AUDIT AND FINANCE COMMITTEE  
Wednesday, June 27, 2007

SUBJECT: REQUEST FOR APPROVAL OF FLORIDA ATLANTIC UNIVERSITY’S 2007-2008 OPERATING BUDGET.

PROPOSED BOARD ACTION

Recommend approval of FAU’s 2007-2008 Operating Budget. The Operating Budget consists of Educational and General (General Revenue, Student Fees, and Education Enhancement); Student Financial Aid; Grants and Contracts; Auxiliary Enterprises; Athletics Local; Student Government; and, Concession. Delegate to the University President the authority to amend these budgets as appropriate during the fiscal year.

BACKGROUND INFORMATION

The University President is required to prepare an Annual Operating Budget for approval by the Board of Trustees. Authority for the University President to amend the budget is necessary to accommodate changes in revenues, expenditures, statutory budget changes, salary increases, health insurance increases, retirement rate increases, and technical amendments without the need for the Board of Trustees’ approval each time these modifications are made.

This budget was recommended for approval at the June 13, 2007 Audit and Finance Committee meeting.

IMPLEMENTATION PLAN/DATE

July 1, 2007.

FISCAL IMPLICATIONS

The Operating Budget governs the University’s expenditures during the year. This budget is required to be approved by the Board of Trustees prior to July 1, 2007.

Supporting Documentation:  

Presented by:  Dr. Kenneth A. Jessell  
Phone:  561-297-3266
2007-2008
Operating Budget
The 2007-08 Operating Budget of Florida Atlantic University (FAU) is comprised of seven budgetary components:

- Educational and General
- Contracts and Grants
- Athletics
- Concessions
- Student Financial Aid
- Auxiliary Enterprises
- Student Government

Within the budget development process, methods and techniques are carefully integrated to ensure effective *best practices* and to validate that decisions are directly tied to the University’s strategic goals and objectives in a *value-maximizing* framework. All proposed expenditures are reviewed and evaluated at multiple levels within the organization, from departmental units to the President’s Executive Committee and the Board of Trustees Committees. Finally, the operating budget is formally approved and adopted by the full Board of Trustees.

FAU’s 2007-08 Operating Budget totals $530,833,902 an increase of 7.6 percent over the prior year. In order to more accurately reflect total revenues within each budgetary component, the 2007-08 Budget reflects transfers between units.
Educational and General Budget: The Educational and General (E&G) Budget supports the academic mission of the university through expenditures for instruction, research, library and learning resources, student services, university support, and physical plant. The E&G Budget totals $260,637,592 in estimated expenditures and reflects an increase of 10 percent over the previous year. Key components of this budget increase include funding for enrollment growth in new students, a five percent tuition increase for in-state graduate students, the cost to continue prior budgetary appropriations, the expansion of the University of Miami/Florida Atlantic University Medical Partnership Program, the Harbor Beach Oceanographic Institution merger, and the Torrey Pines Institute for Molecular Studies, Inc./Florida Atlantic University Research Partnership program.

Student Financial Aid: The Student Financial Aid Budget is comprised of funding from student financial aid fees, support from federal and state financial aid awards, institutional programs, as well as numerous private scholarships. The Student Financial Aid Budget totals $122,951,300 in projected expenditures, a slight increase over the prior year.
Contracts and Grants: The Contracts and Grants Budget is comprised of funding from many sources, including federal, state and local governmental agencies and private organizations. Also included are the A. D. Henderson University School and the FAU Foundation Payroll Clearing Fund. The Contracts and Grants Budget totals $63,307,843 in projected expenditures, an increase of 7 percent over the prior year.

Auxiliary Enterprises: The Auxiliary Enterprises Budget is comprised of over one hundred different business and enterprise operations that are self-supporting through user fees, payments, and charges. The range of business operations includes large auxiliaries such as food service, traffic and parking, and housing and small operations such as the Department of Ocean Engineering Research Boat and the College of Science Machine Shop. The Auxiliary Enterprises Budget totals $63,391,982 in projected expenditures, an increase of 15.2 percent over the prior year.
Athletics: The Athletics Budget is comprised of funding from student athletic fees, ticket sales to athletic events, game guarantees, corporate sponsorships, National Collegiate Athletic Association distributions and private support and gifts. The Athletics Budget totals $12,786,185 in projected expenditures, an increase of 6 percent over the prior year.

Student Government: The Student Government Budget is comprised of funding from the activity and service fee paid by students and well as other types of club and program income. The Student Government Budget totals $7,064,000 in projected expenditures, an increase of 5.8 percent over the prior year.

Concessions: The Concessions Budget is comprised of funding derived from concessions operations such as soft drink and snack vending machines. The Concessions Budget totals $695,000 in projected expenditures, a 21.4 percent increase over the prior year.
# Executive Summary

## Expenditure Budget

<table>
<thead>
<tr>
<th>EXPENDITURE BUDGET</th>
<th>2006-07 Original</th>
<th>2007-08 Proposed</th>
<th>Percentage Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Educational &amp; General</td>
<td>$236,885,648</td>
<td>$260,637,592</td>
<td>10.0%</td>
</tr>
<tr>
<td>Student Financial Aid</td>
<td>$122,803,303</td>
<td>$122,951,300</td>
<td>0.1%</td>
</tr>
<tr>
<td>Contracts &amp; Grants</td>
<td>$59,163,175</td>
<td>$63,307,843</td>
<td>7.0%</td>
</tr>
<tr>
<td>Auxiliary Enterprises</td>
<td>$55,006,528</td>
<td>$63,391,982</td>
<td>15.2%</td>
</tr>
<tr>
<td>Athletics</td>
<td>$12,067,000</td>
<td>$12,786,185</td>
<td>6.0%</td>
</tr>
<tr>
<td>Student Government</td>
<td>$6,678,124</td>
<td>$7,064,000</td>
<td>5.8%</td>
</tr>
<tr>
<td>Concessions</td>
<td>$572,575</td>
<td>$695,000</td>
<td>21.4%</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>$493,176,353</td>
<td>$530,833,902</td>
<td>7.6%</td>
</tr>
</tbody>
</table>
Florida Atlantic University
2007-08 Expenditure Operating Budget - $530,833,902

