

ADMINISTRATIVE PRACTICE LETTER
ATTACHMENT I – Illustration of How to Calculate E&G
Operating Reserve and Target Balances

<u>Category</u>	<u>\$ in thousands</u>
Fund 00 expenses and transfers*	\$ 207,957
Less depreciation expense*	(12,347)
Plus debt service principal*	<u>2,792</u>
Adjusted E&G Expenses	\$ 198,402

Operating Reserve Target Balances:

Minimum Reserve Balance to be Reached Before the Campus Begins Contributing to the Unified Operating Reserve - 10% of Adjusted E&G Expenses	\$ 19,840
Target Minimum Operating Reserve Balance - 18% of Adjusted E&G Expenses	\$ 35,712

* = Per the final STATS3EN_UNRES_EG report for the applicable fiscal year