

Monitoring Report to the  
Middle States Commission on Higher Education  
from  
University of Puerto Rico - Río Piedras Campus  
San Juan, PR 00931



Submitted by:

*Dr. Luis A. Ferrao Delgado*

*Interim Chancellor*

*September 1, 2017*

Subject of Monitoring Report:

To document evidence that the institution has achieved and can sustain compliance with Requirements of Affiliation 3 and 8 and Standard 3, including but not limited to: (1) the institution is operational, with students actively pursuing its degree programs (Requirement of Affiliation 3) and; (2) the institution has documented financial resources, funding base, and plans for financial development adequate to support its educational purposes and programs and to assure financial stability (Requirement of Affiliation 8 and Standard 3); to inform the Commission about any and all significant developments relevant to this action, including developments relevant to Title IV program responsibilities.

Date of the Follow-up Team's Visit to the UPRRP

September 11, 2017

## Table of Contents

<b>Section 1: Introduction</b> .....	1
Overview.....	1
MSCHE Actions.....	3
Summary of Main Events.....	4
<b>Section 2: Substantive Narrative and Analysis</b> .....	6
Requirements of Affiliation 3.....	6
Requirement of Affiliation 8.....	14
Standard 3.....	14
<b>Section 3: Conclusions</b> .....	27

## **List of Tables, Figures and Appendices**

### **Tables and Figures**

Table 1: Number of Sections Taking Advantage of the Alternative Modality Option.....	7
Table 2: Undergraduate and Graduate Course Distribution (AY 2013-14 to AY 2016-17) .....	14
Table 3: UPR State Appropriations from the Government of Puerto Rico FY 2016-17 and FY 2017-18.....	15
Table 4: Historical Account of FY 2016-17 to FY 2017-18 .....	17
Table 5: UPRRP Projected Consolidated Budget .....	20
Table 6: UPRRP Action Plan.....	25
Figure 1: Indirect Costs Received and Projected, FY 2013-14 through 2020-21 .....	22

### **Appendices**

Appendix 1	UPR System Financial Overview
Appendix 2	Title IV Status Documents
Appendix 3	Interim President's letter April 25, 2017
Appendix 4	Administrative Board, Certification 42, 2016-17
Appendix 5	Vice President of Academic Affairs Circular Letter 4, 2016-17
Appendix 6	Administrative Board Certification 47, 2016-17
Appendix 7	Administrative Board Circular Letter on Academic Procedures for Special Groups
Appendix 8	Plan for Improvements and Increases in External Funding

## Section 1: Introduction

### Overview

The University of Puerto Rico's Río Piedras Campus (UPRRP) submits this monitoring report as was requested by the Middle States Commission on Higher Education (MSCHE) on May 18, 2017. It addresses Requirements of Affiliation 3 and 8 and Standard 3 of the publication *Characteristics of Excellence in Higher Education*. Section 2 of this report, a substantive narrative and analysis, presents an overview of the University of Puerto Rico System's financial situation that is based on a comprehensive analysis (see Appendix 1, UPR as a System Financial Overview). It presents evidence related to the UPRRP's status of operations, its financial situation, expected outcomes, and projections.

UPRRP, which was established in 1903, is the oldest and largest of 11 campuses in the UPR System, a state-supported institution licensed by the Puerto Rico Council on Higher Education. Our campus is the most prestigious institution of higher education in Puerto Rico and the Caribbean region thanks to its diverse student body, distinguished faculty, dedicated personnel, and long history of academic excellence. As of AY 2016-17 the UPRRP served more than 16,000 students (over 3,000 of whom were graduate students), with employees consisting of 1,366 faculty members and 1,657 non-teaching staff.

Known affectionately as "la IUPI," over the last 114 years growth has been substantial, in terms of both size and the achievements. Today our reputation extends beyond national and international borders, crossing languages and academic disciplines. The Carnegie Foundation for the Advancement of Teaching recognizes the campus as a doctoral research-intensive institution. As a public research-oriented comprehensive institution, today our campus is distinguished by diverse academic offerings ranging from the baccalaureate to the doctoral degree. These include 68 undergraduate programs, 44 master's degrees, a Juris Doctor degree, and 15 doctoral programs, as well as eight postgraduate certificates, a continuing-education program, and seven joint degrees. Our graduation numbers at the doctoral level for the last five years show a steady upward trend, with a total of 140 in AY 2016-17. The UPRRP is consistently recognized for its outstanding examples of academic and cultural production as well as its commitment to public service. In addition, many consider it the leading Hispanic-serving institution in the U.S.

The UPRRP is home to 19 one-of-a-kind programs that are not offered at any other institution in Puerto Rico. Two of these are at the doctoral level, nine are master's degrees, one is a graduate certificate, and five are bachelor's degrees. These programs include a bachelor's degree in business administration with a major in applied statistics, bachelor of arts degrees in geography and drama, a master's degree in the management and development of cooperatives and community-based organizations, and doctorates in environmental sciences and social work.

The UPRRP is composed of six colleges (Business Administration, Education, General Studies, Humanities, Natural Sciences, and Social Sciences), three schools (Architecture, Law, Public Communication), and two graduate schools (Planning, and Information Sciences and Technologies). Our upper-level administration consists of the Office of the Chancellor, the Office of the Dean of Academic Affairs, the Office of the Dean of Administration, the Office of the Dean of Graduate Studies and Research, and the Office of Student Affairs.

The UPR System is led by the UPR Governing Board, which has a membership structure consisting of two elected students, two elected faculty members, and nine citizens appointed by the Governor. The board appoints the UPR President, the institution's chief executive officer. The UPR President presides over the University Board, which is composed of the chancellors of our 11 campuses, faculty representatives from the academic senate of each campus, student representatives, the UPR System's Vice President of Academic Affairs, and the directors of the offices of finance, planning and development, and budget.

A Chancellor that presides over an Administrative Board and an Academic Senate leads each of the UPR System campuses. The UPRRP Administrative Board is composed of 12 deans, one student representative, and two faculty representatives. The UPRRP Academic Senate is the official deliberative forum of the academic community. Composed of 68 members and 19 *ex-officio* members, it includes the UPR President as well as our Chancellor, deans, student council representatives, the library's director, and the director of our counseling office. The campus Student Ombudsperson is a permanent invitee. Among the academic senators are 37 that are elected by the faculty and 12 students that are elected by the student body.

We pride ourselves on the success of our students and alumni. For the past 10 years, the average number of degrees awarded annually has been 2,597 (89 doctorates, 322 master's degrees, and 1,978 bachelor's degrees). Students past and present play an important role in democratic society and exemplify the mission that we foster as an institution: to contribute to the advancement and enjoyment of ethical and aesthetic values and to exercise academic freedom in the service of society. Their formal education impacts their professional accomplishments, their contributions as citizens of Puerto Rico, and their visions of how to improve the society in which they live.

The institution's reputation and accomplishments are bolstered by the achievements of first-rate faculty members who are committed to the goals of a tertiary education of excellence. In any given year, our faculty members collectively publish scores of books and hundreds of peer-reviewed articles. Evidence of high research activity in numerous disciplines, between AY 2013-14 and AY 2016-17, UPRRP professors published 160 books and 786 peer-review articles. In addition, numerous faculty members served as leaders in professional organizations and academic societies of high standing.

Our faculty members hold academic degrees awarded by world-class universities, including the National Autonomous University of Mexico, the Complutense University of Madrid, Harvard University, Cornell, Yale, Princeton, University of London, and Massachusetts Institute of Technology. Seventy-two percent hold a doctorate degree in their fields of specialization. An institution that has consistently worked for gender equality, 49.6% of our faculty members are female and 50.4% are male. Our faculty includes numerous professors who have recently received prestigious international awards and prizes. Examples of recent achievements include:

- Dr. Ingrid Montes González, Professor of Chemistry in the College of Natural Sciences, received an important international award for being one of the most distinguished Women in Chemistry and Chemical Engineering during the World Chemistry Congress held in Brazil.
- Dr. Javier Rodríguez, Professor of the Graduate School of Business Administration, was recognized by the board of editors of the international academic journal *Managerial Finance* with a 2017 Emerald Literati Network Award for Excellence.
- Dr. Ricardo Betancur of the Department of Biology used genomic data to clarify the genealogical and evolutionary relationships between different freshwater species in the co-authored article

“Genome-wide Interrogation Advances Resolution of Recalcitrant Groups in the Tree of Life” in the journal *Nature, Ecology, and Evolution*.

The members of our non-teaching staff are essential to the operation of the institution and directly support the academic services that assist students in achieving their goals. Their work enriches course offerings, campus activities, and the intellectual and professional formation of students. It is essential to the effective running of our campus, the research and other achievements of professors, and the services that the campus provides to the wider community.

As evidenced by our institutional commitment to accreditation, our programs meet high academic and professional standards, and decisions about how to manage and strengthen them over time are made in dialogue with relevant agencies and experts. A total of 64 out of the 69 (92%) of the programs that are eligible for accreditation are professionally accredited. This number includes 61 academic programs and three service programs.

In recent months our accreditation cycles have continued as planned. For example, on July 20<sup>th</sup> The Network of Schools of Public Policy, Affairs, and Administration (NASPAA) announced that our master’s degree in Public Administration will remain accredited until August 2024. In addition, the Graduate School of Planning and the School of Law received their reaccreditation visits in February and March of this year. Initial responses were positive and these units will receive the results according to the calendars of their respective agencies.

Our high academic standards, effective teaching practices, and the solid preparation of our students are evident in our graduation rates, which are 49%, 48%, 46.9%, 55.3%, and 49% for our 2007, 2008, 2009, 2010, and 2011 cohorts, respectively. This means that for the last five years, the UPRRP has graduated an average of half of its first-year cohorts within six years or less. While these rates are among Puerto Rico’s highest and better than those of some comparable institutions in the U.S., efforts are underway to identify how assessment findings and student services can be used to further strengthen them.

