Abraham Baldwin Agricultural College

Review Report

For Fiscal Year Ended June 30, 2023

ABRAHAM BALDWIN AGRICULTURAL COLLEGE
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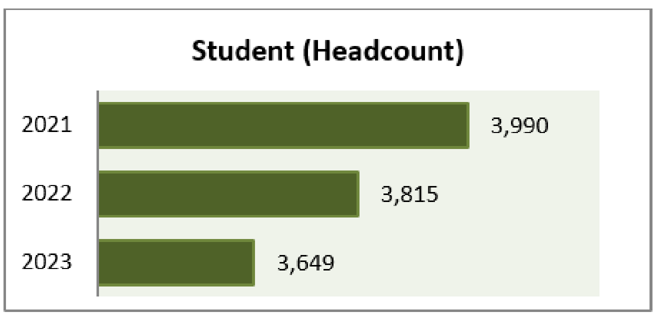
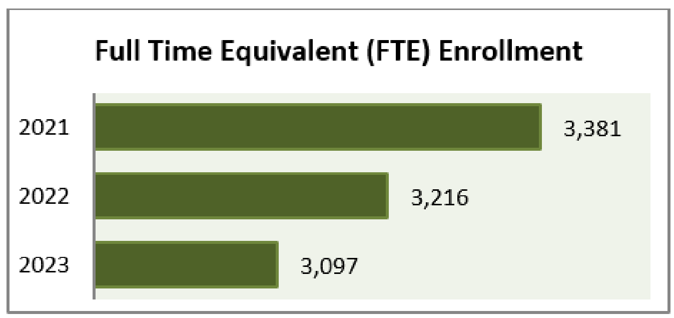
ABRAHAM BALDWIN AGRICULTURAL COLLEGE
Management's Discussion and Analysis

The Management's Discussion and Analysis (MD&A) of Abraham Baldwin Agricultural College's (the "College") annual financial report presents a discussion and analysis of the financial performance of the College during the fiscal years ended June 30, 2023, and 2022. This discussion has been prepared by management along with the financial statements and related note disclosures and should be read in conjunction with the financial statements and notes.

Introduction
Abraham Baldwin Agricultural College (ABAC) is one of the twenty-six institutions of higher education of the University System of Georgia. The College offering instruction on campuses in Tifton and Bainbridge, Georgia, was founded in 1908 as the Second District A&M School. ABAC provides unique, hands-on learning opportunities for students as the South's premier destination for Agricultural studies. Our offerings have grown a great deal since our founding, now including a wide range of more traditional 4-year degrees and paths to success including a highly sought after nursing program and innovative arts and science tracks. The College's faculty, staff, and administration are committed to providing an excellent education by engaging, teaching, coaching, mentoring, and providing relevant experiences that prepare the graduate for life. The institution has remained stable with enrollment growth in 2021 but saw a decline in enrollment in 2022 and 2023 that was attributed to declining demographics and changes in testing requirements in institutions across the state.





The College is accredited by and is a member of the Southern Association of Colleges and Schools. The College is governed by The Board of Regents of the University System of Georgia. The Board determines policy and approves operating budgets, educational programs, facilities, and capital financing, and sets the tuition and fee schedules for the College.

Overview of the Financial Statements
The College's financial statements present the financial condition of the College. The emphasis on discussions about these statements will be on the current year's data. There are three business-type financial statements presented: the Statement of Net Position, the Statement of Revenues, Expenses and Changes in Net Position, and the Statement of Cash Flows. There are two fiduciary financial statements presented: the Statement of Net Position and the Statement of Revenues, Expenses and Changes in Net Position. The notes to the financial statements provide additional information that is essential to a full understanding of the financial statements. In fiscal year 2023, GASB issued Statement No. 96, Subscription- Based Information Technology Arrangements, and became effective. Under this statement, a lessee is required to recognize a subscription liability and an intangible right-to-use asset for contracts that meet the definition of a subscription-based information technology agreement. Comparative data is provided for fiscal year 2023 and 2022.

Condensed Statement of Net Position
The Statement of Net Position is a financial condition snapshot as of June 30, 2023, and includes all assets and liabilities, both current and non-current, deferred outflows of resources and deferred inflow of resources. 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 good 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 College and how much the College owes vendors. The difference between assets and deferred outflows of resources and liabilities and deferred inflow of resources (net position) is one indicator of the College's financial health. Increases or decreases in net position provide an indicator of the improvement or decline of the College'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 of Net Position, net investment of capital assets, provides the College's equity in property, plant and equipment owned by the institution.

The next category is restricted, which is divided into two categories, nonexpendable and expendable. The corpus of non-expendable, restricted resources is available only for investment purposes. Expendable, restricted resources are available for expenditure by the College 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 of Net Position is unrestricted. Unrestricted resources are available to the College for any lawful purpose.

The following table summarizes the Statement of Net Position:

Statement of Net Position, Condensed

	2023	2022	Percent Change
Assets:			
Current Assets	28,580,135	23,716,007	20.5%
Non-Current Assets:			
Capital Assets, Net	69,902,383	73,136,574	-4.4%
Intangible Right-to-Use Assets, Net	537,393	50,291	968.6%
Other Non-Current Assets	2,131,131	2,109,462	1.0%
Total Assets	**101,151,042**	**99,012,334**	**2.2%**
Deferred Outflows of Resources	**22,951,642**	**14,610,729**	**57.1%**
Liabilities:			
Current Liabilities	3,603,649	3,887,779	-7.3%
Non-Current Liabilities:			
Non-Current Liabilities	71,392,901	54,117,608	31.9%
Total Liabilities	**74,996,550**	**58,005,387**	**29.3%**
Deferred Inflows of Resources	**17,774,055**	**27,880,210**	**-36.2%**
Net Position:			
Net Investment in Capital Assets	70,041,939	72,962,224	-4.0%
Restricted - Nonexpendable	1,933,130	1,911,461	1.1%
Restricted - Expendable	5,896,047	960,917	513.6%
Unrestricted	(46,539,037)	(48,097,136)	-3.2%
Total Net Position	**31,332,079**	**27,737,466**	**13.0%**

Total assets increased by $2,138,708, which was primarily due to an increase of current assets of $4,864,128. In current assets, accounts receivables increase by $4,948,420 due to the Employee Retention Credit awarded to the College to be received in fiscal year 2024.

Capital assets decreased by $3,234,191. This decrease is primarily due to the transfer of property of $2,932,839 to the Early County Board of Education. See Capital Assets later within this section and Note 6 within the Notes to the Financial Statements for more information on capital assets.

Total deferred outflows of resources increased by $8,340,914. The increase in deferred outflows of resources was due to changes in actuarial assumptions for the Teachers' Retirement System of Georgia (TRS), Employees Retirement System (ERS) and Post-Employment Benefits Other than Pension Benefits (OPEB).

Total liabilities increased for the year by $16,991,163 which was due to a decrease of $284,130 in current liabilities and an increase of $17,275,293 in non-current liabilities.

The decrease in non-current liabilities was due to an increase of $26,360,246 in net pension liability, which is primarily attributable to the College's proportionate share of net pension liability related to TRS and ERS changes in assumptions used to estimate the liability, including updated mortality projection scale, and updated actuarial experience study.

The net OPEB liability decreased $9,285,269. The College's proportionate share of the net OPEB liability decreased due to changes in assumptions used to estimate the liability, including the removal of the excise tax, updated mortality projection scale, revised demographic assumptions based on the May 2022 experience study, and lowering the discount rate.

Total deferred inflows of resources increased by $10,106,154 which was due to an increase in the College's proportionate share of deferred inflow on OPEB of $5,033,793 and a decrease in deferred inflow on defined benefit pension plans of $15,139,947. Deferred inflows for OPEB and pensions relate to changes in assumptions, experience, and investment earnings, which affect the corresponding liability and are recognized as revenue in future periods.

The combination of the change in total assets and deferred outflows of resources and the change in total liabilities and deferred inflow of resources yielded an increase in net position of $3,594,613.

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 present in the Statement of Revenues, Expenses and Changes in Net Position. The purpose of the statement is to present the revenues received by the College, both operating and non-operating, and the expenses paid by the College, operating and non-operating, and any other revenues, expenses, gains, and losses received or spent by the College. Generally, operating revenues are received for providing goods and services to the various customers and constituencies of the College. 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 College. 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 College without the Legislature directly receiving commensurate goods and services for those revenues.

The Statement of Revenues, Expenses and Changes in Net Position reflects a year of financial growth. The statements for the fiscal year ended June 30, 2023, and the prior year are summarized as follows:

College Operations and Other Changes

	2023	2022	Percent Change
Operating Revenues:			
Tuition and Fees	10,450,112	12,011,567	-13.0%
Grants and Contracts	187,972	156,386	20.2%
Sales and Services	534,526	335,414	59.4%
Rents and Royalties	209,603	190,130	10.2%
Auxiliary	9,951,609	9,747,135	2.1%
Other	211,162	192,384	9.8%
Total Operating Revenues	**21,544,984**	**22,633,016**	**-4.8%**
Operating Expenses	**64,273,996**	**63,256,218**	**1.6%**
Operating Loss	**(42,729,012)**	**(40,623,202)**	**5.2%**
Nonoperating Revenues (Expenses):			
State Appropriations	30,793,494	24,578,266	25.3%
Grants and Contracts	17,289,473	20,782,087	-16.8%
Gifts	563,147	422,758	33.2%
Investment Income	591,728	(232,521)	-354.5%
Interest Expense (Capital Assets)	(5,258)	(1,366)	284.9%
Other	(49,840)	(3,542)	1307.1%
Total Nonoperating Revenues (Expenses)	**49,182,744**	**45,545,682**	**8.0%**
Income Before Other Changes	**6,453,732**	**4,922,480**	**31.1%**
Capital Gifts and Grants:			
State	73,720	136,538	-46.0%
Special Item	(2,932,839)		0.0%
Total Other Revenues, Expenses, Gains or	**(2,859,119)**	**136,538**	**-2194.0%**
Change in Net Position	**3,594,613**	**5,059,018**	**-28.9%**
Net Position at Beginning of Year, Restated	**27,737,466**	**22,678,448**	**22.3%**
Net Position at End of Year	**31,332,079**	**27,737,466**	**13.0%**

