

FINANCE & ADMINISTRATION
FINANCIAL DASHBOARD
&
ANNUAL REPORTING
REQUIREMENTS

For the Year Ended June 30, 2017





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MESSAGE FROM THE VICE PRESIDENT FOR FINANCE & ADMINISTRATION

2016-2017 was our third fiscal year as an independent university governed by a 15-member volunteer Board of Trustees. Included in the responsibilities of governing a major research university serving over 27,000 students is providing oversight for an all funds budget that exceeds \$550 million. That amount represents the university's core Education and General (E&G) funds, plus its funded research activity, gifts and grants, auxiliary services such as parking and housing, and other activities including non-credit course offerings and service departments.

The purpose of this book is to provide members of the Board of Trustees an accessible and detailed review of the university's financial performance and outlook, and an educational resource to assist them in their financial fiduciary responsibilities. In addition, the book is available to the entire campus community, and particularly those who have an interest in our financial health. The Portland State University Finance & Administration division includes in its mission a commitment to maintain the highest standards of accountability and transparency, and to ensure the long-term viability of the university's financial and physical resources. We welcome questions that arise from reviewing this book as well as suggestions for improvement.

In brief, the 2017 fiscal year was marked by several continuing trends. Within the E&G funds, revenue increased due to a higher allocation from the State of Oregon Public University Support Fund, and rising tuition and fees. We also continued to manage expenditures successfully, holding overall operating costs essentially flat compared to the previous year despite increased compensation and employee benefits costs. As a result, the university further increased its reserve balances and improved its primary reserve ratio. Details on these and other operational metrics are found in the following pages, along with explanatory information to help readers interpret the data presented.

In terms of the university's financial outlook, expenditure controls will continue to be challenged by increased compensation and employee benefits costs, notably in employer contribution rates for retirement costs. The continuance of a multi-year overall enrollment decline, and the volatility of state funding, could impact the ability of the university to cover these increased costs.



A handwritten signature in black ink, appearing to read 'Kevin Reynolds'.

*Dr. Kevin Reynolds
Vice President, Finance & Administration
Portland State University*



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ABOUT THIS DOCUMENT

The annual release and acceptance of the Audited Financial Statements prompts the issuance of over 25 additional items to the Board of Trustees. These items are identified as annual reporting required under the Board of Trustees' Debt and Reserve Management Policies. Additionally, the presented materials include topics approved by the Finance and Administration (F&A) Committee during the 2015-16 academic year for inclusion in the annual financial dashboard.

While the primary purpose of this document is to disseminate required financial information and analysis to the existing membership of the Board of Trustees, it is also created with the intent of being an educational and reference resource to incoming Board members, institutional leadership, staff, and the broader university community.

The graphical representations, ratio calculations and reserve measurements offered on the following pages have been established with three objectives: 1) to enhance transparency by being constructed from readily accessible data, being primarily the university's audited financial statements; 2) to be repeatable or easily calculated across time with known guidance or industry accepted approaches; 3) to be comparable, or easily equated and benchmarked to industry standards, guidance on operational health and/or the performance of peers.

All data associated with representations, calculations and measurements was compiled from sources recognized and presented at the end of this report.

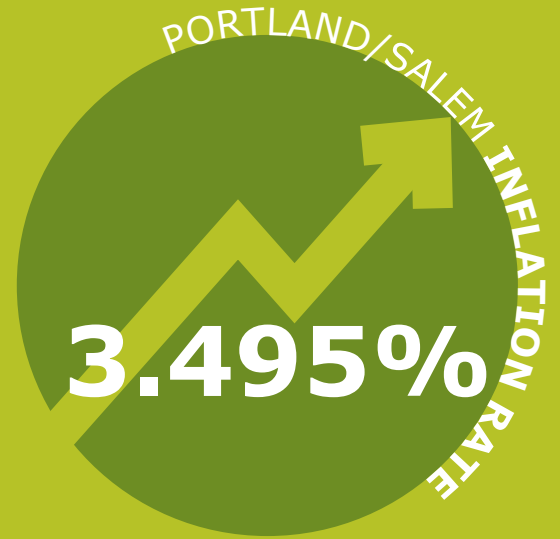
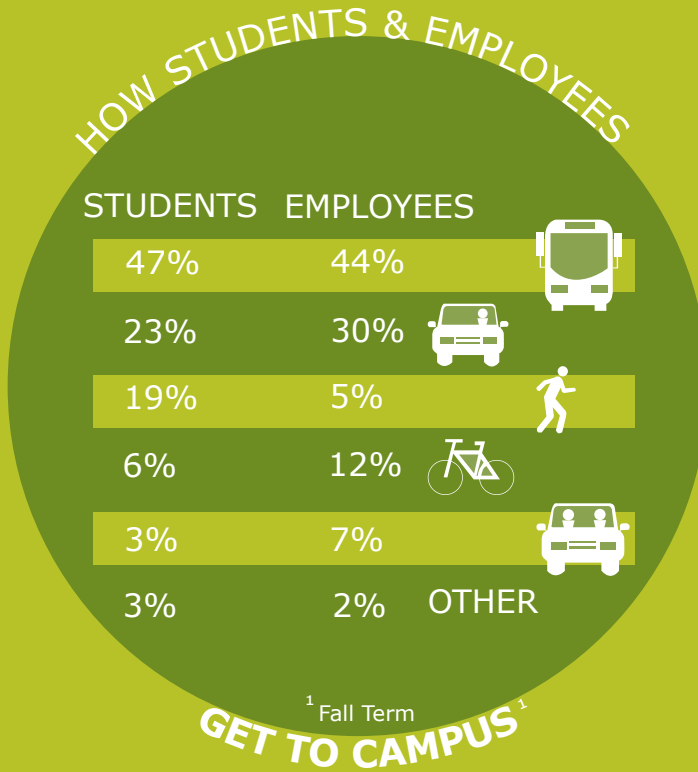
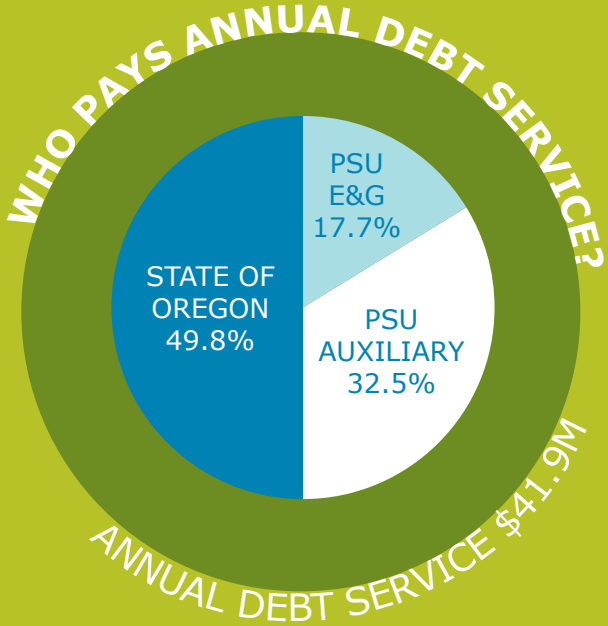
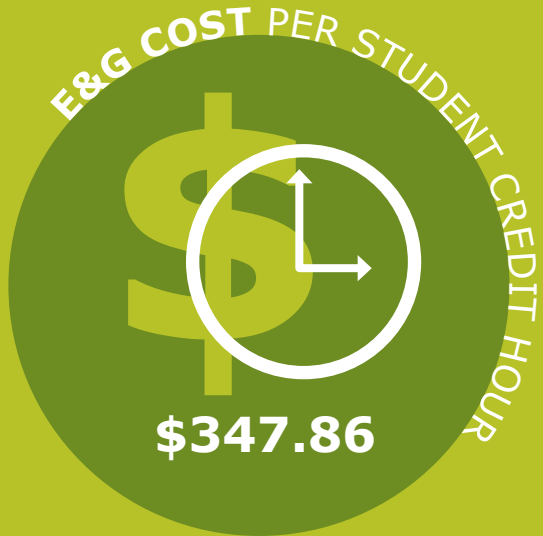




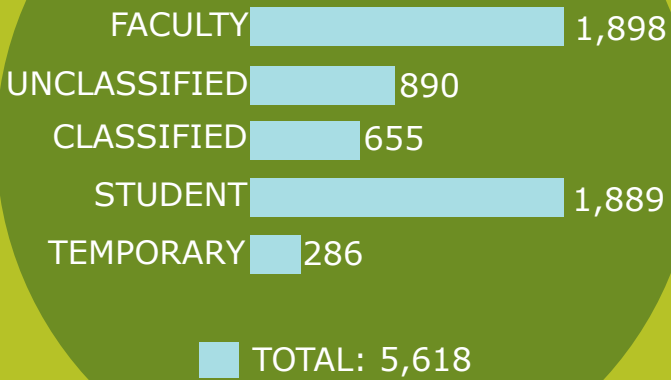
FINANCIAL ANALYSIS & GASB 68

In fiscal year 2015 the Governmental Accounting Standards Board (GASB) required the implementation of Statement No. 68 (GASB 68). The primary objective of this statement is to enhance financial reporting by state and local governments of defined benefit pension plans and associated net liabilities, deferred inflows/outflows of resources, and resultant expenses. As GASB 68 requires, PSU has fully implemented the accounting and financial reporting changes for pensions within the presentation of PSU's financial statements. This presentation is a significant divergence from historical treatment on the reporting of pensions and has created large variances when conducting time-trend analysis and review of the institution's net position and changes in net position.

PSU's Finance Administration has sought guidance for appropriate standards and methodologies of financial analysis and review of institutional performance both pre and post-impact of GASB 68. The administration has determined PSU will follow the guidance provided by the summer 2016, *Update to the 7th Edition of Strategic Financial Analysis in Higher Education* for analytical treatment the effects of GASB 68 on the institution's financial statements and the calculation of financial ratios. "In light of the potential impact on unrestricted net position, the new pension reporting requirement raises the questions of how best to incorporate pension-related items into ratios for public institutions... Accordingly, in order to avoid confusion during this period of new adoption and awaiting adoption of Other Post-Employment Benefits (OPEB) accounting standards, we recommend that an institution should inform its users of the impact of the change. This results in **calculating the institution's financial ratios twice, one including the impacts of the accounting changes, and the other excluding the effect of GASB 68**, including net pension liability and related deferred outflows and inflows. This approach would facilitate institutional analysis over a period of time, as well as making peer comparisons more helpful." (Emphasis Added)



EMPLOYEE HEAD COUNT



STUDENTS LIVING IN UNIVERSITY HOUSING



PORTLAND STATE UNIVERSITY

**A1
STABLE**

¹ Moody's Investors Service

CREDIT RATING¹

DOLLARS SPENT ON GARBAGE & RECYCLING



\$583,000

ANNUAL STUDENT CREDIT HOURS



LEED CERTIFIED BUILDINGS¹

Platinum	2
Gold	4
Silver	3
In-Progress	4

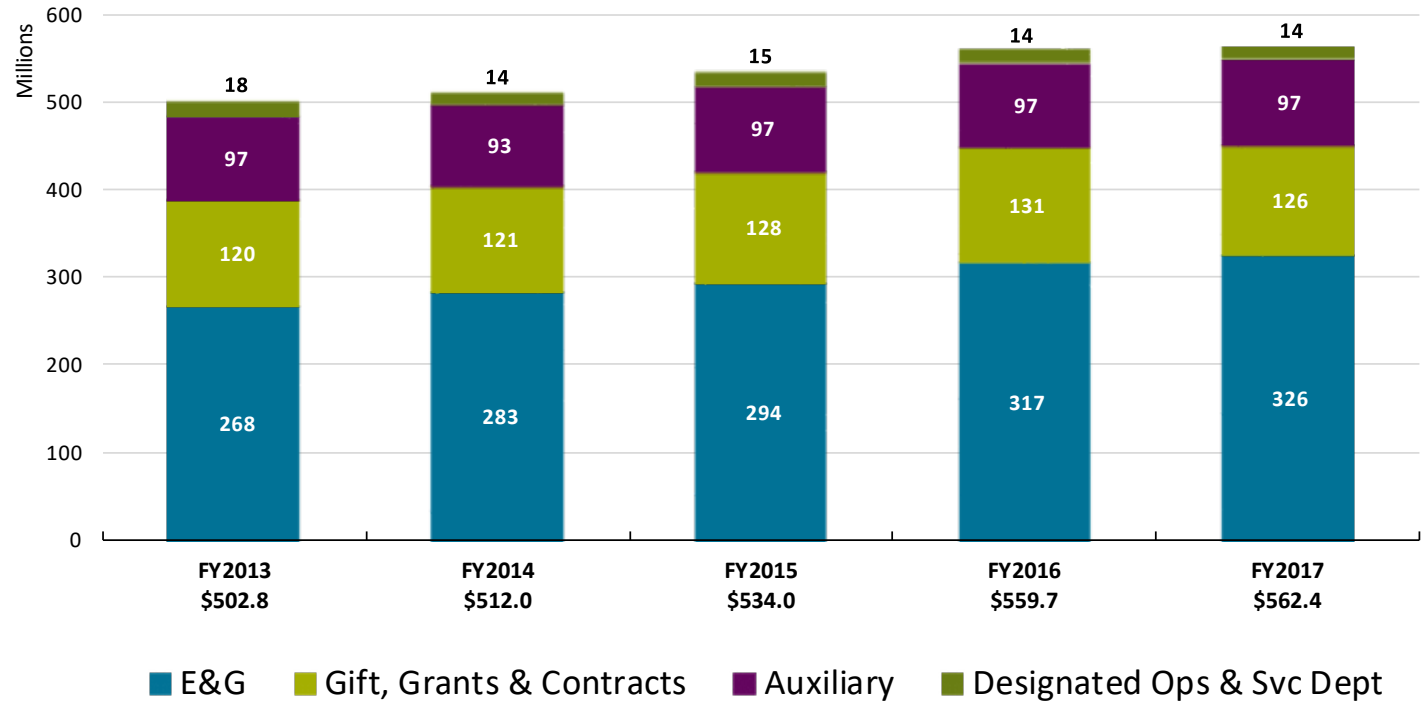
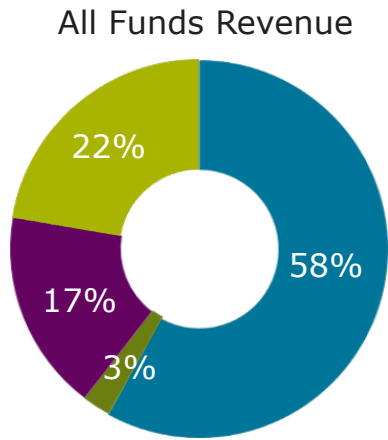
+ 2,000,000

SQUARE FEET

¹ Completed and in-progress

ALL FUNDS REVENUE STREAMS BY FUND TYPE (Millions)

Source: ERP

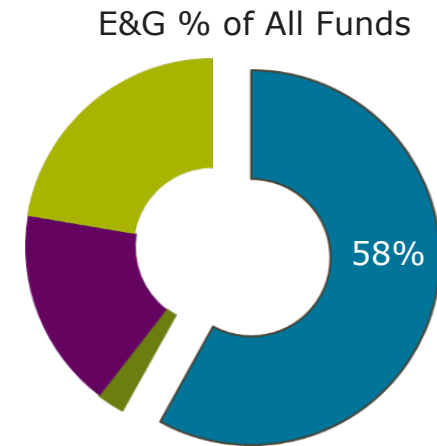
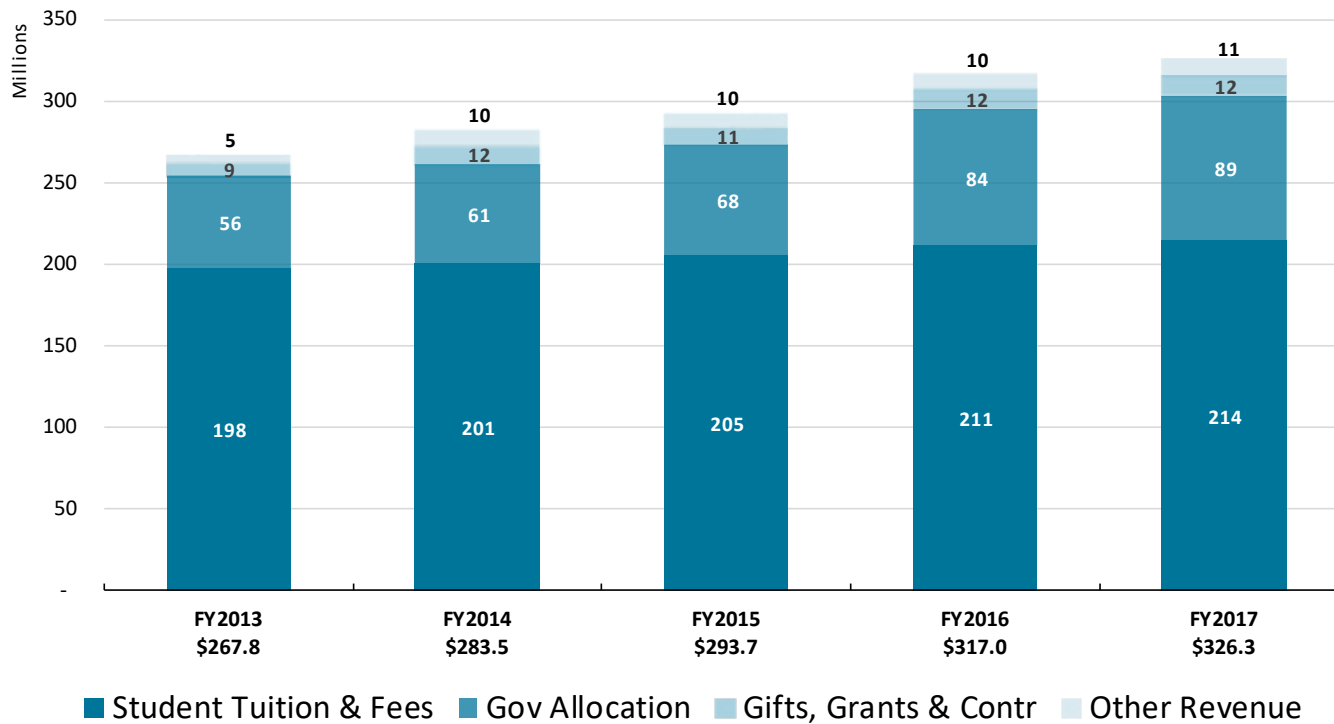


The size, growth, and diversity of university revenue are important indicators for the long-term health of the institution. The all funds budget of university revenue is composed of four major groups – Education and General Operations (E&G), Gift Grants and Contracts, Auxiliary Operations, and Designated Operations and Service Departments. As a large public university approximately 58% of PSU’s revenues are captured in E&G operations.

\$562.4 million in FY2017 all funds revenue activity represents a 0.5% growth in revenue activity over FY2016. This growth was driven by increased government support and tuition revenues but was partially offset by declines in Gifts, Grants and Contracts.

