University Senate Budget Committee
Annual Report
Academic Year 2022-2023

Purpose:
This committee shall review the planning, negotiation, and allocation of the University operating, capital, and other budgets, the process of making budgetary and financial decisions and the determination of priorities among academic and other programs having financial implications. This committee may recommend any desirable expressions of Senate opinion on these matters. The committee shall include two undergraduate students and one graduate student. (https://policy.uconn.edu/wp-content/uploads/sites/243/2019/11/bylaws.20191104.Final_.pdf)

Members:
†*Lisa Park Boush, Chair, CLAS (College of Liberal Arts and Sciences), Earth Sciences, †*Robert Bird, Co-Chair, Business, Marketing, *Mary Ann Amalaradjou, CAHNR, Animal Science, *Eleni Coundouriotis, CLAS, English, *Elena Dormidontova, CLAS, Physics, *Steve Marchillo, SSW (School of Social Work), Director of Finance, *Michael Morrell, CLAS, Political Science, *Michael White, Dining Services, Reka Wrynn, Interim Assoc. VP Budget, Planning and Institutional Research, Jeffrey McCutcheon, Engineering, Chemical & Biomolecular Engineering, Lauren Slingluff, University Libraries (resigned 1/23), Anne Langley, Dean, University Libraries (1/23), Michael Vertefeuille, SFA, Digital Media and Design

*=Senate member
†=Board of Trustees Financial Affairs Committee Member

Agenda:
We started the year with several priorities, but much of the year was consumed with addressing the fiscal impact of the Common Curriculum proposal, the State's block grant and its budget implications, and the development of a budget FAQ (Frequently Asked Questions) pursuant to a request from the Senate Executive Committee. Two reports to the Senate were generated on these topics and they are included as addendums. Other topics that we addressed included: library, enrollment, and dining services.

Common Curriculum:
The University Senate Budget Committee (USBC) conducted, and in consultation with GEOC and C&C chairpersons as well as the SEC chair, a cost estimate on the costs of the implementation phase of the new General Education Requirements passed by the Senate on February 28, 2022. This cost estimate considered the costs of administrative support, faculty navigators, incentives for revision of existing courses and adoption of new courses, marketing, faculty training, incentives for interdisciplinary relationships, and an outcome assessment. The report was presented as a fiscal impact statement and is attached as an addendum. The report was presented to the Senate at a special meeting of the University Senate on November 14, 2022.

After significant analysis, the committee estimated that the impact of implementation of the new Common Curriculum will be $2,885,022 with annual costs anticipated to be similar to the current GEOC budget in the first year of implementation. Breakdown of specific costs can be found in the full report.

Overall Budget:
The University proposed a budget request to the state that would achieve a balanced budget for FY24. Approximately 26-28% of the university's funding comes from the state as a block grant. This request is in addition to the 4.3% tuition increase for the next year. In addition to the block grant, last year, the university received $80 million in COVID support which helped the university reduce some of its deficit that was brought on by the pandemic. Within the proposed budget, there is a projection of $316 million for the Storrs campus in research awards, and some captured savings from slower hiring than anticipated ($10 million); however, there were salary increases of $45 million, $33 million of which is tied to the COB increase, increase in financial aid and decrease in enrollment and an increase in overall inflation (3-5% instead of 2%) that went into the budget estimate. The Budget office has drawn up a fiscal improvement plan with targeted savings at approximately $14 M/year. There may be a $50-100 million gap in the budget for FY24. If that happens, they model at 4-6% recission in addition to the 2%. There might also be tuition and enrollment increase necessary.

Library:
Dean Anne Langley shared data and feedback about the program implemented last year that reduces subscriptions for journals as a planned strategy to reduce expenses through "on demand" services. They are in year 3 out of 5 to realize the budget cuts from earlier fiscal years (e.g., a permanent cut to the library budget in 2009 of $8 M) with the goal of maintaining services while responding to the budget limitations. They have been using Galaxy Scholar as their method for rapid acquisition of journal articles and as a substitution for expensive publisher contracts. They have ended their contracts with Cambridge University Press, Chicago University Press, Springer/Nature, and the Royal Society. Contracts with Elsevier and some other publishers will be phased out. They have conducted several analyses to monitor use and turnaround times. There was a survey done January 1-10, 2023, and the AGS/Express turnaround time is typically 10 seconds or less, but in some cases could take as much as 1 hour. They estimate the savings will be $4 M and 10% thereafter. If given increases in their budget, Dean Langley indicated that she would put the money into personnel.

