

Board of Trustees Financial Affairs



UConn and UConn Health Budget Update

September 16, 2025

FY25 Year-End (Unaudited)

UConn Storrs & Regional Campuses	FY25 Actuals	FY25 Budget Revised Aug 2024	Variance	Variance %
State Appropriations	\$321.0	\$318.1	\$2.9	0.9%
Tuition	583.1	573.3	9.8	1.7%
Course/Mandatory Fees	177.6	171.6	6.0	3.5%
Grants & Contracts - Financial Aid	89.0	85.6	3.3	3.9%
Grants & Contracts - Other	271.4	233.7	37.7	16.1%
Auxiliary Revenue	269.7	247.7	22.0	8.9%
Other Revenues	123.9	102.7	21.2	20.6%
Total Revenues	\$1,835.6	\$1,732.7	\$102.8	5.9%
Salary/Benefits	\$932.9	\$911.8	\$21.1	2.3%
Financial Aid - Tuition Funded	196.3	198.5	(2.3)	-1.1%
Financial Aid - Other	127.5	116.9	10.6	9.0%
Capital Projects/Lease/Debt Payments	166.8	106.5	60.2	56.5%
Other Expenses	388.4	398.3	(9.9)	-2.5%
Total Expense	\$1,811.8	\$1,732.0	\$79.8	4.6%
Adj beg balance - GASB 101 Comp Abs.	(19.4)	0.0	(19.4)	
Net Income/(Loss)	\$4.4	\$0.7	\$3.6	

*FY25 Budget was revised August 2024 based on actual FY24 year end results as well as additional tuition due to housing availability in Stamford.

UConn Storrs & Regionals

- UConn ended with a small net gain overall (\$4.4M) related to restricted funds. We realized a decrease in the unrestricted activity fund balance.
- During FY25, the University recognized favorable tuition/fee revenues, grant revenues and energy savings.
- Significant increases in Foundation reimbursement helped cover existing costs.
- These gains offset additional spending in salaries/benefits, financial aid, and future project activity.

Note: Use of decimals may result in rounding differences.



FY26 Draft Updated Budget

UConn Storrs & Regional Campuses	FY26 Updated Forecast	FY26 BOT Budget	Variance	Variance %
State Appropriations	\$269.2	\$269.2	\$0.0	0.0%
Tuition	616.3	615.6	0.7	0.1%
Course/Mandatory Fees	180.3	175.7	4.6	2.6%
Grants & Contracts - Financial Aid	89.9	87.7	2.1	2.4%
Grants & Contracts - Other	250.0	225.9	24.1	10.7%
Auxiliary Revenue	291.5	291.5	0.0	0.0%
Other Revenues	128.9	112.7	16.2	14.3%
Total Revenues	\$1,826.0	\$1,778.2	\$47.7	2.7%
Salary/Benefits	\$947.5	\$947.5	\$0.0	0.0%
Financial Aid - Tuition Funded	219.6	219.4	0.2	0.1%
Financial Aid - Other	131.4	120.5	10.9	9.0%
Capital Projects/Lease/Debt Payments	88.6	88.6	0.0	0.0%
Other Expenses	451.5	440.1	11.4	2.6%
Total Expense	\$1,838.6	\$1,816.1	\$22.4	1.2%
Net Income/(Loss)	(\$12.6)	(\$37.9)	\$25.3	

UConn Storrs & Regionals

- Deficit improved (+\$25.3M) based on overachieving on FY25 revenues as well as incorporating updated information.
- Through rescissions and financial improvement plans, we do expect to ultimately end in balance in FY26.
- Continuing to work with units to identify permanently balanced budgets.
- Deficits are still forecasted in the out years.

Note: Use of decimals may result in rounding differences.