E&G REVENUE STREAMS (Millions)

Source: ERP



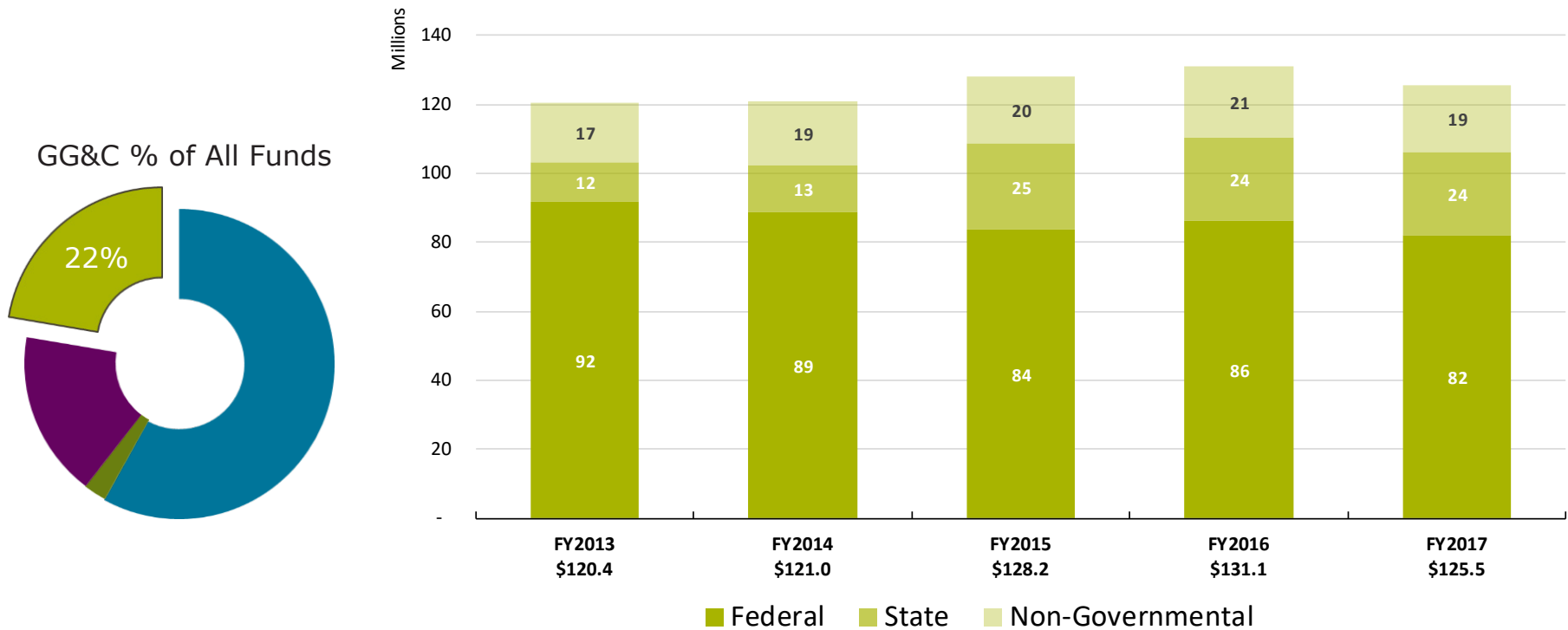
The main focus of any educational institution is the performance of its core – Education and General (E&G) operations. The performance of FY2017 E&G Revenue shows modest growth of 2.9% due primarily to increased government allocated funds and tuition revenues.

The above presentation of Gifts, Grants & Contracts revenue within E&G operations is the recognition of Facilities and Administration (F&A) cost recovery income generated through billings against external research grants and contracts activity conducted within university space.

Other Revenue includes investment interest earnings, as well as internal and miscellaneous sales and service such as library fees, equipment rental, and surplus property sales.

GIFT, GRANTS & CONTRACTS REVENUE STREAMS (Millions)

Source: ERP

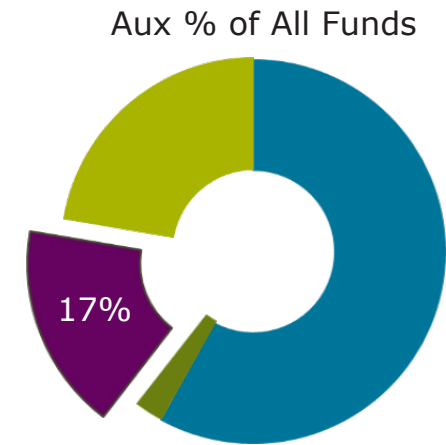
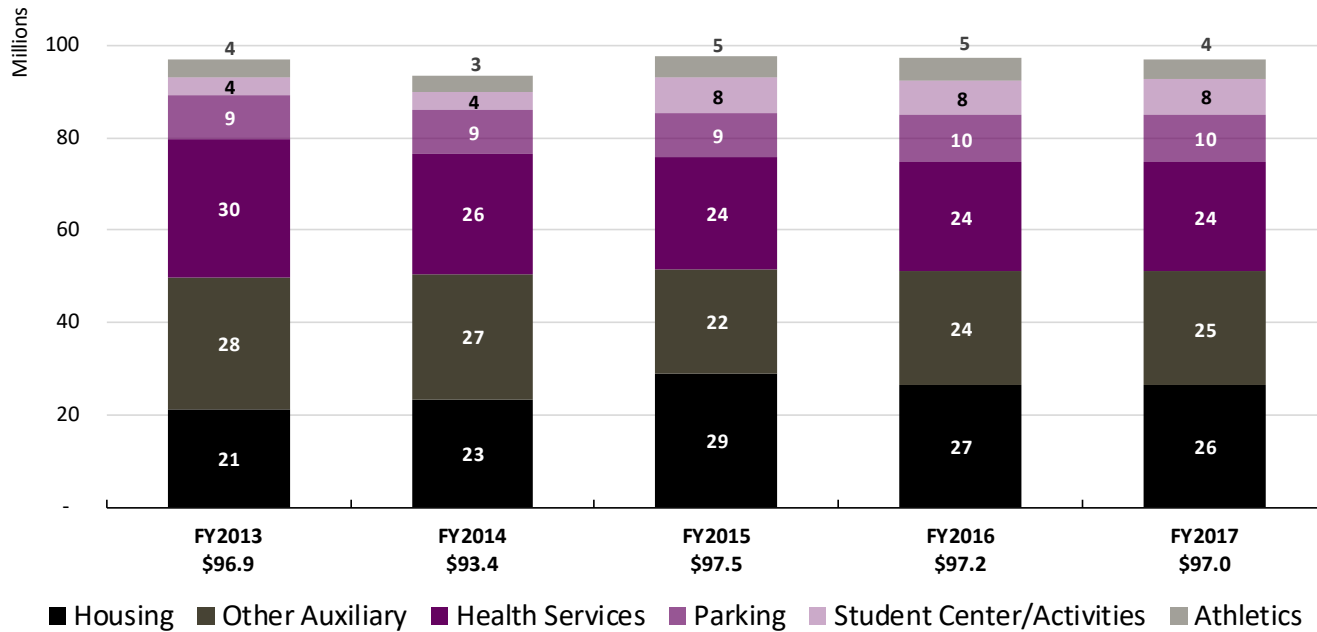


Non-E&G Gifts, Grants and Contracts revenue represents funding delivered from outside sources to support vital research, scholarships and education. This revenue category includes Gifts, Grants and Contracts sourced from federal, state, and local government entities; as well as private corporations, non-profits, and individuals.

Overall, Gifts, Grants and Contracts Revenue in FY2017 declined significantly by 4.3% in comparison with FY2016 performance partially due to an 8% decline in the number of Pell award recipients.

AUXILIARY REVENUE STREAMS (Millions)

Source: ERP



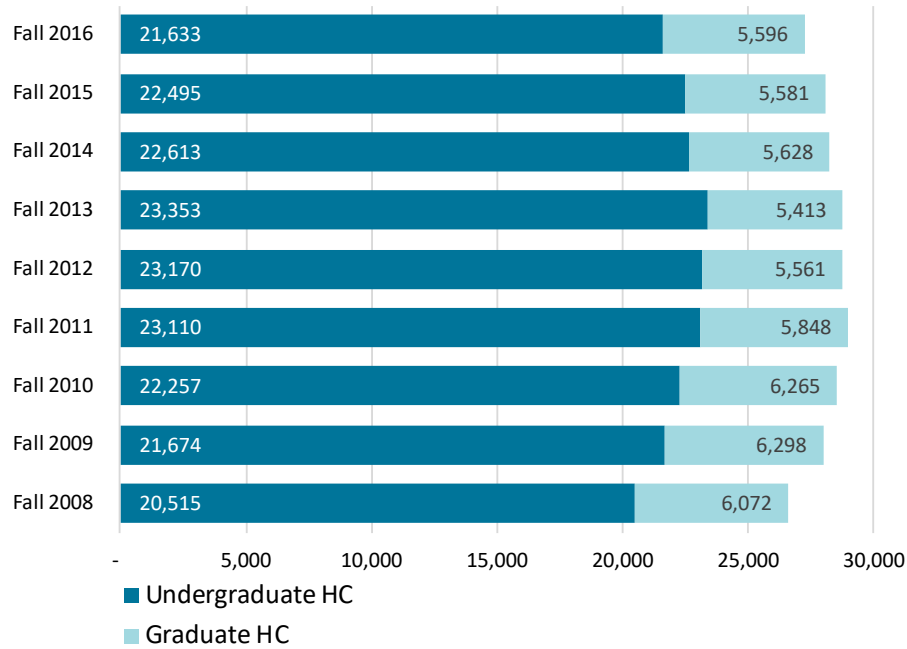
Auxiliary Services exist to provide goods or services to students, faculty, staff and visitors to the university. A successful Auxiliary will provide quality goods and services at a competitive price, and operate in a self-sufficient manner—not requiring E&G support. Auxiliaries in aggregate contribute near \$7 million dollars a year to E&G operations through administrative overhead charges.

Beyond those Auxiliaries specifically identified above, Other Auxiliaries include services like university market, commercial real estate operations, student building fees, and student incidental fees.

STUDENT PROFILE, FALL 2016, 4TH WEEK

Source: OIRP

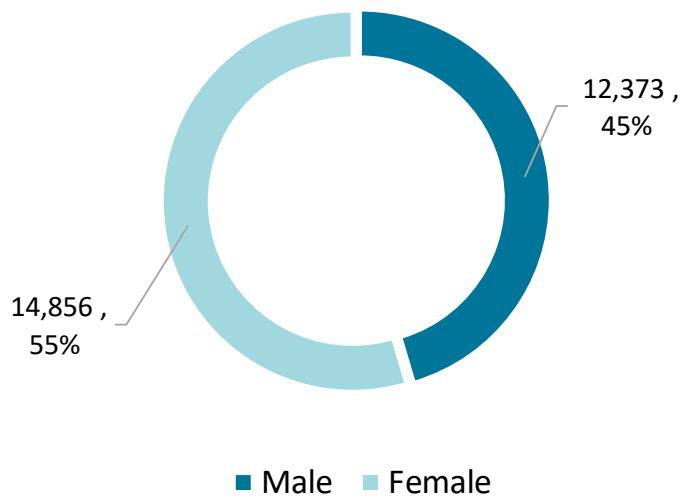
HEADCOUNT (Total 27,229)



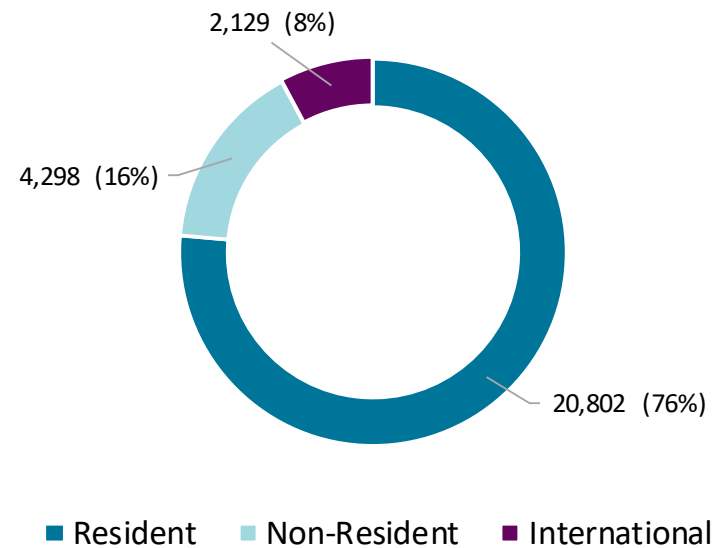
RACE/ETHNICITY

Asian	2,114	7.8%
Black	875	3.2%
Hispanic/Latino	3,071	11.3%
International Students	2,129	7.8%
Multiple Ethnic/Race	1,525	5.6%
Native American	343	1.3%
Pacific Islander	156	0.6%
White	15,789	58.0%
Declined to Respond	1,227	4.5%

LEGAL SEX

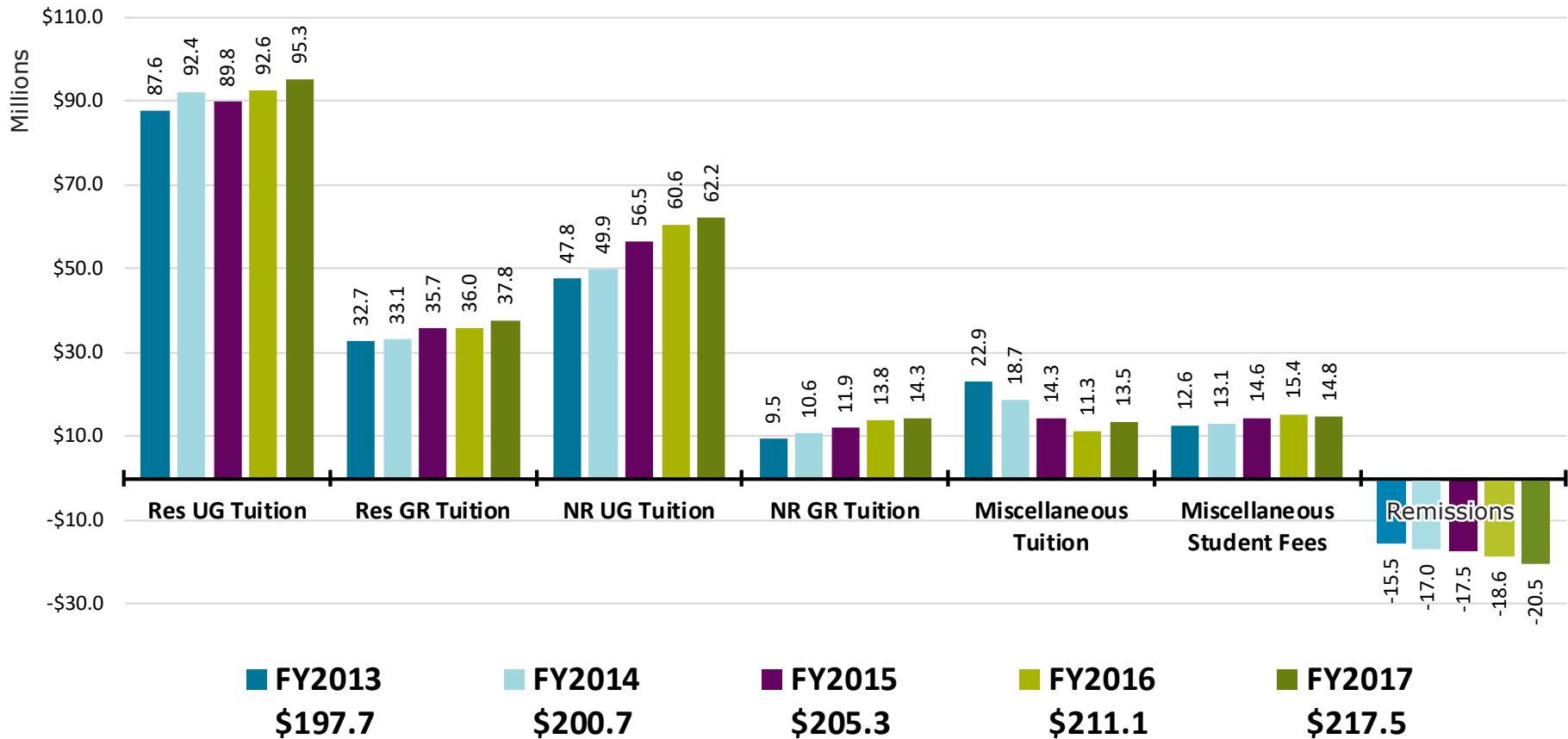


RESIDENCY



E&G STUDENT TUITION & FEES DETAILED (Millions)

Source: ERP

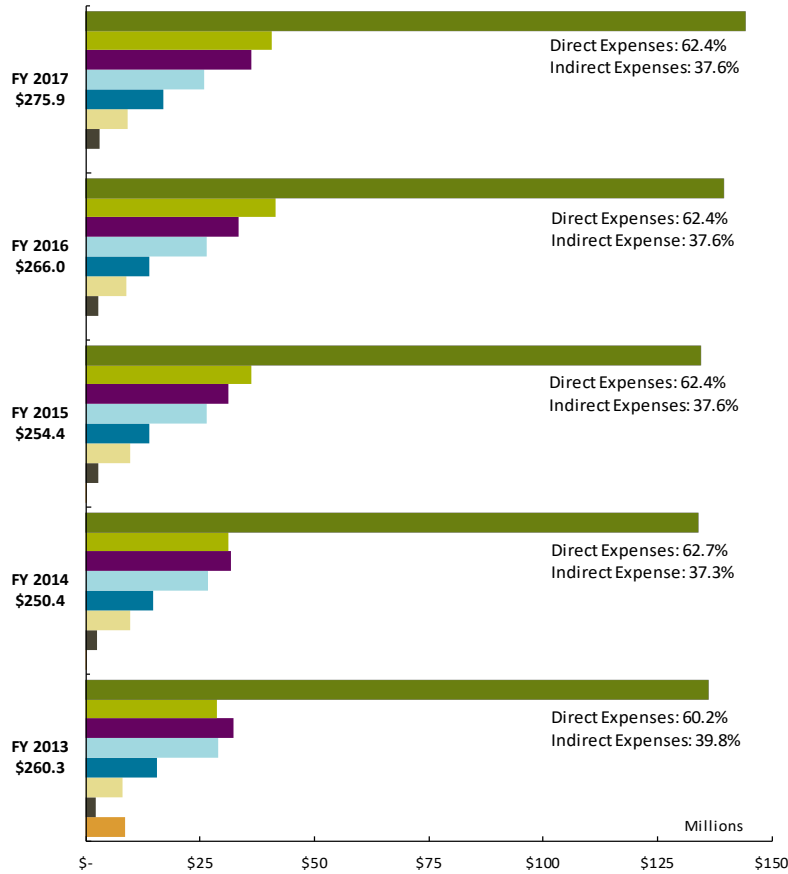


The tuition revenue breakdown shows the trends in resident (Res), non-resident (NR), undergraduate (UG), and graduate (GR) tuition for the last five fiscal years. Miscellaneous tuition includes tuition for continuing credit and non-credit education. Miscellaneous Fees include fees such as matriculation fees, late registration fees, degree application fees, online learning fees, etc.

The net tuition and fee revenue increased by \$6.4 Million, or 3.0%, in 2017 compared to 2016. This is primarily due to tuition rate increase of 3.6% for NR undergraduate and 4.0% for Res UG students. For the presented time-line, aggregate Student Credit Hours have been declining by nearly 1% each year.

NET E&G EXPENSES BY NACUBO CLASS (Millions)

Source: RCAT



Direct Expenses: those expenses directly attributable to revenue generating schools and colleges.

Indirect Expenses: those expenses attributable to the administration and infrastructure supporting revenue generating schools and colleges.

