



University of Puerto Rico (UPR)

December - FY 2021 Budget to Actual reporting
(FOMB Certified Budget)

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INTRODUCTION

University of Puerto Rico (“UPR”) is a state-supported university system created by the Law No. 1 of January 20, 1966, “Law of the University of Puerto Rico” (“Act No. 1”), as amended. UPR is responsible for serving the people of Puerto Rico to contribute to the development and enjoyment of the fundamental, ethical, and aesthetic values of Puerto Rican culture by providing high-quality education and creating new knowledge through research and exploration of the Arts, Sciences, and Technology. UPR consists of 11 campuses: Medical Sciences, Aguadilla, Arecibo, Bayamón, Carolina, Cayey, Humacao, Mayagüez, Ponce, Río Piedras, and Utuado.

Puerto Rico Fiscal Agency and Financial Advisory Authority (“AAFAF”) has been compiling financial information from Central Government and selected public corporations of the Commonwealth of Puerto Rico that are component units (“CU”) for financial reporting purposes, as part of AAFAF’s evaluation of actual performance against budget of the Government of Puerto Rico and its public corporations.

This report contains financial information for the month of December and YTD FY21 including budget and actual revenues from operations; intergovernmental transfers – general fund appropriations and other transfers from Central Government and public corporations; disaster relief receipts, federal funds and insurance proceeds.

This report also contains information of budget and actual expenses which include operating expenses – e.g. payroll and related costs, purchased services, professional services, transportation expenses, and disaster relief disbursements, and CapEx.

The financial information included in this report may change as a result of the annual year end accounting process.

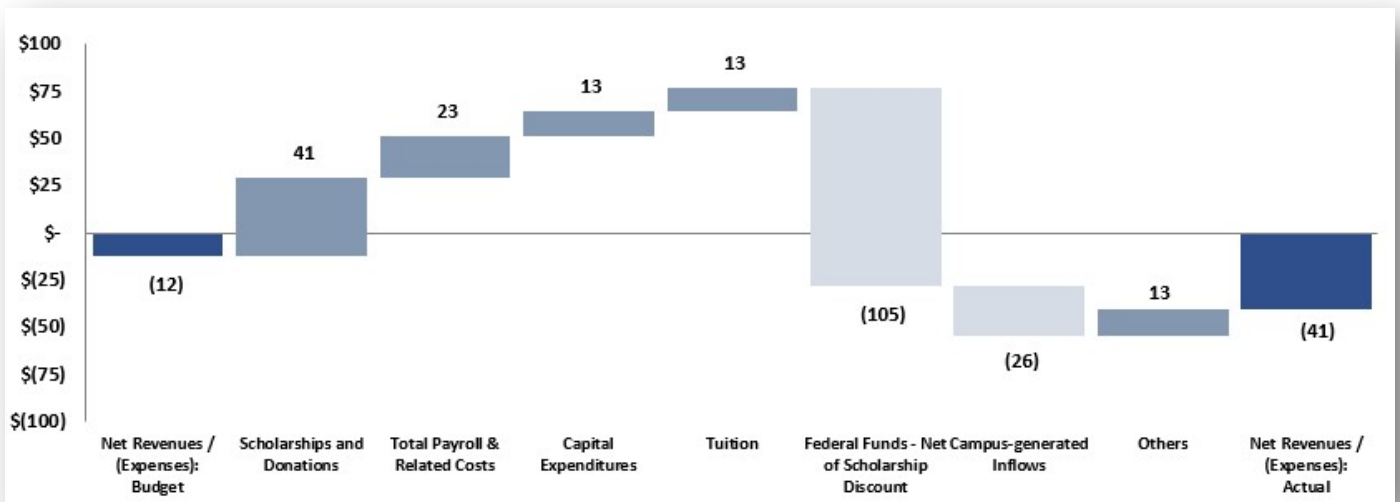
The FOMB budget was certified by the Federal Oversight Management Board and figures were used as a reference in this report for comparison with actual to evaluate UPR’s performance for the month of December and YTD FY21.

