



# **University of Puerto Rico**

## **FY 2018 Budget to Actual reporting**

July 2019

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- Actuals figures are based on information obtained from the University of Puerto Rico Financial Accounting System (Oracle) and respective auxiliary systems which interface with Oracle.
- UPR actual figures are recorded in its chart of account codes are not necessarily the same as OMB account codes, therefore this report may not provide an accurate classification of revenues and expenses.
- UPR's budget isn't developed on a monthly basis. For reporting purposes and comparison with actuals, the budget was distributed evenly over the 12 months of the fiscal year, and because of this some variances on a quarterly basis might be affected by seasonality.
- All audit adjustments are recorded in the period "ADJ" considered in the Q4. The total net revenues adjusted was approximately \$6.1 million and expenses \$2.8 million.
- Budget of Payroll Related costs wasn't provided at the expense concept level of detail due to data limitation, therefore, the analysis was done by total Payroll.



# Introduction

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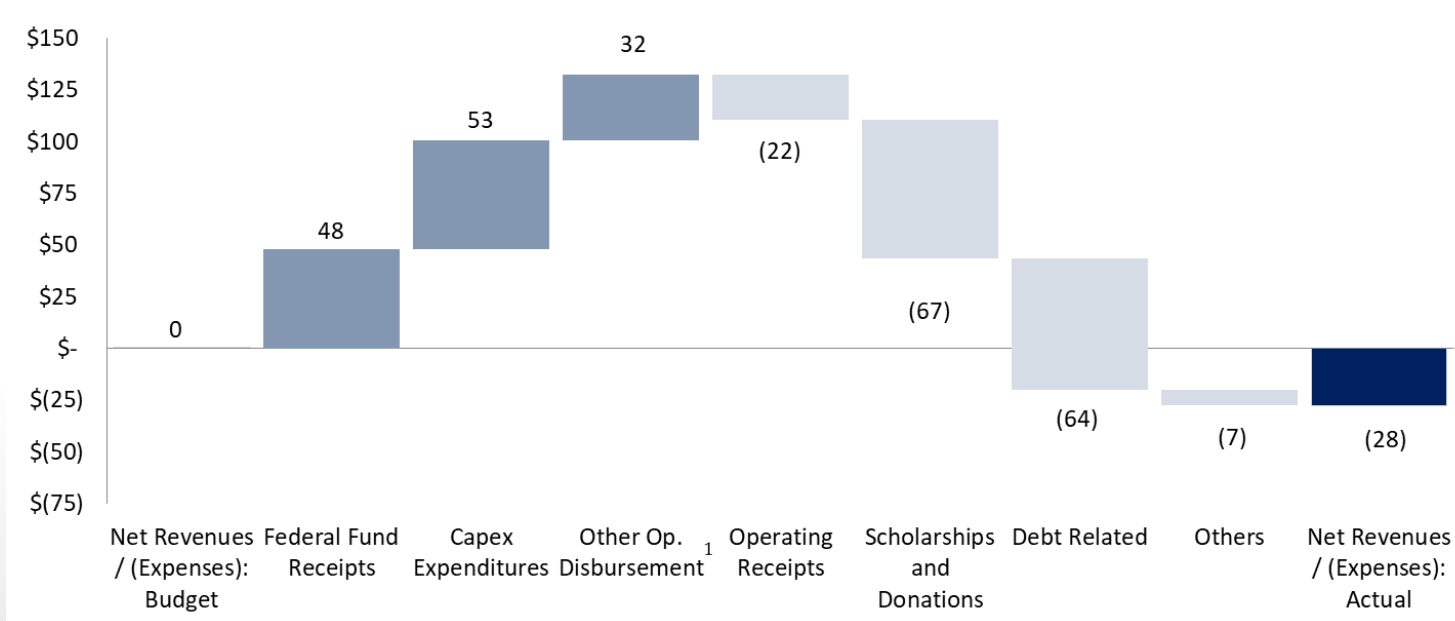
- University of Puerto Rico (“UPR”) is a state-supported university system created by the Law No. 1 of January 20, 1966, “Law of the University of Puerto Rico” (“Act No. 1”), as amended. UPR is responsible for serving the people of Puerto Rico to contribute to the development and enjoyment of the fundamental, 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 from fiscal year 2018 including, budget and actual revenues from operations; intergovernmental transfers – general fund appropriations and other transfers from Central Government, municipalities, and public corporations; disaster relief receipts – federal funds, insurance proceeds related to Hurricanes Irma and Maria, and other federal funds).
- 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 – e.g. expenditures related to the damages caused from Hurricanes Irma and Maria, and CapEx.
- The UPR budget was certified by the UPR Board of Directors and figures were used as a reference in this report for comparison with actual to evaluate UPR performance in the FY18.



