



FY2020 Core Financial Ratios and Composite Financial Index



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Table of Contents

- Introduction..... 1
- Primary Reserve Ratio 2
- Net Operating Revenues Ratio 3
- Return on Net Position Ratio..... 4
- Viability Ratio..... 5
- Composite Financial Index..... 6
- Graphic Financial Profile..... 9
 - Graphic Financial Profiles FY19 and FY20..... 9
 - Graphic Financial Profiles FY11 to FY18 10
- UMS Financial Highlights FY11 to FY19 12
- Statements of Revenues, Expenses and Changes in Net Position..... 14

Introduction

The financial health of the University of Maine System (UMS) can be evaluated using industry benchmarks and ratios. The following ratios and related benchmarks are derived from *Strategic Financial Analysis for Higher Education*, Seventh Edition published by KPMG; Prager, Sealy & Co., LLC; and ATTAIN. This book is widely used in the higher education industry and includes guidance for both private and public institutions.

According to the above publication, there are four fundamental financial questions that need to be addressed and analysis of four core ratios can help us answer these questions:

1. Are resources sufficient and flexible enough to support the mission? – **Primary Reserve Ratio**
2. Does asset performance and management support the strategic direction? – **Return on Net Position Ratio**
3. Are financial resources, including debt, managed strategically to advance the mission? – **Viability Ratio**
4. Do operating results indicate the institution is living within available resources? – **Net Operating Revenues Ratio**

When combined, these four ratios deliver a single measure of UMS' overall financial health, hereafter referred to as the **Composite Financial Index (CFI)**.

The CFI only measures the financial component of an institution's well-being. It must be analyzed in context with other associated activities and plans to achieve an assessment of the overall health, not just financial health, of the institution. As an example, if two institutions have identical CFI scores, but one requires substantial investments to meet its mission-critical issues and the other has already made those investments, the first institution is less healthy than the second. In fact, a high CFI is not necessarily indicative of a successful institution, although a low CFI generally is indicative of additional challenges. When put in the context of achievement of mission, a very high CFI with little achievement of mission may indicate a failing institution.

Strategic Financial Analysis for Higher Education

Primary Reserve Ratio

The Primary Reserve Ratio provides a snapshot of financial strength and flexibility by indicating how long the institution could function using its expendable net position (both unrestricted and restricted, excluding net position restricted for capital investments) without relying on additional net position generated by operations. This ratio is calculated as follows:

$$\frac{\text{Expendable Net Position}^*}{\text{Total Expenses}}$$

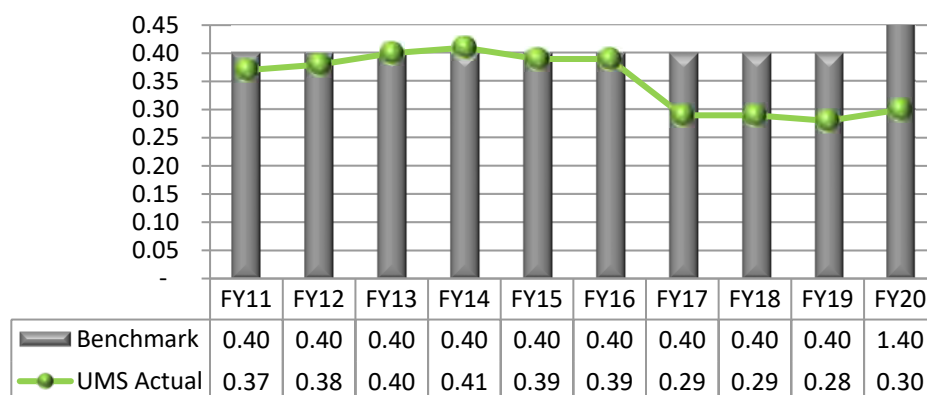
* Excluding net position restricted for capital investments

Key items that can impact expendable net position:

- principal payments on debt
- use of unrestricted net position to fund capital construction projects
- operating results (operating revenues – operating expenses + nonoperating revenues – nonoperating expenses + depreciation)
- endowment returns

A ratio of .40x (provides about 5 months of expenses) or better is advisable to give institutions the flexibility to manage the enterprise.

Primary Reserve Ratio



The UMS' Primary Reserve Ratio increased slightly to 0.30x in FY20 as expendable net position grew \$9.9 million and expenses decreased \$8.3 million. A \$9 million decrease in Institutional Support expenses was the primary factor in the change in expenses, due largely to a decrease in the cost of active employee health claims.

Primary Reserve Ratio Components \$ in millions

	<u>FY11</u>	<u>FY12</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>	<u>FY16</u>	<u>FY17</u>	<u>FY18</u>	<u>FY19</u>	<u>FY20</u>
Unrestricted expendable net position	\$165.9	\$176.6	\$183.2	\$171.5	\$155.7	\$156.6	\$81.7	\$88.6	\$93.8	\$102.7
Restricted expendable net position	\$85.4	\$80.0	\$89.4	\$104.9	\$104.2	\$104.4	\$110.6	\$111.8	\$112.5	\$113.5
Total expendable net position	\$251.3	\$256.6	\$272.6	\$276.4	\$259.9	\$261.0	\$192.3	\$200.4	\$206.3	\$216.2
Total expenses	\$678.6	\$683.9	\$679.9	\$677.1	\$674.2	\$665.4	\$672.9	\$696.5	\$728.4	\$720.1

Note: The above totals have not been adjusted for rounding.

