



University of Puerto Rico (UPR)

November - FY 2022 Budget to Actual reporting
(FOMB Certified Budget)

DISCLAIMER

This document was prepared by the Puerto Rico Fiscal Agency and Financial Advisory Authority (“AAFAF”) along with the University of Puerto Rico (“UPR”) as part of ongoing evaluation of financial matters of the Government of Puerto Rico, its public corporations and instrumentalities (collectively, the “Government”). Government creditors and other third parties should not rely on the information included in this presentation to purchase or sell any security or make any investment decision regarding securities issued by the Government. The amounts shown on this presentation are based on information obtained by AAFAF from governmental instrumentalities and financial institutions as of the dates indicated. AAFAF has not validated all of the information received and, as a result, cannot and does not assume any responsibility for the accuracy of such information. As additional information becomes available, there could be material changes to the information contained herein.

The Puerto Rico Fiscal Agency and Financial Advisory Authority (“AAFAF”), The Government of Puerto Rico (The “Government”), and each of their respective officers, directors, employees, agents, attorneys, advisors, members, partners or affiliates (collectively, with AAFAF and The Government The “Parties”) make no representation or warranty, express or implied, to any third party with respect to the information contained herein and all Parties expressly disclaim any such representations or warranties.

The amounts shown in this presentation (including those related to the receipts, disbursements and account balances) have not been confirmed through an audit conducted in accordance with generally accepted auditing standards, an examination of internal controls or other attestation or review services in accordance with standards established by the American Institute of Certified Public Accountants or any other organization. Accordingly, none of AAFAF, the Government, and each of their respective officers, directors, employees, agents, attorneys, advisors, members, partners or affiliates (collectively, with AAFAF and the Government, the “Parties”) express an opinion or any other form of assurance on the financial or other information contained in this presentation.

The Parties do not owe or accept any duty or responsibility to any reader or recipient of this presentation, whether in contract or tort, and shall not be liable for or in respect of any loss, damage (including without limitation consequential damages or lost profits) or expense of whatsoever nature of such third party that may be caused by, or alleged to be caused by, the use of this presentation or that is otherwise consequent upon the gaining of access to this document by such third party.

The Parties do not undertake any duty to update the information contained in this presentation.

By receiving this document, the recipient shall be deemed to have acknowledged and agreed to the terms and limitations described in these disclaimers.

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 November and YTD FY22 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, disaster relief disbursements, and CapEx.

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

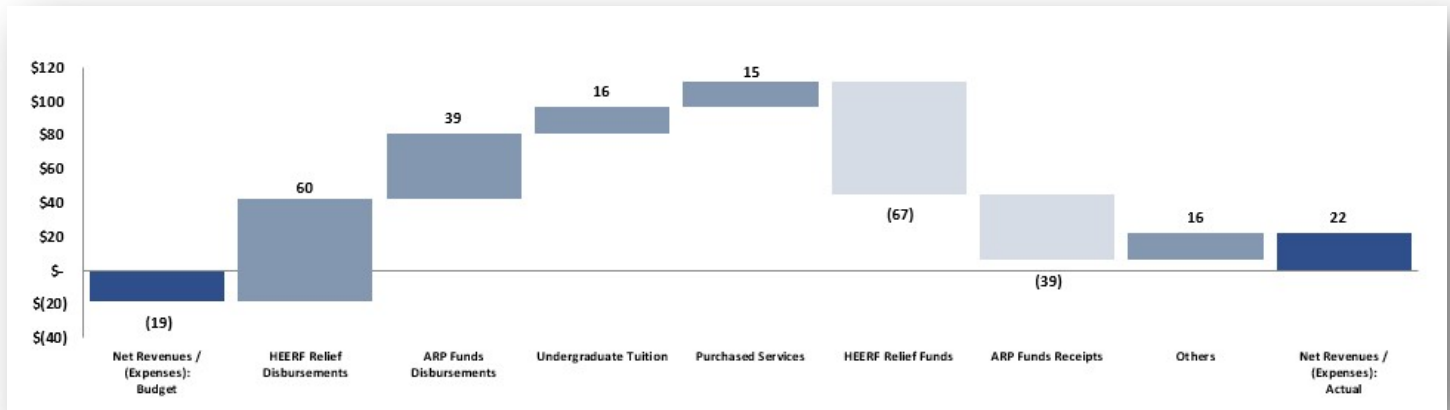
The FOMB budget was certified by the Federal Oversight Management Board and figures were used as a reference in this report for comparison with actual to evaluate UPR’s performance for the month of November and YTD FY22.

