

**FINANCE & ADMINISTRATION COMMITTEE**

**TAB 3**

**FINANCIAL REPORT FOR THE  
FISCAL YEAR ENDED JUNE 30, 2018**



**DATE:** August 7, 2018

**TO:** Nathan J. Mortimer, Vice President for Finance & Administration/CFO

*Amy Gilliland*

**FROM:** Amy S. Gilliland, Director of Resource Analysis & Budgeting

**SUBJECT: General Fund, Auxiliary Funds, and Departmental Sales and Services Funds:  
Budget to Actual Results for the fiscal year ended June 30, 2018**

As requested, the Office of Resource Analysis & Budgeting provides the attached Financial Report for the fiscal year ended June 30, 2018 for the General Fund, Auxiliary Funds, and Departmental Sales and Services Funds (Akron and Wayne combined) together with accompanying FY18 budget assumptions and narratives.

This Financial Report should be presented for consideration and approval at the August 15, 2018 Board of Trustees meeting.

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**The University of Akron**  
**General Fund, Auxiliary Funds, and Departmental Sales and Services Funds**  
**Budget to Actual Results**  
**For the Fiscal Year Ended June 30, 2018**

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# **GENERAL FUND**

**For the fiscal year ended June 30, 2018**

**The University of Akron**  
**Akron and Wayne General Fund Combined**  
**FY18 Annual Budget with results for the fiscal year ended June 30, 2018**

	<b>FY18</b>			<b>% of Budget</b>
	<b>Approved Budget</b>	<b>Actual</b>	<b>\$ Budget Variance</b>	
Tuition & General Service Fees	\$201,391,000	\$198,260,507	(\$3,130,493)	
Other Fees	22,803,000	22,928,358	125,358	
State Share of Instruction	107,316,000	105,711,686	(1,604,314)	
Indirect Cost Recovery	6,140,000	5,627,483	(512,517)	
Investment Income	1,500,000	5,098,893	3,598,893	
Miscellaneous & Endowment	1,175,000	1,913,640	738,640	
Total Revenues	<u>340,325,000</u>	<u>339,540,568</u>	<u>(784,432)</u>	100%
Payroll	156,080,000	143,899,856	12,180,144	
Fringes	53,902,000	49,486,292	4,415,708	
Total Compensation	<u>209,982,000</u>	<u>193,386,148</u>	<u>16,595,852</u>	92%
Utilities	11,550,000	11,410,158	139,842	
Operating	44,305,000	33,896,931	10,408,069	
Bad Debt	1,500,000	111,113	1,388,887	
Scholarships	52,646,000	59,502,816	(6,856,816)	
Total Non Personnel	<u>110,001,000</u>	<u>104,921,019</u>	<u>5,079,981</u>	95%
Total Expenditures	<u>319,983,000</u>	<u>298,307,167</u>	<u>21,675,833</u>	93%
Net Before Transfers	<u>20,342,000</u>	<u>41,233,401</u>	<u>20,891,401</u>	
Transfers-In	29,000,000	4,219,995	(24,780,005)	
Transfers-in Encumbrance	0	2,795,832	2,795,832	
Transfers-Out - Debt Service	(9,464,000)	(9,339,830)	124,170	
Transfers-Out - Plant Fund	(2,300,000)	(770,569)	1,529,431	
Transfers-Out - Other	(37,578,000)	(34,306,696)	3,271,304	
Transfers-Out - Encumbrance	0	(3,832,133)	(3,832,133)	
Net Transfers	<u>(20,342,000)</u>	<u>(41,233,401)</u>	<u>(20,891,401)</u>	
Difference	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	

**The University of Akron**  
**Akron and Wayne General Fund Combined**  
**FY18 Budget Assumptions**

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**Revenues**

Tuition & General Service Fees: Assumes an overall blended enrollment reduction of five percent, and tuition and fee rates remain flat.

Other Fees: Assumes an overall blended enrollment reduction of five percent, and fees rates remain flat.

State Share of Instruction: Assumes a slightly decreased amount as compared to FY17 based upon information provided by the Ohio Department of Higher Education.

Indirect Cost Recovery: Assumes slight decrease as compared to FY17 with allocations as follows: General Fund, 66 percent; Department, 13 percent; College, 11 percent; and Principal Investigator account, 10 percent.

**Expenditures**

Payroll: Assumes two-percent increase pursuant to collectively bargained employee contracts and includes \$4.1 million vacancy savings, which represents projected savings created by an employee's departure until a replacement is hired.

Fringes: Assumes 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 permits.

Operating: The designated fees such as course fees and technology fees, etc., are enrollment driven and are assumed to follow a five-percent reduction. The designated fees assume that only current-year revenues are expended; however, a certain level of carry over exists within these fees, which could be expended by the units and therefore cause expenditures to exceed the allocation for the current year.

Except for the adjustment for telecom, which has a net-zero impact, the unit allocations are assumed at the FY17 levels.

Scholarships: Assumes graduate assistants, \$16.5 million; Law School, \$3.5 million; and undergraduate, \$32.4 million.

**Other**

Transfers-In: Assumes \$29 million.

Transfers-Out Debt Service: Assumes debt-service for general facilities and the performance contract.

**The University of Akron**  
**Akron and Wayne General Fund Combined**  
**FY18 Budget Assumptions**

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Transfers-Out Plant Fund: Assumes laptop refresh of \$1.3 million and general capital projects as those arise of \$1 million.

Transfers-Out Other: Assumes transfers to Auxiliaries of General Services Fee, \$13 million; Other, \$14.4 million; Facilities Fee, \$7.4 million; and Self-Insurance Health Care Fund of \$2.8 million.

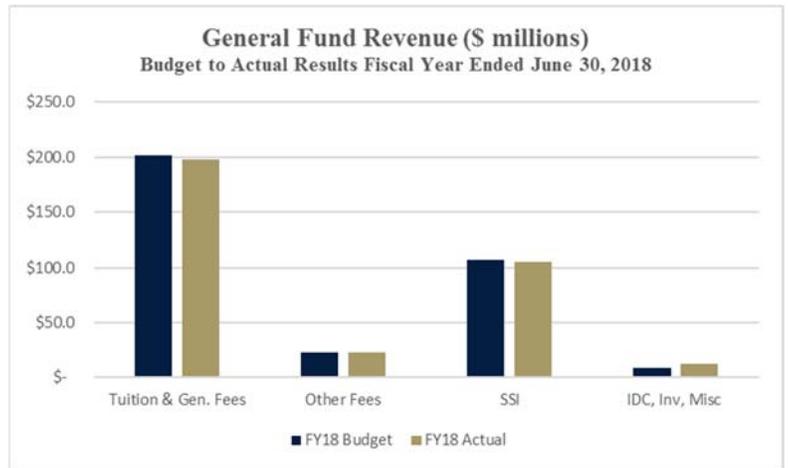
**The University of Akron**  
**Akron and Wayne General Fund Combined**  
**Narrative of FY18 Annual Budget with results for the fiscal year ended June 30, 2018**

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**Revenues**

Tuition & General Service Fees: Tuition & General Service Fees revenues total \$198.3 million or approximately 98 percent as compared to the annual budget of \$201.4 million.

While summer 2017 credit hour decline of about seven percent exceeded the anticipated five percent decline, fall 2017 numbers were slightly better than expected at (4.9 percent). The spring 2018 enrollment of (5 percent) was in line with estimates.



The summer 2018 Tuition & General Service Fees reflect lower than expected enrollment.

