UNIVERSITY OF WEST GEORGIA

Annual Financial Report
Fiscal Year 2018

UNIVERSITY OF WEST GEORGIA
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For the Fiscal Year Ended June 30, 2018

Introductory Section

Message from the President

Thanks to the efforts of UWG faculty, staff, and students, UWG enjoyed yet another banner year in many areas including degrees conferred, enrollment, economic development, and fundraising. This marks several years in a row in which the university has received high acclaim for distinguished record achievements. I want to personally thank you, the campus community, for your hard work and indelible efforts as we continue our mission to become the nation's best comprehensive university, sought after as the best place to work, learn, and succeed. As we look back over the year, several notable areas of success stand out:

Record Strategic Growth

UWG saw another year of record enrollment when 13,520 students ran with the pack in fall 2018, an increase of 2 percent from the previous year. UWG also conferred more degrees than any other year at 2,659 and achieved the highest four-year and five-year graduation rate in institutional history.

Regional Economic Impact

According to an annual study released by the University System of Georgia, UWG reached a $564 million regional economic impact - up $110 million in five years. During FY18, the university welcomed 82 new employees.

Academic Programs and National Recognition

We further expanded our academic programs in FY18 with new baccalaureate and Ed.D. programs - B.S. in Social and Behavioral Health, Bachelor's in Interdisciplinary Studies, and a new Ed.D. in Higher Education Administration. UWG also continued to make its presence and impact known by elevating positions on academic program national rankings. In FY18, U.S. News & World Report ranked four online programs among the top 100 in the nation. Additionally, the Board of Regents named our UWG Early Childhood Education program the 2018 academic program of the year. The Princeton Review also recognized UWG as one of the nation's top colleges.

Record Fundraising

UWG continues to achieve record fundraising and continued success in "The New West" capital campaign, now at $37M toward our $50M goal. We continue to have great success in our fundraising efforts and the capital campaign with the generous support of the community and friends of the university. As a result, FY18 saw record gifts and pledges at over $8.5M. Their contributions and gifts have a lasting effect on our campus and help transform the lives of our students through aiding strategic growth and providing significant scholarship funding.

Education Partnerships

The Carrollton-Carroll County Education Collaborative - spearheaded by UWG with West Georgia Technical College, two local school systems, a local preparatory school, and local business leaders to better prepare students for college and employment - expanded opportunities for students from pre-kindergarten through college graduation to surrounding areas, including Coweta, Douglas, Haralson, and Heard counties. In FY18, we continued to increase the number of articulation agreements with WGTC while also working to promote the West in Thirty program and the expansion of 2 + 2 delivery programs with WGTC and Georgia Highlands College in Douglasville, LaGrange, Rome, and Dallas for degree pathways including criminology, psychology, business, integrated health studies, and public relations.

On behalf of everyone at the University of West Georgia, thank you for your support.

Dr. Kyle Marrero
UWG President

Letter of Transmittal

August 16, 2018

To: Dr. Kyle Marrero, President
University of West Georgia

The Annual Financial Report (AFR) for the University of West Georgia (Institution) includes the financial statements for the year ended June 30, 2018, as well as other useful information to help ensure the Institution's accountability and integrity to the public. The AFR also includes the Management Discussion and Analysis, with all necessary disclosures to assist the reader in gaining a broader and more thorough understanding of the Institution's financial position as a result of operations for the fiscal year ended June 30, 2018.

The University of West Georgia's management is responsible for the accuracy of this information and for the completeness and fairness of its presentation, including all disclosures. We believe the information is accurate and fairly presents the Institution's financial position, revenues, expenses and other changes in net position.

The University's financial records are included in the University System of Georgia's financial report, which is audited by the State of Georgia Department of Audits and Accounts (DOAA) on an annual basis. The University's internal auditors also perform fiscal compliance and performance reviews, sharing the results with the Institution's management. The audit of the University's financial assistance programs is performed by the DOAA in conjunction with the statewide Single Audit.

Respectfully submitted,

James R. Sutherland, CPA
Senior Vice President for Business and Finance

Financial Section

UNIVERSITY OF WEST GEORGIA
Management's Discussion and Analysis

Introduction

The University of West Georgia (Institution) is one of the 26 institutions of higher education of the University System of Georgia. As a comprehensive university, West Georgia offers disciplinary, interdisciplinary, and professional programs at the baccalaureate and graduate levels. Of its 88 programs of study, 43 operate at the Bachelor's level, 30 at the Master's and Specialist's levels, and four (4) are doctoral. In addition, the University offers nine (9) Post-Baccalaureate and two (2) Post-Master's certificate programs. The University has achieved national recognition in areas such as academic debate, faculty-directed undergraduate research, and athletic competition.

	STUDENT HEADCOUNT	STUDENT FTE
FY 2018	13,520	11,941
FY 2017	13,308	11,877
FY 2016	12,834	11,530

Overview of the Financial Statements and Financial Analysis

The Institution is pleased to present its financial statements for fiscal year 2018. The emphasis of discussions about these statements will be on current year data. There are three 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 Institution's financial statements provides an overview of its financial activities for the year. Comparative data is provided for fiscal year 2018 and fiscal year 2017. However, the comparative data for fiscal year 2017 does not reflect the effects of the restatement of the July 1, 2017 net position. This restatement is predominately related to the implementation of Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The adoption of this Statement resulted in the accrual of the Institution's proportionate share of the net other post-employee benefit (OPEB) liability for the Board of Regents Retiree Health Benefit Plan, changes to the related OPEB note disclosures, additional OPEB required supplemental information, and the restatement of the July 1, 2017 net position balance. See Note 1 in the Notes to the Financial Statements for additional information related to the effects of the restatement of the July 1, 2017 net position.

Statement of Net Position

The Statement of Net Position is a financial condition snapshot as of June 30, 2018 and includes all assets and liabilities, both current and noncurrent. 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 Institution and how much the Institution owes vendors. The difference between assets and liabilities (net position) is one indicator of the Institution's financial health. Increase or decreases in net position provide an indicator of the improvement or decline of the Institution'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 Institution's equity in property, plant and equipment owned by the Institution.

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 Institution 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 Institution for any lawful purpose.

CONDENSED STATEMENT OF NET POSITION	June 30, 2018	June 30, 2017	Increase/ (Decrease)	% Change
ASSETS				
Current Assets	$ 63,672,578	$ 61,926,152	$ 1,746,426	2.82 %
Capital Assets, Net	289,700,566	297,903,766	(8,203,200)	(2.75)%
Other Assets	5,249,139	4,215,480	1,033,659	24.52 %
TOTAL ASSETS	358,622,283	364,045,398	(5,423,115)	(1.49)%
DEFFERRED OUTFLOWS	39,030,585	27,962,032	11,068,553	39.58 %
LIABILITIES				
Current Liabilities	22,232,727	18,579,376	3,653,351	19.66 %
Non-Current Liabilities	368,076,130	245,818,503	122,257,627	49.73 %
TOTAL LIABILITIES	390,308,857	264,397,879	125,910,978	47.62 %
DEFERRED INFLOWS	9,554,982	396,488	9,158,494	2,309.90 %
NET POSITION				
Net Investment in Capital Assets	127,097,271	131,543,432	(4,446,161)	(3.38)%
Restricted, Expendable	5,026,493	3,782,674	1,243,819	32.88 %
Unrestricted	(134,334,735)	(8,113,043)	(126,221,692)	1,555.79 %
TOTAL NET POSITION	$ (2,210,971)	$ 127,213,063	$ (129,424,034)	(101.74)%

Total assets decreased $(5,423,115), which was due to an increase in current assets of $1,746,426, a decrease in net capital assets of $(8,203,200), and an increase in other assets of $1,033,659. The decrease in capital assets was primarily due to an increase of $9,962,359 in the category of Accumulated Depreciation.

Total deferred outflows of resources increased $11,068,553, which was primarily due to the Institution's proportionate share of the net other post-employee benefit (OPEB) liability for the Board of Regents Retiree Health Benefit Plan.

Total liabilities increased $125,910,978, which was due to an increase in current liabilities of $3,653,351 and an increase in non-current liabilities of $122,257,627. The change in current liabilities primarily relates to an increase in Accounts payable of $2,505,330, which was largely attributable to amounts due at the end of the fiscal year to other University System of Georgia institutions for electronic (eCampus) course-related faculty payments. The increase in non-current liabilities was primarily due to the initial recording of the Institution's proportionate share of the OPEB liability in the amount of $127,192,454.

Total deferred inflows of resources increased $9,158,494, which was primarily due to the Institution's proportionate share of the OPEB liability for the Board of Regents Retiree Health Benefit Plan.

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 a decrease in net position of $(129,424,034). This change in net position is primarily in the category of Unrestricted Net Position, in the amount of $(126,221,692), which reflects the impact of recording the Institution's proportionate share of the OPEB liability.

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 Institution, both operating and non-operating, and the expenses paid by the Institution, operating and non-operating, and any other revenues, expenses, gains and losses received or spent by the Institution. Generally, operating revenues are received for providing goods and services to the various customers and constituencies of the Institution. 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 Institution. 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 Institution without the Legislature directly receiving commensurate goods and services for those revenues.

