SAVANNAH STATE UNIVERSITY

Interim Financial Report

For the Fiscal Year To Date
December 31, 2008

Savannah, Georgia

Prepared by: Mary H. Loomis, CPA, Comptroller

NOTE: The following information is for analytical purposes only. Accounts have not been fully reconciled, adjustments have not been made, limited accruals have been applied, and there is a considerable use of estimates that must be used to provide interim financial data.
Financial Highlights

Statement of Net Assets (page 4):

- The Statement of Net Assets for the year-to-date reports a considerably higher accounts receivable balance than is reported at year-end. This is due directly to preregistration for the spring semester recorded during the month of December. Of the $11.7 million in Other Accounts Receivable, $8.6 million represents Student and Financial Aid receivables. This also results in a higher reported Unrestricted Net Assets.

- The significant increase in capital assets since the end of the year is the addition of the $24.6 million University Commons complex acquired through capital lease.

- Note that certain liabilities, such as salaries and compensated absences, are not adjusted until year-end. Therefore, the liability and the related expense may be understated.

Statement of Revenues, Expenses, & Changes in Net Assets, SRECNA–All Funds (page 5):

- Tuition and Fee revenue recorded year-to-date is 19% or approximately $1.6 million higher than as recorded last fiscal year-to-date. As previously noted, this does include part of the Spring Semester revenue.

- Total Operating Revenues are $8.9 million or 42.6% higher than as recorded last fiscal year-to-date. As noted previously, $1.6 million is related to tuition and fees. The remaining increase is due primarily to the residence halls and food services. Residence hall revenue has increased approximately $5.3 million due to the addition of University Commons and the University’s direct management of University Village. Food services (cafeteria sales) have increased $1.3 million due to higher student enrollment.

- Total Operating Expenses are approximately $6.3 million or 25.6% higher than recorded last fiscal year. However, based on an analysis of prior year spending-to-date as compared to year-end, it is estimated that expenses year-to-date are understated approximately 6%. The BOR requires that records are closed on the fifth working day of each month and expenses are not generally brought up-to-date until the end of the fiscal year when the University is allowed a longer “close” period. It is estimated that approximately $1.7 million in expenses have not been recorded year-to-date. Utilizing this estimate, Operating Expenses would be stated at $32.6 million and the Operating Loss to Date would be ($2.6) million.

- Operating expenses have primarily increased as a result of increasing demands on services from higher student enrollment and on-campus housing offered. Note that faculty and staff salary increases are partially due to the higher demand for services. Additionally, most contracts (i.e., cafeteria sales) are related to student services delivered by the University.
State appropriations have been adjusted to reflect amounts actually received from the State year-to-date. These amounts have been reduced by 6% from the original budgeted amount. (The reduction is expected to increase to 9.04% in January and will be retroactive to the beginning of the year. This will be reflected in future reports.)

Note that certain items on the SRECNA will be reclassed at year end (i.e. capital purchases, debt service, etc). These are recorded into an expenditure account during the year and reclassed at year end, but must be accounted for in the report to tie back to the system ledgers.

SRECNA for Auxiliary Funds (page 6):

- Operating Revenues are approximately $7 million or 93.6% higher than recorded last fiscal year-to-date. As previously noted, this is primarily due to housing and cafeteria sales.

- Operating Expenses are approximately $3.2 million or 81% higher than recorded last fiscal year-to-date. As previously noted, it is estimated that all expenditures have not been recorded. Based on the same assumption previously noted, it is estimated that expenditures for auxiliary services should be approximately $7.5 million and the resulting operating income would be approximately $7 million. Based on recorded amounts to date and estimates, there are sufficient funds to cover debt and principal payments on capital leases in the amount of $2.8 million, other debt, and capital purchases.

- Note that certain items on the SRECNA will be reclassed at year end (i.e. capital purchases, debt service, etc). These are recorded into an expenditure account during the year and reclassed at year end, but must be accounted for here to tie back to the system reports.

