



Committed to Your Success

Fiscal Year 2016 Annual Financial Report
Workshop
April 27 & 28

Welcome



FY 2016 Reporting Plan

Audits Engagements		
Institution	BCR Due Date	AFR Due Date
Augusta University	8/2/2016	8/9/2016
Georgia Institute of Technology	8/2/2016	8/9/2016
Georgia State University	8/2/2016	8/9/2016
University of Georgia	8/2/2016	8/9/2016
Georgia Southern University	8/2/2016	8/9/2016
Kennesaw State University	8/2/2016	8/9/2016
University System Office	9/15/2016	9/15/2016

FY 2016 Reporting Plan

Full Disclosure Management Report Engagements		
Institution	BCR Due Date	AFR Due Date
Albany State University	8/1/2016	8/1/2016
Atlanta Metropolitan State College	8/2/2016	8/9/2016
Armstrong State University	8/2/2016	8/9/2016
Bainbridge State College	8/2/2016	8/9/2016
Clayton State University	8/2/2016	8/9/2016
Darton State College	8/1/2016	8/1/2016
East Georgia State College	8/1/2016	8/1/2016
Fort Valley State University	8/2/2016	8/9/2016
Georgia Highlands College	8/2/2016	8/9/2016
Georgia Southwestern State University	8/23/2016	8/30/2016
Gordon State College	8/2/2016	8/9/2016
Savannah State University	8/2/2016	8/9/2016
South Georgia State College	8/2/2016	8/9/2016
Valdosta State University	8/2/2016	8/9/2016

FY 2016 Reporting Plan

Agreed Upon Procedures Engagements		
Institution	BCR Due Date	AFR Due Date
Abraham Baldwin Agricultural College	8/2/2016	8/9/2016
College of Coastal Georgia	8/2/2016	8/9/2016
Columbus State University	8/2/2016	8/9/2016
Dalton State College	8/2/2016	8/9/2016
Georgia College & State University	8/2/2016	8/9/2016
Georgia Gwinnett College	8/2/2016	8/9/2016
Middle Georgia State College	8/2/2016	8/9/2016
University of North Georgia	8/2/2016	8/9/2016
University of West Georgia	8/2/2016	8/9/2016

FY 2016 Reporting Plan

Important Dates:

Component Unit Meeting – May 16

AFR Preparation Workshop (Macon) – June 13

BCR Preparation Workshop (Macon) – June 14

Fiscal Year End – June 30

Close Accounting Records – July 15

Financial Statement Preparation Drive-In (Macon) – June 28

Budgetary Compliance Reports (Due Date) – August 2

Annual Financial Report (Due Date) – August 9

USO Review of all AFRs/BCRs (Completed) – August 31

Final Submissions to Financial Data Warehouse (FDM) – August 31

Audited Component Unit F/S to Institutions – September 6

Audited Component Unit GASB Statements to USO – September 20

Surplus Deadline – October 1

Consolidated BCR Submitted to SAO (No changes) – October 14

Mid-Year Financial Workshop – December 6 and 7

FY 2016 Reporting Plan

Changes to Annual Financial Report (AFR)

Template:

- DOAA/SAO template review prior to distribution
- AFR Template distributed – June 20
- AFR Preparation Guide
- Prior Year Information will not be populated
- Changes to AFR excel file
- Finalized/Cleaned Up AFR – Only by request

Annual Financial Report (AFR):

- Management's Discussion and Analysis – Audits Only
- No Reconciliation of Budget to GAAP
- Updated Mapping Documents/nVision
- Updated Review Check Sheet with references to template check points
- Note Disclosures – Reporting Entity; Cash and Investments; Capital Assets; Lease Obligations; etc.

Contact Information

Claire Arnold

Email: Claire.Arnold@usg.edu

Office Phone: 404-962-3068

Cell Phone: 404-290-6448

Personnel Cell Phone: 404-771-2652

Home Phone: 678-840-5505

Ben Riden

Email: ben.riden@usg.edu

Office Phone: 404-962-3205

Cell Phone: 404-520-1570

Brad Freeman

Email: brad.freeman@usg.edu

Office Phone: 404-962-3223

Cell Phone: 404-259-7366

Theresa Jackson

Email: Theresa.Jackson@usg.edu

Office Phone: 404-962-3207

Bruce Jackson

Email: bruce.Jackson@usg.edu

Office Phone: 404-962-3204

Financial Information Submission

MOVE It

FiscalAffairs/AccountingAndReporting/EntityName

Folders: AFR, Budget, Affiliated Org, SOD, SOD, Data Submissions

AFR Folder: Annual Financial Report (AFR): Word and Excel Files

BCR Folder: Budgetary Compliance Report (BCR): Excel File

Affiliated Org: Affiliated Organization: Excel Files

New for Fiscal Year 2016:

FiscalAffairs/AccountingAndReporting/common/supplemental Info

USO Provided Files can be downloaded: Calendar of Due Dates, Regents Investment Pool information, GSFIC Information, blank AFR template; all emails sent over AFR ListServ; etc.

Financial Information Submission

- Movelt - enhanced detailed Upload/Download Instructions – June
- Folder Structure
- Version Control – Naming convention
- Sharing files with SAO and DOAA
- Auditor Access to submitted files will be available on established due dates
- Auditors will accept post closing adjustments following submission based on management review
- Locked Out – Submit ticket to helpdesk@usg.edu
- Initial Access – Send email to Brad Freeman – brad.freeman@usg.edu

Other Items

- USO Financial Statement Review Process
- Updated Review Check Sheet for management
- Periodic communication with DOAA during FY 2016 external engagement cycle
- USO assistance with external auditors – *KEEP US INFORMED*
- Budget Basis Financial Statements – Submitting to SAO on October 14 – No changes after this date unless material - Contact USO
- Changes to AFR – Notify USO
- USO attendance at exit conferences
- Corrective Action Plan assistance
- Periodic Meetings
- Updates to the Business Procedures Manual
- Frequently Asked Questions Information

Other Items

Year End Priority:

Consider/Address Fiscal Year 2015 Deficiencies Identified

Errors in Financial Statement Reporting

Budgetary Compliance Report Errors

Inadequate Internal Controls over Capital Assets

Inadequate Separation of Duties

Unallowable Use of P-Cards

Auxiliary Fund Deficits

PPV not Self-Liquidating

Omission of Liabilities

Subsidiary Reconciliations not Performed Adequately/Timely

Uncollateralized Deposits

Ineffective Logical Access - Banner

TIGA Reporting

No modifications to TIGA Submission for Fiscal Year 2016

Salary and Travel

Payments and Obligations

E-Verify

DOAA will require the submission of P-Card detailed information for TIGA for Fiscal Year 2017

Separate Submission from Payments and Obligations

Report will include: vendor, date, amount, and vendor description

Other Reports/Reporting

Status of Prior Year Findings – Submission to SAO/DOAA

Corrective Action Plans – Submitted to DOAA

SEFA – Submission to SAO - Mid August

Student Activity Information included in AFR Excel Document

Auxiliary Services Information included in AFR Excel Document

Additional Budgetary Reporting for OPB

TFund 10000 State Appropriations expenditure and encumbrances through period 12

USO will extract FY 2016 Budget data for GeorgiaFirst entities

USO will request information from the R1 Institutions

SACS Core Requirement Report Mapping – <http://www.sacscoc.org/dbarrett.asp> and utilize the link for Public UNAEP GASB 68



GASB Updates

GASB 72

Fair Value Measurement and Application

Effective for periods beginning after June 15, 2015 – Fiscal Year 2016

Provides guidance for determining a fair value measurement for financial reporting

Definition:

Fair value – “the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date”.