CONDENSED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION	June 30, 2018	June 30, 2017	Increase/ (Decrease)	% Change
Operating Revenue	$ 130,565,880	$ 128,672,968	$ 1,892,912	1.47 %
Operating Expense	224,025,049	202,275,689	21,749,360	10.75 %
Operating Income/Loss	(93,459,169)	(73,602,721)	(19,856,448)	26.98 %
Non-Operating Revenue and Expense	79,386,728	69,535,578	9,851,150	14.17 %
Income (Loss) before Other Revenues, Expenses, Gains, or Losses	(14,072,441)	(4,067,143)	(10,005,298)	246.00 %
Other Revenues, Expenses, Gains, Losses and Special Items	677,478	1,282,267	(604,789)	(47.17)%
Change in Net Position	(13,394,963)	(2,784,876)	(10,610,087)	380.99 %
Net Position at beginning of year, restated	11,183,992	129,997,939	(118,813,947)	(91.40)%
Net Position at End of Year	$ (2,210,971)	$ 127,213,063	$ (129,424,034)	(101.74)%

Some highlights of the information presented on this statement are as follows:

Revenues

For the years ended June 30, 2018 and June 30, 2017, revenues by source were as follows:

REVENUES BY SOURCE	June 30, 2018	June 30, 2017	Increase/ (Decrease)	% Change
Tuition and Fees	$ 78,473,230	67,102,516	$ 11,370,714	16.95 %
Grants and Contracts	3,388,165	4,066,100	(677,935)	(16.67)%
Sales and Services	610,857	546,404	64,453	11.80 %
Auxiliary Enterprises	45,041,862	46,077,661	(1,035,799)	(2.25)%
Other Operating Revenues	3,051,766	10,880,287	(7,828,521)	(71.95)%
Total Operating Revenues	130,565,880	128,672,968	1,892,912	1.47 %
State Appropriations	59,326,040	52,460,243	6,865,797	13.09 %
Grants and Contracts	26,200,897	24,940,373	1,260,524	5.05 %
Gifts	2,027,218	672,100	1,355,118	201.62 %
Investment Income	860,050	451,522	408,528	90.48 %
Other Nonoperating Revenues (Expenses)	(165,289)	130,241	(295,530)	(226.91)%
Total Nonoperating Revenues	88,248,916	78,654,479	9,594,437	12.20 %
State Capital Gifts and Grants	482,912	2,349,827	(1,866,915)	(79.45)%
Other Capital Gifts and Grants	194,566	62,399	132,167	211.81 %
Total Capital Gifts and Grants	677,478	2,412,226	(1,734,748)	(71.91)%
Special Items	0	(1,129,959)	1,129,959	(100.00)%
Total Revenues	$ 219,492,274	$ 208,609,714	$ 10,882,560	5.22 %

Operating revenues increased by $1,892,912, which was primarily due to an increase in Tuition and Fees.

Nonoperating revenues increased by $9,594,437, which was primarily due to an increase in State Appropriations.

Total Capital Gifts and Grants decreased by $1,734,748, which was primarily due to decreased GSFIC (Georgia-State Financing and Investment Commission)-funded capital projects.

Special Items for the prior year included a loss on the sale of land and buildings in Newnan, Georgia.

Expenses
For the years ended June 30, 2018 and June 30, 2017, expenses by functional classification were as follows:

EXPENSES BY FUNCTIONAL CLASSIFICATION	June 30, 2018	June 30, 2017	Increase/ (Decrease)	% Change
Instruction	$ 77,043,586	$ 72,604,315	$ 4,439,271	6.11 %
Research	1,657,482	1,924,119	(266,637)	(13.86)%
Public Service	289,517	332,089	(42,572)	(12.82)%
Academic Support	25,015,271	20,231,070	4,784,201	23.65 %
Student Services	16,017,057	15,412,008	605,049	3.93 %
Institutional Support	31,703,046	23,092,164	8,610,882	37.29 %
Plant Operations and Maintenance	21,791,787	18,564,731	3,227,056	17.38 %
Scholarships and Fellowships	8,411,848	8,315,435	96,413	1.16 %
Auxiliary Enterprises	42,095,455	41,799,758	295,697	0.71 %
Total Operating Expenses	224,025,049	202,275,689	21,749,360	10.75 %
Interest Expense	8,862,188	9,118,901	(256,713)	(2.82)%
Total Nonoperating Expenses	8,862,188	9,118,901	(256,713)	(2.82)%
Total Expenses	$ 232,887,237	$ 211,394,590	$ 21,492,647	10.17 %

The increase in the Institutional Support classification was primarily related to increased costs for compensation and benefits, inclusive of current-year OPEB expenses of $5,502,884.

The increases in the Instruction and Plant Operations and Maintenance classifications were primarily due to increased costs for Supplies and Other Services.

Statement of Cash Flows
The Statement of Cash Flows presents detailed information about the cash activity of the Institution 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 Institution. 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, 2018 and 2017, Condensed

CONDENSED STATEMENT OF NET CASH FLOWS	June 30, 2018	June 30, 2017
Cash Provided (Used) by:		
Operating Activities	$ (69,216,459)	$ (54,824,984)
Non-Capital Financing Activities	85,836,231	77,801,144
Capital and Related Financing Activities	(18,812,922)	(16,990,723)
Investing Activities	860,050	451,522
NET CHANGE IN CASH	(1,333,100)	6,436,959
Cash, beginning of year (restated)	56,908,194	50,471,235
CASH, end of year	$ 55,575,094	$ 56,908,194

Capital Assets
Capital assets, net of accumulated depreciation, at June 30, 2018 and June 30, 2017 were as follows:

CAPITAL ASSETS, net of accumulated depreciation	June 30, 2018	June 30, 2017	Increase (Decrease)	% Change
Land	$ 11,593,445	11,593,445	$ —	— %
Capitalized Collections	94,629	94,574		0.06 %
Construction Work-in-Progress	3,960,476	3,142,946	817,530	26.01 %
Infrastructure	8,824,360	9,235,487	(411,127)	(4.45)%
Building and Building Improvements	249,839,611	257,864,167	(8,024,556)	(3.11)%
Facilities and Other Improvements	5,276,017	5,632,713	(356,696)	(6.33)%
Equipment	8,135,877	8,158,258	(22,381)	(0.27)%
Library Collections	1,976,151	2,182,176	(206,025)	(9.44)%
Capital Assets, net of accumulated depreciation	$ 289,700,566	$ 297,903,766	$ (8,203,200)	(2.75)%

There were no significant capital asset additions in fiscal year 2018. However, in partnership with Tanner Health System, construction did begin on a new, state-of-the-art student health center. The 14,500-square-foot, $4 million facility is expected to be completed in January 2019.

Additionally, the Institution was notified on July 16, 2018 that a major renovation and expansion of the Biology Building was substantially completed. The $24 million construction project was funded and managed by the Georgia State Financing and Investment Commission (GSFIC) and is expected to be transferred to the Institution during fiscal year 2019.

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

Long-Term Liabilities
The University of West Georgia had Long-Term Liabilities of $375,377,826 of which $7,301,696 was reflected as a current liability at June 30, 2018.

For additional information concerning Long-Term Liabilities, see Note 8 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 is not aware of any currently known facts, decisions or conditions that are expected to have a significant effect on the financial position or results of operations during this fiscal year beyond those unknown variations having a global effect on virtually all types of business operations. The University's overall financial position is strong and the University anticipates the current fiscal year will be much like the last and will maintain a close watch over resources to maintain the University's ability to react to unknown internal and external issues.

Financial Statements (GAAP Basis)

UNIVERSITY OF WEST GEORGIA
STATEMENT OF NET POSITION
JUNE 30, 2018

ASSETS		
Current Assets		
Cash and Cash Equivalents	$	52,821,835
Cash and Cash Equivalents (Externally Restricted)		1,875,294
Accounts Receivable, net		
Federal Financial Assistance		952,614
Affiliated Organizations		87,620
Other		4,826,229
Inventories		1,219,632
Prepaid Items		1,889,354
Total Current Assets		63,672,578
Non-Current Assets		
Accounts Receivable, net		
Due From USO - Capital Liability Reserve Fund		1,357,248
Notes Receivable, net		3,013,926
Non-current Cash (Externally Restricted)		877,965
Capital Assets, net		289,700,566
Total Non-Current Assets		294,949,705
TOTAL ASSETS		358,622,283
DEFERRED OUTFLOWS OF RESOURCES	$	39,030,585

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

UNIVERSITY OF WEST GEORGIA
STATEMENT OF NET POSITION
JUNE 30, 2018

LIABILITIES		
Current Liabilities		
Accounts Payable	$	5,996,302
Salaries Payable		803,058
Benefits Payable		1,252,429
Contracts Payable		500,407
Retainage Payable		143,261
Advances (Including Tuition and Fees)		5,524,645
Deposits Held for Other Organizations		648,257
Other Liabilities		62,672
Lease Purchase Obligations - External		4,195,409
Compensated Absences		3,106,287
Total Current Liabilities		22,232,727
Non-Current Liabilities		
Lease Purchase Obligations - External		159,574,347
Compensated Absences		1,721,638
Net Other Post Employment Benefits Liability		127,192,454
Net Pension Liability		79,587,691
Total Non-Current Liabilities		368,076,130
TOTAL LIABILITIES		390,308,857
DEFERRED INFLOWS OF RESOURCES		9,554,982
NET POSITION		
Net Investment in Capital Assets		127,097,271
Restricted for:		
Expendable		5,026,493
Unrestricted (Deficit)		(134,334,735)
TOTAL NET POSITION	$	(2,210,971)

