

Capital Plan – 2011-12

Over the last few years, the university's capital plan has focused increasingly on strategic priorities. Capital planning for Cornell's physical assets requires the consideration of a variety of factors, impacts, and constraints, and an attention to the fabric and function of the campus as a whole. Elements in the strategic decision processes include infrastructure needs; the inventory of deferred maintenance needs; the efficient utilization of space; the aesthetics of design; fundraising capacity and priorities; the availability of support from state, federal, and private resources; debt capacity and repayment burden; and the cost of operating and maintaining the campus.

The university's capital plan details the capital project activity anticipated over a 5-year horizon in order to meet the university's objectives. The plan examines the financial impacts of these projects, including the ability and priority for gift fundraising, the capacity to borrow and the ability to repay debt financing, the availability of New York State funding, the need for central institutional support, and the ongoing cost of operating and maintaining the physical assets. Each of those financial considerations is weighed in relation to other competing demands on constrained resources. In addition, the timing of the projects is considered as they relate to other projects and the internal resources and external workforce required for a given level of concurrent construction activity. The resultant capital plan is a manifestation of Cornell's priorities and initiatives.

After moving to a 5-year planning horizon in fiscal year 1994-95, the university's total capital plan grew at an average annual rate of 7.9 percent through fiscal year 2008-09. Since that time, the university has put strict requirements on funding

plans for capital projects (see Capital Project Spending Guidelines in Appendix R) and constrained the use of debt, the availability of central funding, and the ability to raise funds for capital activity. As a result, the total capital plans over the last three years have declined at an average annual rate of 14.5 percent.

The schedules on subsequent pages highlight plans to address the university's strategic initiatives, program enhancements, and the maintenance, renewal, and improvement of its buildings and campus infrastructure.

CAPITAL ACTIVITY

The projects in the approved capital plan (Table 7) include those with budgets greater than \$250,000 that have been approved for planning, design, or construction; projects that represent academic or programmatic priorities for use of unit resources; necessary ongoing investments in maintenance and infrastructure projects; or projects undertaken as part of the 2009-13 State University Construction Fund (SUCF) capital plan. All projects have complete funding plans in place. Proposed projects that are reliant on uncertain sources of funding (gifts to be raised, future New York State capital plans, grant proposals, etc.) or those that require new debt have been deferred until a certain funding plan is in place. In addition, any project utilizing gift funding will not be allowed to commence construction until fundraising is complete and 75 percent of the gift funds are in hand.

Capital Plan Highlights

The university has already authorized \$1.12 billion (68 percent) of capital activity on projects with an estimated total ultimate budget of \$1.65 billion. The

total planned activity over the next five years represents an 11 percent reduction from the fiscal year 2010-11 capital plan.

Of the approved project costs, \$492.7 million (30 percent) is estimated to be spent by the end of the 2010-11 fiscal year. If future projects proceed as planned, the capital budget for expenditures during 2011-12 will total \$373.9 million, and an estimated \$782.3 million will be spent over the remaining years of the plan.

Projects that have been fully authorized and are underway make up \$977.2 million (59 percent) of the total capital plan. They include the Weill Cornell Medical College's Medical Research Building, the renovation of Stocking Hall and construction of a new Food Science Building, the new Human Ecology Building and parking garage, the construction of Milstein Hall, and the renovation of Warren Hall.

Major projects (project budgets greater than \$10 million) and new construction planned for the Ithaca campus represent \$157.6 million of project cost. Each of these projects has design work or phases of construction already authorized. This group of projects includes the phased renovations of Martha Van Rensselaer, the construction of Gates Hall, renovation and new space for the Law School, means restriction on campus bridges, and the construction of a new teaching dairy barn.

Additional capital activity not included in the two previous categories that is principally funded by the State University of New York (SUNY) capital plan comprises approximately \$66 million of total budget and includes a variety of facilities and infrastructure maintenance projects and upgrades for the Contract Colleges.

Ithaca campus facilities and infrastructure maintenance and upgrades, energy conservation, administrative systems, and college and unit programmatic renovations and improvements make up \$397.1 million of planned activity.

