

**DEPARTMENTAL SALES AND
SERVICES FUNDS**

For the Fiscal Year Ended June 30, 2022

The University of Akron
Akron and Wayne Departmental Sales and Services Funds Combined
FY 2022 Budget and Preliminary Results for the year ended June 30, 2022 with FY 2021 Comparisons

| Departmental Sales and Services Combined | FY21 | FY22 | | | | | | |
|--|----------------|--------------------|----------------|---------------------------|-----|----------------------|----------------------|-----|
| | YTD June 30 | Original Budget | YTD June 30 | Actual to Original Budget | | Projected June 30 | Projection to Budget | |
| | | | | \$ | % | | \$ | % |
| Revenues | \$22,273,755 | 23,829,017 | \$22,938,948 | (\$890,069) | 96% | \$22,938,948 | (\$890,069) | 96% |
| Payroll | 2,547,023 | 2,214,888 | 2,029,831 | 185,057 | | 2,003,456 | 211,432 | |
| Fringes | 701,359 | 561,750 | 541,931 | 19,819 | | 545,533 | 16,217 | |
| Total Compensation | 3,248,382 | 2,776,638 | 2,571,762 | 204,876 | 93% | 2,548,989 | 227,649 | 92% |
| Operating | 1,922,999 | 3,055,221 | 3,484,503 | (429,282) | | 3,503,168 | (447,947) | |
| Premiums and Claims | 20,872,544 | 23,778,926 | 20,931,325 | 2,847,601 | | 20,931,325 | 2,847,601 | |
| Capital | 117,946 | 0 | 119,893 | (119,893) | | 119,893 | (119,893) | |
| Total Non Personnel | 22,913,489 | 26,834,147 | 24,535,721 | 2,298,426 | 91% | 24,554,386 | 2,279,761 | 92% |
| Re-charge of prior-year expenditures | (8,308) | 0 | 0 | 0 | | 0 | 0 | |
| Re-charge of current-year expenditures | 0 | 0 | 0 | 0 | | 0 | 0 | |
| Total Net Expenditures | 26,153,563 | 29,610,785 | 27,107,483 | 2,503,302 | 92% | 27,103,375 | 2,507,410 | 92% |
| Net Before Transfers | (3,879,808) | (5,781,768) | (4,168,535) | 1,613,233 | | (4,164,427) | 1,617,341 | |
| Transfers-In - Other | 0 | 205,333 | 302,711 | 97,378 | | 302,711 | 97,378 | |
| Transfers-In - Encumbrances | 176,323 | 0 | 224,127 | 224,127 | | 224,127 | 224,127 | |
| Transfers-In - Fund Balance | 4,062,155 | 5,853,815 | 3,966,552 | (1,887,263) | | 3,966,669 | (1,887,146) | |
| Transfers-Out - Other | 0 | 0 | (112) | 112 | | (112) | 112 | |
| Transfers-Out - Encumbrances | (224,127) | 0 | (321,338) | 321,338 | | (321,338) | 321,338 | |
| Net Transfers | 4,014,351 | 6,059,148 | 4,171,940 | (1,244,308) | | 4,172,057 | (1,244,191) | |
| Difference | \$134,543 | \$277,380 | \$3,405 | \$368,925 | | \$7,630 | \$373,150 | |

The University of Akron
Akron and Wayne Departmental Sales and Services Funds Combined
FY 2022 Budget and Preliminary Results for the year ended June 30, 2022 with FY 2021 Comparisons

