P & L EXECUTIVE SUMMARY
APRIL 2021

Department Overview

UNC prides itself on developing strong, supportive communities for students. The Department of Housing & Residential Education (HRE) is central to creating a sense of belonging for students. At full capacity, HRE is the campus home for up to 3500 students in traditional residence halls, suites, houses, and apartments. HRE offers residential living-learning communities called Residential Connections through partnerships with academic departments. HRE hosts a Faculty in Residence program allowing students to develop informal relationships with faculty outside of the classroom. In a typical year, HRE houses 88% of first-year students. Roughly, one-third of these students live in student housing for more than their first year. In fiscal year 2021, HRE's staff includes live-in Neighborhood Coordinators, who are Masters-Level staff with backgrounds in student learning, community building, & university administration, and staff with skill in business, operations, and facilities. The department works with students, families, and the campus community to create a sense of home through intentional programming, one on one interactions, and serving as a connection point for students to access campus resources. HRE is responsible for the health and safety of residents and staff provide emergency response 24 hours a day, seven days a week.

Most of the revenue from Housing & Residential Education comes from student room charges. There are smaller amounts of revenue generated from summer conferences, Old Man Mountain Retreat Center, and faculty and guest housing. Summer Conferences are recruited and managed through Conference and Event Planning. Net revenues from HRE and Dining Services fund other areas of campus through administrative overhead, and cost allocations for custodial, grounds, maintenance, police, and IT services. There are no auxiliary reserves at UNC; all net revenue goes to the general fund. UNC intends to return an auxiliary model in the future.

Purpose of the P & L by Building

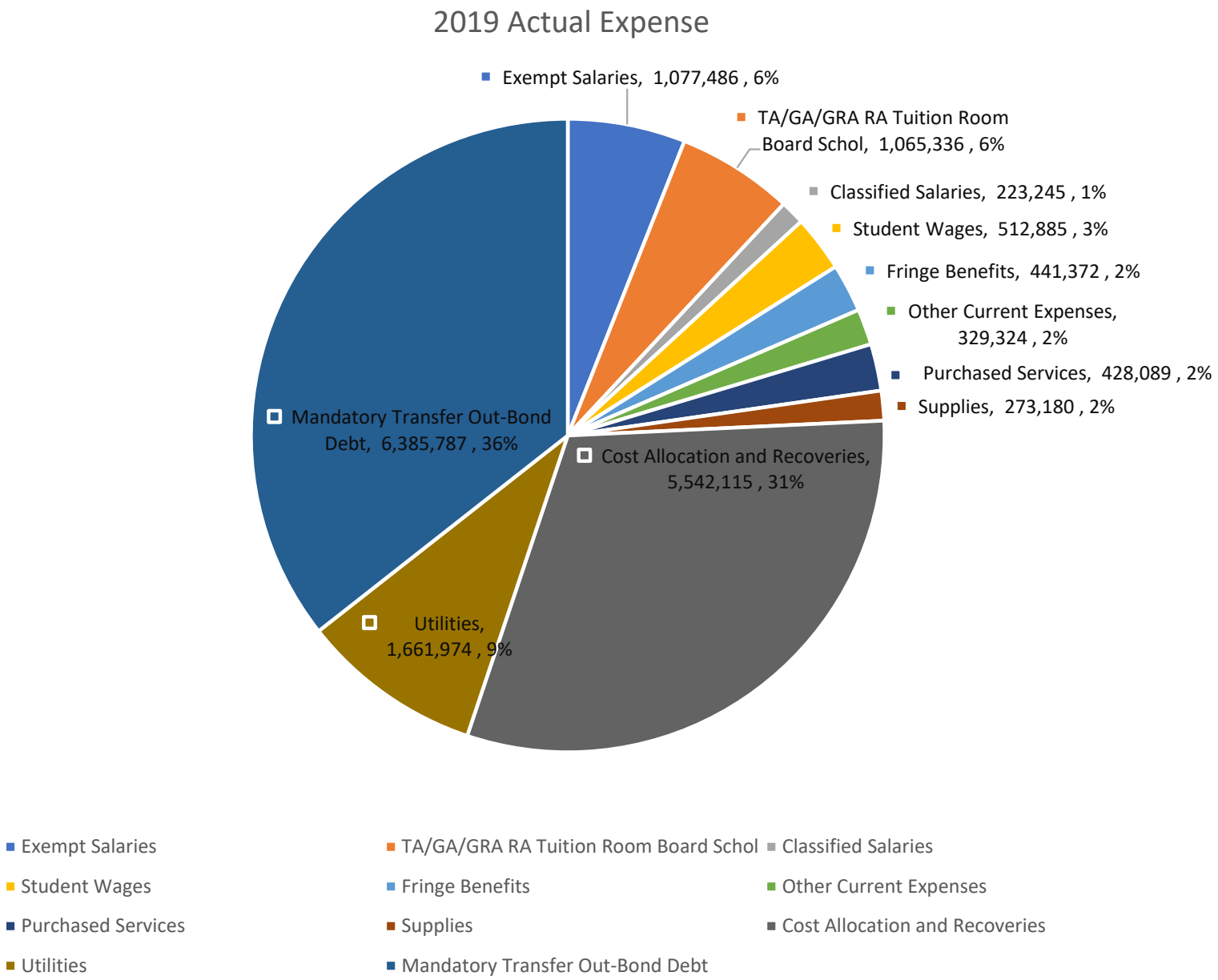
In fall of 2019, Housing & Dining provided the Board of Trustees an overview of the profit & loss for the departments, as well as a review of how forecasting of occupancy and revenue is conducted. A review of historical revenue, occupancy, and pricing demonstrated that primarily first-year enrollment is the driver of housing and dining revenue, followed by overall university full-time enrollment. At the conclusion of that project, the Board asked the department for a profit and loss statement for each building within its system. There was a desire to see if these data would support decisions regarding which buildings should be taken out of service to reduce expenses and maximize revenue. It is important to note that within the budget, this information is typically not disaggregated by building. Items like cost allocations, utilities, salaries, and debt service are typically rolled up to either the overall housing budget or the auxiliary services budgets. To assign expenses to buildings, the university used a mixed-method approach. Some expenses were able to be tied to where the actual expenses occurred, and others made

