

FINANCE & ADMINISTRATION COMMITTEE

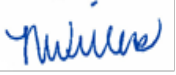
TAB 3

**FINANCIAL REPORT FOR THE
TWO MONTHS ENDED AUGUST 31, 2022**



DATE: September 26, 2022

TO: Dallas A. Grundy, MBA
Senior Vice President and Chief Financial Officer

FROM: Misty M. Villers, CPA 
Interim Director Budget, Planning & Strategy

SUBJECT: **Combined Statement, General Funds, Auxiliary Funds, and Departmental Sales and Services Funds Budgets to Actual Results for the Two Months Ended August 31, 2022**

As requested, the Office of Resource Analysis & Budget provides the accompanying Financial Report for the two months ended August 31, 2022 for the Combined Statement, General Funds, Auxiliary Funds, and Departmental Sales and Services Funds (Akron and Wayne combined) together with accompanying FY23 budget assumptions and narratives. This Financial Report should be presented for consideration and approval at the October 12, 2022 Board of Trustees meeting.

The budget reflects a draw on operating reserves of \$24.7 million, of which \$3,498,000 is attributed to the general fund shortfall and \$21,665,000 represents general fund support to auxiliaries.

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

The University of Akron
General Fund, Auxiliary Funds, and Departmental Sales and Services Funds
Budget to Actual Results with FY22 Comparisons
For the Two Months Ended August 31, 2022

Table of Contents

<u>Description</u>	<u>Page</u>
Combined Statement.....	1
General Fund Budget and Actual Results (Akron and Wayne Combined)	2
General Fund FY23 Budget Assumptions (Akron and Wayne Combined)	3
General Fund Narrative (Akron and Wayne Combined).....	6
Auxiliary Funds Budget and Actual Results.....	9
Auxiliary Funds FY23 Budget Assumptions.....	18
Auxiliary Funds Narrative	22
Departmental Sales and Services Funds Budget and Actual Results	28
Departmental Sales and Services Funds FY23 Budget Assumptions.....	32
Departmental Sales and Services Funds Narrative	34

COMBINED STATEMENT

For the Two Months Ended August 31, 2022

The University of Akron
Akron and Wayne General Fund, Auxiliary Funds and Departmental Sales and Services Funds Combined
FY 2023 Budget and Actual Results for the Two-Month Period Ended August 31, 2022 with FY 2022 Comparisons

	FY22		FY23			
	Pre-Audit YTD June 30	YTD August 31	Original Budget	YTD August 31	Actual to Budget	
					\$	%
Tuition	\$136,235,173	\$6,637,607	\$134,426,000	\$6,028,296	(\$128,397,704)	
General Service Fees	10,437,000	435,090	10,136,000	745,598	(9,390,402)	
Other Fees	18,764,458	738,937	19,457,000	745,084	(18,711,916)	
Scholarships*	(59,661,280)	(27,900,573)	(57,284,000)	(22,853,452)	34,430,548	
Net Tuition & Fees	105,775,351	(20,088,939)	106,735,000	(15,334,474)	(122,069,474)	-14.4%
State Share of Instruction	95,504,251	15,917,376	87,349,000	14,589,463	(72,759,537)	
Indirect Cost Recovery	3,709,846	715,416	3,631,000	966,919	(2,664,081)	
Investment Income	7,258,697	(182,696)	7,000,000	(3,293)	(7,003,293)	
Miscellaneous Income	1,850,484	339,719	1,520,000	980,558	(539,442)	
Auxiliary Revenue	30,343,542	732,670	32,721,000	1,268,902	(31,452,098)	
Sales and Services Revenue	5,889,505	808,953	5,078,000	965,439	(4,112,561)	
Total Other Revenues	144,556,326	18,331,437	137,299,000	18,767,988	(118,531,012)	13.7%
Total Revenues	250,331,676	(1,757,502)	244,034,000	3,433,514	(240,600,486)	1.4%
Payroll	121,893,910	12,678,301	126,105,000	12,809,701	(113,295,299)	
Fringes	35,263,443	4,025,845	46,940,000	6,675,925	(40,264,075)	
Total Compensation	157,157,353	16,704,146	173,045,000	19,485,626	(153,559,374)	11.3%
Operating	48,980,794	12,917,677	57,705,000	16,192,150	(41,512,850)	
Utilities	12,243,057	558,904	12,563,000	241,352	(12,321,648)	
Plant Fund	4,331,208	939,872	1,610,000	640,620	(969,380)	
Student Extracurricular Activities	575,000	575,000	605,000	575,000	(30,000)	
Strategic Initiatives	3,519,902	-	4,223,000	1,025,596	(3,197,404)	
COVID Relief re-charge	(2,207,007)	-	-	-	-	
Total Non Personnel	67,442,954	14,991,454	76,706,000	18,674,718	(58,031,282)	24.3%
Total Expenditures	224,600,307	31,695,600	249,751,000	38,160,343	(211,590,657)	15.3%
Net Income / (Loss) before debt service and other	25,731,369	(33,453,102)	(5,717,000)	(34,726,829)	(29,009,829)	
Debt Service	(26,560,782)	(4,426,797)	(30,946,000)	(3,817,701)	27,128,299	
Net Transfers and encumbrances	(1,030,163)	3,524,253	-	4,580,633	4,580,633	
Fund Balance allotted	1,315,569	281,701	11,937,984	1,056,317	(10,881,667)	
Net Surplus / (Deficit)	(\$544,007)	(\$34,073,944)	(\$24,725,016)	(\$32,907,580)	(\$8,182,564)	

*Includes athletic scholarships

GENERAL FUNDS

For the Two Months Ended August 31, 2022

The University of Akron
Akron and Wayne General Fund Combined
FY 2023 Budget and Actual Results for the Two-Month Period Ended August 31, 2022 with FY 2022 Comparisons

	FY22		FY23			
	Pre-Audit YTD June 30	YTD August 31	Original Budget	YTD August 31	Actual to Budget	
					\$	%
Tuition	\$136,235,173	\$6,637,607	\$134,426,000	\$6,028,296	(\$128,397,704)	
General Service Fees	10,437,000	435,090	775,000	48,533	(726,467)	
Other Fees	18,764,458	738,937	19,457,000	745,084	(18,711,916)	
Scholarships	(54,470,348)	(25,731,745)	(51,433,000)	(20,471,000)	30,962,000	
Net Tuition & Fees	110,966,283	(17,920,111)	103,225,000	(13,649,087)	(116,874,087)	-13.2%
State Share of Instruction	95,504,251	15,917,376	87,349,000	14,589,463	(72,759,537)	
Indirect Cost Recovery	3,709,846	715,416	3,631,000	966,919	(2,664,081)	
Investment Income	7,258,697	(182,696)	7,000,000	(3,293)	(7,003,293)	
Miscellaneous Income	1,850,484	339,719	1,520,000	980,558	(539,442)	
Total Other Revenues	108,323,279	16,789,814	99,500,000	16,533,647	(82,966,353)	
Total Revenues	219,289,561	(1,130,297)	202,725,000	2,884,560	(199,840,440)	1.4%
Payroll	110,512,723	10,954,873	114,135,000	11,025,189	(103,109,811)	
Fringes	31,808,111	3,520,214	42,938,000	6,117,454	(36,820,546)	
Total Compensation	142,320,834	14,475,087	157,073,000	17,142,643	(139,930,357)	10.9%
Operating	26,826,197	8,002,429	34,724,000	10,729,592	(23,994,408)	
Utilities	9,157,043	312,015	9,122,000	5,345	(9,116,655)	
Plant Fund	2,054,387	900,000	1,000,000	280,650	(719,350)	
Student Extracurricular Activities	575,000	575,000	605,000	575,000	(30,000)	
Strategic Initiatives	3,519,902	-	4,223,000	1,025,596	(3,197,404)	
COVID Relief re-charge	(608,420)	-	-	-	-	
Total Non Personnel	41,524,109	9,789,445	49,674,000	12,616,183	(37,057,817)	25.4%
Total Expenditures	183,844,943	24,264,532	206,747,000	29,758,825	(176,988,175)	14.4%
Net Income / (Loss) before debt service and other	35,444,618	(25,394,829)	(4,022,000)	(26,874,265)	(22,852,265)	
Debt Service	(843,000)	(140,500)	(8,039,000)	-	8,039,000	
Net Transfers and encumbrances	(915,155)	2,871,926	-	3,673,392	3,673,392	
Net Auxiliary Support	(35,052,142)	(5,873,333)	(21,665,000)	(3,416,512)	18,248,488	
Fund Balance allotted	-	-	8,562,984	523,984	(8,039,000)	
Net Surplus / (Deficit)	<u>(\$1,365,679)</u>	<u>(\$28,536,736)</u>	<u>(\$25,163,016)</u>	<u>(\$26,093,401)</u>	<u>(\$930,385)</u>	