EDUCATIONAL & GENERAL
$260,637,592
49.1%

STUDENT GOVERNMENT
$7,064,000
1.3%

STUDENT FINANCIAL AID
$122,951,300
23.2%

GRANTS
$63,307,843
11.9%

CONCESSION
$695,000
.1%

ATHLETICS
$12,786,185
2.4%

AUXILIARY
$63,391,982
12.0%

$12,786,185
2.4%

$695,000
.1%

$63,307,843
11.9%

$122,951,300
23.2%

$7,064,000
1.3%

$260,637,592
49.1%

$63,391,982
12.0%

$63,307,843
11.9%
Florida Atlantic University
2007-08 Educational & General Expenditure Budget by Component- $260,637,592

- INSTRUCTIONAL & RESEARCH: $171,139,789 (65.7%)
- UNIVERSITY SUPPORT: $30,044,729 (11.5%)
- STUDENT SERVICES: $23,272,893 (8.9%)
- PHYSICAL PLANT: $21,529,898 (8.3%)
- LIBRARY / LEARNING RESOURCES: $14,650,283 (5.6%)
<table>
<thead>
<tr>
<th>Component</th>
<th>2006-07 Budget</th>
<th>2006-07 Percentage of Total</th>
<th>2007-08 Budget</th>
<th>2007-08 Percentage of Total</th>
<th>Dollar Increase</th>
<th>Percentage Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Instruction and Research</td>
<td>$152,426,480</td>
<td>64.3%</td>
<td>$171,139,789</td>
<td>65.7%</td>
<td>$30,044,729</td>
<td>12.2%</td>
</tr>
<tr>
<td>University Support</td>
<td>$28,507,585</td>
<td>12.0%</td>
<td>$30,044,729</td>
<td>11.5%</td>
<td>$1,537,144</td>
<td>5.4%</td>
</tr>
<tr>
<td>Student Services</td>
<td>$20,583,240</td>
<td>8.7%</td>
<td>$23,272,893</td>
<td>8.9%</td>
<td>$2,689,653</td>
<td>13.1%</td>
</tr>
<tr>
<td>Physical Plant</td>
<td>$21,241,048</td>
<td>9.0%</td>
<td>$21,529,898</td>
<td>8.3%</td>
<td>$288,850</td>
<td>1.4%</td>
</tr>
<tr>
<td>Library/Learning Resource</td>
<td>$14,127,295</td>
<td>6.0%</td>
<td>$14,650,283</td>
<td>5.6%</td>
<td>$522,988</td>
<td>3.7%</td>
</tr>
<tr>
<td>Total</td>
<td>$236,885,648</td>
<td>100.0%</td>
<td>$260,637,592</td>
<td>100.0%</td>
<td>$23,751,944</td>
<td>10.0%</td>
</tr>
</tbody>
</table>
Florida Atlantic University

2007-08 Educational & General - Instructional and Research Expenditure Budget by College and Academic Areas - $171,139,789

<table>
<thead>
<tr>
<th>College/Program</th>
<th>Expenditure</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>EDUCATION</td>
<td>$16,983,092</td>
<td>9.9%</td>
</tr>
<tr>
<td>BUSINESS</td>
<td>$25,196,392</td>
<td>14.7%</td>
</tr>
<tr>
<td>ARTS &amp; LETTERS</td>
<td>$23,624,429</td>
<td>13.8%</td>
</tr>
<tr>
<td>SCIENCE</td>
<td>$23,408,290</td>
<td>13.7%</td>
</tr>
<tr>
<td>HONORS</td>
<td>$3,937,385</td>
<td>2.3%</td>
</tr>
<tr>
<td>NURSING</td>
<td>$5,380,719</td>
<td>3.1%</td>
</tr>
<tr>
<td>ACADEMIC COMPUTING</td>
<td>$4,949,911</td>
<td>2.9%</td>
</tr>
<tr>
<td>CAUPA</td>
<td>$9,141,965</td>
<td>5.4%</td>
</tr>
<tr>
<td>BIOMEDICAL</td>
<td>$11,626,518</td>
<td>6.8%</td>
</tr>
<tr>
<td>ACADEMIC PROGRAMS/CNTRS</td>
<td>$31,639,891</td>
<td>18.5%</td>
</tr>
<tr>
<td>ENGINEERING</td>
<td>$15,251,197</td>
<td>8.9%</td>
</tr>
<tr>
<td>ACADEMIC</td>
<td>$31,639,891</td>
<td>18.5%</td>
</tr>
</tbody>
</table>

Total Expenditure: $171,139,789
## Florida Atlantic University
### 2007-2008 Operating Budget
#### Educational and General