more sense to assign by either square footage, designed capacity, actual occupancy in FY 19, or gross revenue.

The profit and loss data are from FY 19, which was the most recent pre-Covid year. During this year there was an average occupancy of 3,028 students. The weighted average of occupancy matters in revenue because length of time spent on campus and the tier of housing occupied determines the revenue. Students are refunded on a per-diem basis if they withdraw from the institution. In FY 19 there were no price increases and there were six tiers (or price points) for housing. While expense reductions occurred in FY 19 (as well as the years prior), the P & L data do not reflect the significant reductions to the operating budget for FY 21, including significant reductions to exempt, classified, and student staff.

Summer operations are a small, but important part of overall revenue. Internal Revenue and Other Auxiliary Revenue is where Summer Conference Housing and Guest Housing appear in the P &L. Some buildings are utilized much more heavily than others for the summer conference season. The distribution of guests and number of nights stayed is determined through the Office of Conference & Event Planning (a separate department from HRE).
All buildings prior to internal allocations show a profit. The exception being North and South Halls, due to their large amount of debt service. The internal cost allocation pays for administrative overhead, IT backbone, Police, and Facilities, Maintenance and Grounds. These expenses vary year to year. For example, if a boiler goes down in a specific building or there is a flood, those expenses are charged to the specific building. Debt service most heavily impacts North and South Hall, Central Campus, and Turner Halls.

When looking at the rolled-up expenses for HRE you can see most expenses are in internal cost allocations and recoveries.


2019 Actual Expense
Exempt Salaries, 1,077,486 , 6%
TA/GA/GRA RA Tuition Room Board Schol, 1,065,336 , 6%
Classified Salaries, 223,245 , 1%
Student Wages, 512,885 , 3%
Fringe Benefits, 441,372 , 2%
Other Current Expenses, 329,324 , 2%
Purchased Services, 428,089 , 2%
Supplies, 273,180 , 2%
Cost Allocation and Recoveries, 5,542,115 , 31%
Utilities, 1,661,974 , 9%
Mandatory Transfer Out-Bond Debt, 6,385,787 , 36%
Exempt Salaries
TA/GA/GRA RA Tuition Room Board Schol
Classified Salaries
Student Wages
Fringe Benefits
Other Current Expenses
Purchased Services
Supplies
Cost Allocation and Recoveries
Utilities
Mandatory Transfer Out-Bond Debt

Room Rates Historical Context and Drivers of Rate Increases

The focus of the review of profit & loss project focused on revenue and expenses from FY 19. Enrollment and the number of summer conference guest (and length of time stayed) has an obvious impact on revenue. Housing rates are also a part of the equation. Housing & Dining have had flat rates for three fiscal years. This has assisted with keeping the total cost of attendance low for UNC students, however, has caused some difficulties in maintaining quality of service to students. Last year HRE did restructure its pricing for the residence halls and took some buildings out-of-service. Dining kept their rates the same for FY 21, however, they did change their meal requirement for all first-year students to a 14-meal plan, regardless of where a student lived. Both changes had some financial benefit to the budget.
CPI, minimum wage increases, and classified salary increases have all impacted the cost of providing service and have influenced where we have recommended rate increases. Over the past year CPI has risen 2.69 %, with food and beverage rising 3.85%. Our food supplier is projecting that food costs will continue to rise as much as 7% over the next year. Colorado minimum wage has risen from $12.00 to $12.32. It is anticipated that classified staff salaries will also rise by 3%.

The Greeley Market

When we price Housing & Dining it is important to consider the vacancy rate, average cost of rent in Greeley, and the cost of Housing & Dining on other campuses in Colorado. The vacancy rate for Greeley is currently 4.3% which is an increase from the past several years. This is a concern as we set prices because we can anticipate greater competition for renewal/returning students. The average rent in Greeley is currently $1,195 a month.

Room & Board for other Colorado Campuses

Most of the schools in the state have maintained an average of a 3% increase in room and board each year, and in speaking with other directors, this is what they anticipate happening for FY22. Because UNC has remained flat, there is now a significant gap in room & board price between UNC, CSU, and CU—our closest competitors in terms of housing and dining program. UNC packages at a Tier 3 housing and a 14-meal plan, and this is what students see as their cost of attendance.