Net Operating Revenues Ratio

The Net Operating Revenues Ratio is a measure of operating results and answers the question, “Do operating results indicate that the University is living within available resources?” Operating results either increase or decrease net position and,

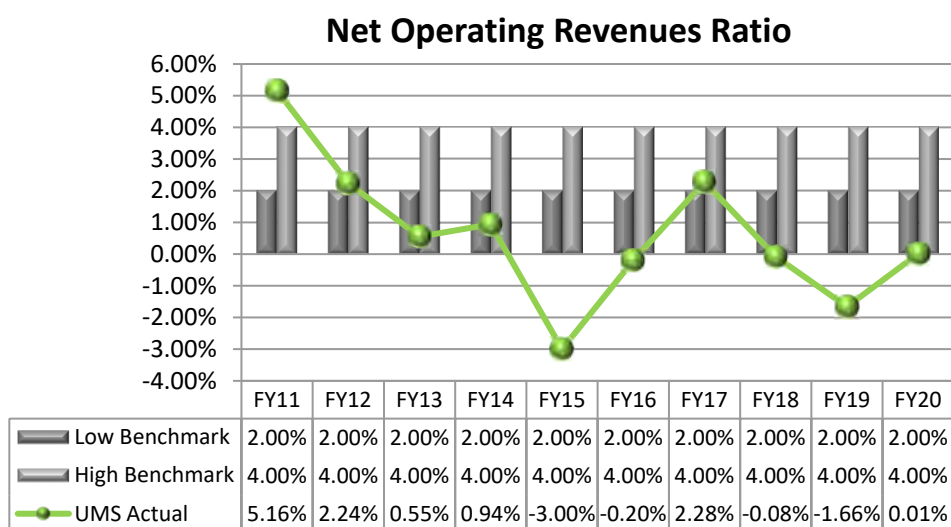
thereby, impact the other three core ratios. This ratio is calculated as follows:

$$\frac{\text{Operating Income (Loss) plus Net Non-Operating Revenues (Expenses)}}{\text{Operating Revenues plus Non-Operating Revenues}}$$

A target of at least 2% to 4% is a goal over an extended time period, although fluctuations from year to year are likely. A key consideration for institutions establishing a benchmark for this ratio would be the anticipated growth in total expenses.

The primary reason institutions need to generate some level of surplus over long periods of time is because operations are one of the sources of liquidity and resources for reinvestment in institutional initiatives.

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The UMS’ FY20 Net Operating Revenues Ratio was .01%, up from the negative ratios experienced in the prior two years. The increase from FY19 resulted from a \$23 million increase in net nonoperating revenues, partially offset by a \$10.9 million increased operating loss. The revenue increase included \$15.5 million in CARES Act funding and an \$8 million increase in State of Maine noncapital appropriations revenue.

Net Operating Revenues Ratio										
\$ in millions										
	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20
Operating revenues	\$487.2	\$479.9	\$463.6	\$453.2	\$436.1	\$436.9	\$448.2	\$458.0	\$469.9	\$450.8
Operating expenses	(\$670.1)	(\$675.8)	(\$672.6)	(\$671.3)	(\$669.0)	(\$660.7)	(\$668.3)	(\$692.1)	(\$724.2)	(\$716.0)
Operating Loss	(\$182.9)	(\$195.9)	(\$209.0)	(\$218.1)	(\$232.9)	(\$223.8)	(\$220.1)	(\$234.1)	(\$254.3)	(\$265.2)
Net nonoperating revenues	\$219.8	\$211.6	\$212.8	\$224.5	\$213.3	\$222.5	\$235.8	\$233.5	\$242.4	\$265.4
Operating income (loss) plus net non-operating revenues (expenses)	\$36.9	\$15.7	\$3.8	\$6.4	(\$19.6)	(\$1.3)	\$15.7	(\$.6)	(\$11.9)	\$0.1
Operating revenues plus non-operating revenues	\$715.5	\$699.5	\$683.7	\$683.5	\$654.6	\$664.1	\$688.6	\$695.9	\$716.5	\$720.2

Note: The above totals have not been adjusted for rounding.

Return on Net Position Ratio

The Return on Net Position Ratio measures asset performance and management. It determines whether an institution is financially better off than in the previous year by measuring total economic return. It is based on the level and change in total net position. An improving trend in this ratio indicates that the institution is increasing its net position and is likely to be able to set aside financial resources to strengthen its future financial flexibility. This ratio is calculated as follows:

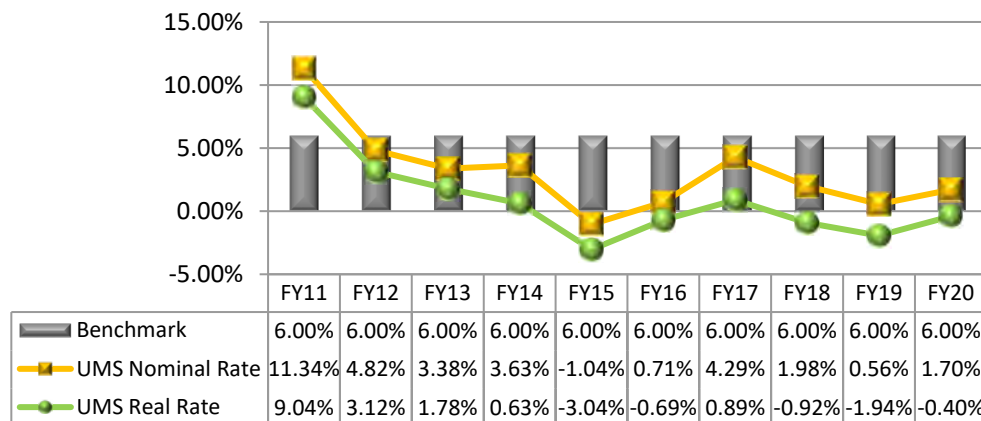
$$\frac{\text{Change in Net Position}}{\text{Total Beginning of the Year Net Position}}$$

Key items that can impact expendable net position:

- items that impact the Net Operating Revenues Ratio
- endowment returns
- capital appropriations, grants, gifts, and transfers
- endowment gifts

The nominal rate of return on net position is the actual return unadjusted for inflation or other factors. The real rate of return adjusts the nominal rate for the effects of inflation using the Higher Education Price Index (HEPI). Publishers of the HEPI sometimes revise data for prior years as new information becomes available. The real rates presented below reflect the HEPI inflation factors published for August 31, 2020 and may differ from rates presented in previous years' reports.