FY25 Year-End (Unaudited)

UConn Health	FY25 Actuals (Unaudited)	FY25 Budget	Variance	Variance %
State Appropriation	\$193.8	\$198.7	-\$4.9	-2.5%
Tuition and Fees	35.7	34.2	1.5	4.2%
Grants & Contracts	119.3	119.2	0.1	0.1%
Interns/Residents	90.1	92.2	-2.1	-2.3%
Net Patient Revenue	1094.0	1013.1	80.9	8.0%
Other Revenue ⁽¹⁾	268.7	242.6	26.1	10.8%
Total Revenues	\$1,801.6	\$1,700.0	\$101.6	6.0%
Salary/Benefits	\$822.4	\$809.0	\$13.4	1.7%
Drugs/Medical Supplies	357.7	331.7	26.0	7.8%
Resident and Fellow house staff	74.9	76.4	-1.5	-2.0%
Other Expenses ⁽²⁾	488.8	452.8	35.9	7.9%
Capital Projects/Lease and Debt Payment	42.6	31.7	11.0	34.6%
Total Expense	\$1,786.4	\$1,701.6	\$84.8	5.0%
Net Income/(Loss)	\$15.2	-\$1.6	\$16.8	

(1) Other Revenue includes auxiliary services, gifts/endowments, external contract revenue, investment income and internal income (offset by internal expense)

(2) Other expenses includes utilities, insurance, medical contractual support, outside and other purchased services, repairs/maintenance and internal expenses (offset by internal income)

UConn Health

- UConn Health had an operating gain of \$15.2 million for the fiscal year ended June 30, 2025, compared to a budgeted loss of \$1.6 million.
- UConn Health operations were \$16.8 million favorable to budget.
- During FY25, UConn Health recognized favorable Patient Care revenues in JDH, UMG and the pharmacy programs.
- UConn Health's favorable margin will be put toward its projected fiscal year 2026 budget deficit.

Note: Use of decimals may result in rounding differences.

UConn

FY26 Draft Updated Budget

UConn Health	FY26 Updated Budget	FY26 BOT Budget	Variance	% Variance
State Support	\$ 144.3	\$ 144.3	\$ 0.0	0.0%
Tuition and Fees	36.1	36.1	0.0	0.0%
Grants & Contracts	107.1	107.1	0.0	0.0%
Interns/Residents	99.5	99.5	0.0	0.0%
Net Patient Revenue	1176.1	1169.3	6.8	0.6%
Other Revenue	253.1	253.1	0.0	0.0%
Total Revenues	\$ 1,816.3	\$ 1,809.5	\$ 6.8	0.4%
Salaries & Wages	\$ 673.3	\$ 678.3	\$ (5.0)	(0.7%)
Fringe Benefits	186.1	187.8	(1.7)	(0.9%)
Temporary/Contractual Support	213.9	213.9	0.0	0.0%
Drugs/Medical Supplies	378.7	378.7	0.0	0.0%
Resident and Fellow house staff	83.3	83.3	0.0	0.0%
Utilities	18.6	18.6	0.0	0.0%
Interest Expense on Debt Service	8.0	8.0	0.0	0.0%
Purchased Services	186.5	186.9	(0.4)	(0.2%)
Other Expenses	80.6	82.0	(1.4)	(1.7%)
Capital Projects/Debt Payments	23.8	33.8	(10.0)	(29.6%)
Total Expenses	\$ 1,852.8	\$ 1,871.3	\$ (18.5)	(1.0%)
Budget Stabilization Fund	\$ 15.1	\$ 15.1	\$.0	
Net Income/(Loss)	(\$ 21.4)	(\$ 46.7)	\$ 25.3	

Note: Use of decimals may result in rounding differences.

UConn Health

- FY26 Deficit improved by ~\$24.7 million due to Budget Mitigation Initiatives relating to Workforce, Contracts, Clinical Improvements & One-time Savings
- “Project Thrive” targeting \$46.7 million in savings or additional revenue from our FY26 budget (and to identify and implement further mitigation for FY27)
- Deficits are still forecasted in the out years.

UConn 2000 Overview

**\$574M remains
FY26-FY31**

UConn 2000 was enacted to attract and retain CT’s high-achieving students through a dramatic transformation and modernization of the University physical plant.