UNC's room cost for tier 3 housing is $3,148/ semester, with a range in price between $2, 596 - $3,408. A 14-meal plan is $2,695/ semester. The academic year price for tier 3 housing and a 14-meal plan is $11,688 (where we package financial aid). The academic year base price (lowest cost) is $10,582 for a first-year student. UNC requires all first-year students to carry a 14-meal plan.

University of Colorado-Boulder packages their room and board together. The cost per semester is $7,610 - $8,644. Their academic year base cost is $15,220.

CSU's closest comparison to tier 3 housing is $3,981/ semester with a range in price from $3, 018 - $5,191. Their 14-meal plan is $2,981. Their academic year base price is $11,998 for a first-year student.

Colorado School of Mines's base price for a double room and a basic 14-meal plan is $14,800.

The information on drivers of cost to operate, our pricing in comparison to our competitors, and the pricing elasticity study completed in FY 19 have driven the decision to recommend a 4% room and board increase for FY 22.

Conclusion

Looking at the P & L by building is useful for the purposes of seeing the gap in revenue and expenses in some of our buildings. The buildings with the highest amount of loss are those with a large amount of debt service, or those with unusually small amounts of revenue in any given year due to low enrollment or no summer conferences hosted in a particular building. Facilities & maintenance work was also variable and has an impact on how the bottom line looks for a particular facility. After examination of the data, we would not recommend using this P & L as a driver for determining which buildings should come in or out of service in years of low enrollment. These decisions are made based on student demand, the balance of spaces available in each tier, and where the greatest amount of operational savings can be realized through the closure.

FY19 Auxiliaries Profit & Loss Statement by Residence Hall[1]

	Belford Hall	Decker Hall	Gordon Hall	Sabin Hall	Snyder Hall	Wiebking	Wilson	Harrison Hall	Brown Hall	Lujan Hall	Dickeson Hall	Bond Hall	Hansen-Willis
Annual Room Rate[2]	5,090	5,090	5,090	5,090	5,090	5,090	5,090	5,304	5,804	5,804	5,804	5,804	5,804
Design Capacity	53	28	28	33	100	243	282	542	33	34	55	51	108
Average Occupancy	44	23	25	27	77	217	234	485	28	32	48	45	93
Room & Board Revenue	222,149	120,631	130,290	138,473	400,488	1,095,084	1,194,930	2,537,294	169,276	193,354	287,448	253,363	630,030
RA Room & Board Waivers	(11,116)	(330)	(21,331)	(10,871)	(45,655)	(83,657)	(70,863)	(116,620)	(10,892)	(10,953)	(13,286)	(11,500)	(39,124)
Other Auxiliary Revenue	2,301	49	1,359	1,088	4,583	9,622	12,478	16,364	1,602	3,290	1,552	2,060	42,845
Internal Revenue	25,608	32,608	-	4,079	3,026	41,581	65,743	154,500	13,862	6,081	7,963	5,922	5,620
Other Revenue	1,145	702	603	658	1,869	5,250	5,831	12,404	846	929	1,360	1,197	3,108
Net Revenue	**240,087**	**153,660**	**110,921**	**133,427**	**364,312**	**1,067,880**	**1,208,119**	**2,603,943**	**174,695**	**192,701**	**285,037**	**251,041**	**642,479**
Exempt Salaries[3]	13,752	8,430	7,240	7,899	22,443	63,040	70,016	148,934	10,160	11,149	16,331	14,373	37,314
Classified Salaries[3]	2,848	1,746	1,500	1,636	4,648	13,057	14,502	30,922	2,104	2,309	3,383	2,977	7,728
Graduate Stipends	809	420	472	497	1,433	4,030	4,345	9,024	524	601	887	827	1,727
Student and Other Wages	1,030	631	542	592	1,681	29,392	43,480	45,513	761	832	1,223	1,076	66,816
Fringe Benefits	5,633	3,453	2,966	3,236	9,193	25,822	28,679	61,030	4,162	4,567	6,689	5,887	15,284
Personnel Expenses	**24,072**	**14,680**	**12,720**	**13,860**	**39,398**	**135,340**	**161,022**	**295,423**	**17,710**	**19,458**	**28,514**	**25,140**	**128,868**
Cost of Sales	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Current Expenses	3,933	2,110	2,302	2,441	7,051	20,958	21,887	46,706	4,204	3,282	4,869	4,353	11,318
Purchased Services	5,193	2,861	2,879	3,257	10,025	23,243	26,695	48,667	3,764	4,005	6,213	5,213	9,771
Supplies	3,896	2,048	2,118	2,417	7,225	19,586	21,347	41,950	3,364	2,609	4,106	3,813	10,146
Utilities	23,988	13,354	10,853	10,861	38,833	81,879	94,257	155,529	22,860	19,859	19,424	23,620	54,819
Travel	41	21	24	25	73	204	220	458	27	31	45	42	88
Capital	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt Service	78,195	62,556	62,556	62,556	140,750	281,500	312,778	10,591	109,472	107,924	116,925	-	390,973
Direct Nonpersonnel Expenses	**115,245**	**82,950**	**80,732**	**81,556**	**203,957**	**427,370**	**477,184**	**303,900**	**143,691**	**137,708**	**151,583**	**37,041**	**477,114**
Profit/Loss prior to internal allocations & recoveries	**100,769**	**56,030**	**17,470**	**38,011**	**120,957**	**505,170**	**569,913**	**2,004,619**	**13,294**	**35,534**	**104,940**	**188,861**	**36,496**
Cost Allocations & Recoveries[4]	74,998	53,593	44,728	55,158	147,960	328,902	400,016	667,764	77,217	89,733	87,106	75,985	320,644
Total Expenditures[5]	**214,316**	**151,223**	**138,180**	**150,574**	**391,316**	**891,612**	**1,038,222**	**1,267,087**	**238,618**	**246,900**	**267,203**	**138,166**	**926,627**
NET PROFIT/LOSS	**25,771**	**2,437**	**(27,258)**	**(17,147)**	**(27,003)**	**176,268**	**169,898**	**1,336,855**	**(63,923)**	**(54,199)**	**17,834**	**112,876**	**(284,148)**

