

FINANCE & ADMINISTRATION COMMITTEE

TAB 3

**FINANCIAL REPORT FOR THE
EIGHT MONTHS ENDED FEBRUARY 29, 2020**



DATE: March 23, 2020

TO: Stephen R. Storck, Interim Chief Financial Officer

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 Eight Months Ended February 29, 2020**

As requested, the Office of Resource Analysis & Budgeting provides the accompanying Financial Report for the eight months ended February 29, 2020 for the General Fund, Auxiliary Funds, and Departmental Sales and Services Funds (Akron and Wayne combined) together with accompanying FY20 budget assumptions and narratives.

This Financial Report should be presented for consideration and approval at the April 15, 2020 Board of Trustees meeting.

Resource Analysis & Budgeting
Akron, OH 44325-6202
330-972-6521 Office · 330-972-6317 Fax

The University of Akron
General Fund, Auxiliary Funds, and Departmental Sales and Services Funds
Budget to Actual Results
For the Eight Months Ended February 29, 2020

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GENERAL FUND

For the Eight Months Ended February 29, 2020

The University of Akron
Akron and Wayne General Fund Combined
FY20 Annual Budget and Actual Results for the eight months ended February 29, 2020 with FY19 Comparisons and FY20 Projections

	FY19		FY20						
	YTD	YTD	Approved Budget	YTD February	Actual to Budget		Projected June 30	Projection to Budget	
	June 30	February			\$	%		\$	%
Tuition & General Service Fees	\$186,251,268	\$179,443,556	\$178,742,000	\$169,054,082	(\$9,687,918)		\$175,500,000	(\$3,242,000)	
Other Fees	21,732,648	20,965,446	21,495,000	20,116,872	(1,378,128)		20,900,000	(595,000)	
Scholarships	(52,787,389)	(51,497,673)	(61,764,000)	(51,943,578)	9,820,422		(53,200,000)	8,564,000	
Net Tuition and Fees	155,196,527	148,911,329	138,473,000	137,227,375	(1,245,625)	99%	143,200,000	4,727,000	103%
State Share of Instruction	101,851,513	68,452,737	99,139,000	66,362,322	(32,776,678)		98,957,000	(182,000)	
Indirect Cost Recovery	5,188,151	3,262,071	5,247,000	3,090,702	(2,156,298)		4,916,000	(331,000)	
Investment Income	1,087,866	441,856	1,410,000	586,902	(823,098)		980,000	(430,000)	
Miscellaneous Revenues	1,959,430	1,596,096	2,571,000	2,241,592	(329,408)		2,900,000	329,000	
Total Revenues	265,283,487	222,664,089	246,840,000	209,508,892	(37,331,108)	85%	250,953,000	4,113,000	102%
Payroll	140,283,371	91,959,325	139,719,000	92,092,937	47,626,063		140,487,000	(768,000)	
Fringes	50,643,511	35,113,750	43,853,000	28,591,384	15,261,616		42,108,000	1,745,000	
Total Compensation	190,926,882	127,073,075	183,572,000	120,684,321	62,887,679	66%	182,595,000	977,000	99%
Utilities	10,692,070	5,395,139	10,258,000	4,567,716	5,690,284		10,149,000	109,000	
Operating	33,846,757	24,682,835	36,515,000	25,592,893	10,922,107		35,095,000	1,420,000	
Total Non Personnel	44,538,828	30,077,975	46,773,000	30,160,609	16,612,391	64%	45,244,000	1,529,000	97%
Total Expenditures	235,465,710	157,151,050	230,345,000	150,844,930	79,500,070	65%	227,839,000	2,506,000	99%
Net Before Transfers	29,817,777	65,513,039	16,495,000	58,663,962	42,168,962		23,114,000	6,619,000	
Transfers-In (Draw on Operating Reserves)	3,795,965	0	11,584,000	0	(11,584,000)		9,062,312	(2,521,688)	78%
Transfers-In Plant Fund and Other	2,569,633	2,472,400	1,000,000	131,571	(868,429)		1,000,000	0	
Advance-In	596,972	267,972	140,000	93,028	(46,972)		140,000	0	
Transfers-In Encumbrance	3,832,133	3,832,133	2,600,000	3,234,688	634,688		3,234,688	634,688	
Transfers-Out Plant Fund	(2,822,400)	(1,711,752)	(1,000,000)	(167,564)	832,436		(1,000,000)	0	
Transfers-Out Other	(34,369,392)	(21,280,231)	(30,819,000)	(19,950,309)	10,868,691		(31,811,000)	(992,000)	103%
Advance-Out	(77,000)	(77,000)	0	(440,000)	(440,000)		(440,000)	(440,000)	
Transfers-Out - Encumbrance	(3,343,688)	0	0	0	0		(3,300,000)	(3,300,000)	
Net Transfers	(29,817,776)	(16,496,477)	(16,495,000)	(17,098,586)	(603,586)		(23,114,000)	(6,619,000)	
Difference	\$0	\$49,016,562	\$0	\$41,565,376	\$41,565,376		\$0	\$0	

The University of Akron
Akron and Wayne General Fund Combined
FY 2020 Budget Assumptions with Revisions

General Assumptions – It is early to predict the full impact of the COVID-19 pandemic. As more information is known, it will be reflected as deemed appropriate.

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 revenue projection incorporates an overall six percent decline assuming a flat 2020 summer enrollment; however, enrollment will most likely be negatively impacted by the COVID-19 pandemic.
- 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 revenue projection incorporates an overall decline of six percent.

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 projection is \$41.3 million.
 - The original graduate assistant waiver assumption was \$11.7 million while the projection is \$8.4 million.
 - The original law school scholarship assumption was \$3.9 million while the projection is \$3.5 million.

State Share of Instruction

- The original assumption remains and is based upon information received from the Ohio Department of Higher Education.

Indirect Cost Recovery

- The original assumption largely continues with no material change to either the amount or distribution. 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 projection is closer to \$1 million.

The University of Akron
Akron and Wayne General Fund Combined
FY 2020 Budget Assumptions with Revisions

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 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 \$182.6 million.

Utilities

- The original assumptions included electric, natural gas, and water and sewer costs, and those assumptions continue to hold.

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 projection contemplates six 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 million less than the fiscal year allocation. The expenditures will be monitored, and the projection will be updated should campus spending patterns change.
- 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

Other

Transfers-In (Draw on Operating Reserves)

- The original assumption contemplated an operating reserve draw approximating \$11.6 million while the projection currently contemplates \$9.1 million. The operating 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 a flat enrollment.

Transfers-In Plant Fund and Other

- The original assumption contemplated \$1 million from plant fund reserves and that assumption continues.

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 for projection purposes.

Transfers-Out Plant Fund

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

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 \$31.8 million. The transfers' projection will be updated should summer 2020 begin to vary positively or adversely from flat enrollment or should auxiliaries' or other units' fiscal performance begin to vary much from projections. The details of the original assumptions to projections follows:

	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	\$3,157,000	\$ 7,677,000	\$ 8,997,000	\$ 22,794,000	\$ 23,785,000
E.J. Thomas PAH	-	-	-	-	840,000	840,000	840,000	840,000
Recreation & Wellness Services	-	-	1,106,000	1,071,000	2,136,000	2,171,000	3,242,000	3,242,000
Jean Hower Taber Student Union	-	-	1,902,000	1,842,000	2,042,000	2,102,000	3,944,000	3,944,000
Total	\$11,858,000	\$ 11,631,000	\$6,267,000	\$6,070,000	\$12,695,000	\$ 14,110,000	\$ 30,820,000	\$ 31,811,000

The University of Akron
Akron and Wayne General Fund Combined
FY 2020 Budget Assumptions with Revisions

- 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 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.
- An additional advance was effectuated in support of the Jackson Field Track renovation.

Debt Service

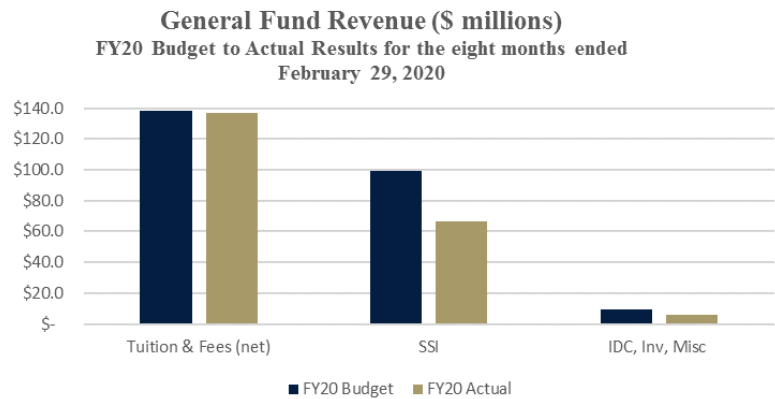
- The original assumption presumed the General Fund had no debt service requirement as a debt deferral refinancing initiative in the amount of \$5 million and plant fund and debt reserves in the amount of \$7 million would fully satisfy the General Fund debt service obligation, and that assumption continues.

**The University of Akron
Akron and Wayne General Fund Combined
Narrative of FY20 Budget and Actual Results for the Eight Months Ended February 29, 2020
with FY19 Comparisons and FY20 Projections**

Revenues

Tuition & General Service Fees:

Tuition & General Service Fees revenues total \$169.1 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. Assuming a flat 2020 summer enrollment, the Tuition and General Service Fees are projected to be \$175.5 million, or \$3.2 million less than budget. The projection will be updated as the impact of COVID-19 on summer 2020 enrollment becomes clear.