| Self-Insurance Health Care | FY21 | FY22 | | | | | | |
|--|----------------|--------------------|----------------|---------------------------|-----|----------------------|----------------------|-----|
| | YTD June 30 | Original Budget | YTD June 30 | Actual to Original Budget | | Projected June 30 | Projection to Budget | |
| | | | | \$ | % | | \$ | % |
| Revenues | \$17,355,834 | \$18,088,439 | \$17,092,783 | (\$995,656) | 94% | \$17,092,783 | (\$995,656) | 94% |
| Payroll | 146,924 | 0 | 170 | (170) | | 170 | (170) | |
| Fringes | 46,031 | 0 | 49 | (49) | | 49 | (49) | |
| Total Compensation | 192,955 | 0 | 219 | (219) | | 219 | (219) | |
| Operating | 181,824 | 205,333 | 151,840 | 53,493 | | 151,840 | 53,493 | |
| Premiums and Claims | 20,872,544 | 23,778,926 | 20,931,325 | 2,847,601 | | 20,931,325 | 2,847,601 | |
| Capital | 0 | 0 | 0 | 0 | | 0 | 0 | |
| Total Non Personnel | 21,054,368 | 23,984,259 | 21,083,165 | 2,901,094 | 88% | 21,083,165 | 2,901,094 | 88% |
| Re-charge of prior-year expenditures | 0 | 0 | 0 | 0 | | 0 | 0 | |
| Re-charge of current-year expenditures | 0 | 0 | 0 | 0 | | 0 | 0 | |
| Total Net Expenditures | 21,247,323 | 23,984,259 | 21,083,384 | 2,900,875 | 88% | 21,083,384 | 2,900,875 | 88% |
| Net Before Transfers | (3,891,489) | (5,895,820) | (3,990,601) | (3,990,601) | | (3,990,601) | 1,905,219 | |
| Transfers-In - Other | 0 | 205,333 | 205,333 | 0 | | 205,333 | 0 | |
| Transfers-In - Encumbrances | 0 | 0 | 0 | 0 | | 0 | 0 | |
| Transfers-In - Fund Balance | 3,891,489 | 5,690,487 | 3,785,268 | (1,905,219) | | 3,785,268 | (1,905,219) | |
| Transfers-Out - Other | 0 | 0 | 0 | 0 | | 0 | 0 | |
| Transfers-Out - Encumbrances | 0 | 0 | 0 | 0 | | 0 | 0 | |
| Net Transfers | 3,891,489 | 5,895,820 | 3,990,601 | (1,905,219) | | 3,990,601 | (1,905,219) | |
| Difference | \$0 | \$0 | \$0 | (\$5,895,820) | | \$0 | \$0 | |

The University of Akron
Akron and Wayne Departmental Sales and Services Funds Combined
FY 2022 Budget and Preliminary Results for the year ended June 30, 2022 with FY 2021 Comparisons

| Continuing and Professional Education (formerly Workforce Training Solutions) | FY21 | FY22 | | | | | | |
|--|----------------|--------------------|----------------|---------------------------|------|----------------------|----------------------|------|
| | YTD June 30 | Original Budget | YTD June 30 | Actual to Original Budget | | Projected June 30 | Projection to Budget | |
| | | | | \$ | % | | \$ | % |
| Revenues | \$367,134 | \$595,000 | \$702,893 | \$107,893 | 118% | \$702,893 | \$107,893 | 118% |
| Payroll | 227,332 | 282,832 | 283,553 | (721) | | 273,083 | 9,749 | |
| Fringes | 57,901 | 58,158 | 72,152 | (13,994) | | 74,869 | (16,711) | |
| Total Compensation | 285,233 | 340,990 | 355,705 | (14,715) | 104% | 347,952 | (6,962) | 102% |
| Operating | 93,964 | 252,730 | 321,785 | (69,055) | | 325,313 | (72,583) | |
| Premiums and Claims | 0 | 0 | 0 | 0 | | 0 | 0 | |
| Capital | 0 | 0 | 0 | 0 | | 0 | 0 | |
| Total Non Personnel | 93,964 | 252,730 | 321,785 | (69,055) | 127% | 325,313 | (72,583) | 129% |
| Re-charge of prior-year expenditures | 0 | 0 | 0 | 0 | | 0 | 0 | |
| Re-charge of current-year expenditures | 0 | 0 | 0 | 0 | | 0 | 0 | |
| Total Net Expenditures | 379,197 | 593,720 | 677,490 | (83,770) | 114% | 673,265 | (79,545) | 113% |
| Net Before Transfers | (12,063) | 1,280 | 25,403 | 25,403 | | 29,628 | 28,348 | |
| Transfers-In - Other | 0 | 0 | 0 | 0 | | 0 | 0 | |
| Transfers-In - Encumbrances | 0 | 0 | 0 | 0 | | 0 | 0 | |
| Transfers-In - Fund Balance | 12,063 | 0 | 0 | 0 | | 0 | 0 | |
| Transfers-Out - Other | 0 | 0 | 0 | 0 | | 0 | 0 | |
| Transfers-Out - Encumbrances | 0 | 0 | (21,998) | 21,998 | | (21,998) | 21,998 | |
| Net Transfers | 12,063 | 0 | (21,998) | 21,998 | | (21,998) | 21,998 | |
| Difference | \$0 | \$1,280 | 3,405 | \$47,401 | | \$7,630 | \$50,346 | |

