The Primary Reserve Ratio provides a snapshot of financial strength and flexibility by indicating how long the institution could function using its expendable net assets (both unrestricted and restricted, excluding net assets restricted for capital investments) without relying on additional net assets generated by operations. The benchmark for this ratio is 0.40, or about 5 months. The UMS is at 0.38, or expendable net assets sufficient to cover about 4.5 months of expenses. This ratio is calculated as follows:

\[
\text{Primary Reserve Ratio} = \frac{\text{Expendable Net Assets}}{\text{Total Expenses}}
\]

* Excluding net assets restricted for capital investments.