
University of Connecticut (Storrs & Regional Campuses)

Quarterly Overview of the Operating and Research Funds for the Twelve Months Ended June 30, 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 Fiscal Year are compared to the revised Spending Plan.

For Fiscal Year 2018, actual revenue totaled \$1,344.3 million and actual expenditures totaled \$1,341.9 million resulting in a \$2.4 million net gain for the year in research.

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

Revenues

Operating Fund

Total **Operating Fund** revenue collections through the fourth quarter of Fiscal Year 2018 were \$1,236.8 million which represented 101.4% of the annual budget. A major source of revenue, **State Support**, was \$342.9 million and represented 27.7% of the total operating fund. 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 \$402.7 million, which represented 32.6% of total operating fund receipts. Tuition revenue collections reflected a \$775 rate increase coupled with a small increase in the number of undergraduate 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 twelve months of fee collections totaled \$136.1 million or 99.7% of the amount budgeted.

Auxiliary Enterprise Revenue through the fourth quarter of Fiscal Year 2018 was \$217.5 million which represented 98.8% of the annual budgeted amount. The largest portion of Auxiliary Enterprise revenue consists of Room and Board Fees, which totaled \$152.0 million for the fiscal year.

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Grants and Contracts revenue consists of non-research restricted revenues from a granting agency (e.g. Pell Grants). For Fiscal Year 2018, Grants and Contracts revenue was \$77.9 million or 94.5% of the amount budgeted.

Foundation/Endowment revenue consists of gift funds transferred from the UConn Foundation and investment income on endowments. For Fiscal Year 2018, the total received was \$22.1 million or 105.2% of the amount budgeted.

Sales and Services and Other Sources revenue totaled \$37.5 million or 110.9% of budget. 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 Fiscal Year 2018, Research Fund revenues were \$107.5 million and represented 100.9% of the amount budgeted.

Expenditures

Operating Fund

Total **Operating Fund** expenditures for the fourth quarter of Fiscal Year 2018 were \$1,236.8 million or 1.6% above the annual budgeted amount. These total operating expenditures were just slightly higher than Fiscal Year 2017 expenditures at \$1,229.7 million, an increase of only 0.6%.

Salaries & Wages/Fringe Benefit expenditures totaled \$764.1 million and represented 102.1% of the budgeted amount of \$746.0 million. These categories represent 61.8% of the total Operating Fund expenditures. The University continues to closely watch spending in these categories considering the current fiscal environment.

Other Expenses (including energy costs) were \$241.2 million for the year. This represents 103.3% of the amount budgeted. The biggest components of this category are utilities, food service, lab supplies, and custodial costs.

Equipment expenditures of \$29.6 million were 144.6% of the amount budgeted. Academic equipment purchases were higher than expected

Student Aid expenditures were \$170.2 million and represented 98.6% 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 year were \$31.7 million or 70.5% of the amount budgeted.

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Research Fund

Finally, **Research Fund** expenditures totaled \$105.2 million and represented 97.3% of the budgeted amount.

Summary

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

At the end of FY18, UConn was able to maintain a balanced budget. The total operating activity ended with no net gain or loss while the research enterprise ended with a small gain of \$2.4 million, mainly due to timing of the research activity and lower spending. UConn continues to monitor its 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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Statement of Operating Budget Revenues and Expenses
FY2018

	Budget			Actual				
	Operating	Research	Total	Operating	% of Budget	Research	% of Budget	Total
Revenues								
State Appropriation	\$191,330,933	-	\$ 191,330,933	\$189,031,428	98.8%	-		\$ 189,031,428
State Fringe Benefits	135,844,962	-	135,844,962	153,859,317	113.3%	96,151		153,955,468
Total State Support	\$327,175,895	-	327,175,895	342,890,745	104.8%	96,151		342,986,896
Tuition	398,369,028	-	398,369,028	402,731,630	101.1%	-		402,731,630
Fees	136,457,852	-	136,457,852	136,092,408	99.7%	(1,096)		136,091,312
Grants & Contracts	82,500,200	105,044,502	187,544,702	77,929,266	94.5%	107,336,302		185,265,568
Foundation	21,000,106	-	21,000,106	22,092,610	105.2%	-		22,092,610
Sales and Services of Ed Activities	19,943,491	-	19,943,491	23,619,374	118.4%	88,702		23,708,076
Auxiliary Enterprise	220,057,626	-	220,057,626	217,485,578	98.8%	-		217,485,578
All Other Sources	13,928,662	1,592,377	15,521,039	13,930,341	100.0%	28,673		13,959,014
Total Revenues	\$1,219,432,860	\$ 106,636,879	\$ 1,326,069,739	\$ 1,236,771,952	101.4%	\$ 107,548,732	100.9%	\$ 1,344,320,684
Expenses								
Salaries & Wages	\$ 494,676,134	\$ 48,837,343	\$ 543,513,477	\$ 504,983,732	102.1%	\$ 50,355,807		\$ 555,339,539
Fringe Benefits	251,295,476	15,432,163	266,727,639	259,093,726	103.1%	15,483,219		274,576,945
Other Expenses	233,385,693	30,430,428	263,816,121	241,175,751	103.3%	30,355,412		271,531,163
Equipment	20,486,387	3,533,092	24,019,479	29,627,084	144.6%	3,841,574		33,468,658
Student Aid	172,684,180	7,659,303	180,343,483	170,196,713	98.6%	3,983,063		174,179,776
Debt/Projects	44,939,631	2,130,000	47,069,631	31,694,946	70.5%	1,132,845		32,827,791
Total Expenses	\$ 1,217,467,501	\$ 108,022,329	\$ 1,325,489,830	\$ 1,236,771,952	101.6%	\$ 105,151,920	97.3%	\$ 1,341,923,872
Net Gain (Loss)	\$ 1,965,359	\$ (1,385,450)	\$ 579,909	\$ -		\$ 2,396,812		\$ 2,396,812