

Report to the Financial Planning, Investment and Human Resources Committee

Information Item

TOPIC: 2014-15 Q3 Report and Year End Forecast

March 12, 2015

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This report contains forward looking information. It is the accumulation of financial information obtained from Unit budget developers across the University. In preparing the 2014-15 forecast, certain assumptions and estimates were necessary. These assumptions and estimates are based on information available to Unit budget developers at the time of preparing the 2014-15 forecast. Users of this information are cautioned that actual results may vary. All figures are in ('000s).

BACKGROUND

On October 3, 2013 the Board of Trustees passed a three part motion as follows:

“That the President be given mandates to:

1. Manage the affairs of the University such that it will achieve, or do better than, the budgeted deficit of \$7 million for fiscal year end April 30, 2014
2. Ensure that the budget prepared for fiscal year end April 30, 2015 will:
 - a. Incorporate any additional external financing requirements;
 - b. Include deferred maintenance spending of at least \$6 million;
 - c. Ensure that the University achieves an interest coverage ratio of greater than 2.0;
3. Manage the affairs of the University in order for it to achieve, or do better than, the budget for the fiscal year ended April 30, 2015.”

The Board of Trustees motion is consistent with the Board of Trustee and Senate endorsed Integrated Strategic Plan, specifically strategic priority #7 - Practice accountability, fiscal responsibility, and stewardship.

This topic sheet follows a similar format as Q2 with the following changes:

- Statement of operations ratios that compare us to other comprehensive Universities
- Information on internally restricted net assets has been added
- Information on the 2015-16 capital and related project budget

Readers of this report are encouraged to read this topic sheet in its entirety, including the appendices.

Summary

The appendices attached contain detailed information with respect to the University's financial results to date that can be summarized as follows:

Funding Budget

| | 2013-14 Actual | 2014-15 Budget | Forecast | Difference |
|------------------------------|-------------------|----------------|-----------|------------|
| Revenue | 281,415 | 290,204 | 293,977 | 3,773 |
| Expense | (282,180) | (293,425) | (293,606) | (181) |
| | - | (3,221) | 371 | 3,592 |
| Mitigation | NIL | 3,221 | - | (3,221) |
| Funding Surplus (Deficit) | (765) | NIL | 371 | 371 |

The University is currently forecasting a funding budget surplus thanks to the work of many throughout the University and their desire to embrace the Integrated Strategic Plan, Strategic Priority #7 - Practice accountability, fiscal responsibility, and stewardship.

On the surface this result looks like a revenue story. Users of this report are encouraged to read the section titled management discussion and analysis of the funding budget and forecast. In this section it is identified a significant portion of the revenue beat is related to a couple one-time revenue amount that also helped offset an estimated \$1,011 miss on the core accessibility grant. Further expenses look to be slightly above budget but it is important to note the budget did not contemplate collective agreements not yet settled at the time of approving the budget. This means the BUFA collective agreement impact estimated at \$3,800 was fully absorbed as well as the initiatives included in the forecast below:

- A reserve transfer of \$900 has been forecasted consistent with a report going to the FPIHR Committee regarding employee future benefits funding for March 11, 2015. At April 30, 2014 the University has an employee future benefit liability of \$17,891 with no funds set aside to fulfil this obligation. These benefits are related to retirement benefits, disability benefits and the largest related to health care spending accounts. Presently Brock has a “pay as you go” model to fund immediate requirements of approximately \$500 per year. As the institution ages, continuation of this practice will impact Brock’s financial sustainability. This will occur as people retire, become sick or disabled and the University becomes obligated to pay these benefits, plus the benefits of the replacement employee. The reality is these post-retirement costs are similar to the University’s pension liability, which is funded as employees earning the benefit perform their employment responsibilities. This ensures future obligations can be met. It is in the interest of University and its employees that these post-retirement benefits are funded in a similar manner to also ensure future obligations can be met. The reserve transfer of \$900 is being recommended to the FPIHRC Committee and the Board of Trustees as a starting point to begin setting aside funds to pay these employee future benefits.
- A reserve transfer of \$475 has been forecasted consistent with a report going to the FPIHR Committee regarding debt reduction strategy for March 11, 2015. As indicated in the financial health metrics below, the University fairs poorly to other Canadian Universities in our comprehensive category when comparing key debt metrics. The

reserve transfer of \$475 is being recommended to the FPIHRC Committee and the Board of Trustees as one mechanism to reduce the loan on the Marilyn I. Walker School of Fine and Performing Arts building from \$18 million at June 2014 to \$5,240 when the loan comes due June 2019. This reduction in the loan will be made possible as a result of regular principal payments on the loan, an estimated \$6,160 in pledged donations and by putting \$475 into a reserve annually for debt reduction which will accumulated to \$2,375 by the time of the loan maturity.

- A reserve transfer of \$2,800 to replace the current accounting system funded from the recognition of previously received but unrecognized one-time funds. The current accounting system is no longer supportable, often down for considerable periods of time, and identified as a significant risk to the operations of the University impacting students, employees, and the community. This reserve transfer will be combined with the \$1,000 already budgeted in the 2015-16 capital and related projects budget. This would produce a balance of \$3,800. This reserve transfer will be considered by the FPIHR Committee in May 2015 and may be adjusted as cost refinement work continues on the project.

Although this forecast indicates a funding budget surplus, the mitigation efforts will remain in effect as these measures are a key driver of the balanced budget objective.

Recognizing this year's outcome is the result of a number of one-time events users of this report are cautioned to conclude the forecasted results are the new baseline for the University.

Financial Health Metrics

New to this topic sheet in Q2 were the following financial health metrics relevant to the University's credit rating. Additional information on each of the financial metrics can be found in Appendix #6. These financial health metrics are as follows:

| | Brock | | | Median* | | Weighted Average* | |
|-----------------------|-------------|------------|------------|------------|------------|-------------------|------------|
| | Q3 Forecast | April 2014 | April 2013 | April 2014 | April 2013 | April 2014 | April 2013 |
| Primary reserve ratio | 7.6% | 3.4% | 4.2% | 31.6% | 32.8% | 35.3% | 31.7% |
| Debt burden ratio | 3.2% | 3.7%~ | 2.8% | 2.3% | 2.1% | 3.4% | 3.3% |
| Interest burden % | 2.6% | 2.6% | 2.5% | 1.9% | 1.8% | 1.5% | 1.4% |
| Interest coverage | 2.8 | 2.8 | 1.97 | 7.53 | 6.67 | 6.43 | 5.85 |
| Viability ratio | 14.0% | 7.0% | 8.4% | 111.5% | 98.2% | 109.3% | 110.3% |
| Endowment per student | \$4,000 | \$ 3,860 | \$ 3,420 | \$6,680 | \$7,390 | \$7,010 | \$6,840 |

* Calculated using financial information from 15 other Comprehensive Universities

~ Increase year over year was impacted by the one-time repayment of the commercial plaza mortgage.

The financial health metrics in the table above can be explained as follows:

1. The primary reserve ratio refers to the amount of cash available to cover operations. It identifies at April 2014 we had approximately 12 days of expandable reserves.
2. The next two ratios above describe how the University utilizes a greater proportion of its annual operating expense to fund debt obligations.
3. The interest coverage ratio has been improving; however, trails behind our peers.
4. The viability ratio is essentially how much of the institution's debt could be paid off with expendable resources. The average institution in our category could pay off all their debt with expendable resources; whereas, Brock can only pay off 7%. This highlights that Brock is vulnerable to unplanned events.

Statement of Operations Metrics

New to this topic sheet is the following statement of operations metrics. These were developed to identify areas of strength and improvement. The statement of operations metrics are as follows:

| by student headcount | Brock | | | Median* | | Weighted Average* | |
|----------------------------------|-------------|------------|------------|------------|------------|-------------------|------------|
| | Q3 Forecast | April 2014 | April 2013 | April 2014 | April 2013 | April 2014 | April 2013 |
| Student fees (primarily tuition) | 7.72 | 7.14 | 6.75 | 8.32 | 7.72 | 7.08 | 6.63 |
| Grant | 6.02 | 5.91 | 5.81 | 9.62 | 9.07 | 10.87 | 10.54 |
| Personnel costs | 10.43 | 10.24 | 10.12 | 12.43 | 11.80 | 12.11 | 11.64 |
| Interest on long-term debt | 0.40 | 0.39 | 0.37 | 0.30 | 0.29 | 0.27 | 0.26 |
| Investment income | 0.09 | 0.09 | 0.08 | 0.55 | 0.47 | 0.56 | 0.44 |

The statement of operations ratios in the table above are all calculated on a student headcount basis and can be explained as follows:

1. Our student fees are in the average range of other comprehensive Universities. When we review all Ontario Universities we find ourselves slightly below the average. One reason for this is lower ancillary fees.

| Domestic Student Per Credit Ancillary Fees | University | Student Union | Total |
|--|---------------|----------------|----------------|
| Non-Business | | | |
| Brock | 240 | 228 | 469 |
| Ont. Average | 323 | 300 | 623 |
| Variance | (\$83) | (\$72) | (\$154) |
| Business | | | |
| Brock | 240 | 265 | 506 |
| Ont. Average | 323 | 370 | 693 |
| Variance | (\$83) | (\$105) | (\$187) |

| International Student Per Credit Ancillary Fees | University | Student Union | Total |
|---|---------------|----------------|----------------|
| Non-Business | | | |
| Brock | 253 | 228 | 482 |
| Ont. Average | 324 | 300 | 624 |
| Variance | (\$70) | (\$72) | (\$143) |
| Business | | | |
| Brock | 253 | 265 | 519 |
| Ont. Average | 324 | 370 | 694 |
| Variance | (\$70) | (\$105) | (\$175) |

2. The sum of all grants we receive for undergraduate and graduate students as well as research when calculated on a per student headcount basis is the lowest of other comprehensive Universities. When we review all Ontario Universities we also find ourselves with the lowest grants on a per student headcount basis. This speaks to a commonly misunderstood assumption in that all students are funded on a variable basis from the Province based on the BIU funding formula. The fact is

- the majority of the grant funding from the Province is fixed with no inflationary increase.
3. Personnel costs mirror grants as the lowest on a per student basis when compared to other comprehensive Universities. When we review all Ontario Universities we are also the lowest. Important to note is that this metric does not specifically speak to any one reasons (i.e. compensation levels of individuals, productivity or employee levels). If one takes a closer look at the discrepancy between the average grant per student headcount and personnel costs per student headcount one should conclude the personnel costs are either too high or the grant needs to be increased significantly.
 4. The interest on long-term debt measure is in-line with the financial health metrics and expected. This is a key reason for the proposed debt reduction strategy.
 5. The investment income measure does not speak to investment performance but only to absolute dollars of investment income. It is in-line with the financial health metrics and expected given the low level of reserves we have.

