



University of Connecticut

Board of Trustees
Budget Presentation
September 28, 2011

Academic Priorities

Storrs &
Regional
Campuses

- ⦿ Undergraduate & graduate education
- ⦿ Research enterprise
- ⦿ Public engagement
- ⦿ Student life
- ⦿ Economic development

Faculty Statistics

Storrs &
Regional
Campuses

	2005	2007	2009	2010	2011 Est.	Change
Tenure/Tenure Track	1,004	1,007	989	998	1,019	1.5%
In-Residence	88	109	118	139	126	43.2%
Other Non-Tenure Track	<u>159</u>	<u>178</u>	<u>179</u>	<u>167</u>	<u>187</u>	17.6%
Total Full-Time Faculty	<u>1,251</u>	<u>1,294</u>	<u>1,286</u>	<u>1,304</u>	<u>1,332</u>	6.5%
Student to Faculty Ratio	17.21	17.00	17.93	18.13	18.09	-5.1%
% of classes < 20 students	42%	44%	43%	44%	NA	2.0%
% of classes > 50 students	16%	15%	18%	17%	NA	-1.0%

~ 43 successful new-to-UConn tenure/tenure track searches for Fall 2011

Undergraduate & Graduate Education

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Campuses

- ⦿ Maintenance of Honors Program
- ⦿ Promotion of Global Programs
- ⦿ Evaluation of academic programs, centers & institutes through periodic reviews
- ⦿ Appointment of Dean of Graduate School & Vice Provost for Graduate Education
- ⦿ Continue progress towards goals of Academic Plan
- ⦿ Construction & renovation of educational facilities

Research Enterprise

Storrs &
Regional
Campuses

- External funding increased 46% from FY07 (\$93.1M) to FY11 (\$135.9M)
- Eminent Faculty Program – Center for Clean Energy Engineering
- Stem Cell Institute
- Center for Health, Intervention and Prevention (CHIP)
- Human Rights

Public Engagement

Storrs &
Regional
Campuses

- Recognized by the Carnegie Foundation with its prestigious “Community Engagement” classification
- Accepted the invitation to join The Research University Civic Engagement Network (TRUCEN)
- Completed the first ever strategic plan for Public Engagement at the University
- Office of Service Learning initiatives
 - 4,356 students enrolled in 239 service-learning courses taught by 121 faculty

Student Life

Storrs &
Regional
Campuses

- ⦿ Continued renovation of facilities
 - Living & Learning Communities
- ⦿ Residence halls operating at beyond capacity levels
 - 73% of Storrs undergraduates live in campus housing
 - Increased summer occupancy 73% in one year
- ⦿ Increased support of student counseling & mental health services
- ⦿ Successful alternative spring break options

Economic Development

Storrs &
Regional
Campuses

- Hiring Economic Development Vice President
- Innovation Partnership Building (UConn Technology Park)
- Bioscience Connecticut
- Financial Accelerator
- Center for Land use Education & Research
- Connecticut Center for Economic Analysis
- Technology Commercialization

UCHC Goals

Health
Center

- ⦿ Achieve financial stability
- ⦿ Secure long term future of John Dempsey and Health Center
- ⦿ Improve clinical performance and finances
- ⦿ Strengthen the research enterprise
- ⦿ Improve the educational enterprise

Financial Stability

- ⦿ Sustain levels of state operating support
- ⦿ Renegotiate commercial insurer contracts
- ⦿ Institute “academic tax” to regional teaching affiliated hospitals
- ⦿ Conversion to hospital based practice clinics
- ⦿ Convert psychiatry beds to flexible med/surg beds
- ⦿ Rigorous review of budget expenses

Long Term Future

- ◎ Bioscience Connecticut Initiative
 - Grow faculty
 - Double research productivity
 - Commercialize research
 - Increase medical & dental class enrollment by 30%
 - Construct new and renovate existing UCHC facilities
 - Strengthen UCHC financial performance
 - Collaborate with the region's health care providers to improve access

Clinical Enterprise

Health
Center

- Develop new clinical strategic plan
- Establish detailed performance improvement program
- Reorganize JACHO accreditation visit in conjunction with new quality initiative programs
- Develop quality metrics in all clinical areas
 - Assists with culture changes
 - Enhances quality
 - Improves reliability of care
 - Addresses patient satisfaction

Research Enterprise

- External funding increased 46% from FY01 (\$69.1M) to FY11 (\$101.1M)
- 400 Farmington Avenue-incubator space is full
- Connecticut Institute for Clinical and Translational Science (CICATS)
 - Establishment of Core Interest Groups (Biostatistics and Bioinformatics)
- Implemented research strategic plan

Educational Enterprise

- LCME accreditation visit
 - 14 citations noted: on target to have all substantially addressed or corrected by November 2011
- Student facts & figures over the last 10 years (fall 2001-2011):
 - Medicine applications have increased by 66%
 - Dental Medicine applications have increased by 36%
 - Medicine 1st time taker passing rates on step 2 National Exams have averaged 98% (national average is 97%)
 - Dental Medicine 1st time taker passing rates on National Exams have averaged 99% (national average is 91%)
- Approximately 35% of School of Medicine graduates practice in the state while 47% of School of Dental Medicine graduates practice in the state

FY11 Highlights

All
Campuses

⦿ Storrs & Regionals

- Flat State funding & \$15M fund sweep to the State
- Faculty & staff concessions
- Limited hiring - faculty hires for strategic priorities
- Support for academic enrichment
- Increases in financial aid
- Equipment & plant renewal program

⦿ Health Center

- Increased State funding
- Faculty & staff concessions
- Limited hiring – clinical and research faculty
- Support for signature programs in cancer, cardiology & musculoskeletal medicine
- Value Analysis & Revenue Enhancement teams

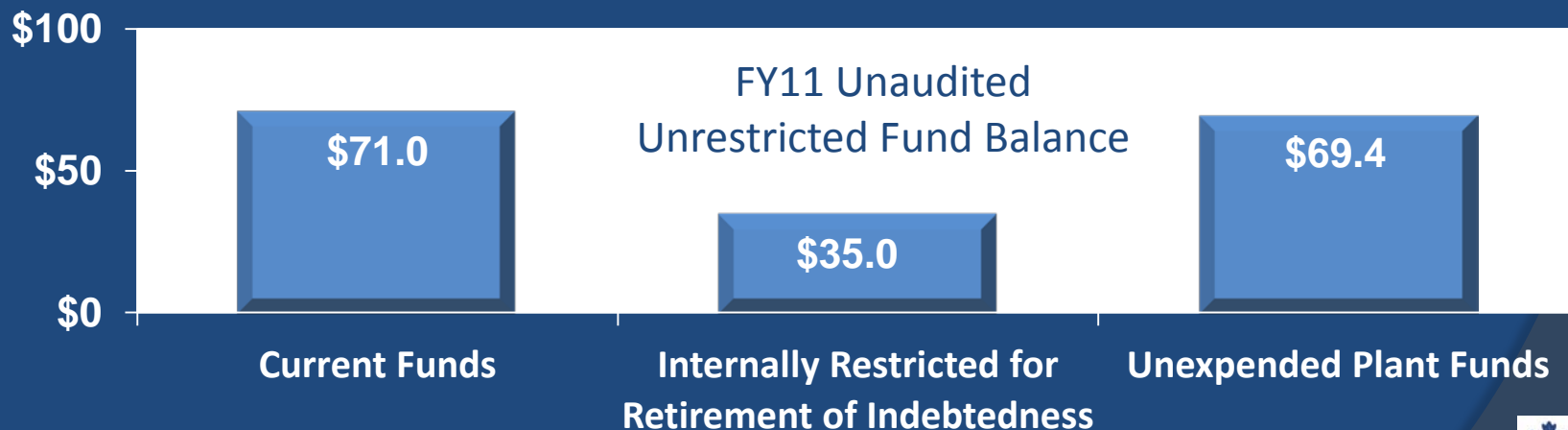
FY11 Budget & Actual (\$M)

Storrs &
Regional
Campuses

	Budget	Actual Unaudited	Variance
Revenues			
State Support: 32.1% , 31.1% Tuition & Fees: 32.0% , 31.9% Other: 35.9%, 36.8%	\$1,033.5	\$1,058.2	\$24.7
Expenses			
Personal Services & FB: 60.0%, 59.1% Other: 40.0%, 40.9%	1,032.5	1,041.5	9.0
State Fund Sweep	<u>15.0</u>	<u>15.0</u>	<u>0.0</u>
Net Gain (Loss)	(\$14.0)	\$1.7	\$15.7

Importance of Fund Balances

- Adequate levels of fund balances are required:
 - For cash flow purposes to operate schools and colleges (current level = 29 days; BOT policy dictates 90 days)
 - To maintain minimum levels of renewal and replacement funds and preserve high debt ratings
 - To address life safety, code compliance and corrections and the renewal and replacement of residential life facilities not sufficiently funded through state-supported capital programs
 - For emergency financial aid for students experiencing economic hardship in these difficult times



FY11 Budget & Actual (\$M)

Health
Center

	Budget	Actual Unaudited	Variance
Revenues			
State Support: 22.9% , 23.5% Net Patient Care: 42.6% , 43.0% Other: 34.5%, 33.5%	\$788.1	\$780.4	(\$7.7)
Expenses			
Personal Services & FB: 55.3%, 55.6% Other: 44.7%, 44.4%	<u>788.1</u>	<u>776.4</u>	<u>(11.7)</u>
Net Gain	\$0.0	\$4.0	\$4.0

FY12 Budget Plan

Storrs &
Regional
Campuses

⦿ Revenues

- Minimal tuition & fee increases
- Less state support
- Expanded summer session
- Utilization of more alternative revenue sources-
private/grants/fund balances

⦿ Expenditures

- 27th payroll
- Increased financial aid
- No wage increases (except for 2 months for UCPEA)
- Deficit reduction plan

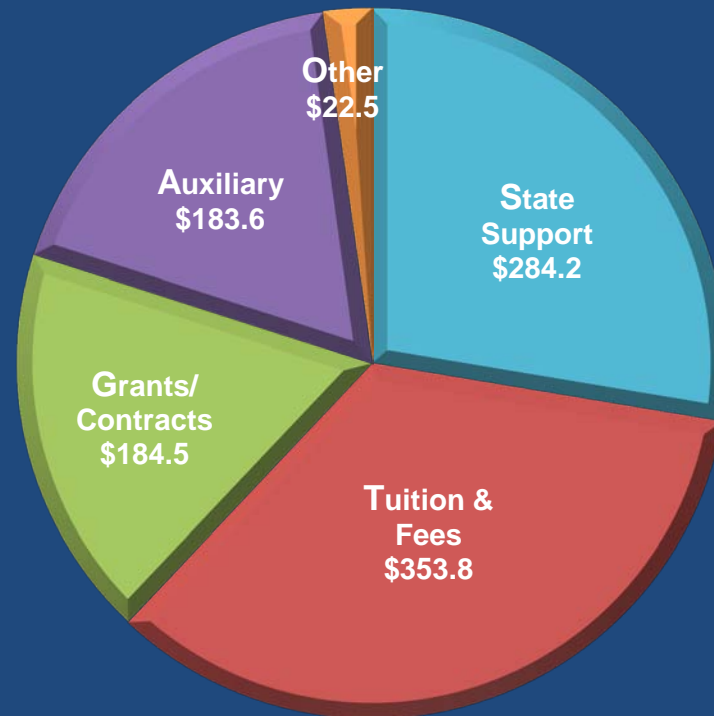
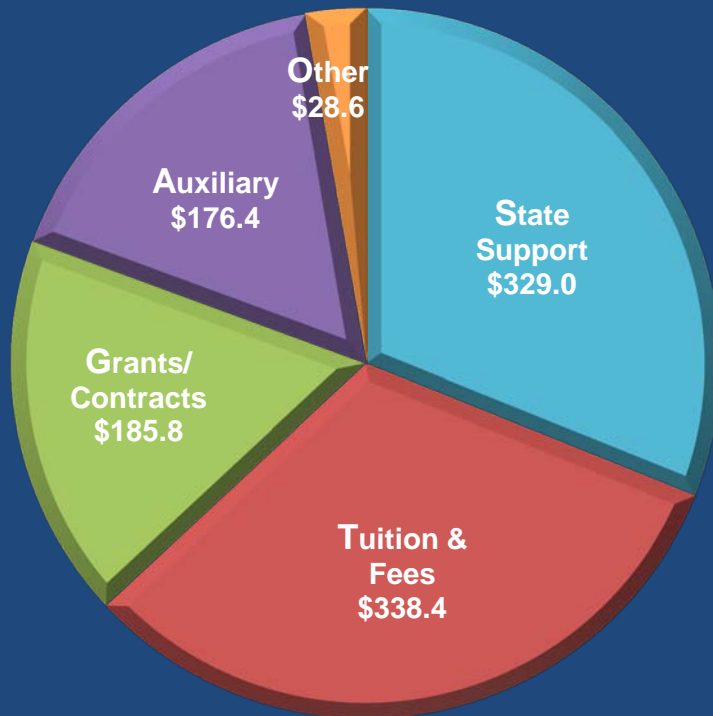
- ⦿ Focus on setting a foundation that enables University to protect academics as much as possible

