Policy memo:

Subject: Long-term Financial Forecasting
Date: September 2026
Department: Business Office
Approved by: CFO / President

This policy is subject to review, and may be changed (with the approval of the President) at any time. Any amendments / additions that have been approved will be included in a revised version of this document and posted on the University website.

In addition to the annual budgeting process, as defined in the Budget policy document, the CFO will prepare and update a 3-year Financial Forecast on an annual basis.

The 3-year Financial Forecast will include projections for each of the Revenue and Expense categories as defined in the Budget Policy, specifically:

- Revenue lines for each main source of University revenue:
    - Gross Undergraduate residential tuition revenue, plus net tuition revenue expectations based on the target discount rate.
    - Murphy Deming College of Health Sciences ('MDCHS') tuition revenue.
    - Non-MDCHS Online net tuition revenue.
    - Room & Board revenue
    - Government & Private Grants revenue
    - Advancement revenue
    - Auxiliary and Other Sources revenue
- The main areas of University spending:
    - Salary and benefits
    - Non-salary Operating Expenses
    - Capital Expenditure / debt principal repayments / other non-operating spending

The 3-year Financial Forecast will include Revenue and Expense projections for the forthcoming financial year (the Budget year), and two subsequent financial years.

The 3-year Financial Forecast will incorporate the ongoing operations of the University, plus any additional strategic initiatives that will impact Revenue and Expenses. The 3-year Financial Forecast should align with the University's Strategic Plan, and any other strategic planning document approved by the President, the Cabinet, or the Board of Trustees.

The 3-year Financial Forecast will be prepared by the CFO in collaboration with the President and other Cabinet members.

The CFO will present the 3-year Financial Forecast to:

- The Cabinet, then subsequently to;

- The FRFA Committee of the Board of Trustees, then subsequently to;
- The Board of Trustees annually at the October meeting of the Board of Trustees.

The CFO will also share the 3-year Financial Forecast with approved external entities, including SACSCOC, program accreditors, the Department of Education, lenders, and other entities as required, in accordance with their standards and requests.