



**UPR**  
Universidad de Puerto Rico  
Tu Universidad



# University of Puerto Rico (UPR)

December and Q2 - FY 2020 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 FY20 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, insurance proceeds related to Hurricanes Irma and Maria, and other federal funds.

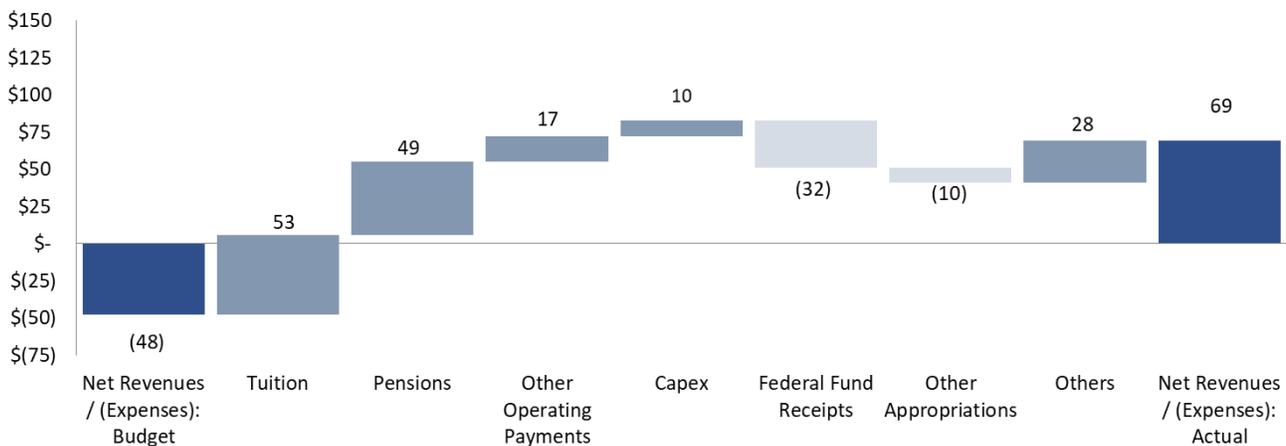
This report also contains information of budget and actual expenses which include operating expenses – e.g. payroll and related costs, purchased services, professional services, transportation expenses, and disaster relief disbursements – e.g. expenditures related to the damages caused from Hurricanes Irma and Maria, and CapEx.

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 FY20.

**EXECUTIVE SUMMARY**

YTD December, UPR ended net operations with a positive variance of \$117M compared to budget. Variances by concept levels were relevant in the following line items: Tuition (+\$53M) driven by the recognition of tuition revenues when the student is approved and signed into a course against the FOMB assumption based on cash receipts (which includes the assumptions on seasonality of receipts), pensions (+\$49M) which is most likely timing because the FOMB budget considers a higher liability to account for the underfunding of the plan; other operating payments (+\$17M) which is primarily driven by a timing variance in student stipends which will be disbursed in the second half of the fiscal year, and capital expenditures (\$10M) driven by the timing of a trial balance adjustment whereby the University recognizes its capital expenditures at year-end. Positive variances are partially offset by Federal Fund Receipts (-\$32M) which is timing related as there is no expectation total net cash flow will be impacted, as federal funds will pass through in the form of outflows for various uses and programs, and other appropriations of (-\$10M) which is due to appropriations related to educational trainings that have been recorded as deferred revenues in the UPR accounting systems. These revenues will be recognized once trainings are executed.