The University of Akron
Akron and Wayne Departmental Sales and Services Funds Combined
FY 2022 Budget and Preliminary Results for the year ended June 30, 2022 with FY 2021 Comparisons

| New Student Orientation | FY21 | FY22 | | | | | | |
|--|----------------|--------------------|----------------|---------------------------|------|----------------------|----------------------|------|
| | YTD June 30 | Original Budget | YTD June 30 | Actual to Original Budget | | Projected June 30 | Projection to Budget | |
| | | | | \$ | % | | \$ | % |
| Revenues | \$396,475 | \$385,000 | \$401,335 | \$16,335 | 104% | \$401,335 | \$16,335 | 104% |
| Payroll | 117,653 | 125,403 | 119,417 | 5,986 | | 103,512 | 21,891 | |
| Fringes | 39,647 | 44,726 | 37,611 | 7,115 | | 38,496 | 6,230 | |
| Total Compensation | 157,300 | 170,129 | 157,028 | 13,101 | 92% | 142,008 | 28,121 | 83% |
| Operating | 104,632 | 378,199 | 286,826 | 91,373 | | 301,963 | 76,236 | |
| Premiums and Claims | 0 | 0 | 0 | 0 | | 0 | 0 | |
| Capital | 0 | 0 | 0 | 0 | | 0 | 0 | |
| Total Non Personnel | 104,632 | 378,199 | 286,826 | 91,373 | 76% | 301,963 | 76,236 | 80% |
| Re-charge of prior-year expenditures | 0 | 0 | 0 | 0 | | 0 | 0 | |
| Re-charge of current-year expenditures | 0 | 0 | 0 | 0 | | 0 | 0 | |
| Total Net Expenditures | 261,932 | 548,328 | 443,854 | 104,474 | 81% | 443,971 | 104,357 | 81% |
| Net Before Transfers | 134,543 | (163,328) | (42,519) | (42,519) | | (42,636) | 120,692 | |
| Transfers-In - Other | 0 | 0 | 0 | 0 | | 0 | 0 | |
| Transfers-In - Encumbrances | 0 | 0 | 0 | 0 | | 0 | 0 | |
| Transfers-In - Fund Balance | 0 | 163,328 | 42,519 | (120,809) | | 42,636 | (120,692) | |
| Transfers-Out - Other | 0 | 0 | 0 | 0 | | 0 | 0 | |
| Transfers-Out - Encumbrances | 0 | 0 | 0 | 0 | | 0 | 0 | |
| Net Transfers | 0 | 163,328 | 42,519 | (120,809) | | 42,636 | (120,692) | |
| Difference | \$134,543 | \$0 | \$0 | (\$163,328) | | \$0 | \$0 | |

The University of Akron
Akron and Wayne Departmental Sales and Services Funds Combined
FY 2022 Budget and Preliminary Results for the year ended June 30, 2022 with FY 2021 Comparisons

| Other | FY21 | FY22 | | | | | | |
|--|----------------|--------------------|----------------|---------------------------|------|----------------------|----------------------|------|
| | YTD June 30 | Original Budget | YTD June 30 | Actual to Original Budget | | Projected June 30 | Projection to Budget | |
| | | | | \$ | % | | \$ | % |
| Revenues | \$4,154,312 | \$4,760,578 | \$4,741,937 | (\$18,641) | 100% | \$4,741,937 | (\$18,641) | 100% |
| Payroll | 2,055,114 | 1,806,653 | 1,626,691 | 179,962 | | 1,626,691 | 179,962 | |
| Fringes | 557,780 | 458,866 | 432,119 | 26,747 | | 432,119 | 26,747 | |
| Total Compensation | 2,612,894 | 2,265,519 | 2,058,810 | 206,709 | 91% | 2,058,810 | 206,709 | 91% |
| Operating | 1,542,579 | 2,218,959 | 2,724,052 | (505,093) | | 2,724,052 | (505,093) | |
| Premiums and Claims | 0 | 0 | 0 | 0 | | 0 | 0 | |
| Capital | 117,946 | 0 | 119,893 | (119,893) | | 119,893 | (119,893) | |
| Total Non Personnel | 1,660,525 | 2,218,959 | 2,843,945 | (624,986) | 128% | 2,843,945 | (624,986) | 128% |
| Re-charge of prior-year expenditures | (8,308) | 0 | 0 | 0 | | 0 | 0 | |
| Re-charge of current-year expenditures | 0 | 0 | 0 | 0 | | 0 | 0 | |
| Total Net Expenditures | 4,265,111 | 4,484,478 | 4,902,755 | (418,277) | 109% | 4,902,755 | (418,277) | 109% |
| Net Before Transfers | (110,799) | 276,100 | (160,818) | (160,818) | | (160,818) | (436,918) | |
| Transfers-In - Other | 0 | 0 | 97,378 | 97,378 | | 97,378 | 97,378 | |
| Transfers-In - Encumbrances | 176,323 | 0 | 224,127 | 224,127 | | 224,127 | 224,127 | |
| Transfers-In - Fund Balance | 158,603 | 0 | 138,765 | 138,765 | | 138,765 | 138,765 | |
| Transfers-Out - Other | 0 | 0 | (112) | 112 | | (112) | 112 | |
| Transfers-Out - Encumbrances | (224,127) | 0 | (299,340) | 299,340 | | (299,340) | 299,340 | |
| Net Transfers | 110,799 | 0 | 160,818 | 759,722 | | 160,818 | 759,722 | |
| Difference | \$0 | \$276,100 | \$0 | \$598,904 | | \$0 | \$322,804 | |