Revenues (\$M)

Storrs &
Regional
Campuses

FY11 Actual: \$1,058.2

FY12 Budget: \$1,028.6



- State Support: 31.1%
- Tuition & Fees: 32.0%
- Grants & Contracts: 17.5%
- Auxiliaries: 16.7%
- Other: 2.7%

- State Support: 27.6%
- Tuition & Fees: 34.4%
- Grants & Contracts: 17.9%
- Auxiliaries: 17.9%
- Other: 2.2%

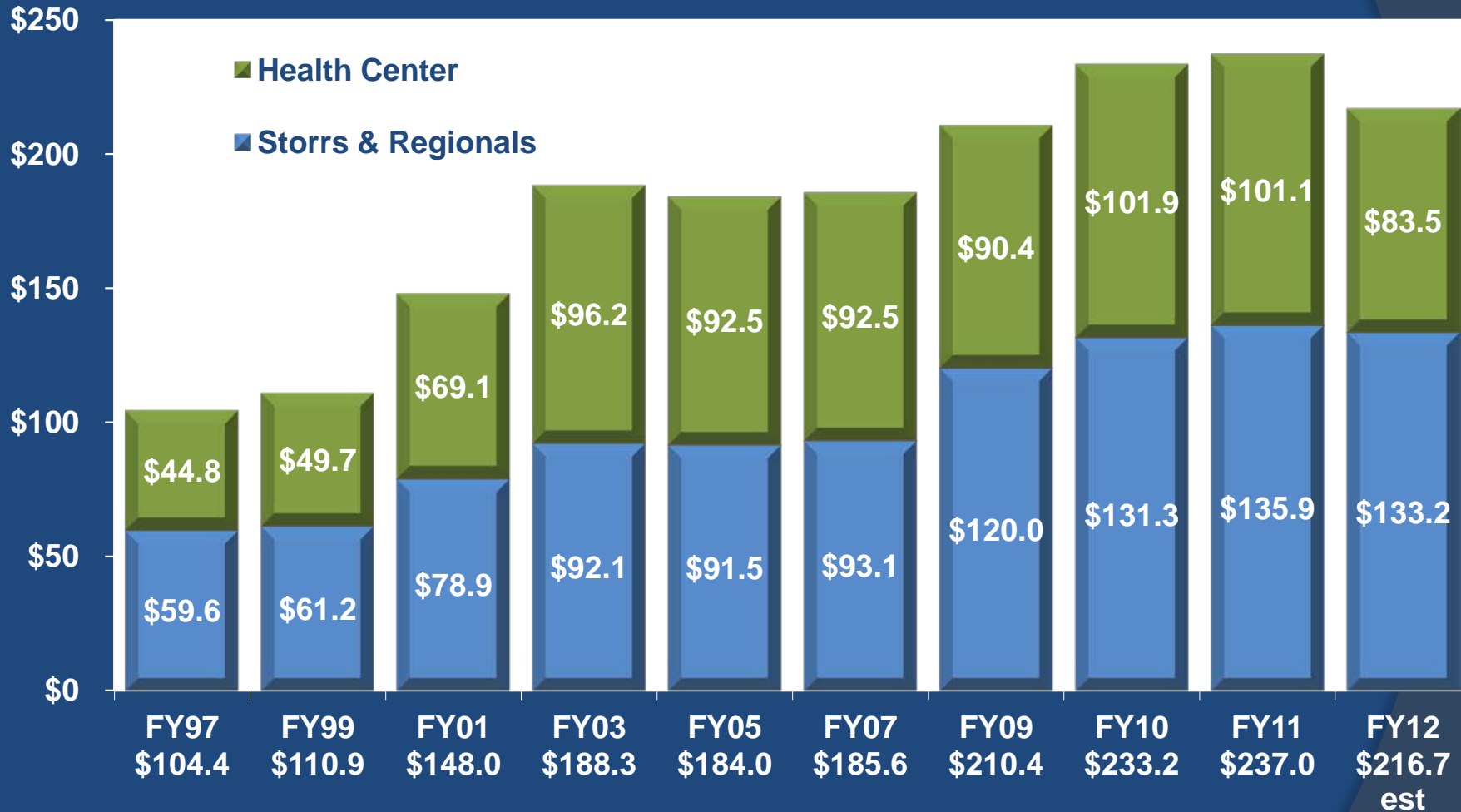
FY 12 State Appropriation (\$M)

Storrs &
Regional
Campuses

Appropriation Request	\$254.0
Governor's Recommended	\$229.2
Approved Appropriation (HB 6380)	\$225.4
Actual Allotment	\$207.7
Actual vs Request	(\$46.3) or -18%

External Research Awards (\$M)

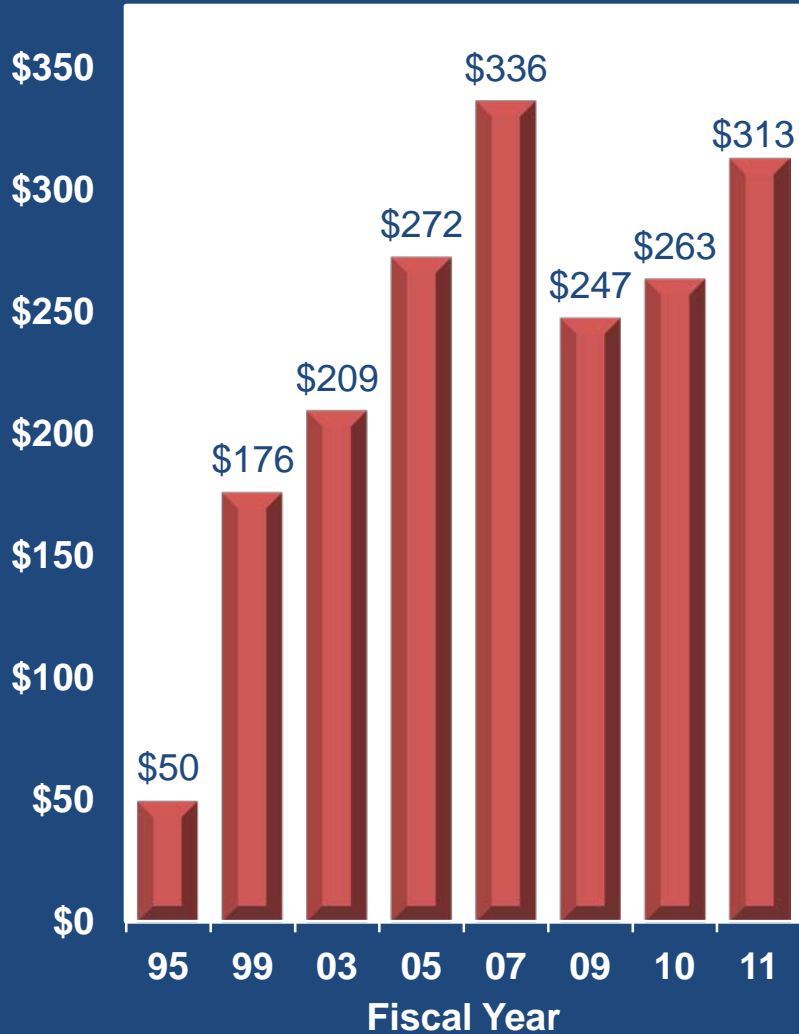
All
Campuses



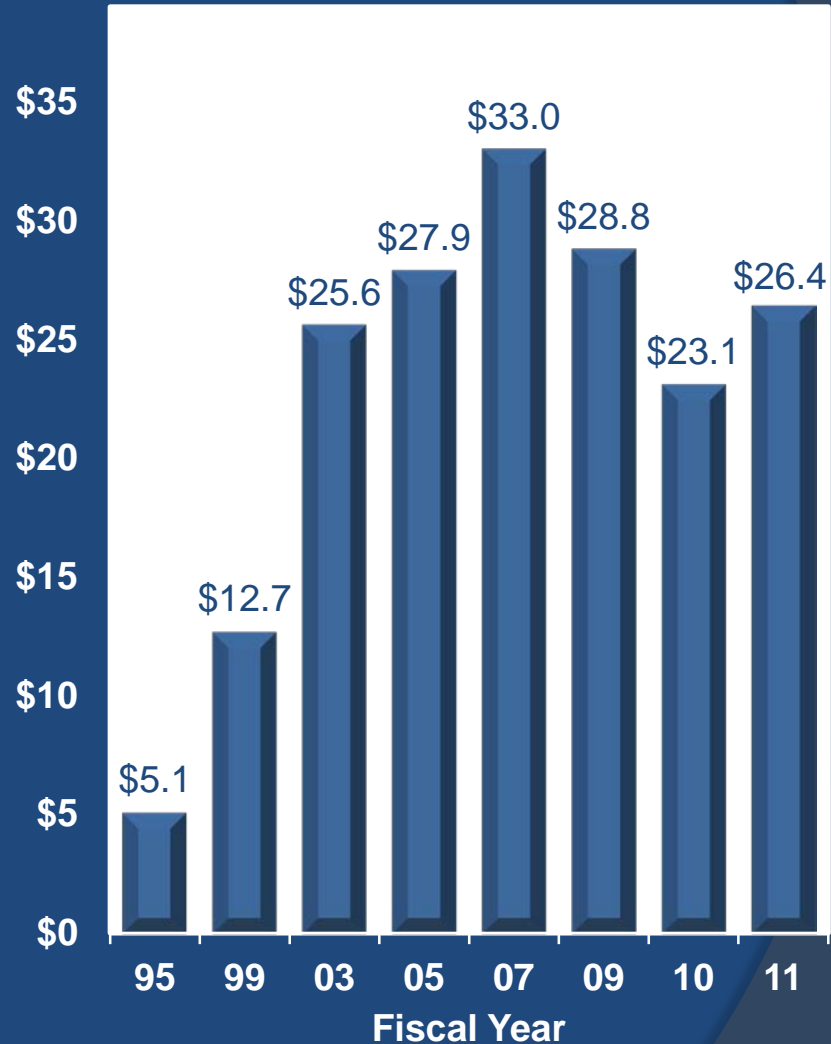
UConn Foundation (\$M)

