

Section 3. Auxiliary and Recharge Schedule

A. Six-year trend and one-year changes in revenue by source, fund, and campus including significant trends, one-year changes, and projections

AUXILIARY RECEIPTS

Appendix 3.A.1 - Auxiliary Operations

Auxiliary funds are unrestricted enterprise funds that furnish a variety of services to students, faculty and/or staff for a fee. These fees directly relate to, but may not directly equal, the costs of the services provided. The bookstore, parking services, dining services, and housing are examples of auxiliary enterprises. Gross auxiliary enterprise revenue was \$17 million in FY22, an increase of 21 percent from FY21 and closer to levels from FY17. Reversals of COVID-19 related closures boosted auxiliary activity on campus, most notably at Residence Life and Dining Services.

Bookstore

COVID-19 and staffing challenges in FY22 negatively affected commission revenue for roughly \$7.5 thousand in FY22. The Bookstore contract expires June 30, 2023. A request for proposal (RFP) solicitation is expected to be issued with a new contract implemented July 1, 2023.

Parking Services

Parking Services had a positive fund balance of over \$1.6 million at the close of FY22. Expenditures are driven by parking improvements (e.g., signage, lot striping and maintenance); including the replacement of the dilapidated head bolt outlet system in the South Bunnell lot. The cost for improvements to the South Bunnell lot increased from the budgeted \$150 thousand to \$354 thousand and the project was completed in September 2022. Two new shuttle routes were offered in the summer of 2022 that increased ridership and community engagement. UAF hopes to add the first electric vehicle charging station to the Troth Yeddha' Campus in the near future.

Revenues declined in FY22 due to the COVID-19 pandemic which initiated remote learning and working at UAF. While students, faculty, and staff continue to return to campus, operations have not rebounded to pre-pandemic numbers. Parking services received COVID-19 recovery support funds in FY20 and FY21 that helped maintain a surplus status to the fund balance. COVID-19 recovery funds were not available for FY22 however, the fund balance remains in positive status and should continue to move in a positive direction. The campus continues to develop a ten-year plan for resurfacing lots, upgrading and expanding electrical plug-in services, lighting, parking kiosk replacement, and making other infrastructure investments with adjustments being made as Parking Services continues to recover from the COVID-19 pandemic.

Dining Services

Chartwells conducted an internal audit due to accounting discrepancies as a result of changing the way billing was conducted in FY22. Completion of the audit and resolution to the billing process are underway. As students and employees returned to campus, dining plan participation went up approximately 180 each semester. This is an overall increase of 34 percent.

Residence Life

Revenues and expenditures were both up from FY21. Students were eager to come back to campus resulting in an occupancy increase to nearly FY19 levels. There is still a high demand for super

single rooms even as COVID-19 winds down. This is characterized as “buying out” the other bed in the room at a reduced rate. For Fall 2022, 144 students selected this option.

As part of maintenance and repair (M&R) spending, Residence Life replaced flooring in multiple units, upgraded and expanded key boxes, and purchased new furniture for all Skarland Hall common spaces. Due to delays in anticipated construction, the fund balance increased. Those funds will be spent down in FY23. Construction on multiple projects will require Residence Life support. In addition to anticipated projects, new furniture will be purchased to modernize student spaces in tandem with the Moore and Bartlett Renewal project.

Hess Village

Revenues in FY22 decreased 3 percent due residents leaving campus housing and housing units offline for repairs. UAF enforced term limits per housing agreements, allowing for longer-term residents to transition out and new graduate students to transition in. Those units are expected to be fully occupied before winter break. Expenditures increased as units are aging and consistent plumbing and code issues have required costly repairs and updating. In FY22, DD&C completed remodels of two-bedroom Hess units. In addition, new beds and furniture were purchased for multiple units. The net effect to the fund balance was a decrease of \$108 thousand. At the end of FY22 there are still several units offline due to required M&R.

Table 3.1 Fund Balances - Residence Life, Hess Village and Dining Services, FY22

FY22	Residence Life Operations	Hess Village Operations	Dining Services	Total
Beg Fund Balance	3,575.6	1,587.3	103.8	5,266.7
Revenue	7,791.1	926.3	4,070.0	12,787.4
Expenditures	4,335.4	1,034.6	3,197.2	8,567.2
Net Operations	3,455.7	(108.3)	872.8	4,220.2
Transfers	1,000.5	-	-	1,000.5
End Fund Balance	6,030.9	1,479.0	976.6	8,486.4

RECHARGE CENTERS

Appendix 3.A.2 - Recharge Operations

There were 25 active recharge centers in FY22, of which 17 ended the year with positive fund balances and eight with negative fund balances. These fund balances do not include the addition of their depreciated fund balances. In sum, the total UAF recharge center ending fund balance decreased substantially to negative \$15.7 million for FY22.

