows of resources on defined benefit pension plans. These OPEB and pension balances are mostly funded through state appropriation, student tuition and fees that are subject to State surplus rules which prevents the accumulation of budgetary fund balance. Therefore, the University is statutorily unable to maintain accumulated net position to offset these OPEB and pension balances.

Changes in Net Position for the year ended June 30, 2025 are as follows:

	Balance July 1, 2024	Additions	Reductions	Balance June 30, 2025
Net Investments in Capital Assets	\$ 129,173,424	\$ 9,969,523	\$ 9,560,278	\$ 129,582,669
Restricted Net Position	77,045	24,940,854	24,934,648	83,251
Unrestricted Net Position	(72,299,630)	118,712,753	115,145,030	(68,731,907)
Total Net Position	\$ 56,950,839	\$ 153,623,130	\$ 149,639,956	\$ 60,934,013

Note 11 Endowments

Donor Restricted Endowments

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

For endowment funds where the donor has not provided specific instructions, investment return of the University's endowment funds is predicated on the total return concept. Annual payouts from the University's endowment funds are based on a spending policy which limits spending between 3.0% and 6.0% of endowment principal market value. To the extent that the total return for the current year exceeds the payout, the excess is added to principal. If current year earnings do not meet the payout requirements, the University uses accumulated income and appreciation from restricted expendable net asset endowment balances to make up the difference.

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

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

Note 12 Significant Commitments

See the Net Position note for amounts reserved for outstanding encumbrances at June 30, 2025. The University did not have any significant unearned, outstanding renovation contracts executed as of June 30, 2025.

Note 13 Leases and Subscriptions

Lease Obligations

In accordance with O.C.G.A. § 50-5-64, these agreements shall terminate absolutely and without further obligation at the close of the fiscal year in which it was executed and at the close of each succeeding fiscal year for which it may be renewed. These agreements may be renewed only by a positive action taken by the University. In addition, these agreements shall terminate if the State does not provide adequate funding, but that is considered a remote possibility. The University's principal and interest payments related to capital leases for fiscal year 2025 were \$57,294 and \$14,820, respectively. Interest rate is 2.589%.

There were no residual guaranteed payment, variable payments based on performance, nor termination penalties expensed for fiscal year ended June 30, 2025.

The following is a summary of the carrying values of assets held under capital lease at June 30, 2025:

Description	Gross Amount	Less: Accumulated Amortization	Net, Assets Held Under Lease at June 30, 2025	Outstanding Balance per Lease Schedules at June 30, 2025
	(+)	(-)	(=)	
Leased Buildings and Building Improvements	\$ 725,206	\$ 107,264	\$ 617,942	\$ 565,559

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

Description	Lessor	Original Principal	Lease Term	Begin Month/ Year	End Month/ Year	Outstanding Principal	
Macon Downtown Airport	Macon-Bibb County Industrial Authority	471,586	10 yrs	Jul 2023	Jun, 2033	409,214	No
Cochran Airport	Cochran Airport Authority	192,000	10 yrs	Jul 2024	Jun, 2034	156,345	No
Total Leases		<u>\$ 663,586</u>				<u>\$ 565,559</u>	

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 year at June 30, 2025.

	Principal	Interest
Year Ending June 30:		
2026	\$ 58,778	\$ 13,337
2027	60,299	11,815
2028	61,861	10,253
2029	63,463	8,651
2030	65,106	7,009
2031 through 2035	<u>256,052</u>	<u>10,737</u>
Total Minimum Lease Payments	<u>565,559</u>	<u>61,802</u>

Subscription Obligations

There were no variable payments based on performance, nor termination penalties expensed for fiscal year ended June 30, 2025. The University's principal and interest payments related to SBITAs for fiscal year 2025 were \$208,622 and \$16,248 respectively. Interest rate is 2.26%.

The following is a summary of the carrying values of intangible right-to-use assets held under SBITA at June 30, 2025:

Description	Gross Amount	Less: Accumulated Amortization	Net Assets Held Under Subscription Obligations at June 30, 2025	Outstanding Balance per Subscription Schedules at June 30, 2025
Subscription Based IT Arrangements (SBITAs)	<u>\$ 916,495</u>	<u>\$ 628,027</u>	<u>\$ 288,468</u>	<u>\$ 422,313</u>
Total Assets Held Under Subscription Based Information Technology Arrangements (SBITAs)	<u>\$ 916,495</u>	<u>\$ 628,027</u>	<u>\$ 288,468</u>	<u>\$ 422,313</u>

Below is the future commitments related to the outstanding subscription obligations year at June 30, 2025:

	Principal	Interest
Year Ending June 30:		
2026	\$ 151,990	\$ 11,140
2027	86,434	7,301
2028	88,802	4,933
2029	95,087	2,500
Total Minimum Subscription Payments	<u>\$ 422,313</u>	<u>\$ 25,874</u>

Note 14. Retirement Plans

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

The University also provides the Regents Retirement Plan.