1) Methodology: centralized expenses were allocated to specific residence halls in a variety of methods: a) actual use for expenses such as utilities, b) square footage for facilities expenses such as grounds and custodial maintenance, c) design capacity (or beds) for certain fixed costs such as the laundry contract, d) average occupancy for variable costs, and e) gross revenue for remaining expenses without a common driver among buildings. Debt service was allocated based on the percentage of the original bond proceeds that was utilized for each building.
2) Some variations from the listed rates include: a) a few Sabin and Snyder rooms are billed at higher rates, b) a few Lawrenson and Turner rooms are billed at lower rates, c) most University-owned houses are billed at rates from $435-535/month, d) Arlington rates range from $6,300-6,672/year, while 76% of rooms are billed at the highest rate and 6% at the lowest rate.
3) Classified & Exempt salaries were allocated based on gross revenue so that all units (including those omitted from design capacity) received a proportionate share of expenses.
4) Cost allocations are expenses generated in another department, then allocated to Housing & Dining based on its estimated usage. This consists of facilities expenses for custodial, grounds & maintenance (57%); centralized admininistrative functions such as human resources and accounting (20%); police services (9%); ResNet expenses allocated from IM&T (7%); and all others (7%).
5) Total expenditures does not include depreciation, capital expenditures or contribution to reserves.

FY19 Auxiliaries Profit & Loss
Statement by Residence Hall[1]

	Lawrenson Hall	Turner Hall	South Hall	North Hall	University-Owned Houses	Arlington Park	Greek Housing	Old Man Mountain	Total Housing	Total Dining	Total Housing & Dining
Annual Room Rate[2]	6,172	6,650	6,916	6,916	Varies	6,672	27,492	NA	NA	NA	NA
Design Capacity	429	330	344	375	14	396	NA	NA	3,478	NA	NA
Average Occupancy	366	307	284	327	11	356	NA	NA	3,028	NA	NA
Room & Board Revenue	2,218,279	1,994,649	1,969,422	2,248,967	68,420	2,380,736	84,728	-	18,338,011	14,185,100	32,523,111
RA Room & Board Waivers	(103,729)	(158,407)	(134,769)	(124,173)	(162)	(97,897)	-	-	(1,065,336)	(26,550)	(1,091,886)
Other Auxiliary Revenue	123,195	11,700	11,927	11,495	14,741	251,415	-	8,042	531,706	1,759,727	2,291,433
Internal Revenue	95,516	32,395	25,852	97,402	95,839	-	-	9,258	722,856	1,482,343	2,205,199
Other Revenue	11,162	9,338	9,194	10,800	820	12,056	388	79	89,740	244,308	334,049
Net Revenue	**2,344,422**	**1,889,675**	**1,881,626**	**2,244,491**	**179,658**	**2,546,310**	**85,116**	**17,379**	**18,616,977**	**17,644,928**	**36,261,905**
Exempt Salaries[3]	134,021	112,120	110,385	129,670	9,844	144,754	4,660	951	1,077,486	502,611	1,580,097
Classified Salaries[3]	27,759	23,222	22,863	26,857	2,039	29,982	965	197	223,245	2,835,538	3,058,783
Graduate Stipends	6,813	5,711	5,287	6,086	206	6,622	-	-	56,322	-	56,322
Student and Other Wages	55,934	57,257	44,395	118,960	737	41,612	349	71	512,885	1,556,481	2,069,365
Fringe Benefits	54,896	45,925	45,215	53,114	4,032	59,292	1,909	390	441,372	1,135,268	1,576,640
Personnel Expenses	**279,422**	**244,236**	**228,145**	**334,688**	**16,858**	**282,262**	**7,882**	**1,609**	**2,311,310**	**6,029,898**	**8,341,208**
Cost of Sales	-	-	-	-	-	-	-	-	-	4,504,374	4,504,374
Other Current Expenses	38,713	33,939	34,414	38,780	1,158	45,973	934	1	329,324	521,330	850,654
Purchased Services	38,784	47,089	41,590	45,017	3,809	91,556	-	8,458	428,089	199,805	627,894
Supplies	32,305	27,155	27,414	29,544	1,019	30,726	-	392	273,180	138,354	411,534
Utilities	142,703	179,734	231,793	196,049	38,270	299,892	671	2,727	1,661,974	286,983	1,948,957
Travel	346	290	268	309	10	336	-	-	2,857	63	2,920
Capital	-	-	-	-	-	-	-	-	-	78,147	78,147
Debt Service	-	531,817	1,561,225	1,633,899	-	922,071	-	-	6,385,787	905,872	7,291,659
Direct Nonpersonnel Expenses	**252,851**	**820,024**	**1,896,705**	**1,943,598**	**44,266**	**1,390,555**	**1,605**	**11,578**	**9,081,211**	**6,634,928**	**15,716,140**
Profit/Loss prior to internal allocations & recoveries	**1,812,149**	**825,415**	**(243,224)**	**(33,794)**	**118,533**	**873,493**	**75,628**	**4,192**	**7,224,456**	**4,980,102**	**12,204,558**
Cost Allocations & Recoveries[4]	558,279	572,547	640,466	535,149	156,544	634,237	16,340	4,748	5,542,115	1,468,232	7,010,347
Total Expenditures[5]	**1,090,552**	**1,636,807**	**2,765,316**	**2,813,435**	**217,669**	**2,307,054**	**25,827**	**17,935**	**16,934,636**	**14,133,058**	**31,067,694**
NET PROFIT/LOSS	**1,253,870**	**252,868**	**(883,690)**	**(568,944)**	**(38,011)**	**239,256**	**59,288**	**(556)**	**1,682,341**	**3,511,870**	**5,194,211**