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2006-2007 E &amp; G Operating Expenditure Budget – Approved by BOT June 2006</strong></td>
<td>$236,885,648</td>
</tr>
<tr>
<td>Board of Governors Adjustments</td>
<td></td>
</tr>
<tr>
<td>Additional Budget Authority 5,062,230, Challenge Grant Transfer (1,998,037), Non-Recurring (5,950,000)</td>
<td>(2,885,807)</td>
</tr>
<tr>
<td><strong>2006-2007 E &amp; G Operating Expenditure Budget approved by BOG</strong></td>
<td>233,999,841</td>
</tr>
<tr>
<td><strong>Appropriations/Adjustments 2007-08</strong></td>
<td></td>
</tr>
<tr>
<td>Legislative Cost to Continue (Insurances, PO&amp;M, Retirement, and Salary Increases)</td>
<td>8,169,791</td>
</tr>
<tr>
<td>Ongoing Obligations – New Space (Plant Operations &amp; Maintenance)</td>
<td>3,359,874</td>
</tr>
<tr>
<td>Enrollment Growth – 255 FTE</td>
<td>164,000</td>
</tr>
<tr>
<td>Annualization of Prior Year Tuition Increase – Summer</td>
<td>666,036</td>
</tr>
<tr>
<td>Ratio of In-State/Out-of-State – General Revenue</td>
<td>(1,236,070)</td>
</tr>
<tr>
<td>Ratio of In-State/Out-of-State – Trust Fund</td>
<td>2,953,840</td>
</tr>
<tr>
<td>Nursing Workforce – Year Two</td>
<td>202,500</td>
</tr>
<tr>
<td>UM/FAU Medical Partnership Program</td>
<td>4,700,000</td>
</tr>
<tr>
<td>Harbor Branch Oceanographic Institution</td>
<td>8,500,000</td>
</tr>
<tr>
<td>Torrey Pines Institute for Molecular Studies/FAU Collaboration (non-recurring)</td>
<td>13,402,500</td>
</tr>
<tr>
<td>Florida Institute for the Advancement of Teaching Professionals (non-recurring)</td>
<td>6,000,000</td>
</tr>
<tr>
<td>Florida Israel Institute (non-recurring)</td>
<td>500,000</td>
</tr>
<tr>
<td>BOT 5% Tuition Graduate In-State</td>
<td>50,000</td>
</tr>
<tr>
<td>Authorization of 2006-07 Tuition Increase for Optional Graduate Out-of-State</td>
<td>6,550,000</td>
</tr>
<tr>
<td>Less Reserve Budget Authority 2006-07 (5,062,230) and 2007-08 (339,754)</td>
<td>(5,401,984)</td>
</tr>
<tr>
<td><strong>2007-08 E&amp;G Legislatively Appropriated Expenditure Budget</strong></td>
<td>$260,637,592</td>
</tr>
</tbody>
</table>
New Issue

Annualization/Cost to Continue $8,169,791

- Last year, the Legislature provided partial funding to support increases in health insurance premiums, plant operations and maintenance, and salary increases. This year the Legislature provided the remaining committed funds.

- Funding received totals $1,628,783 for health, casualty, and risk insurance premiums; $399,413 for plant operations and maintenance; $1,019,448 for retirement rate increases and $5,122,147 for salary increases.

- The cost to continue funding fulfills the annualized amounts needed to meet these obligations.
New Issue

2007-08 New Space $6,878

- Funding to support Plant Operations and Maintenance of new construction/buildings.
New Issue

Enrollment Growth $3,359,874

- Funds are provided to support an additional 255 FTE students (61 Lower Level, 136 Upper Level, 58 Graduate)

- 2007-08 Funded Enrollment Plan:
  - Lower Level 4,728 FTE
  - Upper Level 8,298 FTE
  - Graduate 2,219 FTE

  Total 15,245 FTE*

* Includes 21 Graduate FTE in Nursing, which is tracked separately.
New Issue

**Annualization of Prior Year Tuition** $164,000
**Increase for Summer**

- Funding associated with the 2006-2007 3 percent Undergraduate In-State tuition increase applied to summer semester 2007.

---

*Allocations Based Upon FAU Strategic Goals*
- **Goal 1:** Providing increased access to higher education
- **Goal 2:** Meeting statewide professional and workforce needs
- **Goal 3:** Building world-class academic programs and research capacity
- **Goal 4:** Meeting community needs and fulfilling unique institutional responsibilities
- **Goal 5:** Building a state-of-the-art information technology environment
- **Goal 6:** Enhancing the physical environment
- **Goal 7:** Increasing the University’s visibility
Change in Student Mix  ($570,034)

- The Legislature appropriated $666,036 in General Revenue to offset a loss of $1,236,070 in Out-of-State student fees.

- This represents a net decrease of $570,034 in budget authority.
In support of the strategy laid out in the Strategic Plan Goal 2, Objective 1-1, “[To] Increase enrollments in MS in Nursing Education track [and in the] Ph.D. in Nursing Education track, FAU received $202,500 to support additional Masters and Doctoral degrees in Nursing.

Funding will be used to support 6 Graduate FTE.

The College of Nursing will enroll additional nurse educators at the post-masters/advance practice and doctoral levels in order to increase the supply of nursing faculty.

**Strategic Goals**

**Goal 2:** Meeting statewide professional and workforce needs  
**Goal 3:** Building world-class academic programs and research capacity
New Issue

UM/FAU Medical Partnership Program

$4,700,000

- FAU received recurring funding of $4,700,000 to fund the UM/FAU Medical Partnership Program Expansion to 4 years.

- Allows the regional medical campus to continue to evolve towards its goal of offering all four years of medical education on the Boca Raton campus, thus increasing the pool of doctors for the State of Florida.

Strategic Goals

Goal 2: Meeting statewide professional and workforce needs
Goal 3: Building world-class academic programs and research capacity
Goal 4: Meeting community needs and fulfilling unique institutional responsibilities
Goal 7: Increasing the University’s visibility
New Issue

Harbor Branch Oceanographic Institution/FAU Merger

- FAU received recurring funding of $8,500,000 to fund the operation of the FAU/Harbor Branch Oceanographic Institution.

- This funding will support transition and recurring costs for library support, education programs, contracts and grants support, media and audio-visual laboratories, financial operations, human resources, security, plant operations and maintenance, and other administrative support needs.

