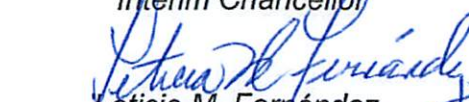


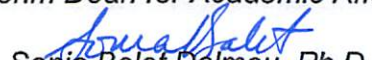
UPR RIO PIEDRAS CAMPUS  
UNIVERSITY OF PUERTO RICO



**Supplemental Information Report Update to the  
Middle States Commission on Higher Education**

  
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Due September 1, 2018

**Subject of Supplemental Update Report**

To accept the supplemental information report of March 2018 and the monitoring report of September 2017. To note the visit from the Commission representatives. To request a supplemental information report due September 1, 2018 documenting evidence that the institution has achieved and can sustain ongoing compliance with Standard VI and Requirement of Affiliation 11, including but not limited to (1) evidence that the institution has documented financial resources, funding base, and plans for financial development adequate to support its educational purposes and programs and to ensure financial stability; (2) updated information on the impact of the Fiscal Oversight Management Board's plan and proposed restructuring on the institution's status and finances (Standard VI); and (3) evidence that the institution demonstrates a record of responsible fiscal management, has a prepared budget for the current year, and undergoes an external financial audit on an annual basis (Standard VI and Requirement of Affiliation 11). A small team visit will follow submission of the report. Upon reaffirmation of accreditation, the date of the next evaluation visit is 2024-2025.

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## INTRODUCTION

**(Section supplied by Central Administration, included by all System units.)**

The University of Puerto Rico Rio Piedras Campus submits this Supplemental Updated Report as requested by the Middle States Commission on Higher Education on June 25, 2018. It addresses Requirement of Affiliation 11 - financial resources, funding base, and plans for financial development as well as undergoes an external financial audit on an annual basis, and Standard 6 – Planning, Resources and Institutional Improvement of *Characteristics of Excellence*.

## MSCHE REQUEST FOR FOLLOW-UP TO RIO PIEDRAS CAMPUS

MSCHE's action on June 21, 2018 led to the following request to the UPR Rio Piedras Campus: To accept the supplemental information report of March 2018 and the monitoring report of September 2017. To note the visit from the Commission representatives. To note that the institution is now in compliance with Requirement of Affiliation 2 (formerly Requirement of Affiliation 3). To request a supplemental information report due September 1, 2018 documenting evidence that the institution has achieved and can sustain ongoing compliance with Standard VI and Requirement of Affiliation 11, including but not limited to (1) evidence that the institution has documented financial resources, funding base, and plans for financial development adequate to support its educational purposes and programs and to ensure financial stability; (2) updated information on the impact of the Fiscal Oversight Management Board's plan and proposed restructuring on the institution's status and finances (Standard VI); and (3) evidence that the institution demonstrates a record of responsible fiscal management, has a prepared budget for the current year, and undergoes an external financial audit on an annual basis (Standard VI and Requirement of Affiliation 11). A small team visit will follow submission of the report.

## UPRRP AY 2017-2018 UPDATED INFORMATION

**(The following 3 paragraphs supplied by Central Administration, included by all System units.)**

The Rio Piedras Campus is part of the University of Puerto Rico (UPR) System, a multi-campus, state-supported institution of higher education licensed by the Puerto Rico Education Council (Certification CEPR 2018-210) (see Appendix 1). A board composed of 14 members governs it. It is composed of two students (elected), two faculty members (elected), 8 citizens from the community appointed by the Governor, and two ex officio members (the Education Secretary and a representative of the Financial Advisory Authority and Fiscal Agency, created as part of the government debt restructuring and economic development process mandated by the *Puerto Rico Oversight, Management, and Economic Stability Act* (PROMESA) enacted by the US Congress in 2016. On July 7, 2017, the Board of Governors elected Walter Alomar, Esq., as President, and Zoraida Buxó, Esq., as Vice President (Certification 1, 2017-2018). Newly designated President of the University of Puerto Rico on July 3, 2018, Dr. Jorge Haddock, will assume its position on September 4, 2018 (Certification 1: 2018-2019, UPR Board of Governors) .

The President is the Chief Executive Officer of the UPR System appointed by the Board of Governors for an indefinite term. He presides over the University Board, which is composed of the eleven campus chancellors, faculty representatives of each campus academic senate, student representatives, and the Central Administration Vice President for Academic Affairs and the directors of the Finance, Planning and Development, and Budget Offices. Law 1 of 1966, as amended, and the *UPR General Bylaws*, as amended, mandate the structure of the university and its units.

With the approval of the *Puerto Rico Oversight, Management, and Economic Stability Act* (PROMESA) in 2016, the island entered a challenging debt restructuring and economic development process under the purview of the Puerto Rico Oversight Board. The University of Puerto Rico, as a state-supported, higher education institution, was among the agencies targeted for a considerable funding reduction. The 11 campuses of the UPR System are impacted due to a reduction in state funding (state appropriations). Change must come swiftly in order to emerge from the crisis to fulfill its mission. The 11 campuses along with the support of the UPR Central Administration will secure additional funding, sale of services, use of technology to increase efficiency, and transforming the educational offering based on assessment findings to respond to the island's new reality and a new generation of students.

### **Update- Rio Piedras Campus Institutional Profile for AY 2018-19**

UPRRP realigns its commitment to excellence in research, creation, teaching, and service with greater fiscal sustainability, as the Campus community agreed upon in its recently approved Strategic Plan, *Commitment 2023* (May 24, 2018, Appendix 2). The institution has cut costs, launched initiatives to generate new recurrent funds and restructured processes and units to manage its resources responsibly, increase institutional effectiveness and safeguard the widely recognized quality of its programs and services.

UPRRP is the only higher education institution in Puerto Rico with the Carnegie classification of Doctoral University of Higher Level of Research (R2). This classification, the result of the combined efforts of all sectors of our community, positions it in the top 6% among more than 4,000 institutions classified in the United States. Ours is the institution with the widest variety of degree-granting programs in Puerto Rico and the island's largest student body.

### **Number of Students, Faculty and Non-Teaching Staff**

During the 2018-2019 academic year, UPRRP received 11,573 undergraduates and 3,232 graduate students for a total of 14,805 most of them enrolled full-time students. The Campus' prestigious and diverse faculty has professional expertise, international experience, and solid academic credentials. Approximately 900 professors teach full-time and 84% of those with tenure or tenure-track hold a doctorate or the highest degree in their field. Our campus has a qualified and committed non-teaching staff, which in AY 2018-19 totaled approximately 1,400 full-time employees.

### **Academic Offerings and Accreditations**

UPRRP offers 65 bachelor degrees and the most comprehensive graduate level education on the Island: 41 Masters, 15 Doctorates. and one first professional degree (44% of the UPR



System offerings at the graduate level). Law students can conduct joint or double degree studies with universities in the United States and Europe, thus increasing the academic and professional opportunities of our students. The following international joint programs are available: Double and Triple Degree Program with the University of Barcelona, International Studies Certification Program with the University of Antwerp, Belgium and Joint Juris Doctor Program / Master in Public Policy with the University of Minnesota. The Campus also offers a JD/MD, a JD/MBA and a JD/Arch.

The Campus academic offerings total 127 programs of which 24 are unique, such as the Bachelor of Arts in Geography, the Doctor of Philosophy in Mathematics and the Master in Sociology. Of its 57 programs susceptible to accreditation, 55 are currently accredited (more than 95%). The Campus History, Anthropology and Art Museum is the first university museum accredited in Puerto Rico by The American Alliance of Museums (AAM). The Library System is certified by the Association of College and Research Libraries (ACRL).

### Current Operations Status

The Campus is operating normally. Second Semester 2017-18 ended successfully. Summer sessions of 4 and 6 weeks were offered from June 25 to July 17 and August 7 respectively. First Semester 2018- 2019 started in August 20, 2018. Some services are being offered in alternative locations, as reconstruction due to the severe damages of Hurricane Maria is underway. For example, Medical Services has been temporarily reassigned to the Student Center. Doctors are available, and they see patients based on consultation. Relocated Counselling services (DCODE) have been offered normally. Graduate Network Commons services (*Red Graduada*) are also being offered on a regular basis, as mentioned below in the Learning Resources section.

### Number of Graduates for AY 2017-2018

During the 2017-2018 academic year, the institution awarded 2,331 degrees; the rate of retention for the past five years averages 88%, and in 2018 the undergraduate level graduation rate was 58.6% within 6 years, the highest among comparable institutions of higher education in Puerto Rico and in the UPR System. At the 2018 commencement ceremony, 69 doctorates were awarded.

### Enrollment trends

As shown in Table 1, new freshmen admissions remained fairly stable between 2017 and 2018, and enrollment increased by 2%.

**Table 1** Undergraduate: New Admissions Freshmen – First Semester 2017, 2018

2017			2018		
Applicants	Admitted	Enrolled	Applicants	Admitted	Enrolled
6,572	2,325	2,139	5,875	2,388	2,189
Difference			-697	-63	+50 (+2%)

Total Campus enrollment, 14,805, differed less than 1% from projections (15,100) and from last AY enrollment (15,122), by 2%.

Table 2 shows an increase of 4% in graduate students enrolled in 2018. An enrollment management project was intensively and successfully implemented in AY 2017-2018, as is



**Table 2** Graduate: Applications, Admissions, and Enrollment  
First Semester 2017, 2018

2017				2018		
	Applicants	Admitted	Enrolled	Applicants	Admitted	Enrolled
Masters	831	576	2,280	756	566	2,386
Doctorate	191	122	821	166	121	846
Total	1,022	698	3,101	922	687	3,232
Difference						+131 (+4%)

### Curricular Changes and Program Assessment

As a result of a rigorous process of assessment and reflection of the academic offerings, the Institution has been actively working to improve program effectiveness. Several programs have already implemented concrete actions. Some of these actions focused on curricular revisions, resulting in:

1. consolidation or merge of programs that make viable the best use of available resources, while offering varied and updated programs to students, such as consolidation of two majors in the English Department, College of Humanities
2. moratoriums of programs that have lost relevance. For example, the moratoriums of 4 undergraduate levels programs and 3 graduate level programs, College of Education and College of Social Sciences.
3. curricular alignment between related programs, such as the alignment between the Music Department, College of Humanities, and the Bachelor of Arts in Education in Music, College of Education, and the curricular revision and creation of a new emphasis area for the Interdisciplinary Program, College of Humanities
4. intra- and inter-faculty agreements that guarantees the maximization of human and fiscal resources, such as the Bachelor of Arts in Music of the College of Humanities, an important step in moving towards the accreditation of the Music Program.