The utilities recharge experienced a drastic increase in expenditures and moved the ending FY22 fund balance to a negative \$16.7 million. This was primarily due to a damaged turbine and a subsequent six-month repair process that resulted in the university purchasing power from Golden Valley Electric Association (GVEA). An insurance claim is in process. These factors, along with the cost of the actual repair, generated the large deficit at the recharge center. The turbine has been repaired and expected revenue from the purchase power agreement with GVEA is projected to help the recharge recover from its deficit in upcoming years.

ENTERPRISE CENTERS

Appendix 3.A.3 - Enterprise Operations

Of the five active enterprise centers in FY22, two ended the year with positive fund balances and three ended with negative fund balances. These fund balances do not include the addition of their depreciated fund balances. In total, enterprise center ending fund balance moved from negative \$924 thousand in FY21 to a positive \$636 thousand in FY22.

This change was primarily driven by activity at the High-frequency Aerial Aurora Research Program (HAARP) and the Alaska Satellite Facility (ASF) Geophysical Detection of Nuclear Proliferation University Affiliated Research Center (GDNP UARC. This is in relation to the Indefinite Delivery Indefinite Quantity (IDIQ) contract modification adjustment from \$50 million to \$100 million, and more growth expected in coming years.

Enterprise centers are specialized recharge centers; they charge other internal units or departments for goods or services but may have other defining qualities that may (or may not) require them to be separately classified as an enterprise fund. Some of these qualities may include:

- A different operating cycle than a fiscal year (such a calendar year).
- Direct sales to external parties.
- Rates are based on market and can incorporate competitive features.
- Existence of research and development (R&D) expenses: if significant recharge time exists that is not a direct billable activity but contributes toward a future billable product or service.
- Inclusion of a special charge code to avoid adding ICR through restricted funds because the center generates ICR expense directly. The reason for this varies, but happens due to the center having a very unique operation (such as Sikuliaq) or has primarily external sales (greater than 50 percent).

The presence of one of these qualities may not cause a recharge center to be classified as an enterprise, but typically two or more will.

B. Trend in housing capacity by building and occupancy

HOUSING

As of fall 2022, the total number of students living on campus in single-student housing residence halls or apartments increased 13.3 percent over the previous year. This represents an increase of 102 students. Residence Life worked with campus partners to implement a new process charging students a combined housing and dining fee as a way to increase compliance with UAF's first year live-on requirement. The financial and occupancy impacts of this change have not yet been determined.

Table 3.2 Residence Life Single Occupancy, FY16-FY22

Facility	Bartlett	Lathrop	McIntosh	Moore	Nerland	Skarland	Stevens	Wickersham	Cutler	Sustain Village	Total
Capacity as Built	322	132	98	322	97	143	101	96	242	16	1,569
2016	261	93	65	275	79	120	53	81	220	16	1,263
2017	260	95	75	216	0	129	0	82	224	16	1,097
2018	204	65	64	220	37	119	0	58	196	16	979
2019	212	0	64	210	0	121	0	76	194	0	877
2020	152	0	41	171	0	74	0	54	149	0	641
2021	220	0	58	211	0	104	0	0	173	0	766
2022	242	0	67	231	0	110	0	0	218	0	868
Capacity as Used	251	0	67	279	0	127	0	0**	230	0	954
Occupancy AU*	96.4%	NA	100.0%	82.8%	NA	86.6%	NA	NA	94.8%	NA	91.0%
Occupancy AB*	75.2%	0.0%	68.4%	71.7%	0.0%	76.9%	0.0%	0.0%	90.1%	0.0%	55.3%

Notes:

1. Bartlett rooms sold as super singles, limits capacity to 189; Moore freshmen in double rooms only, limits capacity to 300; Skarland used for faculty offices and Alaska Renaissance Project; Wickersham makes super singles available, all rooms occupied.
 2. Bartlett rooms sold as super singles, limits capacity to 189.
 3. Lathrop Hall converted to staff offices fall 2019.
 4. Nerland Hall double rooms sold as Super-Singles only; limits capacity to 49.
 5. All Occupancy Data is from Occupancy Reports run annually between the dates of September 11 - September 18.
- * AU: As Used - AB: As Built

Table 3.3 Residence Life Family and Faculty Occupancy, FY16-FY22

	Total		Occupancy
	Capacity	Occupancy	Percent
2016	165	120	72.7%
2017	165	142	86.1%
2018	176	161	91.5%
2019	170	156	91.8%
2020	170	145	85.3%
2021	169	141	83.4%
2022	169	129	76.3%

Notes:

1. Units may be redesignated from one category to another each year.
2. Not all units may be available due to maintenance down time.
3. As of Fall 2012, the Office of Residence Life has changed the format of the spreadsheet that we use to ascertain Family Occupancy numbers. The Office of Residence Life no longer designates specific facilities to family or faculty, there is simply a total capacity of units available.
4. As of January 2015, Walsh Hall (a total of 12 (1) bedroom apartments) is off-line until November 2017.
5. Occupancy Data for 2016 was pulled while 32 Chandalar, Garden, Hess, and Harwood units were offline due to various projects and were anticipated to return to service within 4-6 weeks.
6. Occupancy Data for 2022 was pulled while 9 Chandalar, Hess, and Harwood units were offline due to various projects.