Overall notation:
Although the following reports are based upon estimates and certain calculations, they are indicative that the University is operating at a sufficient level to fund its responsibilities, such as providing services to students and covering debt service obligations.
# Savannah State University

## Statement of Net Assets

*For the year ending*

### ASSETS

<table>
<thead>
<tr>
<th></th>
<th>06/30/07</th>
<th>06/30/08</th>
<th>12/31/08</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current Assets:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash &amp; Cash Equivalents</td>
<td>$4,499,964.00</td>
<td>$5,177,617.00</td>
<td>$4,953,733.30</td>
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<tr>
<td>Short-Term Investments</td>
<td>408,276.00</td>
<td>408,276.00</td>
<td>408,125.65</td>
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<tr>
<td>Accounts Receivable, Net</td>
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<td></td>
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<tr>
<td>Federal Financial Assistance</td>
<td>1,500,747.00</td>
<td>1,181,568.00</td>
<td>1,839,944.61</td>
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<td>Other (Nonstate-primarily student Accts.)</td>
<td>2,110,618.00</td>
<td>2,507,893.00</td>
<td><strong>11,757,712.67</strong></td>
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<tr>
<td>Direct Loans Receivable</td>
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<td>288,212.00</td>
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<td>Inventories</td>
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<td>55,548.00</td>
<td>59,566.63</td>
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<td>Prepaid Items</td>
<td>19,757.00</td>
<td>37,291.00</td>
<td>163,484.44</td>
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<td><strong>Total Current Assets</strong></td>
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<td><strong>$9,368,193.00</strong></td>
<td><strong>$19,470,779.30</strong></td>
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<table>
<thead>
<tr>
<th></th>
<th>06/30/07</th>
<th>06/30/08</th>
<th>12/31/08</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Noncurrent Assets:</strong></td>
<td></td>
<td></td>
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<tr>
<td>Noncurrent Cash</td>
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<td>$226,136.07</td>
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<td>Short-Term Investments</td>
<td>1,254,211.00</td>
<td>1,613,623.00</td>
<td>1,620,753.18</td>
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<td>Investments</td>
<td>1,109,390.00</td>
<td>1,061,970.00</td>
<td>1,046,428.78</td>
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<td>Notes Receivable, Net (Perkins)</td>
<td>818,870.00</td>
<td>868,170.00</td>
<td>870,841.56</td>
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<td><strong>Total Noncurrent Assets before Capital Assets</strong></td>
<td><strong>$56,140,101.00</strong></td>
<td><strong>$88,010,989.00</strong></td>
<td><strong>$109,884,398.14</strong></td>
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<table>
<thead>
<tr>
<th></th>
<th>06/30/07</th>
<th>06/30/08</th>
<th>12/31/08</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Capital Assets, Net:</strong></td>
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<td></td>
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<tr>
<td>Land and Land Improvements</td>
<td>575,975.00</td>
<td>575,975.00</td>
<td>575,975.16</td>
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<td>Buildings and Bldg. Improvements</td>
<td>49,766,510.00</td>
<td>47,957,708.58</td>
<td>47,957,708.58</td>
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<tr>
<td>Facilities &amp; Other Improvements</td>
<td>1,053,782.00</td>
<td>1,053,782.94</td>
<td>1,053,782.94</td>
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<tr>
<td>Library Collections</td>
<td>1,456,150.00</td>
<td>1,456,150.00</td>
<td>1,456,150.00</td>
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<tr>
<td>Equipment</td>
<td>2,515,900.00</td>
<td>2,547,960.90</td>
<td>2,547,960.90</td>
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<td>Capital Leases</td>
<td>28,827,429.00</td>
<td>52,483,766.53</td>
<td>52,483,766.53</td>
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<td>Collections</td>
<td>45,344.00</td>
<td>44,894.98</td>
<td>44,894.98</td>
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<tr>
<td>Construction in Progress</td>
<td>0.00</td>
<td>(0.00)</td>
<td>(0.00)</td>
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<tr>
<td><strong>Capital Assets, Net</strong></td>
<td><strong>52,722,785.00</strong></td>
<td><strong>84,241,090.00</strong></td>
<td><strong>106,120,238.55</strong></td>
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</table>

<table>
<thead>
<tr>
<th></th>
<th>06/30/07</th>
<th>06/30/08</th>
<th>12/31/08</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Assets</strong></td>
<td><strong>$64,724,974.00</strong></td>
<td><strong>$97,379,182.00</strong></td>
<td><strong>$129,355,177.44</strong></td>
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</tbody>
</table>