NACUBO CLASS CATEGORIES

Instruction

Expenses for credit and noncredit courses; academic, vocational, and technical instruction; remedial and tutorial instruction; and regular, special, and extension sessions.

Institutional Support

Expenses for central, executive-level activities, governing board, legal services, fiscal operation, information technology, and HR.

Academic Support

Expenses incurred to provide support services for the institution's primary missions: instruction, research, and public service. The category includes libraries, provision of services, academic administration, media, and support for curriculum and course development.

Operation and Maintenance of Plant

Expenses for the administration, supervision, operation, maintenance, preservation, and protection of the institution's physical plant.

Student Services

Expenses incurred for offices of admissions and the registrar and activities with the primary purpose of contributing to students' emotional and physical well-being and intellectual, cultural, and social development outside the context of the formal instruction program.

Research

Expenses for activities specifically organized to produce research, whether commissioned by an external agency or within the institution.

Public Service

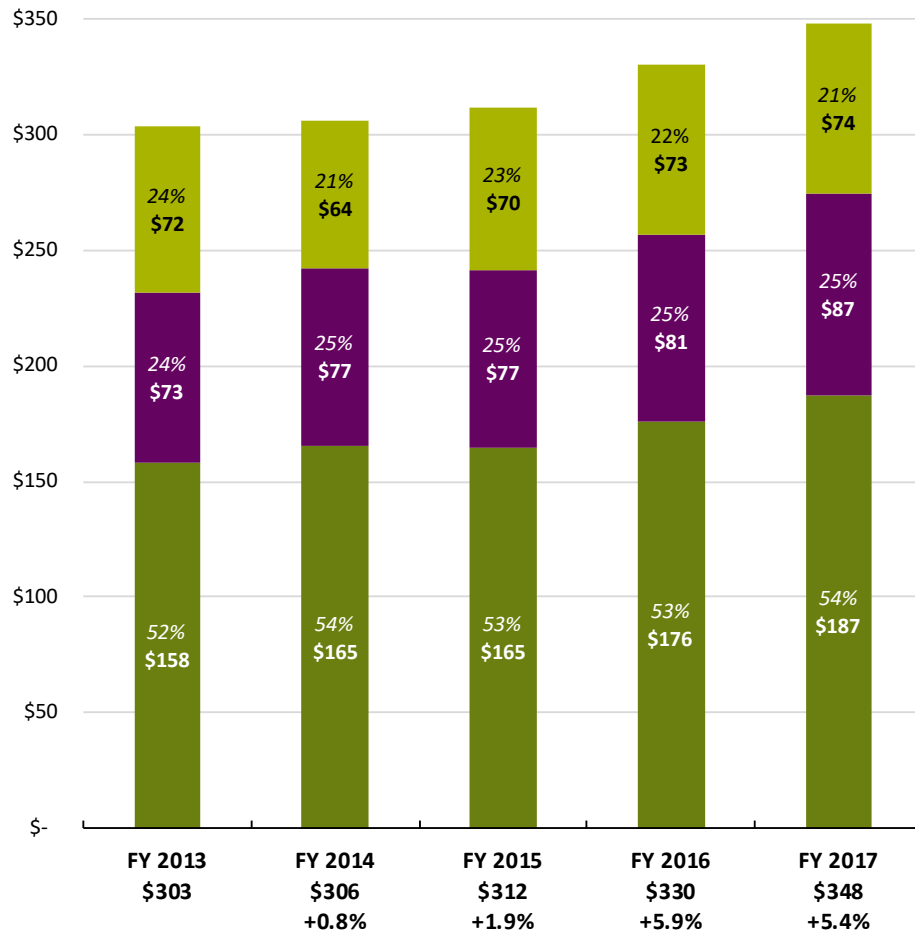
Expenses for activities established primarily to provide non-instructional services beneficial to individuals and groups external to the institution.

Unassigned

Miscellaneous expenditures that by definition do not fit into any of the above categories.

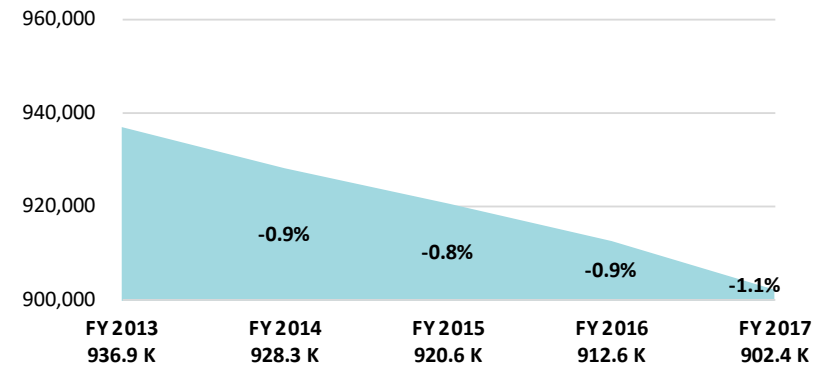
GROSS E&G EXPENSES PER STUDENT CREDIT HOUR (SCH)

Source: ERP & OIRP



■ Compensation ■ Benefits & Other OPE ■ Services & Supplies

Annual Student Credit Hours (SCH) Produced



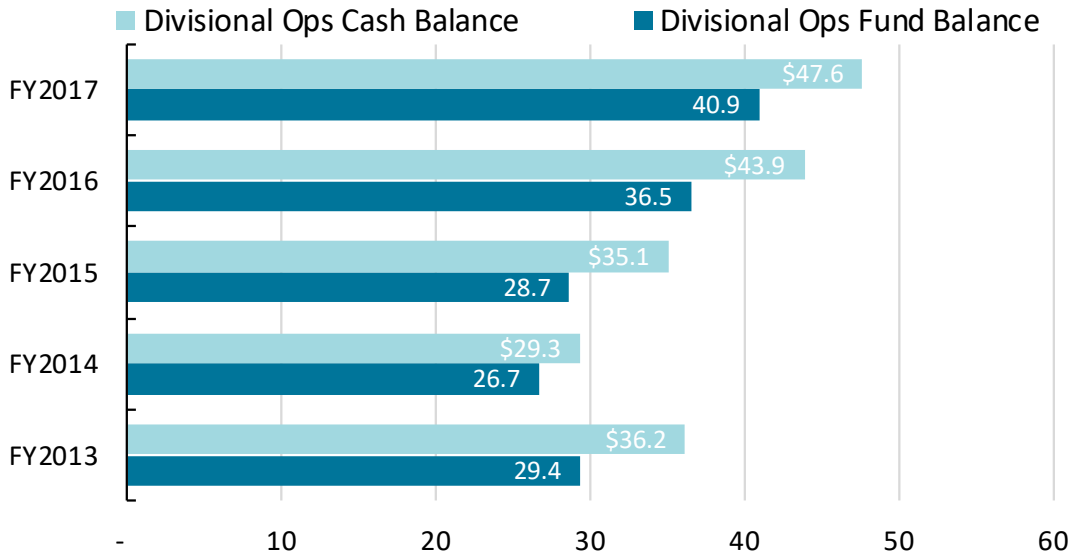
There are three major drivers of the E&G cost per Student Credit Hour (SCH) – Compensation, Benefits and Other Payroll Expenses, and Services and Supplies.

Employee compensation, increasing health insurance premiums and post-employment benefit costs in conjunction with declining SCH drove the E&G cost per SCH to increase by more than 5% for each the last two fiscal years. This trend is forecast to continue as the liabilities associated with the Public Employees Retirement System (PERS) will require greater annual cash contributions from all public employers.

E&G CASH AND FUND BALANCE, (Millions)

Source: ERP

E&G Divisional Operations

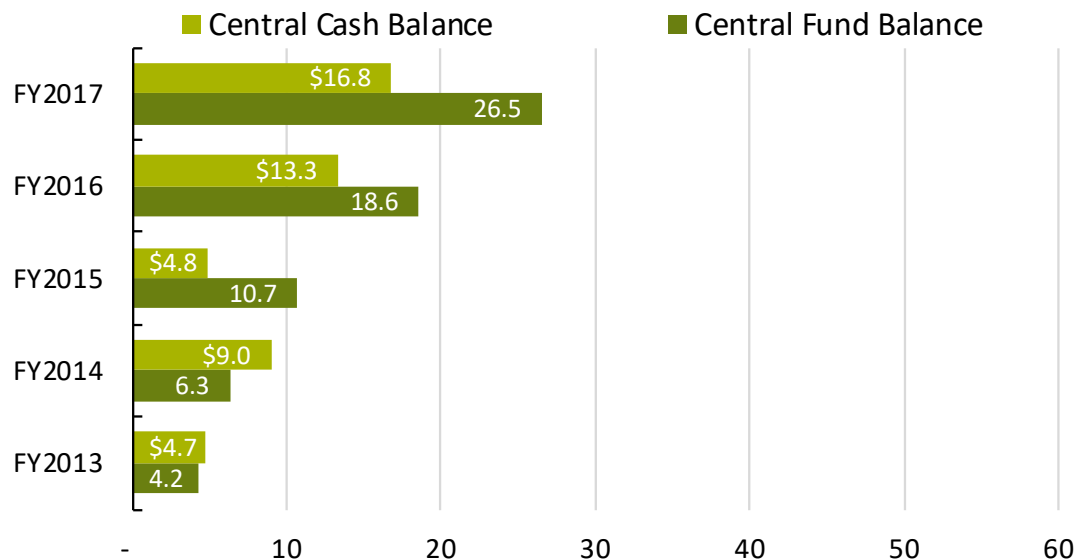


These two charts show the Fund balance and Cash balance as of June 30th for E&G Divisional Operations and E&G Central Operations. In governmental fund accounting **Fund Balance** is the difference between assets and liabilities.

Assets – Liabilities = Fund Balance

Fund balance is a critical indicator of the financial health of a division or a group as whole. **Cash Balance** is an asset and is a component of Fund Balance. A division can have a Fund Balance in excess of, or less than Cash Balance. This is totally dependent on other assets or liabilities carried by the division.

E&G Central Operations





RATIOS AS TOOLS OF FINANCIAL ANALYSIS

Ratio analysis is an essential instrument in the systematic examination and measurement of the operational and financial performance of the university. Ratio analysis and the selection of ratios should be utilized to effectively communicate to decision makers and stakeholders operational and financial performance outcomes. Such ratios should demonstrate revenue and expense performance, debt management, institutional liquidity, net position and reserves. All should make evident the strengths and weaknesses of the institution and its strategic flexibility or lack thereof.

HOW TO READ THE RATIO TREND LINES




Financial analysis presented in the following pages contains the results of institutional performance using data compiled from the audited financial statements and with and without the accounting impacts of GASB 68.

All trend lines demonstrating calculations made with the audited financial statements are shown with a **Black** line and a **Black Triangle** marker = ▲

All trend lines demonstrating calculations made with financial data excluding the impact of GASB 68 are shown with a **Blue** line and a **Blue Circle** marker = ●

WHAT DO THE ARROWS MEAN?

Based on the trend lines associated with the audited financial statements, each ratio is accompanied by an arrow. The **direction of the arrow** stipulates the most recent annual trend. The **color of the arrow** stipulates the position of PSU's most recent annual measurement relative to the advised or policy goal for the ratio.

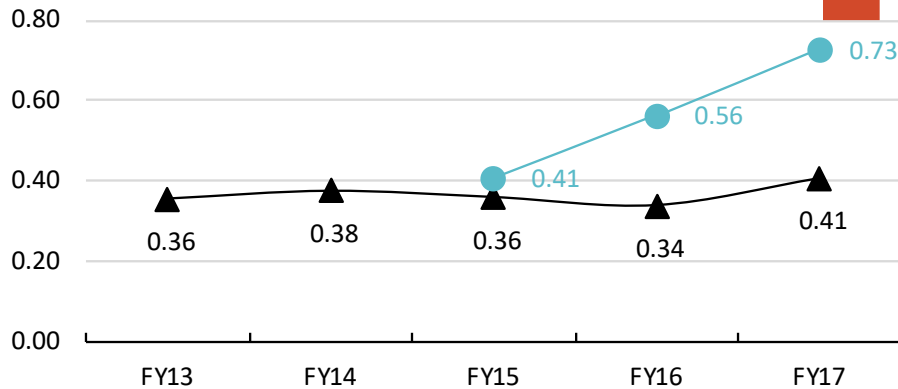
-  RED = ATTENTION, measurement is outside of advised range.
-  YELLOW = CAUTION, measurement is within advised range but trending in an unhealthy direction; OR, the measurement has been within the advised range less than one year.
-  GREEN = HEALTHY, measurement is within advised range for more than one fiscal year and is trending in the advised direction.

This guidance is also true for the presentation of university reserves.

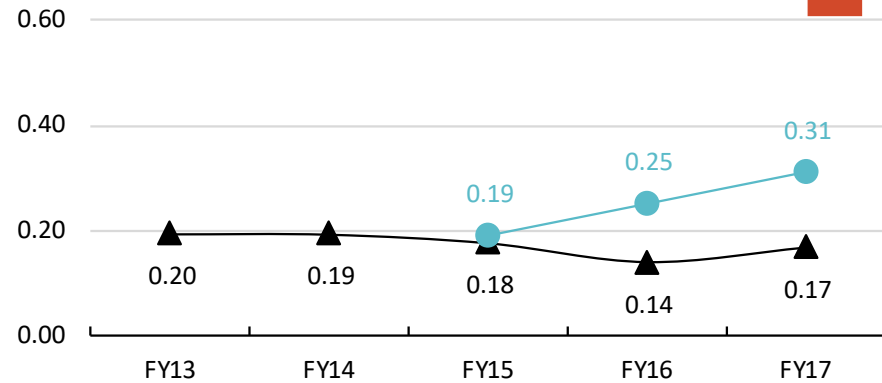
VIABILITY & PRIMARY RESERVE RATIOS

ANNUAL REPORTING REQUIREMENT – DEBT MANAGEMENT POLICY – SECTION VII. C.

Viability Ratio



Primary Reserve Ratio



“**Viability Ratio (VR)**” is composed of the institution’s (including its affiliated foundation) expendable net assets, over the institution’s (including its affiliated foundation) total outstanding debt.

The VR is one of the most basic measurements of financial health. How much of the institution’s outstanding debt could be covered with expendable net assets should it become necessary to settle obligations immediately?

Guidance and Policy:

Higher is better.

The advised range for the VR to be where; $1.25 \leq x \leq 2.00$.

National Association of College and University Business Officers (NACUBO) recommends 1.25-2.00.

“**Primary Reserve Ratio (PRR)**” is composed of the institution’s (including its affiliated foundation) expendable net assets, over the institution’s (including its affiliated foundation) total operating expenses including annual interest payments.

The PRR measures the financial strength and flexibility of the institution. It represents the proportion of a year, percentage of a year, or number of operational days that can be covered by expendable net assets. The PRR answers how long an institution could carry on operations should cash inflows cease.

Guidance and Policy:

Higher is better.

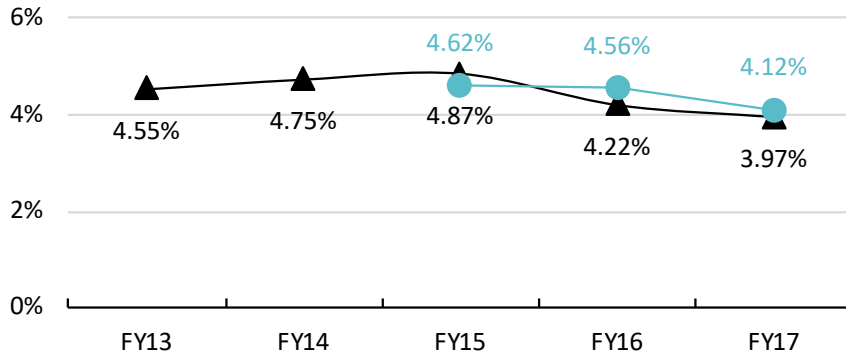
Board policy stipulates a PRR where: $x \geq 0.25$ and an aspiration where; $x \geq 0.40$.

National Association of College and University Business Officers (NACUBO) recommends 0.40 or greater.

DEBT BURDEN & DEBT SERVICE COVERAGE RATIOS

ANNUAL REPORTING REQUIREMENT – DEBT MANAGEMENT POLICY – SECTION VII. C.

Debt Burden Ratio



“**Debt Burden Ratio (DBR)**” is a debt capacity and affordability ratio. The DBR measures annual debt service, including both principal and interest payments, as a percentage of total institutional expenses. The calculation of the ratio includes debt payments and expenses of the affiliated foundation.

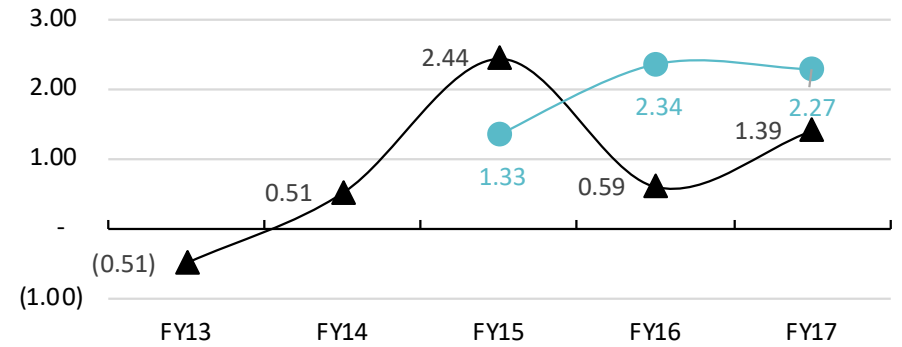
The DBR measures the university’s dependence on debt to finance its mission and the relative cost of borrowing to overall expenditures.

Guidance and Policy:

Lower is better.

Board policy sets a maximum DBR where; $x \leq 7.0\%$.

Debt Service Coverage Ratio



“**Debt Service Coverage Ratio (DSCR)**” is a debt capacity and affordability ratio. The DSCR measures (including the affiliated foundation) net operating income and non-operating revenues, over annual debt service payments.

The DSCR measures the sufficiency of operations on a cash flow basis to cover debt service, and is a useful determinant if the institution has a net income stream available to meet its debt burden should economic conditions change.

Guidance and Policy:

Higher is better.

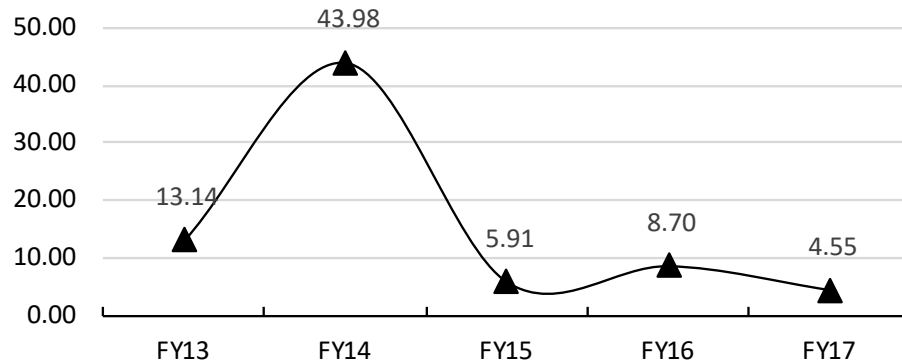
The advised measure of health is where; $x \geq 1.25$.

Board policy stipulates the use of a 3 year average DSCR as the tracking measure. At June 30, 2017, the 3 year averages was 1.64 with data from the audited financial statements, and 2.14 as measured without GASB 68.

