



Item: BF: A-3d

BUDGET AND FINANCE COMMITTEE

Tuesday, June 2, 2020

SUBJECT: REQUEST FOR APPROVAL OF THE 2020-21 FLORIDA ATLANTIC UNIVERSITY FOUNDATION OPERATING BUDGET.

PROPOSED COMMITTEE ACTION

Review and recommend approval of the 2020-21 FAU Foundation (FAUF) Operating Budget; and, authorize the FAUF Chief Executive Officer to amend this budget as appropriate during the fiscal year consistent with the FAUF Bylaws and with Board of Trustees' and the FAUF Board of Directors' directives and guidelines.

BACKGROUND INFORMATION

Consistent with University requirements and the FAUF Bylaws, the FAUF must prepare an annual budget. The budget must be prepared before the beginning of the University's fiscal year, approved by the FAUF Board of Directors, and recommended by the University President to the Board of Trustees for approval each year.

This proposed budget has been approved by the FAUF Board of Directors on April 23, 2020.

IMPLEMENTATION PLAN/DATE

July 1, 2020.

FISCAL IMPLICATIONS

N/A.

Supporting Documentation: Proposed 2020-21 FAUF Operating Budget

Presented by: Mr. Dennis Crudele, Interim CFO FAU Foundation

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Florida Atlantic University Foundation, Inc.
2-year Budget Comparison

Source of Funds from Foundation:	2020 Approved Budget	2021 Approved Budget	Variance	
Endowment Administrative Fees	\$ 3,215,678	\$ 1,600,000	\$ (1,615,678)	-50%
Interest on expendable funds	777,588	438,842	\$ (338,746)	-44%
Gift and non-gift fees	891,653	478,790	\$ (412,863)	-46%
Transfers from Budget Surplus	303,028	-	\$ (303,028)	-100%
Transfers in, from Reserves or Other Sources	580,246	1,309,948	\$ 729,702	126%
Total Source of Foundation Funds	\$ 5,768,193	\$ 3,827,580	\$ (1,940,613)	-34%
Projected Use of Foundation Funds:				
Salaries and Benefits	\$ 40,000	\$ 13,260	\$ (26,740)	-67%
Operating Expenses	1,840,850	1,184,598	\$ (656,252)	-36%
Foundation Support to the University	967,276	1,082,423	\$ 115,147	12%
Scholarships	2,920,067	1,547,299	\$ (1,372,768)	-47%
Total Use of Foundation Funds	\$ 5,768,193	\$ 3,827,580	\$ (1,940,613)	-34%
Net Budget overage/(shortfall)	\$ -	\$ -	\$ -	\$ -

Florida Atlantic University Foundation, Inc.
5-year Budget Comparison

Source of Funds from Foundation:	2016 Amended Budget	2017 Approved Budget	2018 Approved Budget	2019 Approved Budget	2020 Approved Budget	2021 Approved Budget	Variance	
Endowment Administrative Fees	\$ 3,287,270	\$ 2,765,329	\$ 3,125,573	\$ 3,426,234	\$ 3,215,678	\$ 1,600,000	\$ (1,615,678)	-50%
Interest on expendable funds	303,819	519,974	501,015	715,169	777,588	438,842	\$ (338,746)	-44%
Gift and non-gift fees	255,648	239,234	349,950	604,775	661,228	478,790	\$ (182,438)	-28%
Unrestricted Cash Gifts	-	-	-	-			-	
Transfers from Budget Surplus	407,495	305,410	367,495	422,937	230,425	-	\$ (230,425)	-100%
Prior year projected budget surplus carryforward					303,028	-	\$ (303,028)	
Transfers in from unrestricted cash		198,079	182,000	264,153	580,246	1,309,948	\$ 729,702	126%
Total Source of Foundation Funds	\$ 4,254,232	\$ 4,028,026	\$ 4,526,033	\$ 5,433,268	\$ 5,768,193	\$ 3,827,580	\$ (1,940,613)	-34%
Projected Use of Foundation Funds:								
Salaries and Benefits	\$ 154,327	\$ 40,453	\$ 68,300	\$ 57,980	\$ 40,000	\$ 13,260	\$ (26,740)	-67%
Operating Expenses	1,621,249	1,386,870	1,497,210	1,569,695	1,840,850	1,184,598	\$ (656,252)	-36%
Foundation Support to the University	654,617	698,405	698,405	857,276	967,276	1,082,423	\$ 115,147	12%
Scholarships	1,824,039	1,902,298	2,262,118	2,948,317	2,920,067	1,547,299	\$ (1,372,768)	-47%
Total Use of Foundation Funds	\$ 4,254,232	\$ 4,028,026	\$ 4,526,033	\$ 5,433,268	\$ 5,768,193	\$ 3,827,580	\$ (1,940,613)	-34%
Net Budget overage/(shortfall)	-	-	-	-	-	-	-	