

Appropriations Committee Testimony
President Susan Herbst
University of Connecticut
-February 21, 2012-

Senator Harp, Representative Walker, Senator Kane, Representative Miner, and members of the Committee:

Now that we have concluded our conversation about the Health Center's budget, I would now like to focus my remarks on the Storrs and Regional Campuses. Before I discuss how we will manage through these difficult budgetary times, I will share some positive information about how we are doing and report on some of the important initiatives we are undertaking this year. I will then explain how we have been addressing our budget challenges and provide you with an overview of our implementation of the McKinsey Report recommendations.

UConn remains a tremendous investment that pays great dividends to Connecticut taxpayers. We are now ranked 19th among public research universities by *U.S. News and World Report*, which continues UConn's movement into the top echelons of public research universities. In 2011 we had approximately 28,600 applications for our freshman class of 4,600 (at all our campuses). As of last week, we had almost 30,000 applications from Connecticut and beyond for the class that will enter in Fall 2012.

Our record enrollment includes the most academically talented and most culturally diverse student body in UConn's history. We are awarding the most degrees ever, which means more talented young people are available to Connecticut's economy than ever before. (All these data points are documented in the handout we provided to the Committee.) Applications to the graduate programs, the law school, the School of Social Work, and the Medical School continue to rise.

These students seek admission because of our academic reputation and because, for a Connecticut resident, UConn offers greater value, higher quality, and more affordable choices, by far, than any competitor. Recently, the University was ranked in the top 30 best value public colleges for in state costs by *Kiplingers Personal Finance*.

As the state's only public research institution, UConn continues to take its role in driving innovation and economic development seriously. University faculty have developed 242 patents over the last 13 years and the University has 97 active technology licenses and options currently. By the end of 2011, the University was home to 22 incubator companies which generated more than \$30 million in revenue and employed 81 employees.

In the Stem Cell arena, our faculty have created four new human embryonic stem cell lines and an invention has been disclosed for cartilage replacement. At our Center for Entrepreneurship & Innovation, we have assisted more than 535 companies from a wide-range of industries since January 2007.

We were pleased that the Governor's budget for FY 2013 funds the Eminent Faculty program and includes \$1 million for our new faculty hiring plan.

The Governor's and General Assembly's commitment to a second Eminent Faculty team and investment in the first building of a Storrs Technology Park will enable us to expand upon the economic achievements I referenced earlier. I am excited to report that the University has already raised more than the required industry match of \$2 million for the Eminent Faculty team and recruitment efforts are underway for the new team that will be critical to the Park's success.

Since design money was awarded in August for the Technology Park's first building, we have selected an architect. We also have completed a visioning process for the Park with Connecticut industry partners which included UTC, GE, Covidien, IBM and several smaller companies. This valuable industry input helped us to determine that Advanced Manufacturing and Advanced Materials will be the initial building's focus. This strategic direction aligns with both the industrial assets of Connecticut and the direction of Federal research priorities.

We commend the Governor for his support of our new faculty hiring plan. Professors in the classroom and the students they teach are the heart and soul of a university. The 290 new professors this plan will allow us to hire will go a long way in helping students get the courses they need to expedite their graduation. It will have a dramatic, positive effect on our students and our overall research capacity for years to come.

This plan is long overdue. The extraordinary growth in UConn's student enrollment has far outpaced the growth in faculty. From the fall of 1995 to 2011, undergraduate enrollment increased by 53 percent – from 14,667 to 22,472 – while the number of faculty at UConn has increased by only 16 percent over the same period – from 1,148 to 1,330. UConn's student-to-faculty ratio was 14-to-1 in FY 1996; it is now 18-to-1. The University's goal is for the ratio to be 15-to-1, which this plan will accomplish.

The budget will allow us to pursue a bold and aggressive strategy of faculty hiring that will transform our institution by providing excellent teaching and service to our undergraduate students, generate research that has national and international impact, increase innovations that create jobs, build great graduate programs and address our state's workforce shortages. To this end, I have asked the Deans to develop hiring plans that:

- Are thematic and developed around targeted areas of impact;
- Will increase existing academic or research strength or generate a new strength in particular areas;
- Interface with major initiatives like Bioscience Connecticut and our new Technology Park; and
- Involve interdisciplinary hires that benefit multiple departments.

Additionally, many of the new professors will be in workforce shortage areas like Engineering, the Life and Physical Sciences, Pharmacy, Nursing, Allied Health and Education, particularly in the areas of special education and urban school reform.

While we are appreciative of the Governor's and General Assembly's support, our budget situation is not without its challenges. The University has been a full partner in assisting the State in addressing its fiscal crisis. The University now receives just 28% of its revenues from the State of Connecticut. The remaining 72% is raised primarily through research grants, tuition and fees and philanthropy.

Between FY 2009 and FY 2012, the University has absorbed state operating cuts of \$26.3 million (including fringe benefits) and fund balance reductions of \$23 million for a total decrease of \$49.3 million during that timeframe. Our state block grant of \$205.6 million (actual projected allotment) in FY 2012 is \$28.9 million less than our FY 2008 appropriation of \$234.5 million. The FY 2013 level of funding reflects adjustments related to the SEBAC agreement.

We recognize that there is more we can do to respond to the economic pressures and to ensure our long-term fiscal health. With that in mind, in late 2010 the University hired McKinsey & Company (McKinsey) through a competitive selection process and embarked on a Strategic Redesign Initiative – an exhaustive review of key areas of UConn's non-academic operations which would result in

recommendations aimed at reducing costs, streamlining and improving processes and generating greater non-tuition revenue. This review applied only to the Storrs and regional campuses, not the Health Center, which has already completed a similar project.

The University secured the services of McKinsey to have an experienced external entity to help us take a hard, critical look at core services and find those services which can be improved. The primary purpose of the engagement was to show the University how its non-academic operations could be improved, not to congratulate UConn on all that we do well.

Significantly, the report notes that many of the issues that were encountered at UConn are common at large research universities. The report also states: “In many instances, UConn’s costs are in-line with peer universities” and that the goal of this effort was to move UConn’s operational efficiency “from ‘about average’ towards best-practice.”

The report’s recommendations are the first step, but equally important is taking action. To that end, the University has begun implementing a number of the McKinsey recommendations. While implementation will be a multi-year process, it should be noted that the University will recover the entire cost of hiring McKinsey in the first year alone. It is also important to note that savings resulting from the implementation of McKinsey recommendations only allow UConn to break even with the Governor’s recommended budget for the University in FY 2013.

It should be emphasized that the McKinsey Report acknowledged that they did not consider the public policy implications of the recommendations but that UConn should. By considering the public policy implications, some recommendations will be deemed impractical or inadvisable. For example, some of the suggestions McKinsey made in the procurement area call for the University to buy goods and materials in bulk to achieve savings. However, if we implemented this recommendation completely, it might negatively impact Connecticut business’ ability to win University contracts and affect UConn’s ability to meet set-aside goals for small businesses and companies owned by women and persons of color.

Listed below are some of the cost-saving measures currently underway:

- **PROCUREMENT.** The initial implementation of the McKinsey recommendations started in early fall 2011. Procurement sourcing teams were formed with faculty and non-faculty members with the goal of finding ways to centralize and standardize items such as office supplies, office furniture, janitorial supplies and other goods and services. The projected savings through standardization and consolidation in the first year (FY 2012) will be at least \$4 million. When all the procurement improvements are implemented by the end of FY 2016, savings in this area are projected to be in excess of \$20 million.
- **CENTRAL FACILITIES OPERATIONS.** The initial phase of implementing the McKinsey recommendations is underway. Over the next several months, the Facilities staff will be dispatched in a more planned and organized way which should result in better planned and more efficient work days; organizational structures will be changed; and the deployment of personnel will be adjusted which will improve service delivery. The savings in the first year (FY 2012) are projected to be \$1 million. The University has an opportunity to save over \$6 million yearly when all the changes are implemented by the end of FY 2016.
- **CENTRAL INFORMATION TECHNOLOGY.** The University’s information technology structure is being centralized to include both University Information Technology Services (UITS) and IT functions within colleges, schools, departments and other units. As an initial step in this process, these independent units have now been consolidated under the Provost’s direction. By the end of FY 2016, savings could be over \$4 million yearly.

