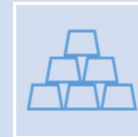




**UConn and UConn Health
Budget Presentation to
Board of Trustees – Financial Affairs**

FY24 Budget Overview – UConn and UConn Health

- We continue to be grateful to the Governor, the Office of Policy and Management, and the General Assembly for continuous investment in UConn and UConn Health which has resulted in balanced operating budgets for FY24.
- Revenue changes are driven by growing enrollment, tuition and fee rate increases, and improved clinical revenues.
- Expense changes are driven by salary and wage increases, student financial aid support, new faculty hiring, and service and supply inflation.



Fringe Change &
Consolidated Budget
(3-4)



Storrs & Regionals
(5-23)



UConn Health
(24-42)

Change in Fringe Benefits

The state budget incorporates a budget-neutral change in methodology related to employee fringe benefit costs. It results in the state funding all retirement costs for all employees and the university funding all non-retirement costs for all employees.

All Fringe (\$M)	Total	Current		New Methodology	
	Total	State	UConn/UCH	State	UConn/UCH
Retirement	\$419.8	\$242.1	\$177.7	\$419.8	
Non-Retirement*	253.4	117.3	136.0		253.4
Total	\$673.2	\$359.4	\$313.7	\$419.8	\$253.4
			Change:	\$60.4	(\$60.4)

*Includes medical and dental health insurance, FICA, unemployment and group life insurance

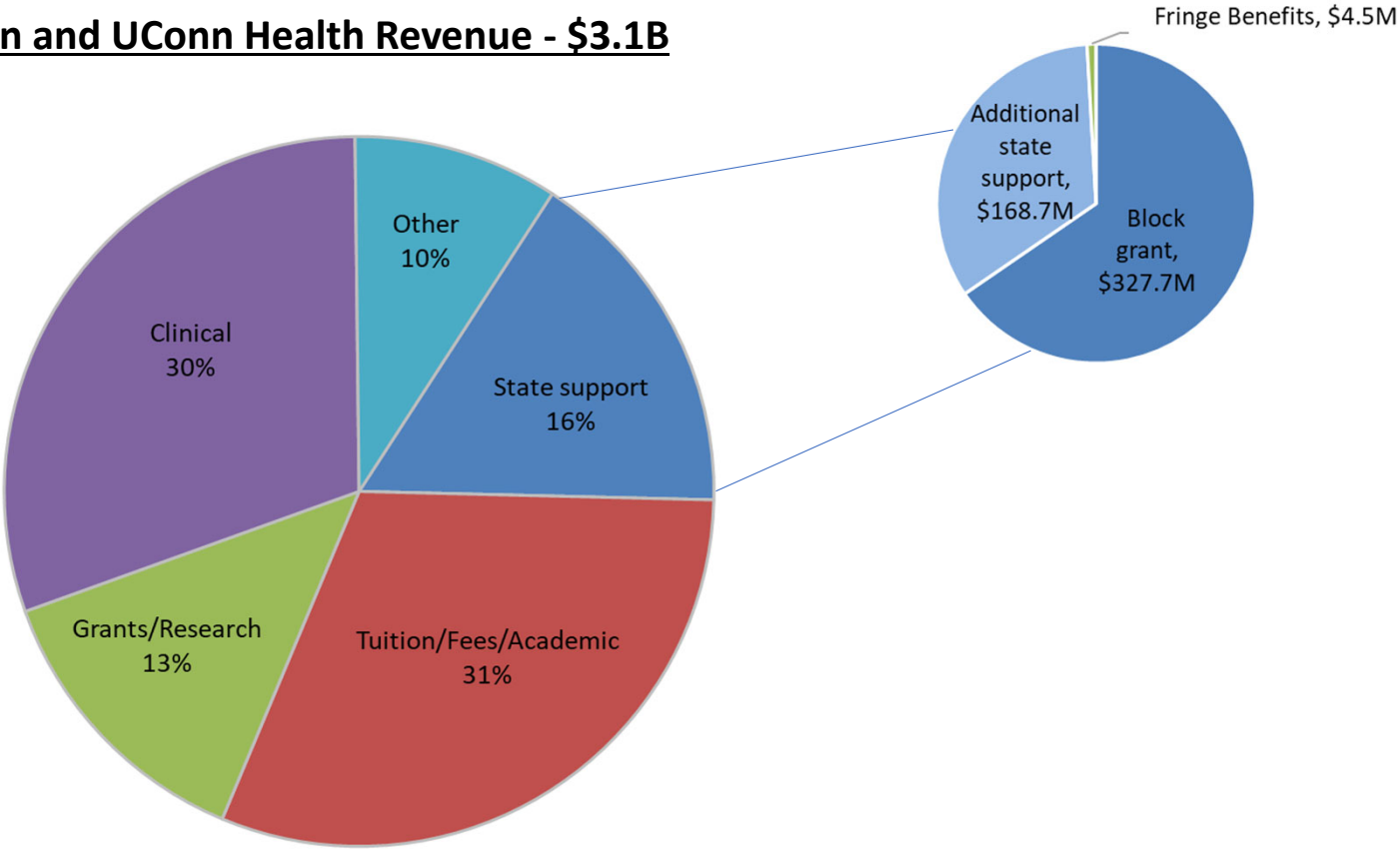
- To accomplish this budget-neutral change, the state block grant was reduced by \$60.4M (\$20.6M for UConn and \$39.8M for UConn Health).
- This change removes any future risk of increased costs of those unfunded liabilities, and we are hopeful the lower rates will make our faculty even more competitive when applying for externally funded research grants.



FY24 Proposed Operating Budget Consolidated Total

UConn and UConn Health Revenue - \$3.1B

State Support accounts for 16% of total revenues at UConn and UConn Health combined.



Storrs & Regional Campuses



STUDENTS FIRST, EXCELLENCE ALWAYS, HUSKIES FOREVER

FY23 Forecast

Through one-time salary savings and generous state support, UConn is forecasting a balanced budget for FY23.

- During FY23, the University recognized favorable housing and investment income revenues and significant vacancy savings.
- These gains offset additional spending in energy, equipment, travel, and other operating expenses.

UConn Storrs & Regional Campuses (\$M)	FY23 Forecast	FY23 Budget	Variance	Percent Variance
State Block Grant	\$ 229.9	\$ 229.9	\$ -	0.0%
Additional State Support	63.9	63.9	-	0.0%
State Fringe Benefits	197.0	191.3	5.7	3.0%
Total State Support	490.8	485.1	5.7	1.2%
Tuition	492.2	505.2	(13.1)	-2.6%
Course/Mandatory Fees	158.2	160.1	(1.9)	-1.2%
Grants & Contracts - Financial Aid	76.1	66.4	9.7	14.7%
Grants & Contracts - All Other	205.9	215.7	(9.7)	-4.5%
Auxiliary Revenue	226.4	201.9	24.5	12.1%
Other Revenues	80.4	73.4	7.0	9.6%
Total Revenues	\$ 1,730.0	\$ 1,707.8	\$ 22.3	1.3%
Salaries & Wages	\$ 671.9	\$ 678.1	\$ (6.2)	-0.9%
Fringe Benefits	376.1	382.2	(6.1)	-1.6%
Financial Aid - Tuition	164.9	164.9	-	0.0%
Financial Aid - Other	93.8	87.1	6.7	7.7%
Energy	28.2	21.4	6.8	31.7%
Equipment	33.8	26.2	7.6	28.9%
Capital Projects/Debt Payments	71.1	70.3	0.8	1.2%
Other Expenses	289.5	278.6	10.9	3.9%
Total Expense	\$ 1,729.4	\$ 1,708.8	\$ 20.5	1.2%
Net Income/(Loss)	\$ 0.7	\$ -	\$ 1.7	

FY24 Proposed Spending Plan

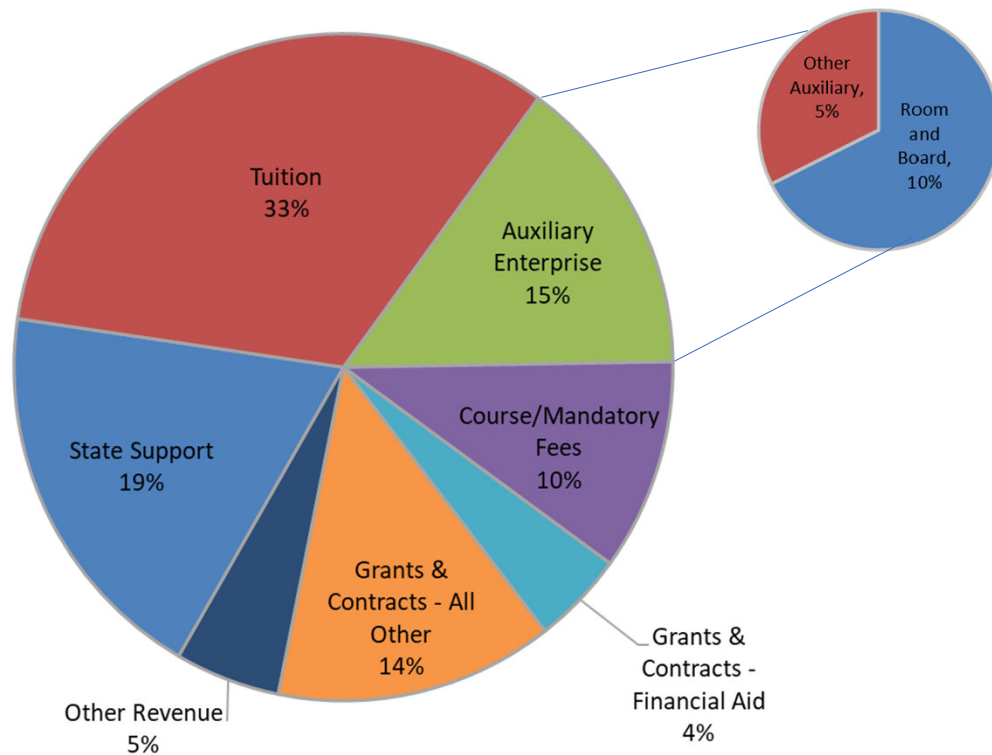
UConn Storrs & Regional Campuses (\$M)	FY24 Budget	FY23 Forecast	Variance Amount	Variance %
State Block Grant	216.2	229.9	(13.7)	-6.0%
Additional State Support	82.2	63.9	18.3	28.6%
Fringe Benefits	-	197.0	(197.0)	-100.0%
State Support	\$ 298.4	\$ 490.8	\$ (192.4)	-39.2%
Tuition	514.3	492.2	22.1	4.5%
Course/Mandatory Fees	161.4	158.2	3.2	2.0%
Grants & Contracts - Financial Aid	70.9	76.1	(5.2)	-6.9%
Grants & Contracts - All Other	214.6	205.9	8.7	4.2%
Auxiliary Enterprise	230.3	226.4	4.0	1.8%
Other Revenue (incl Foundation reimb.)	80.9	80.4	0.5	0.6%
Total Revenues	\$ 1,570.7	\$ 1,730.0	\$ (159.3)	-9.2%
Salaries & Wages	691.8	671.9	19.9	3.0%
Fringe Benefits	158.5	376.1	(217.7)	-57.9%
Financial Aid - Tuition	181.2	164.9	16.3	9.9%
Financial Aid - Other	101.9	93.8	8.1	8.7%
Energy	30.2	28.2	2.0	7.0%
Equipment	29.7	33.8	(4.1)	-12.0%
Purchased Services	178.0	166.9	11.1	6.6%
Other Expenses	126.9	122.5	4.3	3.5%
Debt/Capital	88.6	71.1	17.4	24.5%
Total Expenditures	\$ 1,586.8	\$ 1,729.3	\$ (142.5)	-8.2%
Use of fund balance	16.1	-	16.1	
Net Gain/(Loss)	\$ 0.0	\$ 0.7	\$ (0.7)	
Non-operating pension/retirement costs	\$ 229.0			

UConn will be utilizing prior year funds to balance the FY24 budget.