#### MSCHE Actions

On May 18, 2017, the Executive Committee of MSCHE placed eight of the 11 campuses of the UPR System on probation. These campuses included the UPRRP. The specific areas noted in MSCHE’s non-compliance action for our campus are:

- Requirement of Affiliation 3: the institution is operational, with students actively pursuing its degree programs
- Requirement of Affiliation 8: the institution has documented financial resources, a funding base, and plans for financial development adequate to support its educational purposes and programs and to assure financial stability
- Standard 3 (Institutional Resources): The human, financial, technical, facilities, and other resources necessary to achieve an institution’s mission and goals are available and accessible. In the context of the institution’s mission, the effective and efficient uses of the institution’s resources are analyzed as part of ongoing outcomes assessment

MSCHE has also required that the following be submitted:

- Title IV cohort default rates
- U.S. Department of Education (USDE) financial responsibility composite scores
- The status with regard to Heightened Cash Monitoring with the USDE

For FY 2013, the UPRRP cohort default rate was 6.9%, within the federal limit. With respect to the latter two items, our institution's composite score is HCM 1. This means that our campus makes disbursements to eligible students from institutional funds and then submits disbursement records to the federal agency. Subsequently, the agency uses Federal Student Aid Funds to reimburse the institution the amount distributed. Evidence for the three areas of additional information is provided in Appendix 2 (see Title IV Status Documents).

MSCHE informed the UPRRP administration that a small team visit will take place following the submission of this monitoring report. It also reminded the UPRRP that upon reaffirmation of accreditation, the next evaluation visit will be in AY 2024-25. The main purpose of the remainder of this report is to provide evidence showing that the UPRRP has achieved and can sustain compliance in the three areas of concern.

### Summary of Main Events

As indicated in the Supplemental Report that the campus submitted to MSCHE on May 5, 2017, the UPRRP is facing difficult financial challenges, as a result of the situation confronted by the government of the Commonwealth of Puerto Rico. As is widely known, Puerto Rico is undergoing a severe economic recession that has affected the Commonwealth's financial stability and significantly impacted its ability to repay its multimillion-dollar public debt.

In response to Puerto Rico's fiscal crisis, the U.S. Congress enacted the Puerto Rico Oversight Management and Economic Stability Act or "PROMESA Act", H.R. 5278 (2016). Among other things, the PROMESA Act created a Financial Oversight and Management Board (Puerto Rico Oversight Board) empowered with final authority over Puerto Rico's budgetary decision-making. Pursuant to its legal authority, the board initially proposed a \$450 million budget reduction for the UPR System for 2021, which was later increased to \$512 million for 2026 (see Appendix 3, Interim President's letter April 25, 2017). The first round of cuts has been implemented as of the FY 2017, impacting the campus budget by a cut of \$25 million.

As can be understood, various UPR sectors have expressed concern about the institution's financial base and some have protested the proposed cuts. On March 28, 2017, student activists impeded normal access to the campus. At this time, the facilities in the UPRRP's large administrative complex University Plaza, which is located just outside our main gates, remained open. In addition, some offices were temporarily relocated to University Plaza. These include the Office of Budget and Planning, the Office of the Dean of Academic Affairs, the Office of the Dean of Graduate Studies and Research (DEGI in Spanish), and the Office of the Sponsored Programs. As is detailed below, this allowed for numerous activities to continue.

As explained in Section 2, a significant number of academic activities continued during the period in which access to our classrooms was impeded. For example, numerous faculty members and students, including many from the College of Natural Sciences who were required to do research on campus, continued their research on an ongoing basis. Credit-bearing courses continued in a variety of alternative locations, many of which are near campus. The facilities that students and faculty used include University Plaza, the Molecular Sciences Building, the Institute of Neurobiology, the Center for Puerto Rico, the UPR Medical Sciences

Campus, the University Center for Psychological Services and Duties, The Center for Urban and Community Action (CAUCE in Spanish), the Center for Preschool Development, and the UPR Central Administration.

Our interim Chancellor Carmen H. Rivera Vega resigned effective on May 18, 2017. Subsequently, numerous campus services continued to operate. In addition, the college deans and the directors of our schools met frequently to address urgent matters. They worked in conjunction the Administrative Board and the UPRRP Academic Senate to fulfill their responsibilities while also making plans related to the resumption of the semester.

Finally, on June 5, 2017, after 71 calendar days of the UPRRP's partial closure, our students voted to resume the semester at their fifth student assembly. This vote was preceded by mediated dialogue between the students, UPR administration, and representatives other sectors (non-teaching staff and faculty members). Numerous agreements that focused on reconciliation were formulated across a total of 12 meetings.

Once the gates were opened, a one-week period followed in which the campus administration identified areas needing attention and revitalized the physical facilities. Protocols were implemented to establish guidelines for the cleaning and prompt restitution of all operations. During this time, the Office of the Registrar amended the academic calendar and presented the administration a timeline for completing academic activities and final exams. Dates for completing the semester were established and shared with all of the relevant sectors. This calendar, which was published on the university website and distributed to all employees and students, allowed the campus to complete all of the 41 class days that did not take place as initially scheduled (see Appendix 4, Administrative Board Certification 42, 2016-17). On June 12, 2017, classes resumed.

Interim President of the University of Puerto Rico, Dr. Darrel Hillman, appointed Dr. Luis Angel Ferrao Delgado, former Dean of the College of General Studies, Interim Chancellor of UPRRP effective July 21, 2017.

## Section 2: Substantive Narrative and Analysis

### **Requirements of Affiliation 3: *The institution is operational with students actively pursuing its degree programs***

Our institution has been continuously guided by its mission when it was faced by challenges that included the announcement of significant reductions to its public funding and the interruption of many classes and campus activities. This section documents the extent to which our semester was impacted by the partial closure of campus and explains the actions that were taken to responsibly complete the semester. Among the topics discussed are: academic activities that took place during the time that many of our classes could not meet, various student support services, the completion of the semester's courses, the reinstatement of Title IV eligibility, and preparations for AY 2017-18.

### **Courses**

#### Ongoing Activities

As mentioned briefly above, a diverse set of activities continued during the period in which access to our classrooms was impeded. These activities included 25% of the total number of sections (4,284) offered in the second semester of AY 2016-17. Among those that continued were most of our student internships (69), clinical practicums (160), laboratories (337), student research activities (89), thesis courses (376), and independent studies (57). The few courses offered online were also able to continue.

The Office of the Dean of Graduate Studies and Research arranged for thesis and dissertation defenses to take place in University Plaza. In some cases specific academic programs made special arrangements for presentations in alternate locations, such as the Molecular Sciences Building, the Center for Puerto Rico, and the UPR Medical Sciences Campus. A total of 67 theses and dissertations had been defended by August 7th. This number is higher than that of the previous year, when a total of 59 theses and dissertations were defended.

#### Alternative Modality Course Option

On May 11<sup>th</sup> the UPRRP's Office of the Dean of Academic Affairs issued instructions stating that each on-site course could complete up to 25% of its total contact hours by means of an **alternative modality** that did not require students to be physically present on campus. The instructions corresponded with a related directive from Central Administration (see Appendix 5, Vice President of Academic Affairs Circular Letter 4, 2016-17). As explained in the dean's letter, for a course of 3 credits with 3 hours of contact per week and a total of 45 hours contact per semester, a total of 11.25 contact hours could take place via alternative modality. This measure allowed for some of our courses to resume in places other than the traditional classroom, in museums and laboratories off campus, for example. It also allowed for professors to teach using technological resources such as the open-source learning platform Moodle, recorded videos of lectures, online blogs, and peer-review exercises that took place online. These options, which did not involve on-site meetings, allowed professors and students to make progress towards the completion of the courses that were interrupted.

UPRRP faculty members who chose to take advantage of this alternative for continuing their courses were required to submit documentation explaining how they would do so. These professors were required: (i) to ensure that the alternative method was of the same quality as the classroom experience, (ii) to communicate

with students and verify that they accepted the alternative method, and (iii) to submit a detailed teaching plan and outline for the continuation of each of their courses. Outlines for the continuation of courses were reviewed by department directors and deans of academic affairs.

The **teaching plans** that faculty members submitted ensured that the course content was not altered, that the stipulated number of contact hours were accurately calculated, and that the academic rigor of course offerings was maintained. Faculty members who took advantage of the alternative modality option still had to complete some of their hours in the classroom following the resumption of classes. This is because more than 25% of the total contact hours had to be completed at the time courses were interrupted. Faculty members were instructed to remind students that the alternative modality was an option rather than a requirement; they were also informed that upon the resumption of classes they were to make the course available by traditional means to any student who had not agreed to continue by an alternative modality.

The UPRRP's implementation of the alternative modality option complied with UPR Governing Board Certification 112, 2014-15 and instructions provided by the UPR Systems's Vice President of Academic Affairs. In a communication dated May 9, 2017, the interim Vice-President for Academic Affairs of the UPR System provided guidelines for all on-site courses. It clarified the precise definition of the traditional face-to-face modality, establishing that this type of course is one in which 75% or more of the hours of instruction require the physical presence of the student and professor in the classroom. As already suggested above, the Vice-President's letter also clarified that no more than 25% of a course could be covered by an alternative modality.

As shown in the table below, professors for 565 sections (approximately 13% of our total sections) opted to take advantage of the alternative modality option. The remainder of our professors completed their courses through the traditional means after the campus reopened.

**Table 1: Number of Sections Taking Advantage of the Alternative Modality Option**

School or College	Number of sections
School of Architecture	12
School of Public Communication	16
School of Law	10
Graduate School of Information Sciences & Technologie	1
Graduate School of Planning	7
College of Business Administration	80
College of Natural Sciences	27
College of Social Sciences	76
College of Education	53
College of General Studies	195
College of Humanities	88
<b>TOTAL</b>	<b>565</b>

Source: Office of the Dean of Academic Affairs, July 2017

## **Direct Student Services**

Four key offices that provide direct student services continued their operations without interruption in the period in which the campus was partially closed: the Office of Admissions, the Office of Financial Aid, the Office of the Registrar, and the Office of the Assistant Dean of International Relations. As detailed below, the continuation of services offered by these offices provided crucial support for students, faculty, and the administration during a challenging time for the university. The ongoing operation of these offices ensured that some students were able to make progress toward the completion of their degrees. In addition, the work of these units facilitated students' return to classes, the completion of the semester, the certification of degrees for the second semester of AY 2016-17, the organization of our summer session, and preparations for AY 2017-18.

