

ASU System Days of Cash on Hand



As of June 30, 2022

Days of Cash on Hand Calculation:	ASUJ	ASUB	ASUMS	ASUMH	ASUN	ASUTR	HSU	CONSOLIDATED
Current Cash and Cash Equivalents (SNP)	+ \$ 49,869,000	\$ 23,698,503	\$ 5,163,136	\$ 4,736,377	\$ 7,144,247	\$ 5,132,371	\$ 6,244,340	\$ 101,987,974
Short-Term Investments (SNP)	+ \$ 400,000	\$ 605,418	\$ 2,011,028		\$ 2,050,000	\$ -	\$ -	\$ 5,066,446
Noncurrent Cash and Cash Equivalents-Unrestricted (SNP)	+ \$ 75,728,694	\$ -	\$ 7,622,885	\$ 2,728,519	\$ -	\$ -	\$ 522,064	\$ 86,602,162
Available Cash Total	\$ 125,997,694	\$ 24,303,921	\$ 14,797,049	\$ 7,464,896	\$ 9,194,247	\$ 5,132,371	\$ 6,766,404	\$ 193,656,582
Operating Expenses (SRECNP)	+ \$ 221,300,671	\$ 36,255,440	\$ 20,057,970	\$ 17,263,248	\$ 23,543,634	\$ 14,348,593	\$ 53,703,925	\$ 386,473,481
Depreciation (SRECNP)	- \$ 16,453,057	\$ 3,617,734	\$ 1,656,358	\$ 1,751,597	\$ 2,302,132	\$ 400,750	\$ 4,887,691	\$ 31,069,319
Net Operating Expenses	\$ 204,847,614	\$ 32,637,706	\$ 18,401,612	\$ 15,511,651	\$ 21,241,502	\$ 13,947,843	\$ 48,816,234	\$ 355,404,162
Net Operating Expenses/365								
Daily Operating Expenses	\$ 561,226.34	\$ 89,418.37	\$ 50,415.38	\$ 42,497.67	\$ 58,195.90	\$ 38,213.27	\$ 133,743.11	\$ 973,710.03
Available Cash Total/Daily Operating Expenses								
Days of Cash on Hand =	224.504	271.800	293.503	175.654	157.988	134.309	50.593	198.885

AUDITED

As of June 30, 2021

Days of Cash on Hand Calculation:	ASUJ	ASUB	ASUMS	ASUMH	ASUN	ASUTR	HSU	CONSOLIDATED
Current Cash and Cash Equivalents (SNP)	+ \$ 40,534,702	\$ 18,887,092	\$ 5,306,961	\$ 5,343,935	\$ 6,346,400	\$ 5,536,500	\$ 6,141,910	\$ 88,097,500
Short-Term Investments (SNP)	+ \$ 400,000	\$ 4,320,641	\$ 2,000,000	\$ 1,523,358	\$ 2,050,000	\$ -	\$ -	\$ 10,293,999
Noncurrent Cash and Cash Equivalents-Unrestricted (SNP)	+ \$ 79,748,645	\$ -	\$ -	\$ 2,866,290	\$ -	\$ -	\$ -	\$ 82,614,935
Available Cash Total	\$ 120,683,347	\$ 23,207,733	\$ 7,306,961	\$ 9,733,583	\$ 8,396,400	\$ 5,536,500	\$ 6,141,910	\$ 181,006,434
Operating Expenses (SRECNP)	+ \$ 206,224,789	\$ 34,406,329	\$ 18,008,083	\$ 15,225,162	\$ 20,893,392	\$ 12,491,625	\$ 56,560,209	\$ 363,809,589
Depreciation (SRECNP)	- \$ 16,411,541	\$ 3,923,661	\$ 1,838,068	\$ 1,808,366	\$ 2,312,079	\$ 886,037	\$ 4,270,481	\$ 31,450,233
Net Operating Expenses	\$ 189,813,248	\$ 30,482,668	\$ 16,170,015	\$ 13,416,796	\$ 18,581,313	\$ 11,605,588	\$ 52,289,728	\$ 332,359,356
Net Operating Expenses/365								
Daily Operating Expenses	\$ 520,036.30	\$ 83,514.16	\$ 44,301.41	\$ 36,758.35	\$ 50,907.71	\$ 31,796.13	\$ 143,259.53	\$ 910,573.58
Available Cash Total/Daily Operating Expenses								
Days of Cash on Hand =	232.067	277.890	164.937	264.799	164.934	174.125	42.873	198.783