1) Methodology: centralized expenses were allocated to specific residence halls in a variety of methods: a) actual use for expenses such as utilities, b) square footage for facilities expenses such as grounds and custodial maintenance, c) design capacity (or beds) for certain fixed costs such as the laundry contract, d) average occupancy for variable costs, and e) gross revenue for remaining expenses without a common driver among buildings. Debt service was allocated based on the percentage of the original bond proceeds that was utilized for each building.
2) Some variations from the listed rates include: a) a few Sabin and Snyder rooms are billed at higher rates, b) a few Lawrenson and Turner rooms are billed at lower rates, c) most University-owned houses are billed at rates from $435-535/month, d) Arlington rates range from $6,300-6,672/year, while 76% of rooms are billed at the highest rate and 6% at the lowest rate.
3) Classified & Exempt salaries were allocated based on gross revenue so that all units (including those omitted from design capacity) received a proportionate share of expenses.
4) Cost allocations are expenses generated in another department, then allocated to Housing & Dining based on its estimated usage. This consists of facilities expenses for custodial, grounds & maintenance (57%); centralized admininistrative functions such as human resources and accounting (20%); police services (9%); ResNet expenses allocated from IM&T (7%); and all others (7%).
5) Total expenditures does not include depreciation, capital expenditures or contribution to reserves.

