OHIO AUDITOR OF STATE
KEITH FABER

University of Akron

Performance Audit

December 2025

OHIO AUDITOR OF STATE
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OHIO AUDITOR OF STATE
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To University of Akron Board of Trustees and Community:

The Auditor of State's Office recently completed a performance audit for the University of Akron. This review was conducted by the Ohio Performance Team and provides an independent assessment of operations within select functional areas. This service to the University and to the taxpayers of Ohio is being provided pursuant to the Ohio Revised Code § 117.46.

This performance audit report contains recommendations, supported by detailed analyses, to enhance the University's overall economy, efficiency, and/or effectiveness. This report has been provided to the University, and its contents have been discussed with the appropriate staff and leadership. The University is reminded of its responsibilities for public comment, implementation, and reporting related to this performance audit per the requirements outlined under Ohio Revised Code § 117.461 and § 117.462. In future compliance audits, the Auditor of State will monitor implementation of the recommendations contained in this report, pursuant to the statutory requirements.

It is my hope that the University will use the results of the performance audit as a resource for improving transparency, operational efficiency, and overall effectiveness. The analyses contained within are intended to provide leadership with information to consider while making decisions about their operations.

This performance audit report can be accessed online through the Auditor of State's website at http://www.ohioauditor.gov and choosing the "Search" option. Additional resources related to performance audits are also available on the Ohio Auditor of State's website.

Sincerely,

KEITH FABER
Ohio Auditor of State

Tiffany L Ridenbaugh

Tiffany L Ridenbaugh, CPA, CFE, CGFM
Chief Deputy Auditor

December 23, 2025

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The University of Akron

Performance Audit Summary

WHAT WE LOOKED AT

The University of Akron (the University) is a public research university located in Akron, Ohio. The University was founded as a private institution in 1870 and became a state institution of higher education in 1967. In academic year (AY) 2024, the University had approximately 10,300 full-time students enrolled in undergraduate and graduate degree programs. Over the past decade, the University has seen enrollment drop by approximately 48 percent, which is much higher than the statewide public university average of 6.7 percent over the same period. As funding is driven by enrollment, the University has also seen drops in revenue both from tuition and fees and state support. The University finds itself in a financial condition that could become untenable in the near future. Projected annual deficit spending threatens to draw down the University's existing operating fund balance to dangerously low levels. Due to these considerations, the Ohio Performance Team initiated an audit of the University to identify opportunities for improved efficiency, effectiveness, and transparency.

Our audit reviewed several operational areas and analyzed the University's policies and procedures which were compared to best practices and industry standards. Specific areas of review for this audit included program offerings, faculty staffing, insurance, facilities, athletics, and financial strategies. Furthermore, our performance audit found that the University's strategic management could be improved. Overall, our audit identified **12** recommendations across these areas of review that can assist the University in improving overall efficiency and effectiveness. The audit, and the associated recommendations, also provides transparency to the students and other stakeholders of the University.

WHAT WE FOUND

We found that the University is at a point in time where difficult decisions regarding future operations will need to be made. While the Board has made significant decisions regarding faculty, student housing, and other related areas over the past several years, the University is still projecting deficit spending going into the future. The Board will need to make several operational decisions to ensure appropriate changes are made that allow for continued efficient and effective operations at the University and help ensure its financial sustainability.

KEY OBSERVATIONS

Key Observation 1: The University had a $42 million deficit in AY 2024 that was covered by its reserve fund. The University also projects further deficit spending into the foreseeable future. Based on the University's projections, it is possible that it will fall below Moody's industry standard recommended net operating balance by AY 2028 without significant operational changes.

Key Observation 2: The University has taken steps to reduce faculty staffing, eliminating 32 faculty positions during the course of this audit and 96 positions in 2020. With these reductions, there is limited ability to obtain further cost savings through faculty reductions without impacting course offerings. The University must look at other operational areas to improve efficiency.

Key Observation 3: Nearly 10 percent of the University's expenses in AY 2024 were related to the Athletic Department compared to the Ohio MAC average of 5.2 percent of total expenditures. Further, the Athletic Department had a $24 million deficit in AY 2024, representing more than half of the University's overall operating deficit, which required a general fund transfer from the University to the Athletic Department. This subsidy is more than twice the Ohio MAC average of $11.7 million. Maintaining the current structure and operations of the Athletic Department may not be feasible due to the overall operational deficit of the University.

Key Observation 4: The University has more square footage on campus than what is currently needed, including more seats than students and more offices than employees. This has led to significant underutilization of its current spaces on campus.

Key Observation 5: The University has experienced turnover in key administration positions since AY 2024 including the President, CFO, Provost, Athletic Director, and Facilities Director. Additionally, the University recently transitioned its key operational software from PeopleSoft to Workday. These factors contributed to significant data challenges during the audit including our financial data requests to the University. These changes are problematic because without an ability to accurately gather and report information, it can prevent the Administration's ability to make decisions that are strategic and timely.

SUMMARY OF RECOMMENDATIONS

Recommendation 1: Continue to Monitor Degree Offerings and Job Market Alignment.

The University should continue to monitor the extent to which the degrees and programs that it offers align with the local and state job markets. This will allow the Board to make strategic decisions for resource allocations that align with growing and in demand occupational fields. Although this analysis did not include alignment with the Advance Higher Education Act, the implementation of the recommendation will support the University's efforts into complying with the program analysis requirements set forth in the ORC.

Recommendation 2: Align Section Offerings with Student Demand and Evaluate Impact on Instructional Staffing.

The University is not utilizing an optimized section offering method for its courses. This has resulted in over 700 more sections being offered to students than is necessary, causing low enrollment in 21 percent of courses. Offering unnecessary low enrolled sections can result in over-expending valuable university resources related to both instructional staffing and facility use. By reducing or eliminating low enrolled sections, the University may be able to further reduce its expenditures and further mitigate costs related to its faculty.

Recommendation 3: Track Workload Assignment Letters and Use Data to Strategically Manage Workforce.

The University uses workload letters to designate expectations for faculty at the beginning of each fiscal year. There is no centralized method for tracking these letters or monitoring compliance with the expectations. The University should develop a tracking system that allows it to track and compare assigned workload to actual workload in a given period. This will help to ensure compliance with OAC 3359-20-03.2 and also provide information that may be used to make strategic operational decisions regarding future staffing and programmatic needs.

Recommendation 4: Develop a Strategic Plan for the Athletic Department that Aligns with the Overall University's Mission and Administration's Action Plan

The University's Athletic Department does not currently have a strategic plan. The University should use the hiring of a new Athletic Director (AD) as an opportunity to develop a strategic plan for the Athletic Department that provides short and long-term goals as described by industry's best practices. The strategic plan should be tied to the University's mission and incorporate the financial realities needed for long-term sustainability of a 4-year public university. The strategic plan should be approved by the Board, published on the University's Athletic Department website, and adhered to by the University's Athletic Department.

Recommendation 5: Improve the Athletic Team Budget Process

The University's athletic teams have indicated challenges regarding the budgeting process; this includes estimating costs related to travel, recruitment of future athletes, and timing of planning and submission of budgets. Coaches reported estimating budgets based on last year's expenses with little to no other guidance, frustration with being unable to find savings by booking their own travel, and a lack of consistent reporting of their current financial conditions. The new Athletic Director should implement their preferred budgeting approach and formalize the process to address the budgeting challenges while also reducing the overall spending deficit of the Athletic Department.

Recommendation 6: Evaluate Insurance Changes to Medical and Dental Insurance Offerings.

The University offers medical, vision, and dental insurance to employees and pays a portion of the monthly premium as a benefit. While the cost to the University for these insurance offerings is generally lower than the peer institutions, the University pays a higher percentage of the monthly premium in some instances. Due to the University's fiscal condition and projected deficits, it should evaluate changes to the insurance offerings to bring the employee share of the premium in-line with the peer institutions on a percentage basis in order to reduce expenditures.

Recommendation 7: Increase Student Housing Utilization.

Generally, the University only requires first-year students that live outside of the surrounding counties to live on campus. This has resulted in excess, unused student housing capacity for the University. By changing housing policy exemptions, requiring more students to be on campus, and setting a goal of 94 percent utilization rates to match a student housing industry standard, the University could recognize approximately $1.3 to $1.7 million in additional revenue going forward.

Recommendation 8: Strategically Reduce Total Campus Square Footage.

Classroom and class laboratory utilization rates have decreased across the University since spring of 2018. The utilization decline has been driven primarily by declining enrollment rates during this same period. We identified approximately 220,000 Net Assignable Square Feet (NASF) that could be reduced to increase utilization rates for classrooms and classroom labs. Further increases in building utilization could be realized with the development of a facilities master plan that addresses the spatial needs of campus buildings.

Recommendation 9: Begin Collecting Office Space Usage Data.

The University does not collect office space usage data for its faculty and staff. Because of this data limitation we were unable to provide an in-depth analysis related to office space usage or consolidation. The University should begin collecting data related to office space use. This data would help further the understanding of the space needs related to the University in addition to a facilities master plan identified in **Recommendation 10**.

Recommendation 10: Develop a Facilities Master Plan.

The University does not have a facilities master plan for its campus. The Board has indicated a general desire to reduce its overall footprint on campus and has taken steps to do so. However, without a facilities master plan, the University is missing key metrics that would allow for data-driven decision making on building consolidation or removal. Key metrics that would aid in decision making include quality data for deferred maintenance costs on campus buildings and office utilization rates.

Recommendation 11: Establish and Implement Minimum Fund Balance Policy.

The June 2025 five-year forecast provided by the Administration shows the impact of the University's previously mentioned efforts to reduce expenditures. However, the five-year forecast is still showing significant annual deficit spending continuing beyond the next five years, which would decrease the University's net operating cash to levels near the GFOA recommended minimum level soon. Maintaining minimum fund balances helps entities to avoid financial difficulties that may arise from unforeseen expenses or reduced revenues. The University does not currently have a reserve fund balance policy and best practices identified by the Government Finance Officers Association (GFOA) and Moody's Investors Service (Moody's) provide guidance on minimum fund balance thresholds. The University should establish a minimum fund balance policy and in doing so, the University would maintain balances that would help address future unforeseen budgetary issues.

Recommendation 12: Formalize the Revitalization Plan and Ensure Financial Sustainability.

As discussed in detail throughout the preceding sections of this report, the University could gain efficiencies by aligning its operations with the peer averages and industry standards in addition to implementing the previously identified baseline recommendations. However, the recommendations identified in this report, even if fully implemented, would not resolve the projected deficit in the June 2025 five-year forecast provided by the University.

The University of Akron approved a resolution in March 2025 pertaining to its revitalization plan, which included a $22 million university-wide budget improvement by end of AY 2026. The resolution states improvements in several ways, including but not limited to, a combination of voluntary separations; investment in areas of growth, fundraising and development opportunities; reduction in administration and athletics, reduction of campus footprint and debt defeasance; operational and financial efficiencies; restructuring; and enrollment growth. While some action has been taken related to faculty reductions and a private partnership for student housing and parking, details are limited to the financial forecast with assumptions. To be most effective, a revitalization plan should be formalized including detailed tangible actions and the corresponding financial impact.

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Introduction

Higher education, and obtaining a post-secondary degree, has been associated with increased lifetime earnings and improved quality of life. A commitment to ensuring access to public universities was important to early state leaders, and the first public university, Ohio University, was established less than one year after Ohio was declared a state. In the mid-20th century, in part due to rapid population growth and the need for a more educated workforce, Governor Rhodes spearheaded a push to ensure higher education was accessible to all Ohioans. A part of this push led to the creation of public four-year state universities, including the establishment of the University of Akron (UA or the University) as a state university in 1967.

The University was founded as Buchtel College in 1870; however, it was not until 1967 that the University become an official state university and adopted the name the University of Akron.[1] The University is established in Ohio Revised Code (ORC) Chapter 3359 and follows rules set forth in Ohio Administrative Code (OAC) Chapter 3359. UA is located in Northeast Ohio in the City of Akron in Summit County and offers 296 programs and 463 degrees.

Ohio Public Higher Education Institution Types

In Ohio, there are both 4-year and 2-year degree-granting institutions of public education. Within these categories, there are multiple different types of colleges and universities that are allowed under Ohio Revised Code.

Technical College: A two-year institution that historically offered Associate of Applied Science degree programs to students, which prepares graduates to immediately enter a new career upon completion.

State Community College: A two-year institution offering baccalaureate-oriented programs, technical education programs, and adult continuing education programs. These institutions are reliant primarily on state funding or tuition for operational purposes.

State University: A four-year public institution of higher education which is a body politic and corporate, offering associate, baccalaureate, graduate, and doctoral programs. These institutions are reliant primarily on state funding and tuition for operational purposes.

As public universities continue to seek to meet the needs of the local community and provide positive educational opportunities to the public, an independent review of operational effectiveness, efficiency, and transparency can be an important tool for decision making purposes.

The Ohio Auditor of State, through its Ohio Performance Team (OPT), is required by Ohio Revised Code (ORC) § 117.46 to complete at least four performance audits[2] of state agencies or, at its discretion, institutions of higher education during each biennium. In 2024, OPT initiated an audit of the University of Akron based on the University's declining enrollment and signs of

[1] Buchtel College became the Municipal University of Akron in 1913 and was operated by the City of Akron until 1967.
[2] Performance audits are conducted using Generally Accepted Government Auditing Standards, see Appendix A for more details.

declining fiscal sustainability. The information contained in this report can be used to both guide decisions and educate key stakeholders regarding the choices made by the Board.

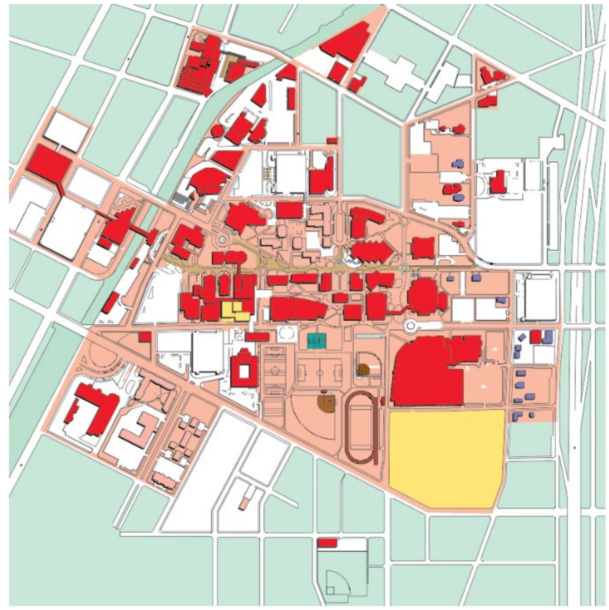
University of Akron at a Glance

University of Akron was established by the Ohio General Assembly in 1967. The University's main campus sits on 218 acres of land in Akron, Ohio.

► 63 Buildings
► 216 Classrooms
► 217 Class Labs

Notable Buildings on Campus Include:
POL Polsky Building
ASEC Auburn Science and Engineering Center
ICS InfoCision Stadium/Summa Field
CBA Business Administration Building

For the full list of buildings see Appendix B



Full-Time Cost
Per Semester
$6,568

Cost
Per Credit Hour
$547

Headcount of Non-CCP Students	11,947
Headcount of CCP Students	1,409
Total Headcount	13,356

Recent Main Campus Updates

2009 the InfoCision Stadium – Summa Health Filed was constructed in 2008 for a cost of $61.6 million.

2025 Quaker Square, formerly served as student housing, was sold for $800,000 to reopen as a hotel.

2025 University of Akron enters a P3 for student housing.

% of Students
Older than 24
21%

% of Students
Part-Time
29%

% of Students
On Campus
88%

Student to Teacher Ratio
1:16

Audit Methodology

Our audit reviewed several operational areas and analyzed the University's policies and procedures and compared them to best practices, industry standards, and peer averages. While the University has a regional campus located in Orrville, Ohio known as Wayne campus, the report focuses on the main campus in Akron as it is the majority of the operation.[3]

Specific areas of review for this audit included financial sustainability, course section optimization, faculty staffing, insurance offerings, facilities, and athletics. Peer groups were used for background information and in select analyses. Primary peers include Ohio's four-year public universities. Background information and various areas of review utilize subsets of this peer group and are explained in the relevant sections. The Northeast Ohio Medical University (NEOMED) was excluded from the peer group as they are a medical school with significant operational differences. The institutions included in the peer group are identified below.

Primary Peers

- Bowling Green State University*
- Central State University
- Cleveland State University
- Kent State University*
- Miami University*
- Wright State University
- Ohio University*
- Shawnee State University
- Ohio State University
- University of Toledo*
- University of Cincinnati
- Youngstown State University

One subset of this group that is used throughout the audit report are the institutions that are members of the Mid-American Conference, designated with an asterisk. The Mid-American Conference is an athletic conference of which the University is a member. Throughout the report, a university average is often cited for comparison purposes. Unless otherwise designated, the Ohio university average is comprised of the public institutions listed above and excludes Akron.

A Note on Fiscal and Academic Years

Financial data is often reported on a fiscal year basis rather than a calendar year basis based on operational needs of an entity. Fiscal years are not uniform across different types of entities. However, both the University's Fiscal and Academic Years begin on July 1 and end on June 30 of the following year, identified by the year end in June. Data throughout the report is presented on an Academic Year (AY) basis. A 10-year period, AY 2015 to AY 2024, was used in analyses in the background of the report.

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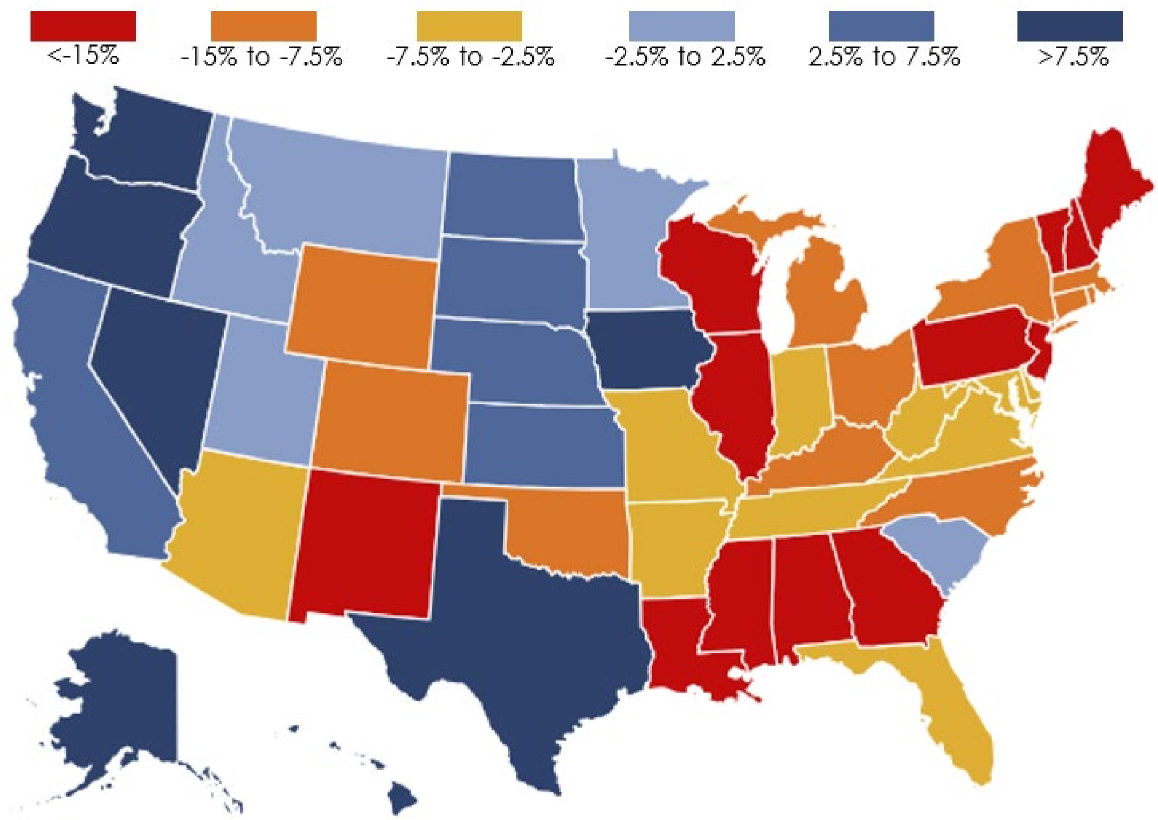
[3] University of Akron Wayne Campus only had 762 undergraduate FTE in academic year 2024 compared to University of Akron Main Campus which had 10,398. Additionally, Main Campus has 63 buildings while Wayne Campus has just 3.

Higher Education Overview

Today, higher education continues to face enrollment challenges. The overall population in Ohio has remained relatively flat over the past 10 years, but the number of college-aged individuals has declined. The map below shows the nationwide projected change in the college-aged population, 18-year-olds, between 2025 and 2035. The map shows that Ohio is expected to see a decrease in college- aged population by more than 8 percent between 2025 and 2035. This decrease in potential students presents an inherent challenge for Ohio's institutions of higher education.

Forecasted Growth/Decline in University-Going Students, 2025-2035



Source: U.S. Census Bureau Population Estimates, Projections and Proportions from Nathan D. Grawe & Carleton College

An aging population and declining enrollment have presented a significant challenge to institutions of higher education across the United States. Furthermore, new technology, and the availability of online learning methods also require strategic planning on the part of those in charge of guiding these public institutions into the future. The type and quantity of classroom facilities and other physical buildings on campuses may need to change based on the types of academic programs that are in-demand. This includes an increased number of students taking online courses, which have different requirements compared to in-person courses. Institutions of higher education must also be more agile in recruiting students as the ability to enroll online provides additional educational opportunities to the public.

In Ohio, after reaching peak enrollment in approximately 2011, state universities have seen steady declines in enrollment. While this trend is impacting all institutions, the University of Akron has seen a sharper decrease in students than the Ohio 4-year public university average (university average). The visual below shows the drop in the number of full-time equivalent undergraduate students enrolled at the University of Akron compared to the other 4-year universities across the state.

UNIVERSITY OF AKRON FTEs

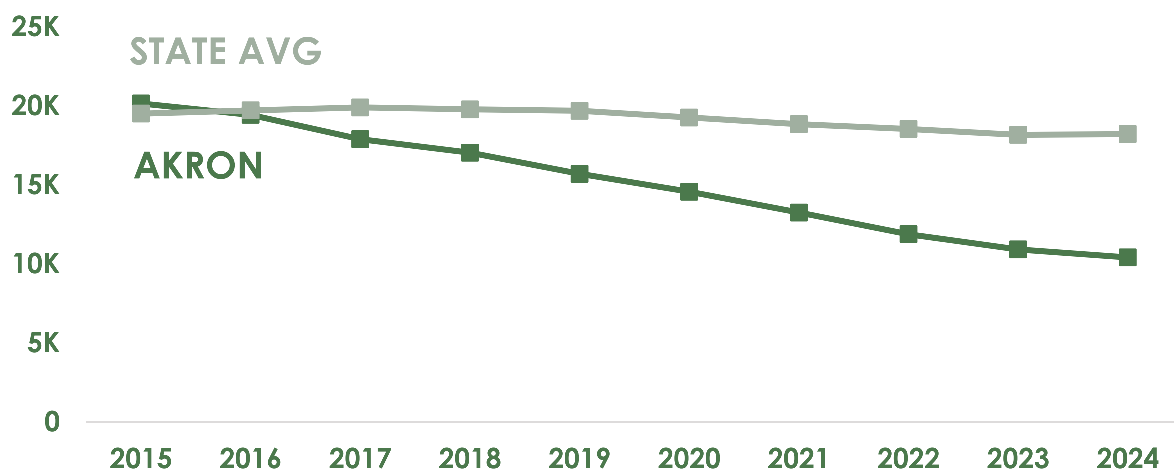
2015: 20,137 **2024: 10,398**

▼ **12,432** STUDENTS (DOWN **48.4%**)

UNIVERSITY AVERAGE FTEs

2015: 19,500 **2024: 18,203**

▼ **1,452** STUDENTS (DOWN **6.7%**)



Source: ODHE
Note: Average does not include NEOMED or UA

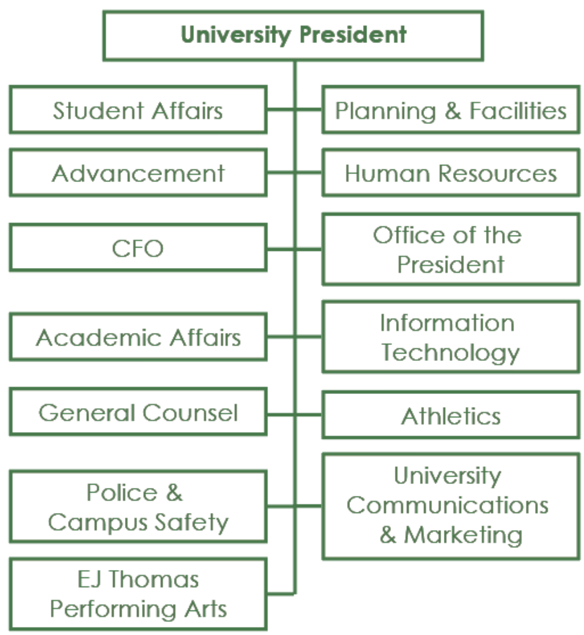
In addition to declining total enrollment, the student body at UA has shifted away from attending courses on campus. The adoption of hybrid or online learning practices provides more flexibility to both the student and the University, but also presents challenges related to facility and space utilization. Facilities that were designed and built in the second half of the 20th century may not fit the needs of today's classrooms or students. Students at the University have increased the number of courses taken online. In AY 2015, only 3 percent of students attended classes exclusively online. This has grown to nearly 12 percent of students as of AY 2024. Additional information regarding the decline and shift in enrollment trends can be found in **Enrollment**.

The University of Akron

The University of Akron (UA or the University) was established as a state university by the Ohio General Assembly in 1967 in Chapter 3359 of the Ohio Revised Code (ORC). The creation, approval, and governance of the University is prescribed under ORC § 3359.01, which lays out special rules for governance and funding. The University is governed by a total of 11 trustees, all of whom are appointed to 9-year terms with the exception of two student members who serve 2-year terms.[4] All trustees are appointed by the Governor with the advice and consent of the Senate. The Board of Trustees (BOT or the Board) is responsible for hiring administrative officers, faculty, and staff; establishing the curriculum; and setting tuition and fees among other responsibilities.

While the Board is responsible for overseeing the University, it appoints a President who is responsible for day-to-day administration of UA, and the promotion of education, instruction, research, and scholarly activity. OAC 3359-3-01 (B) specifies who is responsible for the University's financial management and the appointment process. The graphic below shows the University's organizational structure, as reported to us by University officials. A full table of organizational can be found in **Appendix B**.

Table of Organization



Source: The University of Akron

As the graphic illustrates, the University's organizational chart includes 13 offices such as the Office of Academic Affairs (OAA), which includes the Provost, Academic Affairs, and Enrollment Management offices. Other important administrative offices, such as the Chief Financial Officer (CFO) or Athletics, include Internal Audit, Budget, Bursar, and Sports Teams. These offices assist the President in day-to-day administration. Under the oversight of the various executives identified on the organizational chart, the University had a headcount of 3,160 employees during AY 2024. These positions include but are not limited to administrators

[4] ORC § 3339.01 has adjusted the nine-year term to a six-year term for trustees appointed after July 1, 2025.

(300 employees), full-time faculty (461 employees), adjunct faculty (773 employees), librarians (27 employees), maintenance workers (309 employees), and student employees (569 employees). See the **Human Resources** section for a more detailed breakdown.

Academics at the Univeristy are overseen by the Provost who reports to the President. Generally, the Provost is considered the Chief Academic Officer and oversees all aspects related to academics at the University. The University has four colleges and a school of law. Various academic programs and departments fall under each of these entities. Deans of each college and the school of law are responsible for overseeing the faculty and the day-to-day operations of their respective colleges and report to the Provost.

Buchtel College of Arts and Sciences	College of Business	College of Engineering and Polymer Sciences	College of Health and Human Sciences	School of Law
263 PROGRAMS	71 PROGRAMS	141 PROGRAMS	108 PROGRAMS	22 PROGRAMS
211 DEGREES	43 DEGREES	105 DEGREES	86 DEGREES	15 DEGREES

Source: University of Akron

Typically, a college is made up of a group of departments that all have similar expectations for its students and staff. These expectations include core functions such as research priorities, instructional expectations, and academic outcomes. Further, a department offers degrees for students which are within Programs. Programs are made up of subjects, courses, and sections.

For example, if a student was interested in earning a degree in French, the student would need to take the course Beginning French I, which is a requirement within the French Program. The French Program is housed in the Modern Languages Department, which is housed within the Buchtel College of Arts and Sciences. Therefore not only would the student need to meet the requirements set for the French Program but also any additional requirements set by the Department, College, and University.

University Course Offerings Breakdown

College	Buchtel College of Arts & Sciences
Department	Modern Languages
Program	French
Course	Beginning French I

Source: University of Akron

Financials

As a public entity, the University receives taxpayer funding. The Board, in its oversight capacity, is expected to ensure these funds are spent responsibly. In addition to routine financial audits conducted by AOS, the fiscal health of the University is monitored by ODHE. Ensuring the long-term fiscal health of the University is important to ensure that it continues to provide educational opportunities to the community.

Revenue

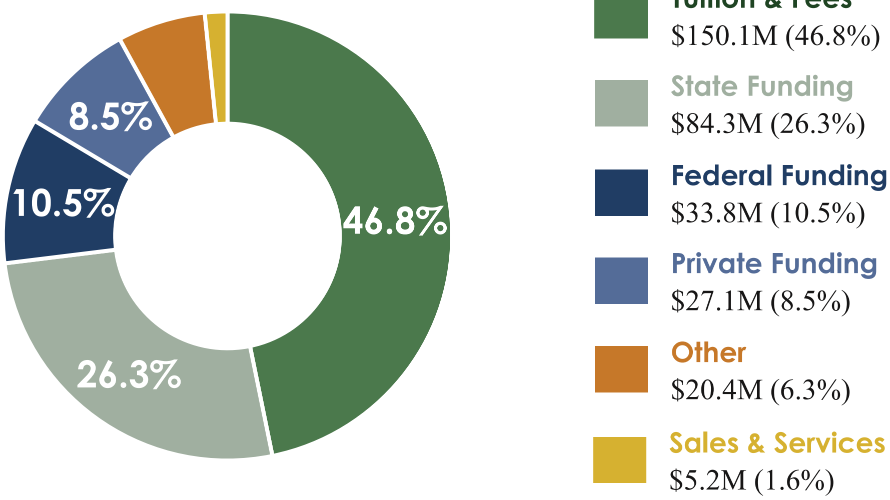
The University receives funding from a number of sources. From the State, the University receives funding through the State Share of Instruction (SSI) and receives funding for building projects or other large-scale expenditures through the State's capital budget.[5] The University also receives funding through tuition and fees, grants, and sales for services. Revenue is then divided into separate funds for use by the Board for operational purposes. The majority of the University's funding, 91 percent, is placed into the education and general fund, which is the University's primary operating fund.

In Academic Year (AY) 2024, the University generated approximately $353.5 million in total revenue. This funding was generated through a combination of federal, state, and private support along with student tuition and fees. As indicated above, the majority of this funding is placed into the education and general fund, or approximately $320.9 million. The revenue sources for this fund are shown below.

[5] Public colleges and universities receive funding from the state through the State Share of Instruction (SSI) for the education of Ohioans. This funding is based on a complex formula that takes into account student enrollment and academic outcomes. Each public college and university reports detailed cost information to ODHE within the Higher Education Information (HEI) system, and that data serves as the basis for the SSI calculations.

AY 2024 Education and General Fund Revenues by Source

Total: $320.9M



Source: ODHE

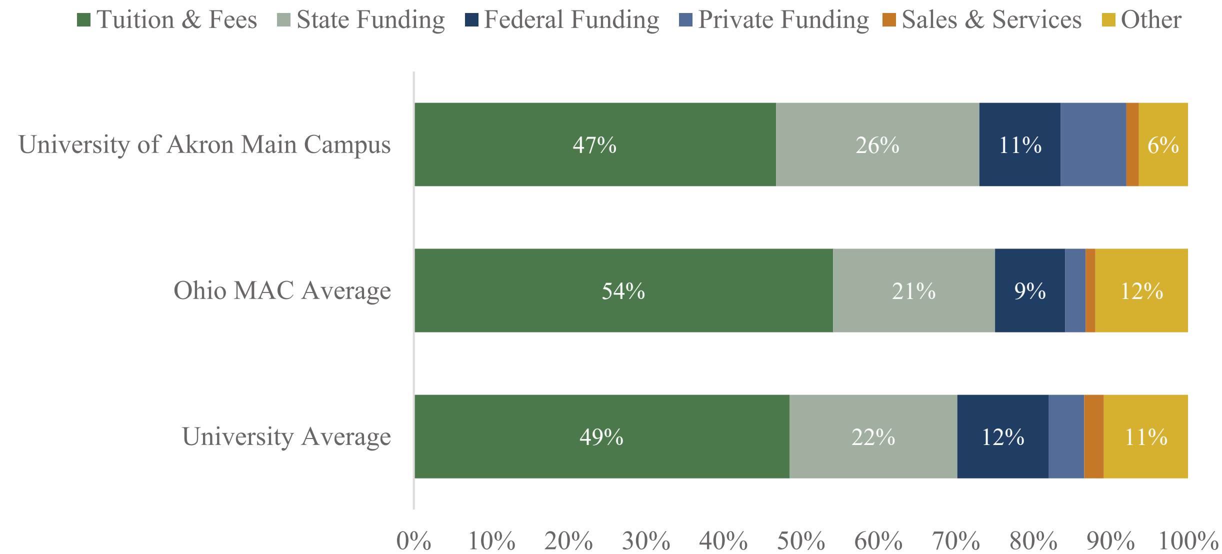
Note: Other includes local grants and contracts, endowment income, temporary investment income, and other sources.

The University of Akron's sources of revenue in its education and general revenue fund was compared to the Ohio 4-year public university average and the other Ohio Mid-American Conference (MAC) university average in the following visual.[6] Proportional to the total revenue in the general fund, the University of Akron is above average with state funding. The state funding category is largely representative of the State Share of Instruction (SSI), which is an allocation formula based on student outcomes. Because this funding is based on outcomes changes, any changes in SSI funding will be experienced on a delay, whether those changes are positive or negative. The other category in which the University of Akron is above average is with private funding with eight percent of total funding compared to the average of three percent.

Included in the graph below, and throughout this report, is a comparison to the Ohio MAC average. We included the Ohio MAC average as an additional peer set to provide a more granular look into the universities that UA is directly competing against for students as well as share similar operations. See **Appendix D** for further breakdown of Ohio MAC universities.

[6] UA is a member of the Mid-American Conference (MAC) for its Athletic Department. Because Ohio MAC universities are similar in many aspects to UA including athletic performance expectations, student enrollment, and athletic department spending, we included this peer subset in our financial analysis comparison. More information about UA's athletics and the MAC can be found in **Athletics**.

AY 2024 Education & General Fund Revenues by Source Comparison

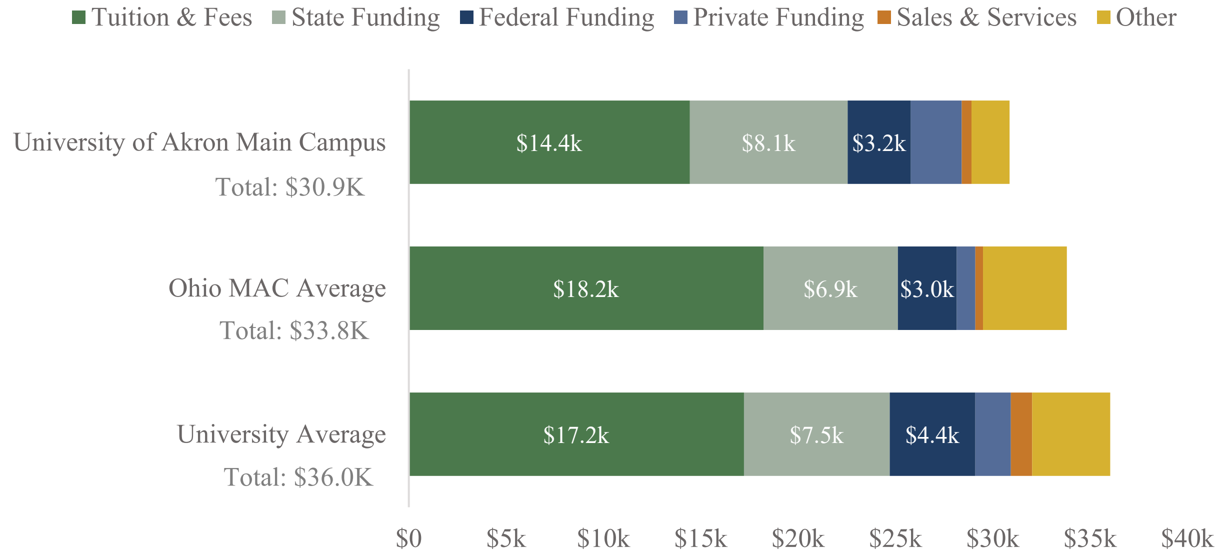


Source: ODHE
Note: Other includes local grants and contracts, endowment income, temporary investment income, and other sources.

Tuition and fees are the largest portion of the University's funding. The University charges tuition based on residency, the level of the degree, and the number of credit hours taken. Additionally, students pay fees for the enrolled program, credit hours, and individual course fees. An additional fee for room and board is charged to students who live in campus residence halls. In-state undergraduate students enter a university as part of a cohort, or group of students that are expected to complete their bachelor's degree at the same time. HB 59 of the 130th General Assembly established ORC § 3345.48 in 2013 which guarantees that each cohort will have a fixed rate for general and instructional fees for four years. For the cohort starting in fall 2024, the University charged in-state students $13,136 in annual tuition for individuals that were enrolled full-time, and $547.32 per credit hour for individuals that were not enrolled full-time. For out-of-state students in the same cohort, the University charged $20,816 for annual tuition and $867.32 per credit hour.

When normalized for student full-time equivalent (FTE) enrollment, the University has a per-pupil revenue of $30,860. This is lower than the Ohio public university average per-pupil revenue of $36,031.

AY 2024 Education and General Fund Revenue Per Student FTE



Source: ODHE
Note: Other includes local grants and contracts, endowment income, temporary investment income, and other sources.

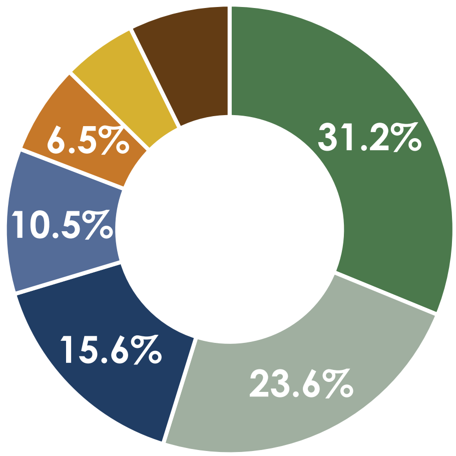
In addition to having a lower total revenue per student FTE than the statewide average, the University also has lower total revenue than the Ohio MAC average. While total revenue is lower, the University receives more in state funding than both peer sets on a per-pupil basis. The lower total revenue is driven primarily by lower tuition and fee revenue collected by the University.

Expenditures

In AY 2024, the University had approximately $356.9 million in total expenditures. The majority of the University's expenditures fall within the education and general fund, which equate to approximately $310.7 million. The remaining $46.2 million of expenditures are located in auxiliary funds. The education and general fund expenditures are categorized in the chart below.

FY 2024 General Fund Expenditure by Type

Total: $310.7M



Instruction and Departmental Research
$96.9M (31.2%)

Scholarships and Fellowships
$73.3M (23.6%)

Institutional Support
$48.4M (15.6%)

Academic Support
$32.5M (10.5%)

Plant Operation
$20.3M (6.5%)

Separately Budgeted Research
$16.6M (5.3%)

Other
$22.7M (7.3%)

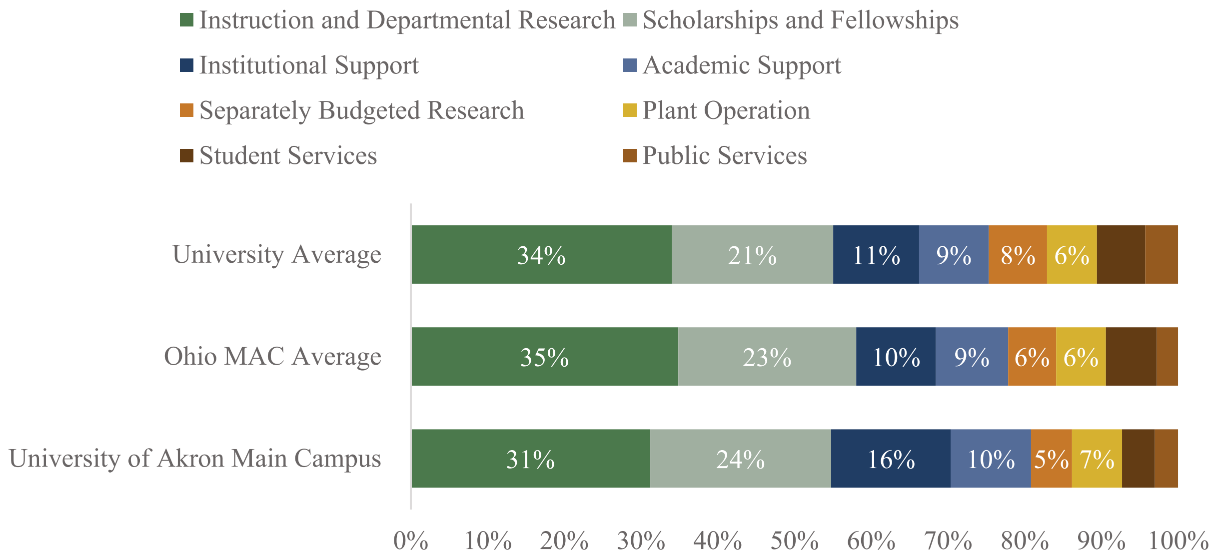
Source: ODHE

Note: Other includes Student Services and Public Services

The University's largest category of expenditures, $96.9 million, or 31 percent was instruction and departmental research. This category includes all the expenditures associated with the provision of academic programs, including instructor salaries and benefits. The second largest expenditure category is scholarship and fellowships, at $73.3 million, or 23 percent. This category includes grants or other forms of financial aid that the University provides to students. The third largest expenditure category is institutional support which includes any expenses for operations that support the entire institution, such as administration and community services. The remaining expenditure categories are with academic support, plant operation, separately budgeted research, student services, and public services.

