Letter from the Chancellor

As we close another year for the University System of Georgia (USG) Foundation, I am truly thankful for your support. Your generosity helps our students pursue their hopes and dreams.

USG’s top priority is to ensure more Georgians enter the workforce with a college credential, while we also seek to make college more affordable and ourselves more efficient on behalf of our students and communities.

Among our highlights, I am pleased to report our institutions awarded 67,854 degrees in Fiscal Year 2019. This represents a 2.1 percent increase over the previous year. More important, since Complete College Georgia launched in 2011 to focus on attainment, the number of USG students earning degrees annually has increased nearly 24 percent.

We continue to invest in academic initiatives we believe will help increase this number even more. All 26 institutions have now launched the “Momentum Year” program focused on our first-year students to help them start their college careers on-track. Beginning this fall, no first-year student in the system can be undecided on their academic journey. Instead, they must take a minimum of three courses in a selected major or academic focus area. All of our institutions have aligned these areas with their degree programs, making it easier for these students to explore their interests.

First-year students on every USG campus must also take core English and math courses and are encouraged to take 30 credit hours for the full year. Our institutions are prioritizing course scheduling to make sure critical classes are available to students who need them.

With guidance from our Board of Regents, USG institutions over the past five years have kept annual tuition increases to an average of 1.7 percent - with no increase in two of the past four years. Affordability remains a priority. Georgia’s average annual tuition and fee increases is the fourth lowest of all 16 states that make up the Southern Regional Education Board. South Carolina, Alabama, Tennessee, Louisiana - they all cost more for in-state undergraduates.

Finally, to prioritize efficiency, we are continuing an ongoing Comprehensive Administrative Review across the entire USG. All 26 of our institutions as well as the system central office have been reviewing administrative activities, an effort that has so far identified more than $43 million in savings with some institutions yet to finalize their plans. These savings are being redirected into hiring faculty and staff, and enhancing student services on campus that include financial aid, library and research systems as well as students’ campus enrollment and registration experiences.

What you do to support us in this mission matters.

I am grateful for the tremendous leadership of Regent Neil Pruitt as chair of the USG Foundation Board of Trustees. The USG Foundation Board of Trustees supports the system’s development efforts by raising private funding for scholarships and system-wide academic initiatives. As stewards of donors’ contributions, the Board of Trustees is diligent in its efforts to realize the maximum benefit of each gift.

For each donor who supported our efforts this year, I offer my sincere gratitude. We are proud of the success we are achieving together. Your gifts change the lives of our students and nurture the education and discovery that will change our state.

Thank you for all you have done to ensure our success.

Respectfully,

Dr. Steve Wrigley
Chancellor, University System of Georgia
Letter from the Chairman

I am honored to serve as the chair of the Board of Trustees of the University System of Georgia Foundation, Inc., where our number one priority is raising funds and awareness for scholarships for Georgia’s need-based students. The USG Foundation is led by an engaged, diverse, and dedicated Board of Trustees, as well as diligent staff who devote their time and resources to strengthen public higher education in the state of Georgia. We are committed to finding opportunities to support the USG, one of the nation’s greatest higher education systems.

As a supporter of the USG, the Foundation provides professional development opportunities to our colleagues. In FY19, the Foundation participated in more than 20 seminars and trainings across the state for institutional leaders, board members, and advancement and alumni relations professionals. Additionally, it awarded $1,514,135 in need-based scholarships. These funds were made possible through sponsorships to the Board of Regents Scholarship Gala, combined with endowment dollars and careful stewardship of the Foundation’s finances. Scholarships were awarded to all 26 public institutions that make up the University System of Georgia. This year, the Board of Regents Scholarship Gala raised $950,000 for student need-based scholarships and an additional $30,000 for faculty awards.

Along with the important work of raising money for scholarships, the USG Foundation also continued to support the University System through our work on campus housing projects. We are focused on lowering housing costs for students by taking full advantage of savings through pool bond offerings.

As always, we aim to build a culture of philanthropy that supports the USG and its institutions. The mission would not be possible without the generosity of donors who give to USG institutions and the USG Foundation, and our dedicated Trustees and staff members who sustain the goals of the Foundation. We look forward to what is to come and thank you for your support.