AUDITED

As of June 30, 2020

Days of Cash on Hand Calculation:	ASUJ	ASUB	ASUMS	ASUMH	ASUN	ASUTR	CONSOLIDATED
Current Cash and Cash Equivalents (SNP)	+ \$ 25,544,665	\$ 13,699,128	\$ 4,062,700	\$ 5,880,636	\$ 3,982,913	\$ 5,111,383	\$ 58,281,425
Short-Term Investments (SNP)	+ \$ 400,000	\$ 4,098,840	\$ 2,000,000	\$ 1,700,000	\$ 2,050,000	\$ -	\$ 10,248,840
Noncurrent Cash and Cash Equivalents-Unrestricted (SNP)	+ \$ 63,251,782	\$ -	\$ -	\$ 1,479,537	\$ -	\$ -	\$ 64,731,319
Available Cash Total	\$ 89,196,447	\$ 17,797,968	\$ 6,062,700	\$ 9,060,173	\$ 6,032,913	\$ 5,111,383	\$ 133,261,584
Operating Expenses (SRECNP)	+ \$ 209,775,564	\$ 33,180,075	\$ 17,586,085	\$ 14,321,150	\$ 21,479,790	\$ 6,718,860	\$ 303,061,524
Depreciation (SRECNP)	- \$ 16,814,686	\$ 4,023,527	\$ 1,734,224	\$ 1,818,991	\$ 2,260,092	\$ 436,870	\$ 27,088,390
Net Operating Expenses	\$ 192,960,878	\$ 29,156,548	\$ 15,851,861	\$ 12,502,159	\$ 19,219,698	\$ 6,281,990	\$ 275,973,134
Net Operating Expenses/365							
Daily Operating Expenses	\$ 528,659.94	\$ 79,880.95	\$ 43,429.76	\$ 34,252.49	\$ 52,656.71	\$ 17,210.93	\$ 756,090.78
Available Cash Total/Daily Operating Expenses							
Days of Cash on Hand =	168.722	222.806	139.598	264.511	114.571	296.985	176.251

AUDITED

HSU
\$ 5,854,272
\$ -
\$ 22,653
\$ 5,876,925
\$ 61,978,279
\$ 5,834,193
\$ 56,144,086
\$ 153,819.41
38.207

AUDITED

As of June 30, 2019

Days of Cash on Hand Calculation:	ASUJ	ASUB	ASUMS	ASUMH	ASUN	ASUTR	CONSOLIDATED
Current Cash and Cash Equivalents (SNP)	+ \$ 32,583,496	\$ 9,566,744	\$ 4,014,826	\$ 5,580,983	\$ 1,944,805	\$ 4,518,967	\$ 58,209,821
Short-Term Investments (SNP)	+ \$ 400,000	\$ 8,266,163	\$ 2,000,000	\$ 3,000,000	\$ 138,273	\$ -	\$ 13,804,436
Noncurrent Cash and Cash Equivalents-Unrestricted (SNP)	+ \$ 56,651,219	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 56,651,219
Available Cash Total	\$ 89,634,715	\$ 17,832,907	\$ 6,014,826	\$ 8,580,983	\$ 2,083,078	\$ 4,518,967	\$ 128,665,476
Operating Expenses (SRECNP)	+ \$ 199,639,346	\$ 34,022,202	\$ 18,017,037	\$ 14,228,826	\$ 21,530,157	\$ 11,991,140	\$ 299,428,708
Depreciation (SRECNP)	- \$ 15,380,250	\$ 3,406,453	\$ 1,801,718	\$ 1,800,472	\$ 1,727,744	\$ 408,151	\$ 24,524,788
Net Operating Expenses	\$ 184,259,096	\$ 30,615,749	\$ 16,215,319	\$ 12,428,354	\$ 19,802,413	\$ 11,582,989	\$ 274,903,920
Net Operating Expenses/365							
Daily Operating Expenses	\$ 504,819.44	\$ 83,878.76	\$ 44,425.53	\$ 34,050.28	\$ 54,253.19	\$ 31,734.22	\$ 753,161.42
Available Cash Total/Daily Operating Expenses							
Days of Cash on Hand =	177.558	212.603	135.391	252.009	38.395	142.400	170.834