**The Office of Admissions** offered orientation and follow-up academic advising for newly admitted students and late admission prospects on a daily basis. Its operation proved crucial to maintaining communication with the first-year students and to meeting deadlines established at the level of the campus and the UPR System.

As of August 25, 2017, the UPRRP had admitted 2,442 first-year students. These students will begin their undergraduate careers in September of 2017. Consistent with the standards of excellence for which our campus is known, this cohort has a grade point average of 3.68 as well as College Board Scores that are higher than the average of students studying elsewhere in the UPR System. Our admissions office continues to operate in accordance with its normal schedule.

The second unit to be mentioned here, the **Office of Financial Aid**, provided services at University Plaza and processed a total of 9,335 financial aid forms during the time access to campus was impeded. This work continued until the UPRRP lost its eligibility to process applications for student financial aid that rely on Title IV federal funds. Eligibility was lost in April but reinstated on July 18, 2017. Of the total number of student applications received, 6,432 were completed, and 2,903 were identified as requiring verification of the applicant's data. The office continues to operate and its staff members are working to ensure that all of the applications are verified.

Our **Office of the Registrar** also continued operations. Its officials communicated regularly with administrators, providing details about scheduling related to the completion of the semester, the calendar for the next academic year, and the processing of documents related to graduation. The ongoing operation of this office facilitated the completion of important tasks, including the planning of registration for the first semester of the AY 2017-18. This allowed program directors to file paper work related to thesis and dissertation defenses and ensured that students who wanted to study in graduate programs in other institutions could have the required documents processed. This unit processed a total of 7,681 transcripts between the time classes were interrupted and the end of the semester. In addition, it issued 199 Certificates of Degree Completion for students who had compiled with all degree requirements as of June 23rd, and an additional 2,108 for those who had met their requirements by August 7th.

The **Office of the Assistant Dean of International Relations** also operated without significant interruption, providing services for international students and faculty. This unit offered orientations to F-1 student visa holders so that they could maintain their status as well as orientations concerning work permits for optional practical training. Services were also provided to participants in the J-1 Visitors Program. In addition, the J-1 and H-1 program status for four visiting professors was extended until the end of the semester on August 7, 2017.

Administrative officials and staff worked together to ensure that efforts related to the UPRRP's **internationalization initiatives** were not negatively impacted. Communication with exchange students was maintained by email. They were kept informed of the student assemblies as well as changes to the academic calendar. Important for ensuring continuity in the programs with which the UPRRP has agreements, administrative procedures continued with respect to the National Students Exchange Program, the International Student Exchange Program, and all other consortiums and mobility program services. The office hosted a group of students from the UNAPEC institute in the Dominican Republic, as part of a travel exchange program organized by the College of Business Administration. Following the resumption of classes, meetings and presentations concerning exchange and international programs were held at UPR Central Administration to facilitate the provision of services and ensure continuity. The cases of those international students who had to return to their countries before the completion of classes were dealt with on a case-by-case basis. Frequently arrangements were made for assignments and final projects to be turned in electronically.

### **Student Support Services**

Numerous student support services continued to operate during the period in which many of the courses that meet on campus were interrupted. The units in which these services are based, which include the library and our housing division, provided services that are essential for some of our students. For example, the library's online resources were available to students who were completing research. Some professors chose to use the library's online services to continue their courses with the alternative modality option described above.

The UPRRP **Athletics Department** complied with all commitments during this period. A total of 27 activities were completed, some on campus and others in outside facilities. These activities included the Intercollegiate Athletics League championship games, also known as *las Justas*. The awards earned by the UPRRP's athletes included 8 gold medals, 13 silver medals, and 13 bronze medals. This department continued to operate during the summer session and at the time of this writing is preparing for its next round of activities.

**The Center for Academic Excellence (CEA)**, which is located at University Plaza, designs and delivers training programs for students, faculty members, and non-teaching staff. The CEA also remained operative and its online trainings and workshops were not interrupted. During the second semester of AY 2016-17, 43 activities were offered. Currently the CEA is preparing for the new academic year.

The UPRRP **Library System's** website ([biblioteca.uprrp.edu](http://biblioteca.uprrp.edu)) remained operative throughout the period in question, allowing users to access various services and electronic resources remotely. These included the online catalog, virtual reference services, interlibrary loan services, mechanisms for renewing materials online, and library tutorials. A total of 944,573 searches and downloads were registered. Directly related to the completion of courses, a librarian offered assistance (by e-mail and face to face) to 11 graduate students of the College of Education, and librarians evaluated student proposals for capstone projects in our Graduate School of Science and Information Technology. Numerous activities related to the libraries and campus initiatives were carried out.

Both of the residential buildings operated by the **Student Housing Division**, Resi Campus and Torre Norte, continued to operate with full staff during the period in which many of our courses were unable to meet and then continued to provide services when the semester officially resumed. At the beginning of the second semester, 352 students resided in Resi Campus and 415 in Torre Norte, for a total of 767. When classes

officially resumed on June 12<sup>th</sup>, 327 had returned to Resi Campus and 408 to Torre Norte. As these numbers evidence, 96% of the residents were able to complete the semester living in student housing.

During the period in which courses were interrupted, housing division staff members continued to evaluate applications for the summer session and for the next academic year. During the summer session, when only one unit offers housing services, 142 students resided in campus housing. Housing services are now operating normally in accordance with all relevant university policies and regulations.

**Student Ombudsman** services were also available to students. These fall into three main categories: (i) students rights and responsibilities; (ii) mechanisms for the alternative resolution of disputes (e.g., reconciliation, intervention, and negotiation); and, (iii) direct services through the electronic platform, e-mail, Facebook, and phone calls. At least 364 students requested these services during the period in which courses were interrupted and 179 after the semester officially resumed. The Ombudsman also assisted in discussions involving representatives of the Student Council, the previous interim Chancellor, and members of her team, providing support as a facilitator and a mediator.

Several other units that are administered by the **Office of the Dean of Students** were affected by the partial closure of campus, but all of them resumed their services during the period in which the semester was officially completed. At the time of this writing they are once again functioning normally. These include the Medical Services Department, the Office of the Assistant Dean of Administration, the Office of Special Events, and the peer-mentoring program.

**The Office of the Dean of Administration**, also located in University Plaza, was able to continue its operations. Services such as accounting, finance, human resources, the employee assistance program, purchasing and supplies, and division of property continued operations as usual.

### **Continuation of the Semester**

When the academic calendar was interrupted on March 28, 2017, the campus had already completed 49 (54%) of 90 total class days. In other words, slightly more than half of the total 45 contact hours that are required for each three-credit hour course per semester had already been completed. The remaining 41 days (46%) that were delayed had to be rescheduled.

Our administration followed the guidelines of UPRRP Academic Senate Certification 95, 1996-97 to establish a revised calendar for the resumption of academic activities. The classes that had been unable to meet were resumed on June 12<sup>th</sup> and the semester concluded on July 28<sup>th</sup>, with final exams taking place between July 31<sup>st</sup> and August 4<sup>th</sup>. Professors who opted to continue the alternative modality option described above made up their additional hours during the period established by the academic calendar.

Completion of the semester brought the total number of contact hours to the equivalent of three hours a week for 15 weeks, consistent with the 45 contact hour requirement of UPR regulations as well as state and federal agencies. Campus leadership and faculty members worked together to ensure that the learning goals and objectives for our courses were met, in compliance with our academic policies regarding contact hours. These policies, designed pursuant to Law 284 of December 20, 2011, ensure compliance with our state licensing institution, the Puerto Rico Education Council, and with the standards of our multiple professional and specialized program-level accreditors (including the ACBSP, AACSB, ABET-CAC, NAAB, AND, ACEND,

ACS, CSWE, NASPAA, CORE, ABA, AALS, NAEYC, NCATE/CAEP, ACEJMC, ALA, PAB, ACRL, IACS, and AAM).

After classes resumed on June 12, 2017, all students were able to complete their courses on campus following standard UPR regulations and guidelines. Those services that were not offered were promptly resumed. As a result, students had access to the same support services during the extended semester that they do in the normal academic year. These include services provided by the Counseling Department for Student Development (DCODE in Spanish), childcare offered by the Maternal and Infant Laboratory, incoming student orientations coordinated by the Office of the Assistant Dean of Programs and Initiatives, and services of the Office for Students with Disabilities. The units and programs continued to operate during the extended semester and our summer session without interruption. Each of them is now preparing for the new academic year that will officially begin on September 4th.

### Student Achievements

Numerous examples of student achievements emerged once classes resumed:

- Student Rocío del Mar Avilés Mercado received the Special Skills and Creativity Award in Scientific Research from the Chinese Association for Science and Technology (CAST).
- Students Suzette Rivera, Faviola Montalvo, Estefania Cruz, Milena Ortiz, and Genevieve Temprano were awarded first place in the “Mission Patch” competition convened by NASA.
- Student Gilberto David Gómez Vázquez from the School of Communication received first place at the national level during the short film competition of DirecTV Cinema Plus, Academic Film University Film Festival.
- The UPRRP tuna, one of our traditional musical groups, placed high in the II Festival Bernardino with the prizes of second best tuna and best cape in Puerto Rico.
- Chemistry students Diana Silva and Andrés Molina of the College of Natural Sciences were winners of the NSF Graduate Student Research Program. This highly competitive scholarship provides \$30,000 for three years as well as support for enrollment and the purchase of materials.
- Coralia, the concert choir prepared for participation in the 65<sup>th</sup> edition of the Guido d'Arezzo International Choral Competition, part of a tour between 19 August and 2 September in Tuscany, Italy.

These achievements are another sign that students continued to pursue their academic degrees and make progress in their academic endeavors.

### Reinstallation of Title IV Funds

At the time of this writing, the UPRRP is once again eligible to participate in all of the federal government's HEA financial aid programs. As mentioned above, the UPRRP lost its eligibility for federal financial aid funds through the Higher Education Act of 1965 (HEA) as of March 29, 2017. This action was based on the provision of the federal code, 34 C.F.R. § 668.26 (a)(1)(iii) which states that “an institution's participation in a Title IV, HEA program ends on the date that the institution closes or stops providing educational programs for a reason other than a normal vacation period or a natural disaster that directly affects the institution or the institution's students.”