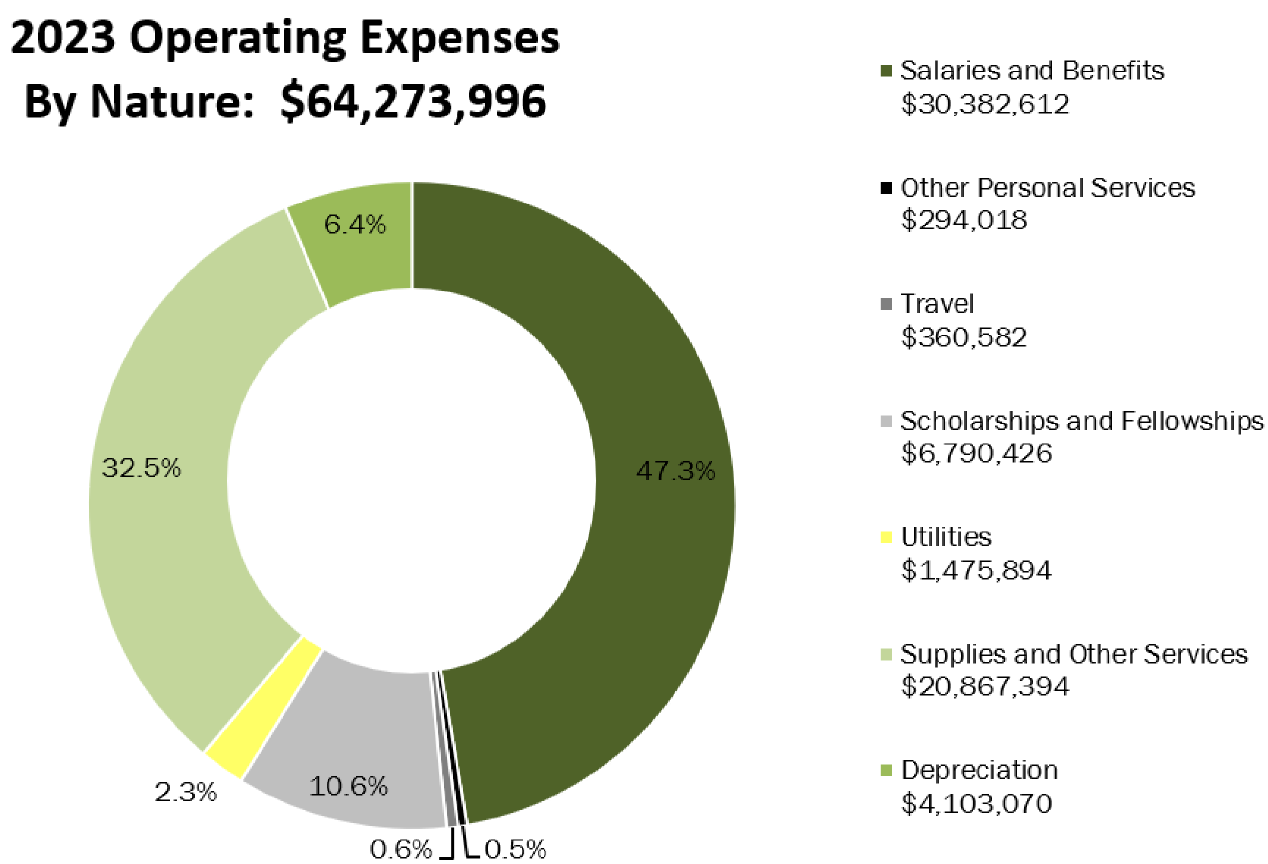
Operating Revenues
The operating revenues represent resources generated by the College in fulfilling its instruction mission. Operating revenues decreased by $1,088,032 in fiscal year 2023. Net student tuition and fees for fiscal year 2023 decreased 13% over the prior year total, because of an enrollment decrease. Auxiliary revenues include operations such as student housing, student dining, bookstore, student health services, parking and transportation, and student athletic fees. Auxiliary enterprises should operate on a self-supporting basis, where the combination of fees and other revenues is sufficient to meet costs. The total auxiliary revenue increased in fiscal year 2023 by $204,474. The College recognized a 59% increase in sales and services revenue in fiscal year 2023 largely due to an increase of $199,112 in study abroad programming costs that were not held in fiscal year 2022 out of precaution due to COVID.

Operating Expenses
The College's operating expenses were $64.2 million for the fiscal year ended June 30, 2023, an increase of 1.6% over the prior year. The operating expenses are reported by natural classification in the financial statements and by functional classification in Note 18. The largest decrease by function was the Scholarships and Fellowships, which was due to $5.5 million in Higher Education Emergency Relief Funds that were issued to students in fiscal year 2022. The two largest increases by function were Instruction for $3.1M and for Plant Operations and Maintenance for $2.7M due to an increase in cost of Supplies and Other Services in both functional classifications. The following table illustrates the College's operating expenses by functional classification.

Operating Expenses by Function

	2023	2022	Percent Change
Instruction	21,718,577	18,537,008	17.2%
Public Service	976,615	897,162	8.9%
Academic Support	6,953,652	7,032,819	-1.1%
Student Services	3,494,391	3,303,825	5.8%
Institutional Support	8,379,327	9,388,532	-10.7%
Plant Operations and Maintenance	7,953,178	5,216,278	52.5%
Scholarships and Fellowships	6,442,479	11,593,252	-44.4%
Auxiliary Enterprises	8,355,777	7,287,342	14.7%
Total Operating Expenses	**64,273,996**	**63,256,218**	**1.6%**

Operating expense categories changed at varying rates although the overall rate of increase was 1.6%. The scholarships and fellowships category decreased by $5.2 million and affected only the Scholarships and Fellowships functional classification. The College had an increase of 15.5% in supplies and other services and this is due to additional expenditures related to the use of institutional funds for the Higher Education Emergency Relief Funds. The Center for Rural Prosperity and Innovation also issued $5.1M in grants to counties and cities in fiscal year 2023. The following graph illustrates the College's operating expenses by nature.



Nonoperating Revenues and Expenses

State appropriations, non-capital gifts and grants, and investment income are considered nonoperating because they were not generated by the College's principal, ongoing operations. The College received an amendment in the third quarter of fiscal year 2023 that significantly adjusted the original state appropriations allotment. Additional state appropriations of $5,000,000 was provided to the Center for Rural Prosperity and Innovation to fund the match for the Georgia Artificial Intelligency Manufacturing Project benefiting Southwest Georgia. The College also received state appropriations cash of $378,845 to provide funding for three-year end projects and $918,000 in cash for major repair and renovation funds for fiscal year 2023. Without these adjustments during the year to state appropriations, the College would have reported a $81,611 reduction in state appropriations for fiscal year 2023.

Grants and contracts decreased by $3,492,614, which was largely due to the receipt of $11,713,269 of federal revenue in Higher Education Emergency Relief Funds in fiscal year 2022. The College received $5,020,759 in employee retention credits in fiscal year 2023 that assisted in offsetting the decline in federal revenue.

Capital Gifts and Grants decreased by $2,995,657, mainly due to the special item transfer of the Blakely campus of $2,932,839 to Early County Board of Education in June 2023.

Statement of Cash Flows

The final statement presented by Abraham Baldwin Agricultural College is the Statement of Cash Flows. The Statement of Cash Flows presents detailed information about the cash activity of the College during the year and is divided into five sections. Cash flow information can be used to evaluate the financial viability of the College’s ability to meet financial obligations as they mature. The first part is concerned with operating cash flows and shows the net cash used by the 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 financial activities and contains cash used for acquisition and construction of capital and related items. The fourth section is comprised of the 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 reflected on the Statement of Revenues, Expenses and Changes in Net Position.

Cash Flows, Condensed

	2023	2022	Percent Change
Cash Provided (used) By:			
Operating Activities	(40,140,689)	(40,581,442)	-1.1%
Non-capital Financing Activities	44,047,436	46,085,616	-4.4%
Capital and Related Financing Activities	(3,958,972)	(3,933,286)	0.7%
Investing Activities	569,999	63,390	799.2%
Increase in Net Position	**517,774**	**1,634,278**	**-68.3%**
Net Position at Beginning of Year, Restated	**20,062,081**	**18,427,803**	**8.9%**
Net Position at End of Year	**20,579,855**	**20,062,081**	**2.6%**

Capital Assets
Capital assets, net of accumulated depreciation, at June 30, 2023, and June 30, 2022, were as follows:

Capital Assets, Net of Accumulated Depreciation

	2023	2022	Percent Change
Land	517,111	868,472	-40.5%
Capitalized Collections	2,351,976	1,660,816	41.6%
Construction Work-in-Progress	-	453,010	-100.0%
Building and Building Improvements	61,488,865	66,662,737	-7.8%
Facilities and Other Improvements	3,248,394	1,206,701	169.2%
Equipment	2,157,857	2,099,924	2.8%
Library Collections	138,180	184,914	-25.3%
Capital Assets, Net of Accumulated Depreciation	**69,902,383**	**73,136,574**	**-4.4%**

The overall decrease in capital assets was driven by the transfer of the Blakely campus.

Intangible Right to Use Assets
An intangible right-to-use asset represents the College's right to use an underlying asset for the lease term. In GASB issued Statement 96, Subscription- Based Information Technology Arrangements, the college has recognized $537,393 of Intangible Right-to-Use Assets, net in fiscal year 2023.

Intangible Right To Use Assets, Net of Accumulated Depreciation

	2023	2022	Percent Change
Equipment	32,541	50,291	-35.3%
Subscription-Based Information Technology Arrangements	504,852	-	100.0%
Intangible Right To Use Assets, Net of Accumulated Depreciation	**537,393**	**50,291**	**968.6%**

For additional information concerning capital and intangible right-to-use assets, see Notes 1, 6, 8, and 12 in the Notes to the Financial Statements.

Long Term Liabilities
The College has Long-Term Liabilities of $1,904,968 excluding pension and OPEB liability; of which $1,035,028 are current liabilities at June 30, 2023.

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 post-employment benefits, capital assets and a report of operating expenses by function.

Economic Outlook
The College's overall financial position is strong, as evidenced by the College's fiscal year 2023 operating results.