Enrollment:
We had an update and discussion about undergraduate enrollments from Nathan Fuerst, Vice President for Enrollment Planning & Management, and Jeremy Campbell, Director of Financial Planning and Analysis. They reported that the undergraduate population was about 24,000 last year across the university. They anticipate bringing in approximately 4,100 first year students this fall. Applications increased by 5,000 from last year for a total of 48,000. Most of the growth in the student population was from outside the state. Some programs have grown (e.g., computer science, nursing) while others have been stable.

There have been several initiatives related to enrollment, such as global marketing to recruit students in countries such as India, Vietnam, and Latin American countries. There is also potential for domestic applicant growth with out of state applications. There has been a slow decline in transfer students due to changing demographics. Scholarships have also been important--full scholarships are given for valedictorians and salutatorians.

Dining Services:
Michael White gave us an update about Dining Services. Dining Services is under increasingly significant budgetary pressure. There is an increasing demand for services but limits in the budget to meet those services. It is difficult to hire people because they are seasonal employees. They need to focus on mission critical obligations, which has made keeping all of the different venues open difficult.

University Budget FAQs:
The committee, with the help of Reka Wrynn and the budget office, compiled a Budget FAQ to be shared with the University Senate. The FAQ provides a baseline of knowledge to University Senators about the budget and its processes. This document explains the budget development process, highlights budgetary impacts of key areas such as University Athletics and the University Foundation, and defines key terms used in budget development. This report is attached as an addendum.

Fiscal Impact Statement
University Senate Budget Committee
October 3, 2022

The University Senate Budget Committee (USBC) conducted, and in consultation with GEOC and C&C chairpersons as well as the SEC chair, a cost estimate on the costs of the implementation phase of the new General Education Requirements passed by the Senate on February 28, 2022.

The FY 2021 GEOC budget totaled $133,778. The impact of implementation of the new Common Curriculum is estimated to be $2,885,022 with annual costs anticipated to be similar to the current GEOC budget in the first year of implementation. Thus, this impact statement focuses on *new annual* costs of the new Common Curriculum requirements and not the total current cost of implementing a general education plan. Furthermore, the USBC drafts this impact statement and the resulting cost estimate based upon the best knowledge it has available. This is only an estimate, not a guarantee.

The USBC assessed the following issues regarding fiscal impact of the new General Education Requirements. The numbers provided are minimums; we aimed to be as accurate as possible while identifying areas where estimates are used.

1. **Administrative support**

The current general education curriculum is allocated a .5 FTE for program implementation. The new plan requires minimally an additional .5 FTE of administrative support to assist implementation of the current curriculum while the new Common Curriculum is being designed and then implemented in Fall 2025. The activities of this individual providing administrative support will be examined and designed in consultation and collaboration with the 1.5 FTE currently assigned to the Office of the Senate. A job description is not provided as the assignment of specific activities will be orchestrated by the SEC when they examine the totality of needs within the Senate Office.

Resource: .5 FTE UCPEA Administrative Support 3[1]

Cost:[2]
FY23: $71,154 midpoint range for FTC (.5=$35,577) plus 79% fringe=$127,366/2=$63,383
FY24: $74,356 (.5=$37,178) plus 80% fringe= $133,841/2=$66,921.
FY25: $76,587 (.5=$38,924) plus 81% fringe=$138,622/2=$69,311

Subtotal: minimally $111,679 plus 80% fringe=$201,022

2. **Faculty Navigators**

The implementation of a new general education curriculum is a complex undertaking. Responding to the that challenge, the new Common Curriculum will require Faculty Navigators who will assist

[1] The level of the administrative position would need to be determined according to the specific needs of the job as the Common Curriculum is implemented. We use level 3 only as a temporary placeholder for calculating budgetary costs and not an assumption that this is the final job classification that will be used.
[2] This calculation assumes a 1% increase in fringe benefits annually and a 3% salary increase for FY25.

in the process of revising existing courses and developing new courses. Faculty Navigators will also guide, inform, and facilitate curricular and courses committees of departments and schools or college, serve as liaisons and advocates with the Common Curriculum Committee Plus (CCC Plus), and collaborate in the development of faculty development activities. They will lead Topic of Inquiry (TOI) bootcamps, institutes and symposium as appropriate. They are not gatekeepers and will not constitute an additional stage of approval. The navigators will serve as opportunities for orchestration of the interdisciplinary nature of the proposed Common Curriculum.

