MORNINGSTAR | DBRS

Rating Report
Queen's University

DBRS Morningstar
May 15, 2023

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Ratings

Debt	Rating	Rating Action	Trend
Issuer Rating	AA	Confirmed	Stable
Senior Unsecured Debt	AA	Confirmed	Stable

Rating Update

On May 5, 2023, DBRS Limited (DBRS Morningstar) confirmed the Issuer Rating and Senior Unsecured Debt rating of Queen's University (the University or Queen's) at AA. Both trends are Stable. The ratings reflect the University's strong academic profile, resilient student demand, and effective management practices, which have translated into a consistently strong balance sheet over many years. The credit profile is further supported by the University's advancement capabilities, resulting in one of the largest endowments among DBRS Morningstar-rated public universities and will help to mitigate some of the impacts of a challenging operating environment.

For 2022–23, the University is projecting an operating deficit of $28.2 million (lower than the originally budgeted deficit of $43.5 million) that will be offset through reserve drawdowns. Uncertainty around international student mobility, led by varied travel and visa rules across countries, inflationary cost pressures, provincial constraints on key revenue sources, and significant adverse impacts on investment income from market volatility could weigh on financial risk assessment factors through the near term. DBRS Morningstar draws comfort from the University's significant financial flexibility to respond to near-term pressures without jeopardizing its long-term outlook. Queen's continues to benefit from (1) strong ongoing demand, (2) prudent management, (3) a robust balance of expendable resources, and (4) a responsive budget model that allows faculties and shared service units to respond to changing financial circumstances.

As at April 30, 2022, total debt was $384.1 million, or $12,149 per full-time equivalent (FTE). In the absence of material new borrowing, DBRS Morningstar expects the debt-per-FTE ratio will decline to less than $11,300 by 2024–25 as existing debt amortizes.

DBRS Morningstar expects the University's ratings to remain stable through the medium term, based on its healthy financial risk assessment, stable academic profile, and demonstrated ability to withstand short-term operating pressures. A negative rating action could result from a sustained deterioration in operating results leading to considerable balance sheet deterioration.

Financial Information

	For the year ended April 30				
	2022	**2021**	**2020**	**2019**	**2018**
Consolidated operating result (DBRS Morningstar-adjusted, CAD millions)	(3.3)	144.8	35.7	105.2	74.9
Surplus (deficit) to revenue (five-year rolling average; %)	6.8	8.8	7.1	7.8	6.9
Debt per FTE (CAD)	12,149	12,680	13,905	9,912	10,536
Expendable resources to debt (times)	2.0	2.0	1.6	2.2	1.8
Interest coverage ratio (times)	2.4	10.0	4.1	9.7	6.8

Issuer Description

Established in 1841, Queen's is located in Kingston, Ontario, a census metropolitan area of more than 174,000 residents, located between Toronto and Montréal. The University has a long history of academic excellence and a comprehensive program offering, with student enrolment of more than 30,000 FTEs.

Rating Considerations

Strengths

1. Academic profile

Queen's is one of Canada's leading universities with a long history of academic excellence dating back to the 1840s. The University performs strongly in domestic university rankings and is well positioned in international rankings (in the 200 to 300 range globally) for a midsize Canadian university. The strength of the University's academic profile results in consistently strong student demand. Queen's has among the highest admissions standards in Canada.

2. Financial flexibility

Queen's benefits from a relatively strong balance sheet and a large pool of internal reserves, which provides financial flexibility to endure a difficult operating environment without the need to make drastic cuts that could affect its core academic mission. It has one of the strongest liquidity positions (expendable resources were 200.1% of the University's total debt as at April 30, 2022) among DBRS Morningstar-rated universities.

3. Financial management practices

The University has a multiyear planning process and its decentralized, activity-based budget model supports strong operating results. The budget model places greater autonomy and responsibility with faculties and shared service units and encourages units to generate revenue, constrain expenses, and set aside reserves. This has contributed to consistently robust reserve balances that could be used to offset operating pressures, if needed.

4. Fundraising and endowment

The University has a well-established fundraising program and a large alumni base, which are instrumental in its donation and endowment campaigns. Queen's endowment is among the largest in Canada and provides significant funding for student aid and other university priorities.

Challenges

1. Constrained policy environment and limited control of revenue

Canadian universities have limited control over their main revenue sources—tuition fees and government grants. In recent years, the Province implemented changes to the tuition fee framework for domestic students in regulated programs, limiting domestic tuition growth and freezing operating grants.

