



# Board of Regents of the University System of Georgia

FY 2010 Annual Financial Report  
March 2011

# Presentation outline

- **Financial Report**
  - FY 2010 Summary
  - OPEB Liability

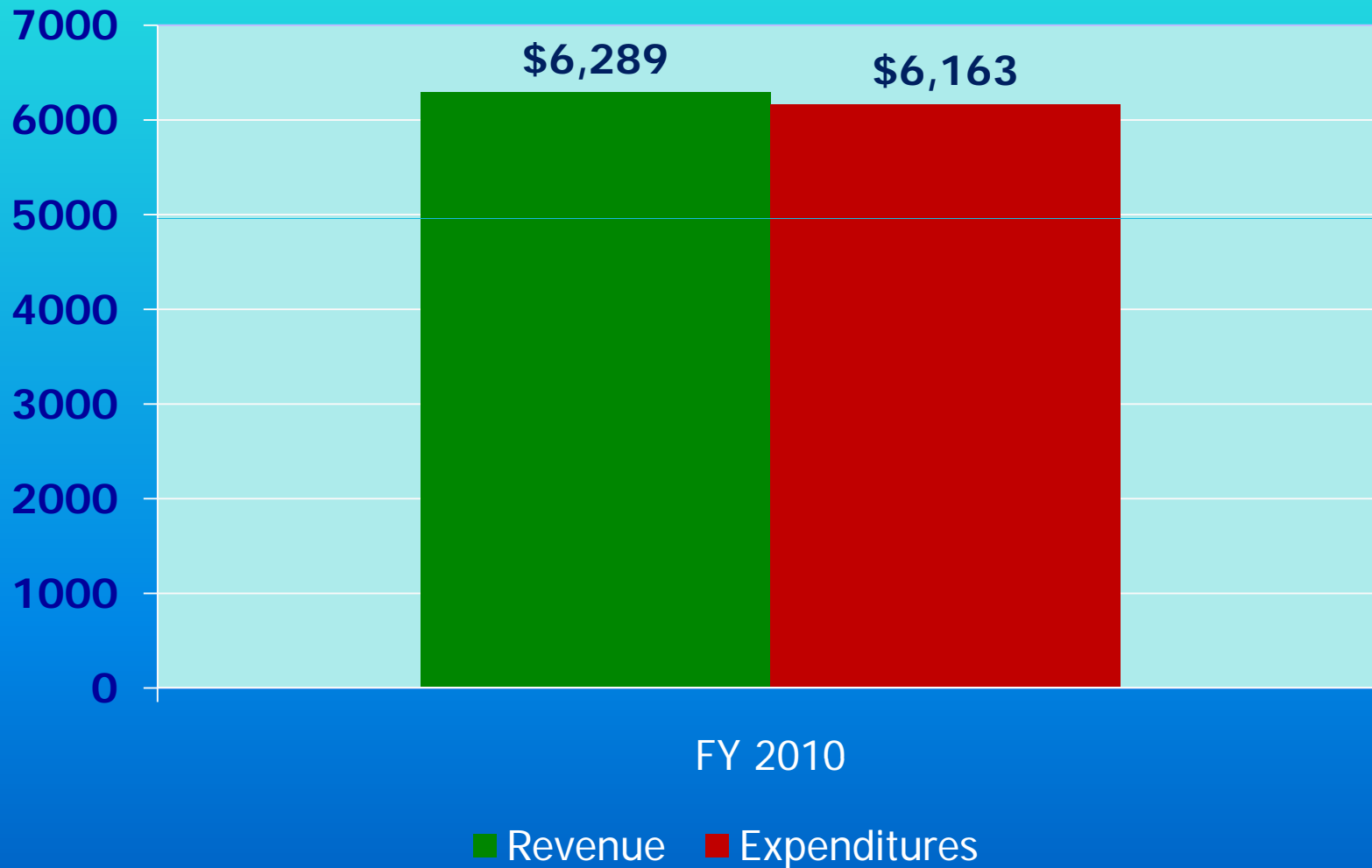
- **Financial Audit results**
  - 12 unqualified opinions
  - 1 qualified opinion (for beginning balances)
  - fewer findings

