

EXHIBIT 15

**FINANCE & ADMINISTRATION COMMITTEE**

**TAB 2**

**FINANCIAL REPORT FOR THE ELEVEN  
MONTHS ENDED MAY 31, 2020**

**The University of Akron**  
**General Fund, Auxiliary Funds, and Departmental Sales and Services Funds**  
**Budget to Actual Results**  
**For the Eleven Months Ended May 31, 2020**

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# **GENERAL FUND**

**For the Eleven Months Ended May 31, 2020**

The University of Akron  
Akron and Wayne General Fund Combined

**FY20 Budget and Actual Results for Eleven Months Ended May 31, 2020 with FY19 Comparisons and Revised Projections Reflecting COVID-19 Implications**

	FY19		FY20							
	YTD	YTD	Approved Budget	YTD May 31	Actual to Budget		Projected June 30	Projection to Budget		
	June 30	May 31			\$	%		\$	%	
Tuition & General Service Fees	\$186,251,268	\$179,368,098	\$178,742,000	\$169,237,063	(\$9,504,937)		\$175,612,000	(\$3,130,000)		
Other Fees	21,732,648	20,982,145	21,495,000	19,778,131	(1,716,869)		21,276,000	(219,000)		
Scholarships	(52,787,389)	(52,182,161)	(61,764,000)	(52,949,208)	8,814,792		(52,693,000)	9,071,000		
Net Tuition and Fees	155,196,527	148,168,081	138,473,000	136,065,985	(2,407,015)		144,195,000	5,722,000		104%
State Share of Instruction	101,851,513	93,501,819	99,139,000	88,926,438	(10,212,562)		95,193,000	(3,946,000)		
Indirect Cost Recovery	5,188,151	4,333,201	5,247,000	4,053,223	(1,193,777)		4,690,000	(557,000)		
Investment Income	1,087,866	768,016	1,410,000	723,342	(686,658)		744,000	(666,000)		
Miscellaneous Revenues	1,959,430	1,766,464	2,571,000	2,398,244	(172,756)		2,641,000	70,000		
Total Revenues	265,283,487	248,537,582	246,840,000	232,167,232	(14,672,768)		247,463,000	623,000		100%
Payroll	140,283,371	131,608,557	139,719,000	129,900,631	9,818,369		139,125,000	594,000		
Fringes	50,643,511	47,588,283	43,853,000	38,568,073	5,284,927		41,044,000	2,809,000		
Total Compensation	190,926,882	179,196,840	183,572,000	168,468,704	15,103,296		180,169,000	3,403,000		98%
Utilities	10,692,070	7,916,920	10,258,000	6,564,516	3,693,484		7,500,000	2,758,000		
Operating	33,846,757	30,857,817	36,515,000	31,045,099	5,469,901		30,000,000	6,515,000		
Total Non Personnel	44,538,828	38,774,737	46,773,000	37,609,615	9,163,385		37,500,000	9,273,000		80%
Total Expenditures	235,465,710	217,971,577	230,345,000	206,078,319	24,266,681		217,669,000	12,676,000		94%
Net Before Transfers	29,817,777	30,566,005	16,495,000	26,088,913	9,593,913		29,794,000	13,299,000		
Transfers-In (Draw on Operating Reserves)	3,795,965	0	11,584,000	0	(11,584,000)		2,573,000	(9,011,000)		22%
Transfers-In Plant Fund and Other	2,569,633	2,472,400	1,000,000	1,131,571	131,571		1,132,000	132,000		
Advance-In	596,972	406,972	140,000	93,028	(46,972)		93,000	(47,000)		
Transfers-In Encumbrance	3,832,133	3,832,133	2,600,000	3,234,688	634,688		3,235,000	635,000		
Transfers-Out Plant Fund	(2,822,400)	(3,497,400)	(1,000,000)	(1,289,303)	(289,303)		(1,289,000)	(289,000)		
Transfers-Out Other	(34,369,392)	(29,110,317)	(30,819,000)	(27,655,134)	3,163,866		(32,238,000)	(1,419,000)		105%
Advance-Out	(77,000)	(77,000)	0	(440,000)	(440,000)		(270,000)	(270,000)		
Transfers-Out - Encumbrance	(3,343,688)	0	0	0	0		(3,030,000)	(3,030,000)		
Net Transfers	(29,817,776)	(25,973,212)	(16,495,000)	(24,925,150)	(8,430,150)		(29,794,000)	(13,299,000)		
Difference	\$0	\$4,592,793	\$0	\$1,163,764	\$1,163,764		\$0	\$0		

**The University of Akron  
Akron and Wayne General Fund Combined  
FY 2020 Budget Assumptions with Revisions Reflecting COVID-19 Implications**

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**Revenues**

Tuition & General Service Fees

- The original assumption estimated a blended enrollment reduction exceeding four percent while indications as the fall 2019 semester approached were the decline might approach six percent. The revised revenue projection now contemplates an overall seven percent enrollment decline which assumes summer 2020 enrollment down about eight percent.
- The original assumption remains in place; tuition and certain fees increased one and a half percent for just the fall 2019 Tuition Guarantee Cohort.

Other Fees

- The original assumption estimated a blended enrollment reduction exceeding four percent while indications as the fall 2019 semester approached were the decline might approach six percent. The revised revenue projection now contemplates an overall seven percent enrollment decline which assumes summer 2020 enrollment down about eight percent.
- A portion of the Facilities Fees, \$1.3 million, was credited to students and \$1 million in CARES Act funds were received to partially offset this outlay of revenues.

Scholarships

- The original assumptions and revised projections for undergraduate scholarships, graduate assistant waivers, and law school scholarships are as follows:
  - The original undergraduate assumption was \$46.2 million including both College Credit Plus and Early College while the revised projection is \$40.9 million.
  - The original graduate assistant waiver assumption was \$11.7 million while the revised projection is \$8.4 million.
  - The original law school scholarship assumption was \$3.9 million while the revised projection is \$3.4 million.

State Share of Instruction

- The revised projection contemplates a \$3.9 million reduction, down to \$95.2 million, largely due to the impact of COVID-19 state finances.

Indirect Cost Recovery

- The original allocation assumption largely continues with a \$.6 million projected shortfall. Distributions limited to the Principal Investigator at 10 percent with remainder to the Center.

Investment Income

- The original assumption estimated \$1.4 million while the revised projection is closer to \$744,000.

**The University of Akron  
Akron and Wayne General Fund Combined  
FY 2020 Budget Assumptions with Revisions Reflecting COVID-19 Implications**

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Miscellaneous Revenues

- The original assumptions estimated the significant revenues to include \$1 million from The University of Akron Research Foundation and \$0.5 million from the Federal energy tax credit, and the revised projections reflect the assumptions will continue.

**Expenditures**

Compensation (Payroll and Fringes)

- The original assumption estimated compensation at \$183.5 million net of (1) a four percent increase pursuant to collective bargaining agreements; (2) a raise pool equivalent to two percent for qualifying non-represented employees; (3) \$4.3 million of vacancy savings created by employee departures until a replacement employee is hired; (4) \$1 million reallocated to grants, for leaves without pay, and for professional development leaves; (5) reductions to the fringe rate; and (6) year two installment in the amount of \$0.9 million for the Voluntary Retirement Incentive Program (VRIP) while compensation is projected to be \$180 million.

Utilities

- The original assumptions included electric, natural gas, and water and sewer costs, and those assumptions continue to hold albeit at reduced consumption for the last three months of the fiscal year.

Operating

- The original assumptions contemplated that designated fees such as course fees and technology fees, etc., would realize a decline approximating four percent while the revised projection contemplates seven percent.
- The original assumptions presumed that designated fees and start-up spending would be limited to current fiscal year allocations with little expenditure of carry over and that projection continues to date. In fact, the projection contemplates that start-up spending will be \$1.8 million less than the fiscal year allocation.
- The original assumptions contemplated the recommended campus reductions and changes were implemented, including the elimination of revenue share allocations and college and department level IDC distributions, and the Center would allocate \$0.6 million to help offset the IDC change and those assumptions continue.
- The original assumption presumed State minimum wage adjustments were implemented and that assumption materialized.
- The original assumption presumed \$2 million underspending of awarded spending authority and that assumption continues.

**The University of Akron  
Akron and Wayne General Fund Combined  
FY 2020 Budget Assumptions with Revisions Reflecting COVID-19 Implications**

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**Other**

Transfers-In (Draw on Operating Reserves)

- The original assumption contemplated an operating reserve draw approximating \$11.6 million while the revised projection currently contemplates \$2.6 million. The reserve draw will be adjusted should campus spending patterns change, auxiliaries' or other units' fiscal performance change from projection, or should summer 2020 enrollment vary materially from an eight percent decline in enrollment.

Transfers-In Plant Fund and Other

- The original assumption contemplated \$1 million from plant fund reserves and that has increased to \$1.1 million.

Advances-In

- The original assumption contemplated repayment of the National Museum of Psychology, CAST Musson Industrial Control Systems Test Bed, and Men's Soccer loan. The projection is the National Museum of Psychology and CAST Musson Industrial Control Systems Test Bed loans will be fully settled while \$125,000 of the Men's Soccer loan will be changed from a loan to a transfer.

Transfers-Out Plant Fund

- The original assumption contemplated capital projects funding from plant fund reserves in the amount of \$1 million and that has increased to \$1.3 million.

Transfers-Out Other

- The original assumption contemplated operating and debt service support for certain auxiliary units aggregating \$30.8 million while based upon the enrollment variance and the fiscal performance within certain auxiliaries, the transfers are projected to be \$32.2 million. The transfers' projection will be updated should summer 2020 begin to vary positively or adversely from an eight percent enrollment decline or should auxiliaries' or other units' fiscal performance begin to vary much from projections. The details of the original assumptions to projections follow:

	Original General Service Fees	Projected General Service Fees	Original Facilities Fees	Projected Facilities Fees	Original Other Support	Projected Other Support	Original Totals	Projected Totals
Athletics	\$11,858,000	\$11,631,000	\$3,259,000	\$2,958,000	\$ 7,677,000	\$ 9,623,000	\$ 22,794,000	\$ 24,212,000
E.J. Thomas PAH	-	-	-	-	840,000	840,000	840,000	840,000
Recreation & Wellness Services	-	-	1,106,000	1,004,000	2,136,000	2,238,000	3,242,000	3,242,000
Jean Hower Taber Student Union	-	-	1,902,000	1,726,000	2,042,000	2,218,000	3,944,000	3,944,000
Total	\$11,858,000	\$11,631,000	\$6,267,000	\$5,688,000	\$ 12,695,000	\$ 14,919,000	\$ 30,820,000	\$ 32,238,000

**The University of Akron**  
**Akron and Wayne General Fund Combined**  
**FY 2020 Budget Assumptions with Revisions Reflecting COVID-19 Implications**

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- The projected transfers to Athletics reflect net additional support in the amount of \$1.4 million. The net additional support contemplates the variation of the enrollment decline from budget on the Facilities and General Service fees; \$125,000 settling of the men's soccer loan; settling of the \$292,000 deficit carried over from the prior fiscal year, and biennial football ticket purchase in the amount of nearly \$600,000 representing a General Fund expenditure and Athletic revenue; and
- The transfers do not include the Facilities Fees reserve in the amount of \$1.9 million used to help service the Student Union, Student Recreation and Wellness Center, and Athletics debt service. Instead, the reserves were brought directly into the respective auxiliary unit.

Advances-Out

- The original assumption contemplated loans to the National Museum of Psychology, CAST Musson Industrial Control Systems Test Bed, and Men's Soccer, and those loans were effectuated.

Debt Service

- The original assumption presumed the General Fund had no debt service requirement as a debt deferral refinancing initiative in the amount of \$5 million and plant fund and debt reserves in the amount of \$7 million would fully satisfy the General Fund debt service obligation, and that assumption continues.



**The University of Akron  
Akron and Wayne General Fund Combined  
Narrative of FY20 Budget and Actual Results for the Eleven Months Ended May 31, 2020 with  
FY19 Comparisons and Revised Projections Reflecting COVID-19 Implications**

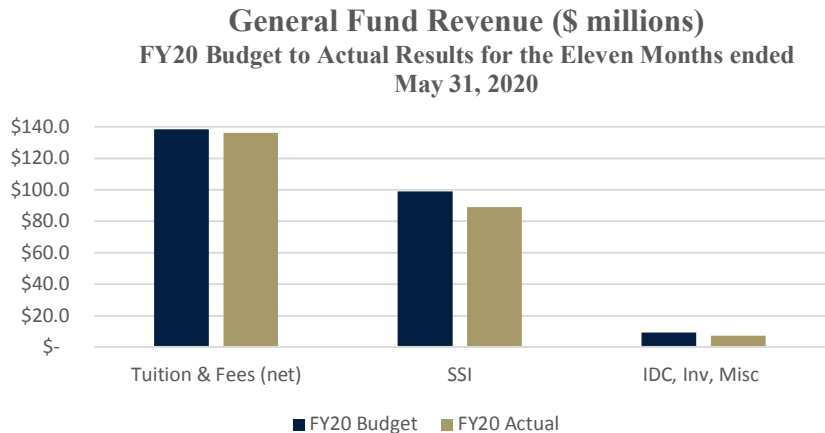
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**Revenues**

Tuition & General Service Fees:  
Tuition & General Service Fees revenues total \$169.2 million or approximately 95 percent of the annual budget of \$178.7 million. These revenues reflect the second half of summer 2019, the fall 2019 and spring 2020 semesters.

Tuition and General Service Fees have been tracking less than budget for much of the fiscal year. Based on preliminary 2020

summer enrollment, the Tuition and General Service Fees are projected to be \$175.6 million, or \$3.1 million less than budget.



Other Fees: Other Fees revenues total \$18.9 million or approximately 88 percent of the annual budget of \$21.5 million. These revenues reflect the second half of summer 2019, the fall 2019 and spring 2020 semesters. Spring fees are net of the \$1.2 million refund of Facilities Fees for the portion of the term the campus was closed due to COVID-19 and reflect the CARES Act funds of \$924,000 and a \$276,000 reduction in scholarships awarded.