- FINANCE, HUMAN RESOURCES AND GENERAL ADMINISTRATION. Implementing recommendations from McKinsey, in conjunction with the implementation of the new financial reporting system, will provide greater centralization in these areas, improve work-flow and reduce redundancies. Savings by the end of FY 2013 may exceed \$1 million and as much as \$7 million by the end of FY 2016.

Beyond the recommendations that are already being implemented, there are additional recommendations contained in the report which require further review. These recommendations will continue to be studied to determine if they are appropriate and workable. It must also be noted that UConn is a public agency and must operate according to state laws and regulations as well as the collective bargaining contracts of its workforce, including the most recent SEBAC agreement with the state, when determining which recommendations are feasible or beneficial.

We are continuing this work to ensure that our operations have the effectiveness and efficiency needed to maximize the resources that can be used to advance our academic goals.

We hope this provides an overview of our budget situation and our major priorities for this year. As always, I would like to thank you for your continued support of the University of Connecticut and would be happy to answer any questions.



University of Connecticut

University Update February 2012

UConn: A Connecticut Success Story

- State's unprecedented investment in physical capital has catapulted UConn from a 3rd or 4th choice school to a 1st choice for highly prepared in-state, out-of-state and international students
- UConn ranked 19th among public universities nationally according to *U.S. News and World Report*
- UConn ranked in the top 30 best value public colleges for in-state costs by *Kiplingers Personal Finance*



Commitment to Economic Development

Technology Park

Innovation Partnership Building:

- 125,000 square foot multi-story research building
- Comprised primarily of large, flexible-use laboratories containing specialized equipment for collaborative research
- Includes space for business incubators, private space for use by individual companies, and office space
- Nexus of intellectual, physical and cyber assets that will lead to a university-industry partnership for research and innovations, technology commercialization and job growth



Commitment to Economic Development

Bioscience Connecticut: Elements of the Plan

Lead the way in Bioscience innovation

- Renovate existing UCHC facilities to increase research capacity & productivity
- Increase basic and clinical/translational scientists
- Expand incubator facilities to foster new start up businesses

Meet the needs of Connecticut's future

- Increase medical and dental school enrollment by 30%
- Establish loan forgiveness program to attract more graduates to practice primary care medicine and dentistry in Connecticut

Improve access to state-of-the-art care

- Construct new hospital tower & ambulatory care facility
- Renovate John Dempsey Hospital
- Implement community-based programs

Jobs Today, Economic Growth Tomorrow, Innovation for the Future



Contributing to the Economic Health of Connecticut

- Innovative Technologies:
 - 242 patents issued over the last 13 years
 - 38 UConn technology startups formed since 1985
 - 97 active technology licenses and options currently
- External research funding increased 28% from FY07 (\$185.6M) to FY11 (\$237.0M)
- Technology Incubation Program – In 2011:
 - 20 companies hosted at three campuses with 65 full-time and 16 part-time jobs
 - \$30.4M in revenue generated
 - Industry sectors include health, medical devices, consumer products, biotech, advanced materials, IT and clean energy



Contributing to the Economic Health of Connecticut

- Eminent Faculty Programs
 - Center for Clean Energy Engineering
 - Leveraged industry match of \$2M (State funds=\$2M)
 - Value of 87 active energy research awards is \$22M in 2011
 - Advanced Manufacturing & Materials Genomics
 - Leveraged match of \$2.25M for Professorships in Convergence Engineering and Biomedical Engineering (State funds =\$2.5M)
 - Faculty searches have been approved for hiring in 2012



Contributing to the Economic Health of Connecticut

- Stem Cell Institute
 - Awarded \$30M in state grant funding
 - 4 new human embryonic stem cell lines created
 - Invention disclosed for cartilage replacement
- Center for Entrepreneurship & Innovation
 - Partnership between School of Business & School of Law
 - Assisted approximately 535 companies from wide-range of industries since January 2007



Contributing to the Economic Health of Connecticut

- Nanotechnology
 - Federal funding increased 96% from \$25M in 2005 to almost \$50M in 2011
 - Patent filings increased 86% since FY98
 - Graduate student and postdoctoral fellow positions increased from 100 in 2005 to 140 in 2011 thereby increasing the pipeline of nanotechnology experts available to support Connecticut businesses
 - Approximately 55 faculty conducting nanotechnology research have attracted more highly qualified undergraduate students to this field



FY12 Budget Plan

Storrs &
Regional
Campuses

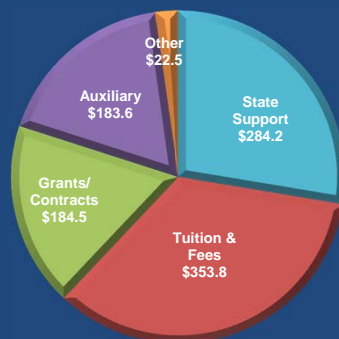
- Revenues
 - Minimal tuition & fee increases
 - Less state support
 - Expanded summer session
 - Utilization of more alternative revenue sources- private / grants / fund balances
- Expenditures
 - 27th payroll
 - Increased financial aid
 - No wage increases (except for 2 months for UCPEA)
 - Deficit reduction plan
- Focus on setting a foundation that enables University to protect academics as much as possible



FY12 Budget Context (\$M)

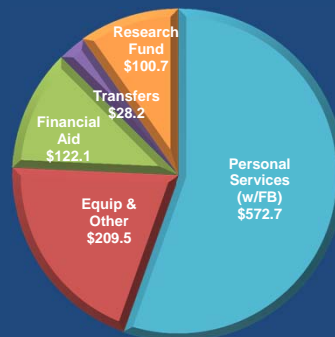
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Campuses

Revenue Budget:
\$1,028.6



- State Support: 27.6%
- Tuition & Fees: 34.4%
- Grants & Contracts: 17.9%
- Auxiliaries: 17.9%
- Other: 2.2%

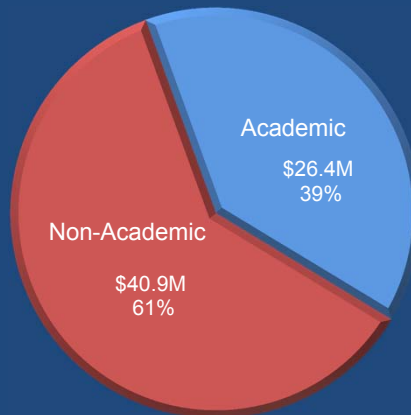
Expenditure Budget:
\$1,033.2



- Personal Services (w/FB): 55.4%
- Equipment & Other: 20.3%
- Financial Aid: 11.8%
- Transfers: 2.7%
- Research Fund: 9.8%



Actions that Reduced FY12 Deficit



- Academic: \$26.4M
 - Tuition & Fee increases
 - Reductions in academic support & student affairs
- Non-Academic: \$40.9M
 - Reductions in fund balances, inflationary increases, technology funding, plant renewal & equipment, athletics & recreation, research, increased vacancy management savings, and collective bargaining increase savings

Savings in both categories attributed to McKinsey for procurement savings and facilities efficiencies