All
Campuses

Endowment Assets



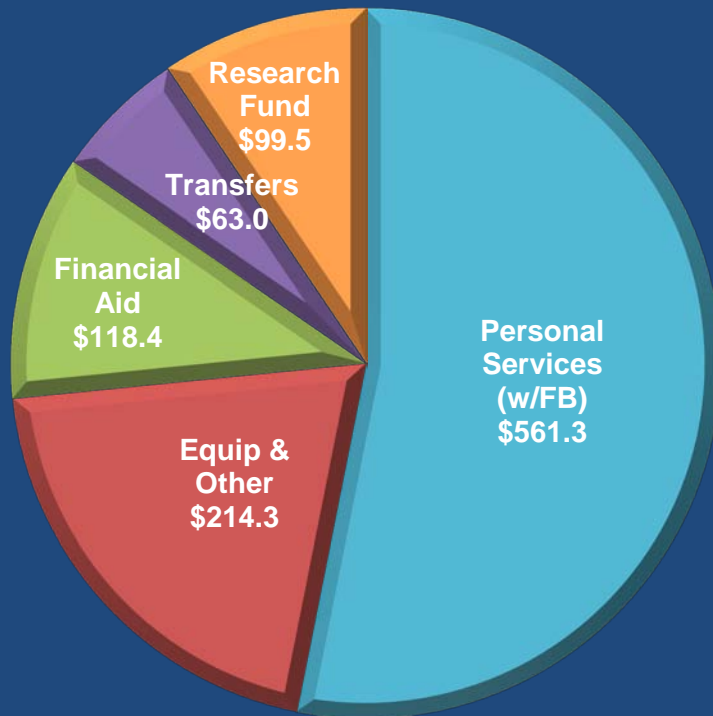
Support of Students & Programs



Expenditures (\$M)

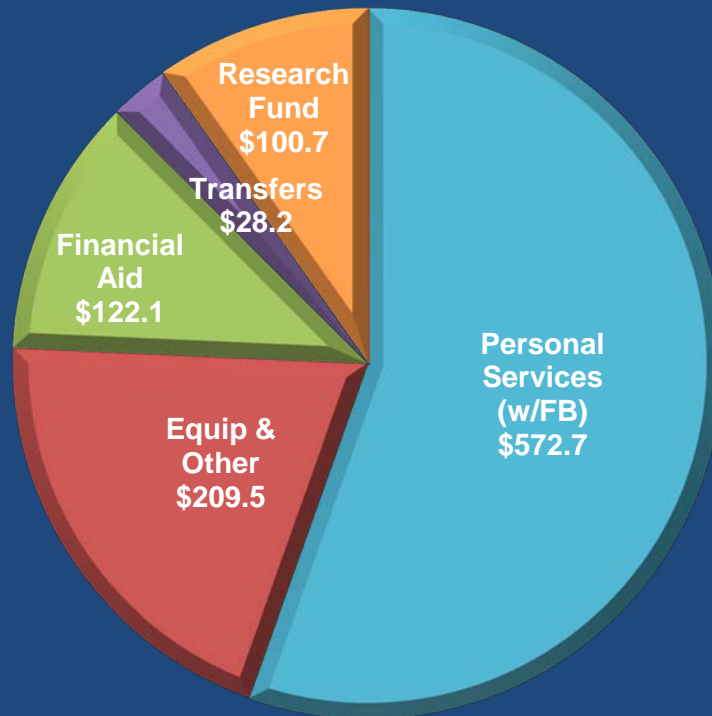
Storrs &
Regional
Campuses

FY11 Actual: \$1,056.5



- Personal Services (w/FB): 53.1%
- Equipment & Other: 20.3%
- Financial Aid: 11.2%
- Transfers: 6.0%
- Research Fund: 9.4%

FY12 Budget: \$1,033.2



- Personal Services (w/FB): 55.4%
- Equipment & Other: 20.3%
- Financial Aid: 11.8%
- Transfers: 2.7%
- Research Fund: 9.8%

Financial Aid (\$M)

Storrs &
Regional
Campuses

Tuition Funded	FY10	FY11 Unaudited	FY12 Budget	FY10-FY12 % Change
Need-Based Grants	\$36.3	\$40.8	\$47.9	32.0%
Work Study/Student Labor	5.7	6.1	6.1	7.0%
Scholarships	18.4	20.7	23.1	25.5%
Tuition Waivers	<u>45.2</u>	<u>46.9</u>	<u>48.0</u>	6.2%
Total Tuition Funded	\$105.6	\$114.5	\$125.1	18.5%
Total Tuition Funded as a % of Gross Tuition Revenue	38.9%	39.1%	41.1%	
Tuition Funded Need-Based Aid as a % of Net Tuition Revenue (DHE Policy =15%)	17.6%	18.1%	20.2%	
Total Financial Aid-all sources	\$343.2	\$372.4	\$384.1	11.9%

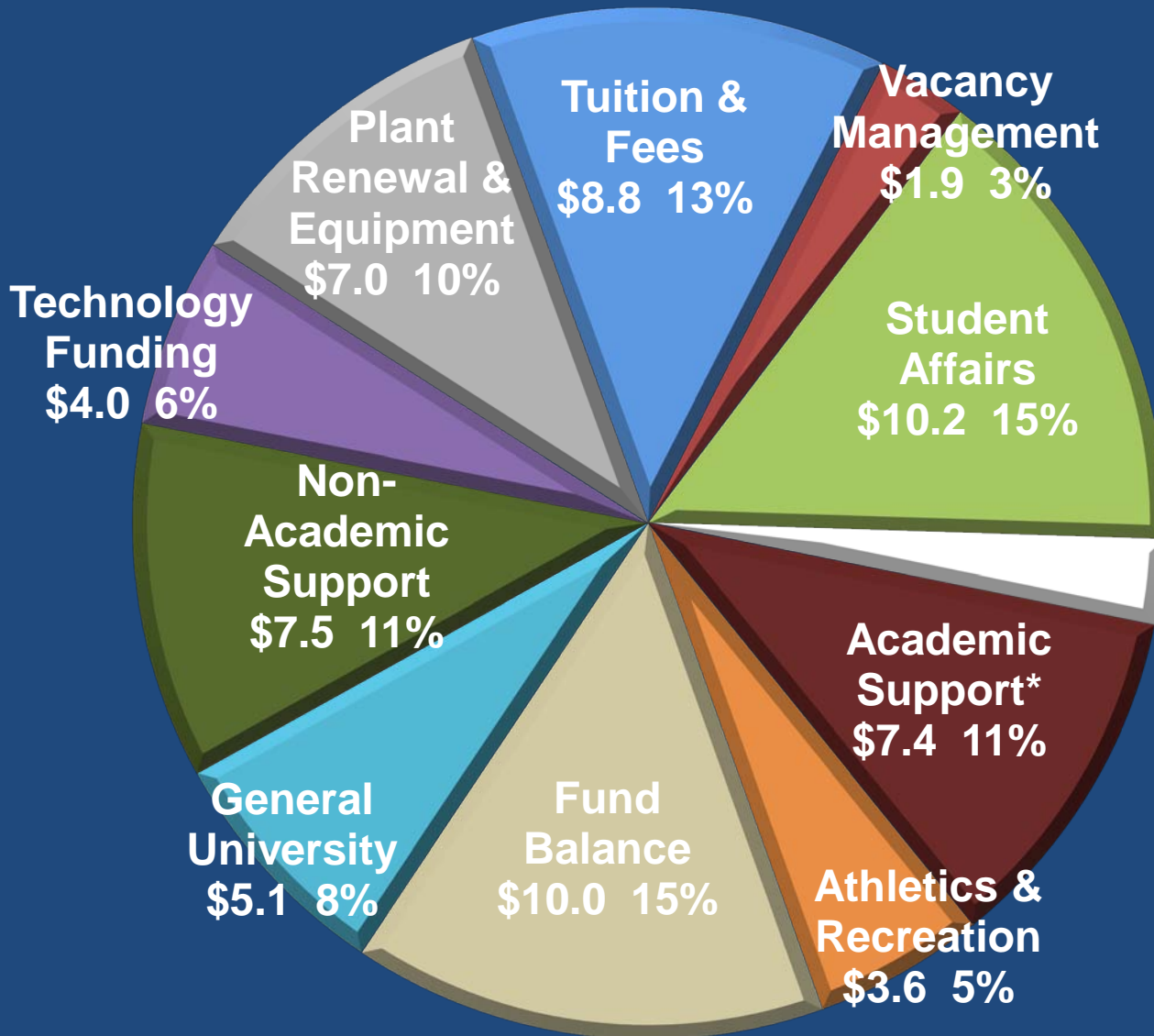
Financial Aid

Continued commitment to funding financial aid:

- UConn offers the neediest in-state students an aid package that meets their direct costs (tuition, fees, room & board)
- In FY11, these packages included a \$5,550 Federal Pell Grant, \$8,900 in State & institutional grants, and \$5,500 in student loans
- In the past 5 years, the percentage of Federal Pell Grant recipients has increased from 14% of undergraduate enrollment in FY06 to 23% in FY11
- Approximately 15,000 students received financial aid packages in FY11

Actions to Reduce Deficit

Storrs &
Regional
Campuses



Research
\$1.8 3%

*Academic Support was allocated a cut in the amount of \$18.9M. \$7.4M of this cut was realized in FY12 and the balance will be fully implemented in FY13.

Deficit Reduction Plan

- ⦿ Fund Balance - \$10.0M or 15% of Plan
 - Reduced the transfers for annual debt payments
 - Funding these payments through existing fund balance will bring the coverage ratio to 1.25
- ⦿ General University - \$5.1M or 8% of Plan
 - No longevity payment in October
 - Collective Bargaining Increase (CBI) savings
 - Removal of inflationary increase for library acquisitions
 - Contract negotiation enhancements
 - Shifting of partially self-supporting areas off of University supported funds emphasizes the need to become self-sufficient

Deficit Reduction Plan

Storrs &
Regional
Campuses

- Technology Funding - \$4.0M or 6% of Plan
 - Removed funding for Quali Financial System from University supported budget
 - This funding will be provided via the UCONN 2000 equipment line and will reduce the availability of funds for other equipment purchases
- Plant Renewal & Equipment - \$7.0M or 10% of Plan
 - Removed funding from University supported budget for building renovations and equipment purchases
 - Increases demand for limited UCONN 2000 funds
- Vacancy Management - \$1.9M or 3% of Plan
 - Further delays the refill of vacant positions
 - Potential to increase workload of existing employees

Deficit Reduction Plan

- ⦿ Non-Academic Support - \$7.5M or 11% of Plan
 - Reduced University support of all areas including President, CFO, COO and HR & Payroll
 - Limited refill of vacant positions
 - Procurement savings (McKinsey)
 - Facilities efficiencies (McKinsey)
 - Collective Bargaining Increase (CBI) savings
 - Reduced funding results in potential increase in workload and may limit the ability of areas to successfully complete all of their assigned responsibilities

Deficit Reduction Plan

- ⦿ Athletics & Recreation - \$3.6M or 5% of Plan
 - Shifting of University supported activities to private funds
 - Increased emphasis on private fundraising as a primary source of support for the Division
 - Collective Bargaining Increase (CBI) savings
 - Procurement savings (McKinsey)

- ⦿ Research - \$1.8M or 3% of Plan
 - Procurement savings (McKinsey)
 - Collective Bargaining Increase (CBI) savings
 - Central recovery of research indirects
 - Reduction will impact the amount of funds available for investment in Research initiatives