Note: The State is covering all pension/retirement fringe costs in FY24, so those costs have been removed from the budget on both the revenue and expense sides.

FY24 Revenues

Revenue Budget - \$1,570.7M



- Revenues will increase 4.0% over FY23, mainly driven by one-time state support and tuition revenue.
- 53% of total revenue is funded by students and their families through tuition and fees.
- The % of state support has dropped from prior years mainly due to fringe methodology change.
- Tuition rate increases and enrollment growth fueled revenues but is partially offset by financial aid needs.

State Support

The University is grateful for the support provided by the State in FY24. The significant one-time funding in FY24 and FY25 provides UConn time to begin its strategic financial plan and reduce reliance on State funding.

State Support (\$M)			
State Support Salary	FY23	FY24	FY25
Operating Expenses	\$229.5	\$213.5	\$217.0
Institute for Municipal and Regional Policy	0.4	0.6	0.6
Veterinary Diagnostic Laboratory		0.3	0.3
UConn Veterans Program		0.3	0.3
Puerto Rican Studies Initiative		0.2	0.2
Health Services-Regional Campuses		1.4	1.4
Total State Support – Salary	\$229.9	\$216.2	\$219.6
Temporary Operating Support – ARPA	39.2	42.2	11.1
Temporary Operating Support - Carry Forward	24.7	40.0	20.0
Total Additional State Support	\$63.9	\$82.2	\$31.1
Total Appropriation	\$293.8	\$298.4	\$250.7
Fringe Benefits	197.0	*	*
Total State Support	\$490.8	\$298.4	\$250.7

← One-time funds

*The State is covering all pension/retirement fringe costs in FY24, so those costs have been removed from the budget on both the revenue and expense sides.



Tuition Revenue

Tuition revenue will grow from increases in rate, residency mix, and enrollment and will generate \$514.3M in FY24.

UConn is in year 4 of its 5-year tuition plan.

Years 3 – 5 of the current tuition plan rates					
2022-23		2023-2024		2024-2025	
Resident	Non-Resident	Resident	Non-Resident	Resident	Non-Resident
\$15,672	\$38,340	\$16,332	\$39,000	\$17,012	\$39,680

Tuition Revenue*		
FY23 Forecast	FY24 Budget	FY25 Projection
\$492.2M	\$514.3M	\$537.6M

* Reflects undergraduate and graduate revenue

Undergraduate Enrollment				
Residency	FY23		FY24 Budget	
	Count	%	Count	%
In-State	18,049	75%	17,861	73%
Out-of-State Domestic	4,345	18%	4,956	20%
International	1,682	7%	1,735	7%
Total	24,076		24,552	

Increasing out-of-state and international enrollment fuels new revenue growth.



Fee Revenue

Fee revenue growth is related to enrollment growth and modest rate increases.

Fee Revenue		
\$ M	FY23 Forecast	FY24 Budget
Course Fees	\$29.9	\$30.4
Intercession	28.3	28.8
Mandatory Fees	88.9	90.7
Other Fees	11.2	11.4
Total	\$158.2	\$161.4

Course Fees \$30.4M
 Includes programs in the Schools of Business, Education, Nursing, Social Work, Engineering, and Law.

 Professional program fee revenues continue to be below pre-COVID levels.

Intercession \$28.8M
 Includes courses offered during the summer, winter and continuing education revenue.

Mandatory Fees \$90.7
 Includes GUF, IMF, Tech, and Student Health

 The growth reflects increased rate and enrollment growth.

Other Fees \$11.4M
 This includes fees such as Application, VISA compliance, late, online course and enrollment fees.

Auxiliary Enterprise Revenue

Auxiliary revenues will increase by nearly \$4 million in FY24, driven primarily by on-campus housing and dining rate increases and enrollment growth.

Auxiliary Revenue		
\$ M	FY23 Forecast	FY24 Budget
Housing	\$101.4	\$104.7
Dining	63.7	64.8
Dining Services/Retail	5.9	6.0
Athletics	29.2	28.2
Parking and Transit	9.4	9.6
Other	16.9	17.2
Total	\$226.4	\$230.3

Student Housing \$104.7M

Housing rates will increase by 2.75% in FY24, with an anticipated occupancy rate of 100%.

Athletics \$28.2M

Athletics includes Conference, Ticket Sales, and Sponsorship revenues. The slight decline is related to additional basketball revenues in FY23.

Meal Plans/Dining Services and Retail \$70.8M

Dining rates will increase by 2.75% in FY24, driving revenue favorably and increasing meal plan purchases, reflecting increased student demand.

Parking and Transit/Other \$26.8M

Includes health services fee for service, self-supporting auxiliary enterprises, student, employee and visitor parking.

Foundation & Investment/Interest Income

Leveraging the Foundation and income from philanthropy will be an area of focus in the coming years for the University.

Foundation & Investment/Interest Income		
\$ M	FY23 Forecast	FY24 Budget
Foundation	\$25.4	\$24.9
Investment Income*	0.2	0.3
STIF Interest Income	8.2	8.7
Total	\$33.9	\$33.9

*Endowment funds held by UConn

UConn has benefited from short term investment fund (STIF) rates of nearly 5%.

Nearly \$8.0M of Foundation income disbursed from fund balances, resulting in a risk for future income.

UConn will continue to work with the Foundation to maximize distributions.

Other Revenues

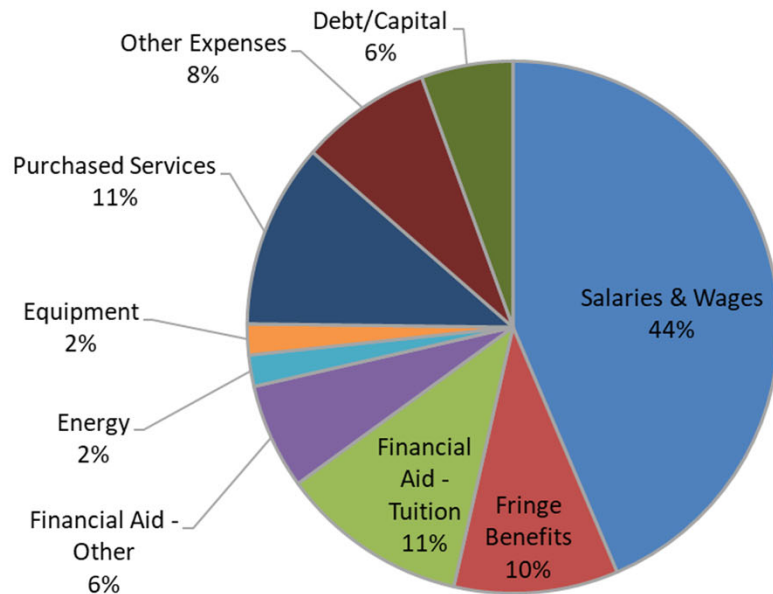
Other revenues are expected to remain flat in FY24.

Other Revenues		
\$ M	FY23 Forecast	FY24 Budget
Building/Room Rental Income	\$1.2	\$1.2
Renewable Energy Credits	1.4	1.4
Royalties and License Income	1.3	1.3
One-UConn Revenues	12.6	15.0
Other Miscellaneous Revenue	5.6	3.2
Total	\$22.1	\$22.1

One-UConn's revenues make up most other revenues. One UConn has been effective in reducing redundancies and achieving cost savings at UConn and UConn Health.

FY24 Expenses

Expense Budget - \$1,586.8M

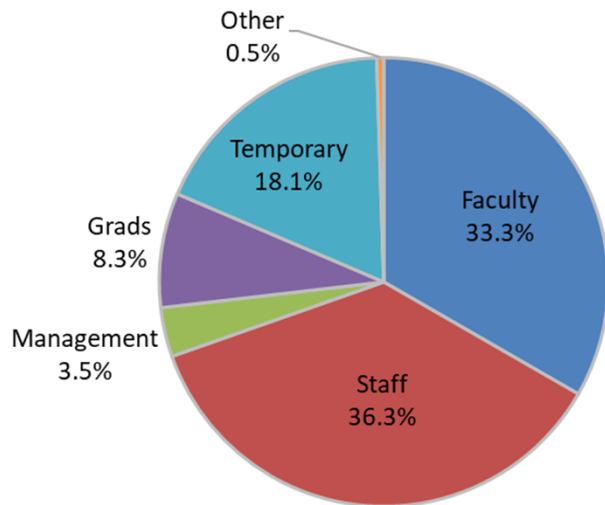


- Expenses will increase 5% over FY23 primarily driven by salary and wage increases and financial aid growth.
- 54% of total expense is allocated to personnel costs (salaries & wages + fringe benefits).
- Student financial aid commitment is significant with a 10% increase in tuition funded aid.

Salaries & Wages

Growth in FY24 is driven by salary and wage increases at 4.5% and faculty hiring.

Salary Expense Budget - \$691.8M



Temporary: includes undergraduate students, adjuncts, overtime, and other professional temporary support

Other: includes financial statement adjustments

Perm FTE	FY18	FY22	FY23	5 Year Growth
Faculty	1,581	1,664	1,637	3.5%
Staff + Mgmt	3,085	3,258	3,299	6.9%
Total	4,666	4,922	4,936	5.8%

Refills are reviewed and approved strategically with the recent wave of retirements.

Energy/Equipment

The FY24 energy budget of \$30.2M assumes a 7% increase in price and increased consumption.