The University of Akron
Akron and Wayne General Fund Combined
FY 2023 Budget Assumptions

Overall Assumptions

Revenues

Tuition & General Service Fees

- Undergraduate enrollment five percent decrease;
- Graduate enrollment slight increase;
- Law enrollment slight decrease;
- A 4.6 percent increase to the main and regional campus guarantee rates, reflecting the maximum increase allowed by the Ohio Department of Higher Education; and
- Tuition and fees to remain at FY22 rates for Graduate and Law.

Other Fees

- Designated fees such as course fees and technology fees, etc., are enrollment driven and are assumed to follow enrollment assumptions; and
- Various changes to miscellaneous fees.

Scholarships

- \$37.6 million undergraduate scholarships and \$10 million for College Credit Plus and Early College; and
- \$3.8 million Law School.

State Share of Instruction

- State Share of Instruction (SSI) decreased \$8.2 million from FY22.

Indirect Cost Recovery

- Aligns with FY22 projected revenues; and
- 10 percent distributions to Principal Investigator with remainder to the Center.

Investment Income

- Increase of \$7 million by returning to prior reporting format of including all relevant sources; and
- Market fluctuations, either way, will impact the actual amount.

Miscellaneous Income

- \$0.5 million from Installment Payment Plan and University Credit Card programs previously reported as Departmental Sales and Services revenues;
- \$0.5 million from Federal energy tax credit;
- \$0.2 million from phase out of Perkins Loan program;
- \$0.2 million from leases
- \$40,000 pouring rights; and
- various other sources.

The University of Akron
Akron and Wayne General Fund Combined
FY 2023 Budget Assumptions

Expenditures

Payroll and Vacancies

- Assumes raise pool of \$723,908 and Salary Study Gap of \$550,000;
- \$11.7 million of salary and vacancy savings related to the amount of time funded positions remain vacant; and
- \$625,000 in reallocation of General Fund compensation to grants.

Fringes

- Pooled fringe rates as follows (pending approval):
 - 32.9 percent – full time
 - 17 percent – part time
 - 2.3 percent – graduate assistants and student assistants
- Self-insurance costs for the university will revert to passing through the General Fund; previously reflected in Departmental Sales and Services; and
- Graduate assistant remissions of \$8 million moved from scholarship line.

Operating

- Designated fees such as course fees and technology fees, etc., are enrollment driven and are assumed to follow enrollment assumptions;
- Designated fees and start-ups assume that only current-year revenues and/or allocations are expended; however, a certain level of carryover exists within these fees and start-ups, which may, if expended, cause expenditures to exceed the initial allocations;
- \$1 million contingency reserve;
- The non-personnel allocations remain at FY22 revised budgets with a few exceptions:
 - \$1.2 million additional support for University Advertising;
 - \$1 million additional support for legal;
 - \$250,000 increase to liability insurance;
 - \$500,000 expenses transferred from Departmental Sales and Services (\$200,000) and Zip Card office software and maintenance (\$300,000);
 - \$275,000 allocation to South of Exchange weekend patrol,
 - \$255,825 Student Affairs initiatives for Career Center, student assistants, Colin's Law, Impact, and Kognitio.;
 - \$78,000 initiatives for Strategic Planning & Insights group and learning assistants;
 - \$35,000 increase in police training;
 - \$60,000 initiative for EJ Thomas management; and
 - Temporary pause distributing Technology Fees to Colleges, IDC research equipment allocation, and IT Projects allocation.

The University of Akron
Akron and Wayne General Fund Combined
FY 2023 Budget Assumptions

Utilities

- Increase of \$1.4 million for electric, natural gas, and water/sewer. FY22 budget should have been \$7.8 million (\$9.8 million utilities expense less \$2 million chargebacks to auxiliaries, etc.) The chargebacks were previously reported as a credit to operating expenses.

Plant Funds

- \$1 million allocation for plant funds.

Student Extracurricular Activities

- \$605,000 funded from the general service fees to support student groups.

Strategic Initiatives

- Net ERP expenditure of \$4.2 million.

Other

Debt Service

- General fund debt service of \$8 million.

Auxiliary Support

- \$21,665,000 auxiliary support from the General Fund.

Operating Reserves

- Draw on operating reserves of \$3.5 million.

The University of Akron
Akron and Wayne General Fund Combined
Narrative of FY 2023 Budget and Actual Results for the Two Months Ended August 31, 2022

Revenues

Tuition & General Service Fees: Tuition & General Service Fees total \$6.1 million or approximately five percent of the annual budget of \$135.2 million. This amount reflects the revenues from the second half of Summer 2022. Enrollment was projected to decline five percent, however, overall enrollment declined 7.42%.

Other Fees: Other Fees total \$0.7 million or approximately four percent of the annual budget of \$19.5 million. Other Fees include various student fees such as technology fees (24 percent), facilities fees (23 percent), unit and course/content, administrative, career advantage, and other fees (53 percent). The electronic content fees are charged to student accounts and the University remits payment to Barnes & Noble.

Scholarships: Scholarships total \$20.5 million or approximately 40 percent of the \$51.4 million budget. YTD scholarships include undergraduate \$18.4 million and law \$2 million. The undergraduate scholarships include \$0.8 million in Early College discounts. Graduate assistant tuition remissions, \$8 million, are no longer considered scholarships and are reflected in fringe benefits.

Indirect Cost Recovery: IDC revenues total \$1 million or approximately 27 percent of the \$3.6 million budget. IDC is related to externally funded research activities and is allocated 90 percent to the center to pay general University expenditures and 10 percent to the principal investigators.

Investment Income: Investment Income totals approximately (\$3,300). This reflects the July statement activity, a combination of fees, and a negative change in accrued interest.

Miscellaneous Revenues: Miscellaneous Revenues total \$981,000 and consist of:

- \$529,000 in federal tax credits
- \$264,000 in credit card rebate payments
- \$43,000 in installment payment plan fees
- \$41,000 in lease revenue
- \$104,000 from various sources

Compensation: Payroll expenditures total \$11 million or 9.7 percent of the annual budget of \$114.1 million.

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

YTD fringe benefits total \$6.1 million or 14.2 percent of the annual budget of \$42.9 million. Beginning in FY 2023, graduate assistant remissions are reported as fringe benefits and total \$1 million to date.

