



**UNIVERSITY SYSTEM OF GEORGIA**

# **Fiscal Year 2019 Financial Update**



# UNIVERSITY SYSTEM OF GEORGIA

## Information Item #1: Financial Engagement Results For Fiscal Year Ended June 30, 2019

# Engagements

## Georgia Department of Audits (DOAA)

### Audits

- Augusta University
- Georgia Institute of Technology
- Georgia State University
- Kennesaw State University
- University of Georgia
- University System of Georgia

### Full Disclosure Management Reports

- Albany State University(\*)
- Fort Valley State University(\*)

### Global Financial Testing

- East Georgia State College (\*)
- Clayton State University (\*)
- Georgia College and State University(\*)
- Georgia Gwinnett College (\*)
- Georgia Southwestern State University (\*)
- University of West Georgia (\*)

## Mauldin & Jenkins

### Review

- Atlanta Metropolitan State College(\*)
- Savannah State University(\*)

### Agreed Upon Procedures Engagements

- Columbus State University
- Georgia Highlands College

### USG Internal Audits

- Abraham Baldwin Agricultural College
- Coastal College of Georgia
- Dalton State College
- Gordon State College
- Middle Georgia State University
- South Georgia College
- University of North Georgia
- Valdosta State University

(\*) Student Financial Aid Compliance Testing Conducted

# Results – DOAA Financial Engagements

## **No Audit Findings Noted –**

Augusta State University  
Georgia Institute of Technology  
Georgia State University  
Kennesaw State University  
University of Georgia  
USG Consolidated Annual Financial Report

