



Item: BF: A-2b

## BUDGET AND FINANCE COMMITTEE

Tuesday, June 7, 2022

**SUBJECT: REQUEST FOR APPROVAL OF THE 2022-23 FLORIDA ATLANTIC UNIVERSITY RESEARCH CORPORATION OPERATING BUDGET.**

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### PROPOSED COMMITTEE ACTION

Review and recommend approval of the 2022-23 Florida Atlantic University Research Corporation's (FAURC) Operating Budget; and, authorize the University President to amend this budget as appropriate during the fiscal year consistent with the FAURC's directives and guidelines.

### BACKGROUND INFORMATION

The FAURC By-laws, amended May 18, 2011, require the preparation of an annual budget. The budget must be prepared annually and be approved by the FAURC Board of Directors and the University President, a member of the FAURC Board of Directors. The Board of Trustees must approve the Corporation's budget before it can be enacted.

During the March 22, 2022 FAURC Board meeting, this budget was approved.

### IMPLEMENTATION PLAN/DATE

July 1, 2022.

### FISCAL IMPLICATIONS

N/A.

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**Supporting Documentation:** Proposed 2022-23 FAURC Operating Budget

**Presented by:** Ms. Lynn Asseff, Assistant V.P. Financial Management

**Phone:** 772-242-2395



# Florida Atlantic University Research Corporation Proposed Operating Budget FY23

|   | Operating      |
|---|----------------|
| <b>Operating Revenues:</b>                      |                |
| Nongovernmental grants and contracts            | 65,000         |
| Royalties                                       | 115,000        |
| <b>Total Revenues</b>                           | <b>180,000</b> |
| <b>Operating Expenses:</b>                      |                |
| Contractual and program expenses                | 105,995        |
| Royalty Expenses                                | 76,705         |
| <b>Total Operating Expenses</b>                 | <b>182,700</b> |
| <b>Net Operating Income</b>                     | <b>(2,700)</b> |
| <b>Nonoperating Revenues (Expenses):</b>        |                |
| Investment Income                               | 2,700          |
| Depreciation                                    | -              |
| Bond Interest Expense                           | -              |
| Bond Payment                                    | -              |
| <b>Total Nonoperating Income (Expense)</b>      | <b>2,700</b>   |
| <b>Net Income (Financial Statement-Accrual)</b> | <b>\$ -</b>    |



## FAU Research Corporation Budget & Actuals (FY21-FY23)

|   | FY21 Budget     | FY21 Actuals     | FY22 Budget    | FY22 Projected  | FY23 Budget    |
|---|-----------------|------------------|----------------|-----------------|----------------|
| <b>Operating Revenues:</b>                                |                 |                  |                |                 |                |
| Nongovernmental grants , contracts & Other Operating Rev. | 20,000          | 50,904           | 85,000         | 63,801          | 65,000         |
| Royalties   | 174,000         | 93,247           | 111,000        | 114,970         | 115,000        |
| <b>Total Operating Revenues</b>                           | <b>194,000</b>  | <b>144,151</b>   | <b>196,000</b> | <b>178,771</b>  | <b>180,000</b> |
| <b>Operating Expenses:</b>                                |                 |                  |                |                 |                |
| Contractual & Program Expenses                            | 95,088          | 70,789           | 133,780        | 95,223          | 105,995        |
| Royalty Expenses  | 110,212         | 58,629           | 71,220         | 82,712          | 76,705         |
| <b>Total Operating Expenses</b>                           | <b>205,300</b>  | <b>129,418</b>   | <b>205,000</b> | <b>177,935</b>  | <b>182,700</b> |
| <b>Net Operating Income</b>                               | <b>(11,300)</b> | <b>14,733</b>    | <b>(9,000)</b> | <b>836</b>      | <b>(2,700)</b> |
| <b>Non-Operating Revenues (Expenses):</b>                 |                 |                  |                |                 |                |
| Investment Income   | 11,300          | 9,300            | 9,000          | 4,145           | 2,700          |
| <b>Total Non-Operating Income (Expense)</b>               | <b>11,300</b>   | <b>9,300</b>     | <b>9,000</b>   | <b>4,145</b>    | <b>2,700</b>   |
| <b>Net Income (Financial Statement-Accrual)</b>           | <b>\$ -</b>     | <b>\$ 24,033</b> | <b>\$ -</b>    | <b>\$ 4,981</b> | <b>\$ -</b>    |



## Five-Year Budget - FAURC

|   | Budget FY 2019 | Budget FY 2020  | Budget FY 2021  | Budget FY 2022 | Budget FY 2023 |
|---|----------------|-----------------|-----------------|----------------|----------------|
|   | Operations     | Operations      | Operations      | Operations     | Operations     |
| <b>Operating Revenues:</b>                      |                |                 |                 |                |                |
| Nongovernmental grants and contracts            | 10,000         | 10,000          | 20,000          | 85,000         | 65,000         |
| Royalties                                       | 150,000        | 286,835         | 174,000         | 111,000        | 115,000        |
| <b>Total Operating Revenues</b>                 | <b>160,000</b> | <b>296,835</b>  | <b>194,000</b>  | <b>196,000</b> | <b>180,000</b> |
| <b>Operating Expenses:</b>                      |                |                 |                 |                |                |
| Contractual and program expenses                | 92,500         | 120,000         | 95,088          | 133,780        | 105,995        |
| Royalty expenses                                | 75,000         | 176,288         | 110,212         | 71,220         | 76,705         |
| <b>Total Operating Expenses</b>                 | <b>167,500</b> | <b>296,288</b>  | <b>205,300</b>  | <b>205,000</b> | <b>182,700</b> |
| <b>Net Operating Income</b>                     | <b>(7,500)</b> | <b>547</b>      | <b>(11,300)</b> | <b>(9,000)</b> | <b>(2,700)</b> |
| <b>Nonoperating Revenues (Expenses):</b>        |                |                 |                 |                |                |
| Investment Income                               | 7,500          | 11,500          | 11,300          | 9,000          | 2,700          |
| <b>Total Non-Operating Income (Expense)</b>     | <b>7,500</b>   | <b>11,500</b>   | <b>11,300</b>   | <b>9,000</b>   | <b>2,700</b>   |
| <b>Net Income (Financial Statement-accrual)</b> | <b>\$0</b>     | <b>\$12,047</b> | <b>\$0</b>      | <b>\$0</b>     | <b>\$0</b>     |