Strategic Redesign Initiative

- Hired McKinsey & Company to conduct an exhaustive review of key areas of non-academic operations which included:
 - Cost reductions
 - Improved & streamlined processes
 - Greater generation of non-tuition revenue
- Implementation of recommendations is a multi-year process
- Cost-saving measures already underway in procurement, facilities operations, information technology and general administration have helped to balance the FY12 budget

Massive Increase in Student Demand for Admission

Storrs & Regional Campuses

Fall 2011 compared to fall 1995:

- Freshman Applications increased 164% (10,809 to 28,584)
 - Increased 23% over fall 2010 (1st year of common application)
 - Current year, number of HS seniors specifying SAT scores be sent to UConn up 9%
 - Current year, number of prospective students at fall open house up 16% since 1997
- Freshman enrollment at Storrs increased 65% (2,021 to 3,327)
- Undergraduate enrollment increased 53% (14,667 to 22,472)
- Students housed at Storrs increased 82% (6,957 to 12,661)
- Undergraduate degrees increased 62% (2,951 to 4,776)



Faculty and Course Availability Have Not Kept Up with Demand

Storrs & Regional Campuses

Fall 2011 compared to fall 1995:

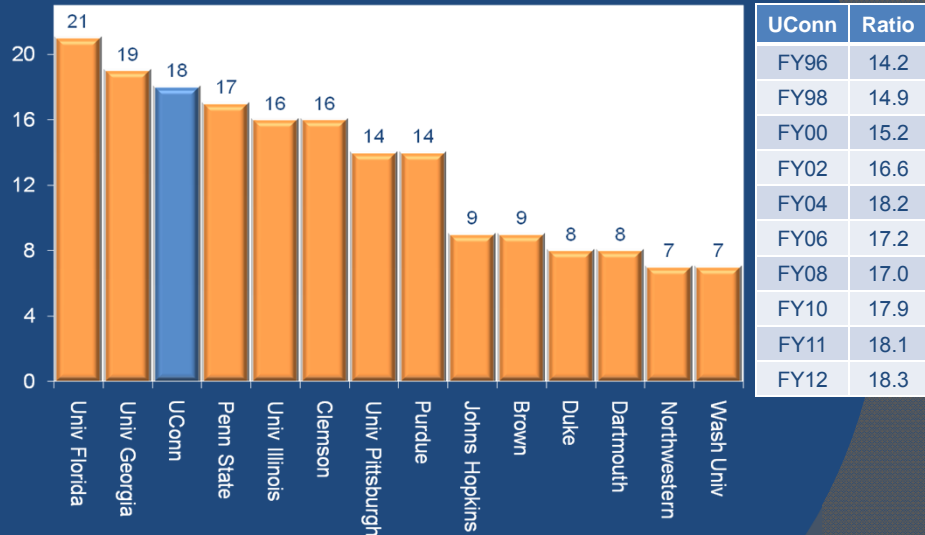
- While faculty have only increased 16%, undergraduate enrollment has increased 53%
- Non-faculty staff have increased approximately 11%

	1995	2005	2007	2009	2010	2011	Change
Tenure/Tenure Track	1,012	1,004	1,007	989	998	1,022	1.0%
Non-Tenure Track	<u>136</u>	<u>247</u>	<u>287</u>	<u>297</u>	<u>306</u>	<u>308</u>	126%
Total Full-Time Faculty	1,148	1,251	1,294	1,286	1,304	1,330	15.9%

- Since 1995, tenure / tenure track faculty have only increased 1%



Our Student Faculty Ratio is High and Climbing



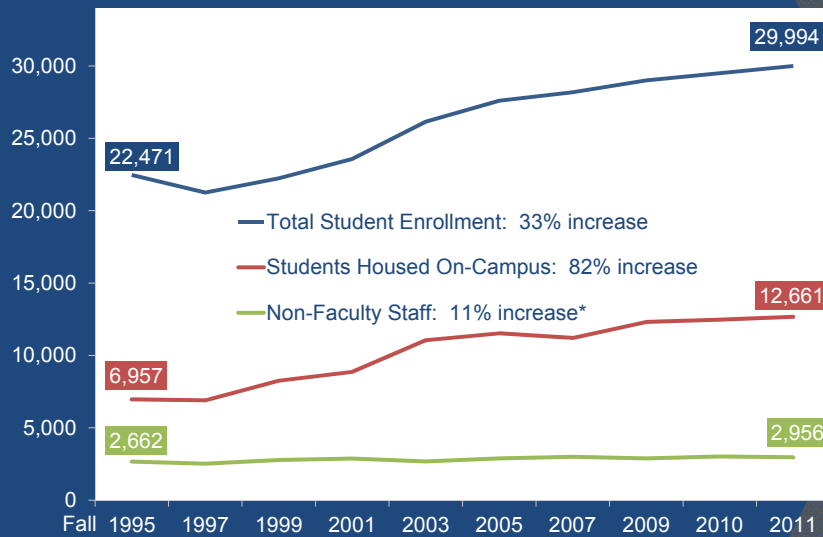
UConn	Ratio
FY96	14.2
FY98	14.9
FY00	15.2
FY02	16.6
FY04	18.2
FY06	17.2
FY08	17.0
FY10	17.9
FY11	18.1
FY12	18.3

Source: US News & World Report-FY11



Staff & Student Growth

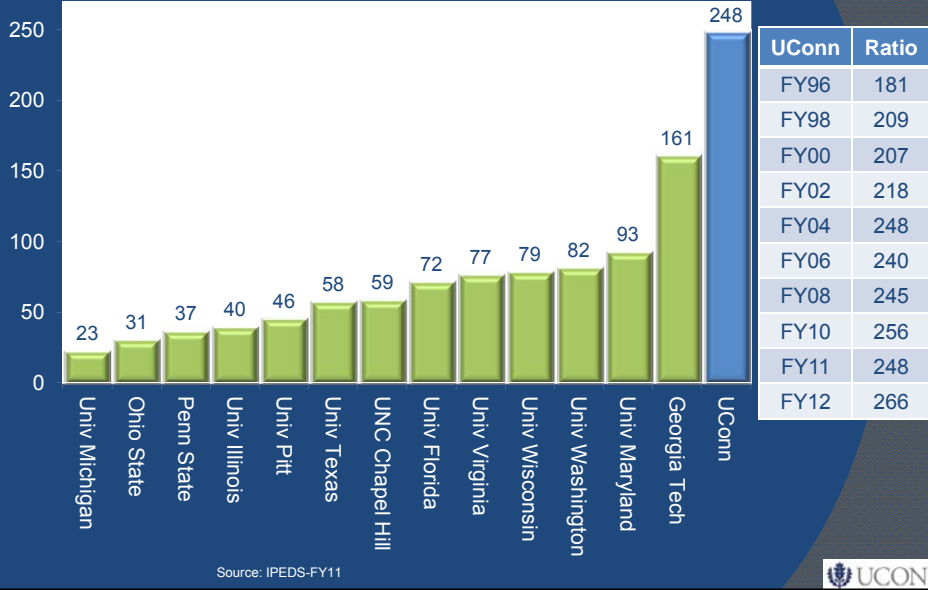
Storrs & Regional Campuses



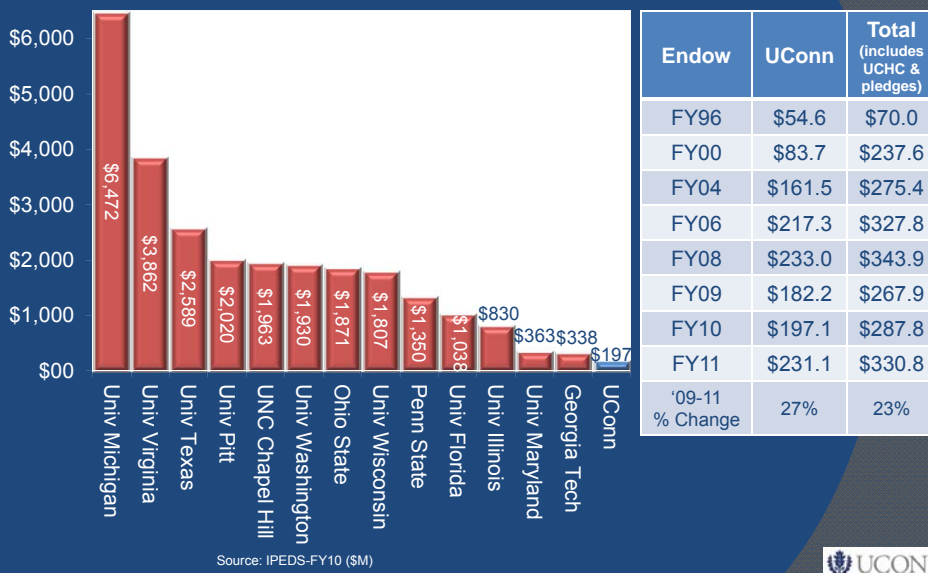
*Senior administrators represent 2.3% of total employees