Other Fees include various student fees such as the Technology Fee (27 percent), Facilities Fee (28 percent), unit and course/content, Administrative, Career Advantage and other fees (54 percent). The University recently began to more routinely implement electronic content fees. Those fees are charged to a student’s account, the proceeds of which then pass along to Barnes & Noble. This pass-through is expected to approximate \$1.5 million for the fiscal year.

Many of the fees remain within the General Fund and are used for operations, while the Facilities Fee passes through to Auxiliary units and contributes toward the debt service requirements of the Student Recreation and Wellness Center, Student Union, InfoCision Stadium, and the Fieldhouse.

Current expectations are that Other Fees will approximate \$21.3 million, or \$.2 million less than budget. The projection reflects net impact of the COVID-19 inspired partial spring Facilities Fee credits and CARES Act funds.

Scholarships: Scholarships total \$52.9 million or approximately 86 percent of the \$61.8 million annual budget. Year-to-date Scholarships include undergraduate (\$41.1 million), graduate tuition remission (\$8.3 million), and law (\$3.5 million) as compared to budgets of \$46.2 million, \$11.7 million, and \$3.9 million, respectively.

The \$41.1 million undergraduate scholarships include College Credit Plus (\$6 million), Early College (\$2 million), and \$300,000 for the Making a Difference Moving Forward (MDMF) campaign.

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Following the various fee credits to student accounts, scholarships are projected to be \$52.7 million or \$9.1 million less than budget as follows: undergraduate (\$5.3 million), graduate (\$3.3 million), and law (\$0.5 million). The projected scholarships reflect COVID-19 adjustments of \$550,000 as well as summer scholarships.

State Share of Instruction: State Share of Instruction (SSI) revenues total \$88.9 million or 90 percent of the annual budget of \$99.1 million.

The Ohio Department of Higher Education announced a reduction of \$3.9 million, or 20 percent of the outstanding SSI distributions for the fourth quarter of the fiscal year, to reflect the expected impact of COVID-19 shutdowns on state revenues.

Indirect Cost Recovery: IDC revenues total \$4.1 million or approximately 77 percent of the annual budget of \$5.2 million.

IDC is proportionately related to externally funded research activities and is currently allocated with 90 percent used to pay the general expenditures of the University and 10 percent allocated to the principal investigators.

Prior to the COVID-19 pandemic, revenues were expected to fall short of budget by roughly \$300,000. The impact of COVID-19 will most likely be a further reduction in IDC revenues; however, the revised projection is \$0.6 million.

Investment Income: Investment Income revenues total \$723,000, or 51 percent of the annual budget of \$1.4 million.

Investment Income is based upon the size of the operating funds investment portfolio and interest rates. Historically, certain realized gains from operating funds that were immediately reinvested were considered investment income. During FY2019, that methodology was changed so that only earnings on the cash and cash equivalent operating funds were recognized for budgetary purposes, and the FY2019 YTD investment income reflects that methodology change.

Prior to COVID-19, the investment income was expected to fall short of budget by approximately \$400,000. With the impact of COVID-19 on the federal funds rates, the investment income is estimated to be \$744,000 or \$656,000 less.

Miscellaneous Revenues: Miscellaneous Revenues total \$2.4 million, or 93 percent of the annual budget of \$2.6 million. These revenues include \$1 million from The University of Akron Research Foundation, \$264,000 federal tax credit from the Energy Bond, and \$1.1 million from various other sources.

Current expectations are that Miscellaneous Revenues will exceed budget by roughly \$70,000.

CARES Act – 50%: The federal government passed the CARES Act to support various government agencies in the wake of COVID-19. The University of Akron was appropriated \$14.2 million, 50 percent

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**Akron and Wayne General Fund Combined**  
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of which was direct aid to students. The remaining 50 percent, or \$7.1 million, with the vast majority used as direct reimbursement of incremental expenditures resulting from COVID-19 in accordance with Federal requirements.

The student portion does not represent operating resources and therefore is not recorded with the General Fund. The usage stipulation for the remaining 50 percent was treated as a federal grant. As of May 31, \$5.9 million was expended.

Compensation: Payroll expenditures total \$129.9 million or approximately 93 percent of the annual budget of \$139.7 million.

Largely due to 9-month employee contracts, compensation is not incurred ratably throughout the year. By September 30; however, all employees became part of the payroll cycle and compensation becomes more ratable for the remainder of the fiscal year.

Current expectations are that Payroll and Fringe benefit expenditures will approximate \$180.2 million, or \$3.4 million less than budget.

Utilities: The Utilities charges approximated \$6.6 million net of a credit on a water bill that reduced the expenditures by \$400,000. Following the March partial campus shut down, the utility usage for the final quarter is much reduced. Projected expenditures of \$7.5 million reflect a prior period adjustment of \$1 million and are \$2.8 million less than the annual budget of \$10.3 million.

Operating: Operating expenditures total \$31 million including encumbrances in the amount of \$3.8 million approximating 85 percent of the \$36.5 million annual budget.

<b>Employee Type</b>	<b>Actual YTD</b>
Faculty	\$75,941,000
Staff	25,522,000
Contract Professionals	23,358,000
Graduate Assistants	5,080,000
Total Payroll	<u>\$129,901,000</u>
<i>Note 1: Includes all General Fund payroll-related activities (e.g. full time, part time, overload, etc.).</i>	
<i>Note 2: Excludes fringe benefits.</i>	
<i>Note 3: Includes nine months of 9-month faculty payroll (full time, part time, visiting, etc.).</i>	

<b>Functional Category</b>	<b>Actual YTD</b>
Instruction and Departmental Research	\$110,989,000
Separately Budgeted Research	3,570,000
Public Service	133,000
Academic Support	24,491,000
Student Services	11,153,000
Institutional Support	38,789,000
Operation and Maintenance of Plant	15,854,000
Scholarships and Fellowships	54,049,000
Total Expenditures by Function	<u>\$259,028,000</u>
<i>Note: The expenditures are summarized by functional classification.</i>	

The expenditures are incurred within the operating units primarily for software licenses, supplies and services, transcribing, advertising, travel expenses, biennial football tickets, and occasionally smaller dollar capital items such as personal computers and equipment.

Current expectations are that Operating expenditures will be approximately \$6.5 million less than the \$36.5 million annual budget a spending has been minimal and restricted to necessities during the final quarter.

**The University of Akron**  
**Akron and Wayne General Fund Combined**  
**Narrative of FY20 Budget and Actual Results for the Eleven Months Ended May 31, 2020 with**  
**FY19 Comparisons and Revised Projections Reflecting COVID-19 Implications**

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**Transfers, Advances and Loan**

**Transfers-In (Draw on Operating Reserves): The annual budget assumes a draw on reserves totaling \$11.6 million. Current projections indicate a draw on reserves of \$2.6 million.**

Transfers-In Plant Fund and Other: The annual budget reflects \$1 million from reserves for plant fund projects to be transferred in as needed. The year-to-date transfer-in largely represents a remaining FY2019 balance within Student Recreation and Wellness Services, which was returned to the General Fund.

Transfers-Out Plant Fund: The following activities relate to plant fund transfers:

- \$450,000 Kolbe roof replacement;
- \$240,000 Energy Center chiller rebuild project;
- \$225,000 James A. Rhoades arena air conditioner;
- \$200,000 Auburn Science and Engineering Center (ASEC) insulation;
- \$138,000 Lakewood renovations for distance learning;
- \$85,000 Jackson Field track renovation;
- \$75,000 Polsky building waterproofing;
- \$50,000 to relocate the International Programs Office;
- (\$20,600) returned to General Fund upon completion of energy center boiler project;
- (\$24,000) returned to the Art Department upon completion of a Folk Hall renovation project;
- (\$30,900) returned to General Fund upon completion of sand filtering system;
- (\$33,500) returned to General Fund upon completion of E.J. Thomas lighting project; and
- (\$65,000) returned to General Fund upon completion of Akron Engineering Research Center (AERC) air chiller replacement.

Transfers-Out Other: Transfers-Out Other represents operating and debt service support for auxiliary units in the form of Facilities Fees, General Service Fees, and Other Support. To date, transfers totaling \$22.5 million were provided ratably each month. Based upon the enrollment difference to budget and the fiscal performance within certain auxiliaries including the clearing of a previous Athletic deficit and the reclassification of a portion of the men's soccer loan to a transfer, both the mix and magnitude of the transfers changed and increased, respectively.

The biennial football ticket purchase approximating \$600,000 is not reflected within transfers, but it is recorded as an operating expenditure within the General Fund and as a revenue within Athletics.

Prior to the COVID-19 concerns, the Transfers-Out Other were projected to increase by \$1 million to \$31.8 million. Projections indicate the expected impact of COVID-19 will require supplemental General Fund support of \$1.4 million to address a projected shortfall in Athletics.

**The University of Akron  
Akron and Wayne General Fund Combined  
Narrative of FY20 Budget and Actual Results for the Eleven Months Ended May 31, 2020 with  
FY19 Comparisons and Revised Projections Reflecting COVID-19 Implications**

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Advances In/Out:

	Balance <u>July 1, 2019</u>	Loan <u>Advance-Out</u>	Repayments <u>Advances-In</u>	Balance <u>May 31, 2020</u>
Musson Industrial Control System Test Bed	\$ 93,028	\$ 70,000	\$ 93,028	\$ 70,000
Cummings Center	10,000	50,000	-	60,000
Men's Soccer	-	170,000	-	170,000
Jackson Field Track Renovation	-	150,000	-	150,000
Total	<u>\$ 103,028</u>	<u>\$ 440,000</u>	<u>\$ 93,028</u>	<u>\$ 450,000</u>

Fundraising efforts to cover the \$170,000 advanced for Men’s Soccer salary increases have fallen short of goal and only \$45,000 is expected to be raised by fiscal year end. The unsettled amount, currently estimated to be \$125,000, has been reclassified from an advance to a transfer for projection purposes.

Loan: The University of Akron Foundation provided a loan to the University in the form of a line of credit of up to \$1 million to help fund the baseball field project until donations materialize. Initially, \$700,000 was accessed while \$400,000 was repaid as of March 31, 2020; therefore, \$300,000 remains outstanding. The loan may be further accessed for remaining project phases as other pledge commitments are secured.

# **AUXILIARY FUNDS**

**For the Eleven Months Ended May 31, 2020**

**The University of Akron  
Akron and Wayne Auxiliary Funds Combined  
FY20 Budget and Actual Results for the Eleven Months Ended May 31, 2020 with FY19 Comparisons and Revised Projections Reflecting COVID-19 Implications**

	FY19		FY20				Projection to Budget	
	YTD	YTD	Approved	YTD	Actual to Budget	Projected	Projection to Budget	
	June 30	May 31	Budget	May 31	\$	June 30	\$	
Revenues	\$43,233,817	\$39,325,904	\$42,450,000	\$32,925,748	(\$9,524,252)	\$36,446,136	(\$6,003,864)	86%
Payroll	10,311,448	9,497,026	10,810,000	9,678,507	1,131,493	10,671,986	138,014	
Fringes	4,329,956	3,940,129	3,844,000	3,406,420	437,580	3,696,099	147,901	
Total Compensation	14,641,404	13,437,155	14,654,000	13,084,927	1,569,073	14,368,085	285,915	98%
Operating	29,994,659	27,842,562	28,131,000	23,119,502	5,011,498	24,349,940	3,781,060	
Scholarships	6,506,067	6,275,123	7,004,000	6,372,293	631,707	6,309,284	694,716	
Total Non Personnel	36,500,726	34,117,685	35,135,000	29,491,795	5,643,205	30,659,224	4,475,776	87%
Total Expenditures	51,142,130	47,554,840	49,789,000	42,576,722	7,212,278	45,027,309	4,761,691	90%
Net Before Transfers	(7,908,313)	(8,228,936)	(7,339,000)	(9,650,974)	(2,311,974)	(8,581,173)	(1,242,173)	
Transfers-In - Facilities Fee	9,306,997	8,771,805	8,179,000	7,402,842	(776,158)	7,600,000	(579,000)	
Transfers-In - General Service Fee	12,066,760	10,916,455	11,858,000	10,273,943	(1,584,057)	11,631,000	(227,000)	
Transfers-In - Other-Debt Service	0	0	1,361,000	1,826,600	465,600	1,940,000	579,000	
Transfers-In - Other	16,231,440	12,673,478	11,365,000	9,945,722	(1,419,278)	13,011,580	1,646,580	
Transfers-In - Fund Balance	0	0	1,066,000	0	(1,066,000)	1,453,425	387,425	
Transfers-In - Plant Fund	50,601	50,601	0	0	0	0	0	
Transfers-In - Encumbrances	271,152	271,152	0	137,044	137,044	137,044	137,044	
Transfers-Out - Plant Fund	(2,116,897)	(1,680,000)	0	(142,302)	(142,302)	(141,581)	(141,581)	
Transfers-Out - Encumbrances	(137,044)	0	0	0	0	0	0	
Transfers-Out - Other	0	0	0	(119,331)	(119,331)	(119,331)	(119,331)	
Transfers-Out - Debt Service	(25,798,462)	(23,648,590)	(25,780,000)	(23,631,825)	2,148,175	(25,780,171)	(171)	
Net Transfers	9,874,547	7,354,901	8,049,000	5,692,693	(2,356,307)	9,731,966	1,682,966	
Difference	\$1,966,234	(\$874,035)	\$710,000	(\$3,958,281)	(\$4,668,281)	\$1,150,793	\$440,793	

The University of Akron  
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FY20 Budget and Actual Results for the Eleven Months Ended May 31, 2020 with FY19 Comparisons and Revised Projections Reflecting COVID-19 Implications