2. Cost pressures

Canadian universities' expense bases are largely fixed and growing in the forms of tenured faculty, unionized support staff, externally mandated student aid requirements, and large infrastructure footprints. Recent inflationary conditions have worsened inherent cost pressures—such as negotiated wage settlements, competitive salaries for top researchers, and benefits costs—while outpacing provincially controlled revenue growth for many universities. In effect, this limits the ability of universities to respond to a significant exogenous shock to revenue, such as the Coronavirus Disease (COVID-19) pandemic.

3. Pension and postemployment benefit liabilities

The funding status of pension plans is sensitive to changing market conditions, which can result in balance sheet volatility and give rise to large special payments. Although the transition to the University Pension Plan Ontario eliminates solvency contribution requirements and is generally viewed as positive for the operating budget, the University remains responsible for addressing any past service liability. Queen's also has a large unfunded obligation for non-pension postemployment benefits of $95.8 million as at April 30, 2022.

4. Deferred maintenance

The University has considerable deferred maintenance needs, currently estimated at $456 million, which equates to a facilities condition index (FCI) of 0.16. An FCI greater than 0.15 signals that capital assets/stock are in poor condition. Aside from older buildings, Queen's FCI is also influenced by the large quantity of buildings, and, as a result, refurbishing or decommissioning one building does not greatly influence the overall FCI as it may for other institutions with a limited number of larger buildings. Deferred maintenance funding has continued to rise in recent years.

Operating Performance

2022–23 Interim Results and Medium-Term Outlook

For 2022–23, the University is projecting an operating deficit of $28.2 million (lower than the originally budgeted deficit of $43.5 million) that will be offset through reserve drawdowns. The current operating deficit forecast mainly stems from lower-than-budgeted student fee revenues (-$43.9 million from budget) because of lower graduate and international undergraduate enrolment, partly offset by cost deferrals and planned contingencies. This forecast includes a $5.2 million contribution to pension reserves. The University also expects some upside in investment income that has not yet been budgeted. Within the ancillary budget, the University is forecasting a $0.5 million deficit (compared with a

budgeted surplus of $2.4 million) as revenues from residences, hospitality, and retail services remain lower than anticipated.

Exhibit 1 Enrolment (FTEs)

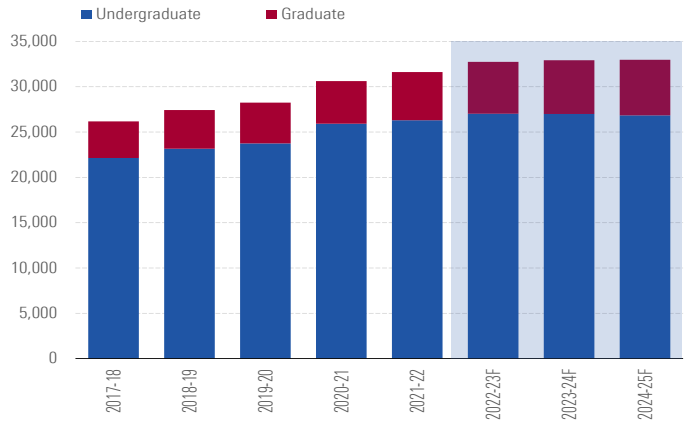
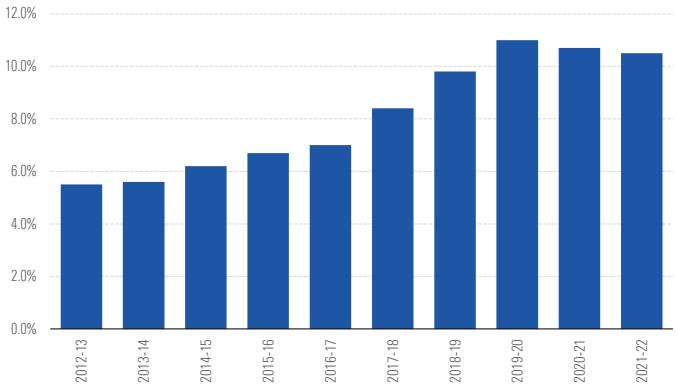


Exhibit 2 International Students (As a Share of Total Headcount)



F = forecast.
Source: Queen's and DBRS Morningstar.