We Keep Number of Administrators/Staff as Low as Possible: Student/Manager Ratio



Need to Grow UConn Unrestricted Endowment



State Appropriation as % of Total Revenues is Declining

Storrs & Regional Campuses

UConn	%
FY91	50.0%
FY95	43.4%
FY06	35.4%
FY07	35.5%
FY08	35.8%
FY10	32.6%
FY11	31.1%
FY12 est	27.6%

	Approp	Reductions (w/FB)	Fund Sweep
FY09 Actual	\$234.1 (\$327.8 w/FB)	\$19.6	
FY10 Actual	\$233.0 (\$325.4 w/FB)	\$3.2	\$8.0
FY11 Actual	\$232.7 (\$329.0 w/FB)	\$0.5	\$15.0
FY12 Forecast	\$205.6 (\$280.8 w/FB)	\$3.0	
Total		\$26.3	\$23.0

Since FY09, UConn has absorbed approximately \$49.3M in reductions

- Governor's proposed budget for FY13 is \$205.7M and includes funds for Eminent Faculty & the Faculty Hiring Plan



Public Schools	US News Public Rank	FY11-FY12 Change	FY08-FY12 Change
Washington	10	20.7%	69.6%
UCLA	2	17.7%	80.3%
UC Berkeley	1	17.3%	79.2%
UC Irvine	13	16.8%	73.7%
UC San Diego	8	16.5%	77.6%
UC Santa Barbara	10	16.1%	72.2%
UC Davis	9	15.7%	70.9%
Florida	19	12.1%	67.9%
Georgia Tech	7	10.7%	71.1%
Virginia	2	8.9%	36.2%
Georgia	23	8.4%	68.5%
Pittsburgh	19	8.0%	25.3%
William & Mary	6	7.7%	43.3%
Wisconsin	10	7.6%	34.5%
Minnesota	25	6.7%	31.7%
Michigan	4	6.7%	20.9%
Illinois	13	5.7%	24.3%
North Carolina	5	5.1%	31.2%
Penn State	13	4.8%	24.4%
Purdue	23	4.5%	27.8%
Texas	13	4.0%	27.7%
Ohio State	17	3.3%	12.2%
Clemson	25	3.3%	24.7%
Maryland	17	2.8%	8.6%
UConn	19	2.4%	20.7%
Rutgers	25	1.4%	19.4%
Texas A&M	19	0.4%	14.8%

In-State Tuition & Mandatory Fees for Top 25 Public Universities



Public Schools	US News Public Rank	FY11-FY12 Change	FY08-FY12 Change
Washington	10	10.6%	27.9%
Minnesota	25	9.2%	23.2%
Virginia	2	9.1%	30.5%
North Carolina	5	8.5%	27.9%
UC San Diego	8	8.2%	33.5%
William & Mary	6	6.6%	32.5%
UCLA	2	5.7%	33.4%
Rutgers	25	5.7%	28.0%
UC Irvine	13	5.5%	32.5%
UC Santa Barbara	10	5.4%	32.6%
UC Davis	9	5.4%	32.5%
Wisconsin	10	4.9%	18.6%
Michigan	4	4.9%	20.7%
Maryland	17	4.8%	17.2%
Ohio State	17	4.3%	15.7%
Texas	13	4.1%	32.4%
Pittsburgh	19	3.9%	14.1%
Purdue	23	3.8%	24.4%
Clemson	25	3.8%	30.6%
Georgia Tech	7	3.5%	19.2%
Penn State	13	3.5%	18.4%
Georgia	23	2.7%	33.6%
Illinois	13	2.7%	11.0%
UConn	19	2.6%	21.0%
Florida	19	2.2%	56.6%
UC Berkeley	1	1.1%	33.3%
Texas A&M	19	0.2%	45.8%

Out-of-State Tuition & Mandatory Fees for Top 25 Public Universities



UConn's Affordability

Storrs & Regional Campuses

- Among the Top 53 Public Universities:
 - In-State Tuition & Mandatory Fees
 - UConn's 2.4% one-year increase for FY12 is the 3rd lowest
 - UConn's FY12 rate of \$10,670 places us in the middle of the pack, as we rank 26th most expensive (up from 15th in FY08)
 - UConn's rate increase of 20.5% from FY08-FY12 is the 8th lowest
 - Out-of-State Tuition & Mandatory Fees
 - UConn's 2.6% one-year increase for FY12 is the 4th lowest
 - UConn's FY12 rate of \$27,566 ranks as the 29th most expensive (up from 22nd in FY08)
 - UConn's rate increase of 21.0% from FY08-FY12 is the 16th lowest



We Always Take Care of Our Needy Students Regardless of the Price of Tuition

Storrs & Regional Campuses

- Our best financial aid packages are provided to in-state, low income students
 - Tuition funded need-based grants increased 32% since FY10
 - Tuition funded need-based grants as a percentage of net tuition revenue is budgeted at 20.2% for FY12
 - Tuition funded scholarships increased 25.5% since FY10
- More than 15,000 students received financial aid packages in FY11
- Most recent average debt at graduation was \$23,237 compared to \$25,250 nationally and default rates were 2.1% compared to 8.8% nationally



Financial Aid (\$M)

Storrs & Regional Campuses

Tuition Funded	FY10	FY11	FY12 Budget	FY10-FY12 % Change
Need-Based Grants	\$36.3	\$40.8	\$47.9	32.0%
Work Study/Student Labor	5.8	6.1	6.1	5.2%
Scholarships	18.4	20.7	23.1	25.5%
Tuition Waivers	<u>45.2</u>	<u>46.9</u>	<u>48.0</u>	6.2%
Total Tuition Funded	\$105.7	\$114.5	\$125.1	18.4%
Total Tuition Funded as a % of Gross Tuition Revenue	38.9%	39.1%	41.1%	
Tuition Funded Need-Based Aid as a % of Net Tuition Revenue	17.6%	18.1%	20.2%	
Total Financial Aid-all sources	\$343.2	\$372.4	\$384.1	11.9%



Why UConn Costs Often Rise Higher than Inflation

Storrs &
Regional
Campuses

- Enhancement of academic experience
- Recruitment of prestigious faculty
- Expansion of public engagement
- Growth in research activities
- Focus on economic development
- Increased support of student life
- Collective bargaining agreements
- Continued focus on public safety
- Constant facility renovations / improvements