## **No FDMR Findings Noted –**

Albany State University  
Fort Valley State University



# FINANCIAL STATEMENT FINDINGS

Material Weakness      Significant Deficiency

FY 2019

FY 2018

FY 2017

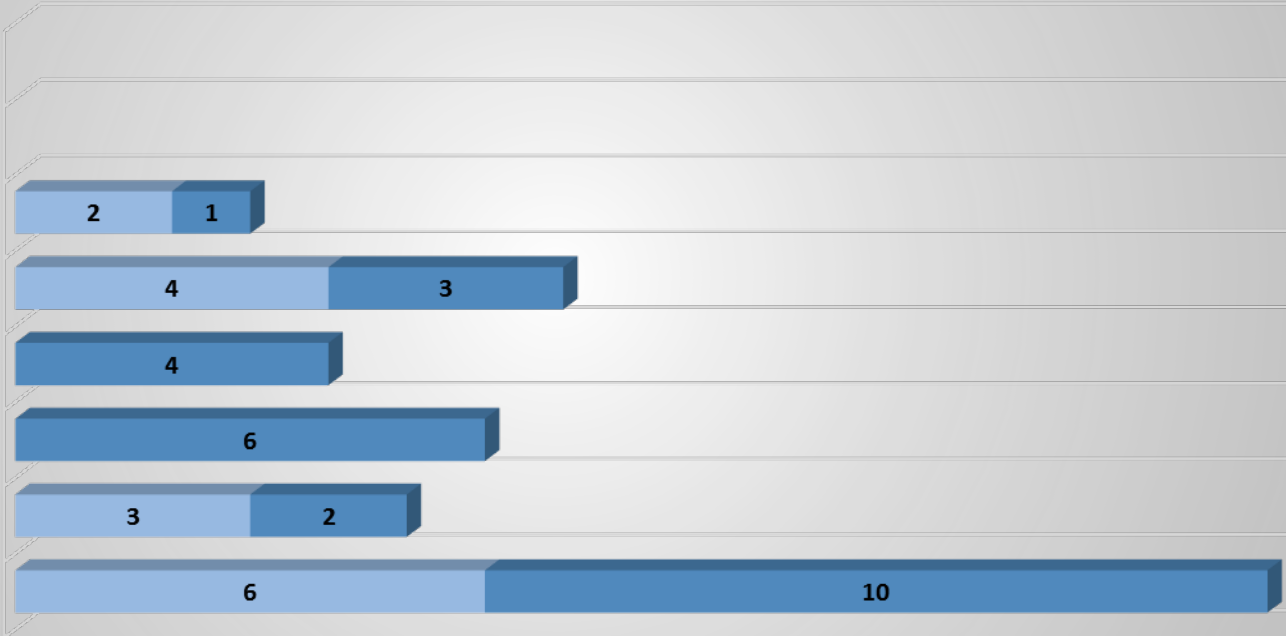
FY 2016

FY 2015

FY 2014

FY 2013

FY 2012



# Results – DOAA Student Financial Assistance Compliance Engagements

## **Fort Valley State University**

Failure to Meet Student Verification Requirements

## **University of West Georgia**

Student Eligibility

Undocumented Cost of Attendance

Return of Title IV Funds

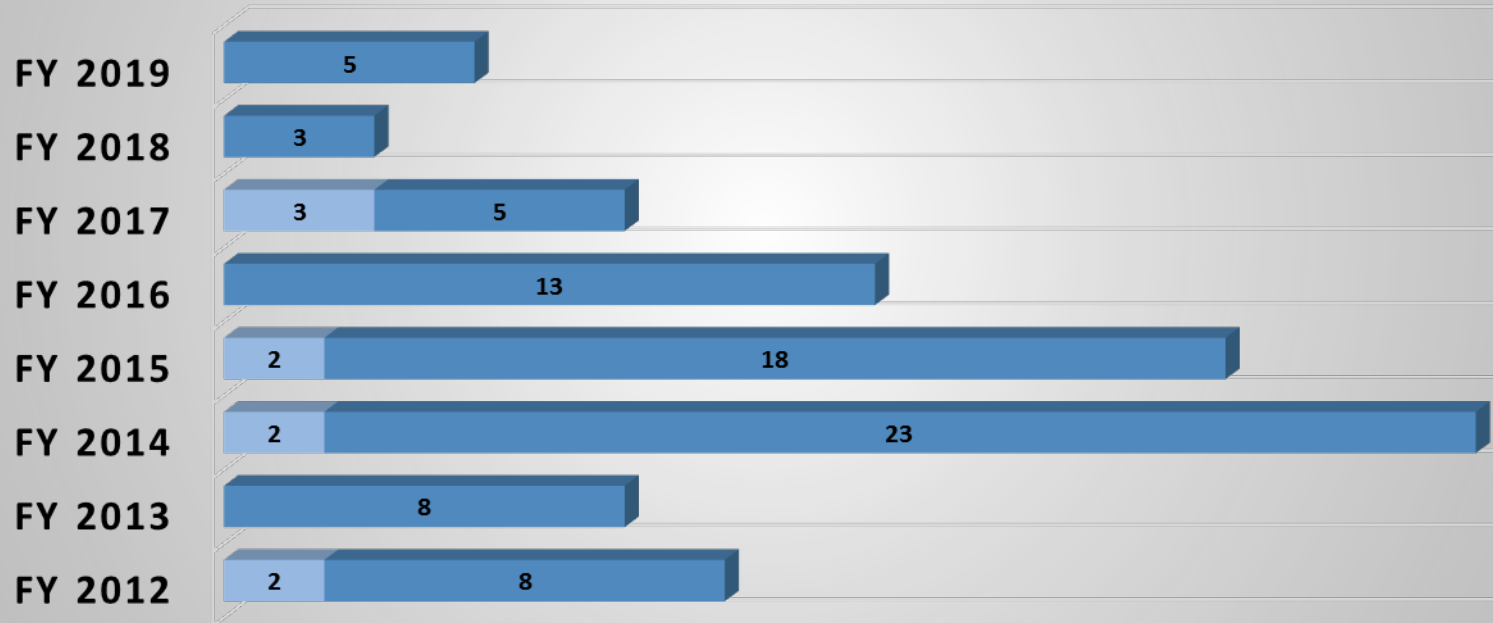
## **Georgia Southwestern University**

Cost of Attendance



# FEDERAL FINANCIAL AID FINDINGS

Material Weakness      Significant Deficiency



# Results – External Financial Engagements

## Review:

- Atlanta Metropolitan State College
- Savannah State University

## Agreed Upon Procedures Engagements

- Columbus State University – 5 Exceptions noted
- Georgia Highlands College – 7 Exceptions noted