### LIABILITIES

<table>
<thead>
<tr>
<th></th>
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<th>06/30/08</th>
<th>12/31/08</th>
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</thead>
<tbody>
<tr>
<td><strong>Current Liabilities:</strong></td>
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<tr>
<td>Accounts Payable</td>
<td>$525,803.00</td>
<td>$569,600.00</td>
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<tr>
<td>Salaries Payable</td>
<td>104,147.00</td>
<td>246,136.00</td>
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<tr>
<td>Deposits</td>
<td>153,026.00</td>
<td>397,980.00</td>
<td>136,009.33</td>
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<td>Deferred Revenue</td>
<td>338,235.00</td>
<td>389,879.00</td>
<td>(0.00)</td>
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<td>Deposits Held for Other Organizations</td>
<td>854,755.00</td>
<td>1,036,753.00</td>
<td>1,385,252.44</td>
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<td>Compensated Absences</td>
<td>545,189.00</td>
<td>585,442.00</td>
<td>585,441.54</td>
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<tr>
<td>Accrued Interest - Capital Lease</td>
<td>173,346.00</td>
<td>136,489.22</td>
<td>136,489.22</td>
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<td><strong>Total Current Liabilities</strong></td>
<td><strong>$2,521,155.00</strong></td>
<td><strong>$3,399,136.00</strong></td>
<td><strong>$3,682,781.89</strong></td>
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<table>
<thead>
<tr>
<th></th>
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<th>06/30/08</th>
<th>12/31/08</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Noncurrent Liabilities:</strong></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Compensated Absences</td>
<td>668,199.00</td>
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<td>725,328.12</td>
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<td>Capital Lease Obligation</td>
<td>0.00</td>
<td>28,982,109.00</td>
<td>53,742,280.90</td>
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<tr>
<td><strong>Total Liabilities</strong></td>
<td><strong>$3,189,354.00</strong></td>
<td><strong>$33,106,573.00</strong></td>
<td><strong>$58,150,390.91</strong></td>
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### NET ASSETS

<table>
<thead>
<tr>
<th></th>
<th>06/30/07</th>
<th>06/30/08</th>
<th>12/31/08</th>
</tr>
</thead>
<tbody>
<tr>
<td>Invested in Capital Assets, Net of Related Debt</td>
<td>$52,722,785.00</td>
<td>$55,085,635.00</td>
<td>$52,214,468.43</td>
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<tr>
<td>Restricted - Nonexpendable</td>
<td>2,305,790.00</td>
<td>2,901,729.00</td>
<td>2,901,729.00</td>
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<tr>
<td>Restricted - Expendable</td>
<td>1,261,120.00</td>
<td>1,096,296.00</td>
<td>2,248,542.52</td>
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<tr>
<td>Unrestricted</td>
<td>5,245,925.00</td>
<td>5,188,949.00</td>
<td>13,840,046.29</td>
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<tr>
<td><strong>Total Net Assets</strong></td>
<td><strong>$61,535,620.00</strong></td>
<td><strong>$64,272,609.00</strong></td>
<td><strong>$71,204,786.53</strong></td>
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<table>
<thead>
<tr>
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<th>06/30/08</th>
<th>12/31/08</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Liabilities &amp; Net Assets</strong></td>
<td><strong>$64,724,974.00</strong></td>
<td><strong>$97,379,182.00</strong></td>
<td><strong>$129,355,177.44</strong></td>
</tr>
</tbody>
</table>
### Savannah State University

