

SECTION 3, COMPREHENSIVE STANDARD 3.10.2

The institution provides financial statements and related documents, including multiple measures for determining financial health as requested by the Commission, which accurately and appropriately represent the total operation of the institution.

JUDGEMENT OF COMPLIANCE

Compliant

Partially Compliant

Noncompliant

RATIONALE FOR JUDGEMENT OF COMPLIANCE

North Georgia College & State University is diligent in providing accurate financial statements on a yearly basis. The Annual Financial Reports (AFRs) are prepared at the university and, upon approval of the Vice President for Business and Finance and the President of the university, are submitted to the University System Office of the Associate Vice Chancellor, Internal Audit. The AFRs are listed in the NGCSU reports section of the SACS website [1]. State Auditors from the State of Georgia Department of Audits and Accounts complete an on-site review and publish a review report of North Georgia College & State University as an organizational unit of the State of Georgia [2]. The state auditors have issued no findings for NGCSU during the past ten years.

North Georgia College & State University had an internal audit conducted by the Board of Regents/University System of Georgia Department of Internal Audit during the 2004 Fiscal Year [3]. A Presidential Transitional audit was conducted due to the change in NGCSU's president as required by BOR policy [4]. Chancellor Meredith's letter to NGCSU's incoming president, Dr. David Potter, describes NGCSU's audit ranking of "1" as the highest ranking [5].

North Georgia College & State University's Office of Information & Instructional Technology has developed an on-line Budget Progress Report for budgetary supervisors to view (upon command) budgetary information for expenditure analysis. This report gives financial data to assist departments to keep expenditures within budget allocation. The Office of the Comptroller provides balance sheet, revenue and expenditure reports to the Vice President of Business and Finance for all financial transactions on a

monthly basis and then as needed. All budgetary supervisors have access to reports either provided online or by the Office of the Comptroller. In addition to monthly reports, a surplus report and an expenditures/free balance report are used as aides for determining surplus for year-end.

North Georgia College & State University submits financial data each month to an online portal, *USG by the Numbers* [6]. This website is used by the University System of Georgia to provide financial and student data for analysis. This site provides some reporting mechanisms without a password. For more in-depth reports a password is required.

North Georgia College & State University submits Financial Profile and Indicators [7] to the Southern Association of Colleges and Schools along with the University's Integrated Postsecondary Education Data System Finance Survey for review of the university's financial position.

The annual budget submission for the University is approved through the Board of Regents as documented in the April 2005 meeting minutes [8]. North Georgia College & State University adheres to the Board of Regents Business Procedures Manual Section 8.0 "Budgets" [9].

North Georgia College & State University provides the most updated financial information to all levels of administration and budgetary supervisors. Reports for all University financial data are provided on a monthly basis to the Vice President for Business and Finance and individual reports are made available to departmental budgetary supervisors. An annual financial report is produced by the University and sent to the University System Office of the Associate Vice Chancellor, Internal Audit for review and approval for publication. The Georgia Department of Audits and Accounts conducts an on-site review annually and produces a review report of NGCSU as an organizational unit of the State of Georgia. This standard is satisfied by the financial reporting of NGCSU without any state audit findings for the past ten years and an internal audit ranking of "1", the highest ranking for USG institutions.

Document Reference:

Number	DB Num	Document Title	Resource
1		Annual Financial Reports FY 1997-2005 (2006*)	http://www.ngcsu.edu/sacs/Reference_Room/documents/ngcsu_rpts_4.htm#audits *FY 2006 will be sent as soon as it is received.
2		State Auditor's Reports 1997-2005 (2006*)	http://www.ngcsu.edu/sacs/Reference_Room/documents/ngcsu_rpts_4.htm#audits *FY 2006 will be sent as soon as it is received.
3		State of Georgia, NGCSU Report on review of financial statements, FY 2004	http://www.ngcsu.edu/sacs/Reference_Room/documents/NGCSU_reports/Audits/Audit1_2004-12-13.pdf
4		Presidential Transitional Internal Audit Report, January 4, 2005	http://www.ngcsu.edu/sacs/Reference_Room/documents/NGCSU_reports/Audits/Pres_Trans_Int_Audit_Rpt.pdf
5		Letter from the Chancellor	http://www.ngcsu.edu/sacs/Reference_Room/documents/NGCSU_reports/Finance/Ltr_Chancellor_Audit_Ranking.pdf
6		USG by the Numbers	https://dss.usg.edu:3377/portal/page?_pageid=908,1,908_126974&_dad=portal&_schema=PORTAL
7		Annual Financial Report, Financial Profile & Indicators (FY 2006*)	http://www.ngcsu.edu/sacs/Reference_Room/documents/ngcsu_rpts_4.htm#audits *FY 2006 will be sent as soon as it is received.
8		Board of Regents meeting minutes April 2005, Fiscal Year 2006 Budget Allocations	http://www.usg.edu/regents/minutes/2005/apr05.phtml#bus2
9		Board of Regents, Office of Fiscal Affairs, Business Procedures Manual, Section 8.0, Budget Process	http://www.usg.edu/fiscal_affairs/bpm_acct/bpm-sect08.pdf