

# University Budget Update



November 7, 2022

**UConn**

# UConn: FY23 Budget

- The University is projecting a balanced budget in FY23

FY23 Budget <sup>(1)</sup>						Highlights
	FY22 Actuals	FY23 Budget	Change	Percent Change		
State Appropriations	\$ 459.8	\$ 445.9	\$ (13.9)	-3.0%		<p>The FY23 budget includes continued cost savings initiatives as well as the following changes from FY22:</p> <p>1) State Appropriations – Received additional one-time support for FY 23 CBI for block grant employees, but non-block grant CBI support (\$33.2M) was provided from federal funds classified in the Grants &amp; Contracts line instead of State Appropriation</p> <p>2) Tuition – Reflects increases in rate and first-year enrollment as well as East China Normal University students returning to Storrs campus (offset in other income)</p> <p>3) Course/Mandatory Fees – FY23 includes some professional program rate increases and increases in GUF, SHaW, IMF, Tech, and Transit fees</p> <p>4) Grants &amp; Contracts – FY22 included one-time federal funds removed in FY 23</p> <p>5) Auxiliary Revenue – Reflects increases in on-campus housing and rate increases in room and board in FY23</p> <p>6) Other Revenue – FY22 includes revenues from international students studying at East China Normal University, moved to tuition based in FY23</p> <p>7) Salaries/Benefits – FY23 includes a 4.5% SEBAC CBI plus lump sum payments, increased fringe rate, and faculty hiring</p> <p>8) Financial Aid – FY22 included one-time federal COVID funds removed in FY 23</p> <p>9) Other Expenses – Modest increases are expected in general operating activity with less funding transferred to capital/projects</p>
Tuition	468.3	505.2	36.9	7.9%		
Course/Mandatory Fees	153.0	160.1	7.1	4.6%		
Grants & Contracts <sup>(2)</sup>	331.2	322.3	(9.0)	-2.7%		
Auxiliary Revenue	187.9	201.9	14.0	7.4%		
Other Revenues <sup>(3)</sup>	83.1	73.4	(9.7)	-11.7%		
<b>Total Revenues</b>	<b>\$ 1,683.3</b>	<b>\$ 1,708.7</b>	<b>\$ 25.4</b>	<b>1.5%</b>		
Salary/Benefits	\$ 1,027.3	\$ 1,072.5	\$ 45.3	4.4%		
Financial Aid	269.1	252.0	(17.1)	-6.4%		
Other Expenses <sup>(4)</sup>	387.0	384.2	(2.8)	-0.7%		
<b>Total Expense</b>	<b>\$ 1,683.3</b>	<b>\$ 1,708.7</b>	<b>\$ 25.4</b>	<b>1.5%</b>		
<b>Net Income/(Loss)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>			

(1) Includes Operating and Research funds  
(2) Includes financial aid  
(3) Includes Foundation, investments, gifts and self-supporting revenue  
(4) Includes equipment, utilities and transfers/debt service and other operating expenses

# FY23 Financial Improvement Plan

- Through the first quarter of FY23, the University has realized \$4.0M in savings and is on track to reach the full \$14.5M target.

Financial Improvement Plan Initiatives	Annual Target	Implemented YTD	% Implemented	Comment
Use of Research Fund Balance	\$ 6.0	\$ 3.0	50%	Fringe buydown
Foundation MOU	2.2	2.2	100%	Restructured Agreement
Hybrid Savings	3.0			Hybrid staffing expected to reduce operating costs
Salary and Fringe	3.3	1.9	57%	Slower hiring and updates based on actual prior year activity
Tuition		(7.9)		Increased GA waivers and residency mix of transfer students
Auxiliary Revenue		8.0		Housing occupancy at 98% vs 94%
Grants and Contracts		1.5		Additional Federal and State financial aid funds (offset in financial aid)
Financial Aid		(4.0)		Increased State and Federal (offset in income) and departmental funds
Energy and Equipment		(0.7)		Reflects updated projection based on prior year activity
<b>Target/YTD Total</b>	<b>\$ 14.5</b>	<b>\$ 4.0</b>	<b>27%</b>	
<b>Net Result</b>	<b>\$ -</b>	<b>\$ (10.5)</b>		

# Biennial Operating Request

- The biennial request includes ongoing support for the block grant and permanent funds for approved collective bargaining increases and legacy costs in FY24 and beyond.

UConn Storrs & Regionals			
	Block Grant	Expansion Options	Total
<b>FY 2023 State Support</b>			
Operating Expenses, IMRP	\$208.2		
CBI Block Grant	\$21.7		
CBI non-Block Grant (salary & fringe)		\$33.2	
27th payroll (one-time)		\$15.5	
Other (CIRCA, Vets, Green Snow Pro)		\$3.1	
COVID support (one-time)		\$6.0	
Legacy Costs (pension and health care)		\$6.1	
<b>FY 2023 Total State Support</b>	<b>\$229.9</b>	<b>\$63.9</b>	<b>\$293.8</b>
Less one-time (Lump sums, 27th payroll, COVID)	(\$2.3)	(\$21.5)	
CBI Block Grant	\$10.6		
CBI non-Block Grant (salary & fringe)		\$17.4	
Legacy Costs (pension and health care)		\$40.0	
<b>FY 2024 Total Requested State Support</b>	<b>\$238.1</b>	<b>\$99.9</b>	<b>\$338.0</b>
CBI Block Grant (annualization)	\$1.5		
Legacy Costs (pension and health care)		\$2.3	
<b>FY 2025 Total Requested State Support</b>	<b>\$239.6</b>	<b>\$102.2</b>	<b>\$341.8</b>