Other Fees: Other Fees revenues total \$20.1 million or approximately 94 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.

Other Fees include various student fees such as the Facilities Fee (29 percent), Technology Fee (22 percent), unit and course/content, Administrative, Career Advantage and other fees (49 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 \$20.9 million, or \$600,000 less than budget. The projection will be updated as the impact of COVID-19 on summer 2020 enrollment becomes clear.

Scholarships: Scholarships total \$51.9 million or approximately 84 percent of the \$61.8 million annual budget. Year-to-date Scholarships include undergraduate (\$40.1 million), graduate tuition remission (\$8.3 million), and law (\$3.5 million).

The \$40.1 million undergraduate scholarships include College Credit Plus (\$5.4 million), Early College (\$1 million), and \$300,000 for the Making a Difference Moving Forward (MDMF) campaign.

Scholarships are projected to be \$53.2 million or \$8.6 million less than budget as follows: undergraduate (\$4.8 million), graduate (\$3.3 million), and law (\$0.4 million). The other scholarships are primarily the Summer Scholarships which may be reduced as a result of COVID-19; and the spring Early College discount.

**The University of Akron
Akron and Wayne General Fund Combined
Narrative of FY20 Budget and Actual Results for the Eight Months Ended February 29, 2020
with FY19 Comparisons and FY20 Projections**

State Share of Instruction: State Share of Instruction (SSI) revenues total \$66.4 million or 67 percent of the annual budget of \$99.1 million.

If State of Ohio revenues are adversely impacted by COVID-19 shutdowns, the funding available for SSI will likely be negatively impacted.

Indirect Cost Recovery: IDC revenues total \$3.1 million or approximately 59 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.

The impact of COVID-19 will most likely be a reduction to IDC revenues as faculty will not be on campus spending grant funds to conduct funded research. Prior to the COVID-19 situation, revenues were expected to fall short of budget by roughly \$300,000; however, the projection will be updated as warranted.

Investment Income: Investment Income revenues total \$587,000, or 42 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 recent events, the investment income was expected to fall short of budget by approximately \$400,000. The projection will be updated when the impact of COVID-19 on the financial markets becomes known. At this moment, financial markets remain unstable.

Miscellaneous Revenues: Miscellaneous Revenues total \$2.2 million, or 87 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 \$977,000 from various other sources.

Current expectations are that Miscellaneous Revenues will exceed budget by roughly \$330,000. The projection will be updated should activities merit.

**The University of Akron
Akron and Wayne General Fund Combined
Narrative of FY20 Budget and Actual Results for the Eight Months Ended February 29, 2020
with FY19 Comparisons and FY20 Projections**

Expenditures

Compensation: Payroll expenditures total \$92.1 million or approximately 66 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 \$182.6 million, or \$1 million less than budget. The projection will be updated should conditions warrant.

Employee Type	Actual YTD
Faculty	\$52,497,000
Staff	18,839,000
Contract Professionals	16,971,000
Graduate Assistants	3,786,000
Total Payroll	<u>\$92,093,000</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 six months of 9-month faculty payroll (full time, part time, visiting, etc.).</i>	

Utilities: The Utilities charges approximated \$5 million; however, the University received a credit on its water bill that reduced the expenditures by \$400,000, while another utility provider's billings are lagging. The winter and spring months are the largest utility consumption months, thus it is expected that expenditures will increase and by year-end will approximate the \$10.3 million budget. The projection will be updated should performance indicate such.

Operating: Operating expenditures total \$25.6 million including encumbrances in the amount of \$5.6 million approximating 70 percent of the \$36.5 million annual budget.

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 \$1.4 million less than the \$36.5 million annual budget. Expenditures will continue to be monitored and the projection updated as

Functional Category	Actual YTD
Instruction and Departmental Research	\$ 77,608,000
Separately Budgeted Research	2,713,000
Public Service	118,000
Academic Support	17,161,000
Student Services	8,693,000
Institutional Support	30,817,000
Operation and Maintenance of Plant	12,670,000
Scholarships and Fellowships	1,065,000
Total Expenditures by Function	<u>\$150,845,000</u>
<i>Note: The expenditures are summarized by functional classification.</i>	

warranted based upon changes in campus spending patterns.

**The University of Akron
Akron and Wayne General Fund Combined
Narrative of FY20 Budget and Actual Results for the Eight Months Ended February 29, 2020
with FY19 Comparisons and FY20 Projections**

Transfers, Advances and Loan

Transfers-In (Draw on Operating Reserves): The annual budget assumes a draw on reserves totaling \$11.6 million. As the impact of COVID-19 becomes clear we expect the draw on operating reserves to increase.

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:

- \$240,000 chiller rebuild project;
- \$50,000 to relocate the International Programs Office;
- (\$65,000) returned to General Fund upon completion of Akron Engineering Research Center (AERC) air chiller replacement;
- (\$33,500) returned to General Fund upon completion of E.J. Thomas lighting project; and
- (\$24,000) returned to the Art Department upon completion of a Folk Hall renovation project.

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 \$20 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. The transfers projection will be updated when the impact of COVID-19 becomes clear; and should summer 2020 enrollment begin to vary much from a flat enrollment; and as auxiliary unit fiscal performance begins to vary from projections.

Advances In/Out:

	Balance July 1, 2019	Advance Out	Repayments Advances-In	Balance Feb. 29, 2020
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>

**The University of Akron
Akron and Wayne General Fund Combined
Narrative of FY20 Budget and Actual Results for the Eight Months Ended February 29, 2020
with FY19 Comparisons and FY20 Projections**

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 \$200,000 was repaid upon receipt of a pledge; therefore, \$500,000 remains outstanding at February 29, 2020. The loan may be further accessed for remaining project phases as other pledge commitments are secured.

AUXILIARY FUNDS

For the Eight Months Ended February 29, 2020

The University of Akron
Akron and Wayne Auxiliary Funds Combined
FY20 Annual Budget and Actual Results for the Eight Months Ended February 29, 2020 with FY19 Comparisons and FY20 Projections

Auxiliary Funds Combined	FY19		FY20						
	YTD	YTD	Approved Budget	YTD February 29	Actual to Budget		Projected June 30	Projection to Budget	
	June 30	February 29			\$	%		\$	%
Revenues	\$43,233,817	\$36,658,625	\$42,450,000	\$32,792,362	(\$9,657,638)	77%	\$37,696,821	(\$4,753,179)	89%
Payroll	10,311,448	6,802,112	10,810,000	6,975,745	3,834,255		10,613,965	196,035	
Fringes	4,329,956	2,881,944	3,844,000	2,527,431	1,316,569		3,828,807	15,193	
Total Compensation	14,641,404	9,684,056	14,654,000	9,503,176	5,150,824	65%	14,442,772	211,228	99%
Operating	29,994,659	21,938,879	28,131,000	20,215,006	7,915,994		26,895,909	1,235,091	
Scholarships	6,506,067	5,545,660	7,004,000	6,074,699	929,301		6,504,000	500,000	
Total Non Personnel	36,500,726	27,484,539	35,135,000	26,289,705	8,845,295	75%	33,399,909	1,735,091	95%
Total Expenditures	51,142,130	37,168,595	49,789,000	35,792,881	13,996,119	72%	47,842,681	1,946,319	96%
Net Before Transfers	(7,908,313)	(509,970)	(7,339,000)	(3,000,519)	4,338,481		(10,145,860)	(2,806,860)	
Transfers-In - Facilities Fee	9,306,997	6,379,495	8,179,000	5,357,976	(2,821,024)		7,982,464	(196,536)	
Transfers-In - General Service Fee	12,066,760	7,939,240	11,858,000	7,082,443	(4,775,557)		11,631,000	(227,000)	
Transfers-In - Other-Debt Service	0	0	1,361,000	907,196	(453,804)		1,360,795	(205)	
Transfers-In - Other	16,231,440	8,489,802	11,365,000	7,910,673	(3,454,327)		12,780,545	1,415,545	
Transfers-In - Fund Balance	0	0	1,066,000	0	(1,066,000)		3,002,328	1,936,328	
Transfers-In - Plant Fund	50,601	0	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)	(1,000,000)	0	(141,581)	(141,581)		(141,581)	(141,581)	
Transfers-Out - Encumbrances	(137,044)	0	0	0	0		(119,331)	(119,331)	
Transfers-Out - Other	0	0	0	(119,331)	(119,331)		0	0	
Transfers-Out - Debt Service	(25,798,462)	(17,198,976)	(25,780,000)	(17,186,781)	8,593,219		(25,780,171)	(171)	
Net Transfers	9,874,547	4,880,713	8,049,000	3,947,639	(4,101,361)		10,853,093	2,804,093	
Difference	\$1,966,234	\$4,370,743	\$710,000	\$947,120	\$237,120		\$707,233	(\$2,767)	

The University of Akron
Akron and Wayne Auxiliary Funds Combined
FY20 Annual Budget and Actual Results for the eight months ended February 29, 2020 with FY19 Comparisons and FY20 Projections