EXECUTIVE SUMMARY

YTD December, UPR ended net operations with a negative variance of \$28.7M compared to budget. Variances by concept levels were relevant in the following line items: negative variance in intra-government receipts - federal funds (\$105M) which is a combination of a delay in the recording of federal funds receipts in the accounting system and due to a permanent variance since federal funds are presented net of scholarship discounts versus budget which uses gross amounts, negative variance in campus-generated Inflows (\$26M) due to a combination of a variance related to the COVID-19 measures that maintains campus facilities closed and a delay in the recording of these revenues in the accounting system.

Negative variances are partially offset by positive variances in scholarships and donations (\$41M) which is permanent since scholarships applied to tuition are presented net, versus budget which uses gross amounts, total payroll and related costs (\$23M) timing variance due to a delay in the recording of payrolls in the accounting system, capital expenditures (\$13M) due to lower than expected capital projects disbursements and positive timing variance in tuition (\$13M) since December revenues includes second semester enrollment.

FY21 YTD December FOMB Certified Budget vs Actual (\$mm)



December and YTD – FY21 FOMB Certified Budget versus Actual Variance Analysis

Note: Includes reapportionments approved by FOMB on November 20 and 24.

(\$000's)	ACTUAL				BUDGET				
	Notes	Dec-20	Dec-20	Variance \$	Variance %	YTD	YTD	Variance \$	Variance %
Central Government Appropriations									
TSA General Fund Appropriation - Net Measures		40,593	40,592	1	0%	243,558	243,553	6	0%
TSA General Fund Appropriation - Joint Resolutions		2,432	2,439	(7)	0%	15,210	14,637	573	4%
Central Government Appropriations		43,025	43,032	(6)	0%	258,768	258,189	579	0%
Other Special Appropriations									
Executive Order No. 2017-021 - Training and Seminars		-	833	(833)	-100%	-	5,000	(5,000)	-100%
Department of Education - Training to Teachers and Tutoring		-	833	(833)	-100%	-	5,000	(5,000)	-100%
Legislative Scholarships		792	792	0	0%	4,881	4,750	131	3%
Total Other Appropriations		792	2,458	(1,667)	-68%	4,881	14,750	(9,869)	-67%
Central Government Appropriations		43,817	45,490	(1,673)	-4%	263,649	272,939	(9,290)	-3%
Operating Receipts									
PR Slot Machine Receipts - Law 36		-	5,446	(5,446)	-100%	16,365	16,337	28	0%
Tuition	1	60,566	17,054	43,513	255%	114,161	101,549	12,612	12%
Campus-generated Inflows	2	17,320	16,238	1,082	7%	65,498	91,148	(25,650)	-28%
Other Receipts		-	167	(167)	-100%	-	1,000	(1,000)	-100%
Total Operating Receipts		77,887	38,904	38,982	100%	196,025	210,034	(14,010)	-7%
Federal Fund Receipts									
Intra-Government Receipts - Federal Funds - Net of Scholarship Discount	3	2,003	18,201	(16,198)	-89%	38,909	144,369	(105,460)	-73%
Total Federal Fund Receipts		2,003	18,201	(16,198)	-89%	38,909	144,369	(105,460)	-73%
Disaster Relief Receipts									
FEMA and Insurance Receipts		206	-	206	0%	247	-	247	0%
CARES Act - Emergency Relief Fund		628	-	628	0%	5,352	-	5,352	100%
Other		-	-	-	0%	-	-	-	0%
Total Disaster Relief Receipts		834	-	834	0%	5,599	-	5,599	0%
Total Revenues		124,540	102,595	21,945	21%	504,182	627,342	(123,161)	-20%
Operating Disbursements:									
Payroll & Related Costs									
- Salaries - Full Time Employees		30,310	41,891	11,581	28%	237,417	248,114	10,697	4%
- Salaries - Transitory / Part Time Employees		94	1,474	1,380	94%	2,500	8,732	6,233	71%
- Christmas Bonus		4,644	6,719	2,075	31%	4,646	6,719	2,073	31%
- Overtime		585	123	(462)	-376%	1,098	727	(371)	-51%
- Other Compensation		-	-	-	0%	-	-	-	0%