GASB 72

- Requires all investments to be measured at fair value (with limited exceptions)
- Requires donated capital assets, works of art, historical treasures and similar assets, and assets received in a service concession arrangements to be measured at “acquisition value”
- Acquisition value - the price that would be paid to acquire an asset at the acquisition date
- Measurement of donated capital assets at acquisition value to be performed prospectively to transactions occurring after implementation
- Assets held primarily for purpose of income and have a present service capacity based solely on the ability to generate cash are considered investments.
- Prior periods should be restated at implementation unless restatement is not practical

GASB 76

Hierarchy of Generally Accepted Accounting Principles for State and Local Governments (Effective: Fiscal Year 2016)

Sets forth what constitutes GAAP for all state and local government and establishes the order of priority of pronouncements and other sources of accounting and financial reporting guidance.

GASB 76

Hierarchy of Generally Accepted Accounting Principles for State and Local Governments

The sources of authoritative GAAP are categorized in descending order of authority as follows:

- Officially established accounting principles - Governmental Accounting Standards Board (GASB) Statements (Category A)
- GASB Technical Bulletins; GASB Implementation Guides; and literature of the AICPA cleared by the GASB (Category B).

GASB 76

Hierarchy of Generally Accepted Accounting Principles for State and Local Governments

If the accounting treatment for a transaction or other event is not specified within Category A or B authoritative GAAP, the USG considers accounting principles for similar transactions or other events within Category A or B authoritative GAAP. In addition, the USG may also consider nonauthoritative accounting literature from other sources that does not conflict with or contradict authoritative GAAP.

GASB 76

Hierarchy of Generally Accepted Accounting Principles for State and Local Governments

Sources of non-authoritative accounting literature:

GASB Concepts Statements

FASB pronouncements and other literature

Federal Accounting Standards Advisory Board

International Public Sector Accounting Standards Board

International Accounting Standards Board

AICPA literature not cleared by the GASB

Practices that are widely recognized and prevalent in state and local government

Literature of other professional associations or regulatory agencies

Accounting text- books, handbooks, and articles

NACUBO Financial Accounting and Reporting Manual (FARM)

Statewide Accounting Policies and Procedures Manual (SAO)



Statement of Net Position Activity

Capital Assets

For Fiscal Year 2016 based on requests from SAO, we will be eliminating the capital lease capital asset category in the Summary of Changes in Capital Assets Note Disclosure.

To accomplish request:



Currently account 166000 is the account that is used for all capital lease activity. Under the new Standardized COA, 166000 will be replaced by 162100 (Lease Building and Building Improvements), 163100 (Leased Facilities and Other Improvements), 165100 (Lease Equipment) and 167100 (Leased Infrastructure). Accumulated depreciation account 166900 will be replaced by 162190, 163190, 165190, and 167190.

Changes in Capital Asset Summary for FY 2015 Note Disclosure

	Beginning Balances July 1, 2014	Additions	Reductions	Ending Balance June 30, 2015
Capital Assets, Not Being Depreciated:				
Land	\$ 9,749,030			\$ 9,749,030
Capitalized Collections	-			-
Construction Work-in-Progress	1,461,815	3,086,790	147,927	4,400,678
Total Capital Assets Not Being Depreciated	11,210,845	3,086,790	147,927	14,149,708
Capital Assets, Being Depreciated/Amortized:				
Infrastructure	2,952,154	-	-	2,952,154
Building and Building Improvements	66,104,245	28,939,668	-	95,043,913
Facilities and Other Improvements	-	-	-	-
Equipment	4,870,884	1,738,488	32,030	6,577,342
Capital Leases	184,938,875	-	-	184,938,875
Software	-	-	-	-
Total Capital Assets Being Depreciated/Amortized	264,845,209	31,195,381	37,297	296,003,293
Less: Accumulated Depreciation/Amortization				
Infrastructure	-	157,032		157,032
Buildings	9,090,934	1,804,680		10,895,614
Facilities and Other Improvements	-	-		-
Equipment	3,638,237	719,323	29,136	4,328,424
Capital Leases	24,587,391	4,518,227		29,105,618
Library Collections	2,802,675	573,999	5,267	3,371,407
Software	-	-	-	-
Total Accumulated Depreciation/Amortization	40,119,237	7,773,261	34,403	47,858,095
Total Capital Assets, Being Depreciated/Amortized, Net	224,725,972	23,422,120	2,894	248,145,198
Capital Assets, net	\$ 235,936,817	\$ 26,508,910	\$ 150,821	\$ 262,294,906

Changes in Capital Asset Summary for FY 2016 Note Disclosure

Footnote 6 - Capital Assets Disclosure	(Restated) Balance July 1, 2015	Additions	Reductions	Balance June 30, 2016	
Capital Assets, not being depreciated					
Land	9,749,030.00	-	-	9,749,030.00	161xxx
Capitalized Collections	-	-	-	-	1681xx
Construction Work-In-Progress	4,400,678.66	-	-	4,400,678.66	1690xx
Software Development-In-Progress	-	-	-	-	1699xx
Total Capital Assets Not Being Depreciated	14,149,708.66	-	-	14,149,708.66	
Capital Assets, Being Depreciated:					
Infrastructure	2,952,153.57	-	-	2,952,153.57	167xxx(except 167900 and 167190)
Building and Building Improvements	95,043,913.81	184,938,874.36	-	279,982,788.17	162xxx(except 162900 and 162190)
Facilities and Other Improvements	-	-	-	-	163xxx(except 163900 and 163190)
Equipment	6,577,342.75	684,877.34	91,121.00	7,171,099.09	165xxx(except 165900 and 165190)
Capital Leases	184,938,874.36	62,380,552.26	247,319,426.62	-	166xxx(except 1669xx)
Library Collections	6,491,008.77	6,666.00	-	6,497,674.77	164xxx(except 1649xx)
Capitalized Collections	-	-	-	-	168xxx(except 1689xx, 1682xx, 1681xx)
Water, Timber, Mineral Rights, and Easements	-	-	-	-	16822x
Patents, Trademarks, and Copyrights	-	-	-	-	16823x
Software	-	-	-	-	16821x
Total Capital Assets, Being Depreciated	296,003,293.26	248,010,969.96	247,410,547.62	296,603,715.60	

  Addition and Deletion Activity related to transfer of capital lease capital assets must be removed manually for the note.