**FY20 YTD December FOMB Certified Budget vs Actual (\$mm)**



## December and YTD – FY20 FOMB Certified Budget versus Actual Variance Analysis

(5000's)	ACTUAL			BUDGET			
	Notes	Dec-19	Dec-19	Variance \$	YTD	YTD	Variance \$
<b>Central Government Appropriations</b>							
TSA General Fund Appropriation (net measures)		41,682	40,715	967	247,209	244,287	2,922
TSA General Fund Appropriation (Resoluciones Conjuntas)		2,854	2,439	415	15,405	14,637	769
Other Appropriations	<b>1</b>	792	2,458	(1,667)	4,750	14,750	(10,000)
Central Government Appropriations		45,328	45,612	(285)	267,364	273,674	(6,310)
<b>Operating Receipts</b>							
PR Slot Machine Receipts (Law 36)		10,925	5,444	5,481	32,516	32,666	(150)
Tuition	<b>2</b>	49,706	165	49,541	144,590	91,188	53,402
Campus-generated and Other Campus-generated inflows	<b>3</b>	17,076	6,765	10,311	81,732	71,564	10,168
Special State Fund		58	469	(411)	506	2,815	(2,309)
Other		3	-	3	450	-	450
Total Operating Receipts		77,768	12,843	64,925	259,793	198,232	61,561
<b>Federal Fund Receipts</b>							
Federal Fund Appropriation	<b>4</b>	7,534	17,399	(9,865)	130,833	162,390	(31,557)
Total Federal Fund Receipts		7,534	17,399	(9,865)	130,833	162,390	(31,557)
<b>Disaster Relief Receipts</b>							
FEMA and Insurance Receipts		-	-	-	-	-	-
Other Federal Programs		-	-	-	-	-	-
Total Disaster Relief Receipts		-	-	-	-	-	-
<b>Total Revenues</b>		<b>130,630</b>	<b>75,854</b>	<b>54,775</b>	<b>657,990</b>	<b>634,296</b>	<b>23,694</b>
<b>Operating Disbursements:</b>							
<b>Payroll &amp; Related Costs</b>							
- Salaries - Full Time Employees		44,380	50,091	5,712	261,059	253,717	(7,342)
- Sueldos Puestos Transitorios		-	-	-	-	-	-
- Sueldos Jornada Parcial		-	-	-	-	-	-
- Salaries - Transitory / Part Time Employees		1,544	1,819	275	7,474	9,214	1,741
- Christmas Bonus		6,110	6,301	191	6,117	6,301	184
- Overtime		-	148	148	-	747	747
- Other Compensation		-	-	-	-	-	-
- Liquidations		-	572	572	2	2,899	2,896
- Incentives		-	90	90	-	456	456
- Medical Insurance		4,798	5,002	204	28,601	30,013	1,412
- Social Security Payment		3,651	3,767	116	20,009	19,081	(927)
- State Insurance Fund		750	719	(30)	3,880	3,644	(236)
- Unemployment Insurance		76	20	(55)	159	103	(56)