Metrics Looking forward...

The above metrics highlight the need to move forward with the employee future benefit funding and debt reduction strategy. These metrics also identified that efforts to continue to push efficiencies are required but a renewed emphasis on grant funding is required. This said, expectations on any improvement in grant funding should be tempered at best recognizing the University has brought this to the Province’s attention in the past.

Going forward we plan to develop metrics in the areas of scholarships and capital funding.
Management Discussion and Analysis of the Funding Budget and Forecast

The information obtained by way of this forecast will be used to guide future budget discussion.

Student fees (Budget of \$144,848 and Forecast of \$145,339)

There was a re-write of the tuition general ledger accounts going into fiscal 2014-15 to capture tuition billed by faculty by a student’s Faculty of enrolment. This change occurred in response to the information from stakeholders throughout the University. The forecast is based on known registrants at the end of January.

Student fees are currently forecasted slightly ahead of budget. This information is illustrated in the chart below. This is an improvement from Q2 where the original forecast was slightly behind budget. It is interesting to note that the driving change in the revenue line is not FTE’s. The change appears to reflect a mix change between undergraduate and graduate enrolment and the impact of the flat fee. This highlights the need to perform more detailed enrolment planning at the faculty level to enhance the forecasting accuracy of revenue forecasts.

| | Forecast | Budget | Over/(Short) |
|--|------------------------------|----------|--------------|
| Undergraduate and Graduate (Domestic and VISA) Tuition Revenue <i>This revenue budgeted in “Global”</i> | Applied Health Science | \$20,046 | |
| | Goodman School of Business | 28,678 | |
| | Faculty of Education | 7,111 | |
| | Humanities | 12,381 | |
| | Math & Science | 13,100 | |
| | Social Science | 34,407* | |
| | Social Sciences (Undeclared) | 5,722 | |

| | | | | |
|--|----------------------------|------------------|-------------------|--------------|
| | Arts) | | | |
| | No Identified Faculty | 354 | | |
| | Sub total | \$121,799 | \$121,218- | \$581 |
| ISP Tuition Revenue | Goodman School of Business | 7,736 | 7,813 | (77) |
| <i>This revenue is budgeted in the Faculty's</i> | Faculty of Education | 4,191 | 3,541 | 650 |
| | Social Science | 158 | 110 | 48 |
| | Sub total | \$12,085 | \$11,464 | \$621 |
| | Other | 11,455 | 12,165 | (710) |
| | Total | \$145,339 | \$144,847 | \$492 |

~ Difference from the Budget Report is \$1,122 as a result of a budget adjustment between Social Science (decrease) and Global (increase) in the tuition revenue budget.

The decline in "Other Tuition" is mainly attributed to a decline relative to budget in tuition related to International Student Services (ESL programs and the International Foundation program changes total of \$730).

On a per student basis the following are estimated FTEs for fiscal 2014-15 and actual for 2013-14 at the end of October:

| | Grant Eligible | | | Grant Ineligible | | | Total FTEs | | |
|---------------|----------------|---------------|---------------|------------------|--------------|-------------|---------------|---------------|-------------|
| | 2014 | 2013 | Change | 2014 | 2013 | Change | 2014 | 2013 | Change |
| Spring/Summer | 1,696 | 1,604 | 5.7 % | 997 | 920 | 8.4% | 2,693 | 2,524 | 6.7% |
| Fall | 7,441 | 7,521 | (1.1%) | 1,340 | 1,289 | 4.0% | 8,781 | 8,810 | (0.3%) |
| Winter | 7,258 | 7,295 | (0.5%) | 1,300 | 1,252 | 3.8% | 8,558 | 8,547 | (0.1%) |
| Total | 16,395 | 16,420 | (0.2%) | 3,637 | 3,461 | 5.1% | 20,032 | 19,882 | 0.8% |

Note: 2014 figures are forecasted for fiscal 2014-15 at the end of October and the 2013 figures are actual for fiscal 2013-14.

Commentary on Spring/Summer was provided in the Q2 and Year End Forecast.

Grant revenue (Budget of \$95,544 and Forecast of \$94,906)

Forecasted grant revenue is below budget mainly due to the reduction in spending forecast of the Faculty of Education transition funding grant of \$616. In addition to this reduction, the sources of funding are different than plan. As a result of the difficult and declining domestic enrolment environment, the Undergraduate Accessibility Fund is forecasted to be \$1,011 lower than budget. While year over year FTE's are only down 25 students overall, the budget was built on the scenario that there would be no decrease in Fall and Winter and recognized the strong Spring/Summer results. One of the primary offsets was the identification that certain graduate grants related to scholarships were budgeted net. When this grant is shown separately under grant revenue it increases grant revenue by approximately \$550.

Other revenue (Budget of \$49,812 and Forecast of \$53,732)

Forecasted other revenue is ahead of budget. The most notable change from plan is related to revenue related to a one-time recognition adjustment of \$2,800 related to previously received funding. In addition, the forecast includes the settlement of a legal claim where the University received \$605, financing charges \$700 higher than budget, HST recovered related to Section 211 forecasted at \$300 which was not budgeted, residence revenue higher than budget by \$312; offset by a forecasted decline in ancillary revenue related to the Campus store of \$1,380.

Personnel costs (Budget of \$196,980 and Forecast of \$196,336)

Forecasted personnel costs are slightly less than budget. The actuarial valuation related to the pension plan was completed during the second quarter. As a result of this valuation the annual payments related to the minimum guarantee are expected to be reduced from \$6,100 budgeted to \$2,400 forecast for 2014-15, up from the \$1,600 forecasted at Q2. Offsetting this reduction is the \$3,800 increase in personnel costs related to the BUFA collective agreement and the \$900 reserve payment to establish a fund to support future employee future benefit payments. An observation noted is at January 31 personnel costs are 72% (Prior year - 71%) spent to forecast.

Operating costs (Budget of \$96,445 and Forecast of \$97,270)

Forecasted operating costs are slightly less than budget. As previously discussed included in the Q3 forecast is the reserve transfer of \$2,800 to replace the current accounting system, which was not included in the original budget. In addition there was a change in accounting for Ministry matching scholarships. As noted under the grant comments above, it was identified during the course of the year that certain graduate grant and scholarships were netted in the budget. When the expense and grant is shown separately an expense is recorded in operating costs of \$725 that was not budgeted. The difference between this \$725 and the \$550 noted above is the University's matching contribution which was also noted budgeted. Other significant activities in operating costs include the new debt reduction reserve payment of \$475 and \$77 in additional debt payments as a result of issuing the debt for the Marilyn I. Walker School of Fine and Performing Arts building sooner than originally budgeted. Offsetting these reductions is a decline in forecasted spending in a number of areas including utilities and taxes which are forecast to be \$1,042 less than budget with savings of \$416 in Facilities and \$590 in Residence. Repairs & maintenance spending is forecast \$279 less, with the majority of the decline forecast in Residence. Cost of sales at the Campus Store is forecast down \$1,380 which is in line with the sales decline. In addition, as discussed in the grant section, the Faculty of Education transition grant spending forecast is down \$616.

An observation noted is at January 31 operating costs are 71% (Prior year - 73%) spent to forecast.

Forecasted Funding Budget Presented in Accordance with Canadian Accounting Standards for Not-for-profit Organizations (the "NFPS")

| | 2013-14 Actual* | 2014-15 Budget | Forecast | Difference |
|------------|-----------------|----------------|-----------|------------|
| Revenue | 297,687 | 306,419 | 310,522 | 4,103 |
| Expense | (295,556) | (308,992) | (302,464) | 6,528 |
| | 2,131 | (2,573) | 8,058 | 10,631 |
| Mitigation | - | 3,221 | - | (3,221) |
| Surplus | 2,131 | 648 | 8,058 | 7,410 |

*Adjusted for estimated change in accounting policies per the CPA Handbook to account for certain actuarial changes in employee future benefits directly through net assets instead of the statement of operations.

The management discussion and analysis presented with respect to the funding budget holds true for the NFPS presentation above when coupled with the adjustments denoted in Appendix #5.

