

FINANCE & ADMINISTRATION COMMITTEE

TAB 3

**FINANCIAL REPORT FOR THE
NINE MONTHS ENDED MARCH 31, 2020**

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

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GENERAL FUND

For the Nine Months Ended March 31, 2020

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

	FY19		FY20						
	YTD	YTD	Approved Budget	YTD March 31	Actual to Budget		Projected June 30	Projection to Budget	
	June 30	March 31			\$	%		\$	%
Tuition & General Service Fees	\$186,251,268	\$179,353,534	\$178,742,000	\$169,015,193	(\$9,726,807)		\$174,700,000	(\$4,042,000)	
Other Fees	21,732,648	20,965,221	21,495,000	20,116,691	(1,378,309)		19,293,000	(2,202,000)	
Scholarships	(52,787,389)	(51,617,296)	(61,764,000)	(51,912,487)	9,851,513		(51,700,000)	10,064,000	
Net Tuition and Fees	155,196,527	148,701,460	138,473,000	137,219,397	(1,253,603)	99%	142,293,000	3,820,000	103%
State Share of Instruction	101,851,513	76,802,431	99,139,000	74,510,917	(24,628,083)		94,068,000	(5,071,000)	
Indirect Cost Recovery	5,188,151	3,692,532	5,247,000	3,474,664	(1,772,336)		4,500,000	(747,000)	
Investment Income	1,087,866	627,094	1,410,000	697,625	(712,375)		744,000	(666,000)	
Miscellaneous Revenues	1,959,430	1,674,737	2,571,000	2,319,174	(251,826)		2,680,000	109,000	
CARES Act - 50%	0	0	0	0	0		7,076,000	7,076,000	
Total Revenues	265,283,487	231,498,253	246,840,000	218,221,777	(28,618,223)	88%	251,361,000	4,521,000	102%
Payroll	140,283,371	106,076,234	139,719,000	104,731,708	34,987,292		139,200,000	519,000	
Fringes	50,643,511	39,422,950	43,853,000	31,807,303	12,045,697		40,783,000	3,070,000	
Total Compensation	190,926,882	145,499,185	183,572,000	136,539,011	47,032,989	74%	179,983,000	3,589,000	98%
Utilities	10,692,070	6,797,691	10,258,000	5,491,452	4,766,548		8,323,000	1,935,000	
Operating	33,846,757	27,723,299	36,515,000	28,975,705	7,539,295		34,350,000	2,165,000	
Total Non Personnel	44,538,828	34,520,989	46,773,000	34,467,158	12,305,842	74%	42,673,000	4,100,000	91%
Total Expenditures	235,465,710	180,020,174	230,345,000	171,006,169	59,338,831	74%	222,656,000	7,689,000	97%
Net Before Transfers	29,817,777	51,478,079	16,495,000	47,215,608	30,720,608		28,705,000	12,210,000	
Transfers-In (Draw on Operating Reserves)	3,795,965	0	11,584,000	0	(11,584,000)		6,422,000	(5,162,000)	55%
Transfers-In Plant Fund and Other	2,569,633	2,472,400	1,000,000	1,131,571	131,571		1,132,000	132,000	
Advance-In	596,972	344,972	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		3,235,000	635,000	
Transfers-Out Plant Fund	(2,822,400)	(3,100,201)	(1,000,000)	(1,255,804)	(255,804)		(1,000,000)	0	
Transfers-Out Other	(34,369,392)	(23,890,259)	(30,819,000)	(22,518,584)	8,300,416		(35,334,000)	(4,515,000)	115%
Advance-Out	(77,000)	(77,000)	0	(440,000)	(440,000)		(270,000)	(270,000)	
Transfers-Out - Encumbrance	(3,343,688)	0	0	0	0		(3,030,000)	(3,030,000)	
Net Transfers	(29,817,776)	(20,417,955)	(16,495,000)	(19,755,101)	(3,260,101)		(28,705,000)	(12,210,000)	
Difference	\$0	\$31,060,125	\$0	\$27,399,431	\$27,399,431		\$0	\$0	

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

Revenues

Tuition & General Service Fees

- The original assumption estimated a blended enrollment reduction exceeding four percent while indications as the fall 2019 semester approached were the decline might approach six percent. The revised revenue projection now contemplates an overall seven percent enrollment decline which assumes summer 2020 enrollment down 20 percent.
- The original assumption remains in place; tuition and certain fees increased one and a half percent for just the fall 2019 Tuition Guarantee Cohort.

Other Fees

- The original assumption estimated a blended enrollment reduction exceeding four percent while indications as the fall 2019 semester approached were the decline might approach six percent. The revised revenue projection now contemplates an overall seven percent enrollment decline which assumes summer 2020 enrollment down 20 percent.
- A portion of the Facilities Fees, \$1.3 million, will be credited to students.

Scholarships

- The original assumptions and revised projections for undergraduate scholarships, graduate assistant waivers, and law school scholarships are as follows:
 - The original undergraduate assumption was \$46.2 million including both College Credit Plus and Early College while the revised projection is \$40.3 million.
 - The original graduate assistant waiver assumption was \$11.7 million while the revised projection is \$8 million.
 - The original law school scholarship assumption was \$3.9 million while the revised projection is \$3.4 million.

State Share of Instruction

- The revised projection contemplates a \$5 million reduction, down to \$94 million, largely as a result of a likely State reduction as a result of COVID-19 impact on state finances.

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 revised projection is closer to \$750,000.

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

Miscellaneous Revenues

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

Expenditures

Compensation (Payroll and Fringes)

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

Utilities

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

Operating

- The original assumptions contemplated that designated fees such as course fees and technology fees, etc., would realize a decline approximating four percent while the revised projection contemplates seven percent.
- The original assumptions presumed that designated fees and start-up spending would be limited to current fiscal year allocations with little expenditure of carry over and that projection continues to date. In fact, the projection contemplates that start-up spending will be \$1 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 Reflecting COVID-19 Implications

Other

Transfers-In (Draw on Operating Reserves)

- The original assumption contemplated an operating reserve draw approximating \$11.6 million while the revised projection currently contemplates \$6.4 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 20 percent decline in 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 \$35.3 million. The transfers' projection will be updated should summer 2020 begin to vary positively or adversely from a 20 percent enrollment decline or should auxiliaries' or other units' fiscal performance begin to vary much from projections. The details of the original assumptions to projections follow:

	Original General Service Fees	Projected General Service Fees	Original Facilities Fees	Projected Facilities Fees	Original Other Support	Projected Other Support	Original Totals	Projected Totals
Athletics	\$ 11,858,000	\$ 11,631,000	\$ 3,259,000	\$ 3,157,000	\$ 7,677,000	\$ 9,015,000	\$ 22,794,000	\$ 23,803,000
Residence Life & Housing	-	-	-	-	-	2,890,000	-	2,890,000
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
Parking & Transportation Services	-	-	-	-	-	615,000	-	615,000
Total	\$ 11,858,000	\$ 11,631,000	\$ 6,267,000	\$ 6,070,000	\$ 12,695,000	\$ 17,633,000	\$ 30,820,000	\$ 35,334,000

The University of Akron
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FY 2020 Budget Assumptions with Revisions Reflecting COVID-19 Implications

- 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.
- Partial spring 2020 refunds and expected reduced summer 2020 activity resulting from COVID-19 will have unfavorable impacts on auxiliary results, requiring supplemental support to Residence Life and Housing and Parking & Transportation Services of \$2.9 million and \$615,000, respectively
- 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

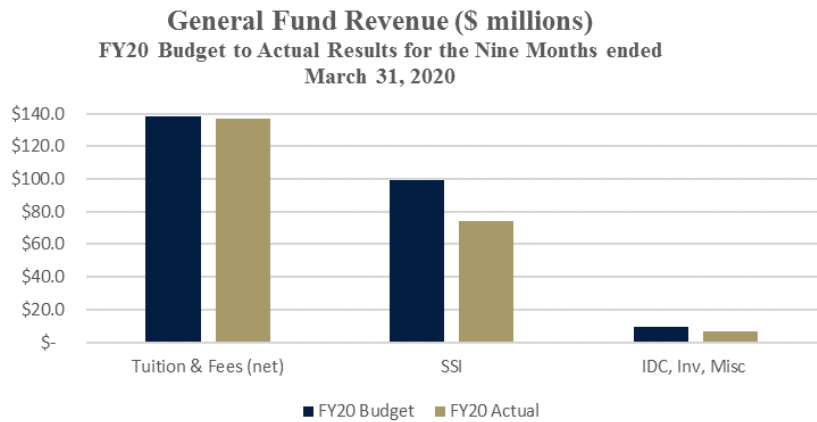
- The original assumption presumed the General Fund had no debt service requirement as a debt deferral refinancing initiative in the amount of \$5 million and plant fund and debt reserves in the amount of \$7 million would fully satisfy the General Fund debt service obligation, and that assumption continues.