The University of Akron's sources of expenditures in their education and general revenue funds were compared to the university average and the Ohio MAC average in the following visual. Proportional to the total expenditures in the general fund, the University of Akron is above average with scholarship and fellowships. The other categories in which the University of Akron is above average are within the smaller spending categories which are separately budgeted research, student services, and public services. A table of definitions for these categories can be found in **Appendix B**.

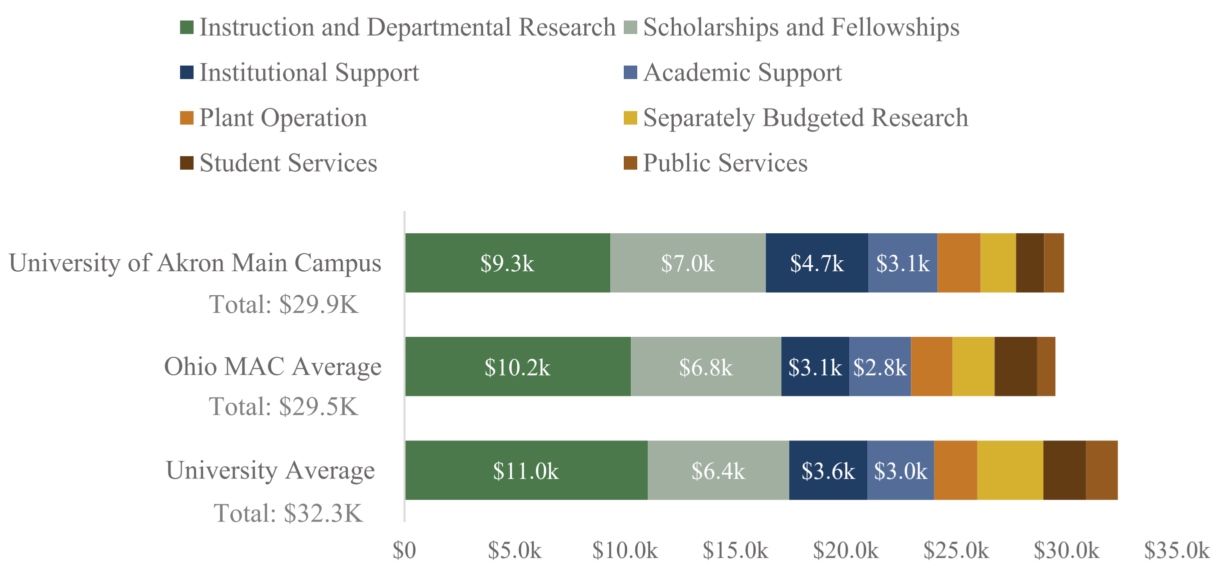
AY 2024 Education and General Fund Revenues by Source Comparison



Source: ODHE

The expenditures within the education and general fund were normalized on a student FTE basis for comparison. The University's expenditures were compared to both the Ohio MAC average and the university average in the visual below.

AY 2024 Education and General Fund Expenditures Per Student



Source: ODHE

When normalized for student FTE enrollment, the University had a per-pupil expenditure of $29,878 in AY 2024. This is slightly lower than the state university average of $32,316 spent per pupil but slightly higher than the Ohio MAC average. More specifically, the University spends more on a per-pupil basis on Institutional Support, Scholarships & Fellowships, and Academic Support while it spends less on a per-pupil basis on Instruction & Departmental Research and Separately Budgeted Research compared to both the Ohio MAC average and the university average.

Projected Deficit

The revenue and expenditures presented above show the activity within the education and general fund as reported to ODHE. This information is useful for comparison purposes to other public universities as it is a consistent data set across institutions. However, this data does not reflect the fully audited financial statements of the University. In AY 2024, according to the University's audited financial statements, total expenditures exceeded total revenue across all funds by approximately $42.1 million. According to the University, the projected annual deficit will be approximately $26.7 million in AY 2025, and an average of $14.3 million annual deficit spending is projected until AY 2030. In the short term, this deficit spending can be managed by spending down existing fund balances, including transfers from the University's foundation. However, continued sustained deficit spending will result in declining financial health.

The projected deficit is also reflected in the University's financial outlook from Fitch's Ratings, Inc. that has most recently revised the outlook for the University of Akron from A with a Stable outlook to A with a Negative outlook. This revised outlook reflects Fitch's assessment of a weakening overall financial position that could negatively affect future borrowing.

Institutional Financial Ratios: Campus Accountability (SB6 Score)

In addition to meeting the needs of students and the community, state universities and other Ohio public institutions of higher education are subject to oversight from the Ohio Department of Higher Education (ODHE). In 1997, Senate Bill 6 (SB 6) of the 122nd General Assembly was enacted into law and created ORC § 3345.72 to ORC § 3345.78. These laws require ODHE to monitor the fiscal health of all public institutions of higher education using specific standards and methods as well establish rules for fiscal watch and determination of a warranted conservator for institutions of higher education placed in fiscal watch. To meet the legislative intent of SB 6, ODHE computes three ratios that are then used to generate four scores, one of which is a composite score based on a scale of 0 to 5, with 5 being the highest score. If an institution has a composite score at or below 1.75 for two consecutive years, it may be placed on fiscal watch by ODHE. The composite score is known as the SB 6 Score. The three ratios used by ODHE are Viability, Primary Reserve, and Net Income. These ratios are given a score and weighted to determine the Composite, or SB 6, Score for an institution.

Viability Ratio assesses how strategically the institution's financial resources, including debt, are managed to advance the institution's mission. Specifically, it examines the availability of expendable net assets to cover its debt should those debts need to be settled by dividing expendable net assets by plant-related debt.

Primary Reserve Ratio measures the financial strength of the institution by comparing expendable net assets to total expenses. It provides a financial snapshot of the institution's reserves and an indication of how long the institution could operate using its expendable reserves.

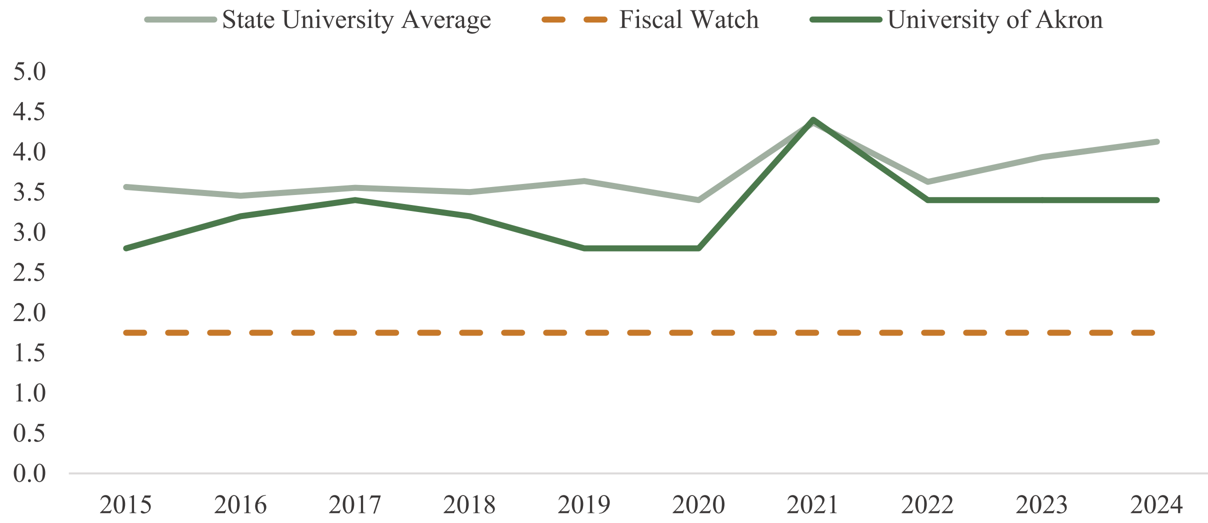
Net Income Ratio reveals whether the institution is living within its available resources by comparing revenues to expenditures. This score relates to the other scores in that a large surplus or a large deficit directly impacts the amount of an institution's available funds.

There is a weight applied to the ratios to determine the **Composite Score**. The weights are applied as follows: 30 percent to Viability Ratio, 50 percent to Primary Reserve Ratio, and 20 percent to Net Income Ratio.[7] It is important to note that expendable net assets, which is largely the fund balance of an institution, is effectively 80 percent of the composite score, due to it being the numerator for both the viability and primary reserve ratio. The highest possible composite score an institution can earn is 5.00 and a composite score of or below 1.75 for two consecutive years would result in an institution being placed on fiscal watch.[8]

The following chart shows the SB 6 score for the University between AY 2015 and AY 2024.

[7] The viability score has a weight of 30 percent if plant debt is greater than $50,000. Otherwise, the primary reserve ratio would have a weight of 80 percent if plant debt is less than $50,000.
[8] Per OAC 126:3-1-01, once declared under fiscal watch, the board of trustees shall adopt a financial recovery plan to end fiscal watch within three years. The Auditor of State shall provide a written report outlining the nature of financial accounting and reporting problems. The college will establish a process of monthly reviews of finances and approve monthly levels of expenditures.

Historical SB 6 Composite Score



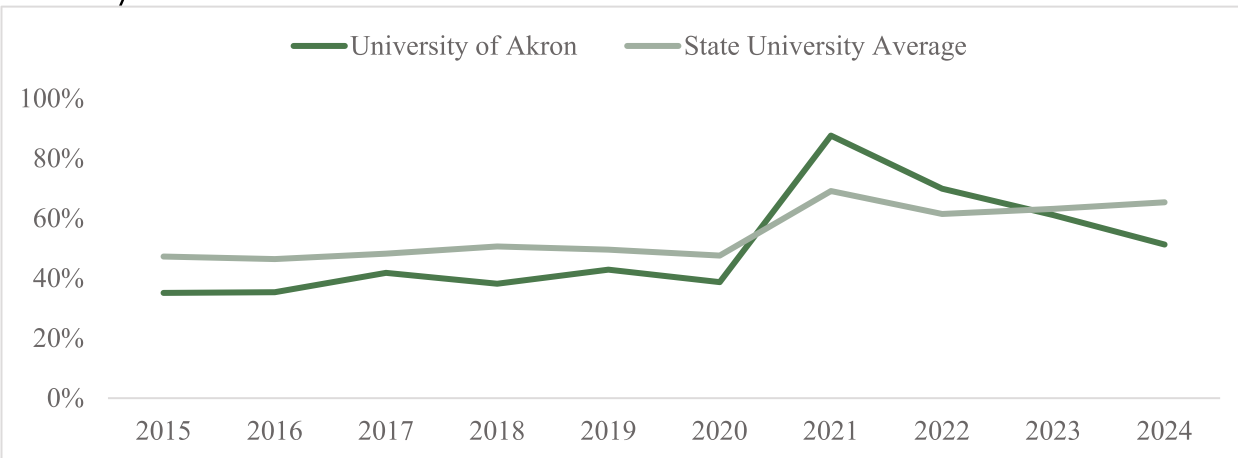
Source: ODHE

University of Akron's SB 6 score has generally remained below the state university average from AY 2015 to AY 2024, with the exception of an increase in 2020, but has been well above the requirement for fiscal watch.

The University's composite score is largely helped by its scores within the viability and primary reserve ratio components. Those components are a reflection of a university's level of expendable net assets. Similar to a fund balance, a sufficient level of expendable net assets ensures that the College is well equipped to handle unexpected downturns in enrollment or other revenue streams. When expendable net assets are normalized by operating expenditures, the University of Akron is mostly in line with the state university average. However, the University did experience a steep increase in expendable net assets from AY 2020 to AY 2023, which has brought them above the state university average. This increase in expendable net assets is largely due to COVID relief dollars provided by the federal government from the Higher Education Emergency Relief Fund (HEERF).[9]

[9] The Coronavirus Aid, Relief, and Economic Security Act or, CARES Act, was passed by Congress in March 2020. This bill was to provide economic aid to those negatively impacted by the COVID-19 pandemic. Of that money, $14 billion was given to the Federal Office of Postsecondary Education as the Higher Education Relief Fund. HEERF can be used for student grants and institutional expenses associated with coronavirus including lost revenue, technology costs, faculty, and payroll.

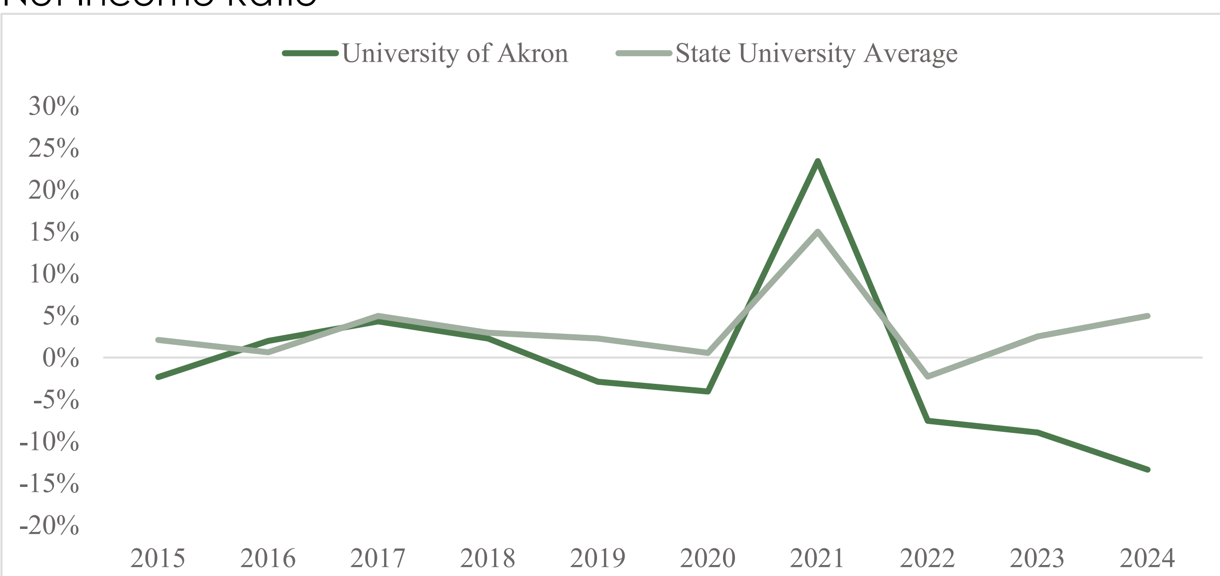
Primary Reserve Ratio



Source: ODHE

The net income ratio standardizes the annual operating deficit or budget surplus by the size of the University's revenue. This ratio can be considered a financial health indicator. The University has been operating at a deficit since AY 2022 ranging from $24.4 million to $42.1 million. As a percentage of revenues, this range is 8 percent to 13 percent. The visual below shows the University's net income ratio in comparison to the state university average from AY 2015 to AY 2024.

Net Income Ratio



Source: ODHE

The University's net income ratio is the lowest among the state universities in Ohio where the average state university has experienced a budget surplus with an average ratio of 5 percent in

AY 2024. The large increase in 2021 is the impact of the assistance from the Higher Education Emergency Relief Fund (HEERF), COVID relief dollars provided by the federal government. The University has a net income ratio of negative 4 percent compared to the university average of 3 percent over this period of time. This means that the University's expenses are higher than its revenues, which is also evident by the reported annual operating deficits.

Operations

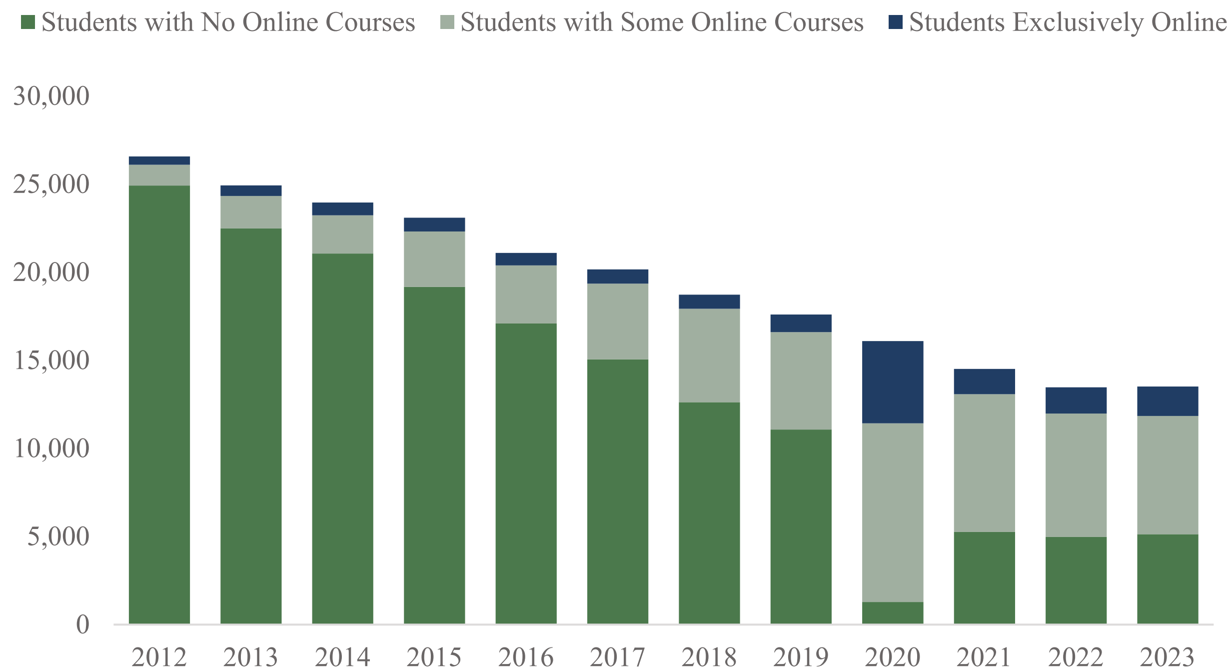
The effective operation of public higher education institutions is essential to maintaining the quality, accessibility, and accountability of public education systems. As stewards of significant public investment, colleges and universities must balance academic expectations with fiscal responsibility, compliance, and long-term sustainability. Institutional operations span a wide array of functions, including the delivery of academic programs and student services, maintenance of facilities, and administration of financial aid. It also encompasses the stewardship of financial resources and adherence to state, federal, and the accrediting body requirements. When carried out effectively, these activities support the mission of the University and ensure it remains reliable and responsive to the needs of students and stakeholders

Enrollment

Student enrollment has declined by approximately 45 percent during the past decade. According to the ODHE reported data, in the fall of AY 2024 the University had a total student headcount enrollment of 13,356 students, with 9,263 undergraduate and 2,126 graduate students. Of these students, 88 percent were considered in-state. The student enrollment on a full-time equivalent basis in AY 2024 was 10,398 due to some individuals attending classes on a part-time basis.

In addition to declining enrollment since AY 2012, there has been a shift towards online learning, especially in AY 2020 and AY 2021 due to the COVID-19 pandemic. In AY 2012, 6.2 percent of total student headcount at UA had some form of online courses while in AY 2023 it had increased to 62.1 percent of students.

Headcount Enrollment by Modality



Source: IPEDS

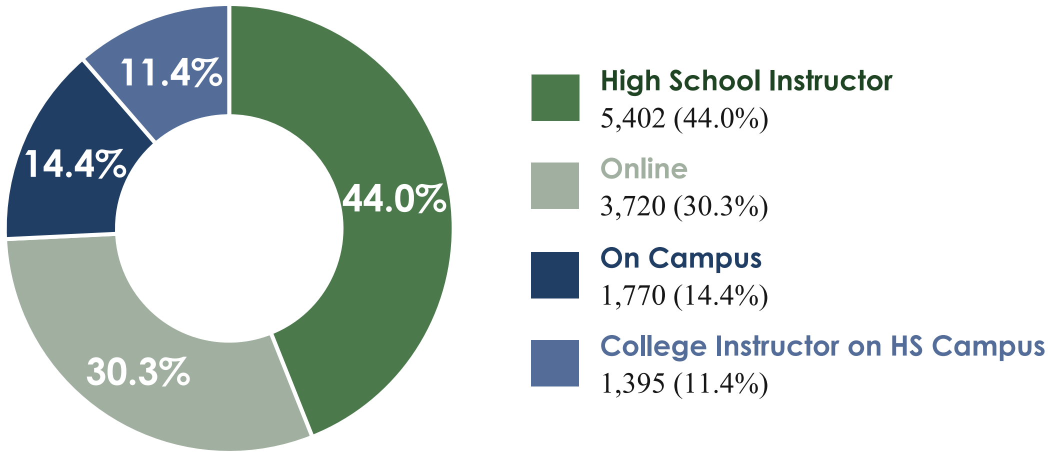
As enrollment continues to decline and students shift towards taking courses online, there are operational changes that must be considered by the University such as how space is being utilized with fewer students on campus.

In addition to impacting the how the University uses existing facilities, declining enrollment has a direct impact on revenues. The loss of students has significant impacts not only on lost revenue generated by tuition and fees but also a reduction in SSI funding. Each budget cycle, the General Assembly sets a certain level of funding for SSI that is then allocated to institutions based on a complex formula, which is influenced significantly by enrollment. In AY 2014, the University received 7 percent of available SSI funding. In AY 2025, the portion of available SSI funding received by the University dropped to 5 percent. The proportional drop in funding was equal to approximately $36 million.

College Credit Plus (CCP) is Ohio's dual enrollment program that provides students in grades seven through twelve the opportunity to earn college and high school credits at the same time by taking courses from Ohio colleges or universities. According to UA, CCP enrollment embodies 10.6 percent of total student headcount in the fall of 2024. In terms of credit hours enrolled, CCP enrollment represented 7.4 percent of total student credit hour enrollment in fall of 2024. The graph below shows the University of Akron's CCP enrollment by delivery type.

AY 2024 CCP Credit Hours by Delivery Type

Total: 12,287



Source: ODEW

The most popular CCP course delivery type is high school instruction which was 44.0 percent of CCP credit hours. From AY 2018 to AY 2024, the University's CCP credit hours enrollment has decreased by 1.9 percent. CCP credit hours among the other Ohio public universities have increased by 50 percent from the same period.

Programs

The primary function of the University is to provide educational opportunities to the community. The University is accredited by the Higher Learning Commission and is primarily a bachelor's degree granting institution. In total, 226 programs offered by the University lead to bachelor's degrees. The University offers graduate and professional programs as well, which total 160 master's degree programs and 44 doctoral degrees. The University is separated into four colleges and the school of law. The following infographic shows each of the colleges and the Law School, the departments with the highest level of enrollment, and the student enrollment in those departments. The student enrollment in the visual below is in headcount meaning that the students are expressed as whole numbers.

University of Akron Enrollment Overview

Buchtel College of Arts and Sciences

Top Five Departments:
LeBron James Family Foundation School of Education (543), Biology (516), Psychology (433), Criminal Justice Studies (358), and Communication (324)

Degree Offerings:
Associate's Degree through PhD Degree (and certificates)

College of Engineering and Polymer Sciences

Top Five Departments:
Mechanical Engineering (1,082), Computer Sciences (664), Civil Engineering (361), Electrical and Computer Engineering (347), and Chemical, Biomolecular, and Corrosion Engineering (187)

Degree Offerings:
Associate's Degree through PhD Degree (and certificates)

College of Health and Human Sciences

Top Five Departments:
Nursing (846), Exercise and Nutrition Sciences (374), Social Work and Family Sciences(274), Counseling (233), and Speech-Language Pathology and Audiology (196)

Degree Offerings:
Associate's Degree through PhD Degree (and certificates)

College of Business

Top Five Departments:
Management (498), Marketing (337), Accountancy (299), Finance (183), and Economics (73)

Degree Offerings:
Bachelor's Degree through Master's Degree (and certificates)

School of Law

Areas of Study Include:
Advocacy and Dispute Resolution, Criminal Law, Family Law, Health Law, Business Law, Constitutional Law, International Law, and Intellectual Property (426 students enrolled)

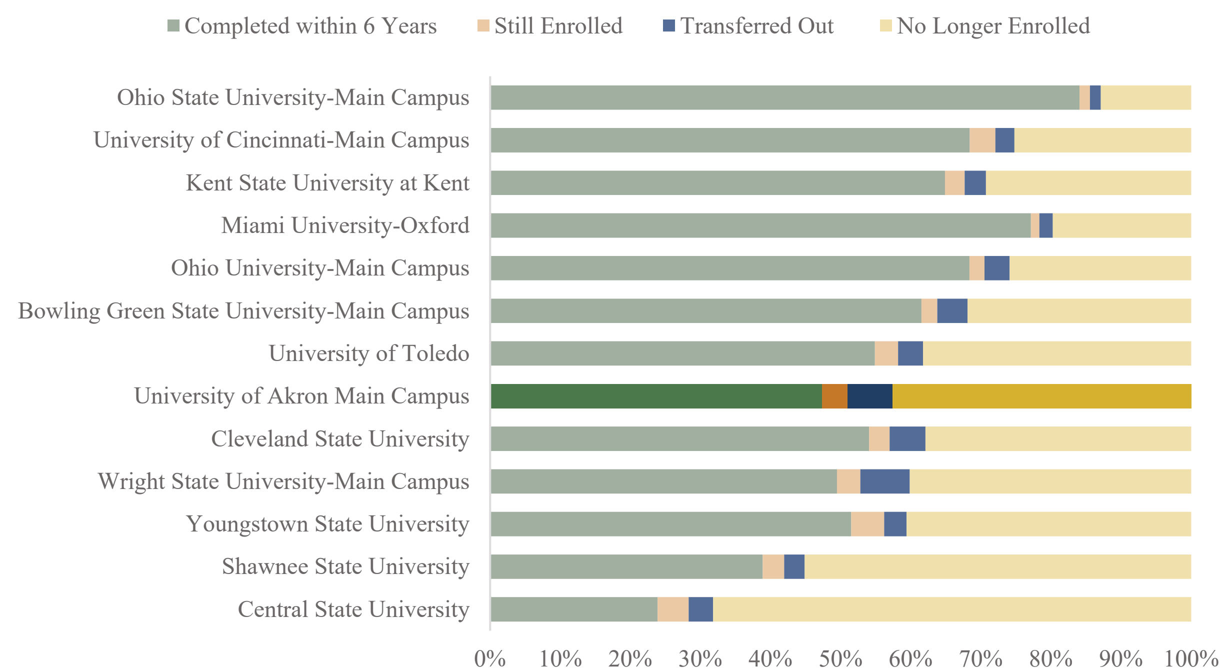
Degree Offerings:
Master's Degree in Intellectual Property (LLM) through Juris Doctorate Degree (and post-Masters certificate)

Source: University of Akron

When undergraduate students enroll in the University, they typically declare a major. If students do not declare a major, then they receive Exploratory Student Supports to help them find a major. Once students declare a major, they have to complete core requirement classes that typically cover a range of subjects before they take more specialized courses. Students may take these core classes outside of the college that houses their degree program. For example, a student enrolled in the Civil Engineering program may also have to take English courses through the Buchtel College of Arts and Sciences. Graduate students apply for the degree they wish to pursue and thus they do not need to declare a major. As shown in the infographic above, the School of Law only offers graduate-level degrees and certificates.

Many of the University's most popular programs are four-year programs resulting in a bachelor's degree. Student data is reported to ODHE which includes data for cohorts of students based on their initial date of enrollment. For those pursuing a four-year degree, completion data is reported after the sixth year. For example, the 2023 cohort at the University includes 3,913 students, which include those that entered the institution during fall 2017 semester enrolled in credits toward a degree. The graph below shows the completion rates of the University's students compared to those of the other Ohio universities.

6-Year Completion of 2023 Cohort



Source: ODHE

As shown in the graph above, the largest proportion of students at the University finished their degree within six years (47.4 percent) followed by students who are no longer enrolled (42.6 percent)[10], students that transferred to a different institution (6.4 percent), then students that are still enrolled in the University (3.6 percent).[11] By comparison, the university average in Ohio excluding the University of Akron for the same cohort had a 58.1 percent program completion rate, 3.6 percent still enrolled rate, 2.8 percent transfer rate, and a 35.5 percent no longer enrolled rate.[12]

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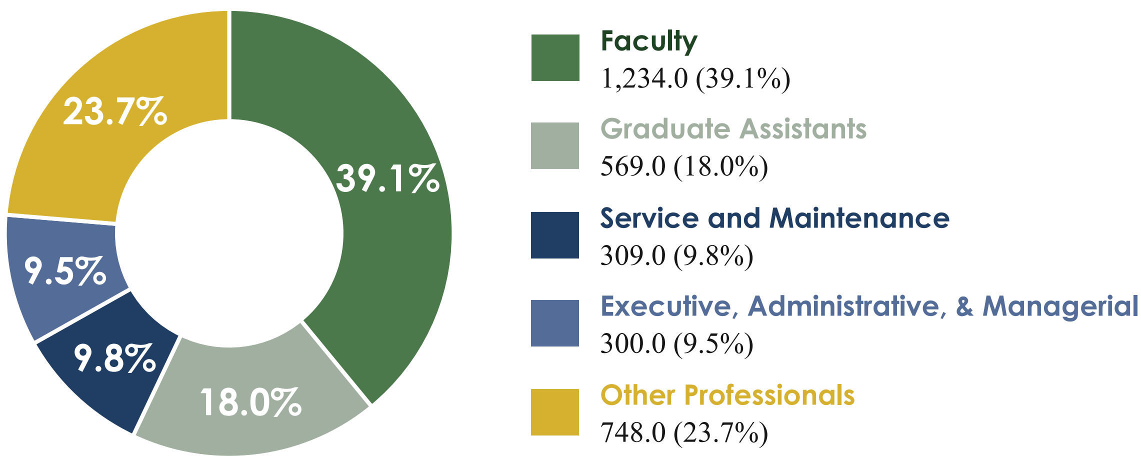
[10] No longer enrolled includes students who dropped out as well as those who completed their degrees in greater than 150 percent of normal time (6 years).
[11] Due to rounding, these numbers may not add up to 100 percent.
[12] Due to rounding, these numbers do not add up to exactly 100 percent.

Human Resources

University operations require large numbers of employees including administrators, instructors, and other staff responsible for service and maintenance. The University employes a number of full-time and part-time employees. In total, there were 3,160 individuals employed by the University in AY 2024. The chart on the following page shows the breakdown of employees based on five broad categories.

University of Akron Staffing Headcount AY 2024

Total Headcount: 3,160.0



Source: ODHE

Note: Other includes clerical and secretarial, IT, librarians, healthcare professionals, sales, and other professionals that do not fit within ODHE's staffing categories.

Note: Due to rounding, the numbers above may not add up to 100 percent.

The 3,160 individuals are a combination of full-time and part-time employees. In total, the University has 1,506 full-time equivalent employees and 1,654 part-time employees. As seen in the chart above, the largest group of employees are Faculty, which comprise approximately 39 percent of all employees. ODHE's definition of faculty includes professors, associate professors, assistant professors, instructors, lecturers, and other instructors of record. The University uses a variety of positions to support student instructional needs. As part of their education, graduate students may become teaching assistants and primarily instruct laboratories. The University also employs adjunct faculty which are part-time faculty with renewable semester contracts. For full-time instructional faculty, the University has non-tenure track faculty who are contracted and whose primary responsibility is instruction and tenure-track faculty which are eligible to achieve tenure and have responsibilities in addition to instruction.

Facilities

Higher education institutions require classroom and laboratory space to provide education to students. Based on changing enrollment trends, both in the number of students, the type of students, and how students access courses, it is important for higher education institutions to strategically leverage campus facilities to best serve students and the community moving forward.

Campus facilities contain classrooms and labs for hosting courses, offices for the University faculty and staff, and spaces for student activities such as athletics. These facilities are all located on the University's main campus in Akron. Of the University's total 55 buildings, 25 have classrooms and laboratories used for educational purposes. In these buildings, there are a total of 216 classrooms and 217 class laboratories, or 50.1 percent and 49.9 percent of total facility space, respectively.

Athletics

Collegiate athletics is deeply rooted in Ohio's history. One of the first collegiate athletic conferences, the Ohio Athletic Conference (OAC), was founded in 1902 and contained all Ohio members. Today, nearly all of Ohio's 4-year public universities compete in organized athletics at some level with many of its universities being members of the Mid-American Conference (MAC), including the University of Akron.

Founded in 1946, the MAC, which is a member of the National Collegiate Athletic Association (NCAA), has a total of 12 full-time member universities with 6 of these members being 4-year public universities located within Ohio[13]. The MAC currently sponsors 21 total sports, 4 of which are considered "core sports" and include football, men's basketball, women's basketball, and women's volleyball. The University joined the MAC in 1992 and competes in 14 MAC sponsored sports and 16 sports in total.[14]

According to the University's financial reports sent to the NCAA, between AY 2018 and AY 2024, the University spent approximately $230 million on athletics. The largest of its sports specific expenditures went towards football with more than $60 million, or 26.2 percent, of total expenditures since AY 2018 going to the sport. Notably, a university's athletic department is not expected to cover its own expenses without university support. In AY 2024, all MAC member athletic departments reported a need for financial support, such as a subsidy, from its university to remain financially viable. The Ohio MAC universities collectively subsidized its athletic programs for approximately $83 million. While the University of Akron reported approximately $24 million in institutional support in AY 2024, the average for the other Ohio MAC universities

[13] The University of Massachusetts joined in AY 2025 as a full-time member. Bringing the new MAC total to 13 universities.
[14] Men's Soccer and Riflery are not MAC sponsored sports. In the reported financial information to the NCAA, riflery is considered to be one team even though it is both a men's and women's sport.

was approximately $12 million. In AY 2024, the largest expenditures reported to the NCAA related to the University's Athletic Department were coaching salaries, benefits, and bonuses ($7,201,667); athletic student aid ($6,160,794); and athletic facilities debt services, leases, and rental fees ($5,588,014). A benchmarking exercise related to the University's athletic revenues and expenses by sport can be in **Appendix D** which used the reported financial information submitted to the NCAA for AY 2024.

Summary of Audit Results

Our audit reviewed several operational areas and analyzed the University's policies and procedures which were compared to best practices and industry standards. Specific areas of review for this audit included program offerings, faculty staffing, insurance, facilities, athletics, and financial strategies.

We found that the University is at a point in time where difficult decisions regarding future operations will need to be made. While the Board has made significant decisions regarding faculty, student housing, and other related areas over the past several years, the University is still projecting deficit spending into the future. The Board will need to make several operational decisions to ensure appropriate changes are made that allow for continued efficient and effective operations at the University and help to ensure its financial sustainability.

Our audit identified 12 recommendations across these areas of review that can assist the University in improving overall efficiency and effectiveness. The audit, and the associated recommendations, also provides transparency to the students and other stakeholders of the University. These recommendations are broken into three categories, Academic and Athletic Programs, University Operations, and Strategic Management.

Academic and Athletic Programs Recommendations

The University has a stated commitment to the community of Akron to be a willing and constructive partner. Two of the ways in which it achieves this commitment and other goals is through robust academic and athletics programming. Our audit reviewed key functions within both of these programs to identify opportunities for improved efficiency and effectiveness.

Academic Programs

Recommendation 1: Continue to Monitor Degree Offerings and Job Market Alignment

The University should continue to monitor the extent to which the degrees and programs that it offers align with the local and state job markets. This will allow the Board to make strategic decisions for resource allocations that align with growing and in demand occupational fields. Although this analysis did not include alignment with the Advance Higher Education Act, the implementation of the recommendation will support the University's efforts into complying with the program analysis requirements set forth in the ORC.

Recommendation 2: Align Section Offerings with Student Demand and Evaluate Impact on Instructional Staffing

The University is not utilizing an optimized section offering method for its courses. This has resulted in over 700 more sections being offered to students than is necessary, causing low enrollment in 21 percent of courses. Offering unnecessary low enrolled sections can result in over-expending valuable university resources related to both instructional staffing and facility use. By reducing or eliminating low enrolled sections, the University may be able to further reduce its expenditures and further mitigate costs related to its faculty.

Recommendation 3: Track Workload Assignment Letters and Use Data to Strategically Manage Workforce

The University uses workload letters to designate expectations for faculty at the beginning of each fiscal year. There is no centralized method for tracking these letters or monitoring compliance with the expectations. The University should develop a tracking system that allows it to track and compare assigned workload to actual workload in a given period. This will help to ensure compliance with OAC 3359-20-03.2 and also provide information that may be used to make strategic operational decisions regarding future staffing and programmatic needs.

Athletic Programs

Recommendation 4: Develop a Strategic Plan for the Athletic Department that Aligns with the Overall University's Mission and Administration's Action Plan.

The University's Athletic Department does not currently have a strategic plan. The University should use the hiring of a new Athletic Director (AD) as an opportunity to develop a strategic plan for the Athletic Department that provides short and long-term goals as described by industry's best practices. The strategic plan should be tied to the University's mission and incorporate the financial realities needed for long-term sustainability of a 4-year public university. The strategic plan should be approved by the Board, published on the University's Athletic Department website, and adhered to by the University's Athletic Department.

Recommendation 5: Improve Athletic Team Budget Process.

The University's athletic teams have indicated challenges regarding the budgeting process; this includes estimating costs related to travel, recruitment of future athletes, and timing of planning and submission of budgets. Coaches reported estimating budgets based on last year's expenses with little to no other guidance, frustration with being unable to find savings by booking their own travel, and a lack of consistent reporting of their current financial conditions. The new Athletic Director should implement their preferred budgeting approach and formalize the process to address the budgeting challenges while also reducing the overall spending deficit of the Athletic Department.

Operations Recommendations

The day-to-day operations are also critical for the success of the University. We reviewed the University's existing insurance offerings, facilities, and related areas which impact overall operations. Further, we identified any potential cost savings that the University may be able to realize through altered operational decisions. Our analysis identified five recommendations that will assist the Board and the Administration as they make future operational decisions for the University.

Insurance

Recommendation 6: Evaluate Insurance Changes to Medical and Dental Insurance Offerings

The University offers medical, vision, and dental insurance to employees and pays a portion of the monthly premium as a benefit. While the cost to the University for these insurance offerings is generally lower than the peer institutions, the University pays a higher percentage of the monthly premium in some instances. Due to the University's fiscal condition and projected deficits, it should evaluate changes to the insurance offerings to bring the employee share of the premium in-line with the peer institutions on a percentage basis in order to reduce expenditures.

Facilities

Recommendation 7: Increase Student Housing Utilization

Generally, the University only requires first-year students that live outside of the surrounding counties to live on campus. This has resulted in excess, unused student housing capacity for the University. By changing housing policy exemptions, requiring more students to be on campus, and setting a goal of 94 percent utilization rates to match a student housing industry standard, the University could recognize approximately \$1.3 to \$1.7 million in additional revenue going forward.

Recommendation 8: Strategically Reduce Academic Space to Improve Facility Utilization

Classroom and class laboratory utilization rates have decreased across the University since spring of 2018. The utilization decline has been driven primarily by declining enrollment rates during this same period. We identified approximately 220,000 Net Assignable Square Feet (NASF) that could be reduced to increase utilization rates for classrooms and classroom labs. Further increases in building utilization could be realized with the development of a facilities master plan that addresses the spatial needs of campus buildings.

Recommendation 9: Begin Collecting Office Space Usage Data

The University does not collect office space usage data for its faculty and staff. Because of this data limitation we were unable to provide an in-depth analysis related to office space usage or consolidation. The University should begin collecting data related to office space use. This data would help further the understanding of the space needs related to the University in addition to a facilities master plan identified in **Recommendation 10**.

Recommendation 10: Develop a Facilities Master Plan

The University does not have a facilities master plan for its campus. The Board has indicated a general desire to reduce its overall footprint on campus and has taken steps to do so. However, without a facilities master plan, the University is missing key metrics that would allow for data-driven decision making on building consolidation or removal. Key metrics that would aid in decision making include quality data for deferred maintenance costs on campus buildings and office utilization rates.

Strategic Management Recommendations

Ensuring an organization has sustainable planning is a critical responsibility of leadership. The Board is responsible for hiring individuals that oversee the day-to-day operations and management of the University, ultimately the long-term success and future falls on the Board. The University has experienced declines in enrollment, losing nearly half of its student body over the past decade. The changing demographics will require the Board to consider making further changes to operations in the near future. Our performance audit found that the University's strategic management could be improved and made two recommendations in this area to help guide future Board decision making processes.

In addition to current operations, universities such as the University of Akron must properly plan for future expenses through the use of long-term planning documents and policies. Current projections from the University indicate future deficit spending. While deficit spending may be necessary in the short term, this trend is not sustainable for a long period of time. Larger and more structural decision making is needed to reverse the current trajectory. Our analysis identified two recommendations that will assist the Board and the Administration as they make future decisions for the University's financial sustainability.

