Fiscal Year 2022 Budget

AUXILIARY FUND

Current As Of: Friday, June 4, 2021
The accompanying assumptions are an integral part of this statement.

<table>
<thead>
<tr>
<th></th>
<th>Athletics</th>
<th>Residence Life &amp; Housing</th>
<th>E. J. Thomas Performing Arts Hall</th>
<th>Dining (Aramark)</th>
<th>Student Recreation &amp; Wellness Services</th>
<th>Jean Hower Taber Student Union</th>
<th>Parking &amp; Transportation Services</th>
<th>Wayne Student Union</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>$9,738,000</td>
<td>$12,918,000</td>
<td>$2,690,000</td>
<td>$1,413,000</td>
<td>$401,000</td>
<td>$791,000</td>
<td>$5,105,000</td>
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<td>54,000</td>
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<td>Fringes</td>
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<td>Operating</td>
<td>8,282,000</td>
<td>7,404,000</td>
<td>2,626,000</td>
<td>1,830,000</td>
<td>1,618,000</td>
<td>1,683,000</td>
<td>1,738,000</td>
<td>5,000</td>
<td>25,186,000</td>
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<tr>
<td>Total Non Personnel</td>
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<td>Re-charge of prior-year expenditures</td>
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<td>Re-charge of current-year expenditures</td>
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<td>Total Expenditures</td>
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<tr>
<td>Net Before Transfers</td>
<td>(14,499,000)</td>
<td>4,496,000</td>
<td>(304,000)</td>
<td>(746,000)</td>
<td>(1,982,000)</td>
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<td>3,121,000</td>
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<td>(11,572,000)</td>
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<tr>
<td>Transfers-In - Facilities Fee</td>
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<tr>
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<tr>
<td>Transfers-In - Plant Fund</td>
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<td>0</td>
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</tr>
<tr>
<td>Transfers-In - Encumbrances</td>
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<td>0</td>
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<td>0</td>
</tr>
<tr>
<td>Transfers-Out - Plant Fund</td>
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<td>0</td>
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<td>0</td>
<td>0</td>
<td>0</td>
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<td>0</td>
</tr>
<tr>
<td>Transfers-Out - Other</td>
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<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Transfers-Out - Encumbrances</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
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<td>0</td>
</tr>
<tr>
<td>Transfers-Out - Debt Service</td>
<td>(4,955,000)</td>
<td>(10,625,000)</td>
<td>(326,000)</td>
<td>(774,000)</td>
<td>(1,639,000)</td>
<td>(2,855,000)</td>
<td>(4,523,000)</td>
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<td>(25,717,000)</td>
</tr>
<tr>
<td>Net Transfers</td>
<td>14,857,000</td>
<td>(4,496,000)</td>
<td>304,000</td>
<td>746,000</td>
<td>1,982,000</td>
<td>1,701,000</td>
<td>(3,121,000)</td>
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<tr>
<td>Difference</td>
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<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$43,000</td>
<td>$401,000</td>
</tr>
</tbody>
</table>
The COVID-19 pandemic has complicated the instructional process; however, all efforts will be made to provide quality instruction to our valued students while providing a level of protection to students and our campus community.

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

Revenues
- Four percent enrollment decline;
- Standard occupancy in the residence halls (no social distancing limitations);
- Residence student rates reduced 30 percent; and
- Campus will remain open for the entire fall and spring semester.

Payroll
- Assume zero percent raises in all personnel categories.

Fringes
- Benefits such as 14 percent employer contribution to the respective retirement system, University contribution toward employee group insurance, employee and dependent fee remission, and University portion of employee parking permits; and
- Fringe Benefits rates include 30.2 percent for full-time, 15 percent for part-time, and 2.55 percent for graduate and student assistants.

Transfers-In
- Represents general service fee, facilities fee and operating support passed through or from the General Fund.

<table>
<thead>
<tr>
<th>FY22 Budget - Scenario A</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>General</strong></td>
</tr>
<tr>
<td>Service Fees</td>
</tr>
<tr>
<td>Athletics</td>
</tr>
<tr>
<td>Residence Life &amp; Housing</td>
</tr>
<tr>
<td>E.J. Thomas PAH</td>
</tr>
<tr>
<td>Recreation &amp; Wellness Services</td>
</tr>
<tr>
<td>Jean Howard Tabor Student Union</td>
</tr>
<tr>
<td>Parking &amp; Transportation Services</td>
</tr>
<tr>
<td><strong>Total</strong></td>
</tr>
</tbody>
</table>

**Annual Debt Service** | $4,955,000 | $10,625,000 | $326,000 | $1,659,000 | $2,855,000 | $4,523,000 | $25,717,000 |
The University of Akron
Auxiliaries
FY 2022 Budget Assumptions

Transfers-Out – Debt Service
- Transfers to plant fund to accumulate resources to make December and June aggregate payments to retire debt.