Athletics	FY19		FY20						
	YTD	YTD	Approved Budget	YTD February 29	Actual to Budget		Projected June 30	Projection to Budget	
	June 30	February 29			\$	%		\$	%
Revenues	\$9,506,464	\$5,435,931	\$9,406,000	\$4,206,883	(\$5,199,117)	45%	\$7,210,950	(\$2,195,050)	77%
Payroll	7,830,374	5,169,385	8,217,000	5,349,818	2,867,182		8,063,334	153,666	
Fringes	3,049,475	2,037,526	2,657,000	1,726,588	930,412		2,621,254	35,746	
Total Compensation	10,879,849	7,206,911	10,874,000	7,076,406	3,797,594	65%	10,684,588	189,412	98%
Operating	13,191,831	10,235,796	10,062,000	9,199,201	862,799		9,561,180	500,820	
Scholarships	6,506,067	5,545,660	7,004,000	6,074,699	929,301		6,504,000	500,000	
Total Non Personnel	19,697,898	15,781,456	17,066,000	15,273,900	1,792,100	89%	16,065,180	1,000,820	94%
Total Expenditures	30,577,747	22,988,367	27,940,000	22,350,306	5,589,694	80%	26,749,768	1,190,232	96%
Net Before Transfers	(21,071,283)	(17,552,436)	(18,534,000)	(18,143,423)	390,577		(19,538,818)	(1,004,818)	
Transfers-In - Facilities Fee	4,828,318	3,309,577	4,254,000	2,835,753	(1,418,247)		4,151,630	(102,370)	
Transfers-In - General Service Fee	12,066,760	7,939,240	11,858,000	7,082,443	(4,775,557)		11,631,000	(227,000)	
Transfers-In - Other-Debt Service	0	0	708,000	472,029	(235,971)		708,044	44	
Transfers-In - Other	9,116,301	5,278,404	6,968,000	4,872,644	(2,095,356)		8,289,001	1,321,001	
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)	(3,309,578)	(4,962,000)	(3,307,783)	1,654,217		(4,961,674)	326	
Net Transfers	21,071,283	13,254,731	18,826,000	11,967,903	(6,858,097)		19,830,818	1,004,818	
Difference	\$0	(\$4,297,705)	\$292,000	(\$6,175,520)	(\$6,467,520)		\$292,000	\$0	

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Residence Life & Housing	FY19		FY20						
	YTD	YTD	Approved Budget	YTD February 29	Actual to Budget		Projected June 30	Projection to Budget	
	June 30	February 29			\$	%		\$	%
Revenues	\$19,014,962	\$18,925,149	\$19,119,000	\$17,742,425	(\$1,376,575)	93%	\$17,881,525	(\$1,237,475)	94%
Payroll	802,538	523,604	845,000	531,743	313,257		801,631	43,369	
Fringes	345,161	231,570	307,000	208,071	98,929		328,713	(21,713)	
Total Compensation	1,147,699	755,174	1,152,000	739,814	412,186	64%	1,130,344	21,656	98%
Operating	7,099,710	4,586,657	7,645,000	4,503,598	3,141,402		7,452,729	192,271	
Scholarships	0	0	0	0	0		0	0	
Total Non Personnel	7,099,710	4,586,657	7,645,000	4,503,598	3,141,402	59%	7,452,729	192,271	97%
Total Expenditures	8,247,409	5,341,831	8,797,000	5,243,412	3,553,588	60%	8,583,073	213,927	98%
Net Before Transfers	10,767,553	13,583,318	10,322,000	12,499,013	2,177,013		9,298,452	(1,023,548)	
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	321,000	0	(321,000)		1,307,097	986,097	
Transfers-In - Plant Fund	0	0	0	0	0		0	0	
Transfers-In - Encumbrances	5,520	5,520	0	37,458	37,458		37,458	37,458	
Transfers-Out - Plant Fund	0	0	0	0	0		0	0	
Transfers-Out - Encumbrances	(37,458)	0	0	0	0		0	0	
Transfers-Out - Other	0	0	0	0	0		0	0	
Transfers-Out - Debt Service	(10,646,776)	(7,097,851)	(10,643,000)	(7,095,338)	3,547,662		(10,643,007)	(7)	
Net Transfers	(10,678,714)	(7,092,331)	(10,322,000)	(7,057,880)	3,264,120		(9,298,452)	1,023,548	
Difference	\$88,839	\$6,490,987	\$0	\$5,441,133	\$5,441,133		\$0	\$0	

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EJ Thomas Performing Arts Hall	FY19		FY20						
	YTD	YTD	Approved Budget	YTD February 29	Actual to Budget		Projected June 30	Projection to Budget	
	June 30	February 29			\$	%		\$	%
Revenues	\$2,214,474	\$1,559,241	\$2,640,000	\$1,642,572	(\$997,428)	62%	\$2,600,000	(\$40,000)	98%
Payroll	226,936	151,352	312,000	173,358	138,642		312,000	0	
Fringes	87,789	57,141	97,000	54,234	42,766		97,000	0	
Total Compensation	314,725	208,493	409,000	227,592	181,408	56%	409,000	0	100%
Operating	2,322,437	1,672,706	2,775,000	1,741,401	1,033,599		2,400,000	375,000	
Scholarships	0	0	0	0	0		0	0	
Total Non Personnel	2,322,437	1,672,706	2,775,000	1,741,401	1,033,599	63%	2,400,000	375,000	86%
Total Expenditures	2,637,162	1,881,199	3,184,000	1,968,993	1,215,007	62%	2,809,000	375,000	88%
Net Before Transfers	(422,688)	(321,958)	(544,000)	(326,421)	217,579		(209,000)	335,000	
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	624,646	871,000	580,921	(290,079)		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)	0	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)	(217,933)	(327,000)	(217,754)	109,246		(326,631)	369	
Net Transfers	458,902	435,545	544,000	396,650	(147,350)		578,233	34,233	
Difference	\$36,214	\$113,587	\$0	\$70,229	\$70,229		\$369,233	\$369,233	

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Dining (Aramark)	FY19		FY20						
	YTD	YTD	Approved Budget	YTD February 29	Actual to Budget		Projected June 30	Projection to Budget	
	June 30	February 29			\$	%		\$	%
Revenues	\$4,060,090	\$3,286,570	\$3,186,000	\$1,915,226	(\$1,270,774)	60%	\$2,290,494	(\$895,506)	72%
Payroll	78,915	83,522	38,000	22,329	15,671		38,000	0	
Fringes	262,982	172,753	250,000	191,804	58,196		250,000	0	
Total Compensation	341,897	256,275	288,000	214,133	73,867	74%	288,000	0	100%
Operating	1,341,535	1,046,448	1,747,000	876,655	870,345		1,747,000	0	
Scholarships	0	0	0	0	0		0	0	
Total Non Personnel	1,341,535	1,046,448	1,747,000	876,655	870,345	50%	1,747,000	0	100%
Total Expenditures	1,683,432	1,302,723	2,035,000	1,090,788	944,212	54%	2,035,000	0	100%
Net Before Transfers	2,376,658	1,983,847	1,151,000	824,438	(326,562)		255,494	(895,506)	
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		662,563	662,563	
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)	(517,344)	(777,000)	(518,260)	258,740		(777,390)	(390)	
Net Transfers	(808,731)	(495,265)	(777,000)	(658,927)	118,073		(255,494)	521,506	
Difference	\$1,567,927	\$1,488,582	\$374,000	\$165,511	(\$208,489)		\$0	(\$374,000)	

The University of Akron
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FY20 Annual Budget and Actual Results for the eight months ended February 29, 2020 with FY19 Comparisons and FY20 Projections

Recreation & Wellness Services	FY19		FY20						
	YTD	YTD	Approved Budget	YTD February 29	Actual to Budget		Projected June 30	Projection to Budget	
	June 30	February 29			\$	%		\$	%
Revenues	\$609,309	\$406,545	\$640,000	\$422,623	(\$217,377)	66%	\$550,000	(\$90,000)	86%
Payroll	554,518	351,901	558,000	363,905	194,095		570,000	(12,000)	
Fringes	242,342	156,968	229,000	141,101	87,899		232,840	(3,840)	
Total Compensation	796,860	508,869	787,000	505,006	281,994	64%	802,840	(15,840)	102%
Operating	1,827,329	1,199,585	1,750,000	1,093,426	656,574		1,750,000	0	
Scholarships	0	0	0	0	0		0	0	
Total Non Personnel	1,827,329	1,199,585	1,750,000	1,093,426	656,574	62%	1,750,000	0	100%
Total Expenditures	2,624,189	1,708,454	2,537,000	1,598,432	938,568	63%	2,552,840	(15,840)	101%
Net Before Transfers	(2,014,880)	(1,301,909)	(1,897,000)	(1,175,809)	721,191		(2,002,840)	(105,840)	
Transfers-In - Facilities Fee	1,646,177	1,128,375	1,443,000	927,285	(515,715)		1,408,427	(34,573)	
Transfers-In - General Service Fee	0	0	0	0	0		0	0	
Transfers-In - Other-Debt Service	0	0	240,000	159,879	(80,121)		239,819	(181)	
Transfers-In - Other	2,414,020	1,381,757	1,897,000	1,299,387	(597,613)		1,931,581	34,581	
Transfers-In - Fund Balance	0	0	0	0	0		201,438	201,438	
Transfers-In - Plant Fund	0	0	0	0	0		0	0	
Transfers-In - Encumbrances	61,728	61,728	0	12,152	12,152		12,152	12,152	
Transfers-Out - Plant Fund	(295,000)	0	0	0	0		0	0	
Transfers-Out - Encumbrances	(12,152)	0	0	0	0		0	0	
Transfers-Out - Other	0	0	0	(107,331)	(107,331)		(107,331)	(107,331)	
Transfers-Out - Debt Service	(1,692,562)	(1,128,375)	(1,683,000)	(1,122,164)	560,836		(1,683,246)	(246)	
Net Transfers	2,122,211	1,443,485	1,897,000	1,169,208	(727,792)		2,002,840	105,840	
Difference	\$107,331	\$141,576	\$0	(\$6,601)	(\$6,601)		\$0	\$0	