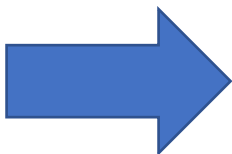
**36-year
program split
into 3 phases**

**7 Campuses
4,148 acres
~16M sqft**

Avery Point
Farmington
Stamford
Waterbury

Hartford
Law School
Storrs

**\$5.5B of State bonds
averaging \$153M/year
since 1995**



**Over \$5.3B in capital expenditures since
FY96 from all fund sources.**

Capital Expenditures (\$M)	
\$4,008.5	State-supported UConn 2000 GO Bonds
269.6	Other State-supported bonds (i.e. Tech Park, Waterbury)
441.7	UConn-supported Special Obligation bonds
545.6	Non-State funds (i.e. UConn operating funds, gifts)
\$5,265.4M Total Expenditures (as of 6/30/25)	

Long-Term Capital Plan (thru FY31): Managing Limited Financial Resources

- Funding Sources are constrained
 - Capital funds come from the State and UConn
- Deferred Maintenance Needs
 - Currently facing a \$1.55 billion backlog in Deferred Maintenance (DM) needs for Storrs & Regional Campuses.
 - \$587 million in needs for UConn Health
- Prioritization Process
 - Leverage data from Building Condition Assessment and work order systems to set priorities
 - Decisions prioritize maximizing impact within limited capital resources, in alignment with the University Master Plan
- Governance & Oversight
 - Established controls and approval processes to guide funding decisions
 - Ensures transparency, consistency, and strategic alignment

BUDGET

Excluding UCH Operating

\$122M UConn 2000 GO Bonds
18M University Funds
20M SFR Bonds
0M Other Funding Sources
\$160M Total FY25 Budget



PROJECTS FUNDED

Excluding UCH Operating

\$171M UConn 2000 GO Bonds
-24M University Funds*
71M SFR Bonds*
42M Other Funding Sources
\$260M FY25 Total Funded

UConn EXPENSES

\$103M UConn 2000 GO Bonds
-48M University Funds*
71M SFR Bonds*
12M Other Funding Sources
\$138M Total FY25 Expenses



UCH EXPENSES

Projects Over \$500K

\$5M UConn 2000 GO Bonds
17M University Funds
3M Other Funding Sources
\$25M Total FY25 Expenses

ACTIVE PROJECTS

Including UCH Projects Over \$500K

Most capital projects span multiple fiscal years. As of 6/30/25, there were 255 active projects with funded budgets totaling \$1.7B and expenditures of \$1.2B.