Sincerely,
Neil L. Pruitt Jr.
USG Foundation Board Chair
USG Foundation Board Members
July 1, 2018 - June 30, 2019

Neil L. Pruitt, Jr.
(Chair)
Regent, District XI

Benjamin James Tarbutton III
(Vice Chair)
Regent, District X

Kirby A. Thompson
(Secretary)
SunTrust Bank

Ty Smith
(Treasurer)
Regions Bank

Chancellor Steve W. Wrigley
(Ex officio)
The University System of Georgia

Lynne R. O’Brien
The Coca-Cola Company

Philip A. Wilheit, Sr.
Regent, District IX

Roy Dallis “D” Copeland Jr.
Retired, Synovus

Walt Ehmer
Waffle House, Inc.

Danena Gaines
Cambridge Systematics, Inc.

James M. Hull
Regent, District At-Large

Steven L. Kruger
L. E. Schwartz & Son, Inc.

Donald Leebern III
Georgia Crown Distributing Company

Sarah-Elizabeth Langford Reed
Regent, District V

James R. Robinson
Barnes & Thornburg LLP

John W. Robinson III
Aaron’s Inc.

Elizabeth A. Terrell
UPS

Don L. Waters
Regent, District I
USG Foundation Support Staff

Karen N. McCauley  
Vice Chancellor for Development  
Karen.Mccauley@usg.edu  
(404) 962-3056

Christina Paloski  
Director of Finance and Operations  
Christina.Paloski@usg.edu  
(404) 962-3058

Jaime Cloud  
Assistant to the Secretary of the Board  
Jaime.Cloud@usg.edu  
(404) 962-3295

THE UNIVERSITY SYSTEM OF GEORGIA FOUNDATION
2019 ANNUAL REPORT

THE USG FOUNDATION OFFERS A VARIETY OF CONVENIENT GIVING OPTIONS TO ACCOMMODATE DONORS’ PHILANTHROPIC INTERESTS

BY CREDIT CARD  
Quickly and easily make a gift using Visa®, MasterCard®, American Express™, or DISCOVER® cards.  
Online gifts can be made by visiting www.usgfoundation.org/give

CORPORATE MATCHING  
Your employer may double or even triple your gift to the USG Foundation. Your employer’s Human Resources department can provide details and the matching gift form to include with your check.

GIFTS-IN-KIND  
Gifts-in-kind involve both tangible and intangible personal property. Tangible assets might include single or collective works of art, books, or other collectibles; vehicles; animals; and equipment. Intangible assets might include patents; copyrights of cultural, artistic, and literary works; and computer software under development. Gifts-in-kind may be retained or sold (with the proceeds of the sale distributed to the university purpose as designated by the donor) or retained by the USG Foundation to use in a manner benefiting its mission.  
Contact a staff member by calling (404) 962-3056 or email info_usgfoundation@usg.edu to request someone call you about making a gift.

BY CHECK  
Please make your check payable to the “USG Foundation.” Also, please note your preferred designation on the memo line of your check.  
Checks should be mailed to the USG Foundation Gift Processing, 270 Washington Street Suite 7002, SW, Atlanta, Georgia 30334.

ESTATE PLAN GIFTS  
Donors can provide support for the USG Foundation at the time of their death through a number of estate planning vehicles that, in addition to many of the opportunities outlined previously, include retirement plan assets, charitable remainder trusts, gift annuities, and partnership interests. Some planned giving options include opportunities for the donor to receive return income or other financial benefits during his or her lifetime in return for the contribution, as well as immediate tax-deductible benefits without the penalty of capital gains taxes on the transfer.  
Contact a staff member by calling (404) 962-3056 or email info_usgfoundation@usg.edu to request someone call you about making an estate gift.

STOCK GIFTS  
By donating common stocks, bonds, mutual funds, and other appreciated securities, donors may also receive tax benefits that include avoiding long-term capital gains tax and obtaining deductions for their annual income tax filing. In most cases, donors can maximize their contribution through gifts of stock by transferring these appreciated securities to the USG Foundation directly, rather than liquidating them first and donating the proceeds of that sale to the foundation.  
Before directing a transfer agent to transfer a stock gift to the foundation, contact a USG staff member by calling (404) 962-3058 or emailing info_usgfoundation@usg.edu to learn how best to expedite your donation.