The budget (approved on May 13, 2022) presents multiyear projections through 2024–25. DBRS Morningstar understands that the University will use existing reserves and operating contingencies to offset any unexpected revenue shortfalls and balance the budget. The 2023–24 budget will be presented to the board for approval in May 2023.

On an aggregated basis, Queen's forecasts FTE enrolments will increase by roughly 4.0% between 2022–23 and 2024–25. The projections indicate graduate enrolment (less than 20% of total FTEs) will increase, while undergraduate enrolment is projected to decline over this period. International intake should continue to rise as the University's Strategic Enrolment Management Group implements medium- and longer-term student recruitment and retention strategies, although lingering travel and visa issues could slow the pace of intended growth. Ongoing student demand and higher overall enrolment projections reaffirm DBRS Morningstar's view of the University's reputation as one of the strongest among Ontario universities. For the 2022-23 year, applications to Queen's (as of September 2022) were up 1.9% from the prior year, mainly led by direct entry and graduate studies.

The budget assumes stable provincial operating grants through the medium term, though the allocation of operating grants should continue to shift from an enrolment-based approach to a performance-based approach under the Strategic Mandate Agreement (SMA3). The SMA3 covers fiscal years 2020–21 to 2024–25 and includes a set of 10 performance metrics, with funding consequences for not meeting the negotiated performance targets. Although provincial funding was decoupled from negotiated performance targets in light of the coronavirus pandemic, the performance-linked funding will be

reinstated starting in 2023–24. Queen's does not expect material revenue impacts from this shift as performance remains largely in line with targets.

The budget includes reasonable levels of compensation growth, although upcoming rounds of bargaining discussions with some key employee groups in 2024 present some uncertainty to the University's operating outlook over the medium term.

Following Provost Mark Green's decision to step down (effective July 1, 2022), the board appointed Teri Shearer as interim provost. The search for a new provost is currently under way with an appointment likely in summer 2023.

2021–22 Operating Results

Significant operating headwinds in the form of limited international student mobility during the pandemic, provincial constraints on key revenue sources, rising costs, and adverse impacts on investment income from market volatility negatively affected operating results. For the year ended April 30, 2022, the University reported a small consolidated deficit of $3.3 million after reporting healthy surpluses over much of the past decade.

Revenues declined 7.9% year over year (YOY). mainly driven by significantly lower investment income (-92.1% YOY) and reduced donations (-31.9% YOY). Student fees increased (+7.6%) because of enrolment and international tuition fee growth. Provincial and other grants were largely unchanged. Ancillary revenues recovered (+81.1%) during the year, and there were moderate increases in other revenue categories. Total expense increased by 6.5% to more than $1.0 billion, as spending across most categories rose.

Capital Plan

The University's current capital approval policy requires the senior leadership team's approval for projects estimated to cost between $2.5 million and $5.0 million, and board approval for those estimated to cost more than $5.0 million. Amid increasing costs and limited external funding/donations, the University cancelled some capital projects in 2022. Capital spending totalled $91.4 million for the year ended April 30, 2022 (up from $37.6 million in the prior year) as certain large projects were completed.

Major capital projects currently under way include the following:

- **John Deutsch University Centre:** Revitalization of one of the central hubs of student activity, providing a more inclusive and accessible space to improve student experience. The project is scheduled to be completed by summer 2024.
- **Agnes Reimagined:** Renovation and expansion of University's existing art centre. Upon completion, Agnes will emerge as the largest public university-affiliated museum in this country and a champion of museological change where indigenous and Western world views sit side by side as equals.

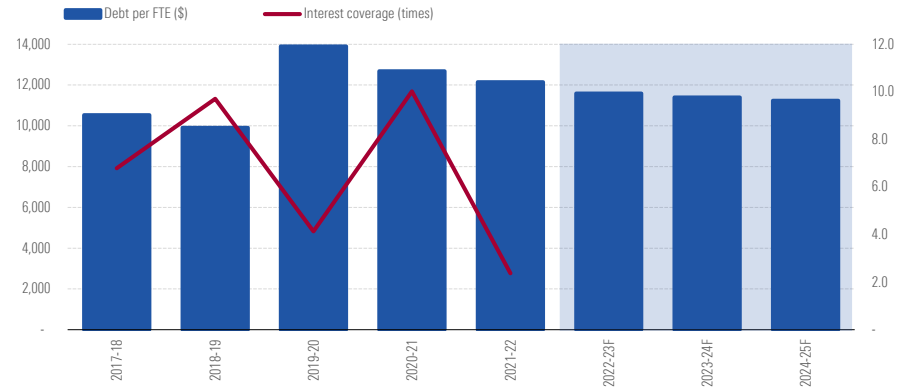
Debt and Liquidity

As at April 30, 2022, the University's total debt was $384.1 million. On a per FTE basis, the debt burden decreased to $12,149 (from $12,680 per FTE in the prior year) supported by enrolment growth and debt amortization.