Other Fees: Other Fees revenues total \$22.9 million or approximately 101 percent as compared to the annual budget of \$22.8 million.

Other Fees include various student fees such as facility fees (31 percent), technology fees (24 percent), and unit and course fees (15 percent). Some of the fees remain within the General Fund and are used for operations while the facility fee is transferred to Auxiliary units and contributes to the debt service requirement of the Student Recreation and Wellness Center, Student Union, InfoCision Stadium, and the Fieldhouse.

State Share of Instruction: State Share of Instruction (SSI) revenues total \$105.7 million or about 99 percent as compared to the annual budget of \$107.3 million.

Revised calculations received from the Ohio Department of Higher Education (ODHE) in fall 2017 informed the University that it would receive \$105.7 million or \$1.6 million less than the University budget.

Indirect Cost Recovery: Indirect Cost Recovery (IDC) revenues total \$5.6 million or approximately 92 percent as compared to the annual budget of \$6.1 million.

IDC is proportionately related to externally funded research activities and is currently allocated with 66 percent used to pay the general expenditures of the University and 34 percent allocated to the academic units.

Investment Income: Investment Income revenues (realized only) total \$5.1 million or substantially more as compared to the annual budget of \$1.5 million. Investment Income is based upon the size of the operating funds investment portfolio and the market conditions - refer to The University of Akron Investment Report for the fiscal year ended June 30, 2018 for detailed information concerning the University's investments.

**The University of Akron  
Akron and Wayne General Fund Combined  
Narrative of FY18 Annual Budget with results for the fiscal year ended June 30, 2018**

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**Expenditures**

Payroll and Fringe Benefits: Payroll and Fringe Benefits approximate \$193.4 million or approximately 92 percent of the annual budget of \$210 million.

Natural employee attrition and deliberate position control resulted in a positive payroll variance of approximately \$12.2 million.

The fringe benefit costs approximate \$49.5 million or 92 percent of budget, in line with the payroll results.

Utilities: Utilities expenditures approximate \$11.4 million or approximately 99 percent of the annual budget of \$11.6 million.

<b>Aggregated Pooled</b>	
<b>Accounts</b>	<b>FY18 Actual</b>
Faculty	\$83,173,000
Staff	28,529,000
Contract Professionals	24,493,000
Graduate Assistants	7,705,000
Fringe Benefits	49,490,000
Total Compensation	<u>\$193,390,000</u>
<i>Note: Includes all General Fund compensation-type activities (e.g. full time, part time, overload, etc.).</i>	

Operating: Operating expenditures which include the faculty laptop refresh program approximate \$33.9 million or approximately 77 percent of the \$44.3 million budget. The faculty laptop refresh program totaling \$1.3 million was budgeted as a transfer-out to highlight the initiative. However, the actual expenditures for the computers and devices were recorded within the operating expenditures and have become a part of those expenditure totals.

Additionally, Operating budgets for various academic and administrative units were reduced by \$1.4 million and unit spending was managed to the revised budget.

The expenditures are incurred within the operating units primarily for software license, supplies and services, transcribing, advertising and occasionally smaller dollar capital items such as computers and equipment.

Scholarships: Scholarships approximate \$59.5 million or approximately 113 percent of the \$52.6 million budget. While graduate assistant fee remissions were \$1.4 million less than budget and law scholarships were fairly in line with the plan, undergraduate student aid exceeded the budget by about \$5.4 million. This includes the first year of the Akron Guaranteed Scholarship program as well as College Credit Plus and Early College.

**Transfers**

Transfers-In: The annual budget assumed transfers-in from reserves would total \$29 million while \$4.2 million was transferred in plus the difference between the encumbrances for fiscal years ended June 30, 2017 and 2018, respectively.

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 \$2.8 million Transfers-in – Encumbrances represents those types of commitments.

**The University of Akron**  
**Akron and Wayne General Fund Combined**  
**Narrative of FY18 Annual Budget with results for the fiscal year ended June 30, 2018**

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Transfers-Out Debt Service: The debt service budget represents \$9.5 million. This transfer represents bonded debt obligations for building and renovation of general purpose and academic space, and includes the performance contract obligation to improve energy efficiency.

Transfers-Out Plant Fund: The faculty laptop refresh program totaling \$1.3 million was budgeted as a transfer-out to highlight the initiative. However, the actual expenditures for the computers and devices were simply recorded within the operating expenditures and have become a part of those expenditure totals. The \$770,000 includes approximately \$392,000 to build out three eSports locations.

Other transfers include the CBA building addition, demolition of an apartment complex, Auburn Science and Engineering Center (ASEC) renovation, and other miscellaneous projects for \$470,000, \$200,000, \$168,000 and \$110,000, respectively which were offset by the completion of several under-budget projects totaling \$1.2 million.

Also included in Transfers-out Plant Fund are advances of \$270,000 for the Cummings Center project, and \$353,000 in for the Musson ICS Testbed project.

Athletics installed a scoreboard within the James A. Rhodes arena. The total project approximated \$1.6 million. The General Fund advanced Athletics \$480,000 which was be repaid by Athletics prior to April 30, 2018.

Transfers-Out Other: The \$34.3 million reflects Facilities Fees and General Service Fees as well as general support to Auxiliaries. The budgeted general support to certain Auxiliaries was reduced as follows: Student Union (\$51,000), Recreation and Wellness Center (\$143,000), and E.J. Thomas Performing Arts Hall (\$70,000) plus the self-insurance fund was sufficiently funded without the planned general fund support of \$2.8 million so that transfer was not made.

Also, deficits within the Nursing Center and the Center for Child Development in the amounts of \$377,000 and \$34,000, respectively were eliminated.

# **AUXILIARY FUNDS**

**For the fiscal year ended June 30, 2018**

**The University of Akron**  
**Akron and Wayne Auxiliary Funds Combined**  
**FY18 Annual Budget with results for the fiscal year ended June 30, 2018**

Auxiliary Funds Combined	FY18			
	Approved Budget	Actual	\$ Budget Variance	% of Budget
Revenues	\$42,560,000	\$43,911,744	\$1,351,744	103%
Payroll	9,898,000	9,647,749	250,251	
Fringes	4,434,000	4,231,413	202,587	
Total Compensation	14,332,000	13,879,162	452,838	97%
Operating	28,496,000	28,395,351	100,649	
Capital	570,000	394,100	175,900	
Scholarships	7,479,000	6,706,997	772,003	
Total Non Personnel	36,545,000	35,496,447	1,048,553	97%
Total Expenditures	50,877,000	49,375,610	1,501,390	97%
Net Before Transfers	(8,317,000)	(5,463,865)	2,853,135	
Transfers-In - Facilities Fee	7,351,000	7,351,100	100	
Transfers-In - General Service Fee	12,977,000	12,367,520	(609,480)	
Transfers-In - Other	14,442,000	14,195,682	(246,318)	
Transfers-In - Plant Fund	0	125,479	125,479	
Transfers-In - Encumbrances	0	221,998	221,998	
Transfers-Out - Plant Fund	0	(158,500)	(158,500)	
Transfers-Out - Encumbrances	0	(271,152)	(271,152)	
Transfers-Out - Debt Service	(25,830,000)	(25,829,862)	138	
Net Transfers	8,940,000	8,002,265	(937,735)	
Difference	\$623,000	\$2,538,400	\$1,915,400	

**The University of Akron**  
**Akron and Wayne Auxiliary Funds Combined**  
**FY18 Annual Budget with results for the fiscal year ended June 30, 2018**

