

## Board of Trustees Financial Affairs



## UConn and UConn Health Budget Update

---

September 16, 2025

# FY25 Year-End (Unaudited)

## 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.



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%
<b>Total Revenues</b>	<b>\$1,835.6</b>	<b>\$1,732.7</b>	<b>\$102.8</b>	<b>5.9%</b>
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%
<b>Total Expense</b>	<b>\$1,811.8</b>	<b>\$1,732.0</b>	<b>\$79.8</b>	<b>4.6%</b>
Adj beg balance - GASB 101 Comp Abs.	(19.4)	0.0	(19.4)	
<b>Net Income/(Loss)</b>	<b>\$4.4</b>	<b>\$0.7</b>	<b>\$3.6</b>	

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

# 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%
<b>Total Revenues</b>	<b>\$1,826.0</b>	<b>\$1,778.2</b>	<b>\$47.7</b>	<b>2.7%</b>
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%
<b>Total Expense</b>	<b>\$1,838.6</b>	<b>\$1,816.1</b>	<b>\$22.4</b>	<b>1.2%</b>
<b>Net Income/(Loss)</b>	<b>(\$12.6)</b>	<b>(\$37.9)</b>	<b>\$25.3</b>	

## 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 <sup>(1)</sup>	268.7	242.6	26.1	10.8%
<b>Total Revenues</b>	<b>\$1,801.6</b>	<b>\$1,700.0</b>	<b>\$101.6</b>	<b>6.0%</b>
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 <sup>(2)</sup>	488.8	452.8	35.9	7.9%
Capital Projects/Lease and Debt Payment	42.6	31.7	11.0	34.6%
<b>Total Expense</b>	<b>\$1,786.4</b>	<b>\$1,701.6</b>	<b>\$84.8</b>	<b>5.0%</b>
<b>Net Income/(Loss)</b>	<b>\$15.2</b>	<b>-\$1.6</b>	<b>\$16.8</b>	

(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.



# 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%
<b>Total Revenues</b>	<b>\$ 1,816.3</b>	<b>\$ 1,809.5</b>	<b>\$ 6.8</b>	<b>0.4%</b>
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%)
<b>Total Expenses</b>	<b>\$ 1,852.8</b>	<b>\$ 1,871.3</b>	<b>\$ (18.5)</b>	<b>(1.0%)</b>
<b>Budget Stabilization Fund</b>	<b>\$ 15.1</b>	<b>\$ 15.1</b>	<b>\$ .0</b>	
<b>Net Income/(Loss)</b>	<b>(\$ 21.4)</b>	<b>(\$ 46.7)</b>	<b>\$ 25.3</b>	

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.

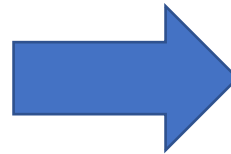
**36-year  
program split  
into 3 phases**