- Liquidations		287	474	187	40%	3,161	2,808	(353)	-13%
- Incentives		75	75	0	0%	231	442	211	48%
- Medical Insurance		3,616	4,985	1,369	27%	25,851	29,527	3,676	12%
- Social Security Payment		2,736	3,131	395	13%	18,131	18,543	411	2%
- State Insurance Fund		503	598	95	16%	3,466	3,541	75	2%
- Unemployment Insurance		60	17	(43)	-252%	155	100	(54)	-54%
- Other Marginal Benefits		3	4	0	12%	20	22	1	7%
- Other Subsidies to Employees		1	16	16	95%	126	98	(28)	-28%
Total Payroll & Related Costs	4	42,914	59,507	16,593	28%	296,802	319,372	22,570	7%
Materials and Supplies									
Purchased Services		669	768	99	13%	18,184	18,109	(75)	0%
Scholarships and Donations	5	5,954	6,802	849	12%	55,538	96,449	40,911	42%
Resoluciones Conjuntas - Pass Throughs		-	-	-	0%	-	-	-	0%
Professional Services		-	975	975	100%	19	1,955	1,936	99%
Facilities and Payments for Public Services		5,887	4,521	(1,366)	-30%	12,567	16,182	3,615	22%
Transportation Expenses		101	199	98	49%	715	1,145	430	38%
Other Operating Payments		7,933	10,034	2,100	21%	29,838	37,035	7,197	19%
Total Operating Disbursements		22,719	25,681	2,962	12%	128,459	182,674	54,215	30%
Pensions Payments									
Total Pension Disbursements	4	11,772	13,308	1,536	12%	80,696	79,850	(846)	-1%
Disaster Relief Disbursements									
FEMA Supported Projects		-	-	-	0%	-	-	-	0%
CARES Act - Emergency Relief Fund - Disbursements		1,391	2,026	635	31%	15,023	12,158	(2,865)	-24%
Insurance Supported Projects		-	-	-	0%	-	-	-	0%
Other		-	-	-	0%	-	-	-	0%
Total Disaster-related Disbursements		1,391	2,026	635	31%	15,023	12,158	(2,865)	-24%
Capital Expenditures									
Equipment	5	1,238	2,575	1,336	52%	2,500	15,448	12,948	84%
Total Capital Expenditures & Equipment		1,890	3,909	2,019	26%	7,639	21,298	13,659	64%
Total Expenses Before Debt Service		80,686	104,431	23,744	23%	528,618	615,351	86,733	14%
Net Cash Flow Before Debt Service		43,854	(1,836)	45,690	-2488%	(24,436)	11,991	(36,427)	-304%
Debt-Related Disbursements:									
Debt Payments		475	4,021	3,546	88%	16,383	24,126	7,743	32%
Total Debt Related Disbursements		475	4,021	3,546	88%	16,383	24,126	7,743	32%
Total Expenses After Debt Service		81,161	108,452	27,291	25%	545,001	639,477	94,477	15%
Net Revenues/ (Expenses)		43,379	(5,857)	49,236	-841%	(40,819)	(12,135)	(28,684)	-236%

Notes

- Positive timing variance in tuition since December revenues includes second semester enrollment. We expect variance will diminish during the coming months according to budget.
- Negative timing variance in campus generated inflows mostly due to a variance of \$15M due to the COVID-19 measures that maintains campus facilities closed. Also, there is a delay in the recording of these revenues in the accounting system. Actual YTD amount of \$75.1M was presented in the December Liquidity Report.
- Negative variance in intra-government receipts (Federal Funds) which is mostly related to a delay in the recording of federal funds receipts in the accounting system. Actual YTD amount of \$71.2M was presented in the December Liquidity Report. Also, there is a permanent variance since federal funds are presented net of scholarship discounts, versus budget which uses gross amounts.
- Positive timing variance due to a delay in the recording of December payrolls in the accounting system. A total of \$66.5M Payroll and Related Costs was presented in the December Liquidity Report. This situation is also reflected in the pension expense recognition for the month.
- Positive permanent variance in scholarships and donations since scholarships applied to tuition are presented net, versus budget which uses gross amounts.
- Positive variance in capital expenditures due to lower than expected capital projects disbursements.