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

Revenues

Tuition & General Service Fees:

Tuition & General Service Fees revenues total \$169 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 20 percent decline in 2020 summer enrollment, the Tuition and General Service Fees are projected to be \$174.7 million, or \$4 million less than budget.

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 \$19.3 million, or \$2.2 million less than budget. The projection reflects net impact of the COVID-19 inspired partial spring Facilities Fee refund credits.

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 \$51.7 million or \$10.1 million less than budget as follows: undergraduate (\$5.9 million), graduate (\$3.7 million), and law (\$0.5 million). The projected scholarships reflect estimated COVID-19 adjustments as well as summer scholarships and the spring Early College discount.

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FY19 Comparisons and Revised Projections Reflecting Anticipated COVID-19 Implications

State Share of Instruction: State Share of Instruction (SSI) revenues total \$74.5 million or 75 percent of the annual budget of \$99.1 million.

The Ohio Department of Higher Education announced a reduction of \$4.9 million, or 20 percent of the outstanding SSI distributions, to reflect the expected impact of COVID-19 shutdowns on state revenues.

Indirect Cost Recovery: IDC revenues total \$3.5 million or approximately 66 percent of the annual budget of \$5.2 million.

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

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

Investment Income: Investment Income revenues total \$636,000, or 45 percent of the annual budget of \$1.4 million.

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

Prior to COVID-19, the investment income was expected to fall short of budget by approximately \$400,000. With the impact of COVID-19, the investment income is estimated to be \$750,000.

Miscellaneous Revenues: Miscellaneous Revenues total \$2.3 million, or 90 percent of the annual budget of \$2.6 million. These revenues include \$1 million from The University of Akron Research Foundation, \$264,000 federal tax credit from the Energy Bond, and \$1.1 million from various other sources.

Current expectations are that Miscellaneous Revenues will exceed budget by roughly \$110,000. The projection will be updated should activities merit.

CARES Act – 50%: The federal government passed the CARES Act to support various government agencies in the wake of COVID-19. The University of Akron was appropriated \$14.2 million, 50 percent of which is to be direct aid to students, with a distribution plan to be determined which will be in compliance with Federal requirements. The remaining 50 percent, or \$7.1 million, will be managed as determined by the University leadership and the Board of Trustees, in accordance with Federal requirements.

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

The student portion does not represent operating resources and therefore is not rerecorded with the General fund. The usage stipulation for the remaining 50 percent has not been established, however the University believes those resources to be unrestricted.

Expenditures

Compensation: Payroll expenditures total \$136.5 million or approximately 74 percent of the annual budget of \$139.7 million.

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

Current expectations are that Payroll and Fringe benefit expenditures will approximate \$180 million, or \$3.6 million less than budget. The projection will be updated should conditions warrant.

Employee Type	Actual YTD
Faculty	\$60,347,000
Staff	21,105,000
Contract Professionals	19,095,000
Graduate Assistants	4,185,000
Total Payroll	<u>\$104,732,000</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 seven months of 9-month faculty payroll (full time, part time, visiting, etc.).</i>	

Utilities: The Utilities charges approximated \$5.9 million net of a credit on a water bill that reduced the expenditures by \$400,000. Following the March partial campus shut down, the utility usage for the final quarter will be much reduced. Projected expenditures of \$8.3 million will be updated should usage indicate such.

Operating: Operating expenditures total \$29 million including encumbrances in the amount of \$5.3 million approximating 79 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.

Functional Category	Actual YTD
Instruction and Departmental Research	\$ 89,062,000
Separately Budgeted Research	3,036,000
Public Service	110,000
Academic Support	20,497,000
Student Services	9,548,000
Institutional Support	33,608,000
Operation and Maintenance of Plant	14,057,000
Scholarships and Fellowships	1,088,000
Total Expenditures by Function	<u>\$ 171,006,000</u>

Note: The expenditures are summarized by functional classification.

Current expectations are that Operating expenditures will be approximately \$2.2 million less than the \$36.5 million annual budget. Expenditures will continue to be monitored and the projection updated as 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 Nine Months Ended March 31, 2020 with
FY19 Comparisons and Revised Projections Reflecting Anticipated COVID-19 Implications**

Transfers, Advances and Loan

Transfers-In (Draw on Operating Reserves): The annual budget assumes a draw on reserves totaling \$11.6 million. Current projections indicate a draw on reserves of \$6.4 million.

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

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

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

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

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

Prior to the COVID-19 concerns, the Transfers-Out Other were projected to increase by \$1 million to \$31.8 million. Projections indicate the expected impact of COVID-19 will require supplemental General Fund support to address projected shortfalls of \$2.9 million and \$615,000 in Residence Life and Housing and Parking Services, respectively. The projection will be updated should summer 2020 enrollment begin to vary much from a 20 percent decline in enrollment; and as auxiliary unit fiscal performance begins to vary from projections.

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

Advances In/Out:

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

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

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

AUXILIARY FUNDS

For the Nine Months Ended March 31, 2020

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

Auxiliary Funds Combined	FY19		FY20						
	YTD	YTD	Approved Budget	YTD March 31	Actual to Budget		Projected June 30	Projection to Budget	
	June 30	March 31			\$	%		\$	%
Revenues	\$43,233,817	\$37,723,974	\$42,450,000	\$33,419,513	(\$9,030,487)	79%	\$30,615,227	(\$11,834,773)	72%
Payroll	10,311,448	7,732,254	10,810,000	7,864,813	2,945,187		10,577,083	232,917	
Fringes	4,329,956	3,232,129	3,844,000	2,796,198	1,047,802		3,704,975	139,025	
Total Compensation	14,641,404	10,964,383	14,654,000	10,661,011	3,992,989	73%	14,282,058	371,942	97%
Operating	29,994,659	23,936,287	28,131,000	21,691,983	6,439,017		25,686,403	2,444,597	
Scholarships	6,506,067	5,711,222	7,004,000	6,253,001	750,999		6,254,508	749,492	
Total Non Personnel	36,500,726	29,647,509	35,135,000	27,944,984	7,190,016	80%	31,940,911	3,194,089	91%
Total Expenditures	51,142,130	40,611,892	49,789,000	38,605,995	11,183,005	78%	46,222,969	3,566,031	93%
Net Before Transfers	(7,908,313)	(2,887,918)	(7,339,000)	(5,186,482)	2,152,518		(15,607,742)	(8,268,742)	
Transfers-In - Facilities Fee	9,306,997	7,176,931	8,179,000	6,039,597	(2,139,403)		7,982,464	(196,536)	
Transfers-In - General Service Fee	12,066,760	8,931,644	11,858,000	8,070,610	(3,787,390)		11,631,000	(227,000)	
Transfers-In - Other-Debt Service	0	0	1,361,000	1,020,596	(340,404)		1,360,795	(205)	
Transfers-In - Other	16,231,440	9,551,027	11,365,000	8,857,759	(2,507,241)		16,303,975	4,938,975	
Transfers-In - Fund Balance	0	0	1,066,000	0	(1,066,000)		4,903,250	3,837,250	
Transfers-In - Plant Fund	50,601	50,601	0	0	0		0	0	
Transfers-In - Encumbrances	271,152	271,152	0	137,044	137,044		137,044	137,044	
Transfers-Out - Plant Fund	(2,116,897)	0	0	(141,581)	(141,581)		(141,581)	(141,581)	
Transfers-Out - Encumbrances	(137,044)	0	0	0	0		0	0	
Transfers-Out - Other	0	0	0	(119,331)	(119,331)		(119,331)	(119,331)	
Transfers-Out - Debt Service	(25,798,462)	(19,348,845)	(25,780,000)	(19,335,128)	6,444,872		(25,780,171)	(171)	
Net Transfers	9,874,547	6,632,510	8,049,000	4,529,566	(3,519,434)		16,277,445	8,228,445	
Difference	\$1,966,234	\$3,744,592	\$710,000	(\$656,916)	(\$1,366,916)		\$669,703	(\$40,297)	