The institutional processes that guarantee quality, rigor and pertinence in our academic offerings continue as usual. Incentivized by new policies and regulations for undergraduate studies approved by the Governing Board (Certification 69, 2014-2015), academic programs have been actively working in new trends or curricular routes that offer students more opportunities and an integrated academic experience. Some initiatives have to do with the creation and approval of new academic programs:

- Master in Management and Development of Cooperatives and Community Based Organizations, College of Social Sciences – Approved and Implemented
- Master of Information Sciences, Distance Education Modality – Approved by Academic Senate, under Administrative Board consideration. It should be noted that this Distance Education initiative moves the Campus towards the strategic goal of increasing graduate recruitment abroad and diversifying options for in state students. Other programs, like the Master of Law and the Master in Applied Mathematics are in process of being converted to this modality.

During the last three years the following innovative Minors have been created:

- Minor in Business Communication, Business Administration College – Approved and implemented
- Minor in Applied Statistics – Business Administration College – Pending for Academic Senate Approval
- Minor in Integrated Practice of Architecture and Engineering Construction, School of Architecture. Join project with UPR Mayaguez Campus – Approved and implemented
- Professional Certification in Cyber Security, Computer Sciences Department, Natural Sciences College - Pending College Approval
- Minor in Human Rights, Bachelor Program, General Studies College – Approved and implemented
- Emphasis Area in Multidisciplinary, Plastic Arts Program, College of Humanities – Approved and implemented
- Minor in Medical Humanities and Health, Interdisciplinary Program, College of Humanities –Approved and implemented
- Professional Certification in Autism, College of Education – Approved and Implemented
- Emphasis Area in Films and Audiovisual Studies, Interdisciplinary Program, College of Humanities – Approved and implanted
- Minor in Cooperative and Self-Management at Work, Institute of Labor Relations, College of Social Sciences – Approved and implemented
- Minor in Organizational Responsibility, Psychosocial and Legal Protection of Workers, Institute of Labor Relations, College of Social Science – Pending Academic Vice-presidency approval

The Campus has focused on short minor programs, as listed above, some aiming at fulfilling academic needs common to all majors on Campus. They consist of 9 to 12 credits and expand students skills and fundamental knowledge according to new trends in the disciplines, such as, the Minor in Applied Statistics to fortify analytical skills. At Department level, innovative adjustments to course contents and educational strategies are constant.

## **Instructional and Learning Resources**

### **Library Resources**

As previously reported in our supplemental report of March 2018, some library services were relocated and services have been offered normally. The Communications Library was relocated to the first floor of the Dr. José M. Lázaro Library (our main library building), where it shares facilities with the Reference and Journals Collection. The School of Architecture and School of Law Libraries are in normal use.

### **The Graduate Network Commons (*Red Graduada*)**

The Graduate Network Commons (GNC) is a unit of the Office of the Dean of Graduate Studies and Research devoted to support the needs of graduate programs in the Río Piedras Campus. Its main objective is to support the academic and research activities of this specific community. The GNC, while relocated, continues to offer a variety of activities to its graduate community constituents.

## **Learning Effectiveness and Assessment of Student Learning Outcomes- closing the loop**

There is an increasing trend, 94%, in the proportion of graduating students who indicated in the Senior Exit Survey that the UPRRP contributed to develop their research skills. The Office of Learning Assessment has received student learning assessment reports (of AY 2017-2018) corresponding to approximately 41% of the programs. It should be noted that the deadline for receiving the reports for the AY 2017-2018 is August 31, 2018. Eleven learning outcomes were assessed at the undergraduate and the graduate levels.

Results show that the undergraduate level has met expectations for 8 of the learning outcomes measured (Content Knowledge, skills or dispositions in the Academic Program, Critical Thinking, effective Communication skills, Ethic and Aesthetic Sensibility, Information Literacy, Logical-mathematical Reasoning, Research and Creation and Social responsibility) and that achievement level can improve for three: Capacity for Independent Studies, Knowledge integration and Ongoing (Lifelong) Learning. At the graduate level, the expected achievement level has been reached in all the measured domains (Capacity for Independent Studies, Content Knowledge, Skills or Dispositions in the Academic Program, Critical Thinking, Effective Communication Skills, Ethical and Aesthetic Sensibility, Information Literacy, Knowledge Integration, Logical-mathematical Reasoning, Research and Creation, Social Responsibility and Team Work).

Transformative actions implemented include: curricular changes, reorganization of syllabi, revision of rubrics and the implementation of pilot projects, among others.

### **New Calendar for AY 2018-2019 and Successful Completion of AY 2017-2018**

#### **Academic Year 2017-18, 2<sup>nd</sup> Semester**

The second semester for academic year 2017-18 began on March 9th and 12th for Saturday and day/evening offerings, respectively. It ended on June 5, 2018. Final exams were administered from June 7 – 14, and grades were due on June 18, 2018. This 12-week second semester was scheduled to regain normalcy and ensure the offering of summer sessions. This adjustment means that the normal 15-week semester was shortened by three weeks. In similar fashion, the total number of weeks for our academic year was 27 rather than 30 weeks with the required number of contact hours.

#### **Summer 2018**

UPRRP was able to provide professors with agreed upon summer release time for research. In addition, it means that students were able to complete internships, clinics, and summer research. The 4 and 6 weeks summer sessions were offered. The 4 weeks summer session started on June 25 and ended on July 16, with Final exams on July 17. The 6 weeks summer session was offered from June 25 to August 7 and the Final exams on August 8 and 9.

#### **Academic Year 2018-19, 1<sup>st</sup> Semester**

The first semester for the academic year 2018-19 began on August 25 and 20 for Saturday and day/evening offerings, respectively. It will end on December 10, 2018. Final exams will take place from December 12 – 19, and grades are due on December 21, 2018 (See Appendix 3: Academic Calendar AY 2018-19, 1<sup>st</sup> Semester).

### **Campus Achievements and Developments**

Institutional effectiveness has been a strong component that has guided the Campus to reach the outstanding achievement and development initiatives that follow:

### **Commitment 2023 – a new operations model**

The UPRRP community has responded to its new fiscal reality. On May 24, 2018 the Academic Senate approved a 5 year Strategic Plan, *Commitment 2023* that renews faculty, student and staff's confidence in the strengths and fundamental values of our Campus. The Plan shows keen awareness of the challenges ahead and a more focused perspective based on a clear consensus about key priorities. It contemplates a well thought set of attainable objectives and manageable indicators. It is a definite response to present-day economic and financial unprecedented issues.

The Plan focuses on 4 priority areas: 1. research and creation; 2. innovative academic offerings and student success; 3. university social responsibility and community networks, and 4. fiscal sustainability, efficiency and effectiveness. It must be noted that one of the four priority areas (Priority Area 4) addresses the implementation of a more sustainable management model in order to secure effective and efficient operations in our campus. The commitment to excellence in teaching and research remains firm, while the need to redirect the sense of social responsibility with relevant programs of community interaction and innovation is emphasized.

As was intended, the 2016 UPRRP self-study process for reaffirmation of accreditation was the foundation for the new strategic plan. Self-study activities took place shortly before the next planning period in 2016, thus, offering a remarkable opportunity to think about the future in a more integrated manner. The self-study report of 2016 was extensively participative among important constituencies, for it required review and comment by all sectors of the campus community. All recommendations resulting from the self-study process were considered in determining new priority areas, goals and objectives to guide the next planning period 2018-2023.

Significant milestones were achieved to consolidate a shared vision for the next five years. On November 2017 a working group was assigned with the task of continuing the planning process and generating a fresh look at options. Given the intensifying challenges of the fiscal crisis, the goal was to produce a guide to planning and allocation of resources that would promote three core components: institutional and academic renewal, student success, and ultimately, Puerto Rico's advancement. New directions taken were based on disseminated information and a forward- looking approach, given the fragile social and economic context at the time. *Commitment 2023* was presented to the campus community through a special web-based survey from March 7 to March 23. It generated multiple further recommendations from all campus community sectors, as well as from employers, government officials, entrepreneurs, and other members of the different social and economic scenarios. This high level of participation created an atmosphere of common purpose and shared commitment.

Accordingly, on May 24, 2018 the final draft of *Commitment 2023*, was considered and approved with recommendations by the Academic Senate. This approval reaffirms the Campus' determination to redirect itself on critical issues related to its operations and administrative practices. It expresses a clear mandate to maintain UPRRP's research profile, strengthen innovation in academic offerings as a main goal of all programs, and reaffirm the sense of university social responsibility with programs attentive to community

needs. Above all, the plan acknowledges that student success and readiness for insertion is a top priority in a world where technology and high level competencies are central for responsible citizenship and for competing successfully in the market place worldwide. Student success is the center of the approved goals and objectives. As stated in its mission, *Commitment 2023* provides a roadmap to address fundamental changes. It is aligned with the UPR System Strategic Plan.

The new strategic plan also addresses the two recommendations made in the MSCHE visiting team's final report of 2016. The first of these states that *reorganization and administrative restructuring should be undertaken to improve effectiveness* (Priority area 4). The second is a recommendation also related to Standard VI concerning allocation of institutional resources, stating that the campus should *protect the funds that will allow it to continue to fulfill its mission of serving the citizens of the Commonwealth* (Priority area 3); *protect the academic offerings available to students* (Priority area 2); *protect its accredited programs* (Priority area 2); and, *protect its research mandate* (Priority area 1).