APPENDICES

- Appendix 1 - Forecast Development & Risks (1 page)
- Appendix 2 - Consolidated Budget and Forecast (Funding Budget) (2 pages)
- Appendix 3 - Units Budget and Forecast (Funding Budget) (1 page)
- Appendix 4 - Capital and Related Project Program (8 pages)
- Appendix 5 - Forecasted Funding Budget Presented in Accordance with Canadian Accounting Standards for Not-for-profit Organizations (“NFPS”) (2 pages)

Appendix #1 – Forecast Development & Risks

This being the University's second full third quarter close and forecast, it is important that users of this financial information are aware of the process taken to achieve this task. Relevant to understanding the close process is that it was performed on a cash basis, not an accrual basis.

Forecasted Development

| | |
|---|---|
| January 12, 2015 | Third quarter accounting close and forecasting procedures were communicated. These procedures were updates from the previous Q2 procedures. The procedures provided timelines and discussed purchase orders, travel and expense claims, procurement cards, cash deposits/receipts, internal charges, etc. |
| February 2, 2015 | All remaining third quarter accounting transactions were due to Finance by noon. |
| February 5, 2015 | Financial Services closed the general ledger for the third quarter. |
| February 13, 2015 <i>(extended timeline to February 18, 2015 for some Units)</i> | All forecasts were due to Finance by end of day. |
| November 13, 2015 to report completion | Financial Services worked with budget developers throughout the University to review their forecasted inputs and summarize the third quarter forecast in this topic sheet. |

Other Assumptions

For the purpose of this report working capital along with the professional expense accounts, start-up funds, and project accounts have all been forecasted to remain constant.

Forecast Risks

Noted at the beginning of this topic sheet is that the information contained in this topic sheet is forward looking. The assumptions and estimates are based on the availability of information available to Units at the time of preparing this forecast.

Some specific risks include changes to Ministry policy, legislation, enrolment, course offerings, and recognizing this is still only the second time the University has performed a third quarter close and forecast.

Additional Financial Resources

| | |
|--|---|
| Audited financial statements | http://www.brocku.ca/finance/university-financial-information/audited-statements |
| Budget reports | http://www.brocku.ca/finance/university-financial-information/budget-reports |
| Budget guidance & schedule along with a video called "Brock Financials Explained...A Student Initiative" | http://www.brocku.ca/finance/faculty-and-staff/budgeting |

Appendix #2 – Consolidated Budget and Forecast (Funding Budget)

The following is the funding budget in-year activity and forecast:

| | 2013-14 Funding Actual | 2014-15 Funding Budget | Activity from May 1 to Jan 31 | Forecast for Feb 1 to April 30 | 2014-15 Funding Budget Forecast @ Jan 31 |
|--|---------------------------|---------------------------|----------------------------------|-----------------------------------|--|
| Revenue | | | | | |
| Student fees | 133,525 | 144,848 | 146,276 | (937) | 145,339 |
| Grant revenue | 95,162 | 95,544 | 65,459 | 29,447 | 94,906 |
| Other revenue | 52,728 | 49,812 | 43,919 | 9,813 | 53,732 |
| Total revenue | 281,415 | 290,204 | 255,654 | 38,323 | 293,977 |
| Expenses | | | | | |
| Personnel costs | (194,543) | (196,980) | (142,208) | (54,128) | (196,336) |
| Operating costs | (87,637) | (96,445) | (68,280) | (28,990) | (97,270) |
| Total expenses | (282,180) | (293,425) | (210,488) | (83,118) | (293,606) |
| Funding (deficit) /surplus before mitigation target | (765) | (3,221) | 45,166 | (44,795) | 371 |
| Mitigation target | - | 3,221 | - | - | - |
| Funding (deficit) / surplus | (765) | NIL | 45,166 | (44,795) | 371 |

Note: The funding budget is prepared on a cash receipts / disbursement accounting basis and recognizes transfers to/from reserves and other funds as expenses. An example of this is the \$9,034 budgeted for the capital and related projects program has been recorded in the funding budget as an operating expense. These funds were transferred to the capital fund. As a general rule by ensuring the funding budget balances the University can ensure it has not overextended itself and has the actual cash to pay for planned initiatives.

In this respect the University maintains a number of internally restricted reserves that can be found on the audited financial statements as follows:

| | Sinking fund | Tuition Set aside | Capital and infrastructure projects and reserves | Operating project accounts | Research funds with no external obligations | Start-up funds | Professional expense accounts | EFB (New) | Debt reduction (New) |
|--------------------------------|-----------------|-------------------------|---|----------------------------------|--|-------------------|-------------------------------------|--------------|----------------------------|
| Opening Balance | 4,770 | 411 | 1,050 | 1,328 | 916 | 809 | 1,590 | - | - |
| Forecast Increase / (Decrease) | 800 | (411) | 8,312 | - | - | - | - | 900 | 475 |
| Total | 5,570 | - | 9,362 | 1,328 | 916 | 809 | 1,590 | 900 | 475 |

As noted a forecast has been produced for the sinking fund, tuition set aside, and capital and infrastructure projects and service. The sinking fund forecast was based on investment income earned as of January 31st as communicated in the Treasury Report, the tuition set aside forecast is based on known student employment that is already budgeted for and will satisfy this expense requirement for the Province, and the capital and infrastructure projects and reserves is summarized in the capital fund balance below. The forecast for the operating project accounts, research with no external obligations, start-up funds, and professional expense accounts has been set at no change. While funding from the funding budget does exist for these reserves, examples include \$1,000 transfer to the research funds with no external obligations for the trans-disciplinary units and \$2,143 in professional expense accounts, the expectation is an equal amount of spending will occur.

This is an assumption noted in Appendix #1 and reflects the fact that these accounts are the sum of hundreds of smaller accounts often tied to collective agreements or small projects with no external obligations. In this respect spending is always restricted to funds available but individuals tied to these accounts do not forecast activity. At a consolidated University level it is anticipated that a reserve balance will always be carried in these funds which will be materially consistent year to year.

Additional detail at Q3 regarding the capital fund balances are summarized as follows:

| | FM | ITS | Capital Fund | Source |
|--|--------------|--------------|--------------|------------------------------|
| Opening Balance | 1,050 | - | 1,050 | Audited FS |
| Transfer from the funding budget (<i>recorded as an expense in operating costs in the table above</i>) | 7,594 | 1,440 | 9,034 | 2014-15 Budget / Appendix #4 |
| Additional funded projects Q2 | 726 | - | 726 | Appendix #4 |
| Additional funded projects Q3 | 540 | 33 | 573 | Appendix #4 |
| Forecasted spending fiscal 2014-15 budget | (3,879) | (893) | (4,772) | Appendix #4 |
| Forecasted spending fiscal 2015-16 budget | (49) | - | (49) | Appendix #4 |
| Accounting system | - | 2,800 | 2,800 | This Report |
| Forecasted Ending Balance | 5,982 | 3,380 | 9,362 | |
| Components | | | | |
| Work-in-progress | 2,905 | 574 | 3,479 | Appendix #4 |
| Contingency Reserve | 27 | 6 | 33 | Appendix #4 |
| DM Reserve | 3,050* | - | 3,050 | Appendix #4 |
| Accounting system | - | 2,800 | 2,800 | This Report |
| Total | 5,982 | 3,380 | 9,362 | |

* The \$3,050 DM reserve is committed as follows: \$1,000 has been allocated to be spent on the approved projects proposed in the fiscal 2015-16 capital and related projects budget and the remaining \$2,050 is an unallocated DM reserve for Residence.

As noted in the 2014-15 Q2 and Year End Forecast, the above does not reflect major capital projects approved prior to fiscal 2014-15 like the Marilyn I Walker School of Fine and Performing Arts building and Sir Isaac Brock statute. On a go-forward basis all capital and related projects will go through this fund; however, recognizing the previously approved major capital projects are fully funded through grant, donation or debt issuance and have no statement of operations impact, they have been left to be reported by Facilities Management through the Capital Infrastructure Committee.

Appendix #3 – Units Budget and Forecast (Funding Budget)

The following summary is new to the Q2 this year. It introduces year over year budget and actual comparisons.