Employee Type	Actual YTD
Faculty	\$3,519,000
Staff	2,755,000
Contract Professionals	4,341,000
Graduate Assistants	410,000
Net Payroll	11,025,000
<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>	

**The University of Akron
Akron and Wayne General Fund Combined
Narrative of FY 2023 Budget and Actual Results for the Two Months Ended August 31, 2022**

Functional Category	Actual YTD
Instruction and Departmental Research	\$ 5,786,000
Separately Budgeted Research	582,000
Public Service	30,000
Academic Support	3,806,000
Student Services	2,007,000
Institutional Support	12,548,000
Operation and Maintenance of Plant	3,814,000
Scholarships and Fellowships	20,801,000
Expenditures	<u>\$ 49,374,000</u>

Note: The expenditures are summarized by functional classification.

Operating: Operating expenditures total \$10.7 million, including \$5.7 million of encumbered funds, or approximately 30.9 percent of the \$34.7 million annual budget. The expenditures are incurred within the operating units for software license, supplies and services, transcribing, advertising, travel, and occasionally smaller dollar capital items such as computers and equipment.

Utilities: YTD utility expenses approximate \$5,300 or 0.1 percent of the \$9.1 million annual budget. Billing is a month or two in arrears.

Plant Fund: The budget reflects a \$1 million investment in plant fund projects. To date, the following projects have been funded:

- \$120,000 High temperature hot water repair;
- \$78,650 InfoCision stadium railing repairs;
- \$50,000 Polsky parking deck elevator repair;
- \$30,000 Energy center repairs;
- \$22,000 Repave Vine Street; and
- (\$20,000) From plant funds for Wayne asphalt repairs.

Student Extracurricular Activities: The budgeted \$575,000 for main campus was transferred to the student groups for disbursement. Wayne campus will transfer funds as needed.

Strategic Initiatives: The strategic initiative budget of \$4.2 million is to support the Workday project. \$1 million has been spent to date. Workday will go live on April 1, 2023. Additional consultant costs may be incurred and will be reported once finalized.

Debt-Service: The General Fund debt service obligation will be funded with \$8 million in allotted fund balance reserves.

At the end of each fiscal year, commitments often remain for goods and services that have not yet arrived or been received by June 30. Those outstanding commitments are carried over to the succeeding fiscal year and become a liability and expenditure in that following year. The \$3,673,392 net transfers and encumbrances represent those types of commitments.

Draw on Operating Reserves: The budgeted draw on operating reserves is \$25.2 million. The larger than expected decline in enrollment will be monitored and revised projections will be provided in the future. The draw on reserves can be broken down as \$3,498,000 to cover general fund obligations and \$21,665,000 for auxiliary support.

The University of Akron
Akron and Wayne General Fund Combined
Narrative of FY 2023 Budget and Actual Results for the Two Months Ended August 31, 2022

Loan:

During FY20, 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. As of August 31, 2022, the outstanding balance is \$221,000 and the project is complete.

During FY22, the University of Akron Foundation provided a loan to the University in the form of a line of credit of up to \$3.1 million to fund the track renovation and practice gym in the Student Recreation and Wellness Center. As of August 31, 2022, the outstanding balance is \$0.

AUXILIARY FUNDS

For the Two Months Ended August 31, 2022

The University of Akron
Akron and Wayne Auxiliary Funds Combined
FY 2023 Budget and Actual Results for the Two-Month Period Ended August 31, 2022 with FY 2022 Comparisons

Auxiliary Funds Combined		FY22		FY23			
		Pre-Audit		Original Budget	YTD August 31	Actual to Budget	
		YTD June 30	YTD August 31			\$	%
Revenue		\$30,343,542	\$732,670	\$32,721,000	\$1,268,902	(\$31,452,098)	
	Total Revenues	30,343,542	732,670	32,721,000	1,268,902	(31,452,098)	4%
Payroll		9,506,761	1,401,540	10,023,000	1,476,342	8,546,658	
Fringes		2,912,122	422,075	3,482,000	483,234	2,998,766	
	Total Compensation	12,418,883	1,823,615	13,505,000	1,959,576	11,545,424	15%
Operating		19,464,289	4,020,525	20,637,000	4,206,944	16,430,056	
Utilities		3,086,014	246,889	3,441,000	236,007	3,204,993	
Plant Fund		2,211,250	0	600,000	306,069	293,931	
Athletic Scholarships		5,190,932	2,168,828	5,851,000	2,382,452	3,468,548	
COVID Relief re-charge		(1,598,587)	0	0	0	0	
	Total Non Personnel	28,353,898	6,436,242	30,529,000	7,131,472	23,397,528	23%
	Total Expenditures	40,772,781	8,259,857	44,034,000	9,091,048	34,942,952	21%
	Net Income / (Loss) before debt service and other	(10,429,239)	(7,527,187)	(11,313,000)	(7,822,146)	3,490,854	
Debt Service		(25,717,782)	(4,286,297)	(22,907,000)	(3,817,701)	19,089,299	
Net transfers and encumbrances		(158,852)	428,201	0	587,053	587,053	
Fund Balance allotted		1,315,569	281,701	3,194,000	532,333	(2,661,667)	
General Service Fees		10,313,000	1,718,833	9,361,000	697,065	(8,663,935)	
Other Fees		4,315,000	0	0	0	0	
General Fund Support		20,424,141	4,154,499	21,665,000	3,416,511	(18,248,489)	
	Net Surplus / (Deficit)	\$61,837	(\$5,230,250)	\$0	(\$6,406,885)	(\$6,406,885)	

The University of Akron
Akron and Wayne Auxiliary Funds Combined
FY 2023 Budget and Actual Results for the Two-Month Period Ended August 31, 2022 with FY 2022 Comparisons

Athletics	FY22		FY23			
	Pre-Audit		Original Budget	YTD August 31	Actual to Budget	
	YTD June 30	YTD August 31			\$	%
Revenue	\$8,825,989	\$259,258	\$9,083,000	\$170,167	(\$8,912,833)	
Total Revenues	8,825,989	259,258	9,083,000	170,167	(8,912,833)	2%
Payroll	7,340,791	1,076,464	7,732,000	1,131,814	6,600,186	
Fringes	2,077,644	321,023	2,509,000	366,246	2,142,754	
Total Compensation	9,418,435	1,397,487	10,241,000	1,498,060	8,742,940	15%
Operating	8,757,570	1,458,724	7,194,000	2,206,029	4,987,971	
Utilities	572,124	43,699	690,000	42,438	647,562	
Plant Fund	75,000	0	0	103,000	(103,000)	
Athletic Scholarships	5,190,932	2,168,828	5,851,000	2,382,452	3,468,548	
COVID Relief re-charge	0	0	0	0	0	
Total Non Personnel	14,595,626	3,671,251	13,735,000	4,733,919	9,001,081	34%
Total Expenditures	24,014,061	5,068,738	23,976,000	6,231,979	17,744,021	26%
Net Income / (Loss) before debt service and other	(15,188,072)	(4,809,480)	(14,893,000)	(6,061,812)	8,831,188	
Debt Service	(4,954,954)	(825,826)	(4,953,000)	(825,568)	4,127,432	
Net transfers and encumbrances	169,917	177,617	0	7,700	7,700	
Fund Balance allotted	0	0	0	0	0	
General Service Fees	10,313,000	1,718,833	9,361,000	697,065	(8,663,935)	
Other Fees	2,258,000	0	0	0	0	
General Fund Support	7,402,109	1,583,166	10,485,000	1,720,662	(8,764,338)	
Net Surplus / (Deficit)	\$0	(\$2,155,690)	\$0	(\$4,461,953)	(\$4,461,953)	

The University of Akron
Akron and Wayne Auxiliary Funds Combined
FY 2023 Budget and Actual Results for the Two-Month Period Ended August 31, 2022 with FY 2022 Comparisons