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

UNIVERSITY OF WEST GEORGIA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR FISCAL YEAR ENDED JUNE 30, 2018

OPERATING REVENUES	
Student Tuition and Fees (net)	$ 78,473,230
Federal Appropriations	—
Grants and Contracts	
Federal	1,378,916
State	500,619
Other	1,508,630
Sales and Services	610,857
Rents and Royalties	122,218
Auxiliary Enterprises	
Residence Halls	19,135,160
Bookstore	2,689,974
Food Services	11,747,964
Parking/Transportation	1,813,189
Health Services	2,194,379
Intercollegiate Athletics	6,920,703
Other Organizations	540,493
Other Operating Revenues	2,929,548
Total Operating Revenues	130,565,880
OPERATING EXPENSES	
Faculty Salaries	45,868,115
Staff Salaries	55,652,471
Employee Benefits	43,577,350
Other Personal Services	670,641
Travel	1,716,666
Scholarships and Fellowships	10,752,246
Utilities	4,083,500
Supplies and Other Services	47,013,498
Depreciation	14,690,562
Total Operating Expenses	224,025,049
Operating Income (Loss)	$ (93,459,169)

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

UNIVERSITY OF WEST GEORGIA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR FISCAL YEAR ENDED JUNE 30, 2018

NONOPERATING REVENUES (EXPENSES)	
State Appropriations	$ 59,326,040
Grants and Contracts	
Federal	26,200,897
State	—
Other	—
Gifts	2,027,218
Investment Income	860,050
Interest Expense	(8,862,188)
Other Nonoperating Revenues (Expenses)	(165,289)
Net Nonoperating Revenues	79,386,728
Income (Loss) Before Other Revenues, Expenses, Gains, or	(14,072,441)
Capital Grants and Gifts	
State	482,912
Other	194,566
Total Other Revenues, Expenses, Gains or Losses	677,478
Change in Net Position	(13,394,963)
Net Position, Beginning of Year, As Originally Reported	127,213,063
Prior Year Adjustments	(116,029,071)
Net Position, Beginning of Year, Restated	11,183,992
Net Position, End of Year	$ (2,210,971)

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

UNIVERSITY OF WEST GEORGIA
STATEMENT OF CASH FLOWS
FOR FISCAL YEAR ENDED JUNE 30, 2018

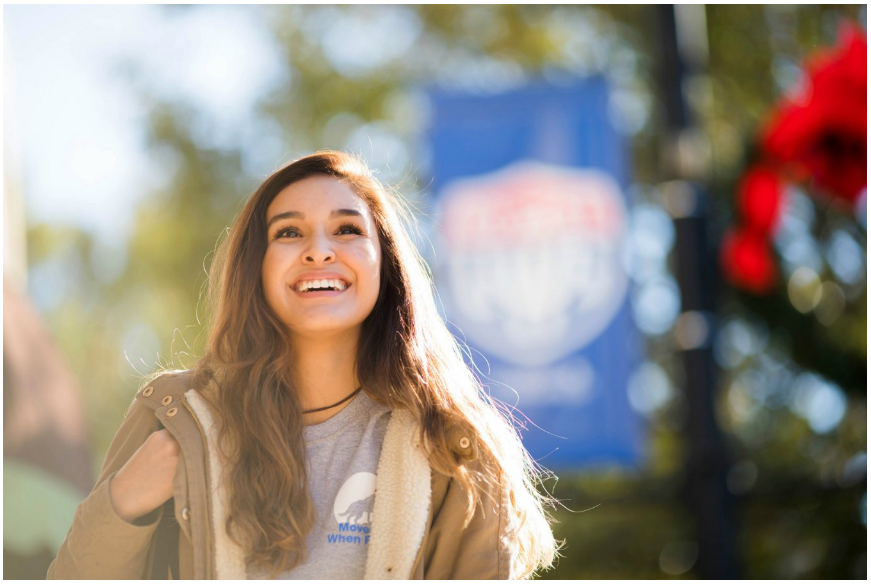
CASH FLOWS FROM OPERATING ACTIVITIES		
Payments from Customers	$	125,003,564
Grants and Contracts (Exchange)		4,081,617
Payments to Suppliers		(84,721,215)
Payments to Employees		(102,673,693)
Payments for Scholarships and Fellowships		(10,752,246)
Loans Issued to Students		(561,037)
Collection of Loans from Students		405,342
Other Receipts		1,209
Net Cash Used by Operating Activities		(69,216,459)
CASH FLOWS FROM NON-CAPITAL FINANCING		
State Appropriations		59,326,040
Agency Funds Transactions - Receipts		221,753,877
Agency Funds Transactions - Disbursements		(221,359,445)
Gifts and Grants Received for Other Than Capital		26,211,820
Other Non-Capital Financing Receipts		79
Other Non-Capital Financing Payments		(96,140)
Net Cash Flows Provided by Non-Capital Financing		85,836,231
CASH FLOWS FROM CAPITAL AND RELATED		
Capital Gifts and Grants Received		362,897
Proceeds from Sale of Capital Assets		477
Purchases of Capital Assets		(6,543,574)
Principal Paid on Capital Debt and Leases		(3,848,498)
Interest Paid on Capital Debt and Leases		(8,784,224)
Net Cash Used by Capital and Related Financing		(18,812,922)
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment Income		860,050
Net Cash Provided by Investing Activities		860,050
Net Decrease in Cash and Cash Equivalents		(1,333,100)
Cash and Cash Equivalents, Beginning of Year		56,908,194
Cash and Cash Equivalents, End of Year	$	55,575,094

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

UNIVERSITY OF WEST GEORGIA
STATEMENT OF CASH FLOWS
FOR FISCAL YEAR ENDED JUNE 30, 2018

RECONCILIATION OF OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES:	
Operating Loss	$ (93,459,169)
Adjustments to Reconcile Net Operating Loss to Net Cash Used by Operating Activities	
Depreciation	14,690,562
Operating Expenses Related to Noncash Gifts	1,521,590
Change in Assets and Liabilities:	
Receivables, net	(2,420,618)
Inventories	370,012
Prepaid Items	(1,272,475)
Notes Receivable, Net	(155,695)
Accounts Payable	1,321,166
Salaries Payable	95,013
Contracts Payable	388,548
Retainage Payable	99,752
Advances (Including Tuition and Fees)	763,528
Other Liabilities	6,400
Funds Held for Others	1,209
Compensated Absences	455,058
Claims and Judgments	(700)
Net Pension Liability	(796,000)
Other Post-Employment Benefit Liability	8,161,690
Change in Deferred Inflows/Outflows of Resources:	
Deferred Inflows of Resources	9,158,494
Deferred Outflows of Resources	(8,144,824)
Net Cash Used by Operating Activities	$ (69,216,459)
NON-CASH INVESTING, NON-CAPITAL FINANCING, AND RELATED FINANCING TRANSACTIONS	
Non-Capital Financing Activities Accounts Receivable, Net of	$ 444,351
Recognition of Non-Capital Financing Activities Advances and	$ 270,113
Operating Expenses Related to Noncash Gift	$ 1,521,590
Capital Financing Activities Accounts Receivable Accrual, Net	$ 932,948
Loss on Disposal of Capital Assets	$ (86,509)
Accrual of Capital Asset Related Payables	$ (205,366)
Amortization of Deferred Gain/Loss of Capital Debt Refunded	$ (77,964)

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



Notes to the Financial Statements

Note 1 Summary of Significant Accounting Policies

Nature of Operations

The University of West Georgia (Institution) serves the state and national communities by providing its students with academic instruction that advances fundamental knowledge and by disseminating knowledge to the people of Georgia, the nation, and throughout the world.

Reporting Entity

As defined by Official Code of Georgia Annotated (O.C.G.A) § 20-3-50, the Institution 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 Institution does not have the right to sue/be sued without recourse to the State. The Institution'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 Institution is not legally separate from the State. Accordingly, the Institution 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 Comprehensive Annual Financial Report (CAFR) 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 Institution. These financial statements do not purport to, and do not, present fairly the financial position of the State as of June 30, 2018, 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 CAFR. The most recent State of Georgia CAFR can be obtained through the State Accounting Office, 200 Piedmont Avenue, Suite 1604 (West Tower), Atlanta, Georgia 30334 or online at sao.georgia.gov/comprehensive-annual-financial-reports.

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 Institution's assets, deferred outflows, liabilities, deferred inflows, net position, revenues, expenses, changes in net position and cash flows.

The Institution's business-type activities 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.

New Accounting Pronouncements

For fiscal year 2018, the Institution adopted GASB Statement No. 86, *Certain Debt Extinguishment Issues*. This Statement addresses accounting and financial reporting issues regarding in-substance defeasance of debt. The adoption of this Statement does not have a significant impact on the Institution's financial statements.

