



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

University Budget - FY21 Forecast

The FY21 budget was presented to the Board of Trustees in September 2020 reflecting a projected operating deficit of \$27.5M, 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 balanced budget. Offsets from the original projection include (1) \$67.5M in CARES Act funding, (2) Decreased room & board revenue in the spring semester reflecting decreased demand, (3) Cost reductions including \$22.9M, including reduced expenditures in dining operations, Athletics, equipment and collections. In addition, fringe benefits costs are favorable 1.8M, (4) Financial aid is running unfavorable \$15.6M primarily due CARES funding for financial aid and increased Pell, SEOG and GEER reimbursements, all offset in Grant and Contracts revenue.

Revenues

Total revenues are running favorable to budget by \$35.9 million. Key drivers include:

Favorable:

- Grants and Contracts, up \$66.6M including federal CARES funding \$67.5M , and 5.0M increased federal and state financial aid reimbursements, partially offset by lower departmental grant revenue.
- Course and Mandatory Fees, up \$5.4M primarily driven by self-supporting course fees.
- State Support, up \$1.6M, driven by favorable fringe benefit reimbursements.
- Self-Supporting/Entrepreneurial Revenue, up \$0.8M reflecting favorable East China program revenue.

Unfavorable:

- Auxiliary Revenue, down \$28.2M reflecting decreased spring housing occupancy (40% vs 50%), unfavorable Athletics revenues and declining bookstore revenues.
- Tuition, down \$7.8M driven by declines in International enrollment.
- Other revenues, down \$2.5M reflecting the cancellation of summer programing.

Expenses

Overall non-transfer expenses including financial aid are running favorable to budget by \$4.9M. Key drivers include:

Favorable:

- Other Expense, down \$18.7M reflecting decreased Spring dining expenditures, lower spend on collections, travel and Athletics operations.
- Equipment, down \$4.1M driven by lower expected departmental spend, mainly in Facilities, Dining and Residential Life.
- Salary/Benefits, down \$1.8M due to slightly lower fringe rate based on actual activity.
- Energy/Utilities, down \$936k driven by lower than anticipated consumption.

Unfavorable:

- Financial Aid, up \$15.6M primarily due CARES funding for financial aid and increased Pell, SEOG and GEER reimbursements, all offset in Grant and Contracts revenue.



Operating Budget - Unit Summary
University of Connecticut (Storrs & Regionals)
FY21 Year-End Forecast

	FY21 Budget			FY21 Forecast			FY21 Forecast Variance to Budget		
	Research	Operating	Total	Research	Operating	Total	Research	Operating	Total
Revenue									
State Appropriations	-	396,513,629	396,513,629		398,117,155	398,117,155	-	1,603,526	1,603,526
Tuition	-	454,825,222	454,825,222		447,000,000	447,000,000	-	(7,825,222)	(7,825,222)
Course/Mandatory Fees	-	133,586,588	133,586,588		138,960,326	138,960,326	-	5,373,738	5,373,738
Grants & Contracts (Inc. Fin Aid)	123,408,353	100,520,032	223,928,384	120,178,627	170,352,398	290,531,025	(3,229,726)	69,832,366	66,602,640
Foundation, Investments & Gifts	-	28,885,386	28,885,386		28,885,386	28,885,386	-	-	-
Auxiliary Revenue	-	\$114,441,281	114,441,281		86,222,000	86,222,000	-	(28,219,281)	(28,219,281)
Self-Supporting/Entrepreneurial Revenue	-	30,900,000	30,900,000		31,701,801	31,701,801	-	801,801	801,801
Other Revenues	912,483	30,407,224	31,319,707	912,483	27,925,059	28,837,542	-	(2,482,166)	(2,482,166)
Total Revenues	124,320,836	1,290,079,362	1,414,400,198	121,091,110	1,329,164,124	1,450,255,234	(3,229,726)	39,084,762	35,855,036
Expense									
Personal Services	58,565,272	543,873,698	602,438,970	58,565,272	543,349,646	601,914,918	-	(524,052)	(524,052)
Fringe Benefits	20,548,764	320,834,279	341,383,043	20,548,764	319,489,592	340,038,356	-	(1,344,687)	(1,344,687)
Salary/Benefits	79,114,036	864,707,977	943,822,013	79,114,036	862,839,238	941,953,274	-	(1,868,740)	(1,868,740)
Energy/Utilities	-	18,670,245	18,670,245	-	17,734,265	17,734,265	-	(935,980)	(935,980)
Other Expense	30,995,829	182,170,608	213,166,436	28,766,103	165,654,719	194,420,821	(2,229,726)	(16,515,889)	(18,745,615)
Equipment	6,732,317	11,300,747	18,033,064	6,732,317	7,188,268	13,920,586	-	(4,112,478)	(4,112,478)
Financial Aid	6,478,653	216,574,261	223,052,914	6,478,653	232,136,368	238,615,021	-	15,562,107	15,562,107
Total Other Expense	44,206,799	428,715,861	472,922,660	41,977,073	422,713,620	464,690,693	(2,229,726)	412,613,620	(8,231,967)
Total Non-Transfer Expense	123,320,836	1,293,423,838	1,416,744,673	121,091,110	1,285,552,858	1,406,643,967	(2,229,726)	(7,870,980)	(10,100,706)
Net Transfers/Debt Service	-	25,161,267	25,161,267		30,411,266	30,411,266	-	5,249,999	5,249,999
Total Expense	123,320,836	1,318,585,105	1,441,905,940	121,091,110	1,315,964,124	1,437,055,233	(2,229,726)	(2,620,981)	(4,850,707)
Net Income/(Loss)	1,000,000	(28,505,742)	(27,505,742)	0	13,200,000	13,200,000	(1,000,000)	41,705,743	40,705,743

\$13.2 million representing the balance of CARES funding carrying forward to FY22