Athletics	FY18			
	Approved Budget	Actual	\$ Budget Variance	% of Budget
Revenues	\$7,501,000	\$8,295,808	\$794,808	111%
Payroll	7,243,000	7,314,286	(71,286)	
Fringes	2,765,000	2,867,461	(102,461)	
Total Compensation	10,008,000	10,181,747	(173,747)	102%
Operating	9,944,000	11,174,159	(1,230,159)	
Capital	0	0	0	
Scholarships	7,479,000	6,706,997	772,003	
Total Non Personnel	17,423,000	17,881,156	(458,156)	103%
Total Expenditures	27,431,000	28,062,903	(631,903)	102%
Net Before Transfers	(19,930,000)	(19,767,095)	162,905	
Transfers-In - Facilities Fee	3,892,000	3,892,200	200	
Transfers-In - General Service Fee	12,977,000	12,367,520	(609,480)	
Transfers-In - Other	8,030,000	8,029,619	(381)	
Transfers-In - Plant Fund	0	11,783	11,783	
Transfers-In - Encumbrances	0	61,783	61,783	
Transfers-Out - Plant Fund	0	0	0	
Transfers-Out - Encumbrances	0	(37,088)	(37,088)	
Transfers-Out - Debt Service	(4,969,000)	(4,968,588)	412	
Net Transfers	19,930,000	19,357,229	(572,771)	
Difference	\$0	(\$409,866)	(\$409,866)	

**The University of Akron**  
**Akron and Wayne Auxiliary Funds Combined**  
**FY18 Annual Budget with results for the fiscal year ended June 30, 2018**

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Residence Life & Housing	FY18			% of Budget
	Approved Budget	Actual	\$ Budget Variance	
Revenues	\$19,996,000	\$20,592,991	\$596,991	103%
Payroll	811,000	719,832	91,168	
Fringes	379,000	340,471	38,529	
Total Compensation	1,190,000	1,060,302	129,698	89%
Operating	7,797,000	7,031,406	765,594	
Capital	350,000	172,000	178,000	
Scholarships	0	0	0	
Total Non Personnel	8,147,000	7,203,406	943,594	88%
Total Expenditures	9,337,000	8,263,709	1,073,292	89%
Net Before Transfers	10,659,000	12,329,283	1,670,283	
Transfers-In - Facilities Fee	0	0	0	
Transfers-In - General Service Fee	0	0	0	
Transfers-In - Other	0	0	0	
Transfers-In - Plant Fund	0	0	0	
Transfers-In - Encumbrances	0	47,910	47,910	
Transfers-Out - Plant Fund	0	0	0	
Transfers-Out - Encumbrances	0	(5,520)	(5,520)	
Transfers-Out - Debt Service	(10,659,000)	(10,658,774)	226	
Net Transfers	(10,659,000)	(10,616,384)	42,616	
Difference	\$0	\$1,712,899	\$1,712,899	

**The University of Akron**  
**Akron and Wayne Auxiliary Funds Combined**  
**FY18 Annual Budget with results for the fiscal year ended June 30, 2018**

<b>EJ Thomas Performing Arts Hall</b>	<b>FY18</b>			
	<b>Approved Budget</b>	<b>Actual</b>	<b>\$ Budget Variance</b>	<b>% of Budget</b>
Revenues	\$1,934,000	\$2,731,226	\$797,226	141%
Payroll	307,000	270,987	36,013	
Fringes	127,000	113,388	13,612	
Total Compensation	434,000	384,375	49,625	89%
Operating	2,199,000	2,719,303	(520,303)	
Capital	0	0	0	
Scholarships	0	0	0	
Total Non Personnel	2,199,000	2,719,303	(520,303)	124%
Total Expenditures	2,633,000	3,103,679	(470,679)	118%
Net Before Transfers	(699,000)	(372,453)	326,547	
Transfers-In - Facilities Fee	0	0	0	
Transfers-In - General Service Fee	0	0	0	
Transfers-In - Other	1,027,000	957,014	(69,986)	
Transfers-In - Plant Fund	0	0	0	
Transfers-In - Encumbrances	0	49,579	49,579	
Transfers-Out - Plant Fund	0	0	0	
Transfers-Out - Encumbrances	0	(28,832)	(28,832)	
Transfers-Out - Debt Service	(327,000)	(327,014)	(14)	
Net Transfers	700,000	650,748	(49,252)	
Difference	\$1,000	\$278,295	\$277,295	

**The University of Akron**  
**Akron and Wayne Auxiliary Funds Combined**  
**FY18 Annual Budget with results for the fiscal year ended June 30, 2018**

<b>Dining (Aramark)</b>	<b>FY18</b>			<b>% of Budget</b>
	<b>Approved Budget</b>	<b>Actual</b>	<b>\$ Budget Variance</b>	
Revenues	\$3,701,000	\$3,414,732	(\$286,268)	92%
Payroll	199,000	128,027	70,973	
Fringes	546,000	353,298	192,702	
Total Compensation	745,000	481,325	263,675	65%
Operating	1,637,000	1,332,780	304,220	
Capital	0	0	0	
Scholarships	0	0	0	
Total Non Personnel	1,637,000	1,332,780	304,220	81%
Total Expenditures	2,382,000	1,814,105	567,895	76%
Net Before Transfers	1,319,000	1,600,627	281,627	
Transfers-In - Facilities Fee	0	0	0	
Transfers-In - General Service Fee	0	0	0	
Transfers-In - Other	0	0	0	
Transfers-In - Plant Fund	0	113,695	113,695	
Transfers-In - Encumbrances	0	40,131	40,131	
Transfers-Out - Plant Fund	0	(158,500)	(158,500)	
Transfers-Out - Encumbrances	0	(22,079)	(22,079)	
Transfers-Out - Debt Service	(779,000)	(778,996)	4	
Net Transfers	(779,000)	(805,748)	(26,748)	
Difference	\$540,000	\$794,879	\$254,879	

**The University of Akron**  
**Akron and Wayne Auxiliary Funds Combined**  
**FY18 Annual Budget with results for the fiscal year ended June 30, 2018**

Recreation & Wellness Services	FY18			
	Approved Budget	Actual	\$ Budget Variance	% of Budget
Revenues	\$565,000	\$596,981	\$31,981	106%
Payroll	531,000	503,593	27,407	
Fringes	234,000	220,629	13,371	
Total Compensation	765,000	724,222	40,778	95%
Operating	2,079,000	1,828,217	250,783	
Capital	0	0	0	
Scholarships	0	0	0	
Total Non Personnel	2,079,000	1,828,217	250,783	88%
Total Expenditures	2,844,000	2,552,439	291,561	90%
Net Before Transfers	(2,279,000)	(1,955,459)	323,541	
Transfers-In - Facilities Fee	1,272,000	1,271,500	(500)	
Transfers-In - General Service Fee	0	0	0	
Transfers-In - Other	2,726,000	2,583,557	(142,443)	
Transfers-In - Plant Fund	0	0	0	
Transfers-In - Encumbrances	0	18,245	18,245	
Transfers-Out - Plant Fund	0	0	0	
Transfers-Out - Encumbrances	0	(61,728)	(61,728)	
Transfers-Out - Debt Service	(1,704,000)	(1,703,892)	108	
Net Transfers	2,294,000	2,107,682	(186,318)	
Difference	\$15,000	\$152,224	\$137,224	