CLOSED PROJECTS

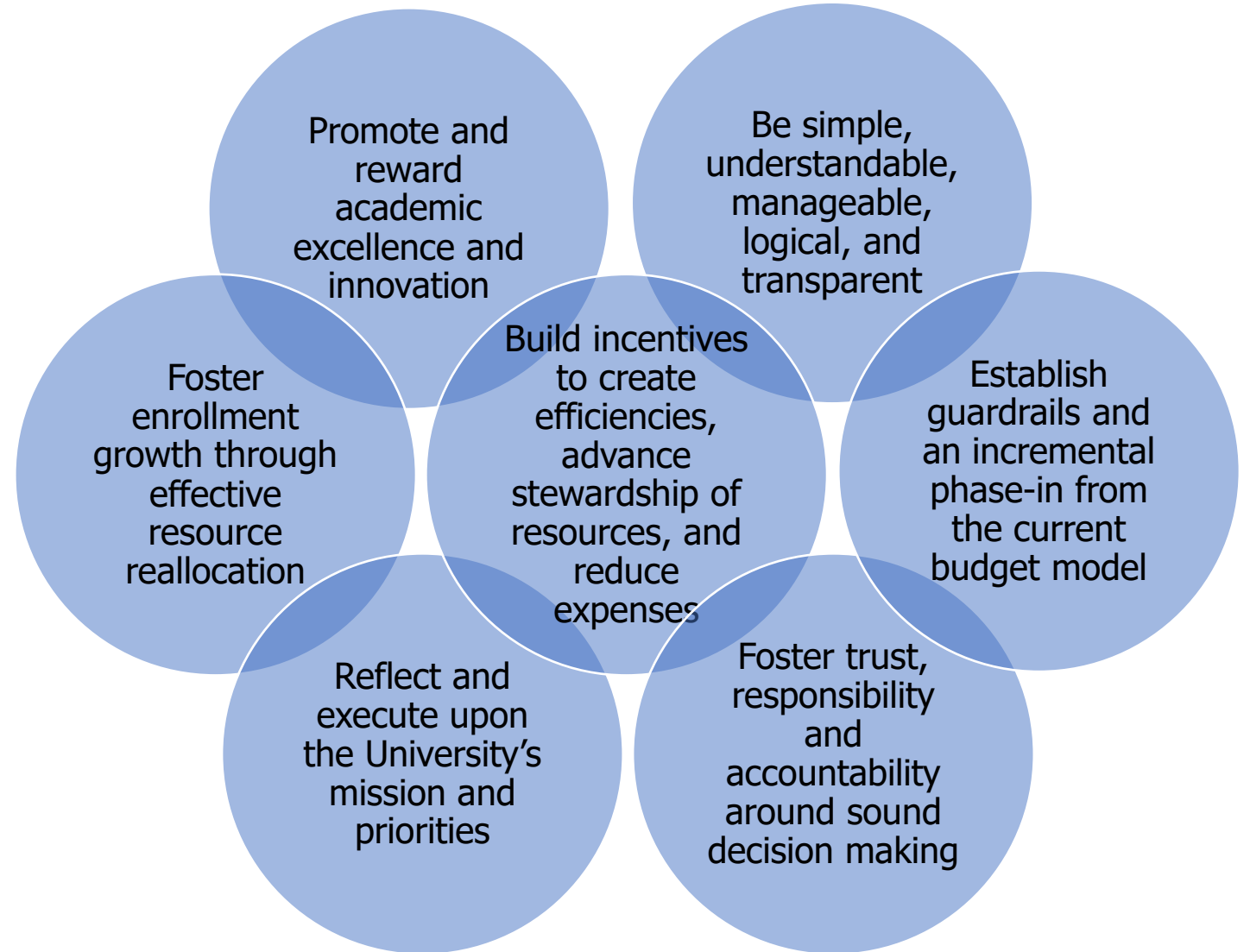
Excluding UCH

147 projects with budgets totaling \$142M were financially closed in FY25. At closeout, \$4.5M (3%) was reallocated to other operating & capital initiatives.