Overall Assumptions

The COVID-19 pandemic has complicated the instructional process; however, all efforts will be made to provide quality instruction to our valued students while providing a level of protection to students and our campus community.

- The University will provide face to face instruction; and
- The University will practice the recommended safety measures in compliance with Governor DeWine's guidelines.

Payroll and Fringes

- No increase for bargaining unit employees;
- No raise pool equivalent for qualifying non-represented employees;
- Application of the pooled rate for benefits such as 14 percent employer contribution to the respective retirement system, University contribution toward employee group insurance, employee and dependent fee remission, and University portion of employee permits; and
- Pooled fringe rates effective July 1, 2021: 30.2 percent – full time; 15 percent – part time; 2.55 percent – graduate assistants and student assistants.
- Pooled fringe rates effective October 1, 2021: 28.9 percent – full time; 16.1 percent – part time; 3.3 percent – graduate assistants and student assistants.

Fund Assumptions

Self-Insurance Health Care

Revenues

- University contributions to employee-provided benefits such as medical, prescription drug, dental, long-term disability, and life insurance with fringe rate reduction; and
- 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.

Operating

- Amounts expected to be paid for administrative and consulting fees;
- The Self-Insurance Health Care reserves will cover run-out claims for the retiree dependent health care premiums for the program that ended January 31, 2021; and
- NOU/ FOP keep higher 25% rate half year and revert back to 19% on January 1, 2022.

Premiums and Claims

- Estimated cost for insurance premiums and self-insured claim payments related to employee benefit program; and
- Medical, prescription drug, dental, stop loss insurance, and other ancillary benefits.

Transfers-In

- From General Fund in support of items not included in fringe rate; and
- From fund balance to offset shortfall.

**The University of Akron
Departmental Sales and Services
FY 2022 Budget Assumptions**

Continuing and Professional Education (formerly Workforce Training Solutions)

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;
- Continuing and Professional Education will manage to ensure expenditures are limited to revenues; and
- Certain companies are beginning to show interest in scheduling training for the fall; Other companies are still in a “wait and see what happens” before moving forward. Many customers/ companies either do not want virtual classes, or do not feel comfortable with in-person classes (either on campus or onsite) and therefore are postponing classes.

New Student Orientation

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;
- 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, 2021; and
- Student Assistants staffing levels in the NSO office will return back two student assistants at one time as the university returns to campus. Anticipated return to in-person orientation days for summer 2022 and programs will have a higher capacity and student/ guest count on a given day. A virtual orientation option will also be available.

Other

Revenues

- Includes about 126 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.

Capital

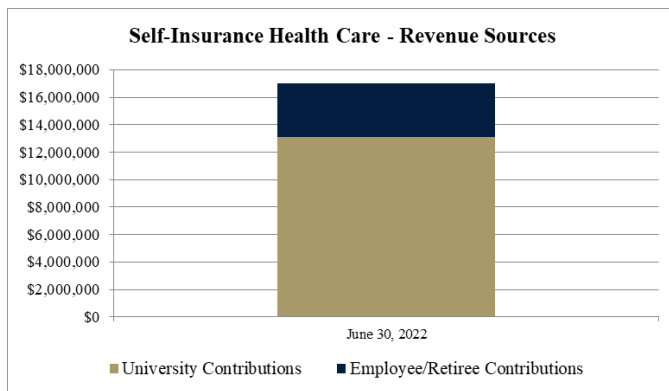
- Equipment replacements not anticipated, barring unforeseen equipment failure.

The University of Akron
Departmental Sales and Services
Narrative of FY 2022 Budget and Preliminary Results for the Fiscal Year Ended June 30, 2022

Self-Insurance Health Care

Self-Insurance Health Care revenues total \$17.1 million to date or 94 percent of the \$18.1 million annual budget.