**The University of Akron**  
**Akron and Wayne Auxiliary Funds Combined**  
**FY18 Annual Budget with results for the fiscal year ended June 30, 2018**

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<b>Jean Hower Taber Student Union</b>	<b>FY18</b>			
	<b>Approved Budget</b>	<b>Actual</b>	<b>\$ Budget Variance</b>	<b>% of Budget</b>
Revenues	\$936,000	\$932,666	(\$3,334)	100%
Payroll	521,000	475,177	45,823	
Fringes	256,000	219,919	36,081	
Total Compensation	777,000	695,096	81,904	89%
Operating	2,066,000	1,901,807	164,193	
Capital	0	0	0	
Scholarships	0	0	0	
Total Non Personnel	2,066,000	1,901,807	164,193	92%
Total Expenditures	2,843,000	2,596,903	246,097	91%
Net Before Transfers	(1,907,000)	(1,664,237)	242,763	
Transfers-In - Facilities Fee	2,187,000	2,187,400	400	
Transfers-In - General Service Fee	0	0	0	
Transfers-In - Other	2,659,000	2,625,492	(33,508)	
Transfers-In - Plant Fund	0	0	0	
Transfers-In - Encumbrances	0	4,349	4,349	
Transfers-Out - Plant Fund	0	0	0	
Transfers-Out - Encumbrances	0	(26,670)	(26,670)	
Transfers-Out - Debt Service	(2,930,000)	(2,930,365)	(365)	
Net Transfers	1,916,000	1,860,206	(55,794)	
Difference	\$9,000	\$195,969	\$186,969	

**The University of Akron**  
**Akron and Wayne Auxiliary Funds Combined**  
**FY18 Annual Budget with results for the fiscal year ended June 30, 2018**

Parking & Transportation Services	FY18			% of Budget
	Approved Budget	Actual	\$ Budget Variance	
Revenues	\$7,859,000	\$7,289,219	(\$569,781)	93%
Payroll	286,000	235,847	50,153	
Fringes	127,000	116,247	10,753	
Total Compensation	413,000	352,094	60,906	85%
Operating	2,764,000	2,401,954	362,046	
Capital	220,000	222,100	(2,100)	
Scholarships	0	0	0	
Total Non Personnel	2,984,000	2,624,054	359,946	88%
Total Expenditures	3,397,000	2,976,148	420,852	88%
Net Before Transfers	4,462,000	4,313,071	(148,929)	
Transfers-In - Facilities Fee	0	0	0	
Transfers-In - General Service Fee	0	0	0	
Transfers-In - Other	0	0	0	
Transfers-In - Plant Fund	0	0	0	
Transfers-In - Encumbrances	0	0	0	
Transfers-Out - Plant Fund	0	0	0	
Transfers-Out - Encumbrances	0	(89,235)	(89,235)	
Transfers-Out - Debt Service	(4,462,000)	(4,462,233)	(233)	
Net Transfers	(4,462,000)	(4,551,468)	(89,468)	
Difference	\$0	(\$238,397)	(\$238,397)	

**The University of Akron**  
**Akron and Wayne Auxiliary Funds Combined**  
**FY18 Annual Budget with results for the fiscal year ended June 30, 2018**

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Wayne Student Union	FY18			
	Approved Budget	Actual	\$ Budget Variance	% of Budget
Revenues	\$68,000	\$58,121	(\$9,879)	85%
Payroll	0	0	0	
Fringes	0	0	0	
Total Compensation	0	0	0	
Operating	10,000	5,724	4,276	
Capital	0	0	0	
Scholarships	0	0	0	
Total Non Personnel	10,000	5,724	4,276	57%
Total Expenditures	10,000	5,724	4,276	57%
Net Before Transfers	58,000	52,397	(5,603)	
Transfers-In - Facilities Fee	0	0	0	
Transfers-In - General Service Fee	0	0	0	
Transfers-In - Other	0	0	0	
Transfers-In - Plant Fund	0	0	0	
Transfers-In - Encumbrances	0	0	0	
Transfers-Out - Plant Fund	0	0	0	
Transfers-Out - Encumbrances	0	0	0	
Transfers-Out - Debt Service	0	0	0	
Net Transfers	0	0	0	
Difference	\$58,000	\$52,397	(\$5,603)	

**The University of Akron**  
**Auxiliaries**  
**FY18 Budget Assumptions**

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**Overall Assumptions**

Payroll: Assumes two-percent increase pursuant to collectively bargained employee contracts.

Fringes: Assumes 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 permits.

Transfers-Out – Debt Service: Assumes debt service for Auxiliary facilities.

**Unit Assumptions**

**Athletics**

Revenues: Assumes externally generated revenues from various sources such as the MAC, game guarantees, naming rights, ticket sales, grants-in-aid, IMG, and Coca-Cola.

Payroll: Contemplates rate increases as reflected in respective individual contracts.

Operating: Assumes an increase of \$234,000 over the FY17.

Scholarships: Assumes 240 Athletic financial aid awards.

Transfers-In: Assumes Facilities Fee of \$3.9 million, General Service Fee of \$13 million, and Other of \$8 million in transfers from the General Fund.

**Residence Life & Housing**

Revenues: Assumes an 83-percent average occupancy.

Operating: Assumes a decrease of \$723,000 over the FY17.

Capital: Assumes boiler work upgrades or replacements and pump upgrades in several residence halls and miscellaneous repairs in other facilities.

**EJ Thomas Performing Arts Hall**

Revenues: Assumes externally generated revenues from various sources such as Broadway Series sales, Akron Civic Theater pass-through, hall rental, and endowment gifts.

Operating: Assumes largely flat operating as compared to FY17.

Transfers-In: Assumes Other transfers of \$1 million from the General Fund.

**The University of Akron**  
**Auxiliaries**  
**FY18 Budget Assumptions**

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**Dining (Aramark)**

Revenues: Assumes rent and other contractually provided revenues such as utilities, maintenance, and equipment repair.

Compensation: The CWA employees remain University employees, with the University responsible for the difference between FICA and SERS. All other employees are the sole responsibility of Aramark.

Operating: Assumes a refresh to Freshens.

**Recreation & Wellness Services**

Revenues: Assumes externally generated revenues from various sources such as memberships, pool rental, and locker and facility rentals.

Operating: Assumes largely flat operating as compared to FY17.

Transfers-In: Assumes Facilities Fee of \$1.3 million and Other of \$2.7 million in transfers from the General Fund.

**Jean Hower Taber Student Union**

Revenues: Assumes externally generated revenues from various sources such as bookstore space rent, bank space rent, and room rentals.

Operating: Assumes a decrease of \$494,000 over the FY17.

Transfers-In: Assumes Facilities Fee of \$2.2 million and Other of \$2.7 million in transfers from the General Fund.

**Parking & Transportation Services**

Revenues: Assumes parking permits and transportation fee revenues decrease consistent with an overall blended enrollment reduction of five percent.

Operating: Assumes a net decrease of \$186,000 over the FY17.

Capital: Assumes replacing the expansion joints and drains at Schrank parking deck.

**The University of Akron**  
**Auxiliaries**  
**FY18 Budget Assumptions**

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**Wayne Student Union**

Revenues: Assumes consistent with FY17.

Operating: Assumes consistent with FY17.