 UCONN

Faculty Hiring Plan

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- Goals of 4 year tuition and fee / faculty hiring plan
 - Decrease the student to faculty ratio
 - Expand course offerings
 - Help students to graduate on time
 - Allow students and parents to budget ahead of time
- Bold and aggressive strategy that will transform UConn
 - National & international impact
 - Increased research productivity
 - Building great graduate programs
 - Provide excellent teaching & service to undergraduates
- FY13 hires will be strategically targeted
 - Energizing economic development opportunities
 - Filling areas of critical need to meet high teaching demands and workforce needs
 - Supporting research capacities likely to result in external funding

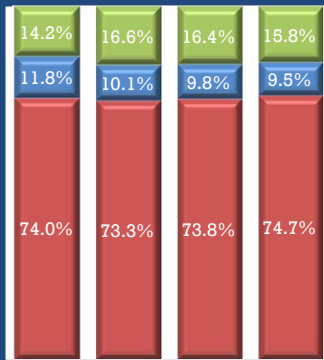
 UCONN

Four Year Faculty Hiring Plan* Option 1

(based on Governor's proposed appropriation)

Storrs &
Regional
Campuses

Funding Sources



FY13 \$12.7M
FY14 \$29.6M
FY15 \$47.0M
FY16 \$66.5M

■ Tuition & Fees
■ State Support
■ Other***

FY	# of Faculty**	Student Faculty Ratio	Tuition Increase	State Approp Increase	Other Sources
13	70	17.1	5.50%	0.5% \$1.0M	\$1.5M
14	90	16.2	5.75%	0.5% \$2.1M	\$3.0M
15	65	15.6	6.00%	0.5% \$3.2M	\$4.5M
16	65	15.0	6.25%	0.5% \$4.4M	\$6.0M

*Assumes that State will fully fund collective bargaining increases in FY14-FY16
**Number of additional faculty this tuition increase enables UConn to hire
***For example: philanthropy, summer and online courses, non-bargaining personnel, shutting down institutes/centers as appropriate, exploring more executive education programs, royalty & patent income, corporate partnerships



Option 1 FY13 – FY16 Approved Increases for In-State Undergrad Students

Storrs &
Regional
Campuses

In-State Undergraduate	FY13	FY14	FY15	FY16
Tuition	\$8,712	\$9,216	\$9,768	\$10,368
Other Fees	2,530	2,590	2,676	2,762
Room - Double	6,096	6,278	6,466	6,660
Board - Value Plan	5,044	5,196	5,352	5,512
Total	\$22,382	\$23,280	\$24,262	\$25,302
Increment	\$896	\$898	\$982	\$1,040
Percentage	4.2%	4.0%	4.2%	4.3%



Option 1 FY13 – FY16 Approved Increases for Out-of-State Undergrad Students

Storrs &
Regional
Campuses

Out-of-State Undergraduate	FY13	FY14	FY15	FY16
Tuition	\$26,544	\$28,080	\$29,760	\$31,608
Other Fees	2,530	2,590	2,676	2,762
Room - Double	6,096	6,278	6,466	6,660
Board - Value Plan	<u>5,044</u>	<u>5,196</u>	<u>5,352</u>	<u>5,512</u>
Total	\$40,214	\$42,144	\$44,254	\$46,542
Increment	\$1,832	\$1,930	\$2,110	\$2,288
Percentage	4.8%	4.8%	5.0%	5.2%



Option 1 FY13 – FY16 Approved Increases for In-State Graduate Students

Storrs &
Regional
Campuses

In-State Graduate	FY13	FY14	FY15	FY16
Tuition	\$10,782	\$11,394	\$12,078	\$12,834
Other Fees	2,004	2,046	2,114	2,182
Room	7,250	7,540	7,842	8,156
Board - Value Plan	<u>5,044</u>	<u>5,196</u>	<u>5,352</u>	<u>5,512</u>
Total	\$25,080	\$26,176	\$27,386	\$28,684
Increment	\$1,080	\$1,096	\$1,210	\$1,298
Percentage	4.5%	4.4%	4.6%	4.7%



Option 1

FY13 – FY16 Approved Increases for Out-of-State Graduate Students

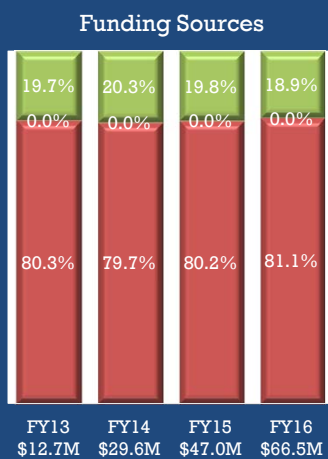
Storrs & Regional Campuses

Out-of-State Graduate	FY13	FY14	FY15	FY16
Tuition	\$27,990	\$29,592	\$31,356	\$33,300
Other Fees	2,004	2,046	2,114	2,182
Room	7,250	7,540	7,842	8,156
Board - Value Plan	<u>5,044</u>	<u>5,196</u>	<u>5,352</u>	<u>5,512</u>
Total	\$42,288	\$44,374	\$46,664	\$49,150
Increment	\$1,980	\$2,086	\$2,290	\$2,486
Percentage	4.9%	4.9%	5.2%	5.3%



Four Year Faculty Hiring Plan* Option 2

Storrs & Regional Campuses



FY	# of Faculty**	Student Faculty Ratio	Tuition Increase	State Approp Increase	Other Sources
13	70	17.1	6.00%	\$0	\$1.5M
14	90	16.2	6.25%	\$0	\$3.0M
15	65	15.6	6.50%	\$0	\$4.5M
16	65	15.0	6.75%	\$0	\$6.0M

*Assumes that State will fully fund collective bargaining increases in FY14-FY16

**Number of additional faculty this tuition increase enables UConn to hire

***For example: philanthropy, summer and online courses, non-bargaining personnel, shutting down institutes/centers as appropriate, exploring more executive education programs, royalty & patent income, corporate partnerships

■ Tuition & Fees
■ State Support
■ Other***



Option 2 FY13 – FY16 Approved Increases for In-State Undergrad Students

Storrs &
Regional
Campuses

In-State Undergraduate	FY13	FY14	FY15	FY16
Tuition	\$8,760	\$9,312	\$9,912	\$10,584
Other Fees	2,530	2,590	2,676	2,762
Room - Double	6,096	6,278	6,466	6,660
Board - Value Plan	<u>5,044</u>	<u>5,196</u>	<u>5,352</u>	<u>5,512</u>
Total	\$22,430	\$23,376	\$24,406	\$25,518
Increment	\$944	\$946	\$1,030	\$1,112
Percentage	4.4%	4.2%	4.4%	4.6%



Option 2 FY13 – FY16 Approved Increases for Out-of-State Undergrad Students

Storrs &
Regional
Campuses

Out-of-State Undergraduate	FY13	FY14	FY15	FY16
Tuition	\$26,640	\$28,296	\$30,120	\$32,136
Other Fees	2,530	2,590	2,676	2,762
Room - Double	6,096	6,278	6,466	6,660
Board - Value Plan	<u>5,044</u>	<u>5,196</u>	<u>5,352</u>	<u>5,512</u>
Total	\$40,310	\$42,360	\$44,614	\$47,070
Increment	\$1,928	\$2,050	\$2,254	\$2,456
Percentage	5.0%	5.1%	5.3%	5.5%



Option 2 FY13 – FY16 Approved Increases for In-State Graduate Students

Storrs &
Regional
Campuses

In-State Graduate	FY13	FY14	FY15	FY16
Tuition	\$10,836	\$11,520	\$12,276	\$13,104
Other Fees	2,004	2,046	2,114	2,182
Room	7,250	7,540	7,842	8,156
Board - Value Plan	<u>5,044</u>	<u>5,196</u>	<u>5,352</u>	<u>5,512</u>
Total	\$25,134	\$26,302	\$27,584	\$28,954
Increment	\$1,134	\$1,168	\$1,282	\$1,370
Percentage	4.7%	4.7%	4.9%	5.0%