Strategic Goals

- **Goal 3:** Building world-class academic programs and research capacity
- **Goal 4:** Meeting community needs and fulfilling unique institutional responsibilities
- **Goal 7:** Increasing the University’s visibility
New Issue

Torrey Pines Institute for Molecular Studies, Inc. $6,000,000
and FAU Research Partnership

- This funding supports the research partnership which focuses on the biomedical sciences. It will produce a significant return on investment to the State of Florida through employment, workforce development, and the commercialization of anticipated scientific and technological discovery and innovation in fields related to basic biomedical research, drug discovery and invention, and treatment of disease.

- Funds will be used for post-doctoral researchers - $3,000,000 ($600,000 annually for 5 years), joint faculty appointments - $1,900,000 ($380,000 annually for 5 years) and instrumentation and specialized equipment ($1,000,000).

Strategic Goals
- Goal 2: Meeting statewide professional and workforce needs
- Goal 3: Building world-class academic programs and research capacity
- Goal 4: Meeting community needs and fulfilling unique institutional responsibilities
- Goal 7: Increasing the University’s visibility
New Issue

The Florida Institute for the Advancement of Teaching

- FAU received $500,000 in non-recurring funds to support the Institute.
- Housed within the College of Education, these funds assist in providing solutions for improving Florida’s PK-20 educational system by recruiting, preparing and retaining quality educators to meet the needs of Florida schools.
- The Florida Institute for the Advancement of Teaching was a priority in the 2007-08 Legislative Budget Request to the State of the Florida ($3.19 million).

Strategic Goals
- Goal 2: Meeting statewide professional and workforce needs
- Goal 4: Meeting community needs and fulfilling unique institutional responsibilities
- Goal 7: Increasing the University’s visibility
Florida Israel Institute

- FAU received $50,000 in non-recurring funds to support funding initiatives of the Institute.
- Program initiatives will enhance the Florida economy and involve collaborative efforts aimed at Israel’s academic institutions.

Strategic Goals

Goal 4: Meeting community needs and fulfilling unique institutional responsibilities
Goal 7: Increasing the University’s visibility
New Issue

BOT Tuition Increase $616,972

- BOT authorized 5 percent tuition increase for Graduate In-State Students.

- Amount includes $169,740 of Summer 2008 tuition, collected in 07-08 and to be held in reserve.

- Non-Resident tuition increases are not recommended.
New Issue

Salary Increase

- State of Florida employees, including all eligible University employees, are slated to receive a one-time bonus of $1,000.
- Salary bonus is effective November 1, 2007.
- Amount not determined as yet.
Funding Allocations
Tuition Increases and Enrollment Growth

Linkage to Strategic Goals
New Funding

Non-dedicated Funds to Support FAU’s Strategic Goals $3,570,812

- Enrollment Growth (255 FTE) $3,359,874
- Annualization of Prior Year Tuition Increase for Summer 164,000
- Ratio of In-State/Out-of-State – General Revenue 666,036
- Ratio of In-State/Out-of State – Trust Fund (1,236,070) $2,953,840

- BOT 5% Tuition Increase Graduate In-State 616,972 (includes $169,740 Summer 2008) $3,570,812

Allocations Based Upon FAU Strategic Goals

Goal 1: Providing increased access to higher education
Goal 2: Meeting statewide professional and workforce needs
Goal 3: Building world-class academic programs and research capacity
Goal 4: Meeting community needs and fulfilling unique institutional responsibilities
Goal 5: Building a state-of-the-art information technology environment
Goal 6: Enhancing the physical environment
Goal 7: Increasing the University’s visibility
Focus on *student access, recruitment, retention and graduation.*

Recommendations are the result of collaboration and discussions over several months through:
- Executive Committee Meetings
- Four Formal Budget Workshops
- Department and Area Recommendations
- Vice President Recommendations
- Approximately $10 million in Strategic Priority Requests
Allocations
University – Wide Initiatives

Cost to Continue 2006-07  $675,000
BOT Merit Salary Increase

- In 2006-2007, the FAU Board of Trustees awarded competitive performance based salary increases of .75 percent effective January 2007 for non-unit employees and a 1.25 percent salary increase for merit and equity for in-unit faculty effective December 2006.

- This amount funds the continuation of the increase in the 2007-2008 year.

- This commitment to Faculty and Staff salaries utilizes approximately 19 percent of new non-dedicated funding.

Strategic Goal

Goal 3: Building world-class academic programs and research capacity
Allocations
University – Wide Initiatives

Faculty Promotions $317,000

- Funding to reward faculty for sustained superior performance.
- Promotional increases reward improvements in performance, efficiency, and productivity.
- Promotional increases will be awarded based upon the Collective Bargaining Agreement, which sets increases at 9 percent for promotion to Associate Professor and 12 percent for promotion to Professor.
- This commitment to faculty promotions utilizes approximately 9 percent of new non-dedicated funding.

Strategic Goals
Goal 1: Providing increased access to higher education
Goal 2: Meeting statewide professional and workforce needs
Goal 3: Building world-class academic programs and research capacity
Allocations
Instruction and Research

Instruction and Research $2,013,000

- Funding of $2,013,000 to support the Instruction and Research mission of the University. It will support new student enrollments, instructional enhancements, program quality and accreditation requirements.

- Focus is on student access, retention, and graduation.

- Allocation is for new faculty, instructional staff support, teaching assistants, and adjunct faculty and is restricted to colleges that met or exceeded 2006-07 enrollment targets.

- This commitment to the instruction and research mission of the University in order to enhance student access, retention and graduation utilizes approximately 57 percent of new non-dedicated funding.