Finally, *Commitment 2023* acknowledges the critical fiscal situation of the government of Puerto Rico. As such, the strategic plan clearly points to implementing a culture of fiscal sustainability to counteract the decreasing government budget assignments. This approach represents a new operations model in which increasing fiscal sustainability through collaborations and new sources of funds, and efficiency in operations, are de facto mandatory in the Campus agenda of the next five years. (Priority area 4). An operational plan is currently in the works by a task force.

As stated in the UPRRP planning-budgeting-assessment policy (Administrative Board Certification 038, 2011-2012) and, in compliance with the established timeline, the planning process continues with the implementation phase which integrates all colleges and schools, deanships and administrative offices. Each unit is required to complete and submit a template by next September 23<sup>rd</sup> which includes the following planning components: 1) formulation of specific goals and objectives; 2) definition of strategies, projects, activities and initiatives to operationalize each goal and objectives; and, 3) outcome indicators and metric. The assessment plan is integrated to the development plan, and for each project and objective, the unit designates a person in charge and the methods to collect outcome data. Once the template is implemented, the unit will report outcomes, percent of accomplishment and, using the data, decisions or actions taken to sustain renewal and improvement. Each year all units are required to submit an Annual Work Plan, focusing on the objectives and expected outcomes for each of the five years.

### **Recognized Effectiveness**

During these recent years, UPRRP has maintained the highest graduation rate in the UPR System, 56% in 2016- 2017 and up to 58.6% in AY 2018. As mentioned earlier in this report, 84% of its tenure or tenure track faculty has a doctorate degree or the highest degree offered in the discipline. As is characteristic of UPRRP, the Campus has successfully managed its resources to support academic priorities, research, and travel, resulting in broad recognition of student success and faculty enrichment.

As experienced annually, on AY 2016-17 and 2017-2018, faculty and students have excelled locally and internationally by receiving grants for research, scholarships for graduate

studies, prizes, and a variety of special recognitions. Several have received prestigious awards for the areas of Anthropology, Language, and Education. One professor was distinguished with three fellowships for his Anthropology project, one of them from the American Council for Learned Societies. A Language student earned the Boren Awards scholarship to study Russian in Latvia, while an Art Education professor deserved the Leonardo da Vinci World Award of Arts sponsored by the World Cultural Council located in Mexico City. Business Administration students have twice earned prizes and recognition at the Business Professionals of America competition, and Architecture students won first place in the Nemrut Volcano Eyes competition in Turkey and deserved the BB Student Award offered by the sponsors. Among many other examples of productive performance and travel, outstand those of professors who have been invited to act as keynote speakers at important academic meetings, to be evaluators for the highest level of the *VentureWell E-Team* contest, namely two Business Administration professors, or to form part of the Latin American Science Academy, as is the case of a Biology professor. Particularly noteworthy and path breaking is the project of a research group of Natural Science College faculty and students. Under NASA's supervision, they are inventing a urine purification device to be applied next year at the International Space Station, funded by NASA EPSCoR in collaboration with NuVant Systems, Inc. and NanoRacks commercial space company. More details at: <http://www.uprrp.edu/?cat=6>.

### **Professional Accreditations**

The Campus has also moved ahead in strengthening the quality of its 55 professional accreditations (more than 95% of its 57 susceptible programs are accredited). For example, the College of Business is accredited by the Association to Advance Collegiate Schools of Business (AACSB), the first public business school to achieve this distinction in the Caribbean Region. Five programs, such as the Master in Public Administration, received accreditation visits in the past three years. Various received commendations. The Master in Planning, a unique program in Puerto Rico and the only accredited in Puerto Rico and the Caribbean, received outstanding reviews in their last accreditation visit in February, 2017.

### **Top Quality Students**

The Institution has allocated resources effectively to support its programs and services providing thousands of students with a high quality affordable education. Many graduates were admitted into top-notch doctoral programs in the US and abroad. A student from the Natural Sciences College obtained a 97% percentile on the MCAT, one of the highest in the world.

### **Strengthening Graduate Enrollment Management and Research**

During AY 2017 the Dean of Graduate Studies and Research (DEGI) took definite steps to strengthen the Campus competitiveness at the graduate level and to address the declining enrollment trend. In the past year, DEGI has intensified the promotion of UPRRP Graduate Program. As the initial application deadline of February 16 approached there were only 156 graduate applications. The DEGI established a plan of action (there were 11 distinct recruiting events between January and March 2018), moving the application deadline, among others. As a result, applications increased significantly in two months, from 156 in February 6 to 909 in April 6; and graduate program enrollment increased by 3% this current academic year (Table 2). These initiatives and the experience of 2017-18 have been incorporated to the recruitment plan for this upcoming academic year. Enrollment numbers

reflect confidence in UPRRP's commitment to academic quality and responsible management.

DEGI has also placed emphasis on out of state students, particularly on recruiting Latino students from the mainland, and recruiting foreign students, predominantly from Latin America. This recruitment effort focuses on two competitive advantages of the UPRRP: 1. programs accredited by American organizations, such as the MBA among others, which is always attractive to foreign students, and 2. most classes taught in Spanish. To strengthen research experience for these students, the UPRRP 2018 AY budget increased the allocation to research managed by the Deanship of Graduate Studies by \$1.5M. These additional funds will be used for matching funds, promoting new research/creation projects and support for patent and intellectual property proposals.

### **Restructuring of the Division of Continuing Education (DECEP)**

The goal of fiscal sustainability mandates strengthening Campus' tools and means to facilitate and promote revenue generation both from institutional initiatives as well as from projects emerging from Schools and Colleges. Currently, the Campus is actively implementing the transformation of the Division of Continuing Education (DECEP) into the Campus economic engine. One objective this year is streamlining processes ranging from conceptualizing the products, scheduling and implementing offerings, marketing, billing and payment processes, and recruiting specialized staff. In this way DECEP takes a leading role to advance Priority Area 4, Goal 4.1 of *Commitment 2023*, and the goal of increasing fiscal sustainability, while innovating in distance education offerings and reaching out to new populations.

The restructuring process is taking place while the unit is implementing projects to generate new revenues, as detailed in the Rio Piedras Campus Financial Overview section.

## **SUBSTANTIVE NARRATIVE AND ANALYSIS**

### **UNIVERSITY OF PUERTO RICO SYSTEM FINANCIAL OVERVIEW**

**(Section supplied by Central Administration, included by all System units.)**

Puerto Rico is currently experiencing a fiscal crisis never seen before in the history of the Island and is currently undergoing a recovery and mitigation phase due to the natural disasters of Irma, María and Beryl Storm. Since Puerto Rico's economy began to contract in 2006, the economy has shrunk by more than 10 percent and employment on the island has fallen by 14 percent. Poverty levels are the highest in the nation. The number of residents living at or below the federal poverty level exceeds 45 percent, compared to a national average of about 16 percent. The worsening financial crisis and the negative impact of Hurricane María have already caused residents to flee the island at an alarming pace.

Hurricane Maria has caused unprecedented and catastrophic damage to Puerto Rico, its people, and its businesses. According to current estimates, Hurricane Maria caused significant damages and financial losses. On August 9, 2018, the Governor of Puerto Rico submitted a report to the US Congress: "Transformation and Innovation in the Awake of Devastation; An Economic and Disaster Recovery Plan for Puerto Rico" (Appendix 4). As documented in this extensive and comprehensive report, the cost of the recovery is



estimated in \$139 billion. The US Government has already allocated \$16 billion in federal aid under a disaster recovery package signed by U.S. President Donald Trump, on February 2, 2018. It is expected for the rest of the budget to be assigned and received during the course of the next 10 years to rebuild Puerto Rico in the aftermath of Hurricane Maria.

The University of Puerto Rico has been directly affected by the economic scenario. The University of Puerto Rico appropriation baseline should remain \$708 million in FY 2018 and remains approximately \$717 million for FY 2019-2023 according to the PR Fiscal Plan. These numbers follow amounts mandated by the Puerto Rico Oversight Board established by the Puerto Rico Oversight, Management, and Economic Stability Act (PROMESA) enacted by the United States Congress in 2016. In compliance with the Puerto Rico Oversight Board requirements, FAFAA, the University Board and Central Administration recommendations, the University of Puerto Rico Board of Governors approved the *UPR Budget for FY 2019* on July 20, 2018 (Certification 118: 2017-18; see Appendix 5) to meet its fiduciary responsibility while maintaining institutional integrity, financial sustainability, fulfilling its mission, and supporting its academic offerings. Two meetings have been conducted among the UPR CFO and Budget Directors and the 11 campuses Budget Office Directors with the main objective of discussing the budget. The Central Administration officials are aware of the impact and consequences of reducing the budget to the campuses. Additional allocations have been added to the campuses budgets, in order to strengthen teaching component, such as, administration of 75% of indirect costs by the units, increase in technology fees charged to students and a budgetary assignment for research development.

The Total General Fund (State Appropriations and other UPR Revenues) for the university for FY2017-2018 compared to FY 2018-2019 is illustrated in the following table:

**Table 3: General Fund: State Appropriations and other revenues for University of Puerto Rico. Fiscal Year 2018 vs FY 2019**

Source of Funds	FY 2018	FY 2019	Change Col 2 – Col 1
<b>State Appropriation</b>			
Law 2 - 1966	\$631,210,000	\$587,136,000	(44,074,000)
Law 36 - 2005	\$62,000,000	\$59,130,218	(2,869,782)
<i>Sub-total</i>	\$693,210,000	\$646,266,218	(46,943,782)
<b>Other UPR revenues</b>	\$187,519,000	\$240,451,003	52,932,003
<b>Total General Fund</b>	<b>\$880,729,000</b>	<b>\$886,717,221</b>	<b>\$5,988,221</b>

The Budget Project as determined by Certification 100: 2005-2006 is clearly illustrated in Appendix 6.