\$M	FY22 Actual	FY23 Forecast	FY24 Budget	2-yr increase
Energy	\$22.5	\$28.2	\$30.2	34%

The FY24 equipment budget of \$29.7M assumes slight inflation in cost along with a decrease due to a swap to bond funds, generously provided by the State.

Equipment (\$M)	FY24 Budget
Long term software	\$2.9
General equipment over \$5K	\$10.6
Research equipment	\$8.3
Computers/equipment under \$5K	\$7.3
Other (library, artwork, design)	\$0.6



Purchased Services

The FY24 budget of \$178.0M assumes 2% inflationary growth plus adjustments for increased operating expenses for new buildings.

Facilities - \$40.7M

Includes janitorial services, waste management, landscaping and other facilities contracts, etc.

Dining - \$22.8M

Includes salary and fringe costs for contracted staff.

Research - \$31.3M

Includes sub-agreements as well as consulting services and lab and facility costs.

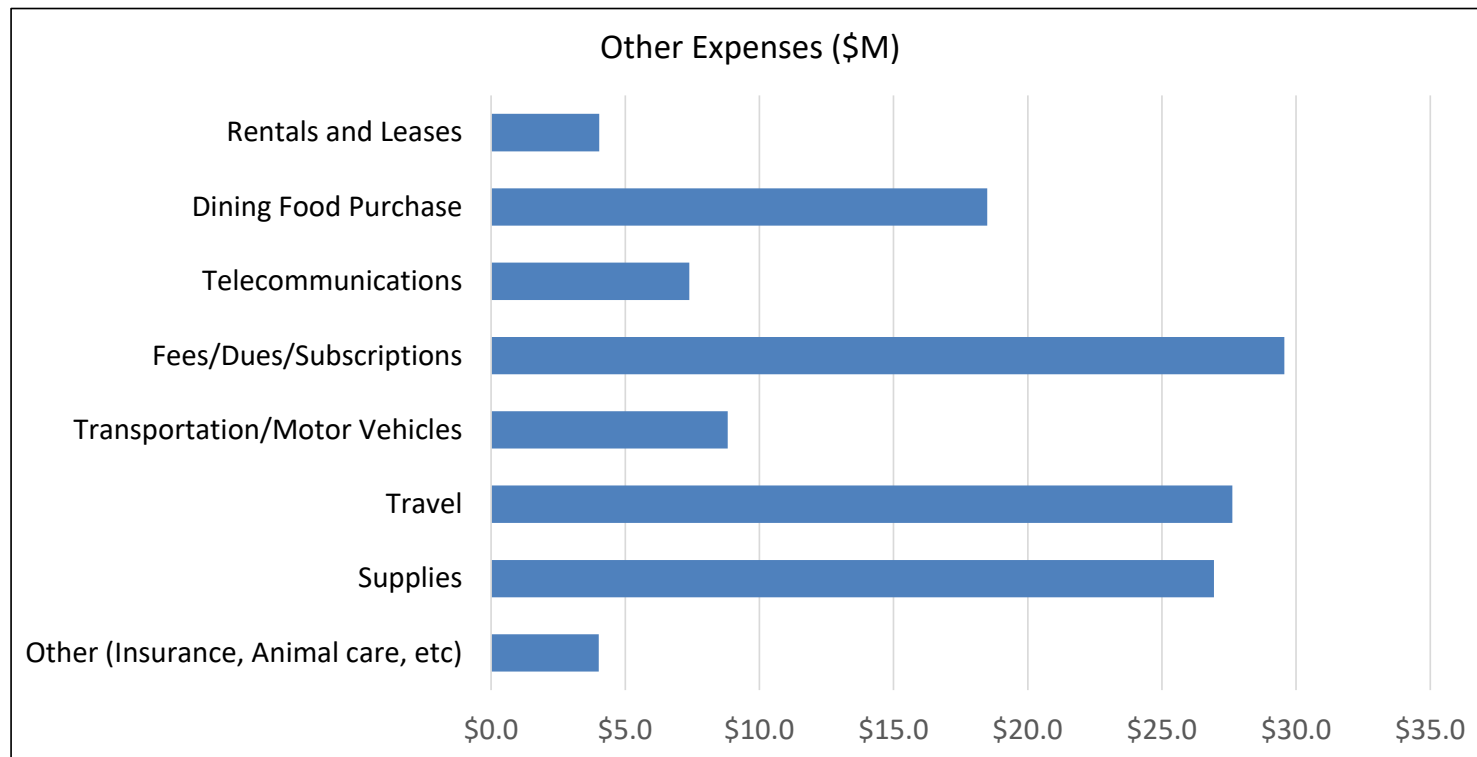
Other - \$83.2M

Includes Education Abroad, ITS contracts, Foundation support, Athletics payments to CRDA, and game operations.



Other Expenses

The remaining operating expenses of \$126.9M include various activities among the academic and administrative units.



Financial Aid Expense

UConn is committed to providing student financial aid, reflecting a 10% increase in University Supported funds in the FY24 budget.

Financial Aid		
\$ M	FY23 Forecast	FY24 Budget
Total Tuition Funded*	\$164.9	\$181.3
Department revenue	11.0	10.8
State	14.3	10.5
Federal	51.3	60.3
Other- private/foundation**	17.2	20.2
Total	\$258.7	\$283.1

*Tuition Funded includes undergraduate and graduate aid funded by tuition.

** Other funding comes from private sources such as the Foundation and Endowments.

FY24 UConn funded set-aside for need-based aid as a % of tuition revenues is 16.5% (15% requirement). Merit aid is discretionary to the University.

In FY24, over \$16M in new tuition-funded financial aid will be made available to students.

Debt / Capital

The Debt / Capital category (\$88.6M) includes debt service payments for revenue bonds and funds transferred to non-operating capital accounts for projects.

Item (\$M)	FY24 Budget	Notes
Debt Payments	\$26.4	Recreation center, stadia, utility, cogen, & housing debt payments
Repair & renovation projects	\$35.0	Facilities and departmental projects
South campus residence hall	\$15.0	Portion of new construction
Lease entries (Accounting adjust. GASB 87,etc)	\$12.2	Recent change to be classified as finance leases. Shift to capital funds.

Future Year Operating Budget Strategy

In FY25, one-time state support is ~\$50M less than the FY24 amount. With the guidance of the new strategic plan, the university will develop a flexible roadmap to financial sustainability.

- Use existing balances, both held at the University and Foundation, as a bridge until new revenues and cost savings are realized.
- Leverage the Foundation, with a targeted endowment market value of \$1.0 billion.
- Identify strategic revenue streams from new sources.
- Reduce expenses through efficiency savings, including administrative consolidations and process improvements.

Vote - FY24 Spending Plan Resolution (Operating)

RECOMMENDATION:

- That the Board of Trustees approve the Spending Plan for Fiscal Year 2024 of \$1,586.8 million for the University of Connecticut, Storrs and Regional Campuses.

RESOLUTION:

- “Be it resolved that the Board of Trustees approve the Fiscal Year 2024 Spending Plan of \$1,586.8 million for the University of Connecticut, Storrs and Regional Campuses.”

FY24 Capital Budget

69% of the capital budget will provide funding for active construction projects.

UCONN 2000 Bond Funded Projects by Statutory Named Lines	Total	By Program		
		Academic/Research	Deferred Maint.	Other
Academic and Research Facilities	\$19.7			
Nursing Program Facility	19.7	19.7		
Deferred Maintenance	52.2			
Field House Renovation	27.0		27.0	
Infrastructure-South Campus	12.9		12.9	
Programmatic Renovations	10.8	10.8		
Contingency	1.5			1.5
Equipment	12.9			
Academic & Research	5.3	5.3		
Information Technology	5.5		5.5	
Other	2.2			2.2
Total UCONN 2000 Bond Funded Projects	\$84.7	\$35.7	\$45.3	\$3.7
Other Funded Projects (University, Gifts, SO/GO Bonds)				
Equipment (State GO Bonds)	10.0	5.0	5.0	
Facilities Repairs & Improvements (University)	11.5		11.5	
Faculty Innovators (State GO Bonds)	14.5	14.5		
Field House Renovations (Gifts)	30.0		30.0	
Nursing Program Facility (State GO Bonds)	30.0	30.0		
Programmatic Renovations (University)	10.0	10.0		
South Campus Residence Hall (SO Bonds)	100.0			100.0
South Campus Residence Hall (University)	15.0			15.0
XL Center Academic Space Renovation (State GO Bonds)	5.0	5.0		
Other/Contingency (University)	4.3			4.3
Total Other Funded Projects	\$230.3	\$64.5	\$46.5	\$119.3
Grand Total FY24 Capital Budget	\$315.0	\$100.2	\$91.8	\$123.0



Vote - FY24 Capital Resolution

RECOMMENDATION:

- That the Board of Trustees approve a capital budget of \$315,000,000, as detailed in Attachment A, for Fiscal Year 2024 which is comprised of \$84,700,000 of UCONN 2000 State GO bond funds, \$59,489,200 of State GO bond funds, \$100,000,000 of Special Obligation bond funds, \$40,810,800 of University funds, and \$30,000,000 of Gift funds. The Administration recommends that the Board of Trustees adopt the Resolution below.

RESOLUTION:

- “Be it resolved that the Board of Trustees approve the Fiscal Year 2024 capital budget of \$315,000,000 for the University of Connecticut Storrs and Regional Campuses.”

Vote - FY24 Indentures

- 1) Revised Allocation of Bond Authorizations as set forth in the Twenty-Ninth Supplemental Indenture (University of Connecticut General Obligation Bonds).
 - Decrease Academic and Research Facilities by \$32,000,000 for a total Fiscal Year 2022-2023 bond authorization for such project of \$0;
 - Decrease Deferred Maintenance/Code Compliance/ADA Compliance/Infrastructure Improvements & Renovation Lump Sum and Utility, Administrative and Support Facilities by \$916,000 for a total Fiscal Year 2022-2023 bond authorization for such project of \$25,534,000; and
 - Increase Residential Life Facilities by \$32,916,000 for a total Fiscal Year 2022-2023 bond authorization for such project of \$87,566,000.
- 2) Thirtieth Supplemental Indenture Authorizing University of Connecticut General Obligation Bonds in an amount not to exceed \$84,700,000 plus costs of issuance, plus amounts carried forward from the Twenty-ninth Supplemental Indenture.
- 3) Sixth Supplemental Indenture Authorizing \$100,000,000 of Special Obligation Student Fee Revenue Bonds and Amending the Special Obligation Indenture of Trust and the Fifth Supplemental Indenture.



