
University of Connecticut (Storrs & Regional Campuses)

Quarterly Overview of the Operating and Research Funds for the Nine Months Ended March 31, 2019

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 third quarter are compared to the approved budget. During the first nine months of Fiscal Year 2019, actual revenue totaled \$1,208.2 million and actual expenditures totaled \$1,081.6 million resulting in a \$126.5 million net gain for the quarter. The gains at this point in the year are due to the tuition and room and board fees collected over the Spring semester, yet expended throughout the remainder of the fiscal year.

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

Revenues

Operating Fund

Total **Operating Fund** revenue collections through the third quarter of Fiscal Year 2019 were \$1,117.1 million which represented 88.8% of the annual budget. Revenues at this point last year represented 89% of the annual budget. A major source of revenue, **State Support**, was \$256.2 million and represented 73.8% of the total operating fund received for the first nine months.

Tuition collections were the largest source of revenue, totaling \$426.6 million, which represented 38% of total operating fund receipts. Tuition revenue collections reflected an \$850 rate increase for residents and a \$1,150 rate increase for non-residents coupled with a small increase in undergraduate enrollment.

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 nine months of fee collections totaled \$119.3 million or 87.9% of the amount budgeted.

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Auxiliary Enterprise Revenue through the third quarter of Fiscal Year 2019 was \$200.4 million which represented 93.5% of the annual budgeted amount. The largest portion of Auxiliary Enterprise revenue consists of Room and Board Fees.

Grants and Contracts revenue consists of non-research restricted revenues from a granting agency (e.g. Pell Grants). For the first nine months of Fiscal Year 2019, Grants and Contracts revenue was \$74.7 million or 91.7% of the amount budgeted.

Foundation/Endowment revenue consists of gift funds transferred from the UConn Foundation and investment income on endowments. Through the third quarter of Fiscal Year 2019, the total received was \$14.5 million or 67% of the amount budgeted. This category is expected to end the year slightly over budget.

Sales and Services of Educational Activities and Other Sources revenue totaled \$25.7 million or 69.6% of budget for the third 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 nine months, Research Fund revenues were \$91.1 million and represented 80.5% of the amount budgeted.

Expenditures

Operating Fund

Total **Operating Fund** expenditures for the third quarter of Fiscal Year 2019 were \$999.4 million or 79.0% of the annual budgeted amount. Operating expenditures at this point last year were also at 79.0% of the annual budget.

Personal Services/Fringe Benefit expenditures totaled \$582.4 million and represented 74.6% of the budgeted amount of \$781.0 million. These categories represent 58.3% of the total Operating Fund expenditures. The University continues to closely watch spending in these categories considering the current fiscal environment. This category should end the year very close to budget.

Other Expenses (including energy costs) were \$185.2 million for the first nine months. This represents 78.3% of the amount budgeted. The biggest components of this category are utilities, food service, lab supplies, and janitorial costs.

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Equipment expenditures of \$16.6 million were 80.7% of the amount budgeted.

Student Aid expenditures were \$181.7 million and represented 98.8% 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 nine months were \$33.4 million or 99.3% of the amount budgeted.

Research Fund

Finally, **Research Fund** expenditures totaled \$82.2 million and represented 73.4% 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. In-state students accounted for 73% of total enrollment

Overview

So far through the third quarter, total revenues and expenditures are both coming in slightly higher than expected. As previously stated, the large net gains through the first nine 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 close to budget for operating activity. UConn continues to monitor spending, prudently manage its operations and make strategic hiring decisions. As always, maintaining quality and high standards, while encouraging efficiency and cost reduction, continues to be the financial goal of the University.

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Statement of Operating Budget Revenues and Expenses
FY2019 (as of 3/31/2019)

	Research Fund (1171000)	Operating Fund	GRAND TOTAL		Research Fund (1171000)	Operating Fund	GRAND TOTAL
Revenue				Revenue			
State Appropriations	-	346,849,883	346,849,883	State Appropriations	88,834	256,156,192	256,245,026
Tuition	-	418,493,144	418,493,144	Tuition	-	426,625,509	426,625,509
Fee Revenue	-	135,691,718	135,691,718	Fee Revenue	774	119,334,211	119,334,985
Grants & Contracts (Inc. Fin Aid)	112,115,385	81,486,000	193,601,385	Grants & Contracts (Inc. Fin Aid)	90,662,670	74,727,051	165,389,721
Foundation, Investments & Gifts	-	21,700,000	21,700,000	Foundation, Investments & Gifts	-	14,531,537	14,531,537
Sales & Services Of Auxiliary Enterprise	-	214,252,703	214,252,703	Sales & Services Of Auxiliary Enterprise	-	200,379,441	200,379,441
Sales & Services Of Educational Activiti	-	21,500,000	21,500,000	Sales & Services Of Educational Activiti	88,601	15,249,405	15,338,005
Other Revenues	1,058,386	14,428,662	15,487,048	Other Revenues	221,185	10,116,560	10,337,745
Total Revenues	113,173,771	1,254,402,110	1,367,575,881	Total Revenues	91,062,064	1,117,119,905	1,208,181,969
Expense				Expense			
Personal Services	54,148,830	503,869,527	558,018,357	Personal Services	38,485,251	377,115,802	415,601,053
Fringe Benefit	16,190,350	277,128,240	293,318,590	Fringe Benefits	13,123,820	205,284,829	218,408,650
Salary/Benefits	70,339,180	780,997,767	851,336,947	Salary/Benefits	51,609,071	582,400,632	634,009,703
Energy/Utilities	-	21,900,000	21,900,000	Energy/Utilities	149	16,861,838	16,861,986
Other Expense	32,968,600	214,353,769	247,322,369	Other Expense	23,613,182	168,381,116	191,994,298
Equipment	3,595,338	20,611,972	24,207,310	Equipment	4,230,851	16,643,988	20,874,839
Financial Aid	5,209,889	183,916,970	189,126,859	Financial Aid	3,380,075	181,674,240	185,054,315
Total Non-Transfer Other Expense	41,773,827	440,782,711	482,556,538	Total Non-Transfer Other Expense	31,224,257	383,561,181	414,785,438
Total Non-Transfer Expense	112,113,007	1,221,780,478	1,333,893,485	Total Non-Transfer Expense	82,833,328	965,961,812	1,048,795,141
Income from Transfers		-	-	Income from Transfers	22,899,074	939,004,809	961,903,883
Expense from Transfers		-	-	Expense from Transfers	22,309,114	972,430,779	994,739,893
Transfers/Debt Service	-	33,651,381	33,651,381	Transfers/Debt Service	(589,960)	33,425,970	32,836,009
Total Expense	112,113,007	1,255,431,859	1,367,544,866	Total Expense	82,243,368	999,387,782	1,081,631,150
Net Income/(Loss)	1,060,764	(1,029,749)	31,015	Net Income/(Loss)	8,818,696	117,732,123	126,550,819