The University of Akron
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Athletics	FY19		FY20						
	YTD	YTD	Approved Budget	YTD March 31	Actual to Budget		Projected June 30	Projection to Budget	
	June 30	March 31			\$	%		\$	%
Revenues	\$9,506,464	\$5,925,892	\$9,406,000	\$4,307,806	(\$5,098,194)	46%	\$6,978,500	(\$2,427,500)	74%
Payroll	7,830,374	5,871,907	8,217,000	6,046,244	2,170,756		8,017,411	199,589	
Fringes	3,049,475	2,292,642	2,657,000	1,929,150	727,850		2,602,278	54,722	
Total Compensation	10,879,849	8,164,549	10,874,000	7,975,394	2,898,606	73%	10,619,689	254,311	98%
Operating	13,191,831	10,920,588	10,062,000	9,601,030	460,970		9,661,180	400,820	
Scholarships	6,506,067	5,711,222	7,004,000	6,253,001	750,999		6,254,508	749,492	
Total Non Personnel	19,697,898	16,631,810	17,066,000	15,854,031	1,211,969	93%	15,915,688	1,150,312	93%
Total Expenditures	30,577,747	24,796,359	27,940,000	23,829,425	4,110,575	85%	26,535,377	1,404,623	95%
Net Before Transfers	(21,071,283)	(18,870,467)	(18,534,000)	(19,521,619)	(987,619)		(19,556,877)	(1,022,877)	
Transfers-In - Facilities Fee	4,828,318	3,723,275	4,254,000	3,190,222	(1,063,778)		4,151,630	(102,370)	
Transfers-In - General Service Fee	12,066,760	8,931,644	11,858,000	8,070,610	(3,787,390)		11,631,000	(227,000)	
Transfers-In - Other-Debt Service	0	0	708,000	531,033	(176,967)		708,044	44	
Transfers-In - Other	9,116,301	5,938,205	6,968,000	5,453,350	(1,514,650)		8,307,060	1,339,060	
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)	(3,723,275)	(4,962,000)	(3,721,255)	1,240,745		(4,961,674)	326	
Net Transfers	21,071,283	14,906,937	18,826,000	13,536,777	(5,289,223)		19,848,877	1,022,877	
Difference	\$0	(\$3,963,530)	\$292,000	(\$5,984,842)	(\$6,276,842)		\$292,000	\$0	

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Residence Life & Housing	FY19		FY20						
	YTD	YTD	Approved Budget	YTD March 31	Actual to Budget		Projected June 30	Projection to Budget	
	June 30	March 31			\$	%		\$	%
Revenues	\$19,014,962	\$18,926,973	\$19,119,000	\$17,743,057	(\$1,375,943)	93%	\$14,203,076	(\$4,915,924)	74%
Payroll	802,538	595,454	845,000	594,749	250,251		783,194	61,806	
Fringes	345,161	262,674	307,000	230,621	76,379		299,621	7,379	
Total Compensation	1,147,699	858,128	1,152,000	825,370	326,630	72%	1,082,815	69,185	94%
Operating	7,099,710	5,099,203	7,645,000	5,010,223	2,634,777		7,179,291	465,709	
Scholarships	0	0	0	0	0		0	0	
Total Non Personnel	7,099,710	5,099,203	7,645,000	5,010,223	2,634,777	66%	7,179,291	465,709	94%
Total Expenditures	8,247,409	5,957,331	8,797,000	5,835,593	2,961,407	66%	8,262,106	534,894	94%
Net Before Transfers	10,767,553	12,969,642	10,322,000	11,907,464	1,585,464		5,940,970	(4,381,030)	
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		2,890,047	2,890,047	
Transfers-In - Fund Balance	0	0	321,000	0	(321,000)		1,774,532	1,453,532	
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)	(7,985,082)	(10,643,000)	(7,982,255)	2,660,745		(10,643,007)	(7)	
Net Transfers	(10,678,714)	(7,979,562)	(10,322,000)	(7,944,797)	2,377,203		(5,940,970)	4,381,030	
Difference	\$88,839	\$4,990,080	\$0	\$3,962,667	\$3,962,667		\$0	\$0	

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EJ Thomas Performing Arts Hall	FY19		FY20						
	YTD	YTD	Approved Budget	YTD March 31	Actual to Budget		Projected June 30	Projection to Budget	
	June 30	March 31			\$	%		\$	%
Revenues	\$2,214,474	\$1,801,866	\$2,640,000	\$1,906,733	(\$733,267)	72%	\$2,600,000	(\$40,000)	98%
Payroll	226,936	177,867	312,000	198,614	113,386		312,000	0	
Fringes	87,789	65,657	97,000	61,874	35,126		100,000	(3,000)	
Total Compensation	314,725	243,524	409,000	260,488	148,512	64%	412,000	(3,000)	101%
Operating	2,322,437	1,966,820	2,775,000	1,888,074	886,926		2,579,000	196,000	
Scholarships	0	0	0	0	0		0	0	
Total Non Personnel	2,322,437	1,966,820	2,775,000	1,888,074	886,926	68%	2,579,000	196,000	93%
Total Expenditures	2,637,162	2,210,344	3,184,000	2,148,562	1,035,438	67%	2,991,000	193,000	94%
Net Before Transfers	(422,688)	(408,478)	(544,000)	(241,829)	302,171		(391,000)	153,000	
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	702,726	871,000	653,536	(217,464)		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)	(245,174)	(327,000)	(244,973)	82,027		(326,631)	369	
Net Transfers	458,902	486,384	544,000	442,046	(101,954)		578,233	34,233	
Difference	\$36,214	\$77,906	\$0	\$200,217	\$200,217		\$187,233	\$187,233	

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Dining (Aramark)	FY19		FY20						
	YTD	YTD	Approved Budget	YTD March 31	Actual to Budget		Projected June 30	Projection to Budget	
	June 30	March 31			\$	%		\$	%
Revenues	\$4,060,090	\$3,334,188	\$3,186,000	\$1,959,012	(\$1,226,988)	61%	\$296,465	(\$2,889,535)	9%
Payroll	78,915	87,478	38,000	25,018	12,982		82,079	(44,079)	
Fringes	262,982	174,244	250,000	192,644	57,356		209,564	40,436	
Total Compensation	341,897	261,722	288,000	217,662	70,338	76%	291,643	(3,643)	101%
Operating	1,341,535	1,148,612	1,747,000	937,151	809,849		795,219	951,781	
Scholarships	0	0	0	0	0		0	0	
Total Non Personnel	1,341,535	1,148,612	1,747,000	937,151	809,849	54%	795,219	951,781	46%
Total Expenditures	1,683,432	1,410,334	2,035,000	1,154,813	880,187	57%	1,086,862	948,138	53%
Net Before Transfers	2,376,658	1,923,854	1,151,000	804,199	(346,801)		(790,397)	(1,941,397)	
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		1,708,454	1,708,454	
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)	(582,012)	(777,000)	(583,043)	193,957		(777,390)	(390)	
Net Transfers	(808,731)	(559,933)	(777,000)	(723,710)	53,290		790,397	1,567,397	
Difference	\$1,567,927	\$1,363,921	\$374,000	\$80,489	(\$293,511)		\$0	(\$374,000)	

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Recreation & Wellness Services	FY19		FY20						
	YTD	YTD	Approved Budget	YTD March 31	Actual to Budget		Projected June 30	Projection to Budget	
	June 30	March 31			\$	%		\$	%
Revenues	\$609,309	\$463,729	\$640,000	\$476,428	(\$163,572)	74%	\$412,000	(\$228,000)	64%
Payroll	554,518	402,061	558,000	404,302	153,698		548,667	9,333	
Fringes	242,342	177,379	229,000	154,021	74,979		205,275	23,725	
Total Compensation	796,860	579,440	787,000	558,323	228,677	71%	753,942	33,058	96%
Operating	1,827,329	1,313,020	1,750,000	1,225,588	524,412		1,690,000	60,000	
Scholarships	0	0	0	0	0		0	0	
Total Non Personnel	1,827,329	1,313,020	1,750,000	1,225,588	524,412	70%	1,690,000	60,000	97%
Total Expenditures	2,624,189	1,892,460	2,537,000	1,783,911	753,089	70%	2,443,942	93,058	96%
Net Before Transfers	(2,014,880)	(1,428,731)	(1,897,000)	(1,307,483)	589,517		(2,031,942)	(134,942)	
Transfers-In - Facilities Fee	1,646,177	1,269,421	1,443,000	1,047,570	(395,430)		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	179,864	(60,136)		239,819	(181)	
Transfers-In - Other	2,414,020	1,554,476	1,897,000	1,457,436	(439,564)		1,931,581	34,581	
Transfers-In - Fund Balance	0	0	0	0	0		230,540	230,540	
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)	(1,269,421)	(1,683,000)	(1,262,435)	420,565		(1,683,246)	(246)	
Net Transfers	2,122,211	1,616,204	1,897,000	1,327,256	(569,744)		2,031,942	134,942	
Difference	\$107,331	\$187,473	\$0	\$19,773	\$19,773		\$0	\$0	