Strategic Goals

Goal 1: Providing increased access to higher education
Goal 2: Meeting statewide professional and workforce needs
Goal 3: Building world-class academic programs and research capacity
## Allocations

### University Support

<table>
<thead>
<tr>
<th>Support</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>University Communications and Marketing</td>
<td>$200,000</td>
</tr>
<tr>
<td>Student Recruitment and Enhancement</td>
<td>$125,000</td>
</tr>
<tr>
<td>Office of Community Engagement</td>
<td>$  75,000</td>
</tr>
</tbody>
</table>

- Linked to Strategic Plan Goal 4, “meeting community needs”, objectives 2, 3, and 4 focusing on community engagement, University outreach, and effective communication. This allocation is also linked to Goal 7, “Increasing the University’s visibility”, objectives 1, 2, and 3 focusing on communicating the university’s accomplishments and identity, both internally and externally”.

- This commitment to student recruitment and communication utilizes approximately 5 percent of new non-dedicated funding.

**Strategic Goals**
- **Goal 4**: Meeting community needs and fulfilling unique institutional responsibilities
- **Goal 7**: Increasing the University’s visibility
Allocations
University Support

University Support $29,137

- Financial Affairs
  - Human Resources – Customer Services $19,137
  - Operating Expense Increases $10,000

- This commitment to faculty, staff and student support utilizes approximately 1 percent of new non-dedicated funding.

Strategic Goal
Goal 4: Meeting community needs and fulfilling unique institutional responsibilities
Allocations
Partner Campus Funding

Partner Campus Funding - Technology/Library/Operations $221,675

- Broward Campus
  - Police Lieutenant Position $58,000
  - Joint Use Library with BCC – Contract Increase $26,379
  - Classroom Technology-Distance Learning/Video Conferencing $51,148

- Jupiter Campus
  - Classroom Technology-Distance Learning/Video Conferencing $51,148
  - Student Affairs Clerical Support $35,000

- Technology support for Goal 5, Objective 1, improves technology infrastructure to provide greater access and classes to enhance retention and graduation

- This commitment to partner campuses to support student access, retention and graduation utilizes approximately 7 percent of new non-dedicated funding

**Strategic Goals**

Goal 1: Providing increased access to higher education
Goal 4: Meeting community needs and fulfilling unique institutional responsibilities
Goal 5: Building a state-of-the-art information technology environment
Allocations
Student Services

Division of Student Affairs $115,000

- This allocation supports efforts under Strategic Plan Goal 1, Objectives 2, 3 and 4, which aims to foster institutional commitment to student satisfaction and success leading to higher retention and graduation rates.

- Funding to provide an Associate Vice President for Campus Life to assist Student Affairs professional staff in recruitment, retention and graduation of students.

- Supporting BOT initiatives and objective 10 of Goal 1, this position will help enhance the traditional university experience.

- This commitment to student recruitment, retention and graduation utilizes approximately 3 percent of new non-dedicated funding.

Strategic Goal
Goal 1: Providing increased access to higher education
Reallocation of Existing Resources
Reallocation of Existing Resources

Throughout the year, current operations are examined to ensure resources are utilized as efficiently as possible.

Where opportunities exist, resources are reallocated to priorities and initiatives of the University’s Strategic Plan.
Reallocation of Existing Resources

- Office of the Registrar cut printing, paper and postage costs by moving virtually all required registration activities to web-based applications. Savings in materials and personnel of over $200,000 annually were redirected to support summer instruction.

- Information Resource Management (IRM) redirected savings from the implementation of the Banner information system towards improvements in the Degree Audit system, which will result in more efficient student advising.

- Additional savings - $680,000 - from the Banner implementation were redirected to the addition of seven videoconference classrooms and the staff to operate the facilities.

- The College of Nursing leveraged faculty salaries that were supported by grants (buy-outs for research) to hire additional faculty, staff, and TAs to cover summer courses and to purchase equipment. A total of $380,000 was reallocated.
Reallocation of Existing Resources

- The College of Engineering & Computer Science has redeveloped its engineering core curriculum to provide instructional efficiencies by drawing on the teaching strengths of all departments and minimize any slack in faculty assignments.

- The College of Business has increased its use of distance learning technologies to bring courses to all campus in an efficient, non-duplicative manner.

- Salary savings are used to fund additional sections during the summer. Estimated reallocation is $150,000.

- Collaboration between the Office of the Provost, Office of Admissions, and the Student Athlete Center for Athletic Excellence redirected funding of $42,000 to support an additional academic advisor.
Reallocation of Existing Resources

On the Broward Campus several reallocation efforts totaling $453,055 were initiated in 2006-07:

- Support additional summer course offerings (CAUPA, Science) $130,136
- Supplement fledgling Broward Lifelong Learning Program $45,000
  (Marketing, Temp. Staff)
- Support for Arts and Letters Center for Writing Excellence $34,919
  (Davie Campus)
- Add Video Conference Classroom (Davie Classroom) $65,000
- Upgrade Visual Planning and Tech Lab (FTL) $43,000
- Fund FF&E for Multi-Purpose Meeting Space (new Student Union, Davie Campus) $75,000
- Phase 1 Renovation for One-Stop Student Support Services Area—registration, admissions, cashiering (Davie Campus-vacated space when Student Union opens) $60,000
Reallocation of Existing Resources

- Utilize salary savings from departing faculty and staff to meet student needs by expanding summer course offerings ($80,000).

- Support faculty with replacing and upgrading technology with funds from auxiliary projects which serve the greater community as well as students ($70,000).