Option 2 FY13 – FY16 Approved Increases for Out-of-State Graduate Students

Storrs &
Regional
Campuses

Out-of-State Graduate	FY13	FY14	FY15	FY16
Tuition	\$28,116	\$29,880	\$31,824	\$33,966
Other Fees	2,004	2,046	2,114	2,182
Room	7,250	7,540	7,842	8,156
Board - Value Plan	<u>5,044</u>	<u>5,196</u>	<u>5,352</u>	<u>5,512</u>
Total	\$42,414	\$44,662	\$47,132	\$49,816
Increment	\$2,106	\$2,248	\$2,470	\$2,684
Percentage	5.2%	5.3%	5.5%	5.7%



FY 2013 Challenges

Storrs &
Regional
Campuses

- Maintain affordability through commitment to financial aid while ensuring program quality
- Meet the market demand for admissions
- Provide infrastructure and support needed to implement the Faculty Hiring Plan which will reduce the student to faculty ratio
- Increase innovation, technology development and new jobs
- Continue to train highly skilled professionals to meet the needs of Connecticut businesses



Appendix

Student Facts & Figures

Storrs &
Regional
Campuses

- Fall 2011 compared to fall 1995:
 - Freshman Applications at all campuses increased 164% (10,809 to 28,584)
 - SAT scores increased 103 points at Storrs (1113 to 1216)
 - 1,403 valedictorians and salutatorians enrolled at all campuses since 1995
 - Freshman enrollment at Storrs increased 65% (2,021 to 3,327)
 - Minority freshman enrollment at Storrs increased 171% (308 or 15% to 835 or 25%)
 - Undergraduate enrollment at all campuses increased 53% (14,667 to 22,472)
 - Students housed at Storrs increased 82% (6,957 to 12,661)



Student Facts & Figures

Storrs &
Regional
Campuses

- Fall 2010 freshman retention and minority freshman retention is 92%
- Fall 2004 average time to graduate of 4.2 years at Storrs ranks 3rd among public research universities
- Fall 2007 4-year graduation rate is 68% at Storrs
- Fall 2005 6-year graduation rate is 83% at Storrs
- Undergraduate degrees at all campuses increased 62% since fall 1995 (2,951 to 4,776)
- Graduate/Professional degrees at all campuses increased 29% since fall 1995 (1,757 to 2,270)



Freshman Application Trends

Storrs & Regional Campuses

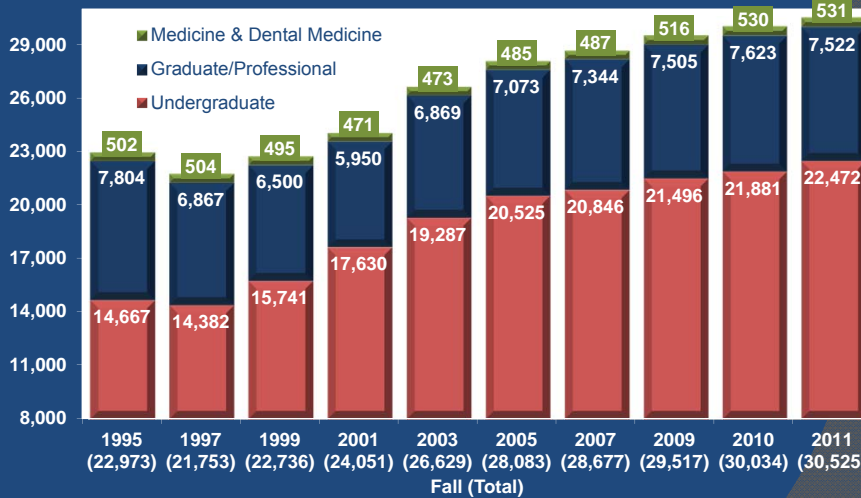
- Applications at all campuses have increased 164% from Fall 1995 to Fall 2011



Total Student Enrollment

All Campuses

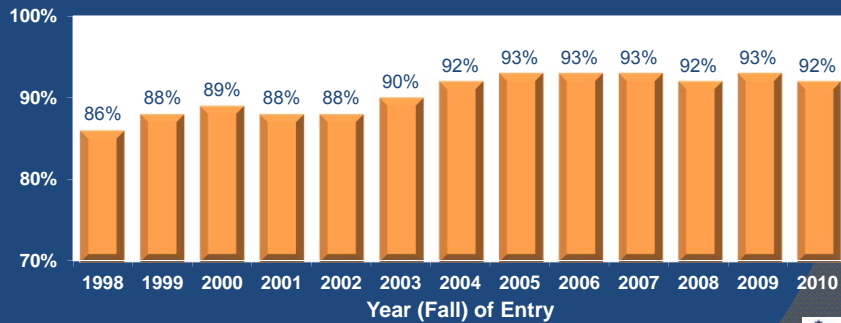
- Undergraduate enrollment has increased 53% from 1995 to 2011



Freshmen Retention Trend

Storrs
Campus

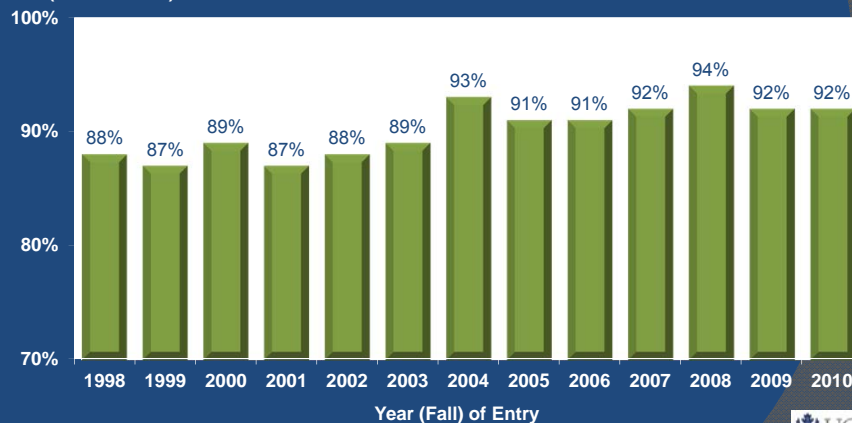
- Fall 2009 rate ranks 13th among the 58 Public Research Peer Universities
- Fall 2009 freshman retention rate is substantially higher than the 82% average for 383 colleges & universities in the national Consortium for Student Retention Data Exchange



Minority Freshmen Retention Trend

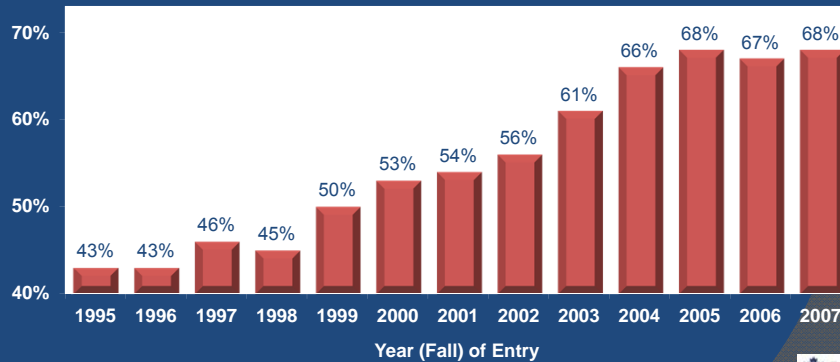
Storrs
Campus

- Fall 2009 minority freshman retention rate is also substantially higher than the national 80% average (CSRDE)