Deficit Reduction Plan

Storrs &
Regional
Campuses

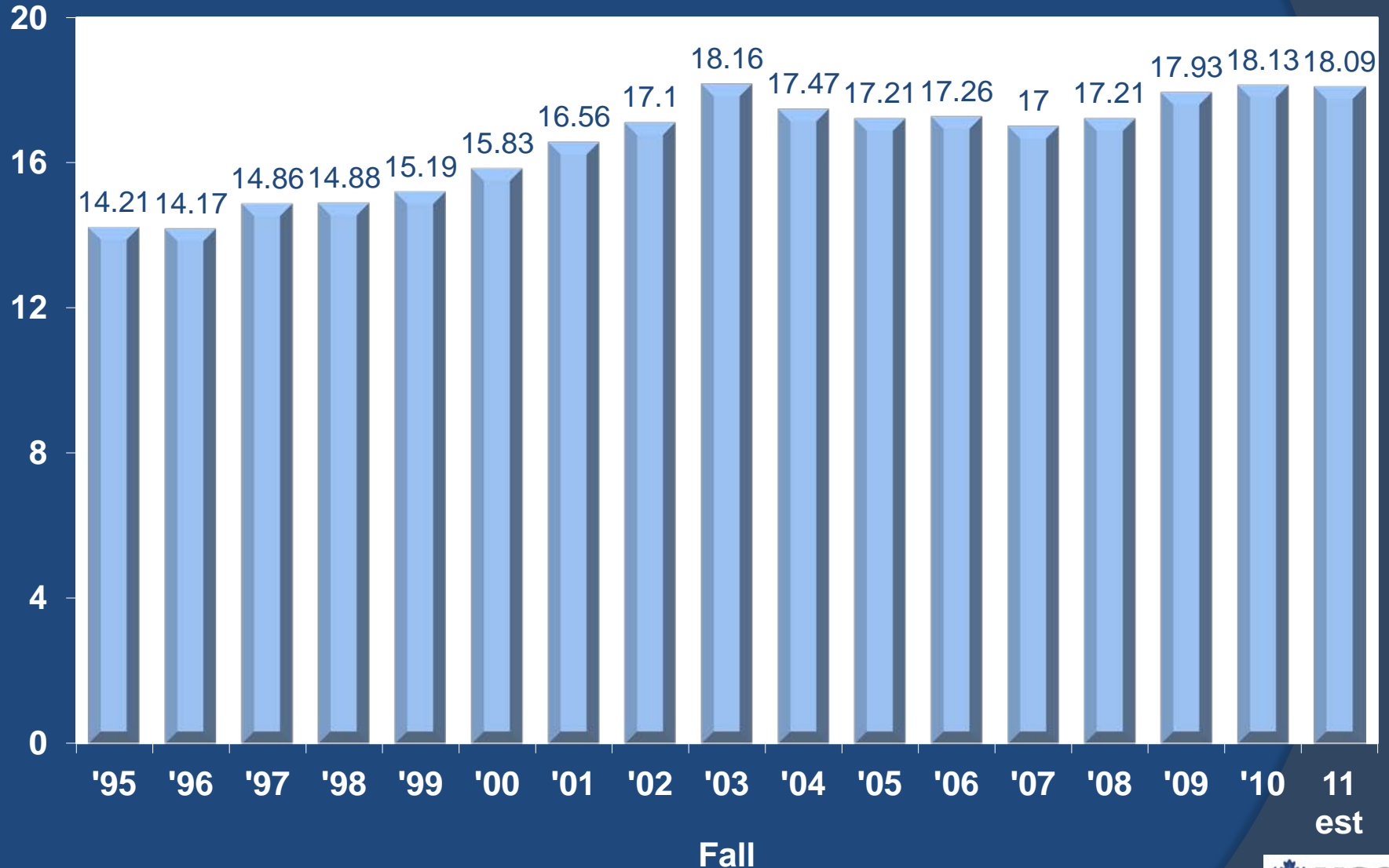
- ⦿ Student Affairs - \$10.2M or 15% of Plan
 - Procurement savings (McKinsey)
 - Collective Bargaining Increase (CBI) savings
 - Instituted an auxiliary overhead rate to recover central administrative costs
 - Reduction of student affairs funding results in less facility renewal and replacement support to keep infrastructure in sound operating condition

Deficit Reduction Plan

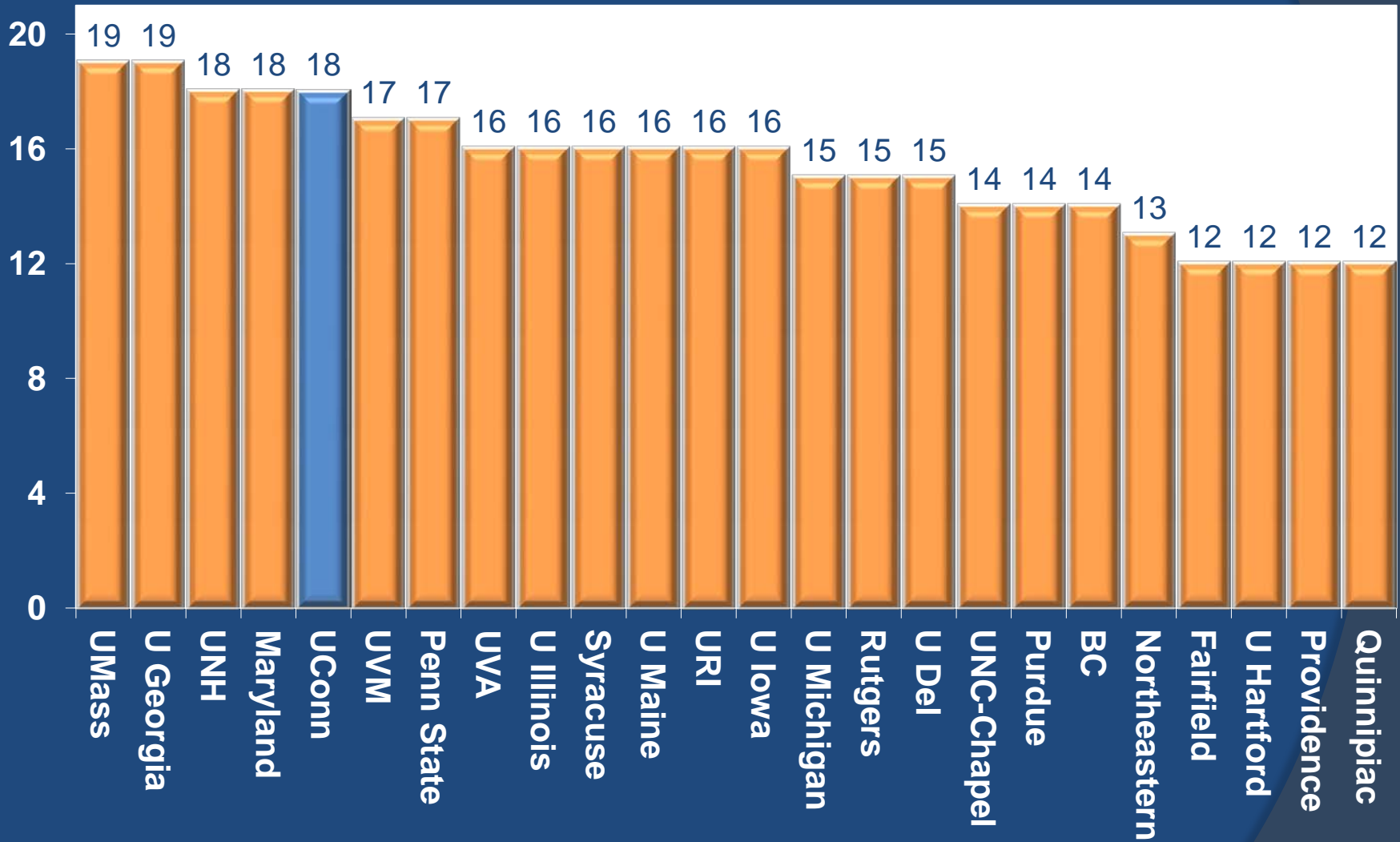
- ⦿ Academic Support - \$7.4M or 11% of Plan
 - While reducing academic support was a last resort, it was unavoidable and students will be impacted
 - Limited refill of vacant positions
 - Procurement savings (McKinsey)
 - Collective Bargaining Increase (CBI) savings
 - This reduction may result in less faculty, fewer graduate assistants, larger classes, and a higher student faculty ratio
 - Academic Support was allocated a cut in the amount of \$18.9M: \$7.4M of this cut was realized in FY12 and the balance will be fully implemented in FY13

Student Faculty Ratio

Storrs &
Regional
Campuses

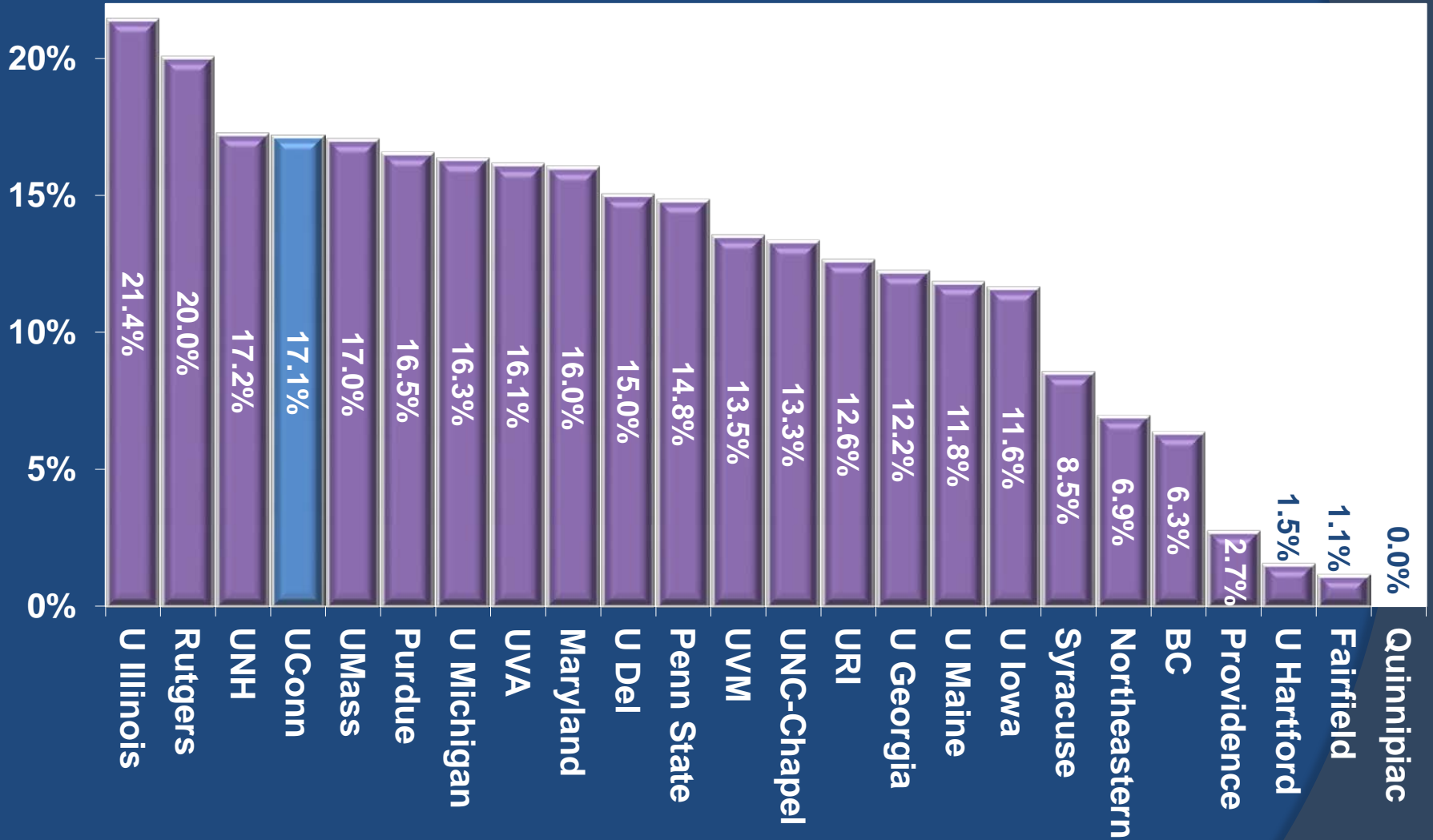


FY11 Student Faculty Ratio



Source: *US News & World Report*

FY11 Classes with 50 or more Students



Source: *US News & World Report*

Deficit Reduction Plan

- Tuition & Mandatory Fees - \$8.8M or 13% of Plan
 - 2.5% increase in rates approved in March
 - Student impact:
 - In-state undergraduate cost = \$254/year
 - Out-of-state undergraduate cost = \$686/year
 - Increased commitment to financial aid continues to offset any increases in cost
 - UConn cost of attendance is considered very affordable as compared to our peers

