

**SECTION 3, COMPREHENSIVE STANDARD 3.10.1**

The institution's recent financial history demonstrates financial stability.

**JUDGMENT OF COMPLIANCE**

Compliant

Partially Compliant

Noncompliant

**RATIONALE FOR JUDGMENT OF COMPLIANCE**

North Georgia College & State University's current assets, capital assets and other assets exceed the needs as related to the university's current mission statement. The past ten years of general ledger accounting attained excellent audit reviews by Internal and State & Federal auditors [1]. This has all been accomplished with periods of declining state appropriated revenues. The University has experienced increased enrollment for the past several years as shown in the Board of Regents of the University System of Georgia "Ten-Year enrollment Report, 1996 - 2005" [2], with the last five years showing an increase of 23.35% in headcount enrollment.

NGCSU receives its positive cash flows from student paid tuition and fees, general state appropriations, auxiliary operations, grants, endowments and interest in investments. The University's state appropriations are allocated based on a funding formula set by the Board of Regents [3]. This is the method by which the state legislature disburses revenues to the University system as a whole.

The University's 2004 annual report includes reported state revenues of \$18,899,967.00 which is 41.5% of its 2004 budget. The balances of \$26,678,401.00 generated during the year came from the above-mentioned sources [4]. Section 8.0 "Budget Process" of the Board of Regents Business Procedures Manual [5] describes the process of the funding formula whereby University System of Georgia institutions are funded. This formula includes enrollment growth and increases in facility square footage as factors for determining institutional allocations.

The University received the honor of being listed by the Consumer's Digest as being the fifth Best Value in public higher education in the nation in 2004 [6].

## Document Reference:

Number	DB Num	Document Title	Resource
1		Annual Financial Report FY 1997-2005, State Auditor's Reports 1997-2005 (2006*)	<a href="http://www.ngcsu.edu/sacs/Reference_Room/documents/ngcsu_rpts_4.htm#audits">http://www.ngcsu.edu/sacs/Reference_Room/documents/ngcsu_rpts_4.htm#audits</a> *FY 2006 will be sent as soon as it is received.
2		Board of Regents, Ten-Year enrollment Report, 1996 - 2005	<a href="http://www.usg.edu/sra/students/enroll/10yr/rpt96-05.pdf">http://www.usg.edu/sra/students/enroll/10yr/rpt96-05.pdf</a>
3, 5		Board of Regents, Office of Fiscal Affairs, Business Procedures Manual, Section 8.0, Budget Process	<a href="http://www.usg.edu/fiscal_affairs/bpm_acct/bpm-sect08.pdf">http://www.usg.edu/fiscal_affairs/bpm_acct/bpm-sect08.pdf</a>
4		State of Georgia, NGCSU Report on review of financial statements, FY 2004	<a href="http://www.ngcsu.edu/sacs/Reference_Room/documents/NGCSU_reports/Audits/Audit1_2004-12-13.pdf">http://www.ngcsu.edu/sacs/Reference_Room/documents/NGCSU_reports/Audits/Audit1_2004-12-13.pdf</a>
6		NGCSU Quick Facts web page	<a href="http://www.ngcsu.edu/resource/irp/ngcsuqf.shtml">http://www.ngcsu.edu/resource/irp/ngcsuqf.shtml</a>