DEBT-TO-CASH FLOW & MODIFIED CURRENT RATIOS

ANNUAL REPORTING REQUIREMENT – DEBT MANAGEMENT POLICY – SECTION VII. C.

Debt to Cash Flow Ratio



Modified Current Ratio

N/A

“Debt-to-Cash Flow Ratio (DCF)” is a debt affordability ratio measuring total outstanding principal balances of all debt carried by the university and the affiliated foundation over the cash flows of the university and affiliated foundation.

The DCF identifies the capability of the university to repay its debt from the profitability of its operations, without accessing available financial reserves.

GASB 68 has no impact on this ratio as the booking of defined benefit pension obligations has no impact on debt or current cash flows.

Guidance and Policy:

Lower is better.

Moody’s Investor Services recommends a DCF for investment grade universities where; $0 \leq x \leq 10$.

“Modified Current Ratio (MCR)” is defined as expendable net assets divided by the sum of current maturities for all debt, all debt with liquidity event triggers, the maximum of all collateral requirements, and ninety (90) days of operating expenses.

A healthy MCR ensures the university’s expendable resources are sufficient to support current debt liabilities absent any support from third-party liquidity providers.

As the University-Paid Debt portfolio does not currently contain any Short-Term Financing instruments such as Commercial Paper, Floating Rate Notes (FRNs), Lines of Credit (LOC), or Short-Term Notes, presentation of the Modified Current Ratio is not required.

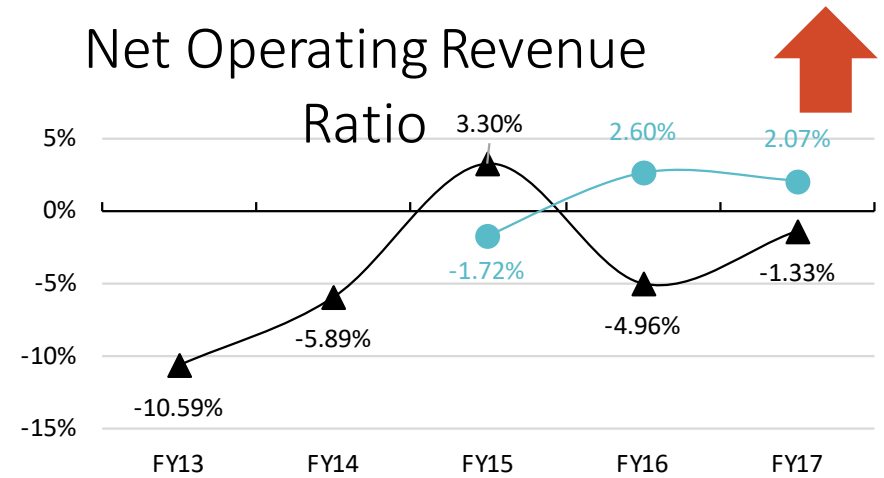
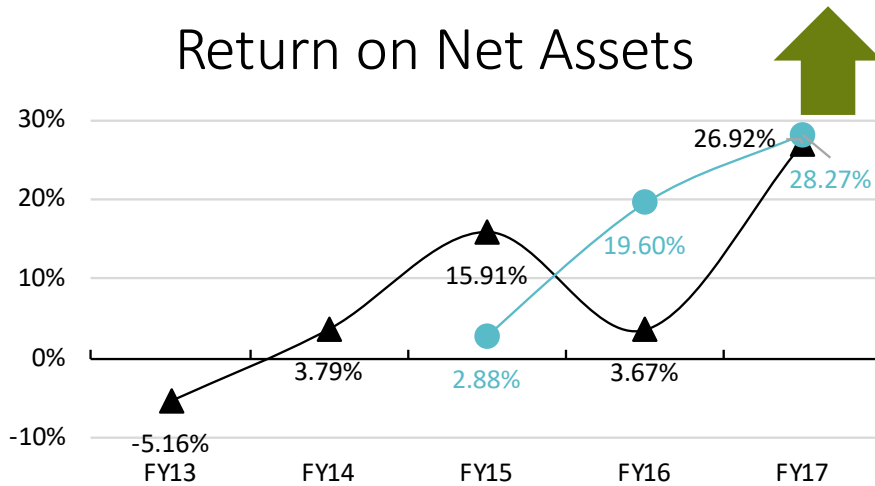
Guidance and Policy:

Higher is better.

Board policy stipulates an MCR where; $x \geq 1$.

RETURN ON NET ASSETS & NET OPERATING REVENUE RATIOS

SUPPLEMENTAL RATIO ANALYSIS



“Return on Net Assets Ratio (RNA)” is the change in net assets for the university and affiliated foundation over the beginning net assets for the university and affiliated foundation.

This ratio determines whether the institution is financially better off than previous years by measuring total economic return. Increases in the RNA denote a strengthening of future financial flexibility, while declines may be appropriate if an institution is strategically deploying resources to better fulfill its mission.

Guidance and Policy:

Higher is better.

Advised range is an RNA where; $3.00\% - 6.00\% \leq x$.

Association of Governing Boards (AGB) recommends an RNA greater than 3.00% - 6.00%.

“Net Operating Revenue Ratio (NOR)” is composed of the institution’s net operating income plus net non-operating revenues and the affiliated foundation’s change in unrestricted net assets, over a denominator consisting of the sum of the institution’s operating and non-operating revenues, and total unrestricted revenues of its affiliated foundation.

The NOR measures the surplus or (loss) of net assets that was generated by \$1.00 of income. Quite simply, the ratio measures whether or not the university is living within its means.

Guidance and Policy:

Higher is better.

Advised range is an NOR where; $2.00\% \leq x \leq 4.00\%$

National Association of College and University Business Officers (NACUBO) recommends 2.00% - 4.00%.

The “**Composite Financial Index (CFI)**” is a combination of four ratios (Primary Reserve Ratio, Return on Net Assets Ratio, Net Operating Revenue Ratio and Viability Ratio) to produce a single measurement of financial performance. There is a four stage process for calculating the CFI:

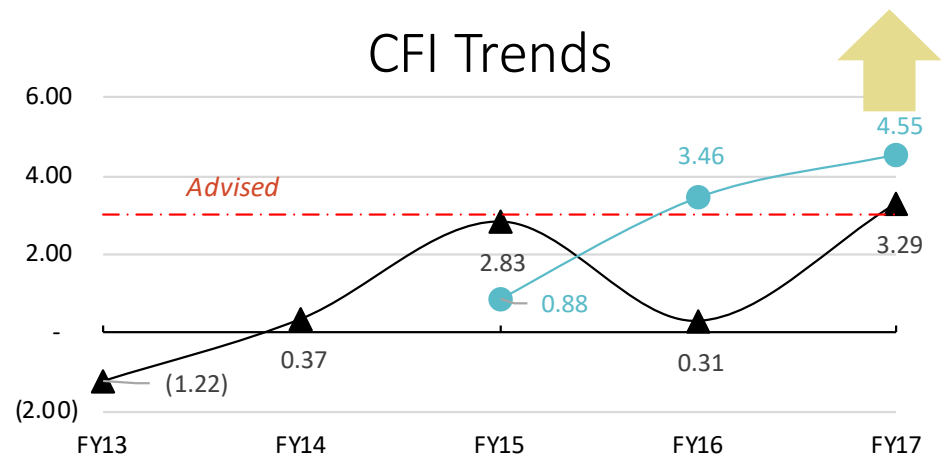
1. The values for the pertinent ratios are calculated.
2. The ratio values are converted to strength factors with the use of a common scale.
3. Each strength factor is multiplied by its respective weighting factor.
4. The results are then summed to produce the final CFI measurement.

Within higher education, the CFI is increasingly being used as a measurement to identify an institution’s financial wellbeing. A review of the index provides a window into the university’s capabilities in applying its ongoing operational revenue streams and financial reserves against current operational expenditures and long-term obligations. As with many ratios, running analysis of the CFI should be appraised over 3 – 5 year timelines to establish trends and identify the impacts of strategic goals.

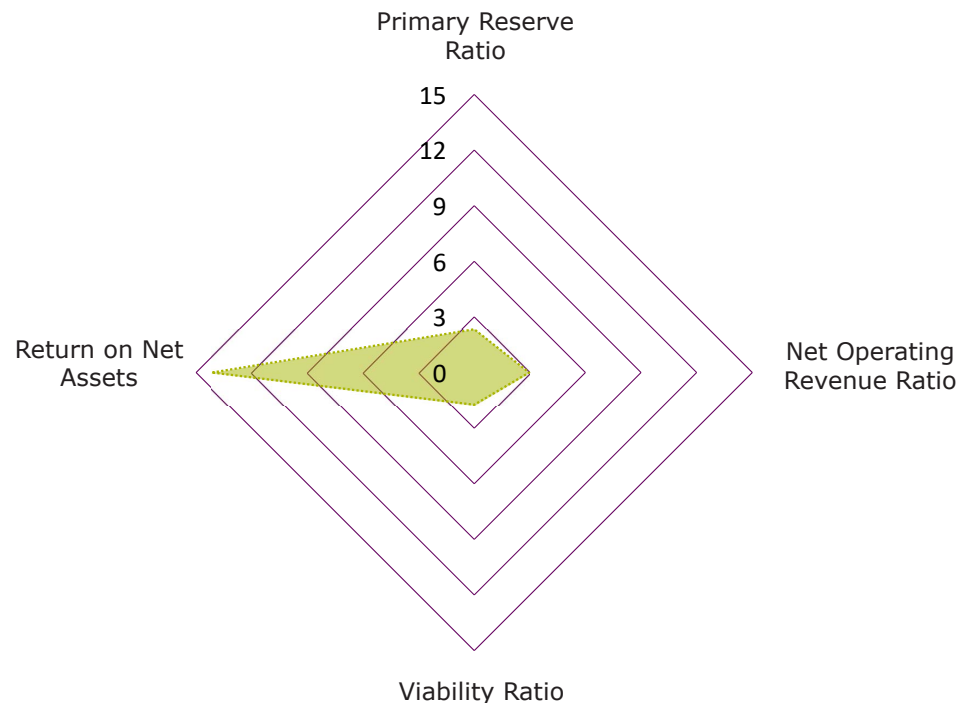
Guidance and Policy:

The Association of Governing Boards of Universities and Colleges recommends a CFI where; $x \geq 3$.

When viewing the radar display of the CFI, each of the four ratio components should also have a computed values where; $x \geq 3$.



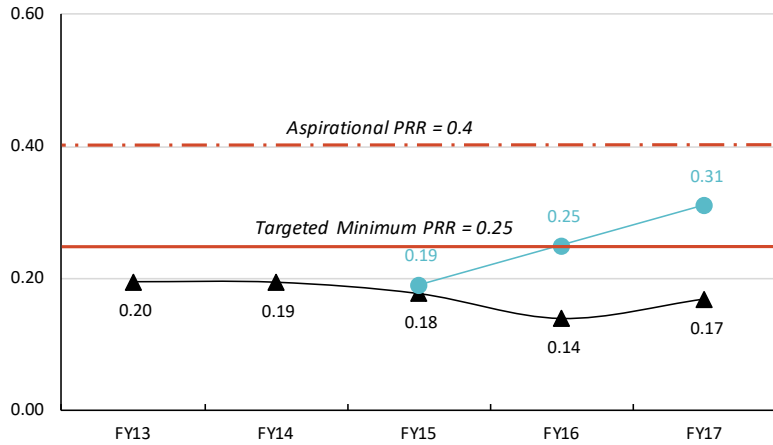
2017 Radar Display-CFI Component - w/o GASB 68



RESERVE MANAGEMENT & THE PRIMARY RESERVE RATIO

ANNUAL REPORTING REQUIREMENT – RESERVE MANAGEMENT POLICY – SECTION III.

PSU Primary Reserve Ratio



Oregon Public Universities
Comparative Primary Reserve Ratios
FY14-FY16 (excluding GASB 68)

Institution	FY 2014	FY 2015	FY 2016	3 Yr. Ave.
University of Oregon	0.68	0.71	0.65	0.68
Oregon Institute of Technology	0.40	0.43	0.53	0.45
Oregon State University	0.43	0.42	0.40	0.42
Western Oregon University	0.29	0.38	0.40	0.36
Eastern Oregon University	0.20	0.30	0.33	0.28
Portland State University	0.19	0.19	0.25	0.21
Southern Oregon University	0.14	0.11	0.20	0.15
Public Universities Average	0.33	0.36	0.39	0.36

Portland State University’s ability to fulfill its mission for the benefit of current and future students depends on sound fiscal management and the maintenance of adequate University reserves. The Board finds that adequate reserves are necessary for the long-term health and sustainability of University operations; for the proper custodianship of the physical plant necessary for the delivery of University services; for the prudent coverage of outstanding debt; to enable the University to make strategic investments; to insure that the University can perform day-to-day operations in the event of unforeseen shortfalls; and to better position the University in the event of a catastrophic interruption of service.

“Primary Reserve Ratio” is a ratio measuring the financial strength of the University by comparing expendable net assets to total expenses. Expendable net assets represent those assets that the University can access quickly and spend to satisfy its debt and operating expense obligations. This ratio provides a snapshot of financial strength and flexibility by indicating how long the University could operate using existing expendable funds only.

The Board established 0.25 as the target minimum Primary Reserve Ratio for the University. This is equal to maintaining expendable net assets adequate to cover at least three months of University expenses.

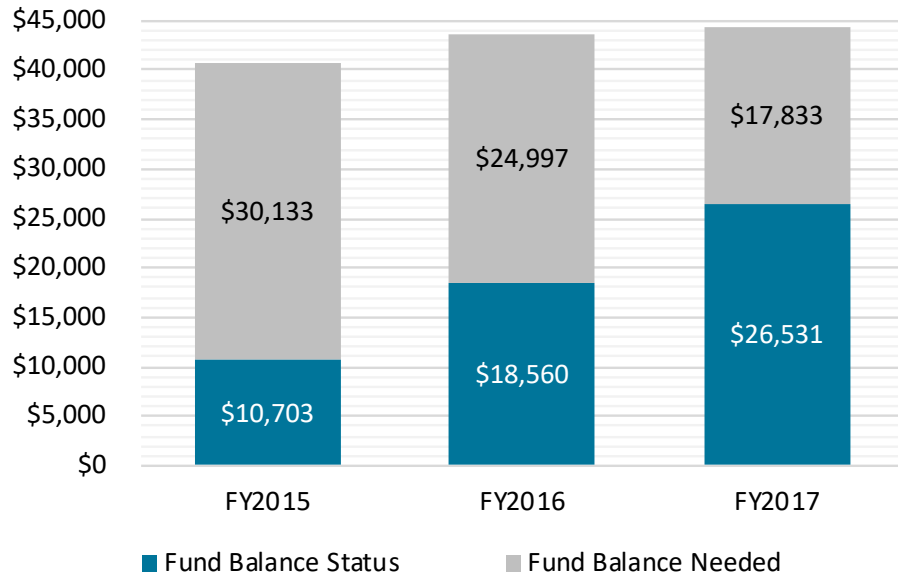
The Board recognized that the National Association of College and University Business Officers (NACUBO), an organization with a mission to advance the economic viability, business practices and support of higher education institutions, recommends a Primary Reserve Ratio of 0.4 or greater. The Board established 0.4 as an aspirational Primary Reserve Ratio.

CENTRAL & OPERATING RESERVES (000's)

ANNUAL REPORTING REQUIREMENT – RESERVE MANAGEMENT POLICY – SECTION IV. A. & B.

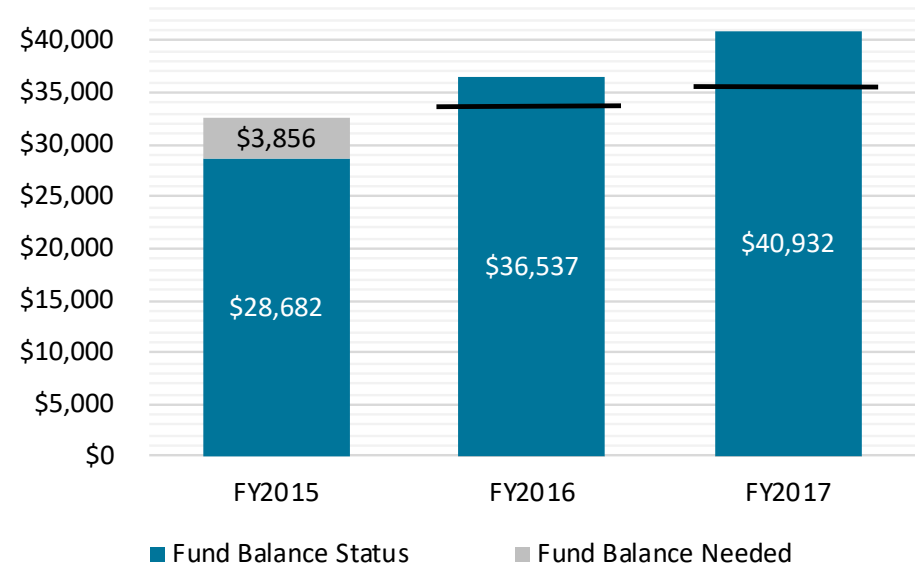
Central Reserves

(thousands)



Operating Reserves

(thousands)



“Central Reserves” are the unallocated Education and General (E&G) fund balances held centrally and managed by the Finance and Administration division for the benefit of the university.

The policy target is to establish Central Reserves at a level greater than or equal to 12.5% of the annual budget for E&G and central university operations.

FY17 saw a \$7,971 increase in fund balance over FY16 with the Central Reserve balance at 59.8% of the policy required \$44,364 (expressed in 000's).

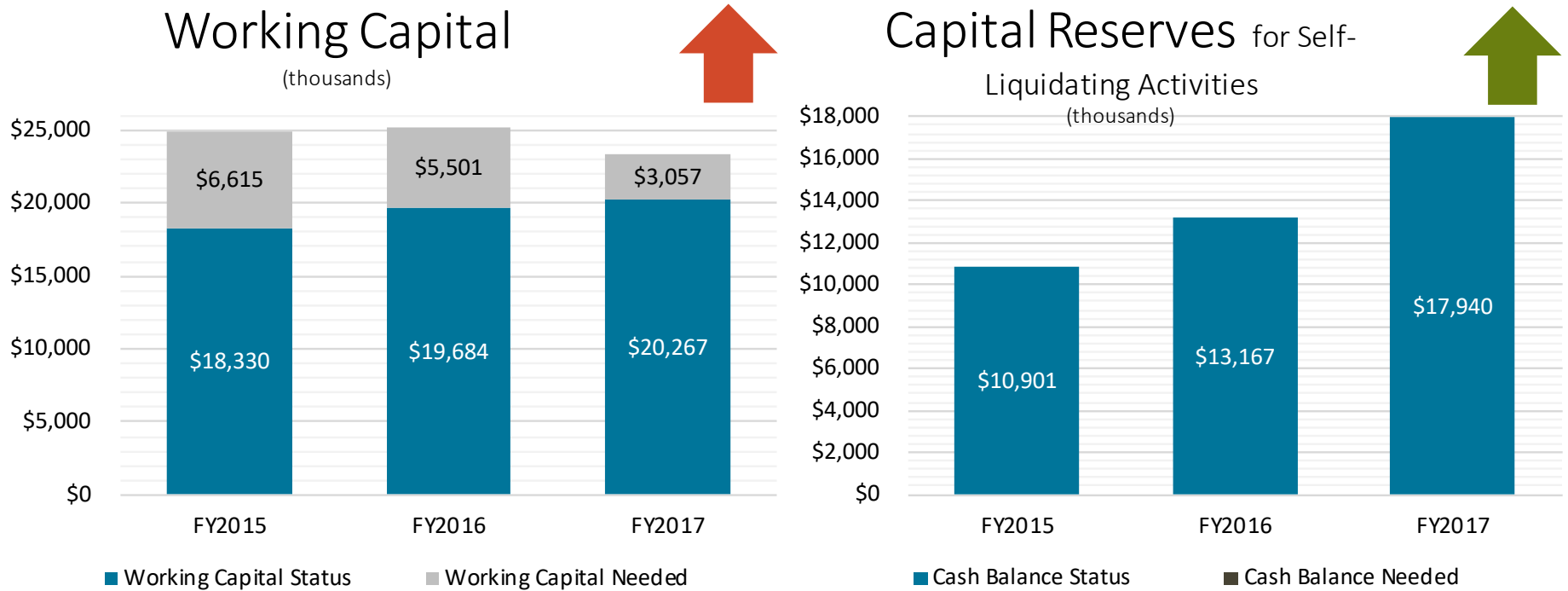
“Operating Reserves” are the unutilized E&G fund balances held by and managed at the operating division level.

