



WILLIAM & MARY

CHARTERED 1693

KPI Executive Summary

W&M university strategy: *to deliver the most personal learning experience of any public university in the nation*. W&M Key Performance Indicators (KPIs) allow us to track and analyze business performance towards this strategy.

Committee Name: Financial Affairs

Date: September 28, 2023

KPI Title: Financial Performance Operating Margin

SUMMARY: The university is required to achieve a bond rating of AA- or better to maintain Tier III status. Financial Performance Operating Margin is one of the Financial Profile factors in S&P's rating criteria for establishing W&M's bond rating, measured as ratio of net of total revenues minus total expenses to total expenses.

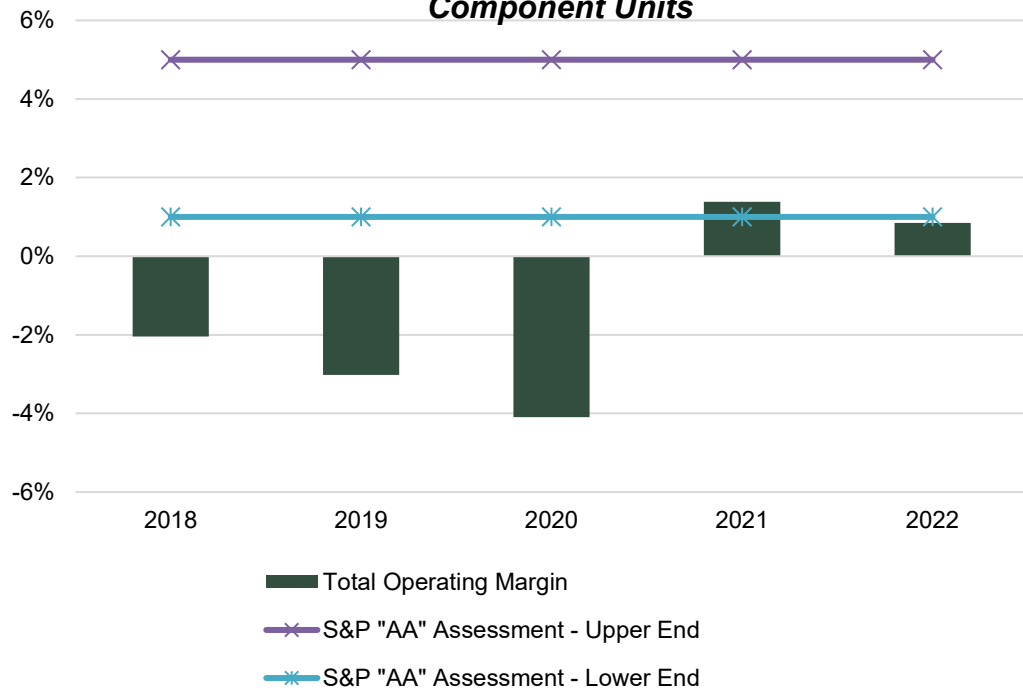
DATA: Per audited Financial Statements including component units.

CYCLE: Annually, completed during the S&P review.

S.M.A.R.T. GOAL: maintain an operating margin ratio within 0-1% of the lower limit of S&P assessment for public universities rated in the "AA" category by S&P. Discussion needed before setting goals, because W&M has only reached 1% once in 5 years. Current status: **.84%**.

DECISION-MAKING: the Financial Resources Factor informs the Board's votes on the Six-Year Plan (September), Six-year operating budget requests (September), capital outlay (all year), tuition setting (April) and annual operating budget (April).

Financial Performance(Operating Margin) University and Component Units



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