The University System of Georgia (USG) operates under a funding formula that provides the Governor and General Assembly a basis for new system funding. Allocations to Abraham Baldwin Agricultural College and other USG institutions are determined by the BOR's allocation strategy, which considers the enrollment of system schools. The College's state original appropriations budget for fiscal year 2023 was $24,496,655, a net decrease of $81,611 from the prior year. The college received an additional $599,345 in state appropriations for fiscal year 2024. Of this increase from fiscal year 2023 to 2024, cost of living allowance increases of $2,000 for full time employees was funded through state appropriations in the amount of $542,731 for fiscal year 2024. The college is poised to anticipate and manage future reductions in state appropriations that would be due to slight enrollment reductions and change in the state's financial position due to the economy.

The College has a viability ratio of 1078.99 and a capital liability burden ratio of 0.28%. A viability ratio of 1.0 indicates that the institution could pay off all debts. Outside of pension and OPEB liabilities, the College has $869,940 in non-current liabilities, of which $595,131 is compensated absences.

In fiscal year 2021 and 2022, federal assistance from the Higher Education Emergency Relief Funds restored lost revenue related to Auxiliary Enterprises. Due to this additional support, the College maintained solid reserves necessary to cover required capital improvements performed in fiscal year 2023 and for future years to come.

The College continues to take steps to enhance student recruitment, both in marketing efforts and in providing additional scholarship funding. Applications, acceptances, and retention are monitored closely to assess the potential impact of economic conditions on future enrollment. We are cautiously optimistic that we will hit our enrollment goals for Fall 2023.

Abraham Baldwin Agricultural College met its goal of fiscal year 2023 to graduate over 50% of students in Fall 2022 and Spring 2023 debt free. This could not have been possible without the commitment of the Abraham Baldwin Agricultural College Foundation that awarded over $1.1 million in scholarships in fiscal year 2023.

In May 2023, the College received approval from the University System of Georgia's Board of Regents to transition to four-year athletics and to bring back men's and women's basketball. The College expects this to increase enrollment due to athletic programs. Athletics can bind a campus community together with a sense of pride and identity. It is more than just a logo or a mascot. A brand embodies mission, character, history, and legacy that has an emotional impact.

The College remains focused on the mission and is mindful of providing this opportunity to students at an affordable price. The College has not had an increase in tuition since Fall 2019. Our new ABAC Strategic Plan, which will be a unifying road map for our campus, is taking shape. The plan will help ensure that we remain laser-focused on student success and preparing our graduates for life after college. Abraham Baldwin Agricultural College is committed to serving our students and will never cease to work to increase the value of an education from this College

Financial Section

Financial Statements (GAAP Basis)

ABRAHAM BALDWIN AGRICULTURAL COLLEGE
STATEMENT OF NET POSITION
JUNE 30, 2023

ASSETS		
Current Assets		
Cash and Cash Equivalents	$	20,188,603
Cash and Cash Equivalents (Externally Restricted)		389,664
Short-term Investments		119,364
Accounts Receivable, net		
Federal Financial Assistance		422,028
Affiliated Organizations		65,432
Other		5,670,568
Inventories		213,215
Prepaid Items		1,511,261
Total Current Assets		28,580,135
Non-Current Assets		
Notes Receivable, net		111,326
Non-current Cash (Externally Restricted)		1,588
Investments (Externally Restricted)		2,018,217
Capital Assets, net		69,902,383
Intangible Right-to-Use Assets, net		537,393
Total Non-Current Assets		72,570,907
TOTAL ASSETS		101,151,042
DEFERRED OUTFLOWS OF RESOURCES	$	22,951,642

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

ABRAHAM BALDWIN AGRICULTURAL COLLEGE
STATEMENT OF NET POSITION
JUNE 30, 2023

LIABILITIES		
Current Liabilities		
Accounts Payable	$	1,309,839
Salaries Payable		92,476
Benefits Payable		87,835
Advances (Including Tuition and Fees)		855,236
Deposits		117,600
Deposits Held for Other Organizations		105,635
Subscription Obligations		110,152
Lease Obligations - External		12,876
Compensated Absences		912,000
Total Current Liabilities		3,603,649
Non-Current Liabilities		
Subscription Obligations		264,791
Lease Obligations - External		10,018
Compensated Absences		595,131
Net Other Post Employment Benefits Liability		33,862,173
Net Pension Liability		36,660,788
Total Non-Current Liabilities		71,392,901
TOTAL LIABILITIES		74,996,550
DEFERRED INFLOWS OF RESOURCES		17,774,055
NET POSITION		
Investment in Capital Assets		70,041,939
Restricted for:		
Nonexpendable		1,933,130
Expendable		5,896,047
Unrestricted (Deficit)		(46,539,037)
TOTAL NET POSITION	$	31,332,079

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

ABRAHAM BALDWIN AGRICULTURAL COLLEGE
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR FISCAL YEAR ENDED JUNE 30, 2023

OPERATING REVENUES		
Student Tuition and Fees (net)	$	10,450,112
Grants and Contracts		
Federal		186,807
State		1,165
Sales and Services		534,526
Rents and Royalties		209,603
Auxiliary Enterprises		
Residence Halls		2,538,669
Bookstore		2,024,743
Food Services		3,566,890
Parking/Transportation		207,230
Health Services		428,707
Intercollegiate Athletics		555,492
Other Organizations		629,878
Other Operating Revenues		211,162
Total Operating Revenues		21,544,984
OPERATING EXPENSES		
Faculty Salaries		9,310,109
Staff Salaries		13,066,367
Employee Benefits		8,006,136
Other Personal Services		294,018
Travel		360,582
Scholarships and Fellowships		6,790,426
Utilities		1,475,894
Supplies and Other Services		20,867,394
Depreciation and Amortization		4,103,070
Total Operating Expenses		64,273,996
Operating Income (Loss)	$	(42,729,012)

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

ABRAHAM BALDWIN AGRICULTURAL COLLEGE
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR FISCAL YEAR ENDED JUNE 30, 2023

NONOPERATING REVENUES (EXPENSES)		
State Appropriations	$	30,793,494
Grants and Contracts		
Federal		11,394,293
State		265,208
Other		5,629,972
Gifts		563,147
Investment Expense		591,728
Interest Expense		(5,258)
Other Nonoperating Revenues (Expenses)		(49,840)
Net Nonoperating Revenues		49,182,744
Income (Loss) Before Other Revenues, Expenses, Gains, or Losses		6,453,732
Capital Grants and Gifts		
State		73,720
Special Item		(2,932,839)
Total Other Revenues, Expenses, Gains or Losses		(2,859,119)
Change in Net Position		3,594,613
Net Position, Beginning of Year		27,737,466
Net Position, End of Year	$	31,332,079

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

ABRAHAM BALDWIN AGRICULTURAL COLLEGE
STATEMENT OF CASH FLOWS
FOR FISCAL YEAR ENDED JUNE 30, 2023

CASH FLOWS FROM OPERATING ACTIVITIES	
Payments from Customers	$ 21,442,312
Grants and Contracts (Exchange)	(36,812)
Payments to Suppliers	(31,787,740)
Payments to Employees	(22,968,023)
Payments for Scholarships and Fellowships	(6,790,426)
Net Cash Used by Operating Activities	(40,140,689)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES	
State Appropriations	30,793,494
Gifts and Grants Received for Other Than Capital Purposes	13,255,434
Other Non-Capital Financing Receipts	(1,492)
Net Cash Flows Provided by Non-Capital Financing Activities	44,047,436
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Capital Gifts and Grants Received	(669,867)
Purchases of Capital and Intangible Right-to-Use Assets	(3,091,023)
Principal Paid on Capital Debt and Leases	(192,824)
Interest Paid on Capital Debt and Leases	(5,258)
Net Cash Used by Capital and Related Financing Activities	(3,958,972)
CASH FLOWS FROM INVESTING ACTIVITIES	
Proceeds from Sales and Maturities of Investments	119,304
Investment Income	570,059
Purchase of Investments	(119,364)
Net Cash Provided by Investing Activities	569,999
Net Increase in Cash and Cash Equivalents	517,774
Cash and Cash Equivalents, Beginning of Year	20,062,081
Cash and Cash Equivalents, End of Year	$ 20,579,855

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

ABRAHAM BALDWIN AGRICULTURAL COLLEGE
STATEMENT OF CASH FLOWS
FOR FISCAL YEAR ENDED JUNE 30, 2023

		Abraham Baldwin Agricultural College
RECONCILIATION OF OPERATING LOSS TO		
NET CASH USED BY OPERATING ACTIVITIES:		
Operating Loss	$	(42,729,012)
Adjustments to Reconcile Net Operating Loss to		
Net Cash Used by Operating Activities		
Depreciation and Amortization		4,103,070
Change in Assets and Liabilities:		
Receivables, net		46,354
Inventories		19,969
Prepaid Items		17,660
Accounts Payable		217,900
Salaries Payable		(220,786)
Benefits Payable		449
Deposits		(56,950)
Advances (Including Tuition and Fees)		(157,072)
Compensated Absences		(10,180)
Net Pension Liability		26,360,246
Other Post-Employment Benefit Liability		(9,285,269)
Change in Deferred Inflows/Outflows of Resources:		
Deferred Inflows of Resources		(10,106,154)
Deferred Outflows of Resources		(8,340,914)
Net Cash Used by Operating Activities	$	(40,140,689)
NON-CASH INVESTING, NON-CAPITAL FINANCING, AND CAPITAL AND		
RELATED FINANCING TRANSACTIONS		
Noncapital Financing Activities Noncash Items:		
Current Year Accruals Related to Non-operating Non-capital Grants and Gifts	$	5,703,685
Amortization of Non-capital Financing Activities Advances and Deferred Inflows	$	58,888
Capital Financing Activities Noncash Items:		
Gift of Capital Assets	$	880,125
Gain (Loss) on Disposal of Capital Assets	$	(2,981,187)
Intangible Right-to-Use Assets Acquired by Incurring SBITAs	$	555,419
Investing Activities Noncash Items:		
Unrealized Gain (Loss) on Investments	$	21,669

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

ABRAHAM BALDWIN AGRICULTURAL COLLEGE
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2023

		Custodial Funds
ASSETS		
Cash and Cash Equivalents	$	6,150
Receivables		
Other		506,564
Total Assets		512,714
LIABILITIES		
Accounts Payable		672
Deposits held for other organizations		24,705
Total Liabilities		25,377
NET POSITION		
Restricted for:		
Individuals, Organizations, and Other Governments	$	487,337

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

ABRAHAM BALDWIN AGRICULTURAL COLLEGE
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
JUNE 30, 2023

	Custodial Funds
ADDITIONS	
Federal Financial Aid	$ 6,672,955
State Financial Aid	4,283,047
Other Financial Aid	2,021,675
Clubs and Other Organizations Fund Raising	247,767
Public-Private Partnership Passthrough	8,267,157
Total Additions	21,492,601
DEDUCTIONS	
Scholarships and Other Student Support	12,979,377
Student Organizations Support	236,139
Public-Private Partnership Passthrough	8,260,756
Total Deductions	21,476,272
Net Increase (Decrease) in Fiduciary Net Position	16,329
Net Position, Beginning of Year	471,008
Net Position, End of Year	$ 487,337

Notes to the Financial Statements

ABRAHAM BALDWIN AGRICULTURAL COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

Note 1 Summary of Significant Accounting Policies

Nature of Operations

Abraham Baldwin Agricultural College (College) 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 College 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 College does not have the right to sue/be sued without recourse to the State. The College'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 College is not legally separate from the State. Accordingly, the College 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 Annual Comprehensive Financial Report (ACFR) 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 College. These financial statements do not purport to, and do not, present fairly the financial position of the State as of June 30, 2023, 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 ACFR. The most recent State of Georgia ACFR can be obtained through the State Accounting Office, 200 Piedmont Avenue, Suite 1604 (West Tower), Atlanta, Georgia 30334 or online at sao.georgia.gov/annual-comprehensive-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 College's assets, deferred outflows, liabilities, deferred inflows, net position, revenues, expenses, changes in net position and cash flows.

