

Subject: Federal Government Shutdown Contingency Planning Assessment

From: Reka Wrynn, Interim Vice President for Finance

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Thank you for the opportunity to share the potential impact of a federal shutdown on the University of Connecticut. The length of the shutdown will determine the impact to UConn. In the short term (a few days to a few weeks), there will be minimum impact to UConn's operations, as we could temporarily use unrestricted cash reserves to cover any federal shortfall. However, if the shutdown is longer term (more than a few weeks) federal research contracts and grants and Federal Student Financial Aid would be significantly impacted. UConn requires approximately \$29M of monthly funding to support all payroll and non-payroll expenses in both federally sponsored activities and in federal financial aid programs. Over 1,700 faculty, staff or graduate assistants charge some portion of their time during the year to federal grants/programs.

Employees Charged to Federal Accounts	
Туре	Headcount
Faculty	715
Staff	164
Post Doctoral Associates	96
Graduate Assistants	747
Total	1,722

## Research:

- In the short term, the effect of the shutdown will delay the arrival of new grants and contracts
  as no new awards from federal agencies will be granted. In addition, the transfer of funds for
  existing grants and contracts will be delayed until the federal funding resumes and we are able
  to draw on the letter of credit.
- New awards already made could be rescinded or substantially delayed, depending on the length of the shutdown.
- If the shutdown is long term, reductions in our programs such as formula research, extension grants, and other grants and contracts will face significant exposure.
- Delay in passport and visa processing could impact ongoing projects by impeding necessary travel.

## **Financial Aid:**

• The shutdown could potentially impact the origination and drawdown of Federal Pell Grants and Direct Loans (Stafford and Parent Loans/PLUS). Further, our ability to draw down Federal Supplemental Educational Opportunity Grant (SEOG) and Federal Work-Study funds may also be impacted.

Budget, Planning, and Institutional Research

## Mitigation:

In the short term, the University will be able to finance the expenditure due to the timing of unrestricted cash flow available until the federal funding resumes.

If the shutdown is longer term, we would need to reevaluate the long-term outlook of our federally funded programs. This would have a direct impact on the student's academic experience and our ability to continue to do research. Ultimately, it would significantly impact our research area — including graduate student funding, post-doctoral associate funding, and other academic professionals and faculty funding. We will reach back out with additional updates if things worsen with a prolonged shutdown.