Return on Net Position Ratio



The UMS' nominal rate of return increased to 1.70% in FY20. Factors impacting the Net Operating Revenues Ratio also impact this ratio and were the primary factors for the increase from the prior year.

Return on Net Position Ratio Components

\$ in millions

	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20
Operating income (loss) plus net non-operating revenues (expenses)	\$36.9	\$15.7	\$3.8	\$6.4	(\$19.6)	(\$1.3)	\$15.7	(\$.6)	(\$11.9)	\$0.1
Other changes in net position	\$43.3	\$22.3	\$24.1	\$24.0	\$10.6	\$7.4	\$17.1	\$16.4	\$16.4	\$13.8
Change in total net position	\$80.2	\$38.0	\$27.9	\$30.5	(\$9.1)	\$6.1	\$32.8	\$15.8	\$4.5	\$13.9
Total net position (beginning of year)	\$707.2	\$787.4	\$825.3	\$839.2	\$869.7	\$860.6	\$765.0	\$797.8	\$813.7	\$818.2

Note: The above totals have not been adjusted for rounding.

Viability Ratio

The Viability Ratio measures expendable resources that are available to cover debt obligations (e.g., capital leases, notes payable, and bonds payable) and generally is regarded as governing an institution’s ability to assume new debt. This ratio is calculated as follows:

$$\frac{\text{Expendable Net Position}^*}{\text{Long-Term Debt}}$$

* Excluding net position restricted for capital investments

Key items that can impact expendable net position:

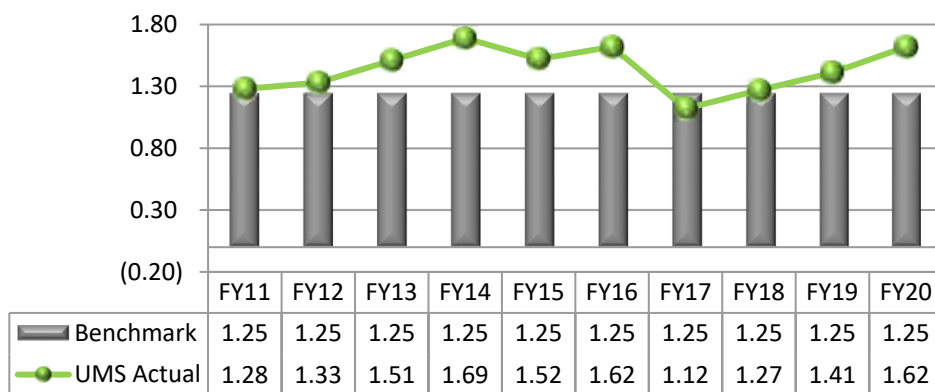
- principal payments on debt
- use of unrestricted net position to fund capital construction projects
- operating results (operating revenues – operating expenses + nonoperating revenues – nonoperating expenses + depreciation)
- endowment returns

A ratio of 1.25 or greater indicates that there are sufficient resources to satisfy debt obligations.

There is no absolute threshold that will indicate whether the institution is no longer financially viable. However, the Viability Ratio, along with the Primary Reserve Ratio discussed earlier, can help define an institution’s “margin for error”. As the Viability Ratio’s value falls below 1:1, an institution’s ability to respond . . . to adverse conditions from internal resources diminishes, as does its ability to attract capital from external sources and its flexibility to fund new objectives.

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Viability Ratio



At 1.62 for FY20, the UMS’s Viability Ratio is once again above the industry benchmark of 1.25.

Viability Ratio Components											
\$ in millions											
	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	
Unrestricted expendable net position	\$165.9	\$176.6	\$183.2	\$171.5	\$155.7	\$156.6	\$81.7	\$88.6	\$93.8	\$102.7	
Restricted expendable net position	\$85.4	\$80.0	\$89.4	\$104.9	\$104.2	\$104.4	\$110.6	\$111.8	\$112.5	\$113.5	
Total expendable net position	\$251.3	\$256.6	\$272.6	\$276.4	\$259.9	\$261.0	\$192.3	\$200.4	\$206.3	\$216.2	
Long-term debt	\$196.6	\$193.7	\$180.8	\$163.9	\$170.9	\$161.4	\$171.2	\$157.3	\$146.1	\$133.8	

Note: The above totals have not been adjusted for rounding.

Composite Financial Index

The Composite Financial Index (CFI) creates one overall financial measurement of the institution’s health based on the four core ratios: Primary Reserve Ratio, Net Operating Revenues Ratio, Return on Net Position Ratio, and Viability Ratio. By blending these four key measures of financial health into a single number, a more balanced view of the state of the institution’s finances is possible because a weakness in one measure may be offset by the strength of another measure.

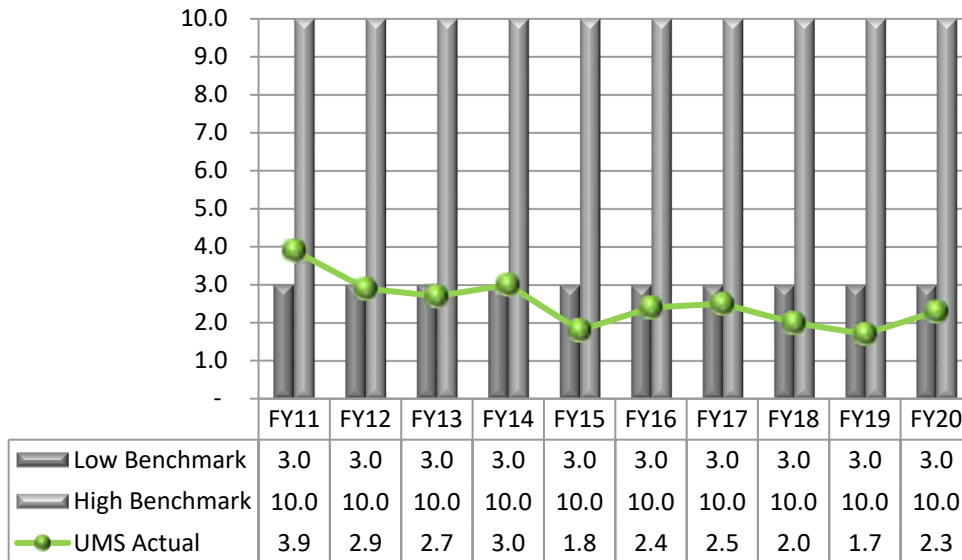
The CFI is calculated by completing the following steps:

1. Compute the values of the four core ratios;
2. Convert the ratio values to strength factors along a common scale;
3. Multiply the strength factors by specific weighting factors; and
4. Total the resulting four numbers (ratio scores) to reach the single CFI score.