**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)
<b>\$5,265.4M Total Expenditures (as of 6/30/25)</b>	

# 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**

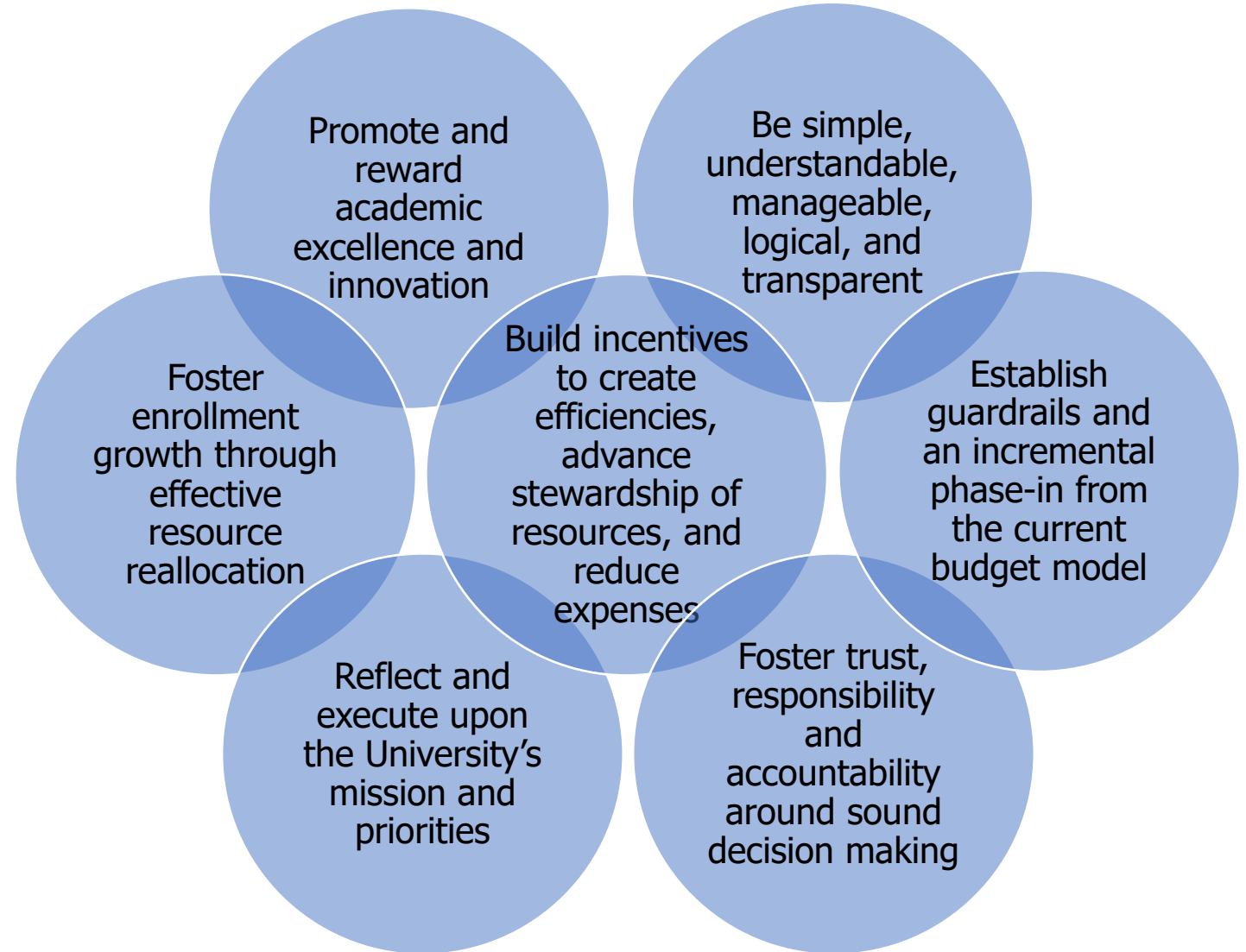
Excluding UCH

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

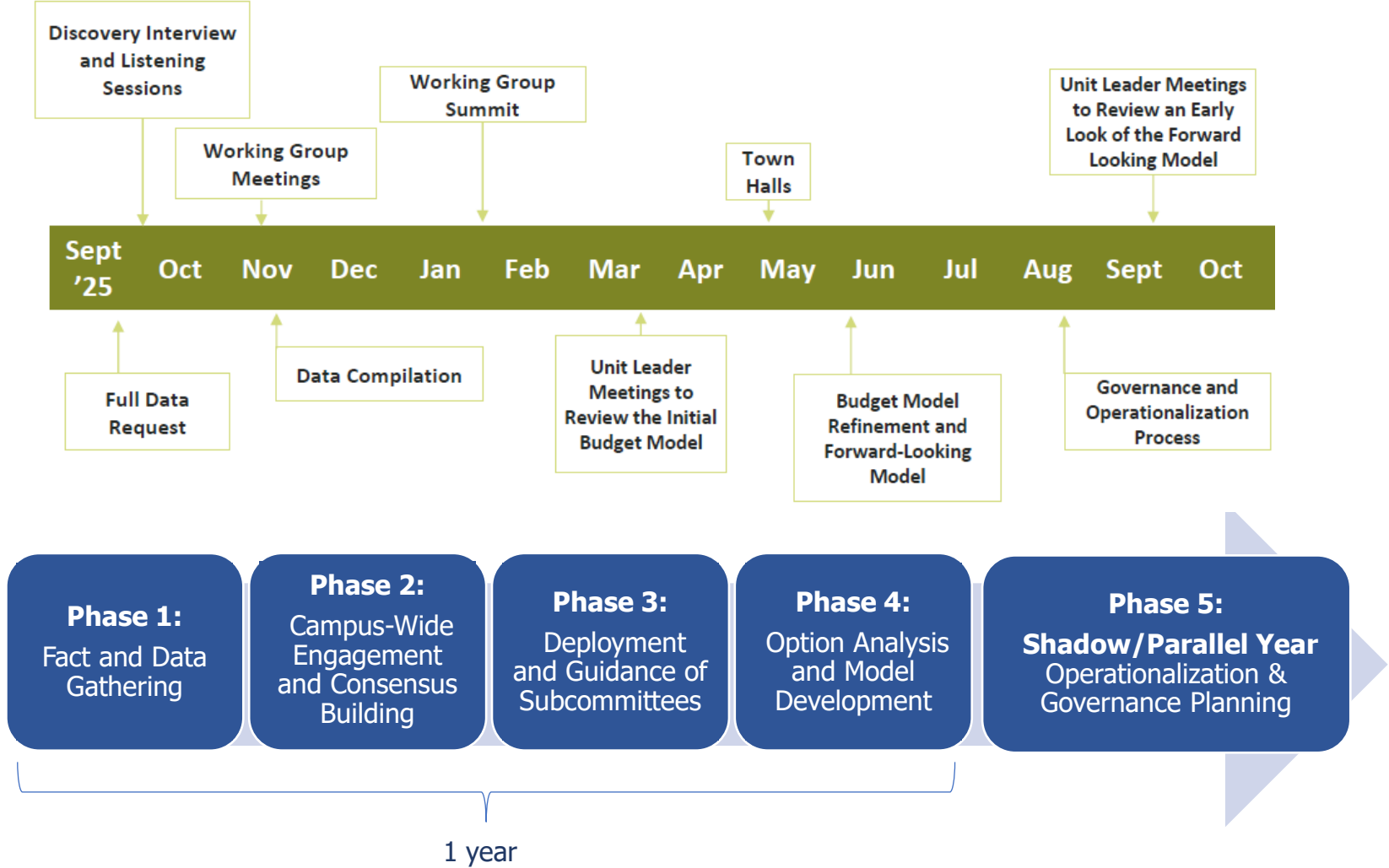
\*Funds transfers required for University and SFR bonds due to timing of bond issuance.

# 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](http://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](http://hr.uconn.edu/bus-admin-sup)



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