**The University of Akron  
Akron and Wayne Auxiliary Funds Combined  
Narrative of FY18 Annual Budget with results for the fiscal year ended June 30, 2018**

**Athletics**

Athletics actual revenues total \$8.3 million as compared to annual budgeted revenues of \$7.5 million. Major components of revenue include Mid-American Conference (34 percent), ticket sales (17 percent), gifts (17 percent), and game guarantees (16 percent). Unearned revenue for seasonal and single tickets is realized in the fiscal year when the game is held. Currently, \$289,000 is unearned. Earned revenues exceed the budget by \$800,000, largely due to supplements from Mid-American Conference.

<b>Description</b>	<b>Actual</b>
Mid-American Conference	\$2,800,000
Ticket Sales	1,382,000
Gifts	1,376,000
Game Guarantees	1,294,000
Other	1,444,000
<b>Total</b>	<b>\$8,296,000</b>

Payroll and fringes total \$10.2 million or roughly 102 percent as compared to the annual budget of \$10 million. Fee remission expenditures were greater than anticipated which accelerated the benefit cost above budget.

Operating expenditures total \$11.2 million or 112 percent as compared to the annual budget of \$9.9 million. The principal operating expenditures include team travel and recruiting (26 percent), game officials and guarantees (11 percent), athletic supplies (10 percent), and maintenance (10 percent). Track & Field and Swimming NCAA Championship games generated additional cost that came in above budget.

Scholarships, or Athletics financial aid, totaled \$6.7 million or 90 percent as compared to the annual budget of \$7.5 million.

The other sources of funding include transfers-in of facilities fees, general service fees, and other budgeted at \$3.9 million, \$13 million, and \$8 million, respectively. The 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 \$20.4 million.

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 \$62,000 Transfers-in – Encumbrances represents those types of commitments. The \$37,000 Transfers-Out – Encumbrances represents the liability and expenditures that carried over into FY19.

The budgeted transfers-out for debt service total \$5 million. The actual transfer-out of \$5 million pays for the bonded debt related to InfoCision Stadium and the Athletic Fieldhouse.

The \$410,000 shortfall will be partially offset by Athletics carryover from fiscal year ended June 30, 2017 in the amount of \$118,000.

**The University of Akron  
Akron and Wayne Auxiliary Funds Combined  
Narrative of FY18 Annual Budget with results for the fiscal year ended June 30, 2018**

**Residence Life & Housing**

Residence Life & Housing actual revenues total \$20.6 million as compared to the annual budgeted revenues of \$20 million. The principal revenues include residence hall occupancy (annual average of 88 percent), and are predominately earned during the academic year. Currently, \$10 million is considered unearned revenue. Earned revenues exceed the budget by \$600,000, largely due to freshman enrollment.

<b>Description</b>	<b>Actual</b>
Room Rentals	\$20,073,000
Other	520,000
Total	\$20,593,000

Payroll and fringes total \$1.1 million or roughly 89 percent as compared to the annual budget of \$1.2 million.

Operating expenditures total \$7 million or 90 percent as compared to the annual budget of \$7.8 million. The principal operating expenditures include maintenance (46 percent) and utilities (25 percent). Furniture upgrades in the Honors dorm came in drastically under budget as well as savings in maintenance supplies, and utilities.

The \$172,000 capital expenditures include Sisler-McFawn boilers (\$45,000), upgrade Honors Complex furniture (\$45,000), Spanton Hall showers/bathrooms (\$38,000), Bulger Hall parapet (\$23,000), upgrade staff and computer lab computers (\$12,000), and Ritchie Residence Hall (\$9,000).

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 \$48,000 Transfers-in – Encumbrances represents those types of commitments. The \$6,000 Transfers-Out – Encumbrances represents the liability and expenditures that carried over into FY19.

The budgeted transfers-out for the debt service total \$10.7 million. The actual transfer-out of \$10.7 million pays the bonded debt related to the renovation of eight residence halls and construction of two new buildings.

**The University of Akron  
Akron and Wayne Auxiliary Funds Combined  
Narrative of FY18 Annual Budget with results for the fiscal year ended June 30, 2018**

**EJ Thomas Performing Arts Hall**

EJ Thomas Performing Arts Hall actual revenues total \$2.7 million as compared to the annual budgeted revenues of \$1.9 million. The principal revenues include ticket sales (71 percent) and hall and space rental (17 percent). Ticket revenue is considered unearned until the show is held. Currently, EJ Thomas has \$104,000 in unearned revenue for the Broadway in Akron Series FY19 presale event.

<b>Description</b>	<b>Actual</b>
Ticket Sales	\$1,926,000
Hall Rental	458,000
Other	347,000
Total	\$2,731,000

Payroll and fringes total \$384,000 or roughly 89 percent as compared to the annual budget of \$434,000. Expenditures came in under budget by \$50,000 through vacant position savings.

Operating expenditures total \$2.7 million or 124 percent as compared to the annual budget of \$2.2 million. The principal operating expenditures include stage & wardrobe (37 percent), artist fees (30 percent), and utilities (11 percent). Additional shows increased revenue above budget with the offset being an increase in cost.

Transfers-in Other represents general-fund support for operations and is budgeted for roughly \$1 million. A midyear reduction of \$70,000 reduced the actual transfer to \$957,000.

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 \$50,000 Transfers-in – Encumbrances represents those types of commitments. The \$29,000 Transfers-Out – Encumbrances represents the liability and expenditures that carried over into FY19.

Transfers-out of \$327,000 is in line with the \$327,000 budget for the bonded debt related to improvements and equipment from approximately 16 years ago.

**The University of Akron  
Akron and Wayne Auxiliary Funds Combined  
Narrative of FY18 Annual Budget with results for the fiscal year ended June 30, 2018**

**Dining (Aramark)**

Aramark actual revenues total \$3.4 million as compared to the annual budgeted revenues of \$3.7 million. The primary revenues include rent (59 percent), unrestricted grant (16 percent), and utilities support (10 percent). Given recent enrollment challenges, meal plan purchases are down substantially.

<b>Description</b>	<b>Actual</b>
Rent	\$2,002,000
Unrestricted Grant	550,000
Utilities Support	332,000
Facilities Support	288,000
POS/Card Access Support	181,000
Other	62,000
Total	\$3,415,000

Payroll and fringes total \$481,000 or roughly 65 percent as compared to the annual budget of \$745,000. The \$353,000 fringe benefits also includes the difference between SERS and FICA for CWA employees who remained with the University as well as certain Aramark employees performing work at the University.

Operating expenditures total \$1.3 million or 81 percent as compared to the annual budget of \$1.6 million.

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 \$40,000 Transfers-in – Encumbrances represents those types of commitments. The \$22,000 Transfers-Out – Encumbrances represents the liability and expenditures that carried over into FY19.

The budgeted transfers-out for debt service totals \$779,000. The transfers-out of \$779,000 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 11 to 18 years.

**The University of Akron**  
**Akron and Wayne Auxiliary Funds Combined**  
**Narrative of FY18 Annual Budget with results for the fiscal year ended June 30, 2018**

**Recreation & Wellness Services**

Recreation & Wellness Services actual revenues total \$597,000 as compared to the annual budgeted revenues of \$565,000. The principal revenues include memberships (36 percent), swimming meets/lessons (32 percent), and rentals (14 percent). New facility rentals and the Fitness and Wellness introduction of a new group exercise program generated the additional revenue above budget.

<b>Description</b>	<b>Actual</b>
Memberships	\$212,000
Swimming Meets & Lessons	192,000
Rentals	86,000
Other	107,000
Total	\$597,000

Payroll and fringes total \$724,000 or roughly 95 percent as compared to the annual budget of \$765,000. Expenditures came in under budget through vacant position savings.