# Results – External Federal Engagements

## Agreed Upon Procedures Engagements – Student Financial Assistance Program

- Atlanta Metropolitan State College – 6 Exceptions noted
- Savannah State University – 2 Exceptions noted

# Results – Internal Audits Engagements

- Abraham Baldwin Agricultural College – 1 Exception
- Coastal College of Georgia – 1 Exceptions
- Dalton State College – No Exceptions
- Gordon State College – 2 Exception
- Middle Georgia State University – No exceptions
- South Georgia College – 1 Exception
- University of North Georgia – No Exception
- Valdosta State University – No Exception



# UNIVERSITY SYSTEM OF GEORGIA

## Information Item #2: University System of Georgia Consolidated Annual Financial Report For Fiscal Year Ended June 30, 2019



# Financial Highlights

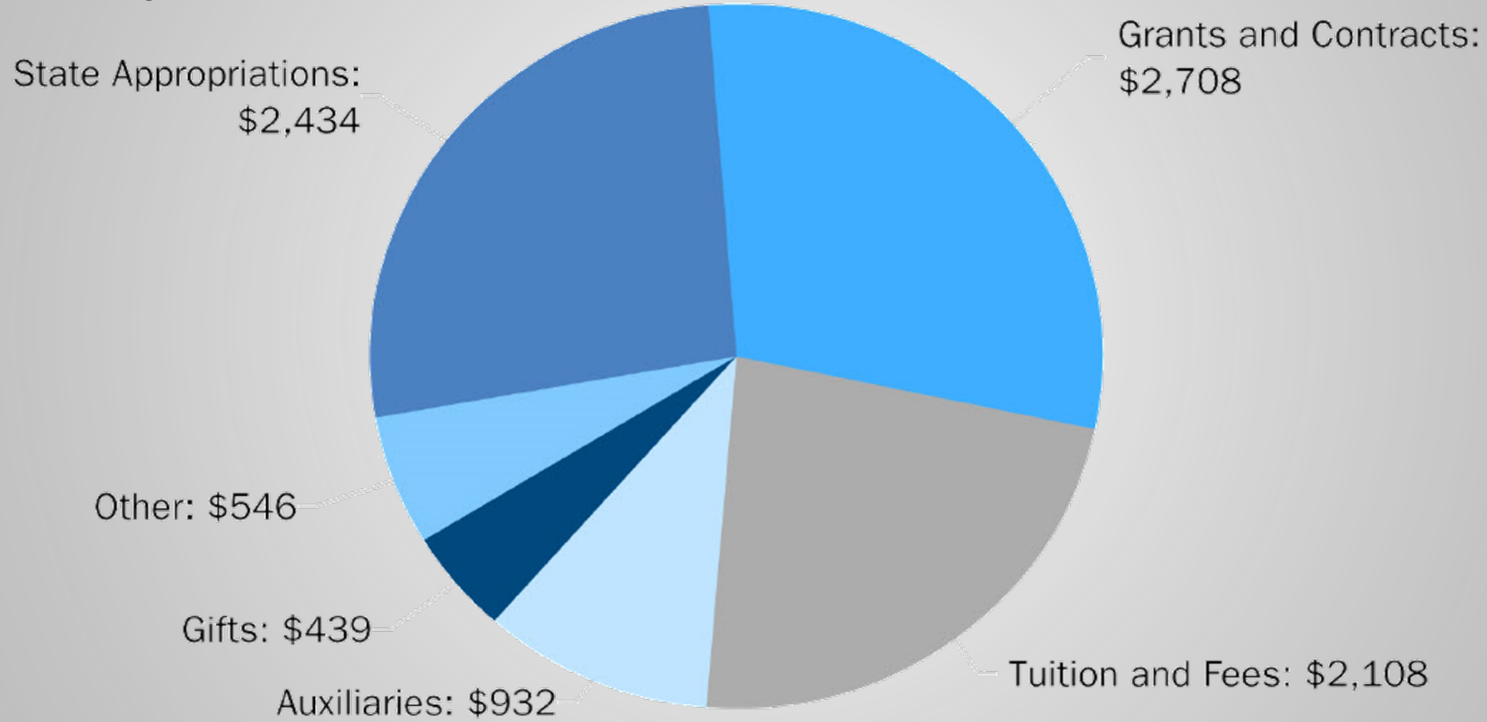
CONDENSED STATEMENT OF NET POSITION	June 30, 2019	June 30, 2018	% Change
<b>ASSETS</b>			
Current Assets	\$ 2,471,187,616	\$ 2,292,837,480	7.78 %
Capital Assets, Net	10,180,886,037	9,878,403,906	3.06 %
Other Assets	489,893,475	498,530,235	(1.73)%
<b>TOTAL ASSETS</b>	<b>13,141,967,128</b>	<b>12,669,771,621</b>	<b>3.73 %</b>
<b>DEFERRED OUTFLOWS</b>	<b>1,242,647,053</b>	<b>873,854,980</b>	<b>42.20 %</b>
<b>LIABILITIES</b>			
Current Liabilities	929,281,944	914,781,438	1.59 %
Non-Current Liabilities	10,144,248,555	9,983,382,572	1.61 %
