Annual Comprehensive Financial Report

FOR THE YEAR ENDED JUNE 30, 2021

Included as an Enterprise Fund of the State of Connecticut

UCONN | UNIVERSITY OF CONNECTICUT

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Prepared by the Office of the Associate Vice President of Financial Operations and Controller

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INTRODUCTORY SECTION

UCONN
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LETTER OF TRANSMITTAL

December 7, 2021

To Interim President Agwunobi,
Members of the Board of Trustees, and
University of Connecticut Community:

We are pleased to submit to you the Annual Comprehensive Financial Report (ACFR) of the University of Connecticut for the fiscal year ended June 30, 2021. For purposes of this report, the University of Connecticut (University) is herein defined as all financial activity from Storrs-based undergraduate and graduate programs, the regional campuses, the School of Law, and the School of Social Work. The University of Connecticut Health Center (UConn Health), which maintains a separate budget and issues its own audited financial statements, is excluded from this report.

This ACFR includes the Management's Discussion and Analysis (MD&A), the basic financial statements, notes, other supplementary and statistical information. It provides financial information about the University's results of activities during the year and describes its financial position at the end of the year based on currently known facts, decisions, and conditions.

Management assumes full responsibility for the contents of this report including the accuracy, completeness, and fairness of the data presented. We believe the University's system of internal controls is sufficient to identify material misstatements. Although we have strong internal controls, the cost of internal controls should not exceed the benefits. Therefore, the objective of the University's internal control system is to provide reasonable—rather than absolute—assurance that the financial statements are free of material misstatements, and that assets are safeguarded against loss from unauthorized use or disposition.

The University's Joint Audit and Compliance Committee (JACC) of the Board of Trustees exercises oversight over the integrity of its financial statements and internal control systems, as well as direct engagement in the approval of independent auditing services. Certain bond covenants require that the University's accounting and financial records be subject to an annual independent audit. The University's annual audit for the fiscal year ended June 30, 2021, was performed by the State of Connecticut Auditors of Public Accounts. They have issued an unmodified opinion on the fair presentation of the financial statements. The independent auditors' opinion can be found in the front of the financial section.

The ACFR is prepared in accordance with generally accepted accounting principles (GAAP) and in conformity with standards established by the Governmental Accounting Standards Board (GASB), as well as using guidelines of the Government Finance Officers Association (GFOA) of the United States and Canada. The MD&A is presented to supplement the financial statements and should be read in conjunction with this letter of transmittal. The MD&A can be found immediately following the auditors' report.

University Profile

Background
The University was founded in 1881 when Charles and Augustus Storrs donated land and money to the State of Connecticut (State), establishing the Storrs Agricultural School later to become Connecticut's land-grant college. Today the University serves as the State's flagship institution for higher education, meeting the educational needs of undergraduate, graduate, professional, and continuing education students through the integration of teaching, research, service, and outreach.

The University is governed by the Board of Trustees, which is composed of 21 members, including the Governor, the UConn Health Board of Directors Chair, and the Commissioners of Agriculture, Economic and Community Development, and Education. The University is reported as an enterprise fund in the State's annual financial report and operates as a state-assisted institution of higher education.

The University supports a robust research program, with a "Research 1" classification that places it among those universities with the highest level of research activity. A number of university programs rank among the top research programs in their respective disciplines.

In addition to academics, the University also participates in Division I athletics. UConn has won 23 National Championships in four different sports, with 11 coming from the dominant women's basketball team. The University recently rejoined the Big East Conference for the 2020-2021 season.

Student and Faculty Data
For the 2020-2021 academic year, the number of applications for undergraduate admissions was over 36,000 for just 5,846 seats. Total enrollment in the fall of 2020 was 32,023 students, including nearly 7,700 graduate students. The University's diverse student

population hails from 39 states and 110 countries. Of the 24,371 undergraduates, 52 percent were female, and 40 percent were minority students. The University employs 1,597 full-time faculty members and an additional 750 part-time faculty and adjuncts. In 2020-2021, the University awarded 8,805 degrees. Approximately 73 percent of graduates who attended high school in Connecticut and who are employed, continue to work in the State of Connecticut.

Related Organization
The University of Connecticut Foundation, Inc. (Foundation), a related organization, operates exclusively to promote the educational, scientific, cultural, research and recreational objectives for both the University and UConn Health, and therefore is not included as a component unit in the accompanying financial statements. See Notes 1 and 15 for additional information.

Economic Condition

Fiscal year 2021 marked an unprecedented and challenging year due to the ongoing COVID-19 pandemic. The State began the year in the second phase of Governor Lamont's four-stage re-opening plan, allowing certain businesses to open under sector-specific rules. Vaccinations began mid-year, which would allow the re-opening to continue in a prudent way. By May 2021, Connecticut was the first state to have 50 percent of its adult population vaccinated. However, by the fiscal year-end, new COVID-19 variants began emerging and forced the State to take further precautions again. To aid in economic recovery, over $7.6 billion in federal COVID-19 relief funding was allocated to Connecticut from the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act and the American Rescue Plan Act (ARPA). This amount excludes additional federal relief funds that came in the form of direct allocations to higher education, individual stimulus payments, and additional unemployment benefits.

Prior to COVID-19, Connecticut was experiencing modest but steady job growth, with an unemployment rate of just 3.8 percent. However, due to the pandemic, the unemployment rate reached its peak in May 2020 at 11.4 percent but has since dropped down to 7.7 percent as of June 2021.

In addition to the ongoing pandemic, Connecticut continues to deal with large unfunded pension liabilities. As those costs are passed on to the University through fringe benefit rates, they negatively affect the University's research competitiveness. The University expects to pay about $43.5 million in fiscal year 2022 towards both unfunded pension and retiree health liabilities from non-state funds such as tuition, student fees, and other outside revenues.

Due to all of the uncertainties surrounding the pandemic at the start of fiscal year 2021, the University initially presented several budget scenarios to the Board of Trustees in June 2020. The scenarios included varying degrees of in-person versus online learning and ranged from a $47 million deficit to a $129 million deficit. By September 2020, with the fall semester underway at 40 percent residential housing capacity, the projected budget deficit was expected to be $76 million, which was mitigated through additional salary savings, departmental cuts, and state and federal support. The federal COVID-19 relief funding that was ultimately provided to the University, either directly or through the State, was instrumental in offsetting its large revenue losses. This funding in conjunction with financial mitigation measures allowed the University to balance operating budgets for fiscal years 2020, 2021, and 2022 (forecasted) in total. Due to the timing of recognizing revenue for the institutional portion of the COVID-19 relief funds, fiscal year 2021 net position losses associated with COVID-19 will be recovered once federal drawdowns are completed in fiscal year 2022.

Long-Term Financial Planning

Beginning in fiscal year 2023 and beyond, the University will work towards eliminating an existing structural deficit, brought on by State-controlled fringe rate increases, potential contractual salary increases, and limited revenue increases. The University's long-term plan includes becoming more self-reliant in generating diverse operating revenues amid a potential for decreases in State support. The University will look to maintain a balanced budget for its growing operations through increases in student tuition, increases in entrepreneurial programs, and reductions in non-core spending.

Increases in Student Tuition
Starting in fiscal year 2017, and growing since that time, tuition revenue has become the largest source of revenue for the University. In December 2019, the Board approved a five-year tuition plan, covering fiscal years 2021-2025. The multi-year plan provides more certainty for students as they plan with their families for their college careers. Although tuition will increase, more financial aid will also be available to help address issues of affordability and accessibility for the University's students.

Increases in Entrepreneurial Programs
The University's entrepreneurial programs provide educational opportunities in new emerging fields and contribute to the University's teaching, research, and service mission. These programs are mostly fee-based,

delivered in-person or online, and use strategic marketing to recruit students not otherwise served by existing programs. The University provides incentives to units and will be actively working to develop new programs that can both meet the needs of identifiable, targeted new audiences and generate new sources of revenue.

Reductions in Spending
Over the last several years, the University has been and will continue to implement spending cuts across departments. Beginning in fiscal year 2022, the University will adopt an annual Financial Improvement Plan that specifies the required attrition, vacancy, and other savings necessary to achieve targeted cost savings. The University will continue to create fiscal flexibility for departments to focus on maintaining academic excellence and a high standard of service to our students.

Major Initiatives

Next Generation Connecticut (NextGenCT) represents one of the most ambitious State investments in economic development, higher education, and research in the nation, with a particular focus on capital investment. The NextGenCT initiative added $1.5 billion in bond funds for new and renovated facilities, extending the UCONN 2000 capital improvement program that began in 1995 to 2027. An operating component was also included but has been limited due to the State's financial constraints. The general obligation bonds issued through UCONN 2000 and NextGenCT are secured by the State's debt service commitment; therefore, there are no University revenues budgeted for repayment of these bonds. Since fiscal year 2015, the University has been authorized $1.5 billion in funding for this initiative, with an additional $190.5 million and $125.1 million coming in fiscal years 2022 and 2023, respectively. These funds have allowed the University to open a new residential hall, renovate the associated dining hall, build a new downtown Hartford campus, complete the Engineering and Science Building, build a new Fine Arts production facility, complete phases 1 and 2 of the Gant Building renovations, continue construction of the Northwest Science Quad complex, update and renovate various other buildings, and address needed infrastructure and deferred maintenance improvements.

The NextGenCT initiative has provided a strong framework for the University and has aided the State's economy. Since the beginning of the initiative, many new faculty have been hired, particularly in the fields of science, technology, engineering, and math (STEM). Additionally, funds have been provided for STEM scholarships and STEM fellowships, as well as for staff positions. Since fiscal year 2013, undergraduate enrollment has grown by 2,070 at all campuses with a 37 percent increase in STEM undergraduate enrollment at Storrs. This ongoing success has attracted higher quality students and the University maintains solid rankings in virtually all relevant areas.

Academic and Financial Highlights

Highlights from the 2020-2021 academic year include the following:

- For fall 2020, the University ranks 18th out of the top 58 public research universities in graduation rates for all freshmen and 18th for minority freshmen. Furthermore, the University ranks 16th among the national public research universities for freshman retention.

- Among the graduates from the 2019-2020 academic year, 82 percent are employed, continuing their education, serving in the U.S. Armed Forces, or living or volunteering in the State as of six months post-graduation.

- The University reduced the time to graduation to 4.2 years, which ranks 4th among public research university peers. This was accomplished by increasing the number of class offerings and reducing the student-to-faculty ratio. Decreasing the time to graduation helps UConn students pay less in tuition and join the workforce more quickly.

- In fiscal year 2021, the University provided $140.0 million in tuition funded financial aid, which represents an 11.0 percent increase over last fiscal year. Additionally, the University received $11.1 million in federal COVID-19 relief funding specifically earmarked for student aid which was distributed directly to students in need. In fiscal year 2022, the University will be receiving an additional $28.5 million in federal relief for students, which brings the total to $50.4 million in new federal COVID-19 student aid over the three-year period covering fiscal years 2020, 2021, and 2022.

- From fiscal year 1996 to fiscal year 2021, the University has expended $3.4 billion out of the $3.8 billion of bonds authorized under the UCONN 2000 capital improvement program, which includes funding allocated for UConn Health projects.

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Looking ahead, the University will continue to build on these accomplishments and further strengthen its programs and services for faculty, staff, students, and the University community.

Awards and Acknowledgements

The University marked its 10th consecutive year among the nation's top 25 public universities, according to the 2022 U.S. News & World Report rankings. The No. 23 ranking reflects the University's strong graduation and retention rates, academic excellence, faculty resources, and other factors that are weighed into the annual evaluations. Similarly, according to the Wall Street Journal/Times Higher Education College Rankings, the University sits at No. 28 for top public universities in the United States. The Wall Street Journal ranking system puts emphasis on student success and learning, by factoring in (1) resources, (2) engagement, (3) outcomes, and (4) the environment, as measures of university quality.

The University also holds the distinction of occupying the 8th spot (out of 328) on the Sierra Club's 2021 "Cool Schools" ranking. This achievement is due in part to the University's plan to become carbon neutral by 2040.

The GFOA awarded a Certificate of Achievement for Excellence in Financial Reporting to the University for its ACFR for the fiscal year ended June 30, 2020. This was the 5th consecutive year that the University has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a report issuer must publish an easily readable and efficiently organized ACFR. This report must satisfy both GAAP and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. The University believes that the current ACFR continues to meet the Certificate of Achievement Program's requirements and will submit its ACFR for the fiscal year ended June 30, 2021, to the GFOA to determine its eligibility for another certificate.

Preparation of this ACFR in a timely manner would not have been possible without the coordinated efforts from staff within the Office of the Associate Vice President of Financial Operations and Controller and other University financial staff. Each member has my sincere appreciation for their individual contribution in the preparation of the report.

Respectfully submitted,

Lloyd Blanchard
Interim Vice President for Finance
and Chief Financial Officer

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

University of Connecticut

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

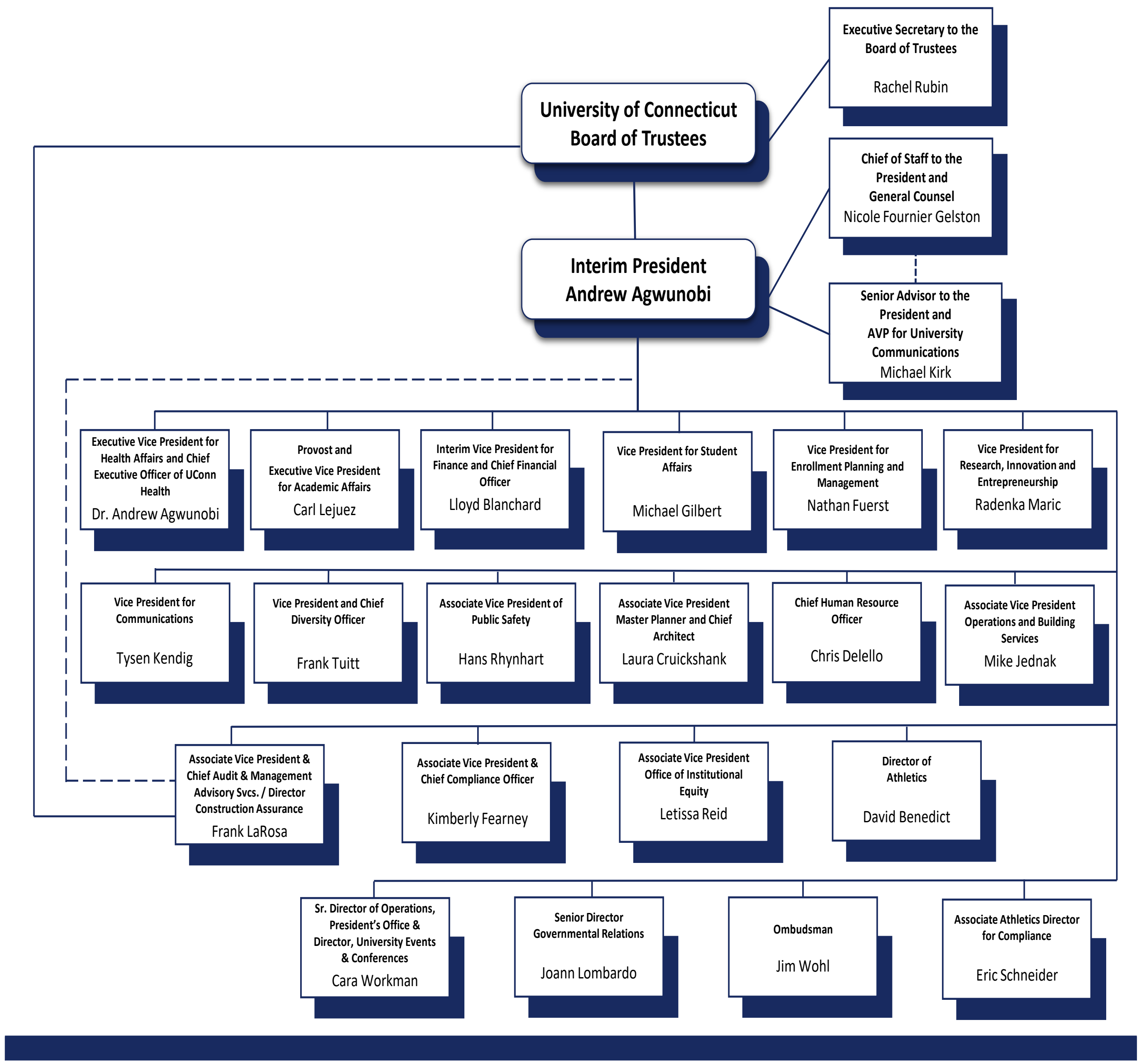
June 30, 2020

Christopher P. Morrill

Executive Director/CEO

University of Connecticut Board of Trustees
As of June 30, 2021

UNIVERSITY OF CONNECTICUT
Organization Chart



FINANCIAL SECTION

STATE OF CONNECTICUT

AUDITORS OF PUBLIC ACCOUNTS

JOHN C. GERAGOSIAN

STATE CAPITOL
210 CAPITOL AVE.
HARTFORD, CONNECTICUT 06106-1559

CLARK J. CHAPIN

INDEPENDENT AUDITORS' REPORT

Board of Trustees of the
University of Connecticut

Report on Financial Statements

We have audited the accompanying financial statements of the business-type activities and the fiduciary activities of the University of Connecticut (UConn), a component unit of the University of Connecticut system, which includes UConn, the University of Connecticut Health Center and the University of Connecticut Foundation, Inc. The accompanying financial statements, which consist of the statements of net position and of fiduciary net position as of June 30, 2021 and the related statements of revenues, expenses and changes in net position, of cash flows, and of changes in fiduciary net position for the year then ended, and the related notes to the financial statements, collectively comprise UConn's basic financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to UConn's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, based upon our audit, the financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities and fiduciary activities of the University of Connecticut as of June 30, 2021 and the respective changes in financial position and, where applicable, cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the University of Connecticut adopted new accounting guidance related to Governmental Accounting Standards Board Statement No. 84, Fiduciary Activities. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

The accompanying Management's Discussion and Analysis on pages 15 through 25 and the Required Supplementary Information on pages 55 through 57 are required by accounting principles generally accepted in the United States of America to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

The introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Sincerely,

Clark J. Chapin

John C. Geragosian	Clark J. Chapin
State Auditor	State Auditor

December 7, 2021
State Capitol
Hartford, Connecticut

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Management's Discussion and Analysis

INTRODUCTION

The following Management's Discussion and Analysis (MD&A) provides an overview and analysis of the financial position and results of activities for the fiscal year ended June 30, 2021, with selected comparative information from fiscal year 2020. It includes highly summarized information and should be read in conjunction with the accompanying financial statements and notes.

Reporting Entity

The University of Connecticut (University) is herein defined as all programs except for the University of Connecticut Health Center (UConn Health, see Note 1). This includes programs offered at the Storrs main campus, regional campuses, the School of Law, and the School of Social Work.

The University is also the fiduciary of the University of Connecticut Department of Dining Services Money Purchase Pension Plan. This activity is reported as a fiduciary fund in the University's financial statements as required under GASB Statement No. 84, *Fiduciary Activities* (see Note 1). This fund is reported separately from the University's operations because its resources cannot be used to finance the University's own programs.

Financial Statements

The University's financial report includes five financial statements and related notes:

1. Statement of Net Position
2. Statement of Revenues, Expenses, and Changes in Net Position
3. Statement of Cash Flows
4. Statement of Fiduciary Net Position
5. Statement of Changes in Fiduciary Net Position

These statements are prepared in accordance with standards issued by the Governmental Accounting Standards Board (GASB). The MD&A, financial statements, notes, and other supplementary information are the responsibility of management.

Financial Summary

The outbreak of the 2019 novel coronavirus disease (COVID-19) has created tremendous uncertainty and challenges worldwide and has impacted the University's financial results and operations. The receipt of federal COVID-19 relief funding and other measures taken have helped the University mitigate against significant revenue losses and other COVID-19 expenses that occurred during the pandemic in fiscal year 2021.

Total combined assets and deferred outflows of resources increased $136.7 million and total combined liabilities and deferred inflows of resources increased $430.7 million, resulting in an overall decrease in net position of $294.0 million. Most of this decrease was a result of the following occurrences in fiscal year 2021:

- Pension and OPEB expenses related to the State's defined benefit plans
- Reduced housing capacity and decreases in other auxiliary enterprise services due to COVID-19
- A decline in international student enrollment and reduced mandatory fees charged to undergraduate students taking classes exclusively online
- Mandatory collective bargaining increases

These decreases to net position were partially offset by the following:

- Federal COVID-19 relief funding in fiscal year 2021
- Approved tuition rate increases
- New programs established for students overseas
- Increased state appropriation over last year
- Spending freezes, departmental savings, and university-wide cuts
- Capital appropriation received from the State of Connecticut in conjunction with the issuance of new general obligation bonds in December 2020

The impact from the factors above are further explained in the following sections of the MD&A.

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

The Statement of Revenues, Expenses, and Changes in Net Position presents either an increase or decrease in net position based on the revenues earned, the expenses incurred, and any other gains and losses recognized by the University. Revenues and expenses are classified as operating, nonoperating, or other changes in net position according to definitions prescribed by GASB.

Generally, operating revenues are earned when providing goods and services to the various customers of the University. Operating expenses are incurred in the normal operations of the University and represent those expenses paid to acquire or produce the goods and services provided in return for operating revenues. Operating expenses also include a provision for estimated depreciation and amortization of property and equipment. The difference between operating revenues and operating expenses is the operating income or loss.

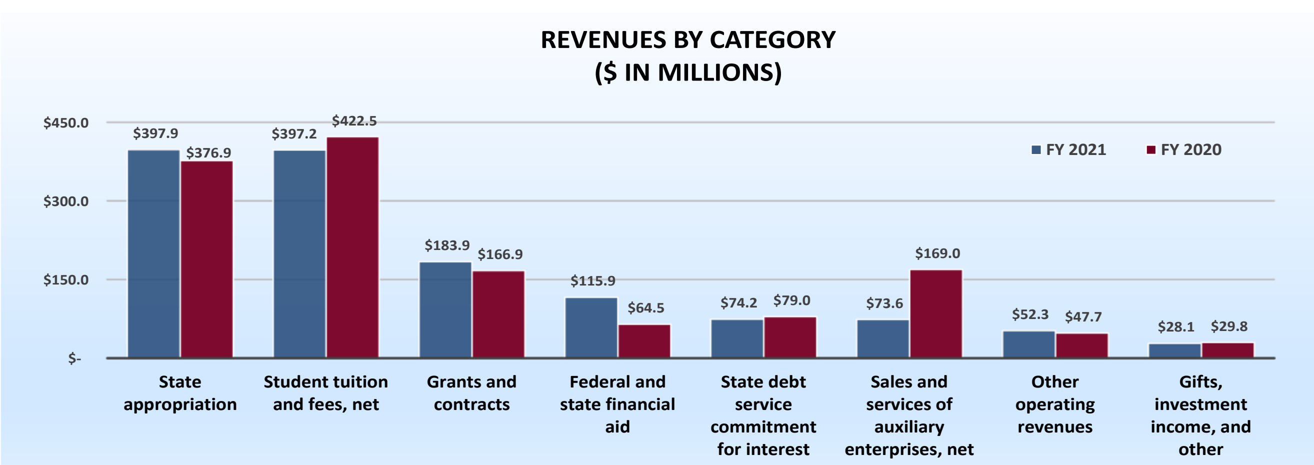
By its very nature, a state-funded institution does not receive tuition, fees, room, and board revenues sufficient to support the operations of the University. Significant recurring sources of nonoperating revenues utilized in balancing the operating loss each year include appropriations from the State of Connecticut (State) for general operations, federal and state financial aid, noncapital gifts, and short-term investment income.