For fiscal year 2018, the Institution adopted GASB Statement No. 85, *Omnibus 2017*. This Statement addresses practice issues identified during implementation and application of certain other GASB Statements. This Statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits. The adoption of this Statement does not have a significant impact on the Institution’s financial statements.

For fiscal year 2018, the Institution adopted GASB Statement No. 81, *Irrevocable Split-Interest Agreements*. The objective of this Statement is to improve accounting and financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement. The adoption of this Statement does not have a significant impact on the Institution’s financial statements.

For fiscal year 2018, the Institution adopted GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. This Statement replaces GASB Statements No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*. The objective of this Statement is to improve the usefulness of information about post employment benefits other than pensions. The adoption of this Statement resulted in the accrual of the Institution's proportionate share of the net other post-employee benefit (OPEB) liability for the Board of Regents Retiree Health Benefit Plan, changes to the related OPEB note disclosures, additional OPEB required supplemental information, and the restatement of the July 1, 2017 net position balance.

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 State Investment Pool (Georgia Fund 1) and 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.

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 Institution’s grants and contracts. Accounts receivable are recorded net of estimated uncollectible amounts.

Inventories
Consumable supplies and resale inventories are carried at the lower of cost or market on the first-in, first-out (“FIFO”) basis.

Prepaid Items
Payments made to vendors and state and local government organizations for services that will benefit periods beyond June 30, 2018 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 Institution’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 Institution, 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.

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 Institution's Statement of Net Position as Due from USO - Capital Liability Reserve Fund represents the Institution'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.

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 other organizations result primarily from the Institution acting as an agent or fiduciary, for another entity. Deposits held for others include scholarships, fellowships, study abroad deposits and other funds held for various governments, companies, clubs or individuals.

Claims and Judgments

An estimated loss from claims and judgments is recognized when information available prior to issuance of the financial statements indicates it is probable that an asset has been impaired or a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

Compensated Absences

Employee vacation pay is accrued at the end of the fiscal year for financial statement purposes. 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) capital lease 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 Institution'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 Institution'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 Institution's net position is classified as follows:

Net investment in capital assets represents the Institution'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 Institution 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 Institution 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 Institution, 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 Institution's policy is to first apply the expense towards unrestricted resources, and then towards restricted resources.

Income Taxes
The Institution, 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 Institution, 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 Institution's financial statements. To the extent that revenues from such programs are used to satisfy tuition, fees and other student charges, the Institution 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 $23,657,368.

Restatement of Prior Year Net Position
The Institution made the following restatements:

Net position, beginning of year, as originally reported	$ 127,213,063
Changes in accounting principles	(116,029,071)
Net position, beginning of year, restated	$ 11,183,992

Changes in Accounting Principles
For fiscal year 2018, the University made prior period adjustments due to the adoption of GASB Statement No. 75, which required the restatement of the June 30, 2017 net position. The result is a decrease in net position at July 1, 2017 of $116,029,071 of which $119,030,764 is represented in Net OPEB Liability and $3,001,693 is represented in deferred outflow. This change is in accordance with generally accepted accounting principles.

Note 2 Deposits and Investments

Cash and cash equivalents and investments as of June 30, 2018 are classified in the accompanying statement of net position as follows:

Cash and Cash Equivalents	$ 52,821,835
Cash and Cash Equivalents (Externally Restricted)	1,875,294
Non-Current Cash (Externally Restricted)	877,965
	$ 55,575,094

Cash on hand, deposits and investments as of June 30, 2018 consist of the following:

Cash on Hand	$ 138,640
Deposits with Financial Institutions	20,944,321
Investments	34,492,133
	$ 55,575,094

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 Institution's deposits may not be recovered. Funds belonging to the State of Georgia (and thus the Institution) 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 Institution 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, 2018, the bank balances of the Institution's deposits totaled $21,793,625. Of these deposits, none were exposed to custodial credit risk.

B. Investments

The Institution 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.

The following table summarizes the valuation of the Institution's investments measured at fair value on a recurring basis and at net asset value as of June 30, 2018.

Investment Pools	
Board of Regents	
Short-Term Fund	$ 26,065,740
Office of the State Treasurer	
Georgia Fund 1	8,426,393
Total Investments	$ 34,492,133

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 Institution's position in the pooled investment fund options is described below.

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 three years, and the fund will typically have an overall average duration of ¾ - 1 year. The overall character of the portfolio is of Agency quality, possessing a minimal degree of financial risk. The market value of the Institution's position in the Short-Term Fund at June 30, 2018 was $26,065,740, of which 100% is invested in debt securities. The Effective Duration of the Fund is 0.71 years.

Office of the State Treasurer Investment Pool

The Georgia Fund 1 Investment Pool, managed by the Office of the State Treasurer, is not registered with the Securities and Exchange Commission as an investment company, and the State does not consider Georgia Fund 1 to be a 2a7-like pool. This investment is valued at the pool's share price, $1.00 per share. The Georgia Fund 1 Investment Pool is an AAAf rated investment pool by Standard and Poor's. The Weighted Average Maturity of the Fund is 10 days.

The unit of account is each share held, and the value of the position would be the fair value of the pool's share price multiplied by the number of shares held. The Institution does not "look through" the pool to report a pro rata share of the pool's investments, receivables, and payables.

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. Because the Institution limits its investments to the USG and State managed pools and funds described above, no formal policy has been developed pertaining to managing interest rate risk for investments.

Custodial Credit Risk
Custodial credit risk for investments is the risk that, in the event of a failure of the counterparty to a transaction, the Institution will not be able to recover the value of the investment or collateral securities that are in the possession of an outside party. Because the Institution limits its investments to the USG and State managed pools and funds described above, no formal policy has been developed pertaining to managing custodial credit risk for investments.

Credit Quality Risk
Credit quality risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Because the Institution limits its investments to the USG and State managed pools and funds described above, no formal policy has been developed pertaining to managing credit quality risk for investments.

Note 3 Accounts Receivable

Accounts receivable as of June 30, 2018 are classified in the accompanying statement of net position as follows:

Federal Financial Assistance	$	952,614
Affiliated Organizations		87,620
Other		4,826,229
Due From USO - Capital Liability Reserve Fund		1,357,248
Net Accounts Receivable	$	7,223,711

Accounts receivable consisted of the following at June 30, 2018:

Student Tuition and Fees	$	729,983
Auxiliary Enterprises and Other Operating Activities		1,250,088
Federal Financial Assistance		952,614
Georgia State Financing and Investment Commission		614,731
Due from Affiliated Organizations		87,620
Due From Other USG Institutions		3,967,596
Other		830,307
		8,432,939
Less: Allowance for Doubtful Accounts		1,209,228
Net Accounts Receivable	$	7,223,711

Note 4 Inventories

Inventories consisted of the following at June 30, 2018:

Consumable Supplies	$	128,208
Merchandise for Resale		1,091,424
Total	$	1,219,632

Note 5 Notes and Loans Receivable

The Federal Perkins Loan Program (the Program) comprises substantially all of the loans receivable at June 30, 2018. The Program provides for cancellation of a loan at rates of 10% to 30% per year up to a maximum of 100% if the participant complies with certain provisions. The Federal government reimburses the Institution for amounts canceled under these provisions. As the Institution determines that loans are uncollectible and not eligible for reimbursement by the federal government, the loans are written off and assigned to the U.S. Department of Education. The Institution has provided an allowance for uncollectible loans, which, in management's opinion, is sufficient to absorb loans that will ultimately be written off. At June 30, 2018, the allowance for uncollectible loans was $0.

Note 6 Capital Assets

Changes in capital assets for the year ended June 30, 2018 are shown below:

	Balance July 1, 2017	Additions	Reductions	Balance June 30, 2018
Capital Assets, Not Being Depreciated:				
Land	$ 11,593,445	$ —	$ —	$ 11,593,445
Capitalized Collections	94,574	55	—	94,629
Construction Work-in-Progress	3,142,946	4,691,844	3,874,314	3,960,476
Total Capital Assets Not Being Depreciated	14,830,965	4,691,899	3,874,314	15,648,550
Capital Assets, Being Depreciated/Amortized:				
Infrastructure	11,420,193	—	—	11,420,193
Building and Building Improvements	369,145,340	2,947,120	1,647,047	370,445,413
Facilities and Other Improvements	9,321,117	—	—	9,321,117
Equipment	29,322,171	2,470,082	2,652,629	29,139,624
Library Collections	19,334,388	322,283	498,235	19,158,436
Total Capital Assets Being Depreciated/Amortized	438,543,209	5,739,485	4,797,911	439,484,783
Less: Accumulated Depreciation/Amortization				
Infrastructure	2,184,706	411,127	—	2,595,833
Building and Building Improvements	111,281,173	10,954,076	1,629,447	120,605,802
Facilities and Other Improvements	3,688,404	356,696	—	4,045,100
Equipment	21,163,913	2,440,355	2,600,521	21,003,747
Library Collections	17,152,212	528,308	498,235	17,182,285
Total Accumulated Depreciation/Amortization	155,470,408	14,690,562	4,728,203	165,432,767
Total Capital Assets, Being Depreciated/Amortized, Net	283,072,801	(8,951,077)	69,708	274,052,016
Capital Assets, net	$ 297,903,766	$ (4,259,178)	$ 3,944,022	$ 289,700,566

For projects managed by GSFIC, GSFIC retains construction-in-progress on its books throughout the construction period and transfers the entire project to the Institution when complete. For projects managed by the Institution, the Institution retains construction-in-progress on its books and is reimbursed by GSFIC. For the year ended June 30, 2018, GSFIC did not transfer any capital additions to the Institution related to GSFIC-managed projects. However, at June 30, 2018, GSFIC had construction in progress of $20,285,511 for incomplete GSFIC-managed projects for the Institution.