The College's business-type activities and fiduciary fund 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.

The College reports the following fiduciary funds:

- Pension and Other Post Employment Benefit Trust Funds - Accounts for the activities of the Early Retirement Plan, the Board of Regents Retiree Health Benefit Fund and the Deferred Compensation Fund.
- Custodial Funds - Accounts for activities of resulting from the College acting as an agent or fiduciary for various governments, companies, clubs or individuals.

New Accounting Pronouncements
In May 2019, the GASB issued Statement No. 91*, Conduit Debt Obligations*, effective for fiscal years beginning after December 15, 2020. In fiscal year 2020, the College adopted GASB Statement No. 95, *Postponement of Effective Dates of Certain Authoritative Guidance* which postponed the effective dates of Statement No. 91 to fiscal year 2023. The objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. The adoption of this statement does not have a significant impact on the financial statements and will be applied prospectively.

In March 2020, the GASB issued Statement No. 94*, Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, effective for fiscal years beginning after June 15, 2022. The objectives of this statement are to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements and to provide guidance for accounting and financial reporting for availability payment arrangements. The adoption of this statement does not have a significant impact on the financial statements and will be applied retroactively.

In May 2020, the GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements,* effective for fiscal years beginning after June 15, 2022. This statement defines subscription-based information technology arrangements and provides uniform guidance for accounting and financial reporting for transactions that meet that definition. Under this Statement, a government is required to recognize a subscription liability and an intangible right-to-use asset for contracts that meet the definition of a subscription-based information technology arrangement.

In April 2022, the GASB issued Statement No. 99, *Omnibus 2022,* effective for certain elements of the requirement effective upon issuance. The objectives of this statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation. The adoption of this statement does not have a significant impact on the financial statements.

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. 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.

Short-Term Investments
Short-Term Investments consist of investments of 90 days - 13 months. These include certificates of deposits or other time-restricted investments with original maturities of six months or more when purchased. Funds are not readily available and there is a penalty for early withdrawal.

Investments
Investments include financial instruments with terms in excess of 13 months, certain other securities for the production of revenue, land, and other real estate held as investments by endowments. The College accounts for its investments at fair value. Changes in the fair value of investments are reported as a component of investment income in the Statement of Revenues, Expenses, and Changes in Net Position. Investments that cannot be used to pay current liabilities are classified as non-current assets in the Statement of Net Position. Investments 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 College's grants and contracts. Accounts receivable are recorded net of estimated uncollectible amounts.

Inventories
Resale inventories are valued at cost using the average-cost basis.

Prepaid Items
Payments made to vendors and state and local government organizations for services that will benefit periods beyond June 30, 2023 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 College'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 College, it is necessary to look at the activities of the Georgia State Financing and Investment Commission (GSFIC) - an organization that is external to the USG. 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 USG when complete. For projects managed by institutions of the USG, the institutions retain construction in progress on their books and are reimbursed by GSFIC.

Intangible Right-To-Use Assets
The College leases certain academic spaces, administrative offices, and equipment under lease agreements. The College has leases under which it is obligated as a lessee. Leases, as a lessee, are included in intangible right-to-use assets and lease obligations on the Statement of Net Position. Financed leases, which transfer ownership, are included in capital assets and notes payable on the Statement of Net Position.

The College also entered into certain subscription-based agreements to use vendor-provided information technology (IT). Subscription-based information technology arrangements (SBITAs) result in an intangible right-to-use asset and a subscription obligation on the Statement of Net Position.The College capitalizes SBITA items that are greater than $100,000 over the subscription term and the initial term exceeds 12 months.

An intangible right-to-use asset represents the College's right to use an underlying asset for the lease or subscription term. Lease and/or subscription obligations represent the College's liability to make lease and/or subscription payments arising from the lease and/or subscription agreement. Intangible right-to-use assets, lease obligations, and subscription obligations are recognized based on the present value of lease and/or subscription payments over the lease term, where the initial term exceeds 12 months. Residual value guarantees and the value of an option to extend or terminate a lease and/or subscription are reflected to the extent it is reasonably certain to be paid or exercised. Variable payments based on future performance or usage are not included in the measurement of the lease and/or subscription liability. Intangible right-to-use assets are amortized using a straight-line basis over the shorter of the lease and/or subscription term or useful life of the underlying asset.

Deferred Outflows of Resources
Deferred outflows of resources consist of the consumption of net position that is applicable to a future reporting period.

Deposits
Deposits represent good faith deposits from students to reserve housing assignments, meal plans or other auxiliary services.

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 others result primarily from escheated funds that are the result of unclaimed property.

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) lease and/or subscription 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 College'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 College'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 College's net position is classified as follows:

Net Investment in capital assets represents the College's total investment in capital assets, net of outstanding debt obligations related to those capital assets and intangible right-to-use assets. To the extent debt has been incurred but not yet expended for capital assets or intangible right-to-use 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 College 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 College 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 College, 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 College's policy is to first apply the expense towards unrestricted resources, and then towards restricted resources.

Income Taxes
The College, 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 College, 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 College's financial statements. To the extent that revenues from such programs are used to satisfy tuition, fees and other student charges, the College 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 $3,782,835.

Special Items
In June 2023, Abraham Baldwin Agricultural College transferred the Blakely campus along with other capital assets to Early County Board of Education for a total special item transfer of $2,932,839.

Note 2 Deposits and Investments

Cash and cash equivalents and investments as of June 30, 2023 are classified in the accompanying statement of net position and statement of fiduciary net position as follows:

Statement of Net Position		
Current		
Cash and Cash Equivalents	$	20,188,603
Cash and Cash Equivalents (Externally Restricted)		389,664
Short-term Investments		119,364
Noncurrent		
Noncurrent Cash (Externally Restricted)		1,588
Investments (Externally Restricted)		2,018,217
Statement of Fiduciary Net Position		
Cash and Cash Equivalents		6,150
	$	22,723,586

Cash on hand, deposits and investments as of June 30, 2023 consist of the following:

Cash on Hand		13,560
Deposits with Financial Institutions		20,691,809
Investments		2,018,217
	$	22,723,586

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 College's deposits may not be recovered. Funds belonging to the State of Georgia (and thus the College) 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 College 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, 2023, the bank balances of the College's deposits totaled $21,399,314. This balance includes deposits in Fiduciary funds as these balances are not separable from the holdings of the USG. Of the College's deposits, $21,027,604 were uninsured. Of these uninsured deposits, $21,027,604 were collateralized with securities held by the financial institution's trust department or agent but not in the College's name.

B. Investments

The College 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 College's investments measured at fair value on a recurring basis as of June 30, 2023.

Investment Pools	
Board of Regents	
Balanced Income Fund	$ 2,018,217

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

1. Balanced Income Fund

   The Balanced Income Fund is available to both University System of Georgia institutions and their affiliated organizations. The Fund is designed to be a vehicle to invest funds that are not subject to the state regulations concerning investing in equities. This pool is appropriate for investing longer term funds that require a more conservative investment strategy. Permitted investments in the fund are domestic US equities, domestic investment grade fixed income, and cash equivalents.

   The equity allocation shall range between 20% and 40%, with a target of 30% of the total portfolio. The fixed income (bond) portion of the portfolio shall range between 60% and 80%, with a target of 70% of the total portfolio. Cash reserves and excess income are invested at all times in the highest quality par stable (A1, P1) institutional money market mutual funds, or other high quality short term instruments. The market value of the College's position in the Balanced Income Fund at June 30, 2023 was $2,018,217, of which 66% is invested in debt securities. The Effective Duration of the Fund is 5.46 years.

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. The College does not have a formal policy for managing interest rate risk for investments.

	Fair Value
Investment type:	
Investment Pools	
Board of Regents	
Balanced Income Fund	$ 2,018,217

Credit Quality Risk
Credit quality risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The College's policy for managing credit quality risk is contained in the investment policy guidelines for the various pooled investment funds, colleges, universities, and foundations:

1. In the Balanced Income Fund, Total Return Fund and Diversified Fund, total fixed income portfolios should have an average credit quality rating of at least A. Overnight investments shall be limited to high quality institutional money market mutual funds rated A1, P1 or other high quality short-term debt instruments rated as least AA+

Note 3 Accounts Receivable

Accounts receivable consisted of the following at June 30, 2023:

	Business Type Activities	Fiduciary Fund
Student Tuition and Fees	$ 103,836	$ 125,554
Auxiliary Enterprises and Other Operating Activities	123,158	
Federal Financial Assistance	422,027	
Georgia Student Finance Commission		328,389
Due from Affiliated Organizations	65,432	
Due From Other USG Institutions	33,600	
Other	5,471,601	52,621
	6,219,654	506,564
Less: Allowance for Doubtful Accounts	61,626	
Net Accounts Receivable	$ 6,158,028	$ 506,564

Other accounts receivable includes approximately $5,020,759 of Employee Retention Credit funds.