**University System of Georgia  
FY 2010  
Consolidated Annual Financial Report**

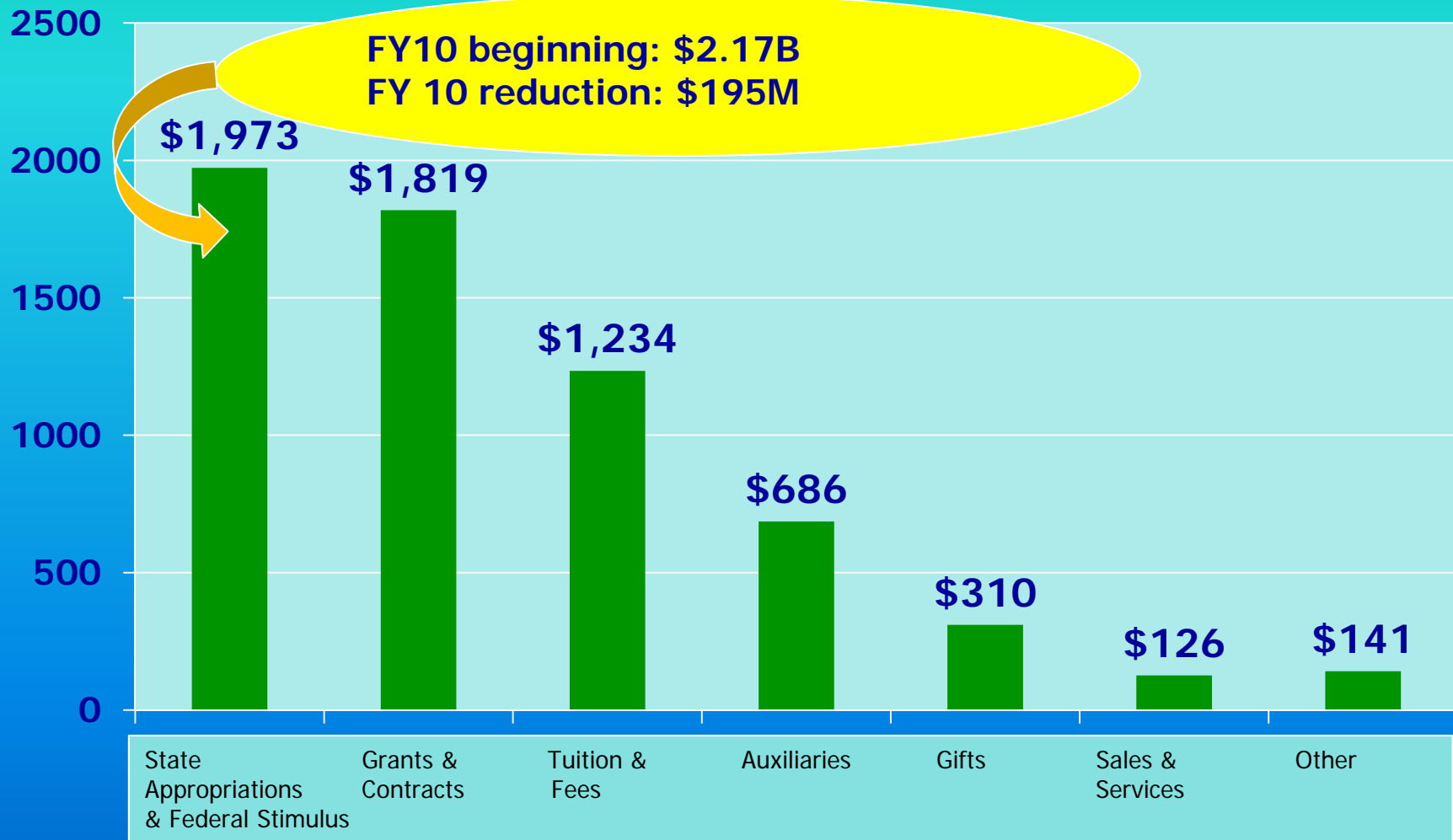


**The Georgia Department