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

Fiscal Year		Depreciation Expense
2018	$	14,690,562
2017	$	14,151,260
2016	$	13,928,608

Note 7 Advances (Including Tuition and Fees)

Advances, including tuition and fees, consisted of the following at June 30, 2018:

Prepaid Tuition and Fees	$	4,344,482
Research		813,907
Other - Advances		366,256
Totals	$	5,524,645

Note 8 Long-Term Liabilities

Changes in long-term liability for the year ended June 30, 2018 were as follows:

	(Restated) Balance July 1, 2017	Additions	Reductions	Balance June 30, 2018	Current Portion
Leases					
Lease Purchase Obligations	$ 167,618,254	$ —	$ 3,848,498	$ 163,769,756	$ 4,195,409
Other Liabilities					
Compensated Absences	4,372,868	4,060,765	3,605,708	4,827,925	3,106,287
Net Pension Liability	80,383,691	—	796,000	79,587,691	—
Claims and Judgments	700	—	700	—	—
Net Other Post Employment Benefits Liability	119,030,764	8,161,690	—	127,192,454	—
Total	203,788,023	12,222,455	4,402,408	211,608,070	3,106,287
Total Long-Term Obligations	$ 371,406,277	$ 12,222,455	$ 8,250,906	$ 375,377,826	$ 7,301,696

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, 2018, consisted of the following:

Deferred Outflow of Resources		
Deferred Loss on Debt Refunding	$	1,371,827
Deferred Loss on Defined Benefit Pension Plans (See Note 14)		23,288,448
Deferred Loss on OPEB Plan (See Note 17)		14,370,310
Total Deferred Outflows of Resources	$	39,030,585
Deferred Inflow of Resources		
Deferred Gain on Defined Benefit Pension Plans (See Note 14)	$	845,171
Deferred Gain on OPEB Plan (See Note 17)		8,709,811
Total Deferred Inflows of Resources	$	9,554,982

Note 10 Net Position

The breakdown of business-type activity net position for the Institution fund at June 30, 2018 is as follows:

Net Investment in Capital Assets	$ 127,097,271
Restricted for	
Expendable	
Sponsored and Other Organized Activities	581,099
Federal Loans	3,191,251
Institutional Loans	376,178
Capital Projects	877,965
Sub-Total	5,026,493
Unrestricted	
Auxiliary Enterprises Operations	5,616,847
Auxiliary Enterprises Renewals and Replacement Reserve	10,808,644
Reserve for Encumbrances	20,036,104
Reserve for Inventory	177,831
Capital Liability Reserve Fund	1,357,248
Other Unrestricted	(172,331,409)
Sub-Total	(134,334,735)
Total Net Position	$ (2,210,971)

In fiscal year 2018, the Institution implemented GASB Statement No. 75 which reduced other unrestricted net position by $121,531,955 related to the recording of net OPEB liability, deferred gain on OPEB plan, and deferred loss on OPEB plan. Other unrestricted net position is also reduced by $57,144,414 related to the recording of net pension liability, deferred gain on defined benefit pension plans, and deferred loss 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 Institution 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, 2018 were as follows:

	(Restated) Balance July 1, 2017	Additions	Reductions	Balance June 30, 2018
Net Investments in Capital Assets	$ 131,543,432	$ 10,446,775	$ 14,892,936	$ 127,097,271
Restricted Net Position	3,782,674	30,266,540	29,022,721	5,026,493
Unrestricted Net Position	(124,142,114)	189,391,023	199,583,644	(134,334,735)
Total Net Position	$ 11,183,992	$ 230,104,338	$ 243,499,301	$ (2,210,971)

Note 11 Endowments

The Institution did not have donor restricted endowments at June 30, 2018.

Note 12 Significant Commitments

See the Net Position note for amounts reserved for outstanding encumbrances at June 30, 2018. This amount is not reflected in the accompanying basic financial statements.

Note 13 Leases

Lease Obligations

The Institution is obligated under various capital and operating lease agreements for the acquisition or use of real property and equipment**.**

Capital Leases

The Institution acquires certain real property and equipment through multi-year capital leases with varying terms and options. 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 Institution. In addition, these agreements shall terminate if the State does not provide adequate funding, but that is considered a remote possibility. The Institution's principal and interest expenditures related to capital leases for fiscal year 2018 were $3,848,498 and $8,862,188, respectively. Interest rates range from 4.24% to 6.91%.

The following is a summary of the carrying values of assets held under capital lease at June 30, 2018:

Description	Gross Amount	Less: Accumulated Depreciation	Net, Capital Assets Held Under Capital Lease at June 30, 2018	Outstanding Balance per Lease Schedules at June 30, 2018
	(+)	(-)	(=)	
Leased Land and Land Improvements	$ 4,202,011	$ —	$ 4,202,011	$ 3,761,379
Leased Equipment	1,590,791	1,590,791	—	1,423,977
Leased Buildings and Building Improvements	173,002,300	48,639,632	124,362,668	154,860,903
Leased Facilities and Other Improvements	4,159,691	1,622,279	2,537,412	3,723,497
Total Assets Held Under Capital Lease	$ 182,954,793	$ 51,852,702	$ 131,102,091	$ 163,769,756

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

Description	Lessor	Original Principal	Lease Term	Begin Month/Year	End Month/ Year	Outstanding Principal	
University Suites	UWG Foundation, Inc.	$ 13,385,468	24 Yrs	Sep 2004	Jun, 2028	$ 7,314,756	(1)
Arbor View Apartments	UWG Foundation, Inc.	17,363,422	25 Yrs	Aug 2005	Jun, 2030	12,282,430	(1)
Greek Village	UWG Foundation, Inc.	18,016,293	30 Yrs	AUG 2009	JUN 2039	17,868,293	(1)
University Campus Ctr.	UWG Real Estate Foundation, Inc.	27,100,000	23 Yrs	AUG 2012	JUN 2035	24,871,153	(1)
Athletic Complex	UWG Real Estate Foundation, Inc.	27,660,000	24 Yrs	JAN 2015	JUN 2039	26,953,418	(1)
Center Pointe Suites	UWG Real Estate Foundation, Inc.	23,900,106	29 Yrs	JUL 2012	JUN 2041	22,432,178	(1)
Athletic Office Bldg.	UWG Real Estate Foundation, Inc.	3,756,636	27 Yrs	AUG 2012	JUN 2039	3,329,032	(1)
Evergreen - Parking Lots	UWG Foundation, Inc.	4,159,691	31 Yrs	JUL 2008	JUN 2039	4,308,559	(1)
University Bookstore	USG Real Estate Foundation III, Inc.	5,640,416	30 Yrs	JUN 2011	JUN 2041	5,156,122	(1)
East Commons	UWG Real Estate Foundation, Inc.	11,681,410	29 Yrs	AUG 2013	JUN 2042	10,853,282	(1)
Bowdon Hall	UWG Real Estate Foundation, Inc.	9,141,259	29 Yrs	AUG 2013	JUN 2042	8,491,254	(1)
The Oaks	UWG Real Estate Foundation, Inc.	21,434,416	29 Yrs	AUG 2013	JUN 2042	19,909,279	(1)
Total Leases		$ 183,239,117				$ 163,769,756	

(1) These capital leases are related party transactions.

Certain capital 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.

Operating Leases

The Institution leases land, facilities, office and computer equipment, and other assets. Some of these leases are considered for accounting purposes to be operating leases. Although lease terms vary, many leases are subject to appropriation from the General Assembly to continue the obligation. Other leases generally contain provisions that, at the expiration date of the original term of the lease, the Institution has the option of renewing the lease on a year-to-year basis. Leases renewed yearly for a specified time period, i.e. lease expires at 12 months and must be renewed for the next year, may not meet the qualification as an operating lease. The Institution's operating lease expense for fiscal 2018 was $753,242 and does not include any payments to related parties.

Future commitments for capital leases and for non-cancellable operating leases having remaining terms in excess of one year as of June 30, 2018, are as follows:

	Real Property and Equipment	
	Capital Leases	Operating Leases
Year Ending June 30:		
2019	$ 14,025,949	$ 179,504
2020	14,215,142	84,392
2021	14,407,940	29,365
2022	14,593,188	7,565
2023	14,778,895	
2024 through 2028	76,922,924	
2029 through 2033	68,722,679	
2034 through 2038	57,941,093	
2039 through 2043	25,190,306	
Total Minimum Lease Payments	300,798,116	$ 300,826
Less: Interest	109,228,699	
Less: Executory Costs	27,799,661	
Principal Outstanding	$ 163,769,756	

Note 14. Retirement Plans

The Institution 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 significant retirement plans that the Institution 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

Summary of Significant Accounting Policies
Pensions: 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 fiduciary net position of the Teachers Retirement System of Georgia (TRS) and Employees' Retirement System (ERS), additions to/deductions for TRS's and ERS's fiduciary net position have been determined on the same basis as they are reported by TRS and ERS. 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.