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

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

General Information about the Teachers Retirement System

Plan description

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

Benefits Provided

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

Contributions

Per Title 47 of the O.C.G.A., contribution requirements of active employees and participating employers, as actuarially determined, are established and may be amended by the TRS Board. Contributions are expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Employees were required to contribute 6% of their annual pay during fiscal year 2025.

The University's contractually required contribution rate for the year ended June 30, 2025 was 20.78% of annual the University payroll. The University's contributions to TRS totaled \$7,938,623 for the year ended June 30, 2025.

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, 2025 was 29.20% of annual covered payroll for old and new plan members and 25.51% for GSEPS members. The University's contributions to ERS totaled \$81,734 for the year ended June 30, 2025. 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, 2025, the University reported a liability for its proportionate share of the net pension liability for TRS and ERS. The net pension liability was measured as of June 30, 2024. The total pension liability used to calculate the net pension liability was based on an actuarial valuation as of June 30, 2023. An expected total pension liability as of June 30, 2024 was determined using standard roll-forward techniques. The University's proportion of the net pension liability was based on contributions to TRS and ERS during the fiscal year ended June 30, 2024. At June 30, 2024, the University's TRS proportion was 0.216182%, which was an increase of 0.002248% from its proportion measured as of June 30, 2023. At June 30, 2024, the University's ERS proportion was 0.013979%, which was a decrease of (0.001012)% from its proportion measured as of June 30, 2023. For the year ended June 30, 2025, the University recognized pension expense of \$9,360,077 for TRS and \$33,490 for ERS. At June 30, 2025, the University reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	TRS		ERS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 6,148,553	\$ 162,400	\$ 33,732	\$ —
Changes of assumptions	3,779,927	—	—	—
Net difference between projected and actual earnings on pension plan investments		7,575,681	—	70,880
Changes in proportion and differences between contributions and proportionate share of contributions	860,554	8,258	15,242	29,899
Contributions subsequent to the measurement date	7,938,623	—	81,734	—
Total	<u>\$ 18,727,657</u>	<u>\$ 7,746,339</u>	<u>\$ 130,708</u>	<u>\$ 100,779</u>

The University's contributions subsequent to the measurement date are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ending June 30, 2026. 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
2026	\$ 1,357,289	\$ (21,643)
2027	\$ 7,277,188	\$ 40,573
2028	\$ (3,145,239)	\$ (43,135)
2029	\$ (2,446,543)	\$ (27,600)

Actuarial assumptions

The total pension liability as of June 30, 2024 was determined by an actuarial valuation as of June 30, 2023 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, 2023 valuation were based on the results of an actuarial experience study for the period July 1, 2013 – June 30, 2018.

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
Cost-of-living-adjustment	1.05%, annually

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, 2023 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 %	1.50 %	30.00 %	1.50 %
Domestic large equities	46.40 %	9.10 %	46.40 %	9.10 %
Domestic small equities	1.10 %	13.00 %	1.10 %	13.00 %
International developed market equities	13.60 %	9.10 %	13.60 %	9.10 %
International emerging market equities	3.90 %	11.10 %	3.90 %	11.10 %
Alternatives	5.00 %	10.60 %	5.00 %	10.60 %
Total	<u>100.00 %</u>		<u>100.00 %</u>	

* Rates shown are net of inflation

Discount rate

The discount rate used to measure the total TRS and ERS pension liability was 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 Institute'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 of 6.90% for TRS and 7.00% for ERS, 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	\$ 93,523,997	\$ 54,336,503	\$ 22,347,512

Employees' Retirement System:

	1% Decrease 6.00%	Current discount rate 7.00%	1% Increase 8.00%
Proportionate share of the net pension liability	\$ 948,139	\$ 629,315	\$ 361,185

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 2025, the employer contribution was 9.24% for the participating employee's earnable compensation. Employees contribute 6.00% of their earnable compensation. Amounts attributable to all plan contributions are fully vested and non-forfeitable at all times.