Operating expenditures total \$1.8 million or 88 percent as compared to the annual budget of \$2.1 million. The primary operating expenditures include student assistants (37 percent), maintenance (33 percent), and utilities (19 percent). SRWS has over 200 student employees (90,000+ hours of student employment) and has reviewed the hours and number of students working based on facility use trends and strategically reduced the number of staff working to bring student assistant compensation below budget by \$75,000.

Transfers-in of \$3.9 million represents facilities fees and general-fund support to service the building's bonded debt and for operations, respectively. A midyear reduction reduced the expected transfer by \$142,000.

The Student Recreation & Wellness Services is largely dependent upon the facilities fees and general fund for debt service resources and operational support both of which are tied directly to enrollment.

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 \$18,000 Transfers-in – Encumbrances represents those types of commitments. The \$62,000 Transfers-Out – Encumbrances represents the liability and expenditures that carried over into FY19.

The transfer-out of \$1.7 million is in line with the budget and supports debt service requirements.

**The University of Akron**  
**Akron and Wayne Auxiliary Funds Combined**  
**Narrative of FY18 Annual Budget with results for the fiscal year ended June 30, 2018**

**Jean Hower Taber Student Union**

The Student Union actual revenues total \$933,000 as compared to the annual budgeted revenues of \$936,000. The principal revenues include rental income (98 percent). Actual revenue collection accounts for 99.6 percent of the budget. While revenues fell short of projections, expenditures were maintained to remain within the actual revenues earned.

<b>Description</b>	<b>Actual</b>
Barnes & Noble Rental	\$631,000
Room Rentals	281,000
Other	21,000
<b>Total</b>	<b>\$933,000</b>

Payroll and fringes total \$695,000 or roughly 89 percent as compared to the annual budget of \$777,000. Expenditures came in under budget by \$82,000 through vacant position savings.

Operating expenditures total \$1.9 million or 92 percent as compared to the annual budget of \$2.1 million. The primary operating expenditures include utilities (29 percent), maintenance (29 percent), and student assistants (27 percent). Expenditures were below budget by \$164,000.

Transfers-in of \$4.8 million represents facilities fees and general-fund support to service the building's bonded debt and for operations, respectively. A midyear reduction reduced the expected transfer by \$34,000.

The Student Union is largely dependent upon the facilities fees and general fund for debt service resources and operational support both of which are tied directly to enrollment.

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 \$4,000 Transfers-in – Encumbrances represents those types of commitments. The \$27,000 Transfers-Out – Encumbrances represents the liability and expenditures that carried over into FY19.

Transfers-out of \$2.9 million are line with the budget and are for the debt service requirement.

**The University of Akron  
Akron and Wayne Auxiliary Funds Combined  
Narrative of FY18 Annual Budget with results for the fiscal year ended June 30, 2018**

**Parking Transportation & Services**

Parking actual revenues total \$7.3 million as compared to the annual budgeted revenues of \$7.9 million. The primary sources of revenues are the student transportation fee and parking permits (95 percent). While revenues fell short of projections, operating expenditures were maintained to minimize the shortfall.

<b>Description</b>	<b>Actual</b>
Permits	\$6,900,000
Lot Rentals	159,000
Fines & Meters	149,000
Other	86,000
<b>Total</b>	<b>\$7,294,000</b>

Payroll and fringes total \$352,000 or roughly 85 percent as compared to the annual budget of \$413,000. Expenditures came in under budget by \$61,000 through vacant position savings.

Operating expenditures total \$2.4 million or 87 percent as compared to the annual budget of \$2.8 million. The major operating costs include transportation related activities including busing, parking lot, and deck maintenance (63 percent), and utilities (15 percent). Operating expenditures were below budget by \$360,000.

The \$220,000 budgeted capital expenditures are intended to replace the expansion joints and drains within the Schrank Parking Deck which has been isolated as the cause of water leakage occurring within Schrank Hall. At year end, \$222,000 transferred-out to fund the project.

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 \$89,000 Transfers-Out – Encumbrances represents the liability and expenditures that carried over into FY19.

The budgeted transfers-out for debt service total \$4.5 million. Transfers-out of \$4.5 million or 100 percent represents the debt service that pays the bonded debt related to the renovation and construction of four parking decks.

The \$230,000 deficit will fully be offset by Parking and Transportation Services fiscal year ended June 30, 2017 carryover.

**The University of Akron  
Akron and Wayne Auxiliary Funds Combined  
Narrative of FY18 Annual Budget with results for the fiscal year ended June 30, 2018**

**Wayne Student Union**

Wayne Student Union revenues total \$58,000 as compared to the annual budgeted revenues of \$68,000. The principal revenues include bookstore rent (85 percent) while revenues fell short of projections; expenditures were maintained to remain within the actual revenues earned.

<b>Description</b>	<b>Actual</b>
Barnes & Noble Rental	\$50,000
Other	8,000
Total	\$58,000

Operating expenditures total \$5,700 or 57 percent as compared to the annual budget of \$10,000.

**DEPARTMENTAL SALES AND  
SERVICES FUNDS**

**For the fiscal year ended June 30, 2018**

**The University of Akron**  
**Akron and Wayne Departmental Sales and Services Funds Combined**  
**FY18 Annual Budget with results for the fiscal year ended June 30, 2018**

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**Departmental Sales and Services  
Combined**

	<b>FY18</b>			<b>% of Budget</b>
	<b>Approved Budget</b>	<b>Actual</b>	<b>Budget Variance \$</b>	
Revenues	\$40,703,000	\$38,464,164	(\$2,238,836)	94%
Payroll	2,869,000	2,767,550	101,450	
Fringes	1,000,000	1,071,672	(71,672)	
Total Compensation	3,869,000	3,839,223	29,777	99%
Operating	5,061,000	3,401,814	1,659,186	
Premiums and Claims	31,640,000	23,830,064	7,809,936	
Capital	60,000	33,346	26,654	
Total Non Personnel	36,761,000	27,265,225	9,495,776	74%
Total Expenditures	40,630,000	31,104,447	9,525,553	77%
Net Before Transfers	73,000	7,359,717	7,286,717	
Transfers-In - Other	2,808,000	426,814	(2,381,186)	
Transfers-In - Encumbrances	0	228,369	228,369	
Transfers-Out - Other	0	(96,308)	(96,308)	
Transfers-Out - Encumbrances	0	(384,113)	(384,113)	
Net Transfers	2,808,000	174,763	(2,633,237)	
Difference	\$2,881,000	\$7,534,480	\$4,653,480	

**The University of Akron**  
**Akron and Wayne Departmental Sales and Services Funds Combined**  
**FY18 Annual Budget with results for the fiscal year ended June 30, 2018**

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Self-Insurance Health Care	FY18			
	Approved Budget	Actual	Budget Variance \$	% of Budget
Revenues	\$32,332,000	\$31,217,967	(\$1,114,033)	97%
Payroll	0	145,394	(145,394)	
Fringes	0	58,330	(58,330)	
Total Compensation	0	203,723	(203,723)	
Operating	1,342,000	281,129	1,060,871	
Premiums and Claims	31,640,000	23,830,064	7,809,936	
Capital	0	0	0	
Total Non Personnel	32,982,000	24,111,193	8,870,807	73%
Total Expenditures	32,982,000	24,314,916	8,667,084	74%
Net Before Transfers	(650,000)	6,903,051	7,553,051	
Transfers-In - Other	2,808,000	0	(2,808,000)	
Net Transfers	2,808,000	0	(2,808,000)	
Difference	\$2,158,000	\$6,903,051	\$4,745,051	