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Jean Hower Taber Student Union	FY19		FY20						
	YTD	YTD	Approved Budget	YTD March 31	Actual to Budget		Projected June 30	Projection to Budget	
	June 30	March 31			\$	%		\$	%
Revenues	\$1,002,068	\$794,433	\$947,000	\$879,922	(\$67,078)	93%	\$920,000	(\$27,000)	97%
Payroll	591,082	432,499	601,000	434,507	166,493		594,732	6,268	
Fringes	256,526	190,835	220,000	169,660	50,340		204,237	15,763	
Total Compensation	847,608	623,334	821,000	604,167	216,833	74%	798,969	22,031	97%
Operating	1,848,739	1,389,724	1,755,000	1,162,444	592,556		1,620,000	135,000	
Scholarships	0	0	0	0	0		0	0	
Total Non Personnel	1,848,739	1,389,724	1,755,000	1,162,444	592,556	66%	1,620,000	135,000	92%
Total Expenditures	2,696,347	2,013,058	2,576,000	1,766,611	809,389	69%	2,418,969	157,031	94%
Net Before Transfers	(1,694,279)	(1,218,625)	(1,629,000)	(886,689)	742,311		(1,498,969)	130,031	
Transfers-In - Facilities Fee	2,832,502	2,184,235	2,482,000	1,801,805	(680,195)		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	309,699	(103,301)		412,932	(68)	
Transfers-In - Other	1,887,305	1,355,620	1,629,000	1,293,437	(335,563)		1,688,582	59,582	
Transfers-In - Fund Balance	0	0	0	0	0		0	0	
Transfers-In - Plant Fund	0	0	0	0	0		0	0	
Transfers-In - Encumbrances	26,670	26,670	0	12,236	12,236		12,236	12,236	
Transfers-Out - Plant Fund	0	0	0	0	0		0	0	
Transfers-Out - Encumbrances	(12,236)	0	0	0	0		0	0	
Transfers-Out - Other	0	0	0	0	0		0	0	
Transfers-Out - Debt Service	(2,912,314)	(2,184,235)	(2,895,000)	(2,171,504)	723,496		(2,895,339)	(339)	
Net Transfers	1,821,927	1,382,290	1,629,000	1,245,673	(383,327)		1,640,818	11,818	
Difference	\$127,648	\$163,665	\$0	\$358,984	\$358,984		\$141,849	\$141,849	

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Parking & Transportation Services	FY19		FY20						
	YTD	YTD	Approved Budget	YTD March 31	Actual to Budget		Projected June 30	Projection to Budget	
	June 30	March 31			\$	%		\$	%
Revenues	\$6,778,971	\$6,440,125	\$6,458,000	\$6,096,221	(\$361,779)	94%	\$5,154,852	(\$1,303,148)	80%
Payroll	227,085	164,988	239,000	161,379	77,621		239,000	0	
Fringes	85,681	68,698	84,000	58,228	25,772		84,000	0	
Total Compensation	312,766	233,686	323,000	219,607	103,393	68%	323,000	0	100%
Operating	2,353,874	2,092,741	2,387,000	1,865,760	521,240		2,160,000	227,000	
Scholarships	0	0	0	0	0		0	0	
Total Non Personnel	2,353,874	2,092,741	2,387,000	1,865,760	521,240	78%	2,160,000	227,000	90%
Total Expenditures	2,666,640	2,326,427	2,710,000	2,085,367	624,633	77%	2,483,000	227,000	92%
Net Before Transfers	4,112,331	4,113,698	3,748,000	4,010,854	262,854		2,671,852	(1,076,148)	
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		615,324	615,324	
Transfers-In - Fund Balance	0	0	745,000	0	(745,000)		1,189,724	444,724	
Transfers-In - Plant Fund	50,601	50,601	0	0	0		0	0	
Transfers-In - Encumbrances	89,235	89,235	0	15,984	15,984		15,984	15,984	
Transfers-Out - Plant Fund	(1,600,000)	0	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)	(3,359,646)	(4,493,000)	(3,369,663)	1,123,337		(4,492,884)	116	
Net Transfers	(4,112,331)	(3,219,810)	(3,748,000)	(3,353,679)	394,321		(2,671,852)	1,076,148	
Difference	\$0	\$893,888	\$0	\$657,175	\$657,175		\$0	\$0	

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Wayne Student Union	FY19		FY20						
	YTD	YTD	Approved Budget	YTD March 31	Actual to Budget		Projected June 30	Projection to Budget	
	June 30	March 31			\$	%		\$	%
Revenues	\$47,479	\$36,768	\$54,000	\$50,334	(\$3,666)	93%	\$50,334	(\$3,666)	93%
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	5,579	10,000	1,713	8,287		1,713	8,287	
Scholarships	0	0	0	0	0		0	0	
Total Non Personnel	9,204	5,579	10,000	1,713	8,287	17%	1,713	8,287	17%
Total Expenditures	9,204	5,579	10,000	1,713	8,287	17%	1,713	8,287	17%
Net Before Transfers	38,275	31,189	44,000	48,621	4,621		48,621	4,621	
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	\$31,189	\$44,000	\$48,621	\$4,621		\$48,621	\$4,621	

The University of Akron

Auxiliaries

FY 2020 Budget Assumptions with Revisions Reflecting Anticipated COVID-19

Implications

Overall Assumptions

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

Income

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

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

Compensation (Payroll and Fringes)

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

Operating

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

Other

Transfers-In

- The original assumption contemplated General Fund operating and debt service support and Facilities Fees reserve usage for debt service for certain auxiliaries totaling \$32.8 million while based upon the enrollment variance and the fiscal performance within certain auxiliaries, the transfers were projected to be \$33.8 million. However, considering the expected impact of COVID-19 on operations, additional resources are required from the General Fund to offset anticipated shortfalls. Overall support from General Fund is expected to be \$35.4 million and \$1.9 million from Facilities Fee reserve.

The University of Akron

Auxiliaries

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

	Original General Service Fees	Projected General Service Fees	Original Facilities Fees	Projected Facilities Fees	Original Other Support	Projected Other Support	Original Totals	Projected Totals
Athletics	\$11,858,000	\$11,631,000	\$4,254,000	\$4,152,000	\$ 7,677,000	\$ 9,015,000	\$ 23,789,000	\$ 24,798,000
Residence Life & Housing	-	-	-	-	-	2,890,000	-	2,890,000
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
Parking & Transportation Services	-	-	-	-	-	615,000	-	615,000
Total	\$11,858,000	\$11,631,000	\$8,179,000	\$7,982,000	\$ 12,727,000	\$ 17,665,000	\$ 32,764,000	\$ 37,278,000

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

Transfers-Out - Debt Service

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

Unit Assumptions

Athletics

Revenues

Income

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

The University of Akron

Auxiliaries

FY 2020 Budget Assumptions with Revisions Reflecting Anticipated COVID-19

Implications

- The revised projections indicate the Athletic Facility rental events canceled as a result of COVID-19 represent a loss of \$39,000 in rental revenue.

Expenditures

Compensation (Payroll and Fringes)

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

Operating

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

Scholarships

- The original assumptions assumed approximately 220 Athletic financial aid awards while the current revised projection is closer to 217.
- The New Z Fund event will support scholarships for 5th year aid.
- As a result of the COVID-19 pandemic, the revised projection assumes refundable room, board, transportation fees and facility fees to be \$249,000 for spring semester student athletes.

Other

Transfers-In

- The original assumptions contemplated General Services Fee, \$11.9 million; Facilities Fee, \$4.3 million (facility fee reserves included); and Other, \$7.7 million (operations and debt service); while the revised projections currently contemplate General Services Fee, \$11.6 million; Facilities Fee, \$4.2 million (facility fee reserves included); and Other, \$9 million (operations and debt service).
- The original assumption contemplated a General Fund loan in the amount of \$170,000 for Men's soccer with the intent of full repayment by fiscal year end. The revised projection presumes that \$125,000 will remain unpaid and is reclassified to General Fund support.
- The original assumption assumed a portion of the Facility Fee reserve, in the amount of \$1 million, contributes towards the debt service for FY20, and that assumption continues.
- The original assumption presumed General Fund support totaling \$22.8 million; however, the revised assumption indicates support, net of the \$600,000 biennial football ticket purchase, of \$23.8 million.

The University of Akron

Auxiliaries

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

Residence Life & Housing

Revenues

Income

- The original assumption presumed 81 percent average occupancy for the academic year while approximately 74 percent materialized.
- The original assumption of a room rate increase of 1.5 percent for the fall 2019 Tuition Guarantee Cohort continues to hold.
- The revised projections assume residence hall room charge credits, due to COVID-19 early closure, will result in \$3.5 million of lost revenue and the loss of \$40,000 in revenue due to the cancellation of the AA conference.

Expenditures

Operating

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

Other

Transfers-In

- The original assumption estimated that \$321,000 would be transferred from Residence Life & Housing's fund balance while the revised projection contemplates that the entire \$1.8 million fund balance will be needed, thereby exhausting the remaining fund balance. Transfers-In - Other of \$2.9 million will be required from the General Fund to settle the projected fiscal year-end shortfall.

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.

The University of Akron

Auxiliaries

FY 2020 Budget Assumptions with Revisions Reflecting Anticipated COVID-19

Implications

Expenditures

Operating

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

Other

Transfers-In

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

Dining (Aramark)

Revenues

Income

- The original assumption presumed \$1.6 million in rent from Aramark, but the revised projection currently contemplates \$.7 million in rent from Aramark.
- The original assumptions for other contractually provided revenues such as utilities support, maintenance support, and equipment repair support continue to hold.
- Assumed a meal plan increase of three percent for the fall 2019 Tuition Guarantee Cohort.
- The revised projections assume refunds to the students due to COVID-19 early closure, and will result in \$1.8 million in reduced revenue for spring semester. As a result, projected revenues at June 30, 2020 are anticipated to be \$296,000.