The University and the covered employees made the required contributions of \$1,346,122 (9.24%) and \$874,105 (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 2025, the following self-insured health care options were available: Blue Choice HMO plan, (Blue Cross and Blue Shield of Georgia) Consumer Choice HSA plan, and the (Blue Cross and Blue Shield of Georgia) Comprehensive Care plan.

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

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

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

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

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

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

Note 16 Contingencies

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

Litigation, claims and assessments filed against the University, if any, are generally considered to be actions against the State of Georgia. Accordingly, significant litigation, claims and assessments pending against the State of Georgia are disclosed in the State of Georgia Comprehensive Annual Financial Report for the fiscal year ended June 30, 2025.

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 2025, the following self-insured health care options were available: Blue Choice HMO plan, (Blue Cross and Blue Shield of Georgia) Consumer Choice HSA plan, and the (Blue Cross and Blue Shield of Georgia) Comprehensive Care plan. The USG offers a self-insured dental plan administered by Delta Dental.

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

The University's membership in the Plan consisted of the following at June 30, 2025:

Active Employees	750
Retirees or Beneficiaries Receiving Benefits	276
Retirees or Beneficiaries Eligible But Not Receiving Benefits	—
Retirees Receiving Life Insurance Only	84
Total	<u>1,110</u>

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

The University pays the employer portion for group insurance for eligible retirees. The employer portion of health insurance for its eligible retirees is based on rates that are established annually by the Board for the upcoming plan year. For the 2025 plan year, the employer rate was approximately 82% of the total health insurance cost for eligible retirees and the retiree rate was approximately 18%. 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 2025, the University contributed \$1,367,446 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, 2025, the University reported a liability for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2024. The total OPEB liability used to calculate the net OPEB liability

was based on an actuarial valuation as of May 1, 2024. An expected total OPEB liability as of June 30, 2024 was determined using standard roll-forward techniques. The University's proportion of the net OPEB liability was actuarially determined based on employer contributions during the fiscal year ended June 30, 2024. At June 30, 2024, the University's proportion was 1.399302%, which was an increase of 0.005165% from its proportion measured as of June 30, 2023.

For the year ended June 30, 2025, the University recognized OPEB expense of \$(4,166,377). At June 30, 2025, the University reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,026,979	\$ 215,077
Changes of assumptions	2,680,197	20,651,444
Net difference between projected and actual earnings on OPEB plan investments	95,812	—
Changes in proportion and differences between contributions and proportionate share of contributions	1,714,091	1,244,776
Contributions subsequent to the measurement date	1,367,446	—
Total	<u>\$ 6,884,525</u>	<u>\$ 22,111,297</u>

The University's contributions subsequent to the measurement date of \$1,367,446 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, 2026. 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:		
2026	\$	(6,715,307)
2027	\$	(5,128,042)
2028	\$	(3,317,622)
2029	\$	(1,300,700)
2030	\$	(132,547)
Thereafter	\$	—

The total OPEB liability as of June 30, 2024 was determined by an actuarial valuation as of May 1, 2024 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 6/30/2024 of 3.93% from Bond Buyers GO 20-Bond Municipal Bond Index; Discount Rate 3.96% Interest Rate as of 6/30/2023 of 3.65% from Bond Buyers GO 20-Bond Municipal Bond Index; Discount Rate 3.69% Long-term Rate of Return 6.02% General Inflation 2.30% 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	8.7%
Medicare Eligible	2%
Ultimate Trend Rate	
Pre-Medicare Eligible	4.5%
Medicare Eligible	2%
Year Ultimate Trend is Reached	Fiscal Year 2035 for Pre-Medicare Eligible, Fiscal Year 2024 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 five-year period ending May 1, 2023 with the exception of the disability and salary increases assumption. 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 claims experience.
- Trend rate schedule was updated to anticipated future experience.
- The discount rate was updated from 3.69% as of June 30, 2023 to 3.96% as of June 30, 2024.
- The Expected Return on Assets was changed from 5.40 to 6.02%.
- The following assumptions were updated based on the 2024 Demographic Assumptions Review (experience study):
 - Retirement rates
 - Withdrawal rates
 - Percentage of participants that elect spousal coverage upon retirement was updated for males from 55% to 50%
 - Percentage of participants electing coverage upon retirement was updated for post-65 employees from 85% to 80%

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

adding expected inflation. Best estimates of geometric real rates of return for each major asset class included in the target asset allocation as of June 30, 2024 are summarized in the following table:

Asset Class	Long-term Expected Real Rate of Return, Net of Inflation	Target Allocation
Fixed Income	2.42 %	70 %
Equity Allocation	4.41 %	30 %

