



University of Connecticut (Storrs & Regionals)
Q3 Quarterly Financial Report

FY20: Budget to Year End Forecast

University Budget - FY20 Forecast

The FY20 operating budget was presented to the BOT in June 2019 showing an operating deficit of \$19.6M. At that time, the University committed a balanced budget to the BOT through attrition, optimal use of fund balances and cost containment. Through the second quarter of FY20, prior to the impact of COVID-19, the University had successfully managed expenses and generated favorable revenues. However, driven by the impact of COVID-19, the University is currently projecting a \$15.8M operating deficit. This is primarily driven by student refunds for housing, dining and parking.

Note: The FY20 budget has been restated to reflect an accounting change related to how UConn Health funding is reported. There is no overall operating impact from this restatement.

Revenues

Overall revenues are running unfavorable to budget by \$400k. Key drivers include:

Favorable:

- Tuition income, up \$2.6M driven by an increase in tuition paying equivalents (TPE) in undergraduates (based on credit hours and waiver reductions) and favorable graduate school enrollment
- Course and Mandatory fee income, up \$0.2M reflecting increased revenues from Business School graduate programs offset by losses related to COVID-19 impact
- Grants & Contracts income, up \$8M reflecting increased in sponsored research, Pell reimbursements and Roberta Willis Scholarship, both offset in financial aid
- Foundation, Investments & Gifts, up \$12.2M primarily reflecting favorable investment income and additional Foundation reimbursements to Athletics and other units
- Other revenues, up \$18.3M reflecting CARES Act reimbursement of ~\$20M

Unfavorable:

- Auxiliary Revenue, down \$33.9M reflecting unfavorable room and board revenues related to COVID-19
- Self-Supporting/Entrepreneurial Revenue, down \$5.6M driven by campus closure related to COVID-19
- State Support, down \$2.2M driven by lower fringe reimbursements compared to budgeted rates (offset in fringe) and lapses

Expenses

Overall non-transfer expenses including financial aid are \$4.0M favorable to budget, primarily due to COVID-19. Details include:

Favorable:

- Other Expense, down \$18.0M driven by savings due to dining hall closures and other activities canceled due to campus closure.
- Salary/fringe expenses, down \$10.4M driven by lower retirement rates from State Comptroller released after budget was set

Unfavorable:

- Equipment, up \$2.1M due to large Residential Life furniture purchase and higher IT spend
- Energy, up \$0.6M due to higher than budgeted consumption

Financial Aid

Forecasted financial aid expense is \$21.6M over budget due to:

- CARES act student financial aid relief: ~\$10M
- Endowment/Foundation/Other Private (non-athletic): \$2.4M higher than budget
- Research graduate fellowships: \$2.8M higher than budget
- New Haven/Hartford promises: \$2.1M higher than budget
- Law school scholarships \$1.3M higher than budget
- Roberta Willis: \$700k higher than budget
- Pell: \$500k higher than budget
- Graduate fellowships: \$500k higher than budget
- Departmental scholarships: \$855k higher than budget



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

FY20 Year-End Forecast

	FY19			FY20 Budget			FY20 Forecast			FY20 Forecast Variance to Budget		
	Research	Operating	Total	Research	Operating	Total	Research	Operating	Total	Research	Operating	Total
Revenue												
State Appropriations	178,457	356,719,201	356,897,658	-	371,492,449	371,492,449	-	369,266,139	369,266,139	-	(2,226,311)	(2,226,311)
Tuition	-	426,372,698	426,372,698	-	443,285,281	443,285,281	-	445,853,061	445,853,061	-	2,567,780	2,567,780
Course/Mandatory Fees	743	137,678,920	137,679,663	-	146,491,718	146,491,718	-	146,697,987	146,697,987	-	206,269	206,269
Grants & Contracts (Inc. Fin Aid)	121,652,685	88,354,095	210,006,780	116,926,803	86,115,720	203,042,523	123,168,690	87,915,720	211,084,410	6,241,887	1,800,000	8,041,887
Foundation, Investments & Gifts	-	32,938,473	32,938,473	-	21,700,000	21,700,000	-	33,938,473	33,938,473	-	12,238,473	12,238,473
Auxiliary Revenue	-	218,863,114	218,863,114	-	218,267,321	218,267,321	-	184,356,804	184,356,804	-	(33,910,517)	(33,910,517)
Self-Supporting/Entrepreneurial Revenue	92,485	22,617,463	22,709,948	-	23,719,375	23,719,375	-	18,108,095	18,108,095	-	(5,611,280)	(5,611,280)
Other Revenues	273,504	29,782,761	30,056,265	1,095,430	31,003,901	32,099,331	1,095,430	49,305,555	50,400,985	-	18,301,654	18,301,654
Total Revenues	122,197,874	1,313,326,725	1,435,524,599	118,022,233	1,342,075,766	1,460,097,999	124,264,119	1,335,441,834	1,459,705,954	6,241,887	(6,633,932)	(392,045)
Expense												
Personal Services	54,159,144	501,233,270	555,392,414	57,630,528	523,899,711	581,530,239	58,565,272	524,198,087	582,763,359	934,744	298,375	1,233,120
Fringe Benefits	18,622,877	285,870,682	304,493,560	17,333,538	319,857,951	337,191,489	20,548,764	305,059,468	325,608,232	3,215,226	(14,798,483)	(11,583,257)
Salary/Benefits	72,782,021	787,103,952	859,885,974	74,964,066	843,757,662	918,721,728	79,114,036	829,257,555	908,371,591	4,149,970	(14,500,108)	(10,350,137)
Energy/Utilities	149	21,062,583	21,062,732	-	20,700,000	20,700,000	-	21,273,209	21,273,209	-	573,209	573,209
Other Expense	34,850,154	237,464,242	272,314,397	34,705,106	246,872,916	281,578,022	30,995,829	232,596,267	263,592,096	(3,709,277)	(14,276,649)	(17,985,927)
Equipment	5,477,771	23,201,668	28,679,439	3,703,198	25,539,813	29,243,011	6,732,317	24,633,546	31,365,863	3,029,119	(906,268)	2,122,852
Financial Aid	5,513,754	188,206,968	193,720,721	3,706,579	194,683,696	198,390,275	6,478,653	213,555,570	220,034,223	2,772,074	18,871,874	21,643,948
Total Other Expense	45,841,827	469,935,462	515,777,289	42,114,883	487,796,426	529,911,309	44,206,799	492,058,591	536,265,391	2,091,916	4,262,166	6,354,082
Total Non-Transfer Expense	118,623,848	1,258,754,744	1,377,378,593	117,078,949	1,331,554,088	1,448,633,037	123,320,836	1,321,316,146	1,444,636,981	6,241,887	(10,237,942)	(3,996,056)
Net Transfers/Debt Service	3,729,024	49,606,335	53,335,359	-	31,114,756	31,114,756	-	30,830,513	30,830,513	-	(284,243)	(284,243)
Total Expense	122,352,872	1,306,645,749	1,428,998,622	117,078,949	1,362,668,844	1,479,747,793	123,320,836	1,352,146,659	1,475,467,494	6,241,887	(10,522,185)	(4,280,299)
Net Income/(Loss)	(154,998)	6,680,975	6,525,977	943,284	(20,593,078)	(19,649,794)	943,284	(16,704,825)	(15,761,541)	-	3,888,253	3,888,253

Note: the FY20 budget has been restated to reflect the actual way funding from UConn Health is accounted. There is no overall operating impact from this restatement.