ELECTRONIC FUNDS TRANSFER (EFT)  
EFTs, or monthly bank drafts, are a convenient way to support the USG Foundation. Specify your gift amount (minimum of $15 monthly) and designation according to your wishes. To request the form necessary to begin an EFT or make an inquiry, please contact a staff member by calling (404) 962-3058 or email info_usgfoundation@usg.edu.

CORPORATE AND FOUNDATION RELATIONS  
Philanthropic partnerships with the USG Foundation foster positive business, academic, and community relationships for corporations and foundations. Contact Karen McCauley at (404) 462-3056 or Karen.mccauley@usg.edu to learn more about our corporate and foundation partnerships.
### CONSOLIDATED STATEMENTS OF ACTIVITIES INCLUDING REAL ESTATE

#### OPERATING REVENUES AND OTHER SUPPORT

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contributions</td>
<td>$2,237,149</td>
</tr>
<tr>
<td>Private grants and contracts</td>
<td>75,000</td>
</tr>
<tr>
<td>Donated services and materials</td>
<td>15,636</td>
</tr>
<tr>
<td>Service contract revenue</td>
<td>530,449</td>
</tr>
<tr>
<td>Registration fees and other income</td>
<td>37</td>
</tr>
<tr>
<td>Management fee income</td>
<td>16,417</td>
</tr>
<tr>
<td>Investment income, net of investment fee</td>
<td>358,959</td>
</tr>
<tr>
<td>Net realized and unrealized gains on investments</td>
<td>148,029</td>
</tr>
<tr>
<td>Investment income from direct financing leases</td>
<td>17,056,446</td>
</tr>
<tr>
<td>Rental income</td>
<td>2,595,943</td>
</tr>
<tr>
<td><strong>Total revenues and other support</strong></td>
<td><strong>$23,034,065</strong></td>
</tr>
</tbody>
</table>

#### OPERATING EXPENSES

**Program services:**
- Scholarships and awards: $1,514,135
- R&D programmatic grants: 17,188
- USO and BOR support: 102,753
- Institutional advancement: 69,391
- Real estate support: 15,585,442
- **Total program services**: $17,288,909

**Supporting services:**
- General and administrative: 143,632
- Fundraising: 312,179
- **Total supporting services**: $455,811

*Total operating expenses*: $17,744,720

#### NON-OPERATING ACTIVITIES

- Loss on extinguishment of bond debt: $(7,389,245)
- Contribution revenues of repair and replacement funds: 1,709,887
- Contribution expense of repair and replacement funds: $(498,000)

**CHANGE IN NET ASSETS FROM NON-OPERATING ACTIVITIES**: $(6,177,358)

**NET ASSETS, BEGINNING**: 15,193,734

**NET ASSETS, ENDING**: $14,305,721

### CONSOLIDATED STATEMENTS OF FINANCIAL POSITION INCLUDING REAL ESTATE

#### ASSETS

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>$630,309</td>
</tr>
<tr>
<td>Pledges and grants receivable</td>
<td>1,140,342</td>
</tr>
<tr>
<td>Investments</td>
<td>5,461,737</td>
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<tr>
<td>Prepaid expenses</td>
<td>22,120</td>
</tr>
<tr>
<td>Net investments in direct financing leases</td>
<td>395,549,306</td>
</tr>
<tr>
<td>Assets limited as to use</td>
<td>47,982,664</td>
</tr>
<tr>
<td>Construction in progress</td>
<td>2,097,069</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td><strong>$452,883,547</strong></td>
</tr>
</tbody>
</table>

#### LIABILITIES AND NET ASSETS

**Liabilities:**
- Construction payable: $451,448
- Scholarships payable: 23,491
- Bonds payable, net: 360,641,146
- USDA notes payable, net: 39,750,836
- Bond anticipation notes payable, net: 34,842,235
- Accrued interest payable: 2,868,670
- **Total liabilities**: $438,577,826