Recommendation 11: Establish and Implement Minimum Fund Balance Policy.

The June 2025 five-year forecast provided by the Administration shows the impact of the University's previously mentioned efforts to reduce expenditures. However, the five-year forecast is still showing significant annual deficit spending continuing beyond the next five years, which would decrease the University's net operating cash to levels near the GFOA recommended minimum level soon. Maintaining minimum fund balances helps entities to avoid financial difficulties that may arise from unforeseen expenses or reduced revenues. The University does not currently have a reserve fund balance policy and best practices identified by the Government Finance Officers Association (GFOA) and Moody's Investors Service (Moody's) provide guidance on minimum fund balance thresholds. The University should establish a minimum fund balance policy and in doing so, the University would maintain balances that would help address future unforeseen budgetary issues.

Recommendation 12: Formalize the Revitalization Plan and Ensure Financial Sustainability.

As discussed in detail throughout the preceding sections of this report, the University could gain efficiencies by aligning its operations with the peer averages and industry standards in addition to implementing the previously identified baseline recommendations. However, the recommendations identified in this report, even if fully implemented, would not resolve the projected deficit in the June 2025 five-year forecast provided by the University.

The University of Akron approved a resolution in March 2025 pertaining to its revitalization plan, which included a $22 million university-wide budget improvement by end of AY 2026. The resolution states improvements in several ways, including but not limited to, a combination of voluntary separations; investment in areas of growth, fundraising and development opportunities; reduction in administration and athletics, reduction of campus footprint and debt defeasance; operational and financial efficiencies; restructuring; and enrollment growth. While some action has been taken related to faculty reductions and a private partnership for student housing and parking, details are limited to the financial forecast with assumptions. To be most effective, a revitalization plan should be formalized including detailed tangible actions and the corresponding financial impact.

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Academic and Athletics Programs

The primary function of a university is to provide undergraduate and graduate opportunities to students. It is important for universities to have the ability to respond to changing conditions within both the local economy and the economy at large. In particular, the administrators at a university must be able to make decisions with foresight and consideration of ongoing changes within the community, taking into account changing economic conditions, demographics, and workforce demands.

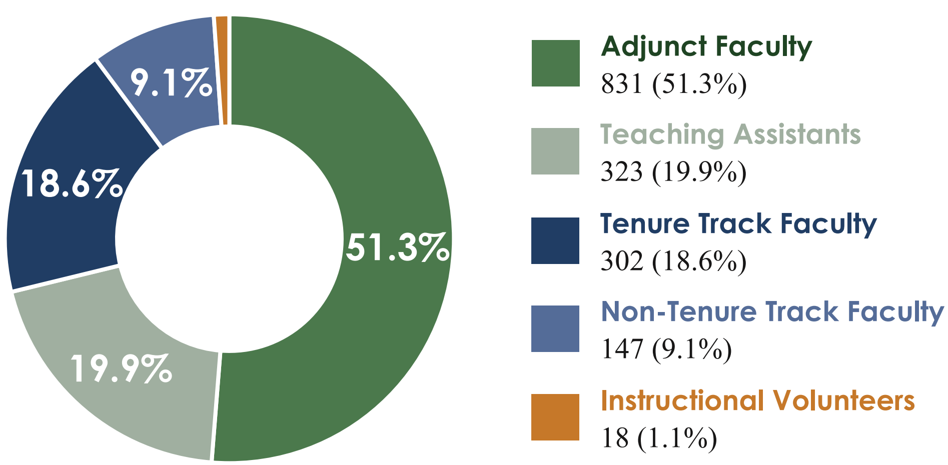
Academic Programs

A large part of the University's mission involves offering comprehensive programs of instruction and vigorous research in the arts, sciences, and professions. In AY 2024, the University offered more than 4,270 sections of over 1,480 unique courses. All the courses lasted a semester and took place various times throughout the weekdays. Courses are taught through one of the University's four colleges or the School of Law. Each of these colleges have departments that offer degree programs to students ranging from associate to doctoral degrees. For the purposes of this audit, the analysis only includes degrees and courses offered at the main campus and thus does not include those of Wayne Campus or online programs.

In AY 2024, The University employed 1,621 individuals in a variety of instructional positions to facilities program offerings. The graph below shows the headcount distribution of instructional staff by position type.

AY 2024 UA Instructional Employees by Position Type

Total: 1,621



Source: University of Akron

The different types of instructional staff have different responsibilities. As noted in the chart, there are 5 types of instructional staff:

- **Adjunct Faculty (Adj.):** Employed on a semester basis to teach specific courses within their field.
- **Teaching Assistants:** Students who are paid to support the instructor. This can include running laboratory sections that support the lecture.
- **Tenure Track Faulty (TT):** Full-time faculty on the tenure track. Their time is devoted to instruction, research, service, and administration of programs. Assistant Professor, Associate Professor, Professor, and Distinguished Professor are various ranks of this position, based on academic degree level, years of experience, and other achievements.
- **Non-Tenure Track Faculty (NTT):** Full-time faculty not on the tenure track. Their time is devoted to instruction. Visting Professor, Associate Professors or Instruction, Assistant Professor of Instruction, Professor of Practice, and Professor of Instruction are various ranks of this position based on academic degree level, years of experience, and other achievements.
- **Instructional Volunteers:** Also called "contingent workers," these instructors are not paid and can include volunteers form the community, visiting scientists, or contractors paid by another organization.

Adjunct faculty make up the majority of the University's instructional staff and taught 63 percent of the sections analyzed in this audit in AY 2024. Adjunct faculty share a higher proportional instructional load because tenure track faculty have other responsibilities outside of instruction including student advising, research, curriculum development, administration of programs, and service to the University including University Senate. While non-tenure track faculty devote most of their time to instruction, these employees are proportionally less than adjunct faculty and thus teach fewer classes compared to adjunct faculty.

Athletic Programs

The University is a full-time member of the Mid-American Conference (MAC). Within the MAC there are 12 full-time members as of AY 2024[15]. These universities are primarily located within Ohio and the Great Lakes region of the United States. The MAC supports 21 total sports with 4 being required sports to belong to the Conference. These four core sports are football, men's basketball, women's basketball, and volleyball. According to the University's AY 2024 NCAA Financial Report, the University of Akron competes in 16 sports, 2 of which are not part of the MAC: men's soccer and men's & women's riflery. For more detailed information on the University's athletics, see **Recommendation 4**, **Recommendation 5**, and **Appendix D**.

[15] The University of Massachusetts joined in AY 2025 as a full-time member. Bringing the new MAC total to 13 universities.

Recommendation 1: Continue to Monitor Degree Offerings and Job Market Alignment

The University should continue to monitor the extent to which the degrees and programs that it offers align with the local and state job markets. This will allow the Board to make strategic decisions for resource allocations that align with growing and in demand occupational fields. Although this analysis did not include alignment with the Advance Higher Education Act, the implementation of the recommendation will support the University's efforts into complying with the program analysis requirements set forth in the ORC.

Impact

By comparing the University's program offerings with the job market, the Board will be able to make strategic decisions about which programs to invest in. This, in turn, will ensure that the University continues to offer degrees that graduates need to be able to achieve a high-wage job in a growing occupation. Programs that are unique to the University should also be an area of interest and a potential area to invest in.

Background

In AY 2018, 2020, and 2023 efforts were made to reduce programs driven by University initiatives or ODHE (ORC) compliance. From these program evaluations, the University saw a reduction of 19 percent of program offerings in 2018 and 7 program eliminations in 2023.

During the course of this audit, the University initiated the retrenchment clause stipulated in the faculty CBA, which defines the steps that the University can take to 2.0 per positions. However, to avoid university-proposed instructional cuts, 32 faculty members from various departments and colleges took voluntary separation agreements in AY 2025. Faculty who elected to take these separations were able to individually negotiate the terms of their packages.[16] The University tracks these packages in a spreadsheet.

Additionally, the University decided to eliminate the Physics and Anthropology departments. The University projects these reductions and reorganizations will yield approximately $3 million in savings beginning in AY 2026. For the purpose of this analysis, the faculty that took the voluntary separations and one faculty member who left through voluntary separation, 33 in total, will be included in **Recommendation 3** because they received workload letters in AY 2024. However, **Recommendation 1** will exclude these faculty workloads from the analysis because their instructional loads will be redistributed.

[16] Compensation negotiated in separation agreements varied by faculty member and included a lump sum payment ranging from 20 percent to 100 percent of an individual's annual salary along with benefits coverage lasting up to 18 months post separation.

Finally, during the course of this audit, the 136th Ohio General Assembly passed the Advance Higher Education Act, also known as Senate Bill 1 (SB 1).[17] Per ORC § 3345.454, as amended by the Advance Higher Education Act, Ohio public higher education institutions must eliminate undergraduate program offerings if the institution awards fewer than five degrees annually throughout a three-year period. There is an opportunity for colleges and universities to appeal and keep degree programs if the programs fall under the threshold. To comply with this new legislation, the University will need to reexamine its degree offerings as instructed by the Chancellor of ODHE.

Methodology

We interviewed key personnel within the University including the President; the CFO; and the Director of Planning, Strategy, and Insights about the current and future state of programmatic offerings of the University. We then compared the University's degree offerings to the 2030 job market projections anticipated by the Ohio Department of Jobs and Family Services (ODJFS). To compare the degrees that the University offers with other Ohio universities, we gathered available data regarding the degrees that other Ohio four-year universities, including private, not-for-profit, and public universities, offer and the graduation rates by degree. We then compared the list of degree offerings from UA with degree offerings from other Ohio four-year universities.

Analysis

As mentioned previously, the University has undergone multiple programmatic changes since AY 2018. In AY 2024, the University offered a total of 463 degrees and 145 certificates. Of those degrees, the University offers 33 associate's degrees, 226 bachelor's degrees, 160 master's degrees, 21 doctoral degrees for progressional practice, and 23 doctoral degrees for resource or scholarship. For the purposes of this analysis, a program is defined as the number of unique CIP codes that the University offers. For example, the University offers a Bachelor of Science degree and a Bachelor of Art degree in

Classification of Instructional Programs

To standardize the classification of programs and degrees, the US Department of Education's National Center for Education Statistics (NCES) has a classification system used for programs at all colleges and universities. Classification of Instructional Programs Codes (CIP codes) provide a standard structure to track fields of study and programs. The system has three levels of information using two-, four-, and six-digit codes, with each providing increasing levels of detail on the area of study. The two-digit series represent the most general groupings of related programs. The four-digit series represent intermediate groupings of programs that have comparable content and objectives. The six-digit series, also referred to as six-digit CIP codes, represent specific instructional programs.

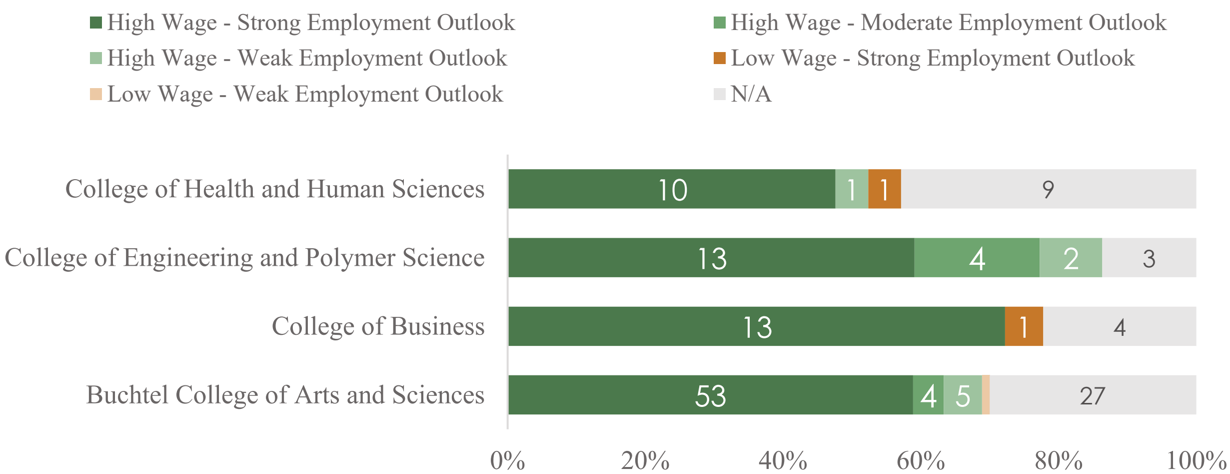
[17] As there is a new Senate Bill 1 each legislative cycle, this piece of legislation will be referred to as the Advance Higher Education Act for the rest of this report.

chemistry. While these would count as two degrees, they have the same CIP Code of 40.0501 and thus would count as one program. As such, the University offers 146 bachelor's programs.

Job Market Alignment

The National Center for Education Statistics (NCES) publishes a crosswalk matching the occupational codes (SOC Codes) with the degrees that aligned with those specific occupations (CIP Codes). We matched the degrees the University offers with their respective occupations. Because students may obtain a degree that aligns with other occupations within the same field, we analyzed occupational codes at the most general level. In other words, this analysis accounts for students obtaining jobs within an entire field as opposed to a specific occupation. We then matched the degrees with the occupations reported in ODJFS. Then we determined the wage level and outlook associated with the degrees based on the ODHFS report and the occupational field crosswalk.[18] The graph below shows the alignment between degrees with occupational outlooks by college.

Degrees by College and Outlook AY 2024



Source: University of Akron, Ohio Department of Jobs and Family Services, IPEDS

Note: N/A means that either Ohio does not list an occupation for its job market or UA offers a degree that does not have alignment with any of the occupational categories. For example, the University offers a Bachelor of Science Degree (CIP Code 24.0199) that is a combination of Natural Science and Polymer Sciences. This degree's CIP code did not crosswalk to an SOC Code, hence it is in the N/A category.

As shown in the graph above, most of the bachelor's programs that the University offers align with high wage occupations with strong employment outlooks. When compared to the occupations in the ODJFS 2030 projection report, 58 percent of the total bachelor's programs offered by the University align with occupations with high wages and strong market outlooks.

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[18] For this analysis, the median wage in Ohio was used to determine if a career was high or low wage. In addition, a strong employment outlook is one in which the change in annual job openings is higher than the state average.

This equates to 85 of the total 146 bachelor's programs offered at the University. The occupations categories with the highest growth and annual job openings that align with the University's degree offerings include occupations in health service, technologies, education, business, engineering, and law.

Potential Degree Opportunities

When compared to the degrees offered by other Ohio four-year universities, only six bachelor's degree programs that the University offers had a strong market opportunity. This means that there was low saturation of the degree offering and increasing growth. All of the strong market opportunity degree programs which met these criteria were in the business and financial field, offered by the University's COB. The majority of other degree programs and levels, 80.6 percent or 170 programs, had a moderate market alignment. Only 17 bachelor's degree programs demonstrated limited market opportunities. For this audit, we categorized degrees based on the following criteria:

- **Saturation:** The percent of Ohio four-year universities offering a degree
- **Growth:** Increasing graduation rate by degree
- **Strong Market Opportunity:** A degree with low saturation (fewer than 50 percent of Ohio four-year universities offer a degree) and of those that offer the degree, they have increasing graduation rates within the degree.
- **Moderate Market Opportunity:** A degree meets one of the above criteria.
- **Limited Market Opportunity:** A degree does not meet either of the above criteria.

The University does not have a continuous and data-driven system to allocate resources to programs that align with growing and in demand occupations. The last university-wide programmatic review was conducted in AY 2018, however, the University has conducted reviews with a limited scope in more recent years. By implementing reoccurring analysis that aligns when ODJFS publishes its projections every biennium, the University could use such analyses to guide decision making for which programs to invest in. The University has historically analyzed its degree offerings in comparison to other regional universities and will need to continue to do so as universities implement the Advance higher Education Act's mandated program reductions. These analyses will help to ensure that the University is compliant with new legislation and offering degrees that will help students obtain employment in Ohio.

Gap Analysis

We compared the degrees that the University offers with the degrees that are associated with in-demand and growing occupations with high wages. In order for the University to strategically allocate resources to expand degree offerings, it may want to consider the jobs that they do not currently offer degrees to support. We identified occupations and the associated degrees in which the University does not currently offer the necessary degree. This was done in both level and program as stipulated by ODJFS. The University does not currently offer degrees for in-demand and growing fields primarily in the health sector including:

- Occupational Therapy Assistants;
- Physician Assistants;
- Physical Therapist Assistants;
- Respiratory Therapists;
- Substance Abuse, Behavioral Disorder, and Mental Health Counselors;
- Physical Therapists; and,
- Licensed Practical and Licensed Vocational Nurses.

It is important to note that the ODJFS analysis determined the most common degree that employees have when entering into an occupational field. Some students may choose to achieve a higher level of degree to be a more attractive job candidate when entering a field. In this case, it may not be in the University's best interest to expand a program to offer an associate's degree. Alternatively, graduates with degrees may be able to obtain jobs that do not align with their degree. The analysis did not take this into account, rather it relied on the degree codes to occupational codes that the NCES provided.

Conclusion

The majority of the programs that the University offers align with the growing and in-demand occupations in Ohio's job market. As the University consolidates its section offerings (see **Recommendation 2**) and consolidates its program and degree offerings to comply with the Advance Higher Education Act, the University should incorporate a job market alignment look and document where other universities demonstrate growth. This can also help the Board make strategic decisions regarding resource allocations to degree programs. Additionally, the University can make strategic decisions for which programs to invest in or reduce by aligning with both the job market and the educational needs of employers.

Recommendation 2: Align Section Offerings with Student Demand and Evaluate Impact on Instructional Staffing

The University is not utilizing an optimized section offering method for its courses. This has resulted in over 700 more sections being offered to students than is necessary, causing low enrollment in 21 percent of courses. Offering unnecessary low enrolled sections can result in over-expending valuable university resources related to both instructional staffing and facility use. By reducing or eliminating low enrolled sections, the University may be able to further reduce its expenditures and further mitigate costs related to its faculty.

Impact

The University allocates a large portion of its resources towards academic support, instructors, and maintaining classrooms. Operating low enrolled sections is an effect of inefficient operations and results in an increase in costs for the University. If costs for operating a section are not covered by student tuition or SSI funding, they are subsided by the University's general fund.

The University should formalize a policy for aligning section offerings with student demand, centralizing the decision-making process. Once this policy is in effect, the University can then adjust the adjunct and non-tenure track staffing accordingly, which would save the University approximately $46,000 to $299,000 annually in salary expenses. Additional financial savings could likely be found from reducing facility, supplies, equipment, and administrative expenses associated with excess capacity. This reduction of course section offerings, and subsequent savings, could be achieved without any reduction to the programs or courses offered by the University.

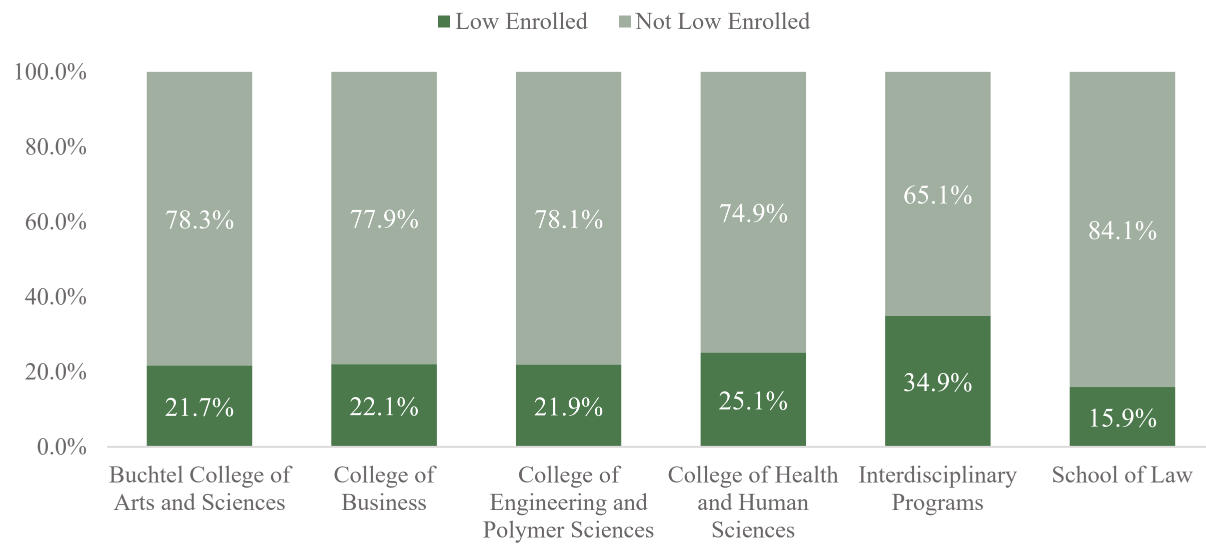
Methodology

We interviewed key academic personnel at the University to develop an understanding of the University's academic operations, low-enrollment course cancellation policies, course scheduling practices, and faculty workload assignments. Additionally, we obtained information regarding course offerings over the past five academic years. We also obtained data pertaining to the University's instructional workforce including positions, wages, and the sections that were taught. This information was used to conduct a variety of analyses that identified the opportunity for course consolidations and the associated financial impacts tied to potential faculty reductions.

Analysis

From AY 2019 through AY 2024, 21 percent of the sections that the University offered were low enrolled based on the University's definitions of low enrollment.[19] Prior to the Covid-19 pandemic, the University's low enrollment for the fall and spring semesters was approximately 16 percent. During the pandemic, low enrollment peaked during the fall of AY 2020 with low enrollment at 38 percent of all the courses offered. Although low enrollment has decreased since the pandemic, the percentage of low enrolled sections has not yet returned to pre-pandemic levels. As the University is comprised of different colleges, we calculated the number of low enrolled courses in AY 2024 by college, as shown below.

Percent of Low Enrolled Sections by College in AY 2024



Source: University of Akron

Although the Buchtel College of Arts and Sciences (BCAS) is in line with the University average for percent of low enrolled sections, it has the highest number of low enrolled sections (369 sections). The Department of Chemistry in BCAS has the highest instances of low enrolled sections (62 sections), specifically 37 sections for recitations are low enrolled. The College of Engineering and Polymer Sciences (CEPS) has the second highest number of low enrolled sections. The Department of Mechanical Engineering in CEPS has the highest instances of low enrolled sections (53 sections), specifically 19 sections for laboratories are low enrolled. This issue affects STEM students as they must take introductory courses in STEM fields also called core courses. Officials at the University confirmed that STEM students may struggle to enroll in the core courses that they need, leading to the University offering more recitations and laboratory

[19] The University defines a low enrolled threshold as 10 or fewer students for graduate-level courses and 12 or fewer students for undergraduate-level courses.

sections to meet these needs. The University has recently taken steps to address this issue by utilizing a course scheduling software, which allows students to see the courses that they need to graduate and allows the University to see where core courses overlap.

Course Section Consolidation

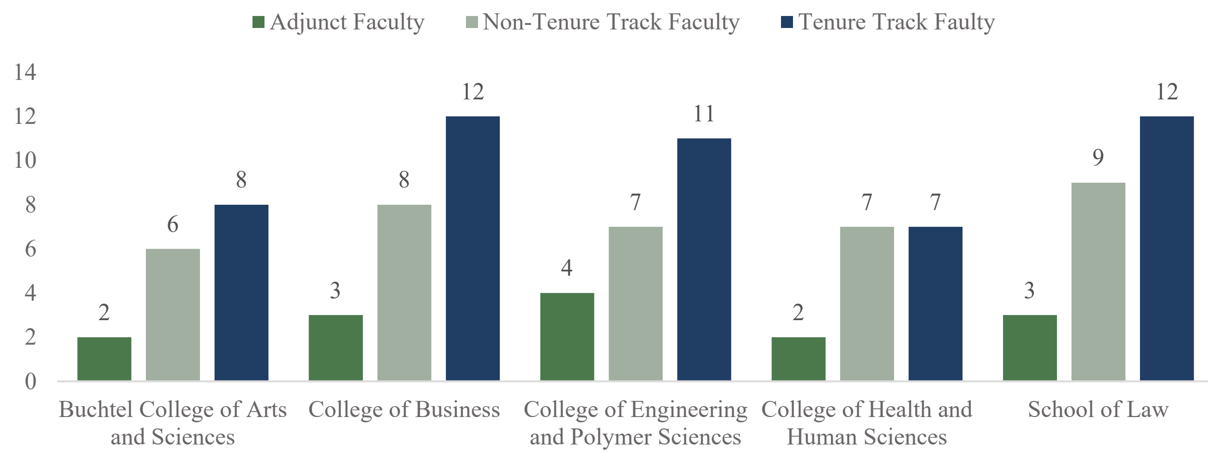
As the University tries to reduce its expenses, there could be an opportunity for a reduction or consolidation of academic offerings. To identify these opportunities, we compared the section offerings to student enrollment. We then analyzed which sections in AY 2024 could have been eliminated while still ensuring that there was at least one section that could accommodate the students that enrolled in the course. Any section offered above this metric was considered a candidate for consolidation.

To account for the variety of course offerings, we conducted three scenarios for section consolidation. The inverted pyramid visual shows the most aggressive option, meaning the scenario that would eliminate the most sections, on top with the most conservative option at the bottom. All three scenarios assume that the University will offer the same courses, as the University may need to offer specific courses to maintain its accreditation.

Course Section Optimization Scenarios

For the *Break-Even Reductions Scenario*, we calculated the number of students that would need to enroll in a section for the section to break-even financially. To determine the cost of an instructor, we used salary, wages, and benefits of the instructor. There are three different instructor types that we identified for this scenario adjunct (Adj), non-tenure track (NTT), and tenure track (TT). The revenue per credit hour is a combination of the student cost per credit hour by degree and program type (as some degrees and programs cost more than others) and 100 percent of the State Share of Instruction (SSI funding) per credit hour. The graph below shows the breakdown by college and instructor type.

Student Enrollment Needed to Cover the Average Cost of One Instructor by College in AY 2024



Source: University of Akron

As shown in the graph above, sections taught by adjunct faculty require the fewest number of students to financially break even. The colleges that require the most enrolled students to break-even include the School of Law and the College of Business. The School of Law and the College of Business pay tenure track faculty more on average when compared with the other colleges within the University.

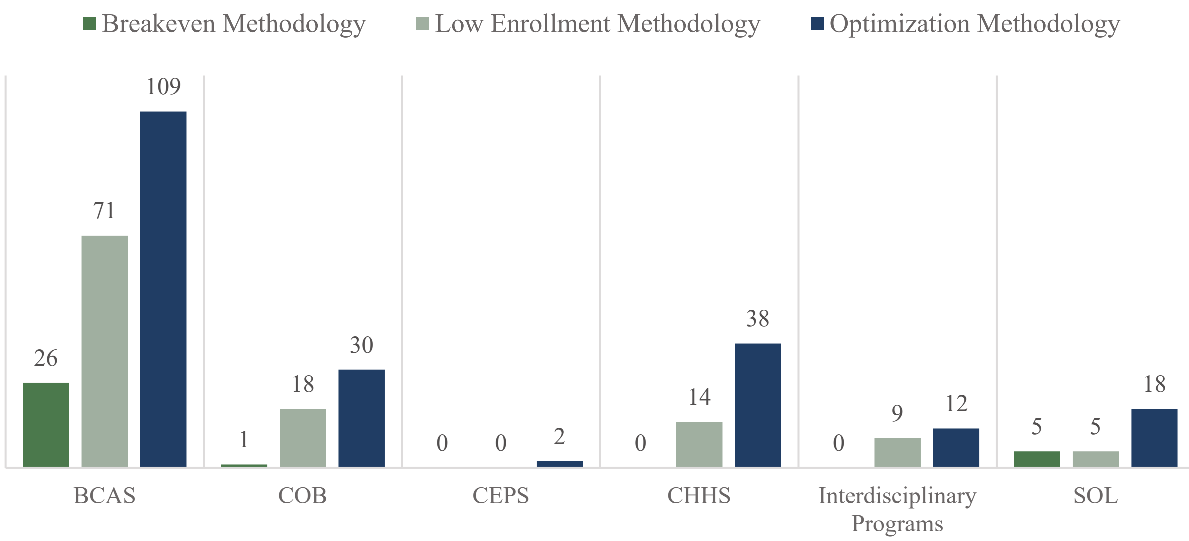
We applied these thresholds to the low enrolled sections that the University offered in AY 2024. Unless a department did not have any adjunct faculty, we applied the adjunct faculty break-even threshold for all courses. If a department did not have any adjunct faculty, then we applied the non-tenure track faculty break-even threshold.

For the *Low Enrollment Scenario*, we looked at low enrolled sections and divided the total enrollment for each component to ensure each student will be able to take the course requirements. For example, if a course must have a lecture and a laboratory, we divided the total number of students to ensure that there was at least one lecture and at least one laboratory for students to enroll in.

For the *Section Optimization Scenario*, we looked at all the sections that the University offered in AY 2024. We divided the total enrollment by the cap of enrollment by component and assumed a section would be added if the previous one was filled. For example, if a lecture had a cap enrolled of 100 and 250 students took the course, then this scenario would only open a new section once the previous one had filled, resulting in three total sections offered.

As mentioned in **Academic Programs**, we excluded sections taught by faculty who took the voluntary separations in AY 2025. The majority of the separations, 17, were from BCAS with 14 separations from the CEPS and 1 separation from the CHHS. These separations account for 13 percent of tenure track faculty at BCAS and 14 percent of faculty from CEPS. The graph below shows the number of sections that could be reduced based on the three different scenarios.

Section Reduction by Scenario and College AY 2024



Source: University of Akron

The graph above shows that the largest opportunity for section consolidation is with the BCAS followed by the CHHS and the COB depending on the scenario type. While there were more opportunities for consolidation in the CEPS (19-29 sections), the voluntary separations reduced the number of sections that could be consolidated. See **Appendix F** for the section reductions by scenario before factoring in the voluntary separations.

Financial Impact

As the University consolidates section offerings, it must also evaluate the impact of this consolidation on its instructional workforce. With a reduction in the number of sections taught, the number of instructors should be reduced as well.

The financial impact analysis assumes that the University would cut the adjunct faculty and then non-tenure track faculty prior to cutting tenure track faculty. The University would then need to reassign the sections previously taught by the cut staff to the current staff. As adjunct faculty have shorter contracts compared to other instructor types, these contracts are easier to not renew once the contract has ended. The table below shows the estimated financial impact of faculty reductions based on the average salary, wages, and benefits of each faculty type by department.

Method	Sections Reduced	Adjunct Reduction	NTT Reduction	TT Reduction	Annual Impact
Breakeven	32	8	0	0	$45,597
Low Enrolled	103	24	1	0	$173,532
Optimization	190	50	1	0	$298,750

Source: University of Akron

As shown above, most of the potential reductions are adjunct faculty with a maximum of one non-tenure track faculty reduction depending on the scenario. The departments with the highest potential adjunct faculty reductions include Speech-Language Pathology and Audiology (4-6 reductions), School of Law (3-10 reductions), and Management (0-7 reductions). The Department of Chemistry is the only department that could reduce a non-tenure track faculty member depending on the scenario applied.

Conclusion

The University's sections are currently not optimized as they offered over 700 low enrolled sections in AY 2024 and an average of 21 percent of its sections since AY 2019 were low enrolled. While the University offers a variety of courses to support a range of degree programs, they are offering more sections than students currently need. As a result, the University is expending more of its resources on instructor salaries, wages, and benefits than is needed for current course demand.

Recommendation 3: Track Workload Assignment Letters and Use Data to Strategically Manage Workforce

The University uses workload letters to designate expectations for faculty at the beginning of each fiscal year. There is no centralized method for tracking these letters or monitoring compliance with the expectations. The University should develop a tracking system that allows it to track and compare assigned workload to actual workload in a given period. This will help to ensure compliance with OAC 3359-20-03.2 and also provide information that may be used to make strategic operational decisions regarding future staffing and programmatic needs.

Impact

Without a centralized way to track workload letters and expectations, the University cannot plan for course offerings, research projects, or service initiatives effectively. Additionally, as the university does not centrally track actual workload assignments, it cannot determine if they are compliant with OAC 3359-20-03.2. Centralized tracking will make planning more effective planning, thus improving the University's economic position.

Background

The University CBA agreements do not outline specific job duties for faculty, instead the University utilizes individual workload letters to designate workload expectations for its faculty members at the beginning of each academic year. In theory, workload letters provide important pieces of information related to the expectations for faculty and allows faculty to understand their expectations for the year. For individual faculty members, a workload letter should provide an outline of their academic year, including which courses will be taught, research expectations, and service expectations to the University. For the University, workload letters should be a planning document, providing a resource for the University to have documentation on yearly faculty expectations and ensure that it is meeting its obligations to maintain accreditation, and its instructional and research goals.

Methodology

We interviewed key members related to faculty staffing at the University including the former Provost, the current Provost, and the Human Resources Director with questions regarding faculty workload. We identified that workload requirements for tenure track faculty are not included in the collective bargaining agreement (CBA), but departments send the tenure track faculty workload letters before every Academic Year. Additionally, all departments have workload policies that the Provost reviews to ensure alignment with OAC 3359-20-03.2. The University provided the finalized workload policies for 30 departments and colleges.[20] The University also provided workload letters for tenure track faculty for AY 2024, a total of 265 workload letters. Although the University has 302 tenure track faculty, they were only able to provide 265 letters due to one department tracking workloads in a spreadsheet and another department not able to provide letters due to administrative turnover. The University also provided the faculty assignments which documents the courses that faculty taught for AY 2024. We compared the workload letters with OAC 3359-20-03.2, departmental workload policies, and the actual workload assignments of the instructors.

Analysis

We performed three analyses related to workload for faculty. The basis for these analyses was to understand the workload letters, how workloads were being managed, compare the workload expectations to OAC and department policies, and compare whether the planned instructional workloads aligned with the workload instructors actually performed throughout the academic year. As indicated above, workload letters generally contain information related to the workload expectations for faculty, the hours assigned for various duties, and the courses or sections assigned to the instructor for the semester or academic year. In theory, workload letters are a tool for managing workloads for those that run departments. At a minimum, faculty should be able to rely on the agreed upon workload assignment to plan their academic year and their own obligations. Throughout this analysis, it became clear that workload letters were more of a formality related to the CBA than a useful tool that would provide an opportunity for data driven decision making at the University's highest levels.

Workload Letters

Workload letters assign workload expectation for instruction, research, service, and administration to faculty. The University does not centrally collect these letters, rather departments are responsible for collecting and updating the workload letters. At the University in the most recent academic year, over 374 employees, or approximately 14 percent of University's total staff, received workload letters. Although the University's policy does not require non-tenure track faculty and adjunct professors to receive workload letters, collectively departments sent workload letters to 109 of these faculty members. Of the 374 workload letters that were received, 265 covered tenure track faculty, of which 245 taught courses in AY 2024. We also received workload letters for professors that did not teach during the academic year. These instances were caused by various reasons including the professor no longer being employed by the University, on professional development leave during the academic year, or data limitations precluding our ability to match workload letters to instructional data.

The workload letters had variations from the University's policies including calculation errors, unnoted overload, overload carryover between academic years, allocating hours into various

[20] The College of Business has one workload policy for all of its departments.

categories without duties, allocating duties in various categories without hours, and incorrect coding of professional development leave.

OAC Instructional Load Compliance

We compared the faculty workload letters to OAC to determine if the University was planning workloads within the OAC determined ranges for instruction for AY 2024. OAC 3359-20-03.2, defines a full-time, tenure track employee as having 24 workload units for an academic year, or 30 units if they provide work during the summer semester. According to OAC 3359-20-03.2, departments at the University have instructional requirements based on the highest-level degree that the department awards.

- Baccalaureate Department: 70-80 percent total departmental workload for instruction;
- Baccalaureate and Masters Department: 60-70 percent total departmental workload for instruction; and
- Baccalaureate, Masters, and Doctoral Department: 50-60 percent total departmental workload for instruction.

This means that the remaining time not spent on instruction should generally be spent on research, administrative duties, and professional service. We found that workload letters for 21 departments were outside the OAC range for instructional workload. Of the 21 departments, 14 departments had instructional workloads above the OAC range while 7 departments fell below the OAC range. In other words, the University did not plan to be in alignment with the OAC range at the beginning of AY 2024.

This trend continues when analyzing the compliance with the OAC range for actual instruction for AY 2024. We found that 23 of the 40 departments, 58 percent, were in the appropriate OAC range. While 14 departments, 35 percent, were above the OAC range, and 3 departments, 8 percent, were below the range.

Planned and Actual Instructional Load

Of the 245 letters that the University provided for the tenure track faculty who taught in AY 2024, 79 percent had actual instructional load not match the planned instructional load. CEPS and the CHHS had the highest proportions of workload assignments not matching letters with 90 percent and 85 percent, respectively. On average, a faculty member at the University can expect that they will teach 18 percent more credits than what is originally on their workload letter.

The University is unable to verify if its staff are aligning with expectations both with university policies, departmental policies, or OAC 3359-20-03.2. The effect of not having a centralized tracking system is twofold. First, the University is unable to budget for overload properly because staff are, on average, teaching 18 percent more credits than they are originally assigned. Second, the University is unable to plan for research and service activities as additional instructional load may come at the expense of service or research assignments.

Conclusion

Without a centralized way to track workload letters and expectations, the University cannot plan for course offerings, research projects, or service initiatives effectively. Additionally, the University does not currently use the workload letters as a tool to manage the workload of its professors. Finally, because the University does not centrally track actual instructional assignments, they cannot determine if they are compliant with OAC 3359-20-03.2. With centralization, the University could not only track compliance but also strategically allocate resources to fill gaps. For example, if a department's faculty needs additional time for research activities to fulfill the requirements of a grant, then the University could strategically manage personnel to support with the instructional requirements. Centralized tracking would give the University a more holistic view of the faculty's workloads and departmental needs when balancing instruction, research, and service loads. Centralized tracking will also help improve planning, thus improving the University's economic position, and will make planning more effective.

Recommendation 4: Develop a Strategic Plan for the Athletic Department that Aligns with the Overall University's Mission and Administration's Action Plan

The University's Athletic Department does not currently have a strategic plan. The University should use the hiring of a new Athletic Director as an opportunity to develop a strategic plan for the Athletic Department that provides short and long-term goals as described by industry's best practices. The strategic plan should be tied to the University's mission and incorporate the financial realities needed for long-term sustainability of a 4-year public university. The strategic plan should be approved by the Board, published on the University's Athletic Department website, and adhered to by the University's Athletic Department.

Impact

Having a strategic plan would provide the University's Athletic Department with a roadmap to align the overall University mission and vision. It would also provide an opportunity for measurable short and long-term goals related to financial, athletic, and academic success. It would create accountability for the Athletic Department and its impact on the University as a whole. Additionally, an athletic department strategic plan would offer continuity between personnel changes, both in the Athletic Department and in key leadership positions at the University.

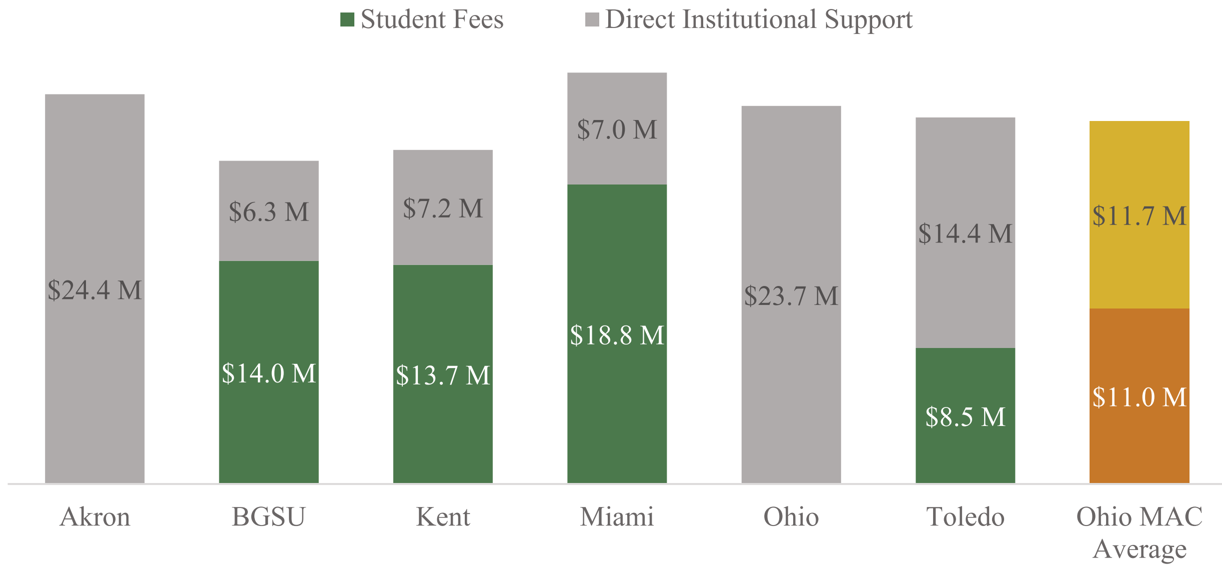
Background

Athletic Department Financials

Historically, university athletic departments have not been expected to be profitable or even cover their expenses with their own revenue generation. In AY 24, the University's Athletic Department reported $36.6 million in revenue with $34.9 million in expenses. To accomplish this positive financial position in the NCAA Financial Report, the University subsidized the Athletic Department with $24.4 million in direct institutional support. Meaning that without this reported direct institutional support, the Athletic Department effectively generated $12.2 million in revenues through its other revenue sources.

