Slippery Rock University
Unrestricted Net Assets

Designations for Unrestricted Funds as of January 2013:
In accordance with BOG Policy 2011-01: UNIVERSITY FINANCIAL HEALTH, universities are required to hold reserve funds between 5-10% of current year E&G revenue. SRU has net assets as of June 30, 2012 of $37.8 million. Based on this system policy, we must reserve approximately $11 million. That leaves an amount of $26.8 million over the established threshold. To reflect the intended uses of the additional reserve funds and implement the universities strategic plan, the following designations have been identified for these funds.

<table>
<thead>
<tr>
<th>3 Year Trend</th>
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<tbody>
<tr>
<td>FY 11/12</td>
<td>$37,780,426</td>
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<tr>
<td>FY 10/11</td>
<td>$37,024,275</td>
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<tr>
<td>FY 09/10</td>
<td>$33,454,930</td>
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Designations of Unrestricted Net Assets:

<table>
<thead>
<tr>
<th>Designation</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Identified Facility Expansions/Renovations</td>
<td>$7,783,000</td>
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<tr>
<td>Deferred Maintenance Expenditures - 2013 projects</td>
<td>$4,350,000</td>
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<tr>
<td>Technology Investments</td>
<td>$2,360,000</td>
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<tr>
<td>Proposed Academic Program Investments</td>
<td>$1,250,000</td>
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<tr>
<td>Marketing/Recruitment Investments (3 year program)</td>
<td>$3,150,000</td>
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<tr>
<td>Emergency/Safety Mgmt</td>
<td>$125,000</td>
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<tr>
<td>Funds for Lifecycle, Anticipated Future Deferred Maintenance, and Utilities</td>
<td>$4,650,000</td>
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<tr>
<td>Individual Departmental Reserves</td>
<td>$3,196,548</td>
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<tr>
<td><strong>SUBTOTAL</strong></td>
<td><strong>$26,864,548</strong></td>
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<td>10% Reserve - BOG Financial Health Policy</td>
<td>$10,915,878</td>
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<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$37,780,426</strong></td>
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Additional Obligations:
The PASSHE calculation of "unrestricted net assets" excludes dollars that SRU is required to pay employees for accrued vacation and sick pay and for future retiree health care costs. These obligations totaled $78.3 million as of June 30, 2012.