Support for the Faculty Navigators will begin with 10-12 faculty who will be distributed across the TOIs and with attention to the needs of specific schools, colleges, and departments. The department for each navigator will receive $10,000 for the work of the navigator in a given academic year. The funds may be used for credit release, summer employment, student labor, or other appropriate item which provides the assigned faculty member time and space for the navigation activity equaling approximately nine hours per week. After the Faculty Navigators have started their work, the CCC Plus and SEC will review the effectiveness of this resources and whether more Faculty Navigators, perhaps as many as 18, are necessary to complete the transition to the Common Curriculum

Resource: Twelve Faculty Navigators plus additional Navigators in each of three academic years
Cost: $10,000/navigator/year
FY 23: $120,000
FY 24: $150,000
FY 25: $180,000

Subtotal: $450,000

3. **Incentives for examination of appropriateness of existing courses**

There are approximately 1000 courses currently approved for general education credits. It is estimated that many of these if not all the courses should be examined for fit with the learning objectives of the relevant TOI. Modest revisions will be made and the course submitted for approval under a specific TOI instead of a Content Area. Some TOIs may need more significant revisions than others. Each course is not necessarily offered each semester nor annually; therefore, the course reviews are distributed over the next three fiscal years. Departments would be invited to apply for funding ranging between $1,000 for a single course to $30,000 to support the revision of a suite of courses. The costs below represent an upper limit of what is expected to be necessary to support such revisions.

Resource: 1000 existing general education courses potentially needing revisions
Cost: $1,000 and $30,000 per application depending on department need
FY 23: $400,000
FY 24: $350,000
FY 25: $250,000

Subtotal: $1,000,000

4. Competitions for course development

Even though there are approximately 1,000 approved general education courses, there will be a need for new course development in each TOI and some areas may require substantial course

development. It is anticipated that approximately six new courses in each of the six TOI will be required each year, although these numbers may change. We acknowledge that some TOIs, such as TOI1 (creativity), may need more funding due to the nature of the Common Curriculum transition. Additionally, there may be a need for increased course development in areas of high student demand or in timely topics as society evolves, or there may be additional resources (i.e. software) needed for course implementation. The FY 2021 general education budget allocated $40,000 for competitions. The budget below reflects NEW dollars to be added.

Resource: 36 new course developments annually
Cost: $8000/course
FY 23: $8,000*36 = $288,000-$40,000 already budgeted = $248,000
FY 24: $8,000*36 = $288,000-$40,000 already budgeted = $248,000
FY 25: $8,000*36 = $288,000-$40,000 already budgeted = $248,000

Subtotal: $744,000

5. **Outcome assessment**
The current GEOC budget includes $10,000-20,000 for outcome assessment dependent on the project selected. We propose maintaining that funding level AND adding a faculty fellow to guide the specific assessment activity. This is consistent with the university's overall NECHE assessment activities.

Resource: 1 faculty fellow
Cost: $10,000/year
FY 23: $10,000
FY 24: $10,000
FY 25: $10,000

Subtotal: $30,000

6. **Marketing for new Common Curriculum**

Prospective students will need to have access to information about the UConn Common Curriculum. This minimally includes content development for web design, brochures, videos, and blogs. Faculty and staff need to be educated about the new Common Curriculum, their role, the guiding principles of interdisciplinary activity, and opportunities for engagement. Staff need to be informed in order to advise and assist in the creation of integrated systems for offering and tracking Common Curriculum credits and adherence.

Resource: Communication plan
Cost: $75,000 to start with decreasing costs as products are created and utilized
FY 23: $75,000
FY 24: $65,000
FY 25: $50,000

Subtotal: $190,000

7. **Faculty Training**

Bootcamps by TOI, symposium and institutes are some of the avenues available to educate faculty about the Common Curriculum. CETL can assist with conference development as well as creation of institutes, however the Bootcamps are new initiatives.

Resource: Bootcamp
Cost: $10,000/TOI/year
FY 23: $60,000
FY 24: $60,000
FY 25: $60,000
Subtotal: $180,000

8. **Activities to encourage inter-disciplinary relationships**

Based on the fact that the new general education curriculum has a robust inter-disciplinary approach, efforts will need to be undertaken to build relationships in order to encourage faculty to work outside disciplinary silos. Modification of existing classrooms to promote seminar discussions and incentives to consider teaching with others outside one's discipline are two examples of activity to promote interdisciplinary work.