The policy target is to establish Operating Reserves at a level greater than or equal to 12.5% of the annual budget for E&G operating divisions.

FY17 saw a \$4,395 increase in fund balance over FY16 with the Operating Reserve balance at 114.4% of the policy required \$35,768 (expressed in 000's).

WORKING CAPITAL & CAPITAL RESERVES (000's)

ANNUAL REPORTING REQUIREMENT – RESERVE MANAGEMENT POLICY – SECTION IV. C. & D.



“Working Capital” means current assets minus current liabilities. Auxiliary enterprises and service departments shall maintain sufficient Working Capital to promote the efficient and effective operation of the unit, avoid significant fluctuations in fees charged for services, and minimize the potential for unanticipated financial shortfalls that may impact other funds of the institution.

As a target minimum, auxiliary enterprises and service departments are to hold Working Capital equal to 25% of annual expenditures excluding depreciation.

FY17 saw a \$583 increase in Working Capital over FY16 with the Working Capital on hand at 86.9% of the policy required \$23,324 (expressed in 000's).

“Capital Reserves” shall be maintained by auxiliary enterprises, service departments and other self-liquidating activities responsible for the repair or replacement of existing physical plant and equipment. Such reserves shall be sufficient to promote the efficient and effective operation of the related operating unit.

Each operating unit responsible for capital assets shall prepare and adhere to a Capital Reserve funding plan to the satisfaction of the Vice President of Finance and Administration or designee.

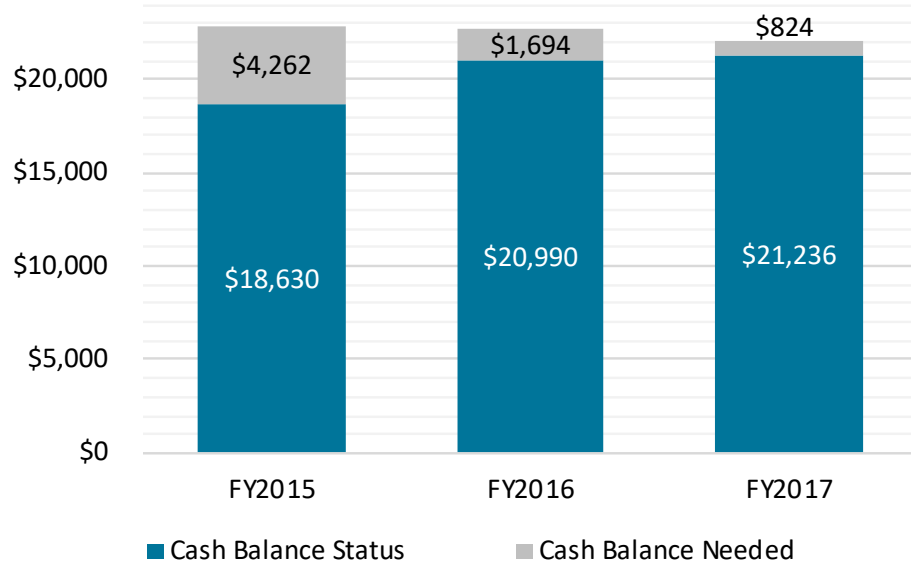
FY17 saw a \$4,773 increase in cash balance over FY16 with the Capital Reserve balance at \$17,940 and deemed sufficient for current capital improvement plans (expressed in 000's).

TREASURY & RISK MANAGEMENT CLAIMS RESERVES (000's)

ANNUAL REPORTING REQUIREMENT – RESERVE MANAGEMENT POLICY – SECTION IV. E. & F.

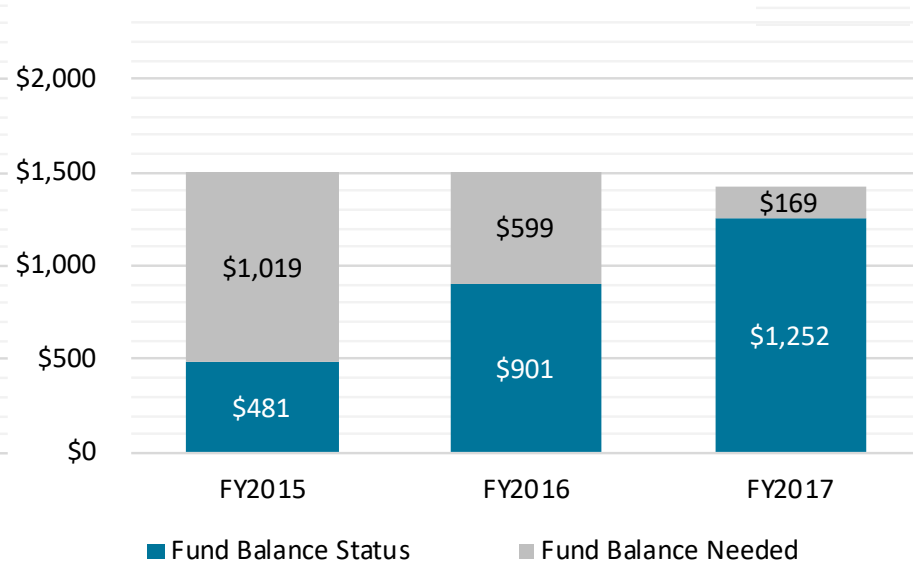
Treasury Reserves

(thousands)



Risk Management Reserve

(thousands)



“Treasury Reserve” means the fund through which all University-Paid Debt service and associated treasury fees are processed for payment to outside agencies. Additionally, this fund acts as the repository for cash balances equal to the Maximum Annual Debt Service for each individual Debt Paying Entity.

Policy stipulates all Debt-Paying Entities shall set aside and restrict cash balances equal to their respective Maximum Annual Debt Service.

FY17 saw a \$246 increase in cash balance over FY16 with the Treasury Reserve standing at 96.3% of the policy required \$22,060 (expressed in 000's).

“Risk Management Claims Reserve” means the fund through which the University’s property and casualty claim expenses are paid, within any applicable deductible.

The policy stipulates the maintenance of sufficient funds, set aside within the Risk Management Claims Reserve, necessary to pay estimated claims. This amount shall be determined annually, in the course of the University’s budget process, based on prior years’ claims experience and actuarial forecasts of anticipated claims expenses.

FY17 saw a \$351 increase in fund balance over FY16 with the Risk Management Claims Reserve balance at 88.1% of the required \$1,421 (expressed in 000's).

CAMPUS PROFILE

CAMPUS AREA
 PSU Owned Land 42.76 acres
 PSU Owned Buildings 52

CAMPUS SPACE

Owned	5,286,045 sq ft
Leased	331,675 sq ft
Leased to Others	101,113 sq ft

CAMPUS CLASSROOMS

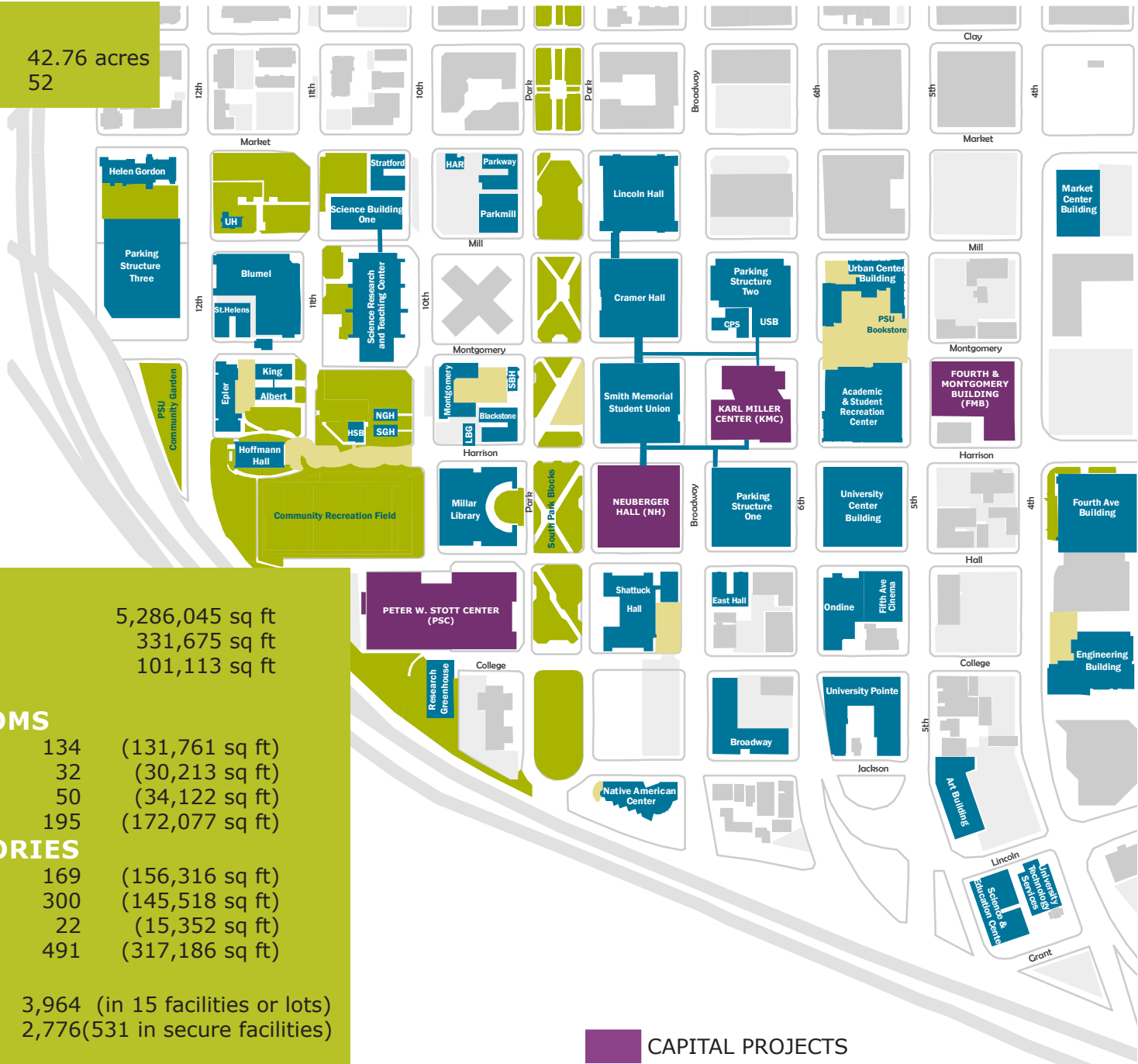
General Purpose	134	(131,761 sq ft)
Shared	32	(30,213 sq ft)
Departmentally Controlled	50	(34,122 sq ft)
Total	195	(172,077 sq ft)

CAMPUS LABORATORIES

Teaching	169	(156,316 sq ft)
Research	300	(145,518 sq ft)
Dual Purpose	22	(15,352 sq ft)
Total	491	(317,186 sq ft)

PARKING SPACES

Vehicle	3,964 (in 15 facilities or lots)
Bicycle	2,776(531 in secure facilities)



CAPITAL PROJECTS



CURRENT CAPITAL PROJECTS

KARL MILLER CENTER (KMC)

PROJECT MANAGER
Mark Fujii

CM/GC
Skanska

ARCHITECT(S)
Behnisch Architekten &
SRG Partnership

GROUNDBREAKING
August 2015

OCCUPANCY DATE
September 2017

SIZE
142,875 gsf

PROJECT COST
\$63,583,000

PETER STOTT CENTER & VIKING PAVILION (PSC)

PROJECT MANAGER
Kate Vance

CM/GC
Fortis Construction

ARCHITECT(S)
Woofter Architecture &
Sink Combs Architecture

GROUNDBREAKING
April 2016

OCCUPANCY DATE
March 2018 (Est.)

SIZE
141,690 gsf

PROJECT COST
\$51,786,000 (Est.)

NEUBERGER HALL (NH)

PROJECT MANAGER
Steve Rounds

CM/GC
Fortis Construction

ARCHITECT(S)
Hacker Architects

GROUNDBREAKING
December 2017 (Est.)

OCCUPANCY DATE
August 2019 (Est.)

SIZE
217,000 gsf

PROJECT COST
\$70,000,000 (Est.)

FOURTH & MONTGOMERY (FMB)

PROJECT MANAGER
Kate Vance

CM/GC
Andersen Construction

ARCHITECT(S)
SRG Partnership

GROUNDBREAKING
May 2018 (Est.)

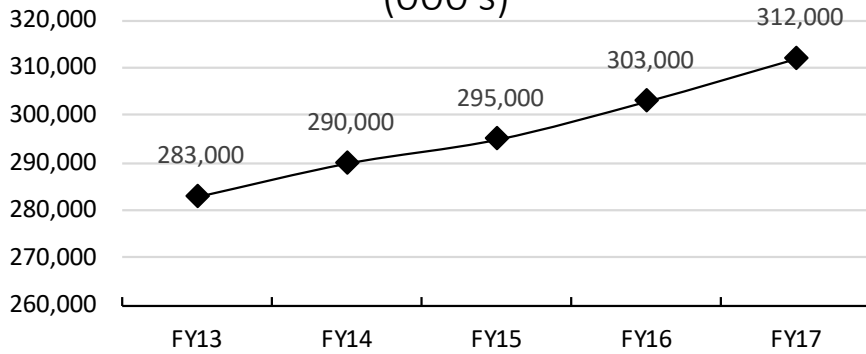
OCCUPANCY DATE
September 2020 (Est.)

SIZE
176,000 gsf (Est.)

PROJECT COST
\$104,477,000 (Est.)

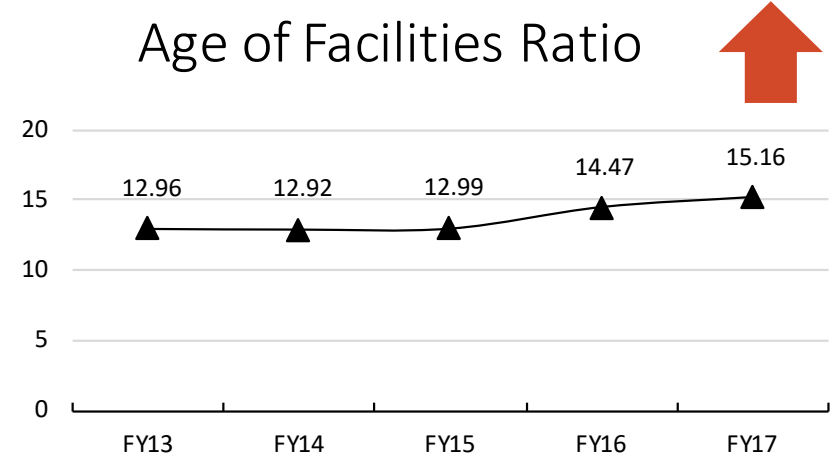
QUALITY OF PLANT

Deferred Maintenance Outstanding
(000's)



“Deferred Maintenance (DM)” is estimated and prioritized every year by the Capital Projects and Construction team of Finance Administration. As we have three large capital revitalization projects underway (KMC, Viking Pavilion/Peter Stott Center, and Neuberger Hall), as well as many smaller capital improvement projects, the expectation is that over the next three year fiscal years DM outstanding will begin to decline.

Age of Facilities Ratio



“Age of Facilities Ratio (AFR)” is accumulated depreciation over annual depreciation expense. The measure also includes depreciation activity booked by the affiliated foundation of the university.

The AFR is designed to measure the average age of the university’s facilities and is regularly used to identify the potential need for investment into the quality of physical plant.

Guidance and Policy:

Lower is better.

Recommended AFR for public research institutions is where;
 $x \leq 10$.

Recommended AFR for public instructional institutions is where;
 $x \leq 14$.



RATING AGENCY TIERS AND CREDIT WORTHINESS IDENTIFICATION

PSU currently has an issuer's rating through Moody's Investor Services of **A1 Stable**.

Investment Grade	Investment Service			Credit Worthiness
	Moody's	S&P	Fitch	
Prime	Aaa	AAA	AAA	An obligor has EXTREMELY STRONG capacity to meet its financial commitments.
High grade	Aa1	AA+	AA+	An obligor has VERY STRONG capacity to meet its financial commitments. It differs from the highest rated obligors only in small degree.
	Aa2	AA	AA	
	Aa3	AA-	AA-	
Upper medium grade	A1	A+	A+	An obligor has STRONG capacity to meet its financial commitments but is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligors in higher-rated categories.
	A2	A	A	
	A3	A-	A-	
Lower medium grade	Baa1	BBB+	BBB+	An obligor has ADEQUATE capacity to meet its financial commitments. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitments.
	Baa2	BBB	BBB	
	Baa3	BBB-	BBB-	
Non-investment speculative	Ba1	BB+	BB+	An obligor is LESS VULNERABLE in the near term than other lower-rated obligors. However, it faces major ongoing uncertainties and exposure to adverse business, financial, or economic conditions which could lead to the obligor's inadequate capacity to meet its financial commitments.
	Ba2	BB	BB	
	Ba3	BB-	BB-	
Highly speculative	B1	B+	B+	An obligor is MORE VULNERABLE than the obligors rated 'BB', but the obligor currently has the capacity to meet its financial commitments. Adverse business, financial, or economic conditions will likely impair the obligor's capacity or willingness to meet its financial commitments.
	B2	B	B	
	B3	B-	B-	
Substantial risks	Caa	CCC	CCC	An obligor is CURRENTLY VULNERABLE, and is dependent upon favourable business, financial, and economic conditions to meet its financial commitments.
Extremely speculative	Ca	CC	CC	An obligor is CURRENTLY HIGHLY-VULNERABLE.
In default with little		C	C	The obligor is CURRENTLY HIGHLY-VULNERABLE to nonpayment. May be used where a bankruptcy petition has been filed.
Prospect for recovery	C	D	D	An obligor has failed to pay one or more of its financial obligations (rated or unrated) when it became due.
	e, p	pr	Expct d	Preliminary ratings may be assigned to obligations pending receipt of final documentation and legal opinions. The final rating may differ from the preliminary rating.
In default	WR			Rating withdrawn for reasons including: debt maturity, calls, puts, conversions, etc., or business reasons (e.g. change in the size of a debt issue), or the issuer defaults.
	unsolicited	unsolicited		This rating was initiated by the ratings agency and not requested by the issuer.
		SD	RD	This rating is assigned when the agency believes that the obligor has selectively defaulted on a specific issue or class of obligations but it will continue to meet its payment obligations on other issues or classes of obligations in a timely manner.
	NR	NR	NR	No rating has been requested, or there is insufficient information on which to base a rating.