- Addition of video conferencing rooms to increase opportunities for distance learning; saving gas for faculty and students.
Florida Atlantic University
Educational & General
Operating Budget 2007-08 with Prior Year Comparison

Revenue Budget FY07
$241,947,878

Expenditures Budget FY07
$236,885,648

Projected Revenue FY07
$248,974,275

Projected Expenditures FY07
$243,912,045

Revenue Budget FY08
$266,039,576

Expenditures Budget FY08
$260,637,592

Lottery
$14,766,289

Student Fees
$70,391,164

General Revenue
$165,814,859

Lottery
$12,768,252

Student Fees
$71,191,164

General Revenue
$155,990,425

Lottery
$11,881,615

Student Fees
$72,343,264

General Revenue
$181,814,697

Project Revenue
$248,974,275

Projected Expenditures
$243,912,045

Revenue Budget
$266,039,576

Expenditure Budget
$260,637,592
Florida Atlantic University
Operating Budget 2007-2008
Educational and General Budget Summary

- Expenditure Budget 2006-2007: $236,885,648
- Expenditure Budget 2007-2008: $260,637,592
- Percentage Increase in Budget 2006-07 to 2007-08: 10.0%
Student Financial Aid

Budget
The Student Financial Aid Budget Consists of:

- The Student Financial Aid budget largely represents scholarship and loan funds that are received by the University and subsequently disbursed to students. Included in the budget are funding from student financial aid fees as well as financial aid support from all sources such as federal financial aid awards (Pell, Student Educational Opportunity Grants, Perkins Loans, Stafford Loans), state financial aid awards (Bright Futures, Florida Assistance Grants), Institutional Programs (Presidential Awards, MLK Scholarships) and Private Scholarships (FAU Foundation).

- **Credit Hour Financial Aid Fees:**
  - $ 3.68 Undergraduate In-State
  - $24.41 Undergraduate Out-of-State
  - $10.02 Graduate In-State
  - $41.89 Graduate Out-of-State
Student Financial Aid Highlights

- A total of $128,121,132 in awards was dispersed to students in 2005-06. This represents an increase of 55% since 2001-02.

- In 2005-06, 15,502 students (unduplicated headcount) were the recipients of financial aid from federal, state, institutional, and private sources at FAU.

- Over a five-year period, the number of recipients has grown by 32.2% (2001-02 to 2005-06).

- Of the four types of awards by program (grants, loans, scholarships, and employment), scholarships to students increased the most - 87% over the five year period. Student loans increased by 55% over the same period.

- Private sources of funding increased from $776,446 in 2001-02 to $7,421,833 in 2005-06, an increase of over 855%. Over 2,760 students received funds from private sources in 2005-06.
Florida Atlantic University
Student Financial Aid
Operating Budget 2007-08 with Prior Year Comparison

Revenue
Budget FY07 $122,936,011
Expenditures
Budget FY07 $122,803,303
Projected
Revenue FY07 $122,936,011
Projected
Expenditures FY07 $122,803,303
Revenue
Budget FY08 $122,951,300
Expenditures
Budget FY08 $122,951,300

$0 $10,000,000 $20,000,000 $30,000,000 $40,000,000 $50,000,000 $60,000,000 $70,000,000 $80,000,000 $90,000,000 $100,000,000 $110,000,000 $120,000,000 $130,000,000
Florida Atlantic University
Operating Budget 2007-2008
Student Financial Aid Budget Summary

- Expenditure Budget 2006-2007: $122,803,303
- Estimated Expenditures for 2006-2007: $122,803,303
- Expenditure Budget 2007-2008: $122,951,300
- Percentage Increase in Budget 2006-07 to 2007-08: .1%
Grants and Contracts
Budget
The Grants and Contracts Budget Consists of:

- Funding from federal agencies, state agencies, foundations and private sources that enables the University to conduct specific research projects or to provide specific services.

- Expenditures for the Division of Sponsored Research, the A.D. Henderson University School and the Florida Atlantic University Foundation (payroll clearing account) are included in the Grants & Contracts budget.
Grants and Contracts Highlights

- The 2007-08 operating budget represents an increase of 7 percent over the prior year to accurately reflect the level of grant funding projected for the year.

- Expenditures
  - Sponsored Research $51,500,000
  - FAU Foundation 6,920,196
  - A.D. Henderson School 4,887,647
  - Total $63,307,843
Florida Atlantic University
Grants and Contracts
Operating Budget 2007-08 with Prior Year Comparison

Revenue
- Budget FY07: $59,173,420
- Projected FY07: $46,602,703
- Budget FY08: $63,497,151

Expenditures
- Budget FY07: $59,163,175
- Projected FY07: $48,116,405
- Budget FY08: $63,307,843

Prior Year Comparison:
- Revenue FY06: $59,173,420
- Expenditures FY06: $59,163,175
- Revenue FY07: $46,602,703
- Expenditures FY07: $48,116,405
- Revenue FY08: $63,497,151
- Expenditures FY08: $63,307,843
<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expenditure Budget 2006-2007:</td>
<td>$59,163,175</td>
</tr>
<tr>
<td>Expenditure Budget 2007-2008:</td>
<td>$63,307,843</td>
</tr>
<tr>
<td>Percentage Increase in Budget 2006-07 to 2007-08:</td>
<td>7%</td>
</tr>
</tbody>
</table>

Note: When the research activity of HBOI is integrated into the FAU budget in its entirety, FAU indirect cost recovery dollars and research volume will increase correspondingly.
Auxiliary Enterprises
Budget
The Auxiliary Enterprises Budget Consists of:

University business operations that are self-supporting through user fees, payments and charges. These include:

- Food Services
- Housing
- Bookstore
- Printing/Duplicating
- Telecommunications
- Lifelong Learning Society
- Ocean Engineering Boat
- Postal Services
- Student Health Center
- Traffic and Parking
- Student Center
- College Continuing Education
- University Theatre
- College of Science Machine Shop
In addition to service provided to internal constituents, the Auxiliary Enterprise activities offer our surrounding community with several enrichment and educational services:

- Lifelong Learning at FAU is the nation’s largest provider of programs to senior citizens in the United States, serving nearly 30,000 senior and adults over the past 2006-07 year. In 2006-07, on the Broward campus alone, nearly 40 courses were scheduled, enrolling approximately 700 registrants.