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HSU
\$ 907,878
\$ 174,512
\$ 87,227
\$ 1,169,617
\$ 64,037,276
\$ 5,779,975
\$ 58,257,301
\$ 159,609.04
7.328

AUDITED

Days of Cash on Hand

As of June 30, 2022

Days of Cash on Hand Calculation:		2019	2020*	2021**
Current Cash and Cash Equivalents (SNP)	+	\$ 58,209,821	\$ 58,281,425	\$ 88,097,500
Short-Term Investments (SNP)	+	\$ 13,804,436	\$ 10,248,840	\$ 10,293,999
Noncurrent Cash and Cash Equivalents-Unrestricted (SNP)	+	\$ 56,651,219	\$ 64,731,319	\$ 82,614,935
Available Cash Total		\$ 128,665,476	\$ 133,261,584	\$ 181,006,434
Operating Expenses (SRECNP)	+	\$ 299,428,708	\$ 303,061,524	\$ 363,809,589
Depreciation (SRECNP)	-	\$ 24,524,788	\$ 27,088,390	\$ 31,450,233
Net Operating Expenses		\$ 274,903,920	\$ 275,973,134	\$ 332,359,356
Net Operating Expenses/365		\$ -	\$ -	\$ -
Daily Operating Expenses		\$ 753,161.42	\$ 756,090.78	\$ 910,573.58
Available Cash Total/Daily Operating Expenses		\$ -	\$ -	\$ -
Days of Cash on Hand =		170.8	176.3	198.8

Primary Reserve Ratio

As of June 30, 2022

Primary Reserve Ratio Calculation:		2019	2020*	2021**
Institution unrestricted net assets	+	\$ 94,122,510	\$ 116,994,254	\$ 141,923,286
Institution expendable restricted net assets	+	\$ 6,050,735	\$ 9,569,292	\$ 6,632,427
Numerator Total		\$ 100,173,245	\$ 126,563,546	\$ 148,555,713
Institution operating expenses	+	\$ 299,428,708	\$ 303,061,524	\$ 363,809,589
Institution non-operating expenses	+	\$ 9,021,224	\$ 8,731,206	\$ 11,212,818
Denominator Total		\$ 308,449,932	\$ 311,792,730	\$ 375,022,407
Primary Reserve Ratio =		0.325	0.406	0.396

*ASUTR was incorporated into the Consolidated.

**HSU was incorporated into the Consolidated.

ASU System Primary Reserve Ratios



As of June 30, 2022

Primary Reserve Ratio Calculation:	ASUJ*	ASUB	ASUMS	ASUMH	ASUN	ASUTR	HSU	CONSOLIDATED	
Institution unrestricted net assets	+	\$ 93,226,443	\$ 19,661,215	\$ 21,254,498	\$ 10,053,321	\$ 10,438,495	\$ 3,128,184	\$ (8,464,921)	\$ 149,297,235
Institution expendable restricted net assets	+	\$ 1,131,540	\$ 9,533	\$ 3,621,255				\$ 766,878	\$ 5,529,206
Numerator Total		\$ 94,357,983	\$ 19,670,748	\$ 24,875,753	\$ 10,053,321	\$ 10,438,495	\$ 3,128,184	\$ (7,698,043)	\$ 154,826,441
Institution operating expenses	+	\$ 221,300,671	\$ 36,255,440	\$ 20,057,970	\$ 17,263,248	\$ 23,543,634	\$ 14,348,593	\$ 53,703,925	\$ 386,473,481
Institution non-operating expenses	+	\$ 7,671,879	\$ 1,116,113	\$ 1,304,715	\$ 142,965	\$ 216,835	\$ 55,443	\$ 2,734,783	\$ 13,242,733
Denominator Total		\$ 228,972,550	\$ 37,371,553	\$ 21,362,685	\$ 17,406,213	\$ 23,760,469	\$ 14,404,036	\$ 56,438,708	\$ 399,716,214
Primary Reserve Ratio =	÷	0.412	0.526	1.164	0.578	0.439	0.217	-0.136	0.387