The University's long-term debt comprises four series of long-dated debentures with maturities between 2032 and 2060 and an amortizing bank loan maturing in 2030. Interest coverage remains healthy at 2.4 times (x) although lower compared with recent years (between 4.0x and 10.0x in the past five years) because of weaker operating results in F2022. Queen's has established a voluntary sinking fund to accumulate funds to repay the $340.0 million in debentures. As at April 30, 2022, the sinking fund had a balance of $111.6 million. The sinking fund is not explicitly required by the bonds' indenture and is not held by a trustee. As such, DBRS Morningstar presents debt on a gross basis with the sinking fund assets included in DBRS Morningstar's measure of expendable resources.

DBRS Morningstar assesses financial flexibility using expendable resources, which include unrestricted net assets, most internally restricted net assets, and internally restricted endowments. On April 30, 2022, the University's expendable resources totalled $768.6 million, with the ratio of expendable resources-to-debt a strong 200.1%.

Exhibit 3 Debt-per-FTE and Interest Coverage



Source: Queen's and DBRS Morningstar.

Debt Outlook

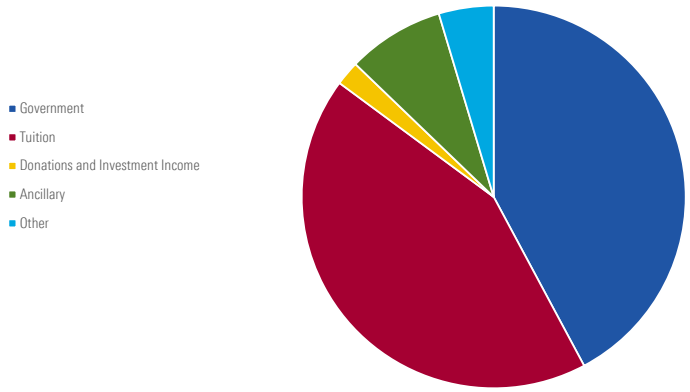
Queen's does not anticipate any new external borrowing through the near term. Incorporating forecast enrolment growth and in the absence of material new issuance, debt per FTE is expected to be approximately $11,594 at April 30, 2023, and to decline to less than $11,300 by F2025. The University has a track record of healthy fundraising outcomes and considerable balance sheet flexibility to fund capital needs, if necessary.

University Funding in Ontario

Ontario universities generally have three major revenue sources for their core teaching and research activities: (1) government grants, (2) student fees, and (3) donations and investment income. For Queen's, these accounted for approximately 87% of total revenues in 2021–22. This is comparable with other DBRS Morningstar-rated universities.

Provincial government funding remains one of the primary sources of revenue for universities across the country, although strained provincial finances and competing priorities have led to a gradual downward shift in the relative shares of revenue provided by operating grants, and a corresponding increase in the relative share of tuition fees.

Exhibit 4 Revenue Breakdown (2021–22)



Source: Queen's and DBRS Morningstar.

Government Funding (Provincial and Federal, 42.2%)

Government funding includes operating grants, research grants, and contracts as well as capital grants. Operating grants are the most important and stable revenue source. This is accomplished through Strategic Mandate Agreements between a university and the Province, establishing performance-based funding targets over a specified time period.

Research and capital grants are another important source of funding. The federal government typically provides 65% to 75% of all public research funding, whereas the Province provides the bulk of capital funding. The majority of research funding at Queen's comes from federal sources, including the Tri-Councils and the Canada Foundation for Innovation; industry; and various not-for-profit organizations, such as the Cancer Society and the Heart and Stroke Foundation.

Student Fees (43.0%)

In recent years, the tuition fee framework for regulated domestic programs at Ontario universities and colleges mandated a tuition fee freeze for eligible domestic programs (following a 10% reduction in

2019–20). Although the tuition freeze continues into the 2023–24 academic year, universities are permitted to increase domestic tuition fees up to 5% for out-of-province students in select programs.