of  
Audits and Accounts Issued an  
Unqualified Opinion**

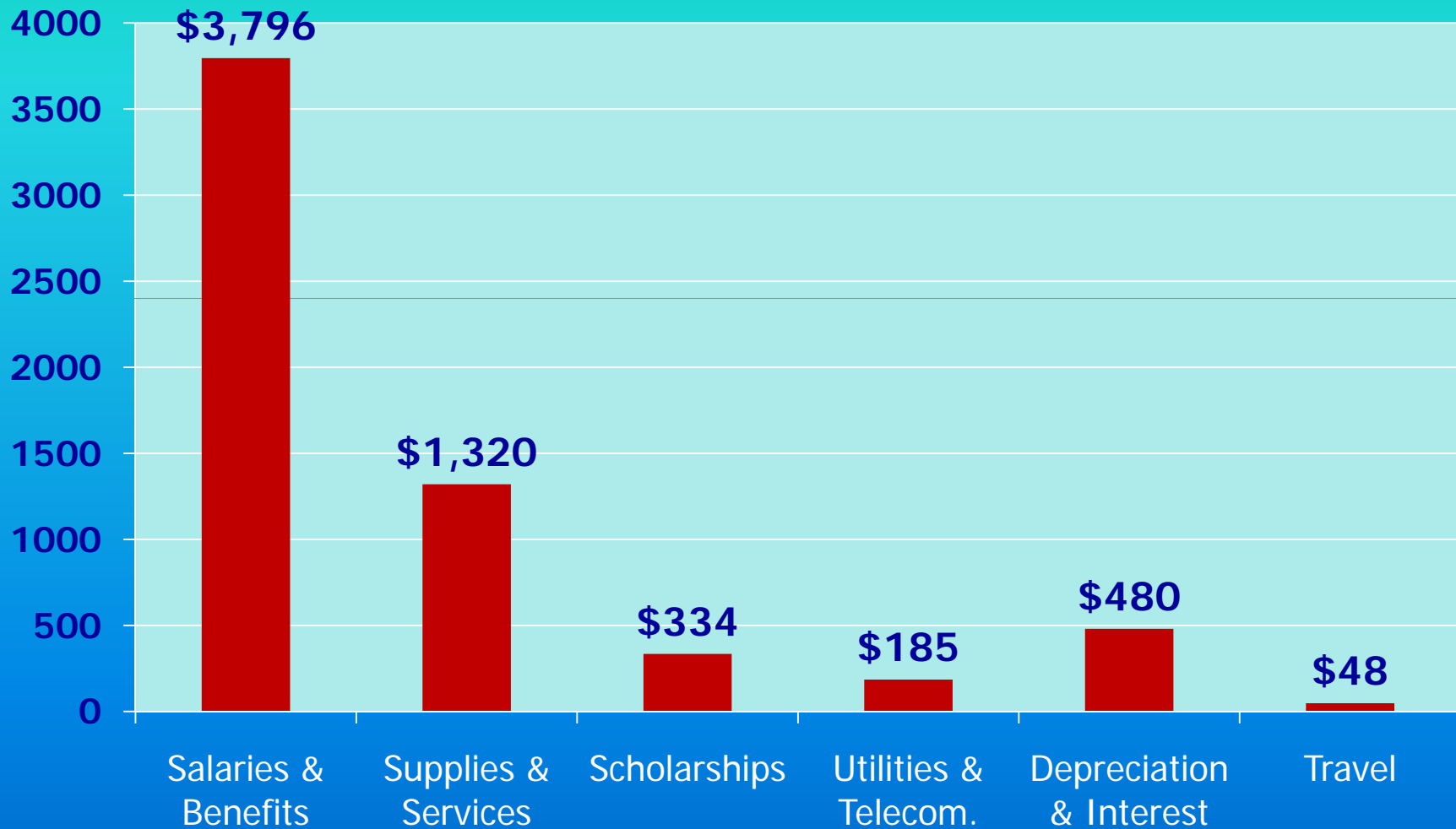
# Revenues and Expenditures (in millions)