| Responsibility Centres | 2013-14 Budget | 2013-14 Actual | Change | 2014-15 Budget | 2014-15 Forecast | Change |
|------------------------------------|------------------|------------------|---------------|------------------|------------------|--------------|
| Academic | | | | | | |
| Faculty of Applied Health Sciences | (16,134) | (15,022) | 1,112 | (16,350) | (16,405) | (55) |
| Goodman School of Business | (16,135) | (17,460) | (1,325) | (15,967) | (16,660) | (693) |
| Faculty of Education | (15,004) | (13,751) | 1,253 | (14,508) | (13,625) | 883 |
| Faculty of Humanities | (20,006) | (19,778) | 228 | (20,002) | (20,106) | (104) |
| Faculty of Mathematics and Science | (18,890) | (18,249) | 641 | (19,183) | (18,950) | 233 |
| Faculty of Social Sciences | (31,726) | (29,962) | 1,764 | (32,926) | (32,538) | 388 |
| Faculty of Graduate Studies | (7,417) | (6,894) | 523 | (6,843) | (6,707) | 136 |
| Library | (8,071) | (7,811) | 260 | (7,710) | (7,644) | 66 |
| Research Services | (2,298) | (2,258) | 40 | (2,407) | (2,252) | 155 |
| Centre for Pedagogical Innovation | (1,539) | (850) | 689 | (1,124) | (973) | 151 |
| Total Academic | (137,220) | (132,035) | 5,185 | (137,020) | (135,860) | 1,160 |
| Non-Academic | | | | | | |
| Alumni Relations and Development | (2,439) | (1,601) | 838 | (1,954) | (1,860) | 94 |
| Marketing and Communications | (1,740) | (1,395) | 345 | (1,657) | (1,550) | 107 |
| Board of Trustees | (27) | (20) | 7 | (20) | (32) | (12) |
| Leadership | (4,336) | (4,170) | 166 | (3,769) | (3,826) | (57) |
| Facilities Management | (23,422) | (18,042) | 5,380 | (25,286) | (24,854) | 432 |
| Finance and Administration | (15,833) | (14,794) | 1,039 | (15,143) | (15,260) | (117) |
| University Services | (867) | (526) | 341 | (752) | (596) | 156 |
| Centre for the Arts | (700) | (623) | 77 | (696) | (635) | 61 |
| Co-op Programs Office | (381) | 60 | 441 | (60) | 179 | 239 |
| Department of Residences | 1,050 | 3,790 | 2,740 | 686 | 1,344 | 658 |
| Student Services | (15,866) | (13,378) | 2,488 | (14,028) | (14,252) | (224) |
| Recreation Services and Athletics | (1,252) | (862) | 390 | (794) | (895) | (101) |
| Ancillary Operations | 3,650 | 3,676 | 26 | 4,010 | 3,540 | (470) |
| Total Non-Academic | (62,163) | (47,885) | 14,278 | (59,463) | (58,697) | 766 |
| Sub total | (199,383) | (179,920) | 19,463 | (196,483) | (194,557) | 1,926 |
| Global | 192,205 | 186,815 | (5,390) | 201,000 | 198,974 | (2,026) |
| Pension allocation | (5,808) | (6,094) | (286) | (6,100) | (2,400) | 3,700 |
| PDR allocation | (1,519) | (1,566) | (47) | (1,638) | (1,646) | (8) |
| Total | (14,505) | (765) | 13,740 | (3,221) | 371 | 3,592 |

Note: The totals above tie directly to the 2014-15 Budget Report but the Pension Allocation representing the additional pension payments required as a result of the actuarial valuation and the PDR allocation have been removed here to reflect budget to actual as budget developers manage. In removing these expenses for comparative purposes it also assists in year over year comparisons after normalizing for the change in the pension allocation.

Appendix #4 –Capital and Related Project Program

Below is a summary of the capital and related project program that is also seen as Appendix #1 to the Capital Infrastructure Committee report called “Q3 Financial Update on Capital and Related Projects”:

| Project Name | April 2014 Approved Funding | Q2 Funding Adjustments (See Note 1 for Funding Sources) | Q3 Funding Adjustments (See Note 2 for Funding Sources) | Revised Funding (A) | 2014/15 | | | 2015/16 | Total Project Variance (A-B-C) |
|--|--------------------------------|--|--|------------------------|-------------------------|---|--|--------------------------------|--------------------------------------|
| | | | | | Actual Costs to Date | Projected Total Cost May1/14 to April 30/15 (B) | Projected Cost Variance (over)/under (A-B) | Projected Cost in 15/16 (C) | |
| 2014/15 LONG TERM CAPITAL PLAN | | | | | | | | | |
| BUILDINGS | | | | | | | | | |
| East Academic Seminar Room A/V Renewal | \$ 117,000 | | | \$ 117,000 | \$ 105,521 | \$ 109,000 | \$ 8,000 | \$ - | \$ 8,000 |
| Lowenberger Kitchen AHU Replacemnt | \$ 275,000 | | | \$ 275,000 | \$ 62,346 | \$ 200,000 | \$ 75,000 | | \$ 75,000 |
| Mackenzie Chown Fire Alarm Replacement | \$ 1,667,000 | | | \$ 1,667,000 | \$ 85,626 | \$ 700,000 | \$ 967,000 | \$ 817,000 | \$ 150,000 |
| Faculty of Math & Science Paint Booth Code Compliance | \$ 70,000 | | | \$ 70,000 | \$ 66,738 | \$ 68,700 | \$ 1,300 | | \$ 1,300 |
| Faculty of Math & Science Nitrogen Room Upgrades | \$ 30,000 | | | \$ 30,000 | \$ 6,473 | \$ 63,632 | \$ (33,632) | | \$ (33,632) |
| Thistle Make-up Air Upgrade | \$ 27,000 | | | \$ 27,000 | \$ 19,304 | \$ 27,000 | \$ - | \$ - | \$ - |
| Village Courts 10, 11, 12 Roof Replacement | \$ 125,000 | | | \$ 125,000 | \$ 142,490 | \$ 142,490 | \$ (17,490) | | \$ (17,490) |
| Walker Complex - Faculty of AHS Air Quality Upgrades - Ph 1 Design | \$ 60,000 | | | \$ 60,000 | \$ 30 | \$ 20,000 | \$ 40,000 | \$ 40,000 | \$ - |
| Aquatic Centre Structural Repair - Ph 1 Design | \$ 150,000 | | | \$ 150,000 | \$ - | \$ 80,000 | \$ 70,000 | | \$ 70,000 |
| Facility Improv. To Support ITS Classroom Improv. | \$ 40,000 | | | \$ 40,000 | \$ 25,427 | \$ 25,427 | \$ 14,573 | \$ - | \$ 14,573 |
| High Voltage Equipment Renewal | \$ 75,000 | | | \$ 75,000 | \$ 85,073 | \$ 75,000 | \$ - | | \$ - |
| Annual Controls Conversion | \$ 75,000 | | | \$ 75,000 | \$ 21,354 | \$ 75,000 | \$ - | | \$ - |
| Podium Roof - Phase 1 | \$ 200,000 | \$ (90,000) | | \$ 110,000 | \$ 109,226 | \$ 109,226 | \$ 774 | | \$ 774 |
| Thistle Door Replacements | \$ 87,900 | \$ (54,870) | | \$ 33,030 | \$ 6,175 | \$ 39,980 | \$ (6,950) | | \$ (6,950) |
| Cairns East Entrance Door Replacement | | \$ 56,970 | | \$ 56,970 | \$ - | \$ 55,000 | \$ 1,970 | | \$ 1,970 |
| POST MIWSFPA- SOS THEATRE Upgrades -Design Fees | \$ 87,381 | | | \$ 87,381 | \$ 4 | \$ 17,500 | \$ 69,881 | \$ 69,881 | \$ - |
| POST MIWSFPA- Thistle Upgrades - Design Fees | \$ 85,313 | | | \$ 85,313 | \$ - | \$ 17,000 | \$ 68,313 | \$ 68,313 | \$ - |
| POST MIWSFPA- Schmon Tower Upgrades - Design Fees | \$ 62,046 | | | \$ 62,046 | \$ - | \$ 6,000 | \$ 56,046 | \$ 56,046 | \$ - |
| POST MIWSFPA- Glenridge/East Academic Upgrades - Design Fees | \$ 40,260 | | | \$ 40,260 | \$ - | \$ 10,000 | \$ 30,260 | \$ 30,260 | \$ - |
| WH 311 | \$ 8,000 | | | \$ 8,000 | \$ 8,138 | \$ 8,138 | \$ (138) | | \$ (138) |
| WH 327 | \$ 85,000 | | | \$ 85,000 | \$ 86,612 | \$ 86,612 | \$ (1,612) | | \$ (1,612) |
| WH 324 (tiered classroom) - Ph1 Design | \$ 20,000 | | | \$ 20,000 | \$ 5,759 | \$ 15,520 | \$ 4,480 | | \$ 4,480 |
| Single Use Accessible Washroom Call Stations | \$ 25,000 | | | \$ 25,000 | \$ - | \$ 15,000 | \$ 10,000 | \$ 10,000 | \$ - |
| Jubilee Court & Decew Ramps | \$ 125,000 | | | \$ 125,000 | \$ 3,769 | \$ 3,725 | \$ 121,275 | \$ 121,275 | \$ - |
| Print Shop Lift | | | | \$ - | | \$ 60,600 | \$ (60,600) | \$ - | \$ (60,600) |
| Schmon Tower Lobby Millwork | | | | \$ - | | \$ 24,500 | \$ (24,500) | | \$ (24,500) |
| Schmon Tower Elevators | | | | \$ - | | \$ 26,400 | \$ (26,400) | | \$ (26,400) |
| <i>Sub-Total Buildings</i> | \$ 3,536,900 | \$ (87,900) | \$ - | \$ 3,449,000 | \$ 840,065 | \$ 2,081,451 | \$ 1,367,549 | \$ 1,212,775 | \$ 154,774 |