FAQ

How do we compare to other public universities in the state?

Answer

As rated by Moody's Investor Services, University of Oregon and Oregon State University carry an Aa2 and Aa3 rating respectively.

PSU is currently rated only by Moody's Investment Services. The institution currently holds no outstanding rated debt, but maintains an issuer's rating. PSU is presently identified as "Stable" operation at the rating of A1. Unless PSU chooses to pursue the issuance of rated debt, full credit rating reviews will only be conducted every two years by Moody's. It is expected the university will be scheduled for a full credit worthiness and rating review in December of 2017.

The university recognizes that its strategy and mission must be the primary drivers of its capital investment and use of debt. Although external credit ratings provide a view on debt capacity and affordability, the university does not manage its debt portfolio to achieve a specific rating. Success in achieving university objectives will over time result in a stronger financial profile and higher ratings.

DEBT RELATED DISCLOSURES

ANNUAL REPORTING REQUIREMENT – DEBT MANAGEMENT POLICY – SECTION VII. D., E., F., & I.

VARIABLE-RATE DEBT

The University will not issue more than 20% variable-rate debt (including synthetic fixed-rate debt) as a percentage of all University-Paid Debt.

The current total PSU University-Paid Debt portfolio is composed of **0.0% variable-rate debt**.

SHORT-TERM DEBT

PSU is **not currently engaged** in, nor does the University-Paid Debt portfolio currently contain any Short-Term Financing instruments such as Commercial Paper, Floating Rate Notes (FRNs), Lines of Credit (LOC), or Short-Term Notes. As such, presentation of the Modified Current Ratio is not required.

CREDIT ENHANCEMENT DEVICES

PSU is **not currently engaged** in any agreement or contractual relationship between the University and a bank, trust company, insurance company or other financial institution or entity providing additional credit on, or security for, a Revenue Bond.

REFINANCING OPPORTUNITIES

There are **no debt restructuring or refinancing opportunities** currently identified within the University-Paid Debt Portfolio.

The university will adhere to the requirements set forth by the State of Oregon, and recognize that the Oregon State Treasurer retains authority to refinance debt issued as part of the debt programs administered by the State, if such action serves the best interests of the State. Should the Treasurer identify restructuring or refinancing opportunities impacting the institution's University-Paid or State-Paid Debt portfolio, PSU will assist such activity as necessary.

STATUS OF INTERNAL FINANCING

ANNUAL REPORTING REQUIREMENT – DEBT MANAGEMENT POLICY – SECTION VII. H.

INTERNAL FINANCING LIMITS

As per the Debt Management Policy, Section IV., unless previously authorized by the Board, the total value of Internal Financings **shall not exceed** 10% of the core cash balance of the university's general operating bank account, as projected annually.

Internal Financing Limits Fiscal Year 2015 to Present	
Time-Line	Limit
Fiscal Year 2015 projected limit:	\$ 7,540,970
April 2015 limit established by Board Action:	\$ 8,700,000
Fiscal Year 2016 projected limit:	\$ 10,490,845
Fiscal Year 2017 projected limit:	\$ 12,287,701
February 2017 limit established by Board Action:*	\$ 16,000,000
Fiscal Year 2018 projected limit:	\$ 14,826,697
* We are currently operating at the limit established by Board action in February of 2017, and will continue to do so through the Neuberger Hall project fundraising if necessary.	

Internal Loans - Balances Outstanding			
Loan Description	Balances - June 30, 2016	Balances - June 30, 2017	Estimated Balances - June 30, 2018
Viking Pavilion -Peter Stott Center:	\$ 3,709,462	\$ 1,683,455	\$ 1,868,505
Lincoln Hall Tower Project:	\$ 300,048	\$ 201,311	\$ 101,301
Perkins Loan Fund - Commercial Account:	\$ -	\$ 150,001	\$ -
Neuberger Hall:	\$ -	\$ 10,000,000	\$ 8,240,000
Karl Miller Center / School of Business:	\$ -	\$ -	\$ 1,876,919
Total Internal Loans Outstanding	\$ 4,009,510	\$ 12,034,767	\$ 12,086,725

FY 2018 TOTAL UNIVERSITY & STATE-PAID DEBT BY TYPE, PURPOSE, & REPAYMENT SOURCE (000's)

ANNUAL REPORTING REQUIREMENT – DEBT MANAGEMENT POLICY – SECTION VII. A., B.

Department	Debt Program	Annual Debt Service	Principal	Interest	Auxiliary Funded		Generally Funded		State Funded	
					Amount	% Share	Amount	% Share	Amount	% Share
Transportation & Parking Services (TAPS)	XI-F (1)	1,679	930	750	1,679	100.00%	-	0.00%	-	0.00%
Housing & Residence Life	XI-F (1)	4,311	2,142	2,169	3,818	88.56%	493	11.44%	-	0.00%
Planning, Construction & Real Estate Managed Bldgs	XI-F (1)	4,420	2,093	2,327	1,469	33.24%	2,951	66.76%	-	0.00%
Peter Stott Center	XI-F (1)	285	228	57	-	0.00%	285	100.00%	-	0.00%
University Place Hotel	XI-F (1)	1,290	690	600	1,290	100.00%	-	0.00%	-	0.00%
Center for Student Health & Counseling (SHAC)	XI-F (1)	62	40	22	62	100.00%	-	0.00%	-	0.00%
Academic & Student Recreation Center (ASRC)	XI-F (1)	2,621	1,174	1,447	2,445	93.28%	176	6.72%	-	0.00%
Student Building Fee	XI-F (1)	2,290	1,257	1,032	2,290	100.00%	-	0.00%	-	0.00%
TOTAL XI-F(1)	XI-F (1)	16,958	8,555	8,404	13,053	76.97%	3,905	23.03%	-	0.00%
L00500 Urban Center	SELP	420	382	38	-	0.00%	420	100.00%	-	0.00%
L00594 PSC/UCB	SELP	13	13	0	-	0.00%	13	100.00%	-	0.00%
L00685 Ondine	SELP	170	146	24	170	100.00%	-	0.00%	-	0.00%
L00760 Shattuck Hall Deferred Maintenance	SELP	519	291	228	-	0.00%	76	14.55%	444	85.45%
L00761 Campus Loop (phase I)	SELP	438	245	193	-	0.00%	398	90.79%	40	9.21%
L00807 Campus Loop (phase II)	SELP	762	401	361	-	0.00%	653	85.71%	109	14.29%
L00808 Lincoln Hall	SELP	927	509	418	-	0.00%	109	11.76%	818	88.24%
L00809 Science Building 2/SRTC	SELP	835	467	368	-	0.00%	64	7.64%	771	92.36%
TOTAL SELP	SELP	4,085	2,454	1,630	170	4.15%	1,733	42.42%	2,182	53.43%
Local Improvement District (LIDS) Parking	LIDS	397	273	124	397	100.00%	-	0.00%	-	0.00%
TOTAL LIDS	LIDS	397	273	124	397	100.00%	-	0.00%	-	0.00%
Aggregated PSU Projects	XI-Q	6,992	1,728	5,264	-	0.00%	-	0.00%	6,992	100.00%
TOTAL XI-Q	XI-Q	6,992	1,728	5,264	-	0.00%	-	0.00%	6,992	100.00%
Aggregated PSU Projects	LOTTERY	1,780	979	801	-	0.00%	-	0.00%	1,780	100.00%
TOTAL LOTTERY	LOTTERY	1,780	979	801	-	0.00%	-	0.00%	1,780	100.00%
Aggregated PSU Projects	XI-G	8,998	3,856	5,142	-	0.00%	-	0.00%	8,998	100.00%
TOTAL XI-G	XI-G	8,998	3,856	5,142	-	0.00%	-	0.00%	8,998	100.00%
2009A SB338 Deferred Maint Campus Steam Loop Ph II	COPs	900	830	70	-	0.00%	-	0.00%	900	100.00%
2010BC Market Center Building	COPs	1,596	760	836	13	0.83%	1,582	99.17%	-	0.00%
2009A non SB338	COPs	126	116	10	-	0.00%	126	100.00%	-	0.00%
2007B Engineering & Technology Industry Council	COPs	92	90	2	-	0.00%	92	100.00%	-	0.00%
TOTAL COPs	COPs	2,713	1,796	917	13	0.49%	1,800	66.35%	900	33.16%
AGGREGATE TOTAL	ALL TYPES	41,923	19,642	22,281	13,633	32.52%	7,438	17.74%	20,852	49.74%

TOTAL DEBT / BEGINNING PRINCIPAL BALANCES (000's)

ANNUAL REPORTING REQUIREMENT – DEBT MANAGEMENT POLICY – SECTION VII. A., B.

Fiscal Year	Total Debt Programs	Article XI-F(1) Bonds	Article XI-G Bonds	Article XI-Q Bonds	Lottery Bonds	Certificate of Participation - COPs	State Energy Loan Program - SELP	Local Improvement District Assessments
	Beginning Balance	Beginning Balance	Beginning Balance	Beginning Balance	Beginning Balance	Beginning Balance	Beginning Balance	Beginning Balance
2016 - 2017	435,934	193,360	115,034	44,537	17,308	23,639	38,669	3,387
2017 - 2018	476,228	183,950	118,999	95,454	16,384	21,912	36,406	3,123
2018 - 2019	456,586	175,396	115,142	93,725	15,405	20,116	33,952	2,850
2019 - 2020	435,244	166,110	111,003	91,407	14,430	18,335	31,392	2,566
2020 - 2021	414,263	157,224	106,801	88,093	13,339	17,505	28,979	2,322
2021 - 2022	392,478	147,939	102,411	84,644	12,036	16,635	26,694	2,120
2022 - 2023	370,224	138,676	97,857	81,032	10,636	15,720	24,392	1,909
2023 - 2024	347,073	129,141	93,090	77,236	9,169	14,765	21,982	1,689
2024 - 2025	323,342	119,690	88,079	73,248	7,629	13,775	19,461	1,460
2025 - 2026	298,409	109,699	82,818	69,088	6,014	12,750	16,818	1,221
2026 - 2027	272,626	99,498	77,293	64,720	4,408	11,685	14,050	972
2027 - 2028	245,864	89,076	71,488	60,135	2,723	10,580	11,151	712
2028 - 2029	220,967	79,896	65,935	55,291	1,859	9,430	8,116	441
2029 - 2030	196,072	70,817	60,163	50,206	1,520	8,235	4,974	158
2030 - 2031	174,576	62,003	55,726	46,254	1,167	6,995	2,430	
2031 - 2032	154,921	54,572	51,189	42,554	797	5,705	104	
2032 - 2033	136,768	46,890	46,433	38,677	408	4,360		
2033 - 2034	120,027	40,529	41,933	34,600		2,965		
2034 - 2035	103,889	34,913	37,152	30,313		1,510		
2035 - 2036	88,663	30,550	32,297	25,817				
2036 - 2037	52,768	25,977	26,791					
2037 - 2038	42,773	21,189	21,585					
2038 - 2039	32,549	16,239	16,310					
2039 - 2040	22,030	11,053	10,976					
2040 - 2041	13,096	6,895	6,201					
2041 - 2042	6,394	3,535	2,859					
2042 - 2043								

TOTAL DEBT / ANNUAL PAYMENT SCHEDULES (000's)

ANNUAL REPORTING REQUIREMENT – DEBT MANAGEMENT POLICY – SECTION VII. A., B.

Fiscal Year	Total Debt Programs				Article XI-F(1) Bonds			Article XI-G Bonds			Article XI-Q Bonds			Lottery Bonds			Certificate of Participation - COPs				State Energy Loan Program - SELP			Local Improvement District Assessments - Liens		
	Principal	Interest	BABS	Debt Service	Principal	Interest	Debt Service	Principal	Interest	Debt Service	Principal	Interest	Debt Service	Principal	Interest	Debt Service	Principal	Interest	BABS	Debt Service	Principal	Interest	Debt Service	Principal	Interest	Debt Service
FY17 Average Interest Rate		4.77%				4.79%			4.73%			4.93%			4.88%			4.16%				5.03%			3.94%	
2016 - 2017	16,933	21,110	(316)	37,727	7,241	9,254	16,495	3,536	5,436	8,972	979	2,197	3,176	924	844	1,768	1,727	1,299	(316)	2,710	2,264	1,946	4,210	263	134	397
2017 - 2018	19,642	22,593	(312)	41,923	8,555	8,404	16,958	3,856	5,142	8,998	1,728	5,264	6,992	979	801	1,780	1,796	1,228	(312)	2,713	2,454	1,630	4,085	273	124	397
2018 - 2019	21,343	21,387	(312)	42,418	9,286	7,913	17,199	4,139	5,269	9,408	2,318	4,673	6,991	975	755	1,729	1,781	1,152	(312)	2,621	2,560	1,513	4,073	284	113	397
2019 - 2020	20,980	20,548	(312)	41,217	8,886	7,603	16,489	4,201	5,106	9,307	3,315	4,557	7,871	1,091	707	1,799	830	1,076	(312)	1,595	2,413	1,398	3,811	244	102	346
2020 - 2021	21,785	19,532	(312)	41,005	9,286	7,128	16,414	4,391	4,926	9,316	3,449	4,408	7,857	1,303	654	1,957	870	1,037	(312)	1,595	2,285	1,286	3,571	202	93	296
2021 - 2022	22,254	18,800	(312)	40,742	9,262	6,904	16,166	4,553	4,812	9,365	3,612	4,234	7,846	1,400	591	1,990	915	994	(312)	1,597	2,301	1,181	3,482	211	85	296
2022 - 2023	23,151	17,523	(331)	40,342	9,535	6,250	15,786	4,767	4,602	9,370	3,796	4,054	7,850	1,467	522	1,989	955	947	(331)	1,570	2,410	1,072	3,482	220	76	296
2023 - 2024	23,731	16,440	(314)	39,857	9,451	5,838	15,289	5,011	4,365	9,376	3,988	3,864	7,852	1,540	450	1,989	990	896	(314)	1,573	2,521	961	3,482	229	66	296
2024 - 2025	24,933	15,308	(295)	39,947	9,991	5,407	15,398	5,261	4,127	9,388	4,159	3,662	7,822	1,615	374	1,989	1,025	842	(295)	1,573	2,643	839	3,482	239	57	296
2025 - 2026	25,783	14,120	(275)	39,627	10,202	4,956	15,157	5,525	3,870	9,395	4,368	3,455	7,822	1,606	294	1,900	1,065	785	(275)	1,575	2,768	714	3,482	249	46	296
2026 - 2027	26,762	12,871	(252)	39,381	10,422	4,487	14,909	5,806	3,596	9,402	4,586	3,236	7,822	1,685	213	1,898	1,105	720	(252)	1,573	2,899	583	3,482	260	36	296
2027 - 2028	24,896	11,599	(228)	36,267	9,180	4,015	13,195	5,553	3,324	8,877	4,844	3,007	7,850	864	129	993	1,150	652	(228)	1,574	3,035	447	3,482	271	25	296
2028 - 2029	24,895	10,398	(204)	35,089	9,079	3,600	12,679	5,772	3,050	8,822	5,085	2,765	7,850	339	86	425	1,195	582	(204)	1,573	3,142	302	3,444	283	13	296
2029 - 2030	21,496	9,248	(178)	30,567	8,813	3,190	12,003	4,437	2,796	7,233	3,952	2,510	6,462	353	73	425	1,240	508	(178)	1,570	2,544	169	2,713	158	2	161
2030 - 2031	19,134	8,270	(151)	27,252	7,431	2,832	10,263	4,537	2,575	7,112	3,700	2,313	6,012	370	55	425	1,290	432	(151)	1,571	1,806	63	1,869			
2031 - 2032	18,674	7,364	(123)	25,915	7,682	2,482	10,165	4,756	2,352	7,108	3,877	2,128	6,005	389	37	425	1,345	353	(123)	1,574	625	13	638			
2032 - 2033	16,740	6,547	(94)	23,193	6,361	2,188	8,549	4,499	2,139	6,638	4,077	1,934	6,011	408	17	425	1,395	269	(94)	1,570						
2033 - 2034	16,138	5,648	(64)	21,722	5,616	1,806	7,422	4,781	1,929	6,709	4,286	1,730	6,016				1,455	183	(64)	1,574						
2034 - 2035	15,226	4,893	(33)	20,086	4,364	1,578	5,942	4,855	1,706	6,561	4,497	1,516	6,013				1,510	93	(33)	1,571						
2035 - 2036	14,661	4,140	-	18,801	4,573	1,384	5,957	5,506	1,465	6,971	4,582	1,291	5,872													
2036 - 2037	14,574	3,454	-	18,029	4,788	1,185	5,973	5,206	1,208	6,414	4,580	1,062	5,642													
2037 - 2038	14,290	2,725	-	17,014	4,950	945	5,895	5,274	947	6,222	4,065	833	4,898													
2038 - 2039	14,784	1,999	-	16,783	5,185	688	5,873	5,334	682	6,016	4,265	630	4,895													
2039 - 2040	8,934	880	-	9,814	4,159	451	4,609	4,775	429	5,205																
2040 - 2041	6,702	487	-	7,189	3,360	261	3,621	3,342	227	3,569																
2041 - 2042	5,809	160	-	5,969	3,535	88	3,623	2,274	71	2,346																
2042 - 2043																										
Total	484,251	278,043	(4,416)	757,878	191,192	100,837	292,028	121,949	76,149	198,098	88,107	65,320	153,428	17,308	6,600	23,908	23,639	14,049	(4,416)	33,272	38,669	14,117	52,786	3,387	971	4,358

DEBT PORTFOLIO

UNIVERSITY-PAID DEBT / BEGINNING PRINCIPAL BALANCES (000's)

ANNUAL REPORTING REQUIREMENT – DEBT MANAGEMENT POLICY – SECTION VII. A., B.

Fiscal Year	Total University-Paid Debt Programs	Article XI-F(1) Bonds	Certificate of Participation - COPs	State Energy Loan Program - SELP	Local Improvement District Assessments
	Beginning Balance	Beginning Balance	Beginning Balance	Beginning Balance	Beginning Balance
2016 - 2017	232,824	193,360	21,146	14,931	3,387
2017 - 2018	221,163	183,950	20,217	13,872	3,123
2018 - 2019	210,226	175,396	19,251	12,729	2,850
2019 - 2020	198,553	166,110	18,335	11,541	2,566
2020 - 2021	187,561	157,224	17,505	10,510	2,322
2021 - 2022	176,315	147,939	16,635	9,621	2,120
2022 - 2023	165,068	138,676	15,720	8,762	1,909
2023 - 2024	153,458	129,141	14,765	7,863	1,689
2024 - 2025	141,846	119,690	13,775	6,921	1,460
2025 - 2026	129,605	109,699	12,750	5,935	1,221
2026 - 2027	117,056	99,498	11,685	4,902	972
2027 - 2028	104,187	89,076	10,580	3,819	712
2028 - 2029	92,453	79,896	9,430	2,687	441
2029 - 2030	80,745	70,817	8,235	1,535	158
2030 - 2031	69,672	62,003	6,995	673	
2031 - 2032	60,277	54,572	5,705		
2032 - 2033	51,250	46,890	4,360		
2033 - 2034	43,494	40,529	2,965		
2034 - 2035	36,423	34,913	1,510		
2035 - 2036	30,550	30,550			
2036 - 2037	25,977	25,977			
2037 - 2038	21,189	21,189			
2038 - 2039	16,239	16,239			
2039 - 2040	11,053	11,053			
2040 - 2041	6,895	6,895			
2041 - 2042	3,535	3,535			
2042 - 2043					

UNIVERSITY-PAID DEBT / ANNUAL PAYMENT SCHEDULES (000's)

ANNUAL REPORTING REQUIREMENT – DEBT MANAGEMENT POLICY – SECTION VII. A., B.