- Other Marginal Benefits		-	4	4	-	22	22
- Other Subsidies to Employees		15	20	5	87	101	14
Total Payroll		61,323	68,555	7,232	327,388	326,299	(1,090)
Governmental entities		-	474	474	-	2,842	2,842
Materials and Supplies		4,723	3,685	(1,038)	21,053	22,111	1,058
Purchased Services		2,983	3,373	389	26,030	20,235	(5,795)
Scholarships and Donations		2,109	2,860	752	102,656	110,279	7,623
Resoluciones Conjuntas (Pass Throughs)		-	-	-	-	-	-
Enclosed Allocations		-	-	-	-	-	-
Professional Services		370	835	465	702	5,008	4,306
Facilities and Payments for Public Services		4,159	2,944	(1,214)	13,971	17,667	3,695
Contributions to Non-Government Entities		-	-	-	-	-	-
Transportation Expenses		480	732	253	2,748	4,395	1,647
Budget Reserve		-	-	-	-	-	-
Media Ads and Guidelines		10	15	5	139	87	(52)
Federal Funds Appropriation		-	-	-	-	-	-
Other Operating Payments	<b>5</b>	5,586	7,557	1,971	27,920	45,344	17,423
Total Operating Disbursements		20,420	22,475	2,055	195,219	227,965	32,746
<b>Pensions Payment</b>	<b>6</b>	<b>5,241</b>	<b>13,408</b>	<b>8,167</b>	<b>31,211</b>	<b>80,450</b>	<b>49,239</b>
Total Pension Disbursements		5,241	13,408	8,167	31,211	80,450	49,239
<b>Disaster Relief Disbursements</b>							
FEMA and Insurance-related		-	-	-	-	-	-
Other Federally Supported Projects		-	-	-	-	-	-
Total Disaster-related Disbursements		-	-	-	-	-	-
Capital Expenditures	<b>7</b>	1,409	2,908	1,499	4,671	17,448	12,776
Equipment		1,562	963	(599)	8,316	5,777	(2,539)
Total Capital Expenditures & Equipment		2,971	3,871	900	12,987	23,224	10,237
<b>Total Expenses (before Debt Service)</b>		<b>89,955</b>	<b>108,309</b>	<b>18,354</b>	<b>566,805</b>	<b>657,938</b>	<b>91,133</b>
<b>Net Cash Flow (before Debt Service)</b>		<b>40,675</b>	<b>(32,454)</b>	<b>73,129</b>	<b>91,185</b>	<b>(23,642)</b>	<b>114,827</b>
<b>Debt-Related Disbursements:</b>							
Debt and Interest Payments		3,650	4,021	371	21,854	24,126	2,272
Total Debt Related Disbursements		3,650	4,021	371	21,854	24,126	2,272
<b>Total Expenses (after Debt Service payment)</b>		<b>93,605</b>	<b>112,330</b>	<b>58,428</b>	<b>588,659</b>	<b>682,064</b>	<b>93,405</b>
<b>Net Revenues/ (Expenses)</b>		<b>37,025</b>	<b>(36,475)</b>	<b>73,500</b>	<b>69,331</b>	<b>(47,768)</b>	<b>117,099</b>