	FY19		FY20				Projection to Budget \$	%	
	YTD	YTD	Approved Budget	YTD	Actual to Budget				Projected June 30
	June 30	May 31		May 31	\$	%			
Revenues	\$9,506,464	\$6,794,076	\$9,406,000	\$4,395,143	(\$5,010,857)	47%	\$7,253,018	77%	
Payroll	7,830,374	7,245,636	8,217,000	7,455,069	761,931		8,203,882	13,118	
Fringes	3,049,475	2,796,651	2,657,000	2,354,963	302,037		2,569,043	87,957	
Total Compensation	10,879,849	10,042,287	10,874,000	9,810,032	1,063,968	90%	10,772,925	101,075	
Operating	13,191,831	12,373,435	10,062,000	9,852,668	209,332		10,137,403	(75,403)	
Scholarships	6,506,067	6,275,123	7,004,000	6,372,293	631,707		6,309,284	694,716	
Total Non Personnel	19,697,898	18,648,558	17,066,000	16,224,961	841,039	95%	16,446,687	619,313	
Total Expenditures	30,577,747	28,690,845	27,940,000	26,034,993	1,905,007	93%	27,219,612	720,388	
Net Before Transfers	(21,071,283)	(21,896,769)	(18,534,000)	(21,639,850)	(3,105,850)		(19,966,594)	(1,432,594)	
Transfers-In - Facilities Fee	4,828,318	4,550,669	4,254,000	3,899,161	(354,839)		3,953,000	(301,000)	
Transfers-In - General Service Fee	12,066,760	10,916,455	11,858,000	10,273,943	(1,584,057)		11,631,000	(227,000)	
Transfers-In - Other-Debt Service	0	0	708,000	949,996	241,996		1,009,000	301,000	
Transfers-In - Other	9,116,301	7,257,806	6,968,000	6,086,805	(881,195)		8,614,451	1,646,451	
Transfers-In - Fund Balance	0	0	0	0	0		0	0	
Transfers-In - Plant Fund	0	0	0	0	0		0	0	
Transfers-In - Encumbrances	37,088	37,088	0	12,817	12,817		12,817	12,817	
Transfers-Out - Plant Fund	0	0	0	0	0		0	0	
Transfers-Out - Encumbrances	(12,817)	0	0	0	0		0	0	
Transfers-Out - Other	0	0	0	0	0		0	0	
Transfers-Out - Debt Service	(4,964,367)	(4,550,670)	(4,962,000)	(4,548,201)	413,799		(4,961,674)	326	
Net Transfers	21,071,283	18,211,348	18,826,000	16,674,521	(2,151,479)		20,258,594	1,432,594	
Difference	\$0	(\$3,685,421)	\$292,000	(\$4,965,329)	(\$5,257,329)		\$292,000	\$0	



**The University of Akron  
Akron and Wayne Auxiliary Funds Combined  
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	FY19		FY20				Projected		Projection to Budget	
	YTD	YTD	Approved	YTD	Actual to Budget	June 30	June 30	\$	%	
	June 30	May 31	Budget	May 31	\$	June 30	June 30		%	
Residence Life & Housing										
Revenues	\$19,014,962	\$18,924,301	\$19,119,000	\$17,210,511	(\$1,908,489)	\$17,254,798	\$17,254,798	(\$1,864,202)	90%	90%
Payroll	802,538	720,590	845,000	721,091	123,909	797,038	797,038	47,962		
Fringes	345,161	314,542	307,000	275,344	31,656	298,529	298,529	8,471		
Total Compensation	1,147,699	1,035,132	1,152,000	996,435	155,565	1,095,567	1,095,567	56,433	86%	95%
Operating	7,099,710	6,128,691	7,645,000	5,662,993	1,982,007	6,200,000	6,200,000	1,445,000		
Scholarships	0	0	0	0	0	0	0	0		
Total Non Personnel	7,099,710	6,128,691	7,645,000	5,662,993	1,982,007	6,200,000	6,200,000	1,445,000	74%	81%
Total Expenditures	8,247,409	7,163,823	8,797,000	6,659,428	2,137,572	7,295,567	7,295,567	1,501,433	76%	83%
Net Before Transfers	10,767,553	11,760,478	10,322,000	10,551,083	229,083	9,959,231	9,959,231	(362,769)		
Transfers-In - Facilities Fee	0	0	0	0	0	0	0	0		
Transfers-In - General Service Fee	0	0	0	0	0	0	0	0		
Transfers-In - Other-Debt Service	0	0	0	0	0	0	0	0		
Transfers-In - Other	0	0	0	0	0	0	0	0		
Transfers-In - Fund Balance	0	0	321,000	0	(321,000)	646,318	646,318	325,318		
Transfers-In - Plant Fund	0	0	0	0	0	0	0	0		
Transfers-In - Encumbrances	5,520	5,520	0	37,458	37,458	37,458	37,458	37,458		
Transfers-Out - Plant Fund	0	0	0	0	0	0	0	0		
Transfers-Out - Encumbrances	(37,458)	0	0	0	0	0	0	0		
Transfers-Out - Other	0	0	0	0	0	0	0	0		
Transfers-Out - Debt Service	(10,646,776)	(9,759,545)	(10,643,000)	(9,756,090)	886,910	(10,643,007)	(10,643,007)	(7)		
Net Transfers	(10,678,714)	(9,754,025)	(10,322,000)	(9,718,632)	603,368	(9,959,231)	(9,959,231)	362,769		
Difference	\$88,839	\$2,006,453	\$0	\$832,451	\$832,451	\$0	\$0	\$0		

The University of Akron  
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	FY19		FY20		Actual to Budget		Projected		Projection to Budget	
	YTD	YTD	Approved	YTD	\$	%	June 30	\$	%	
	June 30	May 31	Budget	May 31			June 30			
Revenues	\$2,214,474	\$2,014,589	\$2,640,000	\$1,991,278	(\$648,722)	75%	\$1,994,086	(\$645,914)	76%	
Payroll	226,936	217,225	312,000	247,652	64,348		276,235	35,765		
Fringes	87,789	78,876	97,000	76,993	20,007		85,400	11,600		
Total Compensation	314,725	296,101	409,000	324,645	84,355	79%	361,635	47,365	88%	
Operating Scholarships	2,322,437	2,273,486	2,775,000	2,024,448	750,552		2,075,051	699,949		
Total Non Personnel	2,322,437	2,273,486	2,775,000	2,024,448	750,552	73%	2,075,051	699,949	75%	
Total Expenditures	2,637,162	2,569,587	3,184,000	2,349,093	834,907	74%	2,436,686	747,314	77%	
Net Before Transfers	(422,688)	(554,998)	(544,000)	(357,815)	186,185		(442,600)	101,400		
Transfers-In - Facilities Fee	0	0	0	0	0		0	0		
Transfers-In - General Service Fee	0	0	0	0	0		0	0		
Transfers-In - Other-Debt Service	0	0	0	0	0		0	0		
Transfers-In - Other	970,469	858,888	871,000	798,766	(72,234)		871,381	381		
Transfers-In - Fund Balance	0	0	0	0	0		0	0		
Transfers-In - Plant Fund	0	0	0	0	0		0	0		
Transfers-In - Encumbrances	28,832	28,832	0	0	0		0	0		
Transfers-Out - Plant Fund	(213,500)	(180,000)	0	33,483	33,483		33,483	33,483		
Transfers-Out - Encumbrances	0	0	0	0	0		0	0		
Transfers-Out - Other	0	0	0	0	0		0	0		
Transfers-Out - Debt Service	(326,899)	(299,657)	(327,000)	(299,412)	27,588		(326,631)	369		
Net Transfers	458,902	408,063	544,000	532,837	(11,163)		578,233	34,233		
Difference	\$36,214	(\$146,935)	\$0	\$175,022	\$175,022		\$135,633	\$135,633		

The University of Akron  
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	FY19		FY20				Projection to Budget %		
	YTD June 30	YTD May 31	Approved Budget	YTD May 31	Actual to Budget \$	%			
Revenues	\$4,060,090	\$3,506,535	\$3,186,000	\$1,926,415	(\$1,259,585)	60%	\$2,438,582	(\$747,418)	77%
Payroll	78,915	92,751	38,000	57,010	(19,010)		85,079	(47,079)	
Fringes	262,982	217,271	250,000	243,679	6,321		252,442	(2,442)	
Total Compensation	341,897	310,022	288,000	300,689	(12,689)	104%	337,521	(49,521)	117%
Operating Scholarships	1,341,535	1,416,138	1,747,000	848,553	898,447		1,009,815	737,185	
Total Non Personnel	1,341,535	1,416,138	1,747,000	848,553	898,447	49%	1,009,815	737,185	58%
Total Expenditures	1,683,432	1,726,160	2,035,000	1,149,242	885,758	56%	1,347,336	687,664	66%
Net Before Transfers	2,376,658	1,780,375	1,151,000	777,173	(373,827)		1,091,246	(59,754)	
Transfers-In - Facilities Fee	0	0	0	0	0		0	0	
Transfers-In - General Service Fee	0	0	0	0	0		0	0	
Transfers-In - Other-Debt Service	0	0	0	0	0		0	0	
Transfers-In - Other	0	0	0	0	0		0	0	
Transfers-In - Fund Balance	0	0	0	0	0		0	0	
Transfers-In - Plant Fund	0	0	0	0	0		0	0	
Transfers-In - Encumbrances	22,079	22,079	0	46,397	46,397		46,397	46,397	
Transfers-Out - Plant Fund	(8,397)	0	0	(175,064)	(175,064)		(175,064)	(175,064)	
Transfers-Out - Encumbrances	(46,397)	0	0	0	0		0	0	
Transfers-Out - Other	0	0	0	(12,000)	(12,000)		(12,000)	(12,000)	
Transfers-Out - Debt Service	(776,016)	(711,348)	(777,000)	(712,608)	64,392		(777,390)	(390)	
Net Transfers	(808,731)	(689,269)	(777,000)	(853,275)	(76,275)		(918,057)	(141,057)	
Difference	\$1,567,927	\$1,091,106	\$374,000	(\$76,102)	(\$450,102)		\$173,189	(\$200,811)	

**The University of Akron  
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	FY19			FY20			Actual to Budget		Projected		Projection to Budget	
	YTD	YTD	YTD	Approved	YTD	Actual to Budget	%	June 30	June 30	\$	%	
	June 30	May 31	May 31	Budget	May 31	\$						
Revenues	\$609,309	\$562,900	\$508,148	\$640,000	\$508,148	(\$131,852)	79%	\$507,555	\$507,555	(\$132,445)	79%	
Payroll	554,518	492,993	485,065	558,000	485,065	72,935		529,911	529,911	28,089		
Fringes	242,342	218,350	184,849	229,000	184,849	44,151		199,247	199,247	29,753		
Total Compensation	796,860	711,343	669,914	787,000	669,914	117,086	85%	729,158	729,158	57,842	93%	
Operating	1,827,329	1,646,464	1,392,528	1,750,000	1,392,528	357,472		1,444,000	1,444,000	306,000		
Scholarships	0	0	0	0	0	0		0	0	0		
Total Non Personnel	1,827,329	1,646,464	1,392,528	1,750,000	1,392,528	357,472	80%	1,444,000	1,444,000	306,000	83%	
Total Expenditures	2,624,189	2,357,807	2,062,442	2,537,000	2,062,442	474,558	81%	2,173,158	2,173,158	363,842	86%	
Net Before Transfers	(2,014,880)	(1,794,907)	(1,554,294)	(1,897,000)	(1,554,294)	342,706		(1,665,603)	(1,665,603)	231,397		
Transfers-In - Facilities Fee	1,646,177	1,551,515	1,288,141	1,443,000	1,288,141	(154,859)		1,341,000	1,341,000	(102,000)		
Transfers-In - General Service Fee	0	0	0	0	0	0		0	0	0		
Transfers-In - Other-Debt Service	0	0	322,015	240,000	322,015	82,015		342,000	342,000	102,000		
Transfers-In - Other	2,414,020	1,899,915	1,671,352	1,897,000	1,671,352	(225,648)		1,896,827	1,896,827	(173)		
Transfers-In - Fund Balance	0	0	0	0	0	0		0	0	0		
Transfers-In - Plant Fund	0	0	0	0	0	0		0	0	0		
Transfers-In - Encumbrances	61,728	61,728	12,152	0	12,152	12,152		12,152	12,152	12,152		
Transfers-Out - Plant Fund	(295,000)	0	0	0	0	0		0	0	0		
Transfers-Out - Encumbrances	(12,152)	0	0	0	0	0		0	0	0		
Transfers-Out - Other	0	0	(107,331)	0	(107,331)	(107,331)		(107,331)	(107,331)	(107,331)		
Transfers-Out - Debt Service	(1,692,562)	(1,551,515)	(1,542,976)	(1,683,000)	(1,542,976)	140,024		(1,683,246)	(1,683,246)	(246)		
Net Transfers	2,122,211	1,961,643	1,643,353	1,897,000	1,643,353	(253,647)		1,801,402	1,801,402	(95,598)		
Difference	\$107,331	\$166,736	\$89,059	\$0	\$89,059	\$89,059		\$135,799	\$135,799	\$135,799		

