

University of Puerto Rico (UPR)

February - FY 2023 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 February and YTD FY23 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 February and YTD FY23.

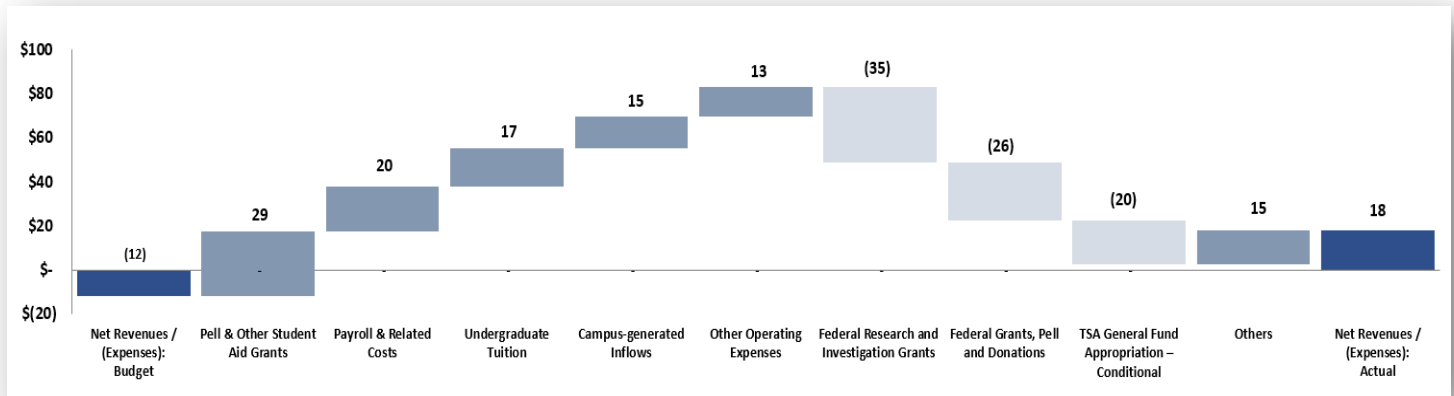
EXECUTIVE SUMMARY

YTD February, UPR ended net operations with a favorable variance of \$17.9M compared to budget. Variances by concept levels were relevant in the following line items:

Favorable variances: a timing variance Pell & Other Student Aid Grants (\$29M), a timing variance in Payroll & Related Costs (\$20M), a timing variance in Undergraduate Tuition revenues (\$17M), a timing variance in Campus-generated Inflows (\$15M) and a timing variance in Other Operating Expenses (\$13M) (Refer to notes in page 5).

Unfavorable variance: timing variance in Federal Research and Investigation Grants (\$35M), a timing variance in Federal Grants, Pell and Donations (\$26M), and a timing variance in TSA General Fund Appropriation – Conditional (\$20M) (Refer to notes in page 5).

FY23 YTD February FOMB Certified Budget vs Actual (\$mm)