Residence Life & Housing	FY22		FY23				
	Pre-Audit		Original Budget	YTD August 31	Actual to Budget		
	YTD June 30	YTD August 31			\$	%	
Revenue	\$11,866,666	\$1,203	\$13,441,000	\$619	(\$13,440,381)		
Total Revenues	11,866,666	1,203	13,441,000	619	(13,440,381)		0%
Payroll	654,928	102,296	592,000	90,517	501,483		
Fringes	205,808	31,587	216,000	30,629	185,371		
Total Compensation	860,736	133,883	808,000	121,146	686,854		15%
Operating	4,341,434	761,122	6,183,000	955,252	5,227,748		
Utilities	1,137,570	97,921	1,229,000	66,965	1,162,035		
Plant Fund	0	0	0	100,069	(100,069)		
Athletic Scholarships	0	0	0	0	0		
COVID Relief re-charge	0	0	0	0	0		
Total Non Personnel	5,479,004	859,043	7,412,000	1,122,286	6,289,714		15%
Total Expenditures	6,339,740	992,926	8,220,000	1,243,432	6,976,568		15%
Net Income / (Loss) before debt service and other	5,526,926	(991,723)	5,221,000	(1,242,813)	(6,463,813)		
Debt Service	(10,624,783)	(1,770,797)	(8,607,000)	(1,434,420)	7,172,580		
Net transfers and encumbrances	(226,083)	8,017	0	234,100	234,100		
Fund Balance allotted	0	0	0	0	0		
General Service Fees	0	0	0	0	0		
Other Fees	0	0	0	0	0		
General Fund Support	5,969,040	1,021,500	3,386,000	456,772	(2,929,228)		
Net Surplus / (Deficit)	\$645,100	(\$1,733,003)	\$0	(\$1,986,361)	(\$1,986,361)		

The University of Akron
Akron and Wayne Auxiliary Funds Combined
FY 2023 Budget and Actual Results for the Two-Month Period Ended August 31, 2022 with FY 2022 Comparisons

EJ Thomas Performing Arts Hall		FY22		FY23			
		Pre-Audit		Original Budget	YTD August 31	Actual to Budget	
		YTD June 30	YTD August 31			\$	%
Revenue		\$2,052,682	\$7,860	\$2,597,000	\$134,224	(\$2,462,776)	
	Total Revenues	2,052,682	7,860	2,597,000	134,224	(2,462,776)	5%
Payroll		271,283	39,443	330,000	43,712	286,288	
Fringes		80,028	11,940	106,000	14,391	91,609	
	Total Compensation	351,311	51,383	436,000	58,103	377,897	13%
Operating		1,993,260	24,120	2,355,000	108,853	2,246,147	
Utilities		206,677	13,769	204,000	12,777	191,223	
Plant Fund		1,036,852	0	0	0	0	
Athletic Scholarships		0	0	0	0	0	
COVID Relief re-charge		(1,598,587)	0	0	0	0	
	Total Non Personnel	1,638,202	37,889	2,559,000	121,630	2,437,370	5%
	Total Net Expenditures	1,989,513	89,272	2,995,000	179,733	2,815,267	6%
	Net Income / (Loss) before debt service and other	63,169	(81,412)	(398,000)	(45,509)	352,491	
Debt Service		(325,784)	(54,297)	(302,000)	(50,268)	251,732	
Net transfers and encumbrances		(65,260)	0	0	65,260	65,260	
Fund Balance allotted		0	0	700,000	116,667	(583,333)	
General Service Fees		0	0	0	0	0	
Other Fees		0	0	0	0	0	
General Fund Support		613,558	105,000	0	0	0	
	Net Surplus / (Deficit)	\$285,683	(\$30,709)	\$0	\$86,150	\$86,150	

The University of Akron
Akron and Wayne Auxiliary Funds Combined
FY 2023 Budget and Actual Results for the Two-Month Period Ended August 31, 2022 with FY 2022 Comparisons

Dining (Aramark)	FY22		FY23			
	Pre-Audit		Original Budget	YTD August 31	Actual to Budget	
	YTD June 30	YTD August 31			\$	%
Revenue	\$1,195,562	\$143,770	\$1,242,000	\$620,689	(\$621,311)	
Total Revenues	1,195,562	143,770	1,242,000	620,689	(621,311)	50%
Payroll	89,560	6,585	57,000	21,288	35,712	
Fringes	175,292	1,961	200,000	6,551	193,449	
Total Compensation	264,852	8,546	257,000	27,839	229,161	11%
Operating	957,952	455,601	935,000	415,152	519,848	
Utilities	190,873	19,028	250,000	13,316	236,684	
Plant Fund	0	0	600,000	0	600,000	
Athletic Scholarships	0	0	0	0	0	
COVID Relief re-charge	0	0	0	0	0	
Total Non Personnel	1,148,825	474,629	1,785,000	428,468	1,356,532	24%
Total Net Expenditures	1,413,677	483,175	2,042,000	456,307	1,585,693	22%
Net Income / (Loss) before debt service and other	(218,115)	(339,405)	(800,000)	164,382	964,382	
Debt Service	(774,222)	(129,037)	(306,000)	(50,923)	255,077	
Net transfers and encumbrances	(6,489)	81,510	0	87,999	87,999	
Fund Balance allotted	998,826	126,667	1,106,000	184,333	(921,667)	
General Service Fees	0	0	0	0	0	
Other Fees	0	0	0	0	0	
General Fund Support	0	0	0	0	0	
Net Surplus / (Deficit)	\$0	(\$260,265)	\$0	\$385,791	\$385,791	

The University of Akron
Akron and Wayne Auxiliary Funds Combined
FY 2023 Budget and Actual Results for the Two-Month Period Ended August 31, 2022 with FY 2022 Comparisons

Recreation & Wellness Services		FY22		FY23			
		Pre-Audit		Original Budget	YTD August 31	Actual to Budget	
		YTD June 30	YTD August 31			\$	%
Revenue		\$397,519	\$57,474	\$464,000	\$78,157	(\$385,843)	
	Total Revenues	397,519	57,474	464,000	78,157	(385,843)	17%
Payroll		472,887	70,017	520,000	74,211	445,789	
Fringes		151,875	21,818	183,000	25,105	157,895	
	Total Compensation	624,762	91,835	703,000	99,316	603,684	14%
Operating		1,090,943	127,675	1,176,000	167,686	1,008,314	
Utilities		269,817	19,652	304,000	20,959	283,041	
Plant Fund		0	0	0	103,000	(103,000)	
Athletic Scholarships		0	0	0	0	0	
COVID Relief re-charge		0	0	0	0	0	
	Total Non Personnel	1,360,760	147,327	1,480,000	291,645	1,188,355	20%
	Total Net Expenditures	1,985,522	239,162	2,183,000	390,961	1,792,039	18%
	Net Income / (Loss) before debt service and other	(1,588,003)	(181,688)	(1,719,000)	(312,804)	1,406,196	
Debt Service		(1,659,428)	(276,571)	(1,647,000)	(274,562)	1,372,438	
Net transfers and encumbrances		(16,169)	3,187	0	19,356	19,356	
Fund Balance allotted		174,133	81,500	468,000	78,000	(390,000)	
General Service Fees		0	0	0	0	0	
Other Fees		756,000	0	0	0	0	
General Fund Support		2,333,467	525,333	2,898,000	482,982	(2,415,018)	
	Net Surplus / (Deficit)	\$0	\$151,761	\$0	(\$7,028)	(\$7,028)	

**The University of Akron
Akron and Wayne Auxiliary Funds Combined
FY 2023 Budget and Actual Results for the Two-Month Period Ended August 31, 2022 with FY 2022 Comparisons**