- The Office of International Programs assists students, faculty and staff with individuals interests in international travel, courses, and study abroad, among other services. In 2005-06 the Office of International Programs sent 370 students overseas to countries such as Japan, Greece, Sweden, Germany and nearly 20 other foreign countries.

- The Teaching and Leadership Center partners with the School Board of Broward County to offer a fast-track graduate-level course experimenting with technology to improve student achievement in reading, mathematics, and science. Educators learn strategies for integrating technology in their curriculum, strategies that provide hands-on experiences. Over 4,000 Broward County teachers have completed these courses.
Auxiliary Enterprises
Highlights

- Student Health Services provide and promote quality health care and wellness education and resources that are essential for the academic and personal success of the university community. Services include immunization, pharmaceuticals, responses to communicable diseases (Norovirus and Pandemic Influenza), and FAU has the only dental clinic in the State of Florida University System. Over 20% of the student population at FAU has accessed health care at one of the clinics or with a partner community medical provider in the area.

- The Office of Orientation is responsible for all undergraduate New Student and Parent orientations. Offering 20 orientations throughout the year, either on site or via video conferencing, over 6,000 first time freshman students, transfers, and parents complete the program.

- The College of Business has awarded 341 Master degrees over the past five years through auxiliary programs. They serve non-traditional students who attend class on the weekends, online, or by video instruction. Their degrees include some of our most innovative programs: Forensic Accounting, Crisis and Emergency Management, and the Environmental MBA. Revenues derived from these programs offset costs for new data bases and software programs that benefit the entire college faculty and staff community.

- Revenues and successful negotiations from vendors in the Food Service unit have served to offset the cost of renovations in the FAU Breezeway, currently under construction. These new concepts will provide students, faculty, staff and visitors to FAU with an up-to-date choice of healthy and contemporary food choices.
FAU Pharmacy
Breezeway Café – Renovations Underway
Breezeway Café
Centre Marketplace - Renovations
New Freshman Experience Hall
Construction of Outtakes Convenience Store in the New Freshman Experience Hall
Example of Outtakes Convenience Store in the New Freshman Experience Hall
Computer Laboratory in the New Freshman Experience Hall
Example of Computer Laboratory in the New Freshman Experience Hall
The 2007-08 Budget reflects an increase of 15.2 percent which includes transfer authority. The largest components of the increase are the operations of the new residence hall, residence hall rental increases and prior year salary increases for staff funded by auxiliary operations.
### Florida Atlantic University Auxiliary Enterprises
### Operating Budget 2007-08 with Prior Year Comparison

<table>
<thead>
<tr>
<th>Year</th>
<th>Budget FY07 Revenue</th>
<th>Budget FY07 Expenditures</th>
<th>Projected Revenue FY07</th>
<th>Projected Expenditures FY07</th>
<th>Budget FY08 Revenue</th>
<th>Budget FY08 Expenditures</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007-08</td>
<td>$59,836,180</td>
<td>$55,006,528</td>
<td>$59,836,180</td>
<td>$55,006,528</td>
<td>$70,160,798</td>
<td>$63,391,982</td>
</tr>
</tbody>
</table>

- **Budget FY07 Revenue**: $59,836,180
- **Budget FY07 Expenditures**: $55,006,528
- **Projected Revenue FY07**: $59,836,180
- **Projected Expenditures FY07**: $55,006,528
- **Budget FY08 Revenue**: $70,160,798
- **Budget FY08 Expenditures**: $63,391,982
Florida Atlantic University
Operating Budget 2007-2008
Auxiliary Enterprises Budget Summary

- Expenditure Budget 2006-2007: $55,006,528
- Estimated Expenditures 2006-2007: $55,006,528
- Expenditure Budget 2007-2008: $63,391,982
- Percentage Increase in Budget 2006-07 to 2007-08: 15.2%
Athletics Local

Budget
The Athletics Local Budget Consists of:

- The Athletics Local Operating Budget supports the University’s student athletics program. Funding is generated from student athletics fees ($13.75 per-credit hour) as well as ticket sales to athletics events, game guarantees, NCAA distributions, sponsorships and private support.

- In addition to the Local Operating Budget, FAU Athletics receives $246,000 in State Educational and General Title IX Gender Equity funding and $1,077,815 in out-of-state waiver authority and financial aid.
Athletics Local Budget Highlights

- Estimated expenses and revenues in 2006-07 were balanced.
- Projected expenditures for 2007-08 total $12,786,185 consistent with the March 2007 Athletics Workshop.
- Revenues include $800,000 in private fundraising support, $8,050,000 in athletic fees, $1,350,000 in game guarantees, $62,000 in NCAA/Conference distributions, and $440,000 in ticket sales.
- Total expenditures are 6 percent over the initial 2006-07 expenditure budget; however, projected expenditures are only 4.1 percent above the 2006-2007 amended budget, which was increased approximately $210,000 to cover “guaranteed” expenditures.
Florida Atlantic University
Athletics Local
Operating Budget 2007-08 with Prior Year Comparison

<table>
<thead>
<tr>
<th>Revenue Budget FY07</th>
<th>Expenditures Budget FY07</th>
<th>Projected Revenue FY07</th>
<th>Projected Expenditures FY07</th>
<th>Revenue Budget FY08</th>
<th>Expenditures Budget FY08</th>
</tr>
</thead>
<tbody>
<tr>
<td>$12,067,000</td>
<td>$12,067,000</td>
<td>$12,277,000</td>
<td>$12,277,000</td>
<td>$12,786,185</td>
<td>$12,786,185</td>
</tr>
</tbody>
</table>
### Florida Atlantic University
Operating Budget 2007-2008
Athletics Local Budget Summary

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expenditure Budget 2006-2007:</td>
<td>$12,067,000</td>
</tr>
<tr>
<td>Estimated Expenditures 2006-2007:</td>
<td>$12,277,000</td>
</tr>
<tr>
<td>Expenditure Budget 2007-2008:</td>
<td>$12,786,185</td>
</tr>
<tr>
<td>Percentage Increase in Budget 2006-07 to 2007-08:</td>
<td>6%</td>
</tr>
</tbody>
</table>

* The expenditure budget was increased by $210,000 during the first quarter 2006-2007 to cover unbudgeted expenses that were fully covered by sponsored revenues, increasing the total expenditure budget to $12,277,000.
Student Government
Budget
The Student Government Budget Consists of:

- Funds from student activities and service fees are provided to support student government operations and student activities such as clubs and organizations.