The following table shows a Condensed Schedule of Revenues, Expenses, and Changes in Net Position for the fiscal years ended June 30 ($ in millions):

	2021	2020	$ Change	% Change
Operating Revenues				
Student tuition and fees, net	$ 397.2	$ 422.5	$ (25.3)	(6.0)%
Grants and contracts	183.9	166.9	17.0	10.2%
Sales and services of auxiliary enterprises, net	73.6	169.0	(95.4)	(56.4)%
Other	52.3	47.7	4.6	9.6%
Total Operating Revenues	707.0	806.1	(99.1)	(12.3)%
Operating Expenses				
Salaries and wages	617.2	602.9	14.3	2.4%
Fringe benefits	685.1	597.7	87.4	14.6%
Supplies and other expenses	226.4	258.0	(31.6)	(12.2)%
Utilities	17.3	20.1	(2.8)	(13.9)%
Depreciation and amortization	122.7	117.9	4.8	4.1%
Scholarships and fellowships	28.9	23.4	5.5	23.5%
Total Operating Expenses	1,697.6	1,620.0	77.6	4.8%
Operating Loss	(990.6)	(813.9)	(176.7)	21.7%
Nonoperating Revenues (Expenses)				
State appropriation	397.9	376.9	21.0	5.6%
State debt service commitment for interest	74.2	79.0	(4.8)	(6.1)%
Federal and state financial aid	115.9	64.5	51.4	79.7%
Gifts, investment income, and other	28.1	29.8	(1.7)	(5.7)%
Interest and other expenses	(66.1)	(73.0)	6.9	(9.5)%
Net Nonoperating Revenues	550.0	477.2	72.8	15.3%
Loss Before Other Changes in Net Position	(440.6)	(336.7)	(103.9)	30.9%
Other Changes in Net Position				
State debt service commitment for principal	140.3	-	140.3	100.0%
Capital grants and gifts	11.6	2.2	9.4	427.3%
Additions to permanent endowments	0.2	0.2	-	0.0%
Athletic conference fees (Note 18)	(3.5)	(16.4)	12.9	(78.7)%
Transfer to affiliate	(2.0)	-	(2.0)	100.0%
Net Other Changes in Net Position	146.6	(14.0)	160.6	(1,147.1)%
Decrease in Net Position	(294.0)	(350.7)	56.7	(16.2)%
Net Position – Beginning of Year	(251.8)	98.9	(350.7)	(354.6)%
Net Position – End of Year	$ (545.8)	$ (251.8)	$ (294.0)	116.8%

Revenues

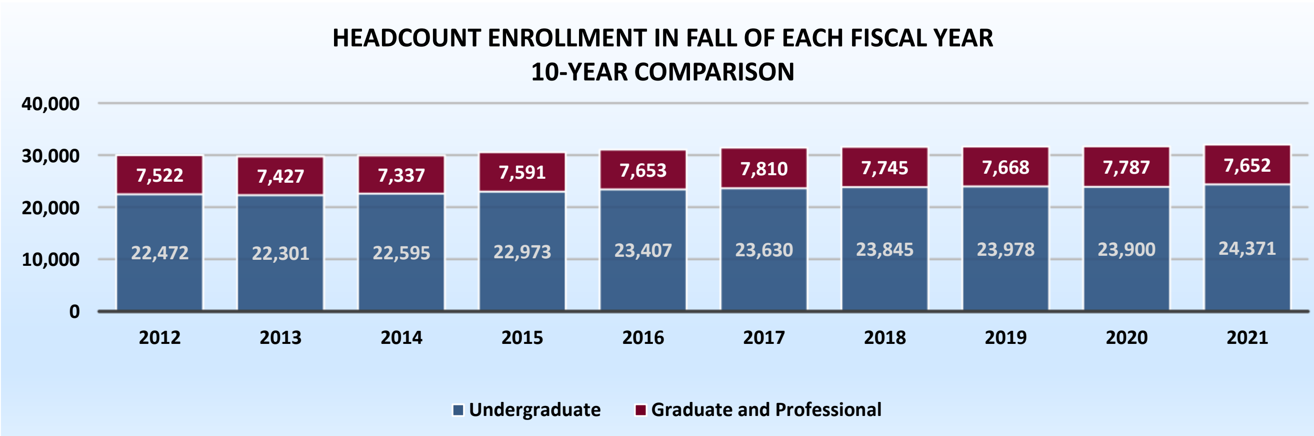
The following graph shows the University's total operating and nonoperating revenues by category, excluding other changes in net position:



Operating Revenues

Operating revenues decreased $99.1 million in fiscal year 2021, largely due to a reduction of sales and services of auxiliary enterprises. Student tuition and fees also contributed to the decrease, partially offset by increases in grants and contracts and other operating revenues.

Student tuition and fees, net of scholarship allowances, decreased $25.3 million. This change was primarily attributed to a decline in international student enrollment combined with a reduction in the dollar amount charged for the General University Fee and other mandatory fees for undergraduate students taking all online classes due to COVID-19. In addition, scholarship allowances increased due to more student aid available. These decreases to revenues were offset by planned tuition rate increases approved by the Board of Trustees and restructured enrollment and orientation fees that went into effect during fiscal year 2021. Despite initial estimates that projected an overall decline in enrollment, undergraduate enrollment was up by 2.0 percent. The graph below presents undergraduate and graduate enrollment over the last 10 years:



Sales and services of auxiliary enterprises, net of scholarship allowances decreased by $95.4 million, which was attributed to the continued impact of COVID-19. Student housing revenues were lower due to the University reducing capacity to approximately 40 percent in order to maintain social distancing among students living on campus. Revenues related to dining services, sporting events, and parking services were also affected by a lower student population and other measures taken to ensure student and staff safety.

Grant revenue can fluctuate year over year depending on various factors including the availability of funding from sponsors, the timing of large grants, when goods are received, and services are rendered. Total **grants and contracts** increased $17.0 million. Most of this increase related to federal grants that included funding from the U.S. Department of Defense, the U.S. Department of Health and Human Services, and the U.S. Department of Transportation.

Other operating revenues increased $4.6 million due to new agreements with partner institutions to establish programs for students overseas. Revenue from these new programs was partially offset by a decline in revenues for other miscellaneous services, including other education abroad programs, conference services, renewable energy credits, and a decrease in agreed upon services provided to UConn Health.

Nonoperating Revenues

Nonoperating revenues increased $65.9 million due to the following:

State appropriation increased $21.0 million in fiscal year 2021 as a result of the increased salaries and fringe benefits of General Fund employees. This change was due to mandatory collective bargaining increases combined with fringe benefit rate increases charged by the State.

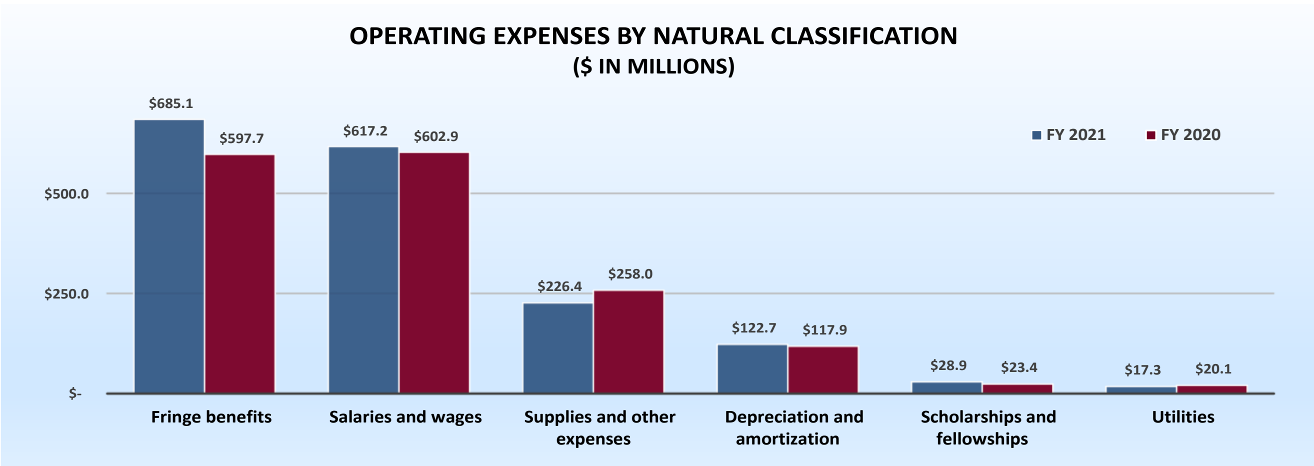
Federal and state financial aid increased $51.4 million in fiscal year 2021, mainly from additional federal COVID-19 aid received under the Coronavirus Relief Fund (CRF), the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA), and the Governor's Emergency Education Relief Fund (see Note 1). Federal Pell grants were also higher in fiscal year 2021.

Gifts, investment income, and other nonoperating revenues decreased a net total of $1.7 million. This decrease was attributed to a reduction in investment income of $7.0 million, which resulted from lower interest rates on cash balances held in the State's short-term investment fund. The decrease in investment income was offset by a $2.9 million increase in noncapital gifts and a $2.4 million increase in other nonoperating revenues (net). Other nonoperating revenues include net appreciation gains related to the University's underlying endowment investments.

State debt service commitment for interest represents the State's guarantee to pay interest incurred on general obligation bonds issued by the University for capital purposes and for UConn Health projects. Effectively, this revenue offsets a significant portion of interest expense each year, and the noted decrease in revenue from interest of $4.8 million corresponds with a related decrease in interest expense, recorded as a component of **interest and other expenses**.

Operating Expenses

The following graph shows the University's operating expenses by natural classification:

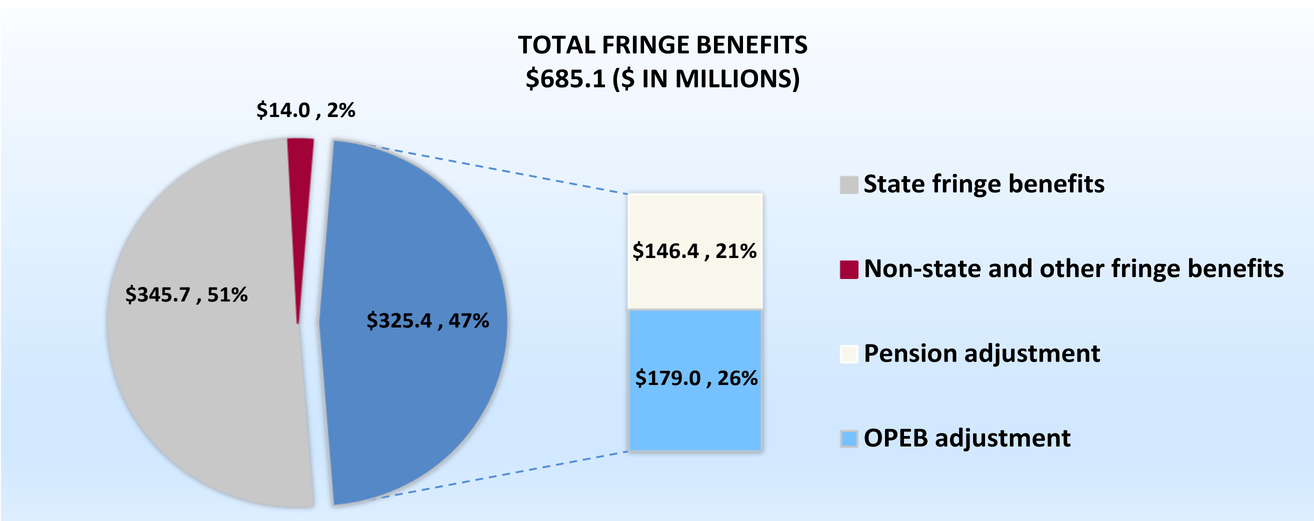


Total operating expenses increased $77.6 million in fiscal year 2021 due to the following:

Salaries and wages increased $14.3 million, primarily resulting from average collective bargaining increases of approximately 5.5 percent. The effect of this change was partially offset by management furloughs coupled with reductions in student labor and overtime pay attributed to COVID-19.

Fringe benefits increased $87.4 million in fiscal year 2021. These expenses mainly relate to employee benefit and retirement plans administered by the State in addition to a small portion related to non-state employees and other miscellaneous benefits. Furthermore, the University records pension and other post-employment benefits (OPEB) in accordance with GASB Statement No. 68 (GASB 68), *Accounting and Financial Reporting for Pensions*, and GASB Statement No. 75 (GASB 75), *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. GASB 68 and GASB 75 require adjustments to recognize the University's share of the unfunded pension and OPEB liabilities derived from the State's defined benefit pension and OPEB plans (see also Notes 9 and 10). In fiscal year 2021, these adjustments under GASB 68 and GASB 75 increased by $21.7 million and $46.6 million, respectively, and

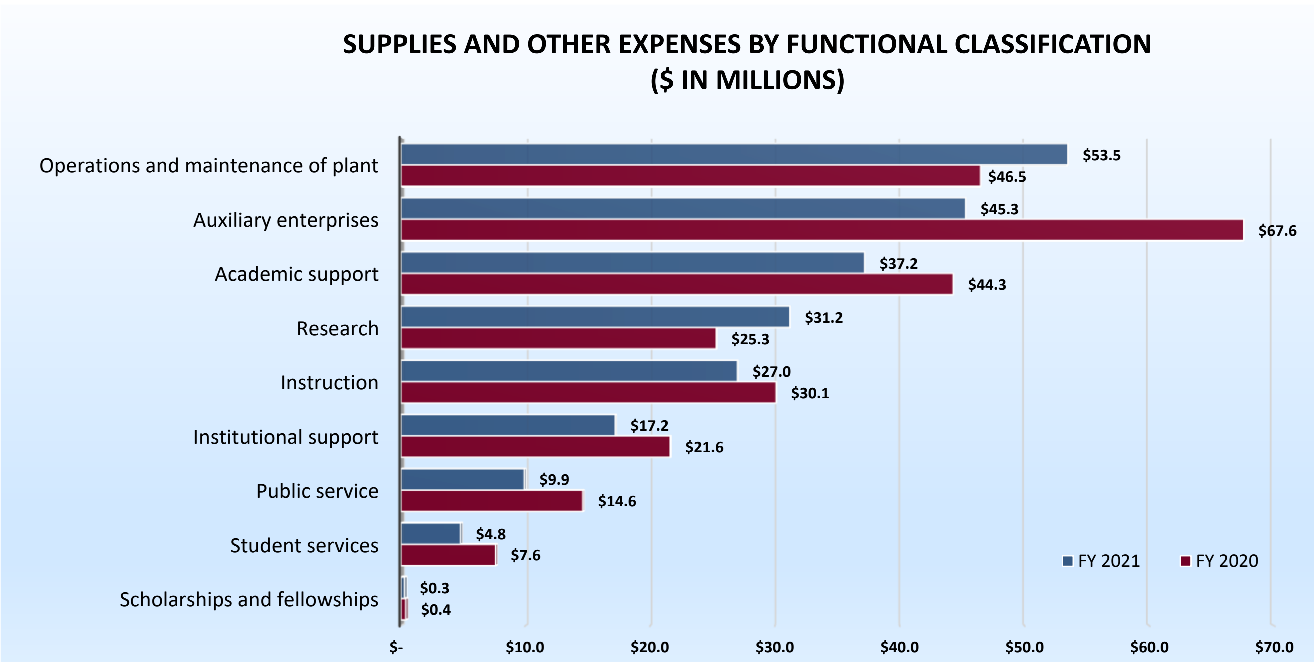
The following graph shows a breakdown of fringe benefits for the year ended June 30, 2021:



represent about 47 percent of total fringe benefits. The remaining increase was mainly attributed to mandatory collective bargaining increases and the rise in fringe benefit rates charged by the State for its defined benefit pension and OPEB plans.

Supplies and other expenses decreased $31.6 million primarily due to university-wide program cuts, reduced spending, departmental savings, and travel restrictions related to COVID-19 that impacted most of the functional expenses. Much of this decrease occurred in auxiliary enterprises because of reduced services for student housing, dining, and athletics, partially offset by increases in medical supplies for COVID-19 testing and providing temporary student housing. Public service expenses also decreased because of consulting services related to healthcare technology contracts that ended in fiscal year 2020. In contrast, operations and maintenance of plant increased due to emergency services for moving students, custodial services, and other cleaning efforts necessary to maintain student and staff safety during the pandemic. Research supplies and other expenses were also higher due to increased funding from federal grants and contracts.

The University's supplies and other expenses by functional classification are presented below:



Nonoperating Expenses

Interest and other expenses decreased $6.9 million due to a $5.0 million decrease in interest expense and a $1.9 million decrease in disposal of property and equipment, net. Interest expense decreased primarily due to debt service savings related to general obligations bonds refunded in fiscal year 2021 combined with paying down principal balances of existing debt.

Other Changes in Net Position

Other changes in net position are composed primarily of the State's debt service commitment for principal (capital appropriation), capital grants and gifts, athletic conference fees (special items), and transfer to affiliate. Total other changes in net position resulted in a net increase of $160.6 million for fiscal year 2021.

State debt service commitment for principal increased $140.3 million due to the issuance of General Obligation 2020 Series A Bonds in fiscal year 2021 under the UConn 2000 Infrastructure Improvement Program (UCONN 2000). As general obligation bonds are issued, the State commits to the repayment of the future principal amounts. There were no general obligation bonds issued in fiscal year 2020.

Capital grants and gifts increased $9.4 million, primarily because of an increase in UConn Foundation gifts received for the University Athletics District Development project that was partially offset by a reduction in gifts received for smaller construction projects compared to the previous fiscal year.

Athletic conference fees decreased $12.9 million due to an exit fee expense of $16.4 million in the prior year compared to the entrance fee of $3.5 million for entering the Big East Conference in fiscal year 2021 (see Note 18).

Transfer to affiliate (UConn Health) represents funding provided for the Nuclear Magnetic Resonance Facility Upgrade project.

STATEMENT OF NET POSITION

The Statement of Net Position presents the assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position of the University as of the end of the fiscal year. The Statement of Net Position is a point in time financial statement and is used as a measure of the financial condition of the University. This statement presents a snapshot concerning assets classified as current (those available for use within one year) and noncurrent (those available beyond one year), liabilities categorized as current (those maturing and due within one year) and noncurrent (those maturing and due after one year), and net position.

Assets represent what is owned by or what is owed to the University, including payments made to others before a service was received. Assets are recorded at their current value except for property and equipment, which is recorded at historical cost, net of accumulated depreciation and amortization. Liabilities represent what is owed to others or what has been received from others prior to services being provided by the University. A deferred outflow of resources represents the consumption of net assets by the University that is applicable to a future reporting period, whereas a deferred inflow of resources is an acquisition of net assets by the University that is applicable to a future reporting period. The University's net position is the residual value in assets and deferred outflows after liabilities and deferred inflows are deducted.

The following table shows a Condensed Schedule of Net Position at June 30 ($ in millions):

	2021	2020	$ Change	% Change
Assets				
Current assets	$ 723.7	$ 730.0	$ (6.3)	(0.9)%
Property and equipment, net	2,358.5	2,273.2	85.3	3.8%
Other noncurrent assets	1,480.8	1,463.1	17.7	1.2%
Total Assets	4,563.0	4,466.3	96.7	2.2%
Deferred Outflows of Resources	1,078.6	1,038.6	40.0	3.9%
Liabilities				
Current liabilities	444.9	420.0	24.9	5.9%
Noncurrent liabilities	5,595.3	5,199.6	395.7	7.6%
Total Liabilities	6,040.2	5,619.6	420.6	7.5%
Deferred Inflows of Resources	147.2	137.1	10.1	7.4%
Net Position				
Net investment in capital assets	1,820.2	1,763.7	56.5	3.2%
Restricted nonexpendable	14.2	15.1	(0.9)	(6.0)%
Restricted expendable	106.8	67.6	39.2	58.0%
Unrestricted	(2,487.0)	(2,098.2)	(388.8)	18.5%
Total Net Position	$ (545.8)	$ (251.8)	$ (294.0)	116.8%

Assets

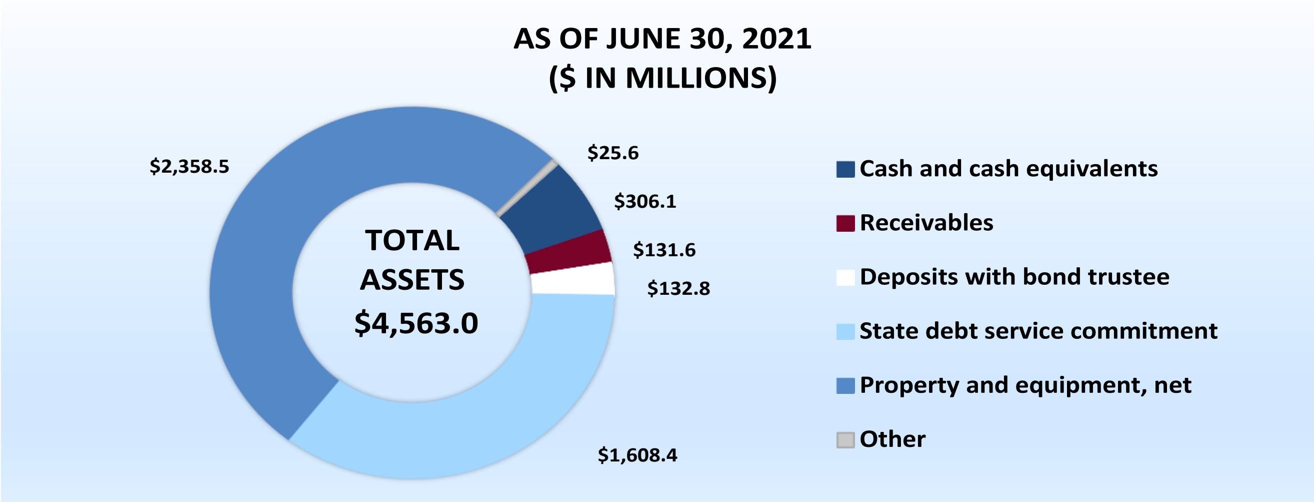
Total assets increased $96.7 million in fiscal year 2021. This change included a decrease in current assets of $6.3 million, an increase in net property and equipment of $85.3 million, and an increase in other noncurrent assets of $17.7 million.

The decrease in **current assets** was mainly a result of lower cash and cash equivalents of $42.1 million at year-end. Cash balances were lower due to capital-related spending from unrestricted sources, lower short-term investment earnings, and revenue losses related to the pandemic offset by federal COVID-19 relief funding. The amount due from affiliate (UConn Health) was also lower by $8.7 million from the prior year due to collections of prior year billings as well as a reduction in branding services provided. These decreases were offset by a higher balance in deposits with bond trustee of $43.4 million that represents the unexpended bond proceeds provided through the issuance of general obligation bonds during the year. No general obligation bonds were issued in fiscal year 2020.

The net increase in **property and equipment** included additions of $208.1 million, offset in part by depreciation and amortization of $122.7 million and retirements of $0.1 million. The large additions are mostly attributed to the University's active construction program under UCONN 2000.

The change in **other noncurrent assets** corresponds with the increase in the long-term portion of the State debt service commitment of $13.5 million, which resulted from the issuance of new general obligation bonds that are backed by the State debt service commitment. Investments also increased $4.4 million due to the fair value appreciation on the University's endowments.

