

Standard 3 – Institutional Resources

Due to the new budgetary panorama projected for the fiscal year 2011-2012, the UPR in Aguadilla will review strategies and priorities to be able to fulfill our mission in according to our fiscal situation. A new budgetary reduction is projected for UPRAg of \$ 1,069,017. In consequence new budgetary measures will have to be taken during the new budgetary process for 2011-2012 fiscal year. For this process UPRAg will be analyzing new alternatives to affect as little as possible the quality of the education of our College.

Tentatively, UPR in Aguadilla has identified areas where budgetary adjustments can be made. These new measures contemplate personnel actions and operational expenses. The budgetary process will determine the final actions and measures to be taken, besides the Board of Trutees can make additional decisions to face the new budgetary reduction. Our action plan will be evaluated to consider the goals in according to the budget approved for the 2011-2012 fiscal year.

With the tentative measures we have prepared a budgetary projection for the next 5 fiscal years. This new projection includes the operational budget funds as well as the external funds.

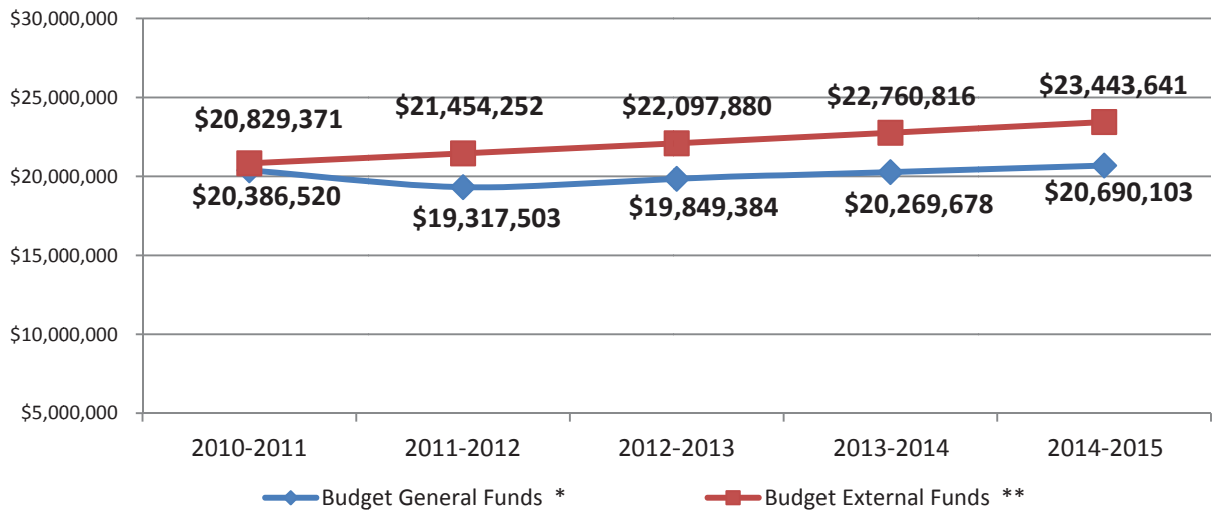
Description	Actual Budget	Budget Projections			
	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015
Budget General Funds *	\$ 20,386,520	\$ 19,317,503	\$ 19,849,384	\$ 20,269,678	\$ 20,690,103
Budget External Funds **	\$ 20,829,371	\$ 21,454,252	\$ 22,097,880	\$ 22,760,816	\$ 23,443,641

