

Financial Ratio Report - FY22

Utah System of Higher Education

Viability Ratio	FY18	FY19	FY20	FY21	FY22
University of Utah	2.32	2.49	2.25	2.51	2.22
Utah State University	1.67	1.95	1.53	2.08	2.14
Weber State University	3.10	3.48	3.78	4.64	5.07
Southern Utah University	2.81	2.82	3.16	4.11	1.75
*Snow College	0.98	1.26	1.31	1.70	2.67
Utah Tech University	0.63	0.60	0.31	0.45	0.27
Utah Valley University	3.77	4.18	2.47	3.47	3.53
Salt Lake Community College	8.20	9.58	13.16	16.87	9.45
*Mountainland Technical College	0.87	0.69	1.00	1.96	3.01

Viability Ratio measures how many times an institution can cover their entire long-term debt obligation using their total Expendable Net Assets. A ratio of 1:1 or greater indicates that an institution has sufficient expendable net assets to satisfy debt obligations.

Debt Burden Ratio	FY18	FY19	FY20	FY21	FY22
University of Utah	3.4%	2.7%	2.7%	4.0%	2.2%
Utah State University	2.5%	2.2%	2.4%	2.3%	2.4%
Weber State University	2.0%	1.9%	1.8%	1.6%	1.5%
Southern Utah University	2.7%	2.3%	2.1%	2.2%	2.2%
*Snow College	2.7%	2.4%	2.4%	1.0%	1.7%
Utah Tech University	2.4%	3.1%	2.5%	2.7%	3.9%
Utah Valley University	2.3%	1.5%	2.3%	1.8%	1.6%
Salt Lake Community College	0.0%	0.7%	0.7%	0.6%	0.6%
*Mountainland Technical College	2.4%	2.2%	2.2%	1.7%	1.5%

Debt Burden Ratio measures an institution's dependence on borrowed funds to finance its operation, by measuring the relative cost of borrowing to overall expenditures. The industry has established 7.0% as the upper threshold for a healthy institution. Debt Service is defined as Interest Expense + Principal Payments. Total Expenditure is defined as Total Expenses - Depreciation Expense + Principal Payments.

Composite Index	FY18	FY19	FY20	FY21	FY22
University of Utah	5.11	5.04	4.71	5.63	3.96
Utah State University	3.49	4.17	3.82	6.15	3.97
Weber State University	5.14	5.84	5.83	7.96	4.98
Southern Utah University	3.60	3.68	3.31	6.80	2.96
*Snow College	3.12	2.19	1.63	3.20	4.35
Utah Tech University	1.89	2.09	2.80	3.22	2.69
Utah Valley University	5.89	6.31	5.18	7.05	5.97
Salt Lake Community College	6.79	5.01	6.51	6.90	5.73
*Mountainland Technical College	2.10	1.65	2.29	4.15	3.48
System Wide Score - Weighted Avg.	4.84	4.77	4.51	5.83	3.98
System Wide Score - Simple Avg.	4.12	4.00	4.01	5.67	4.23

Composite Index: this calculation combines and weights all four ratios (primary reserve, net operating revenues, return on net assets, and viability) into one single financial metric. This allows a weakness or strength in a specific ratio to be offset by another ratio result, thereby allowing a more holistic approach to understanding the institution's total financial health.

Source: Excerpts from "Strategic Financial Analysis for Higher Education," 7th Edition (Prager, Sealy & Co., LLC)

*Some of the above calculations are based on financials that have not been audited. The numbers are subject to change but we do not expect any significant differences in the ratios above

Industry Standards & Formulas

1:1

Expendable Net Assets
Long-Term Debt

< 7.0%

Debt Service
Total Expenditure

> 3.00

This is a combination of four financial ratios and the higher the number the greater the institutions financial health