During the period in which classes were interrupted, no student financial aid could be awarded or disbursed. However, as already established, our **Financial Aid Office** continued to operate. The office was in constant communication with the federal Department of Education, answering all questions related to the loss of eligibility and preparing the documentation needed for the reinstatement of access to HEA funds.

Once classes resumed, the **Financial Aid Office** continued to work with all units to complete the processes that the Department of Education required for the reinstatement of eligibility. Two essential requirements were identified early on in this process: (i) the electronic and physical submission of the Reinstatement Application signed by the nominating authority of the UPRRP, or the President of the institution; and (ii) the documentation of student attendance in order to verify whether students returned to class the day academic activities were resumed. The Institutional Review Specialist authorized our Dean of Students, Dr. Gloria Díaz Urbina, to sign the reinstatement application for our campus. Dr. Díaz Urbina agreed to be removed as the signatory upon the appointment of a Chancellor or President. These actions are important given that 65% of our student body participates in financial aid programs that rely on Title IV funding.

As for the **student attendance report**, this requirement involved confirming whether students rejoined their classes and documenting how many students attended classes upon the resumption of academic activities. Ninety-eight percent of the faculty reported classroom attendance by the June 29th deadline established by the agency. While some students dropped their courses and transferred to other institutions, the bulk our students, 97%, returned to their classes to complete the semester. Findings from this attendance report were submitted to the federal government's Department of Education on July 6, 2017.

Subsequently, the application for **reinstatement of eligibility** for funds associated with student financial aid and the Higher Education Act (HEA) was successfully completed, and the Department of Federal Education determined that the UPRRP met the definition of an institution eligible for such aid. On July 19th, the Dean of Students received a copy of the certificate of participation in federal financial aid programs, a document that required the signature of the same person who had submitted the electronic request for reinstatement. Due to the absence of a Chancellor, the Dean of Students signed the certificate. This was an exception that the federal agency that was approved in order to ensure that the process would not be delayed. Finally, on July 21st, notification of approval of the application for reinstatement was received, and the UPRRP was declared eligible to participate in all HEA financial aid programs, including Title IV (e.g., Federal Pell Grant, FSEOG, Federal Perkins Loan, and the Federal Work-Study Program). This provisional certification is valid until December 31, 2018 (see Appendix 2, Title IV Documents).

#### Faculty Member Absences

In a letter dated June 15, 2017, college deans addressed questions about faculty absences during the period established for completing the semester. Many of these faculty members had obligations requiring them to participate in academic activities and official trips outside the country. Those who had to miss their classes for a short period of time were authorized to travel if they found a substitute or made up the time upon return. Each faculty member who planned to be absent during the extended semester was required to complete the standard request form for the corresponding authorization. These measures followed the guidelines established by Article 61 of the General Regulations of the UPR. In addition, all professors were required to document in detail how they made up the classroom hours.

#### Degree Candidates

Due to events in the campus, measures were taken to ensure that those students who completed all graduation requirements could have their degrees certified in a timely manner. The UPRRP administration amended the academic calendar, adding two dates for the official certification of degrees through (see Appendix 6, Administrative Board Certification 47, 2016-17). The first date on which degrees were conferred was June 23, 2017. This date was established to facilitate the graduation of those students who would have been negatively affected by a later than usual graduation date. These students had completed all of their

degree requirements and been either accepted into graduate school or received offers of employment that would not allow them to be on campus in July. A total of 255 students fell into these categories. The second date, August 7, 2017, followed the resumption of classes and the completion of the extended semester.

As of August 30th, a total of 2,307 students had officially earned their academic degrees in the second semester of AY 2016-17. For AY 2014-15 and AY 2015-16, 2,374 and 2,421 degrees were awarded, respectively. While graduation numbers were affected by the partial closure of campus, they remained strong. Moreover, 59 additional students applied for graduation at the end of our summer session.

The UPRRP Administrative Board, in conjunction with the Office of the Registrar, put into place similar measures which ensured that international students, students participating in exchange programs, and those that had been accepted into professional internships outside of Puerto Rico would not be negatively affected by the extension of the academic calendar (see Appendix 7, Administrative Board Circular Letter on Academic Procedures for Special Groups).

#### Filing Course Grades

As is usual at the end of a semester, all faculty members registered their grades using the electronic portal NEXT within the period stipulated by the Office of the Registrar. This process was complete by August 7<sup>th</sup>. Grade distribution is presented in Table 2. As data presented in the table shows, there were increases in failures and withdrawals. Even though some courses were interrupted, students passed their courses at a high rate. As shown in the table's summary, courses were passed at a rate of 83%. The analysis of trends across recent semesters shows stability for most grades in terms of students' academic progress.

#### Summer Session

Another sign of the UPRRP's return to normalcy, our intensive three-week summer session took place between August 7<sup>th</sup> and 25<sup>th</sup>. Final exams for students studying in the summer were held on August 28<sup>th</sup>. A total of 1,639 students (1,432 undergraduates and 207 graduate students) registered for summer courses. Our campus offered 87 sections.

#### The New Semester

A total of 16,062 have registered for the new semester at the UPRRP. This number includes 708 newly admitted graduate students. Late registration will take place on September 1st. At the time of this writing, the total number of admitted first-year students for the first semester of AY 2017-18 is 2,442. These students have already attended one of various orientation sessions at our University Theatre. These consisted of activities in which their degree program requirements as well as information about extracurricular activities and student support services were discussed. Chancellor Ferrao Delgado officially welcomed them, reminding the members of this most recent cohort that "the campus shined with their incorporation into the UPRRP community." The Chancellor underscored that students are "the reason for the institution's existence and that its mission is to prepare them to be the best professionals that can be offered to Puerto Rico and the world."

Orientation attendance records from the first day show attendance by 564 first-year students from the College of Natural Sciences and 390 from Education. On the second day, 497 attended from the College of Business Administration and 414 from Social Sciences. The third and final day was dedicated to activities for 58 students from the school of Architecture, 91 from the School of Communication, 57 from General Studies, 36 from the transfer program with the UPR Mayagüez, and 327 from the College of Humanities.

Our new cohort of first-year students consists of students from all regions of Puerto Rico. This class is 62% female and 38% male, while 45% are graduates of public high schools and 55% from private high schools. At the time of this writing, a total of 2,442 first-year students have already completed the enrollment and registration process.

**Table 2: Undergraduate and Graduate Course Distribution (AY 2013-14 to AY 2016-17)**

Undergraduate Course Grade Distribution - First and Second Semester																
	2013-2014				2014-2015				2015-2016				2016-2017			
	1er sem		2do sem		1er sem		2do sem		1er sem		2do sem		1er sem		2do sem	
	Frec.	%														
A	28,788	0.45	27,945	0.47	30,219	0.47	29,397	0.48	31,604	0.47	31,059	0.49	32,935	0.47	31,338	0.47
B	15,783	0.25	14,032	0.23	16,167	0.25	14,709	0.24	16,693	0.25	14,620	0.23	16,762	0.24	13,398	0.20
C	7,344	0.11	6,374	0.11	7,658	0.12	6,948	0.11	7,880	0.12	6,717	0.11	7,875	0.11	5,920	0.09
D	2,072	0.03	1,770	0.03	2,263	0.03	1,994	0.03	2,201	0.03	1,932	0.03	2,369	0.03	1,580	0.02
F	2,794	0.04	2,288	0.04	2,966	0.05	2,864	0.05	2,963	0.04	2,643	0.04	2,789	0.04	2,296	0.03
F*	1,218	0.02	1,089	0.02	964	0.01	986	0.02	794	0.01	762	0.01	758	0.01	907	0.01
IB	113	0.00	104	0.00	-	-	-	-	60	0.00	147	0.00	159	0.00	270	0.00
IC	354	0.01	279	0.00	-	-	-	-	198	0.00	340	0.01	328	0.00	775	0.01
ID	259	0.00	228	0.00	-	-	1	0.00	162	0.00	280	0.00	259	0.00	504	0.01
IF	855	0.01	696	0.01	-	-	-	-	462	0.01	680	0.01	709	0.01	1,590	0.02
INP	324	0.01	309	0.01	97	0.00	115	0.00	161	0.00	238	0.00	221	0.00	249	0.00
NP	113	0.00	129	0.00	145	0.00	190	0.00	90	0.00	92	0.00	93	0.00	114	0.00
P	1,133	0.02	1,226	0.02	1,178	0.02	1,222	0.02	1,244	0.02	1,089	0.02	999	0.01	1,054	0.02
W (course withdrawals)	2,186	0.03	2,629	0.04	2,072	0.03	2,015	0.03	2,287	0.03	2,067	0.03	2,208	0.03	3,238	0.05
Ws Total Withdrawals	698	0.01	756	0.01	983	0.02	759	0.01	1,064	0.02	982	0.02	1,061	0.02	2,083	0.03
N/A	160	0.00	191	0.00	74	0.00	40	0.00	62	0.00	69	0.00	49	0.00	851	0.01
<b>TOTAL</b>	<b>64,194</b>	<b>1.00</b>	<b>60,045</b>	<b>1.00</b>	<b>64,786</b>	<b>1.00</b>	<b>61,240</b>	<b>1.00</b>	<b>67,925</b>	<b>1.00</b>	<b>63,717</b>	<b>1.00</b>	<b>69,574</b>	<b>1.00</b>	<b>66,167</b>	<b>1.00</b>

Undergraduate Course Grade Distribution Summary - First and Second Semester																
	2013-2014				2014-2015				2015-2016				2016-2017			
	1er sem		2do sem		1er sem		2do sem		1er sem		2do sem		1er sem		2do sem	
	Frec.	%														
Success	55,846	0.87	51,958	0.87	57,485	0.89	54,271	0.89	60,042	0.88	56,184	0.88	61,686	0.89	54,839	0.83
IF-INP	1,179	0.02	1,005	0.02	97	0.00	115	0.00	623	0.01	918	0.01	930	0.01	1,839	0.03
Failure and Ws	7,009	0.11	6,891	0.11	7,130	0.11	6,814	0.11	7,198	0.11	6,546	0.10	6,909	0.10	8,638	0.13
N/A	160	0.00	191	0.00	74	0.00	40	0.00	62	0.00	69	0.00	49	0.00	851	0.01
<b>TOTAL</b>	<b>64,194</b>	<b>1.00</b>	<b>60,045</b>	<b>1.00</b>	<b>64,786</b>	<b>1.00</b>	<b>61,240</b>	<b>1.00</b>	<b>67,925</b>	<b>1.00</b>	<b>63,717</b>	<b>1.00</b>	<b>69,574</b>	<b>1.00</b>	<b>66,167</b>	<b>1.00</b>

Success includes: A, IA, B, IB, C, IC, D, ID and P. Failure includes: F, F\*, NP.