Changes in Capital Asset Summary for FY 2016 Note Disclosure

Less: Accumulated depreciation

Infrastructure	157,032.43	102,500.10	-	259,532.53	167900 and 167190
Buildings and Building Improvements	10,895,614.54	38,424,160.58	-	49,319,775.12	162900 and 162190
Facilities and Other Improvements	-	-	-	-	163900 and 163190
Equipment	4,328,423.94	617,347.61	-	4,945,771.55	165900 and 165190
Capital Leases	29,105,617.83	14,016,468.14	43,122,085.97	-	1669xx
Library Collections	3,371,406.99	-	-	3,371,406.99	1649xx
Capitalized Collections	-	-	-	-	1689xx(except 16891x, 16892x, 16893x)
Water, Timber, Mineral Rights, and Easements	-	-	-	-	16892x
Patents, Trademarks, and Copyrights	-	-	-	-	16893x
Software	-	-	-	-	16891x
Total Accumulated Depreciation	47,858,095.73	53,160,476.43	43,122,085.97	57,896,486.19	
Total Capital Assets, Being Depreciated, Net	248,145,197.53	194,850,493.53	204,288,461.65	238,707,229.41	
Capital Assets, net	262,294,906.19	194,850,493.53	204,288,461.65	252,856,938.07	

■ CY depreciation to the capital assets categories where capital leases were transferred will have to be adjusted for the transfer manually.

Changes in Capital Asset Summary for FY 2016 Note Disclosure

AFR Excel Template will contain two tables. Table 1 to facilitate tracking of capital lease activity recategorization. Table 2 – Summary of Changes in Capital Assets for Note Disclosure. Table 2 will be linked.

	Beginning Balances July 1, 2015	Capital Leases Recategorization	Special Item Transfer	Additions	Reductions	Ending Balance June 30, 2016
Capital Assets, Not Being Depreciated:						
Land	\$ -					\$ -
Capitalized Collections	-					-
Construction Work-in-Progress	-					-
Software Development-in-Progress	-					-
Total Capital Assets Not Being Depreciated	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Assets, Being Depreciated/Amortized:						
Infrastructure	-					-
Building and Building Improvements	-					-
Facilities and Other Improvements	-					-
Equipment	-					-
Capital Leases	-					-
Library Collections	-					-
Capitalized Collections	-					-
Water, Timber, Mineral Rights, and Easements	-					-
Patents, Trademarks, and Copyrights	-					-
Software	-					-
Total Capital Assets Being Depreciated/Amortized	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Note: This recategorization is not a restatement. Additional text related to this will be included in note disclosure.

Capital Assets – Library Collections

Library Collections – Books/Reference Materials/Subscriptions

Electronic Access Charges

Fees paid for right to access databases/publications/subscriptions that are permanently accessible regardless of paying future fees should be capitalized. (8432xx Account Range)

Fees paid on annual basis for right to access databases or publications that are accessible for greater than one year (Example: 3 year contract) should be capitalized over the life of the agreements. (8432xxx Account Range)

Fees paid on annual basis for right to access databases or publications that are accessible for one year with multiple year renewal options are considered expenses. (714xxx or 727xxx Account Range)

Computer Software

Internally Generated Software - \$1,000,000 Capitalization Policy

- Generally application development costs are capitalized.
- Commercially available software that is obtained and then modified to meet institution's needs is to be considered internally generated and capitalized. Minimal modifications do not require capitalization.

Purchased Software - \$1,000,000 Capitalization Policy

- Capital Asset

Software License Agreements -

- Fees Paid for right to access software that are permanently accessible regardless of paying future fees should be capitalized. (8432xx Account Range)
- Fees paid on annual basis for right to access software that are accessible for greater than one year (Example: 3 year contract) should be capitalized over the life of the agreements. (8432xxx Account Range)
- Fees paid on annual basis for right to access software that are accessible for one year with multiple year renewal options are considered expenses. (714xxx or 727xxx Account Range)

Reassessing Capital Assets

Capital Assets should be reassessed nearing end of depreciable life

- Should fully depreciated assets or assets having only salvage value remaining be revalued?
- Is it appropriate to carry fully depreciated assets on books that are still in use?
- GAAP does not allow arbitrarily changing of the original asset value, however remaining useful lives should be reassessed on a periodic basis.
- GASB Comprehensive Implementation Guide, question 7.13.5, states that “because depreciation is a method of allocating an asset’s cost over its useful life, a periodic review of the useful life is necessary for depreciation to reflect that allocation”.
 - In other words, an institution should examine assets to determine if depreciation is matching remaining service utility or if an assets life should be extended if it is planned that the asset will remain in service beyond the original life expectancy.
- Per paragraph 69 of GASB 62 this is a change in accounting estimate and is done prospectively.

Reassessing Capital Assets

Example

\$5,000,000 classroom building has 40 year life and has been in service for 30 years. Institution plans to keep the building in service for an additional 10 years, thus remaining useful life is 20 years. Depreciation is straight line. Depreciation expense for 30 years was \$112,500 per year totaling \$3,375,000. Salvage value calculated at 10% or \$500,000.

The accounting would be as follows:

Asset value	5,000,000
Less salvage value	500,000
Less Accumulated Dep	<u>3,375,000</u>
Revised depreciable value	1,125,000

Revised Depreciation expense $1,125,000/20 = 56,250$ per year for revised life of asset

Since this is done prospectively per GASB 62 as a Change in Accounting Estimate, Accumulated Depreciation is not affected and the asset is not restated.

Reassessing Capital Assets

Buildings and Building Improvements, Facilities and Other Improvements and Infrastructure should be reevaluated when an asset has 20% of useful life remaining.

Since this is done prospectively, USG institutions should not go back and review currently fully depreciated buildings. Additions to these fully depreciated buildings should be done as capital improvements are made.