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As of June 30, 2021

Primary Reserve Ratio Calculation:	ASUJ*	ASUB	ASUMS	ASUMH	ASUN	ASUTR	HSU	CONSOLIDATED	
Institution unrestricted net assets	+	\$ 93,152,021	\$ 16,552,207	\$ 21,028,075	\$ 10,182,967	\$ 8,741,278	\$ 2,605,077	\$ (10,338,339)	\$ 141,923,286
Institution expendable restricted net assets	+	\$ 846,353	\$ 236,442	\$ 3,142,556	\$ 1,282,290	\$ 373,998		\$ 750,788	\$ 6,632,427
Numerator Total		\$ 93,998,374	\$ 16,788,649	\$ 24,170,631	\$ 11,465,257	\$ 9,115,276	\$ 2,605,077	\$ (9,587,551)	\$ 148,555,713
Institution operating expenses	+	\$ 206,224,789	\$ 34,406,329	\$ 18,008,083	\$ 15,225,162	\$ 20,893,392	\$ 12,491,625	\$ 56,560,209	\$ 363,809,589
Institution non-operating expenses	+	\$ 5,948,286	\$ 1,116,505	\$ 907,651	\$ 155,096	\$ 269,803	\$ 32,687	\$ 2,782,790	\$ 11,212,818
Denominator Total		\$ 212,173,075	\$ 35,522,834	\$ 18,915,734	\$ 15,380,258	\$ 21,163,195	\$ 12,524,312	\$ 59,342,999	\$ 375,022,407
Primary Reserve Ratio =	÷	0.443	0.473	1.278	0.745	0.431	0.208	-0.162	0.396

AUDITED

As of June 30, 2020

Primary Reserve Ratio Calculation:	ASUJ*	ASUB	ASUMS	ASUMH	ASUN	ASUTR	CONSOLIDATED	
Institution unrestricted net assets	+	\$ 68,898,508	\$ 12,895,507	\$ 19,504,528	\$ 8,644,922	\$ 5,279,062	\$ 1,771,727	\$ 116,994,254
Institution expendable restricted net assets	+	\$ 3,173,988	\$ 505,322	\$ 2,899,285	\$ 2,242,271	\$ 699,623	\$ 48,803	\$ 9,569,292
Numerator Total		\$ 72,072,496	\$ 13,400,829	\$ 22,403,813	\$ 10,887,193	\$ 5,978,685	\$ 1,820,530	\$ 126,563,546
Institution operating expenses	+	\$ 209,775,564	\$ 33,180,075	\$ 17,586,085	\$ 14,321,150	\$ 21,479,790	\$ 6,718,860	\$ 303,061,524
Institution non-operating expenses	+	\$ 6,074,278	\$ 1,173,359	\$ 829,547	\$ 306,562	\$ 263,429	\$ 84,031	\$ 8,731,206
Elimination of inter-entity amounts	+	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Denominator Total		\$ 215,849,842	\$ 34,353,434	\$ 18,415,632	\$ 14,627,712	\$ 21,743,219	\$ 6,802,891	\$ 311,792,730
Primary Reserve Ratio =	÷	0.334	0.390	1.217	0.744	0.275	0.268	0.406