### Notes

- Negative timing variance due to appropriations related to educational trainings that have been recorded as deferred revenues in the UPR accounting systems. These revenues will be recognized once trainings are executed.
- Positive variance is timing based and is driven by how the university recognizes its tuition revenues in contrast with FOMB certified budget assumptions based on cash receipts seasonality.
- Positive variance is timing based and is driven by how the university recognizes its campus-generated inflows in contrast with FOMB certified budget assumptions based on cash receipts seasonality.
- Negative variance is driven by campus backlog of federal funds which have yet to be requested by each campus. Variance is timing related and expected to normalize throughout FY20.
- Positive variance in Other Operating Payments is primarily driven by student stipends where disbursements have yet to occur and will reverse in the second semester of the fiscal year.
- Positive variance is most likely timing where the FOMB certified budget assumes a higher liability to account for the underfunding of the plan.
- Positive variance in Capital Expenditures is timing based and driven by a trial balance adjustment process that typically occurs at year-end where UPR formally recognizes its capital expenditures.

## Q2 – FY20 FOMB Certified Budget versus Actual Variance Analysis

(\$000's)	ACTUAL		BUDGET		ACTUAL		BUDGET		ACTUAL	CERT. BUDGET	Variance \$
	NOTES	Q1	Q1	Q2	Q2	YTD FY20	YTD FY20	YTD FY20	YTD FY20		
<b>Central Government Appropriations</b>											
TSA General Fund Appropriation (net measures)		123,913	122,144	123,296	122,144	247,209	244,287	2,922			
TSA General Fund Appropriation (Resoluciones Conjuntas)		7,687	7,318	7,718	7,318	15,405	14,637	769			
Other Appropriations		2,375	7,375	2,375	7,375	4,750	14,750	(10,000)			
<b>Central Government Appropriations</b>		<b>\$ 133,974</b>	<b>\$ 136,837</b>	<b>\$ 133,390</b>	<b>\$ 136,837</b>	<b>\$ 267,364</b>	<b>\$ 273,674</b>	<b>\$ (6,310)</b>			
<b>Operating Receipts</b>											
PR Slot Machine Receipts (Law 36)		11,182	16,333	21,333	16,333	32,516	32,666	(150)			
Tuition		94,931	65,848	49,659	25,339	144,590	91,188	53,402			
Campus-generated and Other Campus Generated Inflows		44,102	35,965	37,630	35,599	81,732	71,564	10,168			
Special State Fund		290	1,408	216	1,408	506	2,815	(2,309)			
Other Receipts		400	-	50	-	450	-	450			
<b>Total Operating Receipts</b>		<b>\$ 150,905</b>	<b>\$ 119,553</b>	<b>\$ 108,888</b>	<b>\$ 78,679</b>	<b>\$ 259,793</b>	<b>\$ 198,232</b>	<b>\$ 61,561</b>			
<b>Federal Fund Receipts</b>											
Federal Fund Appropriation		69,548	96,661	61,285	65,729	130,833	162,390	(31,557)			
<b>Total Federal Fund Receipts</b>		<b>\$ 69,548</b>	<b>\$ 96,661</b>	<b>\$ 61,285</b>	<b>\$ 65,729</b>	<b>\$ 130,833</b>	<b>\$ 162,390</b>	<b>\$ (31,557)</b>			
<b>Disaster Relief Receipts</b>											
FEMA and Insurance Receipts		-	-	-	-	-	-	-			
Other Federal Programs		-	-	-	-	-	-	-			
<b>Total Disaster Relief Receipts</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>			
<b>Total Revenues</b>		<b>\$ 354,427</b>	<b>\$ 353,051</b>	<b>\$ 303,563</b>	<b>\$ 281,245</b>	<b>\$ 657,990</b>	<b>\$ 634,296</b>	<b>\$ 23,694</b>			
<b>Operating Disbursements:</b>											
<b>Payroll &amp; Related Costs</b>											
- Salaries - Full Time Employees		(128,444)	(118,752)	(132,615)	(134,965)	(261,059)	(253,717)	(7,342)			
- Salaries - Transitory / Part Time Employees		(3,211)	(4,313)	(4,263)	(4,901)	(7,474)	(9,214)	1,741			
- Christmas Bonus		(2)	-	(6,115)	(6,301)	(6,117)	(6,301)	184			
- Overtime		-	(350)	-	(398)	-	(747)	747			