Resource: incentives for co-teaching and classrooms for engaged student activity
Cost: $30,000/
FY 23: $30,000
FY 24: $30,000
FY 25: $30,000

Subtotal: $90,000

NEW funds needed to implement Common Curriculum

$2,885,022 is the current minimal estimate of NEW money needed to implement the 41 credit Common Curriculum approved by the University Senate in February 2022. These funds are in addition to the $133,778 current GEOC budget.

Respectfully submitted,

University Senate Budget Committee

*Lisa Park Boush, Chair, CLAS, Earth Sciences
*Mary Ann Amalaradjou, CAHNR, Animal Science
*Robert Bird, Business, Marketing
*Eleni Coundouriotis, CLAS, English
*Elena Dormidontova, CLAS, Physics
*Steve Marchillo, SSW, Director of Finance
*Michael Morrell, CLAS, Political Science
*Michael White, Dining Services
Lloyd Blanchard, Interim EXVP and CFO (Ex-Officio Member)

Jeffrey McCutcheon, Engineering, Chemical & Biomolecular Engineering
Lauren Slingluff, University Libraries
Michael Vertefeuille, SFA, Digital Media and Design

*Senate Member 2022/2023

We thank the members of the 2021/22 University Senate Budget Committee, especially the strong leadership provided by Senator Carol Polifroni, in developing earlier drafts of this document.

Budget FAQ
University Senate Budget Committee
April 18, 2023[1]

This budget FAQ aims to inform members of the Senate and the university community about budget processes at the University of Connecticut. In addition, we hope this document serves as a valuable tool for better understanding funding sources, the status of budgetary items, and budget processes generally throughout the university. This FAQ is being provided by the university Senate Budget Committee in partnership with the Office of Budget, Planning and Institutional Research.

Executive Summary: The university's primary funding sources are state support and student tuition and fees. The largest expenditures for the university are salary and wages for employees and their associated fringe costs. Total State support has generally increased but decreased slightly as a percentage of the university's budget. While the university receives more state support on a percentage basis than most equivalent state schools, its endowment is smaller than most relevant peer institutions. Over the past ten years, costs related to athletics have declined slightly as a percentage of the total cost to the university. Research is a net cost to the university, driven by factors such as not being eligible for reimbursement and a cap on the F&A (Facilities and Administration) indirect rate. This is not unique to UConn. As required by the Board of Trustees, budgets are balanced year-to-year.

Selected terms are defined in a glossary at the end of this document.

What are the primary sources of funding for the University Budget?

The primary funding sources for the university's budget are state support and student tuition and fees. The largest source of funding was historically state support. However, that changed in FY17 when the largest funding source for the university's budget became student tuition (currently at 30%). Students also support the university through mandatory and course fees (9%) and revenue from housing and dining services, a portion of the auxiliary revenue (12% of total revenues) shown below. In addition to housing and dining revenue, auxiliary revenue includes athletics, health services, and related university services.

State support that funds university salaries and fringe benefits comprises 26% of the total university budget. This includes state support of salaries and wages and state support of fringe benefits. Revenue classified as 'other' (4%) encompasses Sales and service revenue, study abroad, gifts and endowments, and related sources. A breakdown of the major sources of university funding for fiscal year (FY) 2022-23 is shown below:

[1] Please note that the following information is current as of this date and may be subject to change.

FY23 University Revenue Sources

Note: UConn received additional COVID support from the State in FY22 to offset losses.

What are the primary expenditure categories for the University Budget?

The primary source of university expenditures is salaries, wages, and fringe benefits paid to university employees. Faculty, staff, administrators and other individuals working for the university comprise a majority (57%) of the total expenditures. The Other Expenses category, which makes up 16% of total spending, includes energy, food service and supply, cleaning services, lab supplies, IT services, travel, equipment, and other general operating costs.

A breakdown of all the major sources of university expenditures for fiscal year (FY) 2022-23 is shown below:

FY23 University Expenditure Sources

How has state support for the University Budget changed over time?