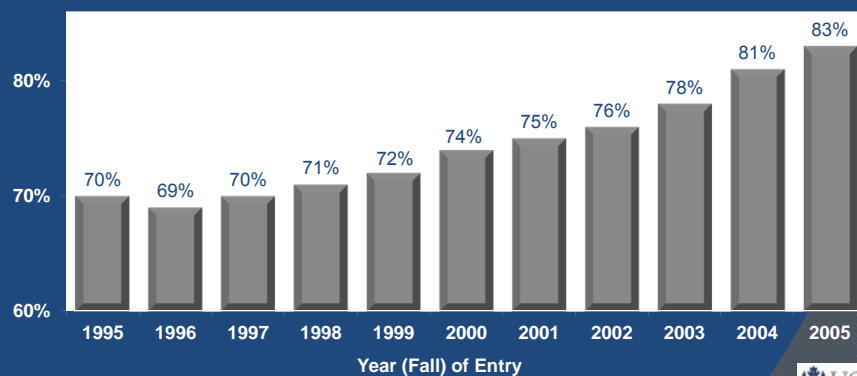
4-Year Graduation Trend

- UConn's ranking among the 58 Public Research Peer Universities:
 - Fall 2004 4-year graduation rate of 66% ranks 7th
 - Fall 2004 average time to graduate of 4.2 years ranks 3rd



6-Year Graduation Trend

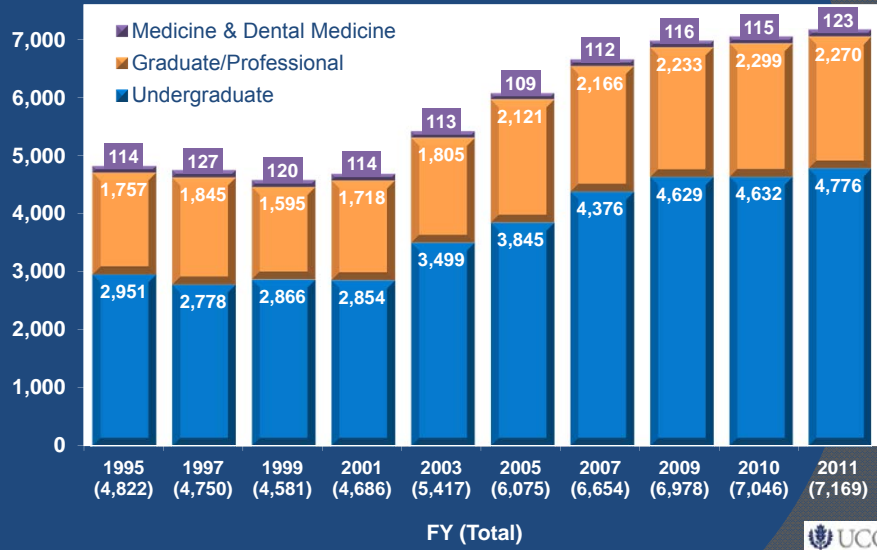
- UConn's ranking among the 58 Public Research Peer Universities:
 - Fall 2004 6-year graduation rate of 81% ranks 15th
 - Fall 2004 6-year minority graduation rate of 72% ranks 22nd



Degrees Awarded

All
Campuses

○ Undergraduate degrees have increased 62% since 1995



University of Connecticut (Storrs & Regional Campuses)

	Fall 1995	Fall 1997	Fall 1999	Fall 2001	Fall 2003	Fall 2005	Fall 2007	Fall 2009	Fall 2010	Fall 2011	Fall 95-11 Growth
<u>Full-Time Staff Headcount*</u>											
Executive/Administrative/Managerial	100	83	89	92	91	100	101	100	105	100	0.0%
Executive/Administrative/Managerial-% of Total	2.6%	2.3%	2.3%	2.3%	2.4%	2.4%	2.4%	2.4%	2.4%	2.3%	
Faculty	1,148	1,040	1,122	1,130	1,107	1,251	1,294	1,286	1,304	1,330	15.9%
Faculty-% of Total	30.1%	29.3%	28.9%	28.3%	29.3%	30.3%	30.2%	30.9%	30.2%	31.0%	
Professional & Classified Support	2,562	2,429	2,678	2,776	2,584	2,779	2,893	2,779	2,912	2,856	11.5%
Professional & Classified Support-% of Total	<u>67.3%</u>	<u>68.4%</u>	<u>68.9%</u>	<u>69.4%</u>	<u>68.3%</u>	<u>67.3%</u>	<u>67.5%</u>	<u>66.7%</u>	<u>67.4%</u>	<u>66.6%</u>	
Total	3,810	3,552	3,889	3,998	3,782	4,130	4,288	4,165	4,321	4,286	12.5%
*Based on IPEDS reporting standards.											
<u>Student Headcount (Census)</u>											
Undergraduate	14,667	14,382	15,741	17,630	19,287	20,525	20,846	21,496	21,881	22,472	53.2%
Graduate/Professional	<u>7,804</u>	<u>6,867</u>	<u>6,500</u>	<u>5,950</u>	<u>6,869</u>	<u>7,073</u>	<u>7,344</u>	<u>7,505</u>	<u>7,623</u>	<u>7,522</u>	-3.6%
Total	22,471	21,249	22,241	23,580	26,156	27,598	28,190	29,001	29,504	29,994	33.5%
Students Housed On-Campus	6,957	6,898	8,248	8,856	11,053	11,524	11,205	12,315	12,462	12,661	82.0%
Degrees Awarded											
Bachelor's	2,941	2,757	2,852	2,837	3,477	3,816	4,354	4,610	4,606	4,747	61.4%
Total	4,708	4,623	4,461	4,572	5,304	5,966	6,542	6,862	6,931	7,046	49.7%
<u>State Funding</u>	<u>FY 1996</u>	<u>FY 1998</u>	<u>FY 2000</u>	<u>FY 2002</u>	<u>FY 2004</u>	<u>FY 2006</u>	<u>FY 2008</u>	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	
Total State Support	\$183.1	\$204.2	\$234.9	\$259.4	\$256.5	\$285.7	\$328.2	\$325.4	\$329.0	\$284.2	55.2%
State Support as % of Revenues	43.1%	44.8%	43.4%	41.0%	36.6%	35.4%	35.9%	32.6%	31.1%	27.6%	
<u>Student Costs</u>											
Tuition (In-State)	\$3,900	\$4,158	\$4,158	\$4,448	\$5,260	\$6,096	\$6,816	\$7,632	\$8,064	\$8,256	
Mandatory Fees	<u>910</u>	<u>1,084</u>	<u>1,246</u>	<u>1,376</u>	<u>1,552</u>	<u>1,816</u>	<u>2,036</u>	<u>2,254</u>	<u>2,352</u>	<u>2,414</u>	
Tuition & Mandatory Fees	\$4,810	\$5,242	\$5,404	\$5,824	\$6,812	\$7,912	\$8,852	\$9,886	\$10,416	\$10,670	
Tuition & Mandatory Fee Increases	2.08%	5.39%	1.39%	4.07%	10.69%	5.63%	5.86%	5.87%	5.36%	2.44%	Compounded 5.11%
Room & Board Rates	\$5,124	\$5,462	\$5,660	\$6,298	\$6,888	\$7,704	\$8,850	\$10,120	\$10,782	\$11,050	
Total Student Costs	\$9,934	\$10,704	\$11,064	\$12,122	\$13,700	\$15,616	\$17,702	\$20,006	\$21,198	\$21,720	
Total Cost Increases	1.53%	4.17%	1.75%	3.98%	7.91%	4.85%	6.46%	6.18%	5.96%	2.46%	Compounded 5.01%



UCONN fact sheet 2012

Campus Information

Founded 1881

Main Campus: Storrs

5 Regional Campuses:

Avery Point, Greater Hartford, Stamford, Torrington, Waterbury

School of Law and Graduate Business Learning Center: Hartford

School of Social Work: Greater Hartford Campus

Health Center: Farmington

(Schools of Medicine & Dental Medicine, graduate programs, medical & dental clinics & John Dempsey Hospital)

