
University of Connecticut (Storrs & Regional Campuses)

Quarterly Overview of the Operating and Research Funds for the Twelve Months Ended June 30, 2019

On June 28, 2018, the Board of Trustees approved a budget which included \$1,367.5 million of revenue to cover \$1,367.5 million in expenses.

The financial results for the fiscal year are compared to the approved budget. During Fiscal Year 2019, actual revenue totaled \$1,435.5 million and actual expenditures totaled \$1,429.0 million resulting in a \$6.5 million net gain for the year.

A more detailed review of the activity through the end of the fiscal year is presented below.

Revenues

Operating Fund

Total **Operating Fund** revenue collections through the final quarter of Fiscal Year 2019 were \$1,313.3 million which represented 104.7% of the annual budget. A major source of revenue, **State Support**, was \$356.8 million and represented 27.1% of the total operating fund received for the fiscal year.

Tuition collections were the largest source of revenue, totaling \$426.4 million, which represented 32.5% of total operating fund receipts. Tuition revenue collections reflected an \$850 rate increase for residents and a \$1,150 rate increase for non-residents coupled with a small increase in undergraduate enrollment.

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. Fee collections totaled \$137.7 million or 101.4% of the amount budgeted.

Auxiliary Enterprise Revenue through the end of Fiscal Year 2019 was \$265.5 million which represented 123.9% of the annual budgeted amount. The largest portion of Auxiliary Enterprise revenue consists of Room and Board Fees, which totaled \$155.6 million, and represents a 3.4% increase over last Fiscal Year.

Grants and Contracts revenue consists of non-research restricted revenues from a granting agency (e.g. Pell Grants). For Fiscal Year 2019, Grants and Contracts revenue was \$88.4 million or 108.4% of the amount budgeted.

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Foundation/Endowment revenue consists of gift funds transferred from the UConn Foundation and investment income on endowments. Through the end of Fiscal Year 2019, the total received was \$32.9 million or 150.9% of the amount budgeted, and \$10.8 million more than last Fiscal Year. The STIF interest rate was higher than anticipated and departments received additional reimbursement from the Foudation.

Sales, Services and Other Sources revenue totaled \$52.4 million. 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 fiscal year, Research Fund revenues were \$122.2 million and represented 107.9% of the amount budgeted. The additional revenues are offset by corresponding expenditures.

Expenditures

Operating Fund

Total **Operating Fund** expenditures for the second quarter of Fiscal Year 2019 were \$1,306.6 million or 104.1% of the annual budgeted amount.

Personal Services/Fringe Benefit expenditures totaled \$787.1 million and represented 100.8% of the budgeted amount of \$781.0 million. These categories represent 60.2% of the total Operating Fund expenditures. The University continues to closely watch spending in these categories considering the current fiscal environment.

Equipment expenditures of \$23.2 million came in 21.7% lower than last Fiscal Year.

Student Aid expenditures were \$188.2 million and represented 102.3% of the amount budgeted, and an increase of \$18 million over last Fiscal Year. UConn is committed to providing financial aid to students based on both need and merit.

Other Expenses (including energy costs) were \$237.5 million for the fiscal year. This represents a 1.5% decrease in spending from Fiscal Year 2018. Departments have faced budget cuts which result in lower operational spending and creation of efficiencies. The biggest components of this category are utilities, food service, lab supplies, and janitorial costs.

Net Debt/Other Transfers for the fiscal year were \$49.6 million or 156.5% of the amount budgeted.

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Research Fund

Finally, **Research Fund** expenditures totaled \$122.4 million and represented 109.1% of the budgeted amount.

Summary

Enrollment

Total undergraduate enrollment at UConn is 23,978 while another 7,668 were enrolled in graduate or professional programs (excluding UConn Health). Total University enrollment for fall 2018 (excluding UConn Health) was up .2% from fall 2017. In-state students accounted for 73% of total enrollment.

Overview

At the end of Fiscal Year 2019, both revenues and expenditures came in higher than expected, resulting in a small net gain overall of \$6.5 million, just .5% of the budget. Increased fringe benefit costs caused a huge stress on the budget. This was due to the increased unfunded pension liability and retiree health costs as well as the impact from employees switching retirement plans due to the SEBAC Arbitration Grievance award. To mitigate these costs, departments had to employ extremely careful spending, strategic hiring and increase operational efficiencies.

University of Connecticut (Storrs & Regionals)
Statement of Operating Budget Revenues and Expenses
FY2019 (as of 6/30/19)

Budget	Research Fund (1171000)	Operating Fund	GRAND TOTAL
Revenue			
State Appropriations	-	346,849,883	346,849,883
Tuition	-	418,493,144	418,493,144
Fee Revenue	-	135,691,718	135,691,718
Grants & Contracts (Inc. Fin Aid)	112,115,385	81,486,000	193,601,385
Foundation, Investments & Gifts	-	21,700,000	21,700,000
Sales & Services Of Auxiliary Enterprise	-	214,252,703	214,252,703
Sales & Services Of Educational Activiti	-	21,500,000	21,500,000
Other Revenues	1,058,386	14,428,662	15,487,048
Total Revenues	113,173,771	1,254,402,110	1,367,575,881
Expense			
Personal Services	54,148,830	503,869,527	558,018,357
Fringe Benefits	16,190,350	277,128,240	293,318,590
Salary/Benefits	70,339,180	780,997,767	851,336,947
Energy/Utilities	-	21,900,000	21,900,000
Other Expense	32,968,600	214,353,769	247,322,369
Equipment	3,595,338	20,611,972	24,207,310
Financial Aid	5,209,889	183,916,970	189,126,859
Total Non-Transfer Other Expense	41,773,827	440,782,711	482,556,538
Total Non-Transfer Expense	112,113,007	1,221,780,478	1,333,893,485
Transfers/Debt Service	-	33,651,381	33,651,381
Total Expense	112,113,007	1,255,431,859	1,367,544,866
Net Income/(Loss)	1,060,764	(1,029,749)	31,015

Actuals	Research Fund (1171000)	Operating Fund	GRAND TOTAL
Revenue			
State Appropriations	178,457	356,719,201	356,897,658
Tuition	-	426,372,698	426,372,698
Fee Revenue	743	137,678,920	137,679,663
Grants & Contracts (Inc. Fin Aid)	121,652,685	88,354,095	210,006,780
Foundation, Investments & Gifts	-	32,938,473	32,938,473
Auxiliary Enterprise	-	218,863,114	218,863,114
Sales & Services	92,485	22,617,463	22,709,948
Other Revenues	273,504	29,782,761	30,056,265
Total Revenues	122,197,874	1,313,326,725	1,435,524,599
Expense			
Personal Services	54,159,144	501,233,270	555,392,414
Fringe Benefits	18,622,877	285,870,682	304,493,560
Salary/Benefits	72,782,021	787,103,952	859,885,974
Energy/Utilities	149	21,062,583	21,062,732
Other Expense	34,850,154	237,464,242	272,314,397
Equipment	5,477,771	23,201,668	28,679,439
Financial Aid	5,513,754	188,206,968	193,720,721
Total Other Expense	45,841,827	469,935,462	515,777,289
Total Non-Transfer Expense	118,623,848	1,257,039,414	1,375,663,263
Net Transfers/Debt Service	3,729,024	49,606,335	53,335,359
Total Expense	122,352,872	1,306,645,749	1,428,998,622
Net Income/(Loss)	(154,998)	6,680,975	6,525,977