<b>TOTAL LIABILITIES</b>	<b>11,073,530,499</b>	<b>10,898,164,010</b>	<b>1.61 %</b>
<b>DEFERRED INFLOWS</b>	<b>1,277,144,280</b>	<b>1,038,949,132</b>	<b>22.93 %</b>
<b>NET POSITION</b>			
Net Investment in Capital Assets	7,029,370,125	6,666,852,110	5.44 %
Restricted, Non-Expendable	181,015,931	204,781,419	(11.61)%
Restricted, Expendable	265,970,604	218,195,579	21.90 %
Unrestricted (Deficit)	(5,442,417,258)	(5,483,315,649)	(0.75)%
<b>TOTAL NET POSITION</b>	<b>\$ 2,033,939,402</b>	<b>\$ 1,606,513,459</b>	<b>26.61 %</b>

# Financial Highlights

<b>CONDENSED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION</b>	<b>June 30, 2019</b>	<b>June 30, 2018</b>	<b>% Change</b>
Operating Revenue	\$ 5,532,092,809	\$ 5,210,409,894	6.17 %
Operating Expense	8,623,637,908	8,237,924,034	4.68 %
Operating Income/Loss	(3,091,545,099)	(3,027,514,140)	(2.11)%
Non-Operating Revenue and Expense	3,100,564,463	2,992,032,012	3.63 %
Income (Loss) before Other Revenues, Expenses, Gains, Losses and Special Items	9,019,364	(35,482,128)	(125.42)%
Other Revenues, Expenses, Gains, Losses	364,597,880	287,656,654	26.75 %
Special Items	52,770,005	(30,284,826)	(274.25)%
Change in Net Position	426,387,249	221,889,700	92.16 %
Net Position at beginning of year, restated	1,607,552,153	1,384,623,759	16.10 %
Net Position at End of Year	\$ 2,033,939,402	\$ 1,606,513,459	26.61 %