**The University of Akron  
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	FY19		FY20		Actual to Budget		Projected		Projection to Budget	
	YTD	YTD	Approved	YTD	\$	%	June 30	\$	%	
	June 30	May 31	Budget	May 31			June 30			
Revenues	\$1,002,068	\$910,538	\$947,000	\$936,577	(\$10,423)	99%	\$938,377	(\$8,623)	99%	
Payroll	591,082	528,970	601,000	514,066	86,934		556,395	44,605		
Fringes	256,526	231,714	220,000	199,137	20,863		212,519	7,481		
Total Compensation	847,608	760,684	821,000	713,203	107,797	87%	768,914	52,086	94%	
Operating	1,848,739	1,687,798	1,755,000	1,355,744	399,256		1,446,900	308,100		
Scholarships	0	0	0	0	0		0	0		
Total Non Personnel	1,848,739	1,687,798	1,755,000	1,355,744	399,256	77%	1,446,900	308,100	82%	
Total Expenditures	2,696,347	2,448,482	2,576,000	2,068,947	507,053	80%	2,215,814	360,186	86%	
Net Before Transfers	(1,694,279)	(1,537,944)	(1,629,000)	(1,132,370)	496,630		(1,277,437)	351,563		
Transfers-In - Facilities Fee	2,832,502	2,669,621	2,482,000	2,215,540	(266,460)		2,306,000	(176,000)		
Transfers-In - General Service Fee	0	0	0	0	0		0	0		
Transfers-In - Other-Debt Service	0	0	413,000	554,589	141,589		589,000	176,000		
Transfers-In - Other	1,887,305	1,656,869	1,629,000	1,388,799	(240,201)		1,628,921	(79)		
Transfers-In - Fund Balance	0	0	0	0	0		0	0		
Transfers-In - Plant Fund	0	0	0	0	0		0	0		
Transfers-In - Encumbrances	26,670	26,670	0	12,236	12,236		12,236	12,236		
Transfers-Out - Plant Fund	0	0	0	0	0		0	0		
Transfers-Out - Encumbrances	(12,236)	0	0	0	0		0	0		
Transfers-Out - Other	0	0	0	0	0		0	0		
Transfers-Out - Debt Service	(2,912,314)	(2,669,621)	(2,895,000)	(2,654,061)	240,939		(2,895,339)	(339)		
Net Transfers	1,821,927	1,683,539	1,629,000	1,517,103	(111,897)		1,640,818	11,818		
Difference	\$127,648	\$145,595	\$0	\$384,733	\$384,733		\$363,381	\$363,381		

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	FY19		FY20				Projection to Budget \$	Projection to Budget %	
	YTD June 30	YTD May 31	Approved Budget	YTD May 31	Actual to Budget \$	Actual to Budget %			
Revenues	\$6,778,971	\$6,568,122	\$6,458,000	\$5,905,172	(\$552,828)	91%	\$6,007,216	(\$450,784)	93%
Payroll	227,085	198,861	239,000	198,554	40,446		223,446	15,554	
Fringes	85,681	82,725	84,000	71,455	12,545		78,919	5,081	
Total Compensation	312,766	281,586	323,000	270,009	52,991	84%	302,365	20,635	94%
Operating Scholarships	2,353,874	2,310,382	2,387,000	1,980,855	406,145		2,035,058	351,942	
Total Non Personnel	2,353,874	2,310,382	2,387,000	1,980,855	406,145	83%	2,035,058	351,942	85%
Total Expenditures	2,666,640	2,591,968	2,710,000	2,250,864	459,136	83%	2,337,423	372,577	86%
Net Before Transfers	4,112,331	3,976,154	3,748,000	3,654,308	(93,692)		3,669,793	(78,207)	
Transfers-In - Facilities Fee	0	0	0	0	0		0	0	
Transfers-In - General Service Fee	0	0	0	0	0		0	0	
Transfers-In - Other-Debt Service	0	0	0	0	0		0	0	
Transfers-In - Other	1,843,345	1,000,000	0	0	0		0	0	
Transfers-In - Fund Balance	0	0	745,000	0	(745,000)		807,107	62,107	
Transfers-In - Plant Fund	50,601	50,601	0	0	0		0	0	
Transfers-In - Encumbrances	89,235	89,235	0	15,984	15,984		15,984	15,984	
Transfers-Out - Plant Fund	(1,600,000)	(1,500,000)	0	(721)	(721)		0	0	
Transfers-Out - Encumbrances	(15,984)	0	0	0	0		0	0	
Transfers-Out - Other	0	0	0	0	0		0	0	
Transfers-Out - Debt Service	(4,479,528)	(4,106,234)	(4,493,000)	(4,118,477)	374,523		(4,492,884)	116	
Net Transfers	(4,112,331)	(4,466,398)	(3,748,000)	(4,103,214)	(355,214)		(3,669,793)	78,207	
Difference	\$0	(\$490,244)	\$0	(\$448,906)	(\$448,906)		\$0	\$0	

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	FY19		FY20						
	YTD June 30	YTD May 31	Approved Budget	YTD May 31	Actual to Budget \$	%	Projected June 30	Projection to Budget \$	%
	\$47,479	\$44,843	\$54,000	\$52,504	(\$1,496)	97%	\$52,504	(\$1,496)	97%
Wayne Student Union									
Revenues									
Payroll	0	0	0	0	0	0	0	0	0
Fringes	0	0	0	0	0	0	0	0	0
Total Compensation	0	0	0	0	0	0%	0	0	0%
Operating	9,204	6,168	10,000	1,713	8,287		1,713	8,287	
Scholarships	0	0	0	0	0		0	0	
Total Non Personnel	9,204	6,168	10,000	1,713	8,287	17%	1,713	8,287	17%
Total Expenditures	9,204	6,168	10,000	1,713	8,287	17%	1,713	8,287	17%
Net Before Transfers	38,275	38,675	44,000	50,791	6,791		50,791	6,791	
Transfers-In - Facilities Fee	0	0	0	0	0		0	0	
Transfers-In - General Service Fee	0	0	0	0	0		0	0	
Transfers-In - Other-Debt Service	0	0	0	0	0		0	0	
Transfers-In - Other	0	0	0	0	0		0	0	
Transfers-In - Fund Balance	0	0	0	0	0		0	0	
Transfers-In - Plant Fund	0	0	0	0	0		0	0	
Transfers-In - Encumbrances	0	0	0	0	0		0	0	
Transfers-Out - Plant Fund	0	0	0	0	0		0	0	
Transfers-Out - Encumbrances	0	0	0	0	0		0	0	
Transfers-Out - Other	0	0	0	0	0		0	0	
Transfers-Out - Debt Service	0	0	0	0	0		0	0	
Net Transfers	0	0	0	0	0		0	0	
Difference	\$38,275	\$38,675	\$44,000	\$50,791	\$6,791		\$50,791	\$6,791	

## The University of Akron

### Auxiliaries

#### FY 2020 Budget Assumptions with Revisions Reflecting COVID-19 Implications

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#### Overall Assumptions

**Revenues** – Adjustments associated with COVID-19 are reflected and identified where appropriate.

#### Income

- The original assumption estimated a blended enrollment reduction exceeding four percent while indications as the fall 2019 semester approached were the decline might approach six percent. The revenue revised projection contemplates an overall seven percent decline.
- Revenues will be adversely impacted as a result of COVID-19. Prorated refunds and lost revenues from closed facilities and cancelled events are reflected as appropriate. CARES Act funds partially reimbursed the refunds to students.

**Expenditures** – Adjustments associated with COVID-19 are reflected and identified where appropriate.

#### Compensation (Payroll and Fringes)

- The following original assumptions remain valid:
  - A four percent increase pursuant to collective bargaining agreements.
  - A raise pool equivalent to two percent for qualifying non-represented employees.
  - Reduction in the fringe rate.
  - Fringes include benefits such as a 14 percent employer contribution to the respective retirement system, University contribution toward employee group insurance, employee and dependent fee remission, and University portion of employee parking permits.
- The Fair Labor Standard Act compensation changes are reflected in the revised projections.

#### Operating

- The original assumption materialized as the State minimum wage adjustment was implemented.

#### **Other**

#### Transfers-In

- The original assumption contemplated General Fund operating and debt service support and Facilities Fees reserve usage for debt service for certain auxiliaries totaling \$32.8 million while based upon the enrollment variance and the fiscal performance within certain auxiliaries, the transfers were projected to be \$33.8 million. However, considering the expected impact of COVID-19 on operations, additional resources are required from the General Fund to offset anticipated shortfalls. Overall support from General Fund is expected to be \$34.2 million and \$1.9 million from Facilities Fee reserve.



**The University of Akron**

**Auxiliaries**

**FY 2020 Budget Assumptions with Revisions Reflecting COVID-19 Implications**

	Original General Service Fees	Projected General Service Fees	Original Facilities Fees	Projected Facilities Fees	Original Other Support	Projected Other Support	Original Totals	Projected Totals
Athletics	\$11,858,000	\$11,631,000	\$4,254,000	\$3,953,000	\$7,677,000	\$9,623,000	\$23,789,000	\$25,207,000
E.J. Thomas PAH	-	-	-	-	872,000	872,000	872,000	872,000
Recreation & Wellness Services	-	-	1,443,000	1,341,000	2,136,000	2,238,000	3,579,000	3,579,000
Jean Hower Taber Student Union	-	-	2,482,000	2,306,000	2,042,000	2,218,000	4,524,000	4,524,000
Total	\$11,858,000	\$11,631,000	\$8,179,000	\$7,600,000	\$12,727,000	\$14,951,000	\$32,764,000	\$34,182,000

- The projected transfers to Athletics reflect net additional support in the amount of \$1 million. The net additional support contemplates the variation of the enrollment decline from budget on the Facilities and General Service fees; \$125,000 settling of the men’s soccer loan; settling of the \$292,000 deficit carried over from the prior fiscal year, and biennial football ticket purchase in the amount of nearly \$600,000 representing a General Fund expenditure and Athletic revenue.
- The transfers revised projection will be updated should summer 2020 begin to vary from a 20 percent enrollment decline or should auxiliaries’ fiscal performances begin to vary much from revised projections.

Transfers-Out - Debt Service

- The original assumption presumed the auxiliaries’ facilities debt service requirements would be \$26 million, and the assumption continues.

**Unit Assumptions**

**Athletics**

**Revenues**

Income

- The original assumptions contemplated externally generated revenues from various sources such as the MAC, game guarantees, naming rights, ticket sales, grants-in-aid, IMG, and Coca-Cola. The revenue components will remain; however, the projected revenues are less than budgeted.
- The revised projection includes the General Fund’s biennial football ticket purchase approximating \$600,000 as an Athletic revenue.
- Due to COVID-19, the assumptions indicate that the cancellation of the NCAA Men’s Basketball Tournament will reduce the annual NCAA revenues to \$387,000 or 37 percent for a total loss of \$658,000.
- The revised projections indicate the Athletic Facility rental events canceled as a result of COVID-19 represent a loss of \$39,000 in rental revenue.

## **The University of Akron**

### **Auxiliaries**

#### **FY 2020 Budget Assumptions with Revisions Reflecting COVID-19 Implications**

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#### **Expenditures**

##### Compensation (Payroll and Fringes)

- The original assumption contemplated a rate increase as reflected in respective individual contracts, and the revised projection reasonably approximates budgeted levels.

##### Operating

- The original assumption contemplated supplies and services, student assistants, game officials, guarantees, maintenance, team travel and recruiting, and utilities cost and the components will remain. However, the cancellation of spring sports, team travel, and recruiting will result in cost savings of \$541,000.

##### Scholarships

- The original assumptions assumed approximately 220 Athletic financial aid awards while the current revised projection is closer to 217.
- The New Z Fund event will support scholarships for 5<sup>th</sup> year aid.
- As a result of the COVID-19 pandemic, the revised projection assumes refundable room, board, transportation fees and facility fees to be \$252,000 for spring semester student athletes.

#### **Other**

##### Transfers-In

- The original assumptions contemplated General Services Fee, \$11.9 million; Facilities Fee, \$4.3 million (facility fee reserves included); and Other, \$7.7 million (operations and debt service); while the revised projections currently contemplate General Services Fee, \$11.6 million; Facilities Fee, \$4 million (facility fee reserves included); and Other, \$9.6 million (operations and debt service).
- The original assumption contemplated a General Fund loan in the amount of \$170,000 for Men's soccer with the intent of full repayment by fiscal year end. The revised projection presumes that \$125,000 will remain unpaid and is reclassified to General Fund support.
- The original assumption assumed a portion of the Facility Fee reserve, in the amount of \$1 million, contributes towards the debt service for FY20, and that assumption continues.
- The original assumption presumed General Fund support totaling \$22.8 million; however, the revised assumption indicates support, net of the \$600,000 biennial football ticket purchase, of \$24.2 million.

**The University of Akron**

**Auxiliaries**

**FY 2020 Budget Assumptions with Revisions Reflecting COVID-19 Implications**

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**Residence Life & Housing**

**Revenues**

Income

- The original assumption presumed 81 percent average occupancy for the academic year while approximately 74 percent materialized.
- The original assumption of a room rate increase of 1.5 percent for the fall 2019 Tuition Guarantee Cohort.
- Credits for residence halls, due to COVID-19 early closure, resulted in \$3.5 million of lost revenue and a loss of \$40,000 in revenue due to the cancellation of the AA conference.
- Residence Life & Housing received \$2.7 million in Federal Stimulus CARES Act funds.

**Expenditures**

Operating

- The original assumption includes costs for maintenance, resident assistant meals, student employment, and utilities costs.
- The revised assumption assumes cost savings for Resident Assistant Meals, and the cancellation of the AA conference will save significant overtime for custodial dorm preparations.

**Other**

Transfers-In

- The original assumption estimated that \$321,000 would be transferred from Residence Life & Housing's fund balance while the revised projection contemplates that \$646,000 of the fund balance will be needed.

**E. J. Thomas Performing Arts Hall**

**Revenues**

Income

- The original assumption remains and is based on externally generated revenues from various sources such as Broadway Series sales, Akron Civic Theater pass-through, hall rental, and endowment gifts.

## **The University of Akron**

### **Auxiliaries**

#### **FY 2020 Budget Assumptions with Revisions Reflecting COVID-19 Implications**

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#### **Expenditures**

##### Operating

- Assumes artist fees, advertising, maintenance, stage & wardrobe, student employment, and utilities cost.

##### **Other**

##### Transfers-In

- The original assumption remains and is based on Transfers-In - Other, totaling \$840,000 from the General Fund and \$31,000 from Endowment.

#### **Dining Services (Aramark)**

#### **Revenues**

##### Income

- The original assumption presumed \$1.6 million in rent from Aramark, but the revised projection currently contemplates \$.7 million in rent from Aramark.
- The original assumptions for other contractually provided revenues such as utilities support, maintenance support, and equipment repair support continue to hold.
- Assumed a meal plan increase of three percent for the fall 2019 Tuition Guarantee Cohort.
- The revised projections include refunds to students for the unused balance of the various meal plan options (less those meal plans paid via scholarship) in the amount of nearly \$2 million for the Spring semester. As agreed, Aramark returned \$356,000 of Spring revenue to the University.
- Dining Services received \$1.5 million of the Federal Stimulus CARES Act funds.

