



University of Connecticut (Storrs & Regionals)
Quarterly Financial Report
FY21 Budget to FY20 Year-End

University Budget - FY21 Forecast

A FY21 spending plan was presented to the Board of Trustees over the summer of 2020 reflecting a projected operating deficit of \$76M, resulting from the impact of COVID-19 on the University. Primary drivers at that time included assumptions for lost tuition primarily from out-of-state and international enrollment declines, as well as lost revenues from room, board and other mandatory fees as the University limited housing and dining capacities at its Storrs campus.

After receiving updated information and identifying mitigating strategies, the University is now projecting a net operating loss of \$27.5M. Offsets from the original projection include (1) Increased tuition revenue due to higher than anticipated undergraduate enrollment, (2) Decreased room & board revenue driven by declining student interest as well out-of-state housing eligibility requirements, (3) Cost reductions including \$22M of departmental expense savings, \$13M of University-wide program cuts, \$4M of management furlough savings and \$9M of capital reallocation.

The University has requested State support to fund the remaining \$27.5M loss.

Revenues

Total revenues are \$48.0M unfavorable to FY20. Key drivers include:

Favorable:

- State Support, up \$19.6M, primarily reflecting the state's share of CBI increases and fringe reimbursements
- Tuition, up \$9.5M driven modest rate increases and gains in undergraduate enrollment (Note: China program revenues are now reflected in self-supporting revenues as they are reported as fees)
- Self-Supporting/Entrepreneurial Revenue, up \$15.2M primarily reflecting China program revenue changes from tuition to fee revenue
- Foundation/Investment Income and Gifts, up \$5.0M reflecting cash management and assumes gains in giving

Unfavorable:

- Auxiliary Revenue, down \$63.1M reflecting a decline in housing capacity (currently at 39%) and the resulting lost dining revenues as well as modest losses in Athletics income
- Course and Mandatory Fees, down \$20.9M primarily driven by the reduction of mandatory fees for online-only students, including GUF, Recreation Center and Student Health Services
- Grants and Contracts, down \$12.6M related to reduced productivity as a result of COVID-19

Expenses

Overall non-transfer expenses including financial aid are \$25.1M favorable to FY20. Details include:

Favorable:

- Other Expense, down \$47.9M driven by cost program cost reductions, program cuts and operational savings, including reduced dining expenditures
- Equipment, down \$9.8M driven by our anticipated mitigation strategy of shifting equipment expense to reallocated capital dollars.
- Energy/Utilities, down \$1.5M driven by reductions in consumption from a partial University closure

Unfavorable:

- Salary/Benefits, up \$27.8M due to CBI increases and fringe rates
- Financial Aid, up \$6.2M driven by tuition increases and increased out-of-state aid (to mitigate potential enrollment losses as a result of COVID-19) offset by FY20 CARES Act funding



Operating Budget - Unit Summary
University of Connecticut (Storrs & Regionals)

FY21 Year-End Forecast

	FY20			FY21 Budget/Forecast			FY21 YTD through Q1		
	Research	Operating	Total	Research	Operating	Total	Research	Operating	Total
Revenue									
State Appropriations	177,228	376,689,166	376,866,394	-	396,513,629	396,513,629	(81,318)	9,330,870	9,249,552
Tuition	-	445,344,841	445,344,841	-	454,825,222	454,825,222	-	220,111,483	220,111,483
Course/Mandatory Fees	(69)	154,486,588	154,486,519	-	133,586,588	133,586,588	-	55,893,801	55,893,801
Grants & Contracts (Inc. Fin Aid)	118,093,060	118,420,032	236,513,092	123,408,353	100,520,032	223,928,384	34,510,432	27,755,660	62,266,093
Foundation, Investments & Gifts	-	23,885,386	23,885,386	-	28,885,386	28,885,386	-	1,843,000	1,843,000
Auxiliary Revenue	-	177,578,688	177,578,688	-	\$114,441,281	114,441,281	(150)	30,763,061	30,762,911
Self-Supporting/Entrepreneurial Revenue	79,359	15,608,418	15,687,777	-	30,900,000	30,900,000	18,662	12,095,224	12,113,886
Other Revenues	590,219	31,407,224	31,997,443	912,483	30,407,224	31,319,707	82,513	(3,946,770)	(3,864,257)
Total Revenues	118,939,797	1,343,420,343	1,462,360,140	124,320,836	1,290,079,362	1,414,400,198	34,530,139	353,846,329	388,376,468
Expense									
Personal Services	57,481,423	531,626,657	589,108,080	58,565,272	543,873,698	602,438,970	15,929,668	79,901,336	95,831,004
Fringe Benefits	20,929,453	305,947,109	326,876,562	20,548,764	320,834,279	341,383,043	2,456,585	24,156,656	26,613,241
Salary/Benefits	78,410,875	837,573,766	915,984,641	79,114,036	864,707,977	943,822,013	18,386,253	104,057,991	122,444,245
Energy/Utilities	99	20,170,245	20,170,343	-	18,670,245	18,670,245	101	4,178,281	4,178,382
Other Expense	30,346,120	230,740,435	261,086,555	30,995,829	182,170,608	213,166,436	5,086,834	44,188,437	49,275,271
Equipment	5,506,194	22,300,747	27,806,941	6,732,317	11,300,747	18,033,064	1,704,892	6,116,736	7,821,628
Financial Aid	5,135,909	211,680,075	216,815,984	6,478,653	216,574,261	223,052,914	1,650,700	106,822,489	108,473,189
Total Other Expense	40,988,321	484,891,502	525,879,823	44,206,799	428,715,861	472,922,660	8,442,526	161,305,943	169,748,469
Total Non-Transfer Expense	119,399,196	1,322,465,268	1,441,864,465	123,320,836	1,293,423,838	1,416,744,673	26,828,780	265,363,934	292,192,714
Net Transfers/Debt Service	401,178	22,471,259	22,872,438	-	25,161,267	25,161,267	44,117	1,852,483	1,896,600
Total Expense	119,800,375	1,344,936,528	1,464,736,902	123,320,836	1,318,585,105	1,441,905,940	26,872,897	267,216,417	294,089,314
Net Income/(Loss)	(860,577)	(1,516,185)	(2,376,762)	1,000,000	(28,505,742)	(27,505,742)	7,657,242	86,629,913	94,287,155