Land Grant & Sea Grant College, & Space Grant consortium institution

Storrs & Regionals = 4,096 acres; Health Center = 205 acres

UCONN 2000

As of October 2011:

- 108 projects totaling \$1.9 billion have been authorized
- \$1.6 billion in construction-related contracts issued
 - 78% of funds to Connecticut contractors
 - 22% of funds to set-aside contractors
- In excess of 10 million square feet of new and renovated space completed
- Bond Credit Ratings by Fitch, Moody's and Standard & Poor's remain consistently strong

Academic Programs & Degrees

14 Schools & Colleges

Agriculture & Natural Resources, Business, Dental Medicine, Neag Education, Engineering, Fine Arts, Graduate, Law, Liberal Arts & Sciences, Medicine, Nursing, Pharmacy, Ratcliffe Hicks, Social Work

7 undergraduate degrees: 101 majors

17 graduate degrees: 86 research and professional practice fields of study

5 professional degree programs (J.D., LL.M., M.D., D.M.D., Pharm.D.)

Degrees 2010-11 7,169

Bachelor's	4,747
Master's	1,475
Doctorates	322
Law (J.D., LL.M.)	201
Pharm.D.	103
Medicine	81
Dental Medicine	42
Graduate/Professional Certificates	102
6 Yr. Education	67
2 Yr. Agriculture	29

Degrees by: Female 53%

Minority 18%

Total Fall 2011 Student Enrollment: 30,525

17,815 Undergraduate at Main Campus

4,657 Undergraduate at Regional Campuses

22,472 Subtotal Undergraduate

6,662 Graduate (M.A./Ph.D., incl. 331 at Health Center)

672 Law

188 Pharm.D.

355 Medicine

176 Dental Medicine

8,053 Subtotal Graduate/Professional

Fall 2011 Entering Freshmen at Main Campus: 3,327

- 43% were in top 10% of High School Class
- 82% were in top 25% of High School Class
- 64 valedictorians and 44 salutatorians
- 65% more freshmen than in Fall '95
- 208% more minority freshmen than in Fall '95
- Since 1995: 1,394 valedictorians and salutatorians enrolled at all campuses

Student Characteristics (Fall 2011)

	Undergraduate 22,472	Grad/Professional 8,053
Female	50%	52%
Minority	24%	17%
International¹	3%	17%
Connecticut Residents²	80%	72%

¹ 104 countries were represented in the Fall 2011 international student population.

² 75% of undergraduates on Main Campus are Connecticut residents.

All 169 Connecticut towns and 45 of 50 states are represented in the Fall 2011 total undergraduate student population.

SAT Scores and Retention & Graduation Rates

2011 SAT Scores	National High School	Connecticut High School	Storrs Entering Freshmen
Average SAT Total (Critical Reading and Math)	1011	1022	1216

Main Campus

Freshmen Retention: 1-Year Rate 92% Minority 92%

Graduation: 4-Year Rate 68% 60%

6-Year Rate 83% 74%

UConn (Main Campus) ranks 15 out of 58 public research universities in graduation rate for all freshmen and 22 out of 58 public research universities for minority freshmen. (Sources: *U.S. News 2012 America's Best Colleges & 2010 IPEDS Graduation Rate Survey*)

UConn (Main Campus) average time to graduate is 4.2 years among those who graduate within 6 years, and ranks 3 out of 58 public research universities.

Total Undergraduate Student Cost 2011-12

	In-State	Out-of-State
Tuition, Fees, Room¹ & Board²	\$21,486	\$38,382
Tuition & Mandatory Fees	10,670	27,566
Tuition Only	8,256	25,152

¹ 73% of Main Campus undergraduates live in campus housing (116 residential facilities).

² Board rate shown reflects most popular plan available.

Student Financial Aid 2010-11

Financial Aid Support: \$392.9 million

	Main Campus/ Regional ¹	Health Center
Scholarships & Grants	\$132.9 million	\$4.7 million
Loans	171.7 million	15.8 million
Student Employment	20.9 million	
Tuition Waivers	46.9 million	

¹ 39.1% of all tuition dollars are dedicated to financial aid. Approximately 15,000 students received financial aid packages in FY 2011.

Total Current Funds Budget FY 2012: \$1.8 billion

MAIN CAMPUS & REGIONAL CAMPUSES

Revenue	In Millions
State Appropriation	\$199.4
Fringe Benefits	84.8
Student Tuition & Fees	508.0
Gifts, Grants & Contracts	184.5
Sales/Services - Auxiliary Events	35.1
Sales/Services - Educational	16.1
Investment Income	0.7
<i>Total</i>	<u>\$1,028.6</u>
Expenditures	
Academic Services	\$434.0
Research Services	80.9
Student Services	356.5
Operating, Support & Physical Plant Services	161.8
<i>Total¹</i>	<u>\$1,033.2</u>

HEALTH CENTER

Revenue	In Millions
State Appropriation	\$109.7
Fringe Benefits	58.7
Tuition & Fees	18.7
Gifts, Grants & Contracts	86.5
Interns & Residents	52.9
Net Patient Care	351.8
Correctional Managed Care	97.0
All other revenues	19.8
<i>Total</i>	<u>\$795.1</u>
Expenditures	
Hospital & Health Services	\$438.9
Academic Services	155.8
Research Services	97.8
Operating, Support & Physical Plant Services	106.8
<i>Total¹</i>	<u>\$799.3</u>

¹The net loss is due to a planned use of fund balance.

Private Giving

- Total Endowment: At the close of FY 11, the University's endowment, which stood at \$42 million at the start of 1995, was valued at approximately \$329 million.
- In FY 11, private fundraising receipts totaled \$50.6 million: \$30.7 million for Storrs and the regional campuses, \$9.8 million for the Health Center, and \$10.1 million for Athletics.
- Alumni contributed \$23.2 million in FY 11. Additional commitments included \$9.9 million from parents and other individuals, and \$17.5 million from corporations, private foundations and other organizations.

Staff Characteristics (Fall 2011)

Number of Full-time & Part-time Faculty & Staff: 9,540

	Main Campus/ Regional	Health Center
Full-time & Part-time Faculty & Staff	4,510	5,030
Full-time Faculty & Staff	4,286 (95%)	3,861 (77%)
Part-time Faculty & Staff ¹	224 (5%)	1,169 (23%)
Full-time Faculty	1,330	496
Tenured & Tenure Track	1,022 (77%)	188 (38%)
Non-Tenure Track	308 (23%)	308 (62%)
Full-time Staff	2,956	3,365
Full-time & Part-time Faculty		
Female	40%	39%
Minority	21%	27%
Full-time & Part-time Staff		
Female	58%	76%
Minority	17%	24%

¹An additional 692 adjunct lecturers teach one or more courses at Storrs and Regional Campuses.

Staff Covered by Collective Bargaining Agreements:

Main Campus & Regional Campuses	91%
Health Center	80%

Research, Training & Public Service

FY 11 external funding, sponsored activities: \$226.1 million (excluding financial aid):

Main & Regional Campuses:	\$ 135.9 million (60%)
Health Center:	\$ 90.2 million (40%)

Total by Funding Source

Federal: 77% State: 11% Private/Other: 12%

Sponsored Activities at Main & Regional Campuses

Research	79.4%
Education and Training Programs	2.0%
Public Service	18.6%

Sponsored Activities at the Health Center

Research	86.1%
Industry Support	2.8%
Education and Training Programs	10.0%
Other	1.1%

UConn Alumni

- more than 214,000 total alumni worldwide
- more than 119,000 alumni live in Connecticut