Fiscal Year	Total University-Paid Debt Programs				Article XI-F(1) Bonds			Certificate of Participation - COPs				State Energy Loan Program - SELP			Local Improvement District Assessments - Liens		
	Principal	Interest	BABs	Debt Service	Principal	Interest	Debt Service	Principal	Interest	BABs	Debt Service	Principal	Interest	Debt Service	Principal	Interest	Debt Service
FY17 Average Interest Rate		4.67%				4.79%			4.17%				6.08%			3.94%	
2016 - 2017	9,492	11,179	(316)	20,671	7,241	9,254	16,495	929	1,197	(316)	1,811	1,059	910	1,969	263	134	397
2017 - 2018	10,937	10,134	(312)	21,071	8,555	8,404	16,958	966	1,159	(312)	1,813	1,143	759	1,902	273	124	397
2018 - 2019	11,674	9,535	(312)	21,209	9,286	7,913	17,199	916	1,118	(312)	1,722	1,188	702	1,890	284	113	397
2019 - 2020	10,991	9,067	(312)	20,058	8,886	7,603	16,489	830	1,076	(312)	1,595	1,031	597	1,629	244	102	346
2020 - 2021	11,247	8,446	(312)	19,693	9,286	7,128	16,414	870	1,037	(312)	1,595	889	500	1,389	202	93	296
2021 - 2022	11,247	8,112	(312)	19,359	9,262	6,904	16,166	915	994	(312)	1,597	859	441	1,300	211	85	296
2022 - 2023	11,610	7,342	(331)	18,951	9,535	6,250	15,786	955	947	(331)	1,570	900	400	1,300	220	76	296
2023 - 2024	11,612	6,846	(314)	18,457	9,451	5,838	15,289	990	896	(314)	1,573	941	359	1,300	229	66	296
2024 - 2025	12,241	6,324	(295)	18,566	9,991	5,407	15,398	1,025	842	(295)	1,573	987	313	1,300	239	57	296
2025 - 2026	12,549	5,779	(275)	18,328	10,202	4,956	15,157	1,065	785	(275)	1,575	1,033	266	1,300	249	46	296
2026 - 2027	12,869	5,208	(252)	18,077	10,422	4,487	14,909	1,105	720	(252)	1,573	1,082	218	1,300	260	36	296
2027 - 2028	11,734	4,631	(228)	16,365	9,180	4,015	13,195	1,150	652	(228)	1,574	1,133	167	1,300	271	25	296
2028 - 2029	11,708	4,102	(204)	15,810	9,079	3,600	12,679	1,195	582	(204)	1,573	1,151	111	1,262	283	13	296
2029 - 2030	11,114	3,582	(178)	14,696	8,813	3,190	12,003	1,240	508	(178)	1,570	903	60	963	158	2	161
2030 - 2031	8,873	3,119	(151)	11,992	7,431	2,832	10,263	1,290	432	(151)	1,571	152	5	158			
2031 - 2032	9,548	2,722	(123)	12,270	7,682	2,482	10,165	1,345	353	(123)	1,574	521	11	532			
2032 - 2033	7,756	2,363	(94)	10,119	6,361	2,188	8,549	1,395	269	(94)	1,570						
2033 - 2034	7,071	1,925	(64)	8,996	5,616	1,806	7,422	1,455	183	(64)	1,574						
2034 - 2035	5,874	1,638	(33)	7,512	4,364	1,578	5,942	1,510	93	(33)	1,571						
2035 - 2036	4,573	1,384		5,957	4,573	1,384	5,957										
2036 - 2037	4,788	1,185		5,973	4,788	1,185	5,973										
2037 - 2038	4,950	945		5,895	4,950	945	5,895										
2038 - 2039	5,185	688		5,873	5,185	688	5,873										
2039 - 2040	4,159	451		4,609	4,159	451	4,609										
2040 - 2041	3,360	261		3,621	3,360	261	3,621										
2041 - 2042	3,535	88		3,623	3,535	88	3,623										
2042 - 2043																	
Total	230,696	117,056	(4,416)	347,752	191,192	100,837	292,028	21,146	13,844	(4,416)	30,574	14,971	5,820	20,791	3,387	971	4,358

STATE-PAID DEBT / BEGINNING PRINCIPAL BALANCES (000's)

ANNUAL REPORTING REQUIREMENT – DEBT MANAGEMENT POLICY – SECTION VII. A., B.

Fiscal Year		Total State-Paid Debt Programs	Article XI-G Bonds	Article XI-Q Bonds	Lottery Bonds	Certificate of Participation - COPs	State Energy Loan Program - SELP
		Beginning Balance	Beginning Balance	Beginning Balance	Beginning Balance	Beginning Balance	Beginning Balance
2016 - 2017		203,070	115,034	44,537	17,308	2,493	23,698
2017 - 2018		255,024	118,999	95,454	16,384	1,695	22,493
2018 - 2019		246,319	115,142	93,725	15,405	865	21,182
2019 - 2020		236,651	111,003	91,407	14,430		19,810
2020 - 2021		226,661	106,801	88,093	13,339		18,428
2021 - 2022		216,123	102,411	84,644	12,036		17,032
2022 - 2023		205,116	97,857	81,032	10,636		15,590
2023 - 2024		193,574	93,090	77,236	9,169		14,079
2024 - 2025		181,455	88,079	73,248	7,629		12,499
2025 - 2026		168,763	82,818	69,088	6,014		10,843
2026 - 2027		155,529	77,293	64,720	4,408		9,108
2027 - 2028		141,636	71,488	60,135	2,723		7,291
2028 - 2029		128,473	65,935	55,291	1,859		5,389
2029 - 2030		115,286	60,163	50,206	1,520		3,398
2030 - 2031		104,904	55,726	46,254	1,167		1,757
2031 - 2032		94,644	51,189	42,554	797		104
2032 - 2033		85,518	46,433	38,677	408		
2033 - 2034		76,533	41,933	34,600			
2034 - 2035		67,466	37,152	30,313			
2035 - 2036		58,114	32,297	25,817			
2036 - 2037		26,791	26,791				
2037 - 2038		21,585	21,585				
2038 - 2039		16,310	16,310				
2039 - 2040		10,976	10,976				
2040 - 2041		6,201	6,201				
2041 - 2042		2,859	2,859				
2042 - 2043							

STATE-PAID DEBT / ANNUAL PAYMENT SCHEDULES (000's)

ANNUAL REPORTING REQUIREMENT – DEBT MANAGEMENT POLICY – SECTION VII. A., B.

Fiscal Year	Total State-Paid Debt Programs			Article XI-G Bonds			Article XI-Q Bonds			Lottery Bonds			Certificate of Participation - COPs			State Energy Loan Program - SELP		
	Principal	Interest	Debt Service	Principal	Interest	Debt Service	Principal	Interest	Debt Service	Principal	Interest	Debt Service	Principal	Interest	Debt Service	Principal	Interest	Debt Service
FY17 Average Interest Rate		4.73%			4.73%			4.93%			4.88%			4.07%			4.37%	
2016 - 2017	7,441	9,615	17,055	3,536	5,436	8,972	979	2,197	3,176	924	844	1,768	798	101	899	1,205	1,036	2,241
2017 - 2018	8,705	12,147	20,852	3,856	5,142	8,998	1,728	5,264	6,992	979	801	1,780	830	70	900	1,311	871	2,182
2018 - 2019	9,669	11,541	21,210	4,139	5,269	9,408	2,318	4,673	6,991	975	755	1,729	865	34	899	1,371	811	2,182
2019 - 2020	9,989	11,170	21,159	4,201	5,106	9,307	3,315	4,557	7,871	1,091	707	1,799				1,382	800	2,182
2020 - 2021	10,539	10,774	21,312	4,391	4,926	9,316	3,449	4,408	7,857	1,303	654	1,957				1,396	786	2,182
2021 - 2022	11,007	10,377	21,384	4,553	4,812	9,365	3,612	4,234	7,846	1,400	591	1,990				1,442	740	2,182
2022 - 2023	11,541	9,850	21,391	4,767	4,602	9,370	3,796	4,054	7,850	1,467	522	1,989				1,510	672	2,182
2023 - 2024	12,119	9,281	21,400	5,011	4,365	9,376	3,988	3,864	7,852	1,540	450	1,989				1,580	602	2,182
2024 - 2025	12,692	8,689	21,381	5,261	4,127	9,388	4,159	3,662	7,822	1,615	374	1,989				1,657	526	2,182
2025 - 2026	13,234	8,066	21,300	5,525	3,870	9,395	4,368	3,455	7,822	1,606	294	1,900				1,735	447	2,182
2026 - 2027	13,893	7,411	21,304	5,806	3,596	9,402	4,586	3,236	7,822	1,685	213	1,898				1,817	365	2,182
2027 - 2028	13,163	6,740	19,903	5,553	3,324	8,877	4,844	3,007	7,850	864	129	993				1,902	280	2,182
2028 - 2029	13,187	6,092	19,279	5,772	3,050	8,822	5,085	2,765	7,850	339	86	425				1,991	192	2,182
2029 - 2030	10,382	5,488	15,870	4,437	2,796	7,233	3,952	2,510	6,462	353	73	425				1,641	109	1,750
2030 - 2031	10,260	5,000	15,260	4,537	2,575	7,112	3,700	2,313	6,012	370	55	425				1,653	58	1,711
2031 - 2032	9,126	4,518	13,644	4,756	2,352	7,108	3,877	2,128	6,005	389	37	425				104	2	106
2032 - 2033	8,984	4,090	13,074	4,499	2,139	6,638	4,077	1,934	6,011	408	17	425						
2033 - 2034	9,067	3,659	12,726	4,781	1,929	6,709	4,286	1,730	6,016									
2034 - 2035	9,352	3,221	12,574	4,855	1,706	6,561	4,497	1,516	6,013									
2035 - 2036	10,088	2,756	12,844	5,506	1,465	6,971	4,582	1,291	5,872									
2036 - 2037	9,786	2,269	12,056	5,206	1,208	6,414	4,580	1,062	5,642									
2037 - 2038	9,339	1,780	11,119	5,274	947	6,222	4,065	833	4,898									
2038 - 2039	9,599	1,312	10,910	5,334	682	6,016	4,265	630	4,895									
2039 - 2040	4,775	429	5,205	4,775	429	5,205												
2040 - 2041	3,342	227	3,569	3,342	227	3,569												
2041 - 2042	2,274	71	2,346	2,274	71	2,346												
2042 - 2043																		
Total	253,555	156,571	410,126	121,949	76,149	198,098	88,107	65,320	153,428	17,308	6,600	23,908	2,493	205	2,698	23,698	8,297	31,995

ANTICIPATED DEBT ISSUANCES / BEGINNING PRINCIPAL BALANCES (000's)

ANNUAL REPORTING REQUIREMENT – DEBT MANAGEMENT POLICY – SECTION VII. G.

Fiscal Year	Total Anticipated Debt Issuance	FMB Project, University-Paid Article XI-F(1) Bonds	FMB Project, State-Paid Article XI-G Bonds	FMB Project, State-Paid Article XI-Q Bonds	Est. DM Projects, State-Paid Article XI-Q Bonds
	Beginning Balance	Beginning Balance	Beginning Balance	Beginning Balance	Beginning Balance
2018 - 2019	-	-	-	-	-
2019 - 2020	62,902	6,000	36,256	9,064	11,582
2020 - 2021	61,755	5,924	35,710	8,928	11,193
2021 - 2022	60,554	5,844	35,137	8,784	10,789
2022 - 2023	59,296	5,758	34,536	8,634	10,368
2023 - 2024	57,978	5,668	33,904	8,476	9,930
2024 - 2025	56,598	5,572	33,241	8,310	9,475
2025 - 2026	55,153	5,471	32,544	8,136	9,002
2026 - 2027	53,639	5,363	31,813	7,953	8,510
2027 - 2028	52,053	5,249	31,045	7,761	7,998
2028 - 2029	50,392	5,128	30,239	7,560	7,466
2029 - 2030	48,652	5,000	29,392	7,348	6,912
2030 - 2031	46,830	4,864	28,503	7,126	6,337
2031 - 2032	44,920	4,720	27,570	6,892	5,738
2032 - 2033	42,920	4,567	26,590	6,647	5,115
2033 - 2034	40,824	4,405	25,561	6,390	4,468
2034 - 2035	38,628	4,234	24,481	6,120	3,794
2035 - 2036	36,328	4,052	23,346	5,836	3,094
2036 - 2037	33,918	3,859	22,155	5,539	2,365
2037 - 2038	31,392	3,655	20,904	5,226	1,607
2038 - 2039	28,746	3,438	19,591	4,898	820
2039 - 2040	25,973	3,208	18,212	4,553	
2040 - 2041	23,920	2,965	16,764	4,191	
2041 - 2042	21,761	2,707	15,244	3,811	
2042 - 2043	19,493	2,433	13,647	3,412	
2043 - 2044	17,107	2,144	11,971	2,993	
2044 - 2045	14,600	1,836	10,211	2,553	
2045 - 2046	11,965	1,511	8,363	2,091	
2046 - 2047	9,194	1,165	6,423	1,606	
2047 - 2048	6,281	799	4,386	1,096	
2048 - 2049	3,219	411	2,247	561	
2049 - 2050					

ANTICIPATED DEBT ISSUANCES / ANNUAL PAYMENT SCHEDULES (000's)

ANNUAL REPORTING REQUIREMENT – DEBT MANAGEMENT POLICY – SECTION VII. G.

Fiscal Year	Total Anticipated Debt Issuances			FMB Project, University Paid Article XI-F(1) Bonds			FMB Project, State-Paid Article XI-G Bonds			FMB Project, State-Paid Article XI-Q Bonds			Est. DM Projects, State-Paid Article XI-Q Bonds		
	Principal	Interest	Debt Service	Principal	Interest	Debt Service	Principal	Interest	Debt Service	Principal	Interest	Debt Service	Principal	Interest	Debt Service
FY20 Est. Interest Rate		4.91%			6.00%			5.00%			5.00%			4.00%	
2018 - 2019	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2019 - 2020	1,147	3,089	4,236	76	360	436	546	1,813	2,359	136	453	590	389	463	852
2020 - 2021	1,201	3,035	4,236	80	355	436	573	1,786	2,359	143	446	590	405	448	852
2021 - 2022	1,258	2,978	4,236	85	351	436	602	1,757	2,359	150	439	590	421	432	852
2022 - 2023	1,318	2,919	4,236	90	346	436	632	1,727	2,359	158	432	590	438	415	852
2023 - 2024	1,380	2,856	4,236	96	340	436	663	1,695	2,359	166	424	590	455	397	852
2024 - 2025	1,445	2,791	4,236	102	334	436	696	1,662	2,359	174	416	590	473	379	852
2025 - 2026	1,514	2,722	4,236	108	328	436	731	1,627	2,359	183	407	590	492	360	852
2026 - 2027	1,586	2,650	4,236	114	322	436	768	1,591	2,359	192	398	590	512	340	852
2027 - 2028	1,661	2,575	4,236	121	315	436	806	1,552	2,359	202	388	590	532	320	852
2028 - 2029	1,740	2,496	4,236	128	308	436	847	1,512	2,359	212	378	590	554	299	852
2029 - 2030	1,823	2,413	4,236	136	300	436	889	1,470	2,359	222	367	590	576	276	852
2030 - 2031	1,909	2,327	4,236	144	292	436	933	1,425	2,359	233	356	590	599	253	852
2031 - 2032	2,000	2,236	4,236	153	283	436	980	1,379	2,359	245	345	590	623	230	852
2032 - 2033	2,096	2,141	4,236	162	274	436	1,029	1,330	2,359	257	332	590	648	205	852
2033 - 2034	2,196	2,041	4,236	172	264	436	1,080	1,278	2,359	270	320	590	674	179	852
2034 - 2035	2,300	1,936	4,236	182	254	436	1,134	1,224	2,359	284	306	590	700	152	852
2035 - 2036	2,410	1,826	4,236	193	243	436	1,191	1,167	2,359	298	292	590	728	124	852
2036 - 2037	2,525	1,711	4,236	204	232	436	1,251	1,108	2,359	313	277	590	758	95	852
2037 - 2038	2,646	1,590	4,236	217	219	436	1,313	1,045	2,359	328	261	590	788	64	852
2038 - 2039	2,773	1,463	4,236	230	206	436	1,379	980	2,359	345	245	590	820	33	852
2039 - 2040	2,053	1,331	3,384	243	193	436	1,448	911	2,359	362	228	590			
2040 - 2041	2,158	1,226	3,384	258	178	436	1,520	838	2,359	380	210	590			
2041 - 2042	2,269	1,115	3,384	273	162	436	1,596	762	2,359	399	191	590			
2042 - 2043	2,385	999	3,384	290	146	436	1,676	682	2,359	419	171	590			
2043 - 2044	2,507	877	3,384	307	129	436	1,760	599	2,359	440	150	590			
2044 - 2045	2,636	748	3,384	326	110	436	1,848	511	2,359	462	128	590			
2045 - 2046	2,771	613	3,384	345	91	436	1,940	418	2,359	485	105	590			
2046 - 2047	2,913	471	3,384	366	70	436	2,037	321	2,359	509	80	590			
2047 - 2048	3,062	322	3,384	388	48	436	2,139	219	2,359	535	55	590			
2048 - 2049	3,219	165	3,384	411	25	436	2,247	112	2,359	561	28	589			
2049 - 2050															
Total	62,902	55,664	118,566	6,000	7,077	13,077	36,256	34,499	70,755	9,064	8,625	17,689	11,582	5,463	17,045

VIABILITY & PRIMARY RESERVE RATIOS DETAILED

VIABILITY RATIO

As per Audited Financial Statements					
<i>How much of the total debt could be covered with Expendable Net Assets should the institution need to settle its obligations immediately</i>	0.356	0.376	0.360	0.339	0.409
	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Expendable Net Assets (Numerator)					
PSU Gift Grants and Contracts	(1,163)	2,042	2,290	1,446	989
PSU Student Loans	8,254	8,444	8,320	8,543	8,376
PSU Debt	1,539	14,526	1	-	-
PSU Unrestricted	54,205	32,369	45,214	24,715	22,121
Foundation Unrestricted Net Assets	2,070	1,945	3,000	3,399	4,271
Foundation Temporarily Restricted Net Assets	35,641	42,908	35,283	41,645	55,959
Foundation Net Investment in Plant	(5,282)	(4,819)	(4,363)	21	139
Total Expendable Net Assets (Numerator)	95,264	97,415	89,745	79,769	91,855
Outstanding Debt (Denominator)					
PSU XI-F Principal	173,056	167,834	161,837	193,360	183,950
PSU Institutional COPs	24,617	23,334	22,107	21,146	20,217
PSU Institutional SELP	17,918	17,020	16,035	14,971	13,913
PSU LID Assessments	4,115	3,882	3,640	3,387	3,124
Foundation Notes Payable	2,545	2,459	2,367	2,379	3,155
Foundation Bonds Payable	45,270	44,210	43,105	-	-
Total Outstanding Debt (Denominator)	267,521	258,739	249,091	235,243	224,359