FY12 Approved Increases for Undergraduate Students

Storrs
Campuses

In-State Undergrad	Amount	Percentage	Increment
Tuition	\$8,256	2.38%	\$192
IMF	440	3.29%	14
Other Fees	1,974	2.49%	48
Room - Double	5,918	2.49%	144
Board - Value Plan	4,898	2.51%	120
Total	\$21,486	2.47%	\$518

Out-of-State Undergrad	Amount	Percentage	Increment
Tuition	\$25,152	2.54%	\$624
IMF	440	3.29%	14
Other Fees	1,974	2.49%	48
Room - Double	5,918	2.49%	144
Board - Value Plan	4,898	2.51%	120
Total	\$38,382	2.54%	\$950

FY12 Approved Increases for Graduate Students

Storrs
Campuses

In-State Graduate	Amount	Percentage	Increment
Tuition	\$10,224	2.53%	\$252
IMF	440	3.29%	14
Other Fees	1,466	2.52%	36
Room	6,972	2.50%	170
Board - Value Plan	4,898	2.51%	120
Total	\$24,000	2.53%	\$592

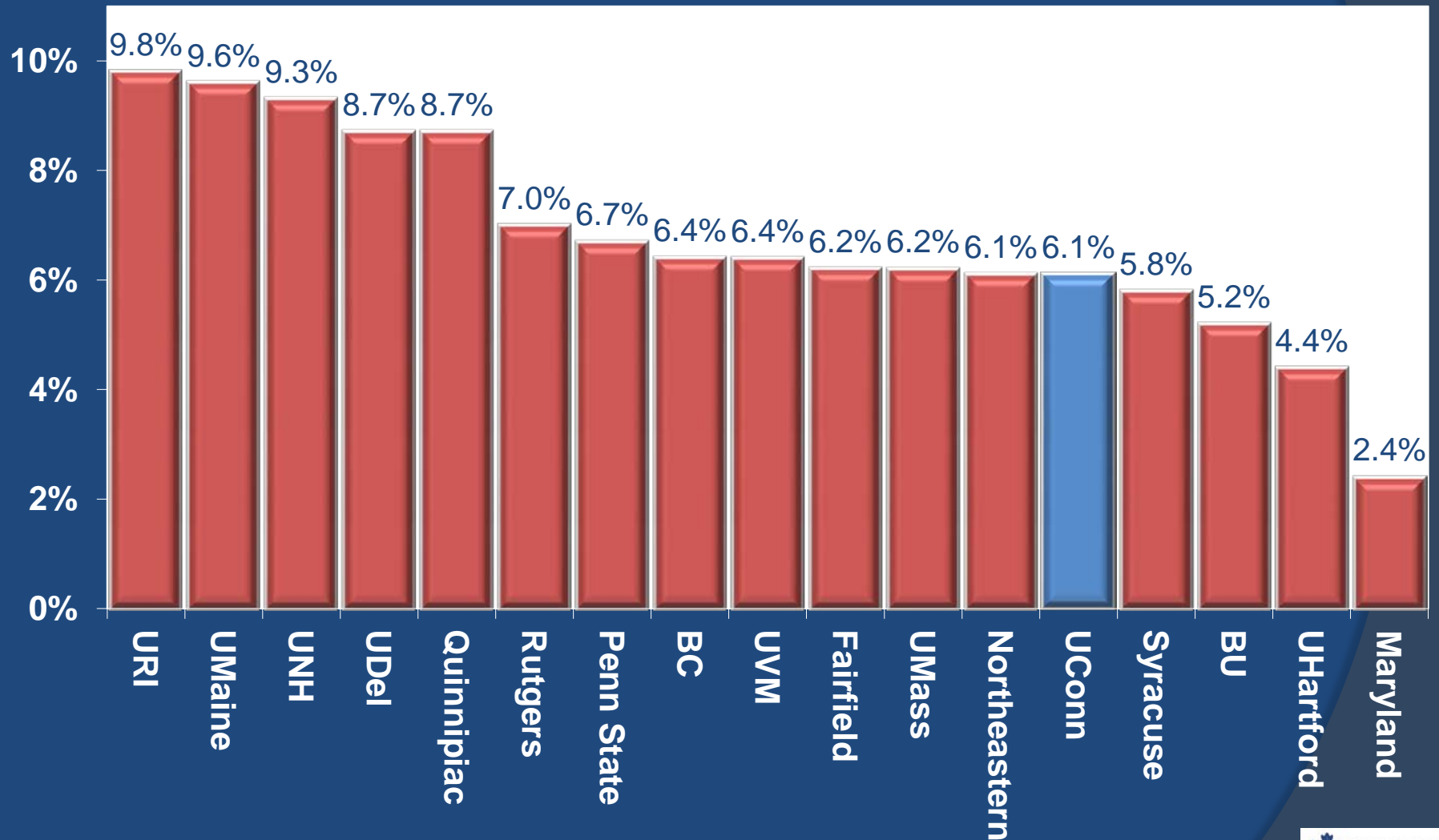
Out-of-State Graduate	Amount	Percentage	Increment
Tuition	\$26,532	2.50%	\$648
IMF	440	3.29%	14
Other Fees	1,466	2.52%	36
Room	6,972	2.50%	170
Board -Value Plan	4,898	2.51%	120
Total	\$40,308	2.51%	\$988

Tuition & Fee History

Storrs &
Regional
Campuses

In-State Undergraduate	Tuition & Fees		Tuition, Fees, Room & Board	
FY 2005	\$7,490	9.95%	\$14,894	8.72%
FY 2006	\$7,912	5.63%	\$15,616	4.85%
FY 2007	\$8,362	5.69%	\$16,628	6.48%
FY 2008	\$8,852	5.86%	\$17,702	6.46%
FY 2009	\$9,338	5.49%	\$18,842	6.44%
FY 2010	\$9,886	5.87%	\$20,006	6.18%
FY 2011	\$10,416	5.36%	\$21,198	5.96%
FY 2012	\$10,670	2.44%	\$21,720	2.46%

In-State Undergrad Tuition & Fees FY05-FY12 Average Increase



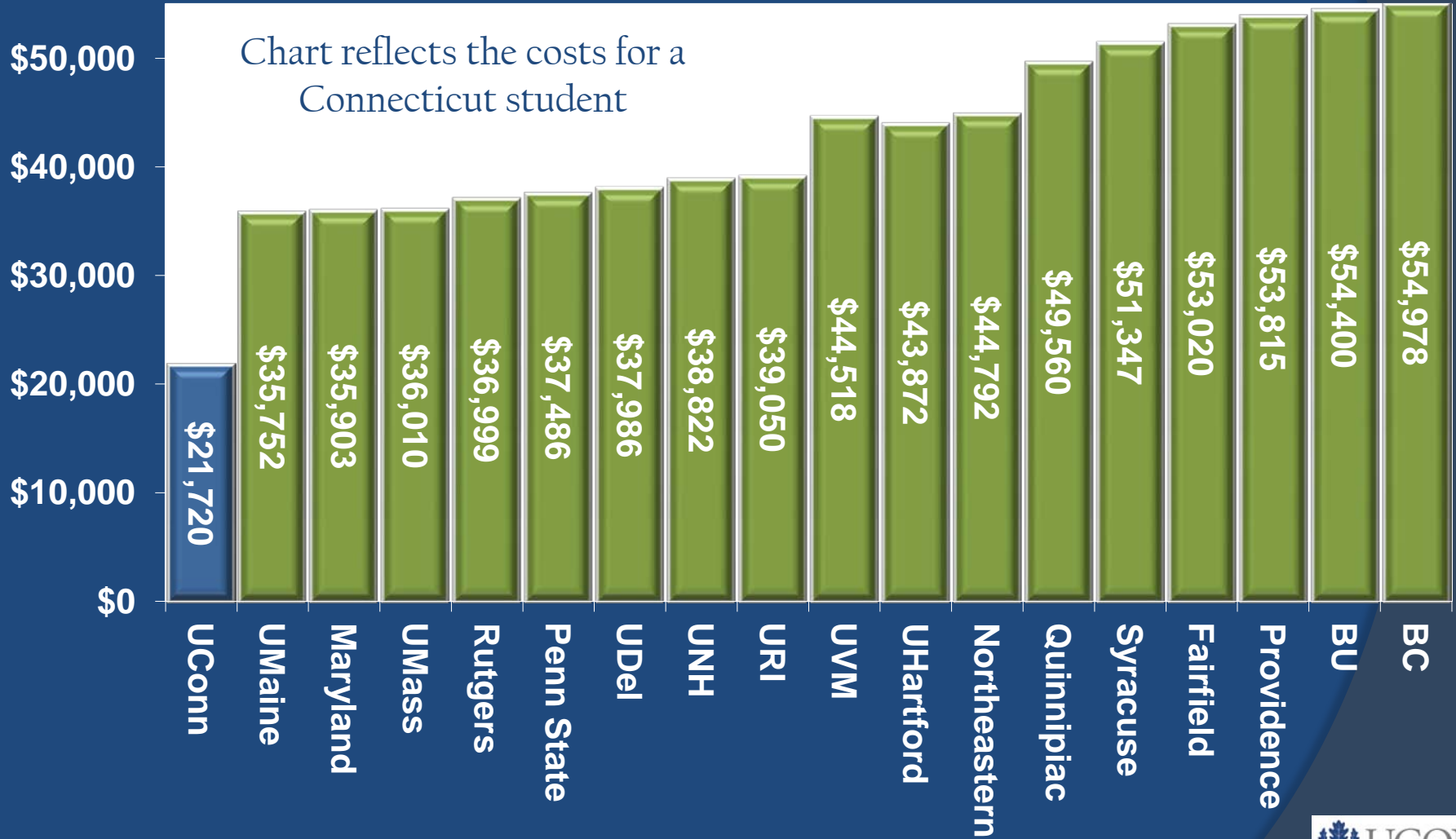
UConn's Affordability

FY12 Tuition & Mandatory Fees

<u>Private Schools</u>	<u>In & Out of State</u>	<u>Public Schools</u>	<u>In State</u>	<u>Out of State</u>
Boston College	\$42,654	Penn State	\$15,984	\$28,066
Providence	\$41,675	Univ New Hampshire	\$15,250	\$28,570
Boston Univ	\$41,420	Univ Vermont	\$14,782	\$34,422
Fairfield	\$40,810	Univ Massachusetts	\$12,912	\$25,700
Northeastern	\$38,602	Rutgers	\$12,755	\$25,417
Syracuse	\$37,667	Univ Rhode Island	\$11,366	\$27,454
Quinnipiac	\$36,130	Univ Delaware	\$11,192	\$27,462
Univ Hartford	\$30,754	Univ Connecticut	\$10,670	\$27,566
		Univ Maine	\$10,588	\$26,308
		Univ Maryland	\$8,655	\$26,026