Supplemental Table A: Disaggregated Profit & Loss Statement

	FY19 Actuals				FY20 Budget				FY20 Actuals			
	Housing	Dining	Central Aux	Total FY19	Housing	Dining	Central Aux	Total FY20	Housing	Dining	Central Aux	Total FY20
REVENUES												
Housing Room Revenue	18,338,011	-	-	18,338,011	18,143,908	-	-	18,143,908	17,137,603	-	-	17,137,603
Dining Board Revenue	-	14,185,100	-	14,185,100	-	13,607,767	-	13,607,767	-	12,640,733	-	12,640,733
Other Auxiliary Services	531,706	1,759,727	-	2,291,433	715,633	1,673,645	-	2,389,278	525,248	1,438,117	-	1,963,365
Internal Revenues	722,856	1,482,343	-	2,205,199	570,016	1,351,201	-	1,921,217	526,163	905,600	-	1,431,763
Other Revenue	-	163,736	170,313	334,049	-	182,332	141,429	323,761	-	124,996	169,164	294,160
Subtotal Revenues	**19,592,573**	**17,590,906**	**170,313**	**37,353,792**	**19,429,557**	**16,814,945**	**141,429**	**36,385,931**	**18,189,014**	**15,109,446**	**169,164**	**33,467,624**
RA Room & Board Waivers	(1,053,295)	(26,550)	(12,041)	(1,091,886)	(1,054,438)	(36,010)	(12,581)	(1,103,029)	(932,255)	(25,708)	(11,936)	(969,900)
NET REVENUES	**18,539,278**	**17,564,356**	**158,272**	**36,261,906**	**18,375,119**	**16,778,935**	**128,848**	**35,282,902**	**17,256,758**	**15,083,738**	**157,229**	**32,497,724**
EXPENDITURES												
Exempt Salaries	934,010	373,793	272,294	1,580,097	990,332	380,958	255,923	1,627,213	925,659	354,879	258,423	1,538,962
Classified Salaries	223,245	2,835,538	-	3,058,783	276,314	3,018,461	-	3,294,775	198,545	2,717,611	-	2,916,156
Graduate Stipends	40,656	-	15,666	56,322	-	-	12,260	12,260	-	-	13,623	13,623
Student and Other Wages	509,476	1,553,420	6,469	2,069,365	472,249	1,595,897	20,541	2,088,687	420,836	1,434,007	24,633	1,879,476
Fringe Benefits	392,734	1,091,599	92,308	1,576,641	430,306	1,154,480	86,758	1,671,544	381,105	1,043,333	88,697	1,513,136
Subtotal Personnel Expenses	**2,100,121**	**5,854,350**	**386,737**	**8,341,208**	**2,169,201**	**6,149,796**	**375,482**	**8,694,479**	**1,926,146**	**5,549,831**	**385,377**	**7,861,353**
Cost of Sales	-	4,504,374	-	4,504,374	-	4,780,862	-	4,780,862	-	3,166,229	-	3,166,229
Other Current Expenses	170,750	398,525	281,379	850,654	204,915	468,864	260,557	934,336	63,464	305,374	201,070	569,908
Purchased Services	193,010	193,507	241,377	627,894	213,195	310,998	302,407	826,600	162,261	114,919	134,470	411,650
Supplies	273,180	138,354	-	411,534	256,554	187,478	7,367	451,399	53,295	113,345	-	166,639
Vehicle Cost	8,655	22,511	-	31,166	12,616	20,388	-	33,004	5,203	22,654	-	27,858
Property Insurance	110,387	8,405	-	118,792	115,578	8,800	-	124,378	121,164	9,225	-	130,389
Utilities	292,938	-	1,656,019	1,948,957	303,917	-	1,690,096	1,994,013	263,971	-	1,514,005	1,777,976
Travel	2,858	63	-	2,921	21,144	4,771	2,160	28,075	-	-	-	-
Capital	-	78,147	-	78,147	-	65,491	-	65,491	-	-	-	-
Debt Service	922,071	-	6,369,588	7,291,659	968,693	-	6,358,256	7,326,949	968,693	-	6,123,218	7,091,910
Subtotal Direct Non-personnel Expenses	**1,973,849**	**5,343,886**	**8,548,363**	**15,866,098**	**2,096,612**	**5,847,652**	**8,620,843**	**16,565,107**	**1,638,050**	**3,731,747**	**7,972,762**	**13,342,558**
Subtotal Direct Expenses	**4,073,970**	**11,198,236**	**8,935,100**	**24,207,306**	**4,265,813**	**11,997,448**	**8,996,325**	**25,259,586**	**3,564,196**	**9,281,577**	**8,358,138**	**21,203,911**
Administrative Overhead Allocation	1,124,614	749,283	9,776	1,883,673	1,127,002	716,495	6,050	1,849,547	1,044,049	682,638	9,710	1,736,397
Auxiliary IT Allocation	80,750	79,389	5,337	165,476	80,750	79,389	5,337	165,476	80,750	79,389	5,337	165,476
Utility Cost Allocation	178,623	9,363	-	187,986	178,623	9,363	-	187,986	178,623	9,363	-	187,986
UC Space Rental	-	332,886	-	332,886	-	332,886	-	332,886	-	332,886	-	332,886
Police Services Allocation	525,034	-	-	525,034	525,034	-	-	525,034	525,034	-	-	525,034
Information Technology Allocations	374,489	7,274	550	382,313	383,935	8,733	600	393,268	379,739	8,217	600	388,556
Facilities Custodial/Grounds/Maint Allocations	3,131,309	251,711	-	3,383,020	3,516,071	211,726	-	3,727,797	2,781,261	227,436	-	3,008,698
Subtotal Indirect Expenses	**5,414,819**	**1,429,906**	**15,663**	**6,860,388**	**5,811,415**	**1,358,592**	**11,987**	**7,181,994**	**4,989,457**	**1,339,930**	**15,647**	**6,345,033**
TOTAL EXPENDITURES	**9,488,789**	**12,628,142**	**8,950,763**	**31,067,694**	**10,077,228**	**13,356,040**	**9,008,312**	**32,441,580**	**8,553,652**	**10,621,507**	**8,373,785**	**27,548,945**
PROFIT/LOSS	**9,050,489**	**4,936,214**	**(8,792,491)**	**5,194,212**	**8,297,891**	**3,422,895**	**(8,879,464)**	**2,841,322**	**8,703,106**	**4,462,231**	**(8,216,557)**	**4,948,780**
Transfer to General Fund	-	-	5,181,328	5,181,328	-	-	1,040,221	1,040,221	-	-	4,059,238	4,059,238
Transfer to Capital Reserves	-	-	-	-	-	-	1,800,000	1,800,000	-	-	-	-
Other Misc Transfers	-	501	-	501	-	-	-	-	-	-	-	-
TOTAL INTERNAL TRANSFERS	**-**	**501**	**5,181,328**	**5,181,829**	**-**	**-**	**2,840,221**	**2,840,221**	**-**	**-**	**4,059,238**	**4,059,238**
NET CHANGE IN AUXILIARY FUND BALANCE	**9,050,489**	**4,935,713**	**(13,973,819)**	**12,383**	**8,297,891**	**3,422,895**	**(11,719,685)**	**1,101**	**8,703,106**	**4,462,231**	**(12,275,795)**	**889,542**

UNC Housing & Dining Profit and Loss Statement[1]