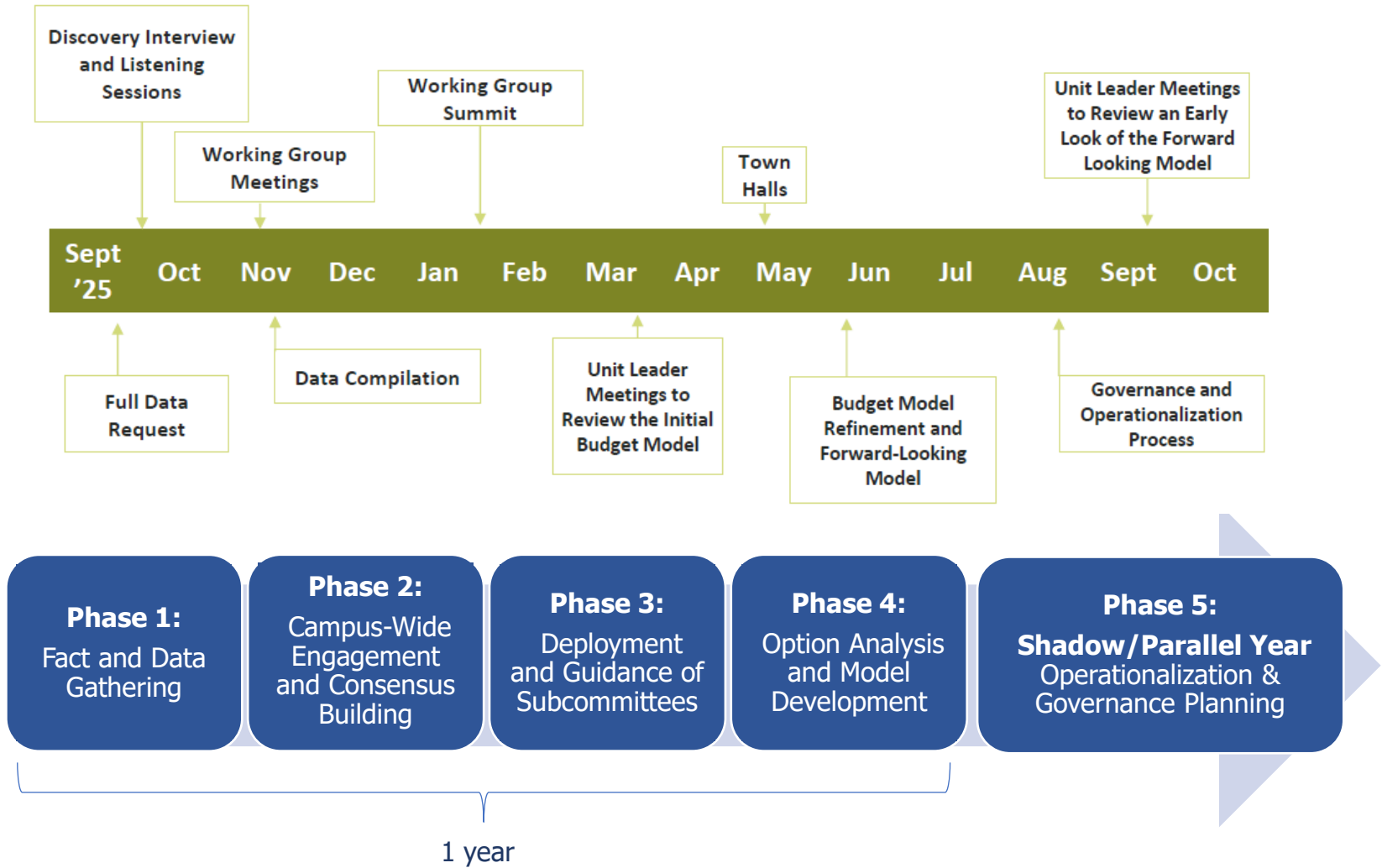
*Funds transfers required for University and SFR bonds due to timing of bond issuance.

Budget Transformation Initiative (BTI) - Overview

- The project goal is to **increase transparency, build incentives** to work towards institutional goals, and create a model that uses fair metrics to **guide decision making** and use of resources.
- The BTI will not solve the budget deficit, it will simply improve the allocation method for current operating funds.
- More information may be found under the Operating Budget page at budget.uconn.edu



Budget Transformation Initiative (BTI) – Preliminary Timeline



Kennedy & Company’s five-phase process reflects multiple concurrent steps to progress as quickly as possible to gain momentum and institution-wide buy-in throughout the process.

Consulting contract value not to exceed **\$750,000** plus **10%** expense reimbursement (e.g. travel)

Organizational Needs Assessment - Segal

➤ Overview

- The assessment, being led by Segal Consulting, is focused on reviewing business and administrative support functions and marketing/communications functions to understand how they are carried out and to identify opportunities for improvement.

➤ Goals

- Evaluate and gather insights to guide the university's planning and strategic decisions on organizational design and operational effectiveness in the assessed functional areas.
- Create more manageable workloads, improve service delivery to faculty, staff, and students, and foster more sustainable work environment.
- Enhance opportunities for staff to succeed and progress in their careers.

- More information can be found here hr.uconn.edu/bus-admin-sup



Consulting contract value not to exceed **\$186,000** plus \$25K expense reimbursement (e.g. travel)