UConn's Affordability

FY12 Tuition, Fees, Room & Board



FY12 Budget Plan

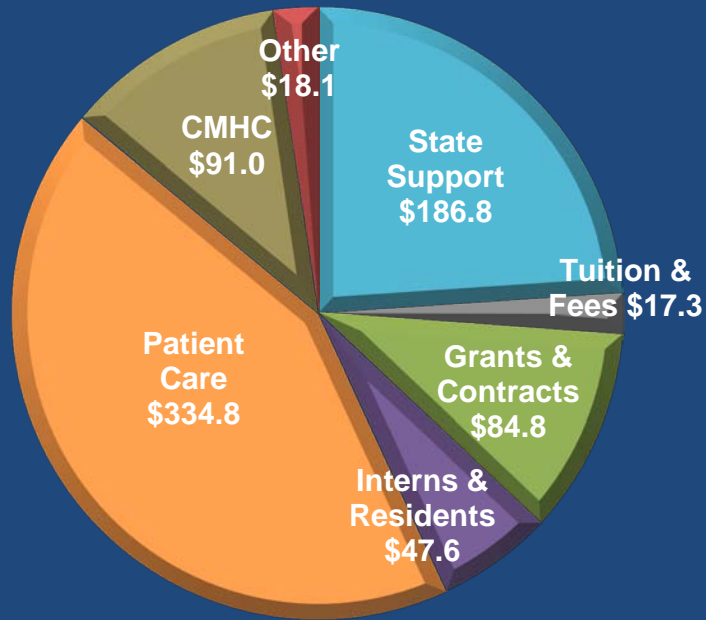
Health
Center

- Decrease in State support
- 5% increase in tuition & fees
- Higher clinical revenues due to volume & rate – movement of dermatology to hospital provider based
- More research activity
- Two months of bargaining unit increases due to SEBAC
- Medical supplies increase due to DaVinci instrumentation
- Nursing education and magnet status expenses
- Clinical faculty recruitment in Urology, Musculoskeletal, Dermatology & Cancer Center

Revenues (\$M)

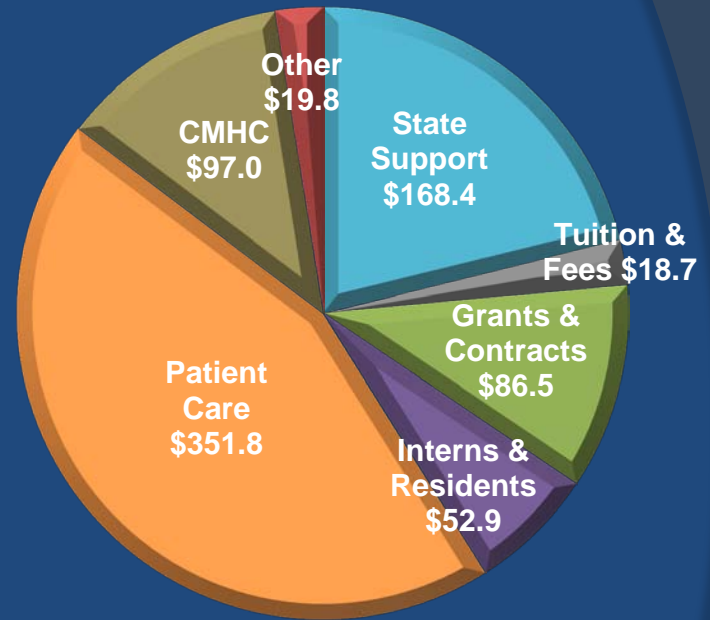
Health Center

FY11 Actual: \$780.4



- State Support: 23.9%
- Tuition & Fees: 2.2%
- Grants & Contracts: 10.9%
- Interns & Residents: 6.1%
- Patient Care: 42.9%
- CMHC: 11.7%
- Other: 2.3%

FY12 Budget: \$795.1

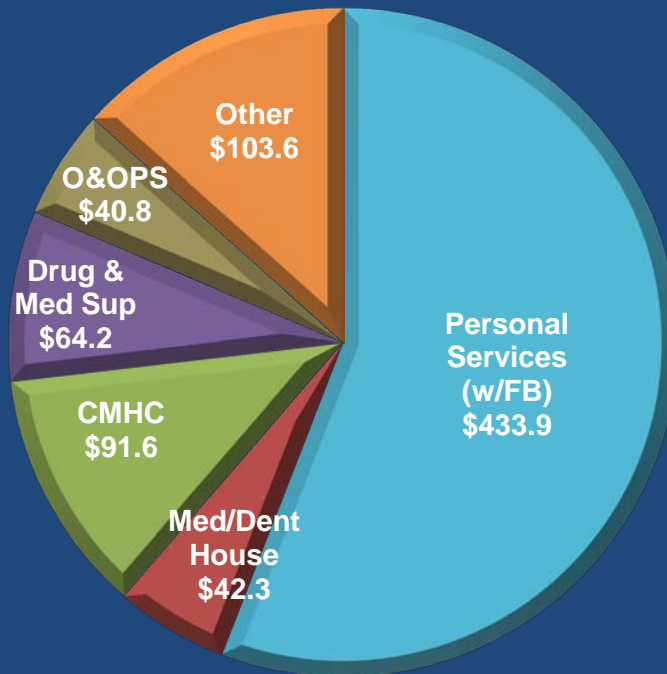


- State Support: 21.2%
- Tuition & Fees: 2.3%
- Grants & Contracts: 10.9%
- Interns & Residents: 6.7%
- Patient Care: 44.2%
- CMHC: 12.2%
- Other: 2.5%

Expenditures (\$M)

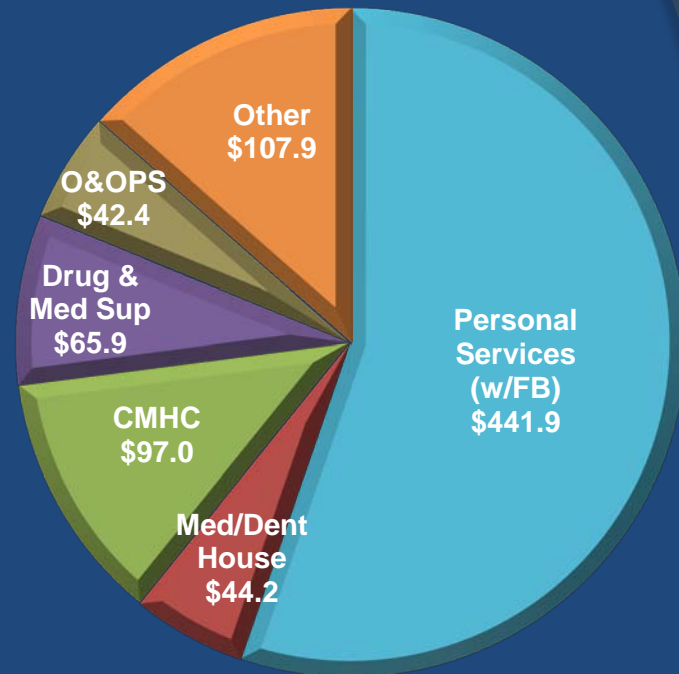
Health
Center

FY11 Actual: \$776.4



- Personal Services (w/FB): 55.9%
- Med/Dent House: 5.4%
- CMHC: 11.8%
- Drug & Med Sup: 8.3%
- O&OPS: 5.3%
- Other: 13.3%

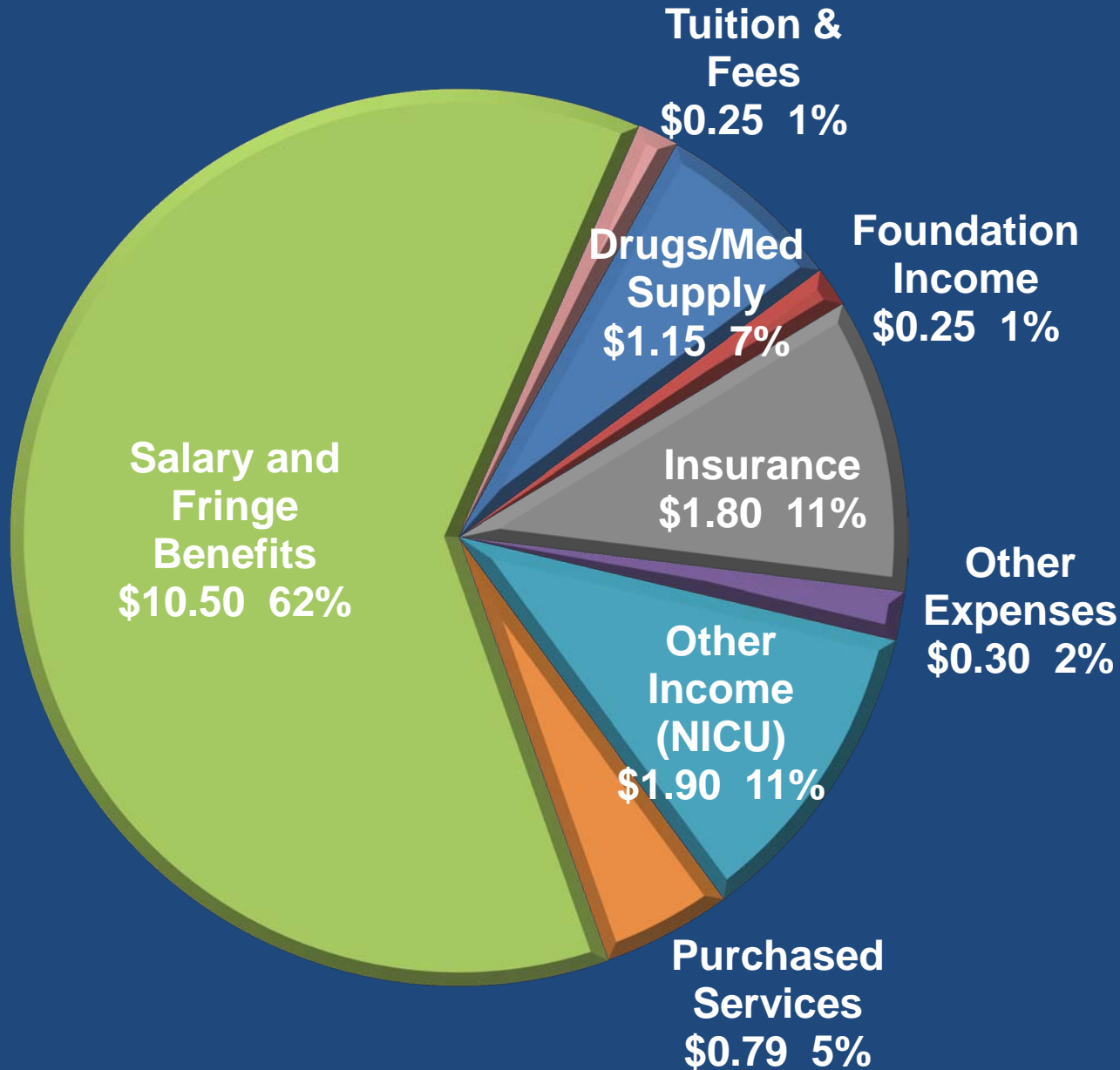
FY12 Budget: \$799.3



- Personal Services (w/FB): 55.3%
- Med/Dent House: 5.5%
- CMHC: 12.1%
- Drug & Med Sup: 8.3%
- O&OPS: 5.3%
- Other: 13.5%

Actions to Reduce Deficit (\$M)

Health
Center



Deficit Reduction Plan

- ⦿ Tuition & Fees – \$0.25M or 1% of Plan
 - Increase in revenue due to SODM increasing student size by 5 students
- ⦿ Drugs & Medical Supplies – \$1.15M or 7% of Plan
 - Reduction in expenses due to 340b pricing for Drugs and a reduction in cost for Surgical devices & implants (no impact to services)
- ⦿ Foundation Income – \$0.25M or 1% of Plan
 - Increase use of Foundation funds to cover costs previously supported by General Funds
- ⦿ Insurance – \$1.80M or 11% of Plan
 - Decrease in Malpractice expenses and student insurance (less students participating in insurance plan)

Deficit Reduction Plan

- ⦿ Other Expenses - \$0.30M or 2% of Plan
 - Slight reduction in other expenses
- ⦿ Other Income – \$1.90M or 11% of Plan
 - NICU contract with CCMC – net effect
- ⦿ Purchased services - \$0.79M or 5% of Plan
 - JDH elimination of various outside contracts and UMG reduction in contract for Patient Keeper
- ⦿ Salary and Fringe Benefits – \$10.50M or 62% of Plan
 - Net effect of two months of Union increases (due to SEBAC), savings on estimated Fringe Benefit costs and freeze on various vacant positions

Questions ?