The following graph shows total assets by major category:



<u>Liabilities</u>

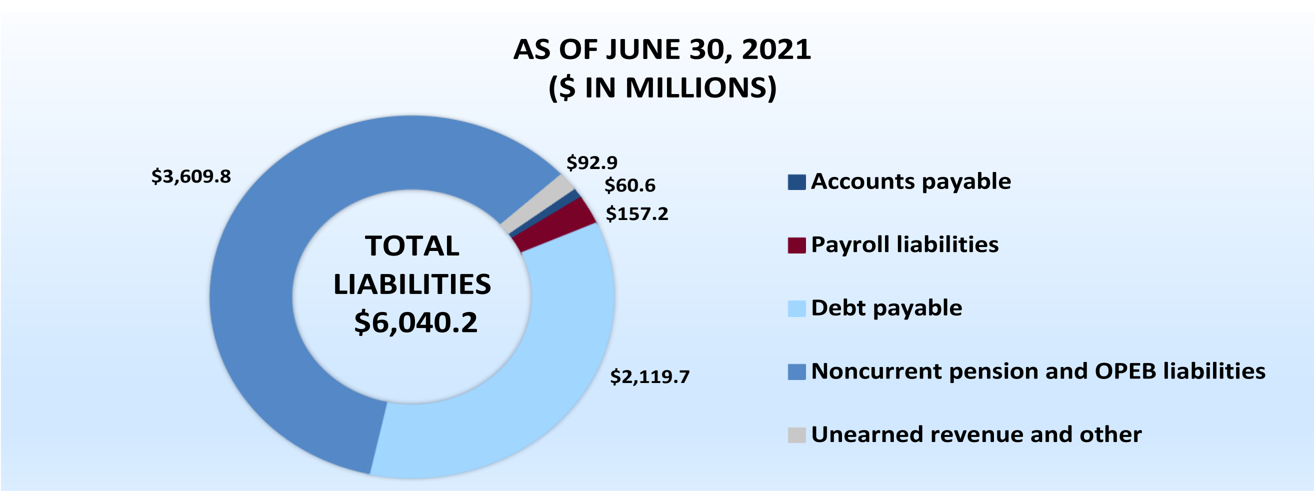
Total liabilities increased $420.6 million in fiscal year 2021. This change included an increase in current liabilities of $24.9 million and an increase in noncurrent liabilities of $395.7 million.

Current liabilities increased mainly due to changes in accounts payable, payroll liabilities, and the current portion of long-term debt resulting from the issuance of general obligation bonds. Accounts payable was higher in fiscal year 2021 by $10.3 million, which related to increased construction activity for the STEM Research Center Science 1 building, Supplemental Utility Plant, and Northwest Science Quad infrastructure projects as well as an increase in research activities. Payroll liabilities including wages payable and due to State were higher in fiscal year 2021 because of current year wage increases and higher fringe benefit rates charged by the State. These increases were offset by a decrease in unearned revenue consisting of the prorated COVID-19 housing and dining credits issued in the prior year due to closing the campus. These credits were held and applied to the fall 2020 tuition in fiscal year 2021.

Noncurrent liabilities were higher due to the net pension and net OPEB liabilities combined with increases in long-term debt payable (see also Debt Activities and Note 6).

The increase in the University's proportionate share of the collective net pension liabilities related mainly to the change in the University's proportion for the State Employees Retirement System (6.39 percent in fiscal year 2021 versus 5.98 percent in fiscal year 2020). The remaining increase related primarily to actuarial and investment experience losses. The University's proportionate share of the collective net OPEB liability increased because of normal plan operations combined with the net effect of an investment experience loss, valuation assumption changes, and an actuarial experience gain. These changes were offset by a decrease in the University's proportion (8.87 percent in fiscal year 2021 versus 9.05 percent in fiscal year 2020).

The following graph shows total liabilities by major category:



Deferred Outflows and Deferred Inflows of Resources

Deferred outflows of resources increased $40.0 million, primarily due to components related to the net pension and net OPEB liabilities. An assumption loss related to OPEB was the main driver of the increase combined with other actuarial adjustments related to pension, and higher pension contributions made after the measurement date, partially offset by amortization of deferrals.

Deferred inflows of resources increased $10.1 million, mainly attributed to the deferred gain that resulted from debt refundings of general obligation bonds in fiscal year 2021. This increase was partially offset by changes in deferred balances related to net pension and net OPEB liabilities.

NET POSITION

Net position is divided into three major categories. The first category, net investment in capital assets, represents the University's equity in property and equipment. The second category, restricted net position, is subdivided into nonexpendable and expendable. The corpus of restricted nonexpendable resources is only available for investment purposes and is included with investments in the University's Statement of Net Position. Expendable restricted net position is available for expenditure by the institution. However, it must be spent for purposes determined by donors or external entities that have placed time or purpose restrictions on the use of the assets. The final category is unrestricted net position, representing funds available to the University for any lawful purpose of the institution. Generally, unrestricted funds are internally assigned to academic and research programs, capital programs, retirement of debt, and auxiliary enterprise activities.

The University's net position as of June 30, 2021, is a negative $545.8 million as total liabilities and deferred inflows were greater than total assets and deferred outflows. This is primarily a result of long-term liabilities recognized under GASB 68 and GASB 75 and does not reflect the University's resources that are available to meet current obligations. The University continues to rely on inflows from student tuition and fees, grants and contracts, sales and services, State appropriation, gifts, and other revenues to maintain a liquid financial position (see table below).

The following table demonstrates the effects of GASB 68 and GASB 75 on the University's net position at June 30 ($ in millions):

	2021	2020	$ Change	% Change
Net Position				
Net investment in capital assets	$ 1,820.2	$ 1,763.7	$ 56.5	3.2%
Restricted nonexpendable	14.2	15.1	(0.9)	(6.0)%
Restricted expendable	106.8	67.6	39.2	58.0%
Unrestricted	(2,487.0)	(2,098.2)	(388.8)	18.5%
Total Net Position	(545.8)	(251.8)	(294.0)	116.8%
Pension (GASB 68) impact	1,061.9	915.5	146.4	16.0%
OPEB (GASB 75) impact	1,597.8	1,418.8	179.0	12.6%
Net Position, Excluding Pension and OPEB	$ 2,113.9	$ 2,082.5	$ 31.4	1.5%

The decrease of $294.0 million in net position in fiscal year 2021 included the following changes:

Net investment in capital assets increased $56.5 million. This change was attributed to a net increase in capital assets of $85.3 million, partially offset by net increase of $28.8 million in capital-related debt.

Restricted expendable increased $39.2 million that mainly consisted of an increase of $30.1 million related to capital projects and $9.1 million related to research, instruction, scholarships, loans, and other.

Capital projects in restricted expendable increased primarily because of new funding received from general obligation bonds designated for UCONN 2000 projects and $1.5 million in additions to the Renewal and Replacement Fund. These changes were offset by the spending down of the remaining 2018 Student Fee Revenue Bond proceeds.

The increase in restricted expendable for research, instruction, scholarships, loans, and other restricted balances, was mainly attributed to the net appreciation of the University's endowments combined with one-time gifts received in the current year.

Unrestricted net position decreased $388.8 million, largely due to pension and OPEB adjustments of $325.4 million. The remaining decrease of $63.4 million was primarily attributed to capital-related spending, lower short-term investment earnings, and housing, dining, and other revenue losses that resulted from the COVID-19 pandemic in fiscal year 2021.

STATEMENT OF CASH FLOWS

The Statement of Cash Flows presents detailed information about the cash activity of the University during the year. The first section of this statement, cash flows from operating activities, is expected to be different from the operating loss amount on the Statement of Revenues, Expenses, and Changes in Net Position. The difference results from noncash items such as depreciation and amortization expense and the use of the accrual basis of accounting in preparing the Statement of Revenues, Expenses, and Changes in Net Position. The Statement of Cash Flows, on the other hand, shows cash inflows and outflows without regard to accruals.

The Statement of Cash Flows has four additional sections. The second section reflects cash flows from noncapital financing activities including State appropriation, debt transactions related to affiliate (UConn Health), financial aid, and gifts. The third section shows cash flows from capital and related financing activities, capital grants and gifts, and State debt service commitments for principal and interest. The fourth section consists of cash flows from investing activities showing the purchases, proceeds, and interest provided from investing activities. The final section is a reconciliation of the operating loss shown on the Statement of Revenues, Expenses, and Changes in Net Position to net cash used in operating activities.

CAPITAL ACTIVITIES

Property and equipment, net of accumulated depreciation and amortization, consisted of the following at June 30 ($ in millions):

	2021	2020	$ Change	% Change
Land	$ 31.1	$ 31.1	$ -	0.0%
Construction in progress	145.2	221.4	(76.2)	(34.4)%
Art and historical collections	56.8	56.7	0.1	0.2%
Non-structural improvements	346.9	310.2	36.7	11.8%
Buildings and improvements	1,661.5	1,537.7	123.8	8.1%
Intangible assets	24.2	20.6	3.6	17.5%
Library materials	4.1	4.8	(0.7)	(14.6)%
Equipment	88.7	90.7	(2.0)	(2.2)%
Total Property and Equipment, Net	$ 2,358.5	$ 2,273.2	$ 85.3	3.8%

Construction in progress decreased $76.2 million as projects including University Athletics District Development, a portion of Gant Building STEM Renovations, Central Utility Plant (CUP) Equipment Replacement and Pumping Project and other projects were completed and transferred from construction in progress to buildings and improvements and non-structural improvements. Transfers out of construction in progress were offset by additions as projects including STEM Research Center Science 1, Supplemental Utility Plant, Northwest Quad – Science 1 – Site Improvements and Tunnel Phase 2, and other projects continued construction.

Art and historical collections increased by $0.1 million, representing additions.

Non-structural improvements increased by $36.7 million. Additions totaling $50.2 million included University Athletics District Development and other projects. These additions were offset by depreciation expense of $13.5 million.

Buildings and improvements increased by $123.8 million. Additions of $208.2 million included University Athletics District Development, a portion of Gant Building STEM Renovations, CUP Equipment Replacement and Pumping Project, and other renovation projects. These additions were offset by depreciation expense of $84.3 million and net disposals of $0.1 million.

Intangible assets increased by $3.6 million. Additions of $10.5 million included long-term software licensing commitments, costs associated with the Peoplesoft Student Administration Upgrade project and other software implementations offset by amortization expense of $6.9 million.

Library materials decreased by $0.7 million. Additions of approximately $0.4 million were offset by $1.1 million in depreciation expense.

Equipment decreased by $2.0 million. Additions of $15.0 million were offset by depreciation expense of $17.0 million.

See also Note 4 in the financial statements for details related to capital activities.

DEBT ACTIVITIES

The University issues general obligation bonds in its own name under the UCONN 2000 program, which is designed to modernize and expand the physical plant of the University. As amended, the program provides for a capital budget in three phases for the University and UConn Health, with an estimated total cost of $4.6 billion.

The State has made a commitment to fund the University for all principal and interest payments due on UCONN 2000 general obligation debt. As the general obligation debt is incurred, the commitment from the State is recorded as a current and noncurrent receivable in the Statement of Net Position.

In fiscal year 2021, the University issued UCONN 2000 general obligation bonds with a combined face value of $279.3 million, of which $680,000 was committed to UConn Health for its UCONN 2000 projects. This issuance included the partial refundings of the General Obligation 2010 Series A Bonds, the General Obligation 2011 Series A Bonds, and the General Obligation 2011 Refunding Series A Bonds.

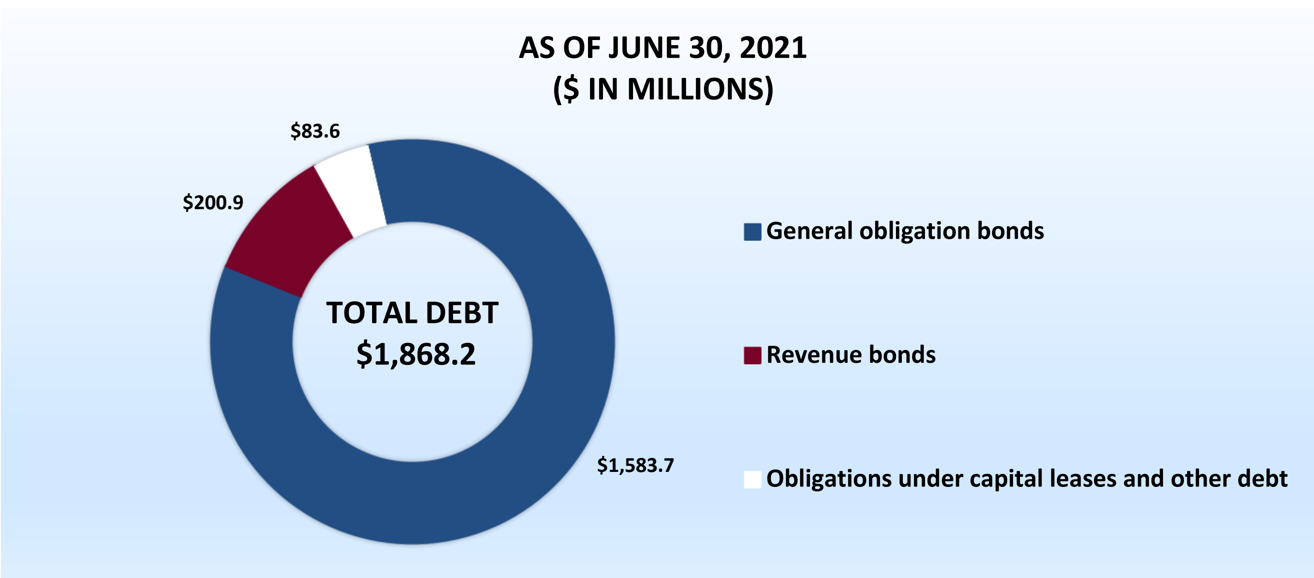
In addition to general obligation bonds, the University may issue special obligation bonds, also called Student Fee Revenue Bonds, which are secured by certain pledged revenues. There were no special obligation bonds issued or refunded in fiscal year 2021.

Obligations under capital leases include a lease purchase agreement to finance the UCONN 2000 Cogeneration Facility and a sublease agreement to provide student housing at the Stamford campus. There were no new capital lease obligations in fiscal year 2021.

Long-term software commitments represent obligations to make payments to vendors in accordance with contract terms in exchange for the right to use certain software applications. In fiscal year 2021, the University incurred new commitments totaling $4.8 million.

See also Note 6 in the financial statements for details related to debt activities.

The following graph illustrates total debt by category, exclusive of premiums and discounts:



ECONOMIC OUTLOOK

As the pandemic continues, the University cautiously looks forward and maintains its focus on protecting academic excellence and providing strong student support. For the fall 2021 semester, the University expects to have approximately 88 percent residential housing capacity, about 93 percent of undergraduate classes taught in person, and most staff transitioning from remote working to returning to campus. In addition, the University's fiscal year 2022 annual budget of $1.6 billion, which was approved by the Board of Trustees in June 2021, encompasses substantial support from both the State and the federal government as well as departmental cuts.

To further alleviate the financial impact of the pandemic, the University will be receiving $20.0 million in fiscal year 2022 from the State's American Rescue Plan Act (ARPA) allocation. In addition, the University will be receiving $5.0 million from the State through the CRF to offset certain eligible expenses related to COVID-19.

Furthermore, the University expects to utilize $28.4 million of federal aid in fiscal year 2022 provided through the Higher Education Emergency Relief Fund authorized under the ARPA (HEERF III). HEERF III also includes a student aid component of $28.5 million for emergency grants that will be distributed to students through the spring of 2022.

State support budgeted in fiscal year 2022 includes a block grant and payment for fringe benefits and adjustments of $408.5 million. Salary and fringe benefit costs account for over 54 percent or $872.8 million of the University's operating budget for fiscal year 2022. This amount includes approximately $327.3 million in fringe benefit costs that will be charged through an assessed rate determined by the State. Of this amount, about $192.8 million will be recovered though the State's annual support. However, the University continues to rely more on tuition revenues than any other source to cover these rising costs.

In December 2019, the Board of Trustees approved a five-year plan for tuition increases. For the fiscal year 2022 portion, tuition will increase about $625 per student. These increases are mitigation measures taken to lessen the impact of rising State fringe benefit costs along with inflation in the higher education sector nationwide.

For the University's capital improvement plan, the Board of Trustees approved a $271.5 million capital budget for fiscal year 2022, which is comprised of $56.0 million of University, gift and State bond funds, and $215.5 million of UCONN 2000 State general obligation bonds. The approved capital budget consists of new construction, renovation, and improvements primarily related to academic and research facilities, residential life facilities, athletics facilities, infrastructure, and high-priority deferred maintenance.

In fiscal 2022, the University will continue construction of the Northwest Science Quad complex that includes a 198,000 square-foot modern classroom and research facility and several enabling projects such as a new supplemental utility plant, and utilities and infrastructure improvements. This complex is a major component of the Next Generation Connecticut program adopted by the Connecticut General Assembly in 2013 to expand the University's educational and research work in the STEM fields (science, technology, engineering, and math). In addition, construction will continue on a 3,500 square-foot addition to the Public Safety Building for completion in the summer of 2022. In June 2021, construction began on a new 2,600 seat hockey arena and related parking improvements, which are expected to be completed in the fall of 2022.

UNIVERSITY OF CONNECTICUT
STATEMENT OF NET POSITION
As of June 30, 2021

($ in thousands)

	2021
ASSETS	
Current Assets	
Cash and cash equivalents	$ 306,130
Accounts receivable, net	69,422
Student and other loans receivable, net	1,979
Due from State of Connecticut	52,411
Due from affiliate	3,364
State debt service commitment	152,261
Deposits with bond trustee	132,768
Prepaid expenses and other assets	5,406
Total Current Assets	723,741
Noncurrent Assets	
Investments	20,194
Student and other loans receivable, net	3,459
Due from affiliate	1,000
State debt service commitment	1,456,165
Property and equipment, net	2,358,518
Total Noncurrent Assets	3,839,336
Total Assets	4,563,077
DEFERRED OUTFLOWS OF RESOURCES	1,078,603
LIABILITIES	
Current Liabilities	
Accounts payable	60,596
Unearned revenue	37,360
Deposits held for others	1,701
Federal refundable loans	1,390
Wages payable	71,806
Compensated absences	20,305
Due to State of Connecticut	42,200
Due to affiliate	2,979
Current portion of long-term debt and bonds payable	164,586
Other current liabilities	41,966
Total Current Liabilities	444,889
Noncurrent Liabilities	
Compensated absences	22,839
Long-term debt and bonds payable	1,955,162
Federal refundable loans	4,903
Net pension liabilities	1,522,663
Net other post-employment benefits liability	2,087,164
Other liabilities	2,622
Total Noncurrent Liabilities	5,595,353
Total Liabilities	6,040,242
DEFERRED INFLOWS OF RESOURCES	147,230
NET POSITION	
Net investment in capital assets	1,820,249
Restricted nonexpendable	14,164
Restricted expendable	
Research, instruction, scholarships, and other	25,824
Loans	1,981
Capital projects and debt service	78,961
Unrestricted	(2,486,971)
Total Net Position	$ (545,792)

See accompanying notes to basic financial statements.

UNIVERSITY OF CONNECTICUT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
For the Year Ended June 30, 2021

($ in thousands)

	2021
OPERATING REVENUES	
Student tuition and fees, net of scholarship allowances of $197,042	$ 397,237
Federal grants and contracts	147,547
State and local grants and contracts	16,364
Nongovernmental grants and contracts	20,012
Sales and services of educational departments	25,355
Sales and services of auxiliary enterprises, net of scholarship allowances of $7,395	73,577
Other sources	26,943
Total Operating Revenues	707,035
OPERATING EXPENSES	
Salaries and wages	617,225
Fringe benefits	685,126
Supplies and other expenses	226,404
Utilities	17,295
Depreciation and amortization	122,695
Scholarships and fellowships	28,866
Total Operating Expenses	1,697,611
Operating Loss	(990,576)
NONOPERATING REVENUES (EXPENSES)	
State appropriation	397,910
State debt service commitment for interest	74,170
Federal and state financial aid	115,892
Gifts	24,715
Investment income	794
Interest expense	(66,114)
Disposal of property and equipment, net	(3)
Other nonoperating revenues, net	2,594
Net Nonoperating Revenues	549,958
Loss Before Other Changes in Net Position	(440,618)
OTHER CHANGES IN NET POSITION	
State debt service commitment for principal	140,295
Capital grants and gifts	11,640
Additions to permanent endowments	164
Athletic conference fee (Note 18)	(3,500)
Transfer to affiliate	(2,000)
Net Other Changes in Net Position	146,599
Decrease in Net Position	(294,019)
NET POSITION	
Net Position – Beginning of Year	(251,773)
Net Position – End of Year	$ (545,792)

See accompanying notes to basic financial statements.

UNIVERSITY OF CONNECTICUT
STATEMENT OF CASH FLOWS
For the Year Ended June 30, 2021

($ in thousands)

	2021
CASH FLOWS FROM OPERATING ACTIVITIES	
Student tuition and fees	$ 380,991
Grants and contracts	179,250
Sales and services of educational departments	25,464
Sales and services of auxiliary enterprises	75,970
Payments to employees	(606,482)
Payments for benefits	(348,190)
Payments to suppliers and others	(267,798)
Collections of loans to students	1,404
Loans issued to students	(256)
Loan issued to affiliate	(1,800)
Fiduciary activities – third-party student receipts and other	65,073
Fiduciary activities – third-party student payments and other	(64,287)
Fiduciary activity – direct lending receipts	166,853
Fiduciary activity – direct lending payments	(166,053)
Other cash receipts	36,303
Net Cash Used in Operating Activities	(523,558)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
State appropriation	395,801
Federal and state financial aid	115,094
Gifts	24,265
Proceeds from bonds related to affiliate	680
State debt service commitment related to affiliate	66,447
Principal paid on debt and bonds payable related to affiliate	(40,249)
Interest paid on debt and bonds payable related to affiliate	(26,197)
Transfer to affiliate	(2,000)
Net Cash Provided from Noncapital Financing Activities	533,841
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
State debt service commitment	133,427
Proceeds from bonds	199,320
Principal paid on debt and bonds payable	(100,171)
Interest paid on debt and bonds payable	(59,488)
Proceeds from sale of property and equipment	135
Purchases of property and equipment	(194,136)
Capital allocation	239
Capital grants and gifts	10,676
Net Cash Used in Capital and Related Financing Activities	(9,998)
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of investments	(167)
Interest on investments	1,255
Deposit with bond trustee	(43,430)
Net Cash Used in Investing Activities	(42,342)
DECREASE IN CASH AND CASH EQUIVALENTS	(42,057)
BEGINNING CASH AND CASH EQUIVALENTS	348,187
ENDING CASH AND CASH EQUIVALENTS	$ 306,130

See accompanying notes to basic financial statements.

UNIVERSITY OF CONNECTICUT
STATEMENT OF CASH FLOWS (Continued)
For the Year Ended June 30, 2021

($ in thousands)

		2021
RECONCILIATION OF OPERATING LOSS TO NET CASH USED IN OPERATING ACTIVITIES		
Operating Loss	$	(990,576)
Adjustments to Reconcile Operating Loss to Net Cash		
Used in Operating Activities:		
Depreciation and amortization expense		122,695
Property and equipment		4,887
Investments		(4,226)
In-kind workers' compensation		863
Other nonoperating revenues, net		2,594
Athletic conference fee		(3,500)
Changes in Assets and Liabilities:		
Receivables, net		(1,579)
Student and other loans receivable, net		1,422
Due from affiliate		8,636
Prepaid expenses and other assets		4,342
Deferred outflows of resources		(40,791)
Accounts payable, wages payable, and compensated absences		11,931
Unearned revenue		(5,630)
Deposits held for others		(553)
Federal refundable loans		(1,600)
Due to State of Connecticut		3,567
Due to affiliate		(2,869)
Net pension and net OPEB liabilities		368,090
Other liabilities		1,495
Deferred inflows of resources		(2,756)
Net Cash Used in Operating Activities	$	(523,558)

ACCOMPANYING SCHEDULE OF SIGNIFICANT NONCASH TRANSACTIONS		
Proceeds from refunding bonds	$	141,384
Amortization of premiums, discounts, and gains and losses on debt refundings		22,129
Acquisition of software licenses under long-term purchase contracts		4,799
Capital assets acquired through gifts		694
Unrealized gain on investment		4,226
Net loss on disposal of capital assets with an original cost of $8,601, accumulated depreciation of $8,463, and cash proceeds of $135		(3)

See accompanying notes to basic financial statements.