The certified distribution of the General Fund-UPR budget amounts to \$886,717,221; it includes \$12.3 million non-recurrent for this FY, coming from funds generated by available balance in the UPR bank account (Certification 2: 2018-2019, UPR Board of Governors). See Budget Document “*Memorial del Presupuesto 2019*” (see Appendix 7).

**The Budget’s guiding principles were:**

1. State Appropriations are calculated by the established formula on Law 2 – 1966, as amended. They also include revenues from gambling as established by Law 36 – 2005. These revenues were updated and reviewed according to last projections of Tourism and align with FOMB.
2. Implement the UPR *Strategic Plan 2017-2022* based and its four major target areas (educational environment, research and creative work, service to diverse communities, and sustainability) to achieve student success.
3. Administrative prioritizing and academic transformations are guided by efficiency and effectiveness criteria to ensure the fulfillment of the UPR mission.
4. Continue the process of internal evaluation of administrative, academic and service operations with the purpose of improving the efficiency in the use of public funds and exercise financial responsibility and accountability, in coordination with the UPR System units.
5. Implement expense reduction measures at the UPR Central Administration, including operating and general expenses, and system service costs.
6. Reduction or elimination of the budget assigned to the vacant positions due to personnel retirement (2-6% attrition), during the current fiscal year (2017-2018), as required by the FOMB.
7. Diversify revenues through tuition fees increase, patents, government and UPR contractual agreements (Executive Order 2017-021), online academic offerings, collaborative agreements with the Department of Education and with local municipalities, and other initiatives such as the medical and cannabis project.
8. Increase in tuition fees for FY 2019 at the undergraduate level up to \$115 per credit (Certification 93: 2017- 2018) (see Appendix 8) and increase in tuition at Graduate Level up to \$255 per credit (Certification 111: 2017-18, as amended) (see Appendix 9).

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<sup>1</sup> US Department of Treasury (2018). Puerto Rico Economic and Fiscal Crisis at [https://www.treasury.gov/connect/blog/Documents/Puerto\\_Ricos\\_fiscal\\_challenges.pdf](https://www.treasury.gov/connect/blog/Documents/Puerto_Ricos_fiscal_challenges.pdf)

9. Increase in Institutional and Technology fees and other services, align with the UPR Fiscal Plan.
10. The tuition fee waivers policy was reviewed, according to the approved UPR Fiscal Plan (Finance Letter 19-02) (see Appendix 10).
11. There were no reductions in utilities, such as, telephone lines rent, Internet, communication, security, student health insurance, electricity, water, sewage and fuel. Also, library subscriptions to magazines and books, transportation and programs' accreditation expenses, equipment purchases, students' stipends. Tuition fee waivers to students in the honor, teaching and research assistantships programs were not altered. Research matching funds allocations for projects FY 2019 were not reduced.
12. Proactive actions to generate new and increase existing sources of income for the operational fund. Establish a constant relationship with our alumni and other potential collaborators or donors of the UPR to additionally support the University.

The UPR is conducting a substantial restructuring project of its operations and also identifying a number of revenue generating initiatives and expense containment measures to address the reduction in government appropriations and funding. Thus far, and by implementing all the above stated measures, the UPR will be in a position to accomplish its mission, contribute to the socio-economic development of Puerto Rico, and comply with Standard VI and Requirement of Affiliation 11 of MSCHE.

## **RIO PIEDRAS CAMPUS FINANCIAL OVERVIEW**

**MSCHE CONCERN 1: EVIDENCE THAT THE INSTITUTION HAS DOCUMENTED FINANCIAL RESOURCES, FUNDING BASE, AND PLANS FOR FINANCIAL DEVELOPMENT ADEQUATE TO SUPPORT ITS EDUCATIONAL PURPOSES AND PROGRAMS AND TO ENSURE FINANCIAL STABILITY (STANDARD VI & REQUIREMENT OF AFFILIATION 11)**

### **I. UPRRP Budget**

The Río Piedras Campus received a budget allocation of \$212,904,439 for FY 2018-2019. When compared to the allocation of FY 2017-2018, this amount represents a slight reduction of \$2,902,104 equivalent to -1.34%. The Budget Committee, appointed by Dr. Luis A Ferrao Delgado, Interim Chancellor, analyzed and identified areas of opportunity to make the adjustments necessary without affecting academic offerings and research. For example, an additional \$1.5M were assigned to the Deanship of Graduate Studies and Research to strengthen research initiatives; \$1.4M were allocated to the Deanship of Administration to support efficiency projects that will generate significant annual savings of

Budget allocations were revised to utilize resources in the areas of greatest need according to priorities, attaining an increase (compared to 2017-18) in unit budgets. At the same time, faculties and schools were given flexibility in the allocation of their resources according to their particular development plans. This was accomplished as part of a collaborative effort with the deans and directors of the academic units to maximize their resources. The allocation to materials was reduced according to UPR Central Administration guidelines.

Table 4 in the following page presents the budget allocation for 2018-2019 and projections for FY 2019 through 2021-2022. Increases in tuition and other fees are included. Annual increases in fees are presented as approved by the Oversight Fiscal Board in Fiscal Plan on June, 29, 2018. We must highlight the following:

- Projections from General Fund (Table 4) are based on Oversight Board Fiscal Plan assignments to UPR approved on June 29, 2018.
- Cuts to the UPR System amount to \$479M in 6 years, beginning FY 2018 through FY 2023.
- Application of the new Central Administration budget policy to allocate restricted funds from the beginning of the FY rather than as a transfer at the end is applied beginning in FY 2020.
- New funds are included from 2019-2020 on, to allow for implementation of projects and receiving of funds; conservative increases are projected annually and in comparison to 2017-2018
- New tuition charges, beginning in FY 2019, are included.
- Support to research as matching funds increase in FY 2019 compared to FY 2018.
- Increase in external funds is reflected in the increase in indirect costs projected from FY 2018.
- Implementation of new efficiencies, detailed in section II ahead are incorporated, such as, decrease in electricity expenditures from FY 2020 on.
- Cuts were made on faculty release time for administrative tasks which reduced the number of faculty contracts.
- Most administrators are teaching a 3 credit load resulting in a reduction of faculty on contract.
- Employee Christmas bonus is eliminated from FY 2020.
- Some projections due FY 2018 were not materialized due to the impact of hurricane Maria in UPRRP and throughout Puerto Rico which affected operations throughout the island.

Table 4, **Consolidated Budget Fiscal Years 2017-2018 - 2021-2022 (Projected)**, follows:

University of Puerto Rico					
Consolidated Budget					
Fiscal Years 2017-2018 through 2021-2022 (Projected) Table 4					
Unit: Río Piedras Campus					
Budget by Income Type	Financial Year				
	2017-2018	2018-2019	2019-2020 P	2020-2021 P	2021-2022 P
<b>A. Non-restricted Income</b>					
Institutional:					
Tuition, Fees, and Related Charges (not including technology fee) <sup>1</sup>	\$ 17,411,750	\$ 38,034,038	\$ 39,832,758	\$ 44,165,634	\$ 47,439,038
Technology Fee		776,451	725,511	725,511	725,511
Non-recurring Reserve	10,977,069				
Indirect Costs (Research Development and Support Fund, FADI)		1,265,239	1,800,000	2,000,000	2,200,000
Grants and Economic Support for Graduate Students		1,639,644	1,639,644	1,639,644	1,639,644
FIP		332,500	332,500	332,500	332,500
State Contributions:					
Law 2 - 1966 (Revenue by Formula) <sup>1</sup>	173,262,018	160,817,263	136,754,190	117,584,190	111,644,190
Law 36 - 2005 (Gambling) <sup>1</sup>	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 from General Fund</b>	<b>215,806,542</b>	<b>212,904,438</b>	<b>191,123,907</b>	<b>176,486,783</b>	<b>174,020,187</b>
<b>Recurring Income Adjustments Compared to previous FY</b>	<b>(25,698,709)</b>	<b>(2,902,104)</b>	<b>(21,780,531)</b>	<b>(14,637,124)</b>	<b>(2,466,596)</b>
<b>B. Restricted Funds</b>					
Institutional:					
Technology Fee	354,239	-	-	-	-
Indirect Costs (Research Development and Support Fund, FADI)	948,929	-	-	-	-
Reimbursements of Income in Agreements with Units	200,000	200,000			
Grants and Economic Support for Graduate Students	-	-			
Special Support Fund for Disadvantaged Students	-	258,491			
Research Projects Matching Funds	150,000	602,806			
State Contributions:					
Legislative Grants	3,386,988	3,386,988	3,386,988	3,386,988	3,386,988
<b>Total Restricted Income</b>	<b>5,040,156</b>	<b>4,448,285</b>	<b>3,386,988</b>	<b>3,386,988</b>	<b>3,386,988</b>
<b>Total Expected Operational Income</b>	<b>220,846,698</b>	<b>217,352,723</b>	<b>194,510,895</b>	<b>179,873,771</b>	<b>177,407,175</b>
<b>C. Projected Income from New Initiatives:</b>					
Projected Income from Public and Private Sectors	-	-	1,000,000	1,500,000	2,000,000
Alumni Funds	-	-	500,000	750,000	750,000
Non-traditional Certifications and Course Offerings	-	-	1,000,000	2,000,000	3,000,000
<b>Total Projected Income from New Initiatives</b>	<b>-</b>	<b>-</b>	<b>2,500,000</b>	<b>4,250,000</b>	<b>5,750,000</b>
<b>Total Expected Operational Income</b>	<b>\$ 220,846,698</b>	<b>\$ 217,352,723</b>	<b>\$ 197,010,895</b>	<b>\$ 184,123,771</b>	<b>\$ 183,157,175</b>