Expenditures

Compensation (Payroll and Fringes)

- Assumes the CWA employees remain University employees, with the University responsible for the difference between FICA and SERS, and all other employees are the fiscal responsibility of Aramark. Current assumptions assume the university will be pay the six CWA employees during the COVID-19 pandemic with an attempt to redeploy the employees to other areas. Projected unanticipated payroll costs through June 30, 2020 will be \$44,000.

The University of Akron

Auxiliaries

FY 2020 Budget Assumptions with Revisions Reflecting Anticipated COVID-19

Implications

Operating

- The original assumption reflected card access and point of sale software, equipment, maintenance, and utilities costs totaling \$1.7 million, but the revised projection contemplates \$795,000.

Other

Transfers-In

- The original assumption presumed a budgeted surplus, but the revised projections contemplate that Dining Services will access its fund balance in the amount of \$1.7 million.

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.
- Assumes due to COVID-19, the closing of SRWS will generate \$56,000 in refunds for memberships and prepaid events.

Expenditures

Operating

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

Other

Transfers-In

- The original assumptions of Transfers-In budgeted at Other, \$2.1 million (operations and debt service); and Facilities Fee, \$1.4 million (including reserves) were adjusted to account for less than expected enrollment, while the revised projections indicate transfers are Other, \$2.2 million.
- The original assumption assumed Recreation & Wellness Services Facilities Fees maintained a reserve, and a portion of that reserve, in the amount of \$.3 million, would be used to help service the debt service for FY20, and this assumption continues.

The University of Akron

Auxiliaries

FY 2020 Budget Assumptions with Revisions Reflecting Anticipated COVID-19

Implications

- The original assumption assumed no needed use of Recreation & Wellness Services Facilities fund balance to balance, but the revised projection contemplates that \$231,000 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.
- Assumes the impact of the COVID-19 pandemic will reduce the Barnes & Noble commission and space rental revenue by \$27,000.

Expenditures

Compensation (Payroll and Fringes)

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

Operating

- Assumes maintenance, utilities, and student employment cost.

Other

Transfers-In

- The original assumptions of Transfers-In budgeted at Other, \$2 million (operations and debt service); and Facilities Fee, \$2.5 million (including reserves) were adjusted to account for less than expected enrollment. Projected transfers are Other, \$2.1 million; and Facilities Fee, \$2.4 million.
- The Facilities Fees maintained a reserve, and a portion of that reserve, in the amount of \$.6 million, would be used to help service the debt service for FY20.
- The original assumption assumed no needed use of Jean Hower Taber Student Union fund balance to balance, and that assumption remains valid.

The University of Akron

Auxiliaries

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

Parking & Transportation Services

Revenues

Income

- The original assumptions contemplated parking permits and transportation fee revenues, and the assumptions continue to hold.
- The revised projection assumes \$1.1 million, or 45 percent of spring semester revenue will go toward refunds.

Expenditures

Operating

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

Transfers-In

- The original assumption contemplated \$745,000 of fund balance use while the revised projection presumes that the total \$1.2 million fund balance will be needed. A Transfers-In - Other of \$615,000 from the General Fund is needed to settle the remaining projected fiscal year-end shortfall.

Wayne Student Union

Revenues

Income

- Assumes externally generated revenues from bookstore space rent and room rentals.
- The expected impact of COVID-19 is a reduction in Barnes & Noble commission by \$4,000.

Expenditures

Operating

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

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Akron and Wayne Auxiliary Funds Combined
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Athletics

Athletics actual revenues total \$4.3 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 (19 percent). The General Fund’s biennial football ticket purchase approximating \$600,000 is also reflected as a revenue.

Description	Actual YTD
Game Guarantees	\$1,367,000
Ticket Sales	1,289,000
Gifts	830,000
Other	442,000
Pouring Rights	380,000
Total Revenue	<u>\$4,308,000</u>

Due to the COVID-19, the projection indicates that the cancellation of the NCAA Men’s Basketball Tournament will reduce the annual NCAA receipts to \$387,000, or 37 percent for a total loss of \$658,000. Cancellations of Athletic Facility rental events represent a loss of \$39,000 in rental income. Current expectations indicate that revenues will total nearly \$7 million, or \$2.4 million below the \$9.4 million budget. Projections will be updated should activities merit a change.

Employee Type	Actual YTD
Contract Professionals	\$5,416,000
Staff	550,000
Graduate Assistants	75,000
Faculty	5,000
Total Payroll	<u>\$6,046,000</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 nearly \$8 million or roughly 73 percent of the annual budget of \$10.9 million. Projections indicate that payroll and fringes will approximate \$10.6 million, or \$254,000 below the original \$10.9 million budget. The projections will be updated should activity merit.

Operating expenditures total \$9.6 million or 95 percent of the annual budget of \$10.1 million. The principal operating expenditures include supplies & services (58 percent) and travel & hospitality (32 percent). The majority of supplies & services includes athletic supplies (18 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).

Description	Actual YTD
Supplies & Services	\$5,574,000
Travel & Hospitality	3,097,000
Utilities	437,000
Student Assistants	322,000
Other	154,000
Equipment	17,000
Total Operating	<u>\$9,601,000</u>

**The University of Akron
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Athletics Continued

Projections indicate, due to COVID-19, cancellation of spring sports, busses, hotels, and other travel arrangements, operating expenditures will total \$401,000 below budget. Projections will be updated should spending activities merit a change.

Scholarships, or Athletics financial aid, totaled nearly \$6.3 million or 89 percent of the annual budget of \$7 million. Refundable room, board, Transportation Fees, and Facility Fees are estimated to total \$249,000 for spring semester student athletes. Projections indicate that scholarships and other student aid will be less than budget by \$749,000. 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 seven percent). The actual Facilities Fee totaling \$3.2 million services a portion of the Stadium and Fieldhouse debt while the Athletics actual general services fee, and other transfers-in combined total \$14.1 million. The actual transfers-in from the General Fund and reserves are projected to approximate \$24.8 million which is net of the biennial football ticket purchase, or \$1 million more than budget.

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

The budgeted Transfers-Out - Debt Service is \$5 million. To date, \$3.7 million or 75 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 \$17.7 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>382,000</u>
Total Revenue	<u>\$17,743,000</u>

Fall semester revenues achieved 48 percent of the total revenue budget. Residence hall refunds, due to COVID-19 early closure, will result in \$3.5 million in restitution for the spring semester and the loss of \$40,000 in revenue due to the cancellation of the AA conference. Projections indicate year-end revenues will be \$4.9 million less than the original budget of \$19.1 million. The projection will be updated should activity merit.

Employee Type	Actual YTD
Contract Professionals	\$402,000
Staff	<u>192,000</u>
Total Payroll	<u>\$594,000</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 \$825,000 or roughly 72 percent of the annual budget of \$1.2 million. Actual compensation is projected to be \$69,000 below the original \$1.2 million compensation budget; the projection will be updated should activity merit.

Operating expenditures total \$5 million or 66 percent of the annual budget of \$7.6 million. The principal operating expenditures include supplies & services (56 percent) and utilities (21 percent). The major spending component in supplies & services includes maintenance (86 percent). The majority of expenditures in utilities are electricity (48 percent), water (33 percent), and gas (10 percent). The majority of operating expenditures in travel & hospitality are Resident Assistant Meals (87 percent). Operating expenditures are being managed and are projected to be roughly \$466,000 below the original budget of \$7.6 million. Cost savings include Resident Assistant Meals and the cancellation of the AA conference will save significant overtime on custodial dorm preparations. Projection will be updated should activity merit.

Description	Actual YTD
Supplies & Services	\$2,827,000
Utilities	1,029,000
Travel & Hospitality	415,000
Student Assistants	402,000
Other	<u>337,000</u>
Total Operating	<u>\$5,010,000</u>

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Residence Life & Housing Continued

The original assumption estimated that \$321,000 would be transferred from Residence Life & Housing’s fund balance to balance while the projection contemplates that the entire \$1.8 million fund balance will be needed. Transfers-In - Other of \$2.9 million will be required from the General Fund to settle the remaining projected fiscal year-end shortfall.

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

The budgeted Transfers-Out - Debt Service total \$10.6 million. To date, nearly \$8 million or 75 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.

EJ Thomas Performing Arts Hall

EJ Thomas Performing Arts Hall actual revenues total \$1.9 million as compared to the annual budgeted revenues of \$2.6 million. The principal revenues include ticket sales (76 percent). The cancellations of events related to the COVID-19 pandemic will produce a loss in revenue of \$40,000. Total revenue is projected to be \$2.6 million. The projections will be updated as activity merits.