General and External Funds Allocations

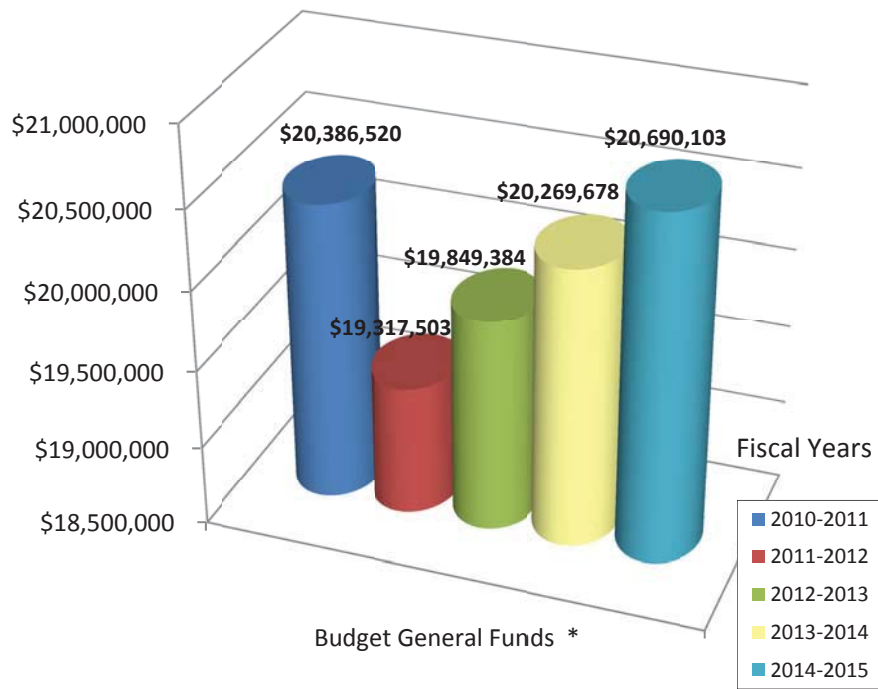
External funds are higher than the general funds because of the student's grants. Over 90% of the external funds are from federal area, specifically from students grants.

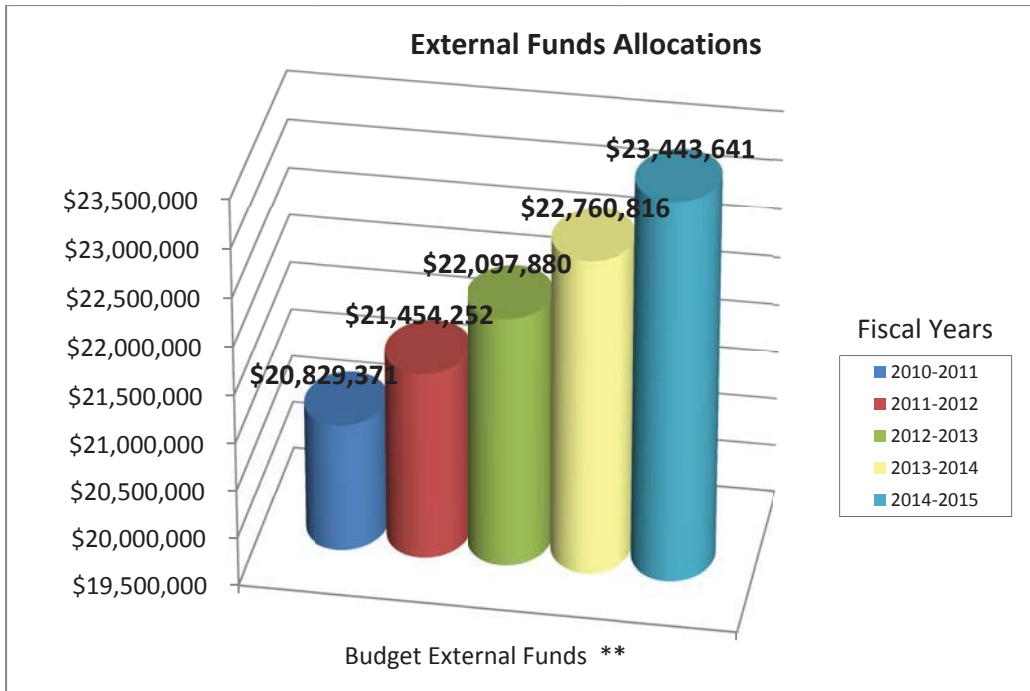
In fiscal year 2011-2012 the expected budget cut will be \$1,069,017. The operational budget funds 2010-2011 to 2014-2015 estimated increase will be of \$303,583 for the five years. This little increase reinforces our vision from UPRAg's action plan to become more successful in the acquisition of new and more external funds to continue advancing institutional education, service and research priorities.

