



Item: BF: A-3c

BUDGET AND FINANCE COMMITTEE

Tuesday, June 2, 2020

SUBJECT: REQUEST FOR APPROVAL OF THE 2020-21 FLORIDA ATLANTIC UNIVERSITY CLINICAL PRACTICE ORGANIZATION, INC. OPERATING BUDGET.

PROPOSED COMMITTEE ACTION

Review and recommend approval of the 2020-21 operating budget for FAU Clinical Practice Organization, Inc. (FAU CPO); and authorize the Chairperson of the FAU CPO Board of Directors to amend this budget as appropriate during the fiscal year, consistent with Board of Trustees' directives and guidelines.

BACKGROUND INFORMATION

University Regulation 9.001 and the FAU CPO Bylaws, adopted by the FAU CPO Board of Directors initially on May 18, 2011 and amended on March 30, 2012, require the preparation of an annual budget. The annual budget must be submitted to the Dean of the College of Medicine for approval, approved by the FAU CPO Board of Directors, and submitted to the Board of Trustees for approval.

During the April 29, 2020 FAU CPO Board meeting, this budget was approved.

IMPLEMENTATION PLAN/DATE

July 1, 2020.

FISCAL IMPLICATIONS

N/A.

Supporting Documentation: Proposed 2020-21 FAU CPO Operating Budget

Presented by: Mr. Gabe Eszterhas, Sr. Associate Dean for Finance
Ms. Louisa Kelly, Business Manager College of Nursing

Phone: 561-297-4814
Phone: 561-297-3265

**FAU Clinical Practice Organization, Inc.
Operating Budget FY21**

	<u>College of Nursing</u>	<u>College of Medicine</u>	<u>College of Education</u>	<u>Total</u>
Clinical Practice/Patient Revenue:				
<i>College of Nursing:</i>				
Community Health Clinic (CHC)	168,000			168,000
Memory and Wellness Center (MWC)	742,020			742,020
<i>College of Medicine:</i>				
Emergency Medicine		1,244,511		1,244,511
General Surgery		287,820		287,820
Continuity Clinic -Bethesda		383,064		383,064
Continuity Clinic -Boca		522,246		522,246
Team Health - Boca		219,375		219,375
Academic Hospitalists-Boca		216,984		216,984
Academic Hospitalists/Bethesda		438,750		438,750
Academic Hospitalists/Delray		385,125		385,125
Psychiatry		50,000		50,000
Geriatrics Med Director		97,500		97,500
Harbour's Edge (Life Space)		24,000		24,000
CoMedicine Clinics		758,208		758,208
<i>College of Education:</i>				
Dept. of Communication & Disorders (CSD)		-	258,288	258,288
Total Revenue	910,020	4,627,583	258,288	5,795,891
FAU Expenses Related to Clinical Practice:				
Salaries and benefits:				
Faculty	33,489	4,546,921	116,052	4,696,462
Staff	414,446	65,208	15,360	495,014
OPS	216,921	-	103,697	320,618
EMR Cycle Revenue	36,000	-	7,534	43,534
Billing Services	70,000	-	-	70,000
Examination and testing	28,164	-	-	28,164
Practice Consultant and other independent contractor	14,400	-	-	14,400
Other Operating Expenses:				
Telephone	14,380	-	99	14,479
Utilities	20,000	-	-	20,000
Medical Supplies	12,000	-	450	12,450
Office Supplies / IT Supplies	-	-	200	200
Audit services	5,600	5,600	-	11,200
Equipment Lease-Printer	10,880	-	496	11,376
Software			14,400	14,400
Self-insurance (SIP)	8,900	-	-	8,900
General Insurance / Division Risk Management	6,850	-	-	6,850
Other Operating Expenses				
Credit Cards and Bank Fees	7,660	-	-	7,660
Sports drink and water	780	-	-	780
Total Other Operating expenses:	87,050	5,600	15,645	108,295
Other expense:				
Other administrative costs	5,000	-	-	5,000
Bad Debt expense	4,550	9,854	-	14,404
Total Expenses	910,020	4,627,583	258,288	5,795,891
Net Income	-	-	-	-

FAU Clinical Practice Organization, Inc.