#### **Expenditures**

##### Compensation (Payroll and Fringes)

- Assumes the CWA employees remain University employees, with the University responsible for the difference between FICA and SERS, and all other employees are the fiscal responsibility of Aramark. Current assumptions assume the university will be pay the six CWA employees during the COVID-19 pandemic with an attempt to redeploy the employees to other areas. Projected unanticipated payroll costs through June 30, 2020 will be \$50,000.

## **The University of Akron**

### **Auxiliaries**

#### **FY 2020 Budget Assumptions with Revisions Reflecting COVID-19 Implications**

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##### Operating

- The original assumption reflected card access and point of sale software, equipment, maintenance, and utilities costs totaling \$1.7 million, but the revised projection contemplates \$1 million.

##### Other

##### Transfers-In

- The original assumption presumed a budgeted surplus and that assumption is valid.

### **Recreation & Wellness Services**

##### Revenues

##### Income

- Assumes externally generated revenues from various sources such as memberships, pool rental, and locker and facility rentals.
- \$68,000 in new community membership program and rental income.

##### Expenditures

##### Operating

- Assumes group exercise, intramural sports, maintenance, outdoor adventures, student employment, and utilities cost.

##### Other

##### Transfers-In

- The original assumptions of Transfers-In budgeted at Other, \$2.1 million (operations and debt service); and Facilities Fee, \$1.4 million (including reserves) were adjusted to account for less than expected enrollment, while the revised projections indicate transfers are Other, \$2.2 million; and Facilities Fee, \$1.3 million.
- The original assumption assumed Recreation & Wellness Services Facilities Fees maintained a reserve, and a portion of that reserve, in the amount of \$.3 million, would be used to help service the debt service for FY20, and this assumption continues.
- The original assumption assumed no needed use of Recreation & Wellness Services Facilities fund balance to balance and that assumption continues.

**The University of Akron**

**Auxiliaries**

**FY 2020 Budget Assumptions with Revisions Reflecting COVID-19 Implications**

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**Jean Hower Taber Student Union**

**Revenues**

Income

- Assumes externally generated revenues from various sources such as bookstore space rent, bank space rent, and room rentals.
- Assumes the impact of the COVID-19 pandemic will reduce the Barnes & Noble commission and space rental revenue by \$27,000, but the revised projection assumes \$10,000.

**Expenditures**

Compensation (Payroll and Fringes)

- The original assumption assumed a \$45,000 savings from eliminating a full-time position while the revised projections indicate the \$45,000 full-time position will not be eliminated.

Operating

- Assumes maintenance, utilities, and student employment cost.

**Other**

Transfers-In

- The original assumptions of Transfers-In budgeted at Other, \$2 million (operations and debt service); and Facilities Fee, \$2.5 million (including reserves) were adjusted to account for less than expected enrollment. Projected transfers are Other, \$2.2 million; and Facilities Fee, \$2.3 million.
- The Facilities Fees maintained a reserve, and a portion of that reserve, in the amount of \$.6 million, would be used to help service the debt service for FY20.
- The original assumption assumed no needed use of Jean Hower Taber Student Union fund balance to balance, and that assumption remains valid.

## **The University of Akron**

### **Auxiliaries**

#### **FY 2020 Budget Assumptions with Revisions Reflecting COVID-19 Implications**

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### **Parking & Transportation Services**

#### **Revenues**

##### Income

- The original assumptions contemplated parking permits and transportation fee revenues, and the assumptions continue to hold.
- Due to COVID-19, \$1.1 million or 45 percent of spring semester revenue went towards refunds.
- Parking & Transportation Services received \$810,000 of the Federal Stimulus CARES Act funds.

#### **Expenditures**

##### Operating

- The original assumptions contemplated parking deck and lot maintenance, Roo Express Shuttle, the Metro Dash, and utilities, and those assumptions continue to materially hold.

##### Transfers-In

- The original assumption contemplated \$745,000 of fund balance usage, while the revised projection contemplates that \$807,000 of the fund balance will be needed.

### **Wayne Student Union**

#### **Revenues**

##### Income

- Assumes externally generated revenues from bookstore space rent and room rentals.
- The expected impact of COVID-19 is a reduction in Barnes & Noble commission by \$1,000.

#### **Expenditures**

##### Operating

- Original assumptions contemplated artist fees, equipment, and property and fire insurance costs, and those assumptions remain.

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**Note:**

The institutional share of the CARES Act funding, \$7,075,908, funded COVID-19 related expenditures, including an apportionment for the cost of University faculty and staff time to manage the pandemic. These allocations will offset the grant revenue so that the full amount in the months ahead will be recognized as temporarily restricted revenue.

**Athletics**

Athletics actual revenues total nearly \$4.4 million as compared to annual budgeted revenues of \$9.4 million. Major components of revenue include game guarantees (31 percent), ticket sales (29 percent), and gifts (19 percent). The General Fund’s biennial football ticket purchase approximating \$600,000 is also reflected as a revenue.

<b>Description</b>	<b>Actual YTD</b>
Game Guarantees	\$1,366,000
Ticket Sales	1,286,000
Gifts	836,000
Other	527,000
Pouring Rights	380,000
Total Revenue	<u>\$4,395,000</u>

Due to COVID-19, the projection indicates that the cancellation of the NCAA Men’s Basketball Tournament will reduce the annual NCAA revenues to \$387,000, or 37 percent for a total loss of \$658,000. Cancellations of Athletic Facility rental events represent a loss of \$39,000 in rental income. Current expectations indicate that revenues will total \$7.3 million, or \$2.2 million below the \$9.4 million budget.

<b>Employee Type</b>	<b>Actual YTD</b>
Contract Professionals	\$6,708,000
Staff	651,000
Graduate Assistants	91,000
Faculty	5,000
Total Payroll	<u>\$7,455,000</u>

*Note 1: Includes all Athletics payroll-related activities (e.g. full-time, part-time, overtime, etc.).*

*Note 2: Excludes fringe benefits.*

Payroll and fringes total \$9.8 million or roughly 90 percent of the annual budget of \$10.9 million. Projections indicate that payroll and fringes will approximate \$10.8 million, or \$101,000 below the original \$10.9 million budget.



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**Athletics Continued**

Operating expenditures total \$9.9 million or 98 percent of the annual budget of \$10.1 million. The principal operating expenditures include supplies & services (58 percent) and travel & hospitality (31 percent). The majority of supplies & services includes athletic supplies (17 percent), maintenance (17 percent), and game officials and guarantees (15 percent). The majority of operating expenditures in travel & hospitality are team travel and recruiting (70 percent).

<b>Description</b>	<b>Actual YTD</b>
Supplies & Services	\$5,737,000
Travel & Hospitality	3,032,000
Utilities	520,000
Student Assistants	369,000
Other	178,000
Equipment	16,000
Total Operating	<u>\$9,852,000</u>

Projections indicate, due to COVID-19, cancellation of spring sports, busses, hotels, and other travel arrangements will reduce annual spending, however operating expenditures will total \$75,000 above budget.

Scholarships, or Athletics financial aid, totaled \$6.4 million or 91 percent of the annual budget of \$7 million. Refundable room, board, Transportation Fees, and Facility Fees are estimated to total \$249,000 for spring semester student athletes. Projections indicate that scholarships and other student aid will be less than budget by \$695,000.

The other sources of funding include transfers-in of Facilities Fee (including reserve), General Service Fee, and Other budgeted at \$4.3 million, \$11.9 million, and \$7.7 million, respectively. The mix of the transfers-in will change based upon the enrollment decline that exceeded budget and will increase based upon the projected fiscal performance, which includes settling the Men’s Soccer loan estimated balance of \$125,000 and the prior year deficit fund balance of \$292,000.

The Transfers-In - Facilities Fee and Transfers-In - General Service Fee will be reduced by a combined \$301,000 and Transfers-In - Other will increase by a like amount because enrollment was less than expected (the budget projected a four percent decline vs. an actual decline of seven percent). The actual Facilities Fee totaling \$3.9 million services a portion of the Stadium and Fieldhouse debt while the Athletics actual general services fee, and other transfers-in combined total \$17.3 million. The actual transfers-in from the General Fund and reserves are projected to approximate \$24.8 million which is net of the biennial football ticket purchase, or \$1 million more than budget.

At the end of each fiscal year, commitments often remain for goods and services that have not yet arrived or been received by June 30. Those outstanding commitments are carried over to the succeeding fiscal year and become a liability and expenditure in that following year. The \$13,000 Transfers-In - Encumbrances represent those types of commitments.

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The budgeted Transfers-Out - Debt Service is \$5 million. To date, \$4.5 million or 92 percent has been transferred out to pay the debt service payment with the remaining transfers to occur throughout the year. The debt service pays the bonded debt related to InfoCision Stadium (94 percent) and the Athletic Fieldhouse.

**Residence Life & Housing**

Residence Life & Housing actual revenues total \$17.2 million as compared to the annual budgeted revenues of \$19.1 million. The principal revenues include residence hall occupancy and are predominately earned during the academic year. Fall occupancy approximated 77 percent, which includes a number of rooms intentionally kept offline.

Description	Actual YTD
Room Rentals	\$17,627,000
CARES Act Funds	2,711,000
Other	412,000
Room Rentals Refund	<u>(3,540,000)</u>
Total Revenue	<u>\$17,210,000</u>

Fall semester revenues achieved 48 percent of the total revenue budget. Residence hall early closure due to COVID-19, resulted in \$3.5 million in refunds for the spring semester and the loss of \$40,000 in revenue due to the cancellation of the AA conference. Residence Life & Housing received \$2.7 million of the Federal Stimulus CARES Act funds. Projections indicate year-end revenues will be \$1.9 million less than the original budget of \$19.1 million.

Employee Type	Actual YTD
Contract Professionals	\$489,000
Staff	<u>232,000</u>
Total Payroll	<u>\$721,000</u>
<i>Note 1: Includes all Residence Life &amp; Housing payroll-related activities (e.g. full-time, part-time, overtime, etc.).</i>	
<i>Note 2: Excludes fringe benefits.</i>	

Payroll and fringes total \$996,000 or roughly 86 percent of the annual budget of \$1.2 million. Actual compensation is projected to be nearly \$56,000 below the original \$1.2 million compensation budget.

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**Residence Life & Housing Continued**

Operating expenditures total \$5.7 million or 74 percent of the annual budget of \$7.6 million. The principal operating expenditures include supplies & services (57 percent) and utilities (21 percent). The major spending component in supplies & services includes maintenance (87 percent). The majority of expenditures in utilities are electricity (51 percent), water (29 percent), and gas (12 percent). The majority of operating expenditures in travel & hospitality are Resident Assistant Meals (84 percent). Operating expenditures are being managed and are projected to be roughly \$1.4 million below the original budget of \$7.6 million. Cost savings, due to COVID-19 closure, include Resident Assistant Meals, reduced maintenance and utilities costs for April, May, and June, cancellation of the AA conference will save significant overtime on custodial residence hall preparations, and the cancellation of all summer conferences will save significantly on student assistant costs.

<b>Description</b>	<b>Actual YTD</b>
Supplies & Services	\$3,210,000
Utilities	1,185,000
Student Assistants	504,000
Other	412,000
Travel & Hospitality	<u>352,000</u>
Total Operating	<u>\$5,663,000</u>

The original assumption estimated that \$321,000 would be transferred from Residence Life & Housing's fund balance to balance while the projection contemplates that \$646,000 of the fund balance will be needed.

At the end of each fiscal year, commitments often remain for goods and services that have not yet arrived or been provided by June 30. Those outstanding commitments are carried over to the succeeding fiscal year and become a liability and expenditure in that following year. The \$37,000 Transfers-In - Encumbrances represent those types of commitments.

The budgeted Transfers-Out - Debt Service total \$10.6 million. To date, nearly \$9.8 million or 92 percent has been transferred out to pay the debt service payment with the remaining transfers to occur throughout the year. The debt service pays the debt related to the renovation of seven residence halls and construction of four new buildings.

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**EJ Thomas Performing Arts Hall**

EJ Thomas Performing Arts Hall actual revenues total nearly \$2 million as compared to the annual budgeted revenues of \$2.6 million. The principal revenues include ticket sales (77 percent). The cancellations of events related to the COVID-19 pandemic will produce a loss in revenue of \$40,000. Total revenue is projected to be \$2 million.

<b>Description</b>	<b>Actual YTD</b>
Ticket Sales	\$1,541,000
Endowment	172,000
Hall Rental	148,000
Other	<u>130,000</u>
Total Revenue	<u>\$1,991,000</u>

<b>Employee Type</b>	<b>Actual YTD</b>
Staff	\$129,000
Contract Professionals	<u>119,000</u>
Total Payroll	<u>\$248,000</u>

*Note 1: Includes all EJ Thomas Performing Arts Hall payroll-related activities (e.g. full-time, part-time, overtime, etc.).*  
*Note 2: Excludes fringe benefits.*

Payroll and fringes total \$325,000 or roughly 79 percent as compared to the annual budget of \$409,000. Projections indicate that payroll and fringes will approximate \$362,000.

Operating expenditures total \$2 million or 73 percent of the annual budget of \$2.8 million. The principal operating expenditures include supplies & services (85 percent). The major spending component in supplies & services includes stage & wardrobe (45 percent) and artist fees (24 percent). Projections indicate operating expenditures will be less than budget. Certain show-related costs may be eliminated as COVID-19 resulted in event cancellations.

<b>Description</b>	<b>Actual YTD</b>
Supplies & Services	\$1,722,000
Utilities	179,000
Student Assistants	68,000
Travel & Hospitality	29,000
Other	<u>26,000</u>
Total Operating	<u>\$2,024,000</u>

Transfers-In - Other represents General Fund and endowment support for operations and is budgeted at \$871,000. To date, \$799,000 has been transferred with the expectation the full amount will be transferred throughout the remainder of the fiscal year.