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FY20 Annual Budget and Actual Results for the eight months ended February 29, 2020 with FY19 Comparisons and FY20 Projections

Jean Hower Taber Student Union	FY19		FY20						
	YTD	YTD	Approved Budget	YTD February 29	Actual to Budget		Projected June 30	Projection to Budget	
	June 30	February 29			\$	%		\$	%
Revenues	\$1,002,068	\$665,392	\$947,000	\$770,994	(\$176,006)	81%	\$875,000	(\$72,000)	92%
Payroll	591,082	379,477	601,000	391,977	209,023		590,000	11,000	
Fringes	256,526	166,749	220,000	154,063	65,937		215,000	5,000	
Total Compensation	847,608	546,226	821,000	546,040	274,960	67%	805,000	16,000	98%
Operating	1,848,739	1,214,574	1,755,000	1,021,582	733,418		1,755,000	0	
Scholarships	0	0	0	0	0		0	0	
Total Non Personnel	1,848,739	1,214,574	1,755,000	1,021,582	733,418	58%	1,755,000	0	100%
Total Expenditures	2,696,347	1,760,800	2,576,000	1,567,622	1,008,378	61%	2,560,000	16,000	99%
Net Before Transfers	(1,694,279)	(1,095,408)	(1,629,000)	(796,628)	832,372		(1,685,000)	(56,000)	
Transfers-In - Facilities Fee	2,832,502	1,941,543	2,482,000	1,594,938	(887,062)		2,422,407	(59,593)	
Transfers-In - General Service Fee	0	0	0	0	0		0	0	
Transfers-In - Other-Debt Service	0	0	413,000	275,288	(137,712)		412,932	(68)	
Transfers-In - Other	1,887,305	1,204,995	1,629,000	1,157,721	(471,279)		1,688,582	59,582	
Transfers-In - Fund Balance	0	0	0	0	0		44,182	44,182	
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)	(1,941,543)	(2,895,000)	(1,930,226)	964,774		(2,895,339)	(339)	
Net Transfers	1,821,927	1,231,665	1,629,000	1,109,957	(519,043)		1,685,000	56,000	
Difference	\$127,648	\$136,257	\$0	\$313,329	\$313,329		\$0	\$0	

The University of Akron
Akron and Wayne Auxiliary Funds Combined
FY20 Annual Budget and Actual Results for the eight months ended February 29, 2020 with FY19 Comparisons and FY20 Projections

Parking & Transportation Services	FY19		FY20						
	YTD	YTD	Approved Budget	YTD February 29	Actual to Budget		Projected June 30	Projection to Budget	
	June 30	February 29			\$	%		\$	%
Revenues	\$6,778,971	\$6,359,989	\$6,458,000	\$6,050,852	(\$407,148)	94%	\$6,234,852	(\$223,148)	97%
Payroll	227,085	142,871	239,000	142,615	96,385		239,000	0	
Fringes	85,681	59,237	84,000	51,570	32,430		84,000	0	
Total Compensation	312,766	202,108	323,000	194,185	128,815	60%	323,000	0	100%
Operating	2,353,874	1,977,709	2,387,000	1,777,430	609,570		2,222,000	165,000	
Scholarships	0	0	0	0	0		0	0	
Total Non Personnel	2,353,874	1,977,709	2,387,000	1,777,430	609,570	74%	2,222,000	165,000	93%
Total Expenditures	2,666,640	2,179,817	2,710,000	1,971,615	738,385	73%	2,545,000	165,000	94%
Net Before Transfers	4,112,331	4,180,172	3,748,000	4,079,237	331,237		3,689,852	(58,148)	
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	0	0	0	0		0	0	
Transfers-In - Fund Balance	0	0	745,000	0	(745,000)		787,048	42,048	
Transfers-In - Plant Fund	50,601	0	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)	(1,000,000)	0	0	0		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)	(2,986,352)	(4,493,000)	(2,995,256)	1,497,744		(4,492,884)	116	
Net Transfers	(4,112,331)	(3,897,117)	(3,748,000)	(2,979,272)	768,728		(3,689,852)	58,148	
Difference	\$0	\$283,055	\$0	\$1,099,965	\$1,099,965		\$0	\$0	

The University of Akron
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FY20 Annual Budget and Actual Results for the eight months ended February 29, 2020 with FY19 Comparisons and FY20 Projections

Wayne Student Union

	FY19		FY20						
	YTD	YTD	Approved Budget	YTD February 29	Actual to Budget		Projected June 30	Projection to Budget	
	June 30	February 29			\$	%		\$	%
Revenues	\$47,479	\$19,808	\$54,000	\$40,787	(\$13,213)	76%	\$54,000	\$0	100%
Payroll	0	0	0	0	0		0	0	
Fringes	0	0	0	0	0		0	0	
Total Compensation	0	0	0	0	0	0%	0	0	0%
Operating	9,204	5,404	10,000	1,713	8,287		8,000	2,000	
Scholarships	0	0	0	0	0		0	0	
Total Non Personnel	9,204	5,404	10,000	1,713	8,287	17%	8,000	2,000	80%
Total Expenditures	9,204	5,404	10,000	1,713	8,287	17%	8,000	2,000	80%
Net Before Transfers	38,275	14,404	44,000	39,074	(4,926)		46,000	2,000	
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	\$14,404	\$44,000	\$39,074	(\$4,926)		\$46,000	\$2,000	

The University of Akron
Auxiliaries
FY 2020 Budget Assumptions with Revisions

Overall Assumptions

General Assumptions – It is early to predict the full impact of the COVID-19 pandemic. As more information is known, it will be reflected as deemed appropriate.

Revenues

Income

- The original assumption estimated a blended enrollment reduction exceeding four percent while the actual decline is six percent, as reflected in the revenue projection.
- Revenues will be adversely impacted as a result of COVID-19. Prorated refunds of room, board and fees and lost revenues from other closed facilities and cancelled events will be identified as they become known.

Expenditures – Each expenditure category may be impacted as a result of COVID-19. Adjustments will be reflected as they become known.

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 the 14 percent employer contribution to the respective retirement system, the University contribution toward employee group insurance, the employee and dependent fee remission, and the University portion of employee parking permits.
- The Fair Labor Standard Act compensation changes are reflected in the 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 are projected to be \$33.8 million.

The University of Akron
Auxiliaries
FY 2020 Budget Assumptions with Revisions

	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	\$4,152,000	\$ 7,677,000	\$ 8,997,000	\$ 23,789,000	\$ 24,780,000
E.J. Thomas PAH	-	-	-	-	872,000	872,000	872,000	872,000
Recreation & Wellness Services	-	-	1,443,000	1,408,000	2,136,000	2,171,000	3,579,000	3,579,000
Jean Hower Taber Student Union	-	-	2,482,000	2,422,000	2,042,000	2,102,000	4,524,000	4,524,000
Total	\$11,858,000	\$ 11,631,000	\$8,179,000	\$7,982,000	\$12,727,000	\$ 14,142,000	\$ 32,764,000	\$ 33,755,000

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

Transfers-Out - Debt Service

- The original assumption presumed the Auxiliary Enterprises’ 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 projection includes the General Fund’s biennial football ticket purchase approximating \$600,000 as Athletic revenue.

Expenditures

Compensation (Payroll and Fringes)

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

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Operating

- The original assumption included supplies and services, student assistants, game officials, guarantees, maintenance, team travel and recruiting, and utilities cost and the components will remain, and projected expenditures are less than budgeted.

Scholarships

- The original assumptions assumed approximately 220 Athletic financial aid awards while the current projection is approximately 217.
- The New Z Fund event will support scholarships for 5th year aid.

Other

Transfers-In

- The original assumptions included General Services Fee, \$11.9 million; Facilities Fee, \$4.3 million (Facilities Fee reserves included); and Other, \$7.7 million (operations and debt service); while the projections currently include General Services Fee, \$11.6 million; Facilities Fee, \$4.2 million (Facilities Fee reserves included); and Other, \$9 million (operations and debt service). The original assumption included 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 projection presumes that \$125,000 will remain unpaid and is reclassified to General Fund support.
- The original assumption included \$1 million of the Facilities Fee reserve contribution 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 \$23.8 million.

Residence Life & Housing

Revenues

Income

- The original assumption included an 81 percent average occupancy for the academic year while approximately 74 percent materialized and expected revenues will fall short of budget by \$1.2 million.
- The original assumption assumed a room rate increase of 1.5 percent for the fall 2019 Tuition Guarantee Cohort, and that assumption continues to hold.

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Expenditures

Operating

- The original assumption included costs for maintenance, resident assistant meals, student employment, and utilities costs while the projection presumes those costs are managed downward.