**Statement of Revenues, Expenses, and Changes in Net Assets**

**For the Year ended**

<table>
<thead>
<tr>
<th></th>
<th>06/30/07</th>
<th>06/30/08</th>
<th>12/31/07</th>
<th>12/31/08</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>OPERATING REVENUES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Student Tuition and Fees</td>
<td>$11,210,313.00</td>
<td>$11,750,281.00</td>
<td>$8,346,054.19</td>
<td>$9,939,411.07</td>
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<tr>
<td>Less: Scholarship Allowances (Estimated Adjustment Included)</td>
<td>($5,466,297.00)</td>
<td>($5,384,832.00)</td>
<td>($2,475,953.51)</td>
<td>($2,908,950.11)</td>
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<tr>
<td>5,744,016.00</td>
<td>6,365,449.00</td>
<td>5,870,100.68</td>
<td>7,030,460.96</td>
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<td>Grants and Contracts</td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Federal</td>
<td>$13,757,058.00</td>
<td>$13,315,557.00</td>
<td>$6,595,215.15</td>
<td>$7,416,104.88</td>
</tr>
<tr>
<td>State</td>
<td>170,067.00</td>
<td>107,383.00</td>
<td>57,744.98</td>
<td>36,143.97</td>
</tr>
<tr>
<td>Other</td>
<td>570,907.00</td>
<td>378,987.00</td>
<td>873,605.96</td>
<td>788,332.83</td>
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<tr>
<td>Sales and Services</td>
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<td></td>
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</tr>
<tr>
<td>Federal</td>
<td>13,757,058.00</td>
<td>$13,315,557.00</td>
<td>$6,595,215.15</td>
<td>$7,416,104.88</td>
</tr>
<tr>
<td>State</td>
<td>170,067.00</td>
<td>107,383.00</td>
<td>57,744.98</td>
<td>36,143.97</td>
</tr>
<tr>
<td>Other</td>
<td>570,907.00</td>
<td>378,987.00</td>
<td>873,605.96</td>
<td>788,332.83</td>
</tr>
<tr>
<td>Rents and Royalties</td>
<td>20,878.00</td>
<td>5,004.00</td>
<td>10,696.00</td>
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<tr>
<td>Auxiliary Enterprises</td>
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<td>Residence Halls</td>
<td>2,294,867.00</td>
<td>4,464,020.00</td>
<td>2,499,121.84</td>
<td>7,853,439.63</td>
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<td>BookStore &amp; Other Auxiliary (Commissions)</td>
<td>111,260.00</td>
<td>108,770.00</td>
<td>53,404.75</td>
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<td>Food Services (Fund-interest income)</td>
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<td>3,332,030.00</td>
<td>3,513,917.08</td>
<td>4,816,316.16</td>
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<td>Parking/Transportation</td>
<td>15,128.00</td>
<td>5,722.00</td>
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<td>Health Services</td>
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<td>Intercollegiate Athletics</td>
<td>2,151,211.00</td>
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<td>Other Auxiliary</td>
<td>33,237.00</td>
<td>18,539.00</td>
<td>312,759.63</td>
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<td>Other Operating Revenues</td>
<td>134,785.00</td>
<td>73,667.00</td>
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<td>56,380.62</td>
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<td><strong>Total Operating Revenues</strong></td>
<td>$28,811,878.00</td>
<td>$30,793,401.00</td>
<td>$21,004,957.96</td>
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<td><strong>OPERATING EXPENSES</strong></td>
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</tr>
<tr>
<td>Salaries</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Faculty</td>
<td>$8,061,985.00</td>
<td>$8,343,305.00</td>
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<td>$4,497,534.85</td>
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<tr>
<td>Staff</td>
<td>12,373,132.00</td>
<td>13,486,063.00</td>
<td>6,478,418.96</td>
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<td>Employee Benefits</td>
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<td>Other Personal Services</td>
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<td>Travel</td>
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<td>567,919.00</td>
<td>234,285.98</td>
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<td>Scholarships and Fellowships (Estimated Adj. Included)</td>
<td>3,356,391.00</td>
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<td>1,486,319.86</td>
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<td>2,995,775.00</td>
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<td>Supplies and Other Services</td>
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<td>6,936,427.08</td>
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<td>Depreciation</td>
<td>2,417,986.00</td>
<td>3,125,238.00</td>
<td>707,645.72</td>
<td>1,591,075.19</td>
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<tr>
<td><strong>Total Operating Expenses</strong></td>
<td>$47,275,338.00</td>
<td>$51,902,854.00</td>
<td>$24,572,220.16</td>
<td>$30,868,306.12</td>
</tr>
<tr>
<td><strong>Operating Income (Loss)</strong></td>
<td>($18,463,460.00)</td>
<td>($21,109,453.00)</td>
<td>($3,567,262.20)</td>
<td>($926,506.24)</td>
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<tr>
<td><strong>NONOPERATING REVENUES (EXPENSES)</strong></td>
<td></td>
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<td></td>
<td></td>
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<tr>
<td>State Appropriations (Adjusted)</td>
<td>$17,906,362.00</td>
<td>$18,892,885.00</td>
<td>9,446,442.50</td>
<td>10,193,422.04</td>
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<td>Gifts</td>
<td>493,243.00</td>
<td>1,235,059.00</td>
<td>361,792.87</td>
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<tr>
<td>Interest and Other Investment Income</td>
<td>530,524.00</td>
<td>517,761.00</td>
<td>116,741.98</td>
<td>189,362.84</td>
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<tr>
<td>Interest Expense (Capital Assets)</td>
<td>(440,103.00)</td>
<td>0.00</td>
<td>653,478.94</td>
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<tr>
<td><strong>Other Nonoperating Revenues(Expenses)/ Capital Purch TBA</strong></td>
<td>(1,890.00)</td>
<td>(35,755.00)</td>
<td>(182,812.48)</td>
<td>(15,533.62)</td>
</tr>
<tr>
<td><strong>Net Nonoperating Revenues (Expenses)</strong></td>
<td>$18,928,239.00</td>
<td>$20,169,847.00</td>
<td>$9,742,151.28</td>
<td>$9,930,377.74</td>
</tr>
<tr>
<td><strong>Income (Loss) Before Capital Increases (Decreases)</strong></td>
<td>$464,779.00</td>
<td>($939,606.00)</td>
<td>$6,174,889.08</td>
<td>$9,003,871.50</td>
</tr>
<tr>
<td><strong>Capital Grants and Gifts</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>State</td>
<td>3,527,228.00</td>
<td>3,676,595.00</td>
<td>1,177,395.52</td>
<td>0.00</td>
</tr>
<tr>
<td><strong>Increase (Decrease) in Net Assets</strong></td>
<td>$3,992,007.00</td>
<td>$2,736,989.00</td>
<td>$7,352,284.60</td>
<td>$9,003,871.50</td>
</tr>
<tr>
<td><strong>NET ASSETS - BEGINNING OF THE YEAR</strong></td>
<td>$57,543,613.00</td>
<td>$61,535,620.00</td>
<td>$61,535,620.00</td>
<td>$64,272,609.00</td>
</tr>
<tr>
<td><strong>NET ASSETS - END OF THE YEAR</strong></td>
<td>$61,535,620.00</td>
<td>$64,272,609.00</td>
<td>$68,887,904.60</td>
<td>$73,276,480.50</td>
</tr>
</tbody>
</table>
### Savannah State University