Discount rate

The Plan's projected fiduciary net position at the end of 2028 is \$0, based on the valuation completed for the fiscal year ending June 30, 2024. 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 2028. Therefore, the long-term expected rate of return on Plan investments of 6.02% per annum was not applied to all periods of projected benefit payments to determine the total OPEB liability as of June 30, 2024, pursuant to paragraph 48 of GASB Statement No. 74. Instead, a single equivalent yield or index rate of 3.96% was used. 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 (3.93% 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 University's proportionate share of the net OPEB liability, as well as what the University's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1% lower (2.96%) or 1% higher (4.96%) than the current discount rate (3.96%):

	1% Decrease 2.96%	Current Rate 3.96%	1% Increase 4.96%
Proportionate Share of the Net OPEB Liability	\$ 47,014,439	\$ 40,631,129	\$ 35,406,786

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

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

	1% Decrease	Current Rate	1% Increase
Proportionate Share of the Net OPEB Liability	\$ 35,735,601	\$ 40,631,129	\$ 46,697,289
Pre-Medicare Eligible	7.7% decreasing to 3.5%	8.7% decreasing to 4.5%	9.7% decreasing to 5.5%
Medicare Eligible	1%	2%	3%

OPEB plan fiduciary net position:

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

Note 18 Operating Expenses with Functional Classifications

Business-type activity operating expenses by functional classification for fiscal 2025 are shown below:

Functional Classification	Natural Classification				
	Faculty Salaries	Staff Salaries	Employee Benefits	Personal Services	Travel
Instruction	\$ 26,716,840	\$ 5,958,110	\$ 6,567,496	\$ 322	\$ 221,900
Research	42,987	374	8,972	—	9,090
Public Service	58,200	233,565	92,885	32,566	7,261
Academic Support	2,176,477	4,612,772	2,583,943	5,018	92,634
Student Services	133,058	6,189,075	2,364,370	8,500	199,384
Institutional Support	381,012	6,337,938	4,792,635	342,486	86,548
Plant Operations and Maintenance	—	3,859,347	1,483,742	—	19,788
Scholarships and Fellowships	—	—	—	—	—
Auxiliary Enterprises	72,715	1,620,571	640,127	(26567)	65,967
Total Operating Expenses	<u>\$ 29,581,289</u>	<u>\$ 28,811,752</u>	<u>\$ 18,534,170</u>	<u>\$ 362,325</u>	<u>\$ 702,572</u>

Functional Classification	Natural Classification				
	Scholarships and Fellowships	Utilities	Supplies and Other Services	Depreciation/Amortization	Total Operating Expenses
Instruction	\$ —	\$ 1,987	\$ 4,955,703	\$ 2,120,154	\$ 46,542,512
Research	\$ 1	152	39,867	—	101,443
Public Service	—	569	718,327	—	1,143,373
Academic Support	—	112,178	3,316,699	175,479	13,075,200
Student Services	23,400	233,051	2,057,061	816,862	12,024,761
Institutional Support	—	8,847	2,995,771	216,794	15,162,031
Plant Operations and Maintenance	—	2,912,432	12,542,091	2,536,101	23,353,501
Scholarships and Fellowships	8,690,961	—	—	—	8,690,961
Auxiliary Enterprises	570,098	656,906	8,773,095	3,348,091	15,721,003
Total Operating Expenses	<u>\$ 9,284,460</u>	<u>\$ 3,926,122</u>	<u>\$ 35,398,614</u>	<u>\$ 9,213,481</u>	<u>\$ 135,814,785</u>