AUDITED

As of June 30, 2019

Primary Reserve Ratio Calculation:	ASUJ*	ASUB	ASUMS	ASUMH	ASUN	ASUTR	CONSOLIDATED	
Institution unrestricted net assets	+	\$ 58,743,177	\$ 11,248,728	\$ 16,405,394	\$ 7,646,250	\$ 3,937,067	\$ (3,858,106)	\$ 94,122,510
Institution expendable restricted net assets	+	\$ 1,419,047	\$ 120,726	\$ 2,916,322	\$ 1,381,970	\$ 187,389	\$ 25,281	\$ 6,050,735
Numerator Total		\$ 60,162,224	\$ 11,369,454	\$ 19,321,716	\$ 9,028,220	\$ 4,124,456	\$ (3,832,825)	\$ 100,173,245
Institution operating expenses	+	\$ 199,639,346	\$ 34,022,202	\$ 18,017,037	\$ 14,228,826	\$ 21,530,157	\$ 11,991,140	\$ 299,428,708
Institution non-operating expenses	+	\$ 6,408,331	\$ 1,252,391	\$ 832,741	\$ 232,293	\$ 279,545	\$ 15,923	\$ 9,021,224
Elimination of inter-entity amounts	+	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Denominator Total		\$ 206,047,677	\$ 35,274,593	\$ 18,849,778	\$ 14,461,119	\$ 21,809,702	\$ 12,007,063	\$ 308,449,932
Primary Reserve Ratio =	÷	0.292	0.322	1.025	0.624	0.189	-0.319	0.325

ASU System
Primary Reserve Ratios



As of June 30, 2022

Primary Reserve Ratio Calculation:	ASUJ*	ASUB	ASUMS	ASUMH	ASUN	ASUTR	HSU	CONSOLIDATED
Institution unrestricted net assets	+ \$ 93,226,443	\$ 19,661,215	\$ 21,254,498	\$ 10,053,321	\$ 10,438,495	\$ 3,128,184	\$ (8,464,921)	\$ 149,297,235
Institution expendable restricted net assets	+ \$ 1,131,540	\$ 282,457	\$ 3,963,231	\$ 1,314,772	\$ 300,221		\$ 3,371,280	\$ 10,363,501
C.U. unrestricted net assets	+					\$ -	\$ -	\$ -
C.U. temporary restricted net assets	+					\$ -	\$ -	\$ -
C.U. net investment in plant	- \$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Numerator Total	\$ 94,357,983	\$ 19,943,672	\$ 25,217,729	\$ 11,368,093	\$ 10,738,716	\$ 3,128,184	\$ (5,093,641)	\$ 159,660,736
Institution operating expenses	+ \$ 221,300,671	\$ 36,255,440	\$ 20,057,970	\$ 17,263,248	\$ 23,543,634	\$ 14,348,593	\$ 53,703,925	\$ 386,473,481
Institution non-operating expenses	+ \$ 7,671,879	\$ 1,116,113	\$ 1,304,715	\$ 142,965	\$ 216,835	\$ 55,443	\$ 2,734,783	\$ 13,242,733
Elimination of inter-entity amounts	+ \$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
C.U. total expenses	+					\$ -	\$ -	\$ -
Denominator Total	\$ 228,972,550	\$ 37,371,553	\$ 21,362,685	\$ 17,406,213	\$ 23,760,469	\$ 14,404,036	\$ 56,438,708	\$ 399,716,214
Primary Reserve Ratio =	0.412	0.534	1.180	0.653	0.452	0.217	-0.090	0.399

As of June 30, 2021

Primary Reserve Ratio Calculation:	ASUJ*	ASUB	ASUMS	ASUMH	ASUN	ASUTR	HSU	CONSOLIDATED
Institution unrestricted net assets	+ \$ 93,152,021	\$ 16,552,207	\$ 21,028,075	\$ 10,182,967	\$ 8,741,278	\$ 2,605,077	\$ (10,338,339)	\$ 141,923,286
Institution expendable restricted net assets	+ \$ 846,353	\$ 236,442	\$ 3,142,556	\$ 1,282,290	\$ 373,998		\$ 750,788	\$ 6,632,427
C.U. unrestricted net assets	+					\$ -	\$ -	\$ -
C.U. temporary restricted net assets	+					\$ -	\$ -	\$ -
C.U. net investment in plant	- \$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Numerator Total	\$ 93,998,374	\$ 16,788,649	\$ 24,170,631	\$ 11,465,257	\$ 9,115,276	\$ 2,605,077	\$ (9,587,551)	\$ 148,555,713
Institution operating expenses	+ \$ 206,224,789	\$ 34,406,329	\$ 18,008,083	\$ 15,225,162	\$ 20,893,392	\$ 12,491,625	\$ 56,560,209	\$ 363,809,589
Institution non-operating expenses	+ \$ 5,948,286	\$ 1,116,505	\$ 907,651	\$ 155,096	\$ 269,803	\$ 32,687	\$ 2,782,790	\$ 11,212,818
Elimination of inter-entity amounts	+ \$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
C.U. total expenses	+					\$ -	\$ -	\$ -
Denominator Total	\$ 212,173,075	\$ 35,522,834	\$ 18,915,734	\$ 15,380,258	\$ 21,163,195	\$ 12,524,312	\$ 59,342,999	\$ 375,022,407
Primary Reserve Ratio =	0.443	0.473	1.278	0.745	0.431	0.208	-0.162	0.396