**Statement of Revenues, Expenses, and Changes in Net Assets - Auxiliary Funds Combined**

For the Year ended December 31, 2007 2008

#### OPERATING REVENUES

<table>
<thead>
<tr>
<th>Service</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parking &amp; Traffic Violations</td>
<td>0.00</td>
<td>101,612.46</td>
</tr>
<tr>
<td>Student Health Fees</td>
<td>308,588.40</td>
<td>354,868.38</td>
</tr>
<tr>
<td>Student Athletic Fees</td>
<td>907,872.86</td>
<td>998,929.68</td>
</tr>
<tr>
<td>Laundry Fees</td>
<td>37,680.00</td>
<td>71,865.42</td>
</tr>
<tr>
<td>Rents (Housing &amp; General)</td>
<td>2,499,297.83</td>
<td>7,851,993.74</td>
</tr>
<tr>
<td>Other Rents and Waivers</td>
<td>275.00</td>
<td>16,115.00</td>
</tr>
<tr>
<td>Cafeteria Sales</td>
<td>3,513,972.08</td>
<td>4,820,647.11</td>
</tr>
<tr>
<td>Other Athletic Sales (Tickets, Parking, Tailgating, etc.)</td>
<td>174,914.70</td>
<td>209,229.65</td>
</tr>
<tr>
<td>Commissions (Primarily Bookstore)</td>
<td>45,404.75</td>
<td>74,268.64</td>
</tr>
<tr>
<td>Vending Commissions</td>
<td>1,801.31</td>
<td>3,704.95</td>
</tr>
<tr>
<td>Other Operating Revenues</td>
<td>55.00</td>
<td>0.00</td>
</tr>
</tbody>
</table>

**Total Operating Revenues**

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$7,489,861.93</td>
<td>$14,503,235.03</td>
</tr>
</tbody>
</table>