UConn Health

FY23 Year End Forecast

UConn Health Center

Revenue and Expense (\$M)

	Fiscal Year 2023 Forecast	Fiscal Year 2023 Budget	Variance	% Variance
State Support Salary	\$153.2	\$151.5	\$1.7	1.1%
State Support Fringe	174.2	157.0	17.1	9.8%
Additional State Support	110.4	110.4	0.0	0.0%
Tuition and Fees	32.8	32.2	0.6	2.0%
Grants & Contracts	110.7	111.3	-0.6	-0.5%
Interns/Residents	77.5	77.5	0.0	0.0%
Net Patient Revenue	830.4	781.8	48.6	5.9%
Other Revenue	206.8	186.9	19.8	9.6%
Total Operating Revenue	\$1,695.9	\$1,608.5	\$87.4	5.2%
Personal Services	\$545.8	\$529.5	\$16.3	3.0%
Fringe Benefits	358.1	351.3	6.8	1.9%
Temporary/Contractual Support	145.4	120.8	24.6	16.9%
Drugs/Medical Supplies	270.3	261.3	9.0	3.3%
Resident and Fellow house staff	63.2	63.2	0.0	-0.1%
Utilities	14.4	15.2	-0.9	-6.0%
Interest Expense on Debt Service	8.3	8.3	0.0	0.5%
Purchased Services	128.1	138.6	-10.4	-8.1%
Other Expenses	71.0	79.7	-8.7	-12.3%
Capital Projects/Lease and Debt Payments	68.7	40.0	28.7	41.8%
Total Operating Expense	\$1,673.3	\$1,607.9	\$65.4	3.9%
Excess/(Deficiency)	\$22.6	\$0.6	\$22.0	

Note: Use of decimals may result in rounding differences.

FY24 Proposed Spending Plan

UConn Health is presenting a balanced budget for FY24

	Fiscal Year 2024	Fiscal Year 2023		
	Proposed Budget	Forecast	Variance	% Variance
Revenue and Expense (\$M)				
State Support Salary	\$111.6	\$153.2	-\$41.6	-27.2%
State Support Fringe	0.0	160.7	-160.7	-100.0%
Fringe Benefit Differential	4.5	13.5	-9.0	-66.7%
Additional State Support	86.5	110.4	-23.9	-21.6%
Tuition and Fees	33.4	32.8	0.6	1.8%
Grants & Contracts	122.5	110.7	11.8	10.7%
Interns/Residents	82.8	77.5	5.2	6.8%
Net Patient Revenue	895.0	830.4	64.6	7.8%
Other Revenue	183.0	206.8	-23.7	-11.5%
Total Operating Revenue	\$1,519.2	\$1,695.9	-\$176.7	-10.4%
Personal Services	\$590.5	\$545.8	\$44.7	8.2%
Fringe Benefits	171.9	358.1	-186.2	-52.0%
Temporary/Contractual Support	148.7	145.4	3.2	2.2%
Drugs/Medical Supplies	287.2	270.3	16.9	6.3%
Resident and Fellow house staff	69.0	63.2	5.8	9.2%
Utilities	14.7	14.4	0.4	2.4%
Interest Expense on Debt Service	8.0	8.3	-0.3	-3.6%
Purchased Services	141.8	128.1	13.7	10.7%
Other Expenses	82.4	71.0	11.5	16.2%
Capital Projects/Lease and Debt Payments	27.0	68.7	-41.7	-60.7%
Total Operating Expense	\$1,541.2	\$1,673.3	-\$132.1	-7.9%
Prior Year Unrestricted Fund Balance	\$22.1	-\$22.1		
Excess/(Deficiency)	\$0.0	\$0.5		
Non Operating Expense				
Retirement/Pension expense	210.3	0.0	210.3	100.0%

Note: Use of decimals may result in rounding differences.

State Support

UConn Health is grateful for the generous support provided by the State in FY24. The significant one-time funding in FY24 and FY25, will require UConn Health to implement Financial Improvement Plans over the next biennial budget.

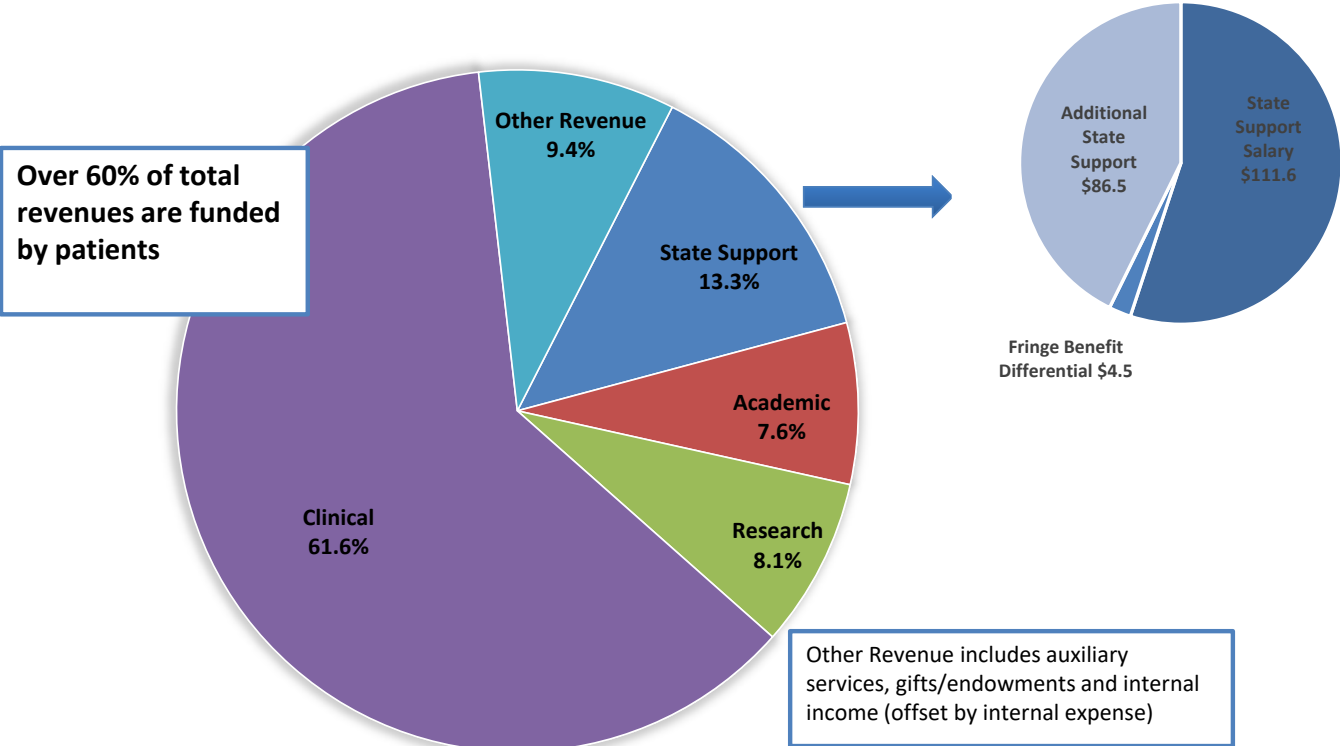
	FY2023	FY2024	FY2025
<u>State Support Salary</u>			
Operating Expenses	\$ 133.4	\$ 94.3	\$ 94.5
AHEC	0.4	0.4	0.4
Block Grant CBI	14.3	16.9	19.2
27th Payperiod	5.1	-	-
Total State Support - Salary	\$ 153.2	\$ 111.6	\$ 114.1
<u>Additional State Support</u>			
Temporary Operating Support - ARPA	\$ 72.7	\$ 51.5	\$ 25.7
Temporary Operating Support - Carry Forward	37.7	35.0	17.5
Total Additional State Support	\$ 110.4	\$ 86.5	\$ 43.2
Total Appropriation	\$ 263.6	\$ 198.1	\$ 157.3
JDH FB Differential	\$ 13.5	\$ 4.5	\$ 4.3
In-Kind Fringe*	160.7	-	-
Total State Support Fringe	\$ 174.2	\$ 4.5	\$ 4.3
Total State Support	\$ 437.8	\$ 202.6	\$ 161.6

← One-time funds

*New Fringe Methodology - Comptroller covers retirement fringe costs and UCH covers all other fringe costs
Retirement/Pension estimated at \$210.3M