AUDITED

As of June 30, 2020

Primary Reserve Ratio Calculation:	ASUJ*	ASUB	ASUMS	ASUMH	ASUN	ASUTR	CONSOLIDATED
Institution unrestricted net assets	+ \$ 68,898,508	\$ 12,895,507	\$ 19,504,528	\$ 8,644,922	\$ 5,279,062	\$ 1,771,727	\$ 116,994,254
Institution expendable restricted net assets	+ \$ 3,173,988	\$ 505,322	\$ 2,899,285	\$ 2,242,271	\$ 699,623	\$ 48,803	\$ 9,569,292
C.U. unrestricted net assets	+ \$ 6,695,216	\$ (1,210)	\$ -	\$ 95,773	\$ 2,744	\$ -	\$ 6,792,523
C.U. temporary restricted net assets	+ \$ 7,470,266	\$ 394,298	\$ -	\$ 2,536,269	\$ 591,168	\$ -	\$ 10,992,001
C.U. net investment in plant	- \$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Numerator Total	\$ 86,237,978	\$ 13,793,917	\$ 22,403,813	\$ 13,519,235	\$ 6,572,597	\$ 1,820,530	\$ 144,348,070
Institution operating expenses	+ \$ 209,775,564	\$ 33,180,075	\$ 17,586,085	\$ 14,321,150	\$ 21,479,790	\$ 6,718,860	\$ 303,061,524
Institution non-operating expenses	+ \$ 6,074,278	\$ 1,173,359	\$ 829,547	\$ 306,562	\$ 263,429	\$ 84,031	\$ 8,731,206
Elimination of inter-entity amounts	+ \$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
C.U. total expenses	+ \$ 3,634,983	\$ 75,643	\$ -	\$ 586,339	\$ 268,228	\$ -	\$ 4,565,193
Denominator Total	\$ 219,484,825	\$ 34,429,077	\$ 18,415,632	\$ 15,214,051	\$ 22,011,447	\$ 6,802,891	\$ 316,357,923
Primary Reserve Ratio =	0.393	0.401	1.217	0.889	0.299	0.268	0.456

AUDITED

As of June 30, 2019

Primary Reserve Ratio Calculation:	ASUJ*	ASUB	ASUMS	ASUMH	ASUN	ASUTR	CONSOLIDATED
Institution unrestricted net assets	+ \$ 58,743,177	\$ 11,248,728	\$ 16,405,394	\$ 7,646,250	\$ 3,937,067	\$ (3,858,106)	\$ 94,122,510
Institution expendable restricted net assets	+ \$ 1,419,047	\$ 120,726	\$ 2,916,322	\$ 1,381,970	\$ 187,389	\$ 25,281	\$ 6,050,735
C.U. unrestricted net assets	+ \$ 6,392,901	\$ (9,522)	\$ -	\$ 91,001	\$ 2,228	\$ -	\$ 6,476,608
C.U. temporary restricted net assets	+ \$ 6,011,558	\$ 383,191	\$ -	\$ 2,211,009	\$ 493,708	\$ -	\$ 9,099,466
C.U. net investment in plant	- \$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Numerator Total	\$ 72,566,683	\$ 11,743,123	\$ 19,321,716	\$ 11,330,230	\$ 4,620,392	\$ (3,832,825)	\$ 115,749,319
Institution operating expenses	+ \$ 199,639,346	\$ 34,022,202	\$ 18,017,037	\$ 14,228,826	\$ 21,530,157	\$ 11,991,140	\$ 299,428,708
Institution non-operating expenses	+ \$ 6,408,331	\$ 1,252,391	\$ 832,741	\$ 232,293	\$ 279,545	\$ 15,923	\$ 9,021,224
Elimination of inter-entity amounts	+ \$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
C.U. total expenses	+ \$ 10,237,584	\$ 344,171	\$ -	\$ 712,956	\$ 440,729	\$ -	\$ 11,735,440
Denominator Total	\$ 216,285,261	\$ 35,618,764	\$ 18,849,778	\$ 15,174,075	\$ 22,250,431	\$ 12,007,063	\$ 320,185,372
Primary Reserve Ratio =	0.336	0.330	1.025	0.747	0.208	-0.319	0.362

