

**3.10.1** The institution's recent financial history demonstrates financial stability. **(Financial stability)**

**Compliance Status:** Compliance

The College of Coastal Georgia has a strong history of financial stability. This stability has helped to provide the resources necessary to support the College's mission, scope of its programs, and its student enrollment. As a State of Georgia public institution, the College relies heavily on its annual state appropriations to operate.

Revenue over the past five years reflects the strong commitment the College has experienced from the USG Board of Regents through appropriations, increased tuition and fees recognized due to enrollment growth, and continued support for capital projects. These factors have contributed to the College's ability to add new programs and services during an otherwise difficult economic climate. This strength in revenue is reflected in Table 1 below.

**Table 1: College of Coastal Georgia Revenue History** (*in thousands*)

Category	Fiscal Year 2006	Fiscal Year 2007	Fiscal Year 2008	Fiscal Year 2009	Fiscal Year 2010
Tuition and Fees	2,799	3,056	3,193	3,782	4,468
State Appropriations	9,332	10,048	11,656	11,204	11,046
Auxiliary Services	1,405	1,471	1,448	1,557	1,855
Capital-State	1,125	2,085	2,767	3,713	2,053
Grants and Contracts	5,816	6,017	5,975	7,013	10,315
Other	562	943	459	325	314
<b>Total Revenue</b>	21,039	23,620	25,498	27,594	30,051

Though state appropriations have declined slightly over the past few years, the decoupling of technical programs and conservative spending habits have allowed the College to grow its four-year programs with faculty additions and support services during this time. Additionally, the Board of Regents has offset certain budget reductions with funding specific for four-year program goals.

Beyond revenue, the College has maintained a strong balance sheet. This strong balance sheet is reflected in Table 2.

**Table 2: College of Coastal Georgia Net Assets** (in thousands)

Category	Fiscal Year 2006	Fiscal Year 2007	Fiscal Year 2008	Fiscal Year 2009	Fiscal Year 2010
Current Assets	1,802	2,143	2,351	2,765	4,503
Capital Assets	27,653	28,627	30,168	33,467	34,287
Other Assets	89	99	90	78	87
<b>Total Assets</b>	<b>29,544</b>	<b>30,869</b>	<b>32,609</b>	<b>36,310</b>	<b>38,877</b>
Current Liabilities	1,125	1,288	986	1,842	2,319
Noncurrent Liabilities	134	181	147	174	224
<b>Total Liabilities</b>	<b>1,259</b>	<b>1,469</b>	<b>1,133</b>	<b>2,016</b>	<b>2,543</b>
Invested in Capital, Net of Debt	27,653	28,627	30,168	33,467	34,287
Restricted	113	118	108	97	106
Unrestricted	519	655	1,200	730	1,941
<b>Total Net Assets</b>	<b>28,285</b>	<b>29,400</b>	<b>31,476</b>	<b>34,294</b>	<b>36,334</b>

The above table demonstrates the College's ability to maintain healthy unrestricted net assets and even increase unrestricted net assets during the last fiscal year. The College does not carry any debt related to capital assets and the only noncurrent liabilities for the College are uncompensated leave balances. This allows the College to utilize revenues on current operations. These ratios further demonstrate the historical financial strength of the College and provide evidence of financial stability. Provided are the Return on Net Assets computed as the ratio of change in net assets to total net assets and the Current Ratio computed as current assets available to cover current liabilities or obligations. Additionally, the Net Income Ratio is provided computed as the ratio of net income to revenue. These ratios are provided in Table 3 below.

**Table 3: College of Coastal Georgia Financial Ratios**

Ratios	Fiscal Year 2006	Fiscal Year 2007	Fiscal Year 2008	Fiscal Year 2009	Fiscal Year 2010
Return on Net Assets	.73%	3.94%	7.06%	8.95%	5.95%
Current Ratio	1.60	1.66	2.38	1.50	1.94
Net Income Ratio	.98%	4.72%	8.14%	10.21%	6.79%

The Return on Net Assets demonstrates the College's ability to manage resources provided in a sound financial manner resulting in a 5.95 percent return in the most recent fiscal year. The Current Ratio illustrates the ability of the College to meet current liabilities/obligations at the end of each fiscal year. The College has maintained at minimum 1.50 times the amount of current assets to current liabilities reflecting the ability of the College to meet its financial obligations.

Lastly, the Net Income Ratio provides a picture of the College's ability to operate within its revenue base each of the past five years. Expenditures have been able to grow to meet the College's addition of new programs and services but still remain below annual revenue.

The College of Coastal Georgia Foundation has a history of providing strong financial support to the College – see [2009 College of Coastal Georgia Foundation Annual Report](#). This support included \$700,000 for the addition of classrooms and faculty offices in the newly renovated Coffin Building during fiscal year 2009. The Foundation annually provides funding for scholarships, faculty and staff development, and program services. The Foundation's audited statements reflect the strong financial position it maintains. The most recent [audited financial statements show](#) net assets of over \$8.4 million. The Foundation carries no long-term debt.

The College operates on a fiscal year of July 1 through June 30. The College of Coastal Georgia Foundation operates on a calendar year fiscal year.

The College Foundation raised \$1.04 million and increased its fundraising effort to \$1.45 million in calendar year 2010.

All financial data provided comes from the annually reviewed financial statements of the College and the Foundation. The College received a [Full Disclosure Management Report](#) for fiscal year 2010 from the Georgia Department of Audits; it received no findings and the report provided that the College's financial statements were fairly presented. The College has consistently received the highest rating for financial reporting given by the USG Board of Regents. The Foundation receives an audit each year by an independent auditor. The Foundation received an unqualified opinion during fiscal year 2009 as it has in the past. These audit reports ensure reliance may appropriately be placed on all data provided signifying the past financial strength of the College.

**Supporting Documentation**

[2009 College of Coastal Georgia Foundation Annual Report](#)

[College of Coastal Georgia Foundation Calendar Year 2009 Audit Report](#)

[College of Coastal Georgia Fiscal Year 2010 Full Disclosure Management Report](#)