PILLAR 4: Fiscal Strength

The Composite Financial Index (CFI) is purely a financial measure of the University’s health. Other factors such as enrollment, facilities, and academic reputation are also vital measures of the University’s overall health.

The four-step methodology for calculating the CFI is as follows:

1) Values of four core ratios are computed.
2) These figures are converted to strength factors along a common scale.
3) Strength factors are then multiplied by the following weight factors:
   - Primary Reserve Ratio - 37.5%
   - Viability Ratio - 37.5%
   - Return on Net Assets Ratio - 20%
   - Net Operating Revenues Ratio - 5%
4) The resulting four numbers are totaled to reach the single CFI score.

Source: University Controller; Includes the Foundation. Estimated CFI without Pension Liability does not match financial statements Due to pension reform, pension expense decreased in FY 2019, which caused the CFI to begin to increase again.