	Notes	FY15 Actuals	FY16 Actuals	FY17 Actuals	FY18 Actuals	FY19 Actuals	FY20 Budget	FY20 Actuals (1)	% of Total	Bdgt Variance fav (unfav)	Prior Yr Variance fav (unfav)
REVENUES											
Housing Room Revenue		17,377,121	18,110,722	18,846,229	19,067,843	18,338,010	18,143,908	17,137,603	52.7%	(1,006,305)	(1,200,407)
Dining Board Revenue		13,446,993	13,740,454	14,478,620	15,093,014	14,185,100	13,607,767	12,640,733	38.9%	(967,034)	(1,544,367)
Other Auxiliary Services	2	2,202,515	2,086,549	2,005,860	2,022,343	2,291,433	2,389,278	1,963,365	6.0%	(425,913)	(328,068)
Internal Revenues	3	1,648,566	2,098,983	2,221,857	2,048,109	2,205,200	1,921,217	1,431,763	4.4%	(489,454)	(773,437)
Other Revenue	4	291,240	236,589	274,457	348,996	334,049	323,761	294,160	0.9%	(29,601)	(39,889)
Subtotal Revenues		**34,966,435**	**36,273,297**	**37,827,023**	**38,580,305**	**37,353,792**	**36,385,931**	**33,467,624**	**103.0%**	**(2,918,307)**	**(3,886,168)**
RA Room & Board Waivers	5	(1,118,284)	(1,173,469)	(1,173,377)	(1,217,839)	(1,091,886)	(1,103,029)	(969,900)	-3.0%	133,129	121,986
NET REVENUES		**33,848,151**	**35,099,828**	**36,653,646**	**37,362,466**	**36,261,906**	**35,282,902**	**32,497,724**	**100.0%**	**(2,785,178)**	**(3,764,182)**
EXPENDITURES											
Exempt Salaries	6	1,455,144	1,400,184	1,543,034	1,676,709	1,580,097	1,627,213	1,538,962	7.3%	88,251	41,135
Classified Salaries	6	2,714,973	2,578,925	2,673,792	2,867,458	3,058,783	3,294,775	2,916,156	13.8%	378,619	142,627
Graduate Stipends		70,957	63,992	90,637	82,675	56,322	12,260	13,623	0.1%	(1,363)	42,699
Student and Other Wages		1,691,139	1,675,657	1,879,559	2,006,697	2,069,366	2,088,687	1,879,476	8.9%	209,211	189,890
Fringe Benefits		1,374,660	1,267,901	1,370,067	1,513,844	1,576,641	1,671,544	1,513,136	7.1%	158,408	63,505
Subtotal Personnel Expenses		**7,306,873**	**6,986,659**	**7,557,089**	**8,147,383**	**8,341,209**	**8,694,479**	**7,861,353**	**37.1%**	**833,126**	**479,856**
Cost of Sales		4,758,581	4,817,235	4,921,624	4,797,012	4,504,374	4,780,862	3,166,229	14.9%	1,614,633	1,338,145
Other Current Expenses	7	918,230	574,566	876,358	936,272	850,654	934,335	569,908	2.7%	364,427	280,746
Purchased Services	7	761,107	903,934	854,785	763,539	627,894	826,601	411,650	1.9%	414,951	216,244
Supplies		433,045	463,012	462,500	418,742	411,534	451,399	166,639	0.8%	284,760	244,895
Vehicle Cost		22,511	25,714	25,543	30,114	31,166	33,003	27,858	0.4%	5,145	3,308
Property Insurance		140,845	105,568	115,030	117,969	118,792	124,379	130,389	2.1%	(6,010)	(11,597)
Utilities		2,554,555	2,283,726	2,231,436	1,915,235	1,948,957	1,994,013	1,777,976	8.4%	216,037	170,981
Travel		23,096	29,695	31,658	19,088	2,921	28,074	-	0.0%	28,074	2,921
Capital		35,182	43,819	68,915	49,595	78,147	65,491	-	0.0%	65,491	78,147
Debt Service		7,260,641	7,185,444	7,256,453	7,427,932	7,291,659	7,326,949	7,091,910	33.4%	235,039	199,749
Subtotal Direct Non-personnel Expenses		**16,907,793**	**16,432,713**	**16,844,302**	**16,475,498**	**15,866,098**	**16,565,106**	**13,342,558**	**62.9%**	**3,222,548**	**2,523,540**
Subtotal Direct Expenses	8	**24,214,666**	**23,419,372**	**24,401,391**	**24,622,881**	**24,207,307**	**25,259,585**	**21,203,911**	**100.0%**	**4,055,674**	**3,003,396**
Administrative Overhead Allocation	9	1,732,043	1,807,455	1,887,010	1,938,752	1,883,673	1,849,547	1,736,397	27.4%	113,150	147,276
Auxiliary IT Allocation	10	165,476	165,476	165,476	165,476	165,476	165,476	165,476	2.6%	-	-
Utility Cost Allocation	11	202,804	202,804	202,804	187,986	187,986	187,986	187,986	3.0%	-	-
UC Space Rental	12	347,921	347,921	332,886	332,886	332,886	332,886	332,886	5.2%	-	-
Police Services Allocation	13	418,441	537,415	537,415	525,034	525,034	525,034	525,034	8.3%	-	-
Information Technology Allocations	14	376,501	396,010	385,629	387,201	382,313	393,268	388,556	6.1%	4,712	(6,243)
Facilities Custodial/Grounds/Maint Allocations	15	3,763,080	3,662,821	3,536,976	3,363,264	3,383,020	3,727,797	3,008,698	47.4%	719,099	374,322
Subtotal Indirect Expenses	8	**7,006,266**	**7,119,902**	**7,048,196**	**6,900,599**	**6,860,388**	**7,181,994**	**6,345,033**	**100.0%**	**836,961**	**515,355**
TOTAL EXPENDITURES	16	**31,220,932**	**30,539,274**	**31,449,587**	**31,523,480**	**31,067,695**	**32,441,579**	**27,548,945**	**100.0%**	**4,892,634**	**3,518,750**
PROFIT/LOSS		**2,627,219**	**4,560,554**	**5,204,059**	**5,838,986**	**5,194,211**	**2,841,323**	**4,948,780**	**100.0%**	**2,107,457**	**(245,431)**
Transfer to General Fund	17	4,287,091	5,481,251	3,404,060	4,042,217	5,181,328	1,040,221	4,059,238	100.0%	(3,019,017)	1,122,090
Transfer to Capital Reserves		-	-	1,800,000	1,800,000	-	1,800,000	-	0.0%	1,800,000	-
Other Misc Transfers	18	(165,376)	79,303	(473,163)	-	500	-	-	0.0%	-	500
TOTAL INTERNAL TRANSFERS		**4,121,715**	**5,560,554**	**4,730,897**	**5,842,217**	**5,181,828**	**2,840,221**	**4,059,238**	**100.0%**	**(1,219,017)**	**1,122,590**
NET CHANGE IN AUXILIARY FUND BALANCE		**(1,494,496)**	**(1,000,000)**	**473,162**	**(3,231)**	**12,383**	**1,102**	**889,542**	**0**	**888,440**	**877,159**