Note 4 Inventories

Inventories consisted of the following at June 30, 2023:

Merchandise for Resale	$ 213,215

Note 5 Notes and Loans Receivable

Notes receivable consists of resources made available for financial loans to students of the Institution. Allowances for uncollectible loans are reported based on management's best estimate considering type, age, collection history, and other factors considered appropriate.

The Federal Perkins Loan Program (the Program) comprises substantially all of the loans receivable at June 30, 2023. 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 College for amounts canceled under these provisions. As the College 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.

Note 6 Capital and Intangible Right-to-Use Assets

Changes in capital assets for the year ended June 30, 2023 are shown below:

	Balance July 1, 2022	Special Item and Other Transfers	Additions	Reductions	Balance June 30, 2023
Capital Assets, Not Being Depreciated:					
Land	$ 868,472	$ (351,361)			$ 517,111
Capitalized Collections	1,602,283				1,602,283
Construction Work-in-Progress	453,010			453,010	—
Total Capital Assets Not Being Depreciated	2,923,765	(351,361)	—	453,010	2,119,394
Capital Assets, Being Depreciated:					
Building and Building Improvements	107,147,188	(4,305,056)	482,258		103,324,390
Facilities and Other Improvements	3,255,880		2,264,440	202,328	5,317,992
Equipment	7,564,050	(96,498)	792,405	404,451	7,855,506
Library Collections	2,153,306		3,155	12,731	2,143,730
Capitalized Collections	102,600		692,500		795,100
Total Capital Assets Being Depreciated	120,223,024	(4,401,554)	4,234,758	619,510	119,436,718
Less: Accumulated Depreciation					
Building and Building Improvements	40,484,451	(1,723,578)	3,074,652		41,835,525
Facilities and Other Improvements	2,049,179		222,747	202,328	2,069,598
Equipment	5,464,126	(96,498)	686,125	356,104	5,697,649
Library Collections	1,968,392		49,889	12,731	2,005,550
Capitalized Collections	44,067		1,340		45,407
Total Accumulated Depreciation	50,010,215	(1,820,076)	4,034,753	571,163	51,653,729
Total Capital Assets, Being Depreciated, Net	70,212,809	(2,581,478)	200,005	48,347	67,782,989
Capital Assets, net	$ 73,136,574	$ (2,932,839)	$ 200,005	$ 501,357	$ 69,902,383

The College has transferred capital assets to various other entities within the State's reporting entity. The College has reported these transactions as special items on the Statement of Revenues, Expenses and Changes in Net Position. See Note 1 - Special Items for additional information related to these transactions.

For projects managed by GSFIC, GSFIC retains construction-in-progress on its books throughout the construction period and transfers the entire project to the College when complete. For projects managed by the College, the College retains construction-in-progress on its books and is reimbursed by GSFIC. For the year ended June 30, 2023, GSFIC had construction in progress of approximately $6,178,012 for incomplete GSFIC managed projects for the College.

Changes in intangible right-to-use assets for the year ended June 30, 2023 are shown below:

	Beginning Balances July 1, 2022	Intangible Right-to-Use Recategorization	Additions	Reductions	Ending Balance June 30, 2023
Intangible Right-to-use Assets					
Equipment	$ 53,249	—	$ —	$ —	$ 53,249
Subscription Based IT Arrangements (SBITAs)	—		555,419		555,419
Total Leased Assets Being Amortized	53,249	—	555,419	—	608,668
Less: Accumulated amortization					
Equipment	2,958	—	17,750	—	20,708
Subscription Based IT Arrangements (SBITAs)	—		50,567		50,567
Total Accumulated Amortization	2,958	—	68,317	—	71,275
Intangible Right-to-use Assets, net	$ 50,291	$ —	$ 487,102	$ —	$ 537,393

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

Fiscal Year	Depreciation & Amortization Expense
2022	4,103,070
2021	4,001,566
2020	3,914,532

Note 7 Advances (Including Tuition and Fees)

Advances, including tuition and fees, consisted of the following at June 30, 2023:

	Current Liabilities
Prepaid Tuition and Fees	$ 810,253
Research	28,516
Other - Advances	16,467
Totals	$ 855,236

Note 8 Long-Term Liabilities

Changes in long-term liability for the year ended June 30, 2023 was as follows:

	Balance July 1, 2022	Additions	Reductions	Balance June 30, 2023	Current Portion
Lease & Subscription Obligations					
Lease Obligations	$ 35,242	$ —	$ 12,348	$ 22,894	$ 12,876
Subscription Obligations	—	555,419	180,476	374,943	110,152
Total	35,242	555,419	192,824	397,837	123,028
Other Liabilities					
Compensated Absences	1,517,310	1,047,439	1,057,618	1,507,131	912,000
Total	1,517,310	1,047,439	1,057,618	1,507,131	912,000
Total Long-Term Obligations	$ 1,552,552	$ 1,602,858	$ 1,250,442	$ 1,904,968	$ 1,035,028

See Note 13, Retirement Plans, for information related to net pension liability. See Note 16, Post-Employment Benefits Other Than Pension Benefits, for information related to net other post employment benefits liability.

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, 2023, consisted of the following:

Deferred Outflows of Resources	
Deferred Outflow on Defined Benefit Pension Plans (See Note 13)	$ 17,494,320
Deferred Outflow on OPEB Plan (See Note 16)	5,457,322
Total Deferred Outflows of Resources	$ 22,951,642

Deferred Inflows of Resources	
Deferred Inflow on Defined Benefit Pension Plans (See Note 13)	$ 1,762,045
Deferred Inflow on OPEB Plan (See Note 16)	16,012,010
Total Deferred Inflows of Resources	$ 17,774,055

Service Concessions Arrangements
At June 30, 2023, the College had no service concession arrangements that met the materiality threshold for discrete financial reporting.

Note 10 Net Position

The breakdown of business-type activity net position for the College fund at June 30, 2023 is as follows:

Net Position	
Net Investment in Capital Assets	$ 70,041,939
Restricted for	
Nonexpendable	
Permanent Endowment	1,933,130
Expendable	
Sponsored and Other Organized Activities	5,240,970
Federal Loans	549,226
Institutional Loans	19,177
Quasi-Endowments	86,674
Sub-Total	5,896,047
Unrestricted	
Auxiliary Enterprises Operations	15,022,741
Reserve for Encumbrances	1,846,809
Other Unrestricted	(63,408,587)
Sub-Total	(46,539,037)
Total Net Position	$ 31,332,079

Other unrestricted net position is reduced by $44,416,861 related to the recording of net OPEB liability, deferred inflow on OPEB plan, and deferred outflow on OPEB plan. Other unrestricted net position is also reduced by $20,928,513 related to the recording of net pension liability, deferred inflow on defined benefit pension plans, and deferred outflow 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 College 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, 2023 are as follows:

	Balance July 1, 2022	Additions	Reductions	Balance June 30, 2023
Net Investments in Capital Assets	$ 72,962,224	$ 4,529,991	$ 7,450,276	$ 70,041,939
Restricted Net Position	2,872,378	17,551,165	12,594,366	7,829,177
Unrestricted Net Position (Deficit)	(48,097,136)	50,372,542	48,814,443	(46,539,037)
Total Net Position	$ 27,737,466	$ 72,453,698	$ 68,859,085	$ 31,332,079

Note 11 Endowments

Donor Restricted Endowments
Investments of the College's endowment funds are pooled, unless required to be separately invested by the donor. For College controlled, donor-restricted endowments, where the donor has not provided specific instructions, the Board of Regents permits Institutions to develop policies for authorizing and spending realized and unrealized endowment income and appreciation as they determined to be prudent. Realized and unrealized appreciation in excess of the amount budgeted for current spending is retained by the endowments. Current year net appreciation for the endowment accounts was $21,669 and is reflected as expendable restricted net position.

For endowment funds where the donor has not provided specific instructions, investment return of the College's endowment funds is predicated under classical trust doctrines. Unless the donor has stipulated otherwise, capital gains and losses are accounted for as part of the endowment principal and are not available for expenditure.

For the current year, the College did not incur investment losses that exceeded the related endowment's available accumulated income and net appreciation.

Note 12 Leases and Subscriptions

The College leases equipment. The College also enters into certain subscription-based contracts to use vendor-provided information technology (IT). Although lease and/or subscription terms vary, many leases and/or subscription agreements are subject to appropriation from the General Assembly to continue the obligation. 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 College In addition, these agreements shall terminate if the State does not provide adequate funding, but that is considered a remote possibility. The College's principal and interest payments related to leases for fiscal year 2023 were $12,348 and $1,244, respectively. Interest rate is 0.042%. The College's principle and interest payments related to SBITAs for fiscal year 2023 were $180,476 and $4,014, respectively. Interest rate is 2.26%.

Lease Obligations

The following is a summary of the carrying values of intangible right-to-use assets held under lease at June 30, 2023:

Description	Gross Amount	Less: Accumulated Amortization	Net, Assets Held Under Lease at June 30, 2023	Outstanding Balance per Lease Schedules at June 30, 2023
	(+)	(-)	(=)	
Leased Equipment	53,249	20,708	32,541	22,894
Total Assets Held Under Lease	$ 53,249	$ 20,708	$ 32,541	$ 22,894

The following schedule lists the pertinent information for each of the College's leases.

Description	Lessor	Original Principal	Lease Term	Begin Month/ Year	End Month/ Year	Outstanding Principal
30 Forest Lakes Golf Carts	Yamaha	31,819	3 yrs	April 2022	March 2025	7,659
Forest Lakes Range Picker Cart	Yamaha	7,191	3 yrs	April 2022	March 2025	4,568
Forest Lakes Golf Cart	Yamaha	5,500	3 yrs	April 2022	March 2025	3,433
Georgia Musuem of Ag Golf Cart	Yamaha	4,649	3 yrs	April 2022	March 2025	3,023
Georgia Musuem of Ag 6 Passenger Golf Cart	Yamaha	6,624	3 yrs	April 2022	March 2025	4,211
Total Leases		$ 55,783				$ 22,894

Certain 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.

Below is the future commitments related to outstanding lease obligations as of June 30, 2023.

	Principal		Interest	
Year Ending June 30:				
2024	$	12,876	$	716
2025		10,018		176
Total Minimum Lease Payments	$	22,894	$	892

Subscription Obligations

There were no variable payments based on performance, nor termination penalties expensed for fiscal year ended June 30, 2023..