General and External Funds Allocations

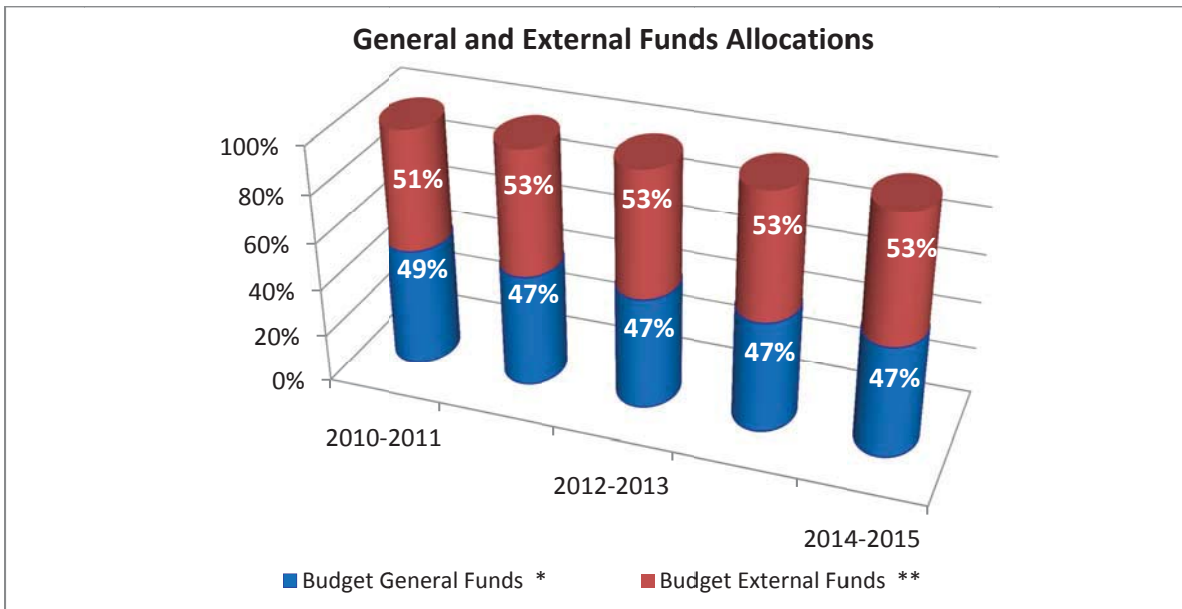


General Funds Allocations





Over 90% of the external funds are from federal area, specifically from students grants.



UPR-Aguadilla Action Plan

The present financial circumstances will require the cooperation from all sectors of the University community. Reductions in operating expenses identified as non-essential, and identification of additional funding sources is essential. The UPR-Aguadilla Action Plan to preserve compliance with Standard 3 has two main dimensions: (1) Secure continuity and institutional effectiveness with available resources and; (2) Maintain and nurture additional sources of funding to continue advancing institutional education, service and research priorities.

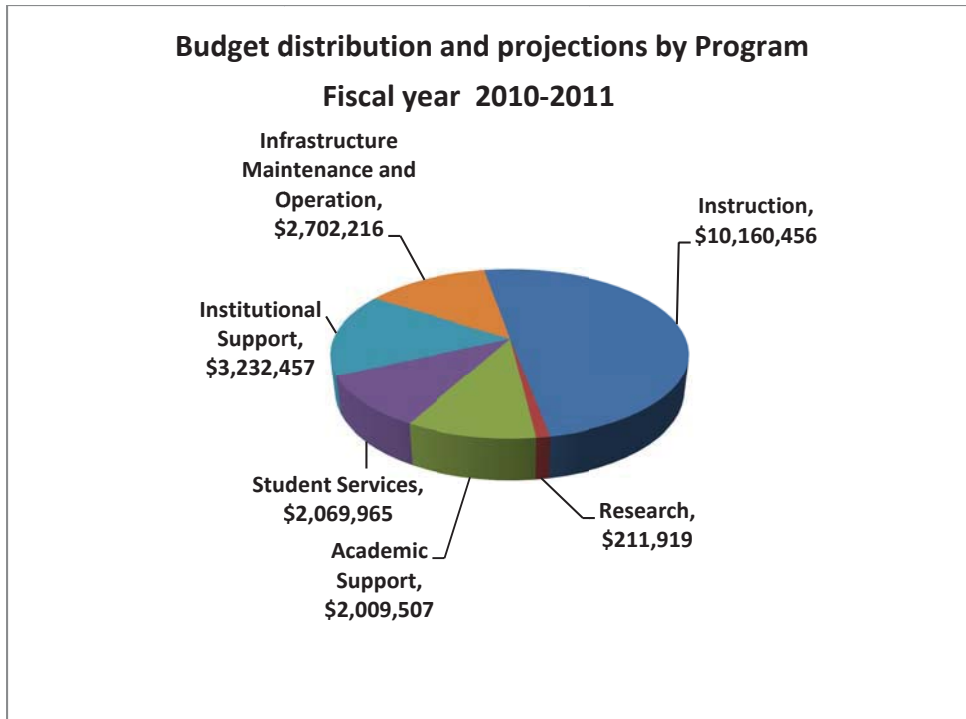
Secure Continuity and Institutional Effectiveness

