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Moody's upgrades Furman's bond rating

Furman University

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Moody's upgrades Furman's bond rating

Moody's Investors Service has upgraded Furman's long-term underlying bond rating from A2 to A1, and indicated the outlook for the rating is stable.

According to the bond rating agency, the A1 rating applies to \$66 million of outstanding Series 1996A, 1996B, 1999, 2000 and 2004 Revenue Bonds issued through the Educational Facilities Authority for Nonprofit Institutions of Higher Learning.

In announcing the change, Moody's said it expects Furman's positive operating performance to continue and cited the university's "significant investments in its capital facilities over the last decade" and growth in its depreciation expense, which has increased 24 percent over the last three years. "With support of its donors," Moody's said, "Furman has been able to create dedicated repair and replacement endowments tied to specific buildings which should help support future operating performance."

The new rating is likely to help Furman save on interest charges the next time it floats bonds.

Among other strengths, Moody's cited Furman's strong regional market position, growing national reputation, success in fund raising, strong fiscal management and increasing selectivity in admissions.

Moody's also noted that, for the first time, Furman's financial statements at the end of the 2004 fiscal year reflected its \$115 million interest in the Hollingsworth Funds. The university is one of several Greenville beneficiaries of the estate of John D. Hollingsworth, Jr., a textile machinery maker who attended Furman in the late 1930s.

Hollingsworth died in December 2000, leaving an estate that has since been estimated at \$260 million. Furman receives 45 percent of the estate's investment income.



Make way for ducklings

Photographer Charlie Register captured this rainy-day scene near the dining hall of some of Furman's newest residents heading toward the lake.

University on verge of going wireless

A common sight on campus these days is students sitting at tables outside the University Center's Tower Café, surfing the Internet and checking their e-mail — thanks to the wonders of wireless technology.

Two years ago such a scene would have been unlikely. But today, Furman is on the verge of becoming a completely wireless campus. By 2006, anyone walking through the main part of campus could be able to connect to a wireless access point with a laptop computer.

"Going wireless" means the ability to connect to the Internet without being shackled to a desk. Wireless access points — devices about the size of a large house thermometer and mounted on a wall — emit a signal that can be captured by a laptop computer, much like a cell phone captures a tower signal. This signal can be used to connect to the Internet. Only computers equipped with a special card can tap into the technology.

The signal strength of most wireless access points varies. In general, the access points installed at Furman have a reach of approximately 200 feet and can be accessed by 20 to 30 users simultaneously.

Richard Nelson, director of systems

and technology, says that at present about 70 percent of the central core of the campus is wireless. He points out that demand for wireless technology started to grow about three years ago, when more students began arriving on campus with laptops. Today about 70 percent of Furman students own laptops.

"In all new construction we have incorporated wireless technology," says Nelson. "And over the past several years we've had a lot of new construction."

While wireless technology does give users more flexibility and mobility, the technology can be expensive. Nelson says that most access points, which cost \$400 to \$800, become obsolete in three to five years and must be replaced. And as more users access the wireless technology, Nelson says the university's computer network — the infrastructure of wires, cables and servers — must be updated to handle the demand.

"There is a misconception that if you have wireless, you don't need to worry about the wired network," he says. "But you do. After all, wireless access points are connected to wires. Users still need to access the system. They just get there a different way."

— John Roberts