Required Supplementary Information

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

	Year Ended	Actuarially Determined Contribution (a)	Contributions in Relation to the Actuarially Determined Contribution (b)	Contribution Deficiency (Excess) (b-a)	Covered Payroll (c)	Contributions as a Percentage of Covered Payroll (b/c)
Employees' Retirement System	June 30, 2025	\$ 81,734	\$ 84,303	\$ (2,569)	\$ 297,418	28.34%
	June 30, 2024	\$ 87,500	\$ 87,498	\$ 2	\$ 298,126	29.35%
	June 30, 2023	\$ 77,228	\$ 77,471	\$ (243)	\$ 249,042	31.11%
	June 30, 2022	\$ 67,296	\$ 67,296	\$ —	\$ 273,228	24.63%
	June 30, 2021	\$ 84,111	\$ 84,111	\$ —	\$ 341,083	24.66%
	June 30, 2020	\$ 93,281	\$ 92,945	\$ 336	\$ 378,268	24.57%
	June 30, 2019	\$ 105,505	\$ 105,505	\$ —	\$ 425,746	24.78%
	June 30, 2018	\$ 114,074	\$ 114,074	\$ —	\$ 462,476	24.67%
	June 30, 2017	\$ 135,964	\$ 135,964	\$ —	\$ 548,022	24.81%
	June 30, 2016	\$ 136,230	\$ 136,230	\$ —	\$ 551,091	24.72%
Teachers' Retirement System	June 30, 2025	\$ 7,938,623	\$ 7,921,193	\$ 17,430	\$ 38,120,977	20.78%
	June 30, 2024	\$ 6,743,548	\$ 6,744,363	\$ (815)	\$ 33,751,490	19.98%
	June 30, 2023	\$ 6,150,705	\$ 6,075,124	\$ 75,581	\$ 30,784,307	19.73%
	June 30, 2022	\$ 5,694,658	\$ 5,720,585	\$ (25,927)	\$ 28,746,383	19.90%
	June 30, 2021	\$ 5,149,226	\$ 5,138,579	\$ 10,647	\$ 27,015,877	19.02%
	June 30, 2020	\$ 5,699,460	\$ 5,727,972	\$ (28,512)	\$ 26,960,551	21.25%
	June 30, 2019	\$ 5,390,430	\$ 5,406,129	\$ (15,699)	\$ 25,791,530	20.96%
	June 30, 2018	\$ 4,172,073	\$ 4,172,073	\$ —	\$ 24,810,977	16.82%
	June 30, 2017	\$ 3,441,446	\$ 3,441,446	\$ —	\$ 24,116,646	14.27%
	June 30, 2016	\$ 3,317,494	\$ 3,317,494	\$ —	\$ 23,265,070	14.26%

MIDDLE GEORGIA STATE UNIVERSITY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
MULTIPLE EMPLOYER DEFINED BENEFIT PENSION PLANS
FOR THE LAST TEN 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, 2025	0.013979 %	629,315	298,126	211.09%	78.75%
	June 30, 2024	0.014991%	\$ 894,302	\$ 249,042	359.10%	71.20%
	June 30, 2023	0.011470%	\$ 766,020	\$ 273,228	280.36%	67.44%
	June 30, 2022	0.014439%	\$ 337,714	\$ 341,083	99.01%	87.62%
	June 30, 2021	0.015003%	\$ 632,370	\$ 378,268	167.18%	76.21%
	June 30, 2020	0.016890%	\$ 696,971	\$ 425,746	163.71%	76.74%
	June 30, 2019	0.018132%	\$ 745,413	\$ 462,476	161.18%	76.88%
	June 30, 2018	0.022342%	\$ 907,383	\$ 548,022	165.57%	76.33%
	June 30, 2017	0.023701%	\$ 1,121,157	\$ 551,091	177.20%	72.34%
	June 30, 2016	0.020000%	\$ 893,009	\$ 503,969	165.61%	76.2%
Teachers Retirement System	June 30, 2025	0.216182 %	54,336,503	33,751,490	160.99%	80.86%
	June 30, 2024	0.213934%	\$ 63,162,505	\$ 30,784,307	205.18%	76.29%
	June 30, 2023	0.212652%	\$ 69,052,215	\$ 28,746,383	240.21%	72.85%
	June 30, 2022	0.207564%	\$ 18,357,651	\$ 27,015,877	67.95%	92.03%
	June 30, 2021	0.207840%	\$ 50,346,983	\$ 26,960,551	186.74%	77.01%
	June 30, 2020	0.211360%	\$ 45,448,115	\$ 25,791,530	176.21%	78.56%
	June 30, 2019	0.208299%	\$ 38,664,756	\$ 24,810,977	155.84%	80.27%
	June 30, 2018	0.210033%	\$ 39,035,280	\$ 24,116,646	161.86%	79.33%
	June 30, 2017	0.210600%	\$ 43,449,128	\$ 23,265,070	186.76%	76.06%
	June 30, 2016	0.210000%	\$ 31,545,208	\$ 21,880,798	144.17%	81.44%

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

**MIDDLE GEORGIA STATE UNIVERSITY
REQUIRED SUPPLEMENTARY INFORMATION
NOTES TO THE REQUIRED SUPPLEMENTAL INFORMATION
DEFINED BENEFIT PENSION PLANS
METHODS AND ASSUMPTIONS
FOR FISCAL YEAR ENDED JUNE 30, 2025**

Changes of assumptions

Employees' Retirement System:

On December 17, 2020, the Board adopted recommended changes to the economic and demographic assumptions utilized by the System based on the experience study prepared for the five-year period ending June 30, 2019. Primary among the changes were the updates to the rates of mortality, retirement, withdrawal, and salary increases. This also included a change in the long-term assumed investment rate of return to 7.00%. These assumption changes were first reflected in the calculation of the June 30, 2021 Total Pension Liability.