**The University of Akron**  
**Akron and Wayne Departmental Sales and Services Funds Combined**  
**FY18 Annual Budget with results for the fiscal year ended June 30, 2018**

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UA Solutions	FY18			
	Approved Budget	Actual	Budget Variance \$	% of Budget
Revenues	\$811,000	\$724,168	(\$86,832)	89%
Payroll	228,000	261,959	(33,959)	
Fringes	76,000	81,126	(5,126)	
Total Compensation	304,000	343,086	(39,086)	113%
Operating	427,000	285,243	141,757	
Premiums and Claims	0	0	0	
Capital	0	0	0	
Total Non Personnel	427,000	285,243	141,757	67%
Total Expenditures	731,000	628,328	102,672	86%
Net Before Transfers	80,000	95,840	15,840	
Transfers-In - Encumbrances	0	41,757	41,757	
Transfers-Out - Encumbrances	0	(19,740)	(19,740)	
Net Transfers	0	22,017	22,017	
Difference	\$80,000	\$117,857	\$37,856	

**The University of Akron**  
**Akron and Wayne Departmental Sales and Services Funds Combined**  
**FY18 Annual Budget with results for the fiscal year ended June 30, 2018**

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New Student Orientation	FY18			
	Approved Budget	Actual	Budget Variance \$	% of Budget
Revenues	\$750,000	\$586,716	(\$163,284)	78%
Payroll	170,000	156,746	13,254	
Fringes	72,000	66,227	5,773	
Total Compensation	242,000	222,973	19,027	92%
Operating	497,000	385,565	111,435	
Premiums and Claims	0	0	0	
Capital	0	0	0	
Total Non Personnel	497,000	385,565	111,435	78%
Total Expenditures	739,000	608,539	130,461	82%
Net Before Transfers	11,000	(21,823)	(32,823)	
Transfers-In - Encumbrances	0	3,150	3,150	
Net Transfers	0	3,150	3,150	
Difference	\$11,000	(\$18,673)	(\$29,673)	

**The University of Akron**  
**Akron and Wayne Departmental Sales and Services Funds Combined**  
**FY18 Annual Budget with results for the fiscal year ended June 30, 2018**

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<b>English Language Institute</b>	<b>FY18</b>			
	<b>Approved Budget</b>	<b>Actual</b>	<b>Budget Variance \$</b>	<b>% of Budget</b>
Revenues	\$600,000	\$546,774	(\$53,226)	91%
Payroll	323,000	314,166	8,834	
Fringes	102,000	96,457	5,543	
Total Compensation	425,000	410,623	14,377	97%
Operating	86,000	16,993	69,007	
Premiums and Claims	0	0	0	
Capital	0	0	0	
Total Non Personnel	86,000	16,993	69,007	20%
Total Expenditures	511,000	427,616	83,384	84%
Net Before Transfers	89,000	119,158	30,158	
Transfers-In - Encumbrances	0	0	0	
Net Transfers	0	0	0	
Difference	\$89,000	\$119,158	\$30,158	

**The University of Akron**  
**Akron and Wayne Departmental Sales and Services Funds Combined**  
**FY18 Annual Budget with results for the fiscal year ended June 30, 2018**

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Wayne	FY18			
	Approved Budget	Actual	Budget Variance \$	% of Budget
Revenues	\$14,000	\$12,612	(\$1,388)	90%
Payroll	0	0	0	
Fringes	0	0	0	
Total Compensation	0	0	0	
Operating	11,000	15,518	(4,518)	
Premiums and Claims	0	0	0	
Capital	0	0	0	
Total Non Personnel	11,000	15,518	(4,518)	141%
Total Expenditures	11,000	15,518	(4,518)	141%
Net Before Transfers	3,000	(2,906)	(5,906)	
Transfers-In - Encumbrances	0	0	0	
Net Transfers	0	0	0	
Difference	\$3,000	(\$2,906)	(\$5,906)	

**The University of Akron**  
**Akron and Wayne Departmental Sales and Services Funds Combined**  
**FY18 Annual Budget with results for the fiscal year ended June 30, 2018**

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Other	FY18			
	Approved Budget	Actual	Budget Variance \$	% of Budget
Revenues	\$6,196,000	\$5,375,927	(\$820,073)	87%
Payroll	2,148,000	1,889,286	258,714	
Fringes	750,000	769,532	(19,532)	
Total Compensation	2,898,000	2,658,817	239,183	92%
Operating	2,698,000	2,417,366	280,634	
Premiums and Claims	0	0	0	
Capital	60,000	33,346	26,654	
Total Non Personnel	2,758,000	2,450,713	307,287	89%
Total Expenditures	5,656,000	5,109,530	546,470	90%
Net Before Transfers	540,000	266,397	(273,603)	
Transfers-In - Other	0	426,814	426,814	
Transfers-In - Encumbrances	0	183,462	183,462	
Transfers-Out - Other	0	(96,308)	(96,308)	
Transfers-Out - Encumbrances		(364,373)		
Net Transfers	0	149,596	513,969	
Difference	\$540,000	\$415,993	\$240,366	

**The University of Akron  
Departmental Sales and Services  
FY18 Budget Assumptions**

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**Overall Assumptions**

Payroll: Assumes two-percent increase pursuant to collectively bargained employee contracts.

Fringes: Assumes 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 permits.

**Fund Assumptions**

**Self-Insurance Health Care**

Revenues: Assumes University contributions to employee-provided benefits such as medical, prescription drug, dental, long-term disability, and life insurance. Also assumes employee and retiree contributions to the benefit program 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.

Operating: Assumes the amounts expected to be paid for administrative and consulting fees.

Premiums and Claims: Assumes estimated cost for insurance premiums and self-insured claim payments related to employee benefit program. Expenditures include components such as medical, prescription drug, dental, stop loss insurance, and other ancillary benefits.

Transfers-In: Assumes Other transfers of \$2.8 million from the General Fund to support retiree dependent medical insurance, retiree life insurance, and administrative and consulting fees not supported by departmental contributions.

**UA Solutions**

Revenues: Assumes 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.

Operating: Assumes expenditures such as student assistants, supplies and services, and travel and hospitality. UA Solutions will manage to ensure expenditures are limited to revenues.

**New Student Orientation**

Revenues: Assumes commitment fee revenues to support the activities related to orientation and first-year experience programs.

**The University of Akron  
Departmental Sales and Services  
FY18 Budget Assumptions**

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Operating: Assumes expenditures such as peer mentoring, New Roo Weekend, supplies and services, and travel and hospitality. New Student Orientation will manage to ensure expenditures are limited to revenues.

**English Language Institute**

Revenues: Assumes 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.

Operating: Assumes expenditures such as student assistants, supplies and services, and travel and hospitality. English Language Institute will manage to ensure expenditures are limited to revenues.

**Wayne**

Revenues: Assumes a few small departmental sales operations at the Wayne College branch, and minimal revenues generated by the Wayne testing center and off-campus site in Millersburg.

Operating: Assumes supplies and services and travel and hospitality. Wayne College will manage to ensure expenditures are limited to revenues.

**Other**

Revenues: Assumes about 150 smaller, revenue-generating activities such as internal Printing Services, Hearing Aid Dispensary, and Akron Polymer Technology Services Testing.