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General Fund Expenses	Financial Year				
	2017-2018	2018-2019	2019-2020 P	2020-2021 P	2021-2022 P
<b>A. Recurring Operational Expenses</b>					
<b>Payroll:</b>					
Faculty Salaries	\$ 78,046,538	\$ 77,381,058	\$ 70,107,732	\$ 70,107,732	\$ 70,107,732
Non-teaching staff Salaries	49,797,080	48,298,135	43,951,303	39,995,685	39,195,772
Other Payroll Payments	1,644,471	1,794,716	-	-	-
Employer Contributions and Marginal Benefits	43,563,685	46,165,054	42,010,199	38,229,281	37,464,695
<b>Total Payroll Expenses</b>	<b>173,051,775</b>	<b>173,638,963</b>	<b>156,069,234</b>	<b>148,332,699</b>	<b>146,768,199</b>
<b>Operational Expenses</b>					
Materials and Services	1,745,476	4,468,125	4,065,994	3,332,279	3,332,279
Maintenance	4,640,196	4,051,999	3,943,328	2,943,328	2,943,328
Physical Facility Repairs	414,546	255,390	255,390	255,390	255,390
Leasing of Land and Equipment	1,199,840	541,889	541,889	541,889	541,889
Professional Service Contracts	3,939,303	3,615,874	3,615,874	2,549,001	2,549,001
Internet Service and Communications	76,828	95,109	95,109	95,109	95,109
Telephone Service	78,922	214,033	214,033	214,033	214,033
Student Medical Insurance	1,329,799	1,400,000	1,400,000	1,400,000	1,400,000
Electricity	7,227,578	12,500,000	10,300,000	8,300,000	6,300,000
Water and Sewage	671,383	1,500,000	1,500,000	1,500,000	1,500,000
Gasoline Supply	272,849	394,355	394,355	394,355	394,355
Solid Waste Collection and Removal	312,006	163,460	163,460	163,460	163,460
Information Resources-Library Reference Materials	3,998,282	2,336,378	2,336,378	2,336,378	2,336,378
Information Resources-Library Acquisitions	399,326	702,000	702,000	702,000	702,000
Accommodation, Institutional Projection, Transportation and Meal Allowances	703,222	650,951	650,951	650,951	650,951
Program and Service Accreditation	123,149	318,744	318,744	318,744	318,744
Purchasing and Replacement of Equipment	2,137,451	579,056	579,056	229,056	229,056
Matching of Funds for Research Projects (includes matching funds and Central Admin. Transf)	150,000	580,625	580,625	580,625	580,625
Students Grants and Financial Aid	3,219,931	3,096,393	3,096,393	3,096,393	3,096,393
Other Operating Expenses (includes reimbursements and indirect costs)	4,316,727	1,801,094	2,801,094	2,801,094	5,398,997
Non-recurring budget reserve	5,797,955				
<b>Total Recurring Operational Costs</b>	<b>42,754,768</b>	<b>39,265,475</b>	<b>37,554,673</b>	<b>32,404,085</b>	<b>33,001,988</b>
<b>B. Additional Budget Expenses</b>					
Purchasing and Replacement of Equipment with Technology Fee	354,239	-	-	-	-
Other Operating Expenses-Indirect Costs	948,929	-	-	-	-
Matching of Funds for Research Projects-Reimbursement	200,000	200,000	-	-	-
Grants and Financial Aid-Graduate Students	-	-	-	-	-
Grants and Financial Aid-Special Fund	-	258,491	-	-	-
Matching of Funds for Research Projects	150,000	602,806	-	-	-
Grants and Financial Aid-Legislative Grants	3,386,988	3,386,988	3,386,988	3,386,988	3,386,988
<b>Total Additional Expenses</b>	<b>5,040,156</b>	<b>4,448,285</b>	<b>3,386,988</b>	<b>3,386,988</b>	<b>3,386,988</b>
<b>Total Operational Expenses</b>	<b>47,794,924</b>	<b>43,713,760</b>	<b>40,941,661</b>	<b>35,791,073</b>	<b>36,388,976</b>
<b>TOTAL EXPENSES (Payroll + Operational Expenses)</b>	<b>\$ 220,846,698</b>	<b>\$ 217,352,723</b>	<b>\$ 197,010,894</b>	<b>\$ 184,123,772</b>	<b>\$ 183,157,175</b>
Notes:			<b>\$ 197,010,894</b>	<b>\$ 184,123,772</b>	<b>\$ 183,157,175</b>
Estimated amounts in accordance with the UPR Fiscal Plan.			<b>\$ 191,123,907</b>	<b>\$ 176,486,783</b>	<b>\$ 174,020,187</b>
	<b>\$ (27,242,385)</b>	<b>\$ (3,493,976)</b>			
<b>TOTAL INGRESOS</b>	<b>220,846,698</b>	<b>217,352,723</b>	<b>197,010,895</b>	<b>184,123,771</b>	<b>183,157,175</b>
<b>TOTAL GASTOS</b>	<b>220,846,698</b>	<b>217,352,723</b>	<b>197,010,894</b>	<b>184,123,772</b>	<b>183,157,175</b>
DIF (GASTOS-INGRESOS)	0	(0)	(0)	0	(0)

Some assumptions are based on the historical assignment of 27% of the UPR Budget distribution to UPRRP. Based on historical data and transforming actions, projections for DEGI External Funds are: AY 2018-2019: \$16,000,000; 2019-2020: \$19,000,000 and 2020-2021: \$20,000,000 continuing with the ascending trend shown in Figure 1.

## II. Plans for Financial Development Adequate to Support UPRRP's Educational Purposes and Programs and to Ensure Financial Stability – new sources of funds and reduction of expenditures

Strategic Plan, *Commitment 2023*, introduces a new operations model based on greater fiscal sustainability and diversification of revenue sources (Priority Area 4). The Campus community recognizes the Institution's need to transform operations for greater efficiency.

To achieve its priority goals and facilitate student success, research, and community networking (Priority Areas 1, 2, and 3), UPRRP must reach in to improve processes and structures, and reach out to build alliances. The following initiatives, Section A, include projects directed to increase operating funds to complement the declining government assignments, and initiatives to reduce expenditures in order to liberate obligations. These projects are already underway. Table 4 shows these projections as either new sources of funds, Section C *Projected Income from New Initiatives*, or through a reduction in the appropriate expenditure for the corresponding year.

## A. New Sources of Funds

### 1. External Funds

#### Office of Sponsored Programs:

In the past five years (2014-2018), the UPR-RP has received approximately \$54M in external funds, with more than \$45M coming from competitive grants awarded by agencies such as the National Science Foundation, the National Institute of Health, and the National Aeronautics and Space Administration.

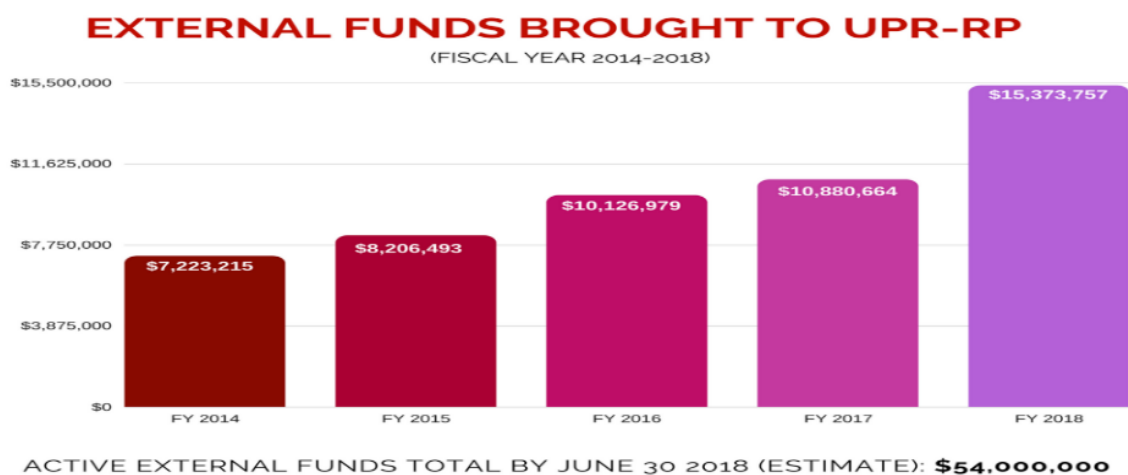


Figure 1

As **Figure 1** show, there has been a steady increase in external funds brought to UPR-RP: from \$7,223,215 in yr. 2014 to \$15,373,757 in 2018, which represents more than a 100% increase. In a scenario where grants are highly competitive, this is an outstanding achievement, given the fact that there has been a decrease in faculty in some programs. Definite and direct actions have been taken at different levels that have contributed to this noticeable increase, we highlight:

1. a diversification in funding sources, which now includes not only federal government, but also foundations, local government and private sector (see Appendix 11);
2. recruitment of a new cohort of young researchers well trained in proposal writing



3. continuous reach out to and mentoring of junior faculty by DEGI to engage them in competitive grant writing.

It should be underlined that of the total 54M, **\$151,796**, were generated by the mechanism of Intramural Professional Practice, (PPUI for its acronym in Spanish) which has proved to be the most appropriate mechanism to obtain external funds for research and service to the Puerto Rican government and the private sector (see Appendix 11). An important initiative is the reengineering of the PPUI in a joint effort with DECEP.

An approximate total of \$8,622,570.10 in indirect costs was derived from external funds during the same 5 year period, as illustrated in **Figure 2**. This figure represents an average of \$1,724, 514 per year in indirect costs. The differences in this category through these five years can be explained by the fact that a significant number of our funding comes from training and service grants which carry with them a lower rate of indirect costs. The average amount is being projected for AY 2019.



Figure 2

Some External Funds initiatives include:

- a. MOU between the Environmental Protection Agency and the Center for Innovation Research and Education in Environmental Nanotechnology.
- b. Application and award of a grant from the Wenner-Gren Foundation for Anthropological Research for the Caribbean and Social Science Archive (CSSA) of the Institute of Caribbean Studies.
- c. Application of a National Endowment for the Humanities Digital Humanities Grant for the CSSA.
- d. Helping secure a space for the Center for Support for Innovation and Commercialization, affiliated to the School of Business Administration, but serving the whole campus.