# Revenue by Source (in millions)

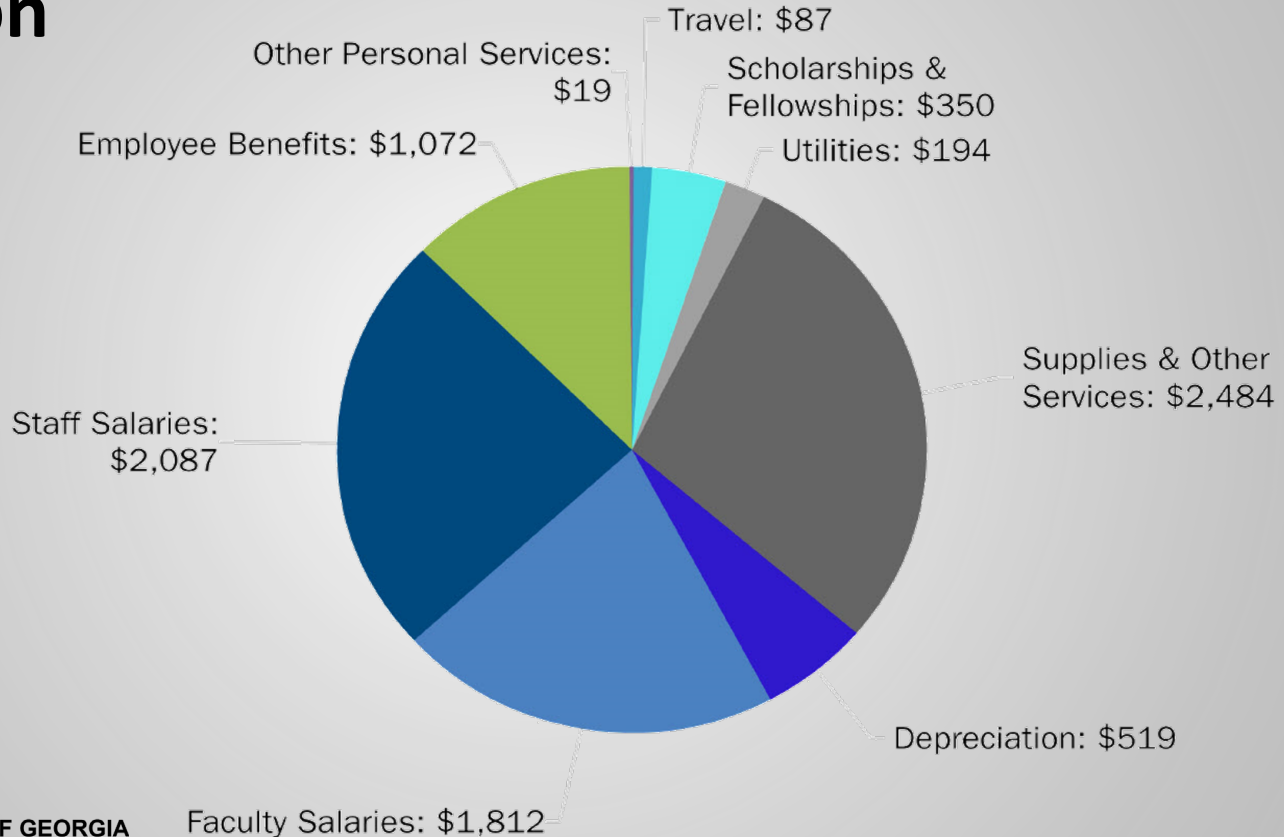
## Total \$9.2 Billion





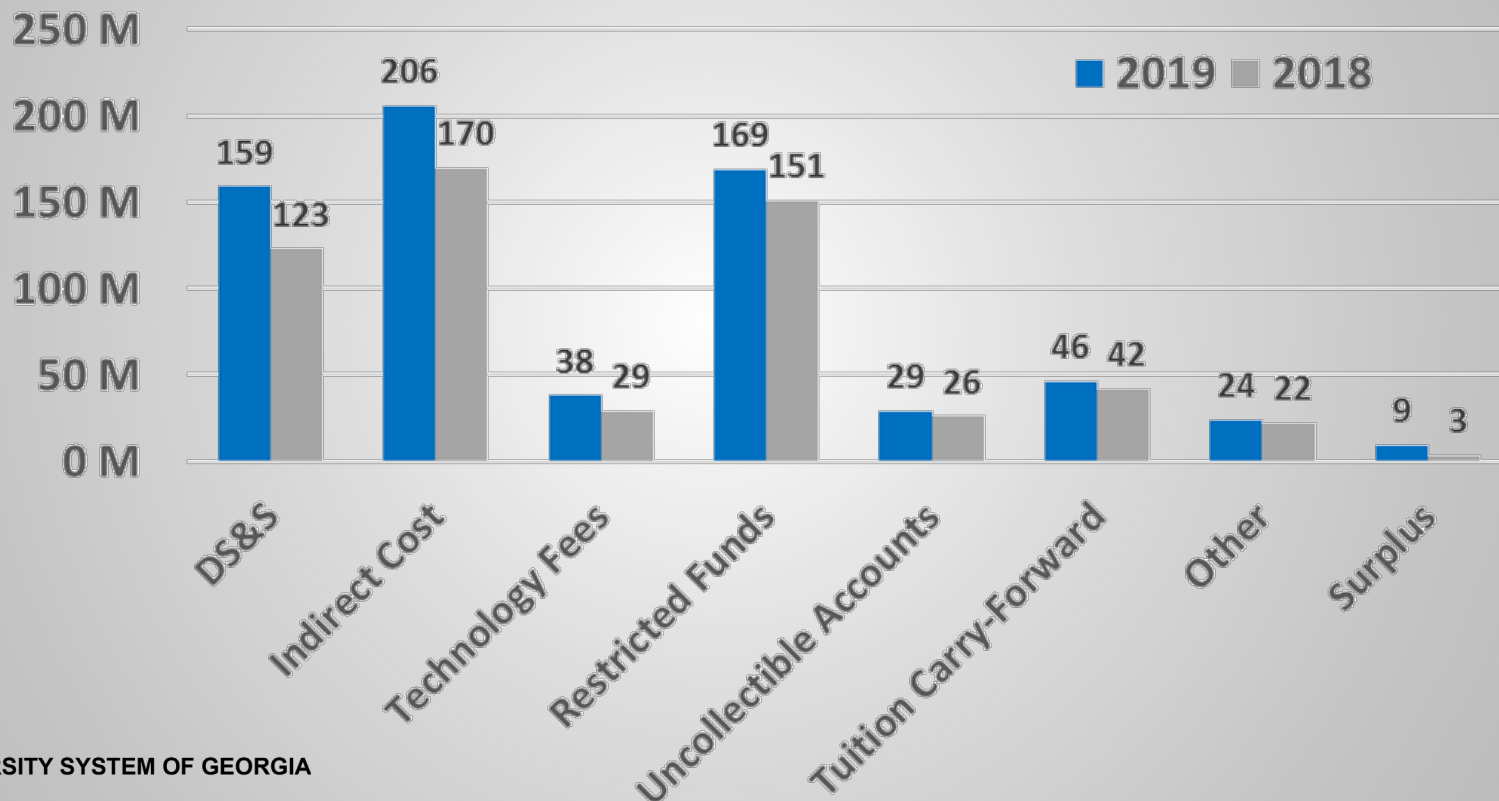
# Operating Expenses (in millions)

## \$8.6 Billion



# Budgetary Compliance Report

## Fund Balance (in millions)





# Annual Financial Report Overview

- Highlight Section
- Financial Statement Presentation
- OPEB Liability increased \$191 million
- Defined Benefit Pension Plan increased \$24 m
- Net Position (Overall) increased \$427 million