A score of 1.0 indicates very little financial health; 3, the low benchmark, represents a relatively stronger financial position; and 10 is the top of the scale.

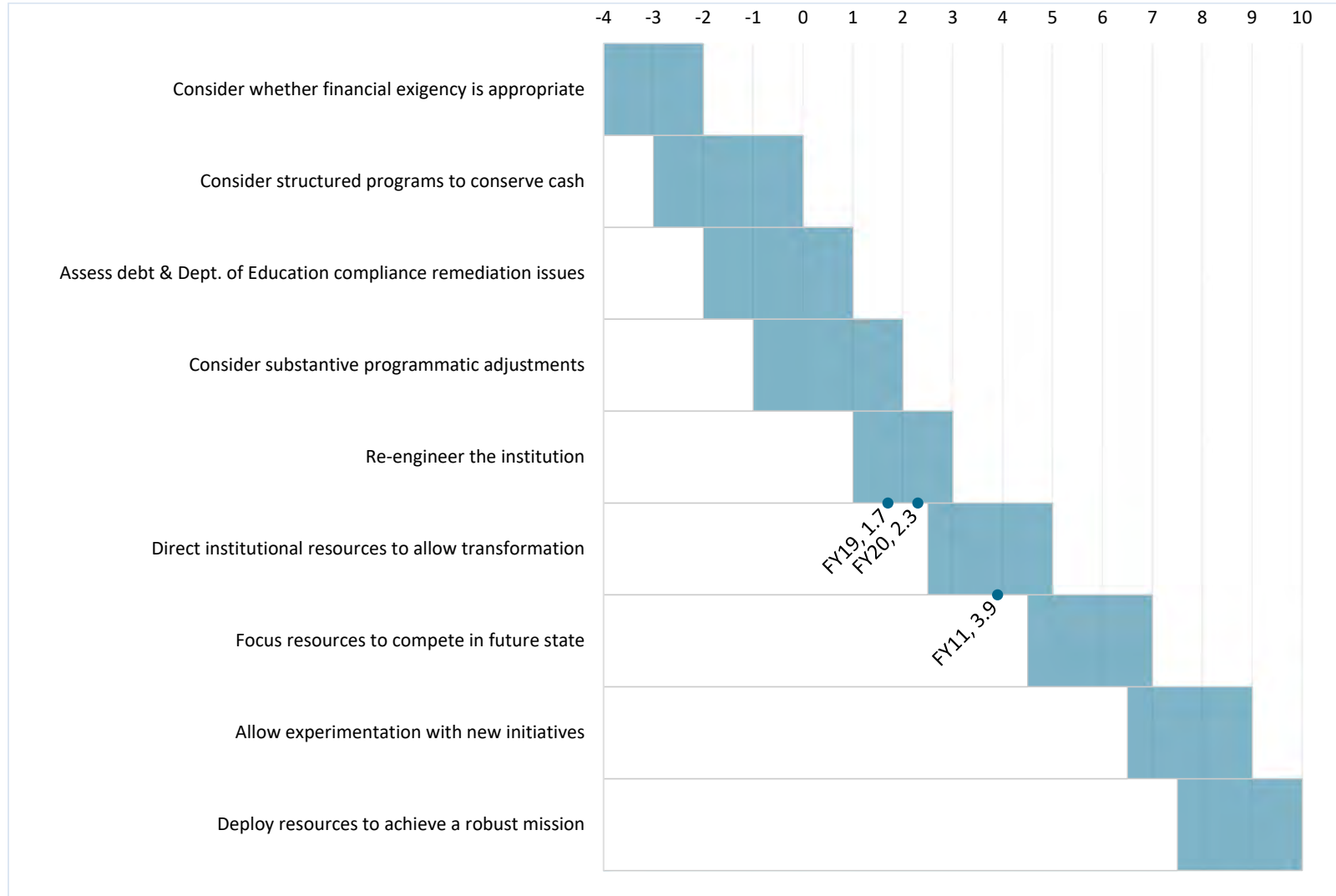
The UMS’ CFI score increased from 1.7 in FY19 to an FY20 score of 2.3. Key factors in this reduction were the Net Operating Revenues Ratio and the Return on Net Position Ratio.

Composite Financial Index



Performance of the CFI score can be evaluated on a scale of -4 to 10 as shown on the following page. These scores do not have absolute precision. They are indicators of ranges of financial health that can be indicators of overall institutional well-being, when combined with nonfinancial indicators. This would be consistent with the fact that there are a large number of variables that can impact an institution and influence the results of these ratios. However, the ranges do have enough precision to be indicators of the institutional financial health, and the CFI as well as its trend line, over a period of time, can be the single most important measure of the financial health for the institution.

The overlapping blocks of color represent the ranges of measurement that an institution may find useful in assessing itself. We have overlaid the scale with the UMS' highest (FY11), lowest (FY19) and most recent CFI scores to assist in evaluating UMS' performance.



