



# Higher Education Financial Sustainability Advisory Board

18 November 2024

**UConn**  
UNIVERSITY OF CONNECTICUT



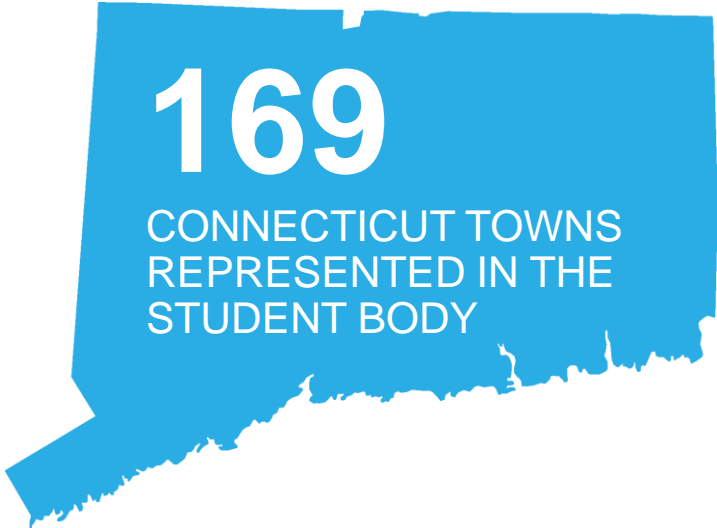
# Agenda

1. Strategic Planning and Goals
2. Financial Overview
3. Budget Constraints & Challenges
4. Strategies for Growth and a Balanced Budget
5. Moving Forward



# UConn by the Numbers

Fall 2024, UConn Storrs, regional campuses, and UConn Health



**84%**

Of undergraduates received financial aid in FY24

**25,304**

Undergraduate Students  
7% international

**2,499**

Full Time Faculty Members  
UConn 1,750 + UCH 749

**8,250**

Graduate & Professional Students  
21% international

**8,517**

Full Time Staff  
UConn 3,677 + UCH 4,840

**\$5.1B**

Campus Infrastructure  
Investments

**\$368M**

Annual Research Awards

**>90**

Centers & Institutes

# Strategic Plan Update

**ENVISIONING 2034**

## Strategic Goals

**Promoting  
Holistic Student  
Success**

**Expanding  
Research Impact**

**Powering a  
Thriving  
Connecticut**

## Key Performance Indicators (KPIs):

How we are measuring progress

- Key Performance Indicators (KPIs) will be tracked annually.
- Following AAU (Association of American Universities) best practices, UConn will provide public KPI updates as part of its annual Envisioning 2034 report.

KPIs

15 key performance indicators with a 2030 milestone to ensure the University achieves the overarching goals of the plan

KPI Examples	2023 Level	2030 Target
Undergraduate 6-year Graduation Rate (US News)	84%	90%
Graduate Composite Graduation Rate *	67%	74%
Percentage of undergraduate students concerned or very concerned about accumulated educational debt	46%	41%
Percentage of graduate students concerned, very concerned, or extremely concerned about paying for graduate/professional education next year	40%	35%

KPI Examples	2023 Level	2030 Target
Total Research Awards	\$368M	\$500M
Faculty National Academy Memberships	6	14
Endowment Market Value	\$593M	\$1B (FY 32)
UConn Impact on Statewide Economic Output	\$6.9B	\$9.2B
Greenhouse Gas Emissions (measured in tonnes across EPA Scopes 1, 2,3)	139,888	Net Neutral

“Monitor” KPIs

~50 indicators that monitor the ongoing operational health of the university and where we may already be in line or above national averages



# UConn's Impact on Connecticut's Economy

The State's annual operating investment in UConn is ~1% of the state budget.  
UConn's total operations contribute 2.95% to the Gross State Product.

**48,575 jobs**  
supported by UConn

- ✓ 13,267 - Direct
- ✓ 14,957 - Indirect
- ✓ 20,351 - Induced

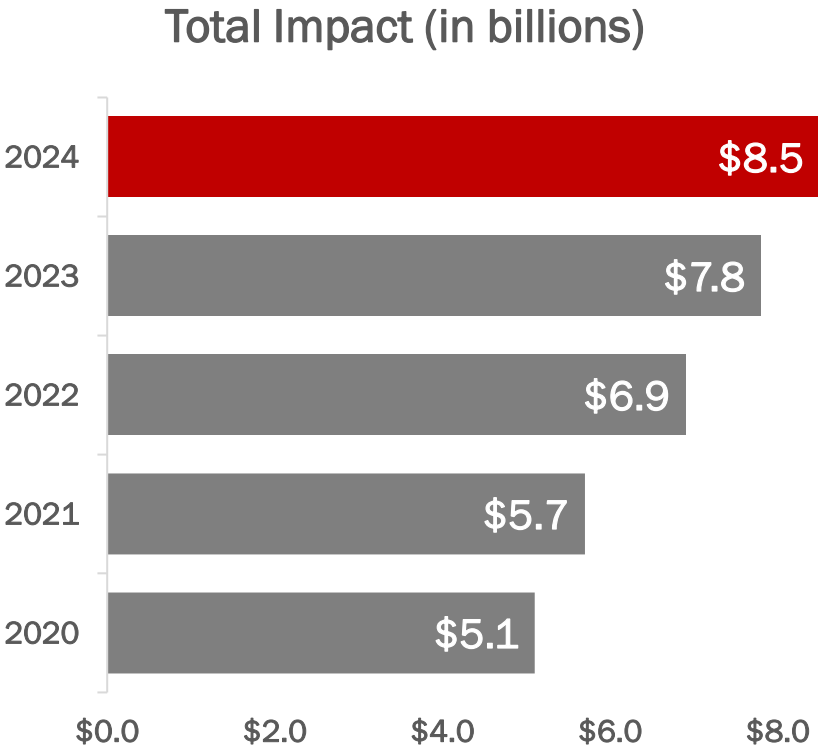


**\$8.5 billion**

Total impact per year and growing

**\$1.76**  
In economic output generated for  
every dollar UConn spends

**2.95%**  
of CT's real Gross State  
Product (GSP) is  
contributed by UConn





# Athletics Impact on CT's Economy

Operations and visitor spending by UConn Athletics and its fans generated:

