

Board of Regents

University System of Georgia

Public Private Ventures (PPV) Portfolio

PPV CASH FLOW ANALYSIS AND SUBMITTAL TRAINING SESSION

Presented by: DeEnna Walters & Cynthia Brooks
Office of Strategy and Fiscal Affairs – Finance
August 25, 2025



PPV Cash Flow Analysis and Submittal

TRAINING SESSION – HOUSEKEEPING

- Keep your computer/phone on mute unless you have questions. We will field questions as they arise, and we also monitor the chat.
- Use Teams chat if any problems occur during the presentation.
- This session will be recorded, posted and available afterwards.



What's New in PPV Cash Flow Analysis & Submittal

1. Rating update by S&P
2. Workday reporting software
3. FY25 reporting dates:
 - a. System open as of **Monday, August 25th**
All institutions due **Friday, September 26th**
 - b. 5-Year Cash Flow Projections for each PPV Project: FY25-FY29
(Past Fiscal Year, Current Fiscal Year and 3-year projections)
due **Monday, November 3rd**
4. Finance team organization



USO Finance Department Finance Leadership Team



**Cynthia Robinson
Alexander**
Associate Vice Chancellor
Finance

**Portfolio Policy &
Management, Financing &
Reporting**

Tel.: (404) 962-3175
Cynthia.Alexander@usg.edu



DeEnna Walters
Portfolio Director
USG Foundation

**Management of USG
Foundation Portfolio,
Insurance & PPV Portfolio**

Tel.: 404-962-3171
DeEnna.Walters@usg.edu



Cynthia Brooks
Data Manager

**Manage All Databases &
Cash Flow Analysis**

Tel.: 404-962-3163
Cynthia.Brooks@usg.edu



Wayne Tyler
Program Manager, REV-
Mgmt. & Ops.