Finally, the Weill Cornell Medical College has plans for clinical program improvements plus expansion and maintenance needs which will require \$51 million in addition to the projects approved or already underway. The key component of the clinical planning strategy is the Medical College's expansion to a new practice site located on the west side of Manhattan.

FUNDING SOURCES

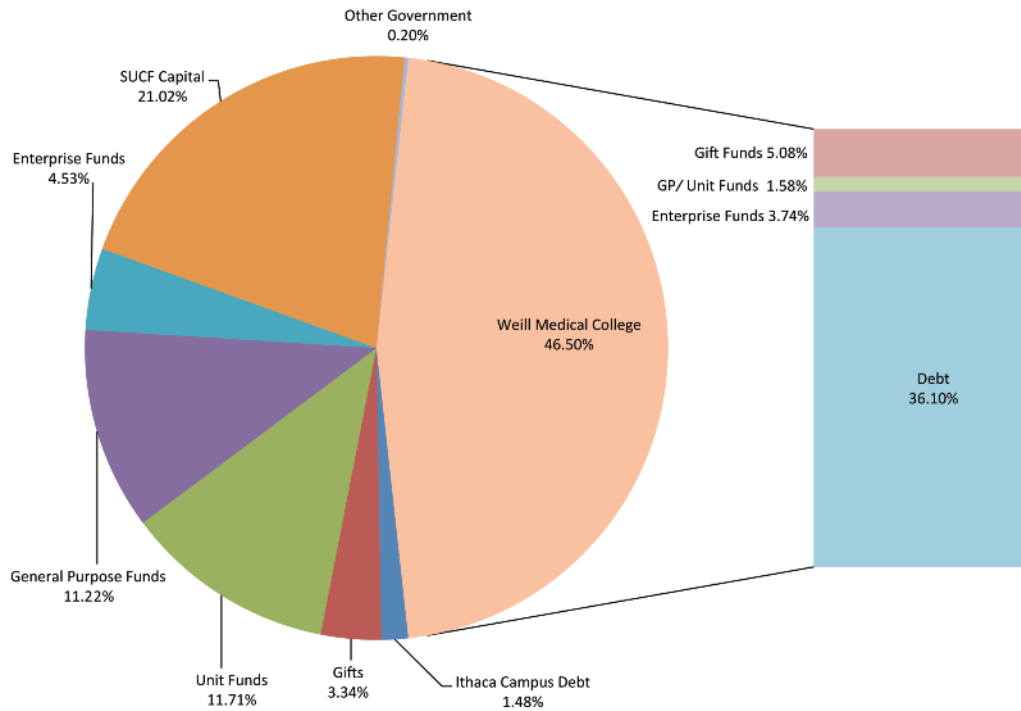
More than half of the funding for capital projects depends directly on external resources (Table 8). Sources of external debt financing are shown in Table 9. The use of university resources for repayment of debt financing is reflected in the appropriate unit operating budget (Table 10).

Gift and grant funding, including grants from governmental or private institutions, is projected at \$532.6 million, or 32 percent of the total approved capital activity. More than 90 percent of this funding is associated with the Medical Research Building, Gates Hall, and Milstein Hall. The estimated value of gifts and grants in hand or pledged for approved projects is \$477.2 million, leaving \$55.4 million to be raised.

New York State support is projected to fund \$326.5 million (20 percent) of total project costs through the SUNY Capital Plan. This current SUNY five-year plan extends to 2013. Projects to be funded from the next SUNY capital plan are not included in the university's current capital plan. The process for determining Cornell's submission to the state will take place over the next 12-18 months.

Funding from General Purpose resources amounts to \$443.4 million (27 percent) of approved capital activity. Nearly half of this amount is the Medical College's funding of the debt service for the Medical Research Building. Funding from unit resources and enterprise operations represents \$346.5 million (21 percent) of planned expenditures.