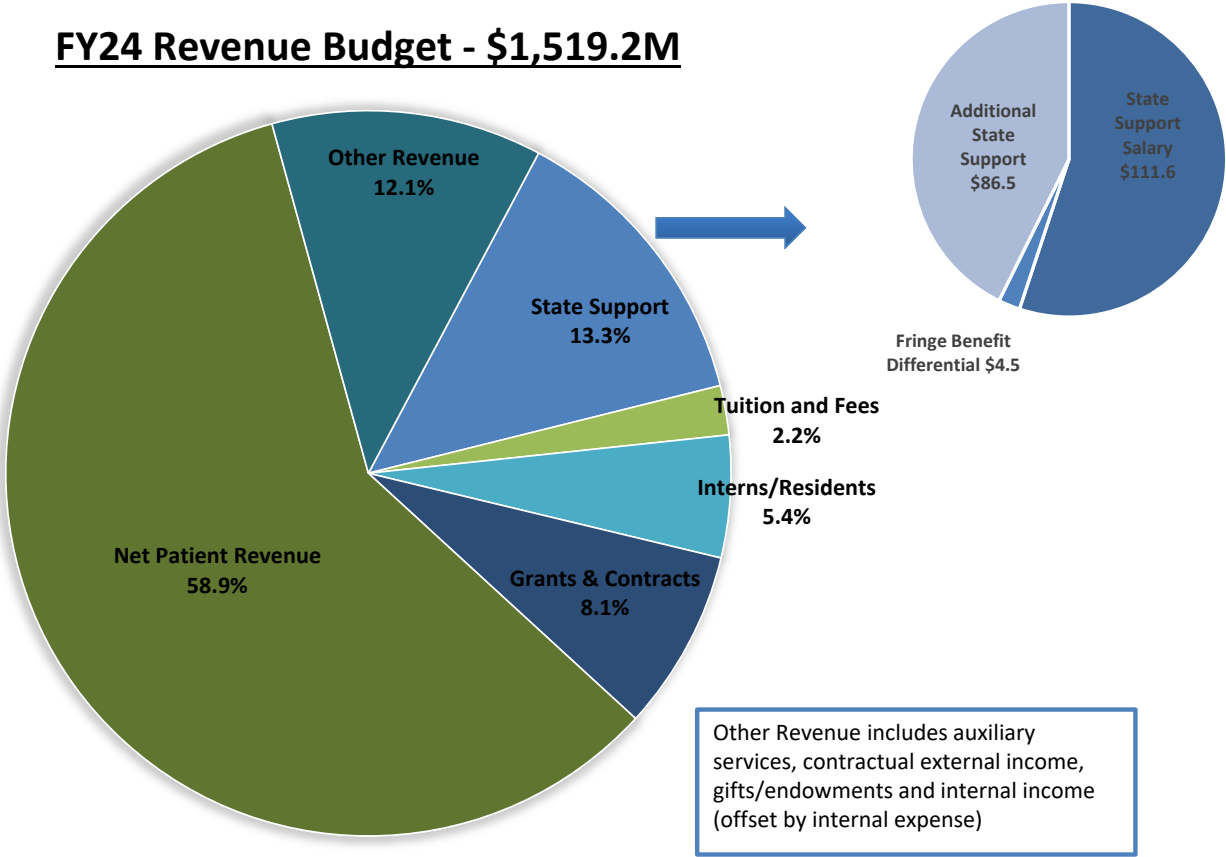
FY24 Proposed Spending Plan

FY24 Revenue by Source of Funds Budget - \$1,519.2M

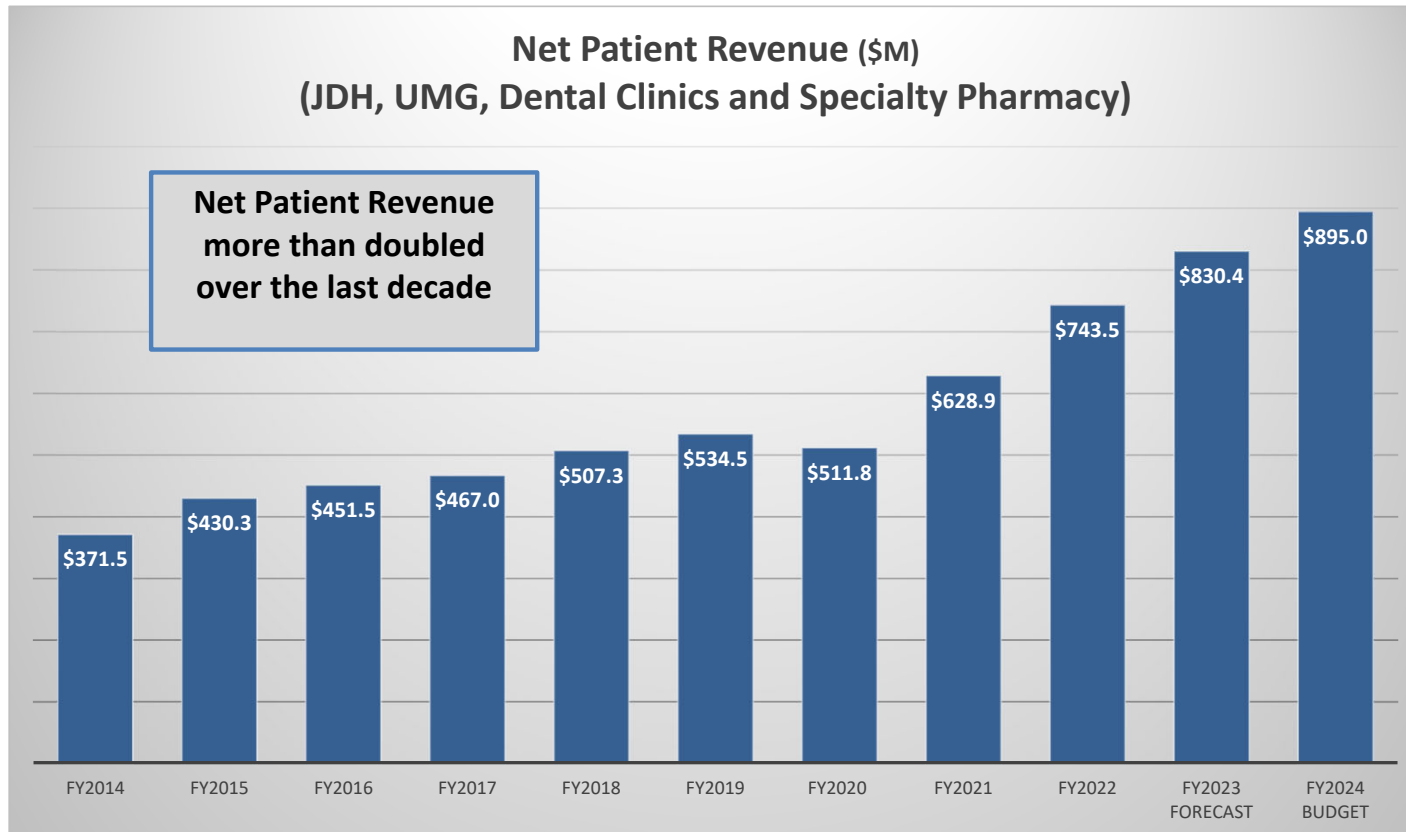


FY24 Proposed Spending Plan

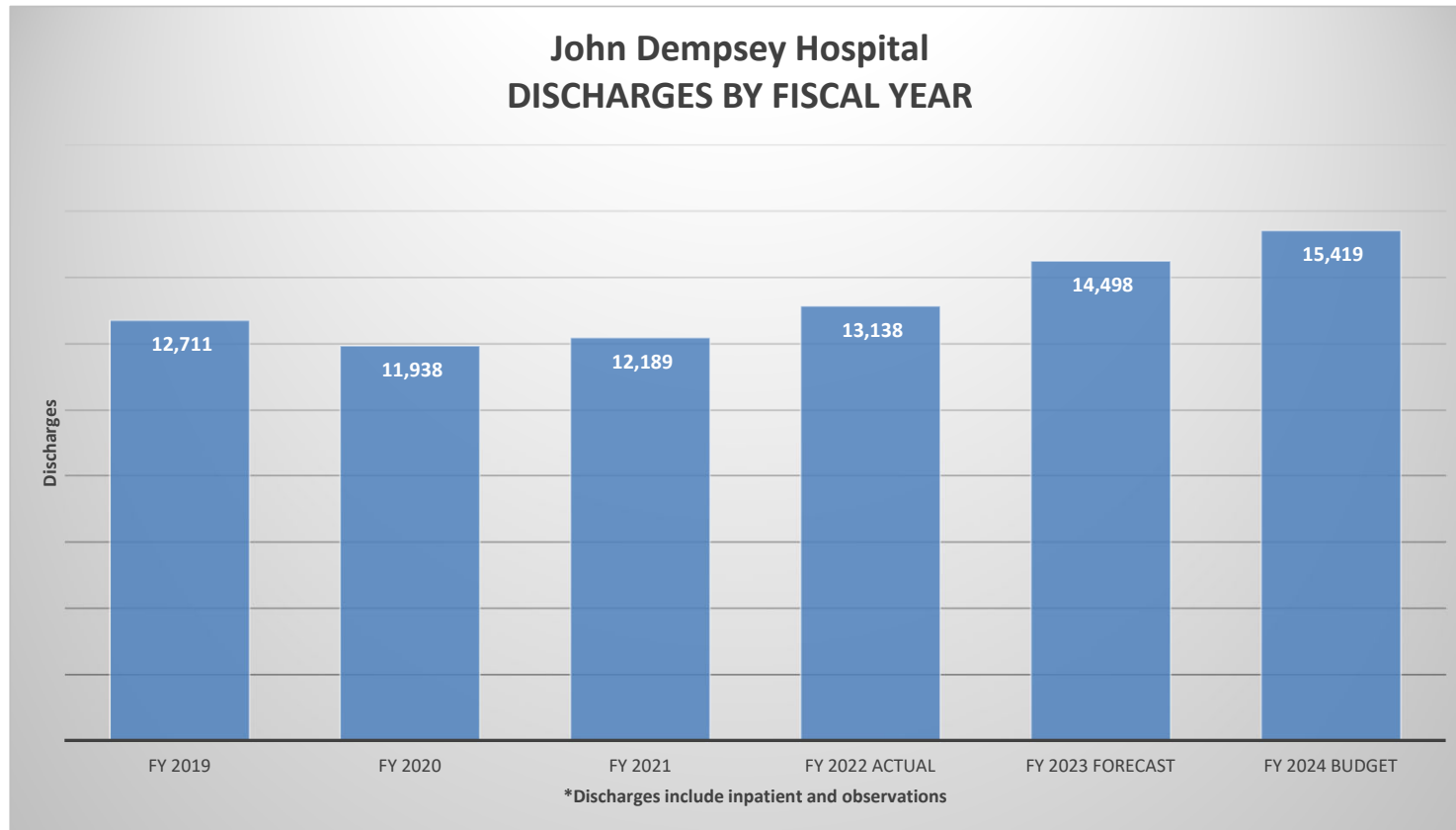
FY24 Revenue Budget - \$1,519.2M



