

PERIODIC REVIEW REPORT
Temple University
Financial Resources
D. Hollowell, July 2005

The 2000 Accreditation Review Report made no recommendations but did highlight several “challenges” for Temple University. Those related to planning, resource allocation and facilities included: a need to improve the strategic planning process; the need to continue investments in technology; the need to improve administrative systems; the need to provide a long term solution to the City Center campus space needs; and the need to improve the collection and use of institutional data. The PRR indicates that a strategic planning process was initiated and is to be completed this year; the technology investment plan that “expired” in 2001 has been followed by continual investments in technology; incremental improvements have been made in the existing administrative systems with a plan to address complete enterprise system replacement when funding permits; six floors of 1515 Market Street were leased for the City Center campus; and an office of planning and policy analysis has been created to coordinate institutional data collection and its use to support reporting and planning.

The finances of Temple University are stronger now than in 2000. There have been operating surpluses in each year since 1999; net assets have increased from \$391 million to \$616 million; unrestricted cash and investments have increased from \$257 million to \$471 million; and the bond rating agencies have recently upgraded Temple’s rating (S&P from A to A+ for example) indicating that the outlook for the institution is healthy. Temple’s endowment is small relative to its size and stature. Efforts to fundraise for endowment and continuing to diversify the revenue base to offset declines in State funding will be important to slowing the increased burden on student tuition and fees. It should be noted that as Temple has found it necessary to make significant increases in tuition and fees, the University has similarly increased funding for student aid.

Planning and budgeting appear to be well linked. Academic budgeting is linked to school and college plans; capital planning is linked to the budget process, enrollment planning and academic planning. It also appears that following the 2000 accreditation review planning generally has become more organized and systemic.

A review of Temple University’s audited financial statements indicates an unqualified opinion and no concerns have been noted.