The UPR-Aguadilla will implement internal measures to assure the continuity of all operations that support the institution's Mission, Goals, and Objectives. Among the strategies to improve efficiency in the use of human and fiscal resources to implement:

1. More effective use of the technologies available.
2. Redistribution or consolidation of administrative tasks.
3. More effective use of facilities for nights and weekends courses.
4. Reduction in number of full and part time of professors on service contracts.
5. Reduction of energy consumption through acquisition of energy-efficient equipment and the submission of proposals for energy saving projects.

Operating Expenses Allocated Budget by Program

Program	Actual Budget		Budget Projections	
	2010-2011	2011-2012	2012-2013	2013-2014
1/ Instruction	\$ 10,160,456	\$ 9,516,371	\$ 9,778,391	\$ 9,985,440
2/ Research	\$ 211,919	\$ 212,570	\$ 218,423	\$ 223,048
4/ Academic Support	\$ 2,009,507	\$ 2,347,755	\$ 2,412,397	\$ 2,463,478
5/ Student Services	\$ 2,069,965	\$ 1,973,795	\$ 2,028,141	\$ 2,071,085
6/ Institutional Support	\$ 3,232,457	\$ 3,015,072	\$ 3,098,088	\$ 3,163,687
7/ Infrastructure Maintenance and Operation	\$ 2,702,216	\$ 2,251,940	\$ 2,313,944	\$ 2,362,940

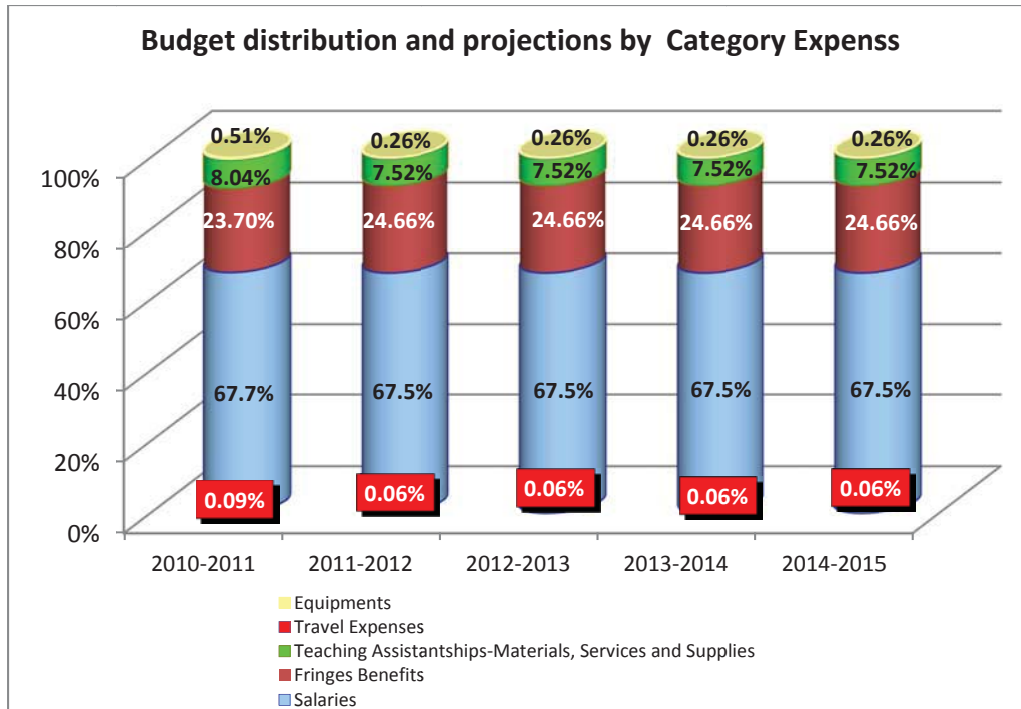


Half of Aguadilla's operational budget is allocated at the instruction area. The quality of the education that UPRAG's students receive will not be affected by budget reductions. Also, 22% of the general budget goes to the academic and students support areas.