ASU System Policy

Effective Date: 3/6/2020

Subject: Financial Reserves Policy

Purpose

The Financial Reserves Policy is designed to protect the long-term financial health of campuses of the System and to meet the following objectives:

- Maintain adequate liquidity needs for daily operations at levels sufficient for accreditation and rating agencies
- Prepare for infrastructure investments in capital projects and planned maintenance projects
- Create capacity for planned strategic investments

Definition of Reserve Funds

Unrestricted Operating Reserves: Each campus shall build and maintain an adequate level of cash and unrestricted net assets to support daily operations in the event of unanticipated shortfalls. During annual budget planning, the Unrestricted Operating Reserves Fund shall not be utilized for ongoing budgetary commitments or to cover a permanent loss of restricted funds without recommendation from the President of the ASU System. Annually, the basis for determining an adequate reserve level will be the Primary Reserve Ratio (PRR), which is the level of expendable net assets divided by total expenses, using audited financial statement information. Campuses should work to establish and maintain unrestricted operating reserves (cash available within the operating funds) from .25 to .50 PRR.

Below is the calculation for the PRR:

Primary Reserve Ratio Calculation:	
Institution unrestricted net assets	+
Institution expendable restricted net assets	+
C.U. ¹ unrestricted net assets	+
C.U. temporary restricted net assets	+
Numerator Total	
Institution operating expenses	+
Institution non-operating expenses	+
Elimination of inter-entity amounts	+
C.U. total expenses	+
Denominator Total	
Primary Reserve Ratio =	+

Facilities Maintenance, Renovation, and Construction Reserves: Each campus will be required annually to budget and transfer an amount approved by the Board of Trustees for the purpose of facilities maintenance needs. Beyond set-aside for repairs and maintenance, campuses are encouraged to develop reserves for renovation, improvement, and construction of facilities to lessen the need to issue long-term debt.

Strategic Investment Reserves: Campuses are encouraged to create and maintain strategic investment reserves. These reserves may be established to fund initiatives that support the campus initiatives and priorities, including seed monies for new academic program development or existing program enhancement, research and equipment investments, campus programs, construction, and other expenditures that support planned goals.

Maintaining Adequate Reserves and Liquidity

Because it is essential for the financial health of both the System and its campuses to maintain adequate reserves and liquidity, any campus that ends the prior fiscal year with Unrestricted Operating Reserves less than a .25 PRR shall make that fund the highest priority for replenishment. Additionally, each campus shall maintain liquidity to adequately cover its cash operating expenses for a minimum of 60 days.

Below is the calculation for Days of Cash on Hand:

Days of Cash on Hand Calculation:	
Current cash and cash equivalents (SNP) ²	+
Short-term investments (SNP)	+
Noncurrent cash and cash equivalents - unrestricted (SNP)	+
Available Cash Total	
Operating expenses (SRECNP) ³	+
Depreciation (SRECNP)	-
Net Operating Expenses	
Net operating expenses/365	
Daily Operating Expenses	
Available cash total/daily operating expenses	
Days of Cash on Hand =	+

Any campus at less than .10 PRR, or with less than 60 days cash on hand, will be considered in financial distress and will be subject to additional monitoring by the System Administration until the campus achieves the target level in accordance with this policy.

¹ C.U. is Component Unit, such as a related foundation excluding athletic-related or alumni foundations.

² SNP is Statement of Net Position from the audited financial statements.

³ SRECNP is Statement of Revenues, Expenses, and Changes of Net Position from the audited financial statements.

(Adopted by the Arkansas State University Board of Trustees on March 6, 2020, Resolution 20-01.)