UNIVERSITY OF CONNECTICUT
STATEMENT OF FIDUCIARY NET POSITION – PENSION TRUST FUND
As of June 30, 2021

($ in thousands)

		2021
ASSETS		
Cash and cash equivalents	$	375
Receivable from employer		364
Investments at fair value:		
Bond funds		5,551
Equity funds		7,366
Total investments		12,917
Total Assets		13,656
LIABILITIES		
Accounts payable and other liabilities		108
Total Liabilities		108
NET POSITION		
Restricted for pensions		13,548
Total Net Position	$	13,548

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION – PENSION TRUST FUND
For the Year Ended June 30, 2021

($ in thousands)

		2021
ADDITIONS		
Employer contributions	$	675
Investment Earnings:		
Increase in fair value of investments		2,169
Dividends and interest		355
Total investment earnings		2,524
Less: investment fees and charges		71
Net investment earnings		2,453
Total Additions		3,128
DEDUCTIONS		
Benefits paid to participants or beneficiaries		621
Net Increase in Fiduciary Net Position		2,507
Net Position – Beginning of Year		11,041
Net Position – End of Year	$	13,548

See accompanying notes to basic financial statements.

Notes to Financial Statements
For the Year Ended June 30, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The University of Connecticut, a comprehensive institution for higher education governed by a 21-member Board of Trustees, serves as the flagship for higher education in the State of Connecticut (State). This institution is composed of programs based in Storrs and at the four regional campuses: Avery Point, Hartford, Stamford, and Waterbury. It also includes the School of Law, the School of Social Work, and the University of Connecticut Health Center (UConn Health). UConn Health is a fiscally independent branch, defined in State statute as a healthcare institution, that oversees clinical care, advanced biomedical research, and academic education in medicine. Separate for purposes of audit and financial reporting, UConn Health has its own Board of Directors to whom the Board of Trustees has delegated authority and by State statute is a separate entity for purposes of budgeting, maintaining operating funds, and receiving appropriations from the State. The transactions and balances of UConn Health are not included within this annual comprehensive financial report for the year ended June 30, 2021, and the University of Connecticut (University) is herein defined as all programs except for UConn Health.

In accordance with standards issued by the Governmental Accounting Standards Board (GASB), the financial reporting entity consists of the primary government, organizations for which the primary government is financially accountable, and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading. Legally separate and tax exempt entities shall be presented as component units of the reporting entity if they meet all of the following criteria: the economic resources of the organization are entirely or almost entirely for the direct benefit of the reporting unit; the reporting unit is entitled to access all or a majority of the economic resources received or held by the organization; and the economic resources received or held by the organization are significant to the reporting unit.

The financial operations of the University along with those of UConn Health are reported in the State's annual comprehensive report using the fund structure prescribed by GASB. The State includes the transactions and balances of the University within an enterprise fund under the major business-type activities of the government-wide financial statements, and has noted that State colleges and universities do not possess corporate powers that would distinguish them as being legally separate.

The University of Connecticut Foundation, Inc. (Foundation) is a related, but independent, corporate entity that supports the mission of the University and is also included in the State's annual report. The Foundation raises funds to promote, encourage, and assist education and research at both the University and UConn Health. Although the Foundation materially supports the mission of both the University and UConn Health, displaying the Foundation's financial statements as a component unit of either entity individually would distort its actual contribution or economic benefit to that entity. Therefore, the Foundation is not included as a component unit in the accompanying financial statements but is included as a component unit of the State.

Fiduciary Statements

The University is also the fiduciary of the University of Connecticut Department of Dining Services Money Purchase Pension Plan. The University reports these funds in the accompanying Statement of Fiduciary Net Position and the Statement of Changes in Fiduciary Net Position (Fiduciary Statements) in accordance with GASB Statement No. 84 (GASB 84), *Fiduciary Activities*. See Note 9 for further disclosures related to the University of Connecticut Department of Dining Services Money Purchase Pension Plan.

Financial Statement Presentation

The accompanying financial statements have been prepared in conformity with United States generally accepted accounting principles (GAAP), as prescribed by GASB. The University is considered a special-purpose government engaged in business-type activities, defined by GASB as those activities that are financed in whole or in part by fees charged to external parties for goods or services.

The University reports business-type activities in the accompanying Statement of Net Position; Statement of Revenues, Expenses, and Changes in Net Position; and Statement of Cash Flows. These financial statements have been prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized when earned, expenses are recognized when incurred, and all significant intra-agency transactions have been eliminated. The Fiduciary Statements have been prepared using the accrual basis of accounting in accordance with GASB 84.

Adoption of New Accounting Standards

In fiscal year 2021, the University implemented GASB 84, which establishes criteria for identifying fiduciary activities and requires fiduciary activities to be reported in a statement of fiduciary net position and a statement of changes in fiduciary net position. The University of

Connecticut Department of Dining Services Money Purchase Penson Plan is a defined contribution pension plan that meets the control criteria of a fiduciary activity as defined by GASB 84. These funds are reported as a pension trust fund in the accompanying Fiduciary Statements.

In addition, GASB 84 permits business-type activities, such as the University, to report activities that would otherwise be considered custodial funds in the University's Statement of Net Position and Statement of Cash Flows as an operating activity, if upon receipt, the funds are normally expected to be held for three months or less. These fiduciary activities were reclassified in the operating activities section of the Statement of Cash Flows for the fiscal year ended June 30, 2021. There was no impact to the University's beginning net position as a result of implementing GASB 84.

GASB Statement No. 90 (GASB 90), *Majority Equity Interests*, improves the consistency and comparability of reporting a government's majority equity interest in a legally separate organization. A majority equity interest in a legally separate organization that meets the definition of an investment as defined by GASB should be measured using the equity method. Majority equity interests that do not meet the definition of an investment are required to be reported as a component unit. GASB 90 also provides guidance for reporting a component unit if a government acquires a 100 percent equity interest in that component unit. The requirements of GASB 90 were effective for the University on July 1, 2020, and its adoption did not have a material impact on the accompanying financial statements.

The University also elected to early adopt GASB Statement No. 98 (GASB 98), *The Annual Comprehensive Financial Report*. GASB 98 establishes the term *annual comprehensive financial report* and its acronym *ACFR*. In accordance with this statement, the University has replaced comprehensive annual financial report and its acronym with the new term and acronym.

The University postponed the adoption of GASB Statement No. 87, *Leases*, and GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, to fiscal year 2022 in accordance with GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*.

Cash Equivalents

The University considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. Funds invested in the State of Connecticut Treasurer's Short-Term Investment Fund (STIF) are also considered cash equivalents, except for those classified as restricted balances included in deposits with bond trustee.

Accounts and Loans Receivable

Accounts receivable consists of tuition, fees, auxiliary enterprises service fees, and amounts due from state and federal governments for grants and contracts. Student and other loans receivable consist primarily of amounts due from students under the Federal Perkins Loan Program, which are subject to significant restrictions. The receivable for student and other loans is classified as current and noncurrent based on the amount estimated to be collected within one year and beyond one year, respectively. Accounts and loans receivable are recorded net of an estimated allowance for doubtful accounts.

Due from State and Due to State

Due from State includes an appropriation receivable from the General Fund of the State (General Fund) for payroll, as well as unspent State bond funds designated to the University by the State Bond Commission for specific capital projects.

The State administers employee benefit and retirement plans and charges the University based on an annual fringe benefit rate that is applied to employee salaries. The amount due to State consists of fringe benefits accrued in relation to wages payable reported at the fiscal year-end.

Due from Affiliate and Due to Affiliate

Due from affiliate includes amounts owed by UConn Health resulting from various memorandums of understanding (MOUs) and other operating activities. The noncurrent portion of due from affiliate consists primarily of advances to UConn Health for capital purposes for amounts due beyond one year.

Due to affiliate includes the unspent portion of general obligation bond proceeds that are allocated to UConn Health capital projects and managed by the University. The proceeds are reported net of accruals for capital expenditures and retainage.

State Debt Service Commitment

The State has made a commitment to paying an annual amount of debt service on securities issued as general obligations of the University. As general obligation debt and related interest are incurred, the commitment from the State is recorded as revenue for principal and interest in the accompanying Statement of Revenues, Expenses, and Changes in Net Position. A corresponding receivable is recorded in the accompanying Statement of Net Position and is classified as current and noncurrent based on debt service payments owed in one year and beyond one year, respectively.

Deposits with Bond Trustee

Tax-exempt bond proceeds are deposited to various accounts held by the Trustee Bank as required by certain trust indentures. The funds are invested and disbursed as directed by the University. The University's bond proceeds investment policy is to balance an appropriate risk-return level heavily weighted towards safety of assets, as defined and permitted under the relative indentures and the General Statutes of Connecticut (State General Statutes).

The University has directed the Trustee Bank to invest UCONN 2000 indenture related construction fund proceeds in STIF. Similarly, the University has directed the Trustee Bank to invest other related funds in dedicated STIF accounts for debt service funds for the Special Obligation Student Fee Revenue Bonds. Additionally, the University transfers unrestricted funds periodically to a dedicated STIF account in accordance with the Renewal and Replacement Fund Requirement (see Note 2). The Renewal and Replacement Fund Requirement is defined by the Special Obligation Indenture as an amount deemed necessary to maintain assets financed with bond proceeds in sound operating condition.

Investment earnings from UCONN 2000 General Obligation Bond proceeds are retained by the State Treasurer's Office and do not flow to the University or to the Trustee Bank. Investment earnings from Student Fee Revenue Bonds are part of pledged revenues and are directly retained by the Trustee Bank to pay debt service on the bonds or for other indenture permitted purposes. Earnings on the UCONN 2000 General Obligation Debt Service Commitment Refunding Bonds and the Special Obligation Student Fee Revenue Refunding Redemption Fund escrows form part of the irrevocable escrows that are used by the Trustee Bank to meet debt service payments on defeased bonds until called.

Investments

The University accounts for its investments at fair value, categorized for disclosure purposes within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the investment. The three-level hierarchy of inputs is summarized as follows:

- Level 1 – Quoted prices for identical investments in an active market.
- Level 2 – Inputs other than Level 1 that are observable, such as quoted prices for similar investments in active markets; quoted prices for identical or similar investments in markets that are not active; or inputs other than quoted prices that are observable, such as interest rate and yield curves, volatilities, and credit spreads, among others.
- Level 3 – Inputs that are unobservable but supported by the University's or the Foundation's own assumptions, taking into consideration the assumptions that market participants would use in pricing the investment. These inputs are developed based on the best information available under the circumstances.

The net asset value (NAV), or its equivalent, is used to determine the fair value of all investments that do not have a readily determinable fair value. Since they are not readily determinable, the fair values of these investments may differ from the values that would have been used had a ready market existed for these investments.

Changes in the unrealized gain or loss on the carrying value of the University's investments are recorded as nonoperating revenues or expenses in the accompanying Statement of Revenues, Expenses, and Changes in Net Position.

Property and Equipment

Property and equipment are reported at cost at the date of acquisition or, in the case of gifts, at acquisition value. All land is capitalized regardless of cost. Capital projects greater than $100,000 that significantly increase the value or useful life of an asset are capitalized. Routine repairs and maintenance costs are charged to operating expenses in the year incurred. Equipment with a value of $5,000 or more and a useful life of more than one year is capitalized.

Depreciation and amortization expenses are recorded on a straight-line basis over the estimated useful lives of the respective assets:

Non-structural improvements	10 – 50 years
Buildings and building components	6 – 60 years
Intangible assets	3 – 10 years
Library materials	15 years
Equipment	3 – 30 years

Art and historical collections are recognized at their acquisition values and are not depreciated. The Dodd Center for Human Rights at the University maintains historical collections of original source materials used for research and serves as the University's official archive. New items are added to the collection if their acquisition value can be substantiated by an external appraisal.

The University does not include interest in the cost of constructed capital assets financed through general obligation bonds. The repayment of interest on these bonds is funded by the State. Interest incurred during the construction phase on projects financed through University funded debt is capitalized, net of interest earned on the invested proceeds of the borrowing.

Unearned Revenue

Unearned revenue includes amounts received for services to be rendered in a future accounting period. This amount is composed primarily of student charges (tuition, fees, room, and board) received in advance of the applicable academic period and amounts received from sponsors related to certain restricted research grants that will not be included in revenue until the funds are expended. It also includes advance ticket sales for sporting events and commitments received in advance of the athletic season.

Compensated Absences

Employee vacation, holiday, compensatory, and sick leave are accrued at year-end for financial statement purposes. The liability is included as compensated absences in the accompanying Statement of Net Position and is classified as current and noncurrent based on the amount estimated to be paid to eligible employees in one year and beyond one year, respectively. The related expense is included as an operating expense in the accompanying Statement of Revenues, Expenses, and Changes in Net Position.

Noncurrent Liabilities

Noncurrent liabilities include (1) the long-term portion of compensated absences, (2) principal payments due on bonds (net of unamortized premiums and discounts), loans and capital leases with a maturity of more than one year, (3) net pension and net other post-employment benefits (OPEB) liabilities, (4) the long-term portion of governmental advances for revolving student loan programs required to be returned to the federal government upon cessation of the program, and (5) other liabilities consisting of an asset retirement obligation (ARO) and the long-term portion of the University's bookstore service concession arrangement liability.

Net Pension and Net OPEB Liabilities

For purposes of measuring net pension and net OPEB liabilities, related deferred outflows of resources and deferred inflows of resources, and related expenses, information about the fiduciary net position as well as additions to and deductions from each plans' fiduciary net position have been determined on the same basis as they are reported by each plan. For this purpose, plan member contributions are recognized in the period the contributions are due. Employer contributions are recognized in the period the contributions are appropriated. Benefits and refunds to pension plan members are both recognized when due and payable in accordance with the terms of each plan. Investments are reported at fair value.

Deferred Outflows and Deferred Inflows of Resources

The University reports changes in the net pension and net OPEB liabilities not included in pension or OPEB expense, respectively, as deferred outflows of resources or deferred inflows of resources. The University's contributions to the pension and OPEB plans made subsequent to the measurement date of the net pension and net OPEB liabilities are reported as deferred outflows of resources.

The University reports gains and losses on refunded debt as deferred inflows of resources and deferred outflows of resources, respectively. Gains and losses on refunded debt represent the difference between the reacquisition price and the net carrying amount of the refunded bonds. Such amounts are amortized as a component of interest expense on a straight-line basis over the life of either the old debt or the new debt, whichever is shorter.

Certain AROs are reported as deferred outflows of resources and are recognized over the remaining useful life of the related asset. The difference between payments received and contractual liabilities recorded in connection with a service concession arrangement is reported as a deferred inflow of resources and is recognized as revenue over the contract term.

Net Position

GASB requires that resources be classified for accounting and reporting purposes into the following categories of net position:

- **Net investment in capital assets:** Capital assets, net of accumulated depreciation and amortization, reduced by outstanding principal balances of bonds (net of State debt service commitment), notes, and liabilities that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are also included in this component.

- **Restricted nonexpendable:** Endowment and similar type assets for which donors or outside sources have stipulated as a condition of the gift instrument that the principal is to be maintained inviolate and in perpetuity. These assets are invested for the purpose of producing present and future income, which may be expended or reinvested in principal.

- **Restricted expendable:** Assets reduced by liabilities and deferred inflows of resources related to those assets that are expendable but where the University is legally or contractually obligated to spend the resources in accordance with restrictions imposed by external third parties.

- **Unrestricted:** The net amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources that do not meet the definition of "restricted" or "net investment in capital assets". These assets are not subject to externally imposed stipulations, but they may be subject to internal designations. For example, amounts classified as unrestricted may be assigned to specific purposes by action of management or the Board of Trustees or may otherwise be limited by contractual agreements with outside parties. In general, all unrestricted amounts in net position are assigned to support academic and research programs, capital projects, retirement of indebtedness, and auxiliary enterprise activities.

The University's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred is based on a variety of factors. These factors include consideration of prior or future revenue sources, the type of expense incurred, the University's budgetary policies surrounding the various revenue sources, and whether the expense is a recurring cost.

To ensure observance of limitations and restrictions placed on the use of the resources available to the University, the accounts of the University are maintained internally following the principles of fund accounting. This is the procedure by which resources for various purposes are classified for accounting and reporting purposes into funds that are in accordance with specified activities or objectives.

Revenues and Expenses

The University has classified its revenues and expenses as either operating or nonoperating according to the following criteria:

- **Operating revenues and expenses:** Operating revenues consist of tuition and fees, grants and contracts, sales and services of educational activities, auxiliary enterprises revenue, and other sources of revenue that generally have the characteristics of exchange transactions. GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*, requires recipients of government-mandated and voluntary nonexchange transactions to recognize revenue when all applicable eligibility requirements are met for these transactions. Restricted grant revenue that does not meet the nonexchange transaction definition is also recognized to the extent expended or, in the case of fixed price contracts, when the contract terms are met or completed. Operating expenses include all expense transactions incurred other than those related to investing or financing, irrespective as to whether the revenues associated with those expenses are classified as operating or nonoperating. These expenses are reported using natural classification, comprehensive of expenses incurred under both educational and general programs and auxiliary enterprises. See also Note 16 for operating expenses presented by functional classification.

- **Nonoperating revenues and expenses:** All other revenues and expenses of the University are reported as nonoperating revenues and expenses including State appropriation, State debt service commitment for interest, federal and state financial aid, noncapital gifts, and investment income. Interest expense and disposal of property and equipment, net, are also reported as nonoperating.

Scholarship Discounts and Allowances

GASB requires that revenues be reported net of scholarship discounts and allowances, representing the difference between the stated charge for goods and services provided by the University and the amount that is ultimately paid by students or on their behalf. Any aid applied directly to student accounts in payment of tuition and fees, housing charges, and dining services is reflected as a scholarship allowance deducted from the University's operating revenues. Scholarships and fellowships expense in the accompanying Statement of Revenues, Expenses, and Changes in Net Position includes financial aid payments made directly to students.

UConn Health MOUs

The University manages certain operations for UConn Health in exchange for payment. These payments cover operating expenses related to public safety, marketing, library services, technology commercialization, and other miscellaneous services. The terms of these arrangements are set forth in formal MOUs that are reviewed and agreed upon by both parties on an annual basis. The revenues from UConn Health MOUs are recorded as part of other sources under operating revenues in the accompanying Statement of Revenues, Expenses, and Changes in Net Position. See Note 15 for further details.

Other Significant Transactions

In March 2020, the World Health Organization declared the outbreak of the coronavirus disease of 2019 (COVID-19) as a pandemic and the Governor of Connecticut declared a civil preparedness and public health emergency. In fiscal year 2021, the University implemented certain changes in its operations to ensure the safety and well-being of its students, faculty, and staff, and to adhere to social distancing guidelines. As a result, the University reduced certain mandatory fees for the fall 2020 and spring 2021 semesters for undergraduate students electing to take all online courses due to COVID-19 and who were not living in University housing. The University also limited its residential housing capacity to approximately 40 percent for the fall 2020 and spring 2021 semesters.

The University was awarded $34.4 million through the State from the Coronavirus Relief Fund (CRF) and $1.0 million from the Governor's Emergency Education Relief Fund (GEERF) in fiscal year 2021. The CRF amount consists of $20.0 million that offsets the pro rata housing and dining refunds of $33.6 million issued to students in fiscal year 2020 and $14.4 million that offsets certain eligible COVID-19 expenses incurred in fiscal years 2020 and 2021. The $1.0 million from GEERF was used to help stabilize fee revenues impacted by the pandemic in fiscal year 2021. The total $35.4 million was recorded as federal and state financial aid under nonoperating revenues in the accompanying Statement of Revenues, Expenses, and Changes in Net Position for the fiscal year ended June 30, 2021.

Additionally, the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) and the American Rescue Plan Act (ARPA) were passed by U.S. Congress and signed into law on December 27, 2020, and March 11, 2021, respectively. As part of the law, CRRSAA and ARPA authorized the Higher Education Emergency Relief Fund (HEERF) II and III, respectively, which included emergency grants for students facing expenses due to COVID-19.

During fiscal year 2021, the University was awarded $32.1 million in HEERF II funding, of which $10.8 million was provided as emergency grants to students. The $10.8 million represents the same amount previously allocated under HEERF I, which was authorized by the Coronavirus Aid, Relief, and Economic Security Act (CARES) in fiscal year 2020, and represents the minimum amount that the institution must use for financial aid grants to students. The remaining funds were allocated to the University to cover lost revenues and expenses related to COVID-19. The HEERF II award was recorded as federal and state financial aid under nonoperating revenues and the emergency grants disbursed to students were recorded as scholarships and fellowships under operating expenses in the accompanying Statement of Revenues, Expenses, and Changes in Net Position for the fiscal year ended June 30, 2021.

HEERF III uses the same model established under CARES HEERF I where institutions are required to use no less than 50 percent of the full allocation to provide emergency financial aid to students and no more than 50 percent can be spent on institutional use. In fiscal year 2021, $56.9 million in HEERF III funding was made available to the University, of which $28.5 million is designated for emergency grants to students, however, these funds were not yet distributed as of June 30, 2021 (see Note 19).

NOTE 2. CASH AND CASH EQUIVALENTS, DEPOSITS, AND INVESTMENTS

The University's total cash and cash equivalents, deposits, and investments included the following as of June 30, 2021 (amounts in thousands):

	2021
Cash and Cash Equivalents	
Cash maintained by State Treasurer	$ 285,316
Invested in STIF	19,517
Other deposits	1,297
Total Cash and Cash Equivalents	306,130
Deposits with Bond Trustee	
Invested in STIF	132,768
Total Deposits with Bond Trustee	132,768
Investments	
Foundation-managed endowments	19,495
UConn Innovations Fund, LLC	699
Total Investments	20,194
Total Cash and Cash Equivalents, Deposits, and Investments	$ 459,092

Cash and Cash Equivalents

Collateralized deposits are protected by State General Statute. This statute requires that any bank holding public deposits must at all times maintain, segregated from its other assets, eligible collateral in an amount equal to at least a certain percentage of its public deposits. The applicable percentage is determined mainly by the bank's financial condition, which is measured using ratios of leverage, net worth, and risk-based capital. The collateral is kept in the custody of the trust department of either the pledging bank or another bank in the name of the pledging bank. Portions of the bank balance of the State are insured by the Federal Deposit Insurance Corporation (FDIC) or collateralized. As a State agency, the University benefits from this protection, though the extent to which the deposits of an individual State agency such as the University are protected cannot be readily determined.

The University's cash management investment policy permits the University to invest in STIF, United States Treasury bills, United States Treasury notes and bonds, United States Government Agency obligations, bankers' acceptances, certificates of deposit (including EURO Dollars), commercial paper, money market funds, repurchase agreements, and savings accounts.

STIF is a money market investment pool in which the State, municipal entities, and other political subdivisions of the State are eligible to invest. The State Treasurer is authorized to invest monies of STIF in United States government and agency obligations, certificates of deposit, commercial paper, corporate bonds, savings accounts, bankers' acceptances, repurchase agreements, asset-backed securities, and student loans. STIF had a

Standard and Poor's rating of AAAm and a weighted average maturity of 31 days as of June 30, 2021.

Deposits with Bond Trustee

Deposits of the University include UCONN 2000 bond indenture related funds held by the Trustee Bank at the direction of the University. As of June 30, 2021, deposits with bond trustee included $132.8 million invested in STIF. Of this amount, $13.4 million related to the Renewal and Replacement Fund, an indenture defined account funded with non-bond proceeds.

Foundation-Managed Endowments

The University designated the Foundation as the manager of the University's endowment funds. The Foundation makes spending allocation distributions to the University for each participating endowment. The distribution is spent by the University in accordance with the respective purposes of the endowments, the policies and procedures of the University and State General Statutes, and in accordance with the Foundation's endowment spending policy described in the following section.