Appendix

Student Facts & Figures

Storrs &
Regional
Campuses

- Fall 2011 compared to fall 1995:
 - Freshman Applications at all campuses increased 164% (10,809 to 28,584)
 - SAT scores increased 103 points at Storrs (1113 to 1216)
 - 1,403 valedictorians and salutatorians enrolled at all campuses since 1995
 - Freshman enrollment at Storrs increased 65% (2,021 to 3,327)
 - Minority freshman enrollment at Storrs increased 171% (308 or 15% to 835 or 25%)
 - Undergraduate enrollment at all campuses increased 53% (14,667 to 22,472)
 - Students housed at Storrs increased 82% (6,957 to 12,661)

Student Facts & Figures

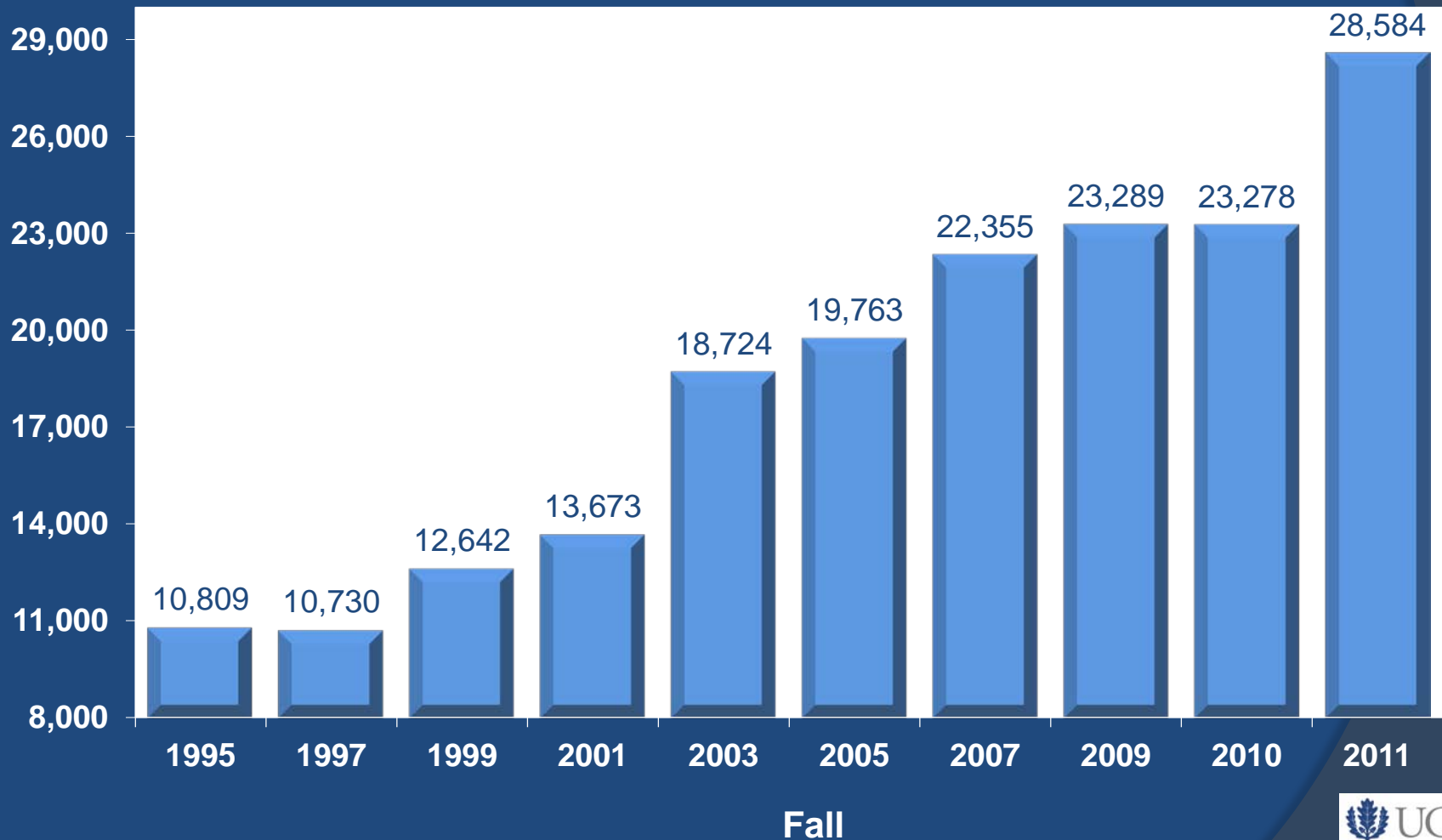
Storrs &
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Campuses

- Fall 2010 freshman retention is 92% at Storrs and ranks 13th among public research universities
- Minority freshman retention is 92% at Storrs
- Fall 2004 average time to graduate of 4.2 years at Storrs ranks 3rd among public research universities
- Fall 2006 4-year graduation rate is 67% at Storrs and ranks among the top 10 public research universities
- Fall 2004 6-year graduation rate is 81% at Storrs
- Undergraduate degrees at all campuses increased 62% since fall 1995 (2,951 to 4,776)
- Graduate/Professional degrees at all campuses increased 29% since fall 1995 (1,757 to 2,270)

Freshman Application Trends

Storrs &
Regional
Campuses

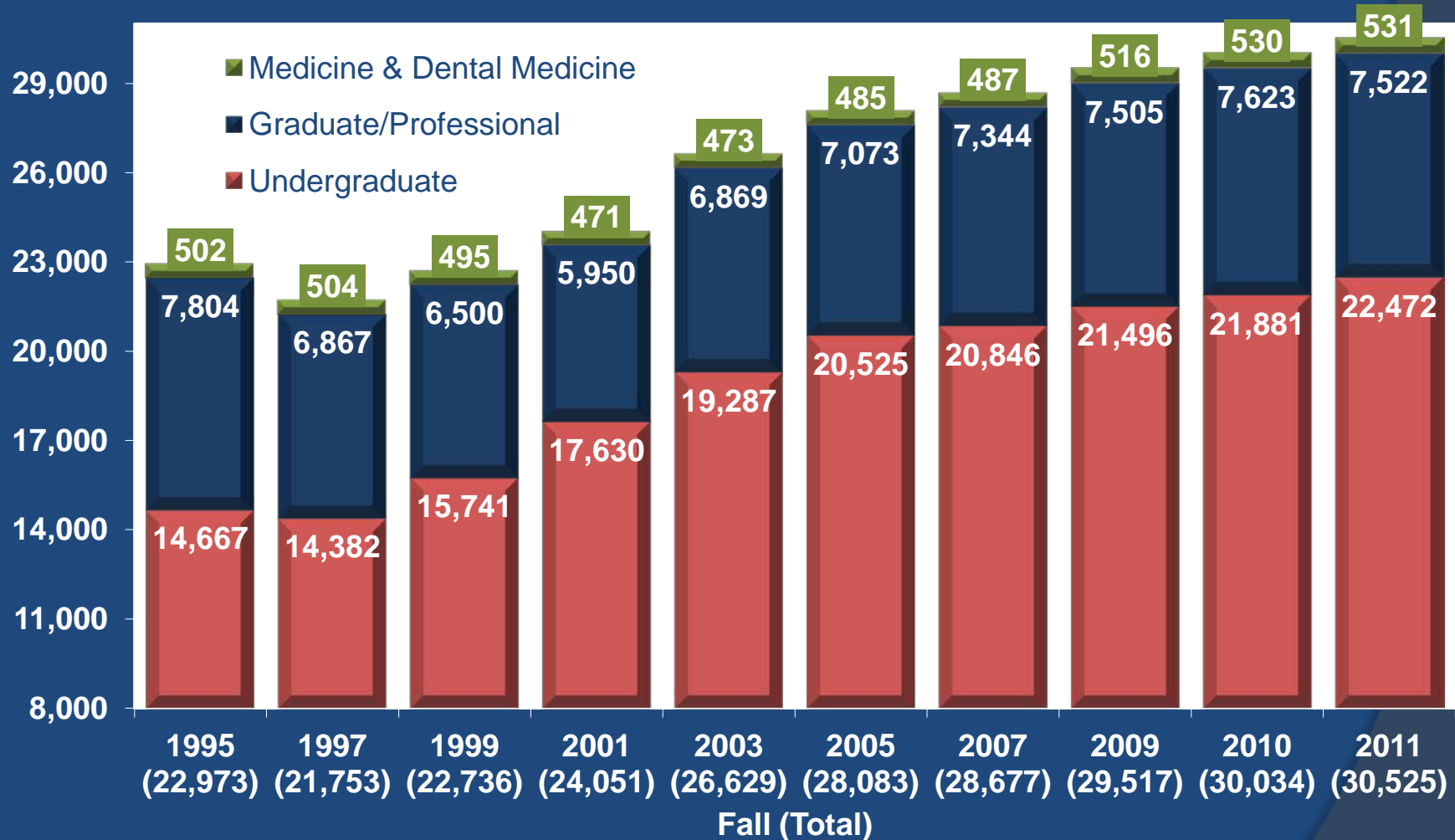
- Applications at all campuses have increased 164% from Fall 1995 to Fall 2011



Total Student Enrollment

All
Campuses

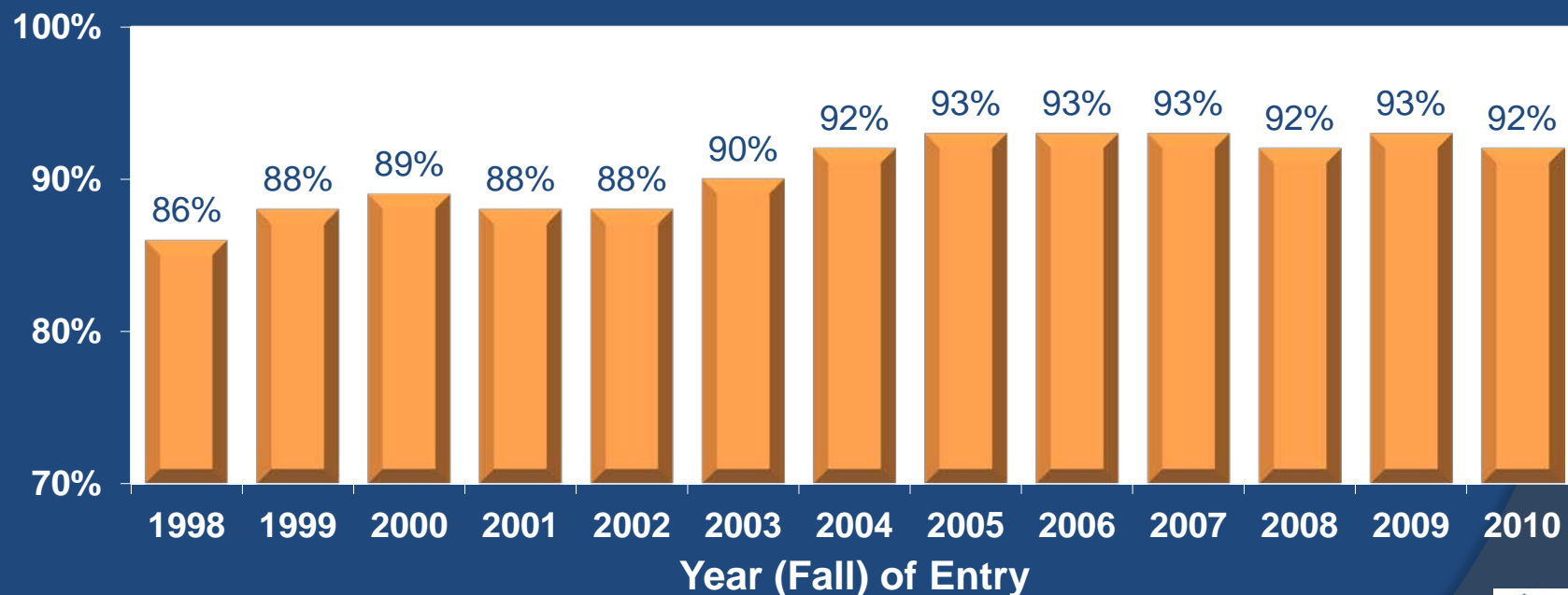
- Undergraduate enrollment has increased 53% from 1995 to 2011



