University System of Georgia Financial Statements

Annual Financial Report
- GAAP - GASB
- State audit

Budget to Actuals
- Georgia Budgetary Reporting
- Appropriations Act
- State audit
Summary of FY 2010 Budget to Actuals

Revenues in Millions

- Original Budget: $5,488
- Final Budget: $6,188
- Actual Revenue: $5,765

Excludes Auxiliary Enterprises of $678M and Student Activities of $101M, neither of which is included in the Appropriations Act.
FY 2010 Budget to Actuals - Revenues in Millions

Cash holdback: $27M in state, offset by $23M in stimulus

<table>
<thead>
<tr>
<th></th>
<th>Original</th>
<th>Final</th>
<th>Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other general</td>
<td>$259</td>
<td>$356</td>
<td>$330</td>
</tr>
<tr>
<td>Departmental Sales</td>
<td>$171</td>
<td>$210</td>
<td>$148</td>
</tr>
<tr>
<td>Capital</td>
<td>$152</td>
<td>$298</td>
<td>$196</td>
</tr>
<tr>
<td>Other funds - line items</td>
<td>$254</td>
<td>$360</td>
<td>$327</td>
</tr>
<tr>
<td>Total all others</td>
<td>$836</td>
<td>$1,224</td>
<td>$1,000</td>
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</table>
FY 2010 Expenditures

Total Expenditures: $5.744B

- Salaries and Fringes: 56.9%
  - Percent of general funds: ~70%
- Operating: 34.0%
- Capital: 4.8%
- Equipment: 1.6%
- Utilities: 1.8%
- Travel: 0.9%

Total Expenditures: $5.744B
FY 2010 Budget to Actuals
Summary

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Revenues</td>
<td>$5,765M</td>
</tr>
<tr>
<td>FY 2010 Beg Balance</td>
<td>$215M</td>
</tr>
<tr>
<td>Total Available funds</td>
<td>$5,980M</td>
</tr>
<tr>
<td>Total Expenditures</td>
<td>$5,744M</td>
</tr>
<tr>
<td>Net Adjustments</td>
<td>$38M</td>
</tr>
<tr>
<td>Ending Fund Balance</td>
<td>$274M</td>
</tr>
</tbody>
</table>
FY 2010 Budget to Actuals Summary

FY 2010 Ending Fund Balance: $274M

Reserved for Restricted Use:

- Restricted reserves: $142.9M
- Tuition carry-forward: $21.8M
- Indirect cost recovery: $56.5M
- DS&S & Technology Fee: $49.4M
- Estimated Surplus: $3.0M

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Reserved for Restricted Use: $142.9M

Tuition carry-forward: $21.8M

Indirect cost recovery: $56.5M

DS&S & Technology Fee: $49.4M

Restricted reserves: $127.7M

$274M
Health Insurance

Summary of Financial Activity for FY 2010
Board of Regents
Health Insurance Plans (Self-Insured)

<table>
<thead>
<tr>
<th>Year</th>
<th>Premiums</th>
<th>Claims</th>
<th>Excess Claims over premiums</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2007</td>
<td>$257</td>
<td>$266</td>
<td>-$8.3M</td>
</tr>
<tr>
<td>FY 2008</td>
<td>$283</td>
<td>$292</td>
<td>-$8.7M</td>
</tr>
<tr>
<td>FY 2009</td>
<td>$284</td>
<td>$295</td>
<td>-$10.6M</td>
</tr>
<tr>
<td>FY 2010</td>
<td>$276</td>
<td>$261</td>
<td>-$16.2M</td>
</tr>
</tbody>
</table>
FY 2010 Health Insurance

Total Premiums: $260.1M

Total Claims and expenses: ($276.3M)

Claims over Premiums: ($16.2M)

FY 2010 Coverage:
- Medicare Part D Subsidy: $5.7M
- Prescription Rebates: $9.3M
- Interest earnings: $0.3K
- Total: $15.3M

Plus restatement of prior years unrealized gains as realized gains of $1.7M

Plan for FY 2011 and beyond:
- Premium increase of 9.7%; self funding of BCBS HMO and HDHP
Board of Regents of the University System of Georgia

System Office

Summary of Financial Activity for FY 2010
System Office Original Budget

Excludes: Information Technology Services, $35.7M in state and SFI; and pass through budgets: SREB, Georgia Military College, GPTV, and Georgia Public Libraries
FY 2010 Budget Summary

Original budget State funds (includes A, B, & SFI) $15.0M

Less Reductions and transfer ($1.5M)

Adjusted Original Budget $13.5M

Plus one-time increases to pay for System-Level initiatives
- ICAPP/NCR: $2.3M;
- Educator Preparation: $1.3M;
- System contracts of $1.5M for Sciquess (7 instit.), Talent Quest, EPA audits (several inst.), Advisory Board, i-Strategy (31 instit.), database consolidation, Presidential Assessments (3 instit);
- Executive leadership program: $.3M;
- Other Adjustments and transfers from ITS, etc., $.8M

Total: $6.2M

Final Budget - State Funds $19.7M
Adjusted Original State Funds: Allocation by Division- $13.5M

- **Academic Affairs, $3.6M**: Includes 29 staff in Academic Affairs, Research & Policy Analysis, Student Affairs, Educator Prep, Leadership Institute.
- **Admin & Fiscal Affairs, $5.2M**: Includes 48 staff in Facilities, Fiscal Affairs, HR, COO.
- **Chancellor's Office, $0.9M**
- **Internal Audit, $0.9M**: Includes 11 positions in Internal Audit.
- **Legal Affairs, $0.7M**: Includes 7 positions in Legal Affairs.
- **External Affairs, Media & Publications, $0.8M**: Includes 8 positions in External Affairs, Media & Publications.
- **System Office Operating, $1.5M**: Includes 29 staff in Academic Affairs, Research & Policy Analysis, Student Affairs, Educator Prep, Leadership Institute.

System office operating includes Rent & Telecom, Maintenance contract, fringes for retirees and workers comp.

Plus ITS, $65M (all funds) with 208 staff.

Includes:
- 4 positions in Chancellor’s Office
- 11 positions in Internal Audit
- 7 positions in Legal Affairs
- 8 positions in External Affairs, Media & Publications

Includes 48 staff in Facilities, Fiscal Affairs, HR, COO.
FY 2010 Financials – System Office

- Adjusted Base funds: $13.5M
- Plus one-time expenditures: $6.2M
- Equals = Total state funds: $19.7M

- Total expenditures: $18.1M
- Carry-forward approved by OPB: $1.5M
- FY 2010 Surplus: $2K (for current year only)
Board of Regents of the University System of Georgia

Summary of Financial Activity for FY 2010
Budget to Actuals