**Net assets:**
- Without donor restrictions:
  - Undesignated: 7,516,617
  - Board-designated: 4,964,150
- **Total without donor restrictions**: 12,480,767

**With donor restrictions**: 1,824,954

*Total net assets*: 14,305,721

**Total liabilities and net assets**: $452,883,547

### SUMMARIZED STATEMENT OF FINANCIAL POSITION EXCLUDING REAL ESTATE FOUNDATION LLCs

#### ASSETS AND LIABILITIES

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Assets</td>
<td>$7,414,508</td>
</tr>
<tr>
<td>Liabilities</td>
<td>23,491</td>
</tr>
<tr>
<td><strong>Net Assets</strong></td>
<td>7,391,017</td>
</tr>
<tr>
<td><strong>Total Liabilities and Net Assets</strong></td>
<td><strong>$7,414,508</strong></td>
</tr>
</tbody>
</table>

#### DETAIL OF NET ASSETS

**Without donor restrictions:**
- Undesignated: 601,913
- Board-designated: 4,964,150
- **Total without donor restrictions**: 5,566,063

**With Donor Restriction**: 1,824,954

*Total Liabilities and Net Assets*: **$7,391,017**
USG Foundation Endowments

Growing the Endowment: In FY19, the USG Foundation continued to build its endowment to support student scholarships, faculty awards for quality teaching and research, and USG academic initiatives. Endowments are a critical factor toward the long-term stability of funding for public higher education. By continuing to focus on increasing this important resource, the USG will thrive even in times of financial uncertainty with fluctuating state and federal funds.

The USG Foundation remains committed to partnering with donors to grow contributions to the endowment. Recent gifts made by generous financial contributors demonstrate confidence in the direction of public higher education in Georgia.

We want to thank those donors who invested in the endowment this year.

The University System of Georgia Foundation Quasi-Endowment
Established: 2007
Value: $4,964,150*
Intent: To support the USG Foundation in its pursuit of external financial support for scholarships, faculty recognition, and academic initiatives.

The Eleanor Boykin Davis Endowment
Established: 2013
Value: $134,125*
Intent: To provide need-based scholarship to one student each year attending a USG institution.

The Elridge McMillan Endowment
Established: 2017
Value: $43,319*
Intent: To provide need-based scholarships to one or more students attending a USG institution.

The Henry M. “Hank” and Amy Huckaby Endowment
Established: 2017
Value: $176,553*
Intent: To provide need-based scholarships to one or more students attending a USG institution.

The Dr. Isaac J. Crumbly Cooperative Developmental Energy Program (CDEP) Legacy Endowment
Established: 2017
Value: $64,439*
Intent: To provide scholarships for students at Fort Valley State University enrolled in the CDEP dual degree program.

The Burke County Reparative Endowed Scholarship
Established: 2018
Value: $79,205*
Intent: To provide scholarships for students from Burke County to attend a public Historically Black College in the USG.

* Value reported as of June 30, 2019
Audit Committee Report

The Audit Committee of the USG Foundation, Inc., has reviewed and discussed with the Foundation’s management the audited financial statements of the Foundation as of and for the year ended June 30, 2019, to be included in the Foundation’s annual report.

The committee has satisfied itself, and has advised the Board accordingly, that the audit for the year ended June 30, 2019, and financial statements are fair, balanced, understandable and allow readers to accurately assess the Foundation’s performance.

The Audit Committee has received and reviewed the annual audits direct communication from Mauldin & Jenkins on “Internal Control Related Matters Identified in an Audit” as required by the Statement of Auditing Standards No. 115 and are pleased to report no material weaknesses or significant deficiencies were noted.