The following is a summary of the carrying values of intangible right-to-use assets held under SBITA at June 30, 2023.

Description	Gross Amount	Less: Accumulated Amortization	Net Assets Held Under Subscription Obligations at June 30, 2023	Outstanding Balance per Subscription Schedules at June 30, 2023
Subscription Based IT Arrangements (SBITAs)	555,419	50,567	504,852	374,943

Below is the future commitments related to the outstanding subscription obligations year at June 30, 2023.

	Principal		Interest	
Year Ending June 30:				
2024		110,152		
2025		107,718		
2026		102,532		
2027		54,541		
Total Minimum Subscription Payments	$	374,943	$	—

Note 13 Retirement Plans

The College 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 College also provides the Regents Retirement Plan.

The significant retirement plans that the College 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

General Information about the Teachers Retirement System

Plan description

All teachers of the College 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 2023. The College's contractually required contribution rate for the year ended June 30, 2023 was 19.98% of the annual College payroll. The College's contributions to TRS totaled $3,211,711 for the year ended June 30, 2023.

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, 2023 was 31.01% of annual covered payroll for old and new plan members and 27.47% for GSEPS members. The rates include the annual actuarially determined contribution rate of 24.67% of annual covered payroll for old and new plan members and 21.59% for GSEPS members, plus a 6.34% adjustment to the old and new plan and a 5.88% adjustment to the GSEPS plan for the commencement of COLA prefunding for certain retired ERS members. The College's contributions to ERS totaled $95,394 for the year ended June 30, 2023. 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, 2023, the College 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, 2022. The total pension liability used to calculate the net pension liability was based on an actuarial valuation as of June 30, 2021. An expected total pension liability as of June 30, 2022 was determined using standard roll-forward techniques. The College's proportion of the net pension liability was based on contributions to TRS and ERS during the fiscal year ended June 30, 2022. At June 30, 2022, the College's TRS proportion was 0.110508%, which was a decrease of (0.003077)% from its proportion measured as of June 30, 2021. At June 30, 2022, the College's ERS proportion was 0.011630%, which was a increase of 0.000740% from its proportion measured as of June 30, 2021.

For the year ended June 30, 2023, the College recognized pension expense of $4,327,024 for TRS and $184,061 for ERS. At June 30, 2023, the College 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	$ 1,489,557	$ 186,785	$ 1,668	$ 7,045
Changes of assumptions	5,401,700	—	138,067	—
Net difference between projected and actual earnings on pension plan investments	7,050,202	—	90,245	0
Changes in proportion and differences between contributions and proportionate share of contributions	—	1,557,154	15,776	11,061
Contributions subsequent to the measurement date	3,211,711		95,394	
Total	$ 17,153,170	$ 1,743,939	$ 341,150	$ 18,106

The College'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 ending June 30, 2024. 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 Ending June 30:	TRS	ERS
2024	$ 2,990,281	$ 118,980
2025	$ 2,381,758	$ 37,018
2026	$ 1,762,896	$ 2,250
2027	$ 5,062,585	$ 69,402
2028	$ —	$ —
Thereafter	$ —	$ —

Actuarial assumptions

The total pension liability as of June 30, 2022 was determined by an actuarial valuation as of June 30, 2021 using the following actuarial assumptions, applied to all periods included in the measurement:

Teachers Retirement System

Inflation	2.50%
Salary increases	3.00% - 8.75%, average, including inflation
Investment rate of return	6.90%, net of pension plan investment expense, including inflation
Post-retirement benefit increases	1.50% semi-annually

Post-retirement mortality rates for service retirements and beneficiaries were based on the Pub-2010 Teachers Headcount Weighted Below Median Healthy Retiree mortality table (ages set forward one year and adjusted 106%) with the MP-2019 Projection scale applied generationally. The rates of improvement were reduced by 20% for all years prior to the ultimate rate. Post-retirement mortality rates for disability retirements were based on the Pub-2010 Teachers Mortality Table for Disabled Retirees (ages set forward one year and adjusted 106%) with the MP-2019 Projection scale applied generationally. The rates of improvement were reduced by 20% for all years prior to the ultimate rate. The Pub-2010 Teachers Headcount Weighted Below Median Employee mortality table with ages set forward one year and adjusted 106% as used for death prior to retirement. Future improvement in mortality rates was assumed using the MP-2019 projection scale generationally. These rates of improvement were reduced by 20% for all years prior to the ultimate rate.

The actuarial assumptions used in the June 30, 2021 valuation were based on the results of an actuarial experience study for the period July 1, 2013 – June 30, 2018, with the exception of the investment rate of return and payroll growth assumption.

Employees' Retirement System

Inflation	2.50%
Salary increases	3.00 – 6.75%, including inflation
Investment rate of return	7.00%, net of pension plan investment expense, including inflation

Post-retirement mortality rates were based on the Pub-2010 General Employee Table, with no adjustments, projected generationally with the MP-2019 scale used for both males and females while in active service. Post–retirement mortality rates were based on the Pub–2010 Family of Tables, with the MP-2019 projection scale applied generationally, as follows: service retirees – General Healthy Annuitant mortality table with further adjustments (set forward one year and adjusted 105% and 108% respectively for males and females); disability retirees – General Disabled Table (set back three years for males, and adjusted 103% and 106% for males and females, respectively); beneficiaries – General Contingent Survivors Table (set forward to two years for both males and females and adjusted 106% and 105% respectively).

The actuarial assumptions used in the June 30, 2021 valuation were based on the results of an actuarial experience study for the period July 1, 2014 – June 30, 2019.

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	TRS Long-term expected real rate of return*	ERS Target allocation	ERS Long-term expected real rate of return*
Fixed income	30.00 %	0.20 %	30.00 %	0.20 %
Domestic large equities	46.30 %	9.40 %	46.30 %	9.40 %
Domestic small equities	1.20 %	13.40 %	1.20 %	13.40 %
International developed market equities	12.30 %	9.40 %	12.30 %	9.40 %
International emerging market equities	5.20 %	11.40 %	5.20 %	11.40 %
Alternatives	5.00 %	10.50 %	5.00 %	10.50 %
Total	100.00 %		100.00 %	

* Rates shown are net of inflation

Discount rate

The discount rate used to measure the total TRS and ERS pension liability was 6.90% and 7.00%, respectively. 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 College's proportionate share of the net pension liability calculated using the discount rate of 6.90% for TRS and 7.00% for ERS, as well as what the College's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

Teachers Retirement System:

	1% Decrease 5.90%	Current discount rate 6.90%	1% Increase 7.90%
Proportionate share of the net pension liability	$ 54,137,198	$ 35,884,084	$ 20,978,001

Employees' Retirement System:

	1% Decrease 6.00%	Current discount rate 7.00%	1% Increase 8.00%
Proportionate share of the net pension liability	1,033,939	776,705	560,392

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 2023, 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 College and the covered employees made the required contributions of $417,764 (9.24%) and $547,953 (6.00%), respectively.

VALIC, Fidelity, and TIAA-CREF have separately issued financial reports which may be obtained through their respective corporate offices.

Note 14 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 2023, 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 College'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 College 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 15 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 College, 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, 2023.

Note 16 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 2023, 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 College's membership in the Plan consisted of the following at June 30, 2023:

Active Employees	348
Retirees or Beneficiaries Receiving Benefits	234
Retirees or Beneficiaries Eligible But Not Receiving Benefits	—
Retirees Receiving Life Insurance Only	38
Total	620

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 College 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 2023 plan year, the employer rate was approximately 84% of the total health insurance cost for eligible retirees and the retiree rate was approximately 16%. 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 2023, the College contributed $845,297 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, 2023, the College reported a liability for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2022. The total OPEB liability used to calculate the net OPEB liability was based on an actuarial valuation as of May 1, 2022. An expected total OPEB liability as of June 30, 2022 was determined using standard roll-forward techniques. The College's proportion of the net OPEB liability was actuarially determined based on employer contributions during the fiscal year ended June 30, 2022. At June 30, 2022, the College's proportion was 0.85482%, which was a decrease of (0.002457)% from its proportion measured as of June 30, 2021.

For the year ended June 30, 2023, the College recognized OPEB expense of $(1,730,775). At June 30, 2023, the College 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	$ 1,563,561	$ 283,581
Changes of assumptions	2,911,474	12,194,375
Net difference between projected and actual earnings on OPEB plan investments	136,990	—
Changes in proportion and differences between contributions and proportionate share of contributions	—	3,534,054
Contributions subsequent to the measurement date	845,297	—
Total	$ 5,457,322	$ 16,012,010

The College's contributions subsequent to the measurement date of $845,297 are reported as deferred outflows of resources and will be recognized as a reduction of the net OPEB liability in the year ending June 30, 2024.
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 Ending June 30:		
2024	$	(3,253,895)
2025	$	(3,220,363)
2026	$	(3,092,961)
2027	$	(1,711,556)
2028	$	(121,210)
Thereafter	$	—

Actuarial assumptions

The total OPEB liability as of June 30, 2022 was determined by an actuarial valuation as of May 1, 2022 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 6/30/2022 3.54% GO 20-Municipal Bond Index Rate Interest Rate as of 6/30/2021 2.16% from Bond Buyers GO 20- Municipal Bond Index; Discount Rate 2.18% Long-term Rate of Return 4.36% General Inflation 2.40% Salary Increase 3.75%
Mortality Rates	Pub - 2010 for Teachers (headcount weighted) projected with a scale MP-2021
Initial Healthcare Cost Trend	
Pre-Medicare Eligible	7%
Medicare Eligible	4%
Ultimate Trend Rate	
Pre-Medicare Eligible	4.5%
Medicare Eligible	4%
Year Ultimate Trend is Reached	Fiscal Year 2034 for Pre-Medicare Eligible, Fiscal Year 2022 for Medicare Eligible
Experience Study	Economic and demographic assumptions are based on the results of the most recent actuarial experience study over the Plan, which covered a three-year period ending June 30, 2019 with the exception of the disability and salary increase assumptions. These assumptions are based on the results of the most recent actuarial experience study of the Teachers Retirement System of Georgia, which covered the five year period ending June 30, 2018.