Other

Transfers-In

- The original assumption assumed \$321,000 from Residence Life & Housing's fund balance to balance revenues and expenses while the projection contemplates that \$1.3 million will be needed from its fund balance.

EJ 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.

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.

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Dining (Aramark)

Revenues

Income

- The original assumption assumed \$1.6 million in rent from Aramark while the projection currently contemplates \$.9 million in rent.
- Rent and other contractually provided revenues such as utilities, maintenance, and equipment repair, and the assumptions continue to hold.
- Assumed a meal plan increase of three percent for the fall 2019 Tuition Guarantee Cohort.

Expenditures

Compensation (Payroll and Fringes)

- Assumes the CWA employees remain University employees, with the University being responsible for the difference between FICA and SERS, while all other employees are the fiscal responsibility of Aramark.

Operating

- The original assumption included card access and point of sale software, equipment, maintenance, and utilities costs, and the assumptions continue to hold.

Other

Transfers-In

The original assumption estimated that it was not necessary to use Dining Services' fund balance to balance the budget while the year-end projection contemplates the utilization of \$663,000.

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.

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Expenditures

Operating

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

Other

Transfers-In

- The original assumption estimated the need for Transfers-In – Other to be \$2.1 million (operations and debt service) and Facilities Fee, \$1.4 million (including reserves) were adjusted to account for lower than expected enrollment, while projections indicate Transfers-In – Other were \$2.2 million.
- The original assumption estimated that Student Recreation & Wellness Services' Facilities Fees maintained a reserve and that \$300,000 of that reserve would be used to help service the debt service for FY20. This assumption remains.
- The original assumption estimated that no Student Recreation & Wellness Services' Facilities fund balance was needed to balance the budget while the projection contemplates \$201,000 will be needed.

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.

Expenditures

Compensation (Payroll and Fringes)

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

Operating

- Assumes maintenance, utilities, and student employment cost.

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Other

Transfers-In

- The original assumption assumed Transfers-In - Other originally budgeted at \$2 million for operations and debt service, and Facilities Fee of \$2.5 million, including reserves, were adjusted to account for lower than expected enrollment. Projected Transfers-In – Other is \$2.1 million and Facilities Fee revenue is estimated to be \$2.4 million.
- The Facilities Fees maintained a reserve and \$600,000 of that reserve is projected to be used to help service the debt service for FY20.
- The original assumption contemplated no utilization of Jean Hower Taber Student Union fund balance to balance the budget while the projection contemplates \$44,000 of the fund balance will be utilized.

Parking & Transportation Services

Revenues

Income

- The original assumptions contemplated parking permits and transportation fee revenues and the assumptions continue to hold.

Expenditures

Operating

- The original assumption 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 anticipated \$745,000 of fund balance usage while the projection presumes that \$787,000 will be needed from its fund balance to balance the budget.

Wayne Student Union

Revenues

Income

- Assumes externally generated revenues from bookstore space rent and room rentals.

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Expenditures

Operating

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

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Athletics

Athletics actual revenues total \$4.2 million as compared to annual budgeted revenues of \$9.4 million. Major components of revenue include game guarantees (32 percent), ticket sales (30 percent), and gifts (20 percent). The General Fund’s biennial football ticket purchase approximating \$600,000 is also reflected as a revenue.

Description	Actual YTD
Game Guarantees	\$1,349,000
Ticket Sales	1,250,000
Gifts	829,000
Other	399,000
Pouring Rights	380,000
Total Revenue	<u>\$4,207,000</u>

The projections indicate revenues will total \$2.2 million less than the \$9.4 million budgeted with revenue reductions from the NCAA, and the cancellation of spring sports. Projections will be updated should activities merit a change.

Employee Type	Actual YTD
Contract Professionals	\$4,796,000
Staff	485,000
Graduate Assistants	65,000
Faculty	4,000
Total Payroll	<u>\$5,350,000</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 \$7.1 million or roughly 65 percent of the annual budget of \$10.9 million. Projections indicate that payroll and fringes will approximate \$10.7 million, or \$189,000 below the original \$10.9 million budget. The projections will be updated should activity merit.

Operating expenditures total \$9.2 million or 91 percent of the annual budget of \$10.1 million. The principal operating expenditures include supplies & services (59 percent) and travel & hospitality (32 percent). The majority of supplies & services includes athletic supplies (20 percent), game officials and guarantees (16 percent), and maintenance (15 percent). The majority of operating expenditures in travel & hospitality are team travel and recruiting (72 percent). Projections indicate, due to COVID-19,

Description	Actual YTD
Supplies & Services	\$5,410,000
Travel & Hospitality	2,956,000
Utilities	385,000
Student Assistants	292,000
Other	140,000
Equipment	16,000
Total Operating	<u>\$9,199,000</u>

cancellation of spring sports, busses, hotels, and other travel arrangements, operating expenditures will total \$501,000 below budget and will be updated should spending activities merit a change.

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Scholarships, or Athletics financial aid, totaled \$6.1 million or 87 percent of the annual budget of \$7 million. Projections indicate that scholarships and other student aid will be less than budget by \$500,000. The projection will be updated should activities merit a change.

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 \$329,000 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 six percent). The actual Facilities Fee totaling \$2.8 million services a portion of the Stadium and Fieldhouse debt while the Athletics actual general services fee, and other transfers-in combined total \$12.4 million. The actual transfers-in from the General Fund are projected to approximate \$23.8 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.

The budgeted Transfers-Out - Debt Service is \$5 million. To date, \$3.3 million or 67 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.

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Residence Life & Housing

Residence Life & Housing actual revenues total nearly \$18 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	\$17,361,000
Other	<u>381,000</u>
Total Revenue	<u>\$17,742,000</u>

Currently, \$319,000 of spring 2020 revenue is deferred. Fall semester revenues achieved 48 percent of the total revenue budget. Projections indicate year-end revenues will be \$1.2 million less than the original budget of \$19.1 million. Residence hall refunds, due to COVID-19 early closure, will result in an approximate loss of between \$2.5 to \$3.2 million of the actual revenue figures for the spring semester. The projection will be updated should activity merit.

Employee Type	Actual YTD
Contract Professionals	\$359,000
Staff	<u>172,000</u>
Total Payroll	<u>\$531,000</u>

Note 1: Includes all Residence Life & Housing payroll-related activities (e.g. full-time, part-time, overtime, etc.).
Note 2: Excludes fringe benefits.

Payroll and fringes total \$740,000 or roughly 64 percent of the annual budget of \$1.2 million. Actual compensation is projected to approximate the budget; however, the projection will be updated should activity merit.

Operating expenditures total \$4.5 million or 59 percent of the annual budget of \$7.6 million. The principal operating expenditures include supplies & services (58 percent) and utilities (19 percent). The major spending component in supplies & services includes maintenance (85 percent). The majority of operating expenditures in utilities are electricity (52 percent), water (29 percent), and gas (10 percent). The majority of operating expenditures in travel & hospitality are Resident Assistant Meals (88 percent). Operating expenditures are being managed and are projected to be roughly \$192,000 below the original budget of \$7.6 million and the projections will be updated should activity merit.

Description	Actual YTD
Supplies & Services	\$2,594,000
Utilities	855,000
Travel & Hospitality	409,000
Student Assistants	346,000
Other	<u>300,000</u>
Total Operating	<u>\$4,504,000</u>

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The original assumption estimated that \$321,000 would be transferred from Residence Life & Housing's fund balance to balance while the projection contemplates that \$1.3 million will be needed. This is prior to the refunds resulting from closing the residence halls as a result of COVID-19. Once the amount is known, projections will reflect an additional transfer from fund balance as well as from the General Fund.

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 \$37,000 Transfers-In - Encumbrances represent those types of commitments.

The budgeted Transfers-Out - Debt Service total \$10.6 million. To date, \$7.1 million or 67 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 \$1.6 million as compared to the annual budgeted revenues of \$2.6 million. The principal revenues include ticket sales (76 percent) and endowment (10 percent). Prior to the COVID-19 related event cancellations, the revenues were projected to approximate \$2.6 million. The projections will be updated as activity merits.

Description	Actual YTD
Ticket Sales	\$1,253,000
Endowment	172,000
Hall Rental	128,000
Other	89,000
Total Revenue	<u>\$1,642,000</u>

Employee Type	Actual YTD
Staff	\$96,000
Contract Professionals	<u>77,000</u>
Total Payroll	<u>\$173,000</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 \$228,000 or roughly 56 percent as compared to the annual budget of \$409,000. The compensation budget will be achieved.

Operating expenditures total \$1.7 million or 63 percent of the annual budget of \$2.8 million. The principal operating expenditures include supplies & services (87 percent). The major spending component in supplies & services includes stage & wardrobe (44 percent), artist fees (29 percent), and consultant fee (10 percent). Projections indicate operating expenditures will be less than budget. Certain show-related costs may be eliminated as COVID-19 resulted in event cancellations. Projection will be updated should activity merit.

Description	Actual YTD
Supplies & Services	\$1,516,000
Utilities	129,000
Student Assistants	52,000
Travel & Hospitality	25,000
Other	19,000
Total Operating	<u>\$1,741,000</u>

Transfers-In - Other represents General Fund and endowment support for operations and is budgeted at \$871,000. To date, \$581,000 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.

The budgeted Transfers-Out - Debt Service totals \$327,000. To date, \$218,000 or 67 percent has been transferred out to pay the debt service payment with the remaining transfers to occur throughout

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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.