Source: Office of the Registrar, August 2017

**Requirement of Affiliation 8:** *The institution has documented financial resources, a funding base, and plans for financial development adequate to support its educational purposes and programs and to assure financial stability.*

**Standard 3 (Institutional Resources):** *The human, financial, technical, facilities, and other resources necessary to achieve the institution's mission and goals are available and accessible. In the context of the institution's mission, the effective and efficient uses of the institution's resources are analyzed as part of ongoing outcomes assessment.*

## UPR System Financial Overview

Puerto Rico continues to experience a historic financial crisis. According to data from the Federal Treasury Department, the cumulative economic contraction in the gross national product is 14.6%, with a prediction of an additional contraction of 3% for the next two years. The UPR System is directly affected by this economic scenario. As shown in Table 3, the government of Puerto Rico's **operating budget** for FY 2017-18 includes an allocation of \$631.2 million for the UPR from general assignments, \$37.1 million from special legislative assignments, and \$40 million from other government appropriations for a total of \$708.4 million, representing a reduction of \$164 million (-18.81%) in government allocations compared to FY 2016-17. These reductions are in compliance with amounts indicated by the Puerto Rico Oversight Board established by the Puerto Rico Oversight and Management Stability Act (PROMESA) enacted by the U.S. Congress in 2016.

**Table 3: UPR State Appropriations from the Government of Puerto Rico  
FY 2016-17 and FY 2017-18**

Amount in Thousands

Sources of Funds	1	2	3
	Fiscal Year 2016 - 2017	Fiscal Year 2017 - 2018	Change (Col 2-1)
Revenues by Formula 9.6% UPR, Law 2 of 1966	833,929	631,210	(202,719)
Joint Resolutions	38,503	37,111	(1,392)
Other Revenues Government of PR	\$ -	\$ 40,048	\$ 40,048
<b>Total appropriations from Government of PR to UPR</b>	<b>\$ 872,432</b>	<b>\$ 708,369</b>	<b>\$ (164,063)</b>

  
**-18.81%**

**Notes:**

1. State Special Funds are not included since the UPR does not receive these funds from State Special Assignments directly. The estimated budget refers to projects where the UPR is subcontracted by another agency or municipality through the reimbursement mechanism.
2. Other revenues does not include funds from the Gambling Law that come to UPR through the Tourism Company.

Source: UPR Central Administration Budget Office, August 2017

In compliance with the Puerto Rico Oversight Board requirements, the UPR Board of Governors approved the *UPR Fiscal Plan* on July 31, 2017 (Governing Board Certification 29, 2017-18) to meet its fiduciary responsibility while maintaining institutional integrity, financial sustainability, fulfilling its mission, and supporting its academic offerings. The plan's guiding principles are:

- (i) To protect the human, financial, technical, and capital resources necessary to succeed in the attainment of the UPR's vision and mission.
- (ii) To implement the UPR System's strategic plan for 2017-2022 (*A New Era of Innovation and Transformation for Student Success*), which is based on four major areas (educational environment, research and creative work, service to diverse communities, and sustainability) to achieve student success.
- (iii) To prioritize administrative and academic transformations that are guided by efficiency and effectiveness criteria. These include:

1. Reorganization of administrative and academic support services into four main campus hubs: Hub 1: Mayagüez, Aguadilla, Arecibo, and Utuado; Hub 2: Medical Sciences Campus; Hub 3: Río Piedras, Carolina, and Bayamón; and Hub 4: Cayey, Ponce, and Humacao.
2. The exercise of financial responsibility regarding specific revenues and expenditure measures to support achievement of strategic and sustainable management goals.
3. Implementation of expense reduction measures at the UPR Central Administration, including operating and general expenses, and system service costs.
4. Diversify revenues through tuition increase, patents, government and UPR contractual agreements (Executive Order 2017-021), online academic offerings, collaborative agreements with the Department of Education and local municipalities, and other initiatives such as the medical cannabis project.

The UPR System is undertaking a substantial restructuring of its operations and identifying a number of revenue-generating initiatives and expense containment measures to address the reduction in government appropriations and funding. Through these actions and implementation of the aforementioned measures, the UPR will be in a position to accomplish its mission and continue to serve the people of Puerto Rico (see Appendix 1: UPR System Financial Overview for a detailed discussion of the UPR's budget and financial plan).

### **UPRRP Financial Overview**

The challenge with respect to finances is clear, the UPRRP must fulfill its mission, preserve the quality of its academic programs and student services, continue to strengthen research, and keep working conditions supportive of innovation with fewer state resources. It must also maintain positive employee morale to accomplish these goals. To counteract the impact of the reductions that will take place through 2021, the UPRRP is rethinking itself, reassessing priorities, and identifying how to best continue fulfilling its institutional mission.

For current FY 2017-18, the approved **operating budget** for our campus is \$215.8 million. With special assignment funds and new revenues of \$7,883,832 the campus estimates the receipt of a total of \$223.7 million to cover operating expenses. The budget that has been developed for the allocation of these funds complies with the amounts established by the Puerto Rico Oversight Board, which was established by the Puerto Rico Oversight and Management Stability Act (PROMESA) enacted by the U.S. Congress in 2016.

Budget cuts and adjustments similar to those of the current year will continue for several years. At the time of this writing, the average cut projected for the four-year period FY 2017-18 through FY 2020-21 in the UPRRP is approximately \$19.7 million annually. However, these cuts are not evenly distributed. Instead, the amount of cuts fluctuates substantially across the years included in this period.

**Table 4: Historical Account of FY 2016-17 to FY 2017-18**

<b>UPRRP Operating Budget FY 2016-17</b>	<b>\$ 241,505,251</b>
<b>Minus or plus adjustments to:</b>	
<b>Total Payroll Expenditures</b>	<b>(21,405,216)</b>
Faculty Salaries (produced from retirements and vacant positions)	(6,040,416)
Non-teaching Staff Payroll (produced from retirements and vacant positions)	(7,159,817)
Employer Contributions and Fringe Benefits (produced from retirements and vacant positions)	(8,204,983)
<b>Other Operating Expenditures</b>	<b>(4,293,493)</b>
Maintenance of Physical Infrastructure	403,244
Public Services and Utilities	(2,500,000)
Travel & Accreditation	(820,875.00)
Other Miscellaneous Costs	(1,375,862)
<b>Total of base budget adjustments</b>	<b>(25,698,709)</b>
<b>UPRRP Operating Budget FY 2017-18 (Unrestricted)</b>	<b>\$ 215,806,542</b>
<b>Plus adjustments to:</b>	
<b>Restricted Income for FY 2017-18</b>	<b>6,583,832</b>
Technology Fee	812,570
Indirect Costs (FADI)	1,423,720
Reimbursements of Income in Agreements with Units	200,000
Grants and Economic Support for Graduate Students	830,579
Special Support Fund for Disadvantaged Students	258,491
Matching Funds from Research Projects	602,806
Legislative Grants	2,455,666
<b>Projected Income from New Initiatives</b>	<b>1,300,000</b>
Income from Public and Private Sectors	500,000
Alumni Funds	500,000
Non Traditional Certifications and Course Offerings	300,000
<b>UPRRP Estimated Budget FY 2017-18</b>	<b>\$ 223,690,374</b>

Table 4 details how the \$17.8 million net reduction for FY 2017-18 has been successfully offset by means of a series of cost reduction measures and new income-generating initiatives. As the table shows, cuts in payroll and operating expenditures total approximately \$25.7 million. It should be noted that the cuts in payroll expenditure refer to the reassignment of funds that become available due to new retirements and the decision to maintain some positions vacant. Funding dedicated to operating expenditures will increase in one area in FY 2017-18, maintenance and physical infrastructure. This is due to urgent needs related to the conservation of campus facilities that include numerous historical buildings. As shown in the bottom portion of the table, restricted income for FY 2018-18 totals \$6,583,832 and the amount of income projected for new initiatives is \$1.3 million. The latter consist of public and private sector projects, Office of Communication, Development and Alumni initiatives, and courses offerings and certifications in our continuing education unit (DECEP). These sources of income will reduce the impact of recent budget cuts.

### **UPRRP Strategic Planning**

Strategic planning will take place considering how the campus can best assign resources and generate new funds. The UPRRP has made progress in developing its new campus-level plan that will replace Vision University 2016. The committee for developing the plan is focusing on: (i) effectively responding to the impact of the recent cuts to the university budget, (ii) regulations and guidelines provided by UPR System, including goals and initiatives associated with the system's new strategic plan (*A New Era of Innovation and Transformation for Student Success*), and (iii) specific recommendations and "next steps" that were identified in the UPRRP 2016 Self-Study for MSCHE.

#### System-level Goals

The UPR System's strategic plan assists in the formulating those specific goals and objectives relevant at the campus level. Two of its goals for sustainable management are especially pertinent to the formulation of strategies that will counteract recent reductions to the institution's public funding. These are:

- Goal 3: Optimize university operations in response to the financial changes and budget adjustments through best practices, in the areas of academic, administrative, technological and those related to redesigned processes.
- Goal 4: Diversify funding sources in order to increase the richness of the institution through local and international alliances with universities, government agencies, the private sector, competitive institutional research, and philanthropy.

Specific initiatives that respond to these goals, some of which are described below, are already being implemented at the UPRRP.