We compared UA to the other Ohio MAC universities within these same high-level categories and by each individual sport (for individual sport comparisons see **Appendix D**). According to the AY 2024 NCAA Financial Reports, all Ohio MAC universities subsidized their athletic departments using direct institutional support; however, the degree to which the universities supported their athletic departments ranged from $6.3 million to $23.7 million, excluding UA. As shown below, the average Ohio MAC university direct institutional support, excluding UA, was $11.7 million. Through our analysis, it appears that four of the six Ohio MAC universities supplement their direct institutional support with student fees, ranging from $8.5 million to $18.8 million in revenue generation.

AY 2024 General Fund Subsidy of Athletic Departments

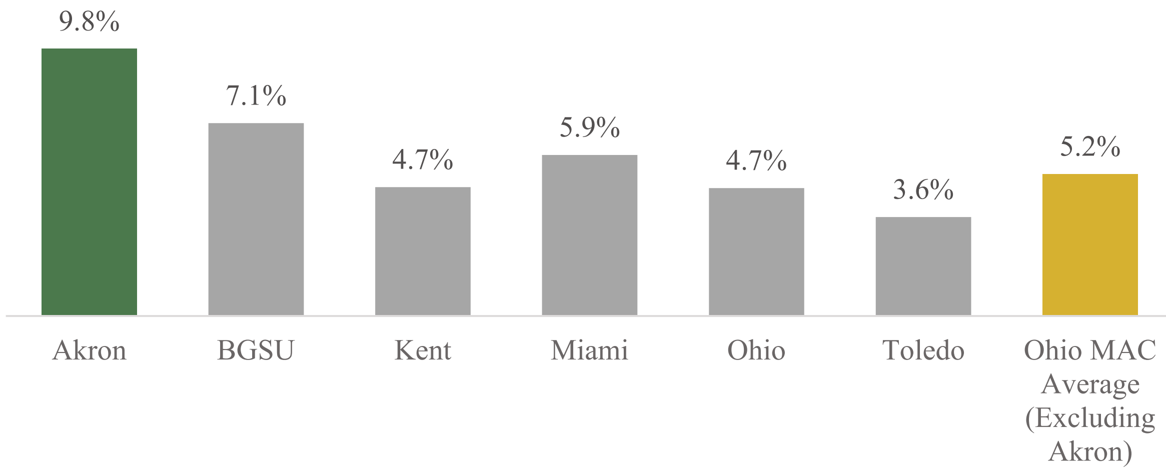


Source: NCAA Financial Reports

The University did not report any athletic-specific student fees as a revenue source for its Athletic Department in the NCAA Financial Report. However, UA does have student fees (see **Recommendation 12**), meaning that universities may choose how the revenues are reported or distributed to their athletic departments. This reporting discrepancy does highlight the limited nature of the NCAA Financial Report on a granular level, however the total revenues and expenditures captured in the reports remain accurate and provide an opportunity for comparisons related to high-level athletic department financial matters.

We also reviewed the University's Athletic Department expenditures as related to the total expenditures for the University. This was done to provide more context for the financial impact the Athletic Department has on the University.

Athletic Department Expenditures of Total University Expenditures



The University's Athletic Department expended approximately 9.8 percent of the University's total expenditures compared to percent for the Ohio MAC average total expenditures. If the University were to decrease its Athletic Department Expenditures to the Ohio MAC average of 5.2 percent, it would have spent approximately $16.4 million less in AY 2024. While this would align UA with the other Ohio MAC peers, Akron would have to make significant changes to its Athletic Department to achieve this reduction.

During the course of this audit, the University hired a new AD. Prior to the hire, this position was being filled on an interim basis. The AD oversees the athletic department including its staff, its teams, fundraising, and other operations related to athletics including the creation of a strategic plan. The AD ultimately reports to the President and his office.

Methodology

To better understand the long and short-term goals of both the University and its Athletic Department, we interviewed the CFO and the newly hired AD. We then reviewed the strategic plans at the other Ohio MAC universities, of which, only one university did not have a published strategic plan for its athletic department. Finally, we analyzed the best practices around strategic planning for both higher education athletic departments and universities.

Analysis

The University does not have a published Athletic Department strategic plan. Of the 12 MAC universities, 7 have published athletic department strategic plans, 4 of which are from peers at Ohio MAC universities. The four universities with published athletic department strategic plans include University of Toledo (UT), Kent State University (KSU), Miami University (Miami), and Bowling Green State University (BGSU). In Summary, the strategic plans posted by these four peer universities include:

- A focus on effectively managing available resources to ensure programmatic sustainability and responsible stewardship.
- A goal to develop or align core values that reflect the overall university mission and action plan.
- A goal to expand visibility of the overall university.
- A plan to utilize current assets to remain competitive and create more partnerships.
- A goal to increase athletic revenue through underutilized resources, such as a football stadium.
- Generally, aim to support student-athlete success both on and off the field.

According to Washington State University (WSU), which published an in-depth breakdown of creating a strategic plan for a university athletic department, having alignment with the university mission, vision, and values will allow for an athletic department to ensure its sustainable, long-term success and support from the Board and Administration. The RAND Corporation (RAND), a leading nonprofit in public policy, emphasizes the importance of having a strategic plan that aligns with the overall mission of a university and incorporates a university's action plans. UA has both a mission statement[21] and university action plan that the University's Athletic Department can use as a starting point for alignment.

In tandem with overall university alignment, many athletic departments are utilizing the concept of the "Big Hairy Audacious Goal" (BHAG) as an attempt to create a simple, long-term goal that can kindle excitement and action-oriented changes. The term "Big Hairy Audacious Goal" was coined by Jim Collins and Jerry Porras in their 1994 book, *Built to Last: Successful Habits of Visionary Companies*. BHAG statements are typically focused on larger, long-term visions of the organization. UT has a stated BHAG within its strategic plan, "achieve nationally renowned athletic success in three or more sports in the next five years." This statement is simple, trackable, and potentially achievable, which provides guidance for the athletic department to incorporate its many short-term plans or goals into a larger, overarching, long-term goal.

WSU also includes the importance of short-term goals, "Shorter-term outcome-oriented goals, objectives, [and] strategies help to determine the organization's annual operational allocation of discretionary resources (time, people, and money). Good strategic plans are linked to annual planning, budgeting, and evaluation." As it relates to the University's need for an athletic department strategic plan, the plan should include short-term goals to immediately address the budgeting issues identified in **Recommendation 5** and create a goal which positively impacts the University's direct financial support of its athletic department in **Recommendation 12**.

Generally, according to RAND, a strategic plan should be influenced by both external and internal factors. External factors include competition, market, and revenue opportunities while internal factors include organizational values, capacity of the organization, and the overall

[21] OAC 3359-20-01: Institutional mission and goals, affirmative action statement.

strategic plan management experience of the organization. RAND also identifies five general points that each strategic plan should contain, these include:

- Vision – the organizations desired future state.
- Mission Statement – the organization’s core purpose.
- Strategic Goals – major goals that align with the organization’s primary responsibilities.
- Objectives – defined achievements desired by the end of the plan period.
- Key Performance Indicators – measurable targets set within a planned period.

As the University does not have an Athletic Department strategic plan, it has the opportunity to use the University’s plans which are in place to ensure it can be aligned with the vision and mission set by the Board and set goals which will also align with the goals set forth by the University’s administration action plan. This will give the Athletic Department clear guidance moving forward as it navigates the evolving expectations regarding university athletic departments and their role in higher education.

Conclusion

A strategic plan would enable the Board to establish a wide range of long and short-term goals for the Athletic Department and its teams. As seen in peer data, strategic plans for athletics do not only include financial goals, but also outcomes such as graduation rates or other success rates of the students within the athletic programs. At a high level, having a strategic plan would also allow the Athletic Department to better align its budget and budgeting practices with the overall University standards and expectations set by the Board. This includes goals related to the level of direct institutional support that the Board wants to provide to the Athletics Department each year. It is clear that all the peers provide some kind of subsidy to their Athletics Department, but it is important to set a subsidy amount as part of the strategic plan so it is a known number for both the Department and the University to budget for and all parties can be held accountable. With the operational deficit at UA, spending nearly 10 percent of University expenditures on athletics while Ohio MAC peers are spending on average nearly 5 percent may not make strategic sense. Without a strategic plan, however, a roadmap to successfully implementing these expenditure changes is nearly impossible.

Recommendation 5: Improve Athletic Team Budget Process

The University's athletic teams have indicated challenges regarding the budgeting process; this includes estimating costs related to travel, recruitment of future athletes, and timing of planning and submission of budgets. Coaches reported estimating budgets based on last year's expenses with little to no other guidance, frustration with being unable to find savings by booking their own travel, and a lack of consistent reporting of their current financial conditions. The new Athletic Director (AD) should implement their preferred budgeting approach and formalize the process to address the budgeting challenges while also reducing the overall spending deficit of the Athletic Department.

Impact

By addressing the athletic teams budgeting issues, the University will have a better understanding of its Athletic Department's financial situation. Opportunities for understanding include the financial challenges and needs of each team, additional revenue streams related to individual teams or the Athletic Department as a whole, potential travel and accommodation consolidation, and other areas to decrease overall expenditures.

Methodology

We interviewed key budgeting personnel at the University involved in budgeting for athletic teams including the CFO, Budgeting Director, AD and related staff, and multiple coaches and staff. We received limited budgeting information for several teams in an attempt to review team budgeting documentation. We interviewed an Athletic Department budgeting professional from the University of Cincinnati (UC) to understand how larger universities manage team budgets. Finally, we sent a survey to all the University head coaches, excluding the three teams that we individually interviewed, to get feedback on budgeting practices. The teams we interviewed included men's soccer, women's basketball, and football.

Analysis

The University's Athletic Department has been relying on direct University support for at least the previous five academic years, including more than $24 million in support during the most recent academic year. Further there is no immediate plan, either in the June 2025 five-year forecast or within the Athletic Department's strategic plan to materially reduce this overall deficit for the athletic department. As it relates to the direct financial support, or subsidy, from the University see **Recommendation 12**.

Generally, each team develops its budget based on the previous year's expenses with typically small, estimated increases in supplies, equipment, and travel. According to the teams' budgets, important expenses include salaries, equipment, travel, memberships and subscriptions, communications, game guarantees, and recruiting. The Athletic Department was unable to provide complete budgeting documents for each team from the previous year for us to analyze.

The survey results found that teams use a variety of budgeting practices, such as incremental budgeting or zero-based budgeting. The new AD has indicated a desire to implement zero-based budgeting for its athletic teams going forward. This would mean all expenses must be justified every year because every line item starts at zero.

Generally, the University of Cincinnati (UC) Athletic Department team-budget practices include centralized budget administration with consistent and regular communication with teams, fees related to mandatory policies like travel agencies are covered at the administrative budget level, and provide updated monthly reports on the budget status for each team. Comparatively at the University of Akron, the Budgeting Survey Results indicate monthly check-in meetings and reports are inconsistent, there is a need for better deals on travel with a centralized fee structure, and spending done on one card for the teams rather than three for easier management.[22] Best Practices in Multi-Year Budgeting by Hanover Research published in January 2024 states universities should establish goals and ensure financial resources are utilized in alignment with the university's mission. Without a strategic plan, see **Recommendation 4,** the University's Athletic Department does not have formalized goals guiding its team budgeting processes.

While the Athletic Department follows some standard practices related to budgeting, such as regular updates with monthly reports sent to teams, some coaches noted inconsistencies in what the reports were showing and what the teams were spending. Teams have indicated that recruiting and travel are very hard to predict for budgets. There are issues with the timing of the budgeting process that can leave the team's budgets close to zero for recruitment because there is no budget left to cut as the budget is maxed out. The University does not have many department-wide or university-wide contracts with vendors, such as transportation or hotels, which could help reduce budget pressures for teams. Currently, teams are not required to justify their spending year-to-year as in-depth as a zero-based-budgeting strategy would likely require.

Conclusion

The University's Athletic Department is continuously reliant on subsidy support from the University. This is, in part, due to a lack of consistent and effective budgeting practices across the teams that are not supported by centralized administrative functions such as regular attendance at the University budgeting meeting, regular guidance communicated to teams, and travel contracts negotiated that would benefit multiple teams when possible. Standardized athletics budgeting practices could help reduce the subsidy support needed in future years to cover athletics expenses and better align the Department with the University's long-term goals.

[22] Currently, the Athletic Department relies on multiple credit cards for spending, depending on the type of spending being done by the coaches. A review of these credit cards and the University's polices was outside the scope of this audit.

University Operations

Operating an institution of higher education relies on a variety of supporting decisions to ensure people and systems are in place to sustain the delivery of course instruction. People are a particularly critical portion of operating in educational settings where the primary function of an institution is to provide direct services to students. Institutions also need physical spaces for both staff and student facing activities.

Insurance

Because human resources typically encompass the majority of organizational expenditures at institutions of higher education, it is an area where management may be able to more easily identify potential cost savings measures. Our analysis in this section reviewed insurance as it was identified as having the most opportunity in yielding operational savings.

Facilities

Institutions require classroom and laboratory space to provide education to students. The majority of Ohio's higher education facilities were built more than 40 years ago during a time of rapid system expansion. Based on changing enrollment trends, both in the number of students, the type of students, and how students access courses, universities such as the University of Akron need to reevaluate and leverage its facilities footprint to best serve students and the community moving forward. This audit did not assess the physical condition of the facilities at the University.

Recommendation 6: Evaluate Insurance Changes to Medical and Dental Insurance Offerings

The University offers medical, vision, and dental insurance to employees and pays a portion of the monthly premium as a benefit. While the cost to the University for these insurance offerings is generally lower than the peer institutions, the University pays a higher percentage of the monthly premium in some instances. Due to the University's fiscal condition and projected deficits, it should evaluate changes to the insurance offerings to bring the employee share of the premium in-line with the peer institutions on a percentage basis in order to reduce expenditures.

Impact

Aligning employee contribution rates with the State Employee Relations Board (SERB) statewide university average or adjusting the employee contribution rate between the two plans would reduce expenditures and result in annual savings ranging from $700k to $1.1M. This could be accomplished by consolidating plan offerings, increasing employee contributions, or both.

Background

The University offers two Preferred Provider Option (PPO) plans to its full-time and part-time employee population; the PPO Plan 1 (Gold plan) and PPO Plan 2 (Blue plan). Within each plan there are four options for coverage: single, single and child, single and spouse, and family. The University also offers dental and vision insurance separately. For more information related to vision insurance see **Appendix C**.

At the time of the analysis, March 2025, the University had 1,391 employees enrolled in health insurance plans. Between the two plans, there is a 52 percent and 48 percent split between the Gold and Blue plans, respectively. This split translates to 722 employees in the Gold plan and 669 employees enrolled in the Blue plan.[23]

Methodology

We obtained insurance offerings and rates, and health and dental insurance participant counts effective March 2025. Using this information, we selected a comparable peer set of all Ohio public colleges and universities offering similar plans, which were PPO plans (a specific peer set of universities can be found in **Appendix C**). We compared the University's insurance rates to the insurance peers' rates effective January 2024. These rates were inflated by the historical annual rate of change for medial premiums in Ohio. Ultimately, we calculated a financial impact

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[23] Additionally, for the part-time population working at least 75 percent FTE, the same two plans are offered but with higher employee contribution rates. However, only six employees are enrolled and so due to the low enrollment numbers the plans were not used in the analysis.

for several options the University could take, these include meeting Ohio public college and university peer average employee contribution rates, consolidating plan offerings, consolidating employee contribution rates deployed at the university, and a combination of the options. For more information related to the peers see **Appendix C**.

Analysis

The University offers medical, combined with prescription, as well as dental and vision coverage to both full-time and part-time employees. The insurance benefits are specified with the University's collective bargaining agreements (CBA), which state that the university reserves the right and responsibility to select the carrier for the insurance benefits provided. The insurance premium, or cost of obtaining insurance, is split between the University and the employee on a percentage basis. Employees of the University pay premiums in relation to their salary tier. For a breakdown of employee contribution rate by salary range by plan, see below.

Monthly Employee Contribution Rates by Salary Range

Salary Range	Gold Plan	Blue Plan
$0 – $33,999	15%	7%
$34,000 - $40,000	17%	9%
$41,000 - $54,999	18%	10%
$55,000 - $74,999	19%	11%
$75,000 - $100,000	20%	12%
$101,000 - $135,00	21%	13%
$136,000+	23%	16%

Source: University of Akron

The weighted average employee contribution rates for the Gold plan and Blue plan are 18.9 percent and 10.3 percent, respectively. The University covers 85 percent of the dental premium while employees cover 15 percent.

Medical Insurance

The University offers two PPO plans to its full-time employee population; the Gold plan and the plan. Based on current enrollment, employee contribution rates, and monthly premium amounts, the annual cost to the University for medical coverage was calculated to approximately $18.8 million. The Gold plan has a higher total cost and a higher employee contribution rate compared to the Blue plan. The overall higher total cost associated with the Gold plan compared to the Blue plan is due to the plan designs. On the following page are the total monthly premium amounts by coverage type using the weighted average for the employee contribution rate as the premium depends on the salary range of the employee.

Weighted Average Monthly Premium Amounts by Coverage Type

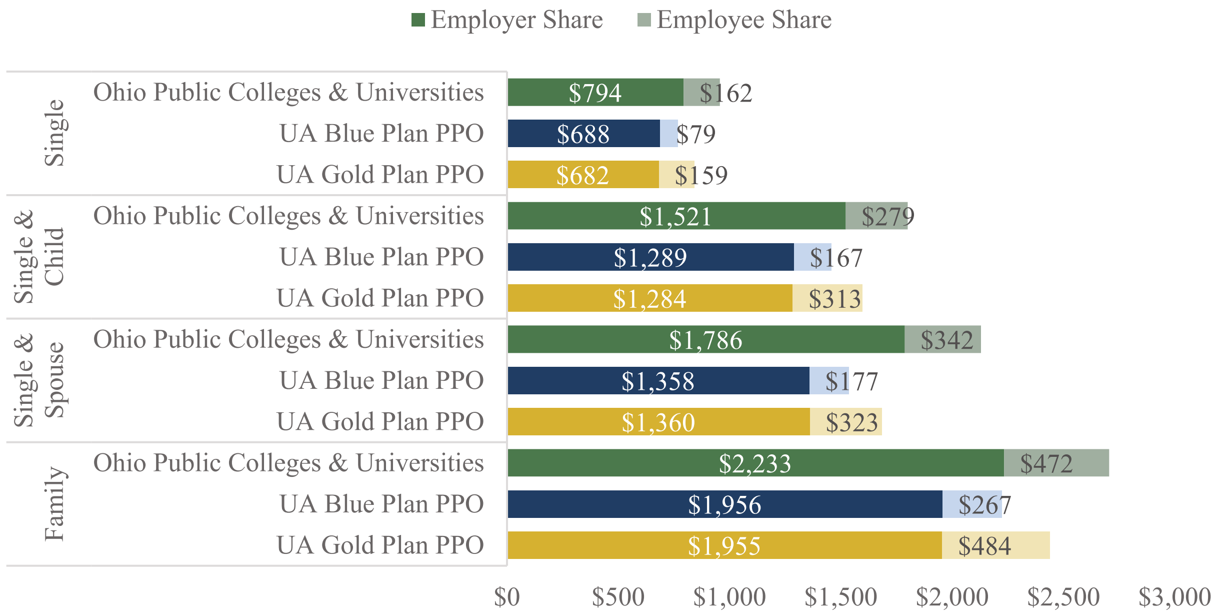
		Gold Plan		Blue Plan	
		Costs	% Share	Costs	% Share
Single Medical + Rx	Employer	$681.94	81.1%	$687.68	89.7%
	Employee	$159.00	18.9%	$79.32	10.3%
Single & Child Medical + Rx	Employer	$1,283.58	80.4%	$1,289.03	88.5%
	Employee	$313.42	19.6%	$166.97	11.5%
Single & Spouse Medical + Rx	Employer	$1,360.28	80.8%	$1,358.39	88.5%
	Employee	$322.70	19.2%	$176.61	11.5%
Family Medical + Rx	Employer	$1,954.97	80.2%	$1,956.46	88.0%
	Employee	$484.04	19.8%	$266.54	12.0%

Source: SERB and University of Akron

Generally, the Gold plan design offers lower annual deductibles, coinsurance, out-of-pocket maximums and copays compared to the Blue plan. In comparison to the SERB statewide university average, the plan design elements associated with the Gold plan are generally more generous than the average meaning lower co-pays, deductibles, and out-of-pocket maximums for the employee. The Blue plan is in-line, in some cases, but is generally above the average in terms of similar plan design elements mentioned previously meaning the plan is less generous in design.

We compared the University's PPO plan options for single, single child, single and spouse, and family coverage to the average PPO plan cost for Ohio public colleges and universities. Based on the total cost of the University's PPO plans compared to the peer average, across all coverages, the University's PPO plans are less than the peer average. Below are the total monthly premium amounts by coverage type compared to the average for both the Gold and Blue plans.

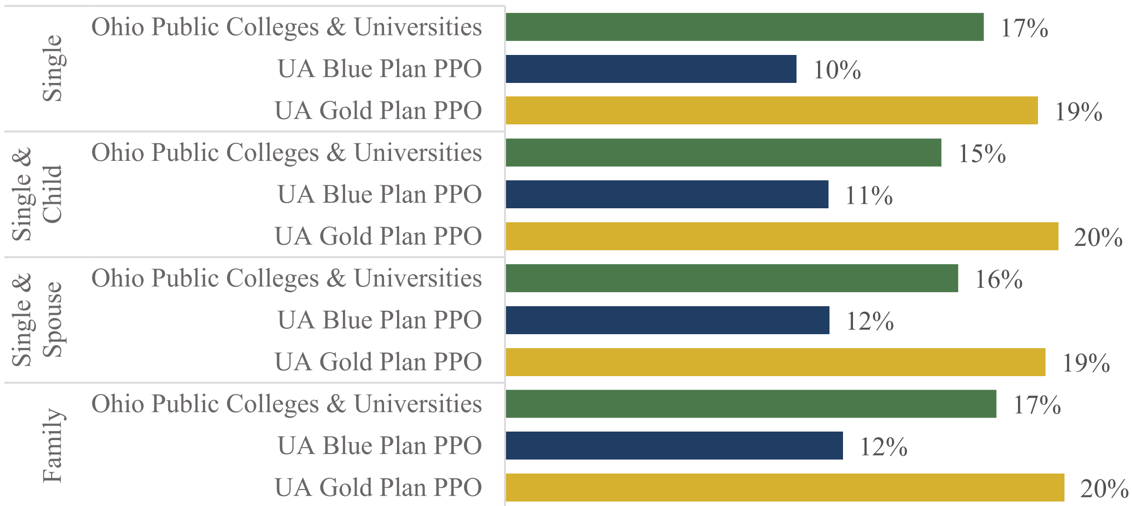
Monthly Premium Amounts by Coverage Type Comparison



Source: SERB and University of Akron

Because the University's PPO plans have benefits that are, in most cases, in-line with the peer average, it is unlikely that adjusting the plan design would lower costs. As a result, in order to reduce expenditures related to insurance, the remaining area of opportunity is with the employee contribution rate as the University's employee contribution rate generally for the Blue plan is lower than the average. Below are the employee contribution rate averages among the peers for single, single & child, single & spouse, and family coverage compared to the peer average:

Employee Contribution Rate Comparison, PPO



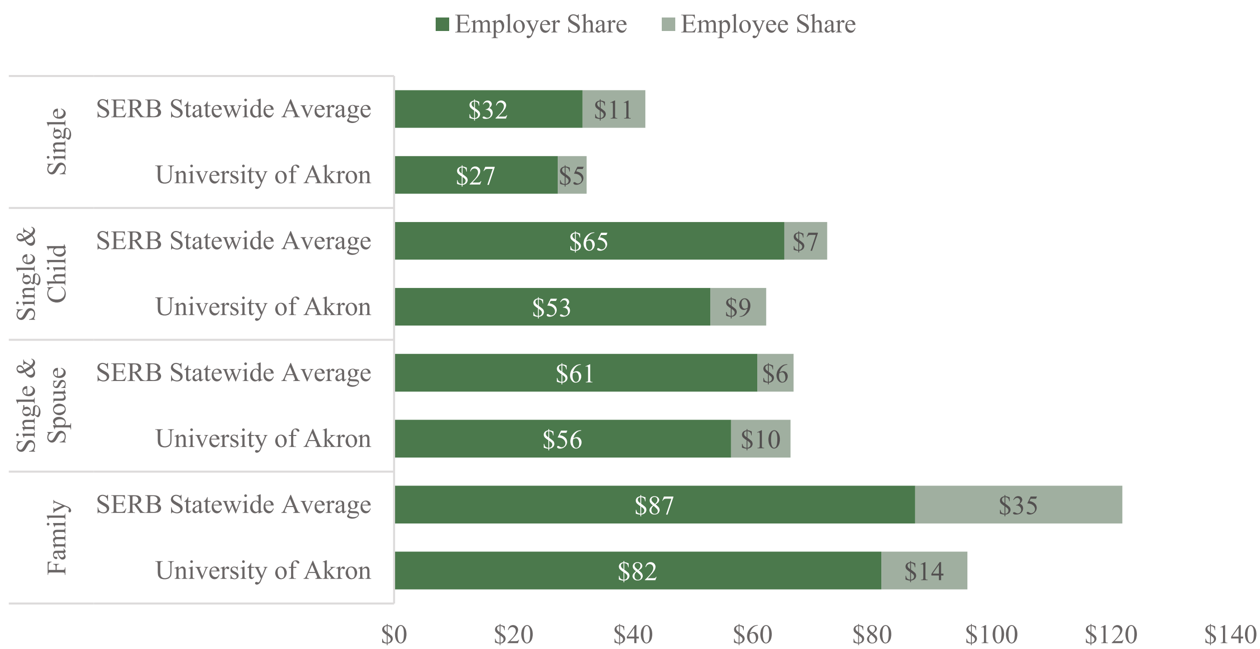
Source: SERB and University of Akron

Generally, the Gold plan's employee contribution rate is above the peer average while the Blue plan is below the peer average ranging from 4 to 7 percent.

Dental Insurance

The University offers one dental plan for employees with same coverage for both medical plans. Based on current enrollment, employee contribution rates, and monthly premium amounts, the annual cost to the University for dental coverage was calculated to approximately $913,000. Under the current dental insurance plan as shown in the following visual, the University's total monthly premium for dental insurance is lower than the statewide peer group for all coverages but has a lower employee contribution rate. The University's employees contribute 15 percent of the total dental premium which is less than the statewide peer group average of 25 percent and 28 percent for single and family coverage respectively.

Monthly Dental Premiums by Coverage



Source: SERB and University of Akron

Elements of the University's dental plan design are either in-line with, or more comprehensive than, the peer averages, specifically for in-network deductibles and annual maximum benefit. UA contributes more than the peer average on a percentage basis; therefore, the University could reduce expenditures through requiring employees to pay a portion of the premium, equal to that of the peer average, rather than seeking out alternative insurance plan options.

Based on current enrollment, employee contribution rates, and monthly premium amounts, the annual cost to the University for medical and dental coverage was calculated to be approximately $19.7 million. There are multiple changes that could result in financial savings for the University. These options are generally based on consolidating plan offerings, changing employee contribution rates, and a combination of the options. These options are listed below with the potential financial impact.

1. Increase the employee contribution rate for the Blue plan and dental plan to the peer average contribution rate which was estimated to have an annual impact of $702,000.

2. Use the same contribution rate schedule across the Gold and Blue plan. Specifically, apply the Gold plan contribution rate schedule to the Blue plan. Assuming all currently enrolled employees stay with their current plan, the estimated annual impact is $805,000.

3. Blue and gold plan have the same employer contribution amount in terms of dollars. However, if the University was to consolidate to just offering the Blue plan and then shift

the employee contribution rate to the peer average regardless of the salary tier, there is an estimated annual impact of $1.1 million compared to current state.

Conclusion

Although the University offers two PPO plans and a dental plan that are at a lower total cost than the peers with benefits that are generally in line, the University's financial condition is such that areas of opportunity for cost savings need to be identified. The employee contribution rate is one area within insurance where there is an opportunity for cost savings. The University currently has an employee contribution rate based on the salary tier and for the Blue Plan and the overall contribution rate can be aligned with the peer average to save the University money. Adjustments to the contribution rate could result in annual savings ranging from $700,000 to $1.1 million.

Recommendation 7: Increase Student Housing Utilization

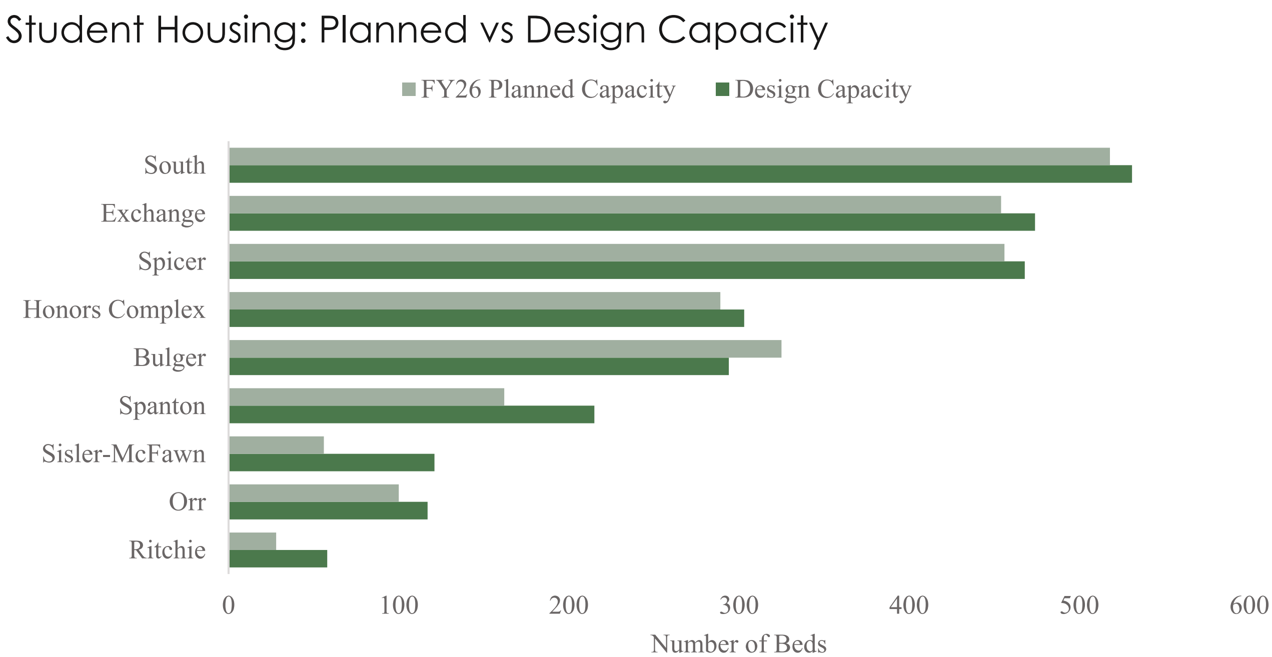
Generally, the University only requires first-year students that live outside of the surrounding counties to live on campus. This has resulted in excess, unused student housing capacity for the University. By changing housing policy exemptions, requiring more students to be on campus, and setting a goal of 94 percent utilization rates to match a student housing industry standard, the University could recognize approximately $1.3 to $1.7 million in additional revenue going forward.

Impact

The University's ability to house students is limited by the capacity of the residence halls. This includes the planned capacity, or the number of students the University plans to accommodate, and the designed capacity, or the number of students for which the rooms are designed. Currently, the University's student housing capacity shows an opportunity for increased economic impact if occupancy is to increase to these capacity limits. To increase the economic impact, the University could consider adjusting its on-campus student housing requirement. Using University projections for fall 2026 to fall 2034, the University could see an increase in economic impact ranging from $1.4 million to $1.9 million annually if they were to enact a second-year requirement; on average the annual economic impact is $1.7 million. Alternatively, if the University were to increase occupancy to be 94 percent on average, which is the industry's best practice, then the increased annual economic impact would be on average $1.3 million.

Background

There are currently nine student housing buildings on campus. Quaker Square, which has a designed capacity for 405 beds, was recently sold and closed in AY 2021. This building was not included in the analyses below. In total, the buildings used for student housing have a max design capacity of 2,581 beds. However, not all beds are planned to be in use so there is a difference between designed max capacity and planned use. The following visual is a breakdown of the planned beds per building for AY 2026 and the corresponding percent of designed capacity.



Source: University of Akron

The buildings Ritchie and Sisler-McFawn were confirmed that the planned occupancy is about half of the max design due to converting the doubles into singles. In Bulger, the University converted a shared space into additional dorm rooms, so the capacity is over the designed max capacity.

Due to the Covid-19 pandemic, the student housing prices are lower than they would have been without the pandemic. In an effort to provide students with affordable housing during the pandemic, the University reduced housing rates for all housing options. A single room, the most expensive housing option, was $5,007 prior to the pandemic but decreased to just $3,505 (30 percent decrease). A double room, which was the cheapest option, was $3,563 prior to the pandemic and was decreased to just $2,494 (30 percent decrease). Even after the pandemic ended, the University maintained these cheaper rates until AY 2024. During the course of the audit, the University requested that the Chancellor of ODHE approve an increase in student housing rates above the threshold that universities can apply automatically. Although the University has taken steps to return housing prices to pre-pandemic levels, the institution lost the housing revenues had it returned to the previous pricing model sooner. For analyses below, we used a weighted average of $2,985 per semester rate to determine potential financial impacts.

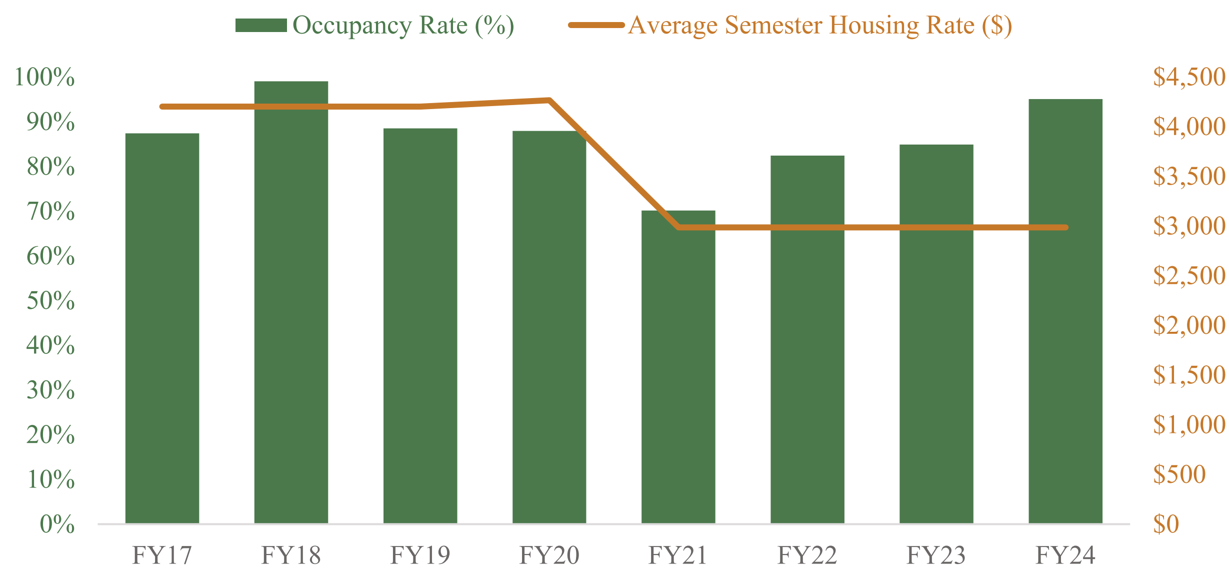
Methodology

We obtained and reviewed student housing information from the University. This information includes the number of revenue-generating beds, historical occupancy usage, the number of student dorms, and historical housing rates. We reviewed the University's housing policies along with other Ohio public universities' student housing policies. We obtained and reviewed student housing exemptions and year requirements for Ohio universities. Financial implications of enacting changes to the University's student housing policy were modeled historically; we also considered the max capacity of the student housing designs.

Analysis

The ten student housing buildings on campus were analyzed based on the occupancy rate from AY 2017 to AY 2025. The occupancy rate is based on the occupancy versus the number of beds planned to be used due to the ways buildings were changed from the original design. The University saw a decrease in student housing occupancy from 2,437 students to 2,179 from AY 2017 to AY 2025 respectively. However, based on the planned occupancy, the occupancy rate went from 87 percent to 91 percent or approximately 87 percent on average over this period. A reason for this increase in occupancy rate could be due to the closure of Quaker Square in AY 2021. The increase in occupancy could also be a result of lowering the housing rates as a result of COVID-19. The occupancy rate along with the average semester housing rate can be viewed in the visual below.

Occupancy Rate Versus Average Semester Housing Rate



Source: University of Akron

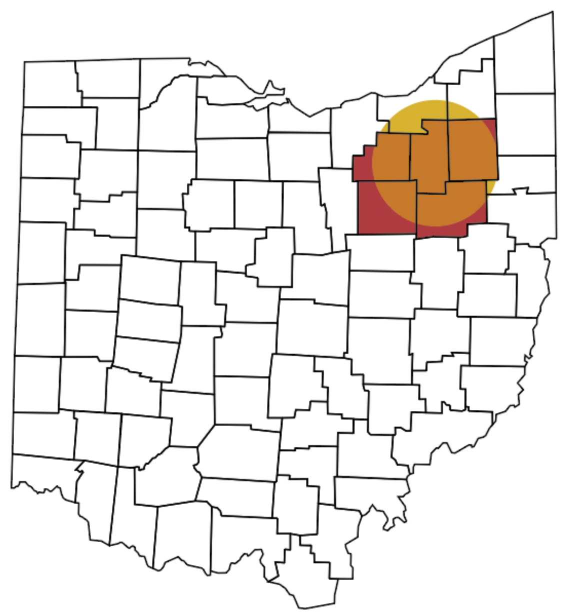
We compared the University's occupancy rates with a national benchmark. According to Brookfield's report on student housing, *Student Housing: A Sector In High Demand*, occupancy rates for universities from AY 2013 through AY 2024 was 94 percent. More recently, from AY 2017 to AY 2024, the University of Akron's student housing occupancy was 87 percent, 7 percentage points below the national average. Although the occupancy rates increased in AY 2025 to a total of 91 percent occupied, there is an opportunity for the University to leverage the vacancies to generate more income.

The cost of the rooms also impact the occupancy rates. During the Covid-19 pandemic, the University lowered the housing rates by 30 percent to provide students with a safe and affordable option. As mentioned above, the University has taken steps to return housing rates to pre-pandemic levels through a request to ODHE. As the University has already submitted this request to the agency, this analysis will use the increased housing costs for AY 2025.

Student Housing Policy

At the University of Akron for fall 2024, occupancy within the student housing is primarily freshman and sophomore students making up 38 percent and 30 percent respectively of the student housing population. The remaining student housing occupancy was approximately 19 percent juniors and 13 percent seniors. The University's current student housing policy states that only first year students are required to live on campus but students living in Summit, Medina, Wayne, or Portage counties are exempted from this requirement. Also, with a petition filed, students with a permanent home residence located 25 miles or fewer from main campus are exempted from this requirement.

We compared the University's student housing policies with those of other Ohio public universities. The University of Akron only has a one-year housing requirement meaning that unless a freshman has an exception, then they must live in student housing. The visual to the right highlights the residency exemptions to this requirement. If a student resides in either the red counties or within the yellow 25-mile radius from the University, then they do not have to live on-campus during their first year. Most of the other Ohio public universities, however, have more expansive requirements than the University of Akron. Eight universities require students to live on-campus for two years whereas only one other university, the University of Cincinnati, has a one-year requirement. Additionally, other universities only have exemptions for students that live within a certain radius of the campus; thus, no other universities exempt students based purely on the county in which they live.



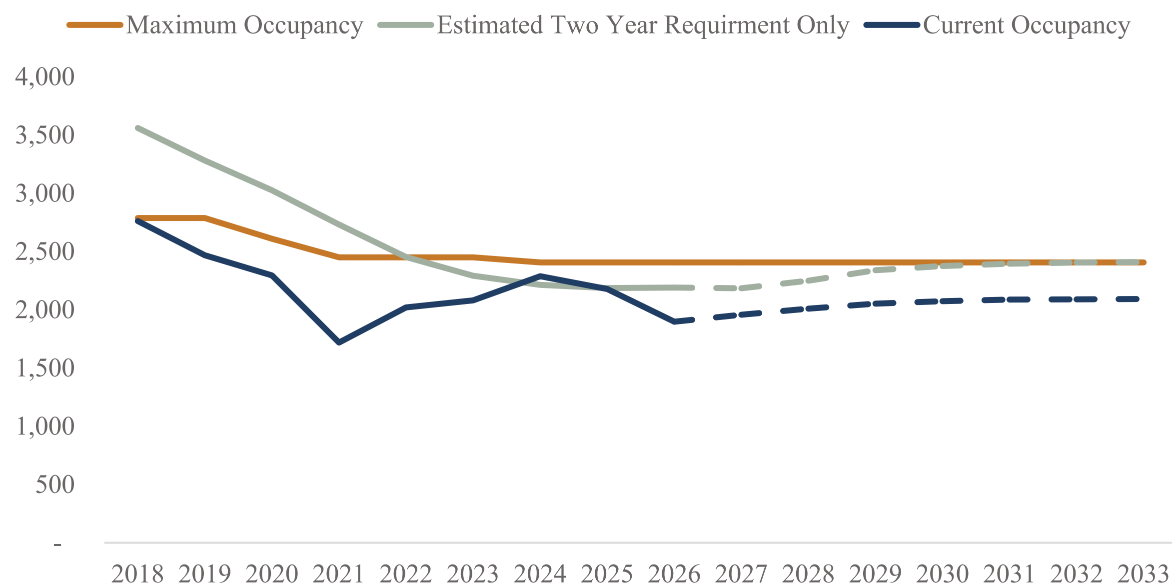
Source: University of Akron and OAC § 3359-60-04.5

When mapping both a 25 and 50-mile radius from the University's main campus, the current exemptions would fit within the 50-mile radius, or the most common exemption used by other universities in Ohio as seen in the visual.