CFI Calculation										
Fiscal Year	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20
+ Primary Reserve Ratio	0.37	0.38	0.40	0.41	0.39	0.39	0.29	0.29	0.28	0.30
/ Common Scale Value *	0.133	0.133	0.133	0.133	0.133	0.133	0.133	0.133	0.133	0.133
= Strength Factor **	2.78	2.86	3.01	3.08	2.93	2.93	2.18	2.18	2.11	2.26
X Weighting Factor ***	35%	35%	35%	35%	35%	35%	35%	35%	35%	35%
Ratio Score	0.97	1.00	1.05	1.08	1.03	1.03	0.76	0.76	0.74	0.79
+ Net Operating Revenues Ratio	5.16%	2.24%	0.55%	0.94%	-3.00%	-0.20%	2.28%	-0.08%	-1.66%	0.01%
/ Common Scale Value *	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%
= Strength Factor **	7.37	3.20	0.79	1.34	-4.00	-0.29	3.26	-0.11	-2.37	0.01
X Weighting Factor ***	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%
Ratio Score	0.74	0.32	0.08	0.13	-0.40	-0.03	0.33	-0.01	-0.24	0.00
+ Return on Net Position Ratio	11.34%	4.82%	3.38%	3.63%	-1.04%	0.71%	4.29%	1.98%	0.56%	1.70%
/ Common Scale Value *	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
= Strength Factor **	5.67	2.41	1.69	1.82	-0.52	0.36	2.15	0.99	0.28	0.85
X Weighting Factor ***	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%
Ratio Score	1.13	0.48	0.34	0.36	-0.10	0.07	0.43	0.20	0.06	0.17
+ Viability Ratio	1.28	1.33	1.51	1.69	1.52	1.62	1.12	1.27	1.41	1.62
/ Common Scale Value *	0.417	0.417	0.417	0.417	0.417	0.417	0.417	0.417	0.417	0.417
= Strength Factor **	3.07	3.19	3.62	4.05	3.65	3.88	2.69	3.05	3.38	3.88
X Weighting Factor ***	35%	35%	35%	35%	35%	35%	35%	35%	35%	35%
Ratio Score	1.07	1.12	1.27	1.42	1.28	1.36	0.94	1.07	1.18	1.36
Composite Financial Index	3.9	2.9	2.7	3.0	1.8	2.4	2.5	2.0	1.7	2.3

* = The common scale value is derived from the scoring scale defined by the authors of *Strategic Financial Analysis for Higher Education*, Seventh Edition for public institutions with an endowment spending rate.

** = The strength factor is the result of dividing the ratio value by the common scale value to determine a comparable value (strength) for each ratio that can be analyzed on a common scale of -4 to 10.

*** = The weighting factor is derived from the weighting schema defined by the authors of *Strategic Financial Analysis for Higher Education*, Seventh Edition for institutions with long-term debt.

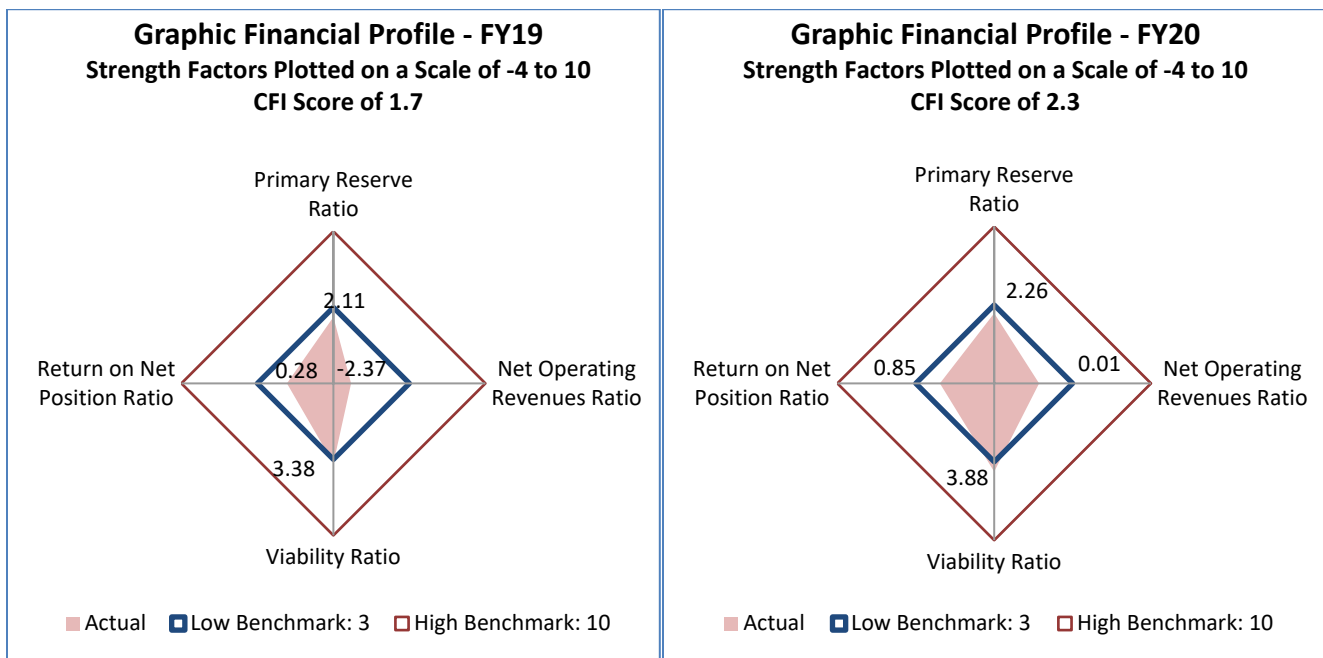
Graphic Financial Profile

The strength factors used in calculating the CFI can be mapped on a diamond graph to show the shape of an institution’s financial health compared to the industry benchmarks. This Graphic Financial Profile can assist management in determining whether a weakness in one ratio is offset by strength in another ratio.

- The center point of the graphic financial profiles is -4, the lowest possible score on the scale.
- The smaller, heavily lined diamond in the graphs represents the low industry benchmark of 3.
- The outer, lightly lined diamond represents the high industry benchmark of 10 and the highest possible score on the scale for each ratio.
- The actual values of the UMS’ratio strength factors are plotted and shaded to show how the UMS’ health compares with the low (3) and high (10) industry benchmarks.