Description	Actual YTD
Ticket Sales	\$1,458,000
Endowment	172,000
Hall Rental	147,000
Other	<u>130,000</u>
Total Revenue	<u>\$1,907,000</u>

Employee Type	Actual YTD
Staff	\$107,000
Contract Professionals	<u>91,000</u>
Total Payroll	<u>\$198,000</u>
<i>Note 1: Includes all EJ Thomas Performing Arts Hall payroll-related activities (e.g. full-time, part-time, overtime, etc.).</i>	
<i>Note 2: Excludes fringe benefits.</i>	

Payroll and fringes total \$260,000 or roughly 64 percent as compared to the annual budget of \$409,000. Projections indicate that payroll and fringes will approximate \$412,000. The projections will be updated should activity merit.

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EJ Thomas Performing Arts Hall Continued

Operating expenditures total nearly \$1.9 million or 68 percent of the annual budget of \$2.8 million. The principal operating expenditures include supplies & services (86 percent). The major spending component in supplies & services includes stage & wardrobe (47 percent) and artist fees (26 percent). Projections indicate operating expenditures will be less than budget. Certain show-related costs may be eliminated as COVID-19 resulted in event cancellations. Projections indicate operating expenditures will be less than budget and will be updated should activity merit.

Description	Actual YTD
Supplies & Services	\$1,628,000
Utilities	154,000
Student Assistants	57,000
Travel & Hospitality	28,000
Other	21,000
Total Operating	<u>\$1,888,000</u>

Transfers-In - Other represents General Fund and endowment support for operations and is budgeted at \$871,000. To date, \$654,000 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, \$245,000 or 75 percent has been transferred out to pay the debt service payment with the remaining transfers to occur throughout the year. This debt service pays the bonded debt related to improvements and equipment from approximately 17 years ago. The debt will be retired during the fiscal year ended June 30, 2029.

Dining (Aramark)

Aramark actual revenues total nearly \$2 million as compared to the annual budgeted revenues of \$3.2 million. The primary revenues include rent (33 percent), Aramark grant (21 percent), utilities support (18 percent), and facilities support (16 percent). The University, in compliance with the senior administration directive, will refund to students the unused balance of the various meal plan options (less those meal plans paid via scholarship) in the amount \$1.8 million for the Spring semester. As a result, projected revenues at June 30, 2020 are anticipated to be \$296,000. Negotiations are ongoing and will impact year end results.

Description	Actual YTD
Rent	\$653,000
Aramark Grant	412,000
Utilities Support	352,000
Facilities Support	306,000
POS/Card Access Support	181,000
Other	55,000
Total Revenue	<u>\$1,959,000</u>

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Dining (Aramark) Continued

Employee Type	Actual YTD
Staff	\$25,000
<i>Note 1: Includes all Dining Services (Aramark) payroll-related activities (e.g. full-time, part-time, overtime, etc.).</i>	
<i>Note 2: Excludes fringe benefits.</i>	

Payroll and fringes total \$218,000 or roughly 76 percent of the annual budget of \$288,000. Certain University employees were needed by Aramark at the contract inception and remained University employees. Aramark was reimbursing the University for nearly all employment costs. However, with the University shutdown, these employees are not needed and as of March 23, 2020 Aramark will not be reimbursing their

costs until the crisis passes. The University, will therefore, be paying these remaining six employees during the closure with an attempt to redeploy to other areas. Projected unanticipated payroll costs through June 30, 2020 will be \$44,000.

Operating expenditures total \$937,000 or 54 percent of the annual budget of \$1.7 million. The principal operating expenditures include supplies & services (69 percent) and utilities (20 percent). The major spending component in supplies & services include furniture & equipment repair (56 percent) and maintenance (34 percent). The majority of expenditures in utilities are electricity (56 percent) and water (32 percent). Encumbrances with pending elimination are inflating the actual operating expenditures above projections. Projections indicate operating expenditures will be less than budget. The projections will be updated should activity merit.

Description	Actual YTD
Supplies & Services	\$649,000
Utilities	189,000
Equipment	59,000
Other	<u>40,000</u>
Total Operating	<u>\$937,000</u>

The original assumption presumed a surplus budget, but the projections contemplate that Dining Services will access \$1.7 million out of the \$2.7 million fund balance.

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

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

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

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Dining (Aramark) Continued

The budgeted Transfers-Out - Debt Service totals \$777,000. To date, \$583,000 or 75 percent has been transferred out to pay the upcoming debt service payment with the remaining transfers to occur throughout the year. This debt service pays the bonded debt related to various buildouts of space and renovations including the dining hall and retail sites located throughout the campus over the course of the last 13 to 20 years. The debt will be retired during the fiscal year ended June 30, 2038.

Recreation & Wellness Services

Student Recreation & Wellness Services (SRWS) actual revenues total \$476,000 as compared to the annual budgeted revenues of \$640,000. The principal revenues include swimming meets/lessons (51 percent) and memberships (28 percent). Due to COVID-19, all SRWS facilities were closed March 16, 2020, indefinitely generating \$56,000 in refunds for memberships and prepaid events. The projections indicate revenues will total \$228,000 less than budget.

Description	Actual YTD
Swimming Meets & Lessons	\$243,000
Memberships	134,000
Other	60,000
Rentals	<u>39,000</u>
Total Revenue	<u>\$476,000</u>

Employee Type	Actual YTD
Contract Professionals	\$321,000
Staff	<u>83,000</u>
Total Payroll	<u>\$404,000</u>
<i>Note 1: Includes all Recreation & Wellness Services payroll-related activities (e.g. full-time, part-time, overtime, etc.).</i>	
<i>Note 2: Excludes fringe benefits.</i>	

Payroll and fringes total \$558,000 or roughly 71 percent as compared to the annual budget of \$787,000. The two percent raises and FLSA changes effective January 1st, not included as part of planned expenditures, will generate unbudgeted costs. Projections indicate payroll and fringes, with vacancy savings, will approximate \$754,000, or \$33,000 below the original \$787,000 budget.

Operating expenditures total \$1.2 million or 70 percent as compared to the annual budget of \$1.8 million. The principal operating expenditures include supplies & services (48 percent), student assistants (34 percent), and utilities (17 percent). The majority of supplies & services spending includes maintenance (86 percent). The majority of expenditures in utilities are electricity (64 percent) and steam (17 percent). Projections indicate operating expenditures will be less than budget. Projection will be updated should activity merit.

Description	Actual YTD
Supplies & Services	\$583,000
Student Assistants	420,000
Utilities	204,000
Other	14,000
Travel & Hospitality	<u>5,000</u>
Total Operating	<u>\$1,226,000</u>

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Comparisons and Revised Projections Reflecting Anticipated COVID-19 Implications**

Recreation & Wellness Services Continued

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 \$2.7 million represents facilities fee (including reserve) and General Fund support to service the building's debt and operations.

Transfers-In - Fund Balance projection includes \$231,000 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, \$1.3 million or 75 percent has been transferred out for the debt service requirements associated with the facility and its retail space. The outstanding debt will be retired in the fiscal year ended June 30, 2033.

Jean Hower Taber Student Union

The Student Union actual revenues total nearly \$880,000 as compared to the annual budgeted revenues of \$947,000. The principal revenues include Barnes & Noble bookstore commission income (65 percent), PNC commission (23 percent), and rental revenue (12 percent). The impact of the COVID-19 pandemic will reduce the Barnes & Noble commission and space rental revenue by \$27,000. The current annual revenue projection is \$920,000.

Description	Actual YTD
Commission Income	\$773,000
Room Rentals	101,000
Other	<u>6,000</u>
Total Revenue	<u>\$880,000</u>

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

Jean Hower Taber Student Union Continued

Employee Type	Actual YTD
Contract Professionals	\$367,000
Staff	<u>68,000</u>
Total Payroll	<u>\$435,000</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 \$604,000 or roughly 74 percent of the annual budget of \$821,000. The two percent raises and mandated FLSA increases, not included as part of planned expenditures, will generate additional cost. Current expectations indicate that compensation will be below budget through current vacancy savings.

Operating expenditures total \$1.2 million or 66 percent of the annual budget of \$1.8 million. The principal operating expenditures include supplies & services (45 percent), utilities (29 percent), and student assistants (23 percent). The majority of supplies & services spending include maintenance (76 percent). The majority of expenditures in utilities are electricity (52 percent), chilled water (19 percent), steam (16 percent), and water (11 percent).

Description	Actual YTD
Supplies & Services	\$526,000
Utilities	338,000
Student Assistants	268,000
Travel & Hospitality	18,000
Other	<u>12,000</u>
Total Operating	<u>\$1,162,000</u>

Operating expenditures are projected to approximate \$135,000 below the original budget of \$1.8 million and the projections will be updated should activity merit.