February and YTD – FY23 FOMB Certified Budget versus Actual Variance Analysis

University of Puerto Rico
Budget to Actuals
For the month of February 2023

Notes

(\$000's)	ACTUAL				BUDGET				
	Notes	Feb-23	Feb-23	Variance \$	Variance %	YTD	YTD	Variance \$	Variance %
Central Government Appropriations:									
TSA General Fund Appropriation - Net Measures		35,618	35,740	(122)	0%	284,944	285,921	(977)	0%
TSA General Fund Appropriation - Conditional	1	-	-	-	0%	-	20,000	(20,000)	-100%
TSA General Fund Appropriation - Joint Resolutions		2,501	2,508	(7)	0%	20,029	20,065	(36)	0%
Other Special Appropriations - Training and Seminars		-	833	(833)	-100%	5,816	6,667	(850)	-13%
Services to Department of Education		-	835	(835)	-100%	11,781	6,681	5,101	76%
Legislative Scholarships		792	792	-	0%	6,336	6,334	2	0%
TSA General Fund Appropriation - Additional Medical Science - Medical Residents		-	417	(417)	-100%	-	3,333	(3,333)	-100%
TSA General Fund Appropriation - Additional Medical Science - Attending Doctors		-	575	(575)	-100%	-	4,600	(4,600)	-100%
Endowment Funds		-	833	(833)	-100%	7,500	6,667	833	13%
Total Central Government Appropriations		38,911	42,533	(3,623)	-9%	336,406	360,267	(23,861)	-7%
Operating Revenues:									
PR Slot Machine Receipts - Law 36		6,294	6,041	253	4%	51,073	48,329	2,744	6%
Undergraduate Tuition	2	38	11,808	(11,770)	-100%	116,845	99,462	17,384	17%
Graduate Tuition		43	3,388	(3,346)	-99%	21,444	28,542	(7,098)	-25%
Campus-generated Inflows	3	11,331	10,278	1,054	10%	129,901	115,335	14,567	13%
Other Revenues		-	167	(167)	-100%	-	1,333	(1,333)	-100%
Total Operating Revenues		17,706	31,681	(13,976)	-44%	319,263	293,000	26,263	9%
Other Sources of Revenues:									
Pell & Other Student Aid Grants	4	25,014	3,173	21,841	688%	63,953	34,760	29,193	84%
Federal Research and Investigation Grants	5	546	6,499	(5,953)	-92%	36,618	71,190	(34,572)	-49%
FEMA and Insurance Receipts		-	-	-	0%	592	-	592	0%
HEERF Relief Funds		536	-	536	0%	8,184	-	8,184	0%
Prior Years Receivables		-	-	-	0%	-	-	-	0%
Other Receipts		-	-	-	0%	-	-	-	0%
Total Other Sources of Revenues		26,096	9,672	16,425	170%	109,348	105,950	3,398	3%
Total Revenues		82,713	83,886	(1,174)	-1%	765,017	759,217	5,801	1%
Operating Expenditures:									
Payroll & Related Costs									
Salaries - Faculty		16,075	27,632	11,557	42%	208,289	221,495	13,206	6%
Salaries - Non-Faculty		11,155	14,409	3,254	23%	110,143	115,504	5,360	5%
Christmas Bonus		8	-	(8)	0%	5,551	5,700	149	3%
Overtime		167	172	5	3%	1,771	1,377	(394)	-29%
Liquidations		1,331	693	(639)	-92%	6,158	5,551	(607)	-11%
Incentives		44	33	(11)	-33%	255	265	10	4%
Medical Plan		3,233	4,483	1,251	28%	33,551	35,938	2,387	7%
Social Security Payment		2,210	3,090	881	28%	24,845	24,771	(73)	0%
State Insurance Fund		393	607	214	35%	4,784	4,866	82	2%
Unemployment Insurance		40	48	8	17%	295	384	89	23%
Total Payroll & Related Costs	6	34,657	51,168	16,511	32%	395,643	415,851	20,208	5%
Materials and Supplies									
Purchased Services		426	577	150	26%	18,277	20,174	1,897	9%
Federal Grants, Pell and Donations	7	11,757	11,288	(469)	-4%	93,766	67,811	(25,955)	-38%
Joint Resolutions		-	-	-	0%	-	-	-	0%
Facilities and Payments for Public Services		3,641	5,828	2,187	38%	25,808	31,670	5,862	19%
Professional Services		-	279	279	100%	-	2,231	2,231	100%
Transportation Expenses		435	453	18	4%	3,397	3,172	(225)	-7%
Other Operating Expenses	8	6,509	8,364	1,855	22%	37,820	51,293	13,473	26%
Total Operating Expenditures		26,365	30,865	4,499	15%	196,947	196,886	(61)	0%
Other Expenditures:									
Capital Expenditures		406	48	(358)	-752%	6,293	1,756	(4,538)	-258%
Equipment & Maintenance		2,471	3,790	1,319	35%	18,648	26,226	7,578	29%
Pensions Payment	6	6,579	12,242	5,663	46%	84,057	97,933	13,877	14%
HEERF Relief Required Disbursements		1,333	-	(1,333)	0%	14,851	-	(14,851)	0%
Total Other Expenditures		10,789	16,079	5,290	33%	123,848	125,915	2,066	2%
Total Expenses Before Debt Service		71,810	98,111	26,301	27%	716,438	738,651	22,213	3%
Net Revenues / (Expenses) Before Debt Service		10,902	(14,225)	25,127	-177%	48,580	20,566	28,014	136%
Contract Debt Service									
Total Expenses After Debt Service		8,110	4,021	(4,089)	-102%	30,669	32,168	1,499	5%
Net Revenues / (Expenses)		2,792	(18,246)	21,038	-115%	17,910	(11,602)	29,513	254%

1. Unfavorable timing variance in TSA General Fund Appropriation – Conditional. We expect to receive the budget figures in the following months.
2. Favorable timing variance in Undergraduate Tuition revenues since we expect to approximate budget amounts for FY23.
3. Favorable timing variance in Campus-generated inflows since we expect to approximate budget amounts for FY23.
4. Favorable timing variance in Pell & Other Student Aid Grants since we expect to approximate budget amounts for FY23.
5. Unfavorable timing variance in Federal Research and Investigation Grants due to a delay in the recording of these revenues in the accounting system. We expect to receive the budget figures in the following months.
6. Favorable timing variance in Total Payroll & Related Costs due to a delay in the recording of February payrolls in the accounting system. Actual YTD amount is \$415.4M as presented in the Liquidity Repot. In addition, Pensions Payment recording is affected due to the delay.
7. Unfavorable timing variance in Federal Grants, Pell and Donations. We expect to approximate budget figures for the FY23.
8. Favorable timing variance in Other Operating Expenses since we expect to reach budget figures in the following months.