# Revenue (in millions): \$6,289M



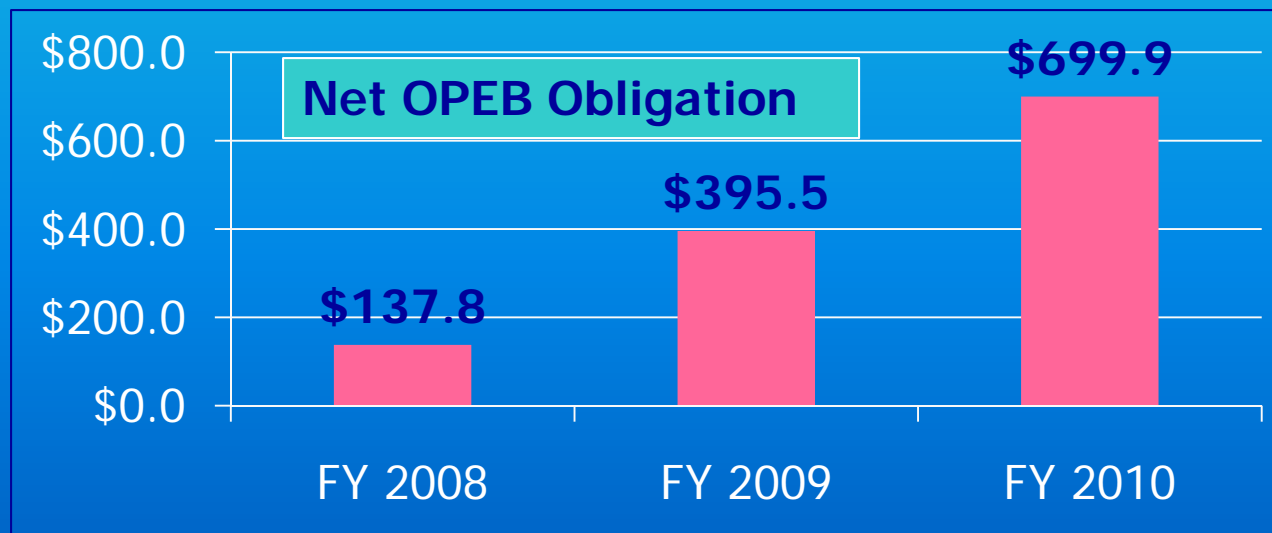
# Expenditures (in millions): \$6,163M



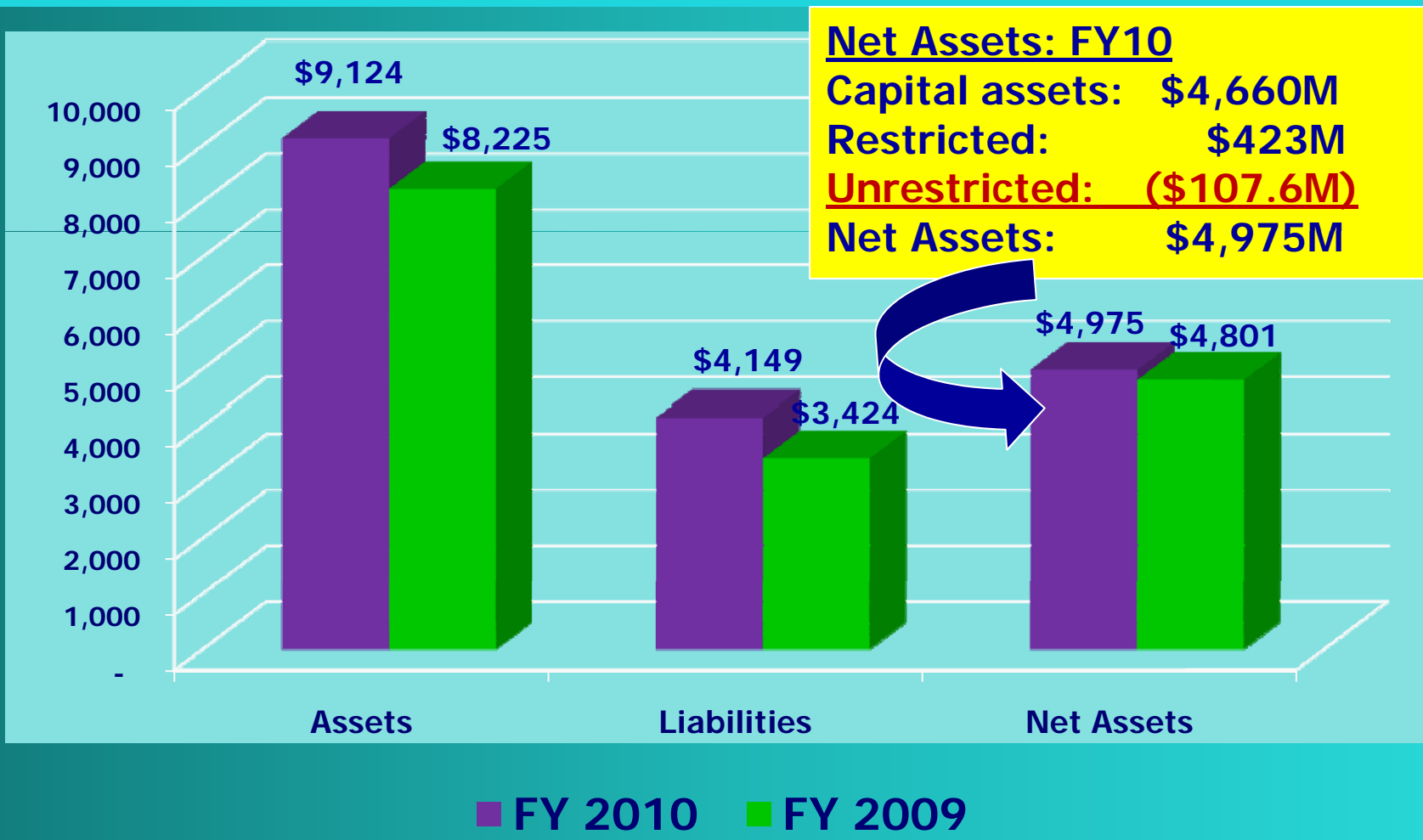
# Other Post-Employment Benefits (OPEB)

Unfunded Actuarial Accrued Liability:	\$3.1B
Net OPEB Obligation at June 30, 2009:	\$395M

FY 2010 Annual OPEB cost:	\$374M
<u>Less premiums to cover retiree claims:</u>	<u>(\$70M)</u>
= Increase in Net OPEB Obligation:	\$304M