GASB 68 Impact Removed

<i>How much of the total debt could be covered with Expendable Net Assets should the institution need to settle its obligations immediately</i>	0.356	0.376	0.407	0.563	0.726
	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Expendable Net Assets (Numerator)					
PSU Gift Grants and Contracts	(1,163)	2,042	2,290	1,446	989
PSU Student Loans	8,254	8,444	8,320	8,543	8,376
PSU Debt	1,539	14,526	1	-	-
PSU Unrestricted	54,205	32,369	56,833	77,422	93,128
Foundation Unrestricted Net Assets	2,070	1,945	3,000	3,399	4,271
Foundation Temporarily Restricted Net Assets	35,641	42,908	35,283	41,645	55,959
Foundation Net Investment in Plant	(5,282)	(4,819)	(4,363)	21	139
Total Expendable Net Assets (Numerator)	95,264	97,415	101,364	132,476	162,862
Outstanding Debt (Denominator)					
PSU XI-F Principal	173,056	167,834	161,837	193,360	183,950
PSU Institutional COPs	24,617	23,334	22,107	21,146	20,217
PSU Institutional SELP	17,918	17,020	16,035	14,971	13,913
PSU LID Assessments	4,115	3,882	3,640	3,387	3,124
Foundation Notes Payable	2,545	2,459	2,367	2,379	3,155
Foundation Bonds Payable	45,270	44,210	43,105	-	-
Total Outstanding Debt (Denominator)	267,521	258,739	249,091	235,243	224,359

PRIMARY RESERVE RATIO

As per Audited Financial Statements					
<i>How long the Institution could function using its Expendable Net Assets to cover Operating Expenses and Interest due if revenue generation ceases</i>	0.195	0.194	0.177	0.140	0.169
	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Expendable Net Assets (Numerator)					
PSU Gift Grants and Contracts	(1,163)	2,042	2,290	1,446	989
PSU Student Loans	8,254	8,444	8,320	8,543	8,376
PSU Debt	1,539	14,526	1	-	-
PSU Unrestricted	54,205	32,369	45,214	24,715	22,121
Foundation Unrestricted Net Assets	2,070	1,945	3,000	3,399	4,271
Foundation Temporarily Restricted Net Assets	35,641	42,908	35,283	41,645	55,959
Foundation Net Investment in Plant	(5,282)	(4,819)	(4,363)	21	139
Total Expendable Net Assets (Numerator)	95,264	97,415	89,745	79,769	91,855
Expense (Denominator)					
PSU Total Operating Expense	456,858	465,581	449,907	525,769	504,295
PSU Interest Expense (From Non Operating, Only Debt Related)	9,639	10,281	10,062	9,664	11,179
Foundation Total University Support and Expenses	21,450	25,108	45,947	34,897	27,873
Total Expense (Denominator)	487,947	500,970	505,916	570,330	543,347

GASB 68 Impact Removed

<i>How long the Institution could function using its Expendable Net Assets to cover Operating Expenses and Interest due if revenue generation ceases</i>	0.195	0.194	0.190	0.250	0.310
	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Expendable Net Assets (Numerator)					
PSU Gift Grants and Contracts	(1,163)	2,042	2,290	1,446	989
PSU Student Loans	8,254	8,444	8,320	8,543	8,376
PSU Debt	1,539	14,526	1	-	-
PSU Unrestricted	54,205	32,369	56,833	77,422	93,128
Foundation Unrestricted Net Assets	2,070	1,945	3,000	3,399	4,271
Foundation Temporarily Restricted Net Assets	35,641	42,908	35,283	41,645	55,959
Foundation Net Investment in Plant	(5,282)	(4,819)	(4,363)	21	139
Total Expendable Net Assets (Numerator)	95,264	97,415	101,364	132,476	162,862
Expense (Denominator)					
PSU Total Operating Expense	456,858	465,581	476,208	484,681	485,996
PSU Interest Expense (From Non Operating, Only Debt Related)	9,639	10,281	10,062	9,664	11,179
Foundation Total University Support and Expenses	21,450	25,108	45,947	34,897	27,873
Total Expense (Denominator)	487,947	500,970	532,217	529,242	525,048

DEBT BURDEN & DEBT SERVICE COVERAGE RATIOS DETAILED

DEBT BURDEN RATIO

DEBT SERVICE COVERAGE RATIO

As per Audited Financial Statements					
Annual Debt Service as a percentage of Total Expenses	4.55%	4.75%	4.87%	4.22%	3.97%
	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
(Numerator)					
PSU XI-F Interest	7,268	8,076	7,892	7,635	9,254
PSU XI-F Principal	4,858	6,206	7,177	7,342	7,241
PSU Institutional COPs Interest	1,065	1,023	973	920	882
PSU Institutional COPs Principal	1,918	1,283	1,227	961	929
PSU SELP Interest	1,138	1,023	1,047	965	910
PSU SELP Principal	775	897	985	1,063	1,059
PSU LID Assessments Interest	168	159	150	144	134
PSU LID Assessments Principal	224	233	242	253	263
Foundation Interest on Capital Debt	3,045	2,997	2,944	2,881	150
Foundation Principal on Capital Debt	1,060	1,146	1,197	1,264	105
Total Debt Service (Numerator)	21,519	23,043	23,834	23,428	20,927
Total Expenditures (Denominator)					
PSU Total Operating Expenses Related)	456,858	465,581	449,907	525,769	504,295
(PSU Depreciation)	9,639	10,281	10,062	9,664	11,180
(PSU Principal Payments)	(22,644)	(24,442)	(26,256)	(25,884)	(26,063)
PSU Principal Payments	7,775	8,619	9,631	9,619	9,492
Foundation Total University Support and Expenses (Foundation Depreciation)	21,450	25,108	45,947	34,897	27,873
(Foundation Depreciation)	(897)	(893)	(919)	(210)	(243)
Foundation Principal Payments	1,060	1,146	1,197	1,264	105
Total Expenditures (Denominator)	473,241	485,400	489,569	555,119	526,639

GASB 68 Impact Removed					
Annual Debt Service as a percentage of Total Expenses	4.55%	4.75%	4.62%	4.56%	4.12%
	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
(Numerator)					
PSU XI-F Interest	7,268	8,076	7,892	7,635	9,254
PSU XI-F Principal	4,858	6,206	7,177	7,342	7,241
PSU Institutional COPs Interest	1,065	1,023	973	920	882
PSU Institutional COPs Principal	1,918	1,283	1,227	961	929
PSU SELP Interest	1,138	1,023	1,047	965	910
PSU SELP Principal	775	897	985	1,063	1,059
PSU LID Assessments Interest	168	159	150	144	134
PSU LID Assessments Principal	224	233	242	253	263
Foundation Interest on Capital Debt	3,045	2,997	2,944	2,881	150
Foundation Principal on Capital Debt	1,060	1,146	1,197	1,264	105
Total Debt Service (Numerator)	21,519	23,043	23,834	23,428	20,927
Total Expenditures (Denominator)					
PSU Total Operating Expenses Related)	456,858	465,581	476,208	484,681	485,996
(PSU Depreciation)	9,639	10,281	10,062	9,664	11,179
(PSU Principal Payments)	(22,644)	(24,442)	(26,256)	(25,884)	(26,063)
PSU Principal Payments	7,775	8,619	9,631	9,619	9,492
Foundation Total University Support and Exp. (Foundation Depreciation)	21,450	25,108	45,947	34,897	27,873
(Foundation Depreciation)	(897)	(893)	(919)	(210)	(243)
Foundation Principal Payments	1,060	1,146	1,197	1,264	105
Total Expenditures (Denominator)	473,241	485,400	515,870	514,031	508,339

As per Audited Financial Statements					
Measures the net income available to cover annual debt service pmts	(0.51)	0.51	2.44	0.59	1.39
	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Adjusted Change in Unrestricted Net Assets (UNA) from Operations (Numerator)					
PSU Net Operating Income (Loss)	(132,634)	(121,668)	(98,115)	(173,838)	(151,191)
PSU Net Nonoperating Revenue	88,748	94,410	114,503	144,197	141,747
PSU Interest Expense	9,639	10,281	10,062	9,664	11,179
PSU Depreciation Expense	22,644	24,442	26,256	25,884	26,063
Foundation Change in UNA & Investment in Plant	(3,212)	338	1,511	4,783	990
Foundation Interest Expense	3,045	2,997	2,944	2,881	150
Foundation Depreciation Expense	897	893	919	210	243
Total Change in UNA (Numerator) (Denominator)	(10,873)	11,693	58,080	13,781	29,181
Total Debt Service (Denominator)					
PSU XI-F Debt Service	12,126	14,282	15,069	14,977	16,495
PSU Institutional COPs Debt Service	2,983	2,306	2,200	1,881	1,811
PSU SELP Debt Service	1,913	1,920	2,032	2,028	1,969
PSU LID Assessments Debt Service	392	392	392	397	397
Foundation Debt Service Corbett	255	255	255	255	255
Foundation Debt Service Broadway	3,850	3,888	3,886	3,890	-
Total Debt Service (Denominator)	21,519	23,043	23,834	23,428	20,927

GASB 68 Impact Removed					
Measures the net income available to cover annual debt service pmts	(0.51)	0.51	1.33	2.34	2.27
	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Adjusted Change in Unrestricted Net Assets (UNA) from Operations (Numerator)					
PSU Net Operating Income (Loss)	(132,634)	(121,668)	(124,416)	(132,750)	(132,892)
PSU Net Nonoperating Revenue	88,748	94,410	114,503	144,197	141,747
PSU Interest Expense	9,639	10,281	10,062	9,664	11,179
PSU Depreciation Expense	22,644	24,442	26,256	25,884	26,063
Foundation Change in UNA & Investment in Plant	(3,212)	338	1,511	4,783	990
Foundation Interest Expense	3,045	2,997	2,944	2,881	150
Foundation Depreciation Expense	897	893	919	210	243
Total Change in UNA (Numerator) Debt Service - Principal & Int (Denominator)	(10,873)	11,693	31,779	54,869	47,480
PSU XI-F Debt Service	12,126	14,282	15,069	14,977	16,495
PSU Institutional COPs Debt Service	2,983	2,306	2,200	1,881	1,811
PSU SELP Debt Service	1,913	1,920	2,032	2,028	1,969
PSU LID Assessments Debt Service	392	392	392	397	397
Foundation Debt Service Corbett	255	255	255	255	255
Foundation Debt Service Broadway	3,850	3,888	3,886	3,890	-
Total Debt Service (Denominator)	21,519	23,043	23,834	23,428	20,927

DEBT TO CASH FLOW & MODIFIED CURRENT RATIOS DETAILED

DEBT TO CASH FLOW RATIO

As per Audited Financial Statements					
<i>Measures capability of the University to repay its debt with cash flow generated from its operations</i>	13.137	43.983	5.913	8.696	4.549
	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Outstanding Debt (Numerator)					
PSU XI-F Principal	173,056	167,834	161,837	193,360	183,950
PSU Institutional COPs	24,617	23,334	22,107	21,146	20,217
PSU Institutional SELP	18,824	17,927	16,941	14,971	13,913
PSU LID Assessments	4,059	3,826	3,584	3,387	3,124
Foundation Notes Payable	2,545	2,459	2,367	2,379	3,155
Foundation Bonds Payable	45,270	44,210	43,105	-	-
Total Outstanding Debt (Numerator)	268,371	259,590	249,941	235,243	224,359
Cash Flow (Denominator)					
Net Cash Provided (used) by Operating Activities	(93,048)	(112,708)	(82,434)	(116,213)	(96,296)
Government Appropriations	54,099	59,371	67,431	82,706	87,734
Financial Aid Grants	51,441	52,938	53,176	52,372	49,803
Other Gifts and Private Contracts	2,015	352	5,510	5,807	2,091
PSUF Net Cash Provided (used) in operating Activities	5,921	5,949	(1,415)	2,381	5,993
Total Cash Flow (Denominator)	20,428	5,902	42,268	27,053	49,325

MODIFIED CURRENT RATIO

As per Audited Financial Statements					
<i>How much of the short-term debt could be covered with Expendable Net Assets</i>	Not Available (No Short-term Debt Outstanding)				
	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Expendable Net Assets (Numerator)					
PSU Gift Grants and Contracts					
PSU Student Loans					
PSU Debt					
PSU Unrestricted					
Foundation Unrestricted Net Assets					
Foundation Temporarily Restricted Net Assets					
Foundation Net Investment in Plant					
Total Expendable Net Assets (Numerator)	-	-	-	-	-
(Denominator)					
Debt with Liquidity Event Triggers					
Current Maturities					
Maximum Collateral Requirements					
Ninety (90) Days Operating Expenses					
Total (Denominator)	-	-	-	-	-

RETURN ON NET ASSETS & NET OPERATING REVENUE RATIOS DETAILED

RETURN ON NET ASSETS RATIO

NET OPERATING REVENUE RATIO

As per Audited Financial Statements					
<i>Measures the total economic return to the institution over the current fiscal year</i>	-5.16%	3.79%	15.91%	3.67%	26.92%
	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Change in Net Assets (Numerator)					
PSU Change in Net Assets	(23,053)	(3,121)	36,715	(8,128)	47,403
Foundation Change in Net Assets	10,035	12,183	(3,270)	17,060	20,584
Total Change in Net Assets (Numerator)	(13,018)	9,062	33,445	8,932	67,987
Net Assets (Denominator)					
PSU Net Assets "Beginning"	192,335	169,280	128,240	164,955	156,827
Foundation Net Assets "Beginning"	59,727	69,762	81,949	78,680	95,740
Total Net Assets (Denominator)	252,062	239,042	210,189	243,635	252,567

GASB 68 Impact Removed					
<i>Measures the total economic return to the institution over the current fiscal year</i>	-5.16%	3.79%	2.88%	19.60%	28.27%
	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Change in Net Assets (Numerator)					
PSU Change in Net Assets	(23,053)	(3,121)	10,413	32,960	65,703
Foundation Change in Net Assets	10,035	12,183	(3,270)	17,060	20,584
Total Change in Net Assets (Numerator)	(13,018)	9,062	7,143	50,020	86,287
Net Assets (Denominator)					
PSU Net Assets "Beginning"	192,335	169,280	166,159	176,572	209,532
Foundation Net Assets "Beginning"	59,727	69,762	81,949	78,679	95,739
Total Net Assets (Denominator)	252,062	239,042	248,108	255,251	305,271

As per Audited Financial Statements					
<i>How much surplus or (loss) \$1.00 of Unrestricted Operating Income generates in Unrestricted Net Assets</i>	(0.106)	(0.059)	0.033	(0.050)	(0.013)
	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
NOI +Net Nonoperating Revenues + Foundation Change in Unrestricted Net Assets (Numerator)					
PSU Net Operations Income (Loss)	(132,634)	(121,668)	(98,115)	(173,838)	(151,191)
PSU Net Nonoperating Revenue (Expenses) (PSU Investment Activities - Internal Bank & Endowments only)	88,748	94,410	114,503	144,197	141,747
Foundation Total Change In Unrestricted Assets	(3,212)	338	1,511	4,783	990
Total Change in Operating net Assets (Numerator)	(47,098)	(27,911)	17,289	(26,975)	(7,160)
Total Unrestricted Operating Income (Denominator)					
PSU Operating Revenues	324,224	343,913	351,792	351,931	353,104
PSU Non Operating Revenues	88,748	94,410	114,503	144,197	141,747
PSU (Gain) Loss on Sale of Assets	-	1,084	52	131	1,176
PSU Interest Expense (PSU Investment Activities - Internal Bank & Endowments only)	9,639	10,281	10,062	9,664	11,179
Foundation Unrestricted Revenues	22,096	25,447	47,459	39,679	28,862
Total Unrestricted Income (Denominator)	444,707	474,144	523,258	543,485	537,362

GASB 68 Impact Removed					
<i>How much surplus or (loss) \$1.00 of Unrestricted Operating Income generates in Unrestricted Net Assets</i>	(0.106)	(0.059)	(0.017)	0.026	0.021
	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
NOI +Net Nonoperating Revenues + Foundation Change in Unrestricted Net Assets (Numerator)					
PSU Net Operations Income (Loss)	(132,634)	(121,668)	(124,416)	(132,750)	(132,892)
PSU Net Nonoperating Revenue (Expenses) (PSU Investment Activities - Internal Bank & Endowments only)	88,748	94,410	114,503	144,197	141,747
Foundation Total Change In Unrestricted Assets	(3,212)	338	1,511	4,783	990
Total Change in Operating net Assets (Numerator)	(47,098)	(27,911)	(9,012)	14,113	11,139
Total Unrestricted Operating Income (Denominator)					
PSU Operating Revenues	324,224	343,913	351,792	351,931	353,104
PSU Non Operating Revenues	88,748	94,410	114,503	144,197	141,747
PSU (Gain) Loss on Sale of Assets	-	1,084	52	131	1,176
PSU Interest Expense (PSU Investment Activities - Internal Bank & Endowments only)	9,639	10,281	10,062	9,664	11,179
Foundation Unrestricted Revenues	22,096	25,447	47,459	39,679	28,862
Total Unrestricted Income (Denominator)	444,707	474,144	523,258	543,485	537,362

COMPOSITE FINANCIAL INDEX (CFI) DETAILED

CFI

As per Audited Financial Statements

Weighted CFI Strength Factors	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	Advised Min
Primary Reserve Ratio	0.51	0.51	0.47	0.37	0.44	1.05
Viability Ratio	0.30	0.32	0.30	0.28	0.34	1.05
Return on Net Assets	(0.52)	0.38	1.59	0.37	2.69	0.60
Net Operating Revenue Ratio	(1.51)	(0.84)	0.47	(0.71)	(0.19)	0.30
CFI	(1.22)	0.37	2.83	0.31	3.29	3.00

GASB 68 Impact Removed

Weighted CFI Strength Factors	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	Advised Min
Primary Reserve Ratio			0.50	0.66	0.82	1.05
Viability Ratio			0.34	0.47	0.61	1.05
Return on Net Assets			0.29	1.96	2.83	0.60
Net Operating Revenue Ratio			(0.25)	0.37	0.30	0.30
CFI	-	-	0.88	3.46	4.55	3.00

CFI STRENGTH FACTORS

As per Audited Financial Statements

CFI Strength Factors	FY 2015	FY 2016	FY 2017	Advised Min
Primary Reserve Ratio	1.33	1.05	1.27	3.01
Net Operating Revenue Ratio	4.72	(7.09)	(1.90)	3.00
Viability Ratio	0.86	0.81	0.98	3.00
Return on Nets Assets	7.96	1.83	13.46	3.00

GASB 68 Impact Removed

CFI Strength Factors	FY 2015	FY 2016	FY 2017	Advised Min
Primary Reserve Ratio	1.43	1.88	2.33	3.01
Net Operating Revenue Ratio	(2.46)	3.71	2.96	3.00
Viability Ratio	0.98	1.35	1.74	3.00
Return on Nets Assets	1.44	9.80	14.13	3.00





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DATA SOURCES

Higher Education Coordinating Commission
Oregon Department of Administrative Services
Oregon State Treasury
Portland State University, Office of Institutional Research & Planning
Portland State University, Planning, Construction & Real Estate
Portland State University, Treasury
Portland State University, University Budget Office
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