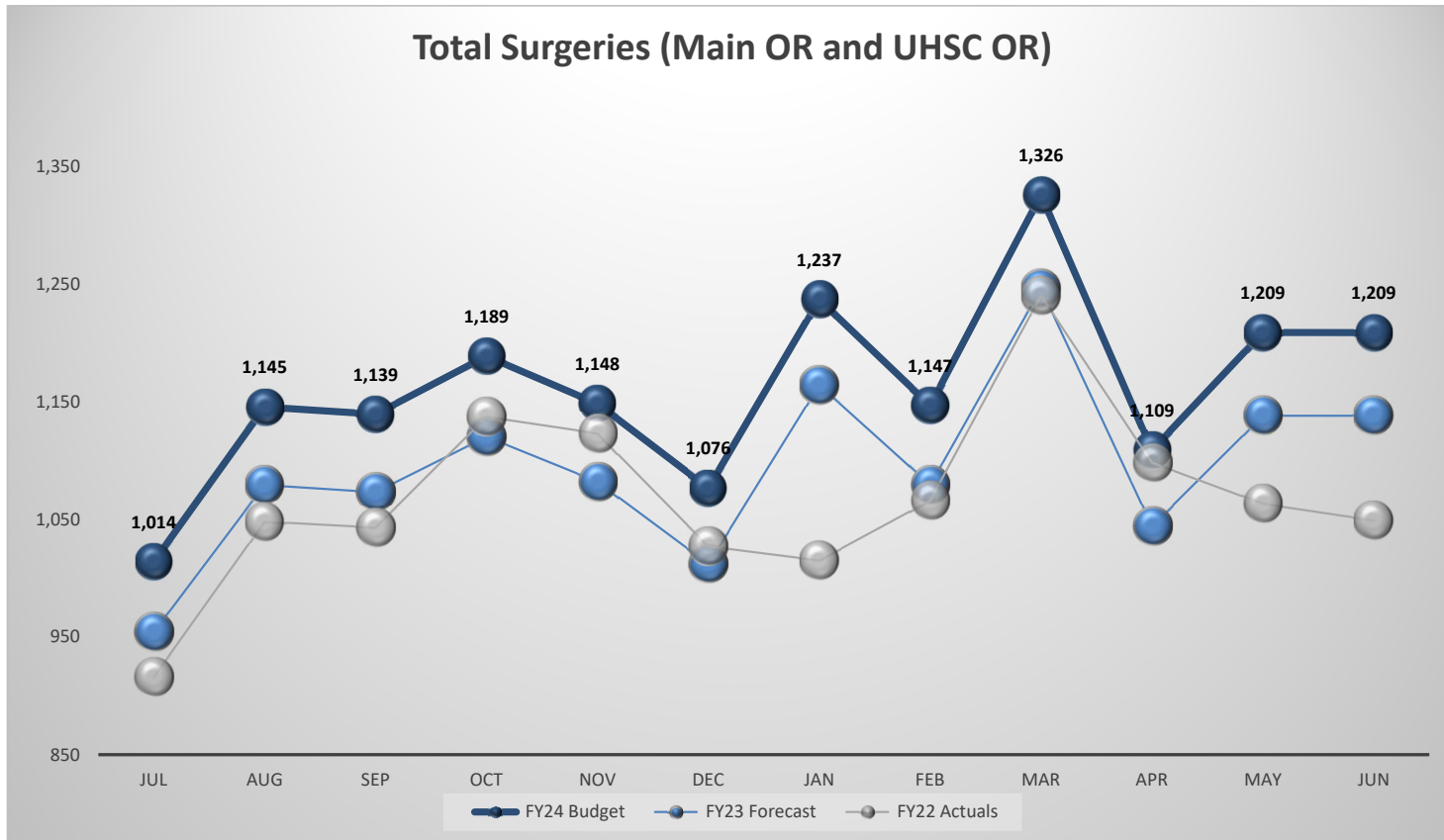
Clinical



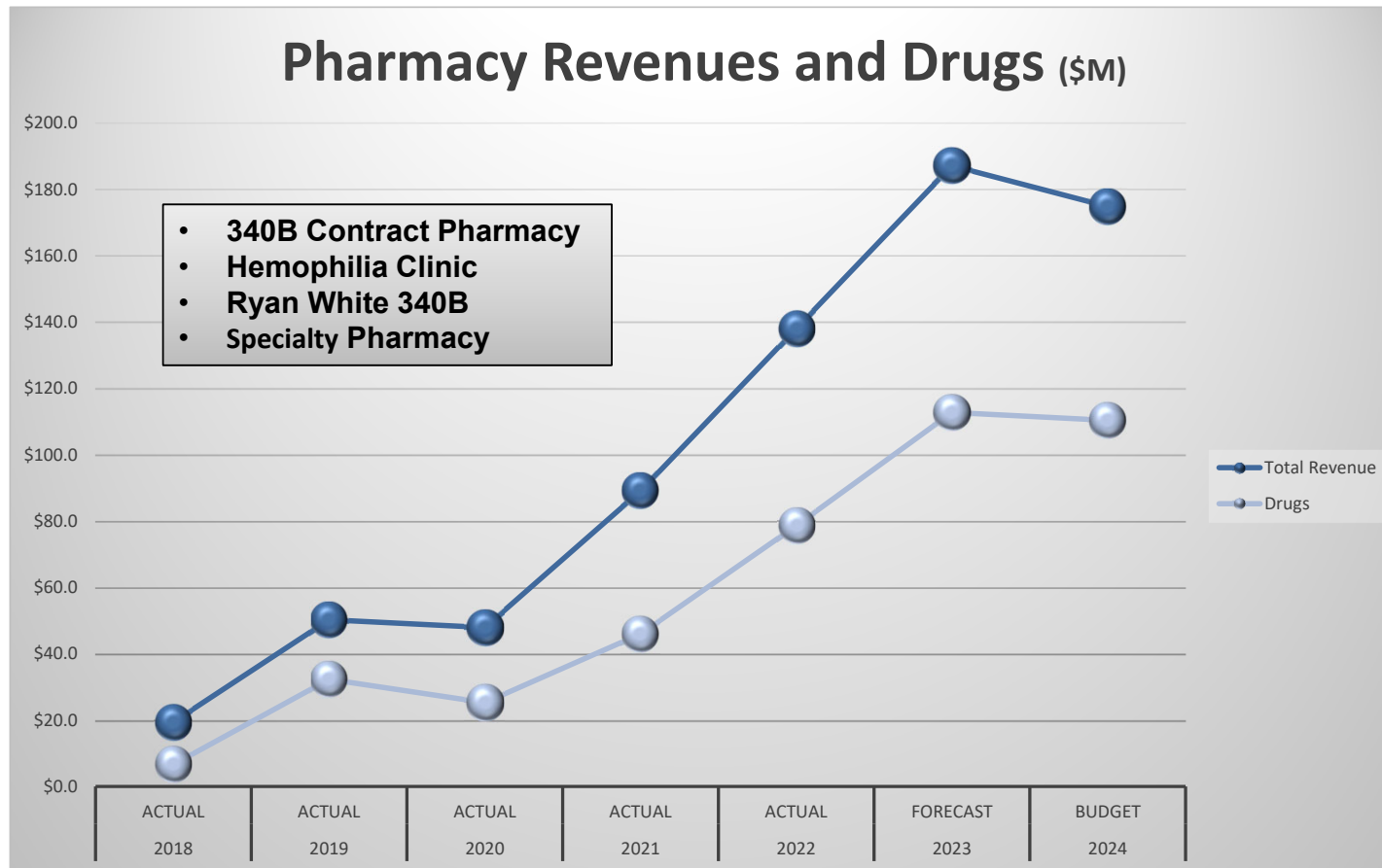
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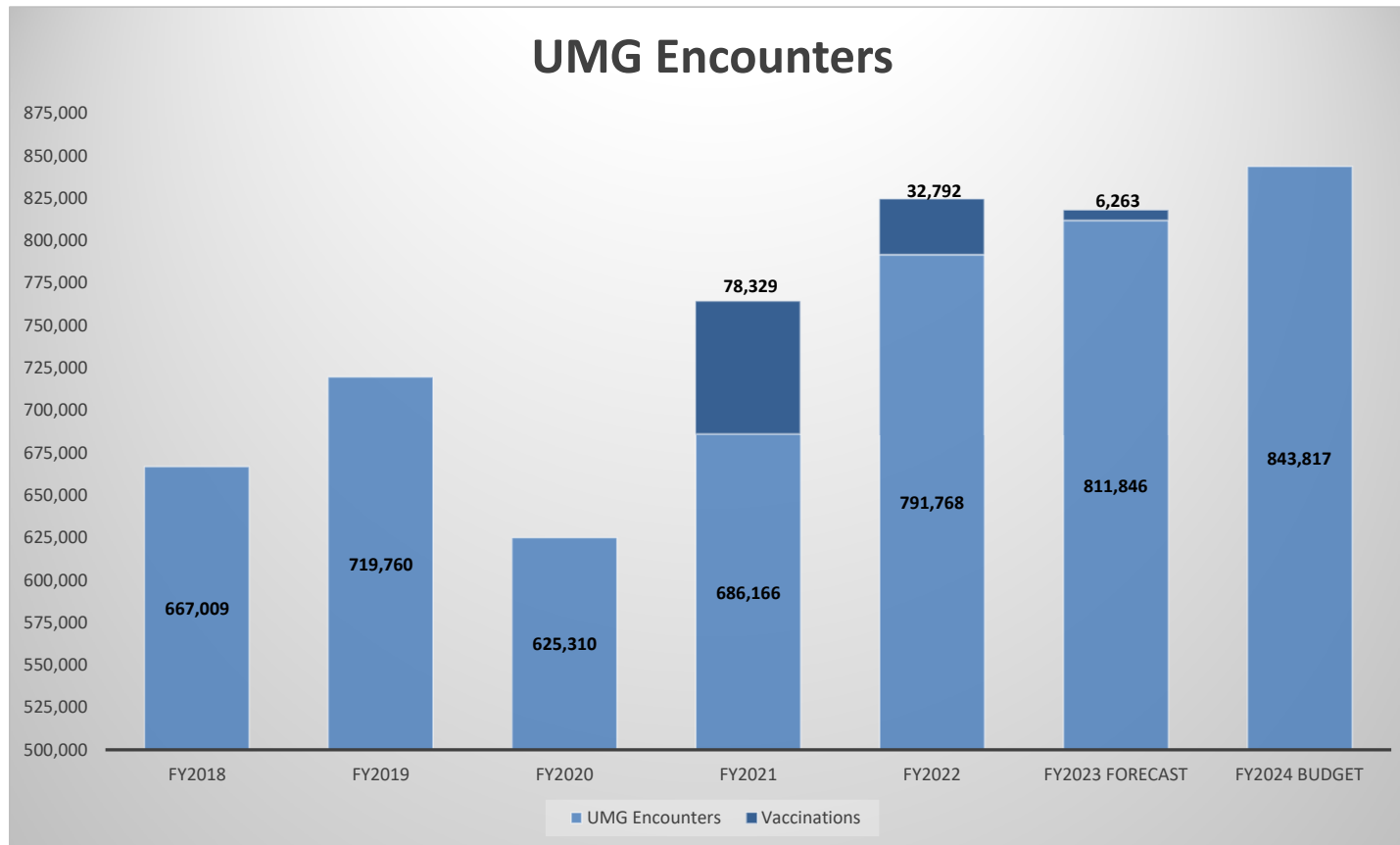
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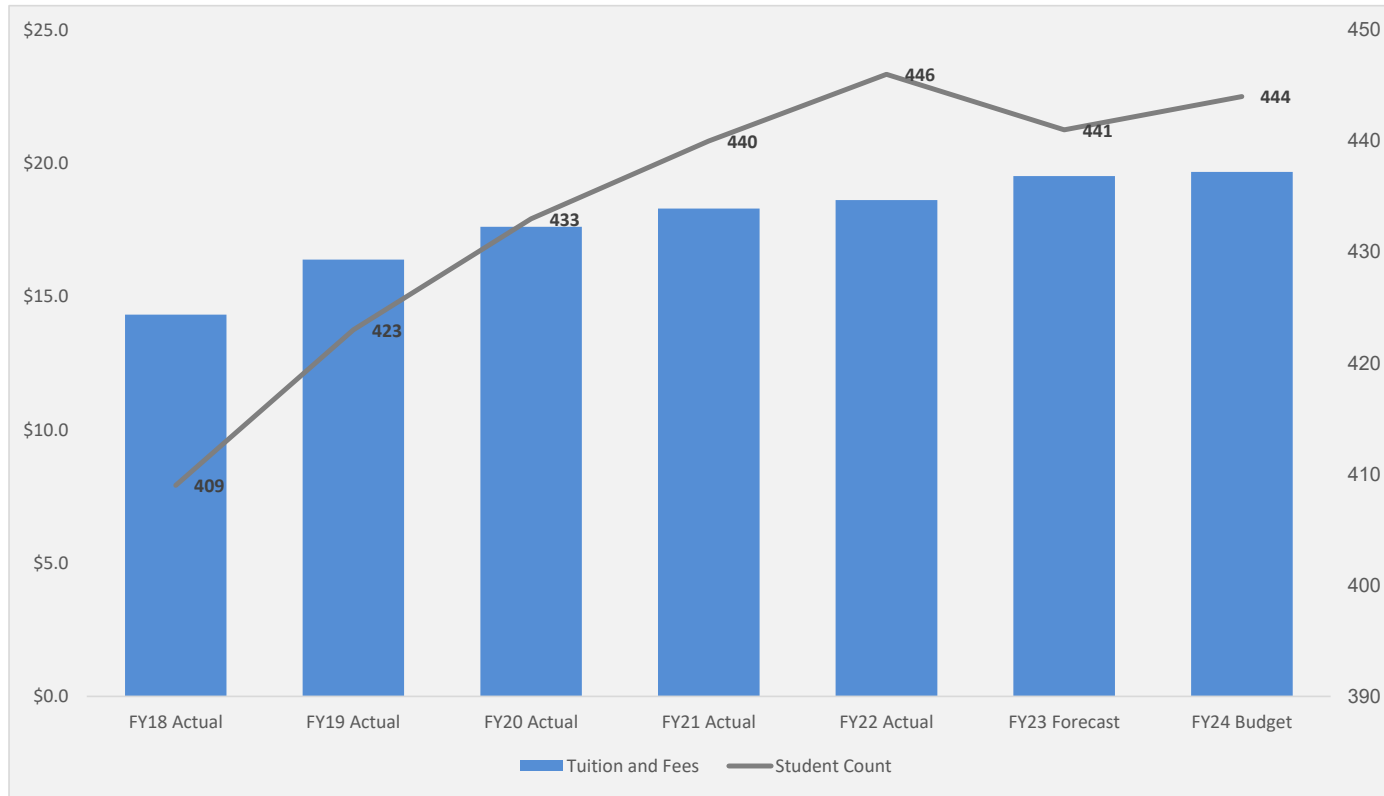
