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# University of Connecticut (Storrs & Regional Campuses)

## Quarterly Overview of the Operating and Research Funds for the Nine Months Ended March 31, 2018

On June 28, 2017, the Board of Trustees approved an initial Spending Plan for Fiscal Year 2018 but after the State budget was passed in late October, the Board of Trustees approved a revised Spending Plan for FY 2018 on December 13, 2017, which included \$1,326.1 million of revenue to cover \$1,325.5 million in expenses. The financial results for the third quarter are compared to the revised Spending Plan.

During the first nine months of Fiscal Year 2018, actual revenue totaled \$1,166.0 million and actual expenditures totaled \$1,035.5 million resulting in a \$130.5 million net gain for the quarter. The large gains at this point in the year are due to the tuition and room and board fees collected at the beginning of the semester, yet expended throughout the remainder of the fiscal year.

A more detailed review of the activity through the end of the third quarter is presented below.

<b>Revenues</b>
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### **Operating Fund**

Total **Operating Fund** revenue collections through the third quarter of Fiscal Year 2018 were \$1,082.9 million which represented 88.8% of the annual budget. Revenues at this point last year represented 88.9% of the annual budget. A major source of revenue, **State Support**, was \$259.7 million and represented 24.0% of the total operating fund received for the first nine months. On November 17, 2017, a lapse of \$7.9 million (\$13.4 million with fringe benefits) was reduced from the University's overall State Support.

**Tuition** collections were the largest source of revenue, totaling \$402.4 million, which represented 37.2% of total operating fund receipts. Tuition revenue collections reflected a \$775 rate increase coupled with a small increase in the number of undergraduate students. This category will end the year ahead of budget due to a higher number of international students.

**Fee** revenue is comprised of course fees from summer school, part-time, and non-degree students as well as self-supporting programs (off-campus MBA, EMBA, etc.). Also included in this category is the General University Fee, which primarily supports four Auxiliary Enterprise programs. Various other fees such as the Infrastructure Maintenance Fee, Application Fees and Late Payment Fees are included here as well. The nine months of fee collections totaled \$119.2 million or 87.3% of the amount budgeted.

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**Auxiliary Enterprise Revenue** through the third quarter of Fiscal Year 2018 was \$199.3 million which represented 90.6% of the annual budgeted amount. The largest portion of Auxiliary Enterprise revenue consists of Room and Board Fees, which totaled \$151.2 million through the first nine months.

**Grants and Contracts** revenue consists of non-research restricted revenues from a granting agency (e.g. Pell Grants). For the first nine months of Fiscal Year 2018, Grants and Contracts revenue was \$64.3 million or 77.9% of the amount budgeted.

**Foundation/Endowment** revenue consists of gift funds transferred from the UConn Foundation and investment income on endowments. Through the third quarter of Fiscal Year 2018, the total received was \$10.8 million or 51.5% of the amount budgeted. The low total is not reflective of year end results as the majority of deposits historically occur during the last quarter of the year. This category is expected to end the year on budget.

**Sales and Services of Educational Activities and Other Sources** revenue totaled \$27.2 million or 80.5% of budget for the third quarter. This category includes revenues from the sales of goods or services that are incidental to the conduct of instruction, research, or public service.

### Research Fund

With respect to the **Research Fund**, the granting agency or donor restricts most of the revenues. For the first nine months, Research Fund revenues were \$83.0 million and represented 77.9% of the amount budgeted.

<b>Expenditures</b>
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### Operating Fund

Total **Operating Fund** expenditures for the third quarter of Fiscal Year 2018 were \$961.8 million or 79.0% of the annual budgeted amount. Operating expenditures at this point last year were 74.6% of the annual budget.

**Personal Services/Fringe Benefit** expenditures totaled \$568.8 million and represented 76.2% of the budgeted amount of \$746.0 million. These categories represent 59.1% of the total Operating Fund expenditures. The University continues to closely watch spending in these categories considering the current fiscal environment. This category should end the year very close to budget.

**Other Expenses** (including energy costs) were \$182.9 million for the first nine months. This represents 78.4% of the amount budgeted. The biggest components of this category are utilities, food service, lab supplies, and janitorial costs.

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**Equipment** expenditures of \$22.1 million were 107.8% of the amount budgeted.

