
University of Connecticut (Storrs & Regional Campuses)

Quarterly Overview of the Operating and Research Funds for the Three Months Ended September 30, 2018

On June 28, 2018, the Board of Trustees approved a budget which included \$1,367.5 million of revenue to cover \$1,367.5 million in expenses.

The financial results for the first quarter are compared to the approved budget. During the first three months of Fiscal Year 2019, actual revenue totaled \$484.7 million and actual expenditures totaled \$299.8 million resulting in a \$184.9 million net gain for the quarter. The large gains at this point in the year are due to the tuition and room and board fees collected at the beginning of the semester, yet expended throughout the remainder of the semester and fiscal year.

A more detailed review of the activity through the end of the first quarter is presented below.

Revenues

Operating Fund

Total **Operating Fund** revenue collections through the first quarter of Fiscal Year 2019 were \$455.8 million which represented 36.3% of the annual budget. Revenues at this point last year represented 36.9% of the annual budget. A major source of revenue, **State Support**, was \$49.0 million and represented 10.8% of the total operating fund received for the first three months.

Tuition collections were the largest source of revenue, totaling \$211.6 million, which represented 46.4% of total operating fund receipts. Tuition revenue collections reflected an \$850 rate increase coupled with a small increase in the number of undergraduate students. This category will end the year ahead of budget due to a higher number of out-of-state students than originally budgeted.

Fee revenue is comprised of course fees from summer school, part-time, and non-degree students as well as self-supporting programs (off-campus MBA, EMBA, etc.). Also included in this category is the General University Fee, which primarily supports four Auxiliary Enterprise programs. Various other fees such as the Infrastructure Maintenance Fee, Application Fees and Late Payment Fees are included here as well. The three months of fee collections totaled \$56.1 million or 41.3% of the amount budgeted.

Auxiliary Enterprise Revenue through the first quarter of Fiscal Year 2019 was \$93.8 million which represented 43.8% of the annual budgeted amount. The largest portion of Auxiliary Enterprise revenue consists of Room and Board Fees, which totaled \$74.0 million through the first three months.

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Grants and Contracts revenue consists of non-research restricted revenues from a granting agency (e.g. Pell Grants). For the first three months of Fiscal Year 2019, Grants and Contracts revenue was \$35.6 million or 43.7% of the amount budgeted.

Foundation/Endowment revenue consists of gift funds transferred from the UConn Foundation and investment income on endowments. Through the first quarter of Fiscal Year 2019, the total received was \$0.9 million or 4.1% of the amount budgeted. The low total is not reflective of year end results as the timing of the deposits varies and usually occurs in the second half of the year. This category is expected to end the year on budget.

Sales and Services of Educational Activities and Other Sources revenue totaled \$8.8 million or 24.5% of budget for the first quarter. This category includes revenues from the sales of goods or services that are incidental to the conduct of instruction, research, or public service.

Research Fund

With respect to the **Research Fund**, the granting agency or donor restricts most of the revenues. For the first three months, Research Fund revenues were \$28.9 million and represented 25.6% of the amount budgeted.

Expenditures

Operating Fund

Total **Operating Fund** expenditures for the first quarter of Fiscal Year 2019 were \$274.0 million or 21.8% of the annual budgeted amount. Operating expenditures at this point last year were 22.2% of the annual budget.

Personal Services/Fringe Benefit expenditures totaled \$123.4 million and represented 15.8% of the budgeted amount of \$781.0 million. These categories represent 45.0% of the total Operating Fund expenditures. The University continues to closely watch spending in these categories considering the current fiscal environment.

Other Expenses (including energy costs) were \$55.3 million for the first three months. This represents 23.4% of the amount budgeted. The biggest components of this category are utilities, food service, lab supplies, and janitorial costs.

Equipment expenditures of \$5.9 million were 28.4% of the amount budgeted.

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Student Aid expenditures were \$88.7 million and represented 48.2% of the amount budgeted. Despite overall State cuts, UConn is committed to providing financial aid to students based on both need and merit.

Net Debt/Other Transfers for the first three months were \$0.7 million or 2.1% of the amount budgeted.

Research Fund

Finally, **Research Fund** expenditures totaled \$25.9 million and represented 23.1% of the budgeted amount. Due to the variability of research expenditures, quarterly comparisons are not necessarily indicative of annual results.

Summary

Enrollment

Total undergraduate enrollment at UConn is 23,978 while another 7,668 were enrolled in graduate or professional programs (excluding UConn Health). Total University enrollment for fall 2018 (excluding UConn Health) was up .2% from fall 2017.

Overview

So far through the first quarter, both revenues and expenditures are coming in as expected. As previously stated, the large net gains through the first three months are not representative of expected year end results. Tuition, room and board fees are collected at the beginning of the semester, and are then expended throughout the remainder of the semester and fiscal year. The University expects to end Fiscal Year 2019 on budget.

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Statement of Operating Budget Revenues and Expenses
For the Month Ending
9/30/2018

	Budget			Actual			% of Total
	Operating	Research	Total	Operating	Research	Total	
Revenues							
State Appropriation	\$190,631,592	-	\$ 190,631,592	\$51,170,819	-	\$ 51,170,819	
State Fringe Benefits	156,218,291	-	156,218,291	(2,151,280)	-	(2,151,280)	
Total State Support	\$346,849,883	-	346,849,883	49,019,539	-	49,019,539	10.1%
Tuition	418,493,144	-	418,493,144	211,604,239	-	211,604,239	43.7%
Fees	135,691,718	-	135,691,718	56,069,948	108	56,070,056	11.6%
Grants & Contracts	81,486,000	112,115,385	193,601,385	35,605,218	28,753,231	64,358,449	13.3%
Foundation	21,700,000	-	21,700,000	886,626	-	886,626	0.2%
Sales and Services of Ed Activities	21,500,000	-	21,500,000	5,047,192	73,095	5,120,287	1.1%
Auxiliary Enterprise	214,252,703	-	214,252,703	93,768,626	-	93,768,626	19.3%
All Other Sources	14,428,662	1,058,386	15,487,048	3,751,647	120,345	3,871,992	0.8%
Total Revenues	\$1,254,402,110	\$ 113,173,771	\$ 1,367,575,881	\$ 455,753,035	\$ 28,946,779	\$ 484,699,814	100.0%
Expenses							
Personal Services	\$ 503,869,527	\$ 54,148,830	\$ 558,018,357	\$ 79,671,766	\$ 14,063,542	\$ 93,735,308	31.3%
Fringe Benefits	277,128,240	16,190,350	293,318,590	43,774,496	4,128,809	47,903,305	16.0%
Other Expenses	236,253,769	32,968,600	269,222,369	55,295,130	5,264,467	60,559,597	20.2%
Equipment	20,611,972	3,595,338	24,207,310	5,859,070	1,174,600	7,033,670	2.3%
Student Aid	183,916,970	5,209,889	189,126,859	88,653,241	1,542,341	90,195,582	30.1%
Debt/Other Transfers	33,651,381	-	33,651,381	705,209	(291,904)	413,305	0.1%
Total Expenses	\$ 1,255,431,859	\$ 112,113,007	\$ 1,367,544,866	\$ 273,958,912	\$ 25,881,855	\$ 299,840,767	100.0%
Net Gain (Loss)	\$ (1,029,749)	\$ 1,060,764	\$ 31,015	\$ 181,794,123	\$ 3,064,924	\$ 184,859,047	