| Project Name | April 2014 Approved Funding | Q2 Funding Adjustments (See Note 1 for Funding Sources) | Q3 Funding Adjustments (See Note 2 for Funding Sources) | Revised Funding (A) | 2014/15 | | | 2015/16 | Total Project Variance (A-B-C) |
|--|--------------------------------|--|--|------------------------|-------------------------|--|--|--------------------------------|--------------------------------------|
| | | | | | Actual Costs to Date | Projected Total Cost May 1/14 to April 30/15 (B) | Projected Cost Variance (over)/under (A-B) | Projected Cost in 15/16 (C) | |
| ROADS, PARKING LOTS, WALKWAYS, STRUCTURES, SURFACE DRAINAGE | | | | | | | | | |
| Third Campus Entrance Design | \$ 45,000 | | | \$ 45,000 | \$ 6,956 | \$ 8,500 | \$ 36,500 | \$ 36,500 | \$ - |
| BRIC Parking Lot Rebuilding | \$ 273,000 | | | \$ 273,000 | \$ 235,933 | \$ 237,000 | \$ 36,000 | \$ 11,000 | \$ 25,000 |
| Exterior Paths of Travel (Design of Public Spaces) | \$ 95,000 | | | \$ 95,000 | \$ 5,965 | \$ 14,000 | \$ 81,000 | \$ 81,000 | \$ - |
| Campus Entrance Sign Renewal | \$ 30,000 | | | \$ 30,000 | \$ 6,730 | \$ 6,730 | \$ 23,270 | | \$ 23,270 |
| Sculpture Relocation | \$ 40,000 | | | \$ 40,000 | \$ 31,716 | \$ 31,966 | \$ 8,034 | \$ - | \$ 8,034 |
| Restoration of Path of Possibilities Sculpture | | | | \$ - | | \$ - | \$ - | \$ 10,000 | \$ (10,000) |
| Move 3 Corten sculptures to MIWSFPA | | | | \$ - | | \$ 2,000 | \$ (2,000) | \$ 23,000 | \$ (25,000) |
| East Academic Site Work | | | | \$ - | | \$ - | \$ - | \$ 50,000 | \$ (50,000) |
| <i>Sub-Total Roads, Parking Lots, Sidewalks, etc.</i> | \$ 483,000 | \$ - | \$ - | \$ 483,000 | \$ 287,300 | \$ 300,196 | \$ 182,804 | \$ 211,500 | \$ (28,696) |
| UTILITIES | | | | | | | | | |
| Back-flow Prevention - St. Catharines | \$ 50,000 | | | \$ 50,000 | \$ 0 | \$ 15,000 | \$ 35,000 | \$ 35,000 | \$ - |
| Potable Water Piping Master Plan/Design (for tunnel and buried piping) | \$ 110,000 | | | \$ 110,000 | \$ - | \$ 5,000 | \$ 105,000 | \$ 105,000 | \$ - |
| BRIC Watermain Replacement - Additional Expenses | \$ - | | | \$ - | \$ 8,554 | \$ 8,554 | \$ (8,554) | | \$ (8,554) |
| Stormwater Management Facility | | | | \$ - | | \$ - | \$ - | \$ 100,000 | \$ (100,000) |
| <i>Sub-Total Utilities</i> | \$ 160,000 | \$ - | \$ - | \$ 160,000 | \$ 8,554 | \$ 28,554 | \$ 131,446 | \$ 240,000 | \$ (108,554) |
| ENERGY | | | | | | | | | |
| Add Twin Exchanger at HX-2 | \$ 100,000 | | | \$ 100,000 | \$ - | \$ 30,000 | \$ 70,000 | \$ 70,000 | \$ - |
| Lighting Conversion Main Campus | \$ 30,000 | | | \$ 30,000 | \$ 164 | \$ 3,300 | \$ 26,700 | \$ 26,700 | \$ - |
| Campus Metering | \$ 50,000 | | | \$ 50,000 | \$ - | \$ 40,000 | \$ 10,000 | \$ 10,000 | \$ - |
| Water Conservation - low flow toilets | \$ 19,000 | | | \$ 19,000 | \$ 11,612 | \$ 19,000 | \$ - | \$ - | \$ - |
| Emergency Exit Light Replacements (LED) | \$ 10,000 | | | \$ 10,000 | \$ - | \$ - | \$ 10,000 | \$ 10,000 | \$ - |
| CBF Supply and Exhaust Air Improvements (CFHBRC) | \$ 100,000 | | | \$ 100,000 | \$ - | \$ 10,600 | \$ 89,400 | \$ 89,400 | \$ - |
| Water Treatment Review (CFHBRC) | \$ 10,000 | | | \$ 10,000 | \$ - | \$ 5,000 | \$ 5,000 | \$ 5,000 | \$ - |
| Walker Complex Humidification Boiler Replacement | | \$ 45,000 | | \$ 45,000 | \$ - | \$ 20,000 | \$ 25,000 | \$ - | \$ 25,000 |
| <i>Sub-Total Energy</i> | \$ 319,000 | \$ 45,000 | \$ - | \$ 364,000 | \$ 11,776 | \$ 127,900 | \$ 236,100 | \$ 211,100 | \$ 25,000 |
| EQUIPMENT | | | | | | | | | |
| B Block Level 300 Network Upgrades | \$ 70,000 | | | \$ 70,000 | \$ 47,559 | \$ 56,000 | \$ 14,000 | \$ - | \$ 14,000 |
| South Block Wireless Upgrading | \$ 50,000 | | | \$ 50,000 | \$ 49,282 | \$ 49,282 | \$ 718 | \$ - | \$ 718 |
| Campus Wireless Upgrading | \$ 28,100 | | | \$ 28,100 | \$ 27,999 | \$ 27,999 | \$ 101 | \$ - | \$ 101 |
| <i>Sub-Total Equipment</i> | \$ 148,100 | \$ - | \$ - | \$ 148,100 | \$ 124,840 | \$ 133,281 | \$ 14,819 | \$ - | \$ 14,819 |
| OTHER | | | | | | | | | |
| Facility Condition Audits (VFA) | \$ 75,000 | | | \$ 75,000 | \$ 13,727 | \$ 75,000 | \$ - | | \$ - |

| Project Name | April 2014 Approved Funding | Q2 Funding Adjustments (See Note 1 for Funding Sources) | Q3 Funding Adjustments (See Note 2 for Funding Sources) | Revised Funding (A) | 2014/15 | | | 2015/16 | Total Project Variance (A-B-C) |
|--|--------------------------------|--|--|------------------------|-------------------------|--|--|--------------------------------|--------------------------------------|
| | | | | | Actual Costs to Date | Projected Total Cost May 1/14 to April 30/15 (B) | Projected Cost Variance (over)/under (A-B) | Projected Cost in 15/16 (C) | |
| Campus Plan Update | \$ 200,000 | | | \$ 200,000 | \$ - | \$ 75,000 | \$ 125,000 | \$ 125,000 | \$ - |
| Energy Audits for Key Buildings and Areas | \$ 20,000 | | | \$ 20,000 | \$ - | \$ 10,000 | \$ 10,000 | \$ 10,000 | \$ - |
| Cogen Energy Audit and Mass Balance Study | \$ 20,000 | | | \$ 20,000 | \$ - | \$ 18,500 | \$ 1,500 | \$ 1,500 | \$ - |
| Project Management Expenses | \$ 300,000 | | | \$ 300,000 | \$ 116,349 | \$ 159,924 | \$ 140,076 | \$ 140,076 | \$ - |
| Prox. Card access system - residence | \$ 150,000 | | | \$ 150,000 | \$ - | \$ 15,000 | \$ 135,000 | \$ 135,000 | \$ - |
| Furniture repl-residence | \$ 100,000 | | | \$ 100,000 | \$ - | \$ 100,000 | \$ - | | \$ - |
| Vehicles - Ancillary Utility Vehicles | \$ 17,000 | | | \$ 17,000 | \$ 17,062 | \$ 17,062 | \$ (62) | | \$ (62) |
| Vehicles - FM Small Equipment | \$ 10,000 | | | \$ 10,000 | \$ 7,881 | \$ 7,881 | \$ 2,119 | \$ 2,119 | \$ - |
| Vehicles - Security | \$ 55,000 | | | \$ 55,000 | \$ 45,681 | \$ 49,500 | \$ 5,500 | | \$ 5,500 |
| CFHBRC Asset Management Plan/Reserve Fund Study | | \$ 42,900 | | \$ 42,900 | \$ - | \$ 24,000 | \$ 18,900 | | \$ 18,900 |
| Schmon Tower Reserve Fund Study | | | | \$ - | \$ - | \$ - | \$ - | \$ 25,000 | \$ (25,000) |
| Replace Sankey Chairs | | | | \$ - | | \$ - | \$ - | \$ 36,560 | \$ (36,560) |
| <i>Sub-Total Other</i> | \$ 947,000 | \$ 42,900 | \$ - | \$ 989,900 | \$ 200,700 | \$ 551,867 | \$ 438,033 | \$ 475,255 | \$ (37,222) |
| RESERVES | | | | | | | | | |
| <i>Sub-Total Reserves</i> | \$ 2,000,000 | | | \$ 2,000,000 | \$ - | \$ - | \$ 2,000,000 | \$ 2,000,000 | \$ - |
| TOTAL 14/15 LTCP | \$ 7,594,000 | \$ - | \$ - | \$ 7,594,000 | \$ 1,473,235 | \$ 3,223,249 | \$ 4,370,751 | \$ 4,350,630 | \$ 20,121 |
| | | | | | | | | Includes: \$2 m Reserve | |
| 14/15 LTCP - OTHER FUNDING | | | | | | | | | |
| Lowenberger Kitchen AHU Replacement | | \$ 100,000 | | \$ 100,000 | \$ 100,000 | \$ 100,000 | \$ - | | \$ - |
| Plaza - 513 | \$ - | \$ 8,200 | | \$ 8,200 | \$ 7,799 | \$ 8,200 | \$ - | | \$ - |
| Artificial Turf Sports Field | | \$ 60,045 | | \$ 60,045 | \$ 262 | \$ 25,000 | \$ 35,045 | \$ 35,045 | \$ - |
| BUSU Roof Replacement | \$ - | \$ 300,000 | | \$ 300,000 | \$ 158,725 | \$ 300,000 | \$ - | | \$ - |
| Goodman School of Business - Alternative Planning | | \$ 125,000 | | \$ 125,000 | \$ 71,561 | \$ 86,600 | \$ 38,400 | \$ 38,400 | \$ - |
| Isaac Brock Blvd Transit Waiting Area Improvements (Reduced Scope) | \$ - | \$ 64,700 | | \$ 64,700 | \$ 52,861 | \$ 57,500 | \$ 7,200 | | \$ 7,200 |
| Aquatic Centre - Final Costs | | \$ 8,190 | | \$ 8,190 | \$ 10,796 | \$ 8,190 | \$ - | | \$ - |
| CDH Facility Plan- Design | | \$ 25,000 | | \$ 25,000 | \$ - | \$ 25,335 | \$ (335) | | \$ (335) |
| Athletics & Rec.Services Facility Needs Study | | \$ 35,000 | | \$ 35,000 | \$ - | \$ 5,000 | \$ 30,000 | \$ 30,000 | \$ - |
| Residence Reserve Fund Study | | | \$ 200,000 | \$ 200,000 | \$ - | \$ - | \$ 200,000 | \$ 200,000 | \$ - |
| Gateway Furniture | | | \$ 300,000 | \$ 300,000 | \$ - | \$ - | \$ 300,000 | \$ 300,000 | \$ - |
| Exam desks and chairs | | | \$ 40,000 | \$ 40,000 | \$ - | \$ 40,000 | \$ - | | \$ - |
| TOTAL 14/15 LTCP - OTHER FUNDING | \$ - | \$ 726,135 | \$ 540,000 | \$ 1,266,135 | \$ 402,005 | \$ 655,825 | \$ 610,310 | \$ 603,445 | \$ 6,865 |
| TOTAL 14/15 LTCP (INCL. OTHER FUNDING) | \$ 7,594,000 | \$ 726,135 | \$ 540,000 | \$ 8,860,135 | \$ 1,875,240 | \$ 3,879,074 | \$ 4,981,061 | \$ 4,954,075 | \$ 26,986 |
| | | | | | | | | Includes: \$2 m Reserve | |