Submitted by the Audit Committee
Pete Robinson
Ty Smith
John Robinson

FINANCIAL HIGHLIGHTS
(IN MILLIONS)

<table>
<thead>
<tr>
<th>June 2018</th>
<th>June 2019</th>
<th>% of Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Assets</td>
<td>$433.7M</td>
<td>$452.8M</td>
</tr>
<tr>
<td>Net Assets</td>
<td>$15.2M</td>
<td>$14.3M</td>
</tr>
<tr>
<td>Total Revenues</td>
<td>$26.4M</td>
<td>$23.0M</td>
</tr>
<tr>
<td>Program &amp; Scholarship Services</td>
<td>$12.2M</td>
<td>$17.3M</td>
</tr>
<tr>
<td>Supporting Services</td>
<td>$.532M</td>
<td>$.455M</td>
</tr>
</tbody>
</table>

INVESTMENTS
(IN MILLIONS)

<table>
<thead>
<tr>
<th>FY19</th>
<th>FY18</th>
<th>FY17</th>
<th>FY16</th>
<th>FY15</th>
</tr>
</thead>
<tbody>
<tr>
<td>$5.4M</td>
<td>$5.4M</td>
<td>$5.4M</td>
<td>$4.6M</td>
<td>$5.7M</td>
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</table>

EXPENSES

<table>
<thead>
<tr>
<th>June 2019</th>
<th>% of Expense</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scholarships &amp; Awards</td>
<td>$1,514,135</td>
</tr>
<tr>
<td>Programmatic Grants</td>
<td>$17,188</td>
</tr>
<tr>
<td>USO and BOR Support</td>
<td>$102,753</td>
</tr>
<tr>
<td>Institutional Support</td>
<td>$69,391</td>
</tr>
<tr>
<td>Real Estate Support</td>
<td>$15,585,442</td>
</tr>
<tr>
<td>General &amp; Administrative</td>
<td>$143,632</td>
</tr>
<tr>
<td>Fundraising</td>
<td>$312,179</td>
</tr>
<tr>
<td>Total</td>
<td>$17,744,720</td>
</tr>
</tbody>
</table>

REVENUE
(IN MILLIONS)

<table>
<thead>
<tr>
<th>FY19</th>
<th>FY18</th>
<th>FY17</th>
<th>FY16</th>
<th>FY15</th>
</tr>
</thead>
<tbody>
<tr>
<td>$23M</td>
<td>$26.5M</td>
<td>$17.8M</td>
<td>$15.7M</td>
<td>$18.5M</td>
</tr>
</tbody>
</table>

ASSETS
(IN MILLIONS)