DEGI has an action plan toward increasing external funds, which includes:

- Actively identifying new sources of funds
- Increasing availability of seed money for new projects
- Direct training for proposal writing in every college and schools

## **2. DECEP: Reorganization and Projects Underway**

An Action Plan is currently being implemented for the reorganization of DECEP. Appendix 12 details the specific steps being taken, including recruitment of specialized personnel already in progress. This transformation seeks to endow DECEP with the staff, mission and agile operation procedures to become the Campus Economic Driver. By Academic Year 2019 the process should be completed aiming to promote and facilitate fund generating initiatives and productive alliances with government and private groups as well as faculty involvement.

Main projects in progress are listed below, and are detailed in Appendix 13:

i. Training of public employees: in sequences of re-training courses. The objective is the acquisition of new skills so as to make viable Law of Single Employer (Law 8, 2017, PR) which provides for transferring government employees to agencies in need of human resources, from agencies with excess human resources. This is an objective of the Government of PR due to the consolidation of agencies and agency restructuring taking place. The coordinating unit of this initiative is DECEP. The first activities with potential participants took place on Second Semester 2017-2018. A course inventory is already prepared and faculty has been contacted. This project will continue on January 2019 (through December 2019) and is expected to generate revenues of \$200,000 in the current academic year, \$1.5M in 2019-2020 and \$2M in FY 2021.

ii. STEM distance education project: An alliance among DECEP, the Department of Education of PR (DE), the Faculty of Education, and the Unit for Distance Education of the Deanship of Academic Affairs has resulted in a STEM project offering a Certificate consisting of 5 courses to 230 teachers of math, science and technology of the DE ( 25% of a course is face to face). The project ends in December, 2018 and will generate \$917,127 for the current year. It has the potential of renewal; a proposal has been submitted for AY 2019-2020 for \$893,500.

iii. Distance education certificates: Conversion of current certificates offered through DECEP into distance education modality is underway. The incorporation of new certificates of high demand in P.R., E.U. and Latin America (Food Handling Certificate, for example) via distance learning is also being added to the regular offer. Similarly, steps have been taken to create a program of continuing education courses in the regulated professions that require by law a recurrent minimum amount of training hours per cycle. A number of these offerings (3 certificates) will start on January, 2019. Others are scheduled for August 2019, as detailed in Appendix 13. Annual revenue of \$30,000 and \$100,000 are projected for these initiatives for current academic year and the next respectively.

IV. Adelanta: An annual project directed to provide high school students an opportunity to advance university level courses. Projections are from \$20,000 to \$30,000 annually.

V. Summer sessions: Summer sessions are offered through DECEP and tuition fees are incoming funds for the Campus. Annual revenue averages \$1M.

Appendix 14 adds projects planned for the medium and longer term in different stages of implementation as an example of *potential projects*.

### **3. Alumni Contributions**

Alumni contributions are a potential source of new funds for UPRRP which will be approached by the Institution more intensively during the coming years. An action plan aligned with Priority Area 4 of *Commitment 2023* is being implemented during the current year for an emblematic project focused on rehabilitating the Old School of Architecture. This initiative will back up the restructuring of DECEP, providing it with an ideal space as a center for offering workshops, seminars, advice and classrooms, focused on raising funds. This fund generating activity is projected to result in \$500,000 the first year, starting on October, 2018 and a total of \$1,500,000 in the next two years. Details and Action Plan are included in Appendix 15. This should be the beginning of a stronger relationship with UPRRP alumni.

### **4. Donations**

One of our most publicized coming attractions is the production and staging of the musical *Hamilton*, 23 functions from January 2019 on. Fundraising activities are programmed during the staging of the musical project. Net revenues of \$422,960 are projected for 2018-/2019.

### **5. Other Projects in different stages of Implementation**

#### **Colleges and Schools**

According to *Commitment 2023*, Colleges and Schools identified possible expense control activities that are under consideration by the Deanship of Administration. These include savings from journal printings, reductions due to academic-administrative restructuring, increase in *ad honorem* courses offered by administrators, among others. These actions total approximately \$824,000 which will be generated starting 2018-2019. Appendix 16 details these projects. Units have also submitted a variety of undertakings for academic year 2018-2019 and on, that amount to revenues of \$1.46M. An example is an agreement with Federal Emergency Management Agency (FEMA) and the Graduate School of Planning to assess shoreline changes in Puerto Rico after Hurricane Maria. We must highlight that FEMA contacted the School to carry out this research project based on the School's recognized expertise. Appendix 17 summarizes School and Colleges initiatives.

### **B. Reduction in expenditures**

The Deanship of Administration (DA) is responsible for the implementation of institutional projects related to energy saving, the reengineering of procurement processes, equipment acquisition and maintenance, and administrative reorganizations. Changes in progress will result in increased social responsibility, efficiencies, and savings in the operational budget in accordance with Strategic Plan *Commitment 2013*, Priority Areas 3 and 4: University social responsibility and community networks and sustainable management, effectiveness, and efficiency, respectively. See *DA Efficiency Initiatives* (Appendix 18) and *Savings due to Process Improvement* (Appendix 19) for details. Major reductions are underway, for example a \$6M projected decrease in electricity by FY 2020.

## **MSCHE CONCERN 2: THE IMPACT OF THE FISCAL OVERSIGHT MANAGEMENT BOARD'S PLAN AND PROPOSED RESTRUCTURING ON THE INSTITUTION'S STATUS AND FINANCES (STANDARD VI)**

**(Section supplied by Central Administration, included by all System units.)**

### **The Fiscal Oversight Management Board Plan**

Puerto Rico issued debt many times over the years and currently is estimated in \$70 billion dollars. The island's 1952 constitution enabled Puerto Rico to issue debt to fund many activities, including day-to-day operations. But it really skyrocketed in the past decade, when total debt went from an already hefty \$43.5 billion in 2006 to over \$70 billion by 2014. The island also has over \$40 billion in unfunded pension liabilities.

Due to its political status, and its territorial relationship with the United States of America ("U.S."), the Commonwealth of Puerto Rico ("CW") is unable to file for statutory relief under Chapter 9 of the United States Bankruptcy Code [11 USC Chapter 9]. In contrast to other widely known instances of Municipal Defaults (e.g. the City of Detroit or New York City during the 70's), neither the CW nor any of its components has access to a legal proceeding to facilitate an orderly debt restructuring process. Furthermore, the United States Supreme Court expressly stated that the CW is a creature of U.S. Congress and as such is subject to Congress' plenary powers.

By 2016, the CW and some of its debt issuing components were facing liquidity constraints which seemingly jeopardized its ability to meet basic operational needs. Among the root causes of this crisis are several years of structural deficits, which are further exacerbated by economic downturn and intensified citizens' migration from the jurisdiction.

On June 30, 2016 Congress adopted Public Law No: 114-187, also known as the Puerto Rico Oversight, Management and Economic Stability Act ("PROMESA") [48 USC, Chapter 20]. PROMESA provides a legal framework similar to the one set forth in the U.S. Bankruptcy Code, which allows for an orderly restructuring process. Subsequently, and pursuant to PROMESA, a Fiscal Oversight and Management Board ("FOMB") was assembled.

Among its duties, the FOMB shall have the power to certify Fiscal Plans and Budgets for the Commonwealth of Puerto Rico ("CW") and Covered Entities. Although these general powers are recognized by the CW, we must emphasize that the extent of the FOMB's inherence to enact policy decisions through financial controls is still a matter of discussion in several judicial proceedings.

In general, a Fiscal Plan provides a blue print to revitalize the CW's economy through fiscal structural and other initiatives that will propel growth and eventually allow the CW to regain access to capital markets.

Title III is analogous to a Bankruptcy Filing, and petition under this Title is filed by the Governor before the United States District Court. This method provides an opportunity for creditors and other individuals to assert their claims against the Debtor before the Court, a process to accept or reject executory contracts and unexpired leases and concludes with a

Plan of Adjustment (“POA”). A certified Fiscal Plan is a pre-requisite to file for relief under Title III or reaching a consensual Title VI under PROMESA. Fiscal Plans are creditor agnostic, as they only tend to the operating revenues and expenses, to determine the operational deficit or surplus the territory or instrumentality may reach when implementing fiscal and structural measures.

Although the UPR is neither under Title III nor under Title VI, and regularly pays its creditors, through a forbearance agreement, the Institution was identified by the FOMB as a covered entity and requested that it submit a Fiscal Plan, pursuant to PROMESA. As a bond issuer and essential service provider, the FOMB wants to ensure that the UPR is able to provide the higher education it needs to provide, despite the steep government appropriation reductions that were included as expense reduction measures in the CW’s Certified Fiscal Plan.

The measures to meet these reductions can be classified as “*Expense Reduction*” measures and “*Revenue Enhancing*” measures.

All of the measures have been suggested, in principle, by the UPR itself. Therefore, the UPR’s strategic plan is not in conflict with a fiscal plan, and the measures which will be implemented will only serve to ensure a sustainable institution for future generations. As such, the UPR will be transitioning to a more self-sustainable model. There have been increases in costs per credit but the cost is still under its competitors and peers in the island. Therefore, the UPR will continue to provide quality higher education, and will remain affordable and accessible.

After several iterations and discussions with the FOMB and advisors, on April 20, 2018, the UPR Board of Trustees submitted a Fiscal Plan (the “UPR Board Fiscal Plan”) which, by all means, complies with PROMESA’s requirements. However, the FOMB certified a revised fiscal plan for the UPR on June 29, 2018 (the “Certified Revised Fiscal Plan”).

The Certified Revised Fiscal Plan projects a \$16,171M net operating surplus over the 5-year plan period, before debt service payments. The Certified Revised Fiscal Plan further states that it “contains measures that, if timely and fully implemented by the UPR, are projected to generate positive net revenues by 2023, with such primary surplus available for payment of some restructured debt service.” (Certified Revised Fiscal Plan).

At present, the main points of inflection are: the FOMB’s recommendations on Tuition Fee Waivers and Employer contributions to medical benefit. The remaining differences are based on the same factors that, when extrapolated, produce different attrition rates among the workforce. In other words, the UPR believes it can achieve the goal of sustainability with slight variances to the method.