Athletics

Revenues
- Game Guarantees include two football game guarantees rather than the normal single game and individually each of those game provides higher renumeration than other guarantee games in recent history;
- MAC distributions approximating $1.7 million are consistent with the FY21 Original Budget while the NCAA distributions approximating $800,000 are less than the FY21 Original Budget;
- Assumes ticket sales includes all sport tickets $731,000 and football premium seating revenue $284,000;
- Majority of the Naming Rights is comprised of commitments from InfoCision $500,000 and Summa Health $250,000;
- IMG and Pouring Rights includes IMG sponsorship revenues $475,000 and revenue from the Coca-Cola contract $380,000;
- Gifts includes InfoCision Annual Z-Fund $382,000 and Endowed Scholarships $100,000 revenues; and
- Other includes, in part, facility rentals $195,000, Sports Medicine $75,000, InfoCision Concessions $50,000, and Merchandising $25,000 revenues.

Payroll
- Assumes a full staffing table with all known contractual requirements contemplated. On May 13, 2021, positions approximating $506,000, excluding fringe benefits, are either in the early stages of the search process or the search process has not yet begun.

Operating
- With minor exceptions, assumes the budget allocation for each Athletic unit including the 17 sports is largely consistent with the FY21 allocations. The exceptions include new media production $59,000, television services $50,000, and compliance software $29,000 expenditures;
- Supplies & Services includes all general office supplies, athletic equipment, brand development/advertising, game guarantee expenses and conference shared costs;
- Travel & Hospitality includes meals and all program travel to sporting events throughout the year, with sport competition travel approximating at 170 trips;
The University of Akron
Auxiliaries
FY 2022 Budget Assumptions

- Utilities includes all projected gas, electric and water expenditures for the JAR, Fieldhouse, and InfoCision Stadium;
- Student assistants includes students who are employed throughout the athletic department for daily operations and sporting events, approximately 120 students; and
- Communications includes all phone, television, and internet charges.

Athletics continued

Scholarships

- Assumes $6 million in scholarships covering roughly 210 student-athletes plus incremental funding for summer school expenditures, including academic, housing, and meals, approximately totaling $540,000. The $540,000 includes FY22 summer living allowance and residence hall charges and a summer dining program totaling $141,000.

Transfers-In

- Facilities Fee totaling $2.3 million through the General Fund;
- General Service Fee totaling $10.3 million from the General Fund; and
- Other support totaling $7.2 million from the General Fund.

Residence Life & Housing

Revenues

- Assumes that all resident student rates are reduced to reflect the new 30 percent rate reduction and all Tuition Guarantee groups are reset to this rate;
- Assumes that the pricing strategy increases fall contracts to 2,333 and spring revenue equates to 87 percent of fall revenue;
- Assumes that housing retention rate will increase to 92.5 percent from fall to spring; and
- Summer revenue for fiscal year 2022 will include all summer 2021 conferences and summer school, with the exception of Acholic Anonymous (which would be billed to fiscal year 2021 if it occurs). Summer 2022 Acholic Anonymous conference will be applied to fiscal year 2021-22.

Payroll

- All Residence Life Coordinators positions will revert from 10-11-months to 12-months. The two, 2-month temporary positions created to complete essential summer work will not be utilized; and
- Three UAPD Officers will remain in the Residence Life and Housing budget for FY22 with the goal of moving the positions off the budget in FY23.
Residence Life & Housing continued

Operating
- Expenditures include maintenance, resident assistant meals, student employment, resident student events, and utilities;
- Cancellation of Exchange Street Living Room Furniture project (savings $400,000);
- Assumes $380,000 to replace the control valve that regulates the heating and cooling unit in each room at Bulger and Spanton Hall; and
- Quaker Square off-line for FY22 except to quarantine for students infected or exhibiting signs of the corona virus; therefore, assumes Quaker Square expenses will be charged to the COVID-19 account and not Residence Life & Housing.

Transfers-In
- Other support totaling $6.1 million from the General Fund.

E. J. Thomas Performing Arts Hall

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

Operating
- Expenditures include artist fees, advertising, maintenance, stage & wardrobe, student employment, and utilities;
- Assumes $45,000 in Cost of Goods sold at the concession stand; and
- Assumes $50,000 concession stand profit that will transfer to the administration account to cover operating cost.

Transfers-In
- Assumes Transfers-In Other, totaling $630,000 from the General Fund.