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Dining (Aramark)

Aramark actual revenues total \$1.9 million as compared to the annual budgeted revenues of \$3.2 million. The primary revenues include rent (34 percent), Aramark grant (19 percent), utilities support (18 percent), and facilities support (16 percent). Except for rent, many of the contract elements are in line with budget. The rent is substantially less as the mandatory meal plans are well below the contractually required level. The projections indicate revenues will be \$896,000 less than the \$3.2 million budgeted. Once the impact of COVID-19 related refunds is known, the projection will be updated.

Description	Actual YTD
Rent	\$652,000
Aramark Grant	367,000
Utilities Support	352,000
Facilities Support	306,000
POS/Card Access Support	181,000
Other	57,000
Total Revenue	<u>\$1,915,000</u>

Employee Type	Actual YTD
Staff	\$22,000

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 \$214,000 or roughly 74 percent of the annual budget of \$288,000. The \$250,000 fringe benefits also include 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. The \$288,000 compensation budget will be achieved.

Operating expenditures total \$877,000 or 50 percent of the annual budget of \$1.7 million. The principal operating expenditures include supplies & services (71 percent) and utilities (18 percent). The major spending component in supplies & services include furniture & equipment repair (58 percent) and maintenance (22 percent). The majority of operating expenditures in utilities are electricity (60 percent) and water (28 percent). The \$1.7 million operating expenditure budget will be achieved.

Description	Actual YTD
Supplies & Services	\$624,000
Utilities	159,000
Equipment	59,000
Other	35,000
Total Operating	<u>\$877,000</u>

The original assumption assumed a balanced budget, but the projections contemplate that Dining Services will access its fund balance in the amount of \$663,000 to balance. The projection will be updated as the impact of refunds is known.

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 \$46,000 Transfers-In - Encumbrances represent those types of commitments.

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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, \$518,000 or 67 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.

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Recreation & Wellness Services

Student Recreation & Wellness Services (SRWS) actual revenues total nearly \$423,000 as compared to the annual budgeted revenues of \$640,000. The principal revenues include swimming meets/lessons (50 percent) and memberships (29 percent). Due to COVID-19, SRWS has cancelled the following revenue generating events: all swim team practices/events, rentals, certification courses,

Description	Actual YTD
Swimming Meets & Lessons	\$212,000
Memberships	122,000
Other	54,000
Rentals	<u>35,000</u>
Total Revenue	<u>\$423,000</u>

Intramurals, community leagues, and external events until April 20. All SRWS facilities were closed March 16 indefinitely. This will have a yet to be determined negative effect on all revenue sources.

Employee Type	Actual YTD
Contract Professionals	\$290,000
Staff	<u>74,000</u>
Total Payroll	<u>\$364,000</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 \$505,000 or roughly 64 percent as compared to the annual budget of \$787,000. FLSA changes effective January 1, not included as part of planned expenditures, will generate additional cost of \$16,000 above the original compensation budget of \$787,000.

Operating expenditures total nearly \$1.1 million or 62 percent as compared to the annual budget of \$1.8 million. The principal operating expenditures include supplies & services (45 percent), student assistants (38 percent), and utilities (16 percent). The majority of supplies & services spending includes maintenance (84 percent). The majority of operating expenditures in utilities are electricity (68 percent), steam (13 percent), and chilled water (10 percent). Projections indicate the operating expenditure budget of \$1.8 million will be achieved. Projection will be adjusted should activity merit.

Description	Actual YTD
Supplies & Services	\$489,000
Student Assistants	414,000
Utilities	173,000
Other	12,000
Travel & Hospitality	<u>5,000</u>
Total Operating	<u>\$1,093,000</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 \$35,000 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 - Facilities Fee of \$2.4 million represents facilities fee (including reserve) and General Fund support to service the building's debt and operations.

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Transfers-In - Fund Balance projection includes \$201,000 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.

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, \$1.1 million or 67 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.

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Jean Hower Taber Student Union

The Student Union actual revenues total nearly \$771,000 as compared to the annual budgeted revenues of \$947,000. The principal revenues include Barnes & Noble bookstore commission income (61 percent), PNC commission (26 percent), and rental revenue (11 percent). The \$947,000 original budget will likely not be achieved due to the changing climate. The current annual revenue projection is \$875,000.

Description	Actual YTD
Commission Income	\$670,000
Room Rentals	87,000
Other	<u>14,000</u>
Total Revenue	<u>\$771,000</u>

Employee Type	Actual YTD
Contract Professionals	\$330,000
Staff	<u>62,000</u>
Total Payroll	<u>\$392,000</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 \$546,000 or roughly 67 percent of the annual budget of \$821,000. Current expectations are that two percent raises and mandated FLSA increases, not included as part of planned expenditures, will generate additional cost. Projections indicate the original \$821,000 compensation budget will be achieved through current vacancy savings.

Operating expenditures total \$1 million or 58 percent of the annual budget of \$1.8 million. The principal operating expenditures include supplies & services (45 percent), utilities (29 percent), and student assistants (22 percent). The majority of supplies & services spending include maintenance (75 percent). The majority of operating expenditures in utilities are electricity (54 percent), chilled water (22 percent), steam (12 percent), and water (10 percent). The original operating expenditure budget of \$1.8 million will be achieved.

Description	Actual YTD
Supplies & Services	\$463,000
Utilities	294,000
Student Assistants	229,000
Travel & Hospitality	26,000
Other	<u>10,000</u>
Total Operating	<u>\$1,022,000</u>

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 \$60,000 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, \$3 million has been transferred with the expectation the remaining amount will be transferred throughout the rest of the fiscal year.

Transfers-In - Fund Balance projection includes \$44,000 to support the projected fiscal year-end shortfall. Projection will be updated should anticipated operating results change.

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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, \$1.9 million or 67 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.

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Parking & Transportation Services

Parking actual revenues total nearly \$6.1 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 (97 percent). Indications are that due to the COVID-19 pandemic, Parking will not achieve the \$6.5 million revenue budget; rather, revenue is projected to fall short of this amount by approximately \$223,000.

Description	Actual YTD
Permits	\$5,847,000
Lot Rentals	110,000
Fines & Meters	75,000
Other	<u>18,000</u>
Total Revenue	<u>\$6,050,000</u>

Employee Type	Actual YTD
Staff	\$95,000
Contract Professionals	<u>48,000</u>
Total Payroll	<u>\$143,000</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 \$194,000 or roughly 60 percent of the annual budget of \$323,000. Compensation occurs ratably throughout the year. The original \$323,000 compensation budget will be achieved.

Operating expenditures total nearly \$1.8 million or 74 percent as compared to the annual budget of \$2.4 million. The principal operating expenditures include supplies & services (83 percent). The major spending component in supplies & services includes transportation related activities including busing, parking lot, and deck maintenance (81 percent) and equipment repair (10 percent). The majority of operating expenditures are encumbered in fall generating the 74 percent of budget variance. Projections indicate expenditures will be below the original budget by \$165,000; however, expenditures combined with transfers-out will exceed revenues. The fund balance will absorb the planned shortfall. Projection will be revised should activity merit.

Description	Actual YTD
Supplies & Services	\$1,473,000
Utilities	148,000
Student Assistants	122,000
Travel & Hospitality	27,000
Other	<u>7,000</u>
Total Operating	<u>\$1,777,000</u>

The original assumption assumed \$745,000 of fund balance usage while the projection presumes that \$787,000 will be needed from its fund balance.

The University of Akron
Akron and Wayne Auxiliary Funds Combined
Narrative of FY20 Annual Budget and Actual Results for the Eight Months Ended February 29, 2020
with FY19 Comparisons and FY20 Projections

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 \$16,000 Transfers-In - Encumbrances represent those types of commitments.

The budgeted Transfers-Out - Debt Service total \$4.5 million. Transfers-out of \$3 million or 67 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 Annual Budget and Actual Results for the Eight Months Ended February 29, 2020
with FY19 Comparisons and FY20 Projections**

Wayne Student Union

Wayne Student Union revenues total \$41,000 as compared to the annual budgeted revenues of \$54,000. The principal revenues include Barnes & Noble bookstore commission (94 percent) predominately earned evenly throughout the fiscal year. The original revenue budget of \$54,000 will be achieved.

Description	Actual YTD
Commission Income	\$38,000
Other	<u>3,000</u>
Total Revenue	<u>\$41,000</u>

Operating expenditures total \$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 \$2,000 or 20 percent.