Donations and Investment Income (2.1%)

Donations and investment income recognized as revenue on the statement of operations averaged roughly 8.3% of total revenues over the last five years at Queen's. The University has a well-established fundraising operation and a large alumni base, which provide considerable expendable donations and endowed contributions. In 2021–22, Queen's received $7.9 million in donations and a further $29.8 million in endowed contributions.

As at April 30, 2022, the market value of Queen's endowment funds totalled $1.4 billion, or $44,508 per FTE. This is the highest level of endowments per FTE among DBRS Morningstar-rated universities. The endowments support the University's operating budget and provide ongoing support for student assistance programs.

Environmental, Social and Governance Factors

There were no environmental, social, or governance (ESG) factors that had a relevant or significant effect on the credit analysis. For more details about which environmental factors could have an effect on the credit analysis, please refer to the following checklist.

A description of how DBRS Morningstar considers ESG factors within the DBRS Morningstar analytical framework can be found in the *DBRS Morningstar Criteria: Approach to Environmental, Social, and Governance Risk Factors in Credit Ratings* at https://www.dbrsmorningstar.com/research/396929.

ESG Factor		ESG Credit Consideration Applicable to the Credit Analysis: Y/N		Extent of the Effect on the ESG Factor on the Credit Analysis: Relevant (R) or Significant (S)*
Environmental		**Overall:**	**N**	**N**
	Emissions,Effluents, and Waste	Do we consider the costs or risks result, or could result in changes to an issuer's financial, operational, and/or reputational standing?	**N**	**N**
	Carbon and GHG Costs	Does the issuer face increased regulatory pressure relating to the carbon impact of its or its clients' operations resulting in additional costs?	**N**	**N**
	Resource and Energy Management	Does the scarcity of sourcing key resources hinder the production or operations of the issuer, resulting in lower productivity and therefore revenues?	**N**	**N**
	Land Impact and Biodiversity	Is there a financial risk to the issuer for failing to effectively manage land conversion, rehabilitation, land impact, or biodiversity activities?	**N**	**N**
	Climate and Weather Risks	Will climate change and adverse weather events potentially disrupt issuer or client operations, causing a negative financial impact?	**N**	**N**
Social		**Overall:**	**N**	**N**
	Social Impact of Products and Services	Do we consider that the social impact of the issuer's products and services could pose a financial or regulatory risk to the issuer?	**N**	**N**
	Human Capital and Human Rights	Is the issuer exposed to staffing risks, such as the scarcity of skilled labour, uncompetitive wages, or frequent labour relations conflicts that could result in a material financial or operational impact?	**N**	**N**
		Do violations of rights create a potential liability that can negatively affect the issue's financial wellbeing or reputation?	**N**	**N**
		Human Capital and Human Rights:	**N**	**N**
	Product Governance	Does failure in delivering quality products and services cause damage to customers and expose the issuer to financial and legal liability?	**N**	**N**
	Data Privacy and Security	Has misuse or negligence in maintaining private client or stakeholder data resulted, or could result, in financial penalties or client attrition to the issuer?	**N**	**N**
	Occupational Health and Safety	Would the failure to address workplace hazards have a negative financial impact on the issuer?	**N**	**N**
	Community Relations	Does engagement, or lack of engagement, with local communities pose a financial or reputational risk to the issuer?	**N**	**N**
	Access to Basic Services	Does a failure to provide or protect with respect to essential products or services have the potential to result in any significant negative financial impact on the issuer?	**N**	**N**
Governance		**Overall:**	**N**	**N**
	Bribery, Corruption, and Political Risks	Do alleged or actual illicit payments pose a financial or reputational risk to the issuer?	**N**	**N**
		Are there any political risks that could impact the issuer's financial position or its reputation?	**N**	**N**
		Bribery, Corruption, and Political Risks:	**N**	**N**
	Business Ethics	Do general professional ethics pose a financial or reputational risk to the issuer?	**N**	**N**
	Corporate / Transaction Governance	Does the issuer's corporate structure limit appropriate board and audit independence?	**N**	**N**
		Have there been significant governance failures that could negatively affect the issuer's financial wellbeing or reputation?	**N**	**N**
		Corporate / Transaction Governance	**N**	**N**
	Institutional Strength, Governance, and Transparency (Governments Only)s	Compared with other governments, do institutional arrangements provide a higher or lesser degree of accountability, transparency, and effectiveness?	**N**	**N**
		Are regulatory and oversight bodies insufficiently protected from inappropriate political influence?	**N**	**N**
		Are government officials insufficiently exposed to public scrutiny or held to insufficiently high ethical standards of conduct?	**N**	**N**
		Institutional Strength, Governance, and Transparency (Governments Only)s:	**N**	**N**
		Consolidated ESG Criteria Output:	**N**	**N**