Changes in Assumptions Since Prior Valuation

The financial accounting valuation reflects the following assumption changes:

- Expected claims costs were updated to reflect actual experience.
- Trend rate schedule was updated to reflect anticipated future experience.
- Mortality improvement scale was updated from MP-2020 to MP-2021.
- Mortality base rates for future disabled participants were updated to reflect Pub-2010 for Teachers (headcount weighted) disabled mortality,
- The discount rate was updated from 2.18% as of June 30, 2021, to 3.54% as of June 30, 2022; and
- The Expected Return on Assets was changed from 4.37% to 4.36%.

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 geometric real rates of return for each major asset class included in the target asset allocation as of June 30, 2022 are summarized in the following table:

Asset Class	Long-term Expected Real Rate of Return, Net of Inflation	Target Allocation
Fixed Income	0.34 %	70 %
Equity Allocation	4.03 %	30 %

Discount rate
The Plan's projected fiduciary net position at the end of 2025 is $0, based on the valuation completed for the fiscal year ending June 30, 2022. 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 2026. Therefore, the long-term expected rate of return on Plan investments of 4.37% per annum was not applied to all periods of projected benefit payments to determine the total OPEB liability as of June 30, 2022. 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 3.54% from the Bond Buyer.

Sensitivity of the net OPEB liability to changes in the discount rate
The following presents the the College's proportionate share of the net OPEB liability, as well as what the College's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1% lower (2.54%) or 1% higher (4.54%) than the current discount rate (3.54%):

	1% Decrease 2.54%	Current Rate 3.54%	1% Increase 4.54%
Proportionate Share of the Net OPEB Liability	$ 40,224,670	$ 33,862,173	$ 28,854,498

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates
The following presents the College's proportionate share of the net OPEB liability, as well as what the College'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	$ 29,057,094	$ 33,862,173	$ 40,032,648
Pre-Medicare Eligible	6.0% decreasing to 3.5%	7.0% decreasing to 4.5%	8.0% decreasing to 5.5%
Medicare Eligible	3.0%	4.0%	5.0%

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 17 Operating Expenses with Functional Classifications

Business-type activity operating expenses by functional classification for fiscal 2023 are shown below:

Functional Classification	Natural Classification: Faculty Salaries	Staff Salaries	Employee Benefits	Personal Services	Travel
Instruction	$ 8,882,892	$ 2,551,536	$ 2,762,149	$ 13,102	$ 123,345
Public Service	67,134	382,304	54,941		27,255
Academic Support	258,439	2,904,641	614,721		75,128
Student Services	56,750	1,843,754	404,872	140	19,412
Institutional Support		2,518,739	3,623,338	280,776	71,403
Plant Operations and Maintenance		95,000	23,984	(8,278)	1,738
Scholarships and Fellowships					
Auxiliary Enterprises	44,894	2,770,393	522,131	8,278	42,301
Total Operating Expenses	$ 9,310,109	$ 13,066,367	$ 8,006,136	$ 294,018	$ 360,582

Functional Classification	Natural Classification: Scholarships and Fellowships	Utilities	Supplies and Other Services	Depreciation/ Amortization	Total Operating Expenses
Instruction	$ 141,648	$ 58,891	$ 6,701,864	$ 483,150	$ 21,718,577
Public Service	63,820	4,098	353,511	23,552	976,615
Academic Support	2,555	67,634	2,481,998	548,536	6,953,652
Student Services	4,100	1,259	1,108,047	56,057	3,494,391
Institutional Support	(2,321)	33,281	579,866	1,274,245	8,379,327
Plant Operations and Maintenance		1,240,057	5,406,328	1,194,349	7,953,178
Scholarships and Fellowships	6,442,479				6,442,479
Auxiliary Enterprises	138,145	70,674	4,235,780	523,181	8,355,777
Total Operating Expenses	$ 6,790,426	$ 1,475,894	$ 20,867,394	$ 4,103,070	$ 64,273,996

Required Supplementary Information

ABRAHAM BALDWIN AGRICULTURAL COLLEGE
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
DEFINED BENEFIT PENSION PLAN
FOR THE LAST TEN FISCAL 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	June 30, 2023	$ 95,394	$ 95,394	$ —	$ 309,639	30.81%
	June 30, 2022	$ 65,229	$ 65,229	$ —	$ 263,839	24.72%
	June 30, 2021	$ 62,604	$ 62,604	$ —	$ 253,416	24.70%
	June 30, 2020	$ 78,001	$ 78,001	$ —	$ 315,330	24.74%
	June 30, 2019	$ 63,328	$ 63,328	$ —	$ 255,358	24.80%
	June 30, 2018	$ 68,712	$ 68,712	$ —	$ 276,951	24.81%
	June 30, 2017	$ 66,602	$ 66,602	$ —	$ 268,450	24.81%
	June 30, 2016	$ 105,597	$ 105,597	$ —	$ 427,171	24.72%
	June 30, 2015	$ 98,514	$ 98,514	$ —	$ 448,608	21.96%
	June 30, 2014	$ 66,153	$ 66,153	$ —	$ 358,360	18.46%
Teachers' Retirement System	June 30, 2023	$ 3,211,711	$ 3,211,711	$ —	$ 16,192,969	19.83%
	June 30, 2022	$ 2,972,572	$ 2,972,572	$ —	$ 14,875,358	19.98%
	June 30, 2021	$ 2,803,600	$ 2,803,600	$ —	$ 14,778,534	18.97%
	June 30, 2020	$ 3,270,677	$ 3,270,677	$ —	$ 15,466,280	21.15%
	June 30, 2019	$ 3,099,698	$ 3,099,698	$ —	$ 14,875,195	20.84%
	June 30, 2018	$ 2,579,777	$ 2,579,777	$ —	$ 15,287,744	16.87%
	June 30, 2017	$ 2,214,537	$ 2,214,537	$ —	$ 15,476,443	14.31%
	June 30, 2016	$ 2,143,126	$ 2,143,126	$ —	$ 15,027,926	14.26%
	June 30, 2015	$ 2,048,926	$ 2,048,926	$ —	$ 15,583,000	13.15%
	June 30, 2014	$ 1,876,471	$ 1,876,471	$ —	$ 15,277,291	12.28%

ABRAHAM BALDWIN AGRICULTURAL COLLEGE
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
MULTIPLE EMPLOYER DEFINED BENEFIT PENSION PLANS
FOR THE LAST NINE 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	June 30, 2023	0.011630%	$ 776,705	$ 263,839	294.39%	67.44%
	June 30, 2022	0.010890%	$ 254,707	$ 253,416	100.51%	87.62%
	June 30, 2021	0.012507%	$ 527,165	$ 315,330	167.18%	76.21%
	June 30, 2020	0.010130%	$ 418,018	$ 255,358	163.70%	76.74%
	June 30, 2019	0.010858%	$ 446,376	$ 276,951	161.18%	76.68%
	June 30, 2018	0.010944%	$ 444,473	$ 268,450	165.57%	76.33%
	June 30, 2017	0.008300%	$ 869,072	$ 427,171	203.45%	72.34%
	June 30, 2016	0.007300%	$ 791,441	$ 448,608	176.42%	76.20%
	June 30, 2015	0.009000%	$ 596,911	$ 358,360	166.57%	77.99%
Teachers Retirement System	June 30, 2023	0.110508%	$ 35,884,084	$ 14,875,358	241.23%	72.85%
	June 30, 2022	0.113585%	$ 10,045,836	$ 14,778,534	67.98%	92.03%
	June 30, 2021	0.119905%	$ 29,045,684	$ 15,466,280	187.80%	77.01%
	June 30, 2020	0.121763%	$ 26,182,337	$ 14,875,195	176.01%	78.56%
	June 30, 2019	0.128820%	$ 23,911,751	$ 15,287,744	156.41%	80.27%
	June 30, 2018	0.134852%	$ 25,062,659	$ 15,476,443	161.94%	79.33%
	June 30, 2017	0.087000%	$ 28,259,470	$ 15,027,926	188.05%	76.06%
	June 30, 2016	0.088000%	$ 22,474,440	$ 15,583,000	144.22%	81.44%
	June 30, 2015	0.086000%	$ 18,914,389	$ 15,278,448	123.80%	84.03%

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

ABRAHAM BALDWIN AGRICULTURAL COLLEGE
REQUIRED SUPPLEMENTARY INFORMATION
NOTES TO THE REQUIRED SUPPLEMENTAL INFORMATION
DEFINED BENEFIT PENSION PLAN
METHODS AND ASSUMPTIONS
FOR FISCAL YEAR ENDED JUNE 30, 2023

Changes of assumptions

Employees' Retirement System:
On December 17, 2020, the Board adopted recommended changes to the economic and demographic assumptions utilized by the System based on the experience study prepared for the five-year period ending June 30, 2019. Primary among the changes were the updates to the rates of mortality, retirement, withdrawal, and salary increases. This also included a change in the long-term assumed investment rate of 7.00%. .

On April 21, 2022, the Board adopted a new funding policy which, in part, provides that the Actuarial Accrued Liability and Normal Cost of the System will include a prefunded variable Cost-of-Living Adjustment (COLA) for eligible retirees and beneficiaries of the System. Under the new policy, future COLAs are provided through a profit-sharing mechanism using the System's asset performance. The assumption for future COLAs was set at 1.05%. In addition, the funding policy set the assumed rate of return at 7.20% for the June 30, 2021 valuation and established a new Transitional Unfunded Actuarial Accrued Liability as of June 30, 2021 which will be amortized over a closed 20-year period.

Teachers Retirement System:
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).

On May 15, 2019, the Board adopted and recommended changes from the smoothed valuation interest rate methodology that has been in effect since June 30, 2009, to a constant interest rate method. In conjunction with the methodology, the long-term assumed rate of return in assets (discount rate) has been changed from 7.50% to 7.25%, and the assumed annual rate of inflation has been reduced from 2.75% to 2.50%.

In 2019 and later, the expectation of retired life mortality was changed to the Pub-2010 Teachers Headcount Weighted Below Median Healthy Retiree mortality table from the RP-2000 Mortality Tables. In 2019, rates of withdrawal, retirement, disability and mortality were adjusted to more closely reflect actual experience.

On May 11, 2022, the Board adopted recommended changes to the long-term assumed rate of return and payroll growth assumption utilized by the System. The long-term assumed rate of return was changed from 7.25% to 6.90%, and the payroll growth assumption was changed from 3.00% to 2.50%.