EXECUTIVE SUMMARY

YTD November, UPR ended net operations with a favorable variance of \$40.3M compared to budget. Variances by concept levels were relevant in the following line items: a favorable timing variance in HEERF Relief Required Disbursements (\$60M) as we expect to reach budget amounts in the next months, a favorable variance in Undergraduate Tuition (\$16M), which is temporary as we expect to match budget amounts in the next months, and a favorable permanent variance in Purchased Services (\$15M), as we expect to have savings in this line for the rest of the year.

Favorable variances are partially offset by unfavorable variances in HEERF Relief Funds (\$67M), due to a delay in the recording of these expenses in the accounting system, and an unfavorable timing variance in General Fund Appropriations – ARP Funds (\$39M) due to a delay in the receipt of these funds (net effect of zero since the related ARP disbursements have not been performed).

FY22 YTD November FOMB Certified Budget vs Actual (\$mm)



November and YTD – FY22 FOMB Certified Budget versus Actual Variance Analysis

Notes

University of Puerto Rico
Budget to Actuals
For the month of November 2021

	Notes	ACTUAL		BUDGET		ACTUAL		BUDGET	
		Nov-21	Nov-21	Variance \$	Variance %	YTD	YTD	Variance \$	Variance %
(S000's)									
Central Government Appropriations:									
TSA General Fund Appropriation - Net Measures		32,955	32,978	(23)	0%	164,777	164,892	(116)	0%
TSA General Fund Appropriation - ARP Funds	1	-	7,833	(7,833)	-100%	-	39,167	(39,167)	-100%
TSA General Fund Appropriation - Joint Resolutions		2,437	2,444	(7)	0%	12,195	12,222	(27)	0%
Other Special Appropriations - Training and Seminars	2	-	833	(833)	-100%	-	4,167	(4,167)	-100%
Services to Department of Education	2	-	835	(835)	-100%	-	4,175	(4,175)	-100%
Legislative Scholarships		792	792	0	0%	3,959	3,958	0	0%
Total Central Government Appropriations		36,184	45,716	(9,532)	-21%	180,931	228,582	(47,651)	-21%
Operating Revenues:									
PR Slot Machine Receipts - Law 36		5,700	5,379	321	6%	31,089	26,894	4,195	16%
Undergraduate Tuition	3	(90)	1,672	(1,762)	-105%	74,216	58,329	15,887	27%
Graduate Tuition		(0)	454	(454)	-100%	18,381	15,845	2,536	16%
Campus-generated Inflows		7,513	13,160	(5,647)	-43%	70,334	77,803	(7,469)	-10%
Special Funds		244	-	244	0%	513	107	405	378%
Other Revenues		-	167	(167)	-100%	-	833	(833)	-100%
Total Operating Revenues		13,367	20,832	(7,465)	-36%	194,532	179,812	14,720	8%
Other Sources of Revenues:									
Intra-Government Receipts		8,607	9,562	(956)	-10%	61,755	63,845	(2,091)	-3%
FEMA and Insurance Receipts		1,094	-	1,094	0%	3,311	-	3,311	0%
HEERF Relief Funds	4	2,945	29,429	(26,484)	-90%	80,471	147,146	(66,675)	-45%
Total Other Sources of Revenues		12,646	38,992	(26,346)	-68%	145,537	210,991	(65,454)	-31%
Total Revenues		62,197	105,540	(43,343)	-41%	521,000	619,384	(98,385)	-16%
Operating Expenditures:									
Payroll & Related Costs									
Salaries - Faculty		17,216	24,680	7,464	30%	116,481	120,657	4,176	3%
Salaries - Non-Faculty		11,832	15,259	3,427	22%	68,391	74,603	6,212	8%
Christmas Bonus		-	-	-	0%	3	-	(3)	0%
Overtime		103	119	16	13%	577	584	7	1%
Other Compensation		-	-	-	0%	-	-	-	0%
Liquidations		174	460	286	62%	4,084	2,248	(1,835)	-82%
Incentives	5	48	72	25	34%	8,090	354	(7,736)	-2186%
Medical Plan		3,144	4,444	1,300	29%	19,212	21,725	2,513	12%
Social Security Payment		2,328	3,049	721	24%	14,325	14,905	580	4%
State Insurance Fund		432	582	150	26%	2,709	2,847	138	5%
Unemployment Insurance		170	17	(153)	-927%	249	81	(168)	-208%
Total Payroll & Related Costs	6	35,448	48,682	13,234	27%	234,121	238,004	3,884	2%
Materials and Supplies		2,040	3,463	1,423	41%	10,388	15,604	5,216	33%
Purchased Services	7	429	860	431	50%	17,401	32,264	14,863	46%
Scholarships and Donations		4,704	4,522	(182)	-4%	45,152	39,066	(6,086)	-16%
Joint Resolutions		-	-	-	0%	-	-	-	0%
Facilities and Payments for Public Services		2,012	2,321	309	13%	9,975	11,501	1,525	13%
Professional Services		-	418	418	100%	13	2,090	2,077	99%
Transportation Expenses		149	538	389	72%	593	3,347	2,754	82%
Other Operating Expenses		5,760	4,210	(1,551)	-37%	25,835	27,132	1,297	5%
Total Operating Expenditures		15,095	16,332	1,237	8%	109,358	131,004	21,646	17%
Other Expenditures:									
Capital Expenditures		1,611	629	(982)	-156%	6,238	5,839	(398)	-7%
Restricted CAPEX - Graduate Tuition Measure		-	419	419	100%	-	2,095	2,095	100%
Equipment		969	1,005	36	4%	5,552	3,966	(1,586)	-40%
Pensions Payment	6	8,315	10,133	1,818	18%	44,615	50,667	6,051	12%
HEERF Relief Required Disbursements	8	6,094	29,429	23,335	79%	86,749	147,146	60,396	41%
UPR Sustainability Initiative - ARP Funds	1	-	7,833	7,833	100%	-	39,167	39,167	100%
Total Other Expenditures		16,990	49,450	32,459	66%	143,155	248,880	105,725	42%
Total Expenses Before Debt Service		67,533	114,463	46,931	41%	486,633	617,888	131,255	21%
Net Revenues / (Expenses) Before Debt Service		(5,336)	(8,924)	3,588	-40%	34,367	1,497	32,870	2196%
Contract Debt Service	9	4,075	4,021	(54)	-1%	12,672	20,105	7,433	37%
Total Expenses After Debt Service		71,608	118,484	46,877	40%	499,305	637,993	138,688	22%
Net Revenues / (Expenses)		(9,411)	(12,945)	3,534	-27%	21,695	(18,608)	40,303	217%