Jean Hower Taber Student Union		FY22		FY23			
		Pre-Audit		Original Budget	YTD August 31	Actual to Budget	
		YTD June 30	YTD August 31			\$	%
Revenue		\$725,104	\$53,436	\$776,000	\$42,821	(\$733,179)	
	Total Revenues	725,104	53,436	776,000	42,821	(733,179)	6%
Payroll		485,358	80,333	594,000	89,588	504,412	
Fringes		165,466	25,914	205,000	32,245	172,755	
	Total Compensation	650,824	106,247	799,000	121,833	677,167	15%
Operating		906,499	158,463	1,030,000	135,974	894,026	
Utilities		479,823	36,066	499,000	60,006	438,994	
Plant Fund		0	0	0	0	0	
Athletic Scholarships		0	0	0	0	0	
COVID Relief re-charge		0	0	0	0	0	
	Total Non Personnel	1,386,322	194,529	1,529,000	195,980	1,333,020	13%
	Total Net Expenditures	2,037,146	300,776	2,328,000	317,813	2,010,187	14%
	Net Income / (Loss) before debt service and other	(1,312,042)	(247,340)	(1,552,000)	(274,992)	1,277,008	
Debt Service		(2,855,373)	(475,896)	(2,834,000)	(472,332)	2,361,668	
Net transfers and encumbrances		(16,753)	0	0	16,753	16,753	
Fund Balance allotted		142,610	73,534	920,000	153,333	(766,667)	
General Service Fees		0	0	0	0	0	
Other Fees		1,301,000	0	0	0	0	
General Fund Support		2,740,558	685,833	3,466,000	528,046	(2,937,954)	
	Net Surplus / (Deficit)	\$0	\$36,131	\$0	(\$49,192)	(\$49,192)	

**The University of Akron
Akron and Wayne Auxiliary Funds Combined
FY 2023 Budget and Actual Results for the Two-Month Period Ended August 31, 2022 with FY 2022 Comparisons**

Parking & Transportation Services	FY22		FY23			
	Pre-Audit		Original Budget	YTD August 31	Actual to Budget	
	YTD June 30	YTD August 31			\$	%
Revenue	\$5,240,643	\$208,559	\$5,088,000	\$221,622	(\$4,866,378)	
Total Revenues	5,240,643	208,559	5,088,000	221,622	(4,866,378) 4%	
Payroll	191,954	26,402	198,000	25,212	172,788	
Fringes	56,009	7,832	63,000	8,067	54,933	
Total Compensation	247,963	34,234	261,000	33,279	227,721 13%	
Operating	1,413,152	1,034,820	1,734,000	217,998	1,516,002	
Utilities	229,130	16,754	265,000	19,546	245,454	
Plant Fund	194,554	0	0	0	0	
Athletic Scholarships	0	0	0	0	0	
COVID Relief re-charge	0	0	0	0	0	
Total Non Personnel	1,836,836	1,051,574	1,999,000	237,544	1,761,456 12%	
Total Net Expenditures	2,084,799	1,085,808	2,260,000	270,823	1,989,177 12%	
Net Income / (Loss) before debt service and other	3,155,844	(877,249)	2,828,000	(49,201)	(2,877,201)	
Debt Service	(4,523,238)	(753,873)	(4,258,000)	(709,628)	3,548,372	
Net transfers and encumbrances	1,985	157,870	0	155,885	155,885	
Fund Balance allotted	0	0	0	0	0	
General Service Fees	0	0	0	0	0	
Other Fees	0	0	0	0	0	
General Fund Support	1,365,409	233,667	1,430,000	228,049	(1,201,951)	
Net Surplus / (Deficit)	\$0	(\$1,239,585)	\$0	(\$374,895)	(\$374,895)	

The University of Akron
Akron and Wayne Auxiliary Funds Combined
FY 2023 Budget and Actual Results for the Two-Month Period Ended August 31, 2022 with FY 2022 Comparisons

Wayne Student Union	FY22		FY23			
	Pre-Audit				Actual to Budget	
	YTD June 30	YTD August 31	Original Budget	YTD August 31	\$	%
Revenue	\$39,377	\$1,110	\$30,000	\$603	(\$29,397)	
Total Revenues	39,377	1,110	30,000	603	(29,397)	2%
Payroll	0	0	0	0	0	
Fringes	0	0	0	0	0	
Total Compensation	0	0	0	0	0	0%
Operating	3,479	0	30,000	0	30,000	
Utilities	0	0	0	0	0	
Plant Fund	904,844	0	0	0	0	
Athletic Scholarships	0	0	0	0	0	
COVID Relief re-charge	0	0	0	0	0	
Total Non Personnel	908,323	0	30,000	0	30,000	0%
Total Net Expenditures	908,323	0	30,000	0	30,000	0%
Net Income / (Loss) before debt service and other	(868,946)	1,110	0	603	603	
Debt Service	0	0	0	0	0	
Net transfers and encumbrances	0	0	0	0	0	
Fund Balance allotted	0	0	0	0	0	
General Service Fees	0	0	0	0	0	
Other Fees	0	0	0	0	0	
General Fund Support	0	0	0	0	0	
Net Surplus / (Deficit)	(\$868,946)	\$1,110	\$0	\$603	\$603	

**The University of Akron
Akron and Wayne Auxiliary Funds Combined
FY 2023 Budget Assumptions**

Overall Assumptions

Revenues

- Assumes five percent enrollment decline; and

Payroll

- Assumes no raise pool.

Fringes

- 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; and
- Fringe Benefits rates as follows (pending approval):
 - 32.9 percent for full-time
 - 17.0 percent for part-time
 - 2.3 percent for graduate and student assistants.

Utilities

- Electric, natural gas, and water/sewer.

Debt Service

- \$22.9 million for auxiliary facilities.

Athletics

Revenues

- 94% of general service fee allocated to athletics;
- Externally generated revenues from various sources such as the MAC, game guarantees, naming rights, ticket sales, grants-in-aid, IMG, and Pepsi pouring rights;
- \$850,000 decrease in game guarantees; and
- \$115,000 decrease in Naming Rights revenue.

Payroll

- \$37,000 increase in graduate assistant salary to meet Title IX regulations; and
- \$50,000 volleyball coach assistant due to MAC regulations.

Operating

- Expenditures include athletic supplies, student assistants, game officials and guarantees, maintenance and team travel & recruiting.

Scholarships

- Approximately 220 Athletic financial aid awards.

The University of Akron
Akron and Wayne Auxiliary Funds Combined
FY 2023 Budget Assumptions

Residence Life & Housing

Revenues

- Assumes residence hall occupancy of 2,319 and 2,064 (89 percent) spring;
- Fall students include 1,311 freshmen and 1,008 non-freshmen;
- Assumes revenues from summer conferences of \$275,000 and summer school revenue of \$250,000.

Payroll

- Three UAPD Officers' salaries permanently transferred to the General Fund.

Operating

- Expenditures include maintenance, resident assistant meals, student employment, and resident student events;
- Increased cost for student laundry due to new contract;
- Purchase a new minivan for the department; and
- Fully staff service desks at an average hourly student pay rate of \$10.

E. J. Thomas Performing Arts Hall

Revenues

- Externally generated revenues from various sources include Broadway Series sales, Akron Civic Theater pass-through, Tuesday Musical, hall rental, and endowment gifts.

Operating

- Assumes nine percent increase in IATSE union labor rates;
- Expenditures include artist fees, advertising, maintenance, stage & wardrobe, and student employment; and
- Assumes \$50,000 in cost of goods sold at the concession stand that will transfer to the administration account to cover operating costs.

Fund Balance

- Use \$700,000 of fund balance.

Dining (Aramark)

Revenues

- \$244,000 Aramark's financial commitment to the University of Akron; and
- Commission payment of \$497,500 for \$13 million in sales.

The University of Akron
Akron and Wayne Auxiliary Funds Combined
FY 2023 Budget Assumptions

Payroll

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

Operating

- Maintenance repairs.

Plant Fund

- Refresh Student Union Chick-Fil-A and replace POS system.