Freshmen Retention Trend

Storrs
Campus

- Fall 2010 rate ranks 13th among the 58 Public Research Peer Universities
- Fall 2009 freshman retention rate is substantially higher than the 82% average for 383 colleges & universities in the national Consortium for Student Retention Data Exchange

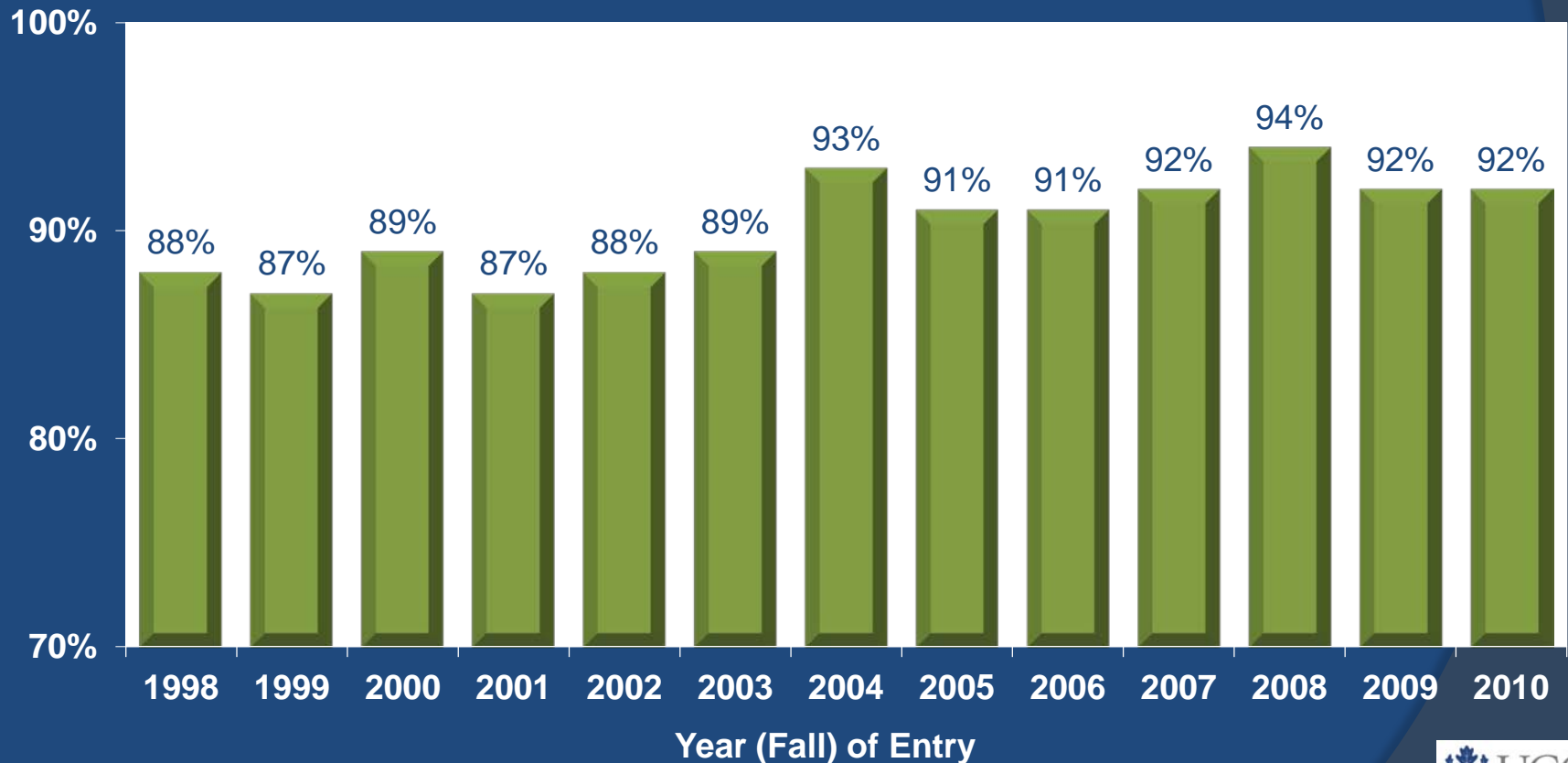


Minority

Freshmen Retention Trend

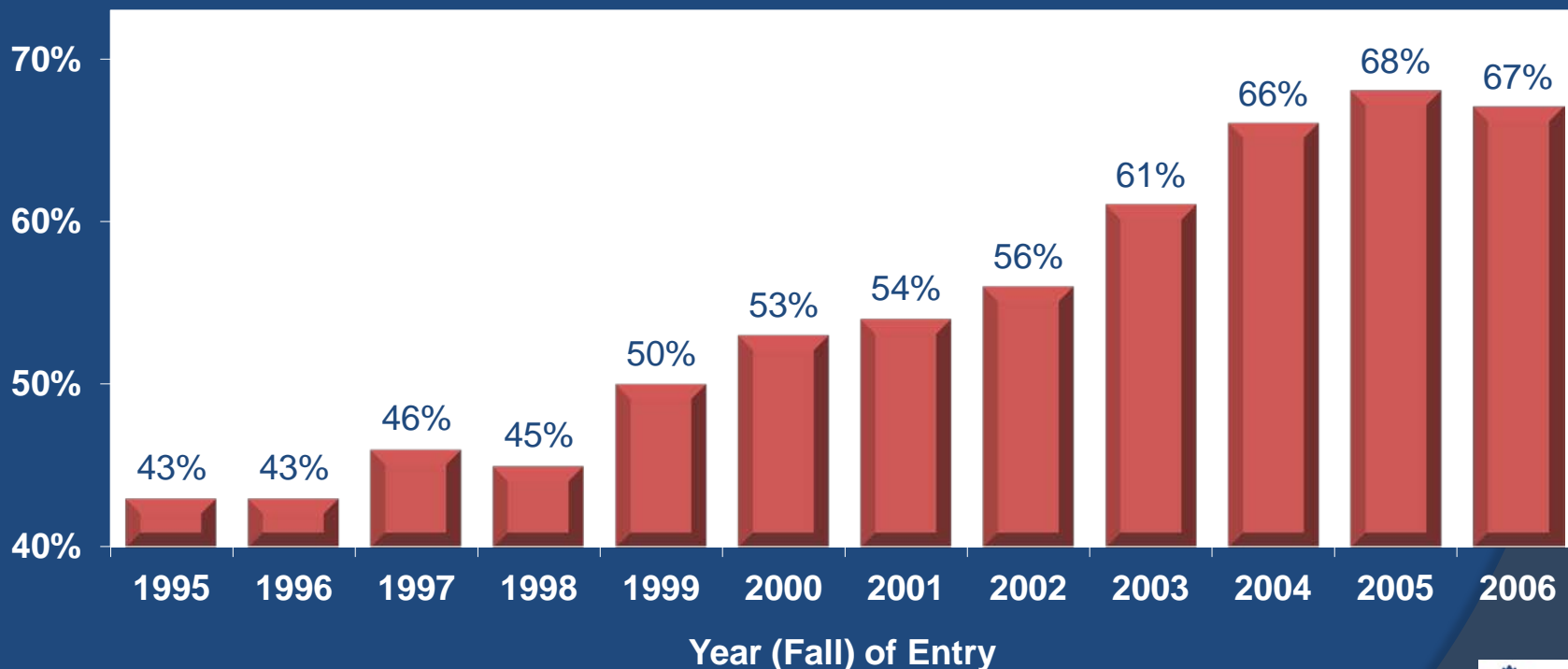
Storrs
Campus

- Fall 2009 minority freshman retention rate is also substantially higher than the national 80% average (CSRDE)



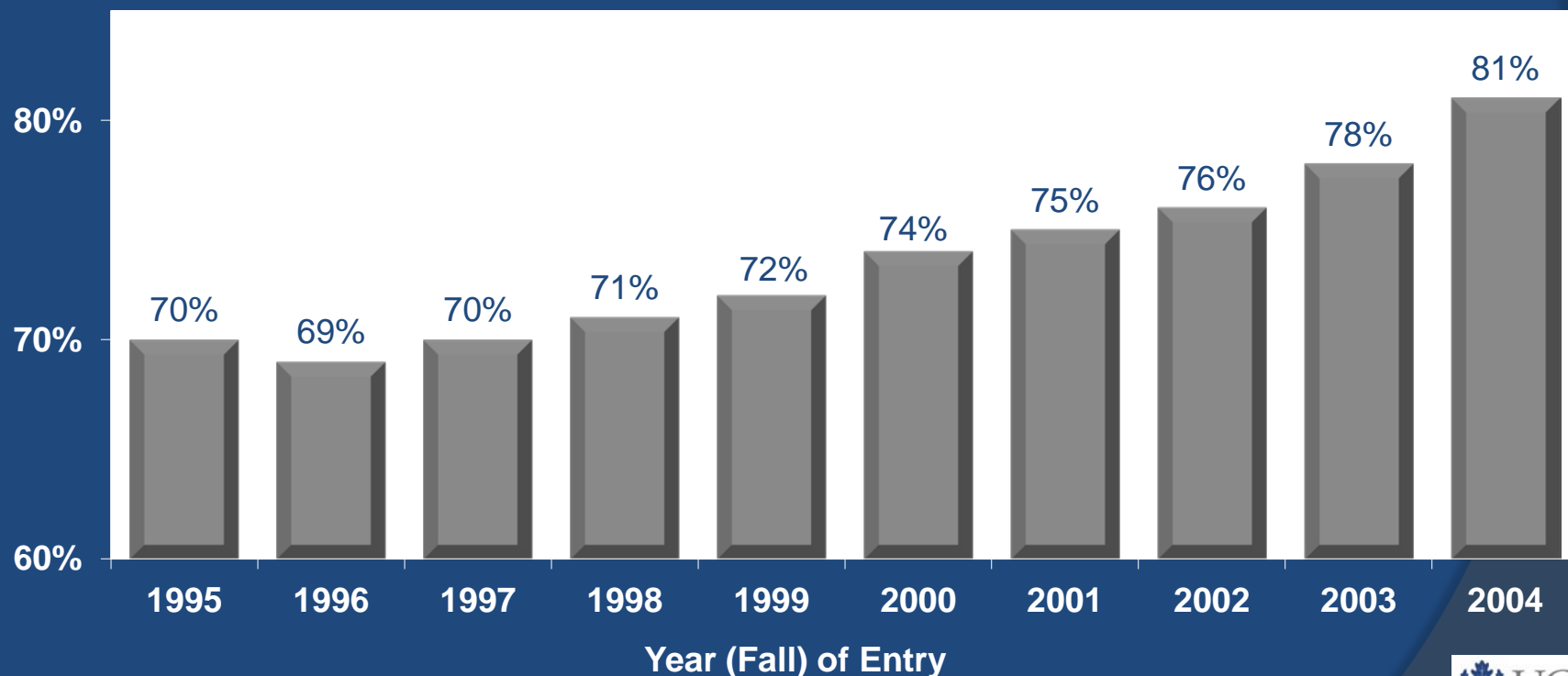
4-Year Graduation Trend

- UConn's ranking among the 58 Public Research Peer Universities:
 - Fall 2004 4-year graduation rate of 66% ranks 7th
 - Fall 2004 average time to graduate of 4.2 years ranks 3rd



6-Year Graduation Trend

- UConn's ranking among the 58 Public Research Peer Universities:
 - Fall 2004 6-year graduation rate of 81% ranks 15th
 - Fall 2004 6-year minority graduation rate of 72% ranks 22nd



Degrees Awarded

All
Campuses

- Undergraduate degrees have increased 62% since 1995

