



# B O A R D O F T R U S T E E S



Business and Finance Committee

Austin Peay State University

317 College Street

Clarksville, TN 37040

March 19, 2020

1:30 PM

Call to Order

Roll Call/Declaration of Quorum

Action Items

A.Consideration of Non-Mandatory Fees for the 2020-2021 Academic Year

B.Consideration of Housing Rates for the 2020-2021 Academic Year

Information Items

A.Review Governor's Budget Recommendations

B.Review Fiscal Year 2018-2019 Financial Report

Adjourn

# Proposed Non-Mandatory Fees

Fee Proposed	Current Rate	Proposed Rate
Communication Sciences and Disorders (CSDI) Fee	\$0	\$75 per course
Scuba Fee	\$0	\$250 per course
PsyD Course Fee	\$0	\$30 per credit hour
Computer Science and Information Technology/Engineering Technology Fee	\$0	\$5 per credit hour
Science Lab Fee	\$30 per course	\$33 per course
Graduate Nursing Fee	\$30 per credit hour	\$100 per credit hour
Full Spectrum Learning Program Fee	\$2,500 per semester	\$3,500 per semester
Student PO Box	\$9 per semester	\$15 per semester

### Composite Financial Index Terms

- **Composite Financial Index (CFI):** The CFI includes four commonly used financial ratios: Primary Reserve Ratio, Viability Ratio, Return on Net Assets Ratio, and Net Operating Revenues Ratio. The four calculated ratios are weighted and added together to produce the CFI. Examining the trend of an institution's CFI score over an extended period offers a more stable long-term view of an institution's overall financial performance.
- **Primary Reserve Ratio:** The primary reserve ratio compares the level of assets that an organization can quickly access and spend to satisfy its fiscal obligations. In describing the organization's ability to support current operations from available expendable resources, the ratio measures the financial strength of the organization.
- **Viability Ratio:** In measuring the availability of sufficient cash, or other convertible assets, to pay institutional obligations as of the date of the Statement of Net Assets, this ratio indicates the relative liquidity of the organization. APSU's downward trend is due to capital infrastructure growth using debt financing paid primarily from student fee revenues. This ratio has stabilized.
- **Return on Net Assets Ratio:** This ratio measures economic return in order to determine whether an institution generated or used up net assets in a given year. In a Not-for-Profit company, this ratio is critical to demonstrate a return on invested capital (net assets). Major changes are generally due to major gifts or appropriations for capital investment.
- **Net Operating Revenues Ratio:** The Net Operating Revenues Ratio is used to measure the operational efficiency of management and indicates whether the institution is living within available resources. Universities modify the calculation by including state appropriations as revenue even though accounting principles define appropriations as non-operating. This is standard in the industry and appropriate because expenditures depend on the use of this source of funding.

## Composite Financial Index Comparison of the State Universities

Primary Reserve Ratio			
	FY 17	FY 18	FY 19
Expected	0.40	0.40	0.40
Watch	0.13	0.13	0.13
APSU	0.29	0.27	0.29
ETSU	0.33	0.34	0.37
MTSU	0.26	0.26	0.27
TSU	0.33	0.26	0.19
TTU	0.53	0.49	0.57
UM	0.39	0.35	0.45
UTK	0.54	0.54	0.56
UTC	0.28	0.28	0.27
UTM	0.30	0.25	0.27

Viability Ratio			
	FY 17	FY 18	FY 19
Expected	1.25	1.25	1.25
Watch	0.41	0.41	0.41
APSU	0.46	0.49	0.58
ETSU	0.78	0.84	0.86
MTSU	0.45	0.49	0.55
TSU	2.51	2.25	1.31
TTU	1.55	1.27	1.07
UM	1.15	1.10	1.20
UTK	0.92	0.82	0.91
UTC	1.21	0.46	0.45
UTM	0.52	0.45	0.50

CFI (Composite Financial Index)			
	FY 17	FY 18	FY 19
Expected	3.00	3.00	3.00
Watch	1.00	1.00	1.00
APSU	2.03	1.72	1.89
ETSU	2.57	3.05	3.29
MTSU	1.30	1.50	1.57
TSU	2.63	2.23	1.88
TTU	3.96	3.05	5.12
UM	2.59	1.90	3.81
UTK	3.48	3.07	2.83
UTC	2.38	1.62	1.62
UTM	0.77	0.44	1.42

Return on Net Assets Ratio			
	FY 17	FY 18	FY 19
Expected	4.6%	5.9%	4.6%
Watch	1.6%	2.9%	1.6%
APSU	7.8%	4.0%	5.5%
ETSU	7.3%	11.0%	13.8%
MTSU	3.3%	3.1%	4.4%
TSU	0.5%	(0.8%)	3.0%
TTU	9.4%	5.0%	22.2%
UM	5.2%	1.8%	9.7%
UTK	8.4%	6.7%	4.4%
UTC	4.3%	5.4%	5.4%
UTM	(0.5%)	(1.3%)	5.0%

Net Operating Revenues Ratio			
	FY 17	FY 18	FY 19
Expected	3.0%	3.0%	3.0%
Watch	0.0%	0.0%	0.0%
APSU	1.6%	2.5%	1.2%
ETSU	4.0%	4.3%	2.9%
MTSU	(1.3%)	1.2%	(0.4%)
TSU	(5.1%)	(3.5%)	(0.5%)
TTU	4.2%	2.5%	9.5%
UM	1.1%	(1.6%)	8.5%
UTK	5.7%	3.9%	2.1%
UTC	2.7%	(0.6%)	0.0%
UTM	(5.4%)	(6.1%)	(2.7%)