#### Self-Study Recommendations

The final self-study report that was completed in conjunction with the MSCHE team's visit to our campus also assists in identifying planning priorities. The new strategic plan will address the two recommendations made in the visiting team's final report. The first of these indicates that reorganization and administrative restructuring should be undertaken. The second is a recommendation related to Standard 3, Institutional Resources, which indicates that the campus should:

- Protect the funds that will allow it to continue to fulfill its mission of serving the citizens of the Commonwealth
- Protect the academic offerings available to students
- Protect its accredited programs
- Protect its research mandate

Those responsible for strategic planning on our campus are very much aware that the present scenario requires effective and inclusive communication, the continuous assessment of institutional practices, the evaluation and implementation of new strategies, and the decisive reassignment of resources in order to best respond to the institution's needs in time of economic uncertainty.

### Planning and Funding

It is imperative that strategic planning at both the system and campus level address the issue of funding. The financial plan accepted by the UPR Governing Board, which was approved on July 31, 2017 (Governing Board Certification 29, 2017-18), directly addresses the issue of generating additional incomes. The budgetary reductions associated with this plan make it clear that our campus must implement changes that will optimize operations in order to preserve its academic offerings and institutional priorities.

One of the guiding principles at the level of the UPR System is that each campus should undertake actions that will generate new and greater sources of income to the operational fund. These will complement system-level initiatives such as the Donating your Change to UPR Campaign and the UPR Commemorative License Plate Project, which are included in Law 41 of 2017, "the Financial Support for the UPR." At the UPRRP initiatives are already underway to establish a stronger relationship with our alumni, other supporters, and the public at large to ensure that these groups are targeted in fundraising initiatives.

### **UPRRP Projected Consolidated Budget FY 2016-17 to FY 2020-21**

Table 5 presents the projected consolidated budget for our campus for the five-year period FY 2016-17 through FY 2020-21. It shows state appropriations, sources of revenue, and new sources of funding.

As shown in Table 5, for FY 2018-19 through FY 2020-21, State Appropriation Assignments total \$205,016,000, \$181,774,346, and \$162,360,728 respectively. Each of these annual amounts represent cuts of -5%, -11.3%, and -10.7% when compared to the previous financial year. The UPRRP must increase its external fund pool and financial sustainability to compensate for these cuts. The UPRRP is also evaluating the effectiveness of strategies for revenue increase that have been implemented during the last three financial years.

In addition, in the area of additional incomes, new goals can be observed in areas such as projects with government agencies, fundraising efforts involving alumni, and continuing education offerings. One important area in the budget is indirect costs, which totals \$1,423,720 for both FY 2016-17 and FY 2017-18. Starting with the current AY 2018-19 income from indirect costs is projected to increase on an annual basis. This amount is projected to rise to \$5,078,178 in FY 2020-21.

**FY 2016-17 TO 2020-21**  
**Table 5: UPRRP Projected Consolidated Budget**

<b>Unit: Rio Piedras Campus</b>					
<b>Budget by Income Type</b>	<b>Financial Year</b>				
	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>
<b>A. Non-restricted Income</b>					
Institutional:					
Tuition, Fees, and Related Charges (not including technology fee)	\$ 17,411,750	\$ 17,411,750	\$ 31,042,616	\$ 31,042,616	\$ 31,042,616
Non-recurring Reserve	-	10,977,069	-	-	-
State Contributions:					
Law 2 - 1966 (Revenue by Formula)	214,054,197	173,262,018	163,934,080	140,692,426	121,278,808
Law 36 - 2005 (Gambling)	10,039,304	10,039,304	10,039,304	10,039,304	10,039,304
Other PR Government Contributions	-	4,116,401	-	-	-
<b>Total Non-Restricted Income for General Fund</b>	<b>241,505,251</b>	<b>215,806,542</b>	<b>205,016,000</b>	<b>181,774,346</b>	<b>162,360,728</b>
<b>Recurring Income Adjustments Compared to previous FY</b>	<b>-</b>	<b>(25,698,709)</b>	<b>(10,790,542)</b>	<b>(23,241,654)</b>	<b>(19,413,618)</b>
<b>B. Restricted Funds</b>					
Institutional:					
Technology Fee	812,570	812,570	812,570	812,570	812,570
Indirect Costs (Research Development and Support Fund, FADI)	1,423,720	1,423,720	1,584,969	3,479,217	5,078,178
Reimbursements of Income in Agreements with Units	200,000	200,000	200,000	200,000	200,000
Grants and Economic Support for Graduate Students	830,579	830,579	830,579	830,579	830,579
Special Support Fund for Disadvantaged Students	258,491	258,491	-	-	-
Research Projects Matching Funds	602,806	602,806	602,806	602,806	602,806
State Contributions					
Legislative Grants	2,455,666	2,455,666	2,455,666	2,455,666	2,455,666
<b>Total Restricted Income</b>	<b>6,583,832</b>	<b>6,583,832</b>	<b>6,486,590</b>	<b>8,380,838</b>	<b>9,979,799</b>
<b>Total Operational Income</b>	<b>248,089,083</b>	<b>222,390,374</b>	<b>211,502,590</b>	<b>190,155,184</b>	<b>172,340,527</b>
<b>C. Projected Income from New Initiatives:</b>					
Projected Income from Public and Private Sectors	-	500,000	1,000,000	2,000,000	3,000,000
Alumni Funds	-	500,000	700,000	1,000,000	3,000,000
Non-traditional Certifications and Course Offerings	-	300,000	1,000,000	2,500,000	5,000,000
<b>Total Projected Income from New Initiatives</b>	<b>-</b>	<b>1,300,000</b>	<b>2,700,000</b>	<b>5,500,000</b>	<b>11,000,000</b>
<b>Total Expected Operational Income</b>	<b>\$ 248,089,083</b>	<b>\$ 223,690,374</b>	<b>\$ 214,202,590</b>	<b>\$ 195,655,184</b>	<b>\$ 183,340,527</b>
<b>General Fund Expenses</b>	<b>Financial Year</b>				
	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>
<b>A. Recurring Operational Expenses</b>					
<b>Payroll:</b>					
Faculty Salaries	85,201,977	79,161,561	76,181,200	69,958,839	64,590,453
Non-teaching staff Salaries	54,688,762	47,528,945	43,766,802	39,602,802	36,338,802
Other Payroll Payments	1,582,600	1,582,600	1,582,600	1,582,600	1,582,600
Employer Contributions and Marginal Benefits	54,829,262	46,624,279	44,437,192	42,039,091	39,974,290
<b>Total Payroll Expenses</b>	<b>196,302,601</b>	<b>174,897,385</b>	<b>165,967,794</b>	<b>153,183,332</b>	<b>142,486,144</b>
<b>Operational Expenses</b>					
Materials and Services	6,129,792	6,129,792	5,929,792	4,729,792	4,556,813
Maintenance	3,098,323	3,501,567	3,571,567	3,668,323	3,768,323
Physical Facility Repairs	297,422	297,422	270,654	243,589	219,230
Leasing of Land and Equipment	137,871	137,871	125,463	112,916	101,625
Professional Service Contracts	549,000	549,000	549,000	449,000	349,000
Internet Service and Communications	105,500	105,500	96,005	86,405	77,764
Telephone Service	200,500	200,500	200,500	200,500	200,500
Security and Guard Service	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Student Medical Insurance	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000
Electricity	16,500,000	13,000,000	13,000,000	12,500,000	11,900,000
Water and Sewage	3,000,000	4,000,000	4,000,000	3,000,000	2,500,000
Gasoline Supply	129,037	129,037	129,037	129,037	129,037
Solid Waste Collection and Removal	125,000	125,000	125,000	125,000	125,000
Information Resources-Library Reference Materials	3,790,250	3,790,250	3,790,250	3,790,250	3,790,250
Information Resources-Library Acquisitions	783,000	783,000	783,000	783,000	783,000
Accommodation, Institutional Projection, Transportation and Meal Allowances	1,133,375	312,500	312,500	312,500	312,500
Program and Service Accreditation	365,035	365,035	365,035	365,035	365,035
Purchasing and Replacement of Equipment	163,579	163,579	150,857	135,771	122,194
Matching of Funds for Research Projects (includes matching funds and Central Admin. transf)	598,125	598,125	598,125	598,125	598,125
Students Grants and Financial Aid	3,242,401	3,242,401	4,241,501	1,489,801	1,560,180
Other Operating Expenses (includes reimbursements and indirect costs)	1,454,440	1,378,578	109,921	79,921	79,921
<b>Total Recurring Operational Costs</b>	<b>45,202,650</b>	<b>42,209,157</b>	<b>41,748,207</b>	<b>36,198,965</b>	<b>34,938,496</b>
<b>B. Additional Budget Expenses</b>					
Purchasing and Replacement of Equipment with Technology Fee	812,570	812,570	812,570	812,570	812,570
Other Operating Expenses-Indirect Costs	1,423,720	1,423,720	1,584,969	1,371,267	1,014,265
Matching of Funds for Research Projects-Reimbursement	200,000	200,000	200,000	200,000	200,000
Grants and Financial Aid-Graduate Students	830,579	830,579	830,579	830,579	830,579
Grants and Financial Aid-Special Fund	258,491	258,491	-	-	-
Matching of Funds for Research Projects	602,806	602,806	602,806	602,806	602,806
Grants and Financial Aid-Legislative Grants	2,455,666	2,455,666	2,455,666	2,455,666	2,455,666
<b>Total Additional Expenses</b>	<b>6,583,832</b>	<b>6,583,832</b>	<b>6,486,590</b>	<b>6,272,888</b>	<b>5,915,886</b>
<b>Total Operational Expenses</b>	<b>51,786,482</b>	<b>48,792,989</b>	<b>48,234,796</b>	<b>42,471,853</b>	<b>40,854,382</b>
<b>TOTAL EXPENSES (Payroll + Operational Expenses)</b>	<b>\$ 248,089,083</b>	<b>\$ 223,690,374</b>	<b>\$ 214,202,590</b>	<b>\$ 195,655,184</b>	<b>\$ 183,340,527</b>

## **Main Actions and Strategies to Increase Revenue**

The UPRRP receives external funds from diverse sources. In addition to the government of Puerto Rico, external funds come from competitive awards and minority research grants from the federal government, the intramural practice, alumni donations, general donations, and other initiatives.