Dining (Aramark)

Revenues
- The $550,000 Aramark Grant is Aramark’s financial commitment to the University of Akron; and
- Assumes contractually provided revenues such as utilities, maintenance, and equipment repair, and card access and point of sale software.
The University of Akron
Auxiliaries
FY 2022 Budget Assumptions

Dining (Aramark) continued

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

Operating
• Card access and point of sale software, equipment, maintenance, and utilities;
• Movable equipment $500,000 is the University’s commitment to refresh the franchise
  equipment; and
• Assumes $75,000 paid directly to Aramark for the extra days Robertson Dining hall will
  be open before the semester begins.

Transfers-In
• Fund Balance totaling $1.5 million.

Student Recreation & Wellness Services

Revenues
• Externally generated revenues from various sources such as memberships, pool rental, and
  locker and facility rentals; and
• Assumes a 20 to 30 percent revenue reduction due to non-renewal membership as well as
  projected business loss due to COVID-19.

Payroll
• Assumes the following contracts revert to 12-months.
  ▪ Manager, Intramurals
  ▪ Manager, Club Sports
  ▪ Manager, Outdoor Adventure

Operating
• Maintenance, utilities, and student employment.
The University of Akron  
Auxiliaries  
FY 2022 Budget Assumptions

Student Recreation & Wellness Services continued

Transfers-In
- Facilities Fee totaling $756,000 through the General Fund;  
- Other totaling nearly $2.4 million from the General Fund; and  
- Fund Balance totaling $489,000.

Jean Hower Taber Student Union

Revenues
- Compared to FY20 and FY21 room and AV rental income, revenue will decrease significantly based on substantial space in the Student Union being assigned for classroom usage to support the overall campus needs; and  
- Assumes a nearly 30 percent increase in Bookstore revenue due to increased summer traffic and increased sales for the First Day model.

Payroll
- Assumes three out of four current full-time vacancies will be filled throughout fiscal year 2021-22.

Operating
- Student assistant wages increased over FY21 to reflect predicted use of facility and programming planning/execution in some areas of the budget and increased in others based on cleaning standards;  
- Programming options will continue for FY22 but have been moderately adjusted for predicted enrollment for fall 2021 under the current/predicted climate;  
- Assumes a budget for Alternative Spring Break programming to resume while Winter Break programming remains on hold;  
- Supplies & services and travel and hospitality increased by 30% over FY21 based on the predicted increase of events and programs;  
- Assumes an increase in PFOC maintenance and purchase utilities projection to reflect FY21 actual usage and increased foot traffic for FY22; and  
- Assumes an increase in the PFOC custodial labor and supplies projection to reflect increased foot traffic for FY22.
Jean Hower Taber Student Union continued

Transfers-In

- Facilities Fee totaling $1.3 million through the General Fund;
- Other support totaling $2.8 million from the General Fund; and
- Fund Balance totaling $441,000.

Parking & Transportation Services

Revenues

- Parking permits and transportation fee revenues decrease consistently with a 4 percent enrollment decline with the fiscal year 2021 projection as the base year, and additionally to account for the return of in-person classes, 18 percent of the fiscal year 2021 revenue was added;
- Employee Parking & Co-Payments, the University employees pay a $100 co-payment each fiscal year for their permit and the University pays the remaining $120;
- Assumes not all courses will return to in-person mode of instruction which would eliminate the need for a parking permit;
- Miscellaneous Rent, The Chapel pays $11,000 a month in rent to use the East Campus Parking Deck. Miscellaneous rent also includes other parking rental income; and
- Main revenue for Visitor Parking includes parking permits for the Akron Fraternal Order of Police. Akron Police rents a parking space in the Polsky Parking Deck for their personal vehicles at $37.50 per month per permit. The coming and going of police officers during shift change provides lot security to the Polsky Parking Deck, so Akron Police Department parks their police cars for free.

Operating

- Funds parking deck and lot maintenance, Roo Express Shuttle, the Metro Dash, and utilities;
- Assumes expenses are $550,000 for the Roo Express and $350,000 for the METRO contract, annually; and
Parking & Transportation Services continued

- Capital Planning has identified the need for a $150,000 project to power-wash and reapply waterproofing membrane in several parking decks. Such maintenance protects the deck's concrete and steel from harmful effects of water and salt ions and helps to avoid more extensive repairs over time. The Exchange Street Parking Deck has the greatest need for membrane replacement; however, expansion joints within the deck need repair or replacement, which we should do before the reapplication of the membrane (ideally as part of the same project). No deck maintenance or repair projects, including this one identified by Capital Planning & Facilities Management, have been included in this budget due to lack of revenue to support such projects.

Transfers-In
- Other totaling $1.4 million from the General Fund.

Wayne Student Union

Revenues
- Assumes externally generated commission revenue from bookstore online sales, bookstore space rent and room rentals.

Operating
- Artist fees for guest speakers, equipment, and property and fire insurance.