Missing Equipment

Sample Entry # YE-45

Date Entered

Journal #

Entry not necessary for Institutions using PS Version 9.2 functionality

Ledger	Account		Fund	Dept ID	Program	Class	Budget Ref	Project/Grant	Amount Debit	Amount Credit
GAAP	Realized Gain/Loss on Retirement of Capital Asset	4933xx	xxxxx	xxxxxxx	xxxxx	xxxxx	2016		244,000.00	
	Accumulated Depr - Equipment	165900	xxxxx	xxxxxxx	xxxxx	xxxxx	2016		180,000.00	
	Equipment	165xxx	xxxxx	xxxxxxx	xxxxx	xxxxx	2016			424,000.00
GAAP	Investment in Plant	311100	xxxxx	xxxxxxx	xxxxx	xxxxx	2016		244,000.00	
	Unallocated Net Asset - Current Year	342100	xxxxx	xxxxxxx	xxxxx	xxxxx	2016			244,000.00
									<u>668,000.00</u>	<u>668,000.00</u>
										0.00

Description/Objective:

Removal of missing equipment as evidenced by the annual physical equipment inventory. Equipment must be missing for 2 years before it may be removed from Asset Management (per DOAS policy). This journal prevents an overstatement of Equipment capital assets, since without it Equipment capital assets will exceed the total of the equipment per the physical inventory count. This journal should be used to correct any material variance between the equipment asset balance per the general ledger and per the physical inventory count.

Asset and Liability Valuation for PPV Projects

The Capital Asset and the related lease purchase obligation (liability) are recorded at the lesser of:

- 1) Fair market value of the asset at the inception of the lease, or
- 2) Present Value of the minimum lease payments, which is essentially the cost of the asset.

Method of determining fair market value changed significantly in revised version of BPM. Since 2013, institutions no longer be using “Total Uses of Funds” from the Official Financing Statement to determine fair market value and present value, as stated in existing BPM version. This methodology generally gave us much larger asset and debt balances than was being reported by the lessor/foundations on these PPV projects.

Asset and Liability Valuation for PPV Projects

General rule:

- Present value or cost basis. The values we have instructed schools and foundations to use is the actual construction costs paid from the Project Cost fund plus capitalized interest accrued during the construction period. When the certificate of occupancy is given, there may be some residual funds still to be spent from the Project cost fund. In order to capture these in the final cost figures, assuming these residual amounts are to be spent as final expenses on the project, the foundations have been instructed to reflect this amount as expended and record a payable, thus allowing the total costs of the project to be captured.
- The Foundations have been instructed to use present value tables or software to prepare an amortization schedule based on an **effective interest rate**. This is a calculated rate. Since they know the cost of the asset as discussed above and they know the total base rent payments from the lease agreement, they are to solve for the effective interest rate using the present value tables or software. Once the effective interest rate is determined, the total base rental payments can be broken down between principal and interest portions. Renewals and replacement payments are not part of this calculation. They are reflected as yearly expenses to the school.
- The foundation should provide this amortization schedule to the schools. The Foundation's lease receivable and the school's lease payable should be the same amounts, therefore, each entity should use the same amortization schedule because the receivable and the payable should be amortized concurrently over the same period of time.

Asset and Liability Valuation for PPV Projects

- For projects still accounted for under older methodology, the institutions need to correct existing asset and liability balances via restatement by June 30th.
- Institutions should ensure that the lease liability balances on those projects are in sync with the Foundation's lease receivable balance. This will likely result in a need to restate your capital asset balance as well, since it is quite likely that the assets balances were also overstated on the institution's books.
- The USO will be contacting each institution where the asset and liability balances are out of sync with the foundation to discuss the process.

Restricted Cash, Short Term Investments and Investments

Year End Entries: YE#34 and #34a

To reclassify externally restricted cash, short term Investments and investments to non-current cash, noncurrent short term investments and investments (externally restricted) on the Statement of Net Position. Examples: Endowments, Restricted Grants and Contracts, Cash Gifts, Auxiliary, etc.

Ledger	Account	Fund	Dept ID	Program	Class	Budget Ref	Project/Grant	Amount Debit	Amount Credit
GAAP	Non-current Cash								
	1581xx	xxxxxxx				2016		150,000.00	
GAAP	Cash								
	111xxx	xxxxxxx				2016			150,000.00
								150,000.00	150,000.00

Ledger	Account	Fund	Dept ID	Program	Class	Budget Ref	Project/Grant	Amount Debit	Amount Credit
GAAP	Non-current S-T Investments								
	1582xx	xxxxxxx				2016		250,000.00	
GAAP	S-T Investments								
	1198xx	xxxxxxx				2016			250,000.00
								250,000.00	250,000.00

Restricted Cash, Short Term Investments and Investments

ASSETS		
Current Assets		
Cash and Cash Equivalents	\$	19,104,684
Accounts Receivable, net		
Receivables - Federal Financial Assistance		765,385
Receivables - Other		3,833,500
Due From Affiliated Organizations		27,347
Prepaid Items		335,322
Total Current Assets		<u>24,066,238</u>
Non-Current Assets		
Noncurrent Cash	\$	155,586
Investments (Externally Restricted)		2,821,104
Due from USO - Capital Liability Reserve Fund		220,862
Investments		270,525
Capital Assets, net		108,303,935
Total Non-Current Assets		<u>111,772,012</u>
TOTAL ASSETS		<u><u>135,838,250</u></u>

NET POSITION		
Net Investment in Capital Assets	\$	65,673,442
Restricted for		
Nonexpendable		2,936,644
Expendable		346,904
Deficit		(8,724,375)
TOTAL NET POSITION	\$	<u><u>60,232,615</u></u>

Statement of Net Position

All balance sheet activity must have supporting documentation.

Supporting documentation:

Account

Name

Amount

Only exception is accounts receivable activity through Banner. The TGRRGON provides the detailed information by student to support the general ledger.

Statement of Net Position - A/R Information

Data Submission to USO:

TGRRGON

- Quarterly (Starting with June 30, 2016)
 - June 30 – Due August 1
 - Sept 30 – Due October 31
 - December 31 – Due January 31
 - March 31 – Due May 1
- Institutions will be asked to submit through MoveIT:
 - TGRRGON
 - PS Trial Balance
 - Excel template used to reconcile

Aged Accounts Receivable Listing

- Institutions will continue to submit through DataWarehouse - December/June
- Institutions will be asked to submit reconciliation between DWH submission and general ledger through MoveIt

Contracts and Retainages Payable

Year End Entries 29, 29a and 29b:

Objective:

YE 29 – To record the liability for the 10% retainage amount withheld from the payment voucher which should represent 10% of the project to date expense that are subject to retainage (211950)

YE 29a - To record contacts payable for campus managed projects were contract amounts have been earned and billed by the contractor or architect at June 30 (211900)

YE-29b – To match the revenue to the retainage payable if reimbursable project.