Transfers-Out - Plant Fund of \$33,000 represents the remaining balance returned to EJ Thomas Performing Arts Hall related to the FY2019 Lighting Upgrade Project.

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**EJ Thomas Performing Arts Hall Continued**

The budgeted Transfers-Out - Debt Service totals \$327,000. To date, \$299,000 or 92 percent has been transferred out to pay the debt service payment with the remaining transfers to occur throughout the year. This debt service pays the bonded debt related to improvements and equipment from approximately 17 years ago. The debt will be retired during the fiscal year ended June 30, 2029.

**Dining Services (Aramark)**

Aramark actual revenues total \$1.9 million as compared to the annual budgeted revenues of \$3.2 million. The University, in compliance with the senior administration directive, refunded to students the unused balance of the various meal plan options (less those meal plans paid via scholarship) in the amount of nearly \$2 million for the Spring semester. In a tentative agreement, Aramark agrees to return \$326,000 of Spring revenue to the University. Dining Services (Aramark) received \$1.5 million of the Federal Stimulus CARES Act funds. As a result, projected revenues at June 30, 2020 are anticipated to be \$2.4 million. Negotiations are ongoing and will impact year end results.

<b>Description</b>	<b>Actual YTD</b>
CARES Act Funds	\$1,528,000
Rent	653,000
Aramark Grant	503,000
Other	398,000
Utilities Support	352,000
Facilities Support	306,000
POS/Card Access Support	181,000
Meal Plans Refund	<u>(1,995,000)</u>
Total Revenue	<u>\$1,926,000</u>

<b>Employee Type</b>	<b>Actual YTD</b>
Staff	\$57,000

*Note 1: Includes all Dining Services (Aramark) payroll-related activities (e.g. full-time, part-time, overtime, etc.).*  
*Note 2: Excludes fringe benefits.*

Payroll and fringes total \$301,000 or roughly 104 percent of the annual budget of \$288,000. Certain University employees were needed by Aramark at the contract inception and remained University employees. Aramark was reimbursing the University for nearly all employment costs. However, with the University shutdown, these employees are not needed and as of March 23, 2020 Aramark will not be reimbursing their

costs until the crisis passes. The University, will therefore, be paying these remaining six employees during the closure with an attempt to redeploy to other areas. Projected unanticipated payroll costs through June 30, 2020 will be \$50,000.

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**Dining Services (Aramark) Continued**

Operating expenditures total \$849,000 or 49 percent of the annual budget of \$1.7 million. The principal operating expenditures include supplies & services (62 percent) and utilities (26 percent). The major spending component in supplies & services include maintenance (51 percent) and furniture & equipment repair (37 percent). The majority of expenditures in utilities are electricity (57 percent) and water (30 percent). Projections indicate operating expenditures will be less than budget.

<b>Description</b>	<b>Actual YTD</b>
Supplies & Services	\$524,000
Utilities	217,000
Equipment	59,000
Other	<u>49,000</u>
Total Operating	<u>\$849,000</u>

At the end of each fiscal year, commitments often remain for goods and services that have not yet arrived or been provided by June 30. Those outstanding commitments are carried over to the succeeding fiscal year and become a liability and expenditure in that following year. The \$46,000 Transfers-In - Encumbrances represent those types of commitments.

Transfers-Out - Plant Fund of \$175,000 represents funding to replace the Student Union dishwasher.

Transfers-Out - Other of \$12,000 represents a transfer to the Student Union to support the extended hours for Union Market.

The budgeted Transfers-Out - Debt Service totals \$777,000. To date, \$713,000 or 92 percent has been transferred out to pay the upcoming debt service payment with the remaining transfers to occur throughout the year. This debt service pays the bonded debt related to various buildouts of space and renovations including the dining hall and retail sites located throughout the campus over the course of the last 13 to 20 years. The debt will be retired during the fiscal year ended June 30, 2038.

**Recreation & Wellness Services**

Student Recreation & Wellness Services (SRWS) actual revenues total \$508,000 as compared to the annual budgeted revenues of \$640,000. The principal revenues include swimming meets/lessons (53 percent) and memberships (28 percent). Due to COVID-19, all SRWS facilities were closed March 16, 2020, indefinitely, generating refunds for

<b>Description</b>	<b>Actual YTD</b>
Swimming Meets & Lessons	\$271,000
Memberships	140,000
Other	58,000
Rentals	<u>39,000</u>
Total Revenue	<u>\$508,000</u>

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Narrative of FY20 Budget and Actual Results for the Eleven Months Ended May 31, 2020 with FY19  
Comparisons and Revised Projections Reflecting COVID-19 Implications**

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**Recreation & Wellness Services Continued**

memberships and prepaid events. The projections indicate revenues will total \$132,000 less than budget.

<b>Employee Type</b>	<b>Actual YTD</b>
Contract Professionals	\$385,000
Staff	<u>100,000</u>
Total Payroll	<u>\$485,000</u>

*Note 1: Includes all Recreation & Wellness Services payroll-related activities (e.g. full-time, part-time, overtime, etc.).*

*Note 2: Excludes fringe benefits.*

Payroll and fringes total \$670,000 or roughly 85 percent as compared to the annual budget of \$787,000. The two percent raises and FLSA changes effective January 1st, not included as part of planned expenditures, will generate unbudgeted costs. Projections indicate payroll and fringes, with vacancy savings, will approximate \$729,000, or \$58,000 below the original \$787,000 budget.

Operating expenditures total \$1.4 million or 80 percent as compared to the annual budget of \$1.8 million. The principal operating expenditures include supplies & services (45 percent), student assistants (37 percent), and utilities (16 percent). The majority of supplies & services spending includes maintenance (87 percent). The majority of expenditures in utilities are electricity (64 percent) and steam (18 percent). Due to COVID-19, the projection indicates that changes in student employment will produce \$120,000 in savings for Summer. Projections indicate operating expenditures will be \$306,000 less than budget.

<b>Description</b>	<b>Actual YTD</b>
Supplies & Services	\$622,000
Student Assistants	522,000
Utilities	227,000
Other	17,000
Travel & Hospitality	<u>5,000</u>
Total Operating	<u>\$1,393,000</u>

The other sources of funding include a Transfers-In Facilities Fee (including reserve) and Transfers-In - Other budgeted at \$1.4 million and \$2.1 million, respectively. The Transfers-In - Facilities Fee will be reduced by \$102,000 and Transfers-In - Other will increase by a like amount, because enrollment was less than expected (budget down four percent and actual down six percent). Actual transfers-in of \$3.3 million represents facilities fee (including reserve) and General Fund support to service the building's debt and operations.

Transfers-In - Fund Balance projection includes \$14,000 to support the projected fiscal year-end shortfall. Projection will be updated should anticipated operating results change.

At the end of each fiscal year, commitments often remain for goods and services that have not yet arrived or been received by June 30. Those outstanding commitments are carried over to the succeeding fiscal year and become a liability and expenditure in that following year. The \$12,000 Transfers-In - Encumbrances represent those types of commitments.

**The University of Akron**  
**Akron and Wayne Auxiliary Funds Combined**  
**Narrative of FY20 Budget and Actual Results for the Eleven Months Ended May 31, 2020 with FY19 Comparisons and Revised Projections Reflecting COVID-19 Implications**

Transfers-Out - Other represents the \$107,000 remaining balance returned to the General Fund related to FY2019 projects including heat exchanger and domestic hot water boilers. Current expectations are the \$107,000 transfers-out will generate a shortfall at fiscal year-end. The fund balance will absorb any shortfall that may occur.

The budgeted Transfers-Out - Debt Service totals \$1.7 million. To date, \$1.5 million or 92 percent has been transferred out for the debt service requirements associated with the facility and its retail space. The outstanding debt will be retired in the fiscal year ended June 30, 2033.

**Jean Hower Taber Student Union**

The Student Union actual revenues total nearly \$937,000 as compared to the annual budgeted revenues of \$947,000. The principal revenues include Barnes & Noble bookstore commission income (67 percent), PNC commission (22 percent), and rental revenue (11 percent). The impact of the COVID-19 pandemic will reduce the Barnes & Noble commission and space rental revenue by \$27,000. The current annual revenue projection is \$938,000.

Description	Actual YTD
Commission Income	\$832,000
Room Rentals	99,000
Other	<u>6,000</u>
Total Revenue	<u>\$937,000</u>

Employee Type	Actual YTD
Contract Professionals	\$435,000
Staff	<u>79,000</u>
Total Payroll	<u>\$514,000</u>

*Note 1: Includes all Jean Hower Taber Student Union payroll-related activities (e.g. full-time, part-time, overtime, etc.).*  
*Note 2: Excludes fringe benefits.*

Payroll and fringes total \$713,000 or roughly 87 percent of the annual budget of \$821,000. The two percent raises and mandated FLSA increases, not included as part of planned expenditures, will generate additional cost. Current expectations indicate that compensation will be below budget through current vacancy savings.

Operating expenditures total nearly \$1.4 million or 77 percent of the annual budget of \$1.8 million. The principal operating expenditures include supplies & services (45 percent), utilities (27 percent), and student assistants (25 percent). The majority of supplies & services spending include maintenance (78 percent). The majority of expenditures in utilities are electricity (54 percent), chilled water (18

Description	Actual YTD
Supplies & Services	\$607,000
Utilities	370,000
Student Assistants	346,000
Travel & Hospitality	18,000
Other	<u>15,000</u>
Total Operating	<u>\$1,356,000</u>



**The University of Akron  
Akron and Wayne Auxiliary Funds Combined  
Narrative of FY20 Budget and Actual Results for the Eleven Months Ended May 31, 2020 with FY19  
Comparisons and Revised Projections Reflecting COVID-19 Implications**

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**Jean Hower Taber Student Union Continued**

percent), steam (16 percent), and water (10 percent). Operating expenditures are projected to approximate \$308,000 below the original budget of \$1.4 million.

The other sources of funding include Transfers-In - Facilities Fee (including reserve) and Transfers-In - Other budgeted at \$2.5 million and \$2 million, respectively. The Transfers-In Facilities Fee will be reduced by \$176,000 and Transfers-In - Other will increase by a like amount, because enrollment was less than expected (budget down four percent and actual down six percent). To date, nearly \$4.2 million has been transferred with the expectation the remaining amount will be transferred throughout the rest of the fiscal year.

Transfers-in - Other includes \$12,000 from Dining (Aramark) to assist the Student Union with the extended hours for Union Market.

At the end of each fiscal year, commitments often remain for goods and services that have not yet arrived or been received by June 30. Those outstanding commitments are carried over to the succeeding fiscal year and become a liability and expenditure in that following year. The \$12,000 Transfers-In - Encumbrances represent those types of commitments.

The budgeted Transfers-Out - Debt Service totals \$2.9 million. To date, \$2.7 million or 92 percent has been transferred out for the upcoming debt service requirements associated with the facility and its retail space. The outstanding debt will be retired in the fiscal year ended June 30, 2033.

**Parking & Transportation Services**

Parking actual revenues total \$5.9 million as compared to the annual budgeted revenues of \$6.5 million. The primary sources of revenues are the student transportation fee and parking permits (82 percent). Indications are that due to the COVID-19 pandemic, Parking & Transportation Services will not achieve the \$6.5 million revenue budget; rather, \$1.1 million or 45 percent of the spring semester revenue went to refunds. Parking & Transportation Services received \$810,000 of the Federal Stimulus CARES Act funds. Projected total revenue will be \$6 million, or \$451,000 less than the \$6.5 million revenue budget.

<b>Description</b>	<b>Actual YTD</b>
Permits	\$5,924,000
CARES Act Funds	810,000
Lot Rentals	124,000
Fines & Meters	85,000
Other	21,000
Permits Refund	<u>(1,059,000)</u>
Total Revenue	<u>\$5,905,000</u>

**The University of Akron**  
**Akron and Wayne Auxiliary Funds Combined**  
**Narrative of FY20 Budget and Actual Results for the Eleven Months Ended May 31, 2020 with FY19 Comparisons and Revised Projections Reflecting COVID-19 Implications**

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**Parking & Transportation Services Continued**

<b>Employee Type</b>	<b>Actual YTD</b>
Staff	\$133,000
Contract Professionals	<u>66,000</u>
Total Payroll	<u>\$199,000</u>

*Note 1: Includes all Parking & Transportation Services payroll-related activities (e.g. full-time, part-time, overtime, etc.).*  
*Note 2: Excludes fringe benefits.*

Payroll and fringes total \$270,000 or roughly 84 percent of the annual budget of \$323,000. Compensation occurs ratably throughout the year. Projections indicate that payroll and fringes will approximate \$302,000.

Operating expenditures total nearly \$2 million or 83 percent as compared to the annual budget of \$2.4 million. The principal operating expenditures include supplies & services (78 percent) and utilities (11 percent). The major spending component in supplies & services includes transportation related activities including busing, parking lot, and deck maintenance (82 percent) and equipment repair (10 percent). The majority of expenditures in utilities are electricity (96 percent). Projections indicate expenditures will be below the original budget by \$352,000; however, expenditures combined with transfers-out will exceed revenues. The fund balance will absorb the planned shortfall.

<b>Description</b>	<b>Actual YTD</b>
Supplies & Services	\$1,546,000
Utilities	217,000
Student Assistants	176,000
Travel & Hospitality	32,000
Other	<u>9,000</u>
Total Operating	<u>\$1,980,000</u>

The original assumption contemplated \$745,000 of fund balance usage while the projection presumes \$807,000 of the fund balance will be needed.

At the end of each fiscal year, commitments often remain for goods and services that have not yet arrived or been provided by June 30. Those outstanding commitments are carried over to the succeeding fiscal year and become a liability and expenditure in that following year. The \$16,000 Transfers-In - Encumbrances represent those types of commitments.

The budgeted Transfers-Out - Debt Service total \$4.5 million. Transfers-out of \$4.1 million or 92 percent represents the debt service that pays the bonded debt related to the construction and renovation of six parking decks.