Using the University's undergraduate main campus enrollment projections from fall 2017 to fall 2034 as well as applying estimates from the University, the freshman class expected to live in student housing is on average 1,164 students in the projected years of fall 2025 to fall 2034. Estimating the addition of a second-year requirement, the previous full-time freshman in student housing population was added to the current fall estimate. The addition of a second-year requirement is projected to have on average a size of 2,315 students from fall 2025 to fall 2034.

The planned student housing occupancy is 2,407 beds while the max design is 2,566 beds. This second-year requirement would have on average a planned occupancy rate of 96 percent and a max design occupancy of 90 percent compared to the current rate of occupancy, which is projected to be on average 85 percent and 80 percent for planned and max design respectively for the same period. The visual below is the projected impact of changing the policy to require sophomore students to live in student housing compared to the maximum occupancy allowed. The blue line is the historic occupancy level which is a mix of students with different class standings, and the average occupancy rate is held constant in future years. The light green line is considering only projected freshman and sophomore cohorts.

Projected Student Housing Population With Policy Change



Source: University of Akron

An important note with this analysis is that the estimate does not include other students who may be required to live on campus currently such as international and student athletes. Requiring second-year students to live on campus may put the university near max capacity, not including other students who may be required, and the University needs to consider this with any policy change.

Based on the current weighted average semester housing rate, the difference in economic impact between the models were calculated. In looking at the projected years, fall 2026 to fall 2034, the University could see an increase in economic impact ranging from approximately $1.4 million to

$1.9 million annually if it were to enact a second-year requirement; on average the annual impact is $1.7 million. If the University were to increase occupancy to 94 percent on average, the industry's best practice, then the increased impact would be on average $1.3 million.

Conclusion

Generally, the University only requires first-year students that live outside of the surrounding counties to live on campus. This has resulted in excess, unused student housing capacity for the University. By changing housing policy exemptions, requiring more students to be on campus, and setting a goal of 94 percent utilization rates to match a student housing industry standard, there is an opportunity to generate approximately $1.3 million to $1.7 million in additional economic impact going forward.

During the course of the audit, the University announced plans to privatize its student housing with a potential 40-year private partnership (P3) with a third-party. The partnership is expected to be finalized in December 2025. The private companies will take over maintenance of the remaining nine residential buildings. According to the University, it expects to receive roughly $14 million over the first 10 years of the contract. In addition, the companies will handle staffing for residential maintenance, custodial services, renovations and repair resulting in expected reduced payroll costs for the University. As of the writing of the audit report, the terms of the agreement were not finalized and it is unclear if the additional revenue that could be generated through an adjustment to the student residency requirement would accrue to the benefit of the University.

Recommendation 8: Strategically Reduce Academic Space to Improve Facility Utilization

Classroom and class laboratory utilization rates have decreased across the University since spring of 2018. The utilization decline has been driven primarily by declining enrollment rates during this same period. We identified approximately 220,000 NASF that could be reduced to increase utilization rates for classrooms and classroom labs. Further increases in building utilization could be realized with the development of a facilities master plan that addresses the spatial needs of campus buildings.

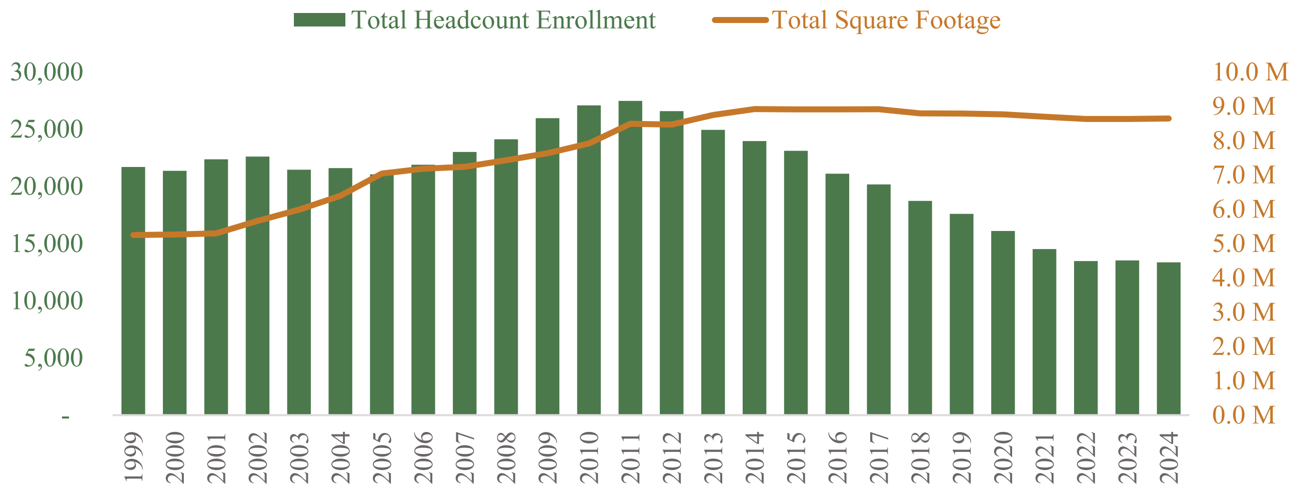
Impact

The University's utilization of existing facility space falls well below industry standards. We identified an opportunity for the University to reduce its overall NASF by approximately 220,000 NASF, or 47 percent. This reduction is focused primarily on the utilization of classrooms and class laboratories on campus. A significant reduction of under-utilized space would improve the overall efficiency of classrooms and class labs on campus while reducing the overall economic cost of maintaining these under-utilized spaces. Due to data limitations regarding deferred maintenance, it was not possible for us to provide an in-depth financial impact estimate of this space reduction.

Background

As with many public universities in Ohio, many of the facilities constructed on the University of Akron's main campus were built in the 1960s and 1970s. Because the majority of these spaces were constructed more than 40 years ago, the existing footprint of the buildings may not address the needs of the current student population. From 1999 to 2014, the University expanded the size of its main campus. Between 2014 and 2024, there have been minimal changes to the size of the campus despite steadily declining enrollment. The visual below shows the total net assignable square footage on campus from 1999 to 2024 along with enrollment over the same timeframe.

University of Akron's Main Campus Total Square Footage and Headcount Enrollment, 1999-2024



Source: University of Akron

Note: 2025 enrollment was not available at the time of the analysis.

The University's total footprint has grown from approximately 5.2 million NASF in 1999 and peaked in 2014 with approximately 8.9 million NASF. From 2014 to 2024 the university has reduced the total square footage by approximately 300,000 NASF. During the same timeframe of 2014 to 2024, the University has seen a decline in enrollment of approximately 46 percent.

Methodology

We obtained a building and room inventory, as well as academic and non-academic room reservation data from the University. We used this data to identify the historical use of classrooms and laboratories, the current utilization of academic space, and days and times of peak use. We received and analyzed room reservation data for academic and non-academic events for fall 2018 through fall 2024, from the University's Facility Department. ODHE provided updated data on facility information for universities in Ohio, including UA, for fall 2024. For the purposes of this analysis and determining peak utilization rates we focused on spring and fall semesters and excluded summer semesters.

Additionally, after determining the efficiency of classroom and class lab spaces, we estimated the University's spatial needs. We adopted the methodology of Ohio State University's Space Needs Assessment (OSU Report) to align with the University's circumstances and used NASF as a primary metric. Using NASF per person in a space in conjunction with Utah System of Higher Education Space Utilization report standards (Utah Report) on contact hours and fill rate ratios, we determined the square footage level the University should maintain based on its current demand for space.

Analysis

In fall 2024, classes were held in 25 academic buildings, excluding the Buckingham building. We found that across the 25 academic buildings there are a total of 216 classrooms. In addition, there are 19 buildings on campus that have at least 1 class lab, totaling 217 laboratories across all 19 buildings. There are also 155 open labs on campus. These rooms are not regularly scheduled rooms and so these rooms are not part of the following analysis. The total net assignable square feet associated with classrooms, class laboratories, and open labs across campus equate to 462,296 NASF.

The room reservation data analyzed includes bookings for academic and non-academic purposes. Regardless of the purpose, the utilization rate of the University's classrooms and laboratories were calculated by dividing the number of classrooms or laboratories in use by the total classrooms or laboratories. Across the University of Akron's campus, the maximum percentage of classrooms booked on any given day, from the fall semester of 2018 to the fall semester of 2024, was 73 percent in fall semester of 2019. Following the overall decline in enrollment, by fall 2024 the peak utilization for classroom utilization was 59 percent. The graphic below shows classroom utilization for fall semester of 2018 and fall semester of 2024.

Classroom Utilization, Fall 2018 and Fall 2024

Utilization Falls Under Criteria   Utilization Meets Criteria

		7A	8A	9A	10A	11A	12P	1P	2P	3P	4P	5P	6P	7P	8P	9P
FALL 2018	M	0%	19%	54%	1%	65%	55%	0%	56%	39%	2%	28%	29%	9%	19%	6%
	T	1%	19%	58%	3%	63%	58%	1%	63%	43%	2%	36%	36%	11%	23%	6%
	W	0%	19%	53%	2%	62%	53%	0%	55%	37%	1%	30%	31%	7%	19%	6%
	R	1%	19%	58%	3%	65%	56%	1%	70%	45%	2%	34%	36%	11%	22%	5%
	F	0%	0%	1%	2%	6%	1%	1%	3%	3%	0%	0%	0%	0%	0%	0%
FALL 2024	M	5%	13%	26%	46%	47%	30%	33%	41%	25%	23%	13%	29%	15%	9%	4%
	T	5%	13%	14%	50%	59%	15%	50%	48%	32%	24%	9%	25%	20%	13%	8%
	W	5%	11%	24%	44%	47%	28%	34%	42%	24%	22%	12%	29%	17%	11%	5%
	R	5%	13%	12%	42%	53%	13%	56%	45%	31%	24%	12%	26%	19%	8%	4%
	F	5%	8%	20%	34%	31%	26%	26%	20%	12%	7%	6%	3%	2%	2%	2%

Source: University of Akron

To further understand the utilization rates, we divided a standard day into three durations: morning (7:00 AM to 11:30 AM), afternoon (12:00 PM to 6:00 PM), and evening (6:30 PM to 10:30 PM). The average classroom utilization in fall 2018 in these durations was 23 percent, 27 percent, and 10 percent, respectively. In fall 2024 those averages stayed at a similar level, but the peak utilization decreased. The average utilization rates during this duration in fall 2024 were 22 percent, 27 percent, and 8 percent, respectively. The peak morning average utilization in fall 2018 was 65 percent, but in fall 2024 it was 59 percent. The peak afternoon average in 2018 was 71 percent but decreased to 56 percent by fall 2024. For more information on the classroom utilization rates in each semester, see **Appendix B**.

A similar trend was found with class labs. Utilization in fall 2018 had a peak utilization of 33 percent but decreased by fall 2024 to a peak utilization of 24 percent. The graphic below shows classroom utilization for fall semester of 2018 and fall semester of 2024.

Class Laboratory Utilization, Fall 2018 and Fall 2024

Utilization Falls Under Criteria | Utilization Meets Criteria

		7A	8A	9A	10A	11A	12P	1P	2P	3P	4P	5P	6P	7P	8P	9P
FALL 2018	M	0%	9%	28%	12%	29%	29%	11%	28%	25%	11%	21%	21%	9%	12%	6%
	T	0%	8%	27%	9%	33%	26%	10%	29%	27%	12%	19%	21%	8%	14%	6%
	W	1%	10%	29%	14%	31%	29%	12%	28%	23%	10%	20%	22%	12%	16%	9%
	R	0%	8%	27%	9%	32%	26%	10%	30%	28%	11%	18%	21%	8%	13%	6%
	F	0%	2%	8%	6%	10%	7%	2%	3%	4%	3%	1%	1%	0%	0%	0%
FALL 2024	M	0%	3%	7%	12%	19%	10%	11%	16%	12%	13%	2%	10%	7%	4%	1%
	T	0%	10%	12%	18%	24%	14%	21%	23%	19%	18%	5%	7%	10%	4%	2%
	W	0%	5%	12%	16%	23%	15%	16%	20%	14%	18%	5%	15%	9%	4%	0%
	R	0%	8%	10%	16%	22%	12%	20%	23%	18%	17%	5%	6%	8%	3%	2%
	F	0%	3%	7%	9%	11%	7%	5%	6%	4%	6%	0%	0%	0%	0%	0%

Source: University of Akron

Using the same timeframes as the classroom analysis, we analyzed the class lab utilizations rate from fall 2018 and fall 2024. In fall 2018, the average utilization rates were 13 percent in the morning, 17 percent in the afternoon, and 7 percent in the evening. There is an overall decrease in utilization in fall 2024 with utilization rates of 9 percent, 12 percent, and 3 percent, respectively. For more information on the class laboratories utilization rates in each semester, see **Appendix B**.

Building Usage Efficiency

As mentioned previously, the Utah State Board of Regents adopted space utilization standards for higher education institutions' classrooms and laboratories in the state. There are two utilization metrics used: room utilization rate (RUR) and seat/station occupancy rate (SOR). RUR is how many hours a room is scheduled for use and SOR is the percentage of seats/stations that are occupied compared to the total capacity. Per the criteria, the RUR for classrooms is 33.75 hours per week and the RUR for laboratories is 24.75 hours per week. The SOR for classrooms is 66.7 percent and the SOR for laboratories is 80 percent.

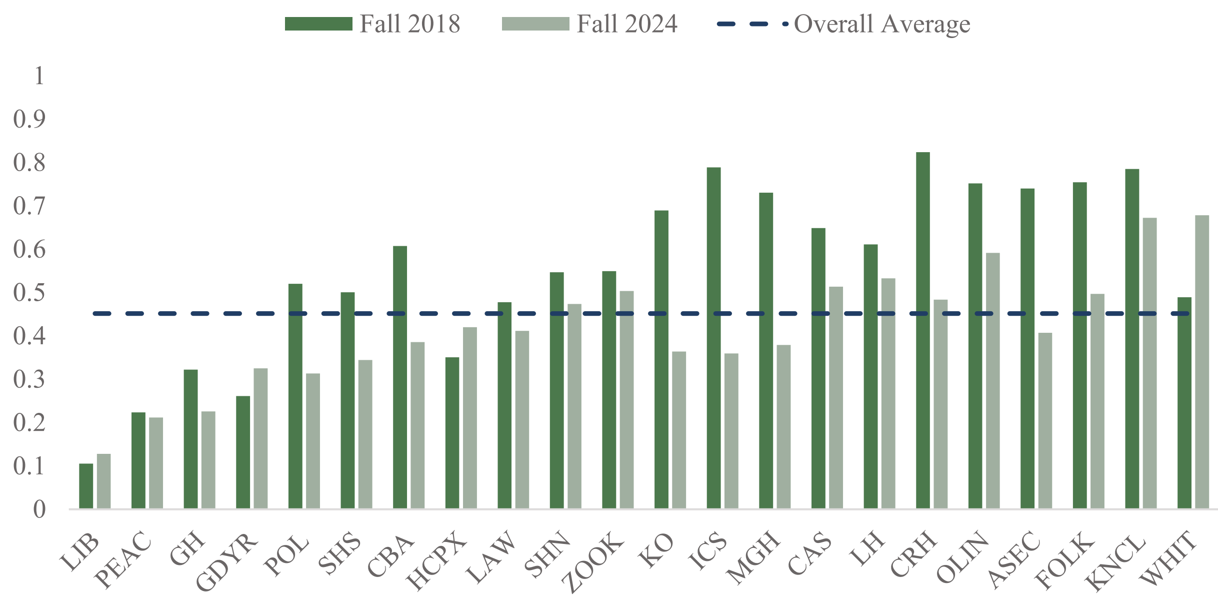
An "efficiency" metric was developed to supplement the above metrics by combining the two outcomes into a single metric. While the above is applied to individual classrooms and class laboratories, this metric can summarize the overall utilization of a building and/or campus. The following is the equation:

$$\sum\left(\frac{Weekly\ Scheduled\ Classroom\ Hours \times Students}{(Total\ Seats\ \times Weekly\ Room\ Hour\ Guidelines)}\right)$$

The metric produces a value between zero and one, with one being the most efficient. In other words, one would mean a building would have all seats filled for all the classes held and is booked for 33.75 hours per week. While there is not a single target for efficiency, the metric provides a way to compare building utilization to other buildings. In fall 2018, overall efficiency for both classrooms and class labs were 0.61 but decreased to 0.42 by fall 2024. This trend is consistent with spring semesters, spring 2018 had an overall efficiency score of 0.59 while in spring 2024 the efficiency score dropped to 0.40. See **Appendix B** for more detail on the efficiency scores.

The metric was applied to the building level as well as seen below with the efficiency metric, for both classroom and class laboratories, for fall 2018 and fall 2024 for each building on campus. The horizontal line is the overall efficiency metric over this period campus wide, fall 2018 to fall 2024 which is a score of 0.45.

Efficiency by Building, Fall 2018 and Fall 2024



Source: University of Akron

The efficiency of most buildings has decreased since fall 2018 with the exception of Bierce Library (LIB), Goodyear Polymer Center (GDYR), Honors Complex (HCPX), and Whitby Hall (WHIT). The buildings that are mostly academic buildings that have seen the biggest drop in efficiency were Kolbe Hall (KO), Mary Gladwin Hall (MGH), Crouse Hall (CRH), and Auburn Science and Engineering Center (ASEC) with an average decrease in efficiency of approximately 0.3 points.

Net Assignable Square Feet Assessment

Our previous analyses determined that the University has excess classroom and laboratory space that it is maintaining. To estimate the amount of space it could reduce, we conducted a NASF assessment.

Classrooms, class labs, and open labs operate differently and therefore have different assessed NASF needs. For our analysis we use the OSU Report and the Utah Report as mentioned in the methodology. The OSU Report provides guidance on how much NASF per person in a space is needed and how to calculate an NASF factor to determine how much space is required for contact hours and fill rates. The Utah Report provides guidelines about how many hours a classroom or class lab space should be used in a week and how filled the class sections should be to utilize space efficiently.

According to the Utah Report, a classroom should be used 33.75 hours during a 45-hour week and seat occupancy should be 66.75 percent. In fall 2018 of the 187 classrooms, 16 met occupancy rates and hour usage, 132 only met capacity usage, 38 met neither and 1 only met weekly hours. In fall 2024 there were 175 classrooms analyzed, 2 classrooms met the fill rate and hour usage criteria, 109 classrooms met only the fill rate, 62 did not meet either criterion, and 2 rooms only met the weekly hours target.

The University's Facility Director agreed that using a classroom NASF of 25 square feet per student feet was reasonable and that classrooms should also be used 33.75 hours per 45-hour week along with a seat occupancy rate of 66.75 percent. Given those benchmarks, we calculated an NASF factor of 1.11.[24] The NASF factor was then multiplied by the sum of weekly contact hours, which calculates a NASF need of 80,756.38 classroom square feet. This results in the University having 115,809.62 more classroom square feet than needed.

Class labs have a separate criteria established in the Utah Report and should be used 24.75 hours per 45-hour week, and 80 percent of seats or stations should be filled. In fall 2018, 16 percent of class labs met both the hour usage and the fill rate, 43 percent meet the fill rate but did not meet the hour usage. 34 percent did not meet both criteria, and 7 percent met only the weekly hours. By fall 2024, 3 percent of class labs met hour and rate fill, 32 percent only met capacity, 52 percent met neither and 3 percent only meet hour usage hours.

Class labs are not as uniform as classrooms, as class labs are designed to fit the needs of subject material or activities. The OSU Report provides guidelines on how much NASF is required for specific subjects. Analyst matched the University's subjects to the OSU Report's NASF, and where there was not a match the analyst applied the "general" lab NASF. This resulted in the University needing 96,585.3 NASF for class labs, which is 110,183.72 more square feet than it currently maintains.

The graphic below shows the combined classroom and class lab space the University maintains in each building along with the needed space based on the criteria and our analysis.

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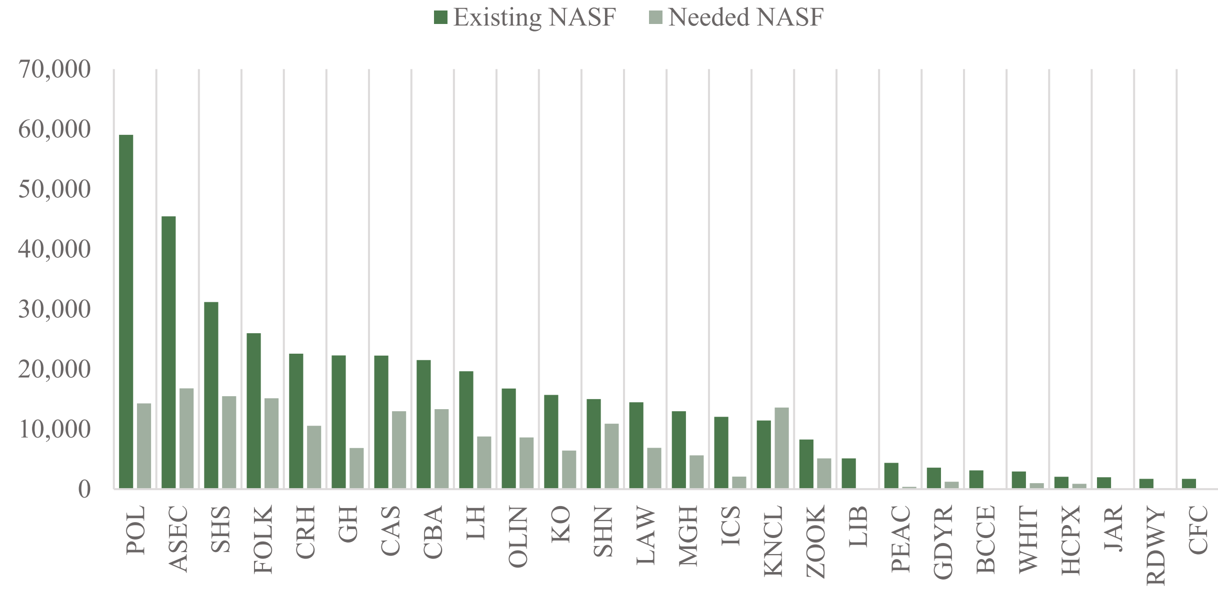
[24] NASF factor is calculated as follows: [NASF per student seat] / ([weekly room hours target] * [seat occupancy rate target])

Classroom and Class Laboratory NASF: Existing Versus Needed



Source: University of Akron

The University has a total of 58,961 square feet of open labs on main campus across 18 buildings. According to the OSU Report, open labs can be irregularly scheduled or not scheduled at all. Due to the nature of these spaces to calculate NASF, we followed the OSU Report methodology and multiplied the total student enrollment by the NASF of 6.5. This calculation suggests that the University needs 67,587 square feet for open labs. This is more NASF than what is currently maintained by the University.

In total, the University currently maintains more classroom and class lab space than it needs based on enrollment and utilization data. Using the information available, we estimated that the total NASF need for academic purposes is 244,928 square feet. The University could eliminate approximately 217,367 square feet of academic space, or a 47 percent reduction, to align with the criteria.

Conclusion

The University has had its classroom and lab utilization decrease since spring 2018. According to our analysis, the University can increase building efficiency and utilization by reducing approximately 220,000 NASF associated with classroom and labs. Further increases in building utilization are based upon key factors that can be identified in a facilities masterplan that addresses the spatial needs of campus buildings.

Recommendation 9: Begin Collecting Office Space Usage Data

The University does not collect office space usage data for its faculty and staff. Because of this data limitation we were unable to provide an in-depth analysis related to office space usage or consolidation. The University should begin collecting data related to office space use. This data would help further the understanding of the space needs related to the University in addition to a facilities master plan identified in **Recommendation 10**.

Impact

Having a consistent understanding of reliable office space data will allow the University to be able to manage its office space more effectively and can lead to a more efficient utilization in buildings and reduce maintenance costs across campus.

Background

As seen in **Recommendation 10**, we created a criterion for building selection. Generally, these buildings were located on the University's campus and contained at least one classroom or classroom laboratory; we ultimately selected 25 buildings. In the 25 buildings on campus that were selected, we calculated a total of 2,561 offices. The offices in these 25 buildings take up a total of approximately 454,991 square feet. This means that each office within the 25 buildings selected has an average of approximately 178 square feet. We also looked at the buildings beyond the 25 buildings included in the analysis for classroom and classroom laboratories. While including these additional buildings, there are a total of 2,991 offices on campus. This means that there are 1.35 offices per employee at the University.

Methodology

To gather the necessary data and understanding to perform this analysis we took three major steps: we interviewed the University's Facilities Director to determine how office spaces are currently managed, collected staffing lists and general facilities data related to office spaces, and analyzed NASF per FTE by applying the office space guidelines used in the OSU report**.**

Analysis

Facilities operations indicated knowledge of the offices on campus but lack verifiable data that identifies who is in each space or how that space might be used. Using the staffing proportions at the University to available offices, we found that 64.2 percent of offices would be given to full-time-regular employees, 3.6 percent to full-time-temporary employees, 8.5 percent to part-time-intermediate employees, 22.5 percent to part-time-temporary employees and 1.2 percent to part-time-regular employees. Additionally, we separated from the general analysis leadership positions which include President, Executive Vice President, Vice President, Advancement/Executive Director, Director of Theater Operations, Executive Administrative, Vice President Human Resources, Chief of Planning and Facilities, Vice Provost, Vice President/ Chief Communications & Marketing, as these positions have larger space expectations and will be used in the analysis below.

Due to data limitations, we were unable to determine the utilization of these offices on campus. However, based on the current staffing list, we applied the Ohio State University's office space guidelines to approximate the needed square footage associated with office space. Office space guidelines identify maximum assignable square footage per person in a specific role. It is important to note that guideline allocations are targets and are rarely used when making individual or limited decisions regarding office allocations. These guidelines are most typically used when planning or modeling a space for an entire unit to determine a unit space footprint. While the office space guidelines may vary across universities, the standards used by the Ohio State University are typical among universities. The University of Akron currently does not have office space guidelines. The table below compares the industry standard for NASF compared with the total NASF that the University has for all offices.

NASF Benchmark Comparison

Type of Space Needed	NASF Standard Per Position	Number of Employees by Type at UA	NASF Standard Total
Office (Part-Time)	42	714	29,988
Office (Full-Time)	140	1,490	178,8000
Office (Executive)	240[25]	13	3,120
		Total NASF Needed	**211,908**
		Total UA NASF	507,394
		Excess NASF	**295,486**

Source: University of Akron and the Ohio State University

As the table above shows, the University has 295,486 more office square footage than the industry standard criteria indicate. In other words, the University of Akron has enough excess office spaces for every employee (including part-time and teaching assistants) to have an office and enough excess square footage to fill over five football fields.

Conclusion

Having a consistent understanding of reliable office space data will allow the University to be able to manage its office space more effectively and can lead to a more efficient utilization in buildings and reduce maintenance costs across campus.

[25] Executive staff have the largest allotted amount for NASF, of which the industry standards give a range from 180 NASF to 400 NASF. For the purpose of our analysis executive staff are given 240 NASF per office.

Recommendation 10: Develop a Facilities Master Plan

The University does not have a facilities master plan for its campus. The Board has indicated a general desire to reduce its overall footprint on campus and has taken steps to do so. However, without a facilities master plan, the University is missing key metrics that would allow for data driven decision making on building consolidation or removal. Key metrics that would aid in decision making include quality data for deferred maintenance costs on campus buildings and office utilization rates (see **Recommendation 8**).

Impact

Without a formalized master plan for facilities, or an accurate understanding of deferred maintenance, it is difficult for the University to adjust to the declining trend of student enrollment and understand if decisions are being made in an economic, effective, and efficient manner. Additionally, a lack of planning limits the University's ability to ensure that it is reducing its overall square footage accurately, tracking the implementation of changes to its campus spaces, and meeting the overall expectations of the Board. A master plan could provide a blueprint for desired goals and objectives that are to be achieved and can be pursued despite changes in turnover amongst various leadership positions.

Methodology

We interviewed the Facilities Director and the facilities team about the current and future state of the University's main campus. From this, we received and reviewed room reservation data from the University for academic and non-academic events from spring 2018 through fall 2024. We also received facility information on universities in Ohio from ODHE for the academic year 2024. We used two industry standards related to square footage needed to help determine the appropriateness of the University's current square footage use (see **Recommendation 8**). We also relied on the University to understand any process they use for tracking deferred maintenance costs and building conditions, how office spaces are booked and tracked, and any other plans regarding space utilization on campus. We then compared the total current office, classroom, class lab, and open lab space square footage to the square footage needed.

Analysis

For the past decade, the headcount of student enrollment at the University has steadily decreased from approximately 24,563 students to 13,356 students, a 46 percent decrease.

During this same period, the University increased its total square footage but did not develop a facilities master plan. Additionally, the University does not have an accurate understanding of the deferred maintenance costs of its facilities and is currently repairing buildings on an as needed basis.

The University has a total of approximately 7.2 million square feet on its main campus.

Our review of classrooms and class labs (see **Recommendation 8**) includes buildings that are on the main campus and have at least one or more classrooms or class labs; our office analysis (see **Recommendation 9**) includes all offices on the University's main campus. Using these parameters, the total net assignable square feet (NASF) in this analysis consists of approximately 970,000 NASF, which is about 13 percent of total NASF on campus. For total instructional space on campus, 91 percent of the NASF is considered for academic use.

According to the Association of Physical Plant Administrators (APPA), university campuses should have an environment that is functional, pleasant, safe, sustainable, and supportive of its wide-ranging programs. Master plans are the overarching expression of that physical environment, with an implementation program for achieving the desired conditions. Master plans are also used for many other internal and external purposes:

- Marketing
- Analyzing potential for future physical development
- Guiding building and landscape design
- Supporting capital campaigns and improved funding opportunities
- Creating and enhancing partnerships
- Increasing operating efficiencies
- Improving space allocation and utilization

The first step in creating a master plan should be a background analysis which helps determine the most important issues that need to be addressed. This can be done by an analysis of overall program and enrollment trends and an assessment of the physical conditions and trends in conjunction with any current informal plans the University may have, as the University does not have any formal master plans. Our review of classrooms and class laboratories shows there are current inefficiencies (see **Recommendation 8**). A master plan would allow the University to identify the areas in which to eliminate facilities inefficiencies most effectively as there are data points not obtained during our review such as building condition and deferred maintenance. Master plans should emphasize land efficiency by measures such as redevelopment of underutilized older buildings, which redevelopment is practical, and which redevelopment does not adversely alter the historic or architectural fabric of campus.

Campuses are constantly evolving. This means that a university must meet its current campus needs while maintaining the ability to adapt. A master plan can assist in minimizing unnecessary development. For example, the University continued to expand its footprint until 2014 despite the declining enrollment. The master plan should align with the University's strategic and academic plans to meet the needs of the student, the University, and those it serves. By considering student needs, the master plan would ensure that the expansion or reductions in the University's footprint would align with current and projected enrollment rates. Therefore, the master plan should take consideration from multiple stakeholders to provide guidance on goals and ultimately align with the University's mission.

Conclusion

Although enrollment has declined by approximately 46 percent during the past decade, the University has not adjusted its space that is utilized in an inefficient manner. Key contributions to these reactions may be the due to office spaces not being tracked by the facilities directors, and course scheduling practices allowing course sections being in rooms in sizes that are not appropriate for the section enrollment. A facilities master plan should include objectives on how to meet facility needs by increasing the efficiency of space on campus. The University should develop a master plan that addresses key factors to increase building utilization.

Strategic Management

Management of an organization should be strategic to help ensure overall achievement of the organization's mission and vision in the most efficient, effective, and transparent way. At UA, the Board of Trustees (the Board) is tasked with the governance and oversight of the University, which includes making strategic management decisions. To be successful, the Board requires sufficient financial and operational data from the administration of the University. The information that is presented to the Board guides key decisions regarding the operations at the University that will ultimately determine the long-term success of the institution.

The University has seen enrollment decline by nearly 50 percent over the past decade and officials have taken steps to reduce faculty staffing through a variety of methods. However, additional operational changes must be considered to address ongoing financial concerns. University officials must balance the needs of the faculty, staff, and students alongside the needs of the community. In addition, officials must work to ensure they are providing good stewardship of the public resources they manage. At times, this can require the ability to respond quickly to external factors, such as shifting teaching methods during the COVID-19 pandemic. It can also require deliberate, and often difficult, decisions regarding changes to overall operations in the face of shifting demographics and community needs. At UA, these difficult decisions extend beyond course offerings and staffing to extracurricular activities and the physical footprint of the buildings owned by the University. As it moves forward, the University will need to make strategic management decisions including those regarding financial management, course section scheduling, and program offerings. In addition, UA officials will need to consider the impact of maintaining the current structure of the athletics program. This section of the report offers recommendations related to the strategic management of the University which would promote efficient, effective, or more transparent operations as officials work to fulfill the mission of the institution.

As discussed in detail throughout the preceding sections of this report, the University of Akron could gain efficiencies by aligning its operations with the peer averages and industry standards and implementing the previously identified recommendations. Hower, the recommendations identified previously in this report, even if fully implemented, would not resolve the projected annual deficit spending in the June 2025 five-year forecast provided by the University. The following recommendations are additional actions that the University leadership may need to consider when addressing the fiscal sustainability of the institution moving forward.

Recommendation 11: Establish and Implement Minimum Fund Balance Policy

The June 2025 five-year forecast provided by the Administration shows the impact of the University's previously mentioned efforts to reduce expenditures. However, the five-year forecast is still showing significant annual deficit spending continuing beyond the next five years, which would decrease the University's net operating cash to levels near the GFOA recommended minimum level soon. Maintaining minimum fund balances helps entities to avoid financial difficulties that may arise from unforeseen expenses or reduced revenues. The University does not currently have a reserve fund balance policy and best practices identified by the Government Finance Officers Association (GFOA) and Moody's Investors Service (Moody's) provide guidance on minimum fund balance thresholds. The University should establish a minimum fund balance policy and in doing so, the University would maintain balances that would help address future unforeseen budgetary issues.

Impact

Establishing a formalized fund balance policy that sets minimum thresholds has practical benefits that include less risk of insufficient cash flow to meet short-term obligations, better solvency in the face of unexpected downturns, and more favorable lending terms in the credit markets.

Methodology

We interviewed the University's CFO and the Board to understand any current financial management policies and practices that are followed by the University. The interviews focused on the University's June 2025 five-year forecast assumptions and details of the revitalization plan enacted by the University. We reviewed the information that was provided to us and compared it with best practices identified by the GFOA and Moody's. In doing so, particular attention was given to fund balance policies.

Analysis

Based on our interviews and the information provided to us by the University, we determined that the University does not have a formal policy guiding minimum fund balance requirements. Local governments are expected to maintain a sizable reserve by industry standards and bond rating agencies. Because the University does not have a formal policy, we compared the institution's net operating balance to best practices to gain a better understanding of the potential impact of the University's debt.

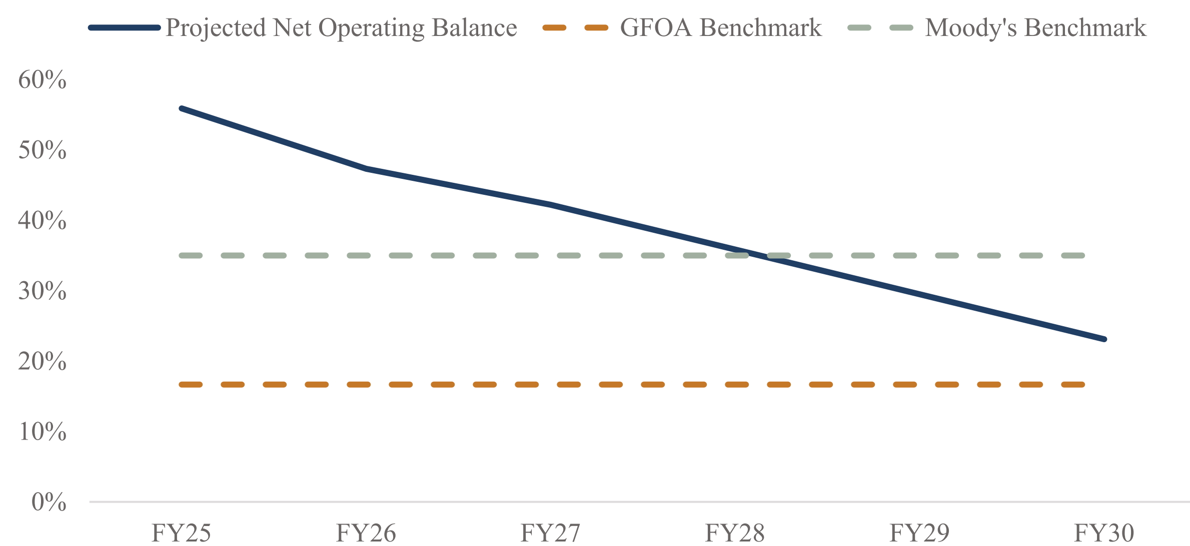
The Government Finance Officers Association (GFOA) is a membership organization comprised of government officials from a range of different agencies and government levels. The GFO publishes best practices for government financial planning including the *Guidelines for the General Funds*. These guidelines include general- purpose governments should maintain unrestricted budgetary fund balances of no less than two months of general operating expenses (or 16.7 percent of the annual budget).

We analyzed the University's annual expenses and determined that it would need to have $41.9 million to cover two months of expenses. While the University currently maintains and is projected to maintain this level of unrestricted funds, officials at the University will need to track these funds as it implements its revitalization plan.

Moody's is a well-known and respected agency that provides credit ratings for business and governmental organizations. These ratings are used to determine the creditworthiness of an organization seeking to borrow funds, such as governmental organization issuing bonds. While it is important to understand that fund balances are only one of many factors that are considered by a bond rating agency, Moody's looks for fund balances of more than 35 percent of annual revenue to provide the highest rating (Aaa) for general obligation debt. This benchmark was used for general governments. While Moody's does have a benchmark for higher education which differs, it includes investments. The highest rating for total cash and investments as a percentage of operating expenses is achieved with 125 percent or higher.

We analyzed the general fund and its impact on the SB 6 composite score. Since SB 6 scores do not include investments, we used Moody's benchmark for general governments. If the University met this standard, it would require a reserve fund balance of approximately $88.0 million. The visual below shows the University's projected net operating balance compared with both the GFOA benchmark and Moody's benchmark for general governments.

University of Akron's Net Operating Balance and Criteria



Source: University of Akron

As shown in the graph above, the University's projected net balance falls below Moody's benchmark in FY 2028. While the projected net balance does not fall below the GFOA benchmark, the trend is approaching this standard. Should the University fall below these benchmarks, its bond rating could decrease since the size of the debt exceeds parameters which issuing agencies find acceptable. This would cause the cost of issuing bonds to increase, which ultimately makes raising funds more expensive to the University. In turn, the University would have to take on debt to fund operating expenditures.

The practical benefits of an increased reserve fund balance include less risk of insufficient cash flow to meet short-term obligations, better solvency in the face of unexpected downturns in enrollment or other revenue streams, and more favorable lending terms in the credit markets. Risks are difficult or often impossible to estimate exactly, which is why setting a range, instead of a single point, for the reserve fund balance is considered a best practice.

Conclusion

The University should establish formal reserve fund balance policies to align with financial management best practices. By doing so, the University will be able to better manage its financial condition and adapt to unforeseen issues such as reduced revenues or the need for increased expenditures. Additionally, this will allow the University to continue to raise and leverage funds as potential lenders will view them more favorably.

Recommendation 12: Formalize a Revitalization Plan and Ensure Financial Sustainability

As discussed in detail throughout the preceding sections of this report, the University could gain efficiencies by aligning its operations with the peer averages and industry standards in addition to implementing the previously identified baseline recommendations. However, the recommendations identified in this report, even if fully implemented, would not resolve the projected deficit in the June 2025 five-year forecast provided by the University.

The University of Akron approved a resolution in March 2025 pertaining to its revitalization plan, which included a $22 million university-wide budget improvement by end of AY 2026. The resolution states improvements in several ways, including but not limited to, a combination of voluntary separations; investment in areas of growth, fundraising and development opportunities; reduction in administration and athletics, reduction of campus footprint and debt defeasance; operational and financial efficiencies; restructuring; and enrollment growth. While some action has been taken related to faculty reductions and a private partnership for student housing and parking, details are limited to the June 2025 financial forecast with assumptions. To be most effective, a revitalization plan should be formalized including detailed, tangible actions and the corresponding financial impact.

Impact

Balancing the University's budget will involve difficult choices beyond those approved as part of the University's discussed revitalization plan. This report identifies further savings in the areas of staffing, insurance, and facilities. However, even if these recommendations are fully enacted an operating deficit will remain. To address the remaining deficit, the Board would need to take further actions such as salary freezes, cuts to the Athletic Department, tuition and fee increases, or reductions to course offerings.