<table>
<thead>
<tr>
<th>FY19</th>
<th>FY18</th>
<th>FY17</th>
<th>FY16</th>
<th>FY15</th>
</tr>
</thead>
<tbody>
<tr>
<td>$452.9M</td>
<td>$433.7M</td>
<td>$277.5M</td>
<td>$242.5M</td>
<td>$249.5M</td>
</tr>
<tr>
<td>Scholarship Awards</td>
<td>Faculty Awards</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>----------------------------------------------------------------------------------</td>
<td>--------------------------------------------------------------------------------</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>USG Foundation Need-Based Scholarships</strong> $1,320,449</td>
<td>The Felton Jenkins, Jr. Faculty Awards $30,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Scholarships awarded to USG institutions for need-based scholarships. Funding</td>
<td>Awards in the amount of $5,000 presented to outstanding faculty selected by a USG</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>made possible through contributions to the Gala and investment-generated</td>
<td>Academic Affairs committee. Funding made possible through contributions to the</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>revenue.</td>
<td>Gala and investment-generated revenue.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>The Corvias Scholarships</strong> $530,449</td>
<td><strong>USG Financial Support</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Scholarships awarded to students attending an institution where Corvias has</td>
<td>Office Of The Chancellor $60,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>developed, managed and maintained student housing as part of a P3 initiative.</td>
<td>Funds designated for the Chancellor’s office to advance the work of the USG.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Funding made possible through Corvias contract revenue.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>PruittHealth Need-Based Scholarships</strong> $125,000</td>
<td><strong>Established Scholarship Funds Available for Disbursement in Subsequent Years</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Scholarships awarded to selected USG institutions for need-based scholarships</td>
<td>Ruth Helen Diehl Scholarship Fund</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>and support for the REACH Program. Funding made possible by PruittHealth.</td>
<td>Scholarships available for students who attend USG institutions that offer a</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>bachelor’s degree or advanced degree in education. Funding made possible by</td>
<td></td>
<td></td>
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</tr>
<tr>
<td></td>
<td>Ms. Darcy Silva.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Georgia Power Student Scholarships</strong> $100,000</td>
<td>Georgia Film Academy Scholarship Fund</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Scholarships awarded to selected USG institutions for need-based scholarships</td>
<td>Scholarships available for Georgia Film Academy students at participating USG</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>and support for the REACH Program. Funding made possible by Georgia Power.</td>
<td>institutions. Funding made possible through designated contributions.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>James M. Hull Need-Based Scholarships</strong> $100,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Scholarships awarded to selected USG institutions for need-based scholarships</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>and support for the REACH Program. Funding made possible by contributions from</td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Regent and Mrs. James M. Hull.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>USGF Support for the REACH Program Scholarships</strong> $37,500</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Renewable awards of $2,500 to students who meet the REACH Scholarship</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>requirements to be used at any HOPE-eligible institution. Funding made possible</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>through designated contributions.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Erlidge McMillan Lifetime Achievement Award Scholarships</strong> $30,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Need-based scholarships awarded to one or more students attending selected USG</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>institutions. Awards are given in honor of the Erlidge McMillan Lifetime</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Achievement Award recipient. Funding made possible through contributions to the</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gala and investment-generated revenue.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Georgia Association of Physicians of Indian Heritage Annual Scholarships</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$10,500</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Scholarships available for higher education degrees at USG institutions while</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>promoting the culture of India in a modern global world. Funding made possible</td>
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<td>by the Georgia Association of Physicians of Indian Heritage.</td>
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<td><strong>Henry M. “Hank” and Amy Huckaby Endowment Scholarship</strong> $9,000</td>
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<td>A scholarship awarded to one or more students demonstrating financial need.</td>
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<td>Funding made possible through designated contributions to the named endowment.</td>
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<td><strong>Eleanor Boykin Davis Endowment Scholarship</strong> $6,500</td>
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<td>Need-based scholarship awarded to a student attending a selected USG institution.</td>
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<td>Funding made possible through an endowed gift from Erroll and Elaine Davis.</td>
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<td><strong>Early College Scholarships</strong> $3,000</td>
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<td>Scholarships awarded to 2019 Early College graduates. Funding made possible</td>
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<td>through designated contributions.</td>
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<td><strong>Dr. Isaac J. Crumbly CDEP Legacy Endowment Scholarships</strong> $2,724</td>
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<td>Scholarship support awarded to CDEP students in the dual degree program at Fort</td>
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<td>Valley State University. Funding made possible through designated contributions.</td>
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<td><strong>The Burke County Reparative Endowment Scholarships</strong> $2,463</td>
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<td>Scholarships awarded to USG Historically Black Colleges for students from Burke</td>
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<tr>
<td>County, Georgia. Funding made possible through an endowed gift from Henrietta</td>
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<td>L. Wiley and Mary A. Sykes.</td>
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<td><strong>The Merryl Penson Scholarships</strong> $2,000</td>
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<tr>
<td>Scholarship available for students attending a USG institution. Funding made</td>
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<td>possible through designated contributions.</td>
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Investment in Direct Financing Leases

The USG Foundation, in partnership with the University System of Georgia Board of Regents, facilitates financing of capital improvement projects and new facilities at USG institutions through direct financing leases. The USG Foundation Board of Trustees creates disregarded limited liability corporation (LLC) subsidiaries with the USG Foundation as the sole member to house these projects. All of these projects have a ground lease/rental agreement arrangement. The arrangement consists of the land on which the facilities are constructed or are leased to the applicable LLC by the Board of Regents pursuant to a ground lease. The LLC in turn leases the related facility back to the Board of Regents/Institution through annual rental agreements. This allows bundling construction projects on various USG campuses by issuing larger, tax-exempt bonds or by refinancing existing tax-exempt bonds. Advantages to this process include cost effective fees, increased efficiencies, and enhanced risk management.

In June 2017, the Board of Trustees created a separate real estate board, USGREF Manager, LLC, to manage all USG Real Estate Foundation entities and leases. Members of this board are appointed by and from the full USG Foundation board and serve a 3-year term.