Figure 6. Funding Sources - FY 2011-12 Expenditure Budget



Based on an analysis of project expenditures and funding availability, the university expects to finance \$276.2 million of approved project costs using long-term debt and another \$5.4 million of short-term bridge financing to accommodate the timing of gift receipts. Approximately 92 percent of the planned debt financing is in support of projects fully approved and underway. The balance is planned for energy conservation work.

A funding plan for the estimated operating and maintenance costs of each capital project is required when construction is authorized, and the resulting costs are included in the responsible unit's operating budget plans. Projects included in the approved 5-year capital plan are expected to increase annual operating and maintenance costs by \$12.0 million at Weill Cornell Medical College in New York City due to the new Medical Research

Building. For the Ithaca campus, the estimated net impact of projects is an annual increase of \$3.4 million as the result of extensive energy conservation work on the campus. These projects are projected to add about 553,000 gross square feet (GSF) of new space on the Ithaca campus and about 476,000 GSF at Weill Cornell Medical College. The work in the capital plan is also expected to address about \$207 million of the university's deferred maintenance inventory.

Debt Plan

Proceeds from various debt issuances and borrowings provide for the financing needs of the university's capital projects. Debt allows the university to undertake capital projects when cash funding is not available at the time capital expenditures are made, and allows the spread of costs related to a project over multiple fiscal years.

The need for short-term bridge financing and long-term debt as indicated in the university's 5-year capital plan is the basis for the University Treasurer's plan for Cornell's debt structure (defined as debt load, timing, and type of borrowing instrument, among other factors). In addition to an assessment of the ability to repay borrowings by the relevant internal university source of funding, there is regular monitoring of the university's external capacity to borrow (measured by the impact that additional debt has on financial ratios and debt ratings provided by independent rating agencies). The borrowing needs for the capital plan and projected repayment of existing and new debt are key inputs into the university's 5-year financial model.

The university's external debt includes tax-exempt and taxable borrowings but excludes debt issued by New York State for Contract College projects. The latter is paid directly by the state and is not recorded in the university's budgets or financial statements. Cornell is expected to have \$1.946 billion of external debt at the beginning of 2011-12. During 2011-12, estimated payments of \$135.2 million in principal and interest will be made on this outstanding debt.

In fiscal year 2011-12, the university plans to go forward with capital projects for which financing has been previously secured or those deemed critical to either the mission of the university or the life and safety of the campus community. The university plans to use the tax-exempt and taxable commercial paper programs (authorized at \$200 million per program) during fiscal year 2011-12 to finance capital projects, operating working capital, and equipment purchases in Ithaca and New York City.

The schedule of debt service by operating unit identifies outstanding debt balances and budgeted debt service by operating unit. A distinction is made between debt service paid directly by an operating unit and that budgeted and paid by central resources for the benefit of operating units. Other than the debt due to a few major projects at or nearing completion (407 East 61st Street Science Building, Physical Sciences Building, Animal Health Diagnostic Center, Milstein Hall) there was very little additional borrowing over the last year and nearly all units saw their debt balances decrease. The major driver for future use of long-term debt is in support of Weill Cornell Medical College's new Medical Research Building.

Table 7: Approved Capital Activity

(current dollars in thousands)