2nd QTR & YTD – FY21 FOMB Certified Budget versus Actual Variance Analysis

University of Puerto Rico
 PROMESA 203 Report
 For the quarter ended December 31 2020

(\$000's)	ACTUAL	BUDGET			ACTUAL	CERT. BUDGET		
	Q2	Q2	Variance \$	Variance %	YTD FY21	YTD FY21	Variance \$	Variance %
Central Government Appropriations								
TSA General Fund Appropriation - Net Measures	121,779	121,776	3	0%	243,558	243,553	6	0%
TSA General Fund Appropriation - Joint Resolutions	7,297	7,318	(22)	0%	15,210	14,637	573	4%
Central Government Appropriations	\$ 129,076	\$ 129,095	\$ (19)	0%	\$ 258,768	\$ 258,189	\$ 579	0%
Other Special Appropriations								
Executive Order No. 2017-021 - Training and Seminars	-	2,500	(2,500)	-100%	-	5,000	(5,000)	-100%
Department of Education - Training to Teachers and Tutoring	-	2,500	(2,500)	-100%	-	5,000	(5,000)	-100%
Legislative Scholarships	2,506	2,375	131	6%	4,881	4,750	131	3%
Total Other Appropriations	\$ 2,506	\$ 7,375	\$ (4,869)	-66%	\$ 4,881	\$ 14,750	\$ (9,869)	-67%
Central Government Appropriations	\$ 131,582	\$ 136,470	\$ (4,888)	-4%	\$ 263,649	\$ 272,939	\$ (9,290)	-3%
Operating Receipts								
PR Slot Machine Receipts - Law 36	12,861	16,337	(3,476)	-21%	16,365	16,337	28	0%
Tuition	60,673	32,472	28,202	87%	114,161	101,549	12,612	12%
Campus-generated inflows	30,653	46,054	(15,401)	-33%	65,498	91,148	(25,650)	-28%
Other Receipts	-	500	(500)	-100%	-	1,000	(1,000)	-100%
Total Operating Receipts	\$ 104,186	\$ 95,362	\$ 8,824	9%	\$ 196,025	\$ 210,034	\$ (14,010)	-7%
Other Sources of Revenue								
Intra-Government Receipts - Federal Funds - Net of Scholarship Discount	11,413	67,558	(56,145)	-83%	38,909	144,369	(105,460)	-73%
Total Federal Fund Receipts	\$ 11,413	\$ 67,558	\$ (56,145)	-83%	\$ 38,909	\$ 144,369	\$ (105,460)	-73%
Disaster Relief Receipts								
FEMA and Insurance Receipts	247	-	247	0%	247	-	247	0%
Other Federal Programs - CARES Act	4,048	-	4,048	0%	5,352	-	5,352	0%
Other Receipts	-	-	-	0%	-	-	-	0%
Total Disaster Relief Receipts	\$ 4,295	\$ -	\$ 4,295	0%	\$ 5,599	\$ -	\$ 5,599	0%
Total Revenues	\$ 251,476	\$ 299,390	\$ (47,914)	-16%	\$ 504,182	\$ 627,342	\$ (123,161)	-20%
Operating Disbursements:								
Payroll & Related Costs								
- Salaries - Full Time Employees	116,214	125,867	(9,654)	-8%	237,417	248,114	(10,697)	-4%
- Salaries - Transitory / Part Time Employees	426	4,430	(4,004)	-90%	2,500	8,732	(6,233)	-71%
- Christmas Bonus	4,645	6,719	(2,074)	-31%	4,646	6,719	(2,073)	-31%
- Overtime	807	369	438	119%	1,098	727	371	51%
- Other Compensation	-	-	-	0%	-	-	-	0%
- Liquidations	1,306	1,424	(119)	-8%	3,161	2,808	353	13%