	Fiscal Year 2016				Fiscal Year 2017				Fiscal Year 2018				Fiscal Year 2019				Fiscal Year 2020				CAGR Actuals (5 years)
	Budget	Actuals	Variance \$	Variance %	Budget	Actuals	Variance \$	Variance %	Budget	Actuals	Variance \$	Variance %	Budget	Actuals	Variance \$	Variance %	Budget	Projected Actuals 6/30/20	Variance \$	Variance %	
Clinical Practice/Patient Revenue:																					
College of Medicine	725,046	534,216	(190,830)	-26%	3,424,977	2,569,370	(855,607)	-25%	3,827,956	3,526,935	(301,021)	-8%	4,750,047	4,187,670	(562,377)	-12%	4,126,583	3,816,098	(310,485)	-8%	63%
Community Health Clinic	245,000	204,865	(40,135)	-16%	341,423	249,159	(92,264)	-27%	589,640	197,967	(391,673)	-66%	268,800	244,419	(24,381)	-9%	390,000	159,238	(230,762)	-59%	-6%
Memory and Wellness Center	372,000	571,587	199,587	54%	700,009	466,929	(233,080)	-33%	904,213	573,738	(330,475)	-37%	771,392	636,155	(135,237)	-18%	747,724	566,886	(180,838)	-24%	0%
College of Nursing Clinical Practice Revenue	17,857	12,223	(5,634)	-32%	10,013	15,020	5,007	50%	15,020	12,203	(2,817)	-19%	15,020	-	(15,020)	-100%	-	-	-	-	-100%
Total Revenues	1,359,903	1,322,891	(37,012)	-3%	4,476,422	3,300,478	(1,175,944)	-26%	5,336,829	4,310,843	(1,025,986)	-19%	5,805,259	5,068,244	(737,015)	-13%	5,264,307	4,542,222	(722,085)	-14%	36%
Expenses:																					
Salaries and benefits:																					
Faculty	698,505	317,410	(381,095)	-55%	3,466,306	2,516,351	(949,956)	-27%	3,948,935	3,398,360	(550,575)	-14%	4,522,876	3,958,698	(564,178)	-12%	3,802,610	3,757,240	(45,370)	-1%	85%
Staff	146,711	144,711	(2,000)	-1%	417,404	382,741	(34,663)	-8%	622,667	573,571	(49,096)	-8%	795,863	638,636	(157,227)	-20%	718,291	377,463	(340,828)	-47%	27%
OPS	194,435	359,232	164,797	85%	307,547	298,561	(8,986)	-3%	515,071	313,815	(201,256)	-39%	173,580	251,912	78,332	45%	252,276	213,010	(39,266)	-16%	-12%
EMR Cycle Revenue	-	-	-	-	-	-	-	-	-	-	-	-	92,367	67,120	(25,247)	-27%	93,717	70,677	(23,040)	-25%	-
Billing services	137,007	118,072	(18,935)	-14%	103,898	77,521	(26,377)	-25%	109,750	87,268	(22,482)	-20%	65,300	70,599	5,299	8%	71,354	-	(71,354)	-100%	-100%
Medical Services	-	-	-	-	-	-	-	-	-	-	-	-	23,760	-	(23,760)	-100%	-	-	-	-	-
Examination and testing	29,340	21,015	(8,325)	-28%	38,159	20,062	(18,097)	-47%	25,640	20,197	(5,443)	-21%	33,524	20,758	(12,766)	-38%	19,292	5,103	(14,189)	-74%	-30%
Practice Consultant & other independent contractor	27,000	5,400	(21,600)	-80%	24,000	2,970	(21,030)	-88%	-	-	(21,030)	-88%	-	-	-	-	13,200	11,890	(1,310)	-10%	22%
Telephone	4,100	2,690	(1,410)	-34%	4,500	7,347	2,847	63%	19,300	14,503	(4,797)	-25%	16,068	15,814	(254)	-2%	13,160	9,790	(3,370)	-26%	38%
Repairs and maintenance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8,400	5,577	(2,823)	-34%	-
Supplies	12,940	9,436	(3,504)	-27%	31,313	8,821	(22,492)	-72%	12,045	40,831	28,786	239%	18,710	40,813	22,103	118%	28,803	11,545	(17,258)	-60%	5%
Rent	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	167,741	-	(167,741)	-100%	-
Audit services	9,900	9,900	-	0%	10,400	10,600	200	2%	11,500	10,900	(600)	-5%	10,975	11,200	225	2%	5,475	-	(5,475)	-100%	-100%
Self insurance	34,390	15,419	(18,971)	-55%	35,300	14,757	(20,543)	-58%	15,833	19,895	4,062	26%	8,833	24,214	15,381	174%	20,750	9,753	(10,997)	-53%	-11%
General Insurance /Division Risk Management	760	1,707	947	125%	2,460	3,601	1,141	46%	5,308	8,253	2,945	55%	10,633	16,504	5,871	55%	12,183	8,864	(3,319)	-27%	51%
Marketing	-	-	-	-	-	-	-	-	-	-	-	-	10,000	-	(10,000)	-100%	10,000	-	(10,000)	-100%	-
Other expense	64,815	50,982	(13,833)	-21%	35,135	44,949	9,814	28%	50,780	93,118	42,338	83%	22,770	36,047.97	13,278	58%	27,055	75,778	48,723	180%	10%
Total Expenses	1,359,903	1,055,974	(303,929)	-22%	4,476,422	3,388,280	(1,088,142)	-24%	5,336,829	4,580,710	(756,119)	-14%	5,805,259	5,152,316	(652,943)	-11%	5,264,307	4,556,690	(707,617)	-13%	44%
Net Income	-	266,917			-	(87,802)			-	(269,867)			-	(84,072)			-	(14,468)			