At the campus level, actions to substantially increase funding will take place in four main areas:

- External Funds obtained through DEGI's Office of Sponsored Programs
- Initiatives of the Office of Communication, Development, and Alumni
- The Division of Continuing Education and Professional Studies (DECEP)
- Alliance initiatives between our colleges and schools and the public and private sectors

Efforts to increase revenue are concentrated in these areas because they show the greatest potential for growth. The DEGI's Office of Sponsored Programs, the Office of Communication, Development, and Alumni, and DECEP have each identified strategies for improving their income-generating initiatives. Their initiatives involve both the renewal of existing initiatives and the launching of new ones. With respect to the alliances, each of our colleges and schools have identified projects that they are willing to undertake. Initiatives that complement income-generating projects in these four areas will be organized throughout the campus.

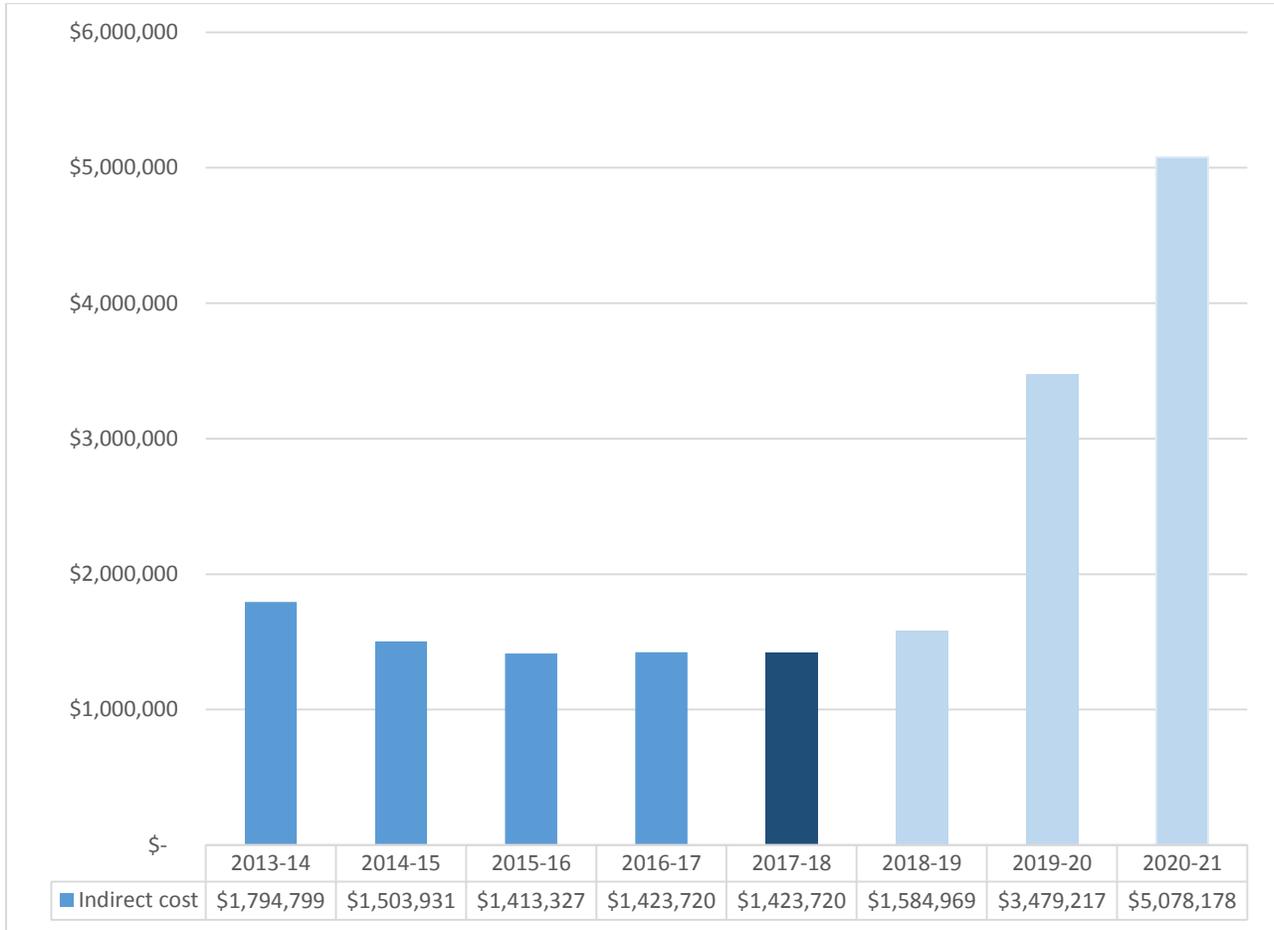
### External Funds and Sponsored Programs

The Office of Sponsored Programs, which is part of the Office of the Dean for Graduate Studies and Research (DEGI), works diligently with researchers to identify, elaborate, and submit proposals for external funds. During the second semester AY 2016-17, a total of 33 proposals for Sponsored Program awards were prepared and submitted. The total budget requested amounted to \$12.5 million.

Figure 1 presents Indirect Costs for FY 2013-14 to FY 2020-21. Figure 1 shows a decreasing trend through 2016. It can be observed from FY 2013-14 to FY 2016-17 with amounts at \$8,627,393, \$12,444,327, \$9,103,134 and \$7,920,665, respectively. In response, the UPRRP is defining and implementing strategies to attract extra university funds in a planned and systematic manner that will turn around this trend. The Office of the Dean for Graduate Studies and Research (DEGI) has presented an improvement plan that is focused on increasing the amount of external funds awarded to the campus (see Appendix 8, Plan for Improvements and Increases in External Funding). The initial steps of the plan have already been taken and its subsequent actions will coincide with the beginning of the semester. Future performance will be assessed and corrective actions implemented promptly to maintain increases in awards.

It should also be noted that the earlier periods shows higher total awards. Between FY 2007 to FY 2012 external funds increased from \$8,037,351 to \$34,568,120, for an increase of \$27,530,569 over five years. Causes for the decline over the last few years have been identified and corrections made so that the upward trend from the earlier period can be replicated starting in 2018-19.

**Figure 1: Indirect Costs Received and Projected, FY 2013-14 through 2020-21**



**Initiatives of the Office of Communication, Development and Alumni**

In conjunction with efforts to increase incoming funds, the UPRRP is placing an emphasis on targeting alumni. The goal for FY 2017-18 is to launch a new and more aggressive campaign that will generate a continuous flow of funds directly to the Campus General Fund. Totals for FY 2017-18 through FY 2020-21 are projected to be \$500,000, \$700,000, and \$1,000,000, \$3,000,000 for FYs 2017, 2018, 2019, and 2020, respectively.

This office coordinates a number of income-generating initiatives that complement fundraising focusing on alumni. These include an annual musical concert, income related to the use of campus space for filming and related projects, and the *Mi lupi* store in our student center.

**Continuing Education**

The Division of Continuing Education and Professional Studies (DECEP) offers short courses, certificates, and professional development opportunities to the public at large, with a focus on the external community and professionals. However, since its creation 60 years ago it has been conceptualized mainly as a unit that should provide services to the public, rather than a revenue generating enterprise for the UPRRP. A new vision for the DECEP is now being conceptualized. Among the changes will be a structure guaranteeing that

a fixed percentage of its income, income that consists of external funds, enters the Campus General Fund annually. This revenue will be a source of funding available for campus operations. A reorganization of this unit's structure will take place during 2017-18. It will be coordinated with the formulation of a new vision and mission statement and an Action Plan with specific revenue goals that begin in AY 2018-19. The goal is that this unit will generate \$5,000,000 by FY 2020-21.

#### Public Legislation and Alliances

On February 15, 2017 the Governor of PR signed Executive Order 2017-021, which establishes interagency partnerships as public policy. These partnerships will bring more economic resources to the UPR in order to strengthen its finances. This executive order was followed by Law 8 of 2017, which seeks to attract more institutional resources to the UPR System. In response to these opportunities, the UPRRP has prepared 47 proposals to be developed and submitted to agencies such as the Department of Education and the Department of Health. Projections related to these efforts amount to \$2,000,000 in FY 2019-20 and \$3,000,000 in FY 2020-21. These public partnerships will be complemented by alliances between the institution and the private sector.

#### **Other Initiatives**

##### Tuition

In 2018-19 an increase in tuition, fees, and related charges will be implemented for an increase in total projected revenues of \$13,630,866 in FY 2018-19.

##### Restructuring of Administrative Positions and Salaries

As of FY 2017-18, restructuring is taking place to ensure that savings through reductions in the amount of budget related to upper-level administrative positions. These savings relate to reductions in administrative posts and decreases in the economic incentives available to deans, directors, and other officials, for example. The goal is to reduce costs in this area by up to 20%. Projections are that reductions and reorganization will generate savings of approximately \$1,000,000 in compensation for FY 2018-19.

##### Assessment of the Academic Offering

The UPRRP is currently undertaking a campus-wide effort to evaluate all of its academic programs. Findings from these exercises will allow programs to better serve the student population while also reducing redundant expenses. Efforts will focus on several areas of improvement. It will include, for example, aligning scheduling with student preferences in order to ensure higher levels of enrollment in courses and the timely completion of degrees. In addition, careful multi-year planning of courses will ensure that students can take the required courses that they need when they need them and make progress toward the completion of their degrees. Best practices and ideas about how to better serve students will be shared across academic programs at both the undergraduate and graduate levels. The assessment of academic offerings will be organized in conjunction with efforts to maintain the accreditation of our programs and related standards of excellence.

##### Academic Workload

Governing Board Certification 60 2015-16 clarified the standardized credit hour/clock hours definition and related equivalencies. This measure, which will be fully implemented during AY 2017-18, ensures uniformity across campuses as well as within their colleges and schools with respect to the work of faculty members. It provides clear guidelines for determining the circumstances under which the institution should pay extra compensation, addressing topics such as course reductions, administrative tasks, and labor completed for research projects.