- \$226.2 million in overall economic impact for the state in FY23
- \$35.4 million in State and Local Taxes
- 1,732 jobs in the State of Connecticut
- Out-of-state visitors increased from 73,684 in FY19 to 152,433 in FY23 or 106%

UConn



# UConn’s Impact on Connecticut’s Workforce

76%

of graduates from CT take jobs in the state

9 out of 10

graduates are employed full time, in graduate school, or in military service six months after graduation



Total Degree Completions (Including MD and DMD)

Student Level	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Undergraduate	5,221	5,340	5,221	5,560	5,639	5,672	5,757	5,656	5,414	5,558	5,759
Graduate/Professional	2,650	2,740	2,834	3,062	3,140	3,121	3,019	3,303	3,068	3,211	3,273
Total Degree Completions	7,871	8,080	8,055	8,622	8,779	8,793	8,776	8,959	8,482	8,769	9,032



# Jobs Outlook for Connecticut

**724,000**

Jobs in CT will require a bachelor’s degree or higher by 2031

**68%**

Of all jobs in CT will require some training beyond high school

## Projected Growth in Connecticut Jobs in Key Sectors

<b>+ 20%</b> Healthcare	<b>+ 15%</b> Education	<b>+ 10%</b> STEM
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Connecticut: Jobs forecast for 2031 by education level			
Education level	2031 Jobs	Share of jobs	Rank by share among states
Less than high school	105,000	6%	35
High school diploma	428,000	25%	26
Some college, no degree	311,000	18%	44
Associate’s degree	132,000	8%	47
<b>Bachelor’s degree</b>	<b>412,000</b>	<b>24%</b>	<b>18</b>
<b>Graduate degree</b>	<b>312,000</b>	<b>18%</b>	<b>4</b>
<b>Total</b>	<b>1,700,000</b>	<b>100%</b>	

[Source - State Report: After Everything: Projections of Jobs, Education, and Training Requirements through 2031.](#)  
[Georgetown University, McCourt School of Public Policy, Center on Education and the Workforce.](#)



# UConn’s Impact on Connecticut’s Workforce

**76%**  
of graduates  
from CT take jobs  
in the state

	Enrollment Fall 2014	Enrollment Fall 2024
Engineers College of Engineering	3,628	4,839
Business Professionals School of Business	3,528	4,287
Nurses School of Nursing	815	1,201
Teachers & Educators Neag School of Education	880	841
Pharmacists School of Pharmacy	447	617
Social Workers School of Social Work	414	476
Physicians School of Medicine	384	470
Dentists School of Dental Medicine	171	206
Other STEM Fields Multiple schools	8,512	10,288



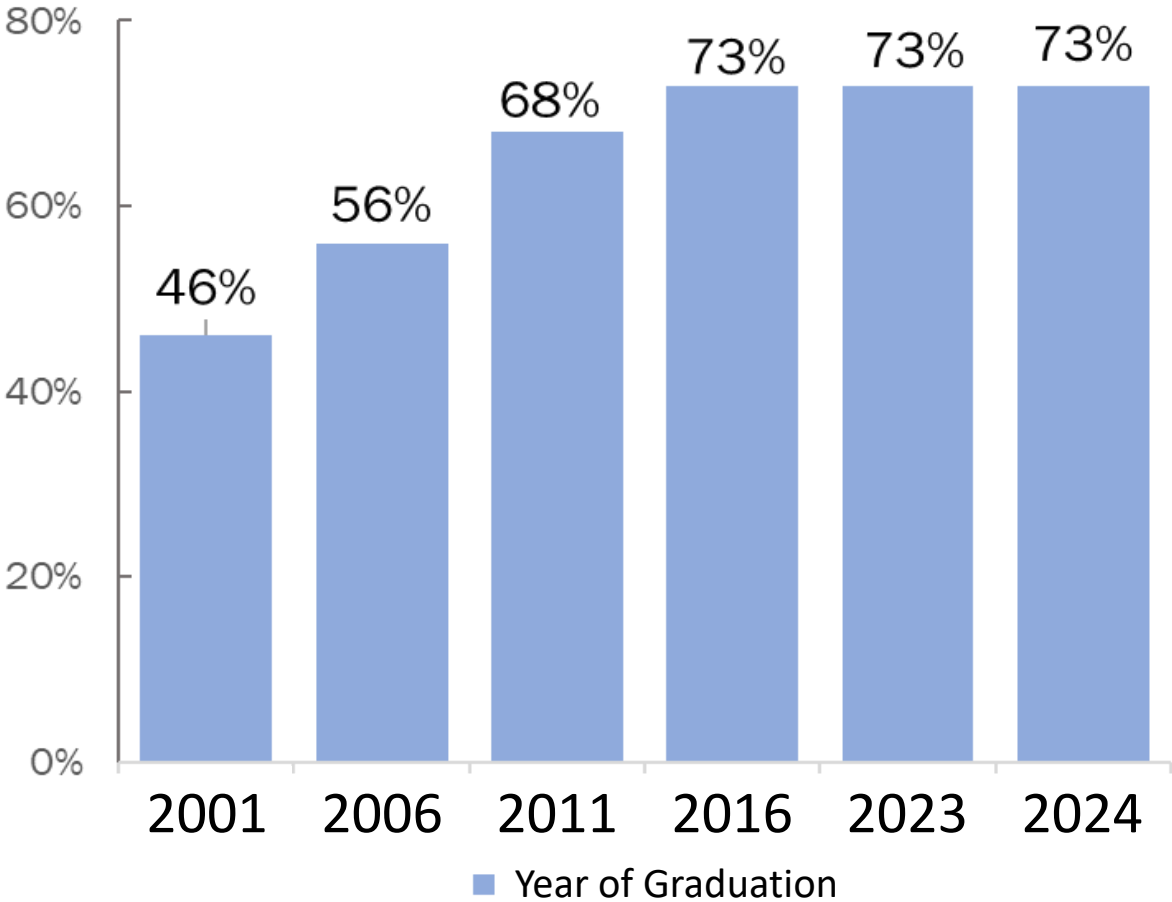


UConn is among the best in the nation at graduating students in four years.