**Manages FCARs, Facility
Improvements &
Operations**

Tel.: 404-962-3183
Wayne.Tyler@usg.edu

Vacant

Director, REV-
Development

The Value of PPV Project Cash Flow Reporting

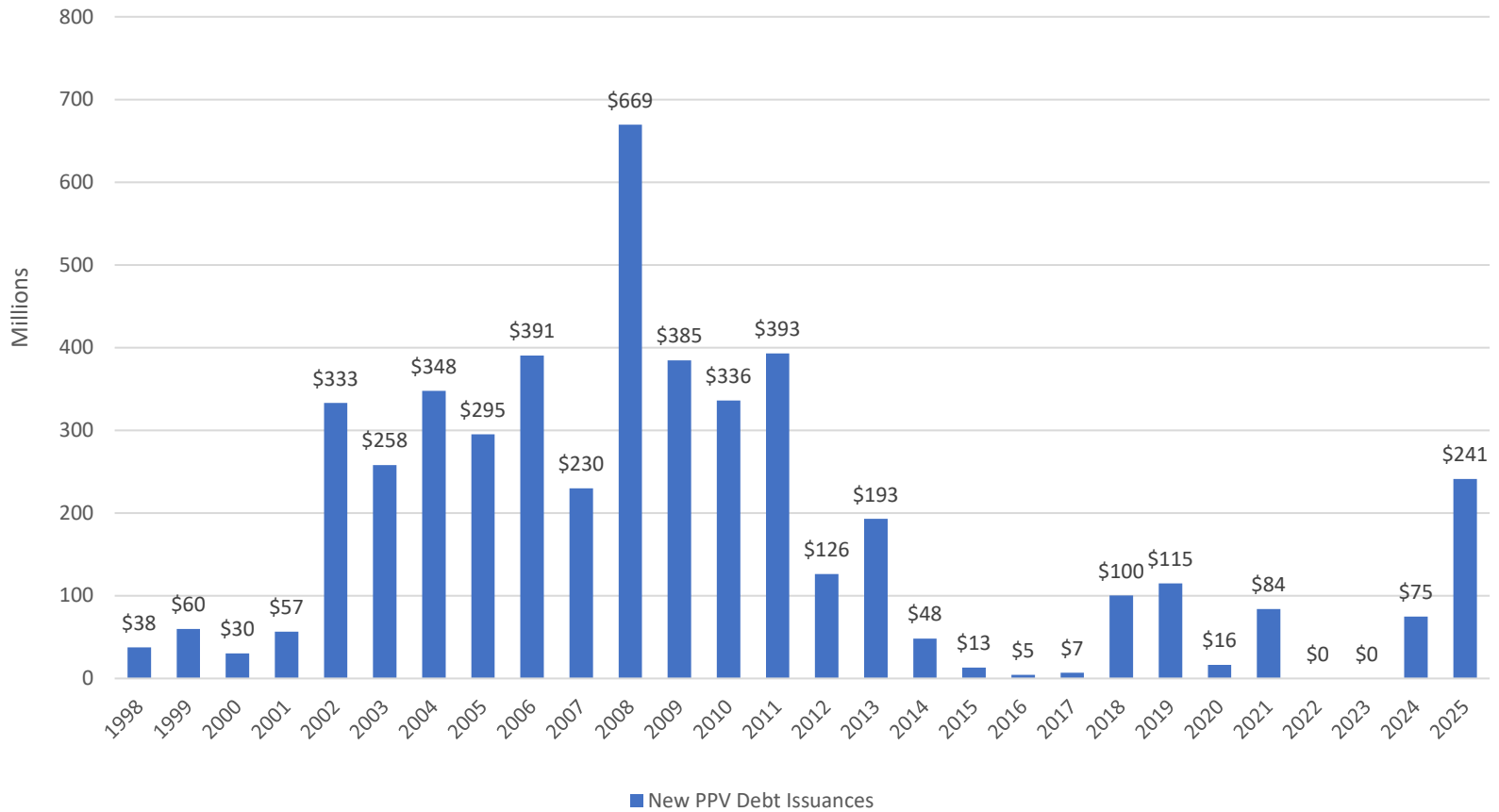
1. Provides historical data
2. Management Tool
 - a. Managing financial health
 - b. Determining need for adjustments/corrective actions
 - c. Reviewing trend analysis – Establish financial benchmarks for maintaining facilities
3. Measurement Tool
 - a. Higher Education Systems
 - b. Reporting to Rating Agencies
4. Support for Institution's Budget Hearing



