**ATTACHMENT \_: SUMMARY OF FINANCIAL FEASIBILITY**

|  |  |
| --- | --- |
| **[ ] Campus** | |
| Project Name |  |
| Project ID |  |
| Total Estimated Project Cost | $ |
| Anticipated Interest During Construction  (included in total estimated project cost) | $ |

|  |  |
| --- | --- |
| **Proposed Sources of Funding[[1]](#footnote-2)** | |
| External Financing | $ |
| [Standby Financing] | [$] |
| [Interim Financing] | [$] |
| [Other Source of Funding I] | [$] |
| [Other Source of Funding II] | [$] |
| Total | $ |

Below are results of the financial feasibility analysis for the proposed project using the campus’ Debt Affordability Model. The model includes projections of the campus’ operations and planned financings. A new Debt Affordability Model with revised metrics was implemented August 1, 2015.

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Campus Financing Benchmarks** | | |
| **Measure** | **10 Year Projections** | **Approval Threshold** | **Requirement** |
| Modified Cash Flow Margin[[2]](#footnote-3) | % (min), 20xx (yr) | ≥ 0.0% | Must Meet |
| Debt Service to Operations2 | % (max), 20xx (yr) | ≤ 6.0% | Must Meet 1 of 2 |
| Expendable Resources to Debt2 5 | x, 20xx (yr) | ≥ 1.00x |
| Auxiliary Project Debt Service Coverage[[3]](#footnote-4) | x (min), 20xx (yr) | ≥ 1.10x | Must Meet for Auxiliary Projects |
| Auxiliary System Debt Service Coverage[[4]](#footnote-5) | x (min), 20xx (yr) | ≥ 1.25x | Must Meet for Auxiliary Projects |

**SECTION II. Standby Financed Projects**

Approval for standby and/or interim financing is sought in order to bridge the timing difference between project expenditures and receipt of gift or other specified funds. Standby financing is requested for gifts (or other funds as specified below) pledged, but not yet in hand.

Information below is for standby financing related to gifts. The campus will provide periodic status reports on the gift campaign and collection.

|  |  |
| --- | --- |
| **Campaign Summary** | |
| Cash on Hand | **$** |
| Pledged Gifts | **$** |
| Secondary Repayment Source for Pledged Gifts |  |
| Uncollected Pledge Percentage (%)\* | **X%** |
| Additional Gifts To be Raised | **$** |
| Total Approved Gift Campaign | **$** |
| Term of Standby Request (# of years) |  |

\* Percentage of pledges to the campus which have not been made on schedule over the last ten years*.*

Information below is for standby financing that is not gift-related.

|  |  |
| --- | --- |
| **fund source Summary** | |
| Fund Type | **$** |
| Secondary Source of Repayment | **$** |
| Term of Standby Request (# of years) |  |

**SECTION III. Interim Financed Projects**

Interim financing is requested for gifts (or other specified funds) that have yet to be raised (not pledged and not in hand). Interim financing must demonstrate a back-up repayment source and be included in the campus’ Debt Affordability Model assuming either a conversion of interim financing to long-term external financing or as a 7-year interim financing with level amortization. At project completion, the campus will return for external financing approval if the anticipated gift/other fund source falls short. To the extent additional gifts are received as cash, the amount of interim financing will be reduced. To the extent additional gifts are received as documented pledges, the amount of interim financing will be converted to standby financing.

|  |  |
| --- | --- |
| **Financing Assumptions for**  **Conversion of Interim Financing to Long-term External Financing** | |
| Interim Financing Amount | $ |
| Anticipated Repayment Source | General Revenues of the [ ] campus |
| Anticipated Fund Source |  |
| Financial Feasibility Rate | % |
| First Year of Repayment (e.g. FY 20XX) | 20XX |
| Term (e.g. 30 years; indicate if any years interest only) | XX years |
| Final Maturity (e.g. FY 20xx) | 20XX |
| Estimated Average Annual Debt Service | $ |

Below are results of the financial feasibility analysis for the proposed project using the campus’ Debt Affordability Model. The model includes projections of the campus’ operations and planned financings. A new Debt Affordability Model with revised metrics was implemented August 1, 2015.

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Campus Financing Benchmarks** | | |
| **Measure** | **10 Year Projections** | **Approval Threshold** | **Requirement** |
| Modified Cash Flow Margin[[5]](#footnote-6) | % (min), 20xx (yr) | ≥ 0.0% | Must Meet |
| Debt Service to Operations5 | % (max), 20xx (yr) | ≤ 6.0% | Must Meet 1 of 2 |
| Expendable Resources to Debt5 | x, 20xx (yr) | ≥ 1.00x |
| Auxiliary Project Debt Service Coverage[[6]](#footnote-7) | x (min), 20xx (yr) | ≥ 1.10x | Must Meet for Auxiliary Projects |
| Auxiliary System Debt Service Coverage[[7]](#footnote-8) | x (min), 20xx (yr) | ≥ 1.25x | Must Meet for Auxiliary Projects |

1. Fund sources for external financing shall adhere to University policy on repayment for capital projects.

   **SECTION I. Externally Financed Projects**

   |  |  |
   | --- | --- |
   | **Financing Assumptions** | |
   | External Financing Amount | $ |
   | Anticipated Repayment Source | General Revenues of the [ ] campus |
   | Anticipated Fund Source |  |
   | Financial Feasibility Rate | % |
   | First Year of Repayment (e.g. FY 20XX) | 20XX |
   | Term (e.g. 30 years; indicate if any years interest only) | XX years |
   | Final Maturity (e.g. FY 20XX) | 20XX |
   | Estimated Average Annual Debt Service | $ |

   [↑](#footnote-ref-2)
2. Modified Cash Flow Margin, Debt Service to Operations, and Expendable Resources to Debt are campus metrics. [↑](#footnote-ref-3)
3. Auxiliary Project Debt Service Coverage is an individual project metric. [↑](#footnote-ref-4)
4. Auxiliary Debt Service Coverage is a campus’ auxiliary system metric.

   5 Expendable Resources to Debt are not projected. The ratio provided here is a snapshot as of the most recent fiscal year. [↑](#footnote-ref-5)
5. Modified Cash Flow Margin, Debt Service to Operations, and Expendable Resources to Debt are campus metrics. [↑](#footnote-ref-6)
6. Auxiliary Project Debt Service Coverage is an individual project metric. [↑](#footnote-ref-7)
7. Auxiliary Debt Service Coverage is a campus’ auxiliary system metric. [↑](#footnote-ref-8)