Methodology

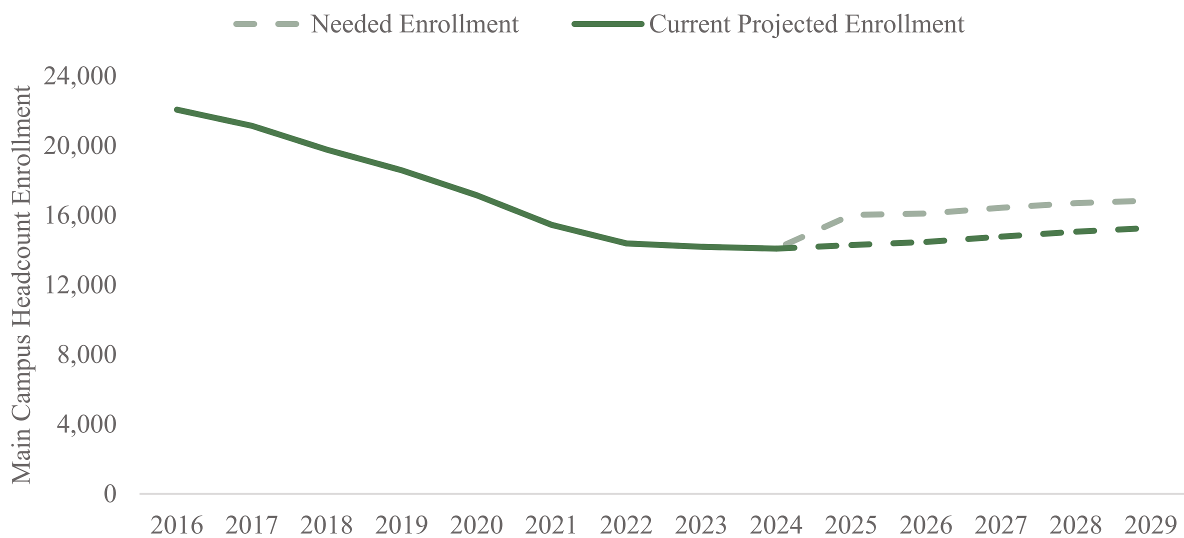
We interviewed the University's CFO and the Board to understand efforts to reduce the deficit as well as the revitalization plan passed by the University. The interviews focused on the details of the revitalization plan enacted by the University. We reviewed other possible efforts the University could undertake to reduce the projected deficit.

Analysis

The University passed phase one of its multi-year revitalization plan in March 2025 which balances fiscal responsibility with strategy and includes cutting millions from its budget. Specifically, the revitalization efforts include a mandated budget improvement of at least $22 million by the end of AY 2026. Plan highlights include entering a P3 to reduce debt and efforts to right-size faculty and staff in identified units to better align with student enrollment. Despite the actions taken in phase one of the revitalization plan, the University is still projected to have an annual operating deficit of $14.3 million annually on average until AY 2030.

To address this operating deficit exclusively through the increased revenue generated from additional enrollment, the University would need to increase its enrollment by approximately 1,600 students. However, this enrollment recovery is unlikely given the recent trend in overall enrollment statewide (see **Forecasted Growth/Decline in University-Going Students**) as well given the University's recent projections as shown below. In addition, this calculation does not consider the increased expenditures that would be incurred by the University due to the larger level of enrollment.

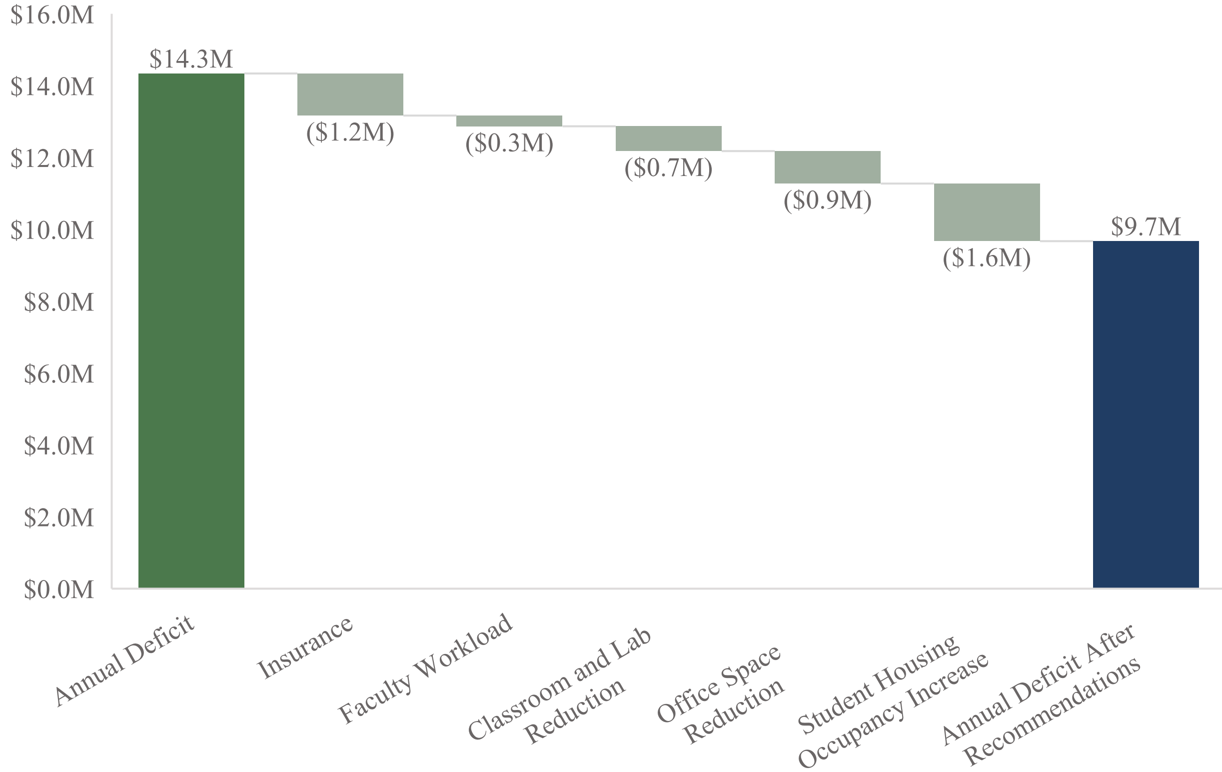
Projected Headcount Enrollment with Enrollment to Cover Deficit, Fall 2016 to Fall 2029



Source: University of Akron

From our recommendations in the previous sections, if fully implemented, there is an estimated economic impact of $3.0 million to $4.7 million annually. The following visual shows the high-end estimates of fully implementing our previous recommendations on an annual basis. Even if fully implemented, the University's projected annual deficit would be approximately $9.5 million.

Projected Annual Deficit After Estimated FI of Recommendations



Source: University of Akron

Implementing the following additional actions could have a significant impact on the University's operations and instructional activities, yet such actions may resolve the projected deficit. This may include but is not limited to a financial evaluation of the University's Athletic Department, general tuition and fees, and its academic offerings.

Athletic Department

The University currently subsidizes the Athletic Department with approximately $24 million per year from its General Fund. To achieve additional savings, the University could take targeted actions within its Athletic Department to reduce the subsidy needed to cover athletic operations. Cost reduction options include:

- Increasing admissions and sales revenue.
- Renegotiating athletic administration and coaches' salaries and headcounts; and
- Eliminating sports, which could entail changing athletic conferences.

Salary Freeze

Outside of the Athletic Department, the University could consider implementing a broad salary freeze to achieve additional savings. The University's June 2025 five-year forecast assumes an annual increase in salaries from AY 2026 to AY 2030. UA has implemented a salary freeze over the last five of six years. If the University froze salaries at AY 2025 levels for the projected forecast instead of implementing the increases shown in the forecast, it could realize an average annual savings of approximately $2.3 million. These savings would accumulate each year the salary freeze is in effect, compounding over multiple years.

General Fees

Alternatively, the University could seek increases to general fees which to an extent support the Athletic Department. The University's general fees charged to full-time students each term were $428 for fall 2024 which is $213 below the university average in Ohio and $437 below the Ohio MAC university average. Any increase in tuition and fees is capped annually at three percent, for in-state students, and needs approval from ODHE. Any rate increase would need to be implemented by cohorts, and the full financial impact would not be fully realized for four years. If the University was to match its fees to the fall 2024 Ohio public university average, it would be a 50 percent fee increase and a $3.8 million annual increase in revenue. If the University was to increase to the Ohio MAC university average, this would result in a 102 percent increase and an annual impact of $7.9 million.

Course Offering Reduction

This report demonstrates instructor staffing reductions that can be achieved by optimizing course section offerings (see **Recommendation 2**). Our analysis within course section optimization was conservative in that it assumed that no actual courses would be fully eliminated, only redundant sections. Further savings on instructional staff could be achieved if the University is willing to consider eliminating courses. Course elimination is a challenging operational calculus in that the choices will have implications for degree program requirements and college accreditation. As such, our analysis did not prescribe eliminating courses, and the University should approach these types of cuts carefully, but it is an available avenue to address the University's budget deficit.

Conclusion

The University's expenditures exceeded revenues in four of the last five years. Even after enacting substantial cost-cutting measures with the 2025 faculty reductions, the University is forecasting deficit spending every year going forward. This trajectory is unsustainable and will deplete the University's reserve funds within a decade on the current trend line. To preserve the University as a going concern, the Board should chart a path to a balanced operating budget where revenues cover expenditures. This balanced budget will likely involve hard choices, many of which have been highlighted in this report, but also may include salary freezes, cuts to athletics, increases in tuition or fees, and reduced course offerings.

The University has taken action towards future financial sustainability through actions such as reducing faculty headcount, minimal facilities reduction, and entering a public-private-partnership (P3) agreement for both student housing and parking. These actions are part of the University's revitalization plan and are expected to happen in multiple phases. Additional actions are required by the board to ensure the financial future of UA.

Client Response Letter

Audit standards and AOS policy allow clients to provide a written response to an audit. The letter on the following pages is the University's official statement in regards to this performance audit. Throughout the audit process, OPT staff met with University officials to ensure substantial agreement on the factual information presented in the report. When the University disagreed with information that was presented, and provided supporting documentations, revisions were made to the audit report.

THE UNIVERSITY OF AKRON

R.J. NEMER
PRESIDENT

December 12, 2025

The Honorable Keith Faber
Ohio Auditor of State
88 E. Broad Street
Columbus, OH 43215

Dear Auditor Faber:

On behalf of The University of Akron and the UA Board of Trustees, I'd like to express my gratitude to your office and team for the diligent, informative work completed in UA's recent performance audit. When asked if the University would voluntarily participate in a performance audit, the Board of Trustees and I happily engaged your office. Several months ago, the University began work on a major Revitalization plan focused on maximizing efficiencies in operations and ensuring fiscal accountability. The AOS report validates many of the actions UA has already incorporated into that comprehensive Revitalization plan and provides insights into additional areas to explore.

The following paragraphs will briefly outline the University's response to the core themes in the report. We look forward to continuing our engagement with AOS as we finalize the implementation plan and complete our annual reporting on the progress made on these recommendations.

Academic Programs, Course Sections and Faculty Workload

The performance audit concluded that University course sections are not optimized. As such, the committee recommended better alignment between section offerings and student demand. Additionally, the audit committee determined that enhanced section optimization would give UA an increased opportunity to evaluate a comprehensive impact on instructional staffing. The University appreciates the team's recognition of our well-developed array of programs. As brought forth in the analysis, many of our programs are aligned with growing professions and in-demand occupations in Ohio's job market. The institution will continue to use market analyses and student demand indicators to continuously monitor and adjust program offerings to meet the needs of students, the community, the state of Ohio and beyond.

In 2023, the institution purchased Stellic as a platform to support student success and persistence; that software is also an ideal tool for optimization. Now that the platform is fully functional and integrated, the University will strategically use it to find efficiencies while maintaining a schedule that meets students' needs.

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The performance audit also identified UA's lack of centralized faculty workload tracking and recommended a better system for housing workload letters. Although *teaching workload* has always been well articulated and tracked by our Department of Human Resources, the process of assigning and tracking the *full workload* for all faculty has historically been decentralized to the departments. Due to new workload policies, now is an ideal time for the University to implement a centralized tracking system. As we will outline in our implementation plan, the new process will be in place for next academic year.

UA Athletics: Strategic Plan and Budget Process

The performance audit committee analyzed several aspects of our intercollegiate athletics programs and flagged current potential to bolster efficiencies. The department has contracted with an external consulting group to develop comprehensive strategic and budget plans for UA Athletics. The University of Akron recently conducted a national search for the director of intercollegiate athletics position, hiring Dr. Andrew T. Goodrich. Under Dr. Goodrich's leadership, the department has partnered with the Huron Consulting Group. Huron is renowned for work in higher education, financial services and public sector entities.

Together, over the next several months, Huron will work with UA Athletics to develop a forward thinking, five-year strategic plan that aligns with UA's mission, vision and aspirational culture. Through this work, the department will update its business model and improve all aspects of business operations, with the goals of increased revenue, cost saving and improved investments. This will give UA Athletics an opportunity to enhance budgetary benchmarking and complete a financial model assessment, including an economic impact study of the department's contributions to the City of Akron and the surrounding region.

Insurance Offerings

The performance audit concluded that the University could accomplish significant annual savings by evaluating and adjusting employee insurance contributions. Currently, the University offers two self-funded PPOs—the Gold Plan and the Blue Plan—to provide personnel with competitive options and balanced cost sharing.

The Gold Plan features a market-competitive PPO structure, with the University covering an average of 81% of the premium equivalency. The Blue Plan offers lower premiums and benefits, but the University's dollar contribution toward premiums is the same for both plans, ensuring institutional cost neutrality. We will strive to ensure the health plans remain fiscally responsible, competitive and supportive of employee well-being.

Facilities and Financial Strategies

Finally, the audit committee assessed facility and space usage, the University's revenue potential, and various financial strategies to accomplish stability and sustainability. Through this process, numerous recommendations were made, ranging from a facilities master plan, residence hall optimization and office space usage data collection, to establishing a minimum fund balance policy and formalizing an action plan. The University is initially addressing these recommendations in concert, as they are already inextricably linked to the Revitalization plan that has been underway for several months.

As part of the Revitalization plan, the University has strategized and implemented a budget improvement plan, updated its five-year financial forecast, and submitted a six-year capital plan to the State of Ohio. As an ongoing effort to maximize campus space utilization, the capital plan includes a proposed space reduction by 2028. Per the recommendation of the analysis, we will continue to conduct inquiries into and collect data about office space usage.

Following the University's investment grade rating from S&P in late August 2025, UA has worked toward a Public-Private Partnership (P3) housing project, with a deal scheduled to close on December 17, 2025.

The University of Akron appreciates the opportunity to submit this initial response and earnestly commits to continued implementation of the audit committee's recommendations and full execution of our institutional Revitalization plan. We are eager to continue this partnership with the Office of the Auditor of State and look forward to submitting our implementation plan.

Sincerely,

RJ Nemer

R.J. Nemer
President

Appendix A: Purpose, Methodology, Scope, and Objectives of the Audit

Performance Audit Purpose and Overview

Performance audits provide objective analysis to assist management and those charged with governance and oversight to improve program performance and operations, reduce costs, facilitate decision making by parties with responsibility to oversee or initiate corrective action, and contribute to public accountability.

Generally accepted government auditing standards (GAGAS) require that a performance audit be planned and performed so as to obtain sufficient, appropriate evidence to provide a reasonable basis for findings and conclusions based on audit objectives. Objectives are what the audit is intended to accomplish and can be thought of as questions about the program that the auditors seek to answer based on evidence obtained and assessed against criteria.

We conducted this performance audit in accordance with GAGAS. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Audit Scope and Objectives

In order to provide the University with appropriate, data driven, recommendations, the following questions were assessed within each of the agreed upon scope areas:

Summary of Objectives and Conclusions

Objective	Recommendation
Strategic Management	
What opportunities exist for the University to better align overall academic programs to current macro conditions of higher education, similar organizations, and/or industry best practices?	**R.1**
What opportunities exist to improve the economy, efficiency, and effectiveness of the University of Akron's athletics department compared to similar organizations and/or industry best practices?	**R.4** and **R.5**
Operations	

Are the University's insurance costs appropriate in comparison to other similar higher education institutions and within the local northeast Ohio market, similar organizations, and/or industry best practices?	**R.6**
What opportunities exist to improve the economy, efficiency, and effectiveness of the University of Akron's faculty staffing and course offerings compared to similar organizations and/or industry best practices?	**R.2** and **R.3**
What opportunities exist for the University to improve efficiencies in facility and student housing space utilization compared to similar organizations and/or industry best practices?	**R.7, R.8, R.9,** and **R.10**
What opportunities exist for the University to improve its overall financial position compared to similar organizations and industry best practices?	**R.11, R.12**

Although assessment of internal controls was not specifically an objective of this performance audit, internal controls were considered and evaluated when applicable to scope areas and objectives. The following internal control components and underlying principles were relevant to our audit objectives[26]:

- Control environment
    - We assessed the University's exercise of oversight responsibilities in regard to detecting improper payroll reporting and benefits administration.
    - We assessed the University's exercise of oversight responsibilities in regard to detecting improper data entry in the dispatch system and fleet management information system.
- Risk Assessment
    - We considered the University's activities to assess fraud risks.
- Information and Communication
    - We considered the University's use of quality information in relation to its financial, payroll, staffing, and fleet data.
- Control Activities
    - We considered the University's compliance with applicable laws and contracts.

[26] We relied upon standards for internal controls obtained from *Standards for Internal Control in the Federal Government* (2014), the U.S. Government Accountability Office, report GAO-14-704G

Internal control deficiencies that were identified during the course of the audit are discussed in the corresponding recommendation.

Audit Methodology

To complete this performance audit, auditors gathered data, conducted interviews with numerous individuals associated with the areas of the University's operations included in the audit scope, and reviewed and assessed available information. Assessments were performed using criteria from a number of sources, including:

- Peers;
- Industry Standards;
- Leading Practices;
- Statues; and
- Policies and Procedures.

We selected similar 4-year public Ohio universities to form the peer groups for comparisons contained in this report. These peers are identified as necessary and appropriate within the section where they were used. The peers are:

Primary Peers – Ohio's 4-year Public Universities

- Bowling Green State University
- Central State University
- Cleveland State University
- Kent State University
- Miami University
- Wright State University
- Ohio University
- Shawnee State University
- Ohio State University
- University of Toledo
- University of Cincinnati
- Youngstown State University

Ohio MAC Peers

- Bowling Green State University
- Kent State University
- Miami University
- Ohio University
- University of Toledo

Appendix B: Financials

The following are the descriptions provided by ODHE for the expenditure categories.

Academic Support (AS): Academic Support includes all funds expended for activities that are an integral part of the operations of one of the institution's three primary missions -- instruction, research, and public service. It includes the retention, preservation, and display of materials and the provision of services that directly assist the academic functions of the institution. Academic Support also includes the media and technology employed by the three primary missions, as well as the administrative support operations that function within the various academic units.

Instruction and Departmental Research (ID): Instruction and Departmental Research includes expenditures for all programs that are part of an institution's instructional program with the exception of separately budgeted remedial and tutorial programs that should be accounted for as Student Services.

Institutional Support (IS): Institutional Support includes expenditures for operations that provide support services to the entire institution.

Plant Operation (PO): Plant Operation details plant operation and maintenance (POM) expenses incurred by non-hospital and non-auxiliary current funds.

Public Services (PS): Public Services includes activities that are established primarily to provide non-credit designated course offerings and services beneficial to individuals and groups external to the institution.

Separately Budgeted Research (SB): Separately Budgeted Research includes all activity specifically organized to produce research outcomes, whether commissioned by an agency external to the institution (restricted) or by the institution (unrestricted), and includes matching funds applicable to the conditions set forth by a grant or contract from an external agency.

Scholarships and Fellowships (SF): Scholarships and Fellowships is a narrowly defined expenditure function within education and general funds. The revenues and expenditures must be within the control of the institution and the institution must be able to select the recipient of the grant. Also, the recipient should not be expected to repay the grant, nor should he or she be expected to render services to the institution in consideration for the grant. Scholarships include outright grants-in-aid, trainee stipends, tuition and fee remissions, and prizes awarded to undergraduate students. Fellowships include outright grants-in-aid and other trainee stipends to graduate students.

Student Services (SS): Student Services includes funds expended for the administration and operation of offices of admission and registration and those activities whose primary purpose is to contribute to the student's emotional and physical well-being, as well as his or her cultural and social development outside the context of the formal instruction program.

Table of Organization for the University of Akron

Appendix B: Facilities

Campus Map and Facilities

The University of Akron's main campus is located in Akron, Ohio with a regional campus located in Wayne County. The main campus is comprised of 55 academic, administrative, multipurpose buildings and 10 residence halls for a total of 7.7 million net assignable square footage. The following is a campus map provided by the University.

Abbreviation	Name
ASEC	Auburn Science and Engineering Ctr.
BCCE	Buckingham Building
CAS	College of Arts and Sciences
CBA	Business Administration Building
CRH	Crouse Hall
FOLK	Folk Hall
GDYR	Goodyear Polymer Center
GH	Guzzetta Hall
HCPX	Honors Complex
ICS	InfoCision Stadium / Summa Field
JAR	James A. Rhodes Health and PE
KNCL	Knight Chemical Laboratory
KO	Kolbe Hall
LAW	McDowell Law Center
LH	Leigh Hall
LIB	Bierce Library
MGH	Mary Gladwin Hall
OLIN	Olin Hall
PEAC	Polymer Engineering Academic Center
POL	Polsky Building
RDWY	Roadway Building
SHN	Schrank Hall (North)
SHS	Schrank Hall (South)
WHIT	Whitby Hall
ZOOK	Zook Hall

Academic, Administrative and Multipurpose Buildings

2 Administrative Services Building **ASB**
4 Akron Polymer Training Center **APTC**
47 Auburn Science and Engineering Center **ASEC**
48 Ayer Hall **AYER**
35 Bierce Library **LIB**
59 Buchtel Hall **BH**
26 Buckingham Building **BCCE**
5 Central Hower Community School **CHCS**
93 Chima Family Center **CFC**
15 College of Arts & Sciences Building **CAS**
25 College of Business Administration Building **CBA**
43 Computer Center **COMP**
49 Crouse Hall **CRH**
94 Cummings Center for the History of Psychology **RDWY**
101 Exchange Parking Deck **EXPD**
42 Express Building **EB**
84 Folk Hall **FOLK**
95 178 South Forge Street (Wonder Bread) **WBB**
96 Gas Turbine Testing Facility **GTTF**
45 Mary Gladwin Hall **MGH**
40 Goodyear Polymer Center **GDYR**
28 Guzzetta Hall **GH**
91 Honors Complex **HC**
6 Hower House **HOW**
99 InfoCision Stadium/Summa Field **ICS**
44 Knight Chemical Laboratory **KNCL**
52 Kolbe Hall **KO**
51 Leigh Hall **LH**
7 100 Lincoln Street Building **LINC**
27 McDowell Law Center **LAW**
3 National Polymer Innovation Center **NPIC**
65 Ocasek Natatorium **ONAT**
34 Olin Hall **OLIN**
10 Olson Research Center **OLRC**
76 Parking Deck East **PDE**
20 Parking Deck North **PDN**
102 Parking Deck South **PDS**
13 Physical Facilities Operations Center **PFOC**
12 Polymer Engineering Academic Center **PEAC**
22 Polsky Building **POL**
56 James A. Rhodes Health and Physical Education Building **JAR**
29 Robertson Dining Hall **RD**
62 Schrank Hall North **SHN**
63 Schrank Hall South **SHS**
1 32 South College Street Building **SUP**
92 Simmons Hall **SI**
88 Louis and Freda Stile Athletics Field House **AFLD**
89 Student Recreation and Wellness Center **SRWC**
60 Jean Hower Taber Student Union **STUN**
21 E.J. Thomas Performing Arts Hall **PAH**
98 Quaker Square **QSQR**
23 West Campus Parking Deck **WCPD**
46 Whitby Hall **WHIT**
68 Akron Engineering Research Center **AERC**
50 Zook Hall **ZOOK**

Residence Halls

37 Bulger Residence Hall **BRH**
64 Exchange Street Residence Hall **EXC**
91 Honors Complex **HC**
30 Orr Residence Hall **ORH**
36 Ritchie Residence Hall **RRH**
39 Sisler-McFawn Residence Hall **SMRH**
103 South Hall **SH**
38 Spanton Residence Hall **SRH**
58 Spicer Residence Hall **SPR**
98 Quaker Square **QSI**

Fraternities and Sororities

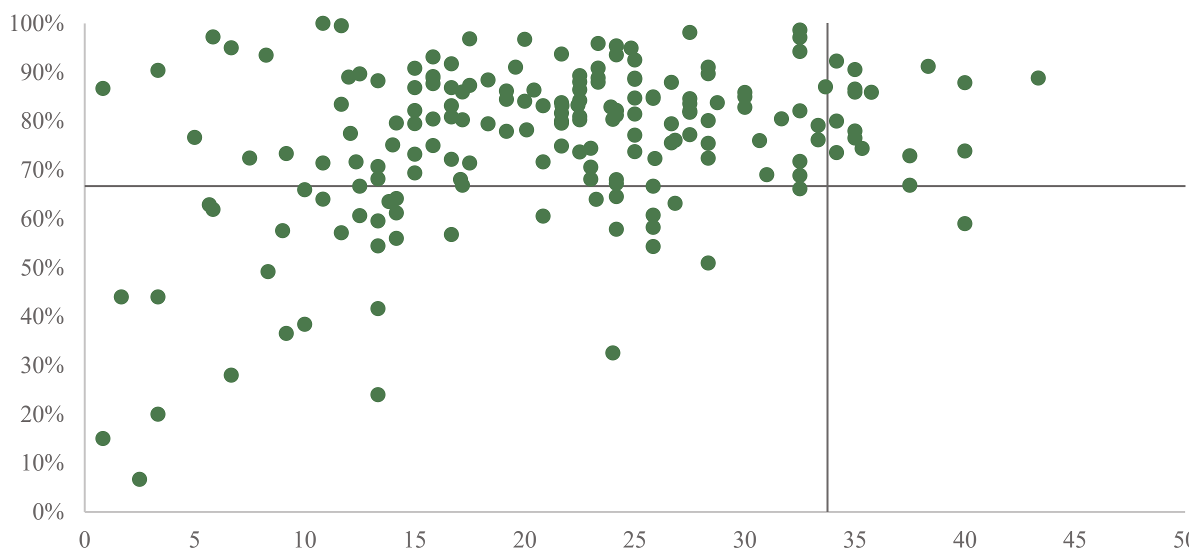
74 Alpha Delta Pi Sorority (ΑΔΠ)
66 Alpha Gamma Delta Sorority (ΑΓΔ)
70 Alpha Phi Sorority (ΑΦ)
54 Delta Gamma Sorority (ΔΓ)
68 Kappa Kappa Gamma Sorority (ΚΚΓ)
16 Lambda Chi Alpha Fraternity (ΛΧΑ)
75 Lone Star Fraternity (ΠΚΕ)
55 Phi Delta Theta Fraternity (ΦΔΘ)
71 Phi Gamma Delta Fraternity (FIJI)
67 Phi Kappa Psi Fraternity (ΦΚΨ)
53 Phi Kappa Tau Fraternity (ΦΚΤ)
69 Phi Sigma Kappa Fraternity (ΦΣΚ)
72 Sigma Alpha Epsilon Fraternity (ΣΑΕ)
73 Theta Chi Fraternity (ΘΧ)
90 Tau Kappa Epsilon Fraternity (ΤΚΕ)

Campus Space Utilization

The Utah State Board of Regents adopted space utilization standards for higher education institutions' classrooms and laboratories in the state. There are two utilization metrics used: room utilization rate (RUR) and seat/station occupancy rate (SOR). RUR is how many hours a room is scheduled for use and SOR is the percentage of seats/stations that are occupied compared to the total capacity. Per the criteria, the RUR for classrooms is 33.75 hours per week and the RUR for laboratories is 24.75 hours per week. The SOR for classrooms is 66.7 percent and the SOR for laboratories is 80 percent.

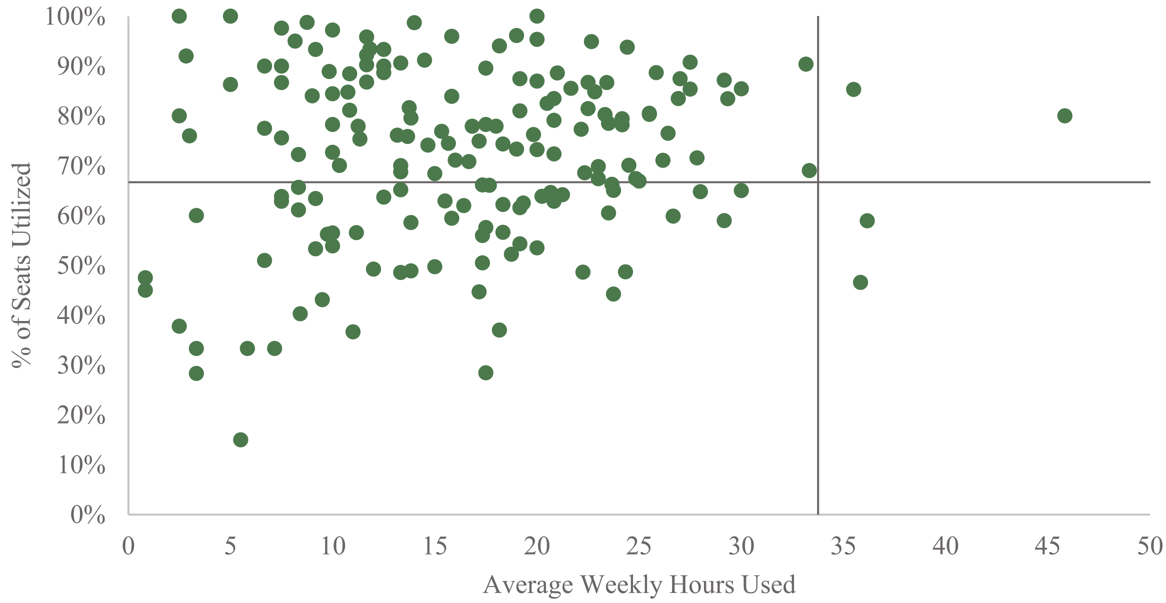
Using the Utah State Board of Regents' criteria, we analyzed the University's education space utilization for each semester. The weekly room hours used are an average of total weekly hours across a semester and capacity utilization was for space utilized for academic purposes. The visuals are split between classrooms and class laboratories for fall 2018 and fall 2024.

Classroom Utilization, Fall 2018



Source: University of Akron

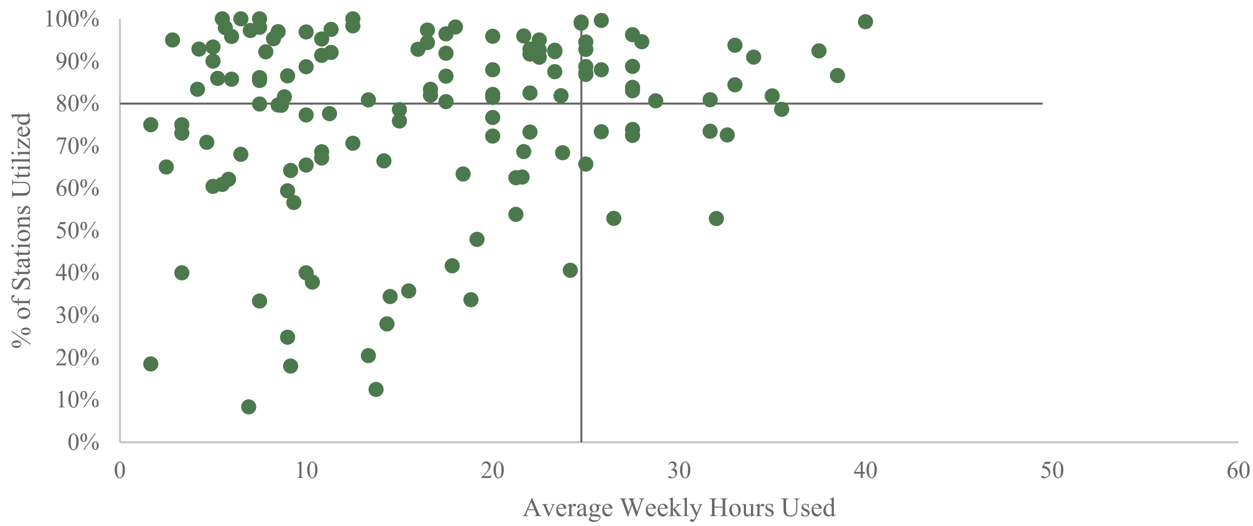
Classroom Utilization, Fall 2024



Source: University of Akron

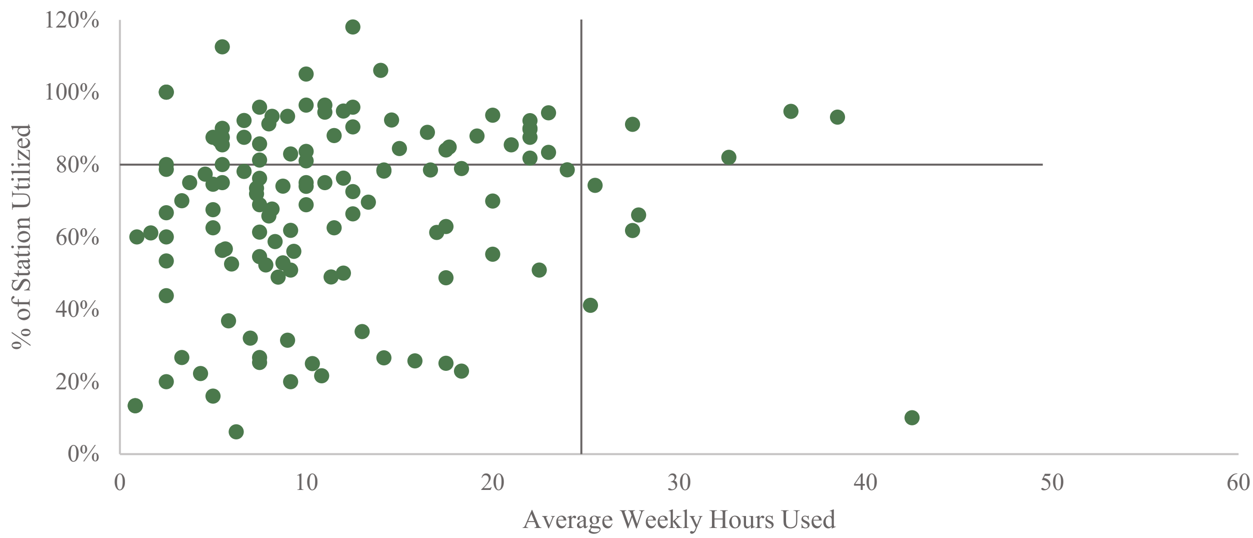
In relation to the criteria, 16 of the rooms analyzed met both criteria in fall 2018 indicated by the top right quadrant. In fall 2024, the utilization of classrooms reduced and only two rooms met both criteria. The number of classrooms analyzed that met neither criterion has grown from 38 rooms to 62 rooms from fall 2018 and fall 2024 respectively.

Class Lab Utilization, Fall 2018



Source: University of Akron

Class Lab Utilization, Fall 2024



Source: University of Akron

In relation to the criteria, 24 or 16 percent of the class laboratories analyzed met both criteria in fall 2018 indicated by the top right quadrant. In fall 2024, the utilization of classrooms reduced and only 4 or 3 percent of class laboratories met both criteria. The number of class laboratories analyzed that met neither criterion has grown from 50 rooms to 76 rooms from fall 2018 and fall 2024 respectively.

The University's classroom and laboratory scheduling from fall 2018 to spring 2024 was compared to the total classrooms and laboratories available on campus for every half hour. Time slots were grouped into morning (8:00 a.m. to 12:00 p.m.), afternoon (12:30 p.m. to 6:00 p.m.), and evening (6:30 p.m. to 9:30 p.m.). fall 2019 to fall 2022 and spring 2020 to spring 2023 are the semesters shown below for classrooms and then class laboratories.

The utilization rate of the University of Akron's classrooms and laboratories were calculated by dividing the number of classrooms and laboratories in use at any given half hour by the total classrooms or laboratories. Industry's best practices for the utilization of higher education facilities suggest that classroom is in use for at least 75 percent of its available daytime hours. To account for the extended setup and clean-up times required for laboratories, and because some laboratories have specialized equipment for certain courses which limit scheduling flexibility, best practices suggest that a laboratory is in use for at least 50 percent of its available daytime hours. OPT adapted these criteria for conditional formatting of the analyses at hand; the benchmark in these analyses is that 75 percent of any institution's classrooms and 50 percent of its laboratories are in use at any given half hour.