PPV Lease Obligations

Fiscal Year 2025 \$2.46 Billion Outstanding

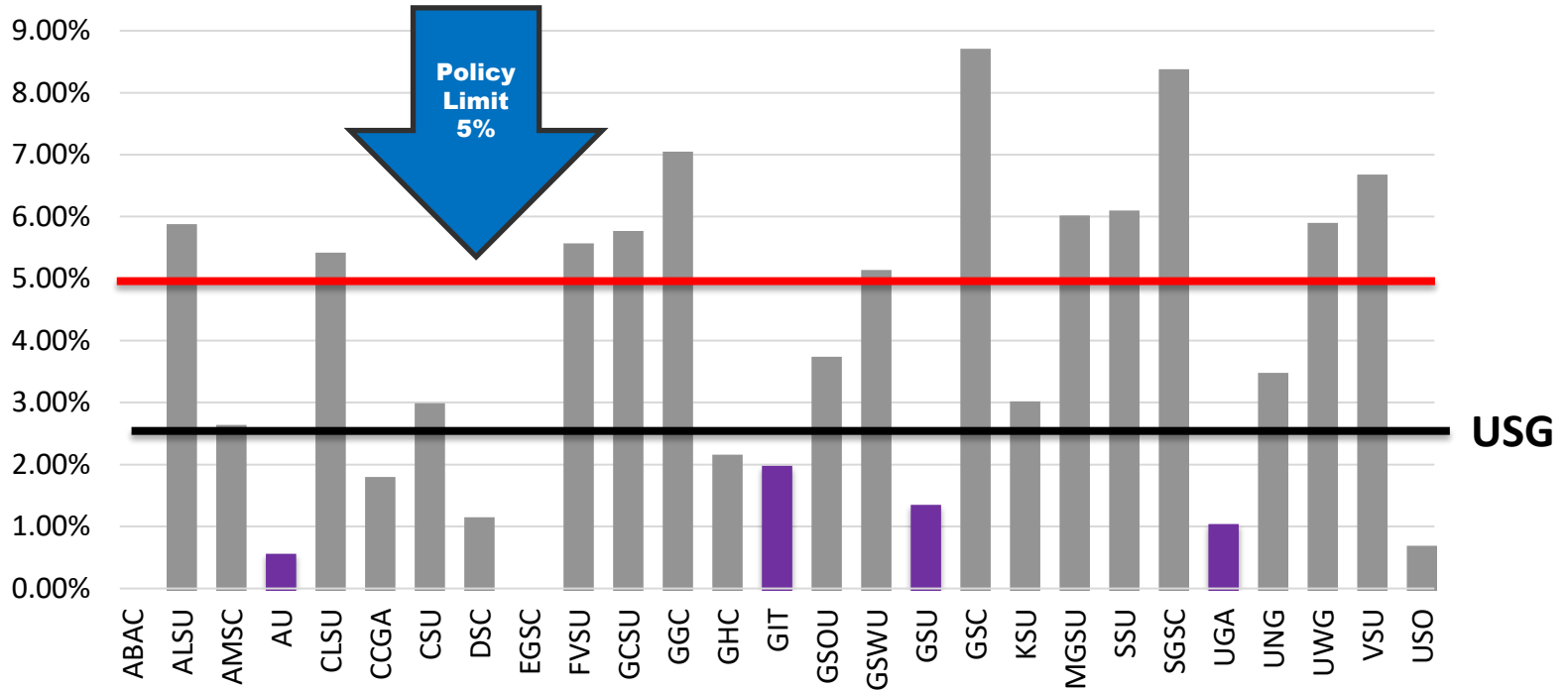
Annual Lease Payments = \$269.1 Million



Institutions Liability Ratios

June 30, 2024

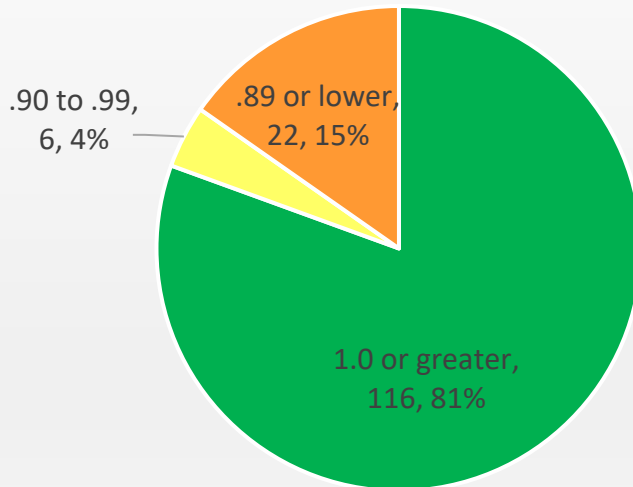
USG: 2.55%



Public Private Venture Lease Portfolio

FY2024 Cash Flow Performance

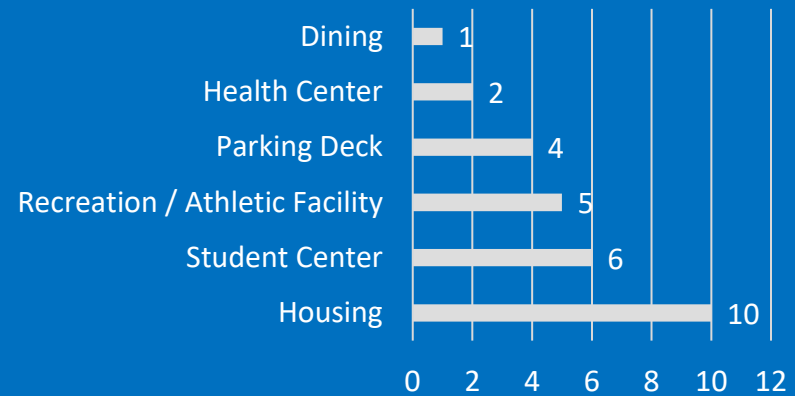
All lease payments paid on time and in full