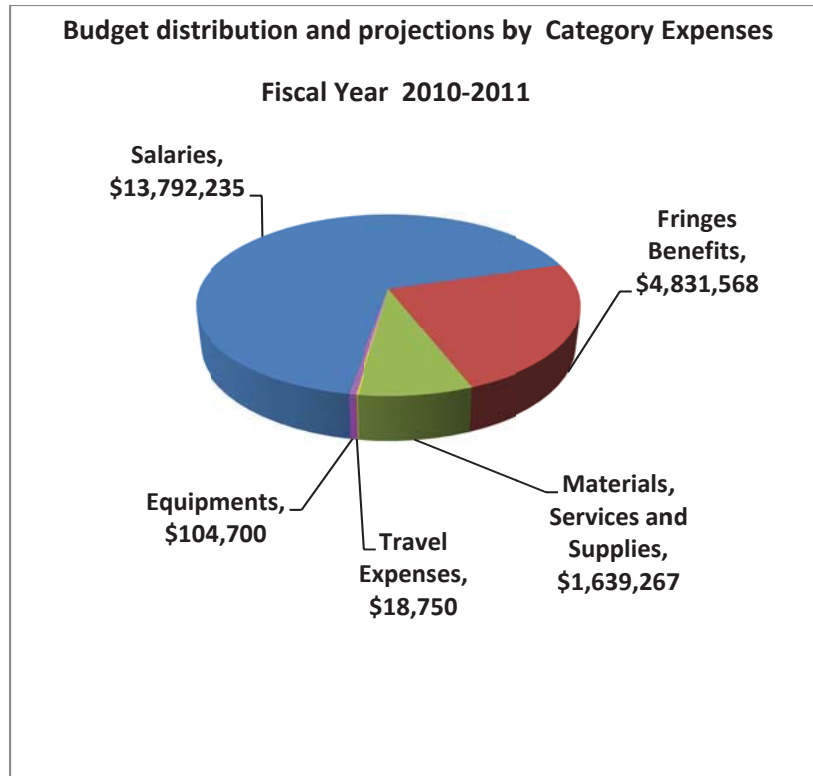
Budget distribution by Category Expenses

Campus: AGUADILLA

Expense	Actual Budget		Budget Projections		
	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015
Salaries	\$ 13,792,235	\$ 13,039,673	\$ 13,398,703	\$ 13,682,409	\$ 13,966,203
Fringes Benefits	\$ 4,831,568	\$ 4,763,792	\$ 4,894,956	\$ 4,998,603	\$ 5,102,282
Materials, Services and Supplies	\$ 1,639,267	\$ 1,452,488	\$ 1,492,480	\$ 1,524,082	\$ 1,555,694



Unfortunately 91% of the budget goes to salaries and fringe benefits, leaving only 9% for operational expenses. Is important to clarify that the salaries and fringe benefits area are high not because there are many employees at the university because this is not UPR Aguadilla's case, the percent is high because the UPRAg's operational budget is one of the lowest from the UPR system.



Action Plan for Securing Continuity and Institutional Effectiveness

The UPR-Aguadilla is aware that actions have to be taken for a more efficient and effective use of its limited resources, using more creative ways that allow the reduction and/or redistribution of the operational expenses. Those actions should be accompanied with the alternative ways to finance its programs and operations through external funds. Some of the Initiatives that are going to be considered for a more efficient and effective use of the funds available.

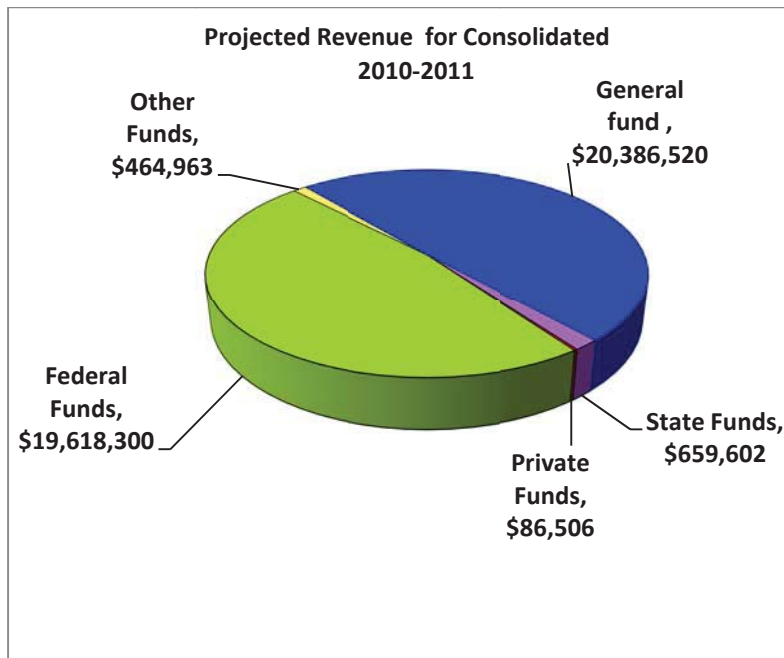
The main goal of the second part of UPR-Aguadilla's action plan for continued compliance with Standard 3 is to continue existing initiatives and develop new ones to increase and diversify sources of funding to support the accomplishment of the institutional mission and goals.