As of June 30, 2019, the Foundation has entered into twenty-five agreements with the Board of Regents to lease properties for use by sixteen institutions in the USG. The USG Foundation, Inc., and affiliates are composed of the USGF, USGREF Manager, LLC, and the following real estate foundations with the net assets valued at approximately $445 million with an outstanding debt balance of approximately $438 million.

- USG Real Estate Foundation I, LLC
  - $74,119,341
  - Albany State University (Darton Campus)
  - Dalton State College
  - Fort Valley State University
  - Georgia College & State University
  - Kennesaw State University (Marietta Campus)
  - University of North Georgia (Gainesville Campus)

- USG Real Estate Foundation II, LLC
  - $61,317,438
  - Columbus State University
  - Kennesaw State University (Marietta Campus)

- USG Real Estate Foundation III, LLC
  - $61,967,415
  - College of Coastal Georgia
  - Georgia College & State University
  - Savannah State University
  - University of West Georgia

- USG Real Estate Foundation IV, LLC
  - $43,098,515
  - Fort Valley State University

- USG Real Estate Foundation V, LLC
  - $36,597,755
  - South Georgia State College

- USG Real Estate Foundation VI, LLC
  - $28,138,378
  - Gordon State College

- USG Real Estate Foundation VII, LLC
  - $57,410,624
  - Middle Georgia State University (Eastman & Cochran Campus)

- USG Real Estate Foundation VIII, LLC
  - $36,023,613
  - Georgia Southwestern State University

- USG Real Estate Foundation IX, LLC
  - $20,873,026
  - Middle Georgia State University (Macon Campus)

- USG Real Estate Foundation X, LLC
  - $26,082,934
  - Albany State University
Fiscal Management Services

PRIVATE GRANTS
The USG Foundation provides fiscal management for private grants administered by the USG System Office in partnership with USG institutions and USG Education Agency partners. During FY19, these grants included:

SunTrust Lighting the Way
Funder: SunTrust Foundation
The SunTrust Foundation’s Lighting the Way Award includes a grant of $75,000 to be used to further efforts in Student Financial Counseling.

PROGRAM MANAGEMENT
The USG Foundation provides fiscal management for the USG System Office. During FY19 these accounts included:

African-American Male Initiative (AAMI)
Private funding received to support implementation of the Task Force on Enhancing College Access for African-American Males.

Georgia Film Academy
Private funding received to support the Georgia Film Academy.

Georgia Public Library System/GLASS
Private funding received to support Georgia Public Libraries.

Georgia FinTech Academy
Private funds received to support the Georgia FinTech Academy.

Office of the Chancellor
Private funds designated for the Chancellor and USG staff to advance the work of the USG.

Regents’ Per Diem
Regent contributions to cover expenses incurred through their work on behalf of the USG and to provide support for USG programs.
USG Facts

UNIVERSITY SYSTEM OF GEORGIA
The USG is a part of the community in each of Georgia’s 159 counties and provides services across the state. The USG is composed of 26 higher education institutions including four research universities, four comprehensive universities, nine state universities and nine state colleges. It also includes the Georgia Public Library Service, which encompasses approximately 389 facilities within the 61 library systems throughout the state of Georgia. Additionally, the USG includes the Georgia Archives which identifies, collects, manages, preserves and provides access to records and information about Georgia.

DEGREES, MAJORS AND RANKINGS
The USG’s institutions conferred a total of 67,854 degrees in FY19.

ENROLLMENT
The USG enrolled 328,712 students for Fall 2018.