4.1 Years

Average time to degree, ranking UConn 2<sup>nd</sup> among national public research universities

4-Year Graduation Rate for UConn Undergraduates





## Financial Overview

Budget	FY25 Final BOT Budget	FY26 Forecast
<b>Revenues:</b>		
State Support Salary (Block Grant)	227.4	237.0
Adjustments/accruals/misc fringe	1.9	1.0
Additional State Support (ARPA)	98.8	0.0
<b>State Support</b>	<b>\$ 328.1</b>	<b>\$ 238.0</b>
Tuition	559.2	596.9
Mandatory/Course Fees	167.8	173.3
Grants & Contracts - Financial Aid	80.0	87.3
Grants & Contracts - Other	211.2	238.3
Auxiliary Enterprise	242.2	252.6
Foundation/Endowment	35.4	59.2
Sales & Service	16.4	16.8
Other Revenue	31.0	31.6
<b>Total Revenues</b>	<b>\$ 1,671.3</b>	<b>\$ 1,694.0</b>
<b>Expenditures:</b>		
Salaries & Wages	727.0	743.4
Fringe Benefits (excludes Retirement)	172.9	174.0
Energy	26.2	27.5
Equipment	37.8	42.8
Financial Aid - Tuition	198.4	207.8
Financial Aid - Other	108.2	119.4
Debt/Capital	86.9	101.1
Other Expenses	326.2	341.3
<b>Total Expenditures</b>	<b>\$ 1,683.6</b>	<b>\$ 1,757.2</b>
Use of (+) or contribution to (-) Reserves	12.3	
<b>Net Gain/(Loss)</b>	<b>\$ 0.0</b>	<b>\$ (63.2)</b>

## Financial Overview

- UConn is projected to break even in FY25 while using one-time fund balances.
- For FY26, we are requesting that a portion of the FY25 funds received from the state be maintained, despite the cessation of ARPA funds.

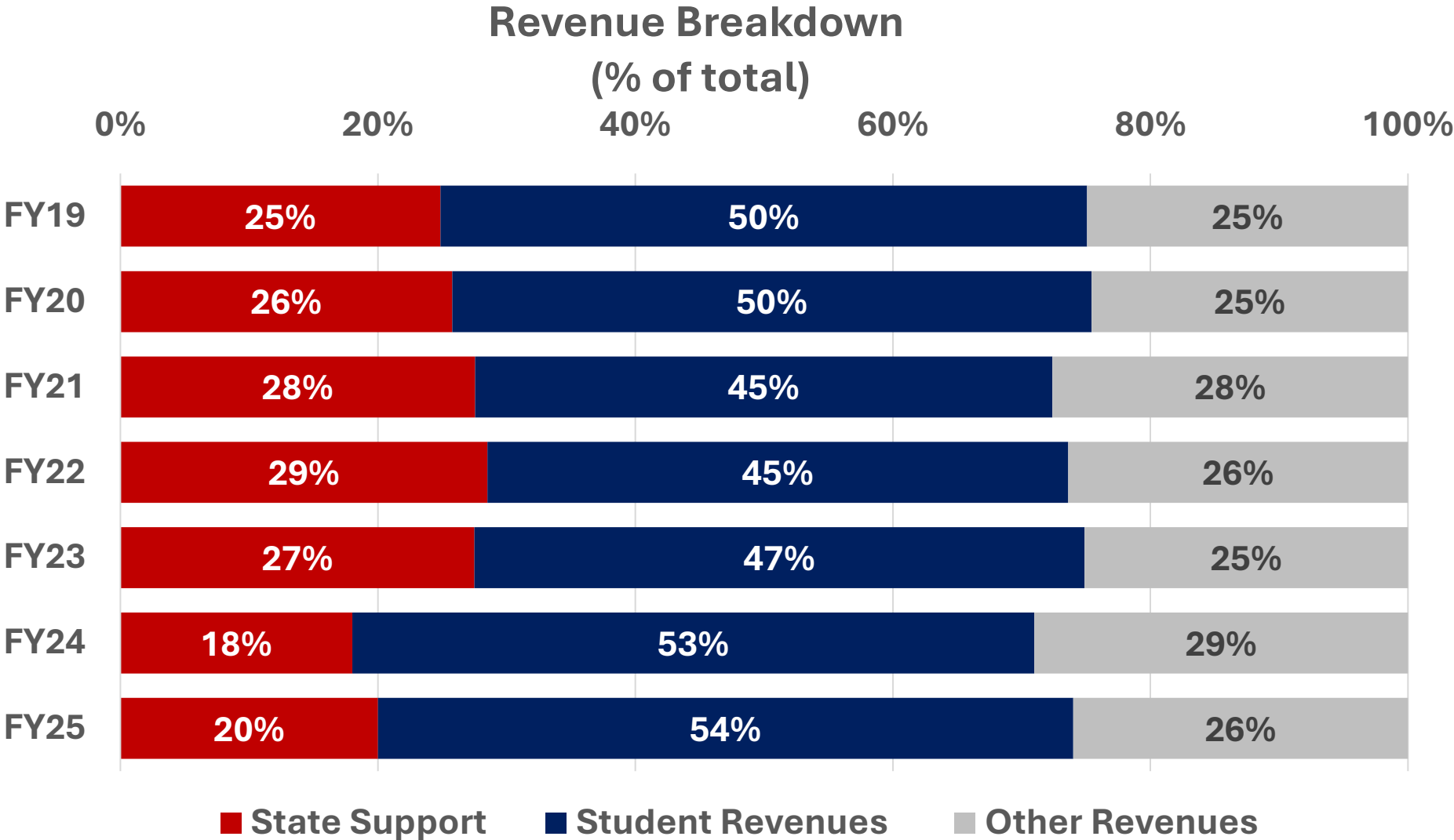
State Request	FY26 Request
Options Request	\$63.2M
Technical Request	\$9.5M
<b>Total</b>	<b>\$72.8M</b>

Budget constraints example: additional faculty required for high-demand programs like Nursing where accreditation mandates low student-faculty ratios

Revenue Breakdown

The largest portion of the university’s revenues comes from the students in the form of tuition and fees, such as housing/dining.