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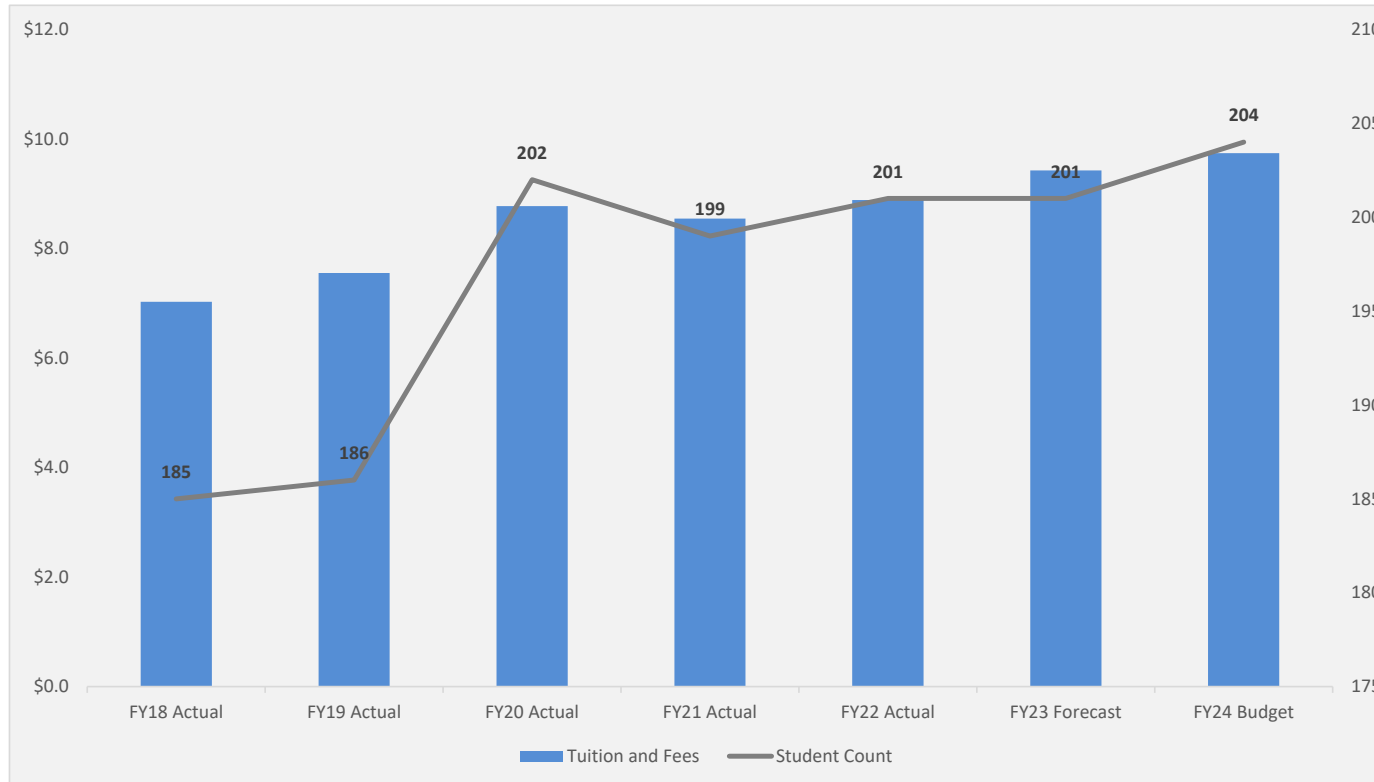
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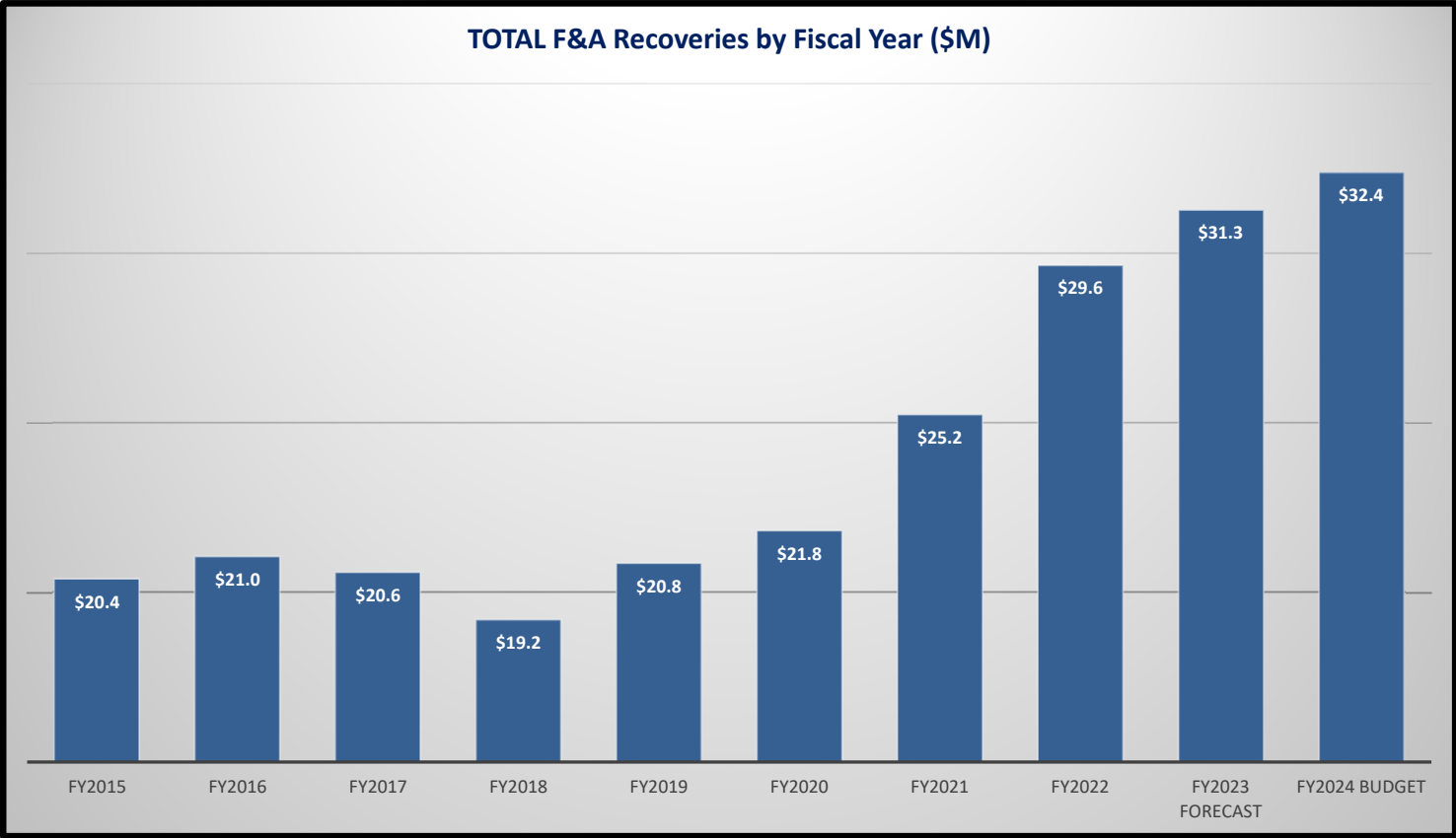
Academic: School of Medicine