The endowment spending policy adopted by the Foundation's Board of Directors, in conjunction with a strategic asset allocation policy for the long-term pooled investment portfolio, is designed to provide reliable growth in annual spending allocation levels and to preserve or increase the real value of the endowment principal over time. To meet these objectives, the Foundation utilizes a total return investment approach, with total return consisting of interest and dividends as well as realized and unrealized gains and losses, net of management fees. As of June 30, 2021, net appreciation gains of $5.3 million were reported as restricted expendable in the accompanying Statement of Net Position.

The Foundation's endowment spending allocation policy adheres to the Connecticut Uniform Prudent Management of Institutional Funds Act (UPMIFA). UPMIFA considers prudence in maintaining an endowment fund in perpetuity. Therefore, spending can occur from an endowment fund whose fair value is below its historic value as long as the governing body has determined that its policies will continue the perpetual nature of the endowment over time.

An advancement fee is assessed to fund expenses incurred in meeting the Foundation's fiduciary and fundraising responsibilities to donors and the University. The endowment spending allocation and advancement fee taken together cannot exceed 6.50 percent or fall below 3 percent of the quarterly fair value of endowment funds. Should this occur, the calculated amounts will be decreased or increased, respectively, on a pro rata basis.

Over the long term, the Foundation expects the current spending allocation and advancement fee policies to allow endowments to grow on average at least at the annualized rate of inflation. This is consistent with the organization's objective of providing resources for the underlying purposes of its endowment assets over the life of the endowments, whether in perpetuity or for a specified term, as well as to provide additional growth through new gifts and investment return.

University endowment investments are managed by the Foundation in a pooled portfolio that is actively managed by professional investment managers as determined by the Investment Committee of the Foundation's Board of Directors. The Foundation has established asset allocation guidelines for the pooled investment portfolio, providing that the maximum exposure with any one manager would be 10 percent of the portfolio at the time of investment. The Foundation's Board of Directors also established an asset allocation policy for the long-term pooled investment portfolio. The Foundation expects that portfolios will be invested in only the strategies described in the following table, and not above or below the individual strategy percentage and its total percentage by objective, unless otherwise specified by its Board of Directors.

Investment Objectives and Strategies	Allocation Range as Percentage of Fair Value
Growth	
Public equity	30% – 90%
Risk Minimizing	
Global fixed income	10% – 70%
Cash	0% – 10%
Inflation Hedging	
Real assets	0% – 10%

The endowments invested with the Foundation are subject to risk due to the uncollateralized nature of most of its investments. Certain investments of the Foundation include external investment pools. Publicly traded fixed income investments totaled $2.0 million as of June 30, 2021. These represent an investment in a single fixed income fund for which a credit rating is not available. The University endowment's foreign publicly traded equities totaled $1.8 million as of June 30, 2021. Private capital investments totaled approximately $463,000 as of June 30, 2021.

Other Investments

Certain investments are also held directly by the University. The University held an ownership interest in UConn Innovation Fund, LLC as of June 30, 2021 (see Note 15).

Fiduciary Investments

The investments of the University of Connecticut Department of Dining Services Money Purchase Pension Plan are reported in the accompanying Statement of Fiduciary Net Position (see Note 1). The University is responsible for ensuring these assets are used only for their intended purposes and cannot use them to finance its operations. Under the direction of the University of Connecticut Department of Dining Services, the investments are invested by a third-party administrator and are subject to risk due to the uncollateralized nature of the investments.

Funds Held in Trust by Others

Certain other funds are held in trust for investment by outside trustees. The University is designated as the income beneficiary and the funds are not under the direct control of the University. Accordingly, the assets of these funds are not included in the accompanying financial statements. The fair value of these funds was $19.9 million as of June 30, 2021. Investment income earned on these assets is transferred to the University in accordance with applicable trust agreements. Income received from those sources for the year ended June 30, 2021, was $693,000.

Fair Value Measurement

Certain investments managed by the Foundation are measured at fair value pricing using NAV, or its equivalent. NAVs provided by third-parties have been utilized in determining fair value where there are significant unobservable inputs related to Level 3 assets, as all investments have been made through commingled fund structures with no direct ownership. The Foundation's investment managers utilize outside pricing services and administrators as well as their own internal valuation models in determining and verifying fair values.

The Foundation performs ongoing due diligence with its investment managers that includes evaluation of managers' operations and valuation procedures, site visits, investor calls, and review of manager filings and audited financial statements. The Investment Committee of the Foundation's Board of Directors monitors performance of investment managers and meets formally with managers on a periodic basis in addition to the ongoing due diligence performed by the Foundation investment staff.

The fair value amounts presented in the following table are intended to permit reconciliation of the fair value hierarchy to the investment balance presented in the Statement of Net Position and the Statement of Fiduciary Net Position as of June 30, 2021 (amounts in thousands):

	2021				
	Level 1	**Level 2**	**Level 3**	**NAV**	**Total**
Foundation-Managed Investments					
Cash and cash equivalents	$ 1,046	$ -	$ -	$ -	$ 1,046
Fixed income securities					
Corporate investment grade	2,027	-	-	-	2,027
Equity securities					
Domestic	12,698	-	-	-	12,698
Offshore	1,778	-	-	-	1,778
Private capital					
Buyout and venture capital	-	-	-	304	304
Debt	-	-	-	156	156
Royalties	-	-	-	3	3
Long and short equities	-	-	-	1	1
Private real estate	-	-	-	13	13
Private natural resources	-	-	-	245	245
Relative value	-	-	-	1,224	1,224
Total Foundation-Managed Investments	17,549	-	-	1,946	19,495
University-Held Investments					
Other	-	-	-	699	699
Total University-Held Investments	-	-	-	699	699
Total Investments – University	$ 17,549	$ -	$ -	$ 2,645	$ 20,194
Fiduciary Investments					
Equity securities	$ 7,366	$ -	$ -	$ -	$ 7,366
Debt securities	5,551	-	-	-	5,551
Total Investments – Fiduciary	$ 12,917	$ -	$ -	$ -	$ 12,917

The Foundation has agreements with external investment managers that include certain redemption terms and restrictions as noted in the following table as of the fiscal year ended June 30, 2021 (amounts in thousands):

	2021				
Investment Strategy	**Fair Value**	**Unfunded Commitments**	**Remaining Life**	**Redemption Terms**	**Redemption Restrictions**
Private capital partnerships including venture, buyout, and debt in the U.S. and international, and other	$ 464	$ 112	Less than 1 to 8 years	Not applicable	Not redeemable
Private real estate partnerships in commercial, residential, office, and industrial properties	13	35	1 to 3 years	Not applicable	Not redeemable
Natural resource partnerships in energy and timber	245	36	1 to 5 years	Not applicable	Not redeemable
Total	$ 722	$ 183			

NOTE 3. ACCOUNTS AND LOANS RECEIVABLE

Accounts receivable as of June 30, 2021, consisted of the following (amounts in thousands):

	2021
Grants and contracts	$ 52,279
Student and general	27,142
Investment income	46
Allowance for doubtful accounts	(10,045)
Total Accounts Receivable, Net	$ 69,422

The University participates in the U.S. Department of Education Federal Direct Lending Program. Under this program, the University distributed loans of $166.1 million in fiscal year 2021 to students, including those enrolled in UConn Health programs. These distributions and related funding are not reflected as expenses and revenues in the accompanying financial statements. However, related cash inflows and outflows are shown in the accompanying Statement of Cash Flows. The excess of direct loans distributed over funding received from the U.S. Department of Education as of June 30, 2021, was $1.0 million; this amount was included as a receivable under grants and contracts.

The University reported student and other loans receivable of $5.4 million for the fiscal year ended June 30, 2021. This balance is primarily composed of amounts owed from students under the U.S. Department of Education Federal Perkins Loan Program and are reported separately from accounts receivable in the accompanying Statement of Net Position. The 2021 amount is reported net of an allowance for doubtful accounts of $1.1 million at June 30, 2021. See Note 7 for information regarding the closeout of the Federal Perkins Loan Program.

NOTE 4. PROPERTY AND EQUIPMENT

The following table reflects the changes in property and equipment for the year ended June 30, 2021 (amounts in thousands):

	Balance July 1, 2020	Additions	Retirements	Transfers	Balance June 30, 2021
Capital Assets Not Being Depreciated					
Land	$ 31,133	$ -	$ -	$ -	$ 31,133
Construction in progress	221,376	88,868	-	(165,087)	145,157
Art and historical collections	56,672	96	-	-	56,768
Total Capital Assets Not Being Depreciated	309,181	88,964	-	(165,087)	233,058
Depreciable Capital Assets					
Non-structural improvements	489,111	19,134	(281)	31,117	539,081
Buildings and improvements	2,741,674	74,219	(284)	133,970	2,949,579
Intangible assets	55,187	10,531	(979)	-	64,739
Library materials	55,197	390	-	-	55,587
Equipment	291,626	14,951	(7,058)	-	299,519
Total Depreciable Capital Assets	3,632,795	119,225	(8,602)	165,087	3,908,505
Less Accumulated Depreciation					
Non-structural improvements	178,948	13,522	(281)	-	192,189
Buildings and improvements	1,203,983	84,321	(194)	-	1,288,110
Intangible assets	34,563	6,892	(979)	-	40,476
Library materials	50,364	1,083	-	-	51,447
Equipment	200,956	16,877	(7,010)	-	210,823
Total Accumulated Depreciation	1,668,814	122,695	(8,464)	-	1,783,045
Depreciable Capital Assets, Net	1,963,981	(3,470)	(138)	165,087	2,125,460
Property and Equipment, Net	$ 2,273,162	$ 85,494	$ (138)	$ -	$ 2,358,518

The University capitalized $1.1 million of net interest cost for the year ended June 30, 2021.

NOTE 5. UNEARNED REVENUE

As of June 30, 2021, unearned revenue included the following (amounts in thousands):

	2021
Tuition, fees, and other student charges	$ 12,924
Amounts received from grant sponsors	18,716
Athletic tickets, commitments, and other	5,720
Total Unearned Revenue	$ 37,360

NOTE 6. LONG-TERM DEBT AND BONDS PAYABLE

The UConn 2000 Infrastructure Improvement Program (UCONN 2000) established by The University of Connecticut 2000 Act (Act) is designed to modernize, rehabilitate and expand the physical plant of the University. The Act provides for a 32-year capital budget program in three phases, estimated to cost $4,644.3 million. The Act was originally adopted in 1995 to authorize and finance the UCONN 2000 Phase I Projects and the UCONN 2000 Phase II Projects at University campuses not including UConn Health. The Act was amended in 2002 by the 21st Century UConn Act to add the authorization and financing of UCONN 2000 Phase III Projects that included projects at UConn Health.

In 2010, the General Assembly enacted and the Governor signed Public Act (PA) 10-104 that increased the cost of certain UConn Health projects, authorized additional projects for UConn Health, and extended UCONN 2000 for an additional two fiscal years to 2018. In 2011, the General Assembly enacted and the Governor signed PA 11-75 that increased the estimated cost of two UConn Health projects. In 2013, the General Assembly enacted and the Governor signed PA 13-233, Next Generation Connecticut, that authorized additional projects, increased the cost of certain projects, increased the authorized funding amount for bonds secured by the State debt service commitment, and extended UCONN 2000 for an additional six fiscal years to 2024.

In 2017, the General Assembly enacted and the Governor signed PA 17-2 that extended UCONN 2000 for an additional three fiscal years to 2027, but did not increase the total amount that may be authorized by the Board of Trustees for the UCONN 2000 projects.

In June 2021, the Governor signed PA 21-2 increasing the State debt service commitment amount for fiscal year 2022 by $25.0 million to $215.5 million, which increased the fiscal year 1996 to 2027 total State debt service commitment amounts to $4,307.9 million. The estimated costs in the Act were also changed including increasing the project known as "Deferred Maintenance/Code/ADA Compliance/Infrastructure & Improvements Renovation Lump Sum and Utility, Administrative and Support Facilities – Health Center".

UCONN 2000 is to be funded in part by the issuance of $4,307.9 million of general obligation bonds of the University secured by the State debt service commitment. The balance of the estimated cost of UCONN 2000 projects that is not to be financed by the University's bonds secured by the State debt service commitment may be funded by the issuance of the University's special obligation bonds, other University debt obligations, State general obligation bonds, from gifts, and other revenue or borrowing resources of the University.

The University has also issued several series of general obligation refunding bonds, providing debt service savings for bonds refunded in advance of maturity. Sufficient proceeds are deposited into irrevocable escrow accounts held by the Trustee Bank to meet all obligations on the refunded debt. These bonds are general obligations of the University, for which its full faith and credit are pledged, and are payable from all assured revenues. The bonds are additionally secured by the pledge of and a lien upon the State debt service commitment. The University, consistent with the Act, is relying upon the receipt of the annual amount of the pledged State debt service commitment for the payment of the bonds and, accordingly, is not planning to budget any revenues for the payment of these bonds. Under the Master Indenture, the University expects to issue additional bonds to finance UCONN 2000 projects secured by the State debt service commitment.

In December 2020, the University issued general obligation bonds at a face value of $279.3 million, comprising $160.2 million of 2020 Series A Bonds and $119.1 million of 2020 Refunding Series A Bonds. The total bonds were issued at a premium of $63.7 million. Total net proceeds realized from the 2020 Series A Bonds were $200.0 million after the payment of issuance costs and underwriter fees. Of this amount, $680,000 was allocated to finance projects at UConn Health.

Net proceeds realized from the 2020 Refunding Series A Bonds were used to refund $43.7 million of the previously issued 2010 Series A Bonds in advance of maturity, $89.8 million of the previously issued 2011 Series A Bonds in advance of maturity, and $4.8 million of the previously issued 2011 Refunding Series A Bonds in advance of maturity. These refundings reduced the general obligation debt service in future years by $29.0 million and resulted in an economic gain (present value of the savings) of $27.4 million. The difference between the reacquisition price and the net carrying amount of the old debt resulted in a gain of $14.4 million. The gain was recorded as a deferred inflow of resources in the accompanying Statement of Net Position and is amortized to interest expense through fiscal year 2031 using the straight-line method.

As general obligation bonds are issued, nonoperating revenue for State debt service commitment for principal is recognized at face value less any refunded debt and amounts set aside to finance UConn Health projects. For the year ended June 30, 2021, total State debt service commitment for principal recognized was $140.3 million. The portion of proceeds allocated to UConn Health is recorded as due to affiliate in the accompanying Statement of Net Position. As of June 30, 2021, the unspent portion of this balance was $3.0 million. In addition, nonoperating revenue for State debt service commitment for interest on general obligation bonds of $74.2 million was recognized for the year ended June 30, 2021, of which approximately $25.6 million was associated with UConn Health projects. As of June 30, 2021, approximately $534.3 million of the total outstanding principal on general obligation bonds pertained to proceeds used to finance UConn Health projects.

In addition to general obligation bonds, the University may issue special obligation bonds, also called Student Fee Revenue Bonds, which are backed by certain pledged revenues of the University. There were no special obligation bonds issued or refunded in 2021.

Special obligation bonds are secured by certain pledged revenues as defined in the indenture. In fiscal year 2021, this consisted of gross and net revenues of approximately $33.0 million. Gross pledged revenues include the Infrastructure Maintenance Fee, the General University Fee, and other revenues. Other revenues consist of the FIT (Facilities Investment Together) surcharge on athletic ticket sales plus investment income on the bond accounts held by the Trustee Bank. Net pledged revenues include the residential life room fee, student apartment rentals, Greek housing fee, board (dining) fee, and parking and transportation fees, after providing for the cost of maintaining, repairing, insuring, and operating the facilities for which the fees are imposed and before depreciation expense is deducted. For fiscal year 2021, the University allocated $21.3 million of HEERF II funding to the cost of maintaining, repairing, insuring, and operating the facilities as defined above to help offset significant COVID-19 losses included in the net pledged revenues calculation. In addition to securing revenue bonds, the gross and net pledged revenues available are pledged toward certain other debt. The University has covenanted to collect, in each fiscal year, fees representing pledged revenues so that the sum of gross and net revenue amounts is no less than 1.25 times the debt service requirements in each respective fiscal year for its special obligation bonds.

The total principal and interest remaining to be paid on all special obligation bonds as of June 30, 2021, was $327.7 million. The total amount of $5.7 million for the principal and $10.0 million for the interest was paid on this debt from pledged revenues in fiscal year 2021.

Unamortized premiums and discounts are recorded as additions or reductions to the face value of bonds payable. These amounts are amortized using the straight-line basis over the life of the bonds, reducing interest expense for premiums, and increasing it for discounts.

Other debt obligations of the University include long-term software commitments, obligations under capital leases, and the American Athletic Conference (AAC) exit fee liability. Long-term software commitments represent the University's obligations to make payments to various vendors in accordance with contract terms in exchange for the right to use certain software applications. Obligations under capital leases consist of the UCONN 2000 Cogeneration Facility and the Stamford residential facility agreements (see Note 8).

The AAC exit fee liability represents the balance owed to the conference after the University's withdrawal in fiscal year 2020. The remaining principal balance of $7.2 million, net of discount for imputed interest at 2.2 percent, is to be paid in six equal annual installments of $1.3 million, commencing on July 1, 2021. The University has the discretion to pay the remainder of the exit fee in full at any time.

Long-term debt activity for the year ended June 30, 2021, was as follows (amounts in thousands):

	Balance July 1, 2020	**Additions**	**Retirements**	**Balance June 30, 2021**	**Current Portion**
General obligation bonds	$ 1,568,905	$ 279,315	$ (264,560)	$ 1,583,660	$ 127,495
Revenue bonds	206,655	-	(5,740)	200,915	6,010
Obligations under capital leases					
Cogeneration Facility	28,632	-	(4,946)	23,686	5,059
Stamford residential facility	44,117	-	(1,169)	42,948	1,054
Long-term software commitments	7,355	4,799	(2,345)	9,809	3,649
American Athletic Conference exit fee	7,194	-	-	7,194	1,135
Total Long-Term Debt	1,862,858	284,114	(278,760)	1,868,212	144,402
Premiums and discounts	223,648	63,701	(35,813)	251,536	20,184
Total Long-Term Debt, Net	$ 2,086,506	$ 347,815	$ (314,573)	$ 2,119,748	$ 164,586

Long-term debt outstanding as of June 30, 2021, consisted of the following (amounts in thousands):

Type of Debt and Issue Date	Original Amount	Maturity Dates Through Fiscal Year	Interest Rate	2021 Balance
Bonds				
GO 2013 Series A	$ 172,660	2034	2.0-5.0%	$ 112,220
GO 2013 Refunding Series A	51,250	2024	2.0-5.0%	25,690
GO 2014 Series A	109,050	2034	2.0-5.0%	70,870
GO 2014 Refunding Series A	92,940	2025	2.0-5.0%	4,075
GO 2015 Series A	220,165	2035	1.0-5.0%	154,115
GO 2015 Refunding Series A	34,625	2026	4.0-5.0%	17,210
GO 2016 Series A	261,510	2036	3.0-5.0%	196,125
GO 2016 Refunding Series A	80,425	2027	4.0-5.0%	22,255
GO 2017 Series A	311,200	2037	2.5-5.0%	248,960
GO 2017 Refunding Series A	33,950	2022	2.5-5.0%	8,945
GO 2018 Series A	276,075	2038	3.0-5.0%	234,665
GO 2019 Series A	174,785	2038	3.0-5.0%	157,305
GO 2019 Refunding Series A	64,680	2028	5.0%	51,910
GO 2020 Series A	160,230	2041	3.0-5.0%	160,230
GO 2020 Refunding Series A	119,085	2031	1.5-5.0%	119,085
Total General Obligation Bonds	2,162,630			1,583,660
Rev 2012 Refunding Series A	87,980	2030	1.5-5.0%	64,650
Rev 2018 Series A	141,725	2048	3.0-5.25%	136,265
Total Revenue Bonds	229,705			200,915
Total Bonds	2,392,335			1,784,575
Loans and Other Debt				
Obligations under capital leases				
Cogeneration Facility	81,900	2026	2.22%	23,686
Stamford residential facility	47,000	2042	2.62%	42,948
Long-term software commitments	16,675	various	4.94%	9,809
American Athletic Conference exit fee	7,194	2027	2.20%	7,194
Total Loans and Other Debt	152,769			83,637
Total Bonds, Loans, and Other Debt	$ 2,545,104			1,868,212
Add: premiums and discounts				251,536
Total Bonds, Loans, and Other Debt, Net				2,119,748
Less: current portion, net				164,586
Total Noncurrent Portion, Net				$ 1,955,162

Long-term debt, including general obligation bonds, revenue bonds, and other obligations, is scheduled to mature in the following fiscal years as of June 30 (amounts in thousands):

	General Obligation Bonds			Long-Term Debt Other Than General Obligation Bonds			Total Obligations		
Year(s)	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2022	$ 127,495	$ 75,633	$ 203,128	$ 16,907	$ 11,925	$ 28,832	$ 144,402	$ 87,558	$ 231,960
2023	123,615	69,456	193,071	19,540	11,271	30,811	143,155	80,727	223,882
2024	119,095	63,458	182,553	19,461	10,488	29,949	138,556	73,946	212,502
2025	113,895	57,564	171,459	18,925	9,726	28,651	132,820	67,290	200,110
2026	110,035	52,015	162,050	15,882	9,009	24,891	125,917	61,024	186,941
2027-2031	497,910	182,025	679,935	61,125	35,721	96,846	559,035	217,746	776,781
2032-2036	382,200	73,555	455,755	33,443	26,206	59,649	415,643	99,761	515,404
2037-2041	109,415	9,974	119,389	42,204	18,704	60,908	151,619	28,678	180,297
2042-2046	-	-	-	39,695	9,488	49,183	39,695	9,488	49,183
2047-2051	-	-	-	17,370	924	18,294	17,370	924	18,294
Total	$ 1,583,660	$ 583,680	$ 2,167,340	$ 284,552	$ 143,462	$ 428,014	$ 1,868,212	$ 727,142	$ 2,595,354

NOTE 7. OTHER LONG-TERM LIABILITIES

Long-term liability activity other than debt and bonds payable for the year ended June 30, 2021, was as follows (amounts in thousands):

	Balance July 1, 2020	Additions	Deductions	Balance June 30, 2021	Current Portion
Compensated absences	$ 36,788	$ 9,932	$ (3,576)	$ 43,144	$ 20,305
Federal refundable loans	7,891	249	(1,847)	6,293	1,390
Net pension liabilities	1,370,705	255,595	(103,637)	1,522,663	-
Net OPEB liability	1,871,032	330,328	(114,196)	2,087,164	-
Other liabilities					
Service concession arrangement	3,890	-	(720)	3,170	692
Asset retirement obligation	144	-	-	144	-
Total Other Long-Term Liabilities	$ 3,290,450	$ 596,104	$ (223,976)	$ 3,662,578	$ 22,387

The federal refundable loans include the liability for the Federal Perkins Loan Program that expired September 30, 2017. No new disbursements were permitted under the program after June 30, 2018. As part of the closeout of the Federal Perkins Loan Program, the University opted to continue to service outstanding loans, assign defaulted loans, and return the federal portion of the program's total cash on hand as required by the U.S. Department of Education.

An ARO in the amount of $144,000 is recorded in other long-term liabilities relating to the University's 90-day storage facility for hazardous waste. The closure of these facilities is subject to State regulations as defined by the Connecticut Department of Energy and Environmental Protection. In fiscal year 2015, the University paid $144,000 to close its former 90-day storage facility. The University considers this a reasonable estimate to close the new facility, which has a 40-year useful life beginning January 1, 2017.

The University has an ARO relating to the closure of its Wastewater Treatment Facility that is not yet recognized because it cannot be reasonably estimated.