# Executive Summary

For fiscal year 2018, UPR ended net operations with negative variance of (-\$28M) versus budget. This variance is driven by: Operating Receipts (-\$22M) primarily due to special appropriations not transferred by Hacienda; Debt-related disbursements (-\$64M) primarily driven by an extra payment made in relation to prior-year debt servicing; and Scholarships and Donations (-\$67M) mainly due to the pass-through of Direct Federal Loans (government-backed student loan program issued and managed by U.S. Dept. of Education) related to incremental loan receipts not considered in the budget. Partially offsetting this negative variance are differences in: additional Federal Fund Receipts (+\$48M) in the form of Direct Federal Loans, as stated above; Capex expenditures (+\$53M) which were deferred due to Hurricanes Irma/Maria and various worker/student strikes; and Other Disbursements (+\$32M) also driven by lower spending due to Hurricanes Irma/Maria as well deferrals in other spending due to the delay in receiving the aforementioned special appropriations from Hacienda.

**FY18 Budget vs Actual (\$mm)**



Notes:

1) All operations expenses except for payroll and scholarships and donations



# FY 2018 Budget versus Actual Variance Analysis

(\$000's)	NOTES	ACTUAL	CERT. BUDGET	Variance \$	Notes
		TOTAL	TOTAL		
<b>Central Government Appropriations:</b>					
TSA General Fund Appropriation:					
TSA General Fund Appropriation (net measures)		635,990	631,210	4,780	1.
TSA General Fund Appropriation (Resoluciones Conjuntas)		28,334	29,003	(669)	
TSA General Fund Appropriations		<b>664,323</b>	<b>660,213</b>	4,110	
<b>Operating Receipts</b>					
PR Slot Machine Receipts (Law 36)		64,302	62,000	2,302	
Tuition		104,442	103,019	1,423	
Campus-generated inflows		131,102	126,439	4,663	
Other Campus-generated inflows		15,936	15,000	936	
Special State Fund	1	24,078	47,206	(23,128)	2.
Other Receipts		36,940	45,000	(8,060)	
Total Operating Receipts		<b>376,800</b>	<b>398,664</b>	(21,864)	
<b>Federal Fund Receipts</b>					
Federal Fund Appropriation	2	333,721	285,814	47,907	3.
Total Federal Fund Receipts		333,721	285,814		
<b>Total Revenues</b>		<b>\$1,374,844</b>	<b>\$1,344,691</b>	30,153	4.
<b>Operating Disbursements:</b>					
Payroll & Related Costs					
Total Payroll & Pensions		<b>796,718</b>	<b>789,340</b>	(7,378)	5.
Governmental entities		-	3,855	3,855	
Materials and Supplies		53,882	48,015	(5,867)	
Purchased Services		48,688	45,774	(2,914)	
Scholarships and Donations	3	269,623	<b>202,152</b>	(67,471)	
Resoluciones Conjuntas (Pass Throughs)		-	-	-	
Enclosed Allocations		-	-	-	
Professional Services		-	-	-	
Facilities and Payments for Public Services		37,341	47,301	9,960	
Contributions to Non-Government Entities	4	-	10,000	10,000	
Transportation Expenses		6,947	6,982	34	
Budget Reserve		-	-	-	
Media Ads and Guidelines		171	275	104	
Federal Funds Appropriation		-	-	-	
Other Operating Payments	5	54,144	71,037	16,893	
Total Operating Disbursements		<b>470,796</b>	<b>435,390</b>	(35,406)	6.
Capital Expenditures	6	9,123	61,790	52,667	
Equipment		14,025	9,975	(4,050)	
Total Capital Expenditures & Equipment		<b>23,148</b>	<b>71,765</b>		
<b>Total Expenses (before Debt Service)</b>		<b>\$1,290,662</b>	<b>\$1,296,495</b>	5,832	
<b>Debt-Related Disbursements:</b>					
Debt and Interest Payments	7	111,729	48,196	(63,533)	
Total Debt Related Disbursements		<b>111,729</b>	<b>48,196</b>	(63,533)	
<b>Total Expenses (after Debt Service payment)</b>		<b>\$1,402,391</b>	<b>\$1,344,691</b>	(57,701)	
<b>Net Revenues / (Expenses)</b>		<b>(\$27,548)</b>	<b>\$0</b>	<b>(27,548)</b>	