After analyzing all of these facts, there is enough data to conclude that the impact on UPR’s mission and goals will not be significant and the UPR will remain an independent entity. Any differences with the FOMB will be resolved through mutual collaboration and sensible agreements as has been the case until now. If anything, the measures included in the Certified Plan will enhance the UPR’s ability to evolve and thrive. It is our understanding that we have enough financial data and documents to demonstrate that the UPR and its 11

campuses have an institutional funding base, fiscal and human resources, as well as, the physical and technical infrastructure adequate to support its operations.

## Institutional Restructuring and Finances

The process of institutional restructuring has two main components: administrative and academic. The administrative downsizing encompasses all of the support administrative offices, among these, Finance / Budget/ Human/ Resources/ Purchase/ OSI/ Communications. The academic consolidation implies the elimination of redundant programs and courses. If a program is offered in various campuses, the criteria being used for the decision making process will be mainly based on the following: low demand, low retention and graduation rates.

The UPR Fiscal Plan, for years 2018-2023, contains two (2) possible consolidation scenarios (numbers according to the UPR Fiscal Plan, not current):

<b>Alternative A: 5 Conglomerates</b>	<b>Alternative B: 4 Conglomerates</b>
<b>RIO PIEDRAS CAMPUS</b> Río Piedras Campus: Students: 15,107   Employees: 3,417	<b>RIO PIEDRAS CAMPUS</b> Río Piedras Campus: Students: 15,107   Employees: 3,417 Bayamón Campus: Students: 4,528   Employees: 543 Carolina Campus: Students: 3,851   Employees: 340
<b>MAYAGÜEZ CAMPUS</b> Engineering, Aeronautics & Agricultural Sciences Mayaguez Campus: Students: 13,410   Employees: 2,840 Aguadilla Campus: Students: 3,323   Employees: 292 Utuado Campus: Students: 1,155   Employees: 206	<b>MAYAGÜEZ CAMPUS</b> Engineering, Aeronautics & Agricultural Sciences Mayaguez Campus: Students: 13,410   Employees: 2,840 Aguadilla Campus: Students: 3,323   Employees: 292 Utuado Campus: Students: 1,155   Employees: 206 Arecibo Campus: Students: 3,769   Employees: 469
<b>NORTHEAST REGION CONGLOMERATE</b> Technical Career, Computing & Communications Bayamón Campus: Students: 4,528   Employees: 543 Carolina Campus: Students: 3,851   Employees: 340 Arecibo Campus: Students: 3,769   Employees: 469	
<b>SOUTHEAST REGION CONGLOMERATE</b>	<b>SOUTHEAST REGION CONGLOMERATE</b>

<p>Entrepreneurship, Business, Natural &amp; Behavioral Sciences</p> <p>Ponce Campus: Students: 3,149   Employees: 473</p> <p>Cayey Campus: Students: 3,430   Employees: 517</p> <p>Humacao Campus: Students: 3,825   Employees: 511</p>	<p>Entrepreneurship, Business, Natural &amp; Behavioral Sciences</p> <p>Ponce Campus: Students: 3,149   Employees: 473</p> <p>Cayey Campus: Students: 3,430   Employees: 517</p> <p>Humacao Campus: Students: 3,825   Employees: 511</p>
<p><b>MEDICAL SCIENCE CAMPUS</b></p> <p>Health and Biomedical Sciences</p> <p>Medical Science Campus: Students: 2,273   Employees: 2,697</p>	<p><b>MEDICAL SCIENCE CAMPUS</b></p> <p>Health and Biomedical Sciences</p> <p>Medical Science Campus: Students: 2,273   Employees: 2,697</p>

UNIVERSITY OF PUERTO RICO REVISED FISCAL PLAN, for years 2018-2023, UPR Governing Board Certification 89, year 2017-2018

The campuses consolidation is a complex process which requires extensive and thorough analysis. The Institution needs to identify what structures exactly will be consolidated or integrated. It is expected for the consolidation process to be implemented during a time frame of three academic years, preceded by a year committed to analysis and planning (2018-2019). On the current academic year, the different aspects of the multi campus conglomerates need to be defined, including the administrative structure, organizational chart and governance. It is very important to engage the different sectors of the campuses' community at all of the different stages of planning and implementation.

The recently appointed UPR President, Dr. Jorge Haddock, initiates in office on Tuesday, September 4, 2018. He wants to achieve a participative decision-making process which includes the input of the different University sectors. Hearings will be conducted at the different UPR campuses during the months of September and October of the current academic year. Dr. Haddock has expressed that these changes need to be implemented with sensibility, especially since employees might need to be moved to other locations and/or re-trained to assume different roles and responsibilities. It is expected for the configuration of the conglomerates and the structural consolidation to be defined by the end of academic year 2018-2019. The changes to be implemented are targeted for the institution to achieve infrastructure, administrative and academic efficiency.

Institutional re-structuring will be implemented systematically during the course of the academic years, 2019-2020, 2020-2021 and 2021-2022. Substantive institutional and programmatic changes will be reported to MSCHE on a timely fashion, according to the agency's *Substantive Change Policy* and *Substantive Change Procedures*.

Financial planning and budgeting is aligned with the institutional goal of lowering expenses while simplifying administrative processes towards institutionalizing a leaner management approach to administrative procedures and practices. These processes need to be continuously and systematically assessed in order to result in administrative improvement.

The implementation will be supported by a new Program Management Office (PMO), known as Office for Institutional Transformation. It will directly respond to the UPR Governing Board and has an assigned budget allocation of \$10 Million for FY 2019. Its main



purpose is to assure the Fiscal Plan measures implementation continued progress. This office will assist, monitor, assign resources and provide consultation in the areas of Federal grant procurement, budget and cash flow, retirement system and other employee benefits, such as, health insurance. The PMO is defined in the pages 15-17 of UPR Revised Fiscal Plan Summary issued on August 20, 2018 (Appendix 20) and the operating by-laws were approved by the UPR Governing Board on August 27, 2018 (Appendix 21). This new unit will assure the adequate implementation of the institutional restructuring, in line with UPR finances.

**MSCHE CONCERN 3: EVIDENCE THAT THE INSTITUTION DEMONSTRATES A RECORD OF RESPONSIBLE FISCAL MANAGEMENT, HAS A PREPARED BUDGET FOR THE CURRENT YEAR, AND UNDERGOES AN EXTERNAL FINANCIAL AUDIT ON AN ANNUAL BASIS [STANDARD VI AND REQUIREMENT OF AFFILIATION 11]**

**(Section supplied by Central Administration, included by all System units.)**

The UPR responsibly prepares an annual budget taking into account the adequate institutional operation, including the academic programs and services. The process of preparing the institutional annual budget runs through eight (8) months and is led by the UPR Central Budget Office Director, in conjunction with the Directors of the Budget Offices of the 11 campuses which comprise the University System. This office has a group of technical specialist in charge of specific campuses. The UPR budgeting process is described on Certification 100, series year 2005-2006, of the UPR Governing Board (previously known as Board of Trustees) (Appendix 6). The main purpose of the regulations included in Certification 100 is to manage, in a coordinates fashion, a UPR institutional integrated budget's formulation, execution and control, which is a fundamental instrument for the budgets' alignment to the responsibility to fulfill the University's academic mission, goals and objectives.

The process starts at each campus and systematically continues as shown on the "Integrated Budget Project Flow Chart" (Appendix 22). The engagement of the campuses' leadership assures that their academic programs and services are adequately taken into consideration. In the planning and budget formulation, the activities and priorities are properly aligned to the UPR Strategic Plan 2017-2022, "A New Era of Innovation and Transformation for Student Success" and to the strategic plan of each individual campus (<https://drive.google.com/file/d/0BypQ7DYvTrDCU2JDOW01RDdHazAxV0NH2gwSWU1QUtWTGNZ/view?usp=sharing>).

With the inclusion of new requests by FAAFA and FOMB the formulation process of FY 2019 had to be slightly modified. The guiding principles and measures of the UPR Fiscal Plan imposed revenue enhancement and expense measures, among these, the increase in tuition fees while maintaining affordability and access to quality education. Also, maximizing opportunities to achieve an efficient and leaner administrative structure while increasing other sources of funding, such as, procurement efforts, federal grant awards, restrictions of benefits to employees and students, the partial elimination of tuition fee waivers, medical plan coverage and limited recruitment of non-teaching personnel to substitute retirees (attrition). After determining the budget's baselines, configuring multiple

possible scenarios for the budgets allocations and distributions, the University of Puerto Rico Budget FY 2019 was approved by the UPR Governing Board on July 20, 2018. (UPR Governing Board Cert. 2, 2018-2019, Appendix 23). It was also submitted to the FOMB.

For additional details on the UPR Budget FY 2019, please refer to Appendix 7.

### **Annual External Audit**

The UPR commissions and undergoes an annual independent audit in order to confirm financial sustainability and adequate accounting procedures. Annually, the finances of the institution should close by October of the next fiscal year. Then the process conducting to the auditing of the institutions' finances start at all of the units of the UPR System with the collection of supporting files which include the trial balances and other evidences. These are uploaded into an electronic repository by the campuses' Finance Offices Directors. At the Finance Office of the Central Administration, the Accounting Office Director is responsible of uploading the central files and monitoring the progress of the process. After all of these files are checked, corrected by the UPR finance personnel, these are submitted to the independent private auditing firm of Ernst and Young (EY). The minimal time required by the independent firm EY to complete the preparation of the statements is approximately 18 weeks.

