

Rutgers Financial Strategy Policy Ratios

In June 2024, the Rutgers Board of Governors adopted University Policy 40.1.4 - Financial Policy, which "aims to establish a high level of financial capacity and stability for Rutgers University that enables it to fulfill its mission and sustain operations into the future. This requires prudent resource management to ensure long-term financial health and to uphold public accountability." The strategy established financial indicators and targets to track progress against the goals laid out in the policy. This dashboard includes the data associated with these ratios for FY2025.

RUTGERS, THE STATE UNIVERSITY OF NEW JERSEY

9/19/2025

Financial Strategy Policy Ratios (FY25)

		Policy Range	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Financial Performance														
Operating Margin	Net Result, including interest, as a percentage of operating revenue	>5.00%	-0.67%	0.73%	0.49%	-2.44%	-9.96%	-3.35%	-4.66%	1.51%	4.97%	1.41%	0.88%	2.87%
Debt Service Coverage	Net Result, including interest and depreciation, divided by annual debt service	>3.0x	1.48x	2.39x	2.43x	2.29x	1.58x	2.36x	1.02x	3.28x	2.80x	1.20x	1.11x	2.59x
Operating Philanthropic Support	Annual unrestricted gifts supporting operations divided by total operating revenue	>=3.00%	1.18%	1.47%	1.40%	0.84%	0.96%	3.52%	1.04%	1.21%	1.08%	1.17%	1.22%	1.23%
Financial Position														
Credit Rating Agency Rating	Moody's/ Standard & Poor's credit ratings	Aa3/AA-	Aa3/AA-	Aa3/AA-	Aa3/A+	Aa3/A+	Aa3/A+	Aa3/A+	Aa3/A+	Aa3/A+	Aa3/A+	Aa3/A+	Aa3/A+	Aa3/A+
Days Cash on Hand	Total monthly liquidity divided by operating expenses multiplied by 365 days	>150	82	96	91	106	93	87	87	121	98	103	73	79
Intergenerational Equity	10-year annualized endowment returns	>=8.00%	NA	NA	5.40%	5.00%	6.10%	8.40%	7.40%	6.20%	7.90%	7.30%	6.90%	7.70%
Spendable Cash and Investments to Debt	Total cash and investments minus net assets with perpetual restriction divided by total debt	1.5x to 3.0x	0.71x	0.75x	0.77x	0.73x	0.65x	0.65x	0.62x	0.75x	0.72x	0.82x	0.72x	0.72x
Internal Bank Solvency	Present value of Bank balance at fiscal year-end divided by \$100,000,000	>1.0	NA	NA	0.13	0.33	0.39	1.50x	1.50x	1.50x	1.50x	1.50x	1.50x	1.50x
Asset Management														
Capital Renewal Ratio	Annual capital expenditures divided by depreciation	>100.00%	153%	197%	215%	156%	210%	206%	106%	92%	68%	60%	106%	133%
Internal Bank Balance Endowment Return (1-Year)		4.75%	NA	NA	13,672,955	34,324,080	41,055,037	45,299,228	169,210,428	106,983,306	110,803,203	91,219,051	139,190,307	107,069,210
			16.20%	2.50%	-0.50%	12.70%	9.30%	5.20%	0.20%	35.10%	-9.70%	6.90%	12.30%	10.15%