# FY 2018 Budget versus Actual Variance Analysis

(\$000's)	ACTUAL		BUDGET		ACTUAL		BUDGET		ACTUAL		BUDGET	
	Q1	Q1	Q2	Q2	Q3	Q3	Q4	Q4	Q4	Q4		
<b>Central Government Appropriations:</b>												
TSA General Fund Appropriation:												
TSA General Fund Appropriation (net measures)	163,000	157,803	158,748	157,803	156,000	157,803	158,242	157,803				
TSA General Fund Appropriation (Resoluciones Conjuntas)	6,890	7,251	7,005	7,251	7,026	7,251	7,412	7,251				
TSA General Fund Appropriations	169,890	165,053	165,753	165,053	163,026	165,053	165,653	165,053				
<b>Operating Receipts</b>												
PR Slot Machine Receipts (Law 36)	5,652	15,500	18,474	15,500	16,737	15,500	23,439	15,500				
Tuition	47,648	25,755	5,006	25,755	34,198	25,755	17,590	25,755				
Campus-generated inflows	21,267	31,610	22,875	31,610	25,058	31,610	61,902	31,610				
Other Campus-generated inflows	4,067	3,750	4,325	3,750	5,507	3,750	2,037	3,750				
Special State Fund	5,279	11,802	6,137	11,802	6,638	11,802	6,025	11,802				
Other Receipts	34,725	11,250	14,894	11,250	(593,583)	11,250	580,904	11,250				
Total Operating Receipts	118,637	99,666	71,711	99,666	(505,446)	99,666	691,897	99,666				
<b>Federal Fund Receipts</b>												
Federal Fund Appropriation	60,845	71,454	97,995	71,454	73,000	71,454	101,881	71,454				
Total Federal Fund Receipts	60,845	71,454	97,995	71,454	73,000	71,454	101,881	71,454				
<b>Total Revenues</b>	<b>349,372</b>	<b>336,173</b>	<b>335,459</b>	<b>336,173</b>	<b>(269,419)</b>	<b>336,173</b>	<b>959,431</b>	<b>336,173</b>				
<b>Operating Disbursements:</b>												
Payroll & Related Costs												
Total Payroll & Pensions	192,271	197,335	201,046	197,335	201,957	197,335	201,444	197,335				
Governmental entities	-	964	-	964	-	964	-	964				
Materials and Supplies	3,324	12,004	13,104	12,004	12,838	12,004	24,616	12,004				
Purchased Services	10,479	11,444	8,447	11,444	10,304	11,444	19,458	11,444				
Scholarships and Donations	44,038	50,538	81,582	50,538	74,482	50,538	69,521	50,538				
Resoluciones Conjuntas (Pass Throughs)	-	-	-	-	-	-	-	-				
Enclosed Allocations	-	-	-	-	-	-	-	-				
Professional Services	-	-	-	-	-	-	-	-				
Facilities and Payments for Public Services	1,352	11,825	5,946	11,825	7,352	11,825	22,691	11,825				
Contributions to Non-Government Entities	-	2,500	-	2,500	-	2,500	-	2,500				
Transportation Expenses	1,101	1,745	1,365	1,745	2,632	1,745	1,849	1,745				
Budget Reserve	-	-	-	-	-	-	-	-				
Media Ads and Guidelines	26	69	42	69	30	69	74	69				
Federal Funds Appropriation	-	-	-	-	-	-	-	-				
Other Operating Payments	8,566	17,759	9,249	17,759	12,448	17,759	23,881	17,759				
Total Operating Disbursements	68,886	108,848	119,734	108,848	120,085	108,848	162,091	108,848				
Capital Expenditures	372	15,448	854	15,448	883	15,448	7,015	15,448				
Equipment	2,263	2,494	3,947	2,494	3,331	2,494	4,485	2,494				
Total Capital Expenditures & Equipment	2,634	17,941	4,801	17,941	4,213	17,941	11,499	17,941				
<b>Total Expenses (before Debt Service)</b>	<b>\$263,792</b>	<b>\$324,124</b>	<b>\$325,580</b>	<b>\$324,124</b>	<b>\$326,255</b>	<b>\$324,124</b>	<b>\$375,035</b>	<b>\$324,124</b>				
<b>Debt-Related Disbursements:</b>												
Debt and Interest Payments												
Total Debt Related Disbursements	8,000	12,049	16,000	12,049	(8,000)	12,049	95,729	12,049				
	8,000	12,049	16,000	12,049	(8,000)	12,049	95,729	12,049				
<b>Total Expenses (after Debt Service payment)</b>	<b>\$271,792</b>	<b>\$336,173</b>	<b>\$341,580</b>	<b>\$336,173</b>	<b>\$318,255</b>	<b>\$336,173</b>	<b>\$470,764</b>	<b>\$336,173</b>				
<b>Net Revenues / (Expenses)</b>	<b>\$77,581</b>	<b>\$0</b>	<b>(\$6,121)</b>	<b>\$0</b>	<b>(\$587,674)</b>	<b>\$0</b>	<b>\$488,667</b>	<b>\$0</b>				