Contracts and Retainages Payable

Date Entered		Journal #							
Account	Fund	Dept ID	Program	Class	Budget Ref	Project/Grant	Amount Debit	Amount Credit	
Construction Work in Progress 1690xx	xxxxx				2016		833,333.33		
Contracts/Retainage Payable 2119xx	xxxxx				2016			833,333.33	
Investment in Plant 311100	xxxxx				2016			833,333.33	
Unallocated Net Asset - Current Year 342100	xxxxx				2016		833,333.33		
							1,666,666.66	1,666,666.66	0.00
Description/Objective: This entry is to book the liability in the GAAP Ledger for the 10% retainage amount withheld from the payment voucher. The retainage amount should represent 10% of project-to-date expenses that are subject to retainage. An adjustment to Invested in Plant and Unrestricted Net Assets is also required. Investment in Plant must be increased by the amount of Capital Asset increase. This entry should be reversed in the next fiscal year.									

Agency Funds

Type of Entry Manual
Category of Entry Year-End/Closing
Sample Entry # YE-33a

xxxxx = Required Chart Field

Date Entered _____ Journal # _____

Ledger	Account	Fund	Dept ID	Program	Class	Budget Ref	Project/Grant	Amount Debit	Amount Credit
GAAP	Receivables - Other								
	1271xx	60000	xxxxxx			2016		100,000.00	
GAAP	Funds Held for Others								
	241100	60000	xxxxxx			2016			40,000.00
	241100	60000	xxxxxx			2016			20,000.00
	241100	60000	xxxxxx			2016			10,000.00
	241100	60000	xxxxxx			2016			15,000.00
	241100	60000	xxxxxx			2016			15,000.00
								<u>100,000.00</u>	<u>100,000.00</u>
									0.00

Description/Objective:

To establish a receivable account for any Agency Account (that is a true receivable) that has a negative balance at year end. This is only an example. Each department ID must have a separate amount.

Summer Tuition and Fees

Type of Entry: Manual
Category of Entry: Year-End Entry
Sample Entry # YE-52

Enter all chart fields marked with xxxxxx

Date EnteredJournal #

Ledger	Account	Fund	Dept ID	Program	Class	Budget Year	Project/Grant	Amount Debit	Amount Credit
ACTUALS	Student Tuition & Fees	xxxxxx	xxxxx			2016		155,000.00	
ACTUALS	Advances (Including Tuition and Fees)	xxxxxx	xxxxx			2016			155,000.00
								155,000.00	155,000.00

Description/Objective:
The purpose of this entry is to accurately reflect results of operations to account for summer school revenues and expenses based on approved allocation methodology. Note: This should be in the fiscal year for which tuition applies.

This entry is for institutions that do not process summer split through Banner. Note: If an institution calculated based on dates via JE, the institution must provide the advances listing by student from banner for the entire summer term to auditors with the split percentage calculation.

YE-8 & 8a Renewals and Replacement Reserve

Objective:

To book current year net assets allocated for Renewals and Replacement. The increase to renewals and replacements should agree with the current year depreciation associated with those buildings/facilities.

Note: PPV projects do not require additional RR Reserves. The RR Reserve for PPVs are included in the annual rental payments to the Foundation are being held in a restricted account by the Trustee.

Fund Codes	Residence Halls 12210	Stores & Shops 12230	Food Services 12220	Parking/ Transportation 12250	Health Services 12240	Intercollegiate Athletics 12280	Other 12260; 12270	Total	
Beginning R & R	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Add: Current Year Depreciation	-	-	-	-	-	-	-	-	
Less: Current Year Depreciation PPV, GHEFA	-	-	-	-	-	-	-	-	Journal Entry # YE-8
Less: Current Year Expenditures (1)	-	-	-	-	-	-	-	-	Journal Entry #YE- 8a
Add/(Less): Adj. to Reserve for Deferred Gift Revenue from Auxiliary Vendors (if applicable)	-	-	-	-	-	-	-	-	
Add: Inventory Reserve from prior years	-	-	-	-	-	-	-	-	Journal Entry #YE- 32 or YE-32a
Calculated Value of Current Year R & R (2)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	

YE-8 & 8a Renewals and Replacement Reserve

Calculate individually for each non-PPV Auxiliary Project

Beginning R&R Reserve

Add: Current Year Depreciation

Less: Current Year Expenditures from R&R

Value of Current Year R&R Reserve

Fund Codes	Residence Halls		Stores & Shops	Food Services	Parking/Transportation	Health Services	Intercollegiate Athletics	Other	Total
	12210		12230	12220	12250	12240	12280	12260; 12270	
	Riden Hall	Arnold Hall							
Beginning R & R	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Add: Current Year Depreciation	-	-	-	-	-	-	-	-	-
Less: Current Year Expenditures (1)	-	-	-	-	-	-	-	-	-
Calculated Value of Current Year R & R (2)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Renewals and Replacement Reserve

- Renewals and Replacements (R&R) Reserve
 - Should be maintained for University owned property funded by Auxiliary.
 - Does anyone have any University property funded by Student Activities or any other internal funding source?
 - If you have older existing R&R reserve balances for University owned buildings that have been demolished, you may reduce your R&R reserve by that amount.

YE-32 and 32a Vendor Gift Revenue

PEACHTREE STATE UNIVERSITY JOURNAL ENTRY FORM										
Type of Entry - Manual										
Category of Entry - Closing/Year-End										
Sample Closing/Year-End J.E. # YE-32										
xxxxx = Required Chart Field										
Year 1 of multi-year agreement										
Date Entered Journal #										
Ledger	Account	Fund	Dept ID	Program	Class	Budget Ref	Project/Grant	Amount Debit	Amount Credit	
GAAP	Private Gifts Capitalized									
	4858xx	12220	xxxx	xxxx	xxxx	2016		1,600,000.00		
	Advances (Including Tuition and Fees) - Other Current									
	2170xx	12220	xxxx	xxxx	xxxx	2016			400,000.00	
	Advances (Including Tuition and Fees) - Other Noncurrent									
	2913xx	12220	xxxx	xxxx	xxxx	2016			1,200,000.00	
	Investment in Plant									
	311100	12220				2016		1,600,000.00		
	Unallocated Net Asset - Current Year									
3211xx	12220				2016			1,600,000.00		
Unallocated Net Assets-Current Year (Unrestricted)										
3211xx	12220	xxxx	xxxx	xxxx	2016		1,600,000.00			
Reserve for Deferred Gift Revenue Auxiliary Vendor										
329200	12220	xxxx	xxxx	xxxx	2016				1,600,000.00	
								4,800,000.00	4,800,000.00	

Net Investment in Capital Assets

Capital Assets, net

Less: Lease Purchase Obligations (current portion)

Less: Lease Purchase Obligations (noncurrent portion)

Less: Notes and Loans Payable (current portion)

Less: Notes and Loans Payable (noncurrent portion)

Less: Contract/Retainage Payable (Capital Asset Related)

Less: Deferred Loss on Debt Refunding

Less: Contracts Payable (Capital)

Less: Retainage Payable (Capital)

Add: Deferred Gain on Debt Refunding

Equal: Net Investment in Capital Assets

Deferred- Gain From Debt Refunding (298100) should be included in the calculation of Net Invested in Capital Assets (NICA). GASB Q&A specifically addresses this issue and it **should** be included in the calculation.