	Authorized Budget	Estimated Total Budget	Deferred Maint Addressed	Estimated O&M Cost Impact *	Additional Space GSF ~
1. WCMC Medical Research Building	650,000	630,000		12,000	476
2. Stocking Hall Renovation & Food Science Bldg	95,800	95,800	10,575	2,085	100
3. North MVR Replacement/Parking Garage	71,100	71,100	1,000	1,410	193
4. Milstein Hall	55,500	55,500	500	844	42
5. Warren Hall Renovations	51,000	51,000	10,830	755	
6. Johnson Museum Expansion	19,000	19,000		257	16
7. Fernow Hall Rehab and Roof Repairs	12,288	12,288	2,310	88	1
8. Olin Library Fire Safety Improvements	10,000	10,000		15	
9. Cornell Rowing Center	7,500	7,500		46	11
10. Arecibo Telescope Painting	5,300	5,300			
11. Arecibo Improvements	3,585	3,585			
12. Fernow and Rice Hall Renovations Design	3,256	3,256			
13. University Avenue/Gorge Stabilization	2,796	2,796			
14. Contract Colleges Facilities Master Plan	2,500	2,500			
15. Vet Research Tower Renovation Design	2,500	2,500			
16. Arecibo High Frequency Facility	1,965	1,965			
17. Electrical Substations Upgrades Design	1,310	1,310			
18. Various Contract Colleges Elevator Upgrades	1,030	1,030			
19. Arecibo Tower & Cable Painting	800	800			
Projects Approved/Under Way	997,230	977,230	25,215	17,500	839
20. MVR 1933 / East Rehab Phase 0-2	45,950	65,161	30,000	100	
21. Gates Hall	8,560	60,000		1,630	100
22. Law School Master Plan Phase 1	930	15,300		439	14
23. Bridge Means Restriction	925	10,100			
24. Large Animal Teaching Complex/Dairy Barn	1,300	7,012		117	32
Major Projects/New Construction	57,665	157,573	30,000	2,286	146
25. Energy Conservation Projects, Phase 1	2,043	22,842	450	(2,284)	
26. Contract College Misc. Rehab/Repair	9,827	20,989	20,989		
27. Tower Road Utility Power System Upgrade	310	4,760	3,000		
28. Multiple Building Roof Replacements, Phase 1	300	4,005	5,000		
29. Data/Communications Wiring Upgrade, Phase 1	330	3,979			
30. East Campus Storm Sewer Replacement	276	2,000	2,000		
31. Bldg Electric Service Entrance Upgrade, Phase 1	1,142	1,999			
32. Conservatory Greenhouse	230	2,049	1,000		
33. Geneva Campus Roof Replacements	381	1,020	800		
34. VMC Small Animal Surgery HVAC	73	1,011			
35. Geneva Campus Electrical Upgrades	150	815	650		
36. Geneva Castle Street Housing Renovation	117	512			
New York State Funded	15,178	65,981	33,889	(2,284)	0

* O & M = operations and maintenance;

~ GSF = gross square feet

+ SUCF = State University Construction Fund

Note 1: Amounts include planned long-term debt and short-term bridge financing.

FUNDING SOURCES						EXPENDITURE PATTERN				
Gifts/ Investment Income	General Purpose	Unit/ Enterprise	SUCF+	Other Gov't./ Institution	Debt Financing (see note 1)	Through 10-11	11-12 Budget	12-13 to 15-16	Beyond 15-16	
414,000	216,000				216,000	154,000	154,000	322,000		1.
		1,800	94,000			24,859	24,400	46,541		2.
		29,000	42,100		19,500	68,194	2,906			3.
32,486	11,198	11,816			24,057	46,799	8,701			4.
		1,000	50,000			10,744	13,300	26,956		5.
11,900		7,100				17,746	1,254			6.
		250	12,038			2,050	5,100	5,138		7.
	9,000	1,000				9,000	1,000			8.
7,500						5,567	1,933			9.
				5,300		5,200	100			10.
				3,585		3,485	100			11.
		144	3,112			2,031	785	440		12.
		2,734		62		2,097	699			13.
			2,500			1,500	1,000			14.
		80	2,420			1,570		930		15.
				1,965		1,865	100			16.
			1,310			981	194	135		17.
			1,030			847	183			18.
				800		700	100			19.
465,886	236,198	54,924	208,510	11,712	259,557	359,235	215,855	402,140		
		2,361	60,800	2,000		45,054	12,305	7,802		20.
48,319	11,681					5,800	3,700	50,500		21.
		15,300				383	1,148	13,770		22.
	10,100					1,500	8,600			23.
		12	7,000			4,506	2,506			24.
48,319	21,781	17,673	67,800	2,000	0	57,243	28,258	72,072		
	10,936	2,778	9,128		10,936	4,559	6,843	11,440		25.
			20,989			11,662	4,550	4,777		26.
		100	4,660			2,083	2,677			27.
		5	4,000			601	1,802	1,603		28.
		50	3,929			520	1,020	2,439		29.
		100	1,900			276	1,725			30.
		1,174	825			1,099		900		31.
		49	2,000			402	1,647			32.
		20	1,000			310	710			33.
		11	1,000			688	323			34.
		15	800			150	665			35.
		78		434		307	205			36.
0	10,936	4,381	50,231	434	10,936	22,657	22,166	21,158		

Table 7: Approved Capital Activity cont.