ECONOMIC IMPACT, EMPLOYMENT AND BUDGET
The University System of Georgia’s economic impact on the state was $17.7 billion in FY18 according to the most recent study conducted by the Selig Center for Economic Growth. Of the 168,284 jobs noted in the report, 50,541 or 31 percent are on the campuses while 113,213 or 69 percent, are off campus. For every person employed at the USG or a member institution, 2.2 people have jobs that support the presence of the institution in the local community. The USG has an annual budget of more than $9.1 billion for FY19.
Higher Education Institutions

- 26 institutions
- 9 State Universities
- 9 State Colleges
- 4 Comprehensive Universities
- 4 Research Universities

Institutions:
- Abraham Baldwin Agricultural College
- Albany State University
- Atlanta Metropolitan State College
- Augusta University
- Clayton State University
- College of Coastal Georgia
- Columbus State University
- Dalton State College
- East Georgia State College
- Fort Valley State University
- Georgia College & State University
- Georgia Gwinnett College
- Georgia Highlands College
- Georgia Institute of Technology
- Georgia Southern University
- Georgia Southwestern State University
- Georgia State University
- Gordon State College
- Kennesaw State University
- Middle Georgia State University
- Savannah State University
- South Georgia State College
- University of Georgia
- University of North Georgia
- University of West Georgia
- Valdosta State University
The 15th annual Regents’ Scholarship Gala hosted by the University System of Georgia Foundation on Friday, February 8, 2019, successfully raised more than $900,000 to support and provide need-based scholarships for students at all 26 USG institutions.

During the evening program, Governor Brian Kemp presented former First Lady Sandra Deal with a lifetime achievement award for her contributions to public education and literacy in Georgia.

“The USG Foundation works to provide financial support in the form of need-based scholarships to students at every institution and from every corner of our state,” said USG Chancellor Steve Wrigley. “The Regents’ Scholarship Gala brings together representatives from our colleges and universities, public and private supporters, and elected officials at every level in Georgia. Each of these stakeholders provide critical support to public higher education. I’m especially appreciative of Governor and First Lady Kemp’s support of our efforts and for presenting Former First Lady Sandra Deal’s lifetime achievement award. As Governor Kemp noted, Sandra Deal’s lifelong dedication to public education and literacy is an inspiration to us all. During her time as first lady, she read to students at more than 1,000 schools statewide, in all 181 school districts in each of Georgia’s 159 counties. She supported childhood literacy and worked tirelessly to advance this important cause. We’re grateful for her efforts on behalf of students and families and honored to recognize her with our highest honor, the Elridge McMillan Lifetime Achievement Award.”

“The success of our students is at the core of the Foundation’s mission,” said Foundation Chairman Regent Neil Pruitt. “As chairman, I’ve had the privilege of witnessing firsthand how we are making a positive impact on students’ lives. For 15 years, this gala has provided much-needed funds to support students in their path to earning a degree. The commitment of our supporters and advocates will allow us to continue working on behalf of students across this state. I look forward to the continued growth and success of this important cause.”
In Special Gratitude

VISIONARY SPONSORS
Georgia Crown Distributing Co.
Georgia Power
Regent and Mrs. James M. Hull
PruittHealth

EMINENT SPONSORS
Corvias
SunTrust
Regent and Mrs. Don Waters

PREMIER SPONSORS
Northside Hospital
PNC Financial Group
Synovus
The University Financing Foundation, Inc.
Wells Fargo
Regent and Mrs. Phillip Wilheit, Sr.

GOLD SPONSOR
Carroll Daniel Construction
Cisco Systems
Gainesville Mechanical
JE Dunn Construction
JLL
Mauldin & Jenkins
Parker Executive Search
Regent Kessel and Carol Stelling
King and Spalding
The Coca-Cola Company
Regent Richard and Peggy Tucker
TSYS
UPS
VALIC
WC Bradley Co.

Award Recipients

2019 REGENTS HALL OF FAME ALUMNI AND DISTINGUISHED FRIENDS AWARD
Veronica Adadevoh
Atlanta Metropolitan State College
Donnie L. Cochran
Savannah State University
Mike Cottrell
University of North Georgia
M. Douglas Ivester
University of Georgia
E.G. Meybohm
Georgia Southern University

2019 RECIPIENTS OF THE FELTON JENKINS JR. HALL OF FAME FACULTY AWARD
Dr. Tessa C. Andrews
University of Georgia
Dr. James Byers
University of Georgia
Dr. Christopher Clark
Georgia College and State University
Dr. David Joyner
Georgia Institute of Technology
Dr. Joseph A. Mayo
Gordon State College
Dr. Binh Tran
Georgia Gwinnett College
USG’s mission is to create knowledge.