State support represented 18% of total revenues in FY24, with about 20% budgeted to come in FY25.

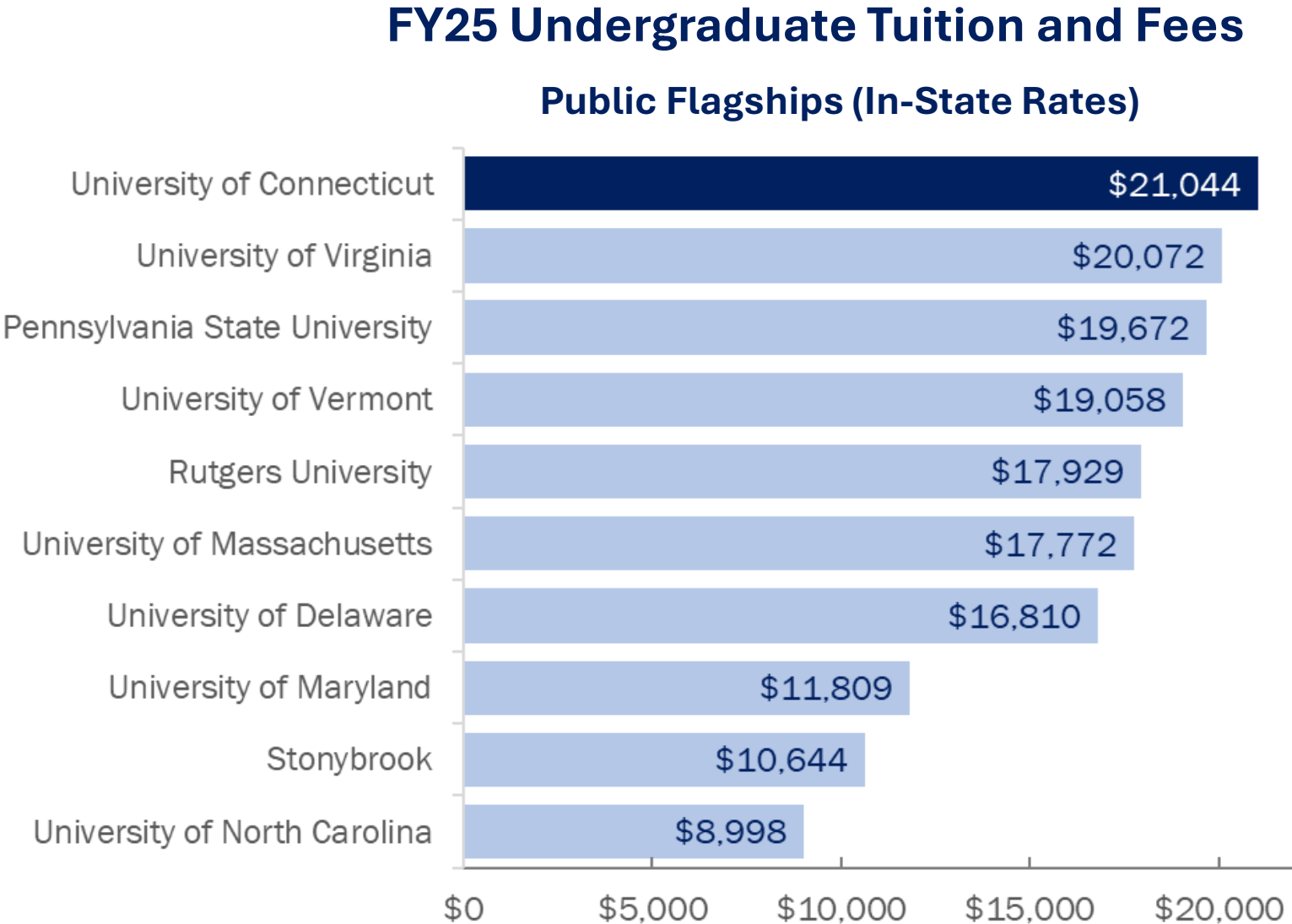




# Budget Constraints

## Affordability

In FY26 and beyond, UConn cannot fill the budget gap through student funds alone.



# Undergraduate and Graduate Financial Aid

(in \$ millions)

	FY21	FY22	FY23	FY24	FY25 Est.
1st Generation Students	7,054	7,321	8,220	8,426	8,744
University Supported*	\$150.2	\$163.8	\$169.4	\$197.7	\$210.7
Federal (Pell/SEOG)	56.0	74.5	49.0	53.7	69.9
Other***	17.3	20.9	27.0	21.1	21.1
State (includes R. Willis Scholarship)**	10.7	9.9	13.7	15.6	13.6
Total Aid	\$234.2	\$269.1	\$259.2	\$288.1	\$315.4

\*University-supported aid includes undergraduate and graduate aid funded by tuition, departmental revenue, and work-study.

\*\*State ARPA funds were added to the R. Willis Scholarship program in FY23-FY25.