(current dollars in thousands)	Authorized Budget	Estimated Total Budget	Deferred Maint Addressed	Estimated O&M Cost Impact *	Additional Space GSF ~
37. Planned Maintenance	400	39,731	39,731		
38. Extraordinary Maintenance Projects	3,890	16,990	7,825		
39. Gen'l Purpose Maint. & Infrastructure Projects	1,950	12,275			
40. Administrative Systems	25,600	44,300			
41. CIT Maint. & Infrastructure Projects	1,553	47,310			
42. Transportation Projects & Community Initiatives		3,359			
43. Real Estate Maintenance Projects	251	3,157		(53)	
44. Energy & Sustainability Projects	2,283	12,461		(1,136)	
45. Utilities Maint. & Infrastructure Projects	1,948	47,519	32,950	(195)	
46. Campus Life Maint. & Infrastructure Projects	1,094	46,211	18,625	(481)	
47. Cornell Store Projects		1,500			
48. Arts & Sciences Projects	1,180	9,100			
49. Architecture, Art, & Planning Projects	1,200	8,100	793	35	
50. Engineering Projects	105	45,165		(31)	
51. Hotel Projects		3,000			
52. Agriculture & Life Sciences Projects	599	26,562	7,250	(252)	
53. Human Ecology Projects	154	3,650	625		
54. Industrial & Labor Relations Projects	52	3,750			
55. Veterinary Medicine Projects	600	6,850			
56. Johnson School Projects	142	3,700			
57. Information Science Projects		950			
58. Library Projects		5,300		50	
59. Cornell in Washington Projects	90	1,160			
60. Student & Academic Services Projects	54	2,300	195		
61. Fraternity/Sorority Projects		300	200		
62. Athletics Projects		2,450	150		
Maintenance, Infrastructure, Unit	43,145	397,149	108,344	(2,062)	0
63. West Side Clinical Practices		25,000			30
64. East Side Pediatric Practice Expansion		10,000			9
65. Deferred Maintenance	638	8,638	8,638		
66. Mailroom Relocation/New Autopsy Suite	1,994	1,994			
67. PET/CT Scanner Replacement	1,700	1,700			
68. 7th Cycle Inspections	1,362	1,362	1,362		
69. Living Lab for Successful Aging		1,200			
70. Institute for Alzheimer's Research	594	594			
71. Medicine Clinical Research Core		500			5
Weill Cornell Medical College Projects	6,288	50,988	10,000	0	44
Total Capital Activity	1,119,506	1,648,920	207,448	15,439	1,029

* O & M = operations and maintenance;

~ GSF = gross square feet

+ SUCF = State University Construction Fund

Note 1: Amounts include planned long-term debt and short-term bridge financing.