Classroom Utilization, Spring 2018 to Spring 2024

		7A	8A	9A	10A	11A	12P	1P	2P	3P	4P	5P	6P	7P	8P	9P
SPRING 2018	M	0%	10%	42%	52%	59%	4%	9%	14%	26%	19%	9%	41%	33%	9%	12%
	T	0%	10%	14%	60%	66%	5%	42%	37%	24%	32%	5%	38%	36%	7%	7%
	W	0%	11%	43%	54%	61%	6%	10%	14%	28%	24%	9%	47%	33%	6%	8%
	H	0%	10%	12%	57%	58%	4%	41%	37%	20%	28%	5%	37%	32%	5%	6%
	F	0%	10%	40%	47%	46%	2%	3%	1%	18%	5%	0%	2%	2%	1%	0%
SPRING 2019	M	0%	12%	46%	5%	58%	44%	1%	50%	35%	6%	27%	31%	13%	18%	7%
	T	0%	9%	51%	4%	67%	49%	2%	56%	36%	6%	25%	32%	18%	20%	8%
	W	0%	11%	45%	5%	58%	44%	1%	49%	33%	5%	24%	31%	13%	20%	6%
	H	0%	9%	51%	4%	65%	46%	1%	56%	36%	6%	25%	29%	13%	15%	5%
	F	2%	4%	6%	7%	9%	5%	2%	3%	3%	1%	1%	2%	2%	2%	0%
SPRING 2020	M	1%	11%	42%	5%	57%	40%	2%	43%	34%	5%	24%	23%	11%	13%	7%
	T	0%	11%	44%	6%	61%	47%	3%	50%	38%	6%	24%	23%	8%	12%	5%
	W	0%	10%	41%	6%	57%	40%	3%	42%	33%	6%	26%	29%	12%	14%	6%
	H	0%	11%	44%	5%	60%	46%	3%	50%	37%	6%	20%	19%	6%	8%	3%
	F	0%	3%	6%	5%	9%	5%	3%	5%	4%	1%	1%	1%	1%	1%	1%
SPRING 2021	M	0%	4%	6%	7%	13%	7%	11%	13%	8%	6%	3%	8%	6%	4%	1%
	T	0%	4%	5%	11%	15%	7%	13%	15%	12%	8%	5%	7%	7%	4%	2%
	W	0%	5%	8%	12%	17%	10%	14%	14%	9%	8%	5%	9%	11%	6%	4%
	H	0%	4%	4%	11%	14%	9%	18%	15%	11%	9%	4%	6%	6%	2%	1%
	F	0%	4%	7%	9%	12%	8%	9%	7%	5%	3%	3%	3%	3%	2%	1%
SPRING 2022	M	1%	8%	24%	36%	37%	30%	26%	34%	24%	17%	11%	24%	14%	9%	6%
	T	3%	14%	14%	48%	54%	13%	48%	41%	33%	26%	15%	28%	19%	10%	7%
	W	1%	9%	24%	36%	36%	29%	28%	35%	25%	19%	12%	27%	19%	13%	8%
	H	3%	13%	11%	44%	49%	10%	45%	38%	30%	24%	10%	22%	15%	8%	6%
	F	1%	7%	19%	27%	28%	23%	20%	9%	5%	3%	2%	2%	2%	2%	1%
SPRING 2023	M	1%	9%	21%	42%	41%	27%	28%	31%	20%	16%	8%	23%	11%	8%	6%
	T	0%	10%	15%	47%	59%	13%	48%	41%	32%	24%	13%	29%	20%	10%	4%
	W	1%	9%	21%	43%	42%	25%	31%	33%	22%	20%	12%	29%	17%	10%	6%
	H	0%	10%	12%	43%	51%	7%	46%	38%	31%	23%	8%	22%	13%	8%	6%
	F	1%	8%	17%	32%	31%	20%	21%	10%	4%	2%	2%	2%	2%	3%	2%
SPRING 2024	M	0%	9%	22%	42%	44%	28%	35%	33%	22%	18%	10%	29%	16%	8%	6%
	T	0%	10%	14%	50%	58%	13%	45%	43%	34%	23%	11%	22%	19%	11%	6%
	W	0%	10%	21%	43%	45%	25%	36%	36%	25%	23%	10%	27%	17%	8%	6%
	H	0%	9%	10%	46%	55%	9%	43%	38%	30%	20%	9%	22%	15%	8%	5%
	F	0%	8%	17%	32%	30%	24%	21%	10%	6%	2%	1%	2%	2%	2%	2%

Source: University of Akron

Classroom Utilization, Fall 2018 to Fall 2024

		7A	8A	9A	10A	11A	12P	1P	2P	3P	4P	5P	6P	7P	8P	9P
FALL 2018	M	0%	19%	54%	1%	65%	55%	0%	56%	39%	2%	28%	29%	9%	19%	6%
	T	1%	19%	58%	3%	63%	58%	1%	63%	43%	2%	36%	36%	11%	23%	6%
	W	0%	19%	53%	2%	62%	53%	0%	55%	37%	1%	30%	31%	7%	19%	6%
	H	1%	19%	58%	3%	65%	56%	1%	70%	45%	2%	34%	36%	11%	22%	5%
	F	0%	0%	1%	2%	6%	1%	1%	3%	3%	0%	0%	0%	0%	0%	0%
FALL 2019	M	0%	13%	55%	3%	68%	50%	1%	54%	43%	5%	24%	30%	18%	21%	11%
	T	0%	14%	52%	4%	66%	57%	4%	64%	45%	6%	26%	32%	14%	20%	9%
	W	0%	13%	54%	3%	64%	48%	1%	53%	40%	4%	26%	31%	14%	20%	7%
	H	0%	14%	52%	4%	67%	55%	3%	72%	46%	6%	25%	31%	9%	15%	3%
	F	0%	4%	6%	7%	11%	7%	6%	6%	5%	2%	1%	2%	1%	1%	1%
FALL 2020	M	0%	5%	11%	8%	15%	11%	12%	14%	8%	6%	3%	11%	10%	6%	3%
	T	0%	6%	7%	20%	20%	6%	21%	19%	11%	10%	7%	13%	9%	6%	3%
	W	0%	6%	14%	11%	19%	13%	15%	19%	10%	9%	5%	14%	12%	6%	5%
	H	0%	6%	7%	19%	20%	6%	18%	20%	12%	10%	4%	11%	7%	5%	1%
	F	0%	5%	10%	9%	12%	11%	11%	9%	4%	1%	2%	2%	2%	2%	0%
FALL 2021	M	1%	9%	26%	41%	40%	34%	30%	33%	19%	16%	7%	25%	15%	9%	6%
	T	0%	10%	13%	49%	61%	17%	53%	47%	29%	24%	13%	29%	22%	12%	11%
	W	1%	10%	28%	42%	41%	35%	31%	35%	20%	19%	11%	28%	16%	9%	6%
	H	4%	13%	14%	49%	57%	15%	58%	44%	28%	22%	11%	24%	19%	9%	7%
	F	1%	9%	24%	36%	37%	33%	25%	15%	6%	2%	4%	4%	2%	2%	2%
FALL 2022	M	0%	8%	23%	38%	40%	31%	32%	34%	20%	18%	11%	25%	16%	7%	4%
	T	0%	11%	15%	54%	57%	16%	50%	47%	28%	25%	10%	24%	18%	12%	9%
	W	0%	8%	24%	39%	41%	32%	33%	38%	23%	19%	12%	27%	22%	12%	6%
	H	0%	11%	12%	46%	54%	12%	55%	44%	28%	24%	11%	23%	14%	7%	6%
	F	0%	7%	21%	35%	33%	31%	26%	14%	3%	1%	2%	2%	2%	2%	1%
FALL 2023	M	0%	12%	27%	45%	48%	33%	32%	40%	28%	22%	12%	25%	14%	8%	6%
	T	0%	12%	15%	53%	60%	19%	54%	47%	26%	25%	14%	27%	25%	13%	9%
	W	0%	10%	25%	44%	45%	32%	29%	41%	28%	25%	16%	28%	18%	9%	5%
	H	0%	12%	12%	47%	54%	12%	61%	46%	26%	23%	10%	25%	19%	9%	6%
	F	0%	8%	19%	32%	32%	29%	20%	13%	7%	2%	2%	3%	2%	2%	2%
FALL 2024	M	5%	13%	26%	46%	47%	30%	33%	41%	25%	23%	13%	29%	15%	9%	4%
	T	5%	13%	14%	50%	59%	15%	50%	48%	32%	24%	9%	25%	20%	13%	8%
	W	5%	11%	24%	44%	47%	28%	34%	42%	24%	22%	12%	29%	17%	11%	5%
	H	5%	13%	12%	42%	53%	13%	56%	45%	31%	24%	12%	26%	19%	8%	4%
	F	5%	8%	20%	34%	31%	26%	26%	20%	12%	7%	6%	3%	2%	2%	2%

Source: University of Akron

Class Laboratory Utilization, Spring 2018 to Spring 2024

		7A	8A	9A	10A	11A	12P	1P	2P	3P	4P	5P	6P	7P	8P	9P
SPRING 2018	M	0%	6%	17%	22%	28%	4%	10%	18%	20%	22%	10%	17%	23%	10%	5%
	T	1%	10%	14%	24%	27%	7%	16%	22%	18%	23%	8%	17%	20%	9%	5%
	W	0%	7%	20%	24%	30%	5%	11%	19%	20%	23%	11%	16%	21%	12%	5%
	H	0%	10%	12%	24%	26%	7%	14%	21%	17%	19%	7%	14%	17%	9%	3%
	F	0%	6%	14%	17%	18%	5%	5%	9%	7%	8%	6%	1%	0%	0%	0%
SPRING 2019	M	0%	3%	22%	10%	29%	24%	7%	24%	24%	12%	16%	20%	12%	14%	6%
	T	0%	7%	22%	9%	26%	26%	11%	31%	26%	12%	18%	17%	10%	12%	7%
	W	0%	4%	24%	10%	29%	23%	7%	25%	24%	11%	16%	20%	13%	16%	6%
	H	0%	7%	20%	7%	26%	24%	9%	27%	25%	10%	16%	15%	10%	12%	6%
	F	0%	1%	6%	4%	10%	7%	2%	3%	3%	2%	2%	0%	0%	0%	0%
SPRING 2020	M	0%	3%	24%	13%	25%	21%	7%	22%	20%	9%	16%	16%	10%	10%	6%
	T	0%	4%	23%	12%	23%	24%	8%	26%	24%	10%	14%	17%	11%	14%	6%
	W	0%	3%	24%	13%	27%	21%	7%	21%	20%	10%	14%	16%	11%	12%	5%
	H	0%	4%	22%	12%	23%	21%	6%	20%	21%	8%	15%	14%	7%	10%	5%
	F	0%	1%	8%	6%	7%	7%	3%	3%	2%	1%	1%	0%	0%	0%	0%
SPRING 2021	M	0%	3%	8%	7%	10%	5%	12%	12%	6%	8%	1%	3%	6%	3%	2%
	T	0%	4%	7%	12%	12%	8%	11%	12%	12%	10%	2%	6%	6%	4%	2%
	W	0%	4%	9%	11%	13%	5%	13%	12%	6%	11%	2%	5%	7%	3%	2%
	H	0%	4%	7%	13%	13%	8%	10%	12%	12%	8%	2%	7%	6%	4%	2%
	F	0%	4%	5%	5%	6%	6%	7%	5%	1%	3%	0%	0%	0%	0%	0%
SPRING 2022	M	0%	5%	12%	15%	16%	11%	15%	20%	11%	14%	4%	12%	10%	4%	3%
	T	0%	7%	12%	16%	23%	14%	20%	22%	22%	18%	4%	11%	10%	6%	3%
	W	0%	5%	12%	18%	20%	13%	17%	22%	13%	18%	2%	11%	11%	4%	2%
	H	0%	7%	12%	16%	23%	15%	17%	20%	19%	15%	2%	8%	8%	5%	3%
	F	0%	4%	8%	10%	10%	9%	8%	8%	4%	6%	0%	0%	0%	0%	0%
SPRING 2023	M	0%	4%	11%	16%	17%	12%	16%	20%	13%	15%	4%	9%	10%	5%	4%
	T	0%	7%	9%	14%	22%	14%	21%	22%	20%	15%	3%	10%	10%	5%	3%
	W	0%	4%	12%	18%	19%	15%	16%	21%	15%	17%	6%	10%	9%	5%	3%
	H	0%	6%	9%	15%	20%	14%	19%	18%	17%	13%	1%	8%	9%	5%	3%
	F	0%	4%	7%	10%	9%	8%	5%	6%	3%	5%	0%	0%	0%	0%	0%
SPRING 2024	M	0%	3%	11%	17%	16%	12%	14%	17%	10%	13%	2%	5%	7%	5%	3%
	T	0%	8%	10%	16%	23%	12%	20%	21%	18%	16%	3%	9%	8%	6%	2%
	W	0%	4%	13%	20%	18%	13%	13%	18%	14%	16%	5%	8%	7%	5%	2%
	H	0%	7%	10%	17%	22%	13%	16%	19%	18%	15%	2%	8%	7%	4%	2%
	F	0%	3%	6%	10%	11%	8%	5%	6%	4%	6%	0%	0%	0%	0%	0%

Source: University of Akron

Class Laboratory Utilization, Fall 2018 to Fall 2024

		7A	8A	9A	10A	11A	12P	1P	2P	3P	4P	5P	6P	7P	8P	9P
FALL 2018	M	0%	9%	28%	12%	29%	29%	11%	28%	25%	11%	21%	21%	9%	12%	6%
	T	0%	8%	27%	9%	33%	26%	10%	29%	27%	12%	19%	21%	8%	14%	6%
	W	1%	10%	29%	14%	31%	29%	12%	28%	23%	10%	20%	22%	12%	16%	9%
	H	0%	8%	27%	9%	32%	26%	10%	30%	28%	11%	18%	21%	8%	13%	6%
	F	0%	2%	8%	6%	10%	7%	2%	3%	4%	3%	1%	1%	0%	0%	0%
FALL 2019	M	0%	3%	22%	10%	29%	24%	7%	24%	24%	12%	16%	20%	12%	14%	6%
	T	0%	7%	22%	9%	26%	26%	11%	31%	26%	12%	18%	17%	10%	12%	7%
	W	0%	4%	24%	10%	29%	23%	7%	25%	24%	11%	16%	20%	13%	16%	6%
	H	0%	7%	20%	7%	26%	24%	9%	27%	25%	10%	16%	15%	10%	12%	6%
	F	0%	1%	6%	4%	10%	7%	2%	3%	3%	2%	2%	0%	0%	0%	0%
FALL 2020	M	0%	2%	7%	10%	14%	7%	11%	16%	9%	9%	1%	7%	8%	2%	2%
	T	0%	5%	6%	13%	15%	10%	13%	17%	13%	11%	3%	10%	6%	2%	1%
	W	0%	4%	10%	13%	15%	10%	13%	17%	10%	10%	3%	9%	11%	4%	3%
	H	0%	5%	6%	13%	14%	8%	11%	18%	15%	11%	2%	8%	7%	4%	2%
	F	0%	3%	5%	10%	9%	5%	6%	7%	3%	3%	0%	0%	0%	0%	0%
FALL 2021	M	0%	5%	13%	14%	16%	12%	18%	21%	13%	14%	3%	11%	9%	4%	0%
	T	0%	7%	12%	20%	20%	16%	20%	26%	23%	22%	8%	11%	10%	3%	2%
	W	0%	7%	14%	19%	19%	15%	21%	24%	15%	18%	6%	13%	12%	6%	2%
	H	0%	7%	11%	19%	19%	16%	20%	28%	24%	21%	6%	11%	11%	6%	3%
	F	0%	5%	10%	11%	8%	6%	7%	8%	4%	5%	1%	1%	0%	0%	0%
FALL 2022	M	0%	4%	10%	15%	21%	13%	15%	17%	12%	13%	1%	12%	8%	4%	1%
	T	0%	7%	12%	18%	24%	17%	20%	22%	19%	18%	6%	12%	12%	3%	1%
	W	0%	6%	12%	19%	23%	16%	18%	18%	12%	16%	4%	15%	11%	4%	1%
	H	0%	7%	12%	18%	24%	18%	20%	24%	20%	18%	3%	9%	11%	4%	2%
	F	0%	4%	9%	12%	10%	6%	5%	6%	4%	6%	0%	1%	1%	0%	0%
FALL 2023	M	0%	3%	8%	15%	19%	12%	13%	16%	10%	11%	3%	12%	9%	6%	2%
	T	0%	8%	11%	19%	22%	14%	20%	22%	19%	18%	7%	11%	12%	5%	0%
	W	0%	4%	11%	18%	22%	16%	16%	18%	12%	14%	5%	16%	10%	6%	2%
	H	0%	8%	11%	20%	23%	14%	20%	23%	19%	17%	6%	9%	9%	5%	1%
	F	0%	3%	8%	12%	10%	5%	6%	7%	3%	4%	1%	1%	0%	0%	0%
FALL 2024	M	0%	3%	7%	12%	19%	10%	11%	16%	12%	13%	2%	10%	7%	4%	1%
	T	0%	10%	12%	18%	24%	14%	21%	23%	19%	18%	5%	7%	10%	4%	2%
	W	0%	5%	12%	16%	23%	15%	16%	20%	14%	18%	5%	15%	9%	4%	0%
	H	0%	8%	10%	16%	22%	12%	20%	23%	18%	17%	5%	6%	8%	3%	2%
	F	0%	3%	7%	9%	11%	7%	5%	6%	4%	6%	0%	0%	0%	0%	0%

Source: University of Akron

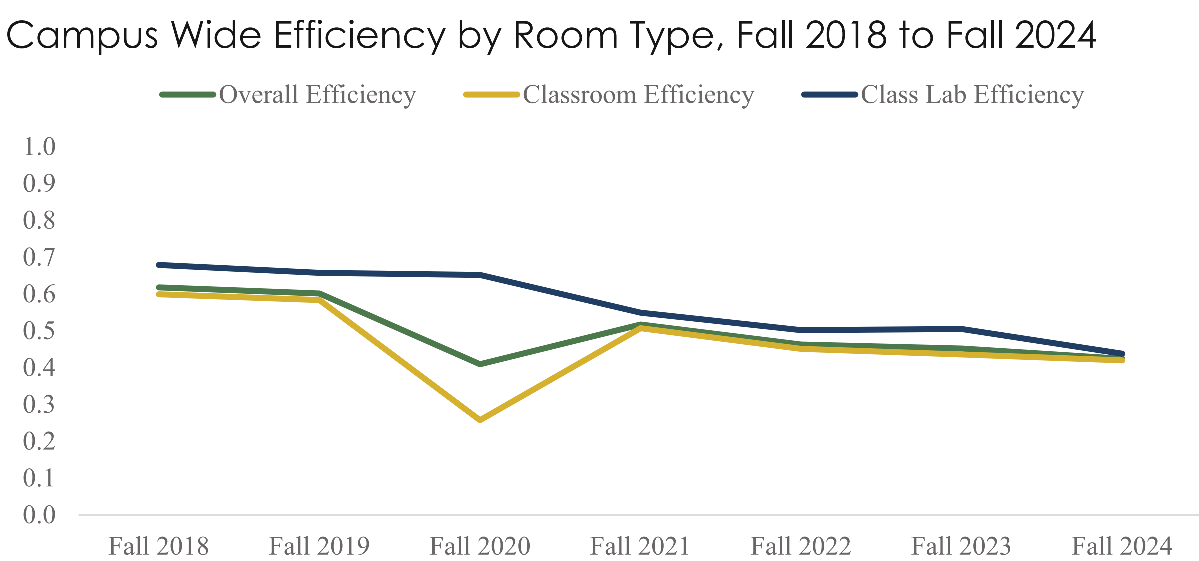
Campus Space Efficiency

As mentioned previously, the Utah State Board of Regents adopted space utilization standards for higher education institutions' classrooms and laboratories in the state. There are two utilization metrics used: room utilization rate (RUR) and seat/station occupancy rate (SOR). RUR is how many hours a room is scheduled for use and SOR is the percentage of seats/stations that are occupied compared to the total capacity. Per the criteria, the RUR for classrooms is 33.75 hours per week and the RUR for laboratories is 24.75 hours per week. The SOR for classrooms is 66.7 percent and the SOR for laboratories is 80 percent.

An "efficiency" metric was developed to supplement the above metrics by combining the two outcomes into a single metric. While the above is applied to individual classrooms and class laboratories, this metric can summarize the overall utilization of a building and/or campus. The following is the equation:

∑(weekly scheduled classroom hours*students)/(total seats*weekly room hour guidelines)

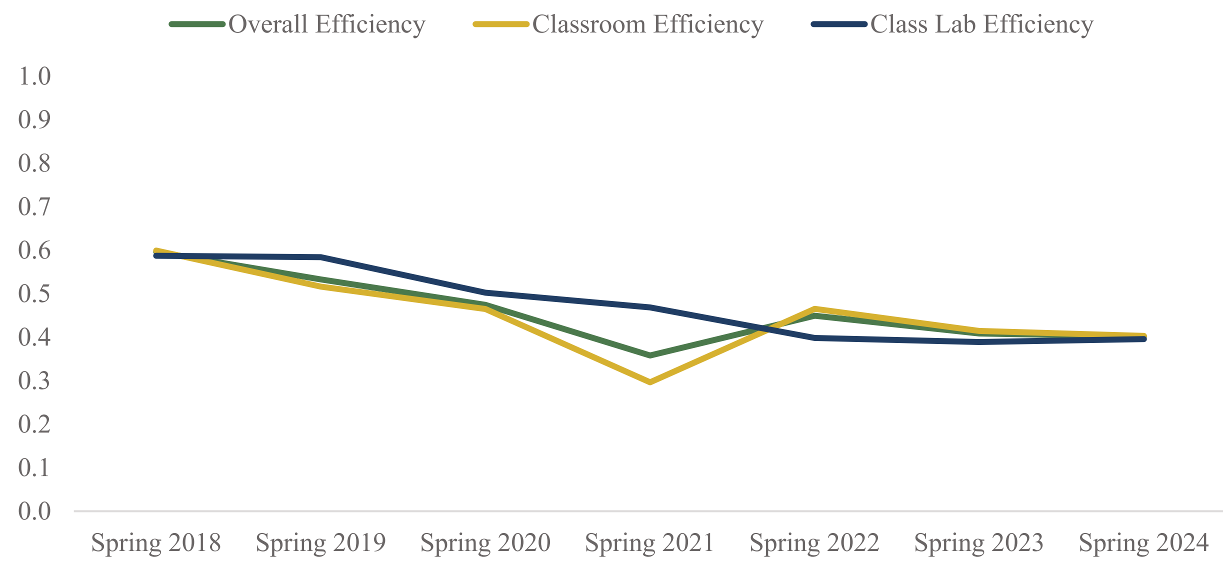
The metric produces a value between zero and one, with one being the most efficient. In other words, a one would mean a building would have all seats filled for all the classes held and is booked for 33.75 hours per week. While there is not a single target for efficiency, the metric provides a way to compare building utilization against other buildings as well as over time. The overall efficiency of the classrooms and class laboratories on campus from fall 2018 to fall 2024 can been viewed below.



Source: University of Akron

Overall, the efficiency on campus has declined from fall 2018 to fall 2024 with an efficiency metric of 0.6 and 0.4 respectively. Compared between the room types, class labs have been more efficient than classrooms during the fall semesters. Similarly, the same efficiency metrics for the campus can be viewed below for the spring semesters from 2018 to 2024.

Campus Wide Efficiency by Room Type, Spring 2018 to Spring 2024

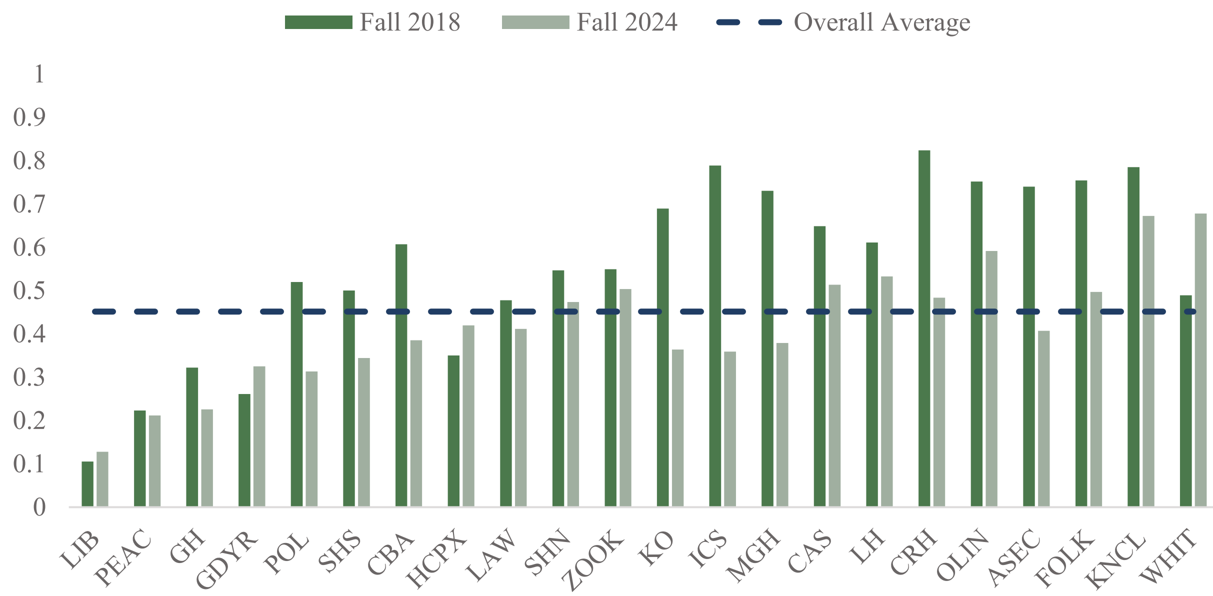


Source: University of Akron

Similarly, to fall semesters, the efficiency overall on campus has declined from spring 2018 to spring 2024 with an efficiency metric of 0.6 and 0.4 respectively. Compared between the room types, unlike fall semesters, classrooms have been more efficient than class laboratories during the spring semesters.

The metric was applied to the building level as well as seen below with the efficiency metric, for both classroom and class laboratories, for fall 2018 and fall 2024 for each building on campus. The horizontal line is the overall efficiency metric over this period campus wide, fall 2018 to fall 2024 which is a score of 0.45.

Efficiency by Building, Fall 2018 and Fall 2024



Source: University of Akron

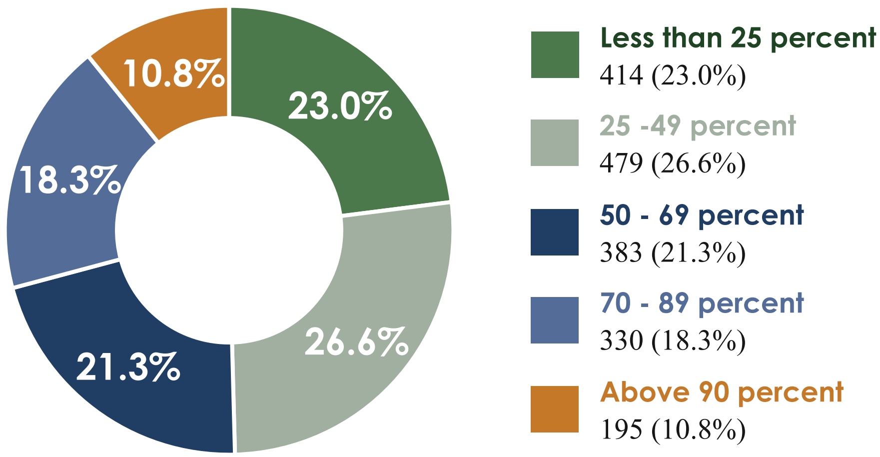
The efficiency of most buildings has decreased since fall 2018 with the exception of Bierce Library (LIB), Goodyear Polymer Center (GDYR), Honors Complex (HCPX), and Whitby Hall (WHIT). The buildings that are mostly academic buildings that have seen the biggest drop in efficiency was Kolbe Hall (KO), Mary Gladwin Hall (MGH), Crouse Hall (CRH), and Auburn Science and Engineering Center (ASEC) with a decrease in efficiency of approximately 0.3 points.

Course Section Fill Analysis

The stated enrollment capacity associated with a course section was compared to the number of physical seats or stations available within the classroom or class laboratory. The alignment of the course section and physical space capacities were analyzed, and this comparison can reveal scheduling patterns that lead to extreme seat fill rates, both high and low. 100 percent capacity alignment means the enrollment capacity is exactly equal to the number of seats in the room. The pie graph below shows the course section capacity and room capacity alignment, both classrooms and class laboratories, for fall 2024.

Fall 2024 Distribution of Capacity Alignment

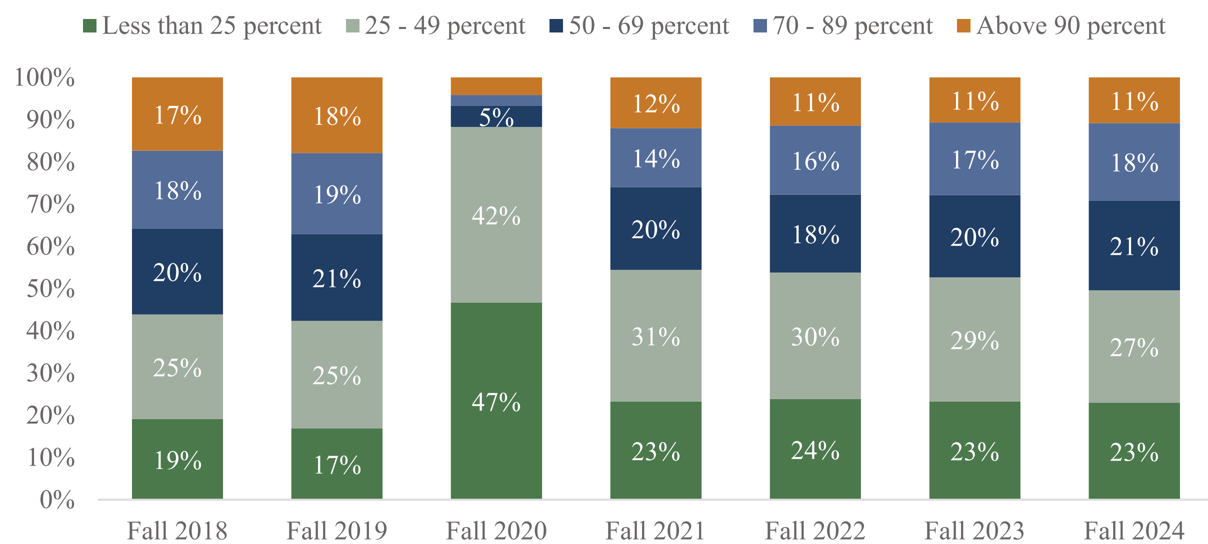
Total: 1,801



Source: University of Akron

Of the course sections held in the fall 2024 semester, approximately 23 percent of course sections had a stated enrollment capacity that was less than 25 percent of the physical seats available in the room. Approximately 11 percent of the course sections had a stated enrollment capacity that was at least 90 percent of the physical seats available in the room. The following visual is the same analysis but from fall 2018 to fall 2024.

Fall 2018 to Fall 2024 Distribution of Capacity Alignment



Source: University of Akron

Excluding fall 2020, which was impacted due to COVID-19, the distribution of capacity alignment has been relatively consistent across the semesters. There has been a slight shift in the proportion of course sections taking up less of the physical space available. The proportion of course sections that make up less than 25 percent of the physical seats available grew 4 percentage points from fall 2018 to fall 2024.

Appendix C: Insurance

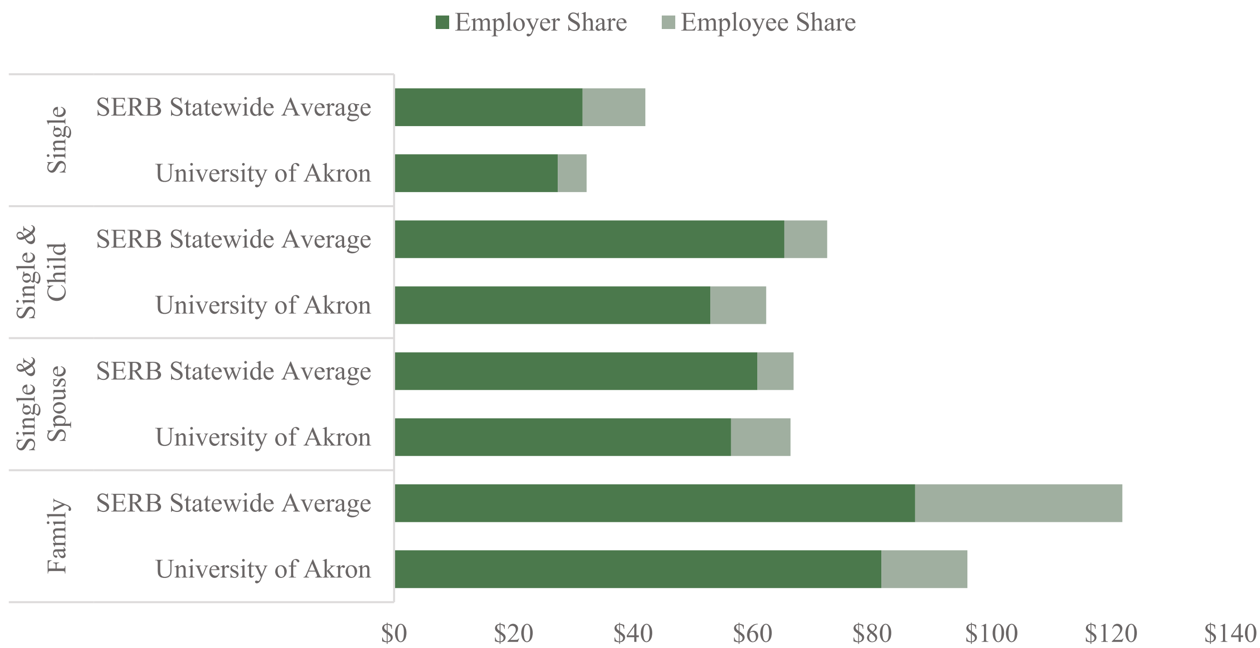
The information used in the audit comes from the State Employment Relations Board (SERB) Health Insurance Report. We compared the University's medical, dental, and vision insurance premiums and plan design to the SERB state average. We selected all Ohio public colleges and universities' plans that offer similar insurance plans for the SERB statewide comparison. The following public universities and colleges offer a PPO medical plan that were used in the SERB statewide average:

- Bowling Green State University
- Cincinnati State Tech & Community College
- University of Cincinnati
- Cleveland State University
- Columbus State University
- Cuyahoga State Community College
- Hocking College
- Kent State University
- Lakeland Community College
- Lorain County Community College
- Miami University
- North Central State College
- Northeast Ohio Medical University
- Norwest State Community College
- Ohio State University
- Ohio University
- Owens Community College
- Stark State College
- Terra State Community College
- Youngstown State University

Dental

Under the current dental insurance plan as shown in the following visual, the University's total monthly premium for dental insurance is lower than the statewide peer group for all coverages but has a lower employee contribution rate. UA employees contribute 15 percent of the total dental premium which is less than the statewide peer group average of 25 percent and 28 percent for single and family coverage respectively.

Monthly Dental Premiums by Coverage



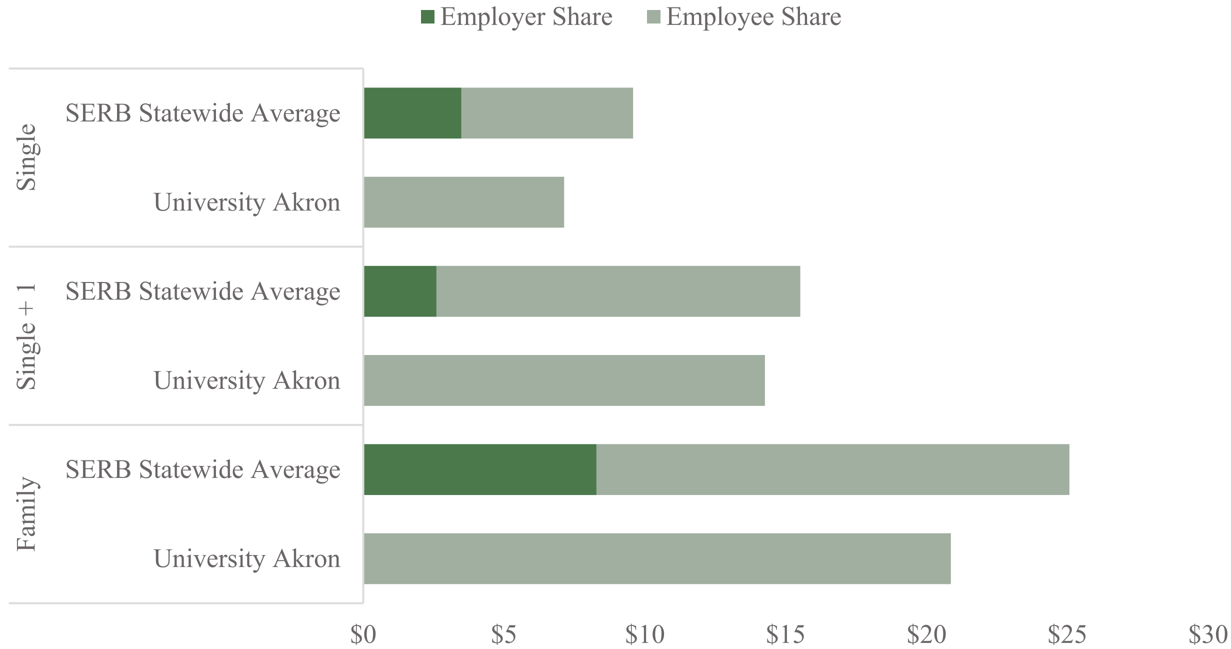
Source: SERB and University of Akron

Elements of the University's dental plan design are either in-line with, or more comprehensive than, the peer averages, specifically for in-network deductibles and annual maximum benefit. Since UA contributes more than the peer average on a percentage basis, the University could reduce expenditures through requiring employees to pay a portion of the premium, equal to that of the peer average, rather than seeking out alternative insurance plan options.

Vision

Under the current vision insurance plan as shown in the following visual, the University's total monthly premium for dental insurance is lower than the statewide peer group for all coverages. UA employees contribute 100 percent of the total dental premium which is more than the statewide peer group average of 36 percent and 33 percent for single and family coverage respectively.

Monthly Vision Premiums by Coverage



Source: SERB and University of Akron

Since UA contributes less than the peer average on a percentage basis, the University could not reduce expenditures through requiring employees to pay a portion of the premium, equal to that of the peer average, rather than seeking out alternative insurance plan options.

Appendix D: Athletics

The Mid-American Conference (MAC) is a collegiate athletic conference with a membership base in the Great Lakes region that stretches from Western Massachusetts to Illinois. The following are the universities in the MAC as of AY 2025:

- University of Akron (Akron, Ohio)
- Bowling Green State University (Bowling Green, Ohio)
- Kent State University (Kent, Ohio)
- Miami University (Oxford, Ohio)
- Ohio University (Athens, Ohio)
- University of Toledo (Toledo, Ohio)
- Ball State University (Muncie, Indiana)
- University at Buffalo (Getzville, New York)
- Central Michigan University (Mount Pleasant, Michigan)
- Eastern Michigan University (Ypsilanti, Michigan)
- Northern Illinois University (DeKalb, Illinois)
- Western Michigan (Kalamazoo, Michigan)
- University of Massachusetts (Amherst, Massachusetts)

Throughout the report and within the analysis related to the University's athletics department, comparisons are made to the Ohio universities within the MAC. Different sports can be offered by these universities and the athletic programs offered among the different Ohio MAC universities can be viewed on the following page.

Sports Sponsored by Ohio MAC Universities

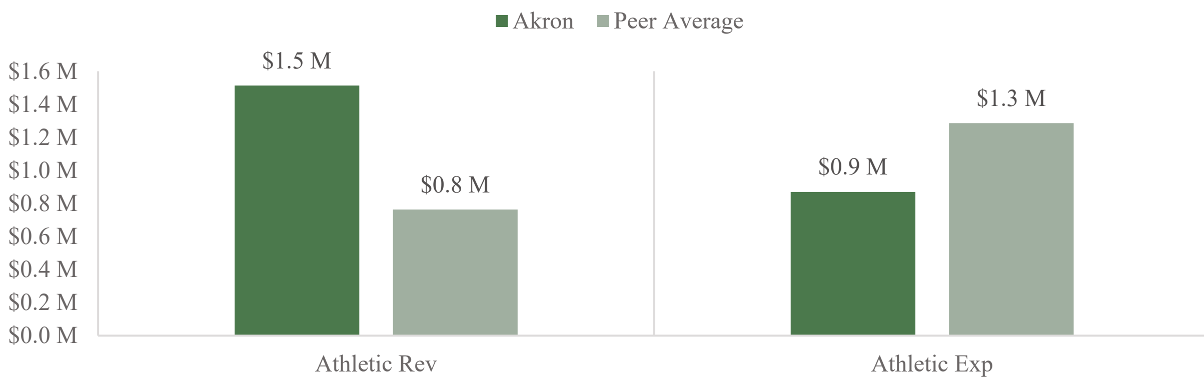
Sports Sponsored by MAC	Akron	Bowling Green	Kent State	Miami	Ohio	Toledo
Men's Baseball	X	X	X	X	X	X
Men's Basketball	X	X	X	X	X	X
Men's Cross Country	X	X	X	X	X	X
Men's Football	X	X	X	X	X	X
Men's Golf		X	X	X	X	X
Men's Tennis						X
Men's Track and Field	X		X	X		
Men's Wrestling			X		X	
Women's Basketball	X	X	X	X	X	X
Women's Cross Country	X	X	X	X	X	X
Women's Field Hockey			X	X	X	
Women's Golf	X	X	X		X	X
Women's Gymnastics		X	X			
Women's Lacrosse	X		X			
Women's Soccer	X	X	X	X	X	X
Women's Softball	X	X	X	X	X	X
Women's Swimming and Diving	X	X		X	X	X
Women's Tennis		X		X		X
Women's Track and Field	X	X	X	X	X	X
Women's Volleyball	X	X	X	X	X	X
Total MAC Sports	**14**	**15**	**17**	**15**	**15**	**15**

Source: NCAA Financial Reports

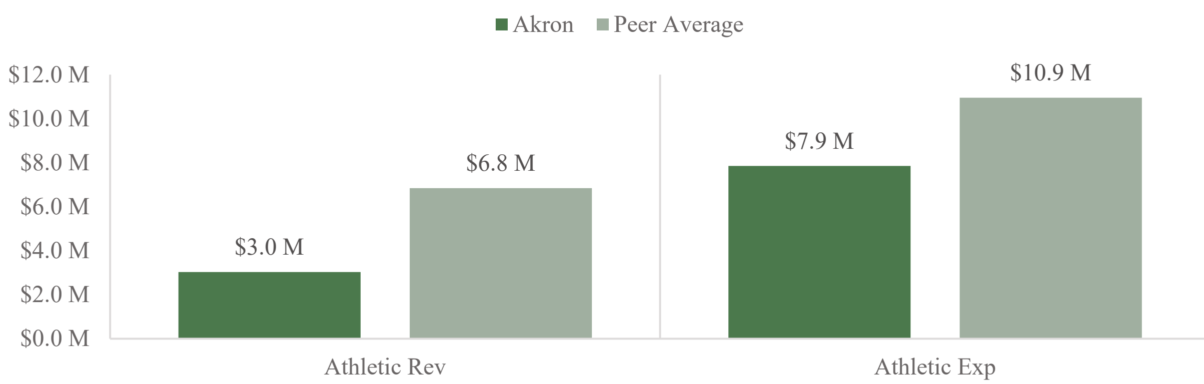
Benchmarking Athletic Teams' Revenues and Expenditures AY 2024

As discussed in the report, UA does not cover their athletics costs and relies on a subsidy to their Athletics Department. To better show the current state of each team, we compared Akron's total revenues and expenditures to the average of every Ohio MAC school sport team's total revenues and expenditures as reported in the 2024 NCAA Financial Reports.

