



Financial Affairs

2004-05 Budget Request Presentation

May 8, 2004



Financial Affairs

Mission Statement

- **Financial Affairs** consists of diversified departments whose primary purposes are to enhance the academic effectiveness of Florida Atlantic University students, faculty and staff by providing a complement of administrative, fiscal support services. The areas within Financial Affairs are dedicated to providing and maintaining a work and educational environment that promotes health, safety and creativity; encourages excellence; and enhances productivity through the utilization of the latest information and management technologies and their application within the human, fiscal and physical resources of the University.

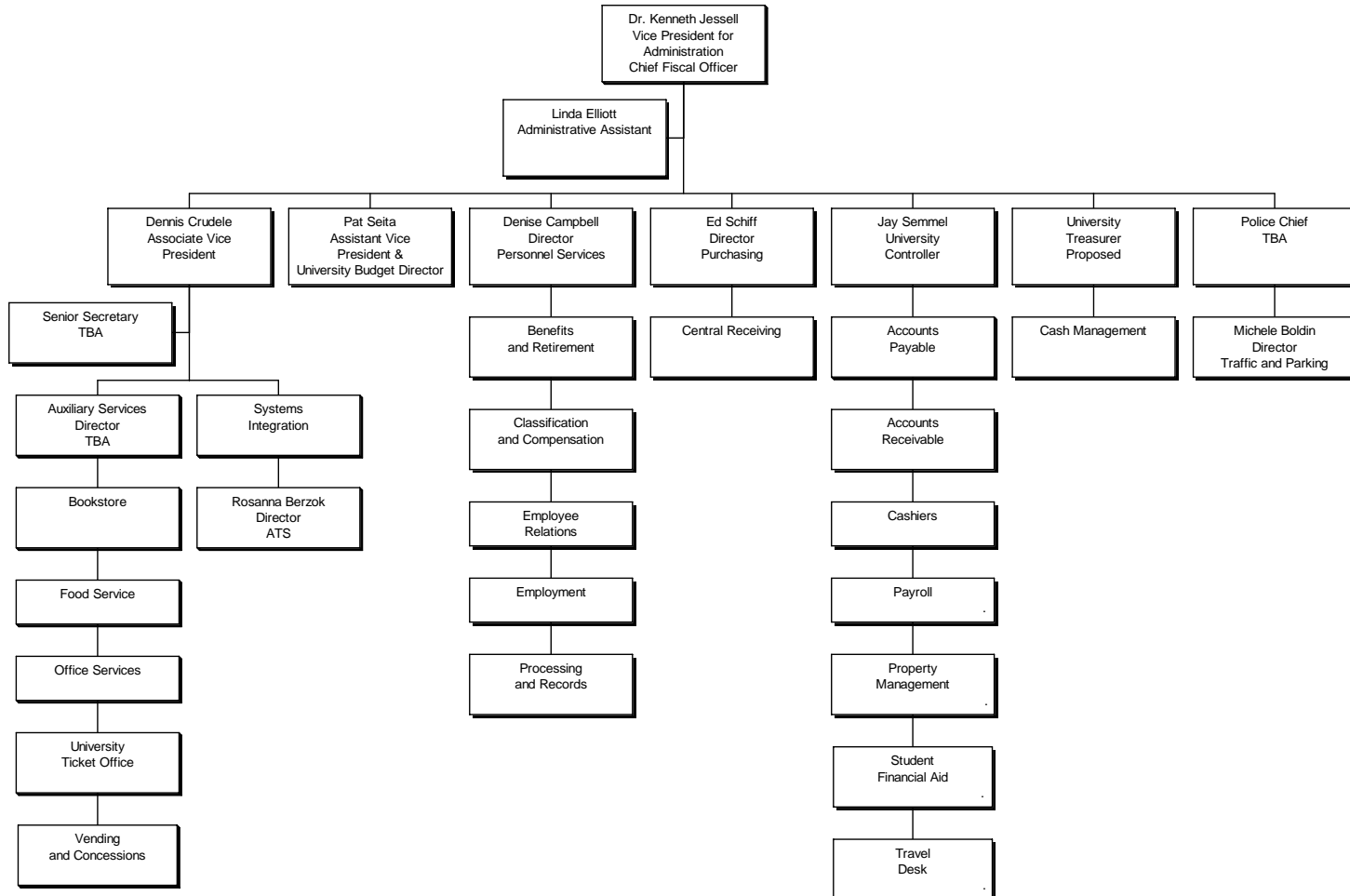
Financial Affairs Divisions

- Office of the Vice President
- University Budget Office
- Controller's Office
- Personnel Services
- Purchasing Department
- Administrative Technology Systems
- Police – Traffic & Parking (*NEW*)
- Business & Auxiliary Services (*NEW*)





Organizational Chart for Financial Affairs





Office of the Vice President for Financial Affairs

- **Kenneth A. Jessell, Ph.D.**, is the Vice President for Financial Affairs at Florida Atlantic University. As Chief Fiscal Officer, he is responsible for the overall management of financial operations of the University.
- **Dennis Crudele** is the Associate Vice President for Financial Affairs and is responsible for the administrative functions of the University.
- **Pat Sieta** is the Assistant Vice President for Financial Affairs and University Budget Director.





University Budget Office

Pat Seita, Assistant Vice President for Financial Affairs and University Budget Director, is responsible for managing and guiding the day-to-day functions of the University Budget Office. Pat oversees the preparation, implementation, monitoring and reporting of the University's Operating Budgets for Educational & General, Auxiliaries, Grants & Contracts, Athletics, Concessions and Student Government.