FUNDING SOURCES						EXPENDITURE PATTERN				
Gifts/ Investment Income	General Purpose	Unit/ Enterprise	SUCF+	Other Gov't./ Institution	Debt Financing (see note 1)	Through 10-11	11-12 Budget	12-13 to 15-16	Beyond 15-16	
	39,731						6,875	32,856		37.
	16,590	400				1,763	4,087	11,140		38.
	12,275					625	2,150	9,500		39.
	44,300					16,592	12,064	15,644		40.
	26,938	20,372				3,099	9,007	35,204		41.
		3,359				887	1,347	1,125		42.
		3,157			264	222	1,395	1,396	144	43.
	10,095	2,366			8,627	2,283	3,534	6,644		44.
	11,359	36,160				2,631	5,438	33,490	5,960	45.
1,100		45,111				4,515	10,885	28,446	2,365	46.
		1,500				75	1,425			47.
500	900	7,700				700	2,400	4,800	1,200	48.
	1,250	6,850				1,000	500	6,600		49.
500	241	44,424				3,300	8,500	33,365		50.
		3,000						3,000		51.
		26,360		201	2,269	3,297	7,290	15,975		52.
		3,650				654	1,696	1,300		53.
1,133		2,617				67	950	2,733		54.
		6,850				825	2,350	3,675		55.
		3,700				550	1,125	2,025		56.
		950				400	550			57.
		5,300				100	1,745	3,455		58.
		1,160				60	350	750		59.
		2,300				400	1,000	900		60.
300						25	275			61.
		2,450				375	825	1,250		62.
3,533	163,678	229,736	0	201	11,159	44,444	87,763	255,273	9,669	
		25,000				2,000	10,000	13,000		63.
		10,000				3,000	4,000	3,000		64.
	8,638					638	2,000	6,000		65.
	756	756		481		1,443	551			66.
		1,700				700	1,000			67.
	1,362					500	862			68.
		1,200				200	1,000			69.
		594				500	94			70.
		500				100	400			71.
0	10,756	39,750	0	481	0	9,081	19,907	22,000		
517,737	443,350	346,464	326,541	14,828	281,652	492,660	373,949	772,643	9,669	

Table 8: Sources and Uses of Capital Expenditures*(dollars in thousands)*

Sources	To Date	11-12	12-13	13-14	14-15	15-16	Beyond 15-16	Total
1. Ithaca General Purpose Funds (1)	33,925	41,923	25,621	39,381	24,462	24,921		190,233
2. WCMC General Purpose Funds (1)	1,619	3,137	2,000	2,000	2,000			10,756
3. Gifts in Hand	37,814	5,021	19,257	300	300	300		62,992
4. Gifts Pledged	1,198	5,238	633	7,268	4,819			19,156
5. Gifts to be Raised		2,215						2,215
6. Ithaca Gift Funds (2)	39,012	12,474	19,890	7,568	5,119	300		84,363
7. Gifts In Hand	115,000	19,000	115,000					249,000
8. Gifts Pledged			43,000	46,000	23,000			112,000
9. Gifts to Be Raised				45,000	8,000			53,000
10. WCMC Gift Funds (2)	115,000	19,000	158,000	91,000	31,000			414,000
11. Investment Income (3)	5,932		1,268	6,732				13,932
12. Unit Funds (4)	30,490	43,798	38,731	39,013	32,945	20,805	7,160	212,942
13. WCMC Unit Funds (4)	1,981	2,769						4,750
14. Enterprise Funds (5)	9,025	16,928	11,541	6,470	8,076	5,375	2,509	59,923
15. WCMC Enterprise Funds (5)	5,000	14,000	16,000					35,000
16. SUCF Capital (6)	150,124	78,605	48,883	30,237	18,692			326,541
17. Other Gov't/Institution (7)	13,582	764						14,347
18. WCMC Other Gov't/Institution (7)	481							481
19. Ithaca Campus Debt	47,488	5,551	9,533	2,080	1,000			65,652
20. WCMC Medical Debt	39,000	135,000	42,000					216,000
21. Subtotal Debt Financing (8)	86,488	140,551	51,533	2,080	1,000			281,652
22. Total Capital Funding/Financing	492,660	373,949	373,467	224,481	123,294	51,401	9,669	1,648,920
Uses	To Date	11-12	12-13	13-14	14-15	15-16	Beyond 15-16	Total
1. Projects Approved/Under Way (incl. WCMC)	359,235	215,855	231,023	121,100	50,017			977,230
2. Major Projects/New Construction (incl. NYS)	57,243	28,258	31,244	33,503	7,325			157,573
3. New York State Funded	22,657	22,166	18,742	2,416				65,981
4. Maintenance, Infrastructure, and Unit	44,444	87,763	74,457	65,462	63,952	51,401	9,669	397,149
5. Medical College Projects	9,081	19,907	18,000	2,000	2,000			50,988
6. Total Capital Expenditures	492,660	373,949	373,467	224,481	123,294	51,401	9,669	1,648,920