**Student Aid** expenditures were \$164.0 million and represented 95.0% of the amount budgeted. Despite overall State cuts, UConn is committed to providing financial aid to students based on both need and merit.

**Net Debt/Other Transfers** for the first nine months were \$24.0 million or 53.5% of the amount budgeted.

### **Research Fund**

Finally, **Research Fund** expenditures totaled \$73.7 million and represented 68.2% of the budgeted amount. Due to the variability of research expenditures, quarterly comparisons are not necessarily indicative of annual results.

<b>Summary</b>
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### **Enrollment**

Total undergraduate enrollment at UConn is 23,845 while another 7,745 were enrolled in graduate or professional programs (excluding UConn Health). Total University enrollment for fall 2017 (excluding UConn Health) was up .5% from fall 2016.

### **Overview**

So far through the third quarter, total revenues and expenditures are coming in as expected. As previously stated, the large net gains through the first nine months are not representative of expected year end results. Tuition, room and board fees are collected at the beginning of the semester, and are then expended throughout the remainder of the semester and fiscal year.

The University expects to end Fiscal Year 2018 close to budget for operating activity and slightly under budget for the research fund, mainly due to timing. UConn continues to monitor spending, prudently manage its operations and make strategic hiring decisions. As always, maintaining quality and high standards, while encouraging efficiency and cost reduction, continues to be the financial goal of the University.

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**University of Connecticut**  
**Storrs & Regional Campuses**  
**Statement of Operating Budget Revenues and Expenses**  
**For the Month Ending**  
**3/31/2018**

	Budget			Actuals		
	Operating	Research	Total	Operating	Research	Total
<b>Revenues</b>						
State Appropriation	\$191,330,933	-	\$ 191,330,933	\$149,401,924	-	\$ 149,401,924
State Fringe Benefits	135,844,962	-	135,844,962	110,276,988	-	110,276,988
<b>Total State Support</b>	\$327,175,895	-	327,175,895	259,678,912	-	259,678,912
Tuition	398,369,028	-	398,369,028	402,415,080	-	402,415,080
Fees	136,457,852	-	136,457,852	119,186,773	(897)	119,185,876
Grants & Contracts	82,500,200	105,044,502	187,544,702	64,258,321	83,105,633	147,363,954
Foundation	21,000,106	-	21,000,106	10,819,291	-	10,819,291
Sales and Services of Ed Activities	19,943,491	-	19,943,491	16,110,383	62,534	16,172,917
Auxiliary Enterprise	220,057,626	-	220,057,626	199,346,455	-	199,346,455
All Other Sources	13,928,662	1,592,377	15,521,039	11,089,828	(119,937)	10,969,891
<b>Total Revenues</b>	<b>\$1,219,432,860</b>	<b>\$ 106,636,879</b>	<b>\$ 1,326,069,739</b>	<b>\$ 1,082,905,043</b>	<b>\$ 83,047,333</b>	<b>\$ 1,165,952,376</b>
<b>Expenses</b>						
Personal Services	\$ 494,676,134	\$ 48,837,343	\$ 543,513,477	\$ 377,744,103	\$ 34,492,075	\$ 412,236,178
Fringe Benefits	251,295,476	15,432,163	266,727,639	191,086,176	10,617,162	201,703,338
Other Expenses	233,385,693	30,430,428	263,816,121	182,898,530	21,983,081	204,881,611
Equipment	20,486,387	3,533,092	24,019,479	22,145,467	2,402,379	24,547,846
Student Aid	172,684,180	7,659,303	180,343,483	163,989,963	3,707,806	167,697,769
Debt/Other Transfers	44,939,631	2,130,000	47,069,631	23,978,896	454,572	24,433,468
<b>Total Expenses</b>	<b>\$ 1,217,467,501</b>	<b>\$ 108,022,329</b>	<b>\$ 1,325,489,830</b>	<b>\$ 961,843,135</b>	<b>\$ 73,657,075</b>	<b>\$ 1,035,500,210</b>
<b>Net Gain (Loss)</b>	<b>\$ 1,965,359</b>	<b>\$ (1,385,450)</b>	<b>\$ 579,909</b>	<b>\$ 121,061,908</b>	<b>\$ 9,390,258</b>	<b>\$ 130,452,166</b>