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. After studying the parameters of this new policy, the assumption for future COLAs was set at 1.05%. Previously, no future COLAs were assumed. 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, withdrawal and salary increases.

On May 15, 2019, the Board adopted 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%.

**MIDDLE GEORGIA STATE UNIVERSITY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS FOR OPEB PLAN
BOARD OF REGENTS RETIREE HEALTH BENEFIT PLAN
FOR THE LAST NINE 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, 2025	\$ 1,367,446.00	\$ 1,367,446	\$ —	\$ 54,173,856	2.52%
June 30, 2024	\$ 1,308,359	\$ 1,308,359	\$ —	\$ 49,223,514	2.66%
June 30, 2023	\$ 1,414,855	\$ 1,414,855	\$ —	\$ 46,120,231	3.07%
June 30, 2022	\$ 2,064,136	\$ 2,064,136	\$ —	\$ 45,698,393	4.52%
June 30, 2021	\$ 1,572,771	\$ 1,572,771	\$ —	\$ 41,001,406	3.84%
June 30, 2020	\$ 1,398,379	\$ 1,398,379	\$ —	\$ 40,781,337	3.43%
June 30, 2019	\$ 2,200,673	\$ 2,200,673	\$ —	\$ 39,359,398	5.59%
June 30, 2018	\$ 2,243,370	\$ 2,243,370	\$ —	\$ 32,807,451	6.84%
June 30, 2017	\$ 1,413,982	\$ 1,413,982	\$ —	\$ 36,410,047	3.88%

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

**MIDDLE GEORGIA STATE UNIVERSITY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF NET OPEB LIABILITY
BOARD OF REGENTS RETIREE HEALTH BENEFIT PLAN
FOR THE LAST EIGHT 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, 2025	1.399302%	\$ 40,631,129.00	\$ 49,223,514	82.54%	7.19%
June 30, 2024	1.394137%	\$ 44,296,577	\$ 46,120,231	96.05%	6.44%
June 30, 2023	1.410479%	\$ 55,873,615	\$ 45,698,393	122.27%	5.08%
June 30, 2022	1.339888%	\$ 67,437,643	\$ 41,001,406	164.48%	3.74%
June 30, 2021	1.360397%	\$ 72,559,757	\$ 40,781,337	177.92%	2.91%
June 30, 2020	1.372136%	\$ 61,355,994	\$ 39,359,398	155.89%	3.13%
June 30, 2019	1.416091%	\$ 62,460,249	\$ 32,807,451	190.38%	1.69%
June 30, 2018	1.419890%	\$ 59,915,466	\$ 36,410,047	164.56%	0.19%

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

**MIDDLE GEORGIA STATE UNIVERSITY
REQUIRED SUPPLEMENTARY INFORMATION
NOTES TO THE REQUIRED SUPPLEMENTAL INFORMATION
BOARD OF REGENTS RETIREE HEALTH BENEFIT PLAN
METHODS AND ASSUMPTIONS
FOR FISCAL YEAR ENDED JUNE 30, 2025**

Changes in Assumptions Since Prior Valuation

The financial accounting valuation reflects the following assumption changes:

- Expected claims costs were updated to reflect actual claims experience.
- Trend rate schedule was updated to anticipated future experience.
- The discount rate was updated from 3.69% as of June 30, 2023 to 3.96% as of June 30, 2024.
- The Expected Return on Assets was changed from 5.40 to 6.02%.
- The following assumptions were updated based on the 2024 Demographic Assumptions Review (experience study):
 - Retirement rates
 - Withdrawal rates
 - Percentage of participants that elect spousal coverage upon retirement was updated for males from 55% to 50%
 - Percentage of participants electing coverage upon retirement was updated for post-65 employees from 85% to 80%

Supplementary Information

MIDDLE GEORGIA STATE UNIVERSITY
BALANCE SHEET (NON-GAAP BASIS)
BUDGET FUNDS
JUNE 30, 2025
(UNAUDITED)

