

Georgia Nonpublic Postsecondary Education Commission (GNPEC) Financial Statement Instructions

PART 1. INCOME AND EXPENSE STATEMENT

Institutions located in Georgia: Enter income and expense information for the entire institution.

Institutions located outside of Georgia but operating campuses within Georgia: Enter income and expense information for the Georgia campus only. If expense information is not kept separately enter both income and expense information for the entire institution.

Institutions located outside of Georgia and not operating campuses within Georgia: Enter income and expense information for the entire institution.

The institution will be asked to report financial information for the most recent **12-month fiscal year** as well as the fiscal year prior. **The fiscal year is determined by the institution** but needs to be consistent from year to year for reporting to GNPEC. For the most recent fiscal year, enter the institution's most recent fiscal year ending before the Renewal of Authorization Application submission due date. The ending date must not be more than one year prior to the date of submission of the form. If the institution has changed its fiscal year since the submission of its previous report, attach a note to that effect. The prior fiscal year should be the fiscal year directly prior to the most recent fiscal year.

EDUCATIONAL INCOME:

- 1. Gross Tuition** - The amount of tuition collected. If the institution receives grants from governmental or other sources to specifically cover students' tuition costs, that amount should be reported here as tuition.
- 2. Application Fees** – Fees collected for the submission of applications for admission to the institution.
- 3. All Other Fees** - Fees, other than application fees, collected.
- 4. Tuition and Fee Refunds (Deduction)** - Any refunds of tuition and fees that were included in the amounts entered on lines 1 through 3. Do not include refunds of any fees or charges that were not included in one of the amounts entered on line 1 through 3.
- 5. Total Tuition and Fees Minus Refunds** – The amount after tuition and fees refunded are subtracted from the total amount of tuition and fees received.

OTHER INCOME:

- 6. Bookstore Income** – Gross income received from bookstore operations.
- 7. Interest/Dividend Income** - Gross income from interest and/or dividends from investments, if any.

8. **Other Income** - Any additional income received by the institution that was not included on lines 1 through 3 above. Since the Financial Statement should represent the authorized institution only and no other business activities of the owner, income from a business function that is separate from the institution should not be reported here. Please describe the source of this income below in the field labeled "Other Sources of Income" (Ex. Consulting, GNPEC Exempt Programs, i.e. CNA).
9. **Total Other Income** – The amount of other income received by the institution outside of educational income.
10. **Total Income** – The total of lines 5 and 9.

EXPENSES:

11. **Administrative Salaries and Benefits** - The salaries and employer-paid benefits for administrators.
12. **Instructional Staff Salaries and Benefits** – The salaries and employer-paid benefits for instructional staff.
13. **Support Staff Salaries and Benefits** – The salaries and employer-paid benefits for support staff. These are employees who provide support and services as outlined in the catalog (admissions, financial services, enrollment, tutoring, career services, etc.).
14. **Agent Salaries and Benefits** – The salaries and employer-paid benefits for all persons for whom an agent permit is required, unless the person also has administrative or instructional responsibilities.
15. **Student Textbooks** - The amount paid for student textbooks.
16. **Instructional Expense** – The amount paid for supplies and materials (this excludes student textbooks reported in line 15).
17. **Student Recruitment** – The amount paid for recruitment of students. This includes items such as radio/TV ads, printed mailings, digital marketing, and travel for agents.
18. **Depreciation of Facilities and Equipment** - The depreciated amount for either facilities or equipment for the reported fiscal year. Note: Depreciation methods must be reported in Part 4 on lines 84 through 91.
19. **Rent/Mortgage** – The amount paid for rent or mortgage.
20. **Utilities** – The amount paid for utilities such as power, water, internet and sanitation.
21. **Other Occupancy Expenses** – The amount paid for occupancy related expenses other than those reported on lines 18 through 20.
22. **Other Operating Expenses** – The expenses that were not included on lines 11 through 21 above. Since the Financial Statement should represent the institution only and no other business activities of the owner, expenses involving a business function that is separate from the institution should not be reported here.