Notes

- (1) General Purpose funds are resources provided from the central university General Purpose or Medical College budgets. Project examples include Medical Research Building, administrative systems, energy conservation, and maintenance.
- (2) Gifts are restricted gifts for capital projects. Gifts in Hand are cash payments. Gifts Pledged are gift commitments with future payment. Gifts to be Raised are a projection of future, to-be-identified gifts that can be raised for projects. Project examples include Milstein Hall, Gates Hall, and the Medical Research Building.
- (3) Investment Income is interest earned on gift funds in hand prior to expenditure on project costs. Project examples include Milstein Hall and Gates Hall.
- (4) Unit funds are resources provided by colleges or other units from their operations or reserves. Project examples include Milstein Hall, Law School, CIT, utilities, college projects, and contributions to state-funded projects.
- (5) Enterprise funds are resources provided by units run as enterprise and revenues generated by rates. Examples include Campus Life, Real Estate, and Transportation.
- (6) SUCF Capital is New York State funding provided to the SUNY campuses, administered by the State University Construction Fund. Project examples include North Martha Van Rensselaer replacement, Stocking Hall renovation/addition, MVR 1933/East rehabilitation, and Warren Hall renovation.
- (7) Other Government/Institution funds are resources provided by New York State through appropriations outside of the SUNY/SUCF process, or grants provided by federal or local government agencies or private institutions. Project examples include Arecibo projects.
- (8) Debt financing includes both long-term debt repaid by amortized debt service payments from operating budgets and short-term bridge financing repaid by receipt of future gift payments. Project examples include Milstein Hall, the Human Ecology Building Parking Garage, the Medical Research Building, and energy conservation.

Table 9: Summary of External Debt Financing

(dollars in thousands)

	Interest Rate	Maturity Date	Actual Balance 6/30/10	Forecast Balance 6/30/11	Projected External Debt Service Payments		
					11-12	12-13	13-14
Tax-Exempt Debt							
1. Series 1990B	0.10-5.00%	2025	50,450	47,980	4,808	4,811	4,812
2. Series 1998 Commercial Paper	2.99% until 10/1/12	2037	6,155	29,375	863	863	863
3. Series 2000A	2.99% until 10/1/12	2029	53,005	51,090	3,517	3,657	3,707
4. Series 2000B	4.63%	2030	70,680	68,460	5,487	5,495	5,492
5. IDA Series 2000	5.20-5.25%	2011	1,165	-	-	-	-
6. IDA Series 2002A	4.52%	2030	42,145	41,940	3,341	3,340	3,337
7. IDA Series 2002B	4.33%	2015	15,390	15,390	508	508	508
8. Series 2004	3.51%	2033	83,900	81,600	5,264	5,255	5,243
9. Series 2006	4.00-5.00%	2035	207,660	196,120	20,918	20,279	19,645
10. IDA Series 2008	2.00-5.00%	2037	70,000	68,630	4,735	4,711	4,742
11. Series 2008	3.00-5.00%	2037	127,785	125,420	8,637	8,634	8,634
12. Series 2009	3.00-5.00%	2039	305,000	305,000	20,283	20,280	20,282
13. Series 2010	4.00-5.00%	2040	285,000	285,000	14,088	14,088	14,088
14. Subtotal Tax-Exempt Debt			1,318,335	1,316,005	92,447	91,922	91,351
Taxable Debt							
15. Series 1987B	11.11%	2012	5,200	3,080	2,697	806	-
16. Sallie Mae - Series 1999	6.50%	2019	4,355	-	-	-	-
17. Series 2009 taxable	4.35-5.45%	2019	500,000	500,000	24,500	24,500	274,500
18. Commercial Paper	Variable	-	97,500	121,866	5,560	5,416	5,400
19. Urban Development Corp.	0.00%	2029	2,375	2,250	125	125	125
20. Other	Various	2029	2,817	2,676	258	262	262
21. Total Taxable			612,247	629,872	33,140	31,109	280,287
Swap Interest			-	-	9,591	7,117	5,012
Total External Debt			1,930,582	1,945,877	135,179	130,148	376,649