Net Investment in Capital Assets

Capital Assets, Net

Less: Lease Purchase Obligations (current and noncurrent portions)

Less: Notes and Loans Payable (current and noncurrent portions) – (Capital Asset Related)

Less: Contracts Payable (Capital Asset related)

Less: Retainage Payable (Capital Asset related)

Less: Deferred Loss on Debt Refunding

Less: Deferred Inflow Service Concession Arrangements (Capital Asset related)

Less: Accounts Payable (Capital Asset related)

Less: Advances (Capital Asset related)

Add: Deferred Gain on Debt Refunding

Equal: Net Investment in Capital Assets

Deferred- Gain From Debt Refunding (298100) should be included in the calculation of Net Invested in Capital Assets (NICA). GASB Q&A specifically addresses this issue and it **should** be included in the calculation.

Standardized Chart of Accounts

SHARE Accounts – July 1, 2015:

- For those institutions, that utilized ITS scripting to move beginning balances to the new SHARE accounts, these amount will reflect as if they were moved in Period 0.
- Institutions that did not utilize ITS scripting will have to make adjustments for journal entries to move beginning balances for SHARE for Cash Flow Statement purposes. (Coastal, Bainbridge, Ga Highlands, ABAC, Dalton, and Savannah)

Standardized Chart of Accounts – January 1, 2016:

Several institutions still have balances in some accounts that were inactivated 1/1/2016. These balances must be moved to the appropriate account or your PS nVision reports will not balance.

Chart of Account Requests – Effective date 1/1/1901

Standardized Chart of Accounts

122997	<i>Loans Issued During CY for Cash Flow (Contra Acct)</i>
122998	<i>Loans Issued During CY for Cash Flow</i>
124997	<i>Nonoperating Federal AR for Cash Flow (Contra Acct)</i>
124998	<i>Nonoperating Federal AR for Cash Flow</i>
125700	<i>Georgia State Financing and Investment Commission</i>
132200	<i>Prepaid Salaries</i>
133200	<i>Prefunded Capital Assets</i>
211499	<i>Interest Payable - Capital Leases (GAAP Only)</i>
217800	<i>Advances-Research - Nonoperating</i>
217900	<i>Advances-Research - Operating</i>
218101	<i>Due to USO - Capital Liability Reserve Fund, Noncurrent</i>
219001	<i>Pollution Remediation, Current</i>
219002	<i>Pollution Remediation, Noncurrent</i>
219003	<i>Claims and Judgements, Current</i>
219004	<i>Claims and Judgements, Noncurrent</i>
219005	<i>Other Liabilities, Noncurrent</i>
298301	<i>Deferred Inflows of Resources - Service Concession Arrangement - Capital Asset Related</i>
298401	<i>Deferred Inflows of Resources - Grants Recd in Adv of Time Req - Nonoperating</i>
329200	<i>Reserves for Deferred Gift Revenue from Auxiliary Vendor (Unrestricted)</i>
495109	<i>For Cash Flow - Purchase of investments</i>
495110	<i>For Cash Flow - Purchase of investments Contra Account</i>
497001	<i>Special Item - Capital Asset Increase/Decrease</i>
497002	<i>Special Item - Capital Financing Increase/Decrease</i>
497003	<i>Special Item - Noncapital Financing Increase/Decrease</i>
727198	<i>Operating Expenses Related to Noncash Gifts</i>
818299	<i>Amortized Deferred Inflow for Debt Refunding</i>

SAO – State Policies and Procedures

Background:

O.C.G.A. 50-5B-3 (2010)

50-5B-3. Duties of the state accounting officer; recommendations for improving cash management practices; implementing policies

(a) The state accounting officer shall:

(1) Prescribe state-wide accounting policies, procedures, and practices;

O.C.G.A. 50-5B-4 (2010)

50-5B-4. Obligations of state government organizations with respect to the state accounting officer

(a) As used in this chapter, the term "organization of state government" shall mean, without limitation, any agency, authority, department, institution, board, bureau, commission, committee, office, or instrumentality of the State of Georgia. Such term shall not include any entity of local government, including, but not limited to, a county, municipality, consolidated government, board of education, or local authority, or an instrumentality of any such entity.

SAO – State Policies and Procedures

Payment Method Policy:

The State's policy is to pay for goods and services in the most efficient, effective, and least costly manner possible while providing adequate controls over the processing of vendor invoices and payments.

Vendor Payments

The policy of the State is to make payments to vendors electronically and to avoid the associated costs of issuing a paper check when practical. In addition, payments for goods and services greater than \$5,000 should be made via ACH and purchases for less than \$5,000 may be made on a merchant services card device, such as a P-card or e-Payables. Payments to vendors by check or wire transfer should be done on an exception basis only.

SAO – State Policies and Procedures

Payment Method Policy:

Vendor Payments:

SAO has configured Bank of America, Sun Trust, Wells Fargo, and Columbus Bank & Trust bank accounts, within TeamWorks, to accept ACH payments. SAO continues to configure additional bank accounts in TeamWorks to accept ACH payments. If your agency's bank has not yet been configured, your agency will not be considered to be in violation of this policy.

For USG Institutions:

Actively move towards ACH payments

New Vendors utilize ACH

Identify Significant Vendors for ACH Payments

SAO – State Policies and Procedures

Payment Method Policy:

Employee Reimbursements

If employees receive their regular salary payments via direct deposit, their reimbursement payments shall also be made via ACH. If employees currently receive their regular salary payments by an alternative method such as check or paycard, their reimbursement payments may continue to be made via the same method.

Agencies should encourage employees receiving paper checks for payroll to receive expense reimbursement payments via ACH.

For USG Institutions: Most have already accomplished ACH for employee reimbursement.