NOTE 8. LEASES

Capital Leases

In December 2003, the University entered into a 20-year lease purchase agreement for a project to provide on-site generation of electricity, steam, and chilled water for heating and cooling at the University's Storrs campus. The project initially assumed a total cost of $75.0 million and included construction of a building and the engineering, design, and installation of certain equipment to establish the Cogeneration Facility. The lease was amended in August 2005 as a result of an increase in the total anticipated cost to $81.9 million. After another amendment, the remaining monthly payments decreased from $517,000 to $482,000 beginning August 2013 and the original lease term did not change. In November 2016, the lease was amended again to reflect a new nominal rate, decreasing monthly payments to $462,000 beginning January 2017. Amounts advanced by the lessor include capitalized interest during construction and are reflected as long-term debt in the accompanying Statement of Net Position. At the completion of the lease term, the University has an option to purchase the project assets for $1. The historical cost and accumulated depreciation of the Cogeneration Facility were $82.9 million and $53.6 million, respectively, as of June 30, 2021.

On August 1, 2017, the University entered into a 25-year master sublease agreement for 116 apartment units at 900 Washington Boulevard in Stamford. The apartments serve as the University's residential facility for the Stamford campus. The University will have options to purchase the property on each tenth anniversary of the term, and a right of first refusal if the lessor receives a bona-fide offer to buy the property. Lease payments for the first year of the master sublease total $2.7 million and increase by 1.9 percent annually. The historical cost and accumulated depreciation of the Stamford residential facility were $47.2 million and $5.9 million, respectively, as of June 30, 2021.

All assets subject to capital lease agreements are included in property and equipment in the accompanying Statement of Net Position, and depreciation on these assets is included in depreciation and amortization expense in the accompanying Statement of Revenues, Expenses, and Changes in Net Position (see Note 4). Loans related to these capital lease agreements are included in long-term debt and bonds payable in the accompanying Statement of Net Position (see Note 6).

Operating Leases

The University has leases related to equipment and building space that expire at various dates. Future minimum rental payments at June 30, 2021, under non-cancellable operating leases that exceeded $500,000 each were as follows (amounts in thousands):

Fiscal Year	**Payments**
2022	$ 3,896
2023	3,867
2024	3,301
2025	3,161
2026	2,984
Thereafter	6,626
Total	$ 23,835

Expenses related to operating lease commitments in excess of $500,000 each were approximately $4.4 million for the fiscal year ended June 30, 2021.

NOTE 9. RETIREMENT PLANS

State Retirement Systems

The University sponsors two defined benefit plans administered through the State: the State Employees Retirement System (SERS) and the Connecticut Teachers' Retirement System (TRS). SERS and TRS do not issue stand-alone financial reports but are reported as fiduciary funds within the State's annual financial report. Financial reports are available on the website of the Office of the State Comptroller at www.osc.ct.gov.

Plan descriptions. SERS is a single-employer defined benefit plan that covers substantially all of the State's full-time employees who are not eligible for another State sponsored retirement plan. Approximately 60 percent of the University's eligible employees participate in SERS, which is administered by the State Comptroller's Retirement Division under the direction of the State Employees Retirement Commission. SERS consists of Tier I, Tier II, Tier IIA, Tier III, Tier IV, and the Hybrid Plan.

TRS is a cost-sharing multiple-employer defined benefit plan covering any teacher, principal, superintendent, or supervisor engaged in service of public schools in the State. Employees previously qualified for TRS continue coverage during employment with the University and do not participate in any other offered retirement plans. TRS is governed by Chapter 167a of the State General Statutes, as amended through the current session of the State legislature and is administered by the Teachers' Retirement Board.

Benefits provided. SERS provides retirement, disability, and death benefits along with COLAs to plan members and their beneficiaries. Generally, the monthly pension benefit is calculated in accordance with a basic formula that takes into consideration average salary, credited service, and age at retirement. The details on plan benefits for the Tier IV Plan, revised COLAs for plan members retiring on or after July 1, 2022, and revised disability retirement requirements are described in the State Employees' Bargaining Agent Coalition (SEBAC) 2017 agreement. Further details on plan benefits, COLAs, and other plan provisions are described in Sections 5-152 to 5-192x of the State General Statutes. A brief summary of benefit terms for each SERS plan is presented below.

Deferred Vesting - SERS

Tier I	10 years of service
Tier II and IIA	Effective July 1, 1997, 5 years of actual state service, 10 years of vesting service, or age 70 with 5 years of service
Tier III and IV	10 years of benefit service

TRS also provides retirement, disability, and death benefits along with annual COLAs to plan members and their beneficiaries. Generally, monthly plan benefits are based on a formula in combination with the member's age, service, and the average of the highest 3 years of paid salaries. Members are 100 percent vested after 10 or more years of credited service. Further information on TRS plan benefits, COLAs, and other plan provisions are described in Sections 10-183b to 10-183ss of the State General Statutes.

Contributions. SERS contribution requirements are established and may be amended by the State legislature subject to the contractual rights established by collective bargaining. The State is required to contribute at an actuarially determined rate. Employee contribution rates for the fiscal year ended June 30, 2021, were as follows:

- Tier I Hazardous – 6 percent of earnings up to Social Security Taxable Wage Base plus 7 percent of earnings above that level
- Tier I Plan B – 4 percent of earnings up to Social Security Taxable Base plus 7 percent of earnings above that level
- Tier I Plan C – 7 percent of earnings
- Tier II Hazardous – 6 percent of earnings
- Tier II (all others) – 2 percent of earnings
- Tier IIA and III Hazardous – 7 percent of earnings
- Tier IIA and III (all others) – 4 percent of earnings
- Tier IV Hazardous – 8 percent of earnings
- Tier IV (all others) – 5 percent of earnings

Contributions may vary for anyone electing to maintain retirement eligibility.

In accordance with the SEBAC 2017 agreement, in years where asset losses require further increases in contributions, Tier IV employees' contributions may increase by half the necessary increase in rates (up to 2 percent). Finally, all Tier IV employees must contribute 1 percent to the defined contribution component of the Hybrid Plan and may elect additional contributions of up to 3 percent of salary. The State is required to contribute at an actuarially determined rate to the defined benefit component and 1 percent of eligible compensation to the defined contribution component.

Individuals hired on or after July 1, 2011 and before July 1, 2017, who were otherwise eligible for the State Alternate Retirement Plan (ARP), were also eligible to become members of the Hybrid Plan. The Hybrid Plan has defined benefits identical to Tiers II, IIA, and III, but requires employee contributions 3 percent higher than the contribution required from the applicable Tier II, IIA, or III Plan.

TRS contribution requirements are also established and may be amended by the State legislature. Plan members are required to contribute 7 percent of their annual salary. Employer contributions are funded by the State on behalf of the participating municipal employers, which is considered to be a special funding situation. However, this special funding situation does not apply to the University, an agency of the State, because there is not a separate non-employer contributing entity.

The University contributes to both plans on behalf of its employees by applying fringe benefit rates assessed by the State to eligible salaries and wages in each participant category. The rates of actual University contributions as a percentage of covered payroll during fiscal year 2021 were 43.3 percent and 34.3 percent for SERS and TRS, respectively. These amounts are expected to finance the costs of benefits earned by employees during the year and any unfunded accrued liability. The University's contributions for fiscal year 2021 were $117.7 million and $455,000 for SERS and TRS, respectively.

Proportionate share of the collective net pension liability (NPL) and pension expense. The total pension liability (TPL) used to calculate the NPL was determined based on the annual actuarial funding valuation reports as of June 30, 2020, for SERS and TRS.

Since the prior valuation, the TRS Board of Directors adopted the following changes in assumptions as the result of an experience study for the five-year period ending June 30, 2019: the annual rate of real wage increase assumption decreased from 0.75 percent to 0.50 percent; payroll growth assumption decreased from 3.25 percent to 3 percent; and rates of withdrawal, disability, retirement, mortality, and assumed rates of salary increase were adjusted to more closely reflect actual and anticipated experience.

The University's proportion of the collective NPL was based on the University's share of contributions relative to total contributions made to the respective pension plans. Based on this calculation, the University's proportion was 6.39 percent and 0.04 percent for SERS and TRS, respectively, at the measurement date of June 30, 2020. SERS increased 0.41 of a percentage point from its proportion measured as of June 30, 2020, and TRS increased less than 0.01 of a percentage point from the same measurement date.

The University's proportionate share of the collective NPL at June 30, 2021, and related pension expense for fiscal year 2021 consisted of the following (amounts in thousands):

	SERS	TRS	Total
Proportionate share of the collective NPL	$1,514,874	$ 7,789	$1,522,663
Pension expense	$ 263,497	$ 1,045	$ 264,542

Deferred Outflows and Deferred Inflows of Resources Related to Pensions. At June 30, 2021, the University reported deferred outflows and deferred inflows of resources related to pensions from the following sources (amounts in thousands):

	SERS	TRS	Total
Deferred Outflows of Resources			
Changes in assumptions	$ 40,351	$ 1,702	$ 42,053
Changes in proportion and differences between University contributions and proportionate share of contributions	199,128	513	199,641
Net differences between projected and actual earnings on pension plan investments	25,534	320	25,854
University contributions subsequent to the measurement date	117,659	455	118,114
Difference between expected and actual experience	81,760	-	81,760
Total Deferred Outflows	$464,432	$ 2,990	$467,422
Deferred Inflows of Resources			
Changes in proportion and differences between University contributions and proportionate share of contributions	$ 6,185	$ 234	$ 6,419
Difference between expected and actual experience	-	234	234
Total Deferred Inflows	$ 6,185	$ 468	$ 6,653

The $118.1 million in deferred outflows relating to University contributions made subsequent to the measurement date will be recognized as a reduction of the NPL in the reporting year ending June 30, 2022. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows (amounts in thousands):

Fiscal Year	SERS	TRS	Total
2022	$ 118,270	$ 398	$ 118,668
2023	82,337	468	82,805
2024	80,585	452	81,037
2025	50,902	449	51,351
2026	8,495	242	8,737
Thereafter	-	57	57
Total	$ 340,589	$ 2,066	$ 342,655

At June 30, 2021, the University recorded a payable due to State of $14.3 million in the accompanying Statement of Net Position for the outstanding amount of SERS pension contributions required for the fiscal year ended June 30, 2021.

Actuarial assumptions. The TPL was determined based on the actuarial experience studies for the period July 1, 2011 – June 30, 2015 for SERS and for the period July 1, 2015 – June 30, 2019 for TRS, using the following key actuarial assumptions:

	SERS	TRS
Inflation	2.50%	2.50%
Salary increases, including inflation	3.50% – 19.50%	3.00% – 6.50%
Investment rate of return, net of pension plan investment expense, including inflation	6.90%	6.90%

For SERS, the RP-2014 White Collar Mortality Table projected to 2020 by scale BB at 100 percent for males and 95 percent for females is used for the period after service retirement and for dependent beneficiaries. The RP-2014 Disabled Retiree Mortality Table at 65 percent for males and 85 percent for females is used for the period after disability.

TRS mortality rates were based on the PubT-2010 Healthy Retiree Table (adjusted 105 percent for males and 103 percent for females ages 82 and above), projected generationally with MP-2019 for the period after service retirement. The PubT-2010 Disabled Retiree Table projected generationally with MP-2019 was used for the period after disability retirement. The PubT-2010 Contingent Survivor Table projected generationally with

MP-2019 and set forward 1 year for both males and females was used for survivors and beneficiaries. The PubT-2010 Employee Table projected generationally with MP-2019 was used for active members.

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The target asset allocation and best estimates of arithmetic real rates of return for each major asset class as of the June 30, 2020 measurement date are summarized in the following table for SERS and TRS:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equity fund	20.0%	5.6%
Developed market intl. stock fund	11.0%	6.0%
Emerging market intl. stock fund	9.0%	7.9%
Core fixed income fund	16.0%	2.1%
Inflation linked bond fund	5.0%	1.1%
Emerging market debt fund	5.0%	2.7%
High yield bond fund	6.0%	4.0%
Real estate fund	10.0%	4.5%
Private equity	10.0%	7.3%
Alternative investments	7.0%	2.9%
Liquidity fund	1.0%	0.4%
Total	100.0%	

Discount rate. The discount rate used to measure the TPL was 6.9 percent for SERS and TRS. The projection of cash flows used to determine the discount rates assumed that plan member contributions will be made at the current contribution rates and that employer contributions will be made equal to the difference between the projected actuarially determined contribution and member contributions. Based on those assumptions, the SERS and TRS pension plans' fiduciary net position were projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the TPL.

Sensitivity analysis. The following table presents the University's proportionate share of the collective NPL calculated using the discount rate of 6.9 percent for SERS and TRS. The table also shows what the University's proportionate share of the collective NPL would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate (amounts in thousands).

	1% Decrease	Current Discount	1% Increase
SERS	$1,799,784	$1,514,874	$1,276,765
TRS	$ 9,741	$ 7,789	$ 6,168

Pension plan fiduciary net position. Detailed information about the fiduciary net position of the SERS and TRS pension plans are available in the State's annual financial report for the fiscal year ended June 30, 2020.

Alternate Retirement Plan

The University also sponsors the State Alternate Retirement Plan (ARP), a defined contribution plan administered through a third-party administrator, Prudential Financial, Inc. The Connecticut State Employees Retirement Commission has the authority to supervise and control the operation of the plan including the authority to make and amend rules and regulations relating to the administration of the plan.

All unclassified employees not already in a pension plan of a constituent unit of the State system of higher education or the central office staff of the Department of Higher Education are eligible to participate in ARP.

ARP contribution requirements are established and may be amended by the State legislature subject to the contractual rights established by collective bargaining. The SEBAC 2017 agreement amended certain provisions for ARP by revising employee and employer contribution rates. Participants hired prior to September 1, 2017, must contribute 5 percent of their eligible compensation, and their employer must contribute 7 percent of eligible compensation. Participants hired on or after September 1, 2017, have the option to contribute 6.5 percent or 5 percent of their eligible compensation and their employer must contribute 6.5 percent of eligible compensation. There is no minimum vesting period for ARP. Other ARP provisions are described in Chapter 66 of the State General Statutes, *State Employees Retirement Act*.

The University contributes to the plan on behalf of its employees by applying fringe benefit rates assessed by the State to eligible salaries and wages of each ARP participant. The University's ARP pension expense for fiscal year 2021 was $13.8 million. At June 30, 2021, the University recorded a payable due to State of $2.4 million in the accompanying Statement of Net Position for the outstanding amount of ARP contributions required for the fiscal year ended June 30, 2021.

Department of Dining Services

The University's Department of Dining Services (DDS) employs 439 full-time staff, of which 55 participate in either SERS or ARP. The remaining 384 are eligible to participate in two other defined contribution plans: the University of Connecticut Department of Dining Services Money Purchase Pension Plan (MPPP) or the University of Connecticut Department of Dining Services 403(b) Retirement Plan (403(b) Retirement Plan). Both plans are administered through a third-party administrator, Pension Consultants, Inc. The fiduciary of the plans has the authority to supervise and control the operation of the plans including the authority to make and amend rules and regulations relating to the administration of the plans.

Under the provisions of MPPP, all employees of DDS with at least 700 hours of service and 12 months of service are eligible to participate. DDS is required to contribute 10 percent or 7 percent of covered compensation for eligible employees, dependent upon hire date, and its employees do not make any contributions to MPPP. Employees are vested after three years of credited service. Any amounts forfeited are used to reduce DDS's contribution. Upon separation of service in accordance with plan provisions, a participant or designated beneficiary can withdraw a lump sum payment or receive annuity payments. Other plan provisions can be found in the MPPP document.

Under the provisions of the 403(b) Retirement Plan, all employees who perform services for DDS as common law employees are eligible to participate. For any participant employed on September 1, 1994, or terminated and rehired prior to September 1, 1995, and who has at least 700 hours of service, DDS is required to match 50 percent of the first 4 percent of the employee's contributions. Participants hired after August 31, 1994, do not receive a DDS match. Participant and State matches are both 100 percent vested. Upon separation of service in accordance with plan provisions, a participant or designated beneficiary can withdraw a lump sum payment or receive annuity payments. Other plan provisions can be found in the 403(b) Retirement Plan document.

For the fiscal year ended June 30, 2021, pension expense was $729,000, net of forfeitures of $13,000, for MPPP, and $60,000 for the 403(b) Retirement Plan. At June 30, 2021, the University recorded payables for outstanding contributions of $364,000 and $30,000, for MPPP and the 403(b) Retirement Plan, respectively, as part of other current liabilities in the accompanying Statement of Net Position. Furthermore, the assets and activities of the MPPP are included in the accompanying Fiduciary Statements in accordance with GASB 84 (see Note 1).

NOTE 10. OTHER POST-EMPLOYMENT BENEFITS (OPEB)

The State provides OPEB benefits to University employees through the State Employee OPEB Plan (SEOPEBP). SEOPEBP does not issue stand-alone financial reports but is reported as a fiduciary fund within the State's annual financial report. Financial reports are available on the website of the Office of the State Comptroller.

Plan description. SEOPEBP is a single-employer defined benefit OPEB plan that covers employees of the State who are receiving benefits from a qualifying State-sponsored retirement system. This plan is administered by the State Comptroller's Healthcare Policy and Benefits Division under the direction of the State Employees Retirement Commission.

Benefits provided. SEOPEBP provides healthcare benefits to eligible retirees and their spouses as well as life insurance benefits to employees when they retire. The State may pay up to 100 percent of the healthcare insurance premium cost for eligible retirees. In addition, the State pays 100 percent of the premium cost for a portion of the employees' life insurance continued after retirement. The amount of life insurance continued at no cost to the retiree is determined by a formula based on the number of years of State service that the retiree had at the time of retirement. Employees hired prior to July 1, 2011, are vested for retiree health benefits upon completion of 10 years of actual state service. Employees hired on or after July 1, 2011, are vested for retiree health benefits upon completion of 15 years of actual state service. If employees should resign from service prior to reaching the age for early or normal retirement eligibility, the employee would be able to receive the retiree health benefits according to the Rule of 75 (age + service = 75). Plan benefits, and other plan provisions are described in sections 5-257 and 5-259 of the State General Statutes. Further information regarding plan changes affecting employees retiring on or after October 2, 2017, are described in the SEBAC 2017 agreement.

Contributions. SEOPEBP is primarily funded on a pay-as-you-go basis. The contribution requirements of the plan members and the State are established and may be amended by the State legislature, or by agreement between the State and employee unions, upon approval by the State legislature. Current active employees contribute a percentage of their salary into the Retiree Health Care Trust Fund (RHCF) for pre-funding of OPEB benefits. Employees hired prior to July 1, 2017, contribute 3 percent of their salary for a period of 10 years or until retirement, whichever is sooner. In accordance with the SEBAC 2017 agreement, employees hired on or after July 1, 2017, contribute 3 percent of their salary for 15 years. Contributions are refundable to employees that leave State employment prior to completing the required years of service.

Similar to pension, the University contributes to SEOPEBP on behalf of its employees by applying fringe benefit rates assessed by the State to eligible salaries and wages for participants in each retirement plan. This amount is expected to finance retiree healthcare service costs and fund the matching employer portion that is equal to the amount contributed by employees to the RHCF each year beginning on July 1, 2017. The University's rate of actual contributions as a percentage of covered payroll was 15.4 percent and the total amount contributed to the plan was $76.0 million for the fiscal year ended June 30, 2021.

Proportionate share of the collective net OPEB liability (NOL) and OPEB expense. The total OPEB liability (TOL) used to calculate the NOL was determined based on an actuarial valuation report as of June 30, 2019, and rolled forward to the measurement date of June 30, 2020. The TOL measured since the prior measurement date of June 30, 2019, reflects changes in actuarial assumptions, including a decrease in the discount rate. The trends for Medicare-eligible retiree costs were updated to reflect final negotiated changes in Medicare Advantage rates for calendar year 2022.

The University's proportion of the collective NOL was based on the University's share of contributions relative to total contributions made to SEOPEBP. Based on this calculation, the University's proportion was 8.87 percent as of the measurement date of June 30, 2020, which was a decrease of 0.18 of a percentage point from its proportion measured as of June 30, 2019.

The University's proportionate share of the collective NOL at June 30, 2021, and related OPEB expense for fiscal year 2021 are shown below (amounts in thousands):

	SEOPEBP
Proportionate share of the collective NOL	$ 2,087,164
OPEB expense	$ 254,950

At June 30, 2021, the University reported deferred outflows and deferred inflows of resources related to OPEB from the following sources (amounts in thousands):

	SEOPEBP
Deferred Outflows of Resources	
University contributions subsequent to the measurement date	$ 75,979
Changes in assumptions	346,448
Changes in proportion	182,041
Net differences between projected and actual earnings on OPEB plan investments	4,116
Total Deferred Outflows	$ 608,584
Deferred Inflows of Resources	
Changes in assumptions	$ 40,531
Changes in proportion	30,465
Difference between expected and actual experience	48,177
Total Deferred Inflows	$ 119,173

The $76.0 million in deferred outflows for contributions made subsequent to the measurement date will be included as a reduction of the NOL in the reporting year ending June 30, 2022. Other amounts reported as deferred outflows and deferred inflows of resources related to OPEB will be recognized in the University's OPEB expense as follows (amounts in thousands):

Fiscal Year	SEOPEBP
2022	$ 111,342
2023	117,672
2024	126,761
2025	51,465
2026	6,192
Total	$ 413,432

At June 30, 2021, the University recorded a payable due to State of $8.8 million in the accompanying Statement of Net Position for the outstanding amount of SEOPEBP contributions required for the year ended June 30, 2021.

Actuarial assumptions. The TOL was determined by an actuarial valuation as of June 30, 2019, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

	SEOPEBP
Inflation	2.50%
Payroll growth rate	3.50%
Salary increases	3.25% – 4.50%
Discount rate	2.38% as of June 30, 2020
Healthcare cost trend rates	
Medical and prescription drug	6.00% graded to 4.50% over 6 years
Dental	3.00%
Part B	4.50%
Administrative expense	3.00%

Demographic assumptions used to determine TOL are the same as those used in the most recent actuarial pension valuations and experience studies included in Note 9 disclosures for defined benefit pension plans.

The same long-term expected rate of return of 6.9 percent used in the SERS pension valuation was also used in the SEOPEBP valuation. See Note 9, under SERS, for the target allocation and projected arithmetic real return for each major asset class used in the derivation of the long-term expected investment rate of return.

Discount rate. The discount rate changed from 3.58 percent as of June 30, 2019, to 2.38 percent as of June 30, 2020. The projection of cash flows used in calculating the discount rate included employer contributions actuarially determined in accordance with GASB 75 and employee contributions made in accordance with the current SEBAC agreements. The discount rate used is a blend of the long-term expected rate of return on OPEB trust assets and the municipal bond rate. The municipal bond rate is a yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rate of AA/Aa or higher (2.21 percent as of June 30, 2020). The blending is based on sufficiency of projected assets to make projected benefits.

Sensitivity analysis. The following presents the University's proportionate share of the collective NOL and what it would be using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate (amounts in thousands):

	Sensitivity of Discount Rate		
	1% Decrease	**Current Discount**	**1% Increase**
SEOPEBP	$ 2,455,111	$ 2,087,164	$ 1,791,379

Also shown is the University's proportionate share of the collective NOL and what it would be using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rates (amounts in thousands):

	Sensitivity of Healthcare Cost Trends		
	1% Decrease	**Current Trend Rates**	**1% Increase**
SEOPEBP	$ 1,749,725	$ 2,087,164	$ 2,521,105

OPEB plan fiduciary net position. Detailed information about SEOPEBP's fiduciary net position is available in the State's annual financial report for the fiscal year ended June 30, 2020.