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

**Student need continues to grow and is the single greatest reason students leave.**

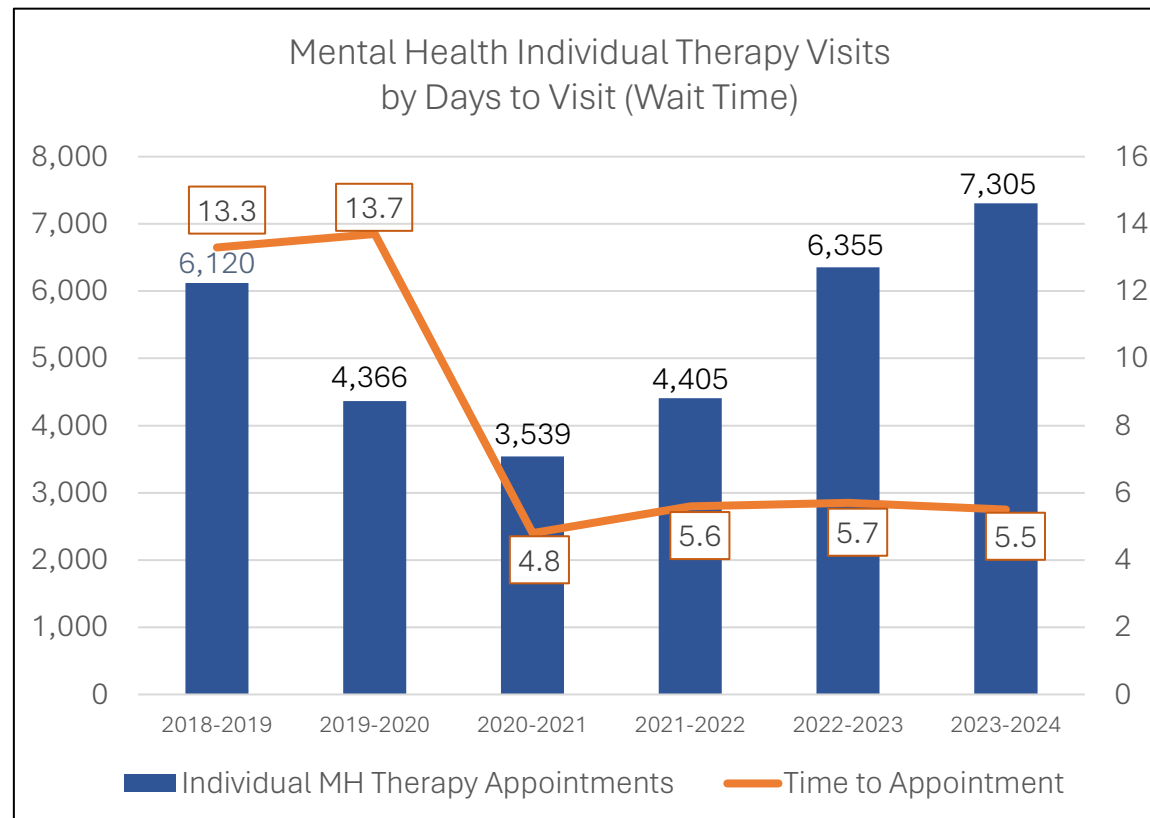
Since FY21, university-supported student aid increased by **40%**.

**16.5% of tuition revenues is set aside in FY25 for need-based aid (15% is required)**



# Increased Need for Student Support (Wrap-Around) Services

The university has increased staffing for critical mental health services in recent years to meet student need.



**Over \$75M**

spent in FY24 on services fostering student well-being

**Over 200 staff**

provide direct services to students in advising, physical and mental health, and students with disabilities.

Total SHaW spend has increased from \$16M in FY19 to \$25M in FY25 (56% increase). 80% of SHaW services are funded by student fees.

**Student support services include:**

- Student physical and mental health
- Academic engagement & support
- Student-athlete success programs
- W-Center (writing tutoring)
- Q- Center (quantitative/ math tutoring)
- Advising
- Veterans' affairs and military programs
- Cultural centers & programs
- Center for Students w/Disabilities

# Additional Constraints and Challenges

- On-campus housing limitations with increased enrollment
- Teaching capacity for new students in high demand majors
- Declining number of high school graduates in CT
- Mental health and academic counseling – need is higher than ever
- ‘Maximum’ student-faculty ratios in select programs due to accreditation standards or regulatory requirements; ratios impact rankings and recruitment
- Obligatory State processes limit flexibility and rapid response



*Thomas Abbott, associate professor in-residence of molecular and cell biology, lectures to a class of more than 360 biology students on the first day of classes, 2022.*



# Strategies for Growth and a Balanced Budget

1. Continue to expand economic activity in the state.
2. Assemble a strategic enrollment plan.
3. Increase efficiency in the delivery of education through faculty ratios, advising, class size and modality (in person vs. online).
4. Grow fundraising through a \$1.5 B campaign and grow the endowment to \$1B.
5. Increase research awards to \$500M/year.
6. Generate new revenue, for example through increased summer housing occupancy.
7. Implement financial improvement plans.



*Ceremonial groundbreaking for the new building for the School of Nursing on Oct. 30, 2024. The new building is made possible by a \$40 million gift from nursing alum Elisabeth DeLuca (fifth from left) to support nursing education. Increasing philanthropic gifts is one of UConn's strategies for growth.*

# Role of State Investment

- UConn is Connecticut's flagship university focused on student social and economic mobility.
- The partnership with the State is critical to our success and helps us maintain affordability, provide financial aid, graduate more students, create more jobs, and grow the Connecticut economy.
- The State's investment creates jobs, fuels the economy, produces tax revenue, enhances its reputation as an educationally oriented destination, and associates the state with success and excellence.





# Thank you!



*Jonathan XV celebrates Veterans Day with our UConn service members*

**UConn**

# Appendix





# 1. Continue to Expand Economic Activity in CT

- QuantumCT is a groundbreaking collaboration between UConn, Yale, industry, and the State of Connecticut to generate innovation-driven economic development around quantum technologies.
- UConn is the lead organization on the QuantumCT Regional Innovation Engines proposal to the National Science Foundation.
- The QuantumCT team is competing nationally for up to \$160M in NSF funding over 10 years.

CORE PARTNERS

UConn  
Yale  
Governor, State of Connecticut  
CT DECD  
Office of Workforce Strategy  
CT State Community College  
SCSU  
Connecticut Innovations  
Yale Ventures  
Technology Commercialization  
Services, UConn  
Boehringer Ingelheim  
RTX  
Quantinuum  
NVIDIA  
Travelers  
CBIA  
Brookhaven National Lab.  
ConnCORP, ConnCAT  
City of New Haven

## Our Strategy for Building a Quantum Ecosystem in CT



RESEARCH



TECHNOLOGY  
TRANSLATION



PARTNERSHIPS



EDUCATION &  
WORKFORCE  
DEVELOPMENT



## Examples of impact on the economy



## Connecticut Transportation Institute (CTI)

### The CT Transportation Institute:

- Serves as a focal point for transportation research at UConn and training for CT.
- Advances safety, maintenance, and enhancement of transportation systems, focusing on CT's current and future needs.
- Promotes innovative research and training to provide timely information on current trends and practices.