The revenues are derived from the University’s contributions (77 percent) and employee contributions (23 percent). Benefits are funded by the University and employees as follows: medical (University and employee), prescription drug (University and employee), 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).



Operating expenditures total \$152,000 to date or 74 percent of the \$205,333 annual budget. Operating expenses consist of consulting and administrative services. Projections suggest expenditures will remain at or below budget.

Premiums and Claims expenditures total \$21 million to date or 88 percent of the \$23.8 million annual budget.

Transfers-In-Other total \$205,333 to date or 100 percent of the \$205,333 annual budget for health care administrative costs not covered by the fringe rate such as the employee assistance program and third-party administrative services for retirement and benefit plans.

The Self-Insurance fund had a planned fiscal year shortfall in the amount of \$5.7 million. However, only \$3.8 million of reserves were utilized. The reserve is approximately \$2.3 million on June 30, 2022.

The University of Akron
Departmental Sales and Services
Narrative of FY 2022 Budget and Preliminary Results for the Fiscal Year Ended June 30, 2022

Continuing and Professional Education (formerly Workforce Training Solutions)

Continuing and Professional Education revenues to date from open enrollment and contract training fees total \$703,000 or 118 percent of the \$595,000 annual budget.

Payroll and fringes total \$356,000 to date or 104 percent of the \$341,000 annual budget. Generally, payroll costs related to contract training are incurred prior to the associated revenue being collected.

Operating expenditures total \$322,000 to date or 127 percent of the \$253,000 annual budget. The principal operating expenditures include supplies and services related to training and instructional support. Included in operating costs were the purchase of new laptops and desk top computers for the lab.

New Student Orientation

New Student Orientation revenues total \$401,000 to date or 104 percent of the \$385,000 annual budget.

Payroll and fringes total \$157,000 to date or 92 percent of the \$170,000 annual budget.

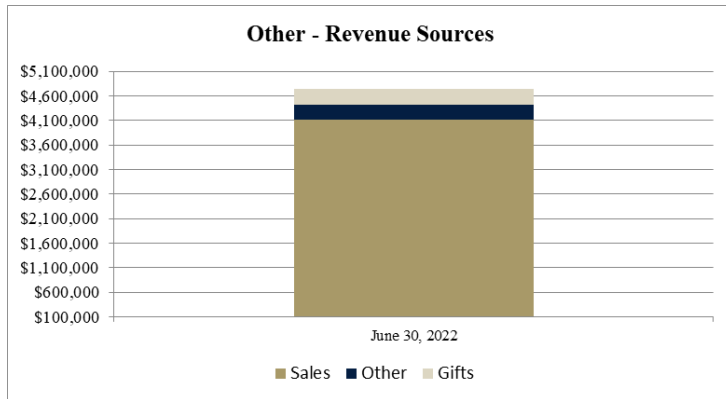
Operating expenditures total \$287,000 to date or 76 percent of the \$378,000 annual budget. Expense activity increases late spring and summer for onboarding new students. The principal operating expenditures include New Roo Weekend (25 percent), student assistants (31 percent), and hospitality (24 percent).

The \$43,000 deficit was offset by New Student Orientation Program carryover from fiscal year ended June 30, 2021.

The University of Akron
Departmental Sales and Services
Narrative of FY 2022 Budget and Preliminary Results for the Fiscal Year Ended June 30, 2022

Other

The Other departmental sales and services revenues total \$4.7 million to date or 99 percent of the \$4.8 million annual budget. Revenues are generated from roughly 83 activities including Printing Services (12 percent), College of Business Executive Education (eight percent), and Hearing Aid Dispensary (eight percent).



Payroll and fringes total \$2.1 million to date or 91 percent of the \$2.3 million annual budget.

Operating expenditures total \$2.7 million to date or 123 percent of the \$2.2 million annual budget. Supplies and services (84 percent) are the primary operating expense. Capital expenditures total \$120,000. The

capital expenditures are associated with maintenance of corrosion engineering equipment completed last fiscal year, the purchase of an augmentative communication device for the Audiology and Speech Center, an extruder and AFM-IR instrument for Polymer, a digital source meter for Engineering 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 \$224,000 Transfers-In – Encumbrances represents those types of commitments. The \$299,000 Transfers-Out- Encumbrances represents the liability and expenditures that will carry over into fiscal year 2023.

The \$97,000 Transfer-In-Other is related to COVID printing costs and the \$112 Transfer-Out-Other is related to the closure of a sales account. The \$139,000 deficit was offset by carryover from fiscal year ended June 30, 2021.