Graphic Financial Profiles FY19 and FY20

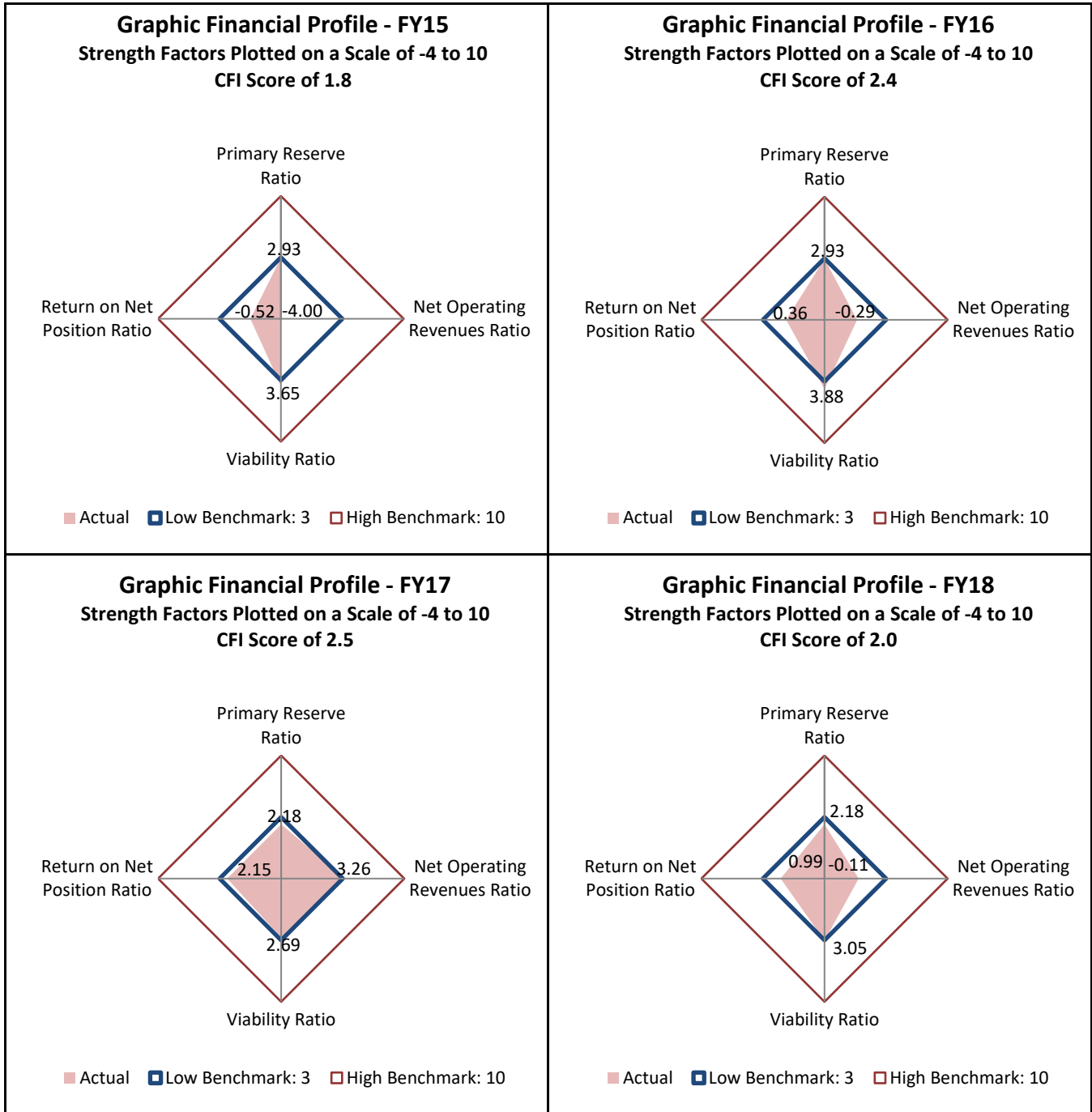
In FY20, the shape of the UMS’ graphic financial profile expanded, as the UMS experienced improved returns from operations and from net position.



Graphic Financial Profiles FY11 to FY18

Changes in the shape of the UMS’ graphic financial profile for FY11 thru FY18 can be seen below and on the next page.





UMS Financial Highlights FY11 to FY19

We have compiled the following financial highlights from prior years' ratio reports as a resource in understanding the ratios presented in this report for prior fiscal years.

Endowment returns net of amount used for operations (i.e., undistributed) have fluctuated significantly over the years with changes in market returns.

Endowment Return Net of Amount Used for Operations

\$ in millions			
FY11	\$14.4	FY16	(\$7.9)
FY12	(\$6.4)	FY17	\$7.4
FY13	\$8.4	FY18	\$3.1
FY14	\$13.8	FY19	(\$1.9)
FY15	(\$6.2)	FY20	(\$4.2)

Capital appropriation revenue from the State of Maine fluctuates with the availability of voter approved bond proceeds and the timing of the UMS' expenditure of those proceeds. Over the most recent ten-year period, capital appropriation revenues have been as high as \$14.3 million (FY20) and as low as \$1.9 million (FY14).

Capital grants and gifts revenue is also subject to fluctuation depending on the construction and fundraising activities that are occurring. During the most recent ten-year period, this revenue stream has been as high as \$22.6 million in FY11 and as low as \$2.9 million in FY16. The FY11 level is primarily attributable to grants received for wind energy research at the University of Maine.

FY11: Total operating and nonoperating revenues increased by 2.7% (\$18.7 million), but were offset by a 2.8% (\$18.3 million) increase in total operating and nonoperating expenses, resulting in a Net Operating Revenues Ratio that approximates that for FY10. Significant fluctuations included the following:

- PELL funding increased, accounting for \$5.6 million of the \$12.2 million increase in grants and contracts revenue. Increases in PELL funding increase operating revenues while expenditure of the funding is split between scholarship allowance which decreases operating revenues and scholarship expense which is a component of operating expenses.
- The remaining \$6.6 million increase in FY11 grants and contracts revenue is directly offset by an increase in operating expenses.
- Noncapital State of Maine appropriation revenue increased for the first time since FY08, increasing \$5 million over the FY10 amount.
- Total student aid costs (scholarship allowance + student aid expense) increased \$10.8 million as a result of the

previously mentioned increase in PELL funding and an increase in scholarships funded from unrestricted resources, to partially offset the increased tuition rate charged to students.