| Project Name | April 2014 Approved Funding | Q2 Funding Adjustments (See Note 1 for Funding Sources) | Q3 Funding Adjustments (See Note 2 for Funding Sources) | Revised Funding (A) | 2014/15 | | | 2015/16 | Total Project Variance (A-B-C) |
|--|--------------------------------|--|--|------------------------|-------------------------|---|--|--------------------------------|--------------------------------------|
| | | | | | Actual Costs to Date | Projected Total Cost May1/14 to April 30/15 (B) | Projected Cost Variance (over)/under (A-B) | Projected Cost in 15/16 (C) | |
| 2014/15 INFORMATION TECHNOLOGY SERVICES LTCP | | | | | | | | | |
| <i>IT INFRASTRUCTURE</i> | | | | | | | | | |
| Sharepoint Infrastructure | 71,000 | - | | 71,000 | - | 26,000 | 45,000 | 45,000 | - |
| Cloud Readiness | 29,000 | - | | 29,000 | - | - | 29,000 | 29,000 | - |
| Cloud Student Email | 25,000 | - | | 25,000 | 15,331 | 17,331 | 7,669 | 7,669 | - |
| Microsoft Dynamics/CRM | 50,000 | - | | 50,000 | - | - | 50,000 | 50,000 | - |
| PCI Compliance (includes Proj 656-Bookstore Chase Pymnt) | 20,000 | - | | 20,000 | 37,034 | 45,380 | (25,380) | - | (25,380) |
| <i>Sub-Total IT Infrastructure</i> | <i>195,000</i> | <i>-</i> | | <i>195,000</i> | <i>52,365</i> | <i>88,711</i> | <i>106,289</i> | <i>131,669</i> | <i>(25,380)</i> |
| <i>IT EVERGREENING</i> | | | | | | | | | |
| Disk Storage Replacement | 21,009 | - | | 21,009 | 111 | 111 | 20,898 | 20,898 | - |
| Security (Door Security) | 30,000 | - | | 30,000 | 6,624 | 30,000 | - | - | - |
| UPS Replacement- Batteries | 35,000 | - | | 35,000 | 32,892 | 34,580 | 420 | - | 420 |
| CCTV Evergreening | 25,000 | - | | 25,000 | 27,044 | 27,044 | (2,044) | - | (2,044) |
| Network Switches | 325,000 | - | | 325,000 | 93,920 | 208,500 | 116,500 | 116,500 | - |
| BAU-Evergreening-Residence | 373,992 | - | | 373,992 | 160,124 | 223,992 | 150,000 | 150,000 | - |
| CATV | 10,000 | - | | 10,000 | 9,287 | 9,800 | 200 | - | 200 |
| Computer Redeployment | 186,000 | - | | 186,000 | 185,831 | 185,831 | 169 | - | 169 |
| Audio Visual BAU 2014 | 50,000 | - | | 50,000 | 43,728 | 50,000 | - | - | - |
| <i>Sub-Total IT Evergreening</i> | <i>1,056,001</i> | <i>-</i> | | <i>1,056,001</i> | <i>559,561</i> | <i>769,858</i> | <i>286,143</i> | <i>287,398</i> | <i>(1,255)</i> |
| <i>IT SOFTWARE</i> | | | | | | | | | |
| Microsoft Project Server | 10,000 | - | | 10,000 | - | - | 10,000 | 10,000 | - |
| Education Desktop/365 | 90,000 | - | | 90,000 | - | - | 90,000 | 90,000 | - |
| Space Planning - Archibus | 34,331 | - | | 34,331 | 1,705 | 1,705 | 32,626 | - | 32,626 |
| Contract Management | 55,000 | - | | 55,000 | - | - | 55,000 | 55,000 | - |
| <i>Sub-Total IT Software</i> | <i>189,331</i> | <i>-</i> | | <i>189,331</i> | <i>1,705</i> | <i>1,705</i> | <i>187,626</i> | <i>155,000</i> | <i>32,626</i> |
| TOTAL 2014/15 ITS LTCP | \$ 1,440,332 | \$ - | | \$ 1,440,332 | \$ 613,631 | \$ 860,274 | \$ 580,058 | \$ 574,067 | \$ 5,991 |
| 14/15 ITS LTCP - OTHER FUNDING | | | | | | | | | |
| Incident Management Review | - | - | 32,597 | 32,597 | 32,597 | 32,597 | - | - | - |
| <i>TOTAL 14/15 ITS LTCP - OTHER FUNDING</i> | <i>\$ -</i> | <i>\$ -</i> | <i>\$ 32,597</i> | <i>\$ 32,597</i> | <i>\$ 32,597</i> | <i>\$ 32,597</i> | <i>\$ -</i> | <i>\$ -</i> | <i>\$ -</i> |
| TOTAL 14/15 ITS LTCP (INCL. OTHER FUNDING) | \$ 1,440,332 | \$ - | \$ 32,597 | \$ 1,472,929 | \$ 646,228 | \$ 892,871 | \$ 580,058 | \$ 574,067 | \$ 5,991 |

| Project Name | April 2014 Approved Funding | Q2 Funding Adjustments (See Note 1 for Funding Sources) | Q3 Funding Adjustments (See Note 2 for Funding Sources) | Revised Funding (A) | 2014/15 | | | 2015/16 | Total Project Variance (A-B-C) |
|--------------|--------------------------------|--|--|------------------------|-------------------------|--|--|--------------------------------|--------------------------------------|
| | | | | | Actual Costs to Date | Projected Total Cost May 1/14 to April 30/15 (B) | Projected Cost Variance (over)/under (A-B) | Projected Cost in 15/16 (C) | |

Note 1: Funding Sources

| | | |
|------------------------------------|-----------|----------------|
| Residence | \$ | 100,000 |
| BUSU | \$ | 300,000 |
| Energy Rebate | \$ | 132,890 |
| Start Up Funds | \$ | 8,200 |
| Donations | \$ | 125,045 |
| University Services | \$ | 60,000 |
| Total Additional Funding Q2 | \$ | 726,135 |

Note 2: Funding Sources

| | | | |
|----------|------------------------------------|-----------|----------------|
| Non-ITS: | Residence | \$ | 500,000 |
| | Internal Transfer from Operating | \$ | 40,000 |
| | Total Additional Funding Q3 | \$ | 540,000 |
| ITS: | Internal Transfer from Operating | \$ | 32,597 |
| | Total Additional Funding Q3 | \$ | 32,597 |

☐ Nine projects to be added to 14/15 LTCP- total \$358,060

Below is a summary of the capital and related project program that is also seen as Appendix #2 to the Capital Infrastructure Committee report called "Q3 Financial Update on Capital and Related Projects":