#### OPERATING EXPENSES

<table>
<thead>
<tr>
<th>Expense</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries - Staff</td>
<td>609,858.48</td>
<td>798,580.05</td>
</tr>
<tr>
<td>Employee Benefits</td>
<td>164,415.61</td>
<td>206,201.98</td>
</tr>
<tr>
<td>Employee Travel</td>
<td>35,161.88</td>
<td>32,335.71</td>
</tr>
<tr>
<td>Nonemployee Travel</td>
<td>89,975.52</td>
<td>58,679.59</td>
</tr>
<tr>
<td>Supplies and Other Services</td>
<td>140,644.91</td>
<td>321,979.36</td>
</tr>
<tr>
<td>Utilities - Housing</td>
<td>0.00</td>
<td>233,616.71</td>
</tr>
<tr>
<td>Professional Services &amp; Contracts</td>
<td>1,508,192.92</td>
<td>3,431,931.42</td>
</tr>
<tr>
<td>Scholarships</td>
<td>321,535.00</td>
<td>337,618.98</td>
</tr>
<tr>
<td>Other Operating Expenses</td>
<td>262,495.05</td>
<td>639,322.06</td>
</tr>
<tr>
<td>Overhead Charges</td>
<td>432,997.97</td>
<td>371,984.27</td>
</tr>
<tr>
<td>Depreciation</td>
<td>318,756.09</td>
<td>605,288.48</td>
</tr>
</tbody>
</table>

**Total Operating Expenses**

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$3,884,033.43</td>
<td>$7,037,538.61</td>
</tr>
</tbody>
</table>

**Operating Income (Loss)**

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$3,605,828.50</td>
<td>$7,465,696.42</td>
</tr>
</tbody>
</table>

#### NONOPERATING REVENUES (EXPENSES)

<table>
<thead>
<tr>
<th>Expense</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Debt Service - Principal &amp; Interest - TBA</td>
<td>($617,328.00)</td>
<td>($617,328.00)</td>
</tr>
<tr>
<td>Capital Leases - Principal &amp; Interest - TBA</td>
<td>0.00</td>
<td>(739,185.50)</td>
</tr>
<tr>
<td>Gifts</td>
<td>2,100.00</td>
<td>0.00</td>
</tr>
<tr>
<td>Interest and Other Investment Income</td>
<td>11,000.00</td>
<td>16,645.48</td>
</tr>
<tr>
<td>Gain (Loss) on Retirement of Assets</td>
<td>0.00</td>
<td>(62,036.83)</td>
</tr>
<tr>
<td>Other Nonoperating Revenues (Expenses)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Net Nonoperating Revenues (Expenses)**

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>($604,228.00)</td>
<td>($1,401,904.85)</td>
</tr>
</tbody>
</table>

**Income (Loss) Before Other Revenues Expenses, Gains, or Loss**

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$3,001,600.50</td>
<td>$6,063,791.57</td>
</tr>
</tbody>
</table>

**Capital Usage/Reclassifications (or Capital Purchases) - TBA**

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(679,770.00)</td>
<td>(757,446.67)</td>
</tr>
</tbody>
</table>

**Increase (Decrease) in Net Assets**

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$2,321,830.50</td>
<td>$5,306,344.90</td>
</tr>
</tbody>
</table>

**TBA - To be adjusted at year-end.**
Ratio Analysis

- **AR Turnover** - Fiscal years 2005 and 2006 are indicative of not collecting receivables in a timely manner and this was noted by the auditors. Turnover was considerably better for fiscal years 2007 and 2008. FY2009 year-to-date is not indicative of year-end. Turnover is currently understated because of the higher receivable as mentioned previously. Turnover at the end of the fiscal year is expected to be 1.0 or better.

- **Current Ratio** – SSU’s internal fiscal target for this ratio is 2.5 or higher (i.e., $2.50 of current assets for every $1.00 of current liabilities). In fiscal year 2005 SSU had an issue with insufficient current liabilities (and cash). The 2009YTD is currently not indicative of year-end due to the receivables discussed earlier. The current ratio at the end of the fiscal year is expected to be 2.5 or higher.

- **Cash for Current Liabilities** – This ratio is more indicative of current liquidity at this time. As noted previously, 2005 represents a year in which the University lacked sufficient resources to support current liabilities. The internal fiscal target for this ratio is 1.5 or better ($1.50 cash for every $1.00 in current liabilities).

- **Total Liabilities to Total Assets** is currently 0.46 ($0.46 of liabilities to every $1.00 in Assets). **Long-term debt to Equity** is currently 0.78 ($0.78 debt for every $1.00 in Equity). Both of these ratios measure leverage. Note that the University did not utilize debt during fiscal years 2005 through 2007. The current year-to-date ratios now reflect both capital leases. As long as the University owes less than it owns (Total Liabilities to Total Assets) and does not incur debt greater than its equity (LT Debt to Equity), the use of leverage is generally considered healthy.