General Information about the Teachers Retirement System
Plan description
All teachers of the Institution 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 2018. The Institution's contractually required contribution rate for the year ended June 30, 2018 was 16.81% of annual the Institution payroll. The Institution's contributions to TRS totaled $9,101,744 for the year ended June 30, 2018.

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, 2017 was 24.81% of annual covered payroll for old and new plan members and 21.81% for GSEPS members. The rates include the annual actuarially determined employer contributions rate of 24.69% of annual covered payroll for old and new plan members and 21.69% for GSEPS members, plus a 0.12% adjustment for the HB 751 one time benefit adjustment of 3% to retired state employees. The Institution's contributions to ERS totaled $54,101 for the year ended June 30, 2018. 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, 2018, the Institution 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, 2017. The total pension liability used to calculate the net pension liability was based on an actuarial valuation as of June 30, 2016. An expected total pension liability as of June 30, 2017 was determined using standard roll-forward techniques. The Institution's proportion of the net pension liability was based on contributions to TRS and ERS during the fiscal year ended June 30, 2017. At June 30, 2017, the Institution's TRS proportion was 0.426329%, which was an increase of 0.038564% from its proportion measured as of June 30, 2016. At June 30, 2017, the Institution's ERS proportion was 0.008695%, which was a increase of 0.000589% from its proportion measured as of June 30, 2016.

For the year ended June 30, 2018, the Institution recognized pension expense of $11,962,783 for TRS and $69,538 for ERS. At June 30, 2018, the Institution 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	$ 2,963,861	$ 299,023	$ 3,869	$ 3
Changes of assumptions	1,736,920	—	804	—
Net difference between projected and actual earnings on pension plan investments	—	545,266	—	879
Changes in proportion and differences between contributions and proportionate share of contributions	9,407,069	—	20,080	—
Contributions subsequent to the measurement date	9,101,744	—	54,101	—
Total	$ 23,209,594	$ 844,289	$ 78,854	$ 882

The Institution'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 ended June 30, 2018. 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 Ended June 30:	TRS	ERS
2019	$ 2,720,216	$ 10,198
2020	$ 7,014,302	$ 19,722
2021	$ 3,995,349	$ 3,964
2022	$ (644,911)	$ (10,013)
2023	$ 178,605	$ —
Thereafter	$ —	$ —

Actuarial assumptions

The total pension liability as of June 30, 2017 was determined by an actuarial valuation as of June 30, 2016 using the following actuarial assumptions, applied to all periods included in the measurement:

Teachers Retirement System

Inflation	2.75%
Salary increases	3.25% - 9.00%, average, including inflation
Investment rate of return	7.50%, net of pension plan investment expense, including inflation

Post–retirement mortality rates were based on the RP–2000 White Collar Mortality Table with future mortality improvement projected to 2025 with the Society of Actuaries' projection scale BB (set forward one year for males) for service retirements and dependent beneficiaries. The RP–2000 Disabled Mortality Table with future mortality improvement projected to 2025 with Society of Actuaries' projection scale BB (set forward two years for males and four years for females) was used for death after disability retirement. Rates of mortality in active service were based on the RP–2000 Employee Mortality Table projected to 2025 with projection scale BB.

The actuarial assumptions used in the June 30, 2016 valuation were based on the results of an actuarial experience study for the period July 1, 2009 – June 30, 2014.

Employees' Retirement System

Inflation	2.75%
Salary increases	3.25 – 7.00%, including inflation
Investment rate of return	7.50%, net of pension plan investment expense, including inflation

Post–retirement mortality rates were based on the RP–2000 Combined Mortality Table with future mortality improvement projected to 2025 with the Society of Actuaries' projection scale BB and set forward 2 years for both males and females for service retirements and dependent beneficiaries. The RP–2000 Disabled Mortality Table with future mortality improvement projected to 2025 with Society of Actuaries' projection scale BB and set back 7 years for males and set forward 3 years for females was used for death after disability retirement. There is a margin for future mortality improvement in the tables used by the System. Based on the results of the most recent experience study adopted by the Board on December 17, 2015, the numbers of expected future deaths are 9–12% less than the actual number of deaths that occurred during the study period for service retirements and beneficiaries and for disability retirements. Rates of mortality in active service were based on the RP–2000 Employee Mortality Table projected to 2025 with projection scale BB.

The actuarial assumptions used in the June 30, 2016 valuation were based on the results of an actuarial experience study for the period July 1, 2009 – June 30, 2014.

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	ERS target allocation	Long-term expected real rate of return*
Fixed income	30.00%	30.00%	(0.50)%
Domestic large equities	39.80%	37.20%	9.00 %
Domestic mid equities	3.70%	3.40%	12.00 %
Domestic small equities	1.50%	1.40%	13.50 %
International developed market equities	19.40%	17.80%	8.00 %
International emerging market equities	5.60%	5.20%	12.00 %
Total	100.00%	100.00%	

* Rates shown are net of the 2.75% assumed rate of inflation

Discount rate

The discount rate used to measure the total TRS and ERS pension liability was 7.50%. 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 7.50%, 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 (6.50%) or 1-percentage-point higher (8.50%) than the current rate:

Teachers Retirement System:

	1% Decrease 6.50%	Current discount rate 7.50%	1% Increase 8.50%
Proportionate share of the net pension liability	$ 130,033,206	$ 79,234,558	$ 37,387,889

Employees' Retirement System:

	1% Decrease 6.50%	Current discount rate 7.50%	1% Increase 8.50%
Proportionate share of the net pension liability	$ 498,430	$ 353,133	$ 229,191

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 2018, 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 Institution and the covered employees made the required contributions of $3,379,354 (9.24%) and $2,194,345 (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 2018, 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 Institution'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 Institution 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 Institution, 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, 2018.

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 2018, 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 Institution's membership in the Plan consisted of the following at June 30, 2018:

Active Employees	1,663
Retirees or Beneficiaries Receiving Benefits	449
Retirees or Beneficiaries Eligible But Not Receiving Benefits	—
Retirees Receiving Life Insurance Only	69
Total	2,181

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 Institution 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 2018 plan year, the employer rate was approximately 85% of the total health insurance cost for eligible retirees and the retiree rate was approximately 15%. 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 2018, the Institution contributed $4,922,784 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, 2018, the Institution reported a liability for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2017. The total OPEB liability used to calculate the net OPEB liability was based on an actuarial valuation as of June 30, 2016. An expected total OPEB liability as of June 30, 2017 was determined using standard roll-forward techniques. The Institution's proportion of the net OPEB liability was actuarially determined based on employer contributions during the fiscal year ended June 30, 2017. At June 30, 2017, the Institution's proportion was 3.014235%, which was an increase of 0.181824% from its proportion measured as of June 30, 2016.

For the year ended June 30, 2018, the Institution recognized OPEB expense of $10,425,668. At June 30, 2018, the Institution 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	$ 3,086,662	$ —
Changes of assumptions	—	8,709,811
Net difference between projected and actual earnings on OPEB plan investments	4,008	—
Changes in proportion and differences between contributions and proportionate share of contributions	6,356,856	—
Contributions subsequent to the measurement date	4,922,784	—
Total	$ 14,370,310	$ 8,709,811

The Institution's contributions subsequent to the measurement date of $4,922,784 are reported as deferred outflows of resources and will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2019. 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 Ended June 30:		
2019	$	149,225
2020	$	149,225
2021	$	149,225
2022	$	149,225
2023	$	140,815
Thereafter	$	—

Actuarial assumptions
The total OPEB liability as of June 30, 2017 was determined by an actuarial valuation as of June 30, 2016 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 6/30/2016 2.85% from Bond Buyer Interest Rate as of 6/30/2017 3.58% from Bond Buyer General Inflation 2.50% Salary Growth 3.00% Salary Scale 4.00%
Mortality Rates	Healthy: RP-2014 Mortality Table with Generational Improvements by Scale MP-2014 Disabled: RP-2000 Disabled Mortality Table projected to 2025 with projection scale BB (set forward two years for males and four years for females)
Initial Healthcare Cost Trend	
Pre-Medicare Eligible	7.3%
Medicare Eligible	7.3%
Ultimate Trend Rate	
Pre-Medicare Eligible	4.5%
Medicare Eligible	4.7%
Year Ultimate Trend is Reached	2031 for Pre-Medicare Eligible, 2072 for Medicare Eligible
Experience Study	Based on the experience of the Teachers Retirement System of Georgia

Changes in Assumptions Since Prior Valuation

Expected claims costs were updated to reflect actual claims experience. Trend was reset based on current conditions. Disability, Termination, Retirement, and Disabled Mortality were updated to reflect the current Teachers Retirement System of Georgia.

The actuarial assumptions used in the June 30, 2016 valuation were based on the results of an actuarial experience study for the pension systems, which covered the five-year period ending June 30, 2014.