Fund Balance

- Use \$1.1 million of fund balance.

Student Recreation & Wellness Services

Revenues

- Externally generated revenues from various sources such as memberships, pool, locker, and facility rentals;
- Assumes increase in membership sales across campus, alumni, and community groups with lifted COVID restrictions; and
- Includes an increase in facility rental revenue opportunities with lifted COVID restrictions.

Payroll

- \$38,000 in salary increases to supplement seven job audits; and
- Restored two positions (Coordinator of Programs & Membership Personnel).

Operating

- Facility operating costs reflect increased usage patterns with lifted COVID restrictions.

Fund Balance

- Use remaining \$468,443 fund balance.

Jean Hower Taber Student Union

Revenues

- Externally generated revenues from various sources such as bookstore commission, bank commission, and room rentals;

The University of Akron
Akron and Wayne Auxiliary Funds Combined
FY 2023 Budget Assumptions

- 10 percent increase in room and AV rental income based on campus needs for the use of space as pandemic guidelines lessen; and
- Bookstore revenue to remain flat.

Operating

- Supplies & services, custodial labor, maintenance, and travel and hospitality.

Fund Balance

- Use remaining \$920,000 fund balance.

Parking & Transportation Services

Revenues

- Parking permits and transportation fee revenue decline five percent;
- Elimination of \$11,000 monthly rent from The Chapel for use of the East Campus Parking Deck. The lease agreement will terminate end of September; and
- Increase parking revenue with COVID restrictions lifted.

Operating

- \$100,000 expected rate increase for ABM Parking Services (Roo Express operator) to support the recruitment of bus drivers, which continues to be problematic. The deployment of three new buses to replace the current aging fleet. New buses will require financing for a UA purchase or a new/amended agreement;
- The agreement and expenditures with Akron METRO RTA is to remain unchanged; and
- Assumes \$90,000 for the replacement of expansion joints and concrete repairs to the top level of the Exchange Street Parking Deck, \$20,000 for concrete and joint repairs in the EJ Thomas PAH Parking Deck, and \$15,000 to address waterproofing issues with the electrical room in the South Campus Parking Deck.

Wayne Student Union

Revenues

- Assumes externally generated commission revenue from bookstore online sales and bookstore space rent.

Operating

- Expenditures include property, elevator, and fire insurance.
- Meal scholarship program for students to meet their educational goals.

**The University of Akron
Akron and Wayne Auxiliary Funds Combined
Narrative of FY 2023 Budget and Actual Results for the Two Months Ended August 31, 2022**

Athletics

Revenues total \$170,000 or approximately two percent of the \$9.1 million budget. The principal revenues include ticket sales (51 percent) and gifts (43 percent). Unearned revenue for season and single tickets is realized in the fiscal year when the game is held. Currently, \$171,000 is unearned.

Payroll and fringes total \$1.5 million or 15 percent of the annual budget of \$10.2 million.

Operating expenditures total \$2.2 million or 31 percent of the \$7.2 million budget. The principal operating expenditures include supplies & services (65 percent) and travel & hospitality (34 percent). The largest supplies & services expenditures are memberships (24 percent), athletic supplies (23 percent), and maintenance (12 percent). Travel and hospitality expenditures are for team travel and recruiting (73 percent) and team meals non-travel (16 percent).

Description	Actual YTD
Supplies & Services	\$1,425,000
Travel & Hospitality	759,000
Student Assistants	<u>22,000</u>
Total Operating	<u>\$2,206,000</u>

Plant Fund expense of \$103,000 represents Athletics share for the new ONAT Video Board.

Scholarships total \$2.4 million or 41 percent of the \$5.9 million budget.

YTD debt service of \$826,000, or 17 percent of the \$5 million budget, has been set aside for the debt service payment. The debt service is related to InfoCision Stadium and the Athletic Fieldhouse.

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 \$8,000 net transfers and encumbrances represent those types of commitments.

Other sources of funding include General Services Fees and General Fund Support budgeted at \$9.4 million and \$10.5 million, respectively. YTD general services fees received total \$700,000 and general fund support received totals \$1.7 million. General fund support budget will be reduced by \$161,028 to cover excess FY 2022 expenses.

**The University of Akron
Akron and Wayne Auxiliary Funds Combined
Narrative of FY 2023 Budget and Actual Results for the Two Months Ended August 31, 2022**

Residence Life & Housing

Revenues to date total \$600 of the \$13.4 million budget. The principal revenues include residence hall occupancy and are predominately earned during the academic year. Currently, \$6.3 million of Fall 2022 revenue is deferred. The planned maximum occupancy for FY23 is 2,559 beds; at the fall census, there were 2,081 housing contracts 81.3 percent. However, 180 students selected the option to buyout their double room as a single at 150 percent of the normal rate. This reduces the maximum planned occupancy to 2,372 and results in an 87.7 percent occupancy rate. The capture rate of first year students living on campus is 60%, a 3% increase from FY22. In addition, the capture rate of non-freshman (transfers, upperclass, etc) is 11%, an increase of 1% from FY22. Overall, 21% of undergraduate students taking courses on the Akron campus, live in residence halls, an increase of 1% from FY22.

Payroll and fringes total \$121,000 or 15 percent of the \$808,000 budget.

Operating expenditures total \$955,000 or 15 percent of the annual budget of \$6.2 million. The principal operating expenditures include supplies & services (78 percent) and travel & hospitality (18 percent). Maintenance accounts for 64 percent of the supplies & services expenditures and largely occurs over the summer preparing for the fall semester. Resident assistant meals account for 93 percent of the travel and hospitality expenditures.

YTD debt service of \$1.4 million, or 17 percent of the \$8.6 million budget, has been set aside for the debt service payment. The debt service is related to renovation of four residence halls and construction of four new buildings.

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 \$234,100 net transfers and encumbrances represent those types of commitments.

General fund support is budgeted at \$3.4 million. To date, \$456,772 of general fund support has been received. General fund support will be reduced by \$645,368 to account for the remaining fund balance from FY 2022.

EJ Thomas Performing Arts Hall

Revenues total \$134,000 of the \$2.6 million budget. Ticket sales is the primary revenue source. Revenue is considered unearned until the show is held.

**The University of Akron
Akron and Wayne Auxiliary Funds Combined
Narrative of FY 2023 Budget and Actual Results for the Two Months Ended August 31, 2022**

EJ Thomas Performing Arts Hall (continued)

Payroll and fringes total \$58,000 or 13 percent of the annual budget of \$436,000.

Operating expenditures approximate \$109,000 or 5 percent of the \$2.4 million budget. Supplies & services consist of 92 percent of the operating expenses and are primarily maintenance and artist fees.

YTD debt service of \$50,000, or 17 percent of the \$302,000 budget, has been set aside for the debt service payment. The debt service is related to improvements and equipment. This debt service will be retired during the fiscal year ended June 30, 2029.

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 \$65,000 net transfers and encumbrances represent those types of commitments.

It is anticipated that \$700,000 of EJ Thomas fund balance will be used this fiscal year to balance the budget. The actual fund balance used may vary pending the fiscal year-end outcome.

Dining Services (Aramark)

Revenues total approximately \$621,000 or 50% of the \$1.2 million budget. This revenue represents the Aramark facilities support.

Payroll and fringes total \$28,000 or 11 percent of the annual budget of \$257,000. The \$200,000 budgeted fringe benefits covers the difference between SERS and FICA for CWA employees who remained with the University as well as certain Aramark employees performing work at the University.

Operating expenditures total \$415,000 or 44 percent of the annual budget of \$935,000. The principal operating expenditures include supplies & services (96 percent) and equipment (10 percent). Equipment repair is the largest supplies & services expense (88 percent).