Description	Actual YTD
Supplies & Services	\$2,000

**DEPARTMENTAL SALES AND
SERVICES FUNDS**

For the Eight Months Ended February 29, 2020

The University of Akron
Akron and Wayne Departmental Sales and Services Funds Combined
FY20 Annual Budget and Actual Results for the Eight Months ended February 29, 2020 with FY19 Comparisons and FY20 Projections

Departmental Sales and Services Combined	FY19		FY20						
	YTD	YTD	Approved Budget	YTD February 29	Actual to Budget		Projected June 30	Projection to Budget	
	June 30	February 28			\$	%		\$	%
Revenues	\$37,539,741	\$25,204,916	\$32,784,000	\$18,793,533	(\$13,990,467)	57%	\$29,039,000	(\$3,745,000)	89%
Payroll	2,740,341	1,738,242	2,394,000	1,870,830	523,170		2,649,000	(255,000)	
Fringes	948,298	636,837	697,000	583,476	113,524		661,000	36,000	
Total Compensation	3,688,639	2,375,079	3,091,000	2,454,306	636,694	79%	3,310,000	(219,000)	107%
Operating	3,412,730	2,377,634	3,131,000	2,723,809	407,191		3,427,000	(296,000)	
Premiums and Claims	26,392,457	17,504,331	28,027,000	17,179,077	10,847,923		26,100,000	1,927,000	
Capital	27,354	67,222	10,000	16,960	(6,960)		30,000	(20,000)	
Total Non Personnel	29,832,541	19,949,187	31,168,000	19,919,846	11,248,154	64%	29,557,000	1,611,000	95%
Total Expenditures	33,521,180	22,324,266	34,259,000	22,374,152	11,884,848	65%	32,867,000	1,392,000	96%
Net Before Transfers	4,018,562	2,880,650	(1,475,000)	(3,580,619)	(2,105,619)		(3,828,000)	(2,353,000)	
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 - Carryover	77,633	0	0	0	0		4,413,000	4,413,000	
Transfers-Out - Other	(2,368,534)	(2,265,000)	0	0	0		0	0	
Transfers-Out - Encumbrances	(293,452)	0	0	0	0		0	0	
Net Transfers	(1,800,240)	(1,480,887)	0	293,453	293,453		4,706,453	4,706,453	
Difference	\$2,218,321	\$1,399,763	(\$1,475,000)	(\$3,287,166)	(\$1,812,166)		\$878,453	\$2,353,453	

The University of Akron
Akron and Wayne Departmental Sales and Services Funds Combined
FY20 Annual Budget and Actual Results for the Eight Months ended February 29, 2020 with FY19 Comparisons and FY20 Projections

	FY19		FY20						
	YTD	YTD	Approved Budget	YTD February 29	Actual to Budget		Projected June 30	Projection to Budget	
	June 30	February 28			\$	%		\$	%
Revenues	\$30,303,422	\$20,138,761	\$25,826,000	\$14,127,815	(\$11,698,185)	55%	\$22,351,000	(\$3,475,000)	87%
Payroll	129,893	76,067	143,000	102,922	40,078		157,000	(14,000)	
Fringes	48,410	28,677	46,000	32,935	13,065		50,000	(4,000)	
Total Compensation	178,303	104,744	189,000	135,857	53,143	72%	207,000	(18,000)	110%
Operating	286,947	176,870	208,000	129,879	78,121		208,000	0	
Premiums and Claims	26,392,457	17,504,331	28,027,000	17,179,077	10,847,923		26,100,000	1,927,000	
Capital	0	0	0	0	0		0	0	
Total Non Personnel	26,679,404	17,681,201	28,235,000	17,308,956	10,926,044	61%	26,308,000	1,927,000	93%
Total Expenditures	26,857,707	17,785,945	28,424,000	17,444,813	10,979,187	61%	26,515,000	1,909,000	93%
Net Before Transfers	3,445,715	2,352,816	(2,598,000)	(3,316,998)	(718,998)		(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 - Carryover	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	\$87,816	(\$2,598,000)	(\$3,316,998)	(\$718,998)		\$0	\$2,598,000	

The University of Akron
Akron and Wayne Departmental Sales and Services Funds Combined
FY20 Annual Budget and Actual Results for the Eight Months ended February 29, 2020 with FY19 Comparisons and FY20 Projections

Workforce Training Solutions	FY19		FY20						
	YTD	YTD	Approved Budget	YTD February 29	Actual to Budget		Projected June 30	Projection to Budget	
	June 30	February 28			\$	%		\$	%
Revenues	\$899,436	\$659,988	\$750,000	\$451,799	(\$298,201)	60%	\$730,000	(\$20,000)	97%
Payroll	327,217	213,725	218,000	205,181	12,819		319,000	(101,000)	
Fringes	104,741	74,303	56,000	60,201	(4,201)		86,000	(30,000)	
Total Compensation	431,958	288,028	274,000	265,382	8,618	97%	405,000	(131,000)	148%
Operating	304,990	200,510	377,000	223,605	153,395		303,000	74,000	
Premiums and Claims	0	0	0	0	0		0	0	
Capital	0	0	0	0	0		0	0	
Total Non Personnel	304,990	200,510	377,000	223,605	153,395	59%	303,000	74,000	80%
Total Expenditures	736,948	488,538	651,000	488,987	162,013	75%	708,000	(57,000)	109%
Net Before Transfers	162,488	171,450	99,000	(37,188)	(136,188)		22,000	(77,000)	
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 - Carryover	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	\$191,190	\$99,000	(\$2,995)	(\$101,995)		\$56,193	(\$42,807)	

The University of Akron
Akron and Wayne Departmental Sales and Services Funds Combined
FY20 Annual Budget and Actual Results for the Eight Months ended February 29, 2020 with FY19 Comparisons and FY20 Projections

	FY19		FY20						
	YTD	YTD	Approved Budget	YTD February 29	Actual to Budget		Projected June 30	Projection to Budget	
	June 30	February 28			\$	%		\$	%
Revenues	\$529,885	\$280,410	\$551,000	\$241,715	(\$309,285)	44%	\$480,000	(\$71,000)	87%
Payroll	161,959	107,819	177,000	95,814	81,186		147,000	30,000	
Fringes	68,272	45,384	65,000	33,566	31,434		55,000	10,000	
Total Compensation	230,231	153,203	242,000	129,380	112,620	53%	202,000	40,000	83%
Operating	355,663	248,177	452,000	142,899	309,101		418,000	34,000	
Premiums and Claims	0	0	0	0	0		0	0	
Capital	0	0	0	0	0		0	0	
Total Non Personnel	355,663	248,177	452,000	142,899	309,101	32%	418,000	34,000	92%
Total Expenditures	585,894	401,380	694,000	272,279	421,721	39%	620,000	74,000	89%
Net Before Transfers	(56,009)	(120,970)	(143,000)	(30,564)	112,436		(140,000)	3,000	
Transfers-In - Other	0	0	0	0	0		0	0	
Transfers-In - Encumbrances	0	0	0	0	0		0	0	
Transfers-In - Carryover	56,009	0	0	0	0		140,000	140,000	
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		140,000	140,000	
Difference	\$0	(\$120,970)	(\$143,000)	(\$30,564)	\$112,436		\$0	\$143,000	

The University of Akron
Akron and Wayne Departmental Sales and Services Funds Combined
FY20 Annual Budget and Actual Results for the Eight Months ended February 29, 2020 with FY19 Comparisons and FY20 Projections

English Language Institute	FY19		FY20						
	YTD	YTD	Approved Budget	YTD February 29	Actual to Budget		Projected June 30	Projection to Budget	
	June 30	February 28			\$	%		\$	%
Revenues	\$279,840	\$280,500	\$325,000	\$158,065	(\$166,935)	49%	\$159,000	(\$166,000)	49%
Payroll	224,465	165,205	216,000	131,140	84,860		209,000	7,000	
Fringes	69,393	49,562	54,000	34,291	19,709		52,000	2,000	
Total Compensation	293,858	214,767	270,000	165,431	104,569	61%	261,000	9,000	97%
Operating	7,605	4,140	8,000	6,783	1,217		7,000	1,000	
Premiums and Claims	0	0	0	0	0		0	0	
Capital	0	0	0	0	0		0	0	
Total Non Personnel	7,605	4,140	8,000	6,783	1,217	85%	7,000	1,000	88%
Total Expenditures	301,463	218,907	278,000	172,214	105,786	62%	268,000	10,000	96%
Net Before Transfers	(21,624)	61,593	47,000	(14,149)	(61,149)		(109,000)	(156,000)	
Transfers-In - Other	0	0	0	0	0		0	0	
Transfers-In - Encumbrances	0	0	0	0	0		0	0	
Transfers-In - Carryover	21,624	0	0	0	0		109,000	109,000	
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		109,000	109,000	
Difference	\$0	\$61,593	\$47,000	(\$14,149)	(\$61,149)		\$0	(\$47,000)	

The University of Akron
Akron and Wayne Departmental Sales and Services Funds Combined
FY20 Annual Budget and Actual Results for the Eight Months ended February 29, 2020 with FY19 Comparisons and FY20 Projections

Other	FY19		FY20						
	YTD	YTD	Approved Budget	YTD February 29	Actual to Budget		Projected June 30	Projection to Budget	
	June 30	February 28			\$	%		\$	%
Revenues	\$5,527,158	\$3,845,257	\$5,332,000	\$3,814,139	(\$1,517,861)	72%	\$5,319,000	(\$13,000)	100%
Payroll	1,896,807	1,175,426	1,640,000	1,335,773	304,227		1,817,000	(177,000)	
Fringes	657,481	438,911	476,000	422,483	53,517		418,000	58,000	
Total Compensation	2,554,288	1,614,337	2,116,000	1,758,256	357,744	83%	2,235,000	(119,000)	106%
Operating	2,457,525	1,747,937	2,086,000	2,220,643	(134,643)		2,491,000	(405,000)	
Premiums and Claims	0	0	0	0	0		0	0	
Capital	27,354	67,222	10,000	16,960	(6,960)		30,000	(20,000)	
Total Non Personnel	2,484,879	1,815,159	2,096,000	2,237,603	(141,603)	107%	2,521,000	(425,000)	120%
Total Expenditures	5,039,167	3,429,496	4,212,000	3,995,859	216,141	95%	4,756,000	(544,000)	113%
Net Before Transfers	487,991	415,761	1,120,000	(181,720)	(1,301,720)		563,000	(557,000)	
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 - Carryover	0	0	0	0	0		0	0	
Transfers-Out - Other	(103,534)	0	0	0	0		0	0	
Transfers-Out - Encumbrances	(259,260)	0	0	0	0		0	0	
Net Transfers	401,579	764,373	0	259,260	259,260		259,260	259,260	
Difference	\$889,570	\$1,180,134	\$1,120,000	\$77,540	(\$1,042,460)		\$822,260	(\$297,740)	

**The University of Akron
Departmental Sales and Services
FY 2020 Budget Assumptions with Revisions**

Overall

General Assumptions – It is early to predict the full impact of the COVID-19 pandemic. As more information is known, it will be reflected as deemed appropriate.