## The UPRRP Action Plan

The UPRRP has developed an Action Plan to ensure its ongoing compliance with Requirement of Affiliation 8 and Standard 3. It has **two main dimensions**: (i) effective and efficient operations (ii) additional sources of funding to advance institutional goals. The Action Plan, presented below as Table 6, consists of a series of proactive measures and activities that the institution is undertaking. The plan will result in actions such as the restructuring of administrative offices, the redistribution of tasks, the review of academic workloads, and administrative positions. With respect to financial measures developed to promote **institutional effectiveness and efficient operations**, the institution will proceed with the following course of actions:

- (i) The UPRRP will offer clear and precise information with respect to the status of the budgetary situation. The strategies to cover reductions to the already tight budget will be discussed and recommendations made by the Institutional Budget Committee, Chancellor, Deans and Units directors. These will inform improvements in operations and the management of financial resources. Also, the UPRRP will continue the practice of issuing written and electronic communications to the university community regarding all the cautionary measures adopted.
- (ii) The institution will continue to ensure strong linkage between units devoted to institutional planning and budgeting and those that work with finance and accounting. It will continue offering relevant trainings to non-teaching staff and administrators at all levels to ensure that effectiveness in these areas contributes to the sustenance of academic programs of rigor and high quality.
- (iii) The institution will take additional measures to improve administration organization and efficiency and reduce operating expenses.
- (iv) The institution will realign academic programs and services to better meet students' educational needs and support their academic progress. This will complement efforts to reduce operating costs.

The Action Plan's second part shows that the UPRRP is committed to ensuring **financial sustainability** through increases in external funding and growth in the income generated by specific internal initiatives and offices. Concerted efforts will be made to diversify and broaden sources of additional funding. These efforts support the fulfillment of our institutional mission, and the achievement of strategic goals, and continuity of operations, including the maintaining of standards of excellence in our academic activities. The campus has identified four actions to support institutional development in this area:

- (i) Strengthen the Sponsored Programs Office to increase revenue opportunities and obtain additional funding from external resources.
- (ii) Strengthen the Division of Continuing Education and Professional Studies revenue opportunities to obtain additional funding from external resources.
- (iii) Design and implement strategies to collect funding through the Office of Communication, Development, and Alumni.
- (iv) Promote the interagency partnership mandate of Executive Order 2017-021.

**Table 6: UPRRP Action Plan**

**A. Effective and Efficient Operations**

<b>OBJECTIVE: To maintain the high quality of academic offerings and services through the implementation of financial measures that permit the institution to sustain long-term operations in light of current fiscal constraints.</b>				
<b>ACTIONS</b>	<b>ACTIVITIES</b>	<b>RESPONSIBILITY</b>	<b>TIMEFRAME</b>	<b>CURRENT AND EXPECTED OUTCOMES</b>
<b>1. Offer all sectors of the campus community clear and precise information on the status of the budgetary situation and its impacts</b>	a. Identify strategies to cover unforeseen costs that shrink the already tight budget.	Chancellor	Ongoing	Report with recommendations Implementation of measures leading to greater efficiency
	b. Maintain written and electronic communications with the university community about all cautionary measures adopted.		Ongoing	Letters circulated communicating measures adopted Discussion in meetings of faculty and other sectors
	c. Assess the effectiveness of measures to counteract cuts and generate incomes.		Ongoing	Report with recommendations Implementation of new measures
<b>2. Ensure a strong linkage between institutional planning and budgeting, finance and accounting</b>	a. Continue offering trainings to administrators at all levels and staff, among others.	Dean of Academic Affairs	Ongoing	Annual schedule of meetings and trainings
	b. Ensure that colleges, schools, and other units have access to the information and data they need for (i) institutional assessment and (ii) development and implementation of their respective annual plans	Dean of Graduate Studies and Research	Ongoing	Participation in trainings and meetings
		Dean of Administration		Strategic plans informed by institutional assessment at the unit level
<b>3. Take additional measures to reduce operating expenses and better assist students in meeting their academic goals</b>	Carry out internal budget adjustments proactively	Deans and Unit Directors	Ongoing	Meet budget reduction Efficient use of reduced institutional resources
			Ongoing	Academic and services programs transformed Increased effectiveness
<b>4. Realign academic programs and services with students' needs to ensure their academic progress</b>	a. Assessment of effectiveness for each academic and service program to identify opportunities for improvement		Ongoing	Academic and services programs transformed Increased effectiveness
	b. Implementation of actions that support recommendations for each self study or program evaluation			

## B. Additional Sources of Funding to Advance Institutional Goals

**OBJECTIVE: To increase external funding sources and internal opportunities for income growth in order to support institutional development and sustainability.**

ACTIONS	ACTIVITIES	RESPONSIBILITY	TIMEFRAME	CURRENT AND EXPECTED OUTCOMES
1. Strengthen the Sponsored Programs Office in DEGI to increase revenue opportunities and obtain additional funding from external resources	a. Restructure the external funds unit to better improve its operations and generate revenue	Chancellor Dean of Graduate Studies and Research	Ongoing	External resources infrastructure integrated with other areas of the institution
	b. Implement the unit's action plan	Chancellor Dean of Graduate Studies and Research Deans	Ongoing	Increase in revenue from external resources
2. Strengthen the Division of Continuing Education and Professional Studies (DECEP) to increase revenue opportunities and obtain additional funding from external resources	a. Restructure DECEP to better improve its operations and generate revenue	Chancellor Division of Continuing Education and Professional Studies	AY 2017-18, 1 <sup>st</sup> semester	Report on the restructuring and implementation Greater efficiency and productivity
	b. Revise mission and vision	Chancellor Division of Continuing Education and Professional Studies	AY 2017-18, 1 <sup>st</sup> semester	Mission and vision revised and aligned with institutional goals
	c. Develop and implement the action plan according to the new mission	Chancellor DECEP Deans	Ongoing	Additional external funds for institutional development
3. Design strategies to increase funding through the Office of Communication, Development and Alumni	a. Restructure the fundraising infrastructure to generate increased revenue production.	Chancellor Office of Communication, Development and Alumni Dean of Academic Affairs	Ongoing	Report of the restructuration implementation
	b. Launch new fundraising campaigns with alumni	Chancellor Office of Communication, Development and Alumni Dean of Academic Affairs	FY 2017-18	Revenue increase received form fundraising campaign
4. Promote alliance initiatives between our colleges and schools and the public and private sectors	a. Implement projects for awarded proposals	Chancellor Deans	Ongoing	Revenue increase from interagency partnership
	b. Submit new proposals for alliances	Chancellor Deans	Ongoing	New proposals awarded Increase in external funding

### Section 3: Conclusions

Students' access to quality public higher education at the UPRRP is one of Puerto Rico's greatest assets and their success remains the institution's central priority in the current financial crisis. It is primarily through our students, the professionals and leaders of tomorrow, that the campus makes direct contributions to the social, economic, and culture development of Puerto Rico. This section presents conclusions that are important in context of current challenges and the institution's efforts to maintain its tradition of excellence. These are related to the areas of concern that MSCHE has expressed with the UPRRP's compliance with accreditation criteria: Requirements of Affiliation 3 and 8 and Standard 3 of the agency's publication *Characteristics of Excellence in Higher Education*.

The UPRRP recognizes that the interruption of on-site classes was a significant challenge. However, responsible actions on various fronts allowed the **continuation of academic activities and thousands of students have since made progress toward the completion of their degrees**. Evidence of continuity includes:

- (i) Communication involving students, faculty, and non-teaching staff secured the continuation of classes following the period in which access to campus was not possible. The semester's classes were reinstated on June 12th and ended on July 28th.
- (ii) Our faculty members restituted class time with rigor and commitment to comply with institutional guidelines and regulations and meet accreditation standards, as requested by their academic leaders.
- (iii) The UPRRP regained eligibility to operate Title IV funds through December 2018. It will apply for eligibility beyond that date according to established federal regulations. Financial aid programs (e.g., Pell Grant, work study program, federal student loans) are in place and operational. All students who normally rely on these forms of financial support to study on our campus have accessed them for the first semester of the AY 2017-18.
- (iv) The UPRRP completed the second semester of AY 2016-17 as scheduled on the revised academic calendar and graduated 2,307 students.
- (v) A total of 1,639 students just completed our summer session. On August 30th, degrees were certified for those graduating in summer.
- (vi) The first day of classes for our new AY 2017-18 is September 4, 2017. The campus will welcome approximately 16,602 students. As in recent years, the profile of our first-year class shows that those who choose to study at the UPRRP are among the most academically prepared of Puerto Rico's students.

As this review of recent events suggests, our academic calendar is in place and operational with students pursuing their academic goals, extracurricular activities, and degree programs. Admission, registration processes and financial aid assistance are working as usual, with all student support services, administrative and academic services completely operative. In addition, the Chancellor, deans, and office directors are in constant communication to assure the effective continuation of operations.

With respect to **finances and institutional resources**, the UPRRP has made administrative and academic plans that allow it comply with its strategic plan and counteract significant budget cuts. These plans involve a combination of three main actions: the reassignment of existing resources, administrative and academic restructuring for greater efficiency and effectiveness, and the renewal of specific incoming-generating initiatives. Several points addressed above in this report's second section should be underscored:

- (i) The UPRRP budget for FY 2017-18 has been approved by the Administrative Board and allows the campus to fulfill its mission and continue its academic and administrative operations without major difficulties. Short-term and long-term needs have been taken into consideration in development of the campus budget for this financial year.
- (ii) Initiatives focused on cost-saving, administrative restructuring, and the generation of new incomes have already begun and are reflected in budget projections. These initiatives have assisted the institution to effectively operate in the context of this year's budget reductions and they must be continued in order to counteract the cuts that will be implemented in the coming years.
- (iii) An action plan for next three years has been developed and is in the process of being implemented. This plan counteracts budget cuts and promotes ongoing sustainability. It must be carried out in order to ensure the continuous and efficient operations and to secure the additional sources of external funding needed to advance institutional goals. The present financial circumstances and the completion of its eight actions require support and cooperation from all sectors of the UPRRP community.