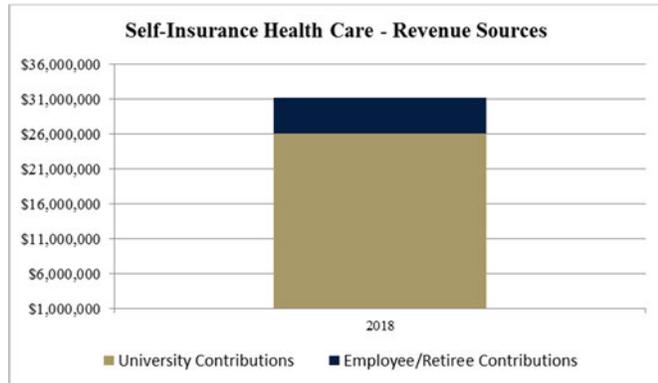
Operating: Assumes expenditures such as student assistants, cost of goods sold (Crystal Room, Computer Store, and Hearing Aid Dispensary), supplies and services, and travel and hospitality. Individual management and the units will manage to ensure expenditures are limited to revenues. In general, the units are anticipated to break even or generate a surplus.

Capital: Assumes equipment purchases related to polymer testing activities.

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**Self-Insurance Health Care**

Self-Insurance Health Care actual revenues total \$31.2 million as compared to annual budgeted revenues of \$32.3 million. Major components of revenue include University contributions (84 percent) to employee-provided benefits such as medical, prescription drug, dental, long-term disability, and life insurance. Revenues also include employee and retiree contributions (16 percent) to the benefit program for coverage that requires an employee cost share or is voluntary participation (100 percent employee paid) such as medical, prescription drug, short-term and long-term disability, life insurance, vision, and flexible spending accounts. Actual revenues equate to 97 percent of the budget. Revenues are roughly 3% less than expected, largely attributable to a lower number of full-time employees than contemplated in the budget.



The program was sufficiently funded without the planned general fund support of \$2.8 million so the transfer was not made.

Payroll and fringes total \$204,000. Operating expenditures total \$281,000 for consulting and administrative services. Premiums and Claims expenditures total \$23.8 million as compared to the annual budget of \$31.6 million. Expenditures to date have been less than expected and remained below budget. The reduction in expenses is attributable to reduced headcount and better than expected medical and prescription drug plan experience.

**UA Solutions**

UA Solutions actual revenues from open enrollment and contract training fees total \$724,000 or 89% as compared to the annual budgeted revenues of \$811,000.

Payroll and fringes total \$343,000 as compared to the annual budget of \$304,000.

Operating expenditures total \$285,000 or 67 percent as compared to the annual budget of \$427,000. The principal operating expenditures include supplies and services related to training and instructional support, student assistants, and travel and hospitality. Total expenditures are below 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

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\$42,000 Transfers-in – Encumbrances and \$20,000 Transfers-out – Encumbrances represents those types of commitments.

**New Student Orientation**

New Student Orientation actual revenues total \$587,000 or 78% as compared to the annual budgeted revenues of \$750,000. New Student Orientation revenues are cyclical. The majority of the confirmation fee revenues are received during the months of January to June. Fee receipts based upon enrollment projections change as the class matriculates.

Payroll and fringes total \$223,000 or roughly 92 percent as compared to the annual budget of \$242,000.

Operating expenditures total \$386,000 or 78 percent as compared to the annual budget of \$497,000. The principal operating expenditures include Peer Mentoring and New Roo Weekend (27 percent), student assistants (37 percent), and supplies and services (15 percent). Total expenditures are below 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 \$3,000 Transfers-in – Encumbrances represents those types of commitments.

The \$19,000 deficit will fully be offset by New Student Orientation carryover from fiscal year ended June 30, 2017.

**English Language Institute**

English Language Institute actual revenues total \$547,000 or 91% as compared to the annual budgeted revenues of \$600,000. Historically, revenue is more heavily weighted to the first and third quarters of the fiscal year.

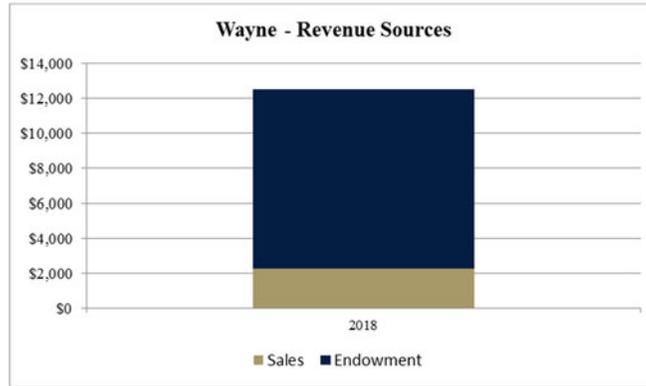
Payroll and fringes total \$411,000 or roughly 97 percent as compared to the annual budget of \$425,000.

Operating expenditures total \$17,000 or 20 percent as compared to the annual budget of \$86,000. The principal operating expenditures include supplies and services (63 percent), communications (17 percent) and student assistants (16 percent). Total expenditures are below budget.

**Wayne**

Wayne actual revenues total \$13,000 as compared to the annual budgeted revenues of \$14,000. The principal revenues include an endowment distribution from UA Foundation to Off Campus Courses-Millersburg (82 percent).

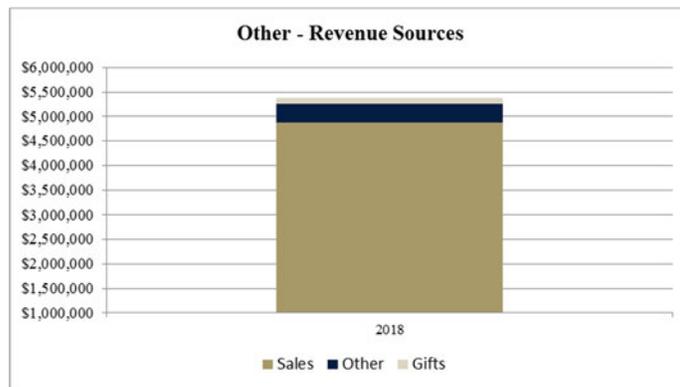
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Operating expenditures total \$16,000 compared to the annual budget of \$11,000. The principal operating expenditures include supplies and services (rent for Millersburg Campus and registration fees for testing).

**Other**

The Other departmental sales and services actual revenues total \$5.4 million or 87% as compared to the annual budgeted revenues of \$6.2 million. The principal revenues are generated from over 90 activities including Printing Services (ten percent) and Installment Payment Plan (seven percent).



Payroll and fringes total \$2.7 million or roughly 92 percent as compared to the annual budget of \$2.9 million.

Operating expenditures total \$2.4 million or 90 percent as compared to the annual budget of \$2.7 million. The primary operating expenditures are supplies and services (82 percent). Total expenditures are below budget as expenditures were closely monitored throughout the course of the year.

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

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succeeding fiscal year, and become a liability and expenditure in that following year. The \$183,000 Transfers-in – Encumbrances and \$364,000 Transfers-out – Encumbrances represents those types of commitments.

**THE UNIVERSITY OF AKRON**

**RESOLUTION 8- -18**

Acceptance of the Financial Report for the Fiscal Year Ended June 30, 2018

BE IT RESOLVED, That the recommendation presented by the Finance & Administration Committee on August 15, 2018, pertaining to acceptance of the Financial Report for the Fiscal Year ended June 30, 2018, be approved.

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M. Celeste Cook, Secretary  
Board of Trustees

August 15, 2018