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 projections.

Operating

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

Unit Assumptions

Self-Insurance Health Care

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.

The University of Akron
Departmental Sales and Services
FY 2020 Budget Assumptions with Revisions

- Estimated the Self-Insurance Health Care reserves will fund the retiree dependent health care premiums.

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 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 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 are expected to hold.

Expenditures

Compensation (Payroll and Fringes)

- The original assumptions contemplated payroll costs related to training and 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.

**The University of Akron
Departmental Sales and Services
FY 2020 Budget Assumptions with Revisions**

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 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 projections indicate that will hold. New Student Orientation will monitor expenditures; however, the budgeted deficit will be offset by the New Student Orientation carryover from fiscal year ended June 30, 2019.

Other

Transfers-In

- The original assumption contemplated a \$143,000 shortfall, while the projection presumes that New Student Orientation will access \$140,000 of its fund balance to 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:
 - Contemplated student assistants, supplies and services, and travel and hospitality and the assumptions are expected to hold.

The University of Akron
Departmental Sales and Services
FY 2020 Budget Assumptions with Revisions

- English Language Institute would generate a surplus; however, projections indicate a shortfall that will be offset by the English Language Institute carryover from fiscal year ended June 30, 2019.

Other

Transfers-In

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

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 the assumptions are expected to hold.

Expenditures

Compensation (Payroll and Fringes)

- The original assumptions contemplated compensation in many activities and projections indicated these assumptions would 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

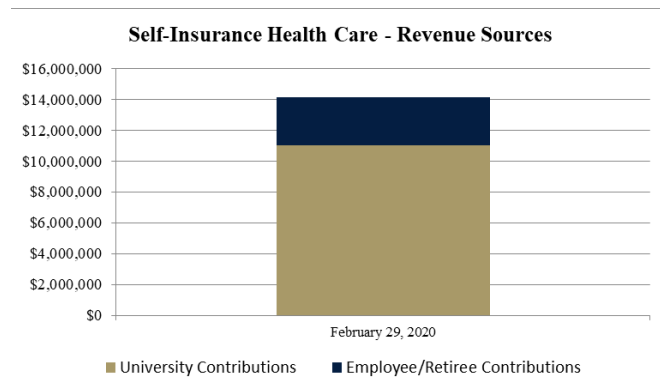
- The original assumptions reflected an equipment purchase related to Akron Polymer Technology Services; however, projections indicate additional expenditures in the Hearing Aid Dispensary as well as Food Sciences Services therefore capital will exceed budget.

**The University of Akron
Akron and Wayne Departmental Sales and Services Funds Combined
FY20 Annual Budget and Actual Results for the Eight Months Ended February 29, 2020 with
FY19 Comparisons and FY20 Projections**

Self-Insurance Health Care

Self-Insurance Health Care revenues total \$14.1 million or 55 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 projection will be revised if activity merits.

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 \$136,000 or 72 percent as compared to the annual budget of \$189,000. Projections indicate payroll and fringes will exceed budget by \$18,000.

Operating expenditures total \$130,000 or 62 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 \$17.2 million or 61 percent as compared to 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 projection will be updated as activity dictates.

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 in the \$5 million to \$7 million range. The reserve is expected to be approximately \$10 million at June 30, 2020. The revenues and expenditures will be monitored and evaluated throughout the remainder of the fiscal year, and the shortfall projection will be updated if needed.

**The University of Akron
Akron and Wayne Departmental Sales and Services Funds Combined
FY20 Annual Budget and Actual Results for the Eight Months Ended February 29, 2020 with
FY19 Comparisons and FY20 Projections**

Workforce Training Solutions

Workforce Training Solutions actual revenues from open enrollment and contract training fees total \$452,000 or 60 percent of the annual budgeted revenues of \$750,000. Current projections are revenues will total \$730,000, or \$20,000 less than budget. The projection will be updated as the impact of COVID-19 on open enrollment classes becomes clear.

Payroll and fringes total \$265,000 or 97 percent as compared to 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 \$131,000 more than budget. The projection will be updated should activities merit. However, if by fiscal year end there is a deficit, it will be fully offset by Workforce Training Solutions reserves.

Operating expenditures total \$224,000 or 59 percent of the annual budget of \$377,000. The principal operating expenditures include supplies and services (92 percent) related to training and instructional support. Current projections are that expenditures will remain at or 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 \$34,000 Transfers-In - Encumbrances represents those types of commitments.

New Student Orientation

New Student Orientation actual revenues total \$242,000 or 44 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 to June. Fee receipts based upon enrollment projections change as the class matriculates. Current projections are that revenues will fall short of budget by approximately \$71,000. The projection will be updated should activities merit and as the impact of COVID-19 on enrollment becomes clear.

Payroll and fringes total \$129,000 or 53 percent of the annual budget of \$242,000. Compensation is projected to approximate \$201,000 or \$41,000 less than budget.

Operating expenditures total \$143,000 or 32 percent of the annual budget of \$452,000. The principal operating expenditures include New Roo Weekend (39 percent) and student assistants (34 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 estimated that \$143,000 would need to be transferred in from New Student Orientation's fund balance to balance, while the projection presumes \$140,000 will be required.

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FY19 Comparisons and FY20 Projections**

English Language Institute

English Language Institute actual revenues total \$158,000 or 49 percent of the annual budgeted revenues of \$325,000. Current projections are that budgeted revenues will not be achieved as revenues are projected to approximate \$159,000, or \$166,000 less than budget. The projection will be updated should activities merit and as the impact of COVID-19 on enrollment becomes clear.

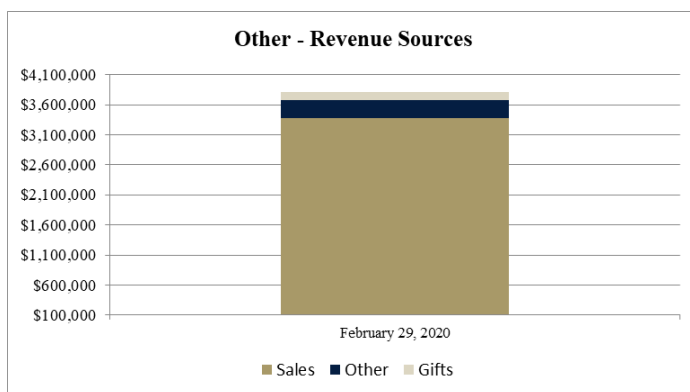
Payroll and fringes total \$165,000 or 61 percent of the annual budget of \$270,000. Compensation is projected to approximate \$261,000 or \$9,000 less than budget.

Operating expenditures total \$6,800 or 85 percent of the annual budget of \$8,000. The principal operating expenditures include student aid (42 percent) and supplies and services (32 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 assumed \$47,000 favorable fiscal results while the projection contemplates that \$109,000 will be needed from the fund balance to balance the budget. The projection will be revised should activities merit.

Other

The Other departmental sales and services actual revenues total \$3.8 million or 72 percent of the annual budgeted revenues of \$5.3 million. The principal revenues are generated from roughly 80 activities including Printing Services (15 percent), University Credit Card Program (eight percent), College of Business Administration Executive Education (eight percent), and Law Enforcement Training Center (eight percent). Current projections are that budgeted revenues will be nearly achieved. The projection will be revised if activities merit.



Payroll and fringes total \$1.8 million or 83 percent of the annual budget of \$2.1 million. Compensation is projected to approximate \$2.2 million or \$119,000 greater than budget. The projection will be updated should activities merit.

Operating expenditures total \$2.2 million or 106 percent of the annual budget of \$2.1 million. The primary operating expenditures

are supplies and services (80 percent). Operating expenditures are projected to approximate \$2.5 million or \$405,000 greater than budget; however, current projections are that individual units will manage to ensure expenditures are limited to revenues.

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Capital expenditures total \$17,000 of the 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. The projection will be revised should activities merit.

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. It is projected that the surplus will be roughly \$820,000. Each unit will manage expenditures as necessary and where needed, Transfers-In - Carryover Balance funds may be required to balance the budget.

THE UNIVERSITY OF AKRON

RESOLUTION 4- -20

Acceptance of the Financial Report for the Eight Months Ended February 29, 2020

BE IT RESOLVED, That the recommendation presented by the Finance & Administration Committee on April 15, 2020, accepting the Financial Report for the Eight Months Ended February 29, 2020, be approved.

M. Celeste Cook, Secretary
Board of Trustees

April 15, 2020