- Unfavorable timing variance in the UPR Sustainability Initiative - ARP Funds receipts due to a delay in the receipt of these funds. However, the net effect is zero since the related ARP disbursements have not been performed.
- Unfavorable timing variance in Other Special Appropriations and Services to Department of Education due to a delay in the recording of these revenues in the accounting system.
- Favorable variance in Undergraduate Tuition, which is temporary as we expect to match budget amounts in the next months.
- Unfavorable timing variance in HEERF Relief Funds due to a delay in the recording of these revenues in the accounting system. Actual YTD amount of \$169.6M was presented in the Liquidity Report.
- Incentives includes disbursements of \$8.0M related to the Premium Pay Program under the CARES ACT allocated to the Government of PR.
- Favorable timing variance in Total Payroll and Related Costs due to a delay in the recording of November payrolls in the accounting system. Actual YTD amount of \$252.4M was presented in the Liquidity Report. Pensions Payments recording amounts are affected due to the delay.
- Favorable permanent variance in Purchased Services, as we expect to have savings in this line for the rest of the year.
- Favorable timing variance in HEERF Relief Required Disbursements, as we expect to reach budget amounts during the year.
- Favorable variance in Contractual Debt Service is partially related to a permanent variance of \$3.5M due to a credit in the September payment in accordance with the Fourteenth Standstill Extension Agreement. Also, there is a timing variance due to a delay in the recording of the December payment in the accounting system. Actual YTD amount of \$16.7M was presented in the Liquidity Report