**The University of Akron  
Akron and Wayne Auxiliary Funds Combined  
Narrative of FY20 Budget and Actual Results for the Eleven Months Ended May 31, 2020 with FY19  
Comparisons and Revised Projections Reflecting COVID-19 Implications**

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**Wayne Student Union**

Wayne Student Union revenues total nearly \$53,000 as compared to the annual budgeted revenues of \$54,000. The principal revenues include Barnes & Noble bookstore commission (96 percent) predominately earned evenly throughout the fiscal year. Current expectations predict the impact of the COVID-19 pandemic will reduce revenue \$1,000 below the \$54,000 revenue budget.

<b>Description</b>	<b>Actual YTD</b>
Commission Income	\$49,000
Other	<u>3,000</u>
Total Revenue	<u>\$52,000</u>

Operating expenditures total nearly \$2,000 or 17 percent as compared to the annual budget of \$10,000. The major operating costs include property and fire insurance (100 percent). Expenditures will be below the original budget of \$10,000 by \$8,000 or 80 percent.

<b>Description</b>	<b>Actual YTD</b>
Supplies & Services	\$2,000

**DEPARTMENTAL SALES AND  
SERVICES FUNDS**

**For the Eleven Months Ended May 31, 2020**

**The University of Akron  
Akron and Wayne Departmental Sales and Services Funds Combined  
FY20 Budget and Actual Results for the Eleven Months Ended May 31, 2020 with FY19 Comparisons and Revised Projections Reflecting COVID-19 Implications**

	FY19		FY20				Projection to Budget		
	YTD	YTD	Approved Budget	YTD	Actual to Budget		Projected June 30	%	
	June 30	May 31		May 31	\$	%		\$	%
Departmental Sales and Services Combined									
Revenues	\$37,539,741	\$35,358,721	\$32,784,000	\$25,553,600	(\$7,230,400)	78%	\$28,261,000	(\$4,523,000)	86%
Payroll	2,740,341	2,515,611	2,394,000	2,483,802	(89,802)		2,678,000	(284,000)	
Fringes	948,298	868,823	697,000	750,513	(53,513)		805,000	(108,000)	
Total Compensation	3,688,639	3,384,434	3,091,000	3,234,315	(143,315)	105%	3,483,000	(392,000)	113%
Operating	3,412,730	3,197,306	3,131,000	3,405,787	(274,787)		3,687,000	(556,000)	
Premiums and Claims	26,392,457	24,231,497	28,027,000	23,359,878	4,667,122		26,100,000	1,927,000	
Capital	27,354	51,922	10,000	30,316	(20,316)		30,000	(20,000)	
Total Non Personnel	29,832,541	27,480,725	31,168,000	26,795,981	4,372,019	86%	29,817,000	1,351,000	96%
Total Expenditures	33,521,180	30,865,159	34,259,000	30,030,296	4,228,704	88%	33,300,000	959,000	97%
Net Before Transfers	4,018,562	4,493,562	(1,475,000)	(4,476,696)	(3,001,696)		(5,039,000)	(3,564,000)	
Transfers-In - Other	400,000	400,000	0	0	0		0	0	
Transfers-In - Encumbrances	384,113	384,113	0	293,453	293,453		293,453	293,453	
Transfers-In - Fund Balance	77,633	0	0	0	0		4,817,740	4,817,740	
Transfers-Out - Other	(2,368,534)	(2,271,301)	0	0	0		0	0	
Transfers-Out - Encumbrances	(293,452)	0	0	0	0		0	0	
Net Transfers	(1,800,240)	(1,487,188)	0	293,453	293,453		5,111,193	5,111,193	
Difference	\$2,218,321	\$3,006,374	(\$1,475,000)	(\$4,183,243)	(\$2,708,243)		\$72,193	\$1,547,193	

**The University of Akron  
Akron and Wayne Departmental Sales and Services Funds Combined  
FY20 Budget and Actual Results for the Eleven Months Ended May 31, 2020 with FY19 Comparisons and Revised Projections Reflecting COVID-19 Implications**

	FY19		FY20				Projection to Budget		
	YTD	YTD	Approved Budget	YTD	Actual to Budget		Projected June 30	%	
	June 30	May 31		May 31	\$	%		\$	%
Revenues	\$30,303,422	\$28,620,349	\$25,826,000	\$20,012,889	(\$5,813,111)	77%	\$22,351,000	(\$3,475,000)	87%
Payroll	129,893	113,397	143,000	141,227	1,773		157,000	(14,000)	
Fringes	48,410	42,751	46,000	44,894	1,106		50,000	(4,000)	
Total Compensation	178,303	156,148	189,000	186,121	2,879	98%	207,000	(18,000)	110%
Operating	286,947	233,633	208,000	158,886	49,114		208,000	0	
Premiums and Claims	26,392,457	24,231,497	28,027,000	23,359,878	4,667,122		26,100,000	1,927,000	
Capital	0	0	0	0	0		0	0	
Total Non Personnel	26,679,404	24,465,130	28,235,000	23,518,764	4,716,236	83%	26,308,000	1,927,000	93%
Total Expenditures	26,857,707	24,621,278	28,424,000	23,704,885	4,719,115	83%	26,515,000	1,909,000	93%
Net Before Transfers	3,445,715	3,999,071	(2,598,000)	(3,691,996)	(1,093,996)		(4,164,000)	(1,566,000)	
Transfers-In - Other	0	0	0	0	0		0	0	
Transfers-In - Encumbrances	0	0	0	0	0		0	0	
Transfers-In - Fund Balance	0	0	0	0	0		4,164,000	4,164,000	
Transfers-Out - Other	(2,265,000)	(2,265,000)	0	0	0		0	0	
Transfers-Out - Encumbrances	0	0	0	0	0		0	0	
Net Transfers	(2,265,000)	(2,265,000)	0	0	0		4,164,000	4,164,000	
Difference	\$1,180,715	\$1,734,071	(\$2,598,000)	(\$3,691,996)	(\$1,093,996)		\$0	\$2,598,000	

**The University of Akron  
Akron and Wayne Departmental Sales and Services Funds Combined  
FY20 Budget and Actual Results for the Eleven Months Ended May 31, 2020 with FY19 Comparisons and Revised Projections Reflecting COVID-19 Implications**

	FY19		FY20						
	YTD June 30	YTD May 31	Approved Budget	YTD May 31	Actual to Budget		Projected June 30	Projection to Budget	
	\$	\$	\$	\$	\$	%	\$	\$	%
Revenues	\$899,436	\$786,462	\$750,000	\$520,298	(\$229,702)	69%	\$635,000	(\$115,000)	85%
Payroll	327,217	310,618	218,000	267,945	(49,945)		283,000	(65,000)	
Fringes	104,741	98,838	56,000	75,412	(19,412)		85,000	(29,000)	
Total Compensation	431,958	409,456	274,000	343,357	(69,357)	125%	368,000	(94,000)	134%
Operating	304,990	276,743	377,000	208,260	168,740		229,000	148,000	
Premiums and Claims	0	0	0	0	0		0	0	
Capital	0	0	0	0	0		0	0	
Total Non Personnel	304,990	276,743	377,000	208,260	168,740	55%	229,000	148,000	61%
Total Expenditures	736,948	686,199	651,000	551,617	99,383	85%	597,000	54,000	92%
Net Before Transfers	162,488	100,263	99,000	(31,319)	(130,319)		38,000	(61,000)	
Transfers-In - Other	0	0	0	0	0		0	0	
Transfers-In - Encumbrances	19,740	19,740	0	34,193	34,193		34,193	34,193	
Transfers-In - Fund Balance	0	0	0	0	0		0	0	
Transfers-Out - Other	0	0	0	0	0		0	0	
Transfers-Out - Encumbrances	(34,193)	0	0	0	0		0	0	
Net Transfers	(14,453)	19,740	0	34,193	34,193		34,193	34,193	
Difference	\$148,036	\$120,003	\$99,000	\$2,874	(\$96,126)		\$72,193	(\$26,807)	

**The University of Akron  
Akron and Wayne Departmental Sales and Services Funds Combined  
FY20 Budget and Actual Results for the Eleven Months Ended May 31, 2020 with FY19 Comparisons and Revised Projections Reflecting COVID-19 Implications**

	FY19		FY20				Projection to Budget		
	YTD June 30	YTD May 31	Approved Budget	YTD May 31	Actual to Budget \$	%	Projected June 30	\$	%
New Student Orientation									
Revenues	\$529,885	\$509,670	\$551,000	\$389,885	(\$161,115)	71%	\$416,000	(\$135,000)	75%
Payroll	161,959	146,033	177,000	131,518	45,482		144,000	33,000	
Fringes	68,272	60,881	65,000	45,251	19,749		50,000	15,000	
Total Compensation	230,231	206,914	242,000	176,769	65,231	73%	194,000	48,000	80%
Operating	355,663	303,787	452,000	165,889	286,111	37%	242,000	210,000	
Premiums and Claims	0	0	0	0	0		0	0	
Capital	0	0	0	0	0		0	0	
Total Non Personnel	355,663	303,787	452,000	165,889	286,111	37%	242,000	210,000	54%
Total Expenditures	585,894	510,701	694,000	342,658	351,342	49%	436,000	258,000	63%
Net Before Transfers	(56,009)	(1,031)	(143,000)	47,227	190,227		(20,000)	123,000	
Transfers-In - Other	0	0	0	0	0		0	0	
Transfers-In - Encumbrances	0	0	0	0	0		0	0	
Transfers-In - Fund Balance	56,009	0	0	0	0		20,000	20,000	
Transfers-Out - Other	0	0	0	0	0		0	0	
Transfers-Out - Encumbrances	0	0	0	0	0		0	0	
Net Transfers	56,009	0	0	0	0		20,000	20,000	
Difference	\$0	(\$1,031)	(\$143,000)	\$47,227	\$190,227		\$0	\$143,000	



**The University of Akron  
Akron and Wayne Departmental Sales and Services Funds Combined  
FY20 Budget and Actual Results for the Eleven Months Ended May 31, 2020 with FY19 Comparisons and Revised Projections Reflecting COVID-19 Implications**

	FY19		FY20				Projection to Budget		
	YTD June 30	YTD May 31	Approved Budget	YTD May 31	Actual to Budget \$	%	Projected June 30	\$	%
English Language Institute									
Revenues	\$279,840	\$279,715	\$325,000	\$158,315	(\$166,685)	49%	\$159,000	(\$166,000)	49%
Payroll	224,465	220,416	216,000	183,326	32,674		194,000	22,000	
Fringes	69,393	65,199	54,000	48,297	5,703		50,000	4,000	
Total Compensation	293,858	285,615	270,000	231,623	38,377	86%	244,000	26,000	90%
Operating	7,605	7,387	8,000	7,459	541		8,000	0	
Premiums and Claims	0	0	0	0	0		0	0	
Capital	0	0	0	0	0		0	0	
Total Non Personnel	7,605	7,387	8,000	7,459	541	93%	8,000	0	100%
Total Expenditures	301,463	293,002	278,000	239,082	38,918	86%	252,000	26,000	91%
Net Before Transfers	(21,624)	(13,287)	47,000	(80,767)	(127,767)		(93,000)	(140,000)	
Transfers-In - Other	0	0	0	0	0		0	0	
Transfers-In - Encumbrances	0	0	0	0	0		0	0	
Transfers-In - Fund Balance	21,624	0	0	0	0		93,000	93,000	
Transfers-Out - Other	0	0	0	0	0		0	0	
Transfers-Out - Encumbrances	0	0	0	0	0		0	0	
Net Transfers	21,624	0	0	0	0		93,000	93,000	
Difference	\$0	(\$13,287)	\$47,000	(\$80,767)	(\$127,767)		\$0	(\$47,000)	

**The University of Akron  
Akron and Wayne Departmental Sales and Services Funds Combined  
FY20 Budget and Actual Results for the Eleven Months Ended May 31, 2020 with FY19 Comparisons and Revised Projections Reflecting COVID-19 Implications**

Other	FY19		FY20				Projected		Projection to Budget	
	YTD	YTD	Approved Budget	YTD	Actual to Budget		June 30	to Budget		
	June 30	May 31		May 31	\$	%		\$	%	
Revenues	\$5,527,158	\$5,162,525	\$5,332,000	\$4,472,213	(\$859,787)	84%	\$4,700,000	(\$632,000)	88%	
Payroll	1,896,807	1,725,147	1,640,000	1,759,786	(119,786)		1,900,000	(260,000)		
Fringes	657,481	601,154	476,000	536,659	(60,659)		570,000	(94,000)		
Total Compensation	2,554,288	2,326,301	2,116,000	2,296,445	(180,445)	109%	2,470,000	(354,000)	117%	
Operating	2,457,525	2,375,756	2,086,000	2,865,293	(779,293)		3,000,000	(914,000)		
Premiums and Claims	0	0	0	0	0		0	0		
Capital	27,354	51,922	10,000	30,316	(20,316)		30,000	(20,000)		
Total Non Personnel	2,484,879	2,427,678	2,096,000	2,895,609	(799,609)	138%	3,030,000	(934,000)	145%	
Total Expenditures	5,039,167	4,753,979	4,212,000	5,192,054	(980,054)	123%	5,500,000	(1,288,000)	131%	
Net Before Transfers	487,991	408,546	1,120,000	(719,841)	(1,839,841)		(800,000)	(1,920,000)		
Transfers-In - Other	400,000	400,000	0	0	0		0	0		
Transfers-In - Encumbrances	364,373	364,373	0	259,260	259,260		259,260	259,260		
Transfers-In - Fund Balance	0	0	0	0	0		540,740	540,740		
Transfers-Out - Other	(103,534)	(6,301)	0	0	0		0	0		
Transfers-Out - Encumbrances	(259,260)	0	0	0	0		0	0		
Net Transfers	401,579	758,072	0	259,260	259,260		800,000	800,000		
Difference	\$889,570	\$1,166,618	\$1,120,000	(\$460,581)	(\$1,580,581)		\$0	(\$1,120,000)		

## **Overall**

### **Expenditures**

#### Compensation (Payroll and Fringes)

- The following original assumptions remain valid:
  - A four percent increase pursuant to collective bargaining agreements.
  - A raise pool equivalent to two percent for qualifying non-represented employees.
  - Reduction in the fringe rate.
  - Fringes include benefits such as 14 percent employer contribution to the respective retirement system, University contribution toward employee group insurance, employee and dependent fee remission, and University portion of employee parking permits.
- The Fair Labor Standard Act compensation changes are reflected in the revised projections.