YTD debt service of \$51,000, or 17 percent of the \$306,000 budget, has been set aside for the debt service payment. The debt service is related to various buildouts and renovations to dining hall and retail sites. The debt will be retired during the fiscal year ended June 30, 2033.

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

**The University of Akron
Akron and Wayne Auxiliary Funds Combined
Narrative of FY 2023 Budget and Actual Results for the Two Months Ended August 31, 2022**

Dining Services (Aramark) (continued)

succeeding fiscal year and become a liability and expenditure in that following year. The \$88,000 net transfers and encumbrances represent those types of commitments.

It is anticipated that \$1.1 million of Dining Services (Aramark) fund balance will be used this fiscal year to balance the budget. The actual fund balance used may vary pending the fiscal year-end outcome.

Recreation & Wellness Services

Revenues total \$78,000 or 17 percent of the \$464,000 budget. Primary revenues include aquatic facility rentals (47 percent), memberships (24 percent), and on-campus facility rentals (23 percent).

Payroll and fringes total \$99,000 or 14 percent of \$703,000 budget.

Operating expenditures total \$168,000 or 14 percent of the \$1.2 million budget. The primary operating expenditures include supplies & services (74 percent) and student assistants (26 percent). Supplies & services expenses are primarily for maintenance items.

Plant Fund expense of \$103,000 represents the SRWC share for the new ONAT Video Board.

YTD debt service of \$274,562, or 17 percent of the \$1.6 million budget, has been set aside for the debt service payment. The debt service is related to the facility and its retail space.

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 \$19,356 net transfers and encumbrances represent those types of commitments.

It is anticipated that \$468,000 of fund balance will be used this fiscal year to balance the budget. The actual fund balance used may vary pending the fiscal year-end outcome.

General Fund Support is budgeted at \$2.9 million. To date, \$482,982 of General fund support has been received.

**The University of Akron
Akron and Wayne Auxiliary Funds Combined
Narrative of FY 2023 Budget and Actual Results for the Two Months Ended August 31, 2022**

Jean Hower Taber Student Union

Revenues total \$43,000 or six percent of the \$776,000 budget. Principal sources of revenues include rental income (67 percent) and commission income (32 percent).

Payroll and fringes total \$122,000 or 15 percent of the annual budget of \$799,000.

Operating expenditures total \$136,000 or 13 percent of the \$1 million budget. Primary operating expenditures include supplies & services (78 percent), travel & hospitality (12 percent), and student assistants (11 percent). Supplies & services primarily consists of maintenance repairs (78 percent). Alternative Spring Break bus transportation is the largest travel & hospitality expenditure.

YTD debt service of \$472,332, or 17 percent of the \$2.8 million budget, has been set aside for the debt service payment. The debt service is related to the facility and its retail space.

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 \$16,753 net transfers and encumbrances represent those types of commitments.

It is anticipated that \$920,000 of fund balance will be used this fiscal year to balance the budget. The actual fund balance used may vary pending the fiscal year-end outcome.

General Fund Support is budgeted at \$3.5 million. To date, \$528,046 of General fund support has been received. General fund support will be reduced by \$331,724 to account for the remaining fund balance from FY 2022.

Parking & Transportation Services

Revenues total \$222,000 or four percent of the \$5.1 million budget. Primary sources of revenues are the student transportation fee and parking permits (93 percent). Unearned income generated from parking permits purchased before the semester begins is recognized when earned. Currently, \$1.6 million of Fall 2022 revenue is deferred.

Payroll and fringes total \$33,000 or 13 percent of the annual budget of \$261,000.

Operating expenditures total \$218,000 or 13 percent of the \$1.7 million budget. The primary operating expenditure is supplies & services (97 percent). Supplies & services expenses include transportation-related activities, including busing, parking lot, and deck maintenance (80 percent).

The University of Akron
Akron and Wayne Auxiliary Funds Combined
Narrative of FY 2023 Budget and Actual Results for the Two Months Ended August 31, 2022

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 \$156,000 net transfers and encumbrances represent those types of commitments.

YTD debt service of \$709,628, or 17 percent of the \$4.3 million budget, has been set aside for the debt service payment. The debt service is related to the renovations and new construction of parking facilities.

General Fund Support is budgeted at \$1.4 million. To date, \$228,049 of General fund support has been received. General fund support will be reduced by \$61,554.04 to account for the remaining fund balance from FY 2022.

Wayne Student Union

Revenues total \$603 of the \$30,000 budget.

There have been no operating expenditures for the two months ended August 31, 2022.

**DEPARTMENTAL SALES AND
SERVICES FUNDS**

For the Two Months Ended August 31, 2022

The University of Akron
Akron and Wayne Departmental Sales and Services Funds Combined
FY 2023 Budget and Actual Results for the Two-Month Period Ended August 31, 2022 with FY 2022 Comparisons

Departmental Sales and Services Combined		FY22		FY23			
		Pre-Audit		Original Budget	YTD August 31	Actual to Budget	
		YTD June 30	YTD August 31			\$	%
Revenue		\$5,889,505	\$808,953	\$5,078,000	\$965,439	(\$4,112,561)	
	Total Revenues	5,889,505	808,953	5,078,000	965,439	(4,112,561)	19%
Payroll		1,874,426	321,888	1,947,000	308,170	1,638,830	
Fringes		543,210	83,556	520,000	75,237	444,763	
	Total Compensation	2,417,636	405,444	2,467,000	383,407	2,083,593	16%
Operating		2,690,308	894,723	2,344,000	1,255,614	1,088,386	
Plant Fund		65,571	39,872	10,000	53,901	(43,901)	
	Total Non Personnel	2,755,879	934,595	2,354,000	1,309,515	1,044,485	56%
	Total Expenditures	5,173,515	1,340,039	4,821,000	1,692,922	3,128,078	35%
	Net Income / (Loss) before debt service and other	715,990	(531,086)	257,000	(727,483)	(984,483)	
	Net transfers and encumbrances	43,844	224,127	181,000	320,188	139,188	
	Fund Balance allotted	0	0	0	0	0	
	Net Surplus / (Deficit)	\$759,834	(\$306,959)	\$438,000	(\$407,295)	(\$845,295)	

The University of Akron
Akron and Wayne Departmental Sales and Services Funds Combined
FY 2023 Budget and Actual Results for the Two-Month Period Ended August 31, 2022 with FY 2022 Comparisons

Continuing and Professional Education		FY22		FY23			
		Pre-Audit YTD June 30	YTD August 31	Original Budget	YTD August 31	Actual to Budget	
						\$	%
Revenue		\$702,893	\$76,689	\$595,000	\$32,928	(\$562,072)	
	Total Revenues	702,893	76,689	595,000	32,928	(562,072) 6%	
Payroll		273,086	33,844	283,000	39,455	243,545	
Fringes		74,869	7,914	65,000	10,687	54,313	
	Total Compensation	347,955	41,758	348,000	50,142	297,858 14%	
Operating		299,787	34,828	253,000	147,387	105,613	
Plant Fund		0	0	0	0	0	
	Total Non Personnel	299,787	34,828	253,000	147,387	105,613 58%	
	Total Expenditures	647,742	76,586	601,000	197,529	403,471 33%	
	Net Income / (Loss) before debt service and other	55,151	103	(6,000)	(164,601)	(164,601)	
	Net transfers and encumbrances	(21,998)	0	6,000	21,998	15,998	
	Fund Balance allotted	0	0	0	0	0	
	Net Surplus / (Deficit)	\$33,153	\$103	\$0	(\$142,603)	(\$148,603)	

The University of Akron
Akron and Wayne Departmental Sales and Services Funds Combined
FY 2023 Budget and Actual Results for the Two-Month Period Ended August 31, 2022 with FY 2022 Comparisons