NOTE 11. DEFERRED OUTFLOWS AND DEFERRED INFLOWS OF RESOURCES

Deferred outflows and deferred inflows of resources consisted of the following as of June 30, 2021 (amounts in thousands):

	2021
Deferred Outflows of Resources	
Accumulated losses on debt refundings	$ 2,469
Amounts related to net pension liabilities	467,422
Amounts related to net OPEB liability	608,584
Amounts related to ARO	128
Total Deferred Outflows of Resources	$ 1,078,603
Deferred Inflows of Resources	
Amounts related to service concession arrangement	$ 4,282
Accumulated gains on debt refundings	17,122
Amounts related to net pension liabilities	6,653
Amounts related to net OPEB liability	119,173
Total Deferred Inflows of Resources	$ 147,230

NOTE 12. SERVICE CONCESSION ARRANGEMENT

In June 2016, the University contracted with Barnes & Noble Booksellers, Inc. (Barnes & Noble) to manage the University's bookstore facilities for the next 10 years. The University recorded an execution payment for $1.5 million that is amortized over the 10-year period. In March 2017, the contract was amended to include an additional location at the new downtown Hartford campus. The University is obligated to provide bookstore facilities and utilities, including amounts related to the leased locations in Storrs Center and Hartford. Barnes & Noble invested $4.0 million to improve and furnish the bookstore facilities.

At June 30, 2021, the University reported bookstore facilities as capital assets with a carrying amount of $6.2 million and a receivable of $159,000, representing May and June 2021 income. The University also reported a liability of $3.2 million, representing the present value of the lease obligations and utilities, and a deferred inflow of resources of $4.3 million that will be amortized as revenue over the remaining contract term.

NOTE 13. COMMITMENTS

The University had outstanding commitments, in excess of $500,000 each, of $308.4 million as of June 30, 2021. This amount included $297.4 million related to capital projects for the University and $11.0 million in outstanding commitments related to operating expenses. See Note 8 for amounts related to operating leases.

NOTE 14. TUITION WAIVERS AND GRADUATE ASSISTANTSHIPS

The University is required by law to waive tuition for certain veterans and children of veterans, certain students over the age of 62, graduate assistants, and certain other students. The University is also required by collective bargaining agreements to waive tuition for certain employees and their dependents. The University has included the portion of waived tuition related to employees and their dependents as a fringe benefit cost and the same amount as tuition revenue in the accompanying Statement of Revenues, Expenses, and Changes in Net Position. This increased tuition and fee revenues and operating expenses by $6.1 million for the fiscal year ended June 30, 2021. The total amount of waivers not reflected in the accompanying financial statements was $68.1 million in fiscal year 2021. Approximately 89 percent of this amount was provided to graduate assistants.

NOTE 15. RELATED PARTY TRANSACTIONS

Transactions with related parties occur in the normal course of the University's operations. The following related party transactions were deemed significant and material in nature:

UConn Health

The University directly engages in transactions with UConn Health. For the fiscal year ended June 30, 2021, the University recorded $15.1 million in revenues from UConn Health related to services specified in the annual UConn Health MOUs (see Note 1). The University also received amounts from UConn Health related to grants and contracts, sales and services of educational departments and auxiliary enterprises, and for other miscellaneous goods and services. In fiscal year 2021, the University also executed a MOU with UConn Health to provide up to $2.6 million in funding to support the Dermatology Clinic Renovation project. For the balance owed, UConn Health will repay the University $800,000 in fiscal year 2022 and $1.0 million in fiscal year 2023. For the year ended June 30, 2021, the University reported a receivable from UConn Health of $4.4 million.

Other sources of operating revenues related to the UConn Health MOUs as of June 30, 2021, contained the following (amounts in thousands):

	2021
Public safety	$ 8,620
Library services	1,549
Communications (marketing)	1,043
Technology commercialization services	948
Information technology	856
Audit, compliance, privacy	683
Document production	554
Ombudsman and institutional equity	359
Government relations	256
Miscellaneous services	191
Revenue from Affiliate	$ 15,059

Additionally, the University transferred $2.0 million from unrestricted funds to UConn Health for partial support of its Nuclear Magnetic Resonance Facility Upgrade project in fiscal year 2021.

The University is also responsible for the management of UCONN 2000 bond funds for UConn Health's construction projects. The unspent portion of these funds was recorded under due to affiliate in the accompanying Statement of Net Position (see Note 6).

The Foundation

The Foundation is a tax-exempt organization supporting the University and UConn Health (see Note 1). The University entered into a written agreement with the Foundation whereby the University agreed to provide financial support to the Foundation through a guaranteed contractual amount and the Foundation agreed to reimburse the University for certain operating expenses incurred on the Foundation's behalf. The terms of the agreement also stipulate that goals, objectives, and financial arrangements are reviewed and agreed upon by both parties on an annual basis.

The following transactions occurred between the University and the Foundation as of and for the year ended June 30, 2021 (amounts in thousands):

	2021
Total expenses incurred for guaranteed contractual services provided by the Foundation	$ 11,205
Reimbursements from the Foundation for operating expenses	$ 247
Accrued capital and noncapital gift and grant revenue from the Foundation	$ 28,395
Amount receivable from the Foundation*	$ 6,447

**Included in accounts receivable, net, in the accompanying Statement of Net Position.*

The Foundation also has the primary responsibility for alumni engagement activities for the University. The

University has granted the Foundation rights to use the Alumni Center building, which is owned by the University, at an annual rental amount of $1.

In accordance with the terms of a ground lease between the University and the Foundation, approximately 1.58 acres on which the Foundation building was constructed is leased to the Foundation at an annual rental amount of $1. The initial term of the ground lease is 99 years and the Foundation has the right to extend the term of the ground lease for another 99 years. The ground lease provides that, at its expiration or earlier termination, the Foundation shall surrender the premises and title to the building will be transferred to the University.

The State

The University receives funding from the State for debt service on capital projects via UCONN 2000 (see Note 6). In addition, the State supports the University's mission through State appropriation and the provision of payments for fringe benefits. State appropriation represents amounts appropriated to the University from the General Fund. Payments for fringe benefits are made by the State for reimbursements related to salaries expensed from the General Fund.

State appropriation and the provision of payments for fringe benefits for the year ended June 30, 2021, consisted of the following (amounts in thousands):

	2021
General Fund appropriation received from the State	$ 206,490
Payments for fringe benefits received from the State	190,230
Increase of General Fund payroll receivable	1,190
Total Appropriation and Payments for Fringe Benefits from the State	$ 397,910

The State may also issue general obligation bonds to fund capital projects at the University. Pursuant to various public or special bond acts, the General Assembly empowers the State Bond Commission to allocate and approve the issuance of bonds for a variety of projects or purposes. PA 11-57, as amended by PA 14-98, authorized $169.5 million of State General Obligation Bonds to create a technology park on the Storrs campus. The State Bond Commission allocated the total $169.5 million to finance the initial design, development costs, equipment purchases, and construction related to the technology park. These bonds are an obligation of the State and therefore are not recorded as a liability by the University. The unspent portion related to these bonds was $4.5 million as of June 30, 2021, and was included as part of due from State in the accompanying Statement of Net Position.

UConn Innovation Fund, LLC

On April 14, 2016, the University entered into an agreement with Connecticut Innovations, Inc. and Webster Bank, N.A. to create an investment fund for the purpose of making investments in early stage technology companies affiliated with the University. The original agreement required each member to commit to contribute $500,000 to the fund during the commitment period that extended to April 2018. In fiscal year 2019, all parties contributed an additional $250,000, per an amendment to the agreement. As of June 30, 2021, the University's contribution totaled $750,000.

Mansfield Downtown Partnership, Inc.

The Mansfield Downtown Partnership, Inc. (MDP) is a not-for-profit corporation that is exempt from taxation under section 501(c)(3) of the Internal Revenue Code and is composed of the Town of Mansfield, the University, and individual business members and residents. MDP is responsible for organizing the enhancement and revitalization of three of the Town of Mansfield's commercial areas: Downtown Storrs, King Hill Road, and Four Corners. In accordance with its governing by-laws, members are required to submit annual dues, as determined by the Board of Directors, in lieu of financial support. In fiscal year 2021, the University paid $150,000 in annual membership dues to MDP.

NOTE 16. OPERATING EXPENSES BY FUNCTIONAL CLASSIFICATION

The table below details the University's operating expenses by functional classification for the year ended June 30, 2021 (amounts in thousands):

	Salaries and Wages	Fringe Benefits	Supplies and Other Expenses	Utilities	Depreciation and Amortization	Scholarships and Fellowships	Total
Instruction	$ 273,917	$ 267,615	$ 26,957	$ 1	$ -	$ 19	$ 568,509
Research	54,944	30,112	31,256	-	-	394	116,706
Public service	26,885	29,154	9,858	-	-	45	65,942
Academic support	76,202	99,715	37,182	-	-	70	213,169
Student services	25,497	32,789	4,825	3	-	-	63,114
Institutional support	38,198	53,328	17,213	-	-	3	108,742
Operations and maintenance	34,789	85,632	53,547	12,995	-	-	186,963
Depreciation and amortization	-	-	-	-	122,695	-	122,695
Scholarships and fellowships	5	(2)	269	-	-	28,182	28,454
Auxiliary enterprises	86,788	86,783	45,297	4,296	-	153	223,317
Total	$ 617,225	$ 685,126	$ 226,404	$ 17,295	$ 122,695	$ 28,866	$ 1,697,611

NOTE 17. CONTINGENCIES

The University is a party to various legal actions arising in the ordinary course of its operations. Although it is not feasible to predict the ultimate outcome of these actions, it is the opinion of management that the resolution of these matters will not have a material effect on the University's financial statements.

Hazardous environmental conditions in excess of the U.S. Environmental Protection Agency thresholds were identified in certain properties abutting the former Stamford parking garage. As of June 30, 2021, a liability in the amount of $6.2 million was recorded under current liabilities in the accompanying Statement of Net Position to complete remediation efforts.

The University also participates in federal, state and local government programs that are subject to final audit by the granting agencies. Management believes any adjustment of costs resulting from such audits would not have a material effect on the University's financial statements.

NOTE 18. SPECIAL ITEM

Effective July 1, 2020, the University joined the Big East Conference (Big East) after its withdrawal from the AAC on June 30, 2020. Pursuant to the agreement with the Big East, the University was obligated to pay an entrance fee of $3.5 million that was expensed in fiscal year 2021. This transaction was deemed significant and infrequent in occurrence and therefore was reported as a special item in the accompanying Statement of Revenues, Expenses, and Changes in Net Position for the fiscal year ended June 30, 2021.

NOTE 19. SUBSEQUENT EVENTS

COVID-19

Subsequent to year-end, the University began disbursing HEERF III funds designated for emergency grants to students. The University expects to disburse the entire HEERF III student aid portion of $28.5 million by spring 2022. The University also began drawing down the institutional portion of HEERF III funding in fiscal year 2022 to offset revenue losses incurred by the pandemic.

In addition to the direct federal funding received in fiscal years 2021 and 2022, the State allotted $25.0 million to the University for fiscal year 2022. The allotment includes $5.0 million from the CRF to offset certain eligible COVID-19 expenses and $20.0 million through the State's ARPA allocation. The $20.0 million will be used to offset housing, dining, and other revenue losses incurred as a result of COVID-19.

Required Supplementary Information
State Employees Retirement System (SERS)

Schedule of University's Proportionate Share of the Collective Net Pension Liability (NPL)
($ in thousands)

Fiscal Year Ended June 30	2021	2020	2019	2018	2017	2016	2015
Proportion of the collective NPL	6.39%	5.98%	5.05%	4.78%	4.91%	4.88%	4.51%
Proportionate share of the collective NPL	$ 1,514,874	$ 1,364,546	$ 1,095,530	$ 1,007,992	$ 1,126,394	$ 805,629	$ 722,009
University's covered payroll	$ 265,921	$ 227,836	$ 198,089	$ 195,810	$ 200,845	$ 189,903	$ 165,841
Proportionate share of the collective NPL as a percentage of covered payroll	569.67%	598.92%	553.05%	514.78%	560.83%	424.23%	435.36%
Plan fiduciary net position as a percentage of the total pension liability	35.84%	36.79%	36.62%	36.25%	31.69%	39.23%	39.54%

Schedule of University Pension Contributions
($ in thousands)

Fiscal Year Ended June 30	2021	2020	2019	2018	2017	2016	2015
Contractually required employer contribution	$ 117,659	$ 103,218	$ 94,410	$ 72,898	$ 73,781	$ 73,668	$ 66,875
Actual University contributions	117,659	103,218	94,410	72,898	73,781	73,668	66,875
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
University's covered payroll	$ 271,584	$ 265,921	$ 227,836	$ 198,089	$ 195,810	$ 200,845	$ 189,903
Actual University contributions as a percentage of covered payroll	43.32%	38.82%	41.44%	36.80%	37.68%	36.68%	35.22%

Notes to Required Schedules:

These schedules are presented as required by accounting principles generally accepted in the United States of America; however, until a full 10-year trend is compiled, information is presented for those years available.

Changes of Benefit Terms

2018 – The SEBAC 2017 agreement included changes to benefit terms for existing SERS plans by revising certain factors including employee contribution rates and annual cost-of-living adjustments for members retiring after July 1, 2022. The agreement also implemented a new Tier IV Hybrid Plan.

Required Supplementary Information
Teachers' Retirement System (TRS)

Schedule of University's Proportionate Share of the Collective Net Pension Liability (NPL)
($ in thousands)

Fiscal Year Ended June 30	2021	2020	2019	2018	2017	2016	2015
Proportion of the collective NPL	0.04%	0.04%	0.04%	0.03%	0.03%	0.04%	0.04%
Proportionate share of the collective NPL	$ 7,789	$ 6,159	$ 4,748	$ 4,717	$ 4,976	$ 4,430	$ 4,090
University's covered payroll	$ 1,334	$ 1,148	$ 1,196	$ 1,364	$ 1,372	$ 1,214	$ 1,191
Proportionate share of the collective NPL as a percentage of covered payroll	583.88%	536.50%	397.07%	345.82%	362.68%	364.91%	343.41%
Plan fiduciary net position as a percentage of the total pension liability	49.24%	52.00%	57.69%	55.93%	52.26%	59.50%	61.51%

Schedule of University Pension Contributions
($ in thousands)

Fiscal Year Ended June 30	2021	2020	2019	2018	2017	2016	2015
Contractually required employer contribution	$ 455	$ 419	$ 452	$ 304	$ 135	$ 426	$ 425
Actual University contributions	455	419	452	304	135	426	425
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
University's covered payroll	$ 1,326	$ 1,334	$ 1,148	$ 1,196	$ 1,364	$ 1,372	$ 1,214
Actual University contributions as a percentage of covered payroll	34.31%	31.41%	39.37%	25.42%	9.90%	31.05%	35.01%

Notes to Required Schedules:

These schedules are presented as required by accounting principles generally accepted in the United States of America; however, until a full 10-year trend is compiled, information is presented for those years available.

Changes of Benefit Terms

2020 – Beginning July 1, 2019, annual interest credited on mandatory contributions set at 4 percent; for members retiring on or after July 1, 2019 with a partial refund option election (Plan N), if 50 percent of the benefits paid prior to death do not exceed the Member's mandatory contributions plus interest frozen at the date of the benefit commencement, the difference is paid to the Member's beneficiary.

2019 – Beginning January 1, 2018, TRS member contributions increased from 6 percent to 7 percent of salary.

Changes in Assumptions

2021 – Decrease in the annual rate of real wage increase assumption from 0.75 percent to 0.50 percent; decrease in the payroll growth assumption from 3.25 percent to 3.00 percent.

2021, 2017 – Amounts reported reflect adjustments to rates of withdrawal, disability, retirement, mortality and assumed rates of salary to more closely reflect actual and anticipated experience.

2020 – Reduction in the inflation assumption from 2.75 percent to 2.50 percent; decrease in the investment rate of return assumption from 8.0 percent to 6.9 percent; increase in the annual rate of wage increase assumption from 0.50 percent to 0.75 percent; phase in to a level dollar amortization method for the June 30, 2024 valuation.

Required Supplementary Information
State Employee Other Post-Employment Benefits (OPEB) Plan

Schedule of University's Proportionate Share of the Collective Net OPEB Liability (NOL)
($ in thousands)

Fiscal Year Ended June 30	2021	2020	2019	2018
Proportion of the collective NOL	8.87%	9.05%	7.49%	7.39%
Proportionate share of the collective NOL	$ 2,087,164	$ 1,871,032	$ 1,293,696	$ 1,283,941
University's covered payroll	$ 473,100	$ 446,237	$ 448,931	$ 435,196
Proportionate share of the collective NOL as a percentage of covered payroll	441.17%	419.29%	288.17%	295.03%
Plan fiduciary net position as a percentage of the total OPEB liability	6.13%	5.47%	4.69%	3.03%

Schedule of University OPEB Contributions
($ in thousands)

Fiscal Year Ended June 30	2021	2020	2019	2018
Contractually required employer contribution	$ 75,979	$ 76,889	$ 68,115	$ 60,089
Actual University contributions	75,979	76,889	68,115	60,089
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
University's covered payroll	$ 492,277	$ 473,100	$ 446,237	$ 448,931
Actual University contributions as a percentage of covered payroll	15.43%	16.25%	15.26%	13.38%

Notes to Required Schedules:

These schedules are presented as required by accounting principles generally accepted in the United States of America; however, until a full 10-year trend is compiled, information is presented for those years available.

Changes in Assumptions

The discount rate was updated in accordance with GASB 75 to 2.38 percent, 3.58 percent, 3.95 percent, 3.68 percent for the fiscal reporting years 2021, 2020, 2019, and 2018, respectively.

2021 – The trends for Medicare-eligible retiree costs were updated to reflect final negotiated changes in Medicare Advantage rates for calendar year 2022.

2020, 2018 – The salary scale and mortality rates for certain retirement plans and eligible groups were updated to be consistent with the corresponding retirement system assumptions. In addition, demographic assumptions, per capita health costs, administrative costs, and contributions were updated to better reflect actual experience. Healthcare cost trend rates and retiree contribution rates were also adjusted.

STATISTICAL SECTION

Statistical Section
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SCHEDULE OF REVENUES BY SOURCE

Last Ten Fiscal Years

($ in thousands)

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Student tuition and fees, net of scholarship allowances	$ 397,237	$ 422,519	$ 396,780	$ 386,921	$ 367,351	$ 341,809	$ 308,174	$ 279,577	$ 261,641	$ 251,017
Federal grants and contracts	147,547	125,936	121,593	106,561	100,397	104,725	93,807	95,187	96,528	102,814
State and local grants and contracts	16,364	19,944	17,959	19,441	16,931	21,200	20,823	20,170	16,629	11,566
Nongovernmental grants and contracts	20,012	21,042	23,577	18,386	28,005	19,490	20,535	14,619	15,212	13,141
Sales and services of educational departments	25,355	15,688	22,710	23,708	20,325	20,543	21,028	19,280	15,814	17,348
Sales and services of auxiliary enterprises, net of scholarship allowances	73,577	169,016	211,036	210,990	209,851	210,455	201,066	195,525	185,240	181,974
Other sources	26,943	31,960	29,750	14,009	11,909	10,758	12,263	10,168	8,114	6,229
Total Operating Revenues	707,035	806,105	823,405	780,016	754,769	728,980	677,696	634,526	599,178	584,089
State appropriation	397,910	376,866	356,898	342,987	374,113	384,747	350,699	308,069	288,456	282,370
State debt service commitment for interest	74,170	78,963	77,333	70,740	64,757	53,092	46,635	42,091	40,571	39,755
Federal and state financial aid	115,892	64,549	42,222	37,986	34,800	38,968	35,684	32,647	31,456	32,176
Gifts	24,715	21,790	28,185	19,732	23,628	25,380	23,828	21,703	19,996	24,377
Investment income	794	7,881	11,957	6,059	2,996	1,448	889	799	859	898
Other nonoperating revenues, net	2,594	207	745	-	-	-	-	-	352	-
Total Nonoperating Revenues	616,075	550,256	517,340	477,504	500,294	503,635	457,735	405,309	381,690	379,576
	$ 1,323,110	**$ 1,356,361**	**$ 1,340,745**	**$ 1,257,520**	**$ 1,255,063**	**$ 1,232,615**	**$ 1,135,431**	**$ 1,039,835**	**$ 980,868**	**$ 963,665**

(% of total revenues)

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Student tuition and fees, net of scholarship allowances	30.0%	31.1%	29.6%	30.8%	29.3%	27.7%	27.1%	26.9%	26.8%	26.1%
Federal grants and contracts	11.2%	9.3%	9.1%	8.5%	8.0%	8.5%	8.3%	9.2%	9.8%	10.7%
State and local grants and contracts	1.2%	1.5%	1.3%	1.5%	1.3%	1.6%	1.8%	1.9%	1.7%	1.2%
Nongovernmental grants and contracts	1.5%	1.6%	1.8%	1.4%	2.2%	1.6%	1.8%	1.4%	1.6%	1.4%
Sales and services of educational departments	1.9%	1.2%	1.7%	1.9%	1.6%	1.7%	1.9%	1.9%	1.6%	1.8%
Sales and services of auxiliary enterprises, net of scholarship allowances	5.6%	12.4%	15.7%	16.8%	16.7%	17.1%	17.7%	18.8%	18.9%	18.9%
Other sources	2.0%	2.4%	2.2%	1.1%	0.9%	0.9%	1.1%	1.0%	0.8%	0.6%
Total Operating Revenues	53.4%	59.5%	61.4%	62.0%	60.0%	59.1%	59.7%	61.1%	61.2%	60.7%
State appropriation	30.1%	27.8%	26.6%	27.3%	29.9%	31.2%	30.9%	29.6%	29.4%	29.3%
State debt service commitment for interest	5.6%	5.8%	5.8%	5.6%	5.2%	4.3%	4.1%	4.0%	4.1%	4.1%
Federal and state financial aid	8.7%	4.7%	3.1%	3.0%	2.8%	3.2%	3.1%	3.1%	3.2%	3.3%
Gifts	1.9%	1.6%	2.1%	1.6%	1.9%	2.1%	2.1%	2.1%	2.0%	2.5%
Investment income	0.1%	0.6%	0.9%	0.5%	0.2%	0.1%	0.1%	0.1%	0.1%	0.1%
Other nonoperating revenues, net	0.2%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total Nonoperating Revenues	46.6%	40.5%	38.6%	38.0%	40.0%	40.9%	40.3%	38.9%	38.8%	39.3%
	100.0%	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**

Federal and state financial aid prior to fiscal year 2018 were reclassified from operating to nonoperating categories in order to provide comparison among years.