- Incentives	151	224	(73)	-33%	231	442	(211)	-48%
- Medical Insurance	12,630	14,979	(2,348)	-16%	25,851	29,527	(3,676)	-12%
- Social Security Payment	8,953	9,407	(454)	-5%	18,131	18,543	(411)	-2%
- State Insurance Fund	1,724	1,797	(73)	-4%	3,466	3,541	(75)	-2%
- Unemployment Insurance	124	51	73	144%	155	100	54	54%
- Other Marginal Benefits	9	11	(2)	-15%	20	22	(1)	-7%
- Other Subsidies to Employees	7	50	(43)	-86%	126	98	28	28%
Total Payroll & Related Costs	\$ 146,996	\$ 165,327	\$ (18,330)	-11%	\$ 296,802	\$ 319,372	\$ (22,570)	-7%
Materials and Supplies								
Purchased Services	6,111	7,470	(1,360)	-18%	11,597	11,799	(202)	-2%
Scholarships and Donations	1,845	1,439	406	28%	18,184	18,109	75	0%
Resoluciones Conjuntas (Pass Throughs)	20,327	40,301	(19,974)	-50%	55,538	96,449	(40,911)	-42%
Professional Services	462	1,955	(1,493)	-76%	19	1,955	(1,936)	-99%
Facilities and Payments for Public Services	9,322	10,075	(753)	-7%	12,567	16,182	(3,615)	-22%
Transportation Expenses	327	698	(370)	-53%	715	1,145	(430)	-38%
Other Operating Payments	17,488	25,915	(8,427)	-33%	29,838	37,035	(7,197)	-19%
Total Operating Disbursements	\$ 55,883	\$ 87,853	\$ (31,971)	-36%	\$ 128,459	\$ 182,674	\$ (54,215)	-30%
Pensions Payments								
Total Pension Disbursements	\$ 39,199	\$ 39,925	\$ (726)	-2%	\$ 80,696	\$ 79,850	\$ 846	1%
Disaster Relief Disbursements								
FEMA Supported Projects	-	-	-	0%	-	-	-	0%
CARES Act - Emergency Relief Fund - Disbursements	12,379	6,079	6,300	104%	15,023	12,158	2,865	24%
Insurance Supported Projects	-	-	-	0%	-	-	-	0%
Other	-	-	-	0%	-	-	-	0%
Total Disaster-related Disbursements	12,379	6,079	6,300	104%	15,023	12,158	2,865	24%
Capital Expenditures								
Equipment	2,043	7,724	(5,680)	-74%	2,500	15,448	(12,948)	-84%
Total Other Disbursements	\$ 1,953	\$ 3,581	\$ (1,628)	-45%	\$ 5,139	\$ 5,850	\$ (711)	-12%
Total Other Disbursements	\$ 3,996	\$ 11,304	\$ (7,308)	-65%	\$ 7,639	\$ 21,298	\$ (13,659)	-64%
Total Expenses Before Debt Service	\$ 258,453	\$ 310,488	\$ (52,035)	-17%	\$ 528,618	\$ 615,351	\$ (86,733)	-14%
Net Cash Flow (before Debt Service)	(6,978)	(11,099)	4,121	-37%	(24,436)	11,991	(36,427)	-304%
Debt-Related Disbursements:								
Debt Payments								
Total Debt Related Disbursements	\$ 15,908	\$ 12,063	\$ 3,845	32%	\$ 16,383	\$ 24,126	\$ (7,743)	-32%
Total Debt Related Disbursements	\$ 15,908	\$ 12,063	\$ 3,845	32%	\$ 16,383	\$ 24,126	\$ (7,743)	-32%
Total Expenses After Debt Service	\$ 274,361	\$ 322,551	\$ (48,190)	-15%	\$ 545,001	\$ 639,477	\$ (94,477)	-15%
Net Cash Flow (After Debt Service)	(22,886)	(23,162)	276	-1%	(40,819)	(12,135)	(28,684)	236%