State support for the university as a total amount has generally increased over time. It has increased from $308.1 million in FY14 to $445.9 million for FY23, the most recent budgetary year. State support as a percentage of the university's total budget has declined slightly, with the state supporting 27.6% of the total budget in FY14 and 26.1% of the total budget for FY23. Tuition and fees as a percentage of total budget revenue have increased from 35.5% in FY15 to 38.9% in FY23. A further breakdown of university revenues for the last ten fiscal years is shown below:

	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23 Budget
Revenues:										
State Support	$308.1	$350.7	$384.7	$374.0	$342.9	$356.7	$376.7	$397.8	$459.5	$445.9
Tuition (Net of Discounts)	290.4	319.7	353.4	377.5	402.7	426.4	445.3	449.6	468.3	505.2
Fees	106.7	116.2	124.3	133.5	136.1	137.7	154.5	138.6	153.0	160.1
Auxiliary Enterprise Revenue	198.7	204.4	214.6	214.8	217.5	218.9	177.6	81.0	187.9	201.9
All Other Revenues	113.9	129.8	138.5	130.6	137.6	173.6	189.4	237.1	264.1	223.3
Research Fund	100.3	99.5	105.8	107.5	107.5	122.2	118.9	140.7	150.5	172.3
Total Revenues	**$1,118.1**	**$1,220.4**	**$1,321.2**	**$1,337.9**	**$1,344.3**	**$1,435.5**	**$1,462.4**	**$1,444.8**	**$1,683.3**	**$1,708.7**
State support as % of budget	**27.6%**	**28.7%**	**29.1%**	**28.0%**	**25.5%**	**24.8%**	**25.8%**	**27.5%**	**27.3%**	**26.1%**
Tuition/fees as a % of budget	**35.5%**	**35.7%**	**36.2%**	**38.2%**	**40.1%**	**39.3%**	**41.0%**	**40.7%**	**36.9%**	**38.9%**

This chart includes the federal COVID support received through the State (ARPA - $20M in FY20 and $39.2M in FY23) in the 'All Other Revenues' line item.

How does the level of state support for the University compare to other state higher education institutions?

UConn gets more state support on a percentage basis than most equivalent state schools. A comparison of the university to other state higher education institutions is shown below. The "Institution Has Hospital" column in the table below is intended to represent which universities also have a hospital since UConn's numbers include UConn Health.

The state appropriation as a percentage of core revenue numbers was included in a recent report widely distributed by the state. This core revenue calculation excludes the notable income generated through auxiliary activities (i.e., housing, dining, athletics) and UConn Health hospital/clinical endeavors. When the university makes public presentations based on this data, the calculation of state appropriation as a percentage of total revenues is generally used.

Institution Name	Institution Has Hospital	State Appropration as a Percent of Total Revenues (%)	State Appropriation as Percent of Core Revenues (%)
University of Alaska Fairbanks	No	35%	36%
University at Buffalo	Yes	34%	39%
University of Idaho	No	33%	36%
University of Massachusetts-Amherst	No	29%	34%
University of South Dakota	No	28%	31%
University of Wyoming	No	28%	30%
University of Maryland-College Park	No	27%	30%
University of Georgia	No	26%	31%
University of Connecticut	Yes	26%	38%
University of Hawaii at Manoa	No	25%	28%
University of Nebraska-Lincoln	No	23%	29%
University of Florida	No	23%	24%
The University of Tennessee-Knoxville	No	22%	27%
University of Maine	No	21%	25%
University of Arkansas	No	20%	26%
University of Nevada-Reno	No	19%	21%
The University of Montana	No	19%	22%
University of North Dakota	No	18%	19%
Rutgers University-New Brunswick	Yes	18%	25%
University of Kansas	No	18%	20%
Louisiana State University and Agricultural & Mechanical College	No	17%	21%
West Virginia University	No	16%	17%
University of Minnesota-Twin Cities	No	14%	16%
University of Wisconsin-Madison	Yes	13%	14%
University of California-Berkeley	No	12%	12%
University of Arizona	No	12%	13%
University of North Carolina at Chapel Hill	No	12%	14%
University of Rhode Island	No	11%	15%
Indiana University-Bloomington	No	11%	14%
University of Mississippi	Yes	11%	25%
University of South Carolina-Columbia	No	10%	14%
The University of Alabama	No	10%	13%
University of New Mexico-Main Campus	Yes	10%	21%
University of Oklahoma-Norman Campus	No	10%	12%
University of Oregon	No	8%	9%
The University of Texas at Austin	Yes	8%	7%
University of Illinois Urbana-Champaign	No	7%	8%
University of New Hampshire-Main Campus	No	7%	10%
University of Vermont	No	7%	9%
University of Missouri-Columbia	Yes	7%	15%
University of Washington-Seattle Campus	Yes	6%	8%
University of Utah	Yes	6%	14%
University of Kentucky	Yes	5%	12%
University of Iowa	Yes	5%	12%
Ohio State University-Main Campus	Yes	5%	8%
University of Virginia-Main Campus	Yes	2%	3%
University of Michigan-Ann Arbor	Yes	2%	4%
University of Colorado Boulder	No	0%	0%

How does our budget compare overall with relevant peer institutions?