**CTI saves taxpayers each year in reduced road maintenance costs**



**Annual budget:**  
**\$7.5M** from state and federal grants



**UCONN**





## Department of Education Mental Health Service Professionals Demonstration Grant

### School of Social Work Scholars

**Award:** **\$3M** Projected, 5-year total  
\$587,633 Awarded for year 1

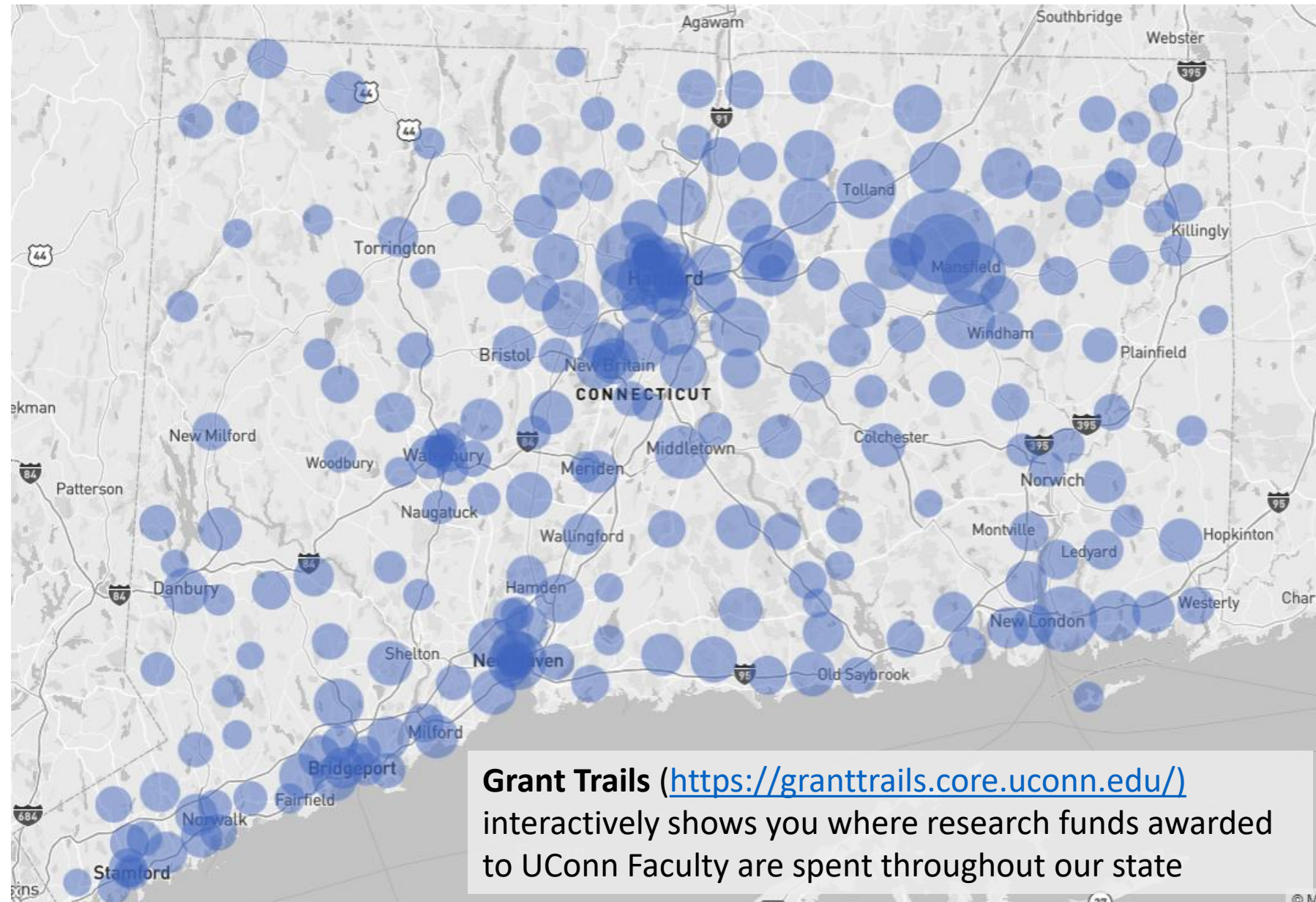
**Project Purpose:** Recruit, train, place and provide scholarships graduate social work students to serve as interns in behavioral/ mental health service delivery in four low resource school districts in Connecticut, serving nearly 46,000.