# FY 2010 Balance Sheet Summary (in millions)



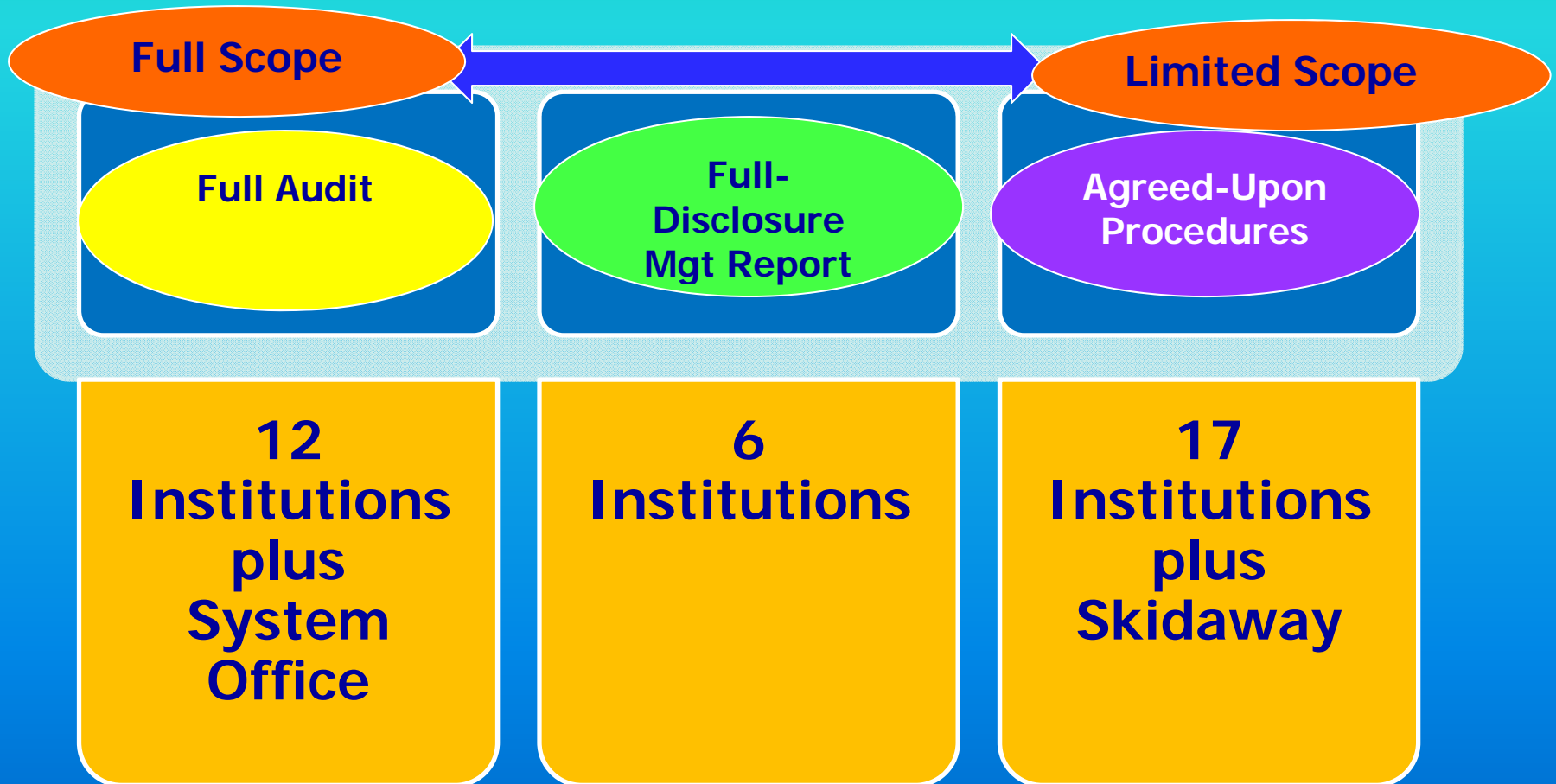


# FY 2010 Balance Sheet - Accounting Issues

- Accounting for Annual Leave not taken: \$181M (liability)
- Accounting for Other Post-Employment Benefits (OPEB): record net additional \$304M (liability)
- **Results in negative unrestricted net asset balance of \$107.6M**
- Lack of funding for OPEB liability common across US