The university is ahead of relevant peer institutions on some budgetary metrics and behind on others. Like most state flagship universities, UConn has seen a decline in state support as a percentage of total revenue, though this decline has been less than at other state universities. In many cases, including UConn, tuition is now the largest revenue source, surpassing state support. UConn also has a higher fringe rate than its peers due to the large State unfunded pension liability costs included in the rate. State support is greater than most universities as a percentage of revenues due to the high fringe reimbursement and UConn's lower level of other sources of revenue. UConn's endowment income supporting the university is below most peer institutions. Although the Foundation has had record-breaking giving in recent years, there is a lag period for many pledges to generate income, an example being estate gifts. In addition, UConn's research portfolio is below many of its peers. This is partly due to the competitive pressure on grants at UConn due to the university's high fringe rate.

What is SEBAC, and how does it impact UConn's budget?

The State Employees Bargaining Agent Coalition (SEBAC) is a coalition of individual unions from various agencies of the State of Connecticut. SEBAC is the representative established by state statute that bargains with the state regarding changes to the state employees retirement system and collective bargaining negotiations concerning health and welfare benefits (Sec. 5-278(f)). For all other terms and conditions of employment, including salaries, the Board of Trustees, through the university administration, negotiates with the university's employee unions (Sec. 5-278(a)(3)). Four times since 2009, the state has negotiated agreements with SEBAC that affected retirement, health and welfare benefits, and salaries (2009, 2011, 2017, and 2022). In these cases, the state asked the Board of Trustees to support salary freezes and raises that mirrored those of other state employees. Although the state has provided ongoing funding to cover the amount promised in the 2022 SEBAC agreement for employees that the university pays with the block grant (about 47%), the agreement also affects the university's salary and fringe costs related to employees that it pays through other funds.

Information about SEBAC is available here: https://www.ctstateemployees.org/

The 2022 agreement between the university and SEBAC is available here:
https://hr.uconn.edu/wp-content/uploads/sites/1421/2022/05/2022-SEBAC-Agreement.pdf

How does the size of our endowment compare with relevant peer institutions?

The size of the university's endowment is less than most of our relevant peer institutions. The below table shows the value of endowment assets over a five-year fiscal period with comparisons of peer institutions.

Vale of Endowment Assets

Institution Name	FY22	FY21	FY20	FY19	FY18
University of Virginia-Main Campus	10,366,577,975	7,146,475,548	6,953,904,472	6,856,257,988	6,308,922,241
University of North Carolina at Chapel Hill	5,166,499,366	3,523,738,580	3,513,938,218	3,307,663,198	2,947,111,046
The Pennsylvania State University	4,608,409,000	3,357,994,000	3,164,850,000	2,891,684,000	2,615,568,000
Boston University	3,392,513,000	2,421,115,000	2,311,388,000	2,179,287,000	1,957,021,000
University of Delaware	1,957,793,296	1,453,189,476	1,466,069,934	1,413,197,459	1,364,057,422
Syracuse University	1,814,019,946	1,390,552,629	1,392,691,380	1,338,287,247	1,258,728,050
Rutgers University-New Brunswick	1,534,726,000	1,150,827,000	1,130,228,000	1,015,059,000	985,463,000
Northeastern University	1,469,238,000	1,088,470,000	1,074,592,000	847,756,000	795,872,000
University of Maryland-College Park	943,172,167	723,802,307	691,269,418	619,989,523	548,749,570
Quinnipiac University	824,411,508	545,134,316	556,603,870	526,568,412	481,625,542
University of Vermont	731,031,000	562,493,000	566,714,000	554,985,000	453,323,233
University of Connecticut	589,650,099	466,159,506	450,029,251	423,165,900	401,299,110
University of Massachusetts-Amherst	494,397,003	368,421,559	362,596,641	336,662,978	323,565,856
Stony Brook University	366,699,386	279,331,275	265,806,703	244,955,670	233,966,854

Who determines how much state support is provided to UConn? How often is a new budget drafted related to state support?