Statement of Operations (Adjusted)

(CAD thousands)	For the year ended April 30				
	2022	**2021**	**2020**	**2019**	**2018**
Revenues					
Student fees	433,356	402,762	396,553	391,372	354,021
Government grants for operations	210,166	207,862	208,916	207,665	208,065
Other grants and contracts	215,506	221,980	198,844	211,063	177,282
Sales of service and products (ancillary operations)	82,477	45,532	96,496	100,578	95,614
Investment income	12,810	161,717	50,714	75,100	47,087
Donations	7,932	11,644	19,204	31,769	15,260
Amortization of deferred capital contributions	25,315	25,472	25,471	24,760	23,902
Other revenue	21,244	18,323	22,557	28,134	26,485
Total Revenues	**1,008,806**	**1,095,292**	**1,018,755**	**1,070,441**	**947,716**
Expenses					
Salaries and benefits	571,381	528,922	526,355	493,248	464,591
Supplies and services	162,211	158,144	178,248	189,516	150,629
Student aid	90,321	85,989	68,500	66,130	63,957
Amortization	45,764	45,379	46,151	46,931	44,547
Utilities, taxes, and insurance	24,213	18,853	15,054	23,818	23,375
Interest	17,262	17,385	13,963	14,032	13,995
Other expense	100,939	95,823	134,772	131,558	111,708
Total Expenses	**1,012,091**	**950,495**	**983,043**	**965,233**	**872,802**
Operating Surplus (Deficit), Before Adjustments	**(3,285)**	**144,797**	**35,712**	**105,208**	**74,914**
Nonrecurring revenue (expenses)	–	–	–	–	–
Consolidated Operating Surplus (Deficit), As Reported	**(3,285)**	**144,797**	**35,712**	**105,208**	**74,914**
Capital expenditures	91,371	37,641	26,521	74,280	101,270

Statement of Financial Position (Adjusted)

(CAD thousands)	As at April 30				
Assets	**2022**	**2021**	**2020**	**2019**	**2018**
Cash	118,185	165,607	142,513	161,175	141,967
Receivables	55,427	46,320	40,915	33,963	40,197
Deferred and prepaid expenses	7,111	7,252	8,216	7,734	7,196
Short-term investments	204,918	214,732	240,542	160,170	113,575
Long-term investments	2,065,081	2,058,396	1,666,524	1,521,931	1,429,033
Capital assets	949,469	903,862	911,600	931,230	900,669
Other assets	1	1	1	–	–
Total Assets	**3,400,192**	**3,396,170**	**3,010,311**	**2,816,203**	**2,632,637**
Liabilities and Net Assets					
Liabilities					
Payables, accrued liabilities, and deferred revenue	485,446	484,655	432,466	373,643	359,076
Deferred capital contributions	411,885	424,318	434,964	439,267	425,896
Employee future benefit obligations	95,788	108,295	132,420	74,818	94,620
Debt	384,072	388,468	392,727	271,852	275,849
Total Liabilities	**1,377,191**	**1,405,736**	**1,392,577**	**1,159,580**	**1,155,441**
Net Assets					
Unrestricted net assets[1]	(18,390)	(11,486)	(12,988)	(11,271)	(9,534)
Internally restricted net assets	433,170	410,633	279,551	293,757	198,198
Endowment—internally restricted	258,000	261,758	221,223	228,439	221,048
Endowment—externally restricted	1,149,026	1,131,950	920,129	924,183	864,438
Equity in capital assets	201,195	197,579	209,819	221,515	203,046
Total Net Assets	**2,023,001**	**1,990,434**	**1,617,734**	**1,656,623**	**1,477,196**
Total Liabilities and Net Assets	**3,400,192**	**3,396,170**	**3,010,311**	**2,816,203**	**2,632,637**
Contingencies and Commitments					
Capital commitments	36,174	62,285	2,602	4,856	33,085
Letters of credit	1,580	1,711	2,780	2,620	2,023
Other	–	–	–	–	–
	37,754	**63,996**	**5,382**	**7,476**	**35,108**

1 Previously, the University included internal capital project financing in the unrestricted deficit. These amounts are now reflected in internally restricted net assets.