Due to the complexity of the UPR Financial Statements which comprise 11 campuses and the Central Administration, preparation and submission of the statements have run with a delay for the last 14 years. Initially, the migration from a FORTRAN based administrative programming system to ORACLE was a mayor challenge. Events which took place during the past two years hindered even more the process of preparing the statements. The student's strike which occurred during the second semester of the academic year 2016-2017 caused an interruption in academic and administrative operations. At the time Interim President Darrel Hillman took office on July 2017 neither the closing of the books FY 2016, nor the actual pre auditing process had started. Both processes were concurrently initiated by the Finance and Budget Central Offices at that time. However, from September 20<sup>th</sup> to November there was another operations interruption, followed by a prolonged period of problems with electrical support systems and wireless communications provoked by hurricanes Irma and María. After the strike, an extended deadline for submission was granted by the Federal Education Department for the annual Audited Financial Statements FY 2016 and FY 2017 for these to be submitted by March 30<sup>st</sup>, 2017. Regardless of the multiple challenges presented by these events, the University was able to comply with the expected day for submission of the statements FY 2016 which were issued on March 29, 2018 and its related compliance audit (Single Audit) on May 15, 2018. An agreement was posteriorly established with the Compliance Manager of the Federal Department of Education for submission of the audited financial statements FY 2017 and FY 2018. At the present moment we have committed to submit the Audited Financial Statement FY 2017 by December 30<sup>th</sup>, 2018. Filling of Audited Financial Statement FY 2018 shall be submitted by March 30<sup>th</sup>, 2018. The Department had issued an extension to submit Single Audit 2017, for the territories affected by last summer hurricanes up to March 30<sup>th</sup>, 2019.

## **UPR - Going Concern FY 2016 updated to FY 2019**

The FY 2016 Going Concern events are no longer material since the Government of Puerto Rico has filed for protection under Title III of the PROMESA legislation and the Government Development Bank, which had been a major source of liquidity for the University, has been dissolved. The University has substituted the prior liquidity facilities with its own internal capital resources which are more than adequate to operate.

Currently, the University of Puerto Rico (UPR) receives substantial financial support from the government of Puerto Rico and, as such, its viability is directly impacted by the central government financial health. The central government is currently going through a restructuring process for its public debt under Title III of the PROMESA federal legislation. The PROMESA legislation has created the Financial Oversight and Management Board for Puerto Rico (FOMB) which is responsible for reviewing and certifying the operating budget for both the central government and the UPR. Through this process, the central government has received its certified operational budget for fiscal year 2019 from the FOMB which provides the pre-established funding for the UPR. This funding, together with a substantial increase in the student tuition and cost reduction measures will permit the UPR to successfully operate within its 2019 approved budget. All 11 campuses are operating and the student enrollment has met the budget expectations.

The UPR has more than adequate working capital currently invested in short term highly negotiable securities which will permit the successful operation of the institution over the foreseeable future. The UPR is in full compliance with the forbearance agreement entered into with its bondholders as permitted under Title VI of the PROMESA legislation for possible restructuring of its public debt in the near future.

### **Actions and Initiatives**

Amid difficulties to comply with initial estimates for report issuance dates relating to fiscal year 2017, the University has given utmost priority to ensure the independent annual audits take place and proper follow-up is given to the concerns cited by the external auditor.

Notwithstanding the current scenario, the University is committed to its ultimate goal of achieving timeliness of reporting that complies with a basic characteristic of GASB Statement number 1 “Objectives of Financial Reporting”, in which financial reports are available in time to support the decision making processes.

To this end, the University has taken the following actions geared towards improved timeliness over financial reporting:

- Prepared a timeline for key milestones and monitoring of audit progress.
- Identified human, financial, and technological resources necessary to enable solutions focused approach and smooth progress of the process.
- Hired professional services as an aid to management in the analysis and processing of financial and qualitative information necessary for audit procedures.
- Hold regular weekly status meetings with the Finance Office Directors of all of the campuses to monitor progress, roadblocks and alternative courses of action.
- Placed permanent financial consultants at the three principal campuses of the University to prompt timely resolution of issues, in face-to-face interaction.

- Maintain close communication between management, external auditors, internal auditors, component units and consultants to seek a leaner overall process.

The University has recently hired a local financial consulting services firm, to assist in the books closing process and to perform pre-audit document assessment, analysis and processing, and serve as an audit support aid on behalf of management. One major strength of this specific company is that most of the consultants hired are retired finance and accounting staff from UPR with extensive experience in the institution's administrative and financial accounting systems, thereby gaining learning curve efficiencies. Other smaller contractors have also been hired to assist in managing the functional and technical matters embedded within the audit process. A strategical and tactical approach in the use of the University's Internal Audit Office is also in place, in order to assist the external auditors in their procedures as an enhancement to improve the audit process. To this end, a contractually agreed sum of up to 800 hours of the external audit budget will be used by the Internal Audit Office to increase efficiencies built upon personnel proficiencies of the core accounting system and University processes.

On August 6, 2018, a new Interim Finance Director was appointed for the UPR System and a revised Audited Financial Report FY 2017 issuance date was projected for December 30, 2018. As a quick turnaround, after completing the 2017 report issuances, we will engage in an endeavor to expedite the process of completing the FY 2018 financial reporting cycle and there on the reports for subsequent years.

## CONCLUSION

**This report has documented UPRRP's response to MSCHE requirement to demonstrate compliance with Requirement of Affiliation 11 and Standard VI of *Characteristics of Excellence in Higher Education*.**

In sum, there has been renewed commitment and decisive action to protect and expand the funds that will allow UPRRP to continue to fulfill its mission of serving the citizens of Puerto Rico. The Campus has established as priority to offer a comprehensive, innovative and adaptive selection of academic programs closely tuned to the needs of the future. Similarly, it is dedicated to strengthening the quality in its accredited programs and complying with the mandate to sustain a high research profile. The Campus community has reached consensus about these important matters and approved a new Strategic Plan, *Commitment 2023* that will guide resource allocation for the next five years focusing on four Priority Areas. The Plan redirects UPRRP towards a more fiscally sustainable institutional management with a strengthened mandate to incorporate greater internal efficiency into its academic and administrative operations. Furthermore, *Commitment 2023* fosters a culture of fiscal sustainability that is transforming the current Campus operations model.

Top priority is being assigned to reinforcing the funding base necessary for changes to occur towards achieving higher levels of fiscal sustainability. The restructuring of DECEP is a necessary first step underway to promote and facilitate new revenue projects. DECEP is being transformed into the Campus Economic Driver and facilitator. This initiative is under implementation and new avenues are opening for productive agreements that will expand

populations served and sources of funds. In particular, new alliances are contributing to increase operational funds, while serving society as a whole through collaborative and special projects.

A stronger presence of distance education in academic and professional offerings through DECEP will attract out of state students and respond to the needs of new populations throughout the Puerto Rican society. A first project in the STEM area has been successfully implemented during 2017-2018 that establishes a base for future initiatives.

In accordance with the crucial commitment to institutional social responsibility, significant innovations in administrative processes are taking place that are already bringing about reductions in expenditures. Projects for reducing costs are underway as are projected in the Consolidated Budget (Table 4) for the next three years. The Deanship of Administration is leading this process, while Colleges and Schools are firmly moving ahead to identify process improvements and new revenue generating alliances to be implemented through DECEP. They are in different stages of development.

This report shows UPRRP's commitment to institutional and learning assessment, and the effective use of assessment results to bring about program and process improvement in support of academic quality. The significant impact on graduate students' enrollment this academic year is an example of actions taken as a result of constant process assessment based on analysis of data and trends. Through responsible management of resources, demonstrated historically by UPRRP's trajectory for more than 100 years, the Campus is consistently advancing its goals and objectives with outstanding faculty and student achievements and recognition in the local and international scenarios. A relatively stable total enrollment for FY 2019 also testifies to Puerto Rico's confidence in UPRRP's academic quality and commitment to the Puerto Rican society.

The Rio Piedras Campus of the University of Puerto Rico has evidenced in this report that it complies with all elements established in requirement of Affiliation 11 and Standard VI to attain reaffirmation of accreditation. UPRRP has a funding base, financial plans implemented and in progress, a prepared budget and projections that provide the Campus with stable resources, and responsible management evidenced by constant achievements currently and for more than a century. *Commitment 2023*, the recently forged consensus of the Campus community, is guiding planning and assessment at all levels. This report demonstrates UPRRP's unwavering commitment to student success and the advancement of Puerto Rico.

## APPENDICES

1. CERTIFICATION CEPR 2018-210
2. STRATEGIC PLAN COMMITMENT 2018-2023, CERT. 79, 2017-18, ACADEMIC SENATE.
3. ACADEMIC CALENDAR FIRST SEMESTER AY 2018-19.
4. "TRANSFORMATION AND INNOVATION IN THE AWAKE OF DEVASTATION; AN ECONOMIC AND DISASTER RECOVERY PLAN FOR PUERTO RICO"
5. CERTIFICATION 118: 2018-2019 UPR BOARD OF GOVERNORS
6. BUDGET PROJECT CERTIFICATION 100, UPR BOARD OF TRUSTEES 2005-06
7. "MEMORIAL DEL PRESUPUESTO FONDO GENERAL UPR" FY 2019
8. CERTIFICATION 93: 2017- 2018. UPR BOARD OF GOVERNORS
9. CERTIFICATION 111: 2017-18, AS AMENDED. UPR BOARD OF GOVERNORS
10. FINANCE LETTER 19-01. UPR CENTRAL ADMINISTRATION
11. FINANCING SOURCES DISTRIBUTION AND INTRAMURAL PRACTICE 2014-18
12. DECEP REORGANIZATION
13. SUMMARY OF DECEP PROJECTS
14. SHORT AND LONG TERM INSTITUTIONAL INITIATIVES, INCLUDING DECEP
15. FUNDRAISING PLAN
16. CONSOLIDATED-CONDENSED-EXPENSE CONTROL
17. CONSOLIDATED-CONDENSED-INCOME GENERATION
18. DA EFFICIENCY INITIATIVES
19. SAVINGS DUE TO PROCESS IMPROVEMENTS
20. UPR REVISED FISCAL PLAN
21. CERTIFICATION 10: 2018-2019. UPR BOARD OF GOVERNORS
22. INTEGRATED BUDGET FLOWCHART
23. CERTIFICATION 2: 2018-2019. UPR BOARD OF GOVERNORS