Notes

- The total outstanding external debt and the sum of external debt service payments for 2011-12 shown above are different from the corresponding outstanding operating unit debt balances and debt service totals in Table 8 due to a combination of: (a) differences in timing of borrowing and repayment between the university and various operating units; (b) debt costs, including compounded interest, to be recovered from future interest payments on operating unit debt; (c) external debt service on commercial paper programs that is planned above as interest only; and (d) proceeds of debt issues used to pay issuance costs, on deposit in construction funds, or deposited into reserves to pay future debt service or fund project maintenance.
- While Series 2000A, 2000B, 2002A, 2004 and a portion of the tax-exempt commercial paper were issued as variable-rate debt, they have been swapped to fixed rates for various terms, which are reflected in the interest-rate information and projected debt service payments.
- Cornell maintains a pool of working capital and a line of credit that are used to meet the daily cash flow of disbursements.

Table 10: Debt Service by Operating Unit

(dollars in thousands)

	Outstanding Balance		2011-2012 Debt Service		
	2/28/10	2/28/11	Unit Budget	Central Budget	Total
<i>Ithaca Campus</i>					
1. Agriculture & Life Sciences	3,516	2,851	323		323
2. Architecture, Art & Planning		10,928	742	855	1,597
3. Arts & Sciences	67,787	92,893		6,952	6,952
4. Engineering	36,641	41,123		3,539	3,539
5. Hotel Administration	14,989	13,843	2,993		2,993
6. Human Ecology	917	761	304		304
7. Industrial & Labor Relations	1,456	1,320	202		202
8. Johnson School	12,093	3,415	336		336
9. Law School	2,728	2,265		582	582
10. Veterinary Medicine	6,820	19,108	1,640	958	2,598
11. Subtotal Colleges	146,947	188,507	6,540	12,886	19,426
12. Animal Facilities	56,811	54,844		4,726	4,726
13. Biotechnology	4,958				
14. Life Sciences	91,094	88,076		6,404	6,404
15. Theory Center	2,500	2,375		127	127
16. All Other	819				
17. Subtotal Research Centers	156,182	145,295		11,257	11,257
18. Africana Center	2,125	1,831		387	387
19. Athletics & Physical Education	6,245	5,511	473		473
20. Cornell In Washington	2,790	2,704	262		262
21. Library	12,644	9,709		863	863
22. All Other	1,216	1,040	229		229
23. Subtotal Other Academic Programs	25,020	20,795	964	1,250	2,214
24. Campus Life	217,031	195,834	18,832		18,832
25. Dean of Students	175	158	25		25
26. Fraternities/Sororities	2,906	2,755	423		423
27. Gannett Health Services	2,091	1,824		361	361
28. Subtotal Student Services	222,203	200,571	19,280	361	19,641
29. Human Resources	7,050	6,624	562		562
30. Information Technologies	12,234	10,721	556	1,096	1,652
31. All Other	732	612		137	137
32. Subtotal Administrative & Support	20,016	17,957	1,118	1,233	2,351
33. Facilities & Campus Services	156,509	152,849	15,235	406	15,641
34. Real Estate	21,066	15,458	2,276		2,276
35. Transportation/Mail Service	25,378	24,997	2,591		2,591
36. Subtotal Physical Plant	202,953	193,304	20,102	406	20,508
37. Ithaca All Other	11,822	9,100		3,471	3,471
38. Total Ithaca Campus	785,143	775,529	48,004	30,864	78,868
<i>Medical College</i>					
39. Research	55,692	138,849	8,651		8,651
40. Residences	77,308	74,627	6,333		6,333
41. Clinical Care	518	303	235		235
42. Infrastructure/Administrative	15,331	14,648	1,398		1,398
43. Total Medical College	148,849	228,427	16,617		16,617
44. Total University	933,992	1,003,956	64,621	30,864	95,485