#### Operating

- The original assumption materialized as the State minimum wage adjustment was implemented.

## **Unit Assumptions**

### **Self-Insurance Health Care**

0

### **Revenues**

#### Income

- The budgeted revenues of \$25.8 million are projected to be closer to \$22.4 million and are based on the following assumptions:
  - University contributions to employee-provided benefits such as medical, prescription drug, dental, long-term disability, and life insurance with fringe rate reduction.
  - Employee and retiree contributions for coverage that requires an employee cost share or is voluntary (100 percent employee paid) such as medical, prescription drug, short-term and long-term disability, life insurance, vision, and flexible spending accounts.

### **Expenditures**

#### Operating

- The original assumptions:
  - Included amounts expected to be paid for administrative and consulting fees and the assumption continues to hold.
  - Estimated the Self-Insurance Health Care reserves will fund the retiree dependent health care premiums.

**The University of Akron**  
**Departmental Sales and Services**  
**FY 2020 Budget Assumptions with Revisions Reflecting COVID-19 Implications**

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Premiums and Claims

- The budgeted premiums and claims expenditures of \$28 million are projected to be closer to \$26.1 million and the original assumptions:
  - Included estimated cost for insurance premiums and self-insured claim payments related to employee benefit program.
  - Included estimated cost for Medical, prescription drug, dental, stop loss insurance, and other ancillary benefits.

Other

Transfers-In

- The original assumption contemplated a \$2.6 million shortfall, while the revised projection contemplates \$4.2 million will be needed from its fund balance. The revenues and expenditures will be monitored and evaluated throughout the remainder of the fiscal year, and the revised projection will be updated if needed.

**Workforce Training Solutions**

Revenues

Income

- The original assumptions reflected open enrollment and contract training fees revenues to support the coordination of noncredit professional development classes open to the public and to provide customized training for local companies and indications are that they will not be met. Revised projections indicate revenues will be less than budget due to cancelation or postponement of classes.

Expenditures

Compensation (Payroll and Fringes)

- The original assumptions contemplated payroll costs related to training and revised projections indicate the costs could exceed budget by year end.

Operating

- The original assumptions reflected:
  - Student assistants, supplies and services, and travel and hospitality and are expected to hold.
  - Workforce Training Solutions would manage to ensure expenditures are limited to revenues and are expected to hold.

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**New Student Orientation**

**Revenues**

Income

- The original assumptions reflected commitment fee revenues to support the activities related to orientation and first-year experience programs and revised projections indicate revenues may be less than budget.

**Expenditures**

Operating

- The original assumptions:
  - Included Peer mentoring, New Roo Weekend, supplies and services, and travel and hospitality and continues to hold.
  - Contemplated an operating shortfall and revised projections indicate that will hold. New Student Orientation will monitor expenditures; however, the budgeted deficit will be offset by the New Student Orientation fund balance from fiscal year ended June 30, 2019.

**Other**

Transfers-In

- The original assumption contemplated a \$143,000 shortfall, while the revised projection presumes that New Student Orientation will access \$188,000 of its fund balance to balance. Should any orientation programs be offered remotely, the impact of reduced operating expenses associated with those programs will lower the overall total draw from the fund balance.

**English Language Institute**

**Revenues**

Income

- The original assumptions reflected externally generated revenues from non-credit courses to teach English to non-English speaking students who plan to attend a university in the United States and indications are that they will not be met.

**Expenditures**

Operating

- The original assumptions:

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- Contemplated student assistants, supplies and services, and travel and hospitality and the assumptions are expected to hold.
- English Language Institute would generate a surplus; however, revised projections indicate a shortfall that will be offset by the English Language Institute fund balance from fiscal year ended June 30, 2019.

**Other**

**Transfers-In**

- The original assumption contemplated no usage of fund balance while the revised projection presumes that English Language Institute will access \$109,000 of its fund balance to offset the projected shortfall.

**Other**

**Revenues**

**Income**

- The original assumptions included about 145 smaller, revenue-generating activities such as internal Printing Services, Hearing Aid Dispensary, and Akron Polymer Technology Services, and indications are that they will not be met.

**Expenditures**

**Compensation (Payroll and Fringes)**

- The original assumptions contemplated compensation in many activities and revised projections indicated these assumptions will not hold as the expenditures will exceed budget.

**Operating**

- The original assumptions:
  - Contemplated student assistants, cost of goods sold (Hearing Aid Dispensary), supplies and services, and travel and hospitality.
  - Indicated individual management and the units will manage to ensure expenditures are limited to revenues; however, these assumptions will not hold in all cases as operating expenditures are projected to exceed budget.
  - Operating surplus to continue to hold; however, the projected surplus is significantly less than budgeted.

**Capital**

- The original assumptions reflected an equipment purchase related to Akron Polymer Technology Services; however, revised projections indicate additional expenditures in the Hearing Aid Dispensary as well as Food Sciences Services therefore capital will exceed budget.

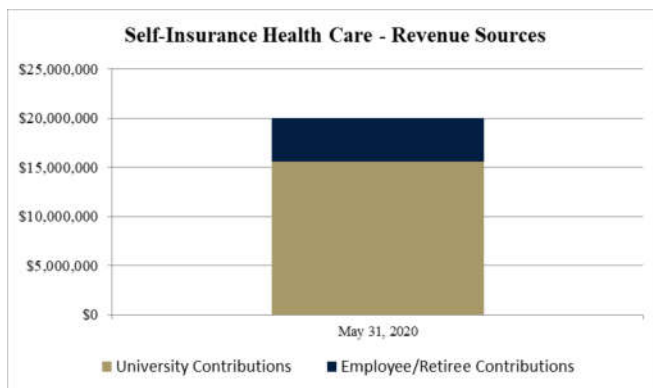
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**Self-Insurance Health Care**

Self-Insurance Health Care revenues total \$20 million or 77 percent of the annual budgeted revenues of \$25.8 million. For the fiscal year ended June 30, 2020, revenues are projected to approximate \$22.4 million, or \$3.5 million less than budget.

The revenues are derived from the University (78 percent) and employee/retiree contributions (22 percent). Some benefits are funded solely by the University and/or employee while some benefits are funded by the University, employee, and retiree as follows: medical (University, employee, and retiree), prescription drug (University, employee, and retiree), dental (University and employee), short-term disability (employee), long-term disability (University and employee), life insurance (University and employee), vision (employee), and flexible spending accounts (University and employee).



Payroll and fringes total \$186,000 or 98 percent as compared to the annual budget of \$189,000. Revised projections indicate payroll and fringes will exceed budget by \$18,000.

Operating expenditures total \$159,000 or 76 percent as compared to the annual budget of \$208,000 and are projected to be in line with budget by year end.

Premiums and Claims expenditures total \$23.4 million or 83 percent of the annual budget of \$28 million. For the fiscal year ended June 30, 2020, premiums and claims are projected to approximate \$26.1 million, or \$1.9 million less than budget.

The Self-Insurance fund budgeted a planned \$2.6 million shortfall while the fiscal year ended June 30, 2020 shortfall is now projected to be \$4.2 million. The shortfall will help the Self-Insurance fund achieve a more appropriate reserve. The reserve is expected to be approximately \$10 million at June 30, 2020.

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### **Workforce Training Solutions**

Workforce Training Solutions actual revenues from open enrollment and contract training fees total \$520,000 or 69 percent of the annual budgeted revenues of \$750,000. Revised projections are revenues will total \$635,000, or \$115,000 less than budget due to cancelation or postponement of classes.

Payroll and fringes total \$343,000 or 125 percent of the annual budget of \$274,000. Generally, payroll costs related to contract training are incurred prior to the associated revenue being collected. Compensation expenditures are projected to be \$94,000 more than budget.

Operating expenditures total \$208,000 or 55 percent of the annual budget of \$377,000. The principal operating expenditures include supplies and services (94 percent) related to training and instructional support. Revised projections are that expenditures will approximate \$229,000 or \$148,000 less than budget.

At the end of each fiscal year, commitments often remain for goods and services that have not yet arrived or been received by June 30. Those outstanding commitments are carried over to the succeeding fiscal year and become a liability and expenditure in that following year. The \$34,000 Transfers-In - Encumbrances represents those types of commitments.

### **New Student Orientation**

New Student Orientation actual revenues total \$390,000 or 71 percent of the annual budgeted revenues of \$551,000. New Student Orientation revenues are cyclical. Most of the confirmation fee revenues are received during the months of January through June. Fee receipts based upon enrollment projections change as the class matriculates. The revised projection is that revenues will fall short of budget by approximately \$135,000. The projection will continue to be updated as activities merit and as the impact of COVID-19 on enrollment becomes clear. Since its launch on March 31<sup>st</sup>, the We Rise Together form helps students who identify recent financial hardships pay their confirmation fee as they are confirming their enrollment at the University. New Student Orientation is waiving the confirmation fee to assist students complete their enrollment process.

Payroll and fringes total \$177,000 or 73 percent of the annual budget of \$242,000. Compensation is projected to approximate \$194,000 or \$48,000 less than budget due to an unfilled position.

Operating expenditures total \$166,000 or 37 percent of the current annual budget of \$452,000. The current principal operating expenditures include student assistants (35 percent) and New Roo Weekend (34 percent). Current projections are that expenditures will remain at or below budget. With summer orientations launching online, current projections for expenditures have been adjusted to reflect a cost savings of student assistants, supplies and services, and hospitality. The projected operating expenditures of \$242,000 are \$210,000 less than budget.



## The University of Akron

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#### Narrative of FY20 Budget and Actual Results for the Eleven Months Ended May 31, 2020 with FY19 Comparisons and Revised Projections Reflecting COVID-19 Implications

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The original assumption estimated that \$143,000 would need to be transferred in from New Student Orientation's fund balance to balance, while the revised projection with orientations launching online for summer 2020 presumes only \$20,000 will be required.

### English Language Institute

English Language Institute actual revenues total \$158,000 or 49 percent of the annual budgeted revenues of \$325,000. Revised projections are that budgeted revenues will not be achieved as revenues are projected to approximate \$159,000, or \$166,000 less than budget.

Payroll and fringes total \$232,000 or 86 percent of the annual budget of \$270,000. Compensation is projected to be \$244,000 or \$26,000 less than budget.

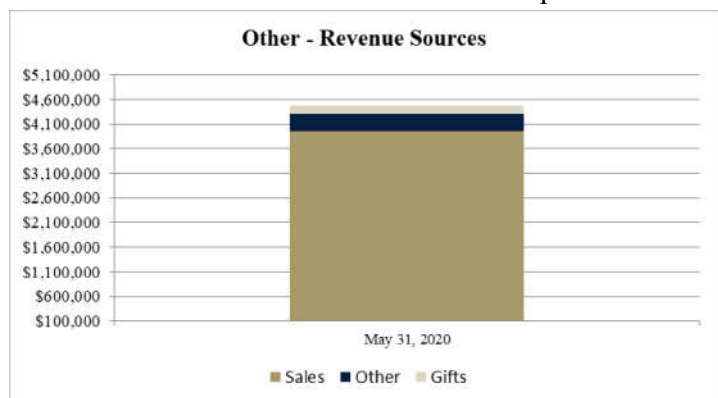
Operating expenditures total \$7,400 or 93 percent of the annual budget of \$8,000. The principal operating expenditures include student aid (39 percent) and supplies and services (31 percent). Current projections are that expenditures will remain at or below budget. Expenditures will continue to be closely monitored and managed throughout the course of the year.

The original assumption contemplated a \$47,000 favorable fiscal result while the projection assumes that \$93,000 will be needed from the fund balance to balance the budget.

### Other

The Other departmental sales and services actual revenues total \$4.5 million or 84 percent of the annual budgeted revenues of \$5.3 million.

The principal revenues are generated from roughly 80 activities including Printing Services (15 percent), Law Enforcement Training Center (six percent), and CBA Executive Education (six percent). Current projections are that budgeted revenues will be nearly achieved.



Payroll and fringes total \$2.3 million or 109 percent of the annual budget of \$2.1 million. Compensation is projected to approximate \$2.5 million or \$354,000 greater than budget.

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Operating expenditures total \$2.9 million or 138 percent of the annual budget of \$2.1 million. The primary operating expenditures are supplies and services (81 percent). Operating expenditures are projected to be \$3.0 million or \$914,000 greater than budget.

Capital expenditures total \$30,000 relative to annual budget of \$10,000. Primary capital expenditures are related to a middle-ear analyzer for the Hearing Aid Dispensary and the purchase and servicing of equipment related to Polymer testing. Projections indicate capital expenditures will exceed budget by \$20,000.

At the end of each fiscal year, commitments often remain for goods and services that have not yet arrived or been received by June 30. Those outstanding commitments are carried over to the succeeding fiscal year and become a liability and expenditure in that following year. The \$259,000 Transfers-In - Encumbrances represent those types of commitments.

The budgeted operating surplus of \$1.1 million will not be met. Revised projections indicate that \$541,000 will be needed from the fund balance. Each unit will manage expenditures as necessary and where needed, transfers in from fund balances may be required offset shortfalls.

**THE UNIVERSITY OF AKRON**

**RESOLUTION 8- -20**

Acceptance of the Financial Report for the Eleven Months Ended May 31, 2020

BE IT RESOLVED, That the recommendation presented by the Finance & Administration Committee on August 12, 2020, accepting the Financial Report for the Eleven Months Ended May 31, 2020, be approved.

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M. Celeste Cook, Secretary  
Board of Trustees

August 12, 2020