ASSETS

Cash and Cash Equivalents	\$ 15,310,218.54
Investments	1,313,477.92
Accounts Receivable	
Federal Financial Assistance	371,019.02
Other	3,656,676.79
Prepaid Expenditures	112,833.14
Other Assets	143,400.00
Total Assets	\$ 20,907,625.41

LIABILITIES AND FUND EQUITY

Liabilities	
Cash Overdraft	
Contracts Payable	
Accrued Payroll	\$ 288,165.44
Encumbrance Payable	10,820,483.17
Accounts Payable	1,974,526.19
Deferred Revenue	2,551,790.71
Funds Held for Others	111,553.06
Total Liabilities	\$ 15,746,518.57
Fund Balances	
Reserved	
Property Reserves	
Department Sales and Services	\$ 1,195,425.99
Indirect Cost Recoveries	325,264.34
Technology Fees	373,460.54
Restricted/Sponsored Funds	1,023,261.01
Uncollectible Accounts Receivable	1,244,190.38
Tuition Carry - Forward	996,184.04
Unreserved	
Surplus	\$ 3,320.54
Total Fund Balances	\$ 5,161,106.84
Total Liabilities and Fund Balances	\$ 20,907,625.41

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 comprehensive basis of accounting other than generally accepted accounting principles.

MIDDLE GEORGIA STATE UNIVERSITY
STATEMENT OF FUNDS AVAILABLE AND EXPENDITURES COMPARED TO BUDGET
BY PROGRAM AND FUNDING SOURCE
BUDGET FUND
FOR THE FISCAL YEAR ENDED JUNE 30. 2025

	Original Appropriation	Final Budget	Funds Available Compared to Budget	
			Current Year Revenues	Prior Year Reserve Carry-Over
Public Service/Special Funding Initiatives				
State Appropriation				
State General Funds	\$ 5,030,109.00	\$ 5,030,109.00	\$ 5,030,109.00	\$ —
Total Public Service/Special Funding Initiatives	\$ 5,030,109.00	\$ 5,030,109.00	\$ 5,030,109.00	\$ —
Teaching				
State Appropriation				
State General Funds	\$ 54,739,878.00	\$ 56,399,878.00	\$ 56,399,878.00	\$ —
Federal Funds				
Federal Funds Not Specifically Identified	16,917,536.00	24,437,564.00	22,929,510.60	—
Other Funds	43,634,681.00	49,492,852.00	48,510,542.26	3,433,241.08
Total Teaching	\$ 115,292,095.00	\$ 130,330,294.00	\$ 127,839,930.86	\$ 3,433,241.08
Total Operating Activity	\$ 120,322,204.00	\$ 135,360,403.00	\$ 132,870,039.86	\$ 3,433,241.08

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.

MIDDLE GEORGIA STATE UNIVERSITY
STATEMENT OF FUNDS AVAILABLE AND EXPENDITURES COMPARED TO BUDGET
BY PROGRAM AND FUNDING SOURCE
BUDGET FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Funds Available Compared to Budget			Expenditures Compared to Budget		Excess of Funds
	Program Transfers	Total	Variance	Current Year	Variance	Available
	or Adjustments	Funds Available	Positive (Negative)	Actual	Positive (Negative)	Over/(Under) Expenditures
Public Service/Special Funding Initiatives						
State Appropriation						
State General Funds		\$ 5,030,109.00	\$ —	\$ 5,030,109.00	\$ —	\$ —
Total Public Service/Special Funding Initiatives	\$ —	\$ 5,030,109.00	\$ —	\$ 5,030,109.00	\$ —	\$ —
Teaching						
State Appropriation						
State General Funds		\$ 56,399,878.00	\$ —	\$ 56,398,970.32	\$ 907.68	\$ 907.68
Federal Funds						
Federal Funds Not Specifically Identified		22,929,510.60	(1,508,053.40)	22,877,176.82	1,560,387.18	52,333.78
Other Funds		51,943,783.34	2,450,931.34	47,624,185.66	1,868,666.34	4,319,597.68
Total Teaching	\$ —	\$ 131,273,171.94	\$ 942,877.94	\$ 126,900,332.80	\$ 3,429,961.20	\$ 4,372,839.14
Total Operating Activity	\$ —	\$ 136,303,280.94	\$ 942,877.94	\$ 131,930,441.80	\$ 3,429,961.20	\$ 4,372,839.14

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.