Primary factors for shortfall

- Enrollment/ Occupancy trends
- Operating expenses/ repairs
- Fee Waivers

Projects Under 1.0X Coverage



Capital Liability Reserve Fund at \$20.0M on deposit. No draws expected.

FY 2025 Reporting / FY 2026 Focus

1. Non-Performing Assets
2. Special Rent Assessments – report any received revenue as ‘Other Income’ in the ‘Actuals’ and include comments. Report expense in Lease Payment section on the R&R Reserve line item. Proforma numbers should remain unaltered.
3. Comments are important; especially for non-performing projects.
4. Continued Emphasis on Housing
 - a. Proposed Fiscal Year 2027 Rental Rates
 - b. Occupancy/Revenue
 - c. Operating Expenses
 - d. Capital Repairs
 - i. Facility Condition Assessment Reports (FCAR)
 - ii. Prioritize Capital Repairs



Cash Flow Login Page

<https://www.usg.edu/ppv/>



Public Private Real Estate Ventures
Creating A More Educated Georgia

Login

Institution
Auguste University

Password [\(forgot password?\)](#)

Login »

Important

If you have not been issued a password or require technical support, please contact Tracie Arnold-Dixon at 404-962-3232 or tracie.dixon@usg.edu

1. Choose your institution from the drop-down list and enter your password.
2. Forgot your password? Click “**(forgot password)**” and create a new password. If you need additional assistance, please contact Cynthia Brooks (404-962-3163) or DeEnna Walters (404-962-3171).
3. Select the project that you would like to work with and proceed with data entry.
4. Please remember that it is necessary for both the Preparer and the CBO to certify the information.

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Board of Regents of the University System of Georgia
270 Washington Street, S.W.
Atlanta, GA 30334



UNIVERSITY SYSTEM OF GEORGIA

Cash Flow Institution Sample

<https://www.usg.edu/ppv/>

	Proforma		Actual		Proforma/Actual	
	Total	Per Unit	Total	Per Unit	Total	Percent
REVENUES						
Student Fee	\$1,073,993.00	\$29.02	\$395,759.00	\$10.69	(\$678,234.00)	-63.2%
Rental Income	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	-
Other (Specify)	\$0.00	\$0.00	\$480,023.00	\$12.97	\$480,023.00	-
Breakout - Other (Specify)						
Lost Revenue - HEERF	\$0.00	\$0.00	\$480,023.00	\$12.97	(\$480,023.00)	-
Subtotal - Rental Income & Fee	\$1,073,993.00	\$29.02	\$875,782.00	\$23.66	(\$198,211.00)	-18.5%
State Fund (Fund 10000)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	-
Tuition Revenue (Fund 10500)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	-
Miscellaneous Income (Fund 10600)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	-
Continuing Education (Fund 14000)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	-
Research/Indirect Cost Recovery (Fund 15000)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	-
Other Income (Specify)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	-
Subtotal - Other Income	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	-
Bookstore Auxiliary Income	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	-
Dining Auxiliary Income	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	-
Concession Auxiliary Income	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	-
Other Auxiliary Income (Specify)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	-
Subtotal - Auxiliary Transfers In	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	-
Comments						
Subtotal - TOTAL REVENUES	\$1,073,993.00	\$29.02	\$875,782.00	\$23.66	(\$198,211.00)	-18.5%