The university officially requests state funding on a biennial basis. However, a mid-term budget is reviewed and adjusted in the interim year between the biennial budget year. Each year, the university develops a budget internally and requests the state support portion from the State. Through the legislative process (Feb-May), the university advocates on its behalf through various hearings, and the state support request is reviewed and approved by the legislature and ultimately signed by the governor. The below charts outline the internal and state budget timeline.

Have tuition and fees kept up with growth at UConn?

Tuition and fees revenues have grown faster than overall expenses since FY13. This is because tuition and fee income increases have offset revenues with little or no growth to sustain current operations. As state support as a percentage of the university's total budget has decreased, tuition and fee revenues are now the most significant revenue source from the university. As the university works to ensure continued State funding and growing revenues from other sources, such as the UConn Foundation, the operating budget will depend on tuition to offset increased operational costs. As other revenue sources materialize, the university can work to become less tuition-dependent. Note that the growth in tuition and fee revenues is due to changes in rates, in-state/out-of-state mix, and enrollment.

	FY13	FY22	Annual Change
Tuition and Fees	372,700,000	631,300,000	7.71%
Total Expense*	619,554,903	927,064,482	5.51%

*Expenses reflect 2-ledger (Tuition and State Support funded)

Who determines how the budget is allocated and spent?

Spending on the university's operating budget has centralized and decentralized aspects. The Office of Budget, Planning and Institutional Research estimates overall revenues and expenses for the year, including changes to ongoing costs, revenue changes, and planned spending on strategic goals. The university allocates funds to the functional areas of Administration and Academics. Schools, colleges, and other units that report directly to the Provost receive funds distributed at the discretion of the Provost. Departments in the schools and colleges then receive funds distributed at the discretion of the Deans. Administration units receive funds distributed at the discretion of the President and CFO. During the budget hearing process, schools, colleges, and administrative units submit a budget document that includes current and future year forecasts, plans for recissions and requests for additional funding to meet the university's strategic goals. The funds allocated in this fashion are known as 2-ledger funds, funded primarily by tuition and state support. Funds outside the scope of 2-ledger funds, generally

known as 3 or 4-ledger funds, are generated by a particular school or department and managed by that school or department.

What is the impact of research on UConn's budget?

UConn is a Research I academic institution. Research is a net cost to the university, which is not unique to UConn. As a result, the university relies on other funding sources to supplement sponsored research. Following federal guidelines, the university's calculated indirect rate is 70 cents on the dollar. However, UConn's federally approved indirect rate that it can charge on grants is only 61 cents. Therefore, for every dollar in direct research revenue, 61 cents is added to account for facilities and administrative costs related to sponsored research, which is less than the actual costs. Therefore, the university absorbs the remaining 9 cents on the dollar. In addition, the actual effective rate that UConn receives for all sponsored research in indirect recoveries is 33 cents on the dollar. This is due, in part, to the fact that all grants are not eligible to receive the full indirect rate; these include state, training grants, and other private grants. Therefore, on the overall sponsored research program, UConn only received 33 cents on the dollar, which does not offset the total costs of the research enterprise of 70 cents on the dollar.

How much of the budget is allocated to athletics, and is that allocation rising or falling relative to other University areas?

The university maintains a Division I athletics program, which requires significant investments; however, since FY13, expenses related to athletics have dropped slightly as a percentage of the total unrestricted costs of the university. A breakdown in unrestricted expenditures for athletics as compared to other university areas is visualized below. Note that unrestricted expenses account for about 80% of the total budget.

Unrestricted Expenses					
Unit	FY13		FY22		Variance
	Expense ($M)	% of total	Expense ($M)	% of total	
Athletics	56,478,005	6.37%	78,545,679	6.23%	-0.14%
Schools/Colleges	331,244,611	37.37%	471,006,035	37.35%	-0.02%
All Other	498,706,941	56.26%	711,644,027	56.43%	0.17%
	886,429,557		**1,261,195,741**		

Note: 'All Other' includes other academic related areas such as the Library, CETL, Regional Campuses, ITS as well as other administrative units such as Facilities, University Safety, HR, Enrollment, Student Affairs, etc.

What is the role of Budget, Planning, and Institutional Research?