**MIDDLE GEORGIA STATE UNIVERSITY
STATEMENT OF CHANGES TO FUND BALANCE
BY PROGRAM AND FUNDING SOURCE
BUDGET FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	Beginning Fund Balance/(Deficit) July 1	Fund Balance Carried Over from Prior Year as Funds Available	Return of June 30, 2024 Surplus	Prior Year Adjustments	Other Adjustments
Public Service/Special Funding Initiatives					
State Appropriation					
State General Funds	\$ 1,120.36	\$ —	\$ (1,120.36)	16.15	
Total Public Service/Special Funding Initiatives	<u>\$ 1,120.36</u>	<u>\$ —</u>	<u>\$ (1,120.36)</u>	<u>\$ 16.15</u>	<u>\$ —</u>
Teaching					
State Appropriation					
State General Funds	\$ 4,705.12	\$ —	\$ (4,705.12)	1,885.04	
Other Funds	3,435,776.57	(3,433,241.08)	(2,535.49)	(109,281.46)	(348,542.41)
Total Teaching	<u>\$ 3,440,481.69</u>	<u>\$ (3,433,241.08)</u>	<u>\$ (7,240.61)</u>	<u>\$ (107,396.42)</u>	<u>\$ (348,542.41)</u>
Total Operating Activity	\$ 3,441,602.05	\$ (3,433,241.08)	\$ (8,360.97)	\$ (107,380.27)	\$ (348,542.41)
Prior Year Reserve					
Not Available for Expenditure					
Uncollectible Accounts Receivable	\$ 895,647.97	\$ —	\$ —	\$ —	\$ 348,542.41
Budget Unit Totals	<u><u>\$ 4,337,250.02</u></u>	<u><u>\$ (3,433,241.08)</u></u>	<u><u>\$ (8,360.97)</u></u>	<u><u>\$ (107,380.27)</u></u>	<u><u>\$ —</u></u>

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

**MIDDLE GEORGIA STATE UNIVERSITY
STATEMENT OF CHANGES TO FUND BALANCE
BY PROGRAM AND FUNDING SOURCE
BUDGET FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	Early Return of June 30, 2025	Excess (Deficiency) of Funds Available Over/(Under) Expenditures	Ending Fund Balance/(Deficit) June 30	Analysis of Ending Fund Balance		
				Reserved	Surplus/(Deficit)	Total
	Surplus					
Public Service/Special Funding Initiatives						
State Appropriation						
State General Funds	\$ —	\$ —	\$ 16.15		\$ 16.15	\$ 16.15
Total Public Service/Special Funding Initiatives	\$ —	\$ —	\$ 16.15	\$ —	\$ 16.15	\$ 16.15
Teaching						
State Appropriation						
State General Funds	\$ —	\$ 907.68	\$ 2,792.72		\$ 2,792.72	\$ 2,792.72
Federal Funds						
Federal Funds Not Specifically Identified	—	52,333.78	52,333.78	52,333.78		52,333.78
Other Funds	—	4,319,597.68	3,861,773.81	3861262.14	511.67	3,861,773.81
Total Teaching	\$ —	\$ 4,372,839.14	\$ 3,916,900.31	\$ 3,913,595.92	\$ 3,304.39	\$ 3,916,900.31
Total Operating Activity	\$ —	\$ 4,372,839.14	\$ 3,916,916.46	\$ 3,913,595.92	\$ 3,320.54	\$ 3,916,916.46
Prior Year Reserve						
Not Available for Expenditure						
Uncollectible Accounts Receivable	\$ —	\$ —	\$ 1,244,190.38	1244190.38	\$ —	\$ 1,244,190.38
Budget Unit Totals	\$ —	\$ 4,372,839.14	\$ 5,161,106.84	\$ 5,157,786.30	\$ 3,320.54	\$ 5,161,106.84

Summary of Ending Fund Balance

Reserved

Department Sales and Services	\$ 1,195,425.99	\$ 1,195,425.99
Indirect Cost Recoveries	325,264.34	325,264.34
Technology Fees	373,460.54	373,460.54
Restricted/Sponsored Funds	1,023,261.01	1,023,261.01
Uncollectible Accounts Receivable	1,244,190.38	1,244,190.38
Tuition Carry - Forward	996,184.04	996,184.04
Unreserved, Undesignated		—
Surplus	—	3,320.54

Total Ending Fund Balance - June 30 **\$ 5,157,786.30** **\$ 3,320.54** **\$ 5,161,106.84**

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.

MIDDLE GEORGIA STATE UNIVERSITY

100 University Parkway
Macon, Ga 31206

www.mga.edu