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, \$3.4 million has been transferred with the expectation the remaining amount will be transferred throughout the rest of the fiscal year.

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

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

The budgeted Transfers-Out - Debt Service totals \$2.9 million. To date, \$2.2 million or 75 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.

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

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 (96 percent). Indications are that due to the COVID-19 pandemic, Parking & Transportation Services will not achieve the \$6.5 million revenue budget; rather, \$1.1 million or 45 percent of the spring semester revenue will go toward refunds. Further forecasts reduce summer revenue by 50 percent and project the total revenue to be \$5.2 million, or \$1.3 million less than the \$6.5 million revenue budget.

Description	Actual YTD
Permits	\$5,869,000
Lot Rentals	122,000
Fines & Meters	85,000
Other	<u>20,000</u>
Total Revenue	<u>\$6,096,000</u>

Employee Type	Actual YTD
Staff	\$107,000
Contract Professionals	<u>54,000</u>
Total Payroll	<u>\$161,000</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 nearly \$220,000 or roughly 68 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 \$1.9 million or 78 percent as compared to the annual budget of \$2.4 million. The principal operating expenditures include supplies & services (81 percent). The major spending component in supplies & services includes transportation related activities including busing, parking lot, and deck maintenance (82 percent) and equipment repair (10 percent). Projections indicate expenditures will be below the original budget by \$227,000; however, expenditures combined with transfers-out will exceed revenues. The fund balance will absorb the planned shortfall. Projections will be revised should activity merit.

Description	Actual YTD
Supplies & Services	\$1,516,000
Utilities	171,000
Student Assistants	141,000
Travel & Hospitality	30,000
Other	<u>7,000</u>
Total Operating	<u>\$1,865,000</u>

The original assumption contemplated \$745,000 of fund balance usage while the projection presumes that the total \$1.2 million fund balance will be needed. A Transfers-In - Other of \$615,000 from the General Fund is needed to settle the remaining projected fiscal year-end shortfall.

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

Parking & Transportation Services Continued

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

The budgeted Transfers-Out - Debt Service total \$4.5 million. Transfers-out of \$3.4 million or 75 percent represents the debt service that pays the bonded debt related to the construction and renovation of six parking decks.

Wayne Student Union

Wayne Student Union revenues total \$50,000 as compared to the annual budgeted revenues of \$54,000. The principal revenues include Barnes & Noble bookstore commission (93 percent) predominately earned evenly throughout the fiscal year. Current expectations predict the impact of the COVID-19 pandemic will reduce the Barnes & Noble commission \$4,000 below the \$54,000 revenue budget.

Description	Actual YTD
Commission Income	\$47,000
Other	<u>3,000</u>
Total Revenue	<u>\$50,000</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 \$8,000 or 80 percent.

Description	Actual YTD
Supplies & Services	\$2,000

**DEPARTMENTAL SALES AND
SERVICES FUNDS**

For the Nine Months Ended March 31, 2020

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

Departmental Sales and Services Combined	FY19		FY20						
	YTD June 30	YTD March 31	Approved Budget	YTD March 31	Actual to Budget		Projected June 30	Projection to Budget	
					\$	%		\$	%
Revenues	\$37,539,741	\$28,889,742	\$32,784,000	\$21,149,086	(\$11,634,914)	65%	\$28,577,000	(\$4,207,000)	87%
Payroll	2,740,341	2,015,962	2,394,000	2,091,523	302,477		2,602,000	(208,000)	
Fringes	948,298	722,042	697,000	642,413	54,587		648,000	49,000	
Total Compensation	3,688,639	2,738,004	3,091,000	2,733,936	357,064	88%	3,250,000	(159,000)	105%
Operating	3,412,730	2,550,875	3,131,000	3,021,315	109,685		3,897,000	(766,000)	
Premiums and Claims	26,392,457	19,321,735	28,027,000	19,195,213	8,831,787		26,100,000	1,927,000	
Capital	27,354	67,230	10,000	30,220	(20,220)		30,000	(20,000)	
Total Non Personnel	29,832,541	21,939,840	31,168,000	22,246,748	8,921,252	71%	30,027,000	1,141,000	96%
Total Expenditures	33,521,180	24,677,844	34,259,000	24,980,684	9,278,316	73%	33,277,000	982,000	97%
Net Before Transfers	4,018,562	4,211,898	(1,475,000)	(3,831,598)	(2,356,598)		(4,700,000)	(3,225,000)	
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		4,475,807	4,475,807	
Transfers-Out - Other	(2,368,534)	(2,271,301)	0	0	0		0	0	
Transfers-Out - Encumbrances	(293,452)	0	0	0	0		0	0	
Net Transfers	(1,800,240)	(1,487,188)	0	293,453	293,453		4,769,260	4,769,260	
Difference	\$2,218,321	\$2,724,710	(\$1,475,000)	(\$3,538,145)	(\$2,063,145)		\$69,260	\$1,544,260	

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

	FY19		FY20						
	YTD	YTD	Approved Budget	YTD March 31	Actual to Budget		Projected June 30	Projection to Budget	
	June 30	March 31			\$	%		\$	%
Revenues	\$30,303,422	\$23,127,272	\$25,826,000	\$16,079,900	(\$9,746,100)	62%	\$22,351,000	(\$3,475,000)	87%
Payroll	129,893	87,407	143,000	115,690	27,310		157,000	(14,000)	
Fringes	48,410	32,953	46,000	36,921	9,079		50,000	(4,000)	
Total Compensation	178,303	120,360	189,000	152,611	36,389	81%	207,000	(18,000)	110%
Operating	286,947	179,929	208,000	139,153	68,847		208,000	0	
Premiums and Claims	26,392,457	19,321,735	28,027,000	19,195,213	8,831,787		26,100,000	1,927,000	
Capital	0	0	0	0	0		0	0	
Total Non Personnel	26,679,404	19,501,664	28,235,000	19,334,366	8,900,634	68%	26,308,000	1,927,000	93%
Total Expenditures	26,857,707	19,622,024	28,424,000	19,486,977	8,937,023	69%	26,515,000	1,909,000	93%
Net Before Transfers	3,445,715	3,505,248	(2,598,000)	(3,407,077)	(809,077)		(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	\$1,240,248	(\$2,598,000)	(\$3,407,077)	(\$809,077)		\$0	\$2,598,000	

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

Workforce Training Solutions	FY19		FY20						
	YTD	YTD	Approved Budget	YTD March 31	Actual to Budget		Projected June 30	Projection to Budget	
	June 30	March 31			\$	%		\$	%
Revenues	\$899,436	\$692,032	\$750,000	\$491,127	(\$258,873)	65%	\$560,000	(\$190,000)	75%
Payroll	327,217	243,202	218,000	229,797	(11,797)		272,000	(54,000)	
Fringes	104,741	82,134	56,000	65,685	(9,685)		73,000	(17,000)	
Total Compensation	431,958	325,336	274,000	295,482	(21,482)	108%	345,000	(71,000)	126%
Operating	304,990	217,386	377,000	232,424	144,576		264,000	113,000	
Premiums and Claims	0	0	0	0	0		0	0	
Capital	0	0	0	0	0		0	0	
Total Non Personnel	304,990	217,386	377,000	232,424	144,576	62%	264,000	113,000	70%
Total Expenditures	736,948	542,722	651,000	527,906	123,094	81%	609,000	42,000	94%
Net Before Transfers	162,488	149,310	99,000	(36,779)	(135,779)		(49,000)	(148,000)	
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		14,807	14,807	
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		49,000	49,000	
Difference	\$148,036	\$169,050	\$99,000	(\$2,586)	(\$101,586)		\$0	(\$99,000)	

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

	FY19		FY20						
	YTD	YTD	Approved Budget	YTD March 31	Actual to Budget		Projected June 30	Projection to Budget	
	June 30	March 31			\$	%		\$	%
Revenues	\$529,885	\$354,240	\$551,000	\$291,825	(\$259,175)	53%	\$432,000	(\$119,000)	78%
Payroll	161,959	121,863	177,000	107,710	69,290		147,000	30,000	
Fringes	68,272	50,936	65,000	37,461	27,539		55,000	10,000	
Total Compensation	230,231	172,799	242,000	145,171	96,829	60%	202,000	40,000	83%
Operating	355,663	262,446	452,000	158,120	293,880		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	262,446	452,000	158,120	293,880	35%	418,000	34,000	92%
Total Expenditures	585,894	435,245	694,000	303,291	390,709	44%	620,000	74,000	89%
Net Before Transfers	(56,009)	(81,005)	(143,000)	(11,466)	131,534		(188,000)	(45,000)	
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		188,000	188,000	
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		188,000	188,000	
Difference	\$0	(\$81,005)	(\$143,000)	(\$11,466)	\$131,534		\$0	\$143,000	