SAO – State Policies and Procedures

Payment Method Policy:

Wire Transfers

As a general policy, wire transfers should be used only as a payment means of last resort since this option results in the highest cost and risk. Protocols for payment processing utilizing online bank proprietary systems:

- Bank proprietary system features should allow agencies to assign authorization rights to execute wires to individual agency users. A system administrator should be selected to set up users and grant their rights. It is recommended that more than one individual be required to approve user rights (e.g. initiate payments, approve payments, approve templates, etc.). The system administrator should NOT be granted wire transfer rights.
- An administrator may be used to approve payment templates.
- Dual Approval is preferred – one person within the agency initiates a wire transfer and another person approves the payment before it is released by the bank.

SAO – State Policies and Procedures

Payment Method Policy:

Wire Transfers

Preauthorization:

1. Preauthorize wire limits - daily aggregate wire limits by agency and individual users within the agency.
2. Preauthorize transaction limits - define per wire transaction limits by template and by individual users.
3. International wires should be prohibited by an agency unless the agency head determines such wires are absolutely necessary.

Additional information for agencies NOT on TeamWorks (USG Institutions):

Agencies Controls should implement processes and controls similar to those identified above to ensure that payments are made only for goods and services received, only after receiving proper approval, and only to vendors and vendor locations which have been previously verified.

USG and Affiliates Determination

Entity Determination Analysis for the USG and its affiliates:

- University System of Georgia is part of the Primary Government – State of Georgia

Note: USG is not a Special Purpose Government

- Significance evaluation for all 67 affiliated organizations to determine significance to the State of Georgia – Potential Component Units (PCU)
- Component Unit Determination/Presentation Determination for 20 PCUs determined to be significant to the State of Georgia
- Major fund determination

Component Units for FY 2016

Discretely Presented (Draft):

Georgia College & State University Foundation, Inc. and Subsidiaries

Georgia Gwinnett College Foundation Inc. and Subsidiaries

Georgia Tech Athletic Association

Georgia Tech Facilities, Inc.

Georgia Tech Foundation, Inc.

Georgia Tech Research Corporation

Kennesaw State University Foundation, Inc.

MCG Health System, Inc.

Medical College of Georgia Foundation, Inc.

Middle Georgia State College Real Estate Foundation, Inc. and Subsidiaries

The Medical College of Georgia Physicians Practice Group Foundation

University of Georgia Athletic Association, Inc.

University of Georgia Foundation

University of Georgia Research Foundation, Inc.

University of North Georgia Real Estate Foundation, Inc. and Subsidiaries

University System of Georgia Foundation, Inc. and Affiliates

Component Units for FY 2016

Blended (Draft):

Georgia Southern University Housing Foundation, Inc. and Subsidiaries

University of West Georgia Real Estate Foundation, Inc.

VSU Auxiliary Services Real Estate Foundation, Inc.

Affiliated Organizations

Memorandum of Agreement – Required for all affiliates

The relationship that a USG institution has with its affiliated organization or organizations must be defined by a memorandum of agreement that describes each party's roles and responsibilities. Minimally, the memorandum of agreement must address the affiliated organization's authority and responsibilities with regard to the following:

- Solicitation of gifts, donations and grants
- Liability
- Adequate capitalization for activities
- Evidence of satisfactory insurance coverage
- Use of institutional facilities, programs and services subject to established policies and procedures
- Expense reimbursement
- Use of the institution's name, symbols and trademarks
- Disposition of the affiliate organization assets upon dissolution
- Compliance with internal revenue code and state law
- Use of generally-accepted accounting principles
- Submission of an independent annual audit report and financial statements
- Elimination of conflicts of interest concerning institutional employees and in the relationship with the institution
- Disclosure of funds and other items of value received by the affiliated organization and assurance that funds intended for institutional accounts are properly deposited

Affiliated Organizations

- Updated Memorandum of Agreements on file at USO – Requests will be sent in May for expired MOAs
- Ensure that terminology throughout AFR is consistent with foundations being an affiliate of USG institution
- Foundation audited financial statements should reflect being an affiliated organization to the USG institution – Component Unit references should be removed

BPM Section 4 – Travel Updates

The ***Statewide Travel Policy*** as provided by the State Accounting Office is located at <https://sao.georgia.gov/state-travel-policy>.

The purpose of this Policy is to provide guidelines to state agencies for payment of travel expenses in an efficient, cost effective manner, and to enable state travelers to successfully execute their travel requirements at the lowest reasonable costs, resulting in the best value for the State. Teleconferencing instead of travel should be considered when possible. Each agency is charged with the responsibility for determining the necessity, available resources and justification for the need and the method of travel.

BPM Section 4 – Travel Updates

The ***Statewide Travel Policy*** applies to all State Agencies, including Units of the University System of Georgia (USG), therefore, USG institutions shall be guided by general travel regulations set forth in this section when employees are required to travel away from headquarters in the performance of their official duties. Therefore, all USG employees, especially those responsible for authorizing, approving and paying travel costs should establish a good working knowledge of the travel regulations in the ***Statewide Travel Policy***.

The Sections below will provide additional narrative and guidance on various areas of the ***Statewide Travel Policy*** in order to provide more clarity, especially if USG applies a more stringent interpretation of travel requirements.

BPM Section 4 – Travel Updates

4.2 Authorization For Travel

Written pre-trip authorization is no longer required except when lodging is required within a 50 mile radius.

4.5 Travel By Institution Owned, Rental or Personal Vehicles

Employees are encouraged to utilize institution-owned vehicles, if available, for travel within the state of Georgia, and, when appropriate, for travel outside the state. However, if institution-owned vehicles are not available, employees may choose between using a rental vehicle or personal vehicle.

The State has entered into mandatory statewide contracts with specified car rental vendors.

BPM Section 4 – Travel Updates

4.5 Travel By Institution Owned, Rental or Personal Vehicles

Reimbursement for business use of a personally-owned vehicle is calculated per mile, from point of departure after deduction for normal commuting mileage, based on the current reimbursement rate.

The employee and supervisor must determine if mileage reimbursement should be made using Tier 1 or Tier 2 rates

By law, the State mileage reimbursement rates follow the published General Services Administration (GSA) rates and are as follows:

- Tier 1 Rate: When a fleet (government owned) vehicle is not available, the employee will be reimbursed for business miles traveled based on the applicable GSA Tier 1 rates.
- Tier 2 Rate: If a fleet (government owned) vehicle is available, BUT a personal motor vehicle is used, **OR** if it is determined that a rental vehicle (Hertz Rent-a-Car contract) is the recommended method of travel, but a personal motor vehicle is used the employee will be reimbursed for business miles based on the applicable GSA Tier 2 Rate.

BPM Section 4 – Travel Updates

Other Items:

- State policy requires that travelers submit expenses substantiating the amount, date, use and business purpose of expenses, ideally within 10 days, but **no later than 45 calendar days** after completion of the trip or event.
- Expenses submitted in excess of 60 calendar days may not be reimbursed.
- Expenses submitted more than 60 calendar days after completion of the trip or event, if reimbursed, should be included in the traveler's IRS Form W-2 as taxable income.

