University of Puerto Rico (UPR)

December - FY 2021 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 FY21 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, and 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 December and YTD FY21.
EXECUTIVE SUMMARY

YTD December, UPR ended net operations with a negative variance of $28.7M compared to budget. Variances by concept levels were relevant in the following line items: negative variance in intra-government receipts - federal funds ($105M) which is a combination of a delay in the recording of federal funds receipts in the accounting system and due to a permanent variance since federal funds are presented net of scholarship discounts versus budget which uses gross amounts, negative variance in campus-generated Inflows ($26M) due to a combination of a variance related to the COVID-19 measures that maintains campus facilities closed and a delay in the recording of these revenues in the accounting system.

Negative variances are partially offset by positive variances in scholarships and donations ($41M) which is permanent since scholarships applied to tuition are presented net, versus budget which uses gross amounts, total payroll and related costs ($23M) timing variance due to a delay in the recording of payrolls in the accounting system, capital expenditures ($13M) due to lower than expected capital projects disbursements and positive timing variance in tuition ($13M) since December revenues includes second semester enrollment.
### December and YTD – FY21 FOMB Certified Budget versus Actual Variance Analysis

**Note:** Includes reapportionments approved by FOMB on November 20 and 24.

#### Total Expenses After Debt Service: 81,161

<table>
<thead>
<tr>
<th>Description</th>
<th>Actual</th>
<th>FY21 Certified Budget</th>
<th>Variance</th>
<th>Variance %</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Debt Payments</td>
<td>475</td>
<td>4,021</td>
<td>88%</td>
<td>16,383</td>
<td>24,126</td>
</tr>
<tr>
<td>Total Debt Related Disbursements</td>
<td>475</td>
<td>4,021</td>
<td>88%</td>
<td>16,383</td>
<td>24,126</td>
</tr>
<tr>
<td>Total Disbursements After Debt Service</td>
<td>81,161</td>
<td>508,452</td>
<td>27,293</td>
<td>25%</td>
<td>545,001</td>
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<tr>
<td>Net Revenues (Expenditures)</td>
<td>43,379</td>
<td>5,857</td>
<td>49,236</td>
<td>-84%</td>
<td>40,819</td>
</tr>
</tbody>
</table>

**Notes**

1. Positive timing variance in tuition since December revenues includes second semester enrollment. We expect variance will diminish during the coming months according to budget.

2. Negative timing variance in campus generated inflows mostly due to a variance of $15M due to the COVID-19 measures that maintains campus facilities closed. Also, there is a delay in the recording of these revenues in the accounting system. Actual YTD amount of $75.1M was presented in the December Liquidity Report.

3. Negative variance in intragovernmental receipts (Federal Funds) which is mostly related to a delay in the recording of federal funds receipts in the accounting system. Actual YTD amount of $71.2M was presented in the December Liquidity Report. Also, there is a permanent variance since federal funds are presented net of scholarship discounts, versus budget which uses gross amounts.

4. Positive timing variance due to a delay in the recording of December payrolls in the accounting system. A total of $66.5M Payroll and Related Costs was presented in the December Liquidity Report. This situation is also reflected in the pension expense recognition for the month.

5. Positive permanent variance in scholarships and donations since scholarships applied to tuition are presented net, versus budget which uses gross amounts.

6. Positive variance in capital expenditures due to lower than expected capital projects disbursements.
### 2nd QTR & YTD – FY21 FOMB Certified Budget versus Actual Variance Analysis

#### (500's)

<table>
<thead>
<tr>
<th></th>
<th>ACTUAL</th>
<th>BUDGET</th>
<th>Variance $</th>
<th>Variance %</th>
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<tbody>
<tr>
<td></td>
<td>Q2</td>
<td>YTD FY21</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#### Central Government Appropriations

- TSA General Fund Appropriation - Net Measures: 15,908
- TSA General Fund Appropriation - Joint Resolutions: 2,297

#### Other Special Appropriations

- Executive Order No. 2017-021 - Training and Seminars: 4,121
- Executive Order No. 2017-021 - Training and Seminars: 4,121

#### Total Other Appropriations

- Other Marginal Benefits: (9)
- Other Marginal Benefits: (9)

#### Total Other Receipts

- Disaster Relief Receipts: 2,506
- Disaster Relief Receipts: 2,506

#### Total Federal Fund Receipts

- Other Receipts - Total Federal Fund Receipts: 165,327
- Other Receipts - Total Federal Fund Receipts: 165,327

#### Total Other Receipts

- Intra-Government Receipts - Federal Funds: 299,390
- Intra-Government Receipts - Federal Funds: 299,390

#### Total Other Receipts

- Federal Fund Receipts: 579
- Federal Fund Receipts: 579

#### Total Other Receipts

- Intra-Government Receipts: 272,399
- Intra-Government Receipts: 272,399

#### Operating Disbursements

- Payroll & Related Costs: (9,407)
- Payroll & Related Costs: (9,407)

#### Total Payroll & Related Costs

- Total Payroll & Related Costs: 26,649
- Total Payroll & Related Costs: 26,649

#### Total Payroll & Related Costs

- Total Payroll & Related Costs: -18%
- Total Payroll & Related Costs: -18%

#### Total Payroll & Related Costs

- Total Payroll & Related Costs: 243,159
- Total Payroll & Related Costs: 243,159

#### Total Payroll & Related Costs

- Total Payroll & Related Costs: 0%
- Total Payroll & Related Costs: 0%

#### Total Payroll & Related Costs

- Total Payroll & Related Costs: 128,674
- Total Payroll & Related Costs: 128,674

#### Total Payroll & Related Costs

- Total Payroll & Related Costs: 579
- Total Payroll & Related Costs: 579

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- Total Payroll & Related Costs: 579
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#### Total Payroll & Related Costs

- Total Payroll & Related Costs: 258,768
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#### Total Payroll & Related Costs

- Total Payroll & Related Costs: 15,210
- Total Payroll & Related Costs: 15,210

#### Total Payroll & Related Costs

- Total Payroll & Related Costs: 243,558
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#### Total Payroll & Related Costs

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