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

English Language Institute	FY19		FY20						
	YTD	YTD	Approved Budget	YTD March 31	Actual to Budget		Projected June 30	Projection to Budget	
	June 30	March 31			\$	%		\$	%
Revenues	\$279,840	\$279,540	\$325,000	\$158,190	(\$166,810)	49%	\$159,000	(\$166,000)	49%
Payroll	224,465	183,221	216,000	148,535	67,465		209,000	7,000	
Fringes	69,393	54,918	54,000	38,899	15,101		52,000	2,000	
Total Compensation	293,858	238,139	270,000	187,434	82,566	69%	261,000	9,000	97%
Operating	7,605	4,567	8,000	7,046	954		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	4,567	8,000	7,046	954	88%	7,000	1,000	88%
Total Expenditures	301,463	242,706	278,000	194,480	83,520	70%	268,000	10,000	96%
Net Before Transfers	(21,624)	36,834	47,000	(36,290)	(83,290)		(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	\$36,834	\$47,000	(\$36,290)	(\$83,290)		\$0	(\$47,000)	

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

Other	FY19		FY20						
	YTD	YTD	Approved Budget	YTD March 31	Actual to Budget		Projected June 30	Projection to Budget	
	June 30	March 31			\$	%		\$	%
Revenues	\$5,527,158	\$4,436,658	\$5,332,000	\$4,128,044	(\$1,203,956)	77%	\$5,075,000	(\$257,000)	95%
Payroll	1,896,807	1,380,269	1,640,000	1,489,791	150,209		1,817,000	(177,000)	
Fringes	657,481	501,101	476,000	463,447	12,553		418,000	58,000	
Total Compensation	2,554,288	1,881,370	2,116,000	1,953,238	162,762	92%	2,235,000	(119,000)	106%
Operating	2,457,525	1,886,547	2,086,000	2,484,572	(398,572)		3,000,000	(914,000)	
Premiums and Claims	0	0	0	0	0		0	0	
Capital	27,354	67,230	10,000	30,220	(20,220)		30,000	(20,000)	
Total Non Personnel	2,484,879	1,953,777	2,096,000	2,514,792	(418,792)	120%	3,030,000	(934,000)	145%
Total Expenditures	5,039,167	3,835,147	4,212,000	4,468,030	(256,030)	106%	5,265,000	(1,053,000)	125%
Net Before Transfers	487,991	601,511	1,120,000	(339,986)	(1,459,986)		(190,000)	(1,310,000)	
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)	(6,301)	0	0	0		0	0	
Transfers-Out - Encumbrances	(259,260)	0	0	0	0		0	0	
Net Transfers	401,579	758,072	0	259,260	259,260		259,260	259,260	
Difference	\$889,570	\$1,359,583	\$1,120,000	(\$80,726)	(\$1,200,726)		\$69,260	(\$1,050,740)	

Overall

Expenditures

Compensation (Payroll and Fringes)

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

Operating

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

Unit Assumptions

Self-Insurance Health Care

Revenues

Income

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

Expenditures

Operating

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

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

Premiums and Claims

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

Other

Transfers-In

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

Workforce Training Solutions

Revenues

Income

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

Expenditures

Compensation (Payroll and Fringes)

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

Operating

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

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

New Student Orientation

Revenues

Income

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

Expenditures

Operating

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

Other

Transfers-In

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

English Language Institute

Revenues

Income

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

Expenditures

Operating

- The original assumptions:

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

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

Other

Transfers-In

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

Other

Revenues

Income

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

Expenditures

Compensation (Payroll and Fringes)

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

Operating

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

Capital

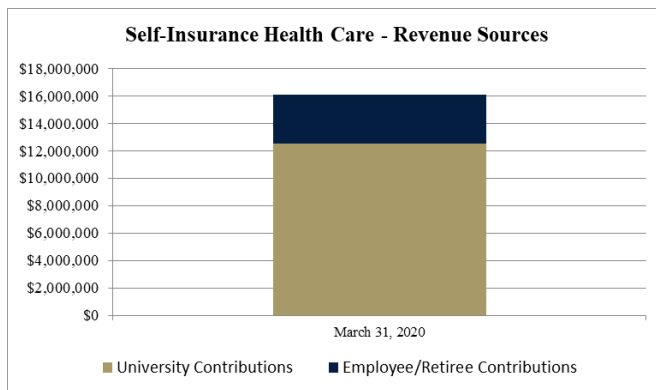
- The original assumptions reflected an equipment purchase related to Akron Polymer Technology Services; however, revised projections indicate additional expenditures in the Hearing Aid Dispensary as well as Food Sciences Services therefore capital will exceed budget.

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

Self-Insurance Health Care

Self-Insurance Health Care revenues total \$16.1 million or 62 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 \$153,000 or 81 percent as compared to the annual budget of \$189,000. Revised projections indicate payroll and fringes will exceed budget by \$18,000.

Operating expenditures total \$139,000 or 67 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 \$19.2 million or 68 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.

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Workforce Training Solutions

Workforce Training Solutions actual revenues from open enrollment and contract training fees total \$491,000 or 65 percent of the annual budgeted revenues of \$750,000. Revised projections are revenues will total \$560,000, or \$190,000 less than budget due to cancelation or postponement of classes.

Payroll and fringes total \$295,000 or 108 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 \$71,000 more than budget. The projection will be updated should activities merit.

Operating expenditures total \$232,000 or 62 percent of the annual budget of \$377,000. The principal operating expenditures include supplies and services (92 percent) related to training and instructional support. Revised projections are that expenditures will approximate \$264,000 or \$113,000 less than budget.

The revised projected year end deficit of about \$15,000 will be fully offset by Workforce Training Solutions fund balance.

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 \$292,000 or 53 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. Revised projections are that revenues will fall short of budget by approximately \$119,000. The projection will be updated should activities merit and as the impact of COVID-19 on enrollment becomes clear.

Payroll and fringes total \$145,000 or 60 percent of the annual budget of \$242,000. Compensation is projected to approximate \$202,000 or \$40,000 less than budget.

Operating expenditures total \$158,000 or 35 percent of the annual budget of \$452,000. The principal operating expenditures include New Roo Weekend (35 percent) and student assistants (33 percent).

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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 revised projection presumes \$188,000 will be required.

English Language Institute

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

Payroll and fringes total \$187,000 or 69 percent of the annual budget of \$270,000. Compensation is projected to approximate \$261,000 or \$9,000 less than budget.

Operating expenditures total \$7,000 or 88 percent of the annual budget of \$8,000. The principal operating expenditures include student aid (41 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.

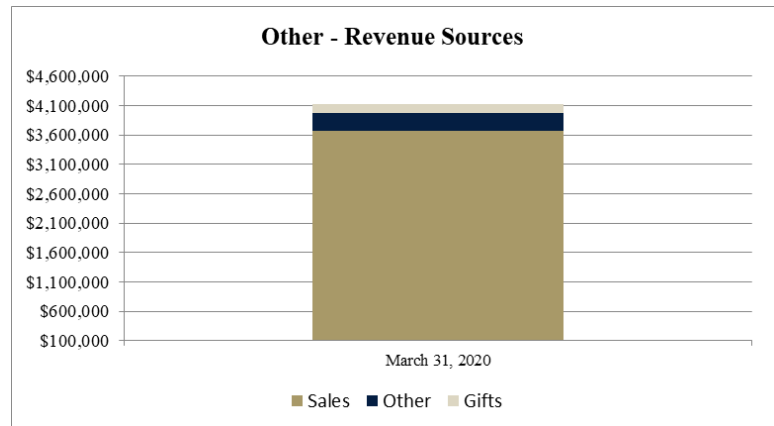
The University of Akron

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Other

The Other departmental sales and services actual revenues total \$4.1 million or 77 percent of the annual budgeted revenues of \$5.3 million. The principal revenues are generated from roughly 80 activities including Printing Services (15 percent), Law Enforcement Training Center (seven percent), and University Credit Card Program (seven percent). Current projections are that budgeted revenues will be nearly achieved. The projection will be revised if activities merit.



Payroll and fringes total \$2.0 million or 92 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 \$2.5 million or 119 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 \$3.0 million or \$914,000 greater than budget.

Capital expenditures total \$30,000 relative to annual budget of \$10,000. Primary capital expenditures are related to a middle-ear analyzer for the Hearing Aid Dispensary and the purchase and servicing of equipment related to Polymer testing. Projections indicate capital expenditures will exceed budget by \$20,000. 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. Revised projections indicate that the surplus will be roughly \$69,000. Each unit will manage expenditures as necessary and where needed, transfers in from fund balances may be required offset shortfalls.

THE UNIVERSITY OF AKRON

RESOLUTION 6- -20

Acceptance of the Financial Report for the Nine Months Ended March 31, 2020

BE IT RESOLVED, That the recommendation presented by the Finance & Administration Committee on June 10, 2020, accepting the Financial Report for the Nine Months Ended March 31, 2020, be approved.

M. Celeste Cook, Secretary
Board of Trustees

June 10, 2020