The Chancellor has intensified efforts to increase and diversify sources of additional funding. Federal and state grants and other sources, such as alumni, parents, students, and private donors, provide the institution with resources to supplement revenues coming from state and tuition sources.

Consolidated Budget

Revenues					
Program	Budget	Budget	Budget	Budget	Budget
	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015
General fund	\$ 20,386,520	\$ 19,317,503	\$ 19,849,384	\$ 20,269,678	\$ 20,690,103
State Funds	\$ 659,602	\$ 725,562	\$ 798,118	\$ 877,930	\$ 965,723
Private Funds	\$ 86,506	\$ 95,157	\$ 104,672	\$ 115,139	\$ 126,653
Federal Funds	\$ 19,618,300	\$ 21,580,130	\$ 23,738,143	\$ 26,111,957	\$ 28,723,153
Other Funds	\$ 464,963	\$ 511,459	\$ 562,605	\$ 618,866	\$ 680,752
Total Revenues	\$ 41,215,891	\$ 42,229,811	\$ 45,052,923	\$ 47,993,571	\$ 51,186,385
Expenses					
Expenses	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015
Faculty salaries	\$ 8,237,418	\$ 7,384,341	\$ 7,587,659	\$ 7,748,321	\$ 7,909,033
Non-faculty salaries	\$ 5,551,180	\$ 5,451,695	\$ 5,601,800	\$ 5,720,413	\$ 5,839,064
Student services	\$ 166,000	\$ 136,000	\$ 139,744	\$ 142,703	\$ 145,663
Fringe Benefits	\$ 4,799,205	\$ 4,831,429	\$ 4,964,456	\$ 5,069,574	\$ 5,174,725
Materials	\$ 438,967	\$ 475,188	\$ 488,272	\$ 498,613	\$ 508,952
Library resources	\$ 100,000	\$ 70,000	\$ 71,927	\$ 73,450	\$ 74,975
Communications	\$ 55,000	\$ 50,000	\$ 51,377	\$ 52,465	\$ 53,553
Professional services	\$ 375,300	\$ 307,300	\$ 315,761	\$ 322,447	\$ 329,135
Utilities	\$ 600,000	\$ 590,000	\$ 606,245	\$ 619,081	\$ 631,922
Travel and per diem	\$ 18,750	\$ 11,550	\$ 11,868	\$ 12,119	\$ 12,371
Equipment	\$ 44,700	\$ 10,000	\$ 10,275	\$ 10,492	\$ 10,710
Others	\$ 20,829,371	\$ 22,912,308	\$ 25,203,539	\$ 27,723,893	\$ 30,496,282
Total Expenses	\$ 41,215,891	\$ 42,229,811	\$ 45,052,923	\$ 47,993,571	\$ 51,186,385
Net revenue	\$ -	\$ 0	\$ (0)	\$ (0)	\$ 0