- The Activity and Service Fee of $10.00 per credit hour generates approximately $5,900,000.
The 2007-08 operating expenditure budget of $7,064,000 represents a 5.8% increase over the prior year original budget.
Recreation Center Rendering

NORTHWEST VIEW
Recreation Center Rendering

LOBBY INTERIOR
Florida Atlantic University
Student Government
Operating Budget 2007-08 with Prior Year Comparison

Revenue
- Budget FY07: $5,968,986
- Projected Revenue FY07: $5,968,986
- Budget FY08: $6,473,990

Expenditures
- Budget FY07: $6,678,124
- Projected Expenditures FY07: $5,908,791
- Budget FY08: $7,064,000

Comparison:
- Revenue: Decrease from $6,678,124 to $5,968,986
- Expenditures: Decrease from $7,064,000 to $5,908,791
Florida Atlantic University
Operating Budget 2007-2008
Student Government Budget Summary

- Expenditure Budget 2006-2007: $6,678,124
- Estimated Expenditures 2006-2007: $5,908,791
- Expenditure Budget 2007-2008: $7,064,000
- Percentage Increase in Budget 2006-07 to 2007-08: 5.8%
Concessions
Budget
The Concessions Budget Consists of:

- Funds from concession operations such as soft drink and snack vending machines.
- Expenditures from these funds support the academic mission of the University.
The concessions budget for 2007-08 represents an increase in expenditures of 21.4 percent.

Revenues remain constant and any overage will be absorbed by prior year cash balances.
Florida Atlantic University
Operating Budget 2007-2008
Concessions Budget Summary

- Expenditure Budget 2006-2007: $572,575
- Estimated Expenditures 2006-2007: $576,575
- Expenditure Budget 2007-2008: $695,000
- Percentage Increase in Budget 2006-07 to 2007-08: 21.4%
2007-2008
Capital Outlay Budget
Florida Atlantic University
2007-2008
Capital Outlay Budget

Section 1013.61, Florida Statutes, requires the Florida Atlantic University Board of Trustees to adopt a capital outlay budget for the ensuing year to inform the public of the University’s capital outlay needs. The capital outlay budget is part of the annual budget and shall be based upon the Board’s capital outlay plan. The budget shall designate the proposed capital outlay expenditures by project for 2007-08 from all fund sources, as amended.

The Florida Atlantic University Board of Trustees on June 28, 2006 approved the University’s Capital Improvement Plan as recommended by the Strategic Planning Committee. The FAU Capital Improvement Plan was revised by the Board of Trustees on January 17, 2007. Subsequently the Board of Governor’s approved the FAU fixed capital outlay request. These projects were approved by the 2006 Florida Legislature as recommended by the Florida Atlantic University Board of Trustees. The Fixed Capital Outlay Budget includes PECO, Courtelis Matching Gifts and PECO Construction Cost Increase Funding.
# Projects of the 2007-2008 Capital Outlay Budget

## Public Education Capital Outlay Projects (PECO)

<table>
<thead>
<tr>
<th>Project Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Utilities/Infrastructure/Capital Renewal/Roofs (P,C,E)</td>
<td>$11,439,470</td>
</tr>
<tr>
<td>College of Arts and Letters Addition (P,C,E)</td>
<td>$2,000,000</td>
</tr>
<tr>
<td>General Classroom Facility (P,C)</td>
<td>$10,348,000</td>
</tr>
<tr>
<td>HBOI/FAU Transition</td>
<td>$30,500,000</td>
</tr>
<tr>
<td>Harbor Branch/FAU Remodel/Renovation</td>
<td>$14,141,984</td>
</tr>
<tr>
<td>FAU/UF Davie Joint Use Facility (C)</td>
<td>$9,475,000</td>
</tr>
<tr>
<td>General Classroom/Engineering Building (P,C)</td>
<td>$17,982,000</td>
</tr>
<tr>
<td><strong>SUB-TOTAL</strong></td>
<td><strong>$95,886,454</strong></td>
</tr>
</tbody>
</table>

## Courtelis Matching Gifts

<table>
<thead>
<tr>
<th>Project Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Office Depot Executive Development Center</td>
<td>$800,000</td>
</tr>
<tr>
<td>Communication and Multi-media Studios</td>
<td>$1,500,000</td>
</tr>
<tr>
<td><strong>SUB-TOTAL</strong></td>
<td><strong>$2,300,000</strong></td>
</tr>
</tbody>
</table>

* This is 50 Percent Private Gifts ($2,300,000) and 50 Percent State Matching ($2,300,000)

**TOTAL 2007-08 CAPITAL OUTLAY BUDGET REQUEST** $98,186,454
2007-2008 Budget Summary

Operating Budget
$530,833,902

Capital Outlay Budget
$98,186,454
While not a component of the FAU budget, the Florida Atlantic University Foundation makes expenditures that directly benefit the University.

Expenditures on behalf of the University during 2007-2008 are estimated as:

- Salaries, Wages and Benefits $3,346,730
- General Expenses $6,938,576
- Scholarships $2,346,912

Total $12,632,218