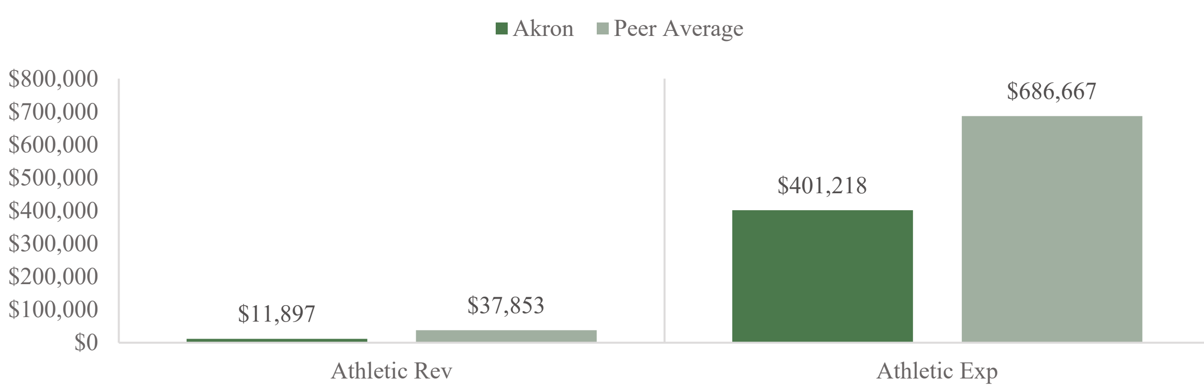
Baseball Revenues & Expenditures FY 24



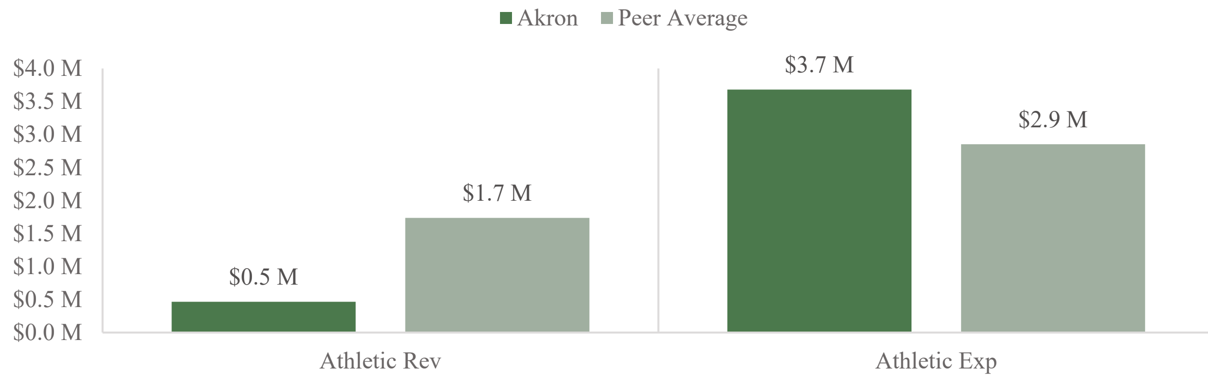
Football Revenues & Expenditures FY 24



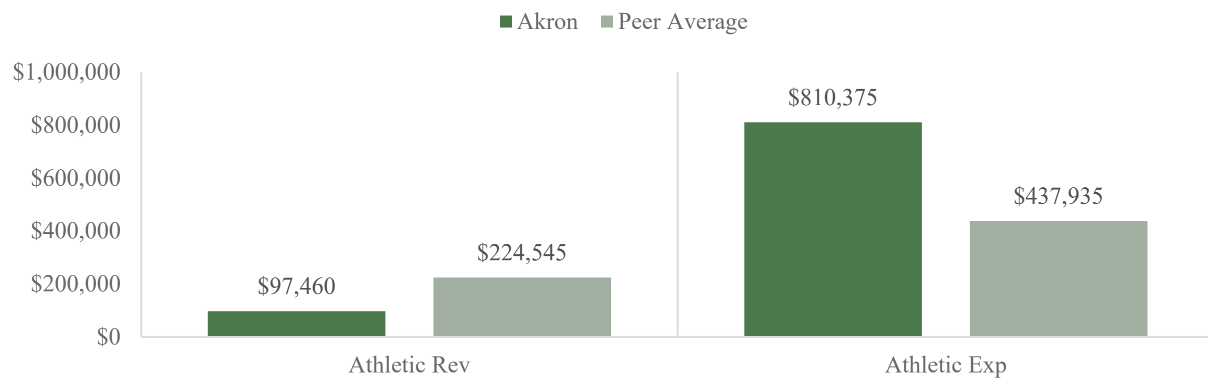
Women's Lacross Revenues & Expenditures FY 24



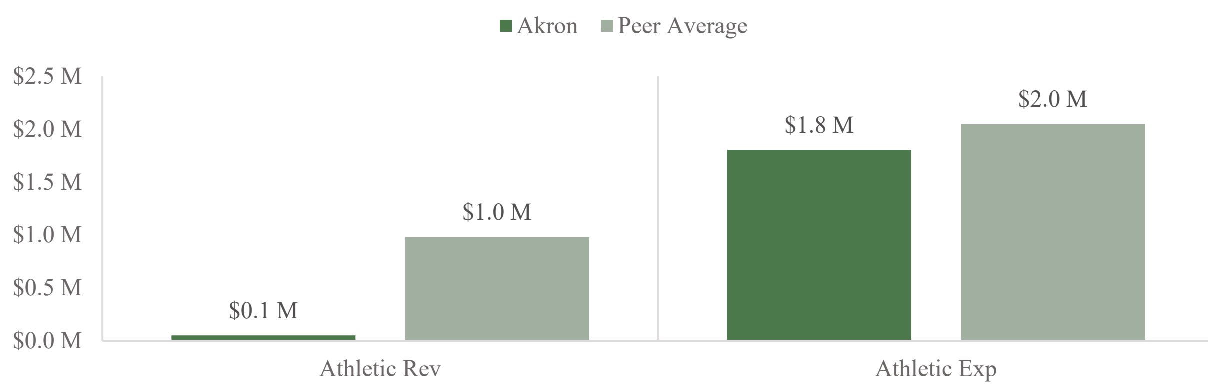
Men's Basketball Revenues & Expenditures FY 24

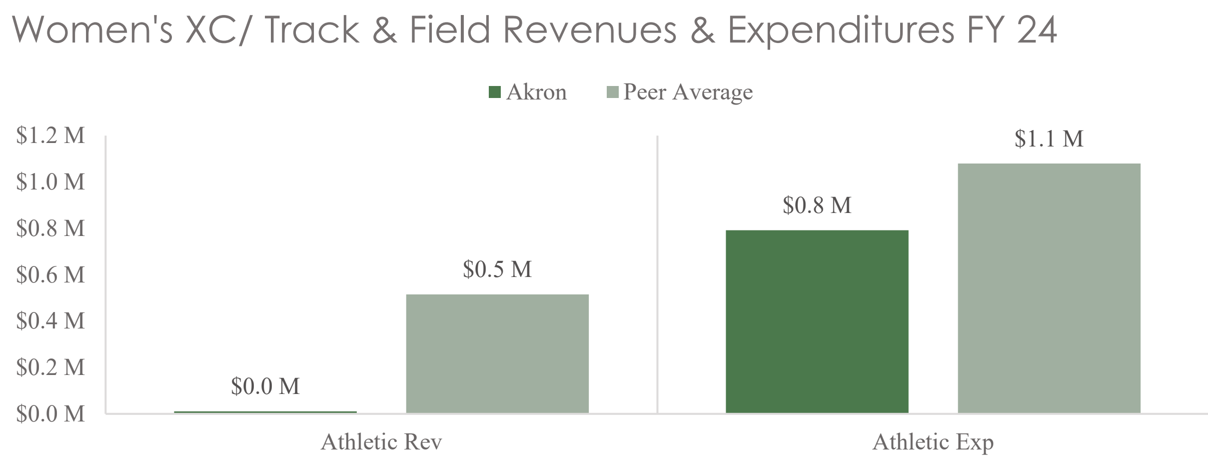


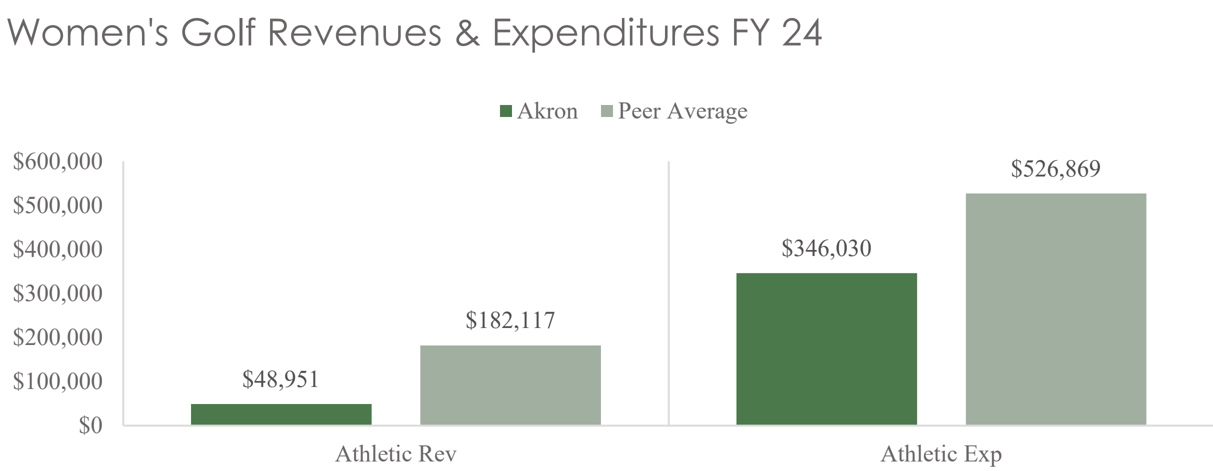
Men's XC/Track & Field Revenues & Expenditures FY 24

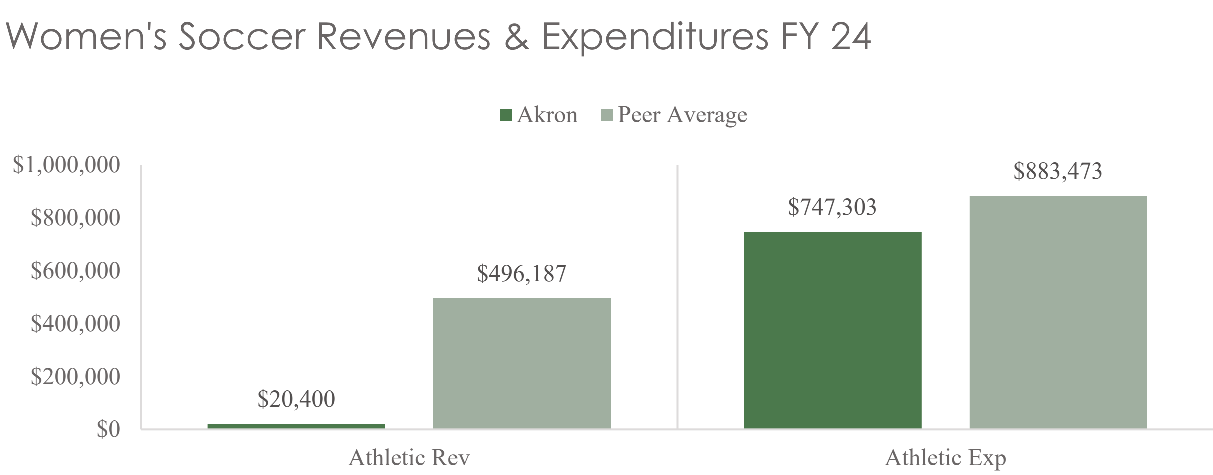


Women's Basketball Revenues & Expenditures FY 24

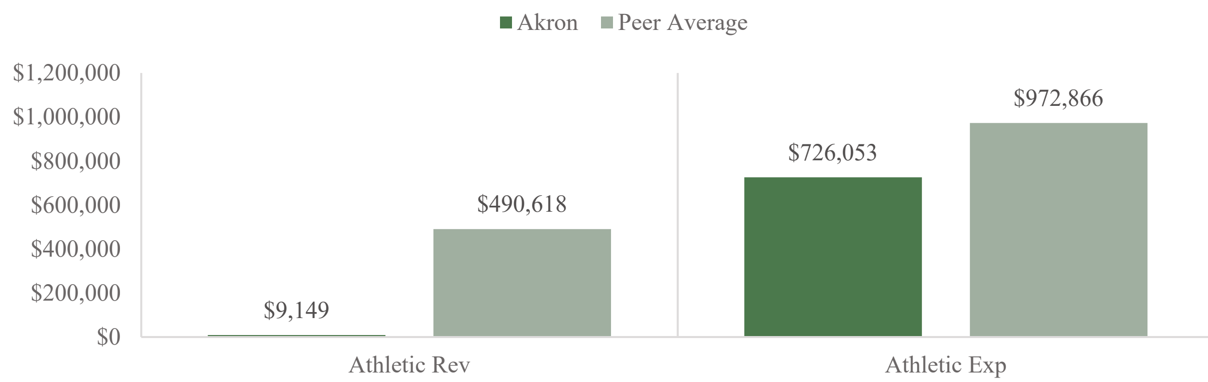



Women's XC/ Track & Field Revenues & Expenditures FY 24
Akron
Peer Average
$1.2 M
$1.0 M
$0.8 M
$0.6 M
$0.4 M
$0.2 M
$0.0 M
$0.0 M
$0.5 M
$0.8 M
$1.1 M
Athletic Rev
Athletic Exp

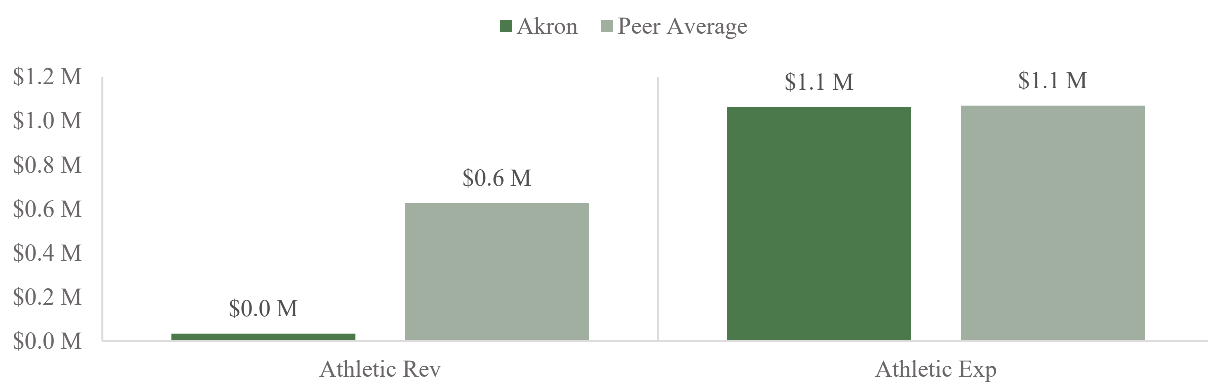

Women's Golf Revenues & Expenditures FY 24
Akron
Peer Average
$600,000
$500,000
$400,000
$300,000
$200,000
$100,000
$0
$48,951
$182,117
$346,030
$526,869
Athletic Rev
Athletic Exp


Women's Soccer Revenues & Expenditures FY 24
Akron
Peer Average
$1,000,000
$800,000
$600,000
$400,000
$200,000
$0
$20,400
$496,187
$747,303
$883,473
Athletic Rev
Athletic Exp

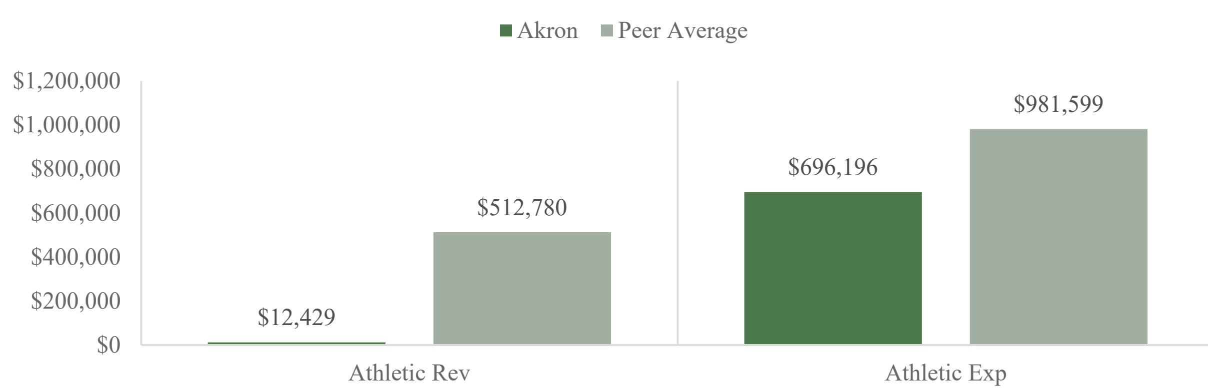
Women's Softball Revenues & Expenditures FY 24



Swim & Dive Revenues & Expenditures FY 24



Women's Volleyball Revenues & Expenditures FY 24



Appendix E: Programs

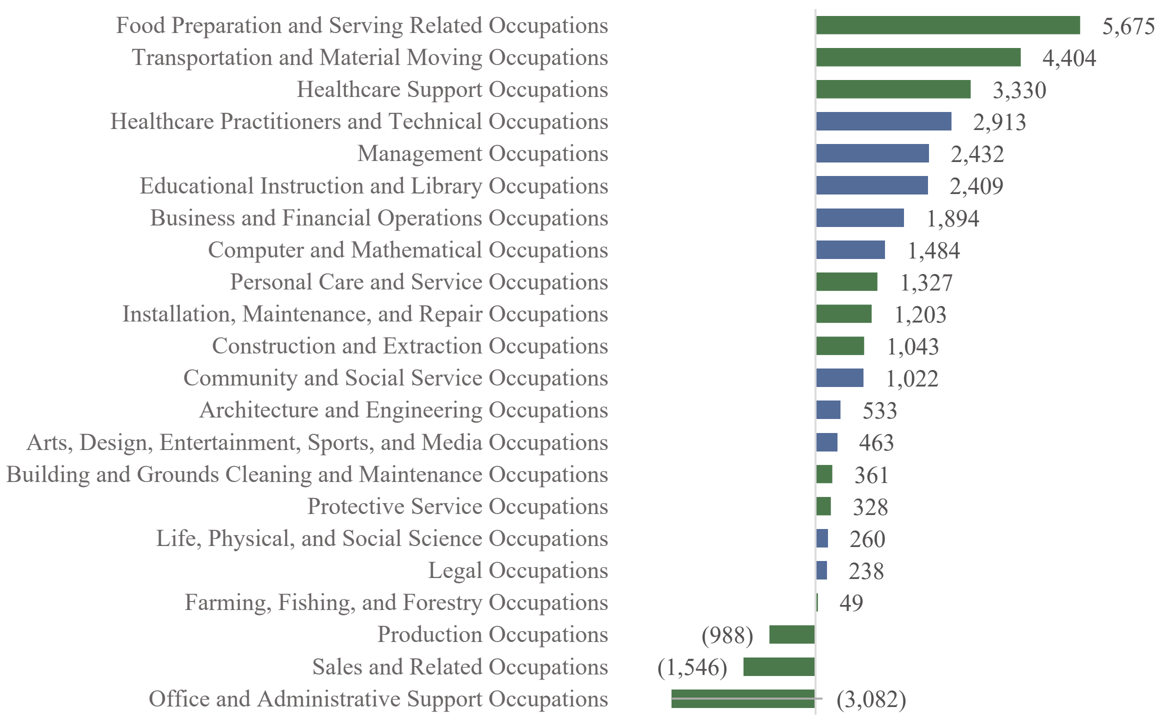
The information used in this audit comes from both the Ohio Department of Jobs and Family Services (ODJFS) and the Integrated Postsecondary Education Data System (IPEDS). The ODJFS report includes projections for changes in the job market 2020-2030. IPEDS includes the degree offerings and graduation rates for other Ohio higher education institutions.

Projected Growth and Degree Obtainment in Ohio

We compared the changes in occupational fields from the ODJFS projections with the degrees needed to obtain a job within specific occupational fields. This analysis is to inform where higher education institutions, like the University of Akron, can expect to see growth.

The graph below shows the results of this analysis. The bars in green indicate that most jobs within the field do not require a college degree. The bars in blue indicate that most of the jobs within the field require a college degree.

Potential Growth by Occupational Field in Ohio 2020-2030



Source: ODJFS

The graph above shows that while there are some occupational fields in which the majority of jobs do not require a college degree, there are many growing occupational fields that require one.

This look also adds together the projected growth and declines within an occupational field. For example, if a field is expected to grow by 500 jobs in one occupation but lose 200 jobs in another occupation, then the entire occupational field would show a growth in 300 jobs.

Potential Degree Opportunities

As discussed in **Recommendation 2**, we compared the degrees that the University offers with other 4-year universities in Ohio including private, non-profit, and public universities. We pulled data for these institutions from IPEDS to determine how many universities in Ohio offered a degree and, if they did offer a degree, if they demonstrated increasing graduation rates for that degree. Then we compared the degrees that the University of Akron offers to this result. If a degree had fewer than 50 percent of Ohio's universities offering it *and* the universities that offered the degree had increasing graduation rates, then the degree was categorized as "Strong Market Opportunity." If a degree met either of these criteria, then it was categorized as "Moderate Market Opportunity." If a degree met neither of these criteria, then it was categorized as "Limited Degree Opportunity." The table below shows the results of this analysis.

Market Opportunity Summary

Market Opportunity	**Award**	**Program Count**	**Program % Distribution**
Strong Market Opportunity	Bachelor's Degree	6	2.8%
Moderate Market Opportunity	Associate's Degree	18	8.5%
	Bachelor's Degree	93	44.1%
	Master's Degree	52	24.6%
	Doctoral or Professional Degree	7	3.3%
	Total	**170**	**83.3%**
Limited Market Opportunity	Bachelor's Degree	17	8.1%
No Competitor Data			8.5%

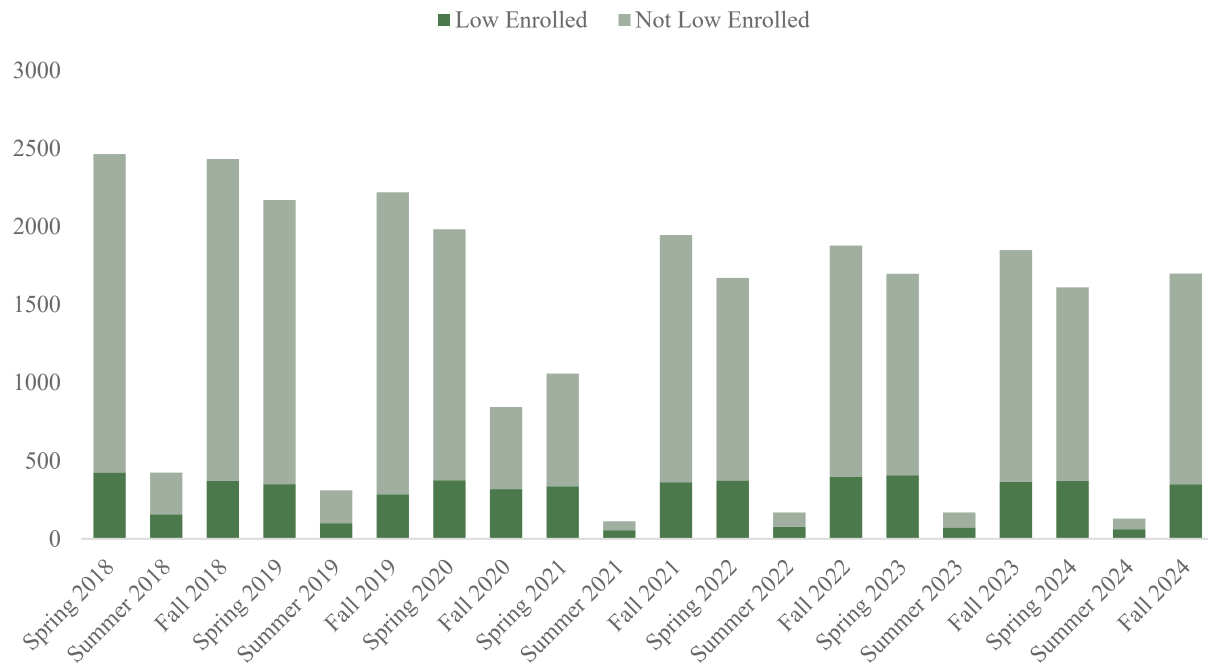
Source: University of Akron, IPEDS

As the graph above shows, the majority of the University of Akron's programs are moderate market opportunity meaning that either more than half of Ohio universities offer these degrees or those that offer these degrees show decreasing graduation rates.

Appendix F: Faculty Staffing

As mentioned in **Recommendation 1**, the University defines a low enrolled course as 10 or fewer students enrolled for graduate-level courses and 12 or fewer students enrolled for undergraduate-level courses. Prior to the Covid-19 pandemic, the University's low enrollment average was approximately 19.7 percent for fall and spring semesters (summer courses generally have higher rates of low enrollment). However, during the pandemic, the University's rate of low enrolled courses increased to 25.2 percent. Although there have been improvements in rates of low enrolled courses since the pandemic (21.8 percent), the University has not yet returned to its pre-pandemic rates. The graph below shows this trend.

AY 2018-2025 Low Enrolled Sections by College

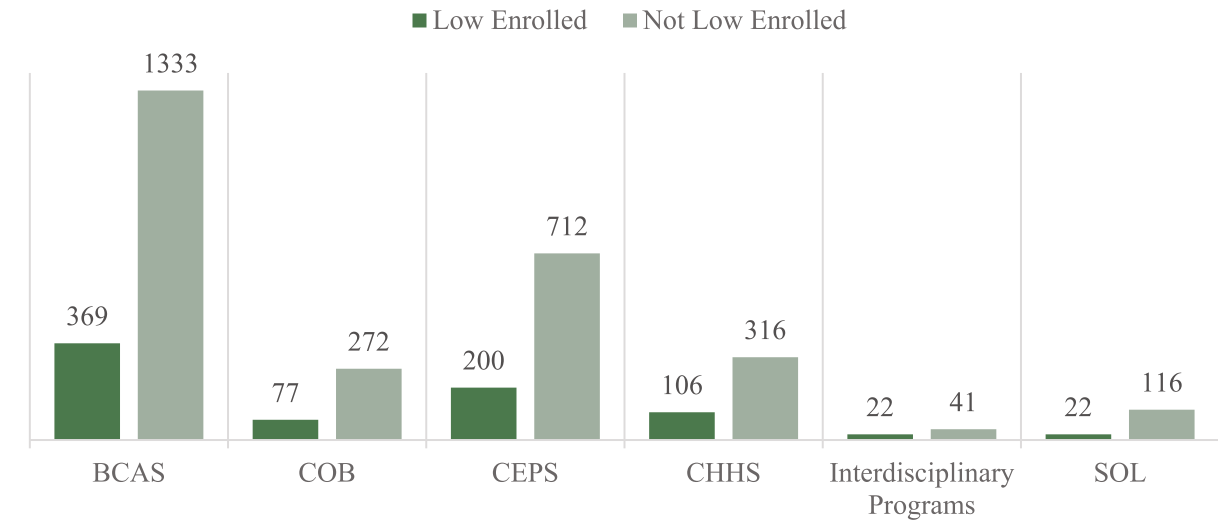


Source: University of Akron

The graph above shows sections with an enrollment cap of more than 11 students so that a specialized course that only is available to five students will not be factored into this analysis. Additionally, this graph only includes sections held on the University's campus, thus excluding sections held at satellite campuses, College Credit Plus sections, and online sections. Finally, this graph also excludes the subjects of Dance and Music since these subjects are more likely to have cross-listed courses. Cross-listed courses are when one class is held at the same time and place, but there are different courses held to accommodate students. For example, Dance I, Dance II, and Dance III may all be held at the same time and place, but are each considered their own course.

In order to achieve a more granular look at AY 2024, we disaggregated low enrolled sections by colleges. Buchtel College of Arts and Sciences (BCAS) offers more sections than the other colleges and has the highest number of low enrolled sections compared to other colleges. Interdisciplinary Programs include sections that are not hosted by colleges like Military Sciences for ROTC requirements.

AY 2024 Low Enrolled Sections by College

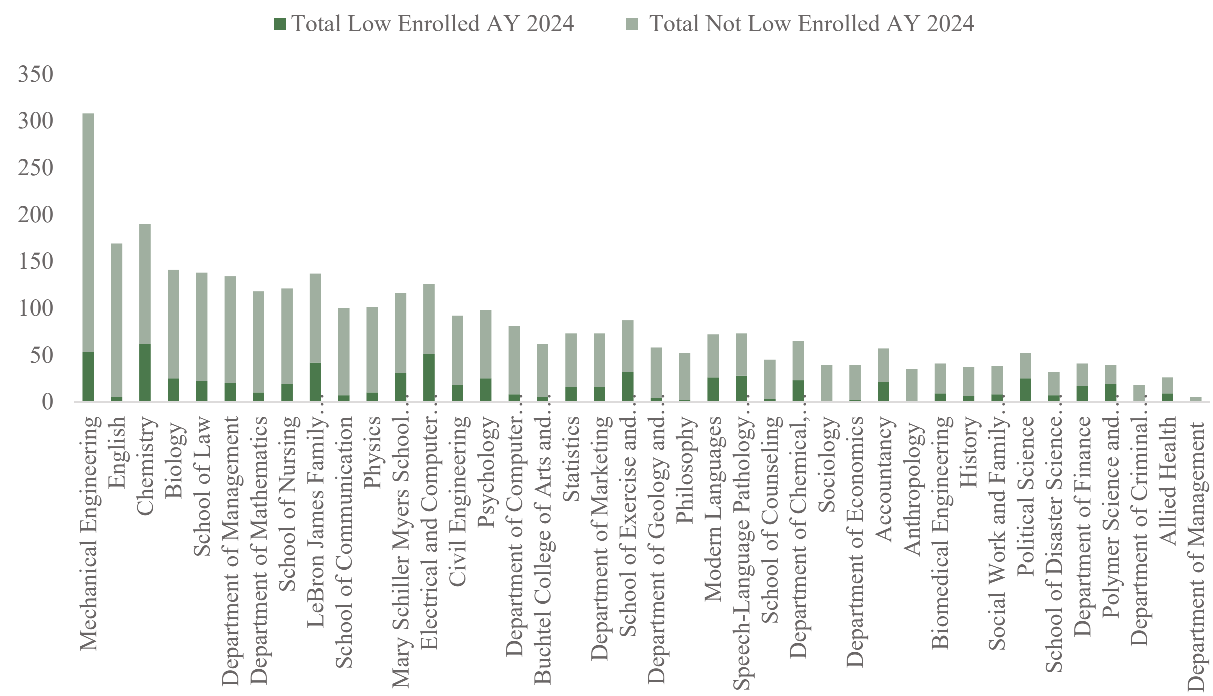


Source: University of Akron

As the graph above shows, BCAS offers the most low-enrolled sections followed by CEPS, CHHS, COB, Interdisciplinary Programs, and School of Law, respectively. Generally, the more courses that a college offers, the higher number of low enrolled courses that it has.

This trend continues when disaggregating the number of low enrolled sections compared to non-low enrolled courses by departments. The graph below shows this breakdown.

AY 2024 Low Enrolled Sections by Department



Source: University of Akron

As shown in the graph above, STEM departments like Mechanical Engineering, Chemistry, and Biology offer more low enrolled courses compared to humanities or health-related departments. However, these STEM departments also host laboratories which contribute to higher low-enrollment rates.

Course Section Optimization

We ran three scenarios for ways that the University could optimize their course section offerings. **Recommendation 1** includes a college-level look at potential reductions. The table below shows a department-level look at these potential reductions separated by the reduction method. The percent displayed is the percent of the total number of potential reductions offered by each of the colleges. For example, the Department of Chemistry's 21 potential section reductions comprises 66 percent of the total potential reductions of the breakeven analysis, 32 sections.

AY 2024 Potential Section Reductions by Method and Department

Department	Breakeven	Low Enrolled	Optimization
Accountancy	3%	4%	3%
Allied Health	0%	0%	0%
Anthropology	0%	0%	0%
Biology	0%	0%	2%
Biomedical Engineering	0%	0%	0%
Chemistry	66%	35%	22%
Civil Engineering	0%	0%	0%
Department of Chemical, Biomolecular, and Corrosion Engineering	0%	0%	0%
Department of Computer Science	0%	0%	1%
Department of Criminal Justice Studies	0%	0%	0%
Department of Economics	0%	1%	2%
Department of Finance	0%	3%	2%
Department of Geology and Environmental Sciences	0%	0%	0%
Department of Management	0%	6%	6%
Department of Marketing	0%	4%	3%
Department of Mathematics	0%	0%	0%
Electrical and Computer Engineering	0%	0%	0%
English	0%	4%	10%
History	0%	0%	0%
LeBron James Family Foundation School of Education	6%	11%	7%
Mary Schiller Myers School of Art	0%	0%	0%
Mechanical Engineering	0%	0%	0%
Modern Languages	0%	5%	3%
Philosophy	0%	1%	1%
Physics	0%	0%	0%
Political Science	0%	0%	0%
Polymer Science and Polymer Engineering	0%	0%	0%
Psychology	9%	5%	5%
School of Communication	0%	2%	3%
School of Counseling	0%	0%	0%
School of Dance, Theatre, and Arts Administration	0%	0%	0%
School of Disaster Science and Emergency Services	0%	0%	0%
School of Exercise and Nutrition Sciences	0%	6%	4%
School of Law	16%	5%	9%
School of Nursing	0%	3%	2%
Social Work and Family Sciences	0%	1%	3%
Sociology	0%	1%	1%
Speech-Language Pathology and Audiology	0%	4%	12%
Statistics	0%	1%	2%
Totals	**100%**	**100%**	**100%**

Source: University of Akron

As noted in **Recommendation 1**, this analysis backs out the courses taught by faculty who entered into voluntary separation agreements during the spring of 2025. This look generated savings of approximately $46,000 to $299,000 in faculty reductions after section reductions. We ran the same look without backing out the separated faculty. The table below shows the results of this analysis.

AY 2024 Potential Reductions Including Seperated Faculty

	Sections Reduced	Adjunct Reduction	NTT Reduction	TT Reduction	Annual Impact
Breakeven Method	53	9	0	0	$50,997
Low Enrolled Method	127	26	1	0	$184,924
Optimization Method	223	54	1	0	$320,587

Source: University of Akron

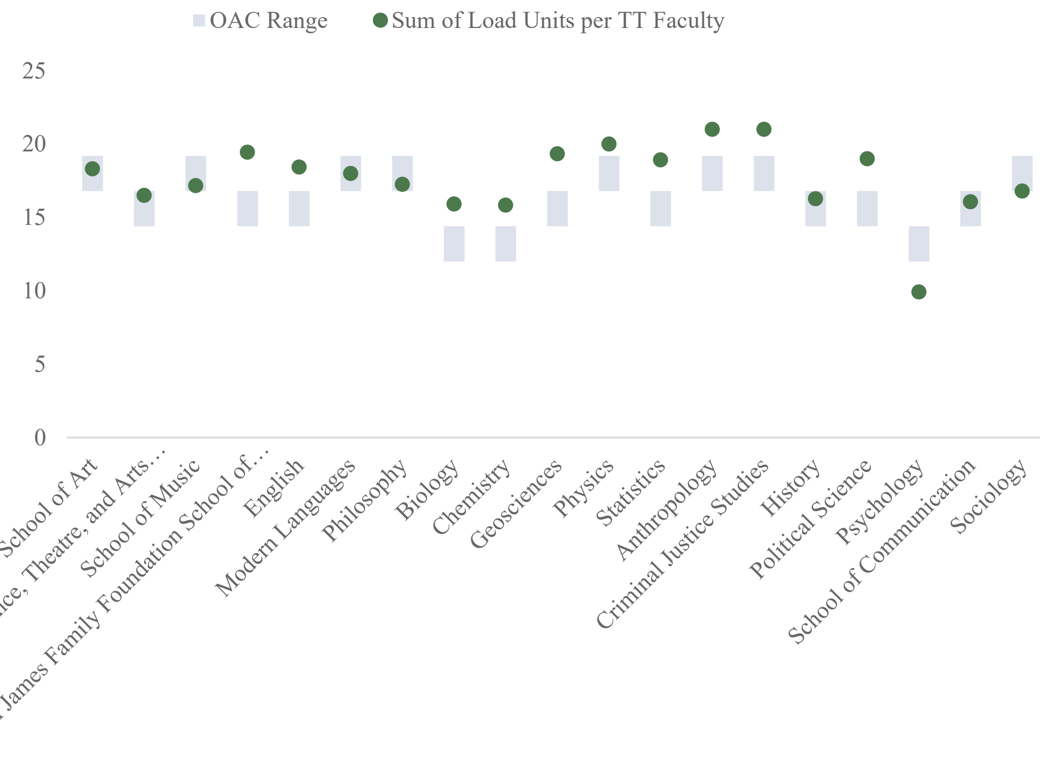
The table above shows that potential savings including the workloads of faculty who have separated are approximately $51,000 to $321,000 depending on the method used. This means that the faculty separations did improve the section optimization looks. As noted in the methodology section of **Recommendation 1**, this analysis assumes that the University continues to offer the same courses for accreditation purposes.

Faculty Workload

As discussed in **Recommendation 3**, we compared the actual courses that tenure-track faculty taught with OAC 3359-20-03.2. Per this OAC, the instructional workload requirements for departments are dependent upon the highest level of degree that is awarded. All of the tenure-track (TT) faculty's workload units (24 units for fall and spring instruction and 30 units for fall, spring and summer instruction) are aggregated within their departments and the departments need to dedicate a certain percent to instruction.

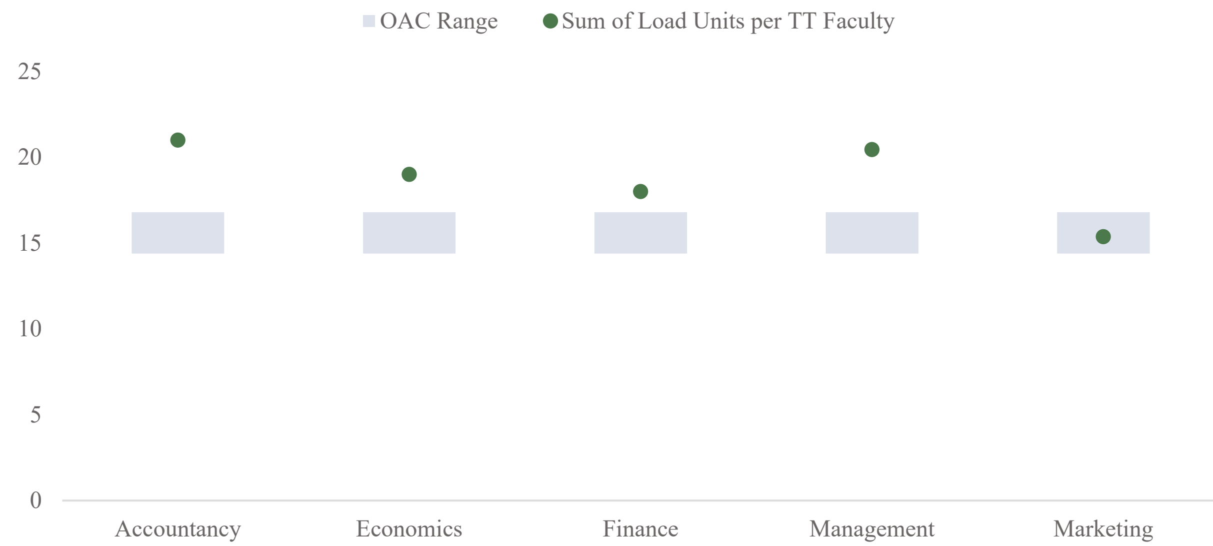
The graphs below show the AY 2024 actual workloads by department compared to the instructional load requirements. The green dot is the actual proportion of departmental workload units dedicated to instruction. The blue box is OAC instructional requirement range.

AY 2024 Buchtel College of Arts and Sciences Allignment with OAC Instructional Requirements



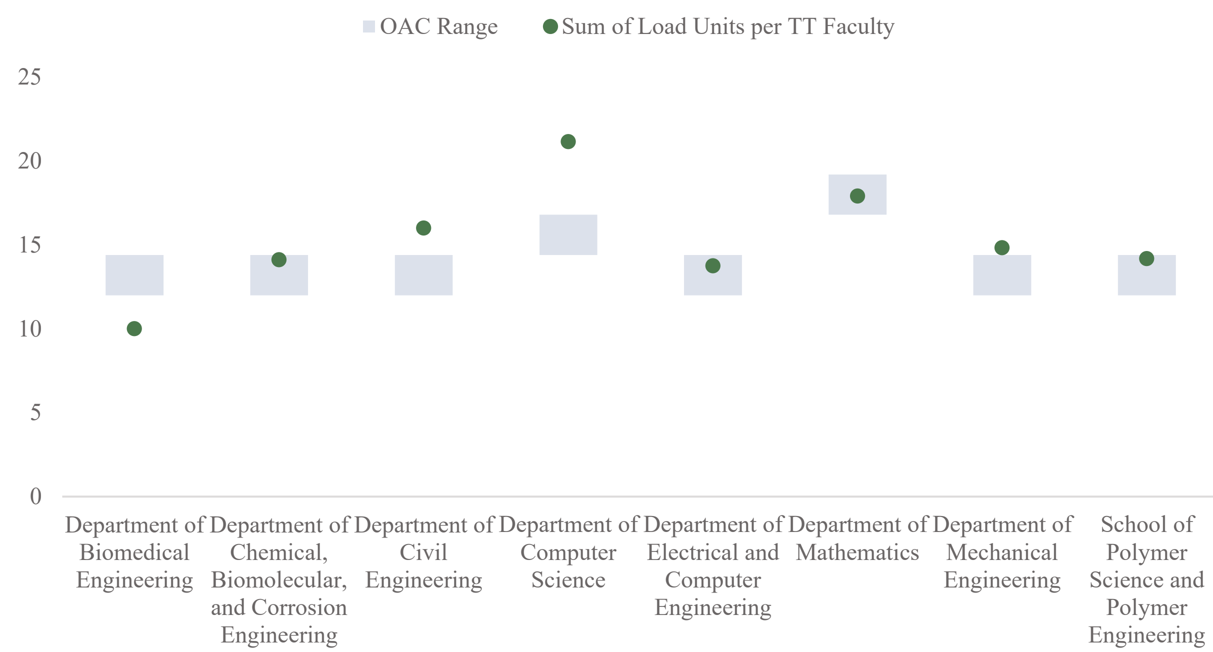
Source: University of Akron

AY 2024 College of Business Allignment with OAC Instructional Requirements



Source: University of Akron

AY 2024 College of Engineering and Polymer Sciences Allignment with OAC Instructional Requirements



Source: University of Akron

AY 2024 College of Health and Human Sciences Allignment with OAC Instructional Requirements

Source: University of Akron

As shown in the graphs above, departments vary in their compliance with the OAC requirements for instructional ranges. Only 14 departments, or 35 percent, were within the OAC range for instructional load requirements. Of the 26 departments that were not within the range, 23 departments, 58 percent, were above their instructional load range and 3 departments, 8 percent, were below the instructional load range.[27] This means that most departments have a higher instructional load compared to the requirements. Combined with the low enrollment analysis discussed above, the University is likely offering too many courses leading to higher instructional loads.

[27] Due to rounding, these numbers do not add up to 100 percent.

OHIO AUDITOR OF STATE
KEITH FABER

UNIVERSITY OF AKRON

SUMMIT COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.

Certified for Release 1/6/2026

65 East State Street, Columbus, Ohio 43215
Phone: 614-466-4514 or 800-282-0370