FY12: Total operating and nonoperating revenues decreased by 2.3% (\$16 million) and total operating expenses increased .8% (\$5.2 million), resulting in a Net Operating Revenues Ratio that is less than half of what it was for the prior two fiscal years. Significant fluctuations in revenues included the following:

- With the expiration of ARRA funding, State Fiscal Stabilization revenue decreased \$6.5 million and operating grants and contracts revenue decreased \$3.6 million.
- Investment income decreased \$6.1 million (57%) due to market conditions.
- Gross tuition and fees revenue increased \$5 million (or 2%) over FY11 primarily due to a 4.1% weighted average increase in undergraduate in-state tuition and mandatory fees. The increase in rates; however, was partially offset by a 2% decline in credit hour enrollments from FY11 to FY12.

A \$7 million increase in compensation and benefits in FY12 was tempered by a \$3.6 million decrease in grant related expenses due to the previously noted decrease in grants and contracts revenue.

The UMS refinanced a balloon payment on its 2002 Revenue Bonds and issued \$6.4 million of new money bonds.

FY13: The return from operations decreased \$11.9 million from the FY12 return. Factors contributing to this decrease include:

- Gross tuition and fees increased only .8% or \$2.8 million over FY12 as UMS management elected to freeze in-state tuition and fee rates.
- Recovery of indirect costs revenue decreased \$1.1 million as grant and contract revenues declined. The decline in grant and contract revenues itself does not directly impact the return from operations because such revenues are recognized only to the extent of related expenses.
- Nongrants and noncontracts expenses increased from FY12 to FY13 by \$12.8 million or 2%.

The UMS refinanced \$72.03 million of bonds in FY13 for a net present value savings of \$7.5 million.

FY14: Although total revenues changed by an insignificant amount from FY13 to FY14, individual categories of revenue had significant fluctuations.

- Operating revenues decreased by \$10.4 million or 2%. Of significance here is that unrestricted revenue sources like net student fees and other auxiliary revenues accounted for \$5.2 million or 50% of the decrease and

restricted grants and contracts revenue and the related recovery of indirect costs accounted for the remainder.

- Nonoperating revenues increased \$10.2 million or 4.6% with noncapital gifts and investment income accounting for \$6.3 million or 62% of the increase. Noncapital State of Maine appropriation accounted for \$3.8 million or 37% of the increase.

FY15: Operating expenses stayed flat, declining just .4% or \$2.8 million from the prior year, while the total of operating and nonoperating revenues declined 4.2% or \$28.9 million.

Significant factors in the revenue decline included the following:

- Investment income decreased \$13.6 million or 103.8% as market conditions declined and the UMS experienced a loss in FY15.
- Gross student fees were basically flat, but more was spent on financial aid, accounting for a \$5.7 million or 2.4% decline in net student fees revenue.
- Grants and contracts revenue combined with the related recovery of indirect costs revenue decreased \$10.1 million or 6.5%.

The UMS issued \$48.45 million in bonds to refund \$38.15 million in previously issued bonds and to provide \$12.71 million for heating projects at the University of Maine at Farmington and the University of Maine at Machias.

FY16: Operating revenues remained relatively flat, increasing just under \$1 million from FY15 to FY16, while nonoperating revenues increased 4% or \$9 million, and operating expenses decreased 1% or \$8 million.

- State of Maine appropriation, expendable gifts, and investment return related to operating investments increased \$3 million each.
- The decrease in operating expenses includes a \$16 million decrease in compensation and benefits, offset in part by a \$6 million increase in supplies and services, and smaller fluctuations in other expense categories.

FY17: In FY18, UMS adopted Governmental Accounting Standards Board GASB Statement No. 75 (GASB No. 75), *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions* related to its postemployment health plan. Pursuant to the provisions of GASB No. 75, the UMS restated its FY17 financial statements to reflect the retroactive application of the accounting change. The overall impact on the FY17 Statement of Revenues, Expenses and Changes in Net Position is that the originally reported FY17 beginning net position decreased by \$102 million, while the FY17 Change in Net Position increased \$12 million, resulting in a \$90 million decrease from the previously stated unrestricted net position at June 30, 2017.

Net student fees revenue increased \$9 million from FY16 to FY17, accounting for 82% of the \$11 million increase in operating revenues. This was the first increase in net student fees revenue since FY13. Nonoperating revenues also increased due to an \$11 million increase in noncapital State of Maine appropriation revenue, a \$7 million increase in investment income and a \$4 million decrease in expendable gifts.

The UMS issued \$30.34 million in bonds to refund \$13.2 million in previously issued bonds for net present value savings of \$1.4 million, and to provide \$20.6 million of new monies for WiFi and classroom technology upgrades throughout the UMS. The debt service on the new money portion of the bonds is to be funded from a restricted appropriation from the State of Maine.

FY18: Total operating revenues increased by 2% to \$458 million in FY18. The primary driver behind this increase was a \$10.6 million increase in net student fees. Outpacing revenue growth, operating expenses grew by 4% to \$692 million. Compensation and benefits accounts for 63% or \$434 million of the increase in operating expenses.

Nonoperating revenues experienced a \$2.3 million decrease from the prior year. Several notable items contributed to this change including a nearly \$3 million decrease in operating investment income resulting from declines in investment performance and a \$1 million decrease in Noncapital State of Maine appropriations. Offsetting these decreases was a \$1.5 million increase in expendable gifts.

Although Other Changes in Net Position decreased by only \$1 million over the previous year there were several revenue lines that experienced significant changes. State of Maine Capital appropriations increased by \$3 and endowment returns net of amount used for operations dropped \$4 million as a result of investment performance.