# **Institutional Financial Audits & Engagements**

# Types of Audit Engagements



# Audit Results

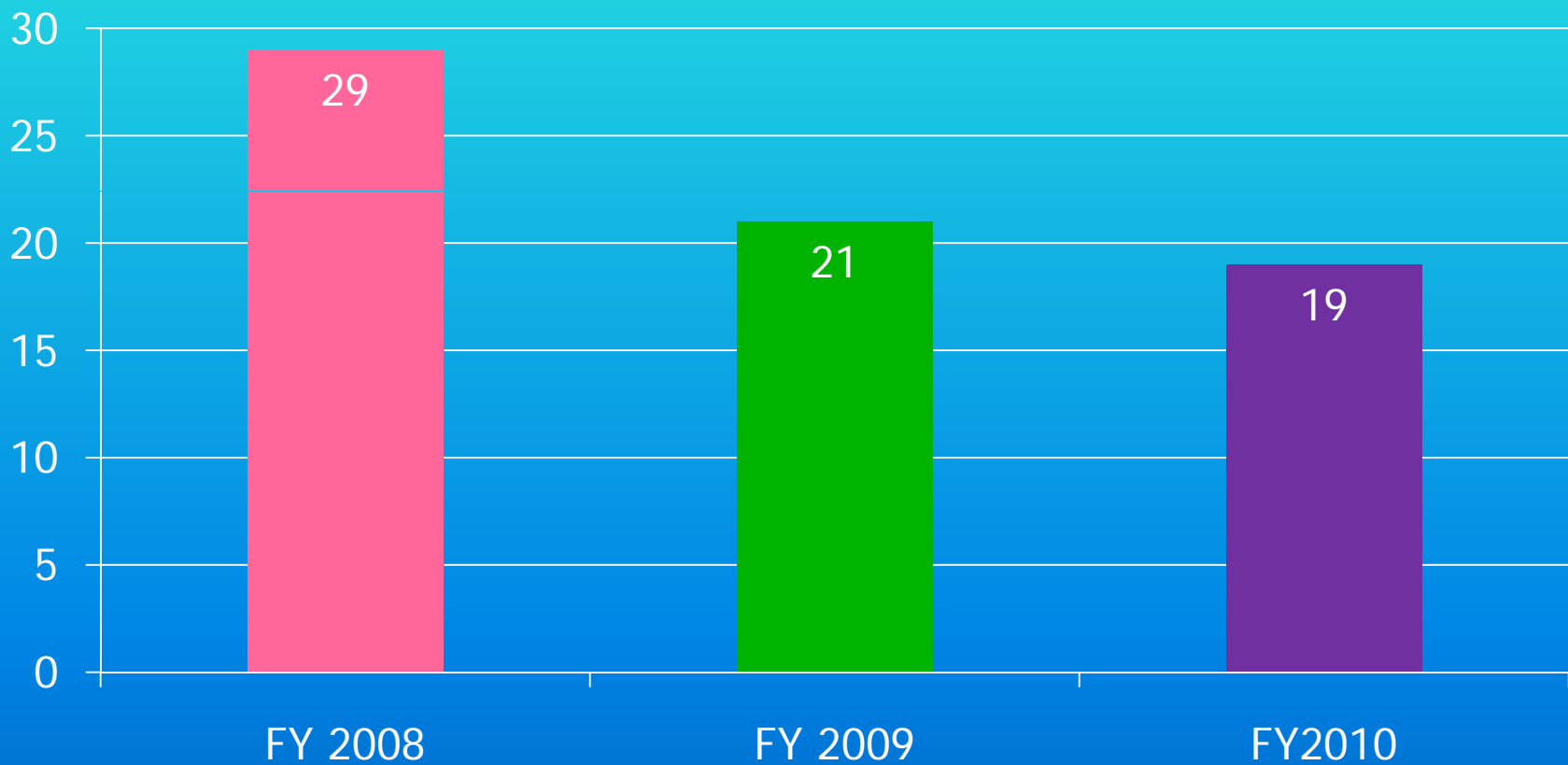
	Opinion	Findings	Mgt Letter Comments
University of Georgia	Unqualified	0	1
Kennesaw State	Unqualified	0	1
Georgia Tech	Unqualified	0	2
North Georgia	Unqualified	0	2
Georgia State	Unqualified	0	3
Medical College	Unqualified	0	3
Valdosta State	Unqualified	1	1
Georgia Perimeter	Unqualified	1	3
Georgia Southern	Unqualified	1	6
System Office	Unqualified	2	2
Armstrong Atlantic	Unqualified	2	4
Fort Valley State	Unqualified	5	8
Abraham Baldwin	Qualified	2	1
<b>Subtotal</b>		<b>14</b>	<b>37</b>

# Full Disclosure Management Reports

	<b>FDM Report</b>	<b>Findings</b>	<b>Mgt Letter Comments</b>
Augusta State	Full-Disclosure Mgt Report	0	0
Coastal Georgia	Full-Disclosure Mgt Report	0	0
Atlanta Metropolitan	Full-Disclosure Mgt Report	0	3
Albany State	Full-Disclosure Mgt Report	1	1
Bainbridge	Full-Disclosure Mgt Report	1	1
Savannah State	Full-Disclosure Mgt Report	3	0
<b>Total</b>		<b>19</b>	<b>42</b>

**Note: Of the 42 Management Letter Comments, 13 were related to overall accounting controls.**

# Audit Findings Comparison



# Acknowledgements

**Vikki Williamson**

**Theresa Jackson**

**Bruce Jackson**

**Ben Riden**

**USG Chief Business Officers**

**Accountants everywhere in the USG**

**Sonja Roberts**



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