Calculation of Free Cash Flow (Adjusted)

(CAD thousands)	For the year ended April 30				
	2022	**2021**	**2020**	**2019**	**2018**
Consolidated operating balance, adjusted	(3,285)	144,797	35,712	105,208	74,914
Amortization	45,764	45,379	46,151	46,931	44,547
Other noncash adjustments[1]	(18,846)	(33,425)	(38,117)	(29,994)	(38,498)
Cash Flow From Operations	**23,633**	**156,751**	**43,746**	**122,145**	**80,963**
Change in working capital and other	(8,549)	47,394	50,958	17,409	(3,228)
Operating Cash Flow After Working Capital	**15,084**	**204,145**	**94,704**	**139,554**	**77,735**
Net capital expenditures[2]	(78,489)	(22,815)	(5,353)	(36,149)	(36,377)
Free Cash Flow	**(63,405)**	**181,330**	**89,351**	**103,405**	**41,358**

1 Includes unrealized gains and losses on investments (excluding the externally restricted endowments).
2 Gross capital expenditures less contributions restricted for capital purposes.

Summary Statistics (Adjusted)

	For the year ended April 30				
	2022	**2021**	**2020**	**2019**	**2018**
Total Enrolment (FTEs)	**31,613**	**30,637**	**28,244**	**27,425**	**26,181**
Undergraduate (%)	83	85	84	84	85
Graduate (%)	17	15	16	16	15
Annual change (%)	3.2	8.5	3.0	4.8	3.3
Enrolment (FTE)					
Domestic (%)	89.5	89.3	89.0	90.2	91.6
International (%)	10.5	10.7	11.0	9.8	8.4
Total Staff (FTE)[1]	**5,020**	**4,890**	**5,443**	**4,601**	**4,399**
Faculty	1,919	1,870	1,546	1,800	1,698
Operating Results					
Surplus (deficit; CAD millions)	(3.3)	144.8	35.7	105.2	74.9
- As % of revenues	(0.3)	13.2	3.5	9.8	7.9
- As % of revenues (five-year rolling average)	6.8	8.8	7.1	7.8	6.9
Revenue Mix					
Government (%)	42.2	39.2	40.0	39.1	40.7
Student fees (%)	43.0	36.8	38.9	36.6	37.4
Ancillary (%)	8.2	4.2	9.5	9.4	10.1
Donations and investment income (%)	2.1	15.8	6.9	10.0	6.6
Other (%)	4.6	4.0	4.7	4.9	5.3
Debt and Liquidity					
Total debt (CAD millions)	384.1	388.5	392.7	271.9	275.8
- Per FTE student (CAD)	12,149	12,680	13,905	9,912	10,536
Interest costs as share of total expense (%)	1.7	1.8	1.4	1.5	1.6
Interest coverage ratio (x)	2.4	10.0	4.1	9.7	6.8
Expendable resources (CAD millions)	768.6	769.2	620.2	585.7	504.3
As a share of debt (%)	200.1	198.0	157.9	215.5	182.8
Endowments					
Total market value (CAD millions)	1,407.0	1,393.7	1,141.4	1,152.6	1,085.5
Per FTE student (CAD)	44,508	45,492	40,410	42,027	41,461
Annual change (%)	1.0	22.1	(1.0)	6.2	3.7

Payout ratio: Long-term target of 4.0%, based on formula of 70% of prior year's payout plus inflation and 30% on the most recent calendar year's ending market value.

1 FTE excludes teaching assistants and sessional lecturers.

Rating History

Issuer	Debt	Current	2022	2021	2020	2019	2018
Queen's University	Issuer Rating	AA	AA	AA	AA	AA	AA
Queen's University	Senior Unsecured Debt	AA	AA	AA	AA	AA	AA

Related Research

- *Rating Public Universities*, May 5, 2022.
- *First Look: University Applications in Ontario for Fall 2023*, January 24, 2023.
- *Gender Diversity in Canadian Public Universities*, March 8, 2023.

Previous Report

- Queen's University: Rating Report, May 19, 2022.

Note:
All figures are in Canadian dollars unless otherwise noted.

For the definition of Issuer Rating, please refer to Rating Definitions under Rating Policy on www.dbrsmorningstar.com.

Generally, Issuer Ratings apply to all senior unsecured obligations of an applicable issuer, except when an issuer has a significant or unique level of secured debt.

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