ABRAHAM BALDWIN AGRICULTURAL COLLEGE
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS FOR OPEB PLAN
BOARD OF REGENTS RETIREE HEALTH BENEFIT PLAN
FOR THE LAST SEVEN FISCAL 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)
June 30, 2023	$ 845,297	$ 845,297	$ —	$ 21,337,307	3.96%
June 30, 2022	$ 1,250,968	$ 1,250,968	$ —	$ 21,429,906	5.84%
June 30, 2021	$ 1,006,278	$ 1,006,278	$ —	$ 20,355,757	4.94%
June 30, 2020	$ 917,113	$ 917,113	$ —	$ 20,927,062	4.38%
June 30, 2019	$ 1,470,039	$ 1,470,039	$ —	$ 21,118,261	6.96%
June 30, 2018	$ 1,567,781	$ 1,567,781	$ —	$ 19,820,361	7.91%
June 30, 2017	$ 1,000,672	$ 1,000,672	$ —	$ 20,370,255	4.91%

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

ABRAHAM BALDWIN AGRICULTURAL COLLEGE
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF NET OPEB LIABILITY
BOARD OF REGENTS RETIREE HEALTH BENEFIT PLAN
FOR THE LAST SIX FISCAL YEARS*

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
June 30, 2023	0.854820%	$ 33,862,173	$ 21,429,906	158.01%	5.08%
June 30, 2022	0.857277%	$ 43,147,443	$ 20,355,757	211.97%	3.74%
June 30, 2021	0.892203%	$ 47,587,603	$ 20,927,062	227.40%	2.91%
June 30, 2020	0.916580%	$ 40,985,498	$ 21,118,261	194.08%	3.13%
June 30, 2019	0.989636%	$ 43,650,380	$ 19,820,361	220.23%	1.69%
June 30, 2018	1.004900%	$ 42,402,042	$ 20,370,255	208.16%	0.19%

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

ABRAHAM BALDWIN AGRICULTURAL COLLEGE
REQUIRED SUPPLEMENTARY INFORMATION
NOTES TO THE REQUIRED SUPPLEMENTAL INFORMATION FOR OPEB PLAN
BOARD OF REGENTS RETIREE HEALTH BENEFIT PLAN
METHODS AND ASSUMPTIONS
FOR FISCAL YEAR ENDED JUNE 30, 2023

Changes in Assumptions Since Prior Valuation

The financial accounting valuation reflects the following assumption changes:

- Expected claims costs were updated to reflect actual experience.
- Trend rate schedule was updated to reflect anticipated future experience.
- Mortality improvement scale was updated from MP-2020 to MP-2021.
- Mortality base rates for future disabled participants were updated to reflect Pub-2010 for Teachers (headcount weighted) disabled mortality,
- The discount rate was updated from 2.18% as of June 30, 2021, to 3.54% as of June 30, 2022; and
- The Expected Return on Assets was changed from 4.37% to 4.36%.

Supplementary Information

ABRAHAM BALDWIN AGRICULTURAL COLLEGE
BALANCE SHEET (NON-GAAP BASIS)
BUDGET FUNDS
JUNE 30. 2023
(UNAUDITED)

ASSETS		
Cash and Cash Equivalents	$	3,363,679.16
Accounts Receivable		
Federal Financial Assistance		385,730.55
Other		5,762,350.82
Prepaid Expenditures		23,993.86
Other Assets		64,005.31
Total Assets	$	9,599,759.70
LIABILITIES AND FUND EQUITY		
Accrued Payroll	$	61,033.00
Encumbrance Payable		1,368,175.97
Accounts Payable		461,871.07
Unearned Revenue		767,639.52
Funds Held for Others		102,003.47
Total Liabilities	$	2,760,723.03
Fund Balances		
Reserved		
Department Sales and Services	$	669,353.31
Indirect Cost Recoveries		418,164.41
Technology Fees		202,105.61
Restricted/Sponsored Funds		5,269,261.80
Uncollectible Accounts Receivable		35,861.70
Tuition Carry - Forward		243,523.29
Unreserved		
Surplus		766.55
Total Fund Balances		6,839,036.67
Total Liabilities and Fund Balances	$	9,599,759.70

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.

ABRAHAM BALDWIN AGRICULTURAL COLLEGE
STATEMENT OF FUNDS AVAILABLE AND EXPENDITURES COMPARED TO BUDGET
BY PROGRAM AND FUNDING SOURCE
BUDGET FUND
FOR THE FISCAL YEAR ENDED JUNE 30. 2023

			Funds Available Compared to Budget	
	Original Appropriation	Final Budget	Current Year Revenues	Prior Year Reserve Carry-Over
Public Service / Special Funding Initiatives				
State Appropriation				
State General Funds	$ 1,585,326.00	$ 6,585,326.00	$ 6,585,326.00	$ —
Teaching				
State Appropriation				
State General Funds	22,911,329.00	24,208,174.00	24,208,174.00	—
Federal Funds - COVID 19	2,330,000.00	2,721,044.00	2,678,283.00	—
Federal Funds Not Specifically Identified	9,412,974.00	9,316,472.00	8,716,009.81	—
Other Funds	14,091,897.00	18,749,142.00	17,839,289.30	2,014,159.13
Total Teaching	48,746,200.00	54,994,832.00	53,441,756.11	2,014,159.13
Total Operating Activity	$ 50,331,526.00	$ 61,580,158.00	$ 60,027,082.11	$ 2,014,159.13

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.

ABRAHAM BALDWIN AGRICULTURAL COLLEGE
STATEMENT OF FUNDS AVAILABLE AND EXPENDITURES COMPARED TO BUDGET
BY PROGRAM AND FUNDING SOURCE
BUDGET FUND
FOR THE FISCAL YEAR ENDED JUNE 30. 2023

	Funds Available Compared to Budget			Expenditures Compared to Budget		
	Program Transfers or Adjustments	Total Funds Available	Variance Positive (Negative)	Actual	Variance Positive (Negative)	Excess (Deficiency) of Funds Available Over/(Under) Expenditures
Public Service / Special Funding Initiatives						
State Appropriation						
State General Funds	$ —	$ 6,585,326.00	$ —	$ 6,585,259.45	$ 66.55	$ 66.55
Teaching						
State Appropriation						
State General Funds	—	24,208,174.00	—	24,208,174.00	—	—
Federal Funds - COVID 19	—	2,678,283.00	(42,761.00)	2,678,283.00	42,761.00	—
Federal Funds Not Specifically Identified	—	8,716,009.81	(600,462.19)	8,716,009.81	600,462.19	—
Other Funds	—	19,853,448.43	1,104,306.43	13,007,735.57	5,741,406.43	6,845,712.86
Total Teaching	—	55,455,915.24	461,083.24	48,610,202.38	6,384,629.62	6,845,712.86
Total Operating Activity	—	62,041,241.24	461,083.24	55,195,461.83	6,384,696.17	6,845,779.41

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.

ABRAHAM BALDWIN AGRICULTURAL COLLEGE
STATEMENT OF CHANGES TO FUND BALANCE
BY PROGRAM AND FUNDING SOURCE
BUDGET FUND
FOR THE FISCAL YEAR ENDED JUNE 30. 2023

	Beginning Fund Balance/(Deficit)	Fund Balance Carried Over from Prior Year as Funds Available	Return of Fiscal Year 2022 Surplus	Prior Year Adjustments	Other Adjustments
Public Service / Special Funding Initiatives					
State Appropriation					
State General Funds	$ —	$ —	$ —	$ —	$ —
Teaching					
State Appropriation					
State General Funds	$ 5.77	$ —	$ (5.77)	$ 700.00	$ —
Federal Funds - COVID 19	—	—	—	—	—
Federal Funds Not Specifically Identified	—	—	—	—	—
Other Funds	2,014,159.13	(2,014,159.13)	—	(58,345.17)	15,040.73
Total Teaching	2,014,164.90	(2,014,159.13)	(5.77)	(57,645.17)	15,040.73
Total Operating Activity	2,014,164.90	(2,014,159.13)	(5.77)	(57,645.17)	15,040.73
Prior Year Reserves					
Not Available for Expenditure					
Uncollectible Accounts Receivable	50,902.43				(15,040.73)
Budget Unit Totals	$ 2,065,067.33	$ (2,014,159.13)	$ (5.77)	$ (57,645.17)	$ —

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.

ABRAHAM BALDWIN AGRICULTURAL COLLEGE
STATEMENT OF CHANGES TO FUND BALANCE
BY PROGRAM AND FUNDING SOURCE
BUDGET FUND
FOR THE FISCAL YEAR ENDED JUNE 30. 2023

	Early Return of Fiscal Year 2023 Surplus	Excess (Deficiency) of Funds Available Over/Under) Expenditures	Ending Fund Balance/(Deficit) June 30, 2023	Analysis of Ending Fund Balance		
				Reserved	Surplus/(Deficit)	Total
Public Service / Special Funding Initiatives						
State Appropriation						
State General Funds	$ —	$ 66.55	$ 66.55	$ —	$ 66.55	$ 66.55
Teaching						
State Appropriation						
State General Funds	—	—	700.00	—	700.00	700.00
American Recovery and Reinvestment Act						
Federal Funds - COVID 19	—	—	—	—	—	—
Federal Funds Not Specifically Identified	—	—	—	—	—	—
Other Funds	—	6,845,712.86	6,802,408.42	6,802,408.42	—	6,802,408.42
Total Teaching	—	6,845,712.86	6,803,108.42	6,802,408.42	700.00	6,803,108.42
Total Operating Activity	—	6,845,779.41	6,803,174.97	6,802,408.42	766.55	6,803,174.97
Prior Year Reserves						
Not Available for Expenditure						
Uncollectible Accounts Receivable			35,861.70	35,861.70		35,861.70
Budget Unit Totals	—	6,845,779.41	6,839,036.67	6,838,270.12	766.55	6,839,036.67
		Departmental Sales and Services		669,353.31	—	669,353.31
		Indirect Cost Recovery		418,164.41	—	418,164.41
		Technology Fees		202,105.61	—	202,105.61
		Restricted/Sponsored Funds		5,269,261.80	—	5,269,261.80
		Tuition Carry-Forward		243,523.29	—	243,523.29
		Uncollectible Accounts Receivable		35,861.70	—	35,861.70
		Surplus		—	766.55	766.55
				6,838,270.12	766.55	6,839,036.67

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.

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