Agreed Upon Procedures Reports

We understand that numerous entities request your institution's AUP along with AFR.

(Examples: SACSCOC, Moody's, Dun & Bradstreet, Bank of America, S&P, NCAA, Bright from the Start, Corvias, etc.)

For entities that did not receive an AUP engagement from DOAA in fiscal year 2015:

- Responding to banks, creditors, etc. that need financial data, we recommend identifying that your institution was audited as part of the University System of Georgia and provide them a copy of the USG audited financial statements – http://www.usg.edu/fiscal_affairs/documents/BOR_AR_2015.pdf
- For grantors, we recommend identifying that your institution was included in the Statewide Single Audit of Georgia and provide them a copy of the Statewide Single Audit, State of Georgia CAFR, USG Audited Financial Statements and unaudited Institution AFR. <https://sao.georgia.gov/comprehensive-annual-financial-reports>
https://sao.georgia.gov/sites/sao.georgia.gov/files/related_files/site_page/FY2015%20SAR_unsecure.pdf

The Green Book

Internal control helps an entity run its operations efficiently and effectively, report reliable information about its operations, and comply with applicable laws and regulations. Standards for Internal Control in the Federal Government, known as the “Green Book,” sets the standards for an effective internal control system for federal agencies.

The Green Book

The new edition of the Green Book retains the five components of internal control

- Control Environment
- Risk Assessment
- Control Activities;
- Information and Communication
- Monitoring

The new edition presents 17 new principles that enumerate managements responsibilities in implementing and overseeing an effective internal control system.

SAO Risk Assessment Project

SAO's Risk Assessment/Internal Control Documentation Timeline

Projected Timeline for Internal Control Guidance/Framework

2016										
Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
Control Environment										
		Risk Assessment								
				Control Activities						
						Information and Communication				
								Monitoring		

SAO Risk Assessment Project

- USO will be updating the current risk assessment document template utilized by institutions.
- Updated template will be available in July
- Institutions should make sure that their current risk assessment document is completely up to date.
- Complete updated template in the fall prior to the deadlines established by SAO.

Auxiliary Enterprise Activity

- Ensure accuracy of AFR Auxiliary financial statements
- Properly reflect activity on the general ledger
- If one auxiliary activity is financing the operations of another either move cash or establish a due to/due from based on management's intent
- Formalize a deficit reduction plan for auxiliary enterprise operations in a deficit situation
- Develop an financial operation plan for PPV projects that are not self supporting
- PPV nVision Report Study Group



Pensions

Pensions

How you will get the information needed?

TRS and ERS are providing a data packet

USO will have pre-developed Retirement Note Disclosures

Data packets are being sent to USO and then provided to Institutions

Timeline for Receiving Information (Early June 2016)

What to do with the information?

Year End GAAP Entries

Extensive Note Disclosure

Required Supplementary Information

- Schedule of Proportionate Share of the Net Pension Liability

- Schedule of Contributions

- Notes to Required Supplementary Information

Recording Current Year Activity for GASB 68/71 Reporting

All Entries should be made in the GAAP Ledger

170200 Deferred outflows of resources – Defined Benefit Pension Plan (proportionate share of collective deferred outflows of resources)		0		
552900 Pension expense	(c)	xxx,xxx		
298200 Deferred inflows of resources – Defined Benefit Pension Plan (proportionate share of collective deferred inflows of resources)			(d)	xxx,xxx
170200 Deferred outflows of resources - Defined Benefit Pension Plan (paragraph 54 and 55)	(e)	xxx,xxx		
291500 Net Pension Liability (Proportionate share of collective net pension liability)	(f)	xxx,xxx		
170200 Deferred outflows of resources – Defined Benefit Pension Plan (institution contributions 7/1/2014 – 6/30/2015)			(a)	xxx,xxx
To record current year activity		xxx,xxx		xxx,xxx

The amount reported by the institution as contributions last year maybe different from the amount provided by TRS/ERS in pension packet. Difference must be taken to pension expense.

Recording Deferred Outflows subsequent to Measurement Date for GASB 68/71 Reporting

All Entries should be made in the GAAP Ledger

170200 Deferred outflows of resources –Defined Benefit Pension Plan (Institution’s contributions 7/1/2015 – 6/30/2016)	(g)	xxx,xxx		
552900 Pension expense			(g)	xxx,xxx
To record deferred outflows of resources for contributions subsequent to measurement date				

Pension Note Disclosure

	TRS		ERS	
	Deferred Outflow of Resources	Deferred Inflows of Resources	Deferred Outflow of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ -	\$ -	\$ -
Changes of assumptions	0	0	0	0
Net difference between projected and actual earnings on pension plan investments	0	7,699,410	0	37,806
Changes in proportion and differences between College contributions and proportionate share of contributions	1,496,474	0	13,975	0
College contributions subsequent to the measurement date	2,861,395		20,642	
Total	<u>\$ 4,357,869</u>	<u>\$ 7,699,410</u>	<u>\$ 34,617</u>	<u>\$ 37,806</u>

These amounts must agree with the face of the financial statements (SNP).

Required Supplementary Information

PEACHTREE STATE UNIVERSITY
Required Supplementary Information
Schedule of Proportionate Share of the Net Pension Liability
For the Last 10 Fiscal Years

	Year Ended	Proportion of the Net Pension Liability	Proportionate Share of the Net Pension Liability	Covered Employee 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 of Georgia	6/30/2016	0.00%	\$ -	\$ -	0.00%	0.00%
	6/30/2015	0.00%	\$ -	\$ -	0.00%	0.00%
	6/30/2014	0.00%	\$ -	\$ -	0.00%	0.00%
	6/30/2013	0.00%	\$ -	\$ -	0.00%	0.00%
	6/30/2012	0.00%	\$ -	\$ -	0.00%	0.00%
	6/30/2011	0.00%	\$ -	\$ -	0.00%	0.00%
	6/30/2010	0.00%	\$ -	\$ -	0.00%	0.00%
	6/30/2009	0.00%	\$ -	\$ -	0.00%	0.00%
	6/30/2008	0.00%	\$ -	\$ -	0.00%	0.00%
	6/30/2007	0.00%	\$ -	\$ -	0.00%	0.00%

10 Year information for Required Supplementary Information will be provided by USO for those Institutions that did not receive a FDMR or Audit in FY 2015. Information will be located on MoveIT.

Contact Information:
Claire Arnold
Associate Vice Chancellor, Office of Fiscal Affairs Accounting and Reporting
Claire.Arnold@usg.edu
404-962-3068