Cash Flow Institution Sample

<https://www.usg.edu/ppv/>

OPERATING & MAINTENANCE EXPENSES

Personnel /Payroll	\$0.00	\$0.00	\$197,991.32	\$589.26	\$197,991.32	-
Repairs and Maintenance	\$0.00	\$0.00	\$167,333.89	\$498.02	\$167,333.89	-
Electricity	\$0.00	\$0.00	\$75,305.53	\$224.12	\$75,305.53	-
Natural Gas/Propane Gas	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	-
Water/Sewer	\$0.00	\$0.00	\$23,208.60	\$69.07	\$23,208.60	-
Insurance and Bonding	\$0.00	\$0.00	\$27,129.30	\$80.74	\$27,129.30	-
Contracts	\$0.00	\$0.00	\$42,794.12	\$127.36	\$42,794.12	-
Other Utility Service	\$0.00	\$0.00	\$34,289.52	\$102.05	\$34,289.52	-
Other Operating Expense (Specify)	\$647,805.00	\$1,927.99	\$82,816.05	\$246.48	(\$564,988.95)	-87.2%

Breakout - Other Operating Expense (Specify)

Other operating	\$647,805.00	\$1,927.99	\$2,558.58	\$7.61	\$645,246.42	99.6%
Supplies & Materials	\$0.00	\$0.00	\$22,017.24	\$65.53	(\$22,017.24)	-
Rents	\$0.00	\$0.00	\$90.00	\$0.27	(\$90.00)	-
Telecommunications	\$0.00	\$0.00	\$27,159.06	\$80.83	(\$27,159.06)	-
Allocated Travel & Oper	\$0.00	\$0.00	\$30,991.17	\$92.24	(\$30,991.17)	-
Comments						
TOTAL OPERATING & MAINTENANCE EXPENSES	\$647,805.00	\$1,927.99	\$650,868.33	\$1,937.11	\$3,063.33	0.5%



Cash Flow Institution Sample

<https://www.usg.edu/ppv/>

LEASE PAYMENT						
Base Rental Payment	\$911,425.00	\$2,712.57	\$911,425.00	\$2,712.57	\$0.00	0.0%
Repair & Replacement Reserve	\$71,642.00	\$213.22	\$71,642.00	\$213.22	\$0.00	0.0%
Comments						
TOTAL LEASE PAYMENT	\$983,067.00	\$2,925.79	\$983,067.00	\$2,925.79	\$0.00	0.0%
NET CASH FLOW AFTER LEASE PAYMENT	\$307,644.00	\$915.61	\$443,954.94	\$1,321.29	\$136,310.94	44.3%
SELF-LIQUIDATING RATIO	1.31	0.00	1.45	0.00	0.14	10.6%
NET CASH/PROJECT BALANCE AS OF END OF FISCAL YEAR						43.7%
NON-MANDATORY TRANSFER(S) (Amount necessary to cover project shortfall)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	-
Comments						
CASH/PROJECT RESERVE FUND (Amount used to support project deficit/shortfall)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	-

Confirm amount from FY24, amt spent and earned FY25

If <1 self-liquidating ratio, then must be number entered into one of these cells



Cash Flow Institution Sample

<https://www.usg.edu/ppv/>

CAPITAL EXPENDITURE						
Interior	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	-
Systems (M,E,P & S)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	-
Envelope (roof/windows/walls)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	-
Site Improvements	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	-
Comments						
TOTAL CAPITAL EXPENDITURE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	-
CUMULATIVE REPAIR & REPLACEMENT RESERVE FUND BALANCE						
	Confirm with Foundation					-32.4%
Comments	Locks were purchased in 2019 for UP					
CUMULATIVE PROJECT CASH RESERVES						
Amount held by Institution	\$0.00	\$0.00	\$2,081,500.32	\$6,194.94	\$2,081,500.32	-
Amount held by System Office (Capital Liability Reserve Fund)	Confirm with USO Finance					-



Review of PPV Project Cash Flow Data

BPM Section 25.6.12

MEASUREMENT/STANDARD

1. A project with a self-liquidating ratio below 1.0x. (Project did not break even, negative after paying expenses including lease payment.)
2. Not keeping reasonable pace with the financials (Lagging revenues and extraordinary expenses)
3. Large and/or growing capital needs
4. A project with self-liquidating ratio projected to be below 1.0x within the next 5 years. (Past Fiscal Year, Current Fiscal Year and 3-year projections.)