FY19: Total operating and nonoperating revenues increased \$21 million from the prior year. The primary drivers for this increase were an \$8 million increase in net student fees, an increase of \$3 million in grants and contracts revenue and related recovery of indirect costs, a \$3 million increase in nonoperating gift revenues, and an increase of \$5 million in nonoperating investment income. Operating expenses increased by 5% or \$32 million, surpassing revenue growth. The increase in expenses primarily related to compensation and benefits which increased by a combined total of \$27 million, accounting for 84% of the increase in operating expenses.

Other Changes in Net Position was flat with the previous year.

University of Maine System

Statements of Revenues, Expenses and Changes in Net Position

For the Years Ended June 30, 2011 to 2020

(\$ in thousands)

	2011	2012	2013	2014	2015	2016	RESTATED 2017	2018	2019	2020
OPERATING REVENUES										
Tuition and fees	\$260,703	\$266,043	\$268,863	\$267,418	\$267,683	\$270,193	\$280,611	\$299,827	\$312,736	\$319,350
Residence and dining fees	59,499	57,401	57,562	60,042	58,406	60,936	62,222	63,842	65,484	52,111
Less: scholarship allowances	(78,175)	(78,599)	(79,618)	(84,065)	(88,432)	(94,529)	(97,344)	(107,561)	(114,025)	(123,712)
Net student fees	242,027	244,845	246,807	243,395	237,657	236,600	245,489	256,108	264,195	247,749
Grants and contracts	168,649	161,877	146,130	142,108	133,703	136,103	137,529	137,699	139,330	144,017
Recovery of indirect costs	17,150	16,130	14,989	13,810	12,129	11,524	12,333	12,264	13,569	14,668
Educational sales and service	31,404	31,294	31,789	32,334	32,344	34,977	34,345	34,493	35,443	29,566
Other auxiliary enterprises	27,924	25,778	23,906	21,564	20,294	17,693	18,476	17,455	17,316	14,823
Total Operating Revenues	487,154	479,924	463,621	453,211	436,127	436,897	448,172	458,019	469,853	450,823
OPERATING EXPENSES										
Instruction	178,121	178,722	179,640	180,598	179,728	168,415	170,901	174,198	180,910	183,097
Research	79,142	73,026	68,775	72,508	65,393	66,278	73,175	76,005	79,973	80,098
Public service	61,215	63,622	60,396	60,322	60,701	59,603	59,950	57,586	58,955	57,914
Academic support	72,879	77,048	76,754	76,253	70,357	66,291	71,101	73,956	73,190	73,440
Student services	46,938	47,769	50,497	48,933	52,105	53,907	53,983	57,820	61,774	61,856
Institutional support	50,290	56,216	54,184	48,165	57,580	63,657	55,121	63,540	73,878	64,842
Operation and maintenance of plant	48,762	46,957	49,361	51,289	50,100	49,039	50,638	50,970	51,794	50,533
Depreciation and amortization	28,739	30,422	32,414	33,793	35,304	37,051	37,914	39,768	41,126	41,838
Student aid	31,078	31,691	31,518	29,658	30,925	33,069	31,007	33,797	35,692	39,662
Auxiliary	72,905	70,349	69,098	69,752	66,872	63,372	64,469	64,471	66,905	62,790
Total Operating Expenses	670,069	675,822	672,637	671,271	669,065	660,682	668,259	692,111	724,197	716,070
Operating Loss	(182,915)	(195,898)	(209,016)	(218,060)	(232,938)	(223,785)	(220,087)	(234,092)	(254,344)	(265,247)
NONOPERATING REVENUES (EXPENSE)										
Noncapital State of Maine appropriations	195,327	197,656	194,417	198,263	198,757	201,404	212,036	210,979	211,975	219,864
CARES Act funding	-	-	-	-	-	-	-	-	-	15,456
State Fiscal Stabilization Program	6,541	62	-	-	-	-	-	-	-	-
Gifts currently expendable	10,922	12,448	11,020	13,796	14,539	17,072	12,671	14,172	17,431	19,400
Endowment income distributed	4,860	4,862	5,015	5,136	5,660	6,165	6,280	6,204	5,584	5,603
Investment income	10,663	4,596	9,586	13,081	(499)	2,561	9,455	6,490	11,644	9,074
Interest expense	(8,485)	(8,032)	(7,240)	(5,786)	(5,146)	(4,749)	(4,658)	(4,341)	(4,206)	(4,044)
Net Nonoperating Revenue (Expense)	219,828	211,592	212,798	224,490	213,311	222,453	235,784	233,504	242,428	265,353
Income (Loss) Before Other Changes in Net Position	36,913	15,694	3,782	6,430	(19,627)	(1,332)	15,697	(588)	(11,916)	(106)
OTHER CHANGES IN NET POSITION										
State of Maine capital appropriations	4,104	5,450	6,144	1,918	11,267	13,104	5,148	8,029	5,958	14,308
Capital grants and gifts	22,556	19,695	8,106	7,403	4,555	2,881	3,276	4,370	4,209	3,387
Endowment return not distributed	14,358	(6,419)	8,380	13,836	(6,151)	(7,946)	7,358	3,086	(1,951)	(4,165)
Endowment gifts	2,291	3,582	1,452	880	1,725	1,180	1,313	1,380	8,558	787
Gain (loss) on disposal of capital assets	(53)	(34)	-	-	(841)	(1,813)	1	(443)	(335)	(511)
Total Other Changes in Net Position	43,256	22,274	24,082	24,037	10,555	7,406	17,096	16,422	16,439	13,806
Increase (Decrease) in Net Position	80,169	37,968	27,864	30,467	(9,072)	6,074	32,793	15,834	4,523	13,912
NET POSITION										
Net Position - beginning of year	707,206	787,375	825,343	839,236	869,703	860,631	765,046	797,839	813,673	818,196
Net Position - end of year	\$787,375	\$825,343	\$853,207	\$869,703	\$860,631	\$866,705	\$797,839	\$813,673	\$818,196	\$832,108