New Student Orientation Program		FY22		FY23				
		Pre-Audit		Original Budget	YTD August 31	Actual to Budget		
		YTD June 30	YTD August 31			\$		%
Revenue		\$401,335	\$29,185	\$395,000	\$37,165	(\$357,835)		
	Total Revenues	401,335	29,185	395,000	37,165	(357,835)	9%	
Payroll		103,515	19,744	148,000	24,753	123,247		
Fringes		38,496	6,082	52,000	8,794	43,206		
	Total Compensation	142,011	25,826	200,000	33,547	166,453	17%	
Operating Plant Fund		301,963	163,205	370,000	154,589	215,411		
		0	0	0	0	0		
	Total Non Personnel	301,963	163,205	370,000	154,589	215,411	42%	
	Total Expenditures	443,974	189,031	570,000	188,136	381,864	33%	
	Net Income / (Loss) before debt service and other	(42,639)	(159,846)	(175,000)	(150,971)	(150,971)		
	Net transfer and encumbrances	42,639	0	175,000	0	(175,000)		
	Fund Balance allotted	0	0	0	0	0		
	Net Surplus / (Deficit)	\$0	(\$159,846)	\$0	(\$150,971)	(\$325,971)		

The University of Akron
Akron and Wayne Departmental Sales and Services Funds Combined
FY 2023 Budget and Actual Results for the Two-Month Period Ended August 31, 2022 with FY 2022 Comparisons

Other	FY22		FY23			
	Pre-Audit				Actual to Budget	
	YTD June 30	YTD August 31	Original Budget	YTD August 31	\$	%
Revenue	\$4,785,277	\$703,079	\$4,088,000	\$895,346	(\$3,192,654)	
Total Revenues	4,785,277	703,079	4,088,000	895,346	(3,192,654)	22%
Payroll	1,497,825	268,300	1,516,000	243,962	1,272,038	
Fringes	429,845	69,560	403,000	55,756	347,244	
Total Compensation	1,927,670	337,860	1,919,000	299,718	1,619,282	16%
Operating	2,088,558	696,690	1,721,000	953,638	767,362	
Capital	65,571	39,872	10,000	53,901	(53,901)	
Total Non Personnel	2,154,129	736,562	1,731,000	1,007,539	713,461	58%
Total Expenditures	4,081,799	1,074,422	3,650,000	1,307,257	2,332,743	36%
Net Income / (Loss) before debt service and other	703,478	(371,343)	438,000	(411,911)	(411,911)	
Net transfers and encumbrances	23,203	224,127	0	298,190	298,190	
Fund Balance allocated	0	0	0	0	0	
Net Surplus / (Deficit)	\$726,681	(\$147,216)	\$438,000	(\$113,721)	(\$113,721)	

Overall Assumptions

- Assumes five percent enrollment decline; and

Payroll and Fringes

- Assumes no raise pool;
- 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; and
- Fringe Benefits rates as follows (pending approval):
 - 32.9 percent for full-time
 - 17.0 percent for part-time
 - 2.3 percent for graduate and student assistants.

Fund Assumptions

Continuing and Professional Education

Revenues

- Open enrollment and contract training fee revenues to support the coordination of noncredit professional development classes open to the public and to provide customized training for local businesses.

Operating

- Student assistants, supplies and services, and travel and hospitality; and
- Continuing and Professional Education will monitor expenditures; however, the budgeted deficit will be offset by the Continuing and Professional Education carryover from fiscal year ended June 30, 2022.

New Student Orientation Program

Revenues

- Fee revenues to support the activities related to orientation and first-year experience programs.

Operating

- New Roo Weekend, Akron Forefront, NSO programs, student assistants, supplies and services, and travel and hospitality; and
- New Student Orientation will monitor expenditures; however, the budgeted deficit will be offset by the New Student Orientation carryover from fiscal year ended June 30, 2022.

The University of Akron
Department Sales & Services
FY 2023 Budget Assumptions

Other

Revenues

- Includes about 127 smaller, revenue-generating activities such as internal Printing Services, Hearing Aid Dispensary, and Akron Polymer Technology Services.

Operating

- Student assistants, cost of goods sold (Hearing Aid Dispensary), supplies and services, and travel and hospitality;
- Individual management and the units will manage to ensure expenditures are limited to revenues; and
- In general, the units are anticipated to “break-even” or generate surpluses.

Plant Fund

- Equipment purchases related to engineering testing services.

The University of Akron
Departmental Sales and Services
Narrative of FY 2023 Budget and Actual Results for the Two Months Ended August 31, 2022

Continuing and Professional Education

Continuing and Professional Education revenues total \$33,000 or six percent of the \$595,000 annual budget.

Payroll and fringes total \$50,000 or 14 percent of the \$348,000 annual budget. Generally, payroll costs related to contract training are incurred prior to the associated revenue being collected.

Operating expenditures total \$147,000 or 58 percent of the \$253,000 annual budget. The principal operating expenditures include supplies & services related to training and instructional support.

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 \$22,000 net transfers and encumbrances represents those types of commitments.

New Student Orientation

New Student Orientation revenues total \$37,000 or nine percent of the \$395,000 annual budget.

Payroll and fringes total \$34,000 or 17 percent of the \$200,000 annual budget.

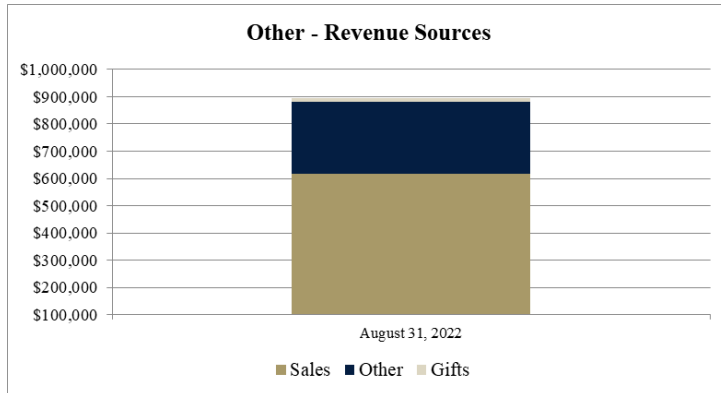
Operating expenditures total \$155,000 or 42 percent of the \$370,000 annual budget.

Expenditures increase late spring and summer for onboarding new students. The principal operating expenditures include New Roo Weekend (32 percent), student assistants (26 percent), and hospitality (24 percent).

**The University of Akron
 Departmental Sales and Services
 Narrative of FY 2023 Budget and Actual Results for the Two Months Ended August 31, 2022**

Other

The Other departmental sales and services revenues total \$895,000e or 22 percent of the \$4.1 million annual budget. Revenues are generated from roughly 83 activities including Printing Services (14 percent) and College of Business Executive Education (nine percent).



Payroll and fringes total \$300,000 or 16 percent of the \$1.9 million annual budget.

Operating expenditures total \$954,000 or 55 percent of the \$1.7 million annual budget. Supplies & services are the primary operating expense (94 percent). Capital expenditures total \$54,000. The capital expenditures are

associated with an AFM-IR instrument for Polymer, a static load cell for Engineering testing, and a trailer for the Training Center for Fire & Hazardous Materials.

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 \$298,000 net transfers and encumbrances represents those types of commitments.

THE UNIVERSITY OF AKRON

RESOLUTION 10- -22

Acceptance of the Financial Report for the Two Months Ended August 31, 2022

BE IT RESOLVED, That the recommendation presented by the Finance & Administration Committee on October 12, 2022 accepting the Combined Statement, General Funds, Auxiliary Funds, and Departmental Sales and Services Funds Financial Report for the Two Months Ended August 31, 2022 be approved.

M. Celeste Cook, Secretary
Board of Trustees