| Project Name | April 2014 Approved Funding | Q2 Funding Adjustments | Q3 Funding Adjustments | Revised Funding (A) | 2014-15 | | | 2015-16 | Total Project Variance (D-B-C) | 2015-16 |
|--|-----------------------------|------------------------|------------------------|---------------------|----------------------|--|--|-----------------------------|--------------------------------|-------------------------------|
| | | | | | Actual Costs to Date | Projected Total Cost May 1/14 to April 30/15 (B) | Projected Cost Variance (over/under) (A-B) | Projected Cost in 15/16 (C) | | Dec 2014 Approved Funding (D) |
| 2015/2016 LONG TERM CAPITAL PLAN | | | | | | | | | | |
| BUILDINGS | | | | | | | | | | |
| Walker Complex-FAHS Air Quality Upgrades | | | | | | | \$ - | \$ 1,000,000 | \$ - | \$ 1,000,000 |
| Village Fire Alarm/Emergency Notification | | | | | | \$ 30,000 | \$ (30,000) | \$ 1,110,000 | \$ - | \$ 1,140,000 |
| Swimming Pool Hydraulic Cylinder Renewal | | | | | | | \$ - | \$ 75,000 | \$ - | \$ 75,000 |
| High Voltage Equipment Renewal | | | | | | | \$ - | \$ 75,000 | \$ - | \$ 75,000 |
| Annual Controls Conversion | | | | | | | \$ - | \$ 32,500 | \$ - | \$ 32,500 |
| 600 V Sub-Station Deficiencies | | | | | | | \$ - | \$ 85,000 | \$ - | \$ 85,000 |
| Podium Roof | | | | | | | \$ - | \$ 435,000 | \$ - | \$ 435,000 |
| MC "A" Roofs 57,58 | | | | | | | \$ - | \$ 425,000 | \$ - | \$ 425,000 |
| Aquatic Centre Structural Repair | | | | | | | \$ - | \$ 1,200,000 | \$ - | \$ 1,200,000 |
| Lowenberger Cladding Replacement | | | | | | | \$ - | \$ 200,000 | \$ - | \$ 200,000 |
| Traditional Residences Auto Door Operators | | | | | | \$ 2,000 | \$ (2,000) | \$ 58,000 | \$ - | \$ 60,000 |
| Parking Curb Cuts/Accessible Spaces | | | | | | \$ 2,000 | \$ (2,000) | \$ 13,000 | \$ - | \$ 15,000 |
| EA Learning Space ITS/AV Modernization | | | | | | | \$ - | \$ 190,000 | \$ - | \$ 190,000 |
| EA Seminar Room and Flat Classroom Renewal | | | | | | \$ 1,000 | \$ (1,000) | \$ 99,000 | \$ - | \$ 100,000 |
| Life Safety-Visual Alarms (WC,TA,BRIC,WH) | | | | | | \$ 1,000 | \$ (1,000) | \$ 24,000 | \$ - | \$ 25,000 |
| MIWSFPA- SOS Theatre Upgrades | | | | | | \$ - | \$ - | \$ 107,347 | \$ - | \$ 107,347 |
| MIWSFPA- Thistle Upgrades | | | | | | \$ - | \$ - | \$ 776,299 | \$ - | \$ 776,299 |
| MIWSFPA- Schmon Tower Upgrades | | | | | | \$ - | \$ - | \$ 269,318 | \$ - | \$ 269,318 |
| MIWSFPA- Glenridge/East Academic Upgrades | | | | | | \$ - | \$ - | \$ 372,036 | \$ - | \$ 372,036 |
| Library 6th Floor Group Learning Space | | | | | | | \$ - | \$ 105,000 | \$ - | \$ 105,000 |
| <i>Sub-Total Buildings</i> | \$ - | \$ - | | \$ - | \$ - | \$ 36,000 | \$ (36,000) | \$ 6,651,500 | \$ - | \$ 6,687,500 |
| ROADS, PARKING LOTS, WALKWAYS, STRUCTURES, SURFACE DRAINAGE | | | | | | | | | | |
| Exterior Routes of Travel | | | | | | \$ 1,000 | \$ (1,000) | \$ 24,000 | \$ - | \$ 25,000 |
| <i>Sub-Total Roads, Parking Lots, etc.</i> | \$ - | \$ - | | \$ - | \$ - | \$ 1,000 | \$ (1,000) | \$ 24,000 | \$ - | \$ 25,000 |
| UTILITIES | | | | | | | | | | |
| Back-Flow Prevention - St. Catharines | | | | | | | \$ - | \$ 50,000 | \$ - | \$ 50,000 |
| <i>Sub-Total Utilities</i> | \$ - | \$ - | | \$ - | \$ - | \$ - | \$ - | \$ 50,000 | \$ - | \$ 50,000 |
| ENERGY | | | | | | | | | | |
| DeCew Lighting Retrofit | \$ - | | | | | \$ 9,000 | \$ (9,000) | \$ 191,000 | \$ - | \$ 200,000 |
| Village Exterior Court Lighting (Final Phase) | \$ - | | | | | \$ 3,000 | \$ (3,000) | \$ 47,000 | \$ - | \$ 50,000 |
| <i>Sub-Total Energy</i> | \$ - | \$ - | | \$ - | \$ - | \$ 12,000 | \$ (12,000) | \$ 238,000 | \$ - | \$ 250,000 |

| Project Name | April 2014 Approved Funding | Q2 Funding Adjustments | Q3 Funding Adjustments | Revised Funding (A) | 2014-15 | | | 2015-16 | Total Project Variance (D-B-C) | 2015-16 |
|--|-----------------------------|------------------------|------------------------|---------------------|----------------------|---|--|-----------------------------|--------------------------------|-------------------------------|
| | | | | | Actual Costs to Date | Projected Total Cost May1/14 to April 30/15 (B) | Projected Cost Variance (over/under) (A-B) | Projected Cost in 15/16 (C) | | Dec 2014 Approved Funding (D) |
| EQUIPMENT | | | | | | | | | | |
| Data Centre Generator | \$ - | | | | | | \$ - | \$ 250,000 | \$ - | \$ 250,000 |
| Village Residence Underground Conduit for Wireless System | \$ - | | | | | \$ - | \$ - | \$ 115,000 | \$ - | \$ 115,000 |
| <i>Sub-Total Equipment</i> | \$ - | \$ - | | \$ - | \$ - | \$ - | \$ - | \$ 365,000 | \$ - | \$ 365,000 |
| OTHER | | | | | | | | | | |
| Facility Condition Audits (VFA) | | | | | \$ - | | \$ - | \$ 75,000 | \$ - | \$ 75,000 |
| Parking Lot Audit/Master Plan | | | | | | | \$ - | \$ 53,500 | \$ - | \$ 53,500 |
| Village Furniture Replacement | | | | | | | \$ - | \$ 100,000 | \$ - | \$ 100,000 |
| Centre for Digital Humanities Facilities Plan | | | | | \$ - | \$ - | \$ - | \$ 179,000 | \$ - | \$ 179,000 |
| Lowenberger Carpeting Replacement | | | | | | | \$ - | \$ 150,000 | \$ - | \$ 150,000 |
| Residence Miscellaneous Bedroom Painting | | | | | | | \$ - | \$ 150,000 | \$ - | \$ 150,000 |
| Residence Miscellaneous Public Area Painting | | | | | | | \$ - | \$ 50,000 | \$ - | \$ 50,000 |
| Village Interior Renewal (Painting,Furniture,Carpeting,Blinds) | | | | | \$ - | \$ - | \$ - | \$ 67,500 | \$ - | \$ 67,500 |
| Decew Painting Renewal | | | | | \$ - | \$ - | \$ - | \$ 100,000 | \$ - | \$ 100,000 |
| Main Campus Restricted New & Replacement Vehicles | | | | | | | \$ - | \$ 28,000 | \$ - | \$ 28,000 |
| Maintenance & Utilities Replacement Vehicles | | | | | | | \$ - | \$ 28,500 | \$ - | \$ 28,500 |
| Small Equipment | | | | | | | \$ - | \$ 32,000 | \$ - | \$ 32,000 |
| FM Staff Vehicle Replacement - Used | | | | | | | \$ - | \$ 18,000 | \$ - | \$ 18,000 |
| Campus Security New and Replacement Vehicle | | | | | | | \$ - | \$ 35,000 | \$ - | \$ 35,000 |
| MIWSFPA vehicle | | | | | | | \$ - | \$ 35,000 | \$ - | \$ 35,000 |
| Community & Ancillary Services (Conf Serv RTV's) | | | | | | | \$ - | \$ 21,000 | \$ - | \$ 21,000 |
| <i>Sub-Total Other</i> | \$ - | \$ - | | \$ - | \$ - | \$ - | \$ - | \$ 1,122,500 | \$ - | \$ 1,122,500 |
| TOTAL 2015/2016 LONG TERM CAPITAL PLAN | \$ - | \$ - | | \$ - | \$ - | \$ 49,000 | \$ (49,000) | \$ 8,451,000 | \$ - | \$ 8,500,000 |

| 15/16 INFORMATION TECHNOLOGY SERVICES LONG TERM CAPITAL PLAN | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---------|---|---------|
| IT INFRASTRUCTURE | | | | | | | | | | |
| PCI Compliance | | | | - | | | - | 45,000 | - | 45,000 |
| Office & Lab Renovations | | | | - | | | - | 60,000 | - | 60,000 |
| <i>Sub-Total IT Infrastructure</i> | - | - | - | - | - | - | - | 105,000 | - | 105,000 |
| IT HARDWARE - EVERGREENING & GROWTH | | | | | | | | | | |
| Network Switches - Administrative - EG | | | | - | | | - | 42,800 | - | 42,800 |
| Network Switches - Residences - EG | | | | - | | | - | 53,950 | - | 53,950 |
| Network Switches - Residences - Growth | | | | - | | | - | 13,000 | - | 13,000 |