PPV Project Cash Flow - Self Liquidating Ratio

BPM Section 25.6.12

Calculate Self-Liquidating Ratio for each project and it is the ratio of Net Operating Income to Lease Payment

Calculation:

- ✓ Revenue = \$4,600,000
- ✓ Expenses = \$1,200,000
- ✓ Lease Payment = \$2,400,000
- ✓ Net Operating Income (NOI) = \$4,600,000 minus \$1,200,000 or \$3,400,000
- ✓ Coverage Ratio = NOI/Lease Payment or \$3,400,000/\$2,400,000 or 1.42

PPV Project Revenue and Expenses

BPM Section 25.6.1-2

1. **Project Identification Numbers** required and are provided by USO Finance Department (Contact Cynthia Brooks at Cynthia.Brooks@usg.edu)
2. **Traceable Revenue** to the Institution's audited financial statements and business plan, the financial system of record and the nVision report for the appropriate period.
3. Expenses defined as **Expenditures Incurred** (for receipt of goods or services) by June 30, which would include Actual ledger expenditures plus encumbrances. The intent is to report a full 12-month period.



PPV Project Revenue and Expenses

BPM Section 25.6.1-2

4. **Allocated Operating Expenses** permitted if accounting methodology and/or technology barriers prevent institution from being able to track directly.

5. Use of **Allocation Method** for operating expenses:
 - Assumptions for allocation must be reasonable
 - Allocation method approved by USG Finance
 - Once established and utilized, cannot be changed without prior approval
 - Method of allocation is stated in annual Cash Flow submittal

6. Housing PPV projects **Cost of Delivering Support Programs** are permitted
 - Reasonable and consistent year to year



PPV Project Reserves

BPM Section 25.6.6-11

- Adequate Project Reserves must be maintained at all times.
- The Capital Liability Reserve fund is only a portion of the reserves required.
- Each institution must maintain ample project reserves to cover liability payments in times of revenue shortfalls.
- **It is recommended that PPV projects maintain a minimum of 1 year worth of lease payments in reserve.**
- If institution has multiple projects crossing several auxiliaries, institution should consult with USG Finance in determining sufficient reserve amounts.



Underperforming PPV Projects

BPM Section 25.6.13

Addressing Underperforming PPV Projects

- Prior to submittal of cash flow, **CBO to NOTIFY** – Cynthia Alexander - Associate Vice Chancellor - Finance
- ADOPT and IMPLEMENT **PROJECT ACTION PLAN** to address shortfall in coordination with System Office
- As request, **SUBMIT UPDATES** demonstrate compliance with PROJECT ACTION PLAN.



PPV Portfolio Focus - SUCCESS

FY2025 Reporting Period

- FY 2025 Cash Flow System opened Monday, August 25th, Reports **DUE SEPTEMBER 26th**.
- **COMMUNICATE** with USO Finance Team your PPV performance; especially if any project not achieving a 1.0X coverage.
- Review of PPV cash flow, operations, capital expenditures, 5yr business plans, audited financial statements, 5-year projections, PeopleSoft and Nvision reports for **CONNECTIVITY**
- Review of Net Cash/Project reserve for **SUFFICIENCY** (Expenditure of 10% or greater of reserve discuss with Associate Vice Chancellor - Finance)
- Campus and System Office jointly devise **PLAN OF ACTION** for all Non-Performing Assets and ongoing monitoring of plan
- Work with System Office, update **5 YEAR CASH FLOW PROJECTIONS** on or before November 3, 2025 for all PPV projects and email to ppv5yearanalysis@usg.edu.