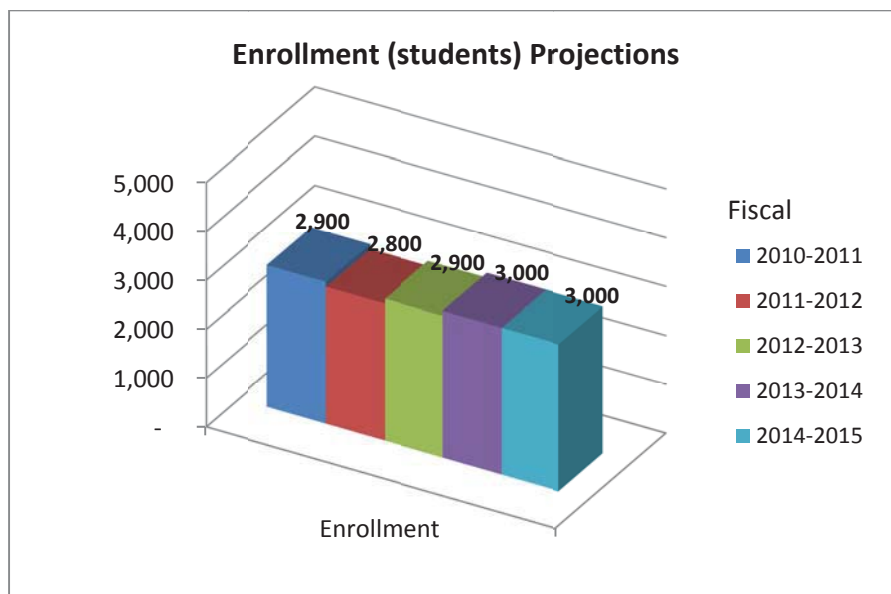
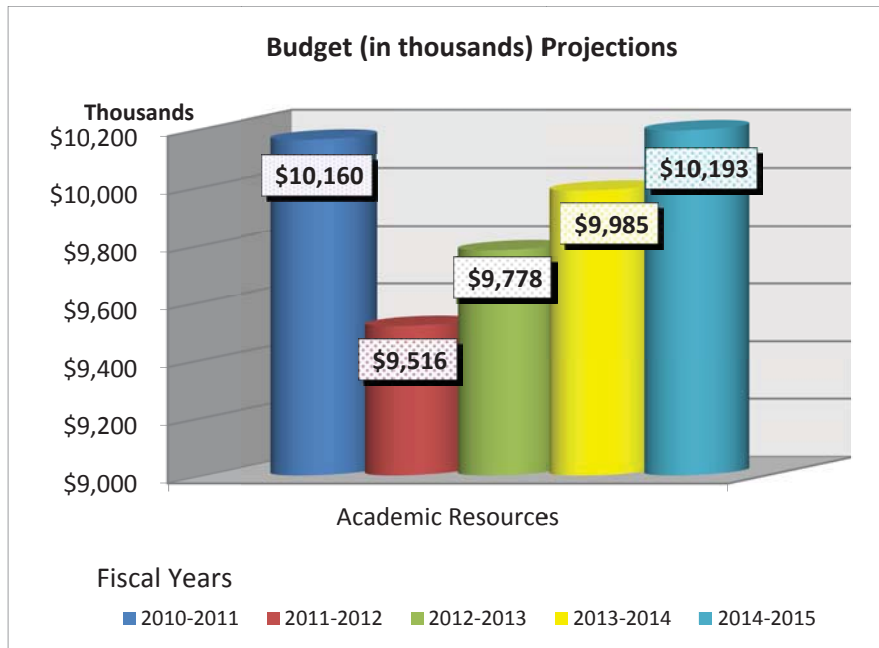
From the consolidated budget graphics, the higher expenses are from others area which the majority of the expense are the student's grants. Naturally with 91% of the budget at the salaries and fringe benefits areas the higher expenses are faculty and non faculty salaries with its fringe benefits.



Academic Resources and Enrollment

Description	Actual	Projections			
	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015
Academic Resources	\$ 10,160,456	\$ 9,516,371	\$ 9,778,391	\$ 9,985,440	\$ 10,192,554
Enrollment	2,900	2,800	2,900	3,000	3,000

Half of the budget goes to the Instruction area while giving service to a population of 2,900 students. Having little variations in the student's population, in the next 5 years we expect to have the same percent of service at the Instruction area.



Specific action that UPR-Aguadilla is implementing:

Strengthen the Continued Education and Professional Studies Division (DECEP) and what's the System called UNEX (for Extended University). The student profile is changing toward a student that work and study , with irregular hours to study. The night , Saturday and the weekend options will be the alternative to a more efficient use of the facilities. This is an opportunity for the Aguadilla Campus to present to the community more programs leading to degrees in those periods. With the goal of improving the fiscal condition, another institutional priority will be to increase student registration. This growth is projected for non-traditional populations (Populations that are not from high schools) to be served by the Extended University (UNEX=Spanish acronym. The programs offered by DECEP and UNEX are self-sustained. This means that the registration fees should cover the operational expenses and does not impact the budget that comes from the general state fund.