- Other Compensation		-	-	-	-	-	-	-			
- Liquidations		-	(1,357)	(2)	(1,542)	(2)	(2,899)	2,896			
- Incentives		-	(214)	-	(243)	-	(456)	456			
- Medical Insurance		(14,325)	(15,006)	(14,276)	(15,006)	(28,601)	(30,013)	1,412			
- Social Security Payment		(9,817)	(8,931)	(10,191)	(10,150)	(20,009)	(19,081)	(927)			
- State Insurance Fund		(1,830)	(1,706)	(2,050)	(1,938)	(3,880)	(3,644)	(236)			
- Unemployment Insurance		(30)	(48)	(129)	(55)	(159)	(103)	(56)			
- Other Marginal Benefits		-	(10)	-	(12)	-	(22)	22			
- Other Subsidies to Employees		(39)	(47)	(48)	(54)	(87)	(101)	14			
<b>Total Payroll &amp; Other Payroll Related</b>		<b>\$ (157,698)</b>	<b>\$ (150,733)</b>	<b>\$ (169,690)</b>	<b>\$ (175,565)</b>	<b>\$ (327,388)</b>	<b>\$ (326,299)</b>	<b>\$ (1,090)</b>			
Governmental entities		-	(1,421)	-	(1,421)	-	(2,842)	2,842			
Materials and Supplies		(8,204)	(11,055)	(12,849)	(11,055)	(21,053)	(22,111)	1,058			
Purchased Services		(18,366)	(10,118)	(7,665)	(10,118)	(26,030)	(20,235)	(5,795)			
Scholarships and Donations		(79,041)	(80,633)	(23,614)	(29,646)	(102,656)	(110,279)	7,623			
Resoluciones Conjuntas (Pass Throughs)		-	-	-	-	-	-	-			
Enclosed Allocations		-	-	-	-	-	-	-			
Professional Services		38	(2,504)	(740)	(2,504)	(702)	(5,008)	4,306			
Facilities and Payments for Public Services		(4,847)	(8,833)	(9,124)	(8,833)	(13,971)	(17,667)	3,695			
Contributions to Non-Government Entities		-	-	-	-	-	-	-			
Transportation Expenses		(1,051)	(2,197)	(1,697)	(2,197)	(2,748)	(4,395)	1,647			
Budget Reserve		-	-	-	-	-	-	-			
Media Ads and Guidelines		(70)	(44)	(69)	(44)	(139)	(87)	(52)			
Federal Funds Appropriation		-	-	-	-	-	-	-			
Other Operating Payments		(12,200)	(22,672)	(15,720)	(22,672)	(27,920)	(45,344)	17,423			
<b>Total Operating Disbursements</b>		<b>\$ (123,741)</b>	<b>\$ (139,476)</b>	<b>\$ (71,479)</b>	<b>\$ (88,489)</b>	<b>\$ (195,219)</b>	<b>\$ (227,965)</b>	<b>\$ 32,746</b>			
Pensions Payments		(15,462)	(40,225)	(15,749)	(40,225)	(31,211)	(80,450)	49,239			
<b>Total Pensions Disbursements</b>		<b>\$ (15,462)</b>	<b>\$ (40,225)</b>	<b>\$ (15,749)</b>	<b>\$ (40,225)</b>	<b>\$ (31,211)</b>	<b>\$ (80,450)</b>	<b>\$ 49,239</b>			
<b>Disaster Relief Disbursements</b>											
FEMA Supported Projects		-	-	-	-	-	-	-			
Other Federally Supported Projects		-	-	-	-	-	-	-			
Insurance Supported Projects		-	-	-	-	-	-	-			
Unfunded Spend		-	-	-	-	-	-	-			
<b>Total Disaster-related Disbursements</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>			
Capital Expenditures		(2,350)	(8,724)	(2,321)	(8,724)	(4,671)	(17,448)	12,776			
Equipment		(3,904)	(2,888)	(4,412)	(2,888)	(8,316)	(5,777)	(2,539)			
<b>Total Capital Expenditures &amp; Equipment</b>		<b>\$ (6,254)</b>	<b>\$ (11,612)</b>	<b>\$ (6,733)</b>	<b>\$ (11,612)</b>	<b>\$ (12,987)</b>	<b>\$ (23,224)</b>	<b>\$ 10,237</b>			
<b>Total Expenses (before Debt Service)</b>		<b>\$ (303,155)</b>	<b>\$ (342,046)</b>	<b>\$ (263,650)</b>	<b>\$ (315,892)</b>	<b>\$ (566,805)</b>	<b>\$ (657,938)</b>	<b>\$ 91,133</b>			
<b>Debt-Related Disbursements:</b>											
Debt and Interest Payments		(10,950)	(12,063)	(10,904)	(12,063)	(21,854)	(24,126)	2,272			
<b>Total Debt Related Disbursements</b>		<b>\$ (10,950)</b>	<b>\$ (12,063)</b>	<b>\$ (10,904)</b>	<b>\$ (12,063)</b>	<b>\$ (21,854)</b>	<b>\$ (24,126)</b>	<b>\$ 2,272</b>			
<b>Total Expenses (after Debt Service payment)</b>		<b>\$ (314,105)</b>	<b>\$ (354,109)</b>	<b>\$ (274,554)</b>	<b>\$ (327,955)</b>	<b>\$ (588,659)</b>	<b>\$ (682,064)</b>	<b>\$ 93,405</b>			
<b>Net Revenues / (Expenses)</b>		<b>\$ 40,322</b>	<b>\$ (1,059)</b>	<b>\$ 29,009</b>	<b>\$ (46,709)</b>	<b>\$ 69,331</b>	<b>\$ (47,768)</b>	<b>\$ 117,099</b>			