Notes to UNC Housing & Dining Profit and Loss Statement

1) In FY20, the coronavirus outbreak caused UNC to close campus after Spring Break and move all courses to an online format. Most students checked out of their residence halls and vouchers estimated at $4.7M will be issued for Fall 2020 to compensate students for their unused room and board plans (some students enrolled in summer courses received the voucher in Summer 2020--$901,858 was distributed to students in FY20 from a central location). UNC also did not host Summer Conferences in 2020 resulting in further losses in Housing & Dining revenues. The closure of campus also resulted in a loss in cash sales. Losses in revenues were partially offset by natural cost savings as well as intentional reductions in food costs, student labor, utilities and other nonpersonnel expenses. Additional expenditures incurred as a result of the coronavirus included paid administrative leave for both students and staff who were unable to work remotely, a temporary pay differential for essential personnel while on campus, and increased PPE costs.
2) Other Auxiliary Revenue consists mainly of Dining cash sales, short-term room and board, elderly meals, and utilities billed to residents at Arlington Park.
3) Internal Revenues are generated mostly via summer conferences, catering, and department-purchased meals for official functions.
4) Other Revenues consists of vending commissions and interest income.
5) A very small amount of GA tuition waivers is included here as well.
6) Classified employees received a 3% Across the Board wage increase in FY20 while Exempt employees did not receive a wage increase in FY20.
7) OCE consists mainly of bad debt, Dining royalties (ie Subway), and banking fees. Purchased Services consists mainly of cable in the residence halls and laundry services in the residence halls and catering.
8) Direct costs include all costs that are directly traceable to Housing & Dining activities where a change in Housing & Dining expense will impact actual overall University cash. Indirect costs are generated in another department, then allocated to Housing & Dining based on its estimated usage of said indirect expenses.
9) Administrative overhead allocates expenses for centralized admininistrative functions such as human resources and accounting. Expense allocations are calculated as 5.74% of total revenue less cost of sales.
10) Auxiliary IT allocation recoups the IT department's costs associated with supporting Housing & Dining technology--hardware, software and equipment. The allocation amount was established based on Housing & Dining's technology usage in FY13 and has not been updated since.
11) The utility cost allocation recoups the costs associated with generating high temp hot water from the Heating Plant which is managed by Facilities. The allocation amount estimates the Auxiliaries portion of actual costs, but the amount has not been updated on an annual basis.
12) The University Center charges rent for the various spaces which other departments/outside vendors occupy. Dining Services occupies several UC spaces & is allocated a set amount of expense that was determined prior to FY15 and has not changed since.
13) The police services allocation is intended to allocate the portion of the police department costs associated with the residence halls to Auxiliaries. The total allocation amount has not been reviewed or changed since prior to FY15, it has only been split differently between Housing & Summer Conferences.
14) The majority of IT allocations is the ResNet allocation which recoups IT's cost to deliver internet to the residence halls. The ResNet allocation amount has not been reviewed or changed since prior to FY15.
15) Facilities incurs all expenses for custodial, grounds, and maintenance costs on campus. An allocation is charged to campus areas to recoup all of the actual expenditures for each job related to campus custodial, grounds and building maintenance.
16) Total expenditures does not include depreciation which is fully expensed centrally. If UNC were to allocate depreciation, Housing & Dining's portion would be approximately $4.8M.
17) During the 5-year fiscal sustainability plan, bulk transfers of funds were made from Housing & Dining to the general fund to subsidize investments and reduce use of reserves. Looking forward, we are exploring a more specific agreed upon transfer, giving consideration to general fund discounting of room and board revenues.
18) The misc transfer in FY17 was from combining Arlington Park cash with Auxiliary cash.
19) Housing & Dining's P&L statement is presented as a consolidated statement. Supplemental table A provides expense information disaggregated by Housing, Dining, and Central Auxiliaries. In the future, costs could be tracked in a way to present separate statements for Housing & Dining. Costs could be tracked to disaggregate each hall in the future as well.