The Office of Budget, Planning and Institutional Research manages the financial resources available to the university as efficiently and effectively as possible in support of the university's mission. The Office provides analytical support in shaping long-term institutional policies and programs. The Office also produces, maintains, analyzes, and forecasts accurate, impartial, and comprehensive information about the university's past, present, and future. They provide official university data and analysis and utilize a performance-based approach to inform resource allocation. The Office of Budget, Planning, and Institutional Research does not make policy decisions regarding university allocations.

Where can I learn more about the University budget and University budget processes?

A wealth of information is available from the Office of Budget, Planning, and Institutional Research here: https://bpir.uconn.edu/. This includes costs related to the University's operating budget, capital budget, fringe benefit rates, institutional research, and budget hearings.

Who created this document?

The University Senate Budget Committee created this document in collaboration with Reka Wrynn and the Office of Budget, Planning, and Institutional Research. The committee is grateful for the factual information and the helpful collaboration of the budget staff to make this FAQ possible.

University Senate Budget Committee Charge: *This committee shall review the planning and allocation of the University's operating, capital, and other budgets, the process of making budgetary and financial decisions, and determining priorities among academic and other programs having financial implications.*

2022/23 University Senate Budget Committee Members
*Lisa Park Boush, Chair, CLAS, Earth Sciences
*Robert Bird, Co-Chair, Business, Marketing
*Mary Ann Amalaradjou, CAHNR, Animal Science
*Eleni Coundouriotis, CLAS, English
*Elena Dormidontova, CLAS, Physics
*Steve Marchillo, SSW, Director of Finance
*Michael Morrell, CLAS, Political Science
*Michael White, Dining Services
Reka Wrynn, Associate Vice President for Budget, Planning and Institutional Research (Ex-Officio Member)
Erin Carney, Undergraduate Student Government
Jeffrey Geoghegan, EVP for Finance & CFO UConn and UConn Health (Ex-Officio Member)
Anne Langley, UConn Library
Jeffrey McCutcheon, Engineering, Chemical & Biomolecular Engineering
Michael Vertefeuille, SFA, Digital Media, and Design
Edward Zelikman, Undergraduate Student Government
*Senate Member 2022/2023

Glossary of Selected Terms

2-Ledger Expenses – Costs funded by tuition and state support. Any contractual increases related to 2-ledger funds are usually covered centrally from those fund sources, including collective bargaining increases, fringe rate increases, accrued payouts, longevity, etc. 2-ledger accounts can have permanent and one-time funding and have a 2.5% carryforward cap limit applied to them each fiscal year.

3- and 4-Ledger Expenses - In contrast, 3 and 4-ledger operating accounts are funded through self-generated external revenues, which must cover all operating costs associated with that activity and have no carryforward limit. Most IDC accounts also exist as 4-ledger accounts.

Block Grant – The amount of State appropriated funds given to the university through the State budget. We receive a State appropriated block grant at the beginning of each fiscal year, which is used to cover the salaries of selected individuals. The block grant covers approximately 47% of UConn's faculty and staff salaries. The university also receives fringe benefit reimbursement from the State Comptroller's office for employees paid by the block grant.

Fiscal Year – The one-year period for which budgets are designed and allocated. The fiscal year at the University is not the same as the calendar year. The fiscal year at the University begins on July 1. For example, fiscal year 22-23 (FY 22-23) started on July 1, 2022, and will end on June 30, 2023.

Fringe benefits - Extra benefits supplementing employees' direct salaries and wages. Fringe benefits include retirement, health insurance, social security, unemployment/worker's compensation, and other benefits. The State Comptroller develops most of the components of the fringe rates and charges the university those rates for each employee. Although fringe benefits rates vary based upon the retirement and health insurance plan in which the employees participate, the University develops internal blended fringe rates to charge departments to eliminate employee benefit selection bias and for ease of budgeting.

Indirect costs (IDCs) are associated with the administration of research and sponsored projects. These costs cover general operations and are not associated with a specific research project. The funds recovered from grants for IDCs are split as follows: 70% OVPR, 10% Dean, 10% Department, and 10% Faculty.

Unfunded Pension Liability - Cost for the state's legacy pension liabilities for prior and some current state employees for which the state did not save enough for decades. These costs are unrelated to the normal cost of providing retirement benefits for current UConn/UConn Health employees. The state includes this extra cost in the fringe benefit rates that the university must pay for employees paid by funds other than the block grant, regardless of the current employee's specific state retirement plan.