The debt model is a UCOP model used to measure a campus’ ability to take on additional debt. The Office of the Chief Financial Officer maintains the debt model.

The debt model uses the campus’ SRECNP, SNP, and ten-year projections to calculate certain debt ratios. These metrics are used in the external financing approval process by UCOP. The debt ratios and requirements are outlined in Regents Policy 5307: University of California Debt Policy.

The Executive Director, Financial Reporting updates the data in the debt model throughout the year as necessary, for example:
- When new debt is issued and/or debt is refinanced, the current debt schedules and approved projects list are updated;
- When the SRECNP and SNP are available after fiscal close, the financial data are updated;
- As capital project plans evolve, the proposed projects list is updated;
- When external financing for a project is approved, the project is moved from the proposed projects list to the approved projects list; and
- As financial projections are updated, the growth rate assumptions are updated.

The Executive Director, Financial Reporting works with the Budget Office on the ten-year projections, with Capital Planning & Space Management on capital project plans, and with Accounting & Fiscal Services on the SRECNP and SNP.

APPROVED:

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