SCHEDULE OF EXPENSES BY NATURAL CLASSIFICATION

Last Ten Fiscal Years

($ in thousands)

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Salaries and wages	$ 617,225	$ 602,873	$ 569,872	$ 569,359	$ 556,411	$ 557,497	$ 542,082	$ 521,076	$ 482,685	$ 474,385
Fringe benefits	685,126	597,737	417,689	338,545	349,328	287,553	271,164	237,715	190,549	172,765
Supplies and other expenses	226,404	257,977	279,602	264,456	245,357	245,871	217,413	211,654	205,774	190,442
Utilities	17,295	20,167	21,063	19,655	19,039	19,737	23,212	20,963	19,725	21,684
Depreciation and amortization	122,695	117,870	119,346	108,185	104,807	98,767	95,990	95,377	91,713	88,478
Scholarships and fellowships	28,866	23,367	11,409	8,870	11,791	12,437	10,713	10,953	8,070	9,039
Total Operating Expenses	1,697,611	1,619,991	1,418,981	1,309,070	1,286,733	1,221,862	1,160,574	1,097,738	998,516	956,793
Interest expense	66,114	71,102	70,460	64,672	59,129	51,333	46,420	45,955	46,961	47,117
Disposal of property and equipment, net	3	1,912	2,345	1,524	1,418	8,486	473	1,043	(103)	540
Other nonoperating expenses, net	-	-	-	2,475	1,776	3,893	1,540	1,873	-	1,635
Total Nonoperating Expenses	66,117	73,014	72,805	68,671	62,323	63,712	48,433	48,871	46,858	49,292
	$ 1,763,728	**$ 1,693,005**	**$ 1,491,786**	**$ 1,377,741**	**$ 1,349,056**	**$ 1,285,574**	**$ 1,209,007**	**$ 1,146,609**	**$ 1,045,374**	**$ 1,006,085**

(% of total expenses)

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Salaries and wages	35.0%	35.6%	38.2%	41.3%	41.2%	43.3%	44.8%	45.4%	46.1%	47.1%
Fringe benefits	38.8%	35.3%	28.0%	24.6%	25.9%	22.4%	22.5%	20.7%	18.2%	17.2%
Supplies and other expenses	12.9%	15.2%	18.7%	19.2%	18.2%	19.1%	18.1%	18.5%	19.7%	18.8%
Utilities	1.0%	1.2%	1.4%	1.4%	1.4%	1.5%	1.9%	1.8%	1.9%	2.2%
Depreciation and amortization	7.0%	7.0%	8.0%	7.9%	7.8%	7.7%	7.9%	8.3%	8.8%	8.8%
Scholarships and fellowships	1.6%	1.4%	0.8%	0.6%	0.9%	1.0%	0.9%	1.0%	0.8%	0.9%
Total Operating Expenses	96.3%	95.7%	95.1%	95.0%	95.4%	95.0%	96.1%	95.7%	95.5%	95.0%
Interest expense	3.7%	4.2%	4.7%	4.7%	4.4%	4.0%	3.8%	4.0%	4.5%	4.7%
Disposal of property and equipment, net	0.0%	0.1%	0.2%	0.1%	0.1%	0.7%	0.0%	0.1%	0.0%	0.1%
Other nonoperating expenses, net	0.0%	0.0%	0.0%	0.2%	0.1%	0.3%	0.1%	0.2%	0.0%	0.2%
Total Nonoperating Expenses	3.7%	4.3%	4.9%	5.0%	4.6%	5.0%	3.9%	4.3%	4.5%	5.0%
	100.0%	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**

SCHEDULE OF EXPENSES BY FUNCTION

Last Ten Fiscal Years

($ in thousands)

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Instruction	$ 568,509	$ 518,689	$ 438,702	$ 419,691	$ 419,251	$ 390,364	$ 382,256	$ 353,251	$ 302,202	$ 291,370
Research	116,706	102,859	97,258	88,469	80,953	80,070	73,596	79,484	74,948	73,509
Public service	65,942	66,985	56,081	49,417	53,116	53,903	48,884	41,919	39,068	35,478
Academic support	213,169	204,759	170,050	147,264	138,912	139,643	131,914	125,557	117,679	108,340
Student services	63,114	62,243	49,730	44,856	40,087	38,916	36,955	36,787	33,315	35,256
Institutional support	108,742	106,092	90,086	75,357	74,226	66,580	57,330	54,484	51,358	53,465
Operations and maintenance of plant	186,963	178,009	151,589	138,184	137,259	122,034	114,889	105,148	94,961	100,402
Depreciation and amortization	122,695	117,870	119,346	108,185	104,807	98,767	95,990	95,377	91,713	88,478
Scholarships and fellowships	28,454	23,449	10,979	8,232	10,306	9,748	9,127	8,796	7,154	6,107
Auxiliary enterprises	223,317	239,036	235,160	229,415	227,816	221,837	209,633	196,935	186,118	164,388
Interest expense	66,114	71,102	70,460	64,672	59,129	51,333	46,420	45,955	46,961	47,117
Disposal of property and equipment, net	3	1,912	2,345	1,524	1,418	8,486	473	1,043	(103)	540
Other nonoperating expenses, net	-	-	-	2,475	1,776	3,893	1,540	1,873	-	1,635
	$ 1,763,728	**$ 1,693,005**	**$ 1,491,786**	**$ 1,377,741**	**$ 1,349,056**	**$ 1,285,574**	**$ 1,209,007**	**$ 1,146,609**	**$ 1,045,374**	**$ 1,006,085**

(% of total expenses)

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Instruction	32.2%	30.5%	29.4%	30.5%	31.1%	30.3%	31.7%	30.7%	28.8%	28.9%
Research	6.6%	6.1%	6.5%	6.4%	6.0%	6.2%	6.1%	6.9%	7.2%	7.3%
Public service	3.7%	4.0%	3.8%	3.6%	3.9%	4.2%	4.0%	3.7%	3.7%	3.5%
Academic support	12.1%	12.1%	11.4%	10.7%	10.2%	10.8%	10.9%	10.9%	11.3%	10.8%
Student services	3.6%	3.7%	3.3%	3.3%	3.0%	3.0%	3.1%	3.2%	3.2%	3.5%
Institutional support	6.2%	6.3%	6.0%	5.5%	5.5%	5.2%	4.7%	4.8%	4.9%	5.3%
Operations and maintenance of plant	10.6%	10.5%	10.2%	10.0%	10.2%	9.5%	9.5%	9.2%	9.1%	10.0%
Depreciation and amortization	7.0%	7.0%	8.0%	7.8%	7.8%	7.7%	7.9%	8.3%	8.8%	8.8%
Scholarships and fellowships	1.6%	1.4%	0.7%	0.6%	0.8%	0.8%	0.8%	0.8%	0.7%	0.6%
Auxiliary enterprises	12.7%	14.1%	15.8%	16.6%	16.9%	17.3%	17.4%	17.2%	17.8%	16.3%
Interest expense	3.7%	4.2%	4.7%	4.7%	4.4%	4.0%	3.8%	4.0%	4.5%	4.7%
Disposal of property and equipment, net	0.0%	0.1%	0.2%	0.1%	0.1%	0.7%	0.0%	0.1%	0.0%	0.1%
Other nonoperating expenses, net	0.0%	0.0%	0.0%	0.2%	0.1%	0.3%	0.1%	0.2%	0.0%	0.2%
	100.0%	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**

SCHEDULE OF NET POSITION AND CHANGES IN NET POSITION

Last Ten Fiscal Years

($ in thousands)

	2021	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**	**2014**	**2013**	**2012**
Total revenues	$ 1,323,110	$ 1,356,361	$ 1,340,745	$ 1,257,520	$ 1,255,063	$ 1,232,615	$ 1,135,431	$ 1,039,835	$ 980,868	$ 963,665
Total expenses	1,763,728	1,693,005	1,491,786	1,377,741	1,349,056	1,285,574	1,209,007	1,146,609	1,045,374	1,006,085
Loss Before Other Changes in Net Position	(440,618)	(336,644)	(151,041)	(120,221)	(93,993)	(52,959)	(73,576)	(106,774)	(64,506)	(42,420)
State debt service commitment for principal	140,295	-	154,405	187,269	281,576	103,400	56,430	80,346	-	115,400
Capital allocation	-	-	-	-	-	-	131,500	(20)	20,000	18,000
Capital grants and gifts	11,640	2,276	3,907	5,099	1,388	5,071	25,412	21,643	6,675	2,768
Additions to permanent endowments	164	171	171	338	1,149	14	66	743	13	-
Athletic conference fee	(3,500)	(16,436)	-	-	-	-	-	-	-	-
Transfer to affiliate	(2,000)	-	-	-	-	-	-	-	-	-
Total Changes in Net Position	(294,019)	(350,633)	7,442	72,485	190,120	55,526	139,832	(4,062)	(37,818)	93,748
Net position, beginning	(251,773)	98,860	80,228	1,243,245	1,053,125	997,599	1,435,360	1,439,422	1,477,240	1,395,355
Prior period adjustment	-	-	11,190 (1)	(1,235,502) (2)	-	-	(577,593) (3)	-	-	(11,863) (4)
Net Position, Ending	**$ (545,792)**	**$ (251,773)**	**$ 98,860**	**$ 80,228**	**$ 1,243,245**	**$ 1,053,125**	**$ 997,599**	**$ 1,435,360**	**$ 1,439,422**	**$ 1,477,240**
Net investment in capital assets	$ 1,820,249	$ 1,763,712	$ 1,681,657	$ 1,682,317	$ 1,557,469	$ 1,365,918	$ 1,207,892	$ 1,187,602	$ 1,217,408	$ 1,160,216
Restricted nonexpendable	14,164	15,132	15,005	15,044	14,483	12,593	13,091	13,546	11,902	11,574
Restricted expendable										
Research, instruction, scholarships and other	25,824	16,582	21,716	32,273	34,058	24,455	19,334	15,465	20,602	19,535
Loans	1,981	2,180	2,608	2,566	2,543	2,520	2,533	2,482	2,469	2,426
Capital projects and debt service	78,961	48,881	176,785	134,453	89,146	49,637	184,023	85,447	33,551	115,315
Unrestricted	(2,486,971)	(2,098,260)	(1,798,911)	(1,786,425)	(454,454)	(401,998)	(429,274)	130,818	153,490	168,174
Total Net Position	**$ (545,792)**	**$ (251,773)**	**$ 98,860**	**$ 80,228**	**$ 1,243,245**	**$ 1,053,125**	**$ 997,599**	**$ 1,435,360**	**$ 1,439,422**	**$ 1,477,240**

(1) Correction of an error related to compensated absences

(2) Implementation of GASB 75, Accounting and Financial Reporting for Postretirement Benefits Other Than Pensions

(3) Implementation of GASB 68, Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27

(4) Implementation of GASB 65, Items Previously Reported as Assets and Liabilities

SCHEDULE OF LONG-TERM DEBT

Last Ten Fiscal Years

($ in thousands, except for outstanding debt per student)

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
General obligation bonds	$ 1,583,660	$ 1,568,905	$ 1,700,180	$ 1,661,785	$ 1,504,995	$ 1,303,870	$ 1,147,985	$ 1,023,985	$ 828,795	$ 903,550
Revenue bonds	200,915	206,655	233,445	240,980	105,955	112,410	118,625	124,615	130,415	154,170
Self-liquidating bonds	-	-	-	-	-	275	349	551	1,050	2,171
Capital lease obligations	66,634	72,749	78,515	84,199	42,818	47,229	51,398	55,437	59,320	62,785
Long-term software commitments	9,809	7,355	7,132	-	-	-	-	-	-	-
Installment loans and other	-	-	25	62	117	5,487	671	1,027	1,319	1,727
American Athletic Conference exit fee	7,194	7,194	-	-	-	-	-	-	-	-
	1,868,212	1,862,858	2,019,297	1,987,026	1,653,885	1,469,271	1,319,028	1,205,615	1,020,899	1,124,403
Premiums and discounts	251,536	223,648	244,077	229,155	201,858	172,757	134,213	107,074	82,980	46,320
Total Long-Term Debt, Net	$ 2,119,748	$ 2,086,506	$ 2,263,374	$ 2,216,181	$ 1,855,743	$ 1,642,028	$ 1,453,241	$ 1,312,689	$ 1,103,879	$ 1,170,723
Full-time equivalent students (1)	29,750	29,530	28,646	29,424	29,220	28,832	28,134	27,461	27,036	27,240
Outstanding debt per student (2)	$ 71,252	$ 70,657	$ 79,012	$ 75,319	$ 63,509	$ 56,952	$ 51,654	$ 47,802	$ 40,830	$ 42,978

(1) Source: IPEDS (Integrated Postsecondary Education Data System) 12-month Instructional Activity surveys for fiscal years 2012 to 2021, including Storrs and Regional Campuses.

(2) Ratio excludes the State debt service commitment for the payment of the outstanding general obligation bonds on the University's behalf.

SCHEDULE OF DEBT COVERAGE - REVENUE BONDS

Last Ten Fiscal Years

($ in thousands)

	Gross Revenues (1)	Pledged Revenues (2)	Expenses (3)	Net Revenues Available	Total Gross and Net Revenues Available for Debt Service	Debt Service	Coverage Ratio
2021	$ 48,831	$ 65,041	$ (80,871)	$ (15,830)	$ 33,001	$ (15,772)	2.09
2020	63,018	143,974	(113,267)	30,707	93,725	(37,542)	2.50
2019	53,672	178,576	(131,889)	46,687	100,359	(19,017)	5.28
2018	52,429	173,951	(131,743)	42,208	94,637	(12,432)	7.61
2017	51,486	172,444	(132,742)	39,702	91,188	(11,554)	7.89
2016	50,650	174,991	(134,492)	40,499	91,149	(11,557)	7.89
2015	50,506	168,047	(132,863)	35,184	85,690	(11,552)	7.42
2014	48,515	162,160	(125,014)	37,146	85,661	(11,548)	7.42
2013	45,355	151,766	(120,021)	31,745	77,100	(12,011)	6.42
2012	44,410	150,726	(118,434)	32,292	76,702	(12,667)	6.06

(1) Gross revenues include the infrastructure maintenance fee, the general university fee, and investment income.

(2) Pledged revenues include the residential life room fee, student apartment rentals, the Greek housing fee, the board (dining) fee, and the parking and transportation fees. Beginning in fiscal year 2019, pledged revenues also includes the FIT (Facilities Investment Together) surcharge.

(3) Expenses include the cost of maintaining, repairing, insuring, and operating the facilities for which the fees in (2) are imposed, before depreciation. Fiscal years 2020 and 2021 expenses have been reduced by federal Higher Education Emergency Relief Funds of $10.7 million and $21.3 million, respectively. These funds have been identified by the University to offset housing and dining revenue losses incurred by the pandemic.

ADMISSIONS AND ENROLLMENT
Last Ten Fiscal Years

FRESHMEN ADMISSIONS (STORRS)	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Applications	34,437	35,096	34,886	34,198	35,980	34,978	31,280	27,479	29,966	27,247
Offers of admission	19,316	17,346	17,015	16,360	17,560	18,598	15,629	14,745	13,397	12,894
Percent admitted	56%	49%	49%	48%	49%	53%	50%	54%	45%	47%
Enrolled	3,825	3,603	3,749	3,683	3,822	3,774	3,588	3,755	3,114	3,327
Yield (enrolled/offers)	20%	21%	22%	23%	22%	20%	23%	25%	23%	26%
Total average SAT	1,281	1,296	1,306	1,294	1,233	1,233	1,234	1,233	1,226	1,216

ENROLLMENT	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Non-Resident Alien										
Male	2,048	2,232	2,110	2,001	1,890	1,773	1,532	1,301	1,163	1,018
Female	1,711	1,990	1,917	1,847	1,665	1,462	1,277	1,077	1,012	892
Black or African American										
Male	1,023	984	944	885	874	813	756	722	723	756
Female	1,366	1,261	1,211	1,153	1,098	1,053	1,010	981	1,017	1,007
American Indian or Alaska Native										
Male	13	14	22	16	19	18	18	25	25	28
Female	18	16	25	27	25	28	27	29	31	40
Asian										
Male	1,581	1,512	1,500	1,497	1,475	1,372	1,315	1,213	1,194	1,159
Female	1,770	1,688	1,606	1,556	1,467	1,419	1,333	1,189	1,106	1,108
Hispanic/Latino										
Male	1,842	1,643	1,568	1,477	1,386	1,293	1,233	1,132	1,059	1,006
Female	2,588	2,202	2,014	1,800	1,616	1,468	1,393	1,315	1,206	1,149
Native Hawaiian or Other Pacific Islander										
Male	5	5	8	10	8	8	10	8	12	14
Female	8	11	11	13	12	13	13	16	17	14
Two or More Races										
Male	487	454	430	394	364	330	301	258	238	170
Female	596	508	476	464	442	412	408	381	300	197
White										
Male	8,224	8,520	8,821	9,089	9,518	9,809	9,916	10,183	10,416	10,795
Female	8,743	8,647	8,983	9,361	9,581	9,789	10,022	10,102	10,209	10,641
Total Head Count	32,023	31,687	31,646	31,590	31,440	31,060	30,564	29,932	29,728	29,994
Percent female	52.5%	51.5%	51.3%	51.3%	50.6%	50.4%	50.7%	50.4%	50.1%	50.2%
Percent minority	35.3%	32.5%	31.0%	29.4%	27.9%	26.5%	25.6%	24.3%	23.3%	22.2%
Percent non-resident alien	11.7%	13.3%	12.7%	12.2%	11.3%	10.4%	9.2%	7.9%	7.3%	6.4%

White includes other/unknown.

Includes all undergraduate, graduate, and professional school enrollments at all campuses; excludes Schools of Dentistry and Medicine; includes full-time and part-time students, and degree and non-degree students.
Source: University of Connecticut Office of Budget, Planning and Institutional Research

ACADEMIC YEAR TUITION AND MANDATORY FEES

Last Ten Fiscal Years

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Undergraduate resident	$ 17,834	$ 17,226	$ 15,730	$ 14,880	$ 14,066	$ 13,366	$ 12,700	$ 12,022	$ 11,242	$ 10,670
Undergraduate non-resident	$ 40,502	$ 39,894	$ 38,098	$ 36,948	$ 35,858	$ 34,908	$ 32,880	$ 30,970	$ 29,074	$ 27,566
Graduate resident	$ 19,664	$ 19,056	$ 17,660	$ 16,810	$ 15,996	$ 15,296	$ 14,472	$ 13,662	$ 12,786	$ 12,130
Graduate non-resident	$ 41,576	$ 40,968	$ 39,272	$ 38,122	$ 37,032	$ 36,082	$ 33,944	$ 31,946	$ 29,994	$ 28,438

DEGREES CONFERRED

Last Ten Fiscal Years

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Associate	33	26	16	21	30	24	20	21	26	25
Bachelor's	5,623	5,731	5,656	5,618	5,530	5,197	5,320	5,200	5,122	5,149
Post-baccalaureate	537	395	369	299	251	229	167	172	140	141
Master's	1,926	1,774	1,895	2,048	1,904	1,750	1,713	1,636	1,527	1,573
Sixth-year education	61	50	54	51	62	66	69	45	56	79
Ph.D.	368	382	418	384	411	379	372	342	340	341
J.D.	138	141	108	89	155	151	156	190	178	204
LL.M.	42	50	53	42	43	44	31	35	30	30
Pharm D.	77	74	92	98	101	99	95	97	94	94
Total	8,805	8,623	8,661	8,650	8,487	7,939	7,943	7,738	7,513	7,636

Includes May graduates of the current calendar year, and August and December graduates of the previous calendar year.
Source: University of Connecticut Office of Budget, Planning and Institutional Research

FACULTY AND STAFF
Fall Employment
Last Ten Fiscal Years

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
FACULTY										
Full-time	1,597	1,537	1,540	1,545	1,518	1,489	1,517	1,485	1,377	1,330
Part-time	45	54	51	53	32	30	33	34	39	43
Total Faculty	1,642	1,591	1,591	1,598	1,550	1,519	1,550	1,519	1,416	1,373
Tenured	908	887	858	854	841	848	877	874	848	841
Percentage tenured	55%	56%	54%	53%	54%	56%	57%	58%	60%	61%
STAFF										
Full-time	3,310	3,297	3,228	3,109	3,198	3,115	3,080	3,063	3,028	2,956
Part-time	147	144	150	150	82	158	186	175	180	181
Total Staff	3,457	3,441	3,378	3,259	3,280	3,273	3,266	3,238	3,208	3,137
Total Faculty and Staff	5,099	5,032	4,969	4,857	4,830	4,792	4,816	4,757	4,624	4,510
Student to faculty ratio*	16 to 1	16 to 1	16 to 1	16 to 1	16 to 1	17 to 1	16 to 1	16 to 1	17 to 1	18 to 1
Full-time and part-time faculty										
Female	44%	43%	42%	41%	41%	41%	39%	39%	40%	40%
Minority	19%	20%	20%	21%	23%	23%	22%	22%	22%	21%
Full-time and part-time staff										
Female	58%	57%	57%	57%	57%	57%	58%	57%	58%	58%
Minority	13%	13%	14%	15%	17%	17%	17%	17%	17%	17%
Staff covered by collective bargaining agreements	92%	90%	90%	90%	90%	90%	91%	91%	90%	91%
Adjunct lecturers	705	749	732	709	690	679	708	696	686	692

**Full-time equivalent students to full-time instructional faculty, Storrs and regional campuses.*
Source: University of Connecticut Office of Budget, Planning and Institutional Research

SCHEDULE OF CAPITAL ASSET INFORMATION
Last Ten Fiscal Years

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Academic Buildings										
Net assignable square feet (in thousands)	2,888	2,890	2,876	2,847	2,654	2,753	2,753	2,736	2,684	2,604
Number of buildings	157	158	160	170	168	171	171	171	171	172
Auxiliary and Independent Operations Buildings										
Net assignable square feet (in thousands)	4,069	3,937	3,638	3,859	3,753	3,277	3,336	3,279	3,279	3,396
Number of buildings	177	178	185	190	189	193	209	213	213	217
Administrative and Support Buildings										
Net assignable square feet (in thousands)	888	883	887	832	852	964	949	949	949	948
Number of buildings	80	81	83	83	88	97	96	96	96	95
Total Net Assignable Square Feet (in thousands)	7,845	7,710	7,401	7,538	7,259	6,994	7,038	6,964	6,912	6,948
Total Number of Buildings	414	417	428	443	445	461	476	480	480	484

Source: University of Connecticut Office of Cost Analysis and Office of University Planning, Design and Construction

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Residential halls*	101	102	101	100	101	115	115	116	117	116
Residential hall occupancy	4,911	12,580	12,712	12,597	12,699	12,723	12,711	12,668	12,469	12,716
Percentage of main campus undergraduates in campus housing	25%	65%	65%	66%	67%	70%	71%	72%	72%	73%

**Residential halls include houses owned by the University and used for student housing. Beginning in 2018, residential halls and occupancy includes Stamford campus.*
Source: Office of Residential Life

DEMOGRAPHIC AND ECONOMIC STATISTICS

State of Connecticut

Last Ten Fiscal Years

	Personal Income as of June 30 (a)	Population at July 1 (a)	Per Capita Personal Income	Average Annual Unemployment Rate (b)
2021	290,146,700,000	3,544,930	81,848	8.5%
2020	290,641,600,000	3,561,513	81,606	5.1%
2019	284,136,600,000	3,570,160	79,587	3.8%
2018	265,636,709,000	3,588,236	74,030	4.5%
2017	251,389,254,000	3,568,714	70,443	4.8%
2016	252,249,206,000	3,586,640	70,330	5.5%
2015	240,602,679,000	3,591,282	66,996	6.1%
2014	232,600,172,000	3,596,922	64,666	7.1%
2013	222,984,316,000	3,598,628	61,964	8.1%
2012	224,252,008,000	3,593,857	62,399	8.4%

(a) Source: U.S. Department of Commerce
(b) Source: Connecticut Department of Labor

TOP TEN NONGOVERNMENTAL EMPLOYERS

State of Connecticut

Current Year and Ten Years Ago

NAME	2021 Employees in CT	2021 Percentage of Total CT Employment	2021 Rank	
Hartford HealthCare	33,000	1.9%	1	
Yale New Haven Health Sys	20,474	1.2%	2	
United Technologies Corp. UTC	19,000	1.1%	3	
Yale University	15,404	0.9%	4	
General Dynamics/Electric Boat	12,000	0.7%	5	
Sikorsky Air/Lockheed Martin Co.	8,200	0.5%	6	
Wal-Mart Stores Inc.	8,345	0.5%	7	
Mohegan Sun Casino	7,400	0.4%	8	
The Travelers Cos Inc.	7,000	0.4%	9	
The Hartford	6,600	0.4%	10	
Total	137,423	7.9%		

NAME	2012 Employees in CT	2012 Percentage of Total CT Employment	2012 Rank	
United Technologies Corp. UTC	27,000	1.6%	1	
Hartford HealthCare	16,621	1.0%	2	
Yale University	14,980	0.9%	3	
Stop & Shop Cos., Inc.	13,574	0.8%	4	(1)
Hartford Financial Services	10,300	0.6%	5	
Wal-Mart Stores Inc.	9,204	0.5%	6	(1)
Yale New Haven Hospital	8,953	0.5%	7	
Foxwoods Resort Casino	8,700	0.5%	8	
General Dynamics/Electric Boat	8,346	0.5%	9	
Mohegan Sun Casino	8,200	0.5%	10	
Total	125,878	7.4%		

Sources: Businesses websites

(1) Omitted from the 2012 HBJ Survey. The number equals the employees reported by HBJ in 2008

UNIVERSITY OF CONNECTICUT

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