Academic: School of Dental Medicine

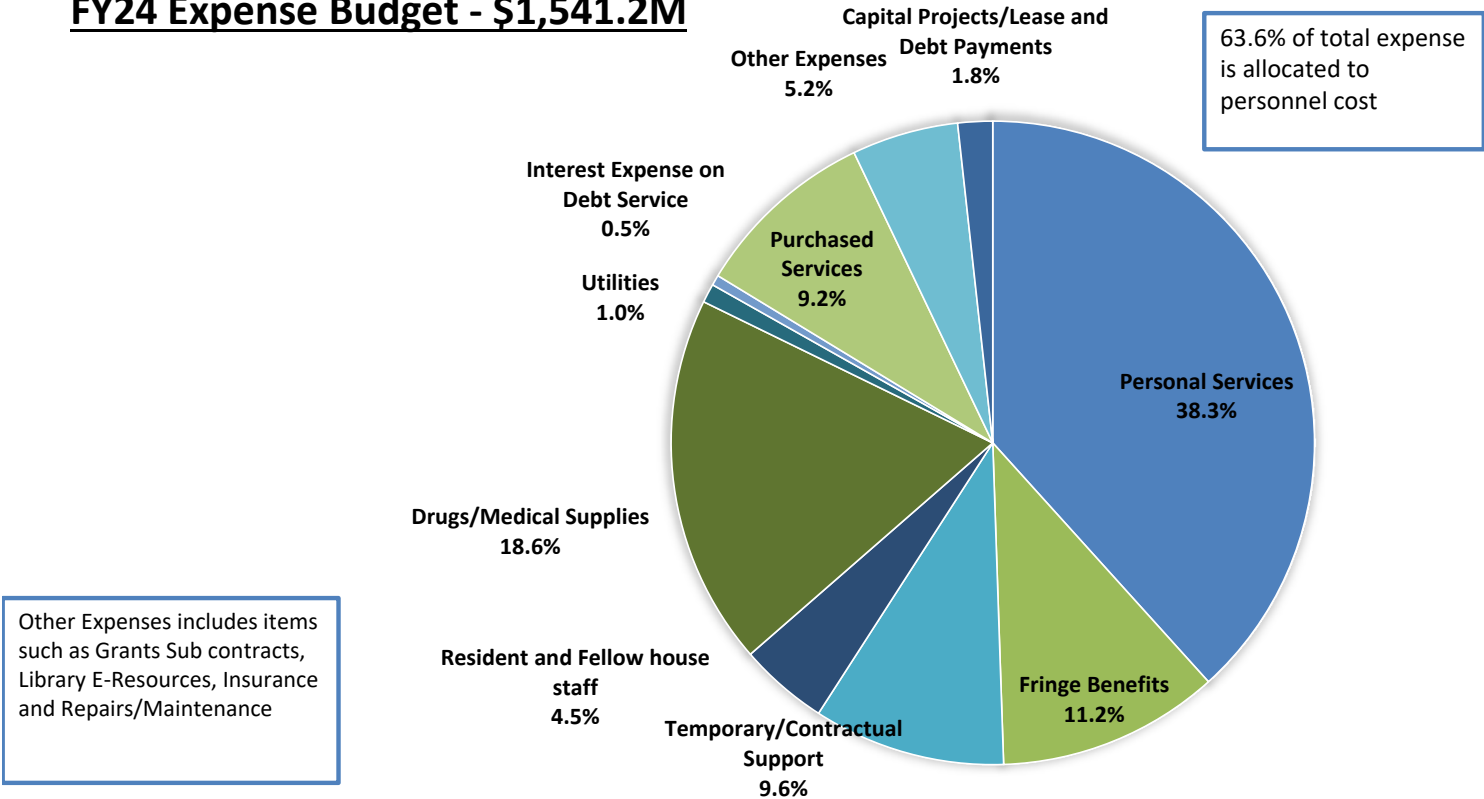


Research



FY24 Proposed Spending Plan

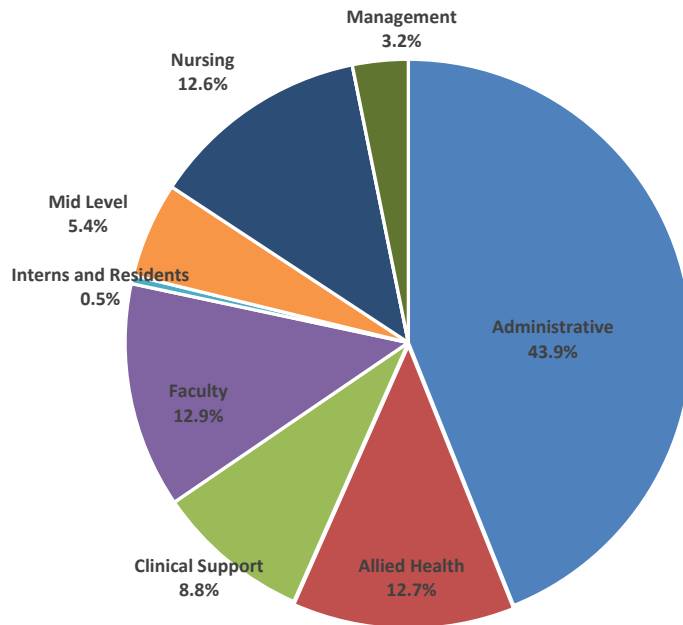
FY24 Expense Budget - \$1,541.2M



FY24 Proposed Spending Plan

Salary Expense Budget - \$590.5M - 5,416 FTEs

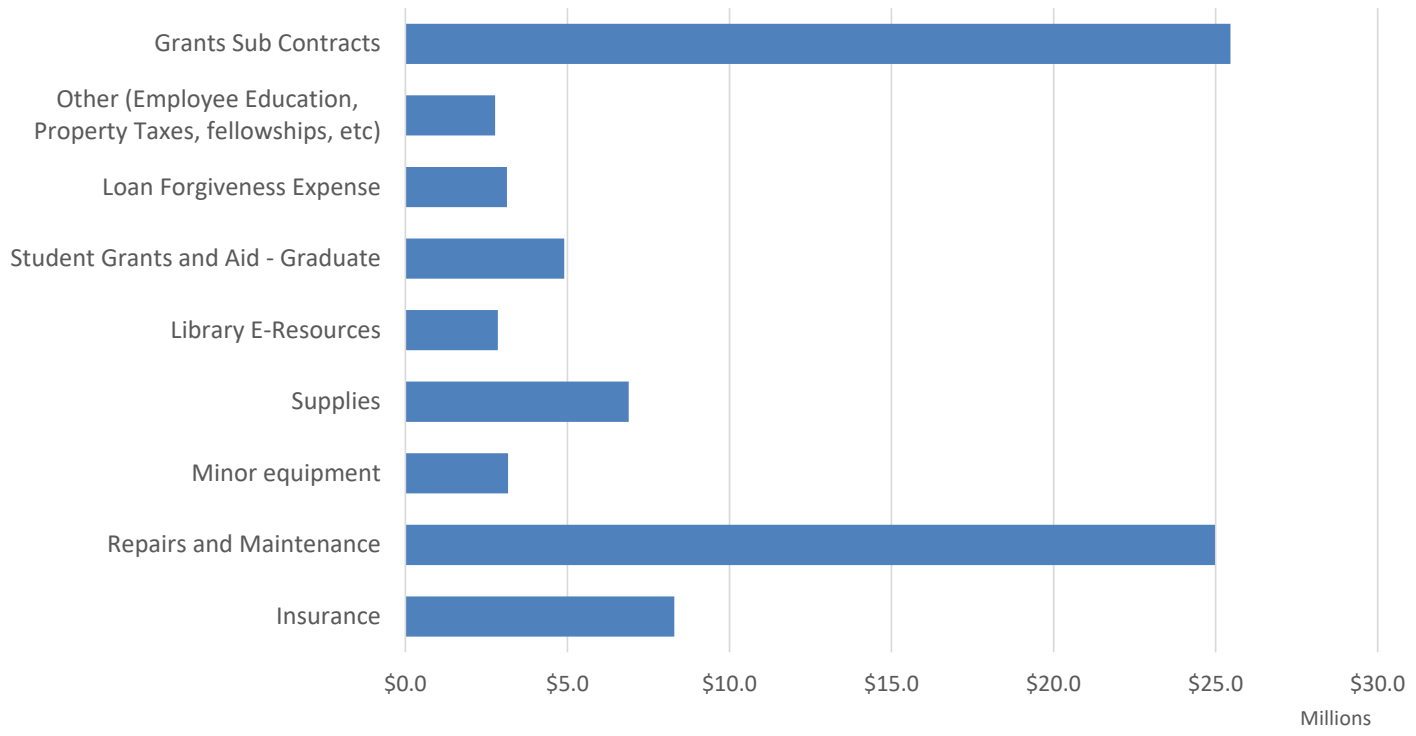
Growth in FY24 salaries is driven by Collective Bargaining increases of 4.5% and faculty/staff hiring due to clinical volume growth.



As part of the Financial Improvement Plan, vacant and new positions are reviewed and approved biweekly by the Position Control Review Committee

FY24 Proposed Spending Plan

Other Operating Expenses \$82.4M



FY24 Spending Items to Monitor

Staffing

Employee turnover is greater than historical trends; Overtime, Travel/Temporary Staff, Stipends

Fringe Costs

New Fringe Benefit methodology - new process and the unknown of how to precisely determine the amount of retirement costs

Other Expenses

Increased inflationary pressures and supply chain shortages, backorders and outages

Patient Revenue

DSS Supplement/Enhanced payments Federal match

340B eligibility and the restriction of 340B pricing by manufacturers in the Contract Pharmacy realm of our 340B program

Proposed payment reductions and overall shift of services to outpatient

FY25 forward

Our fiscal year 2025 forecast leaves UConn Health with a shortfall and will require financial improvement plans to generate new revenues and reduce expenses

Vote - FY24 Spending Plan Resolution (Operating)

RECOMMENDATION:

- That the Board of Trustees approve the Spending Plan for Fiscal Year 2024 of \$1,541.2 million for UConn Health.

RESOLUTION:

- “Be it resolved that the Board of Trustees approve the Fiscal Year 2024 Spending Plan of \$1,541.2 million for UConn Health.”

FY24 Capital Budget Spending Plan

State GO Bonds	
Deferred maintenance, code compliance and infrastructure improvements	30.0
System telecommunications infrastructure upgrades, improvements and expansions	3.0
Equipment, library collections and telecommunications	10.0
Total State GO Bonds	\$43.0
UConn Health Operating Funds*	
Campus Renovations	12.0
Clinical Equipment	12.0
Deferred Maintenance	3.1
Information Technology Security and equipment	13.0
Revenue Growth Investment	12.0
Research Capital Use Allowance	8.1
Other/Contingency	1.3
Total UConn Health Operating Funds	\$61.5
Grand Total FY24 Capital Budget	\$104.5

*Categories/Projects may be redistributed based on UConn Health Capital Prioritization

Vote - FY24 Capital Spending Plan Resolution

RECOMMENDATION:

- That the Board of Trustees approve a capital budget of 104.5 million for Fiscal Year 2024 which is comprised of \$43.0 million of State GO bond funds and \$61.5 million of UConn Health Operating funds.

RESOLUTION:

- “Be it resolved that the Board of Trustees approve a capital budget of \$104.5 million for Fiscal Year 2024 which is comprised of \$43.0 million of State GO bond funds and \$61.5 million of UConn Health Operating funds.”