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 arithmetic real rates of return for each major asset class included in the target asset allocation as of June 30, 2017 are summarized in the following table:

Asset Class	Expected Return	Target Allocation
Cash Equivalents	2.6%	Less than 5%
Fixed Income		60% to 70%
Domestic Fixed Income (Corporate Long Term)	4.2%	
Domestic Fixed Income (Corporate Short Term)	3.5%	
International Fixed Income	4.9%	
Equity Allocation		30% to 40%
Domestic Equity (Large Cap)	6.5%	
International Equity	7.3%	

Discount rate

The Plan's projected fiduciary net position at the end of 2018 is $0, based on the valuation completed for the fiscal year ending June 30, 2017. 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 2018. Therefore, the long-term expected rate of return on Plan investments of 4.50% per annum was not applied to all periods of projected benefit payments to determine the total OPEB liability as of June 30, 2017. Instead, a yield or index rate for a 20 year, tax-exempt general obligation municipal bond with an average rating of AA or higher was used. This rate was determined to be 3.58% from the Bond Buyer.

Sensitivity of the net OPEB liability to changes in the discount rate

The following presents the the Institution's proportionate share of the net OPEB liability, as well as what the Institution's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1% lower (2.58%) or 1% higher (4.58%) than the current discount rate (3.58%):

	1% Decrease 2.58%	Current Rate 3.58%	1% Increase 4.58%
Proportionate Share of the Net OPEB Liability	$ 151,945,728	$ 127,192,454	$ 107,895,584

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

The following presents the Institution's proportionate share of the net OPEB liability, as well as what the Institution'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	$ 107,291,852	$ 127,192,454	$ 153,484,758
Pre-Medicare Eligible	6.3% decreasing to 3.5%	7.3% decreasing to 4.5%	8.3% decreasing to 5.5%
Medicare Eligible	6.3% decreasing to 3.7%	7.3% decreasing to 4.7%	8.3% decreasing to 5.7%

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 2018 are shown below:

	Natural Classification				
Functional Classification	Faculty Salaries	Staff Salaries	Employee Benefits	Personal Services	Travel
Instruction	$ 38,790,806	$ 6,865,572	$ 13,779,801	$ 82,988	$ 767,040
Research	419,572	456,331	195,463	—	41,508
Public Service	2,300	172,636	51,394	—	10,180
Academic Support	4,985,445	9,235,793	4,541,247	—	364,303
Student Services	251,968	8,441,509	2,731,853	21,348	171,467
Institutional Support	1,142,443	10,165,125	14,914,767	439,024	202,161
Plant Operations and Maintenance	172,297	5,175,699	3,362,402	—	34,382
Scholarships and Fellowships	—	—	—	—	—
Auxiliary Enterprises	103,284	15,139,806	4,000,423	127,281	125,625
Patient Care	—	—	—	—	—
Unallocated Expenses	—	—	—	—	—
Total Operating Expenses	$ 45,868,115	$ 55,652,471	$ 43,577,350	$ 670,641	$ 1,716,666

	Natural Classification				
Functional Classification	Scholarships and Fellowships	Utilities	Supplies and Other Services	Depreciation/ Amortization	Total Operating Expenses
Instruction	$ 22,350	$ 52,456	$ 14,397,234	$ 2,285,339	$ 77,043,586
Research	64,534	1,824	470,111	8,139	1,657,482
Public Service	—	2,112	50,895	—	289,517
Academic Support	—	36,445	4,673,897	1,178,141	25,015,271
Student Services	2,670	17,188	3,517,268	861,786	16,017,057
Institutional Support	23,616	6,460	4,480,231	329,219	31,703,046
Plant Operations and Maintenance	—	2,074,395	7,316,917	3,655,695	21,791,787
Scholarships and Fellowships	8,411,848	—	—	—	8,411,848
Auxiliary Enterprises	2,227,228	1,892,620	12,106,945	6,372,243	42,095,455
Patient Care	—	—	—	—	—
Unallocated Expenses	—	—	—	—	—
Total Operating Expenses	$ 10,752,246	$ 4,083,500	$ 47,013,498	$ 14,690,562	$ 224,025,049

Note 19 Subsequent Events

The Institution was notified on July 16, 2018 that a major renovation and expansion of the Biology Building was substantially completed. The $24 million construction project was funded and managed by the Georgia State Financing and Investment Commission (GSFIC) and is expected to be transferred to the Institution during fiscal year 2019.

Additionally, in partnership with Tanner Health System, construction began on a new, state-of-the art student health center during fiscal year 2018. The 14,500-square-foot, $4 million facility is expected to be completed in January 2019.

Required Supplementary Information

UNIVERSITY OF WEST GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
DEFINED BENEFIT PENSION PLANS
FOR THE LAST TEN 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	6/30/2018	$ 54,101	$ 54,101	$ —	$ 203,446	26.59%
	6/30/2017	$ 55,341	$ 55,341	$ —	$ 220,214	25.13%
	6/30/2016	$ 46,712	$ 46,712	$ —	$ 200,704	23.27%
	6/30/2015	$ 36,490	$ 36,490	$ —	$ 180,362	20.23%
	6/30/2014	$ 33,241	$ 33,241	$ —	$ 251,697	13.21%
	6/30/2013	$ 31,052	$ 31,052	$ —	$ 266,999	11.63%
	6/30/2012	$ 15,154	$ 15,154	$ —	$ 145,572	10.41%
	6/30/2011	$ 12,533	$ 12,533	$ —	$ 120,394	10.41%
	6/30/2010	$ 8,819	$ 8,819	$ —	$ 83,884	10.51%
	6/30/2009	$ 7,856	$ 7,856	$ —	$ 74,151	10.59%
Teachers' Retirement System	6/30/2018	$ 9,101,744	$ 9,101,744	$ —	$ 53,791,518	16.92%
	6/30/2017	$ 7,034,933	$ 7,034,933	$ —	$ 48,812,374	14.41%
	6/30/2016	$ 6,154,630	$ 6,154,630	$ —	$ 42,445,253	14.50%
	6/30/2015	$ 5,224,342	$ 5,224,342	$ —	$ 39,652,503	13.18%
	6/30/2014	$ 3,778,698	$ 3,778,698	$ —	$ 33,120,850	11.41%
	6/30/2013	$ 3,248,761	$ 3,248,761	$ —	$ 31,602,733	10.28%
	6/30/2012	$ 3,158,430	$ 3,158,430	$ —	$ 30,724,027	10.28%
	6/30/2011	$ 2,997,601	$ 2,997,601	$ —	$ 30,776,191	9.74%
	6/30/2010	$ 2,681,880	$ 2,681,880	$ —	$ 28,899,569	9.28%
	6/30/2009	$ 2,534,743	$ 2,534,743	$ —	$ 27,314,041	9.28%

UNIVERSITY OF WEST GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
MULTIPLE EMPLOYER DEFINED BENEFIT PENSION PLANS
FOR THE LAST FOUR 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	6/30/2018	0.008695%	$ 353,133	$ 220,214	160.36%	76.33%
	6/30/2017	0.008106%	$ 383,448	$ 200,704	191.05%	72.34%
	6/30/2016	0.007000%	$ 294,456	$ 180,362	163.26%	76.20%
	6/30/2015	0.007000%	$ 247,241	$ 251,697	98.23%	77.99%
Teachers Retirement System	6/30/2018	0.426329%	$ 79,234,558	$ 48,812,374	162.32%	79.33%
	6/30/2017	0.387765%	$ 80,000,243	$ 42,445,253	188.48%	76.06%
	6/30/2016	0.376000%	$ 57,299,661	$ 39,652,503	144.50%	81.44%
	6/30/2015	0.349000%	$ 44,133,617	$ 33,120,850	133.25%	84.03%

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

UNIVERSITY OF WEST GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
NOTES TO THE REQUIRED SUPPLEMENTAL INFORMATION
DEFINED BENEFIT PENSION PLANS
METHODS AND ASSUMPTIONS
FOR FISCAL YEAR ENDED JUNE 30, 2018

Changes of assumptions

Employees' Retirement System:
On December 17, 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, disability, withdrawal and salary increases.

Teachers Retirement System:
In 2010 and later, the expectation of retired life mortality was changed to the RP–2000 Mortality Tables rather than the 1994 Group Annuity Mortality Table, which was used prior to 2010. In 2010, rates of withdrawal, retirement, disability and mortality were adjusted to more closely reflect actual experience. In 2010, assumed rates of salary increase were adjusted to more closely reflect actual and anticipated experience. 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, disability, withdrawal and salary increases. The expectation of retired life mortality was changed to RP–2000 White Collar Mortality Table with future mortality improvement projected to 2025 with the Society of Actuaries' projection scale BB (set forward one year for males).

UNIVERSITY OF WEST GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
BOARD OF REGENTS RETIREE HEALTH BENEFIT PLAN
FOR THE LAST TWO 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)
6/30/2018	$ 4,922,784	$ 4,922,784	$ —	$ 90,255,375	5.45%
6/30/2017	$ 3,001,693	$ 3,001,693	$ —	$ 80,808,146	3.71%

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

UNIVERSITY OF WEST GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
BOARD OF REGENTS RETIREE HEALTH BENEFIT PLAN
FOR THE FISCAL YEAR ENDED JUNE 30, 2018*

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
6/30/2018	3.014235%	$ 127,192,454	$ 80,808,146	157.40%	0.19%

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

UNIVERSITY OF WEST GEORGIA
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, 2018

Changes in Assumptions Since Prior Valuation

Expected claim costs were updated to reflect actual claims experience. Trend was reset based on current conditions. Disability, termination, retirement, and disabled mortality tables were updated to reflect the current Teachers Retirement System of Georgia methodology.

