



Item: AF: A-4

AUDIT AND FINANCE COMMITTEE

Wednesday, February 25, 2009

SUBJECT: REQUEST FOR APPROVAL OF A \$7,076,953 REDUCTION TO FLORIDA ATLANTIC UNIVERSITY'S 2008-2009 EDUCATIONAL AND GENERAL OPERATING BUDGET.

PROPOSED COMMITTEE ACTION

Recommend approval of a \$7,076,953 reduction to Florida Atlantic University's Educational and General Operating Budget in accordance with reduced General Revenue and Lottery collections for the 2008-2009 fiscal year. Delegate to the University President the authority to amend this budget as appropriate during the fiscal year.

BACKGROUND INFORMATION

The 2008-09 Florida Atlantic University Educational and General Operating Budget was approved by the Board of Trustees on June 25, 2008. The approved budget reflected \$256,676,127 in revenue authority and \$249,374,143 in expenditures. On July 11, 2008, the University received information from the Director of the Governor's Office of Policy and Budget that General Revenue and Lottery for fiscal year 2008-2009 would not be sufficient to support the appropriations approved by the legislature during the 2008 regular session and that the Governor was implementing a one percent holdback per quarter (four percent annual).

On January 5, 2009, a Special Legislative Session was started to determine the amount of reductions impacting the State University System and other programmatic areas. For Florida Atlantic University the reduction totaled \$7,076,953, divided as \$6,411,641 in General Revenue and \$665,312 in Lottery.

These reductions will be covered by using the planned recurring reserves of \$4,100,000 created during the 2008-2009 Operating Budget development and \$2,976,953 of non-recurring carry-forward funding from 2008-2009. Recurring funding to meet the continuing \$3,076,953 reduction will be identified during the 2009-2010 budget development process.

IMPLEMENTATION PLAN/DATE

Upon Approval of the Florida Atlantic University Board of Trustees. Effective January 12, 2008.

FISCAL IMPLICATIONS

The Educational and General Operating Budget is appropriated by the Florida Legislature and governs the University's expenditures from this fund. The University's budget cannot exceed the amount appropriated by the legislature.

Supporting Documents: N/A.

Presented by: Dr. Kenneth A. Jessell

Phone: 561-297-3266