**Principal Investigator:** Prof. Laura Curran, Dean  
School of Social Work





# Impact of Research Activity across Connecticut



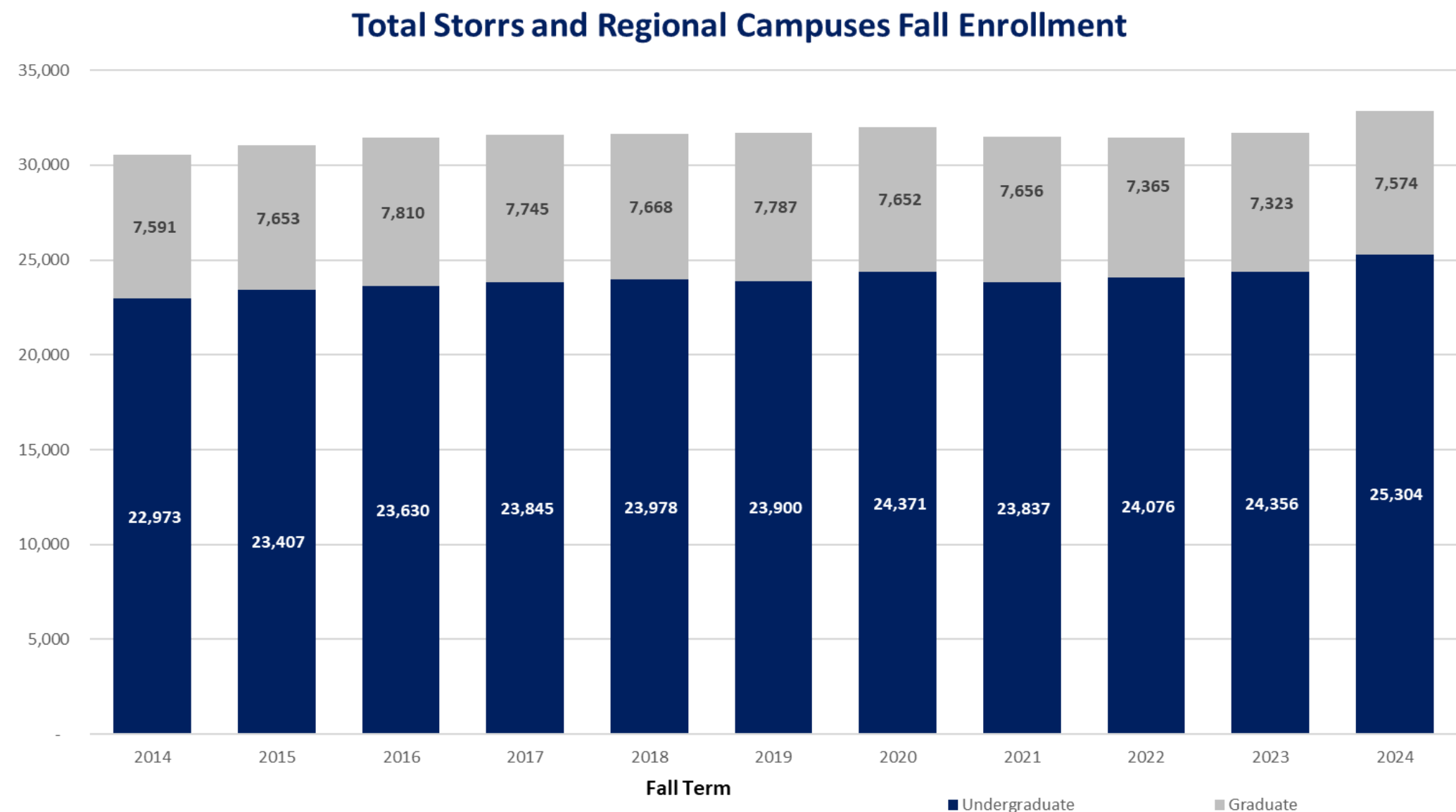
Federal, state, and corporate grants support researchers at an institution, but their contribution to local economies is often overlooked.

- Grant dollars are spent throughout the state to procure equipment, reagents, and other consumables that are required to carry out research.
- Grant funds also provide salaries to Connecticut residents working on research projects.

2. Assemble a Strategic Enrollment Plan

**Total enrollment has grown 8% since Fall 2014.**

Enrollment growth is expected to occur in graduate and undergraduate programs, across all our campuses, and online.





### 3. Increase Efficiency in the Delivery of Education

- Centralize scheduling to create maximum efficiency
- Increase online courses to expand course access, completion rates, and increase revenue
- Revitalize Bachelor of General Studies program to enable non-traditional students to complete degrees and to increase revenues
- Create industry-specific certificates and courses for workforce training and professional development to increase revenues
- Review of low enrollment programs to create programmatic efficiencies and savings over time