Supplementary Information

UNIVERSITY OF WEST GEORGIA
BALANCE SHEET (NON-GAAP BASIS)
BUDGET FUNDS
JUNE 30. 2018
(UNAUDITED)

ASSETS		
Cash and Cash Equivalents	$	32,005,885.05
Accounts Receivable		
Federal Financial Assistance		949,481.02
Other		2,712,678.78
Prepaid Expenditures		536,461.94
Inventories		165,134.07
Other Assets		2,621,689.84
Total Assets	$	38,991,330.70
LIABILITIES AND FUND EQUITY		
Liabilities		
Accrued Payroll	$	668,255.70
Encumbrance Payable		18,922,812.54
Accounts Payable		1,679,774.53
Unearned Revenue		4,748,687.44
Other Liabilities		50,872.94
Total Liabilities		26,070,403.15
Fund Balances		
Reserved		
Capital Outlay		877,965.00
Department Sales and Services		2,582,534.57
Indirect Cost Recoveries		1,415,405.48
Technology Fees		4,799,377.87
Uncollectible Accounts Receivable		872,013.88
Inventories		177,831.33
Tuition Carry - Forward		2,184,690.13
Unreserved		
Surplus		11,109.29
Total Fund Balances		12,920,927.55
Total Liabilities and Fund Balances	$	38,991,330.70

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.

UNIVERSITY OF WEST GEORGIA
STATEMENT OF FUNDS AVAILABLE AND EXPENDITURES COMPARED TO BUDGET
BY PROGRAM AND FUNDING SOURCE
BUDGET FUND
FOR THE FISCAL YEAR ENDED JUNE 30. 2018

				Funds Available Compared to Budget	
	Original Appropriation	Amended Appropriation	Final Budget	Current Year Revenues	Prior Year Reserve Carry-Over
Public Service / Special Funding Initiatives					
State Appropriation					
State General Funds	$ —	$ —	$ 55,000.00	$ 55,000.00	$ —
Tobacco Funds	—	—	—	—	—
State Funds - Prior Year Carry-Over					
Other Funds	—	—	—	—	—
Total Public Service / Special Funding Initiatives	—	—	55,000.00	55,000.00	—
Teaching					
State Appropriation					
State General Funds	58,955,513.00	58,955,513.00	59,306,288.00	59,306,288.00	—
Other Funds	116,690,575.00	116,690,575.00	133,936,758.00	130,080,607.18	10,168,066.45
Total Teaching	175,646,088.00	175,646,088.00	193,243,046.00	189,386,895.18	10,168,066.45
Total Operating Activity	$ 175,646,088.00	$ 175,646,088.00	$ 193,298,046.00	$ 189,441,895.18	$ 10,168,066.45

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.

UNIVERSITY OF WEST GEORGIA
STATEMENT OF FUNDS AVAILABLE AND EXPENDITURES COMPARED TO BUDGET
BY PROGRAM AND FUNDING SOURCE
BUDGET FUND
FOR THE FISCAL YEAR ENDED JUNE 30. 2018

	Funds Available Compared to Budget			Expenditures Compared to Budget		Excess (Deficiency) of Funds Available Over/(Under) Expenditures
	Program Transfers or Adjustments	Total Funds Available	Variance Positive (Negative)	Actual	Variance Positive (Negative)	
Public Service / Special Funding Initiatives						
State Appropriation						
State General Funds	$ —	$ 55,000.00	$ —	$ 54,550.05	$ 449.95	$ 449.95
Tobacco Funds	—	—	—	—	—	—
State Funds - Prior Year Carry-Over						
Other Funds	—	—	—	—	—	—
Total Public Service / Special Funding Initiatives	—	55,000.00	—	54,550.05	449.95	449.95
Teaching						
State Appropriation						
State General Funds	—	59,306,288.00	—	59,306,288.00	—	—
Other Funds	—	140,248,673.63	6,311,915.63	128,481,377.53	5,455,380.47	11,767,296.10
Total Teaching	—	199,554,961.63	6,311,915.63	187,787,665.53	5,455,380.47	11,767,296.10
Total Operating Activity	$ —	$ 199,609,961.63	$ 6,311,915.63	$ 187,842,215.58	$ 5,455,830.42	$ 11,767,746.05

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.

UNIVERSITY OF WEST GEORGIA
STATEMENT OF CHANGES TO FUND BALANCE
BY PROGRAM AND FUNDING SOURCE
BUDGET FUND
FOR THE FISCAL YEAR ENDED JUNE 30. 2018

	Beginning Fund Balance/(Deficit)	Fund Balance Carried Over from Prior Year as Funds Available	Return of Fiscal Year 2017 Surplus	Prior Year Adjustments	Other Adjustments
Public Service / Special Funding Initiatives					
State Appropriation					
State General Funds	$ 18,368.35	$ —	$ (18,368.35)	$ 4.14	$ —
Tobacco Funds	—	—	—	—	—
Federal Stimulus Stabilization Funds	—	—	—	—	—
Other Funds	—	—	—	—	—
Total Public Service / Special Funding Initiatives	18,368.35	—	(18,368.35)	4.14	—
Teaching					
State Appropriation					
State General Funds	8,399.38	—	(8,399.38)	2,171.79	—
American Recovery and Reinvestment Act					
Federal Funds Not Specifically Identified	—	—	—	—	—
State Fiscal Stabilization Fund					
Stabilization Fund - Education State Grants	—	—	—	—	—
Other Funds	10,176,546.24	(10,168,066.45)	(8,479.79)	125,750.38	(24,590.02)
Total Teaching	10,184,945.62	(10,168,066.45)	(16,879.17)	127,922.17	(24,590.02)
Total Operating Activity	10,203,313.97	(10,168,066.45)	(35,247.52)	127,926.31	(24,590.02)
Prior Year Reserves					
Not Available for Expenditure					
Inventories	156,751.26				21,080.07
Uncollectible Accounts Receivable	868,503.93				3,509.95
Early Retirement Program (Georgia Health Sciences University	—				—
Budget Unit Totals	$ 11,228,569.16	$ (10,168,066.45)	$ (35,247.52)	$ 127,926.31	$ —

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.

UNIVERSITY OF WEST GEORGIA
STATEMENT OF CHANGES TO FUND BALANCE
BY PROGRAM AND FUNDING SOURCE
BUDGET FUND
FOR THE FISCAL YEAR ENDED JUNE 30. 2018

	Early Return of Fiscal Year 2018 Surplus	Excess (Deficiency) of Funds Available Over/Under) Expenditures	Ending Fund Balance/(Deficit) June 30	Analysis of Ending Fund Balance		
				Reserved	Surplus/(Deficit)	Total
Public Service / Special Funding Initiatives						
State Appropriation						
State General Funds	$ —	$ 449.95	$ 454.09	$ —	$ 454.09	$ 454.09
Tobacco Funds	—	—	—	—	—	—
Other Funds	—	—	—	—	—	—
Total Public Service / Special Funding Initiatives	—	449.95	454.09	—	454.09	454.09
Teaching						
State Appropriation						
State General Funds	—	—	2,171.79	—	2,171.79	2,171.79
Other Funds	—	11,767,296.10	11,868,456.46	11,859,973.05	8,483.41	11,868,456.46
Total Teaching	—	11,767,296.10	11,870,628.25	11,859,973.05	1,655.20	11,870,628.25
Total Operating Activity	—	11,767,746.05	11,871,082.34	11,859,973.05	11,109.29	11,871,082.34
Prior Year Reserves						
Not Available for Expenditure						
Inventories			177,831.33	177,831.33		177,831.33
Uncollectible Accounts Receivable			872,013.88	872,013.88		872,013.88
Early Retirement Program (Georgia Health Sciences University			—	—		—
Budget Unit Totals	$ —	$ 11,767,746.05	$ 12,920,927.55	$ 12,909,818.26	$ 11,109.29	$ 12,920,927.55

	Reserved	Surplus/(Deficit)	Total
Capital Outlay	$ 877,965.00	$ —	$ 877,965.00
Departmental Sales and Services	2,582,534.57	—	2,582,534.57
Indirect Cost Recovery	1,415,405.48	—	1,415,405.48
Technology Fees	4,799,377.87	—	4,799,377.87
Restricted/Sponsored Funds	—	—	—
Property Reserves	—	—	—
Tuition Carry-Forward	2,184,690.13	—	2,184,690.13
Uncollectible Accounts Receivable	872,013.88	—	872,013.88
Inventories	177,831.33	—	177,831.33
Early Retirement Program	—	—	—
Surplus	—	11,109.29	11,109.29
Deficit	—	—	—
	$ 12,909,818.26	$ 11,109.29	$ 12,920,927.55

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.

UNIVERSITY OF WEST GEORGIA

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