- 23. Total Expenses** – The total of lines 11 through 22.
- 24. Number of Instructional Staff** – The number of full time and part time instructors employed by the institution.
- 25. Earnings before Income Taxes** - The amount on line 10 minus the amount on line 23.
- 26. Federal and State Income Taxes (Deduction)** - Any non-profit institutions or “S” corporation should enter “0” (zero) on line 27. An institution subject to corporate income taxation should enter income taxes paid or payable. If the institution is a branch of a larger corporation, an apportioned amount of income taxes should be allocated to the local campus or branch.
- 27. Net Income/(Loss)** – Line 26 deducted from line 25.

PART 2. BALANCE SHEET (Date should match the end of the fiscal year being reported)

Institutions located in Georgia: Complete the Balance Sheet for the entire institution.

Institutions located outside of Georgia but operating campuses within Georgia: If the institution’s financial accounting system provides for a separate balance sheet for the Georgia campus, complete the Balance Sheet and attach an annual financial report for the parent corporation. If a separate balance sheet is not maintained for the Georgia campus, the institution should complete the balance sheet representing the entire institution.

Institutions located outside of Georgia and not operating campuses within Georgia: Complete the Balance Sheet for the entire institution. If the institution is a subsidiary of a larger corporation, provide an annual financial report for the parent corporation. The date on the Balance Sheet should correspond to the ending date of the institution’s fiscal year as reported on the Income and Expense Statement.

CURRENT ASSETS:

- 28. Cash on Hand – Unrestricted** – The amounts held in accounts that have no restrictions on the use of funds. Attach a separate explanatory note if this amount is negative.
- 29. Cash- Restricted** – The amounts held in accounts that are earmarked for specific uses or that are held in timed deposits.
- 30. Accounts Receivable - Net (Current)** - The amount of tuition and fees currently due but not yet received from enrolled students.
- 31. Accounts Receivable - Net (Old) Not Written Off as Bad Debt** - The amount of tuition and fees due but not received from previously enrolled students. Any overdue amounts the institution has written off as bad debt should not be listed as an asset.
- 32. Accounts Receivable, Other- Net** - Identify by general category any other amounts currently

receivable. If necessary, attach an additional sheet.

- 33. Notes Receivable** - Any institutional funds that have been loaned. In an attached note, provide a list of notes receivable and identify amounts for each.
- 34. Inventory- Books & Supplies** - The current value of books and supplies held by the institution. (Do not include any library books that are listed as a fixed asset on line 44.)
- 35. Temporary Investments** - The total value of institutional funds that have been invested in securities that may be sold or redeemed by the institution at any time. In an attached note, provide a list of temporary investments, and identify amounts for each.
- 36. Other Current Assets** - Any other current assets that cannot be listed appropriately on lines 28 through 35. (Note: Before listing an asset here, ensure that it should not be listed under "Fixed Assets" or "Other Assets," lines 38 through 54.)
- 37. Total Current Assets** - The amounts on lines 28 through 36.

FIXED ASSETS:

- 38-50.** The value before depreciation for **buildings, furniture and equipment, leasehold improvements, library, vehicles, land, and other fixed assets** owned by the institution, and the amount of accumulated depreciation, respectively, for each applicable fixed asset amount.
- 51. Total Fixed Assets** - Total of lines 38 through 50. Calculate depreciation amounts as negative values.

OTHER ASSETS:

- 52. Deposits** – The amount of institutional funds that have been placed in timed certificates of deposit or other deposits that prohibit or assess penalties for early withdrawal.
- 53. Prepaid Expenses** - The total amount that has been prepaid for services, materials, supplies, or equipment not yet provided or received by the institution. Do not include here any amounts expended for items that are declared as assets elsewhere in the financial statement.
- 54. Other Assets** – Any other assets that cannot be listed appropriately on lines 28 through 54.
- 55. Total Other Assets** – The total of lines 52 through 54.
- 56. Total Assets** – The total of lines 37, 51, and 55.

LIABILITIES

CURRENT LIABILITIES:

- 57. Accounts Payable, Trade** - The total amount for accounts that are currently due. Do not included on this line payments due on long or short-term installment loans or mortgages or other

amounts payable that are declared on previous lines.