| Project Name | April 2014 Approved Funding | Q2 Funding Adjustments | Q3 Funding Adjustments | Revised Funding (A) | 2014-15 | | 2015-16 | Total Project Variance (D-B-C) | 2015-16 | |
|--|-----------------------------|------------------------|------------------------|---------------------|----------------------|---|--|--------------------------------|-----------------------------|-------------------------------|
| | | | | | Actual Costs to Date | Projected Total Cost May1/14 to April 30/15 (B) | Projected Cost Variance (over/under) (A-B) | | Projected Cost in 15/16 (C) | Dec 2014 Approved Funding (D) |
| Network Appliances - Administrative - Growth | | | | - | | | - | 45,000 | - | 45,000 |
| A.V. (Including video conferencing) - EG | | | | - | | | - | 20,250 | - | 20,250 |
| A.V. (Including video conferencing) - Growth | | | | - | | | - | 48,400 | - | 48,400 |
| Wireless Administrative - EG | | | | - | | | - | 102,000 | - | 102,000 |
| Wireless Administrative - Growth | | | | - | | | - | 42,500 | - | 42,500 |
| Wireless Residence - EG | | | | - | | | - | 55,250 | - | 55,250 |
| Wireless Residence - Growth | | | | - | | | - | 264,000 | - | 264,000 |
| Cable Television System - Residence | | | | - | | | - | 4,500 | - | 4,500 |
| Telephone System - Administrative | | | | - | | | - | 1,800 | - | 1,800 |
| Telephone System - Residence | | | | - | | | - | 1,800 | - | 1,800 |
| Disk Storage Growth | | | | - | | | - | 237,750 | - | 237,750 |
| Data Back Up - EG | | | | - | | | - | 45,000 | - | 45,000 |
| Security Door Consolidation | | | | - | | | - | 45,000 | - | 45,000 |
| Cameras and Alarm System - EG | | | | - | | | - | 22,500 | - | 22,500 |
| Computer Purchase & Redeployment System | | | | - | | | - | 255,000 | - | 255,000 |
| <i>Sub-Total IT Evergreening</i> | - | - | - | - | - | - | - | 1,300,500 | - | 1,300,500 |
| ENTERPRISE SOFTWARE | | | | | | | | | | |
| Campus Security Incident/Dispatch Reporting Software | | | | - | | | - | 40,500 | - | 40,500 |
| Software Development Tools for AODA | | | | - | | | - | 22,500 | - | 22,500 |
| Configuration Management Software | | | | - | | | - | 18,000 | - | 18,000 |
| Architecture Planning Tool | | | | - | | | - | 13,500 | - | 13,500 |
| Finance System Replacement | | | | - | | | - | 1,000,000 | - | 1,000,000 |
| <i>Sub-Total IT Software</i> | - | - | - | - | - | - | - | 1,094,500 | - | 1,094,500 |
| TOTAL 2015/16 ITS LTCP | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 2,500,000 | \$ - | \$ 2,500,000 |

Appendix #5 – Forecasted Funding Budget Presented in Accordance with Canadian Accounting Standards for Not-for-profit Organizations (“NFPS”)

The following is the forecasted funding budget presented in accordance with NFPS:

| | 2014-15 NFPS budget | 2014-15 Adjusted Funding Budget Forecast | NFPS Entries | NFPS Re-class | 2014-15 NFPS Forecast @ Oct 31 |
|----------------------------------|------------------------|--|-----------------|----------------|--------------------------------------|
| Revenue | | | | | |
| Student fees | 144,848 | 145,339 | - | - | 145,339 |
| Grant revenue | 94,971 | 94,906 | (573) | - | 94,333 |
| Other revenue | 66,600 | 53,732 | 21,423 | (4,305) | 70,850 |
| Total revenue | 306,419 | 293,977 | 20,850 | (4,305) | 310,522 |
| Expenses | | | | | |
| Personnel costs | (196,786) | (196,336) | 40 | | (196,296) |
| Operating costs | (112,206) | (97,270) | (13,203) | 4,305 | (106,168) |
| Total expenses | (308,992) | (293,606) | (13,163) | 4,305 | (302,464) |
| Deficit before mitigation target | (2,573) | 371 | 7,687 | - | 8,058 |
| Mitigation target | 3,221 | - | N/A | N/A | - |
| Surplus | 648 | 371 | 7,687 | - | 8,058 |

Note: The NFPS budget is prepared on an accrual basis with working capital accounts estimated as constant.

Appendix #5 – Forecasted Funding Budget Presented in Accordance with Canadian Accounting Standards for Not-for-profit Organizations (continued)

The following is a review of the entries required to convert the funding budget to NFPS financial statements (Additional detail regarding these entries can be found on pages 12 and 13 of the 2014-15 Budget Report):

| | Budget | Forecast | Comments |
|--|----------|----------|---|
| Capital grants | (573) | (573) | Estimated Facilities Renewal Grant. |
| BUSU roof contribution | - | (300) | For NFPS statements this funding will be deferred and amortized over the life of the roof. |
| Amortization of deferred capital contributions | 6,897 | 7,027 | Forecasted that the Sir Isaac Brock Statute will be substantially complete by year end but Marilyn I. Walker School of Fine and Performing Arts will not be substantially complete prior to year end. |
| Research, including fellowships | 12,396 | 12,396 | Forecast is the same as budget as these accounts net with the expense adjustments below. These accounts are monitored internally; however, predictability is limited. |
| Endowments | 1,500 | 1,500 | |
| Sinking fund | 300 | 800 | Forecasted as budget. Currently investment income is trending positively toward budget. |
| Total revenue adjustments | 20,520 | 20,850 | |
| Amortization of capital assets | (15,991) | (16,409) | Forecasted that the Sir Isaac Brock Statute will be substantially complete by year end but Marilyn I. Walker School of Fine and Performing Arts will not be substantially complete prior to year end. |
| Research, including fellowships | (12,396) | (12,396) | Forecast is the same as budget as these accounts net with the revenue adjustments above. These accounts are monitored internally; however, predictability is limited. |
| Endowments | (1,504) | (1,504) | |
| Internal financing | 1,542 | 1,542 | Forecast in-line with budget |
| Principal payments | 1,885 | 2,027 | Principal payments are forecasted slightly higher than budget as the \$18,000 debt issuance was an estimate at budget time |
| Debt reduction | - | 475 | Forecast based on proposed debt reduction recorded in the funding budget. |
| Capital purchases | 4,393 | 4,750 | Capital purchases are only adjusted for those funded through the funding budget without external or debt funding sources. |
| Deferred maintenance reserves / capital fund | 2,000 | 8,312 | Addition to the reserve / unspent at year end in the capital fund. |
| Employee future benefit reserve | - | 900 | Forecast based on proposed funding strategy for employee future benefits recorded in the funding budget. |
| Employee future benefit expense | (1,106) | (1,273) | Estimates updated based on valuation completed following budget development |
| Pension | 1,300 | 413 | |
| Total expense adjustments | (19,872) | (13,163) | |
| Net impact | 648 | 7,687 | |

Appendix #6 - Debt Metrics Glossary of Terms

The following glossary of terms related to the Financial Health Metrics included in the Report (page 3) are as follows:

| | Brock | | | Median* | | Weighted Average* | |
|-----------------------|-------------|------------|------------|------------|------------|-------------------|------------|
| | Q3 Forecast | April 2014 | April 2013 | April 2014 | April 2013 | April 2014 | April 2013 |
| Primary reserve ratio | 7.6% | 3.4% | 4.2% | 31.6% | 32.8% | 35.3% | 31.7% |
| Debt burden ratio | 3.2% | 3.7%~ | 2.8% | 2.3% | 2.1% | 3.4% | 3.3% |
| Interest burden % | 2.6% | 2.6% | 2.5% | 1.9% | 1.8% | 1.5% | 1.4% |
| Interest coverage | 2.8 | 2.8 | 1.97 | 7.53 | 6.67 | 6.43 | 5.85 |
| Viability ratio | 14.0% | 7.0% | 8.4% | 111.5% | 98.2% | 109.3% | 110.3% |
| Endowment per student | \$4,000 | \$ 3,860 | \$ 3,420 | \$6,680 | \$7,390 | \$7,010 | \$6,840 |

* Calculated using financial information from 15 other Comprehensive Universities

~ Increase year over year was impacted by the one-time repayment of the commercial plaza mortgage.

The financial health metrics in the table above can be explained as follows:

1. The primary reserve ratio refers to the amount of cash available to cover operations. It identifies at April 2014 we had approximately 12 days of expandable reserves.
2. The next two ratios above describe how the University utilizes a greater proportion of its annual operating expense to fund debt obligations.
3. The interest coverage ratio has been improving; however, trails behind our peers.
4. The viability ratio is essentially how much of the institution's debt could be paid off with expendable resources. The average institution in our category could pay off all their debt with expendable resources; whereas, Brock can only pay off 7%. This highlights that Brock is vulnerable to unplanned events.

Glossary of Terms

| Metric | Calculation | Definition |
|-----------------------|---|--|
| Primary reserve ratio | $\text{expendable net assets}^* / \text{total expenses} - \text{amortization}$ | This measures the ratio of expendable net assets to total expenses and indicates how long Brock could function using their expendable reserves without relying on additional net assets generated by the operations. |
| Debt burden ratio | $(\text{principal} + \text{interest}) / \text{total expenses}$ | This provides an indicator of the relative magnitude of debt charges to the expenses of the University. |
| Interest burden ratio | $\text{interest expense} / \text{total expense} - \text{depreciation} + \text{principal debt payments}$ | This provides an indicator of the relative magnitude of interest charges in comparison to operating cash flow items excluding capital. |

| | | |
|-------------------------|---|---|
| Interest coverage ratio | Earnings Before Interest, Depreciation, Amortization (EBIDA) / Interest Expense | A ratio used to determine how easily the University can pay interest on outstanding debt with cash generated from operations, excluding interest expense. |
| Viability ratio | net expendable assets / debt | The availability of expendable net assets to cover debt should the institution need to settle its obligations as of the balance sheet date. |
| Endowment per student | endowment value / FTE | Endowment Investments per FTE, useful in benchmarking the size of the University's endowment to other institutions. |

* Expendable net assets = Net Assets + Employee Future Benefit Liability - Endowments - Invested in Capital Assets. This value includes cash internally restricted; whereas, the cash flow report deducts internally restricted net assets to determine the University "Uncommitted Cash Balance". DBRS includes both internally restricted and endowments in their analysis.