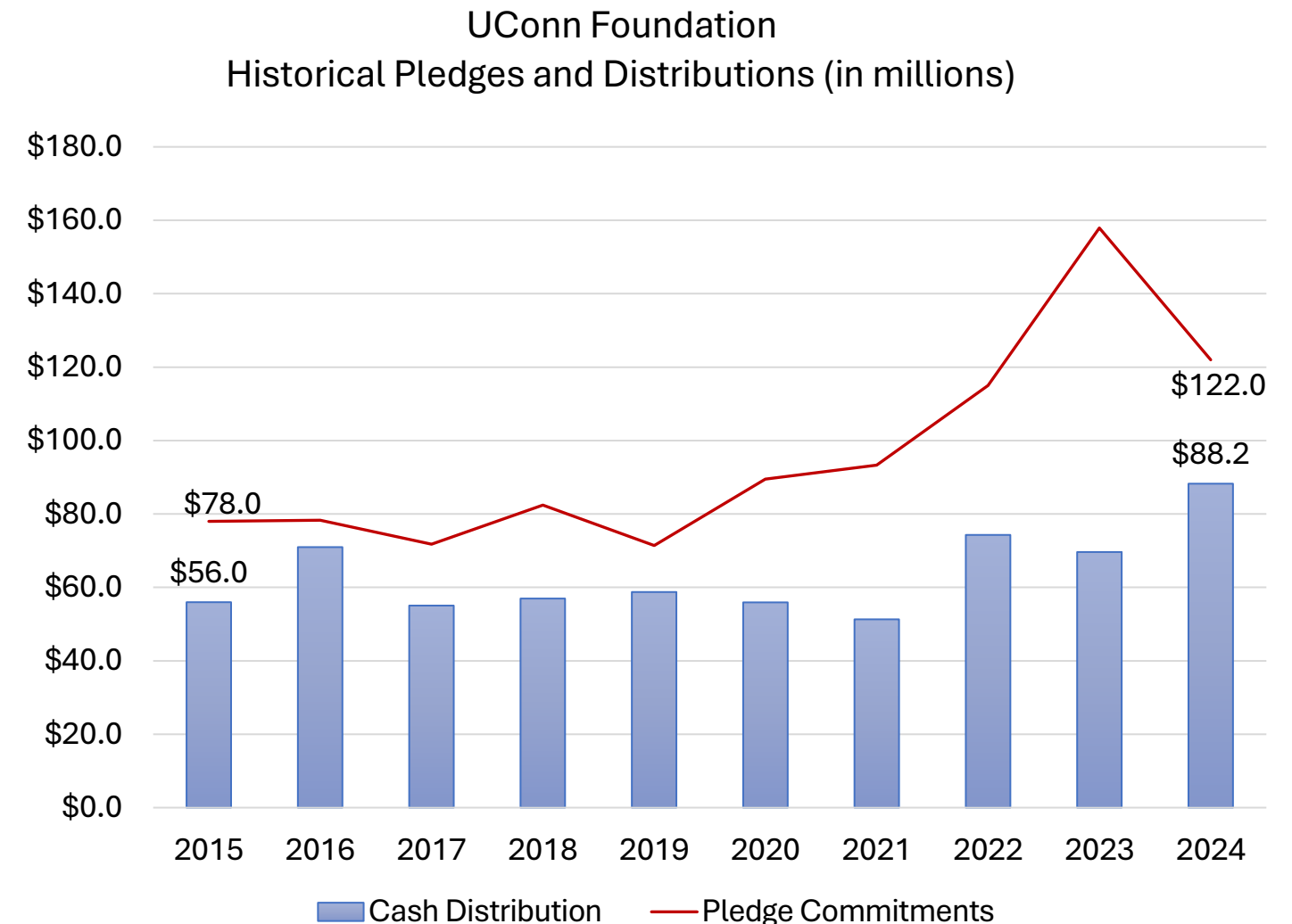




### 4. Fundraising and the Endowment

**UConn Foundation will launch a \$1.5B campaign in April increasing fundraising by 50% and growing the endowment to ~\$1B by 2030.**

- Approximately 1/3 of dollars raised go to the endowment versus current uses.
- Gifts are usually pledged 5 years and restricted by donor interests, such as scholarships or preferred department or major.
- Endowment grows more through investments than via new gifts.
- When the endowment reaches \$1B, the distribution to the university will increase about \$19M annually.

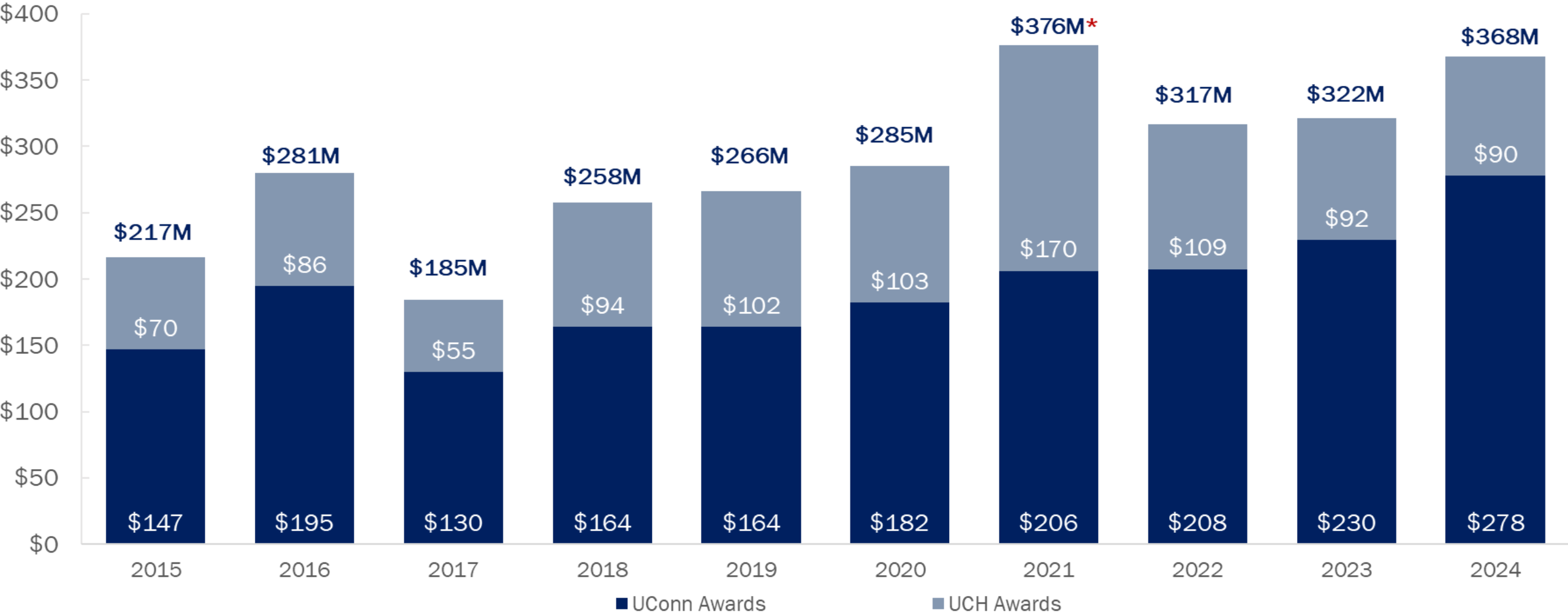


# 5. Increase Research Activity

UConn and UConn Health

Research Awards  
(in millions)

**\$150M** increase  
in annual new  
awards since 2015



\*In 2021, UConn Health received a \$40M award from NSF, the largest in UConn history

### 6. Increase Revenue

Generate new revenue, for example through:

- Enrollment
- Use of housing in the summer
- Summer programs
- Online courses
- Auxiliary services to corporations





# 7. Implement Financial Improvement Plans

UConn has implemented Financial Improvement Plans to help mitigate annual operating budget deficits

One-time internal cost-cutting efforts have included:

- attrition/vacancy elimination
- contract improvements
- operating efficiencies

One-Time Savings (\$M)	
FY22	\$13.4
FY23	14.5
FY24	16.1
FY25 est.	17.7

# Unrestricted Fund Balance

	FY24	Notes
Operating	\$9.2	Funds reserved for commitments made to recruited faculty for items such as startup costs for laboratory space and staff for new research, strategic expansion of departments to grow enrollment and equipment replacement.
Capital	\$121.4	Capital projects and deferred maintenance not included in State bond funded projects. Includes balances for projects that are in progress but funds not fully spent. University estimates over \$1 billion in deferred maintenance projects are required over the next decade. Investments in AI.
Debt Service	\$42.4	Debt Service balance of at least 1.25x the debt payment is needed for bond coverage and favorable credit rating.
Total	\$173.0	