- 58. Notes Payable, Equipment** - The amounts due on short-term notes for equipment and other purposes, and identify the principal balance, term, and regular payment for each note listed.
- 59. Notes Payable, Other** – Other amounts due with a term less than 12 months.
- 60. Tuition and Fees Refunds Payable** – The total amount of tuition and fees due to be refunded to students but not yet paid.
- 61. Current Portion of Notes or Bonds Payable** - The amount currently due on long term notes or mortgages.
- 62. Payroll and Income Taxes Payable** - The amounts currently due but not yet paid for payroll and income taxes.
- 63. Accrued Salaries and Wages** - The amounts due to be paid for salaries and wages to personnel for services previously provided or now in progress but for which compensation has not yet been made.
- 64. Unearned Tuition and Fees** - The total amount of tuition and fees collected by the institution for education that has not yet been provided to students.
- 65. Other Unearned Revenue** - The total amount of other income that has been paid to the institution for goods and services not yet provided or rendered.
- 66. Other Current Liabilities** – The amounts for any other current liabilities that cannot be listed appropriately on lines 57 through 65. (Note: Before listing an item here, ensure that it should not be listed under “Long-Term Liabilities,” lines 68 through 70.)
- 67. Total Current Liabilities** – The total of the amounts on lines 57 through 66.

LONG-TERM LIABILITIES

- 68. Notes or Bonds Payable** - The amount due with a term more than 12 months. This amount is deducted from the total outstanding debt owed by the institution.
- 69. Mortgage Payable** – The amount due for financing real estate.
- 70. Other Long-Term Liabilities** – The debt owed by the institution whose term is more than 12 months.
- 71. Total Long-Term Liabilities** - The total amount of lines 68 through 70.
- 72. Total Liabilities** – The total of lines 67 and 71.

EQUITY/OWNER'S CAPITAL

Equity/Owner's Capital

- 73. Beginning Balance** - If the institution has operated for over two years and has previously filed a Financial Statement, the beginning balance must equal the ending balance on the prior year's report. This amount should also appear as the most recent ending balance in Part II of the current Financial Statement. (In the event that the previous ending balance has subsequently been found to be in error, the institution should submit an amended version of that financial statement). If the institution is submitting an estimate for its first year of operation or is submitting its first Financial Statement following the conclusion of its first year of authorized operation, the beginning balance is usually zero. However, if a parent corporation or owner elects to declare a portion of the "Owner's Investment" as a beginning operating balance, that portion may be entered on line 73 instead of line 80. Or, if the combined amount of liabilities, stock, and owner's investment exceeds the "Total Assets" reported on line 56, the beginning balance may be a negative amount.
- 74. Net Income/Loss** – (Enter minus if entering a loss) - This amount should be carried over from line 27.
- 75. Dividends/Distributions** - The total of any funds that were withdrawn from the operating balance or paid as dividends to stockholders. Any other charges against retained earnings should be entered on line 76.
- 76. Other** – Any other charges against equity/owner's capital.
- 77. Ending Balance** - The net total of lines 73 through 76.
- 78-79. Preferred Stock, Common Stock** - The amount of funds held by the institution as the result of the sale of preferred or common stock
- 80. Owner's Investment** – The amount of funds invested privately in the institution by the owner(s). Do not include any amount that is included in the ending balance on line 77.
- 81. Other Equity** - Any equity held by the institution that cannot be listed as stock or owner's investment on line 78 or 79 and that is not included in the ending balance on line 77.
- 82. Total Equity/Capital** – The total of lines 77 through 81.
- 83. Total Liabilities and Equity** – The total amount of lines 72 and 82. This amount must equal the amount entered on line 56, "Total Assets."

PART 3. DEPRECIATION METHODS AND DISCLOSURES

84-91. Methods Used to Determine Amounts Entered in the Financial Statement – The method used to determine each depreciated amount.

92. Basis for Financial Accounting - Cash or accrual basis for financial accounting.

93. Tax Status of Institution – (Non-Profit, For-Profit, Individual Owner, For-Profit: Partnership, For-Profit: “C” Corporation, or For-Profit: “S” Corporation) “Non-Profit” only if the institution has qualified for non-profit status with the Internal Revenue Service. A for-profit institution should list the applicable corporate status.

94. Stockholders - The names of stockholders who hold at least 10 percent of issued and outstanding shares.

95-98. Other Disclosures - If the response to any question is affirmative, provide the requested additional information in an attached supplemental note.