Mission Statement

The mission of the University Budget Office is to assist the President and his Executive Committee in developing a strategic financial management plan to enable Florida Atlantic University to meet its strategic goals and objectives. This is accomplished by coordinating the distribution of appropriated funds to all functional areas within the University. This distribution is based on State of Florida guidelines and priorities established by the University President.



Budget Office Functions

- **Budget Preparation and Construction – Legislative Budget Request**
2005-06 Legislative Budget Request will be approved by the FAU Board of Trustees in June 2004 and submitted to the Board of Governors for submission to the Governor's Budget Office and Legislative Appropriation Committees.
- **Operating Budget Submission**
Will be approved by the FAU Board of Trustees June 2004
 - Educational & General Budget
 - General Revenue (Sales Tax Revenue)
 - Incidental Revenue (Tuition)
 - Enhancement Trust (Lottery)
 - Auxiliary Budget
 - Grants & Contracts Budget
 - Athletics Budget
 - Concession Budget
 - Student Government Budget
- **Budget Forecasting**
 - Revenues and Expenditures
 - Cash Flow Analysis
- **Monitoring**
 - Monthly, Quarterly and Annual Financial Comparison Reports



Sources of Funding for Operations

Educational & General Funds

General Revenue, consisting primarily of sales tax (73 percent) and corporate income tax (8 percent) collections, as well as license fees and other taxes and operating receipts.

Education Enhancement Trust Fund, consisting of collections from the sale of state lottery tickets. At least 38 percent of total lottery collections is dedicated to the trust fund.

Student Fee Trust Fund, consisting primarily of matriculation fees and tuition (out-of-state fees) paid by students, as well as other fees such as application and late registration fees.



Sources of Funding for Operations

- **Auxiliary Enterprises** - University business operations that are self-supporting through user fees, payments and charges. These include food service, bookstore, parking, residence halls and student health services.
- **Grants & Contracts** - Funding from federal agencies, state agencies, foundations and private sources that enables the University to conduct specific research projects or to provide specific services.



Sources of Funding for Operations

- **Athletics** - Funding from student athletic fees as well as ticket sales to athletic events and specially designated Title IX funding.
- **Student Government** - Funds from student activities and service fees to support student government operations and student activities such as clubs and organizations.
- **Concession** - Funds from concession operations such as vending machines and pay telephones.
- **Student Financial Aid** - Funding from student financial aid fees as well as financial aid support from all sources, such as federal financial aid awards.

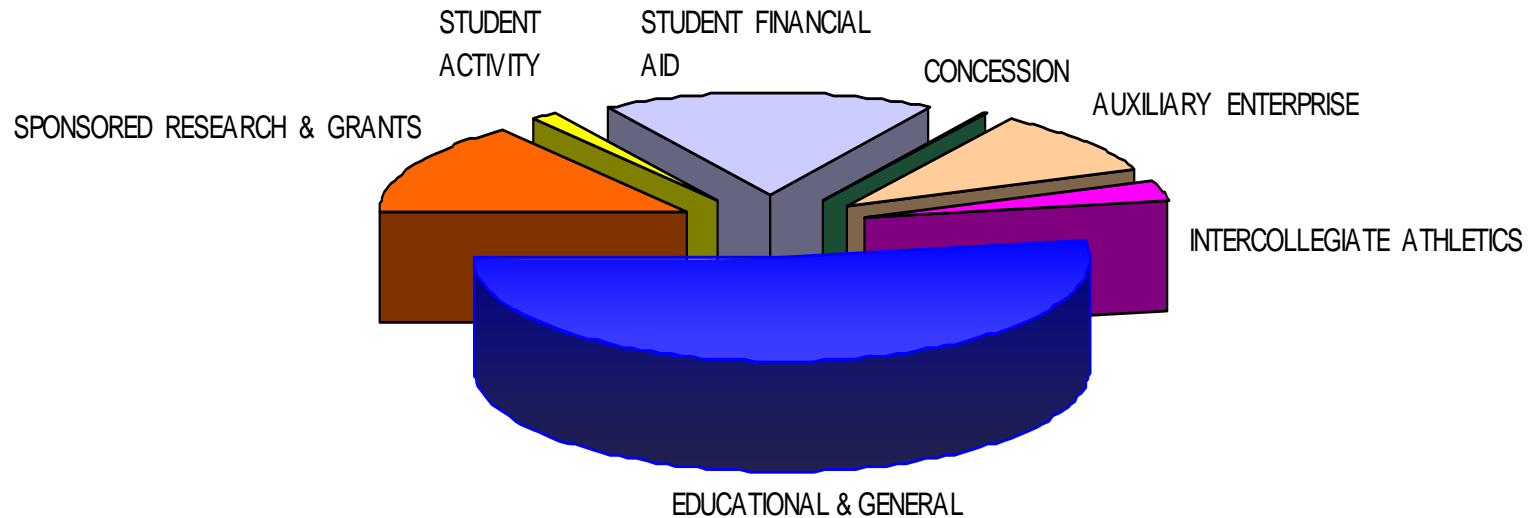


FAU 2003-04 Operating Budget by Category and Fund

2003-04 Budget Entity	Amount
• Educational and General	\$183,150,784
• Auxiliary Enterprises	38,884,867
• Grants and Contracts	55,385,873
• Student Activities	4,699,312
• Concessions	325,575
• Intercollegiate Athletics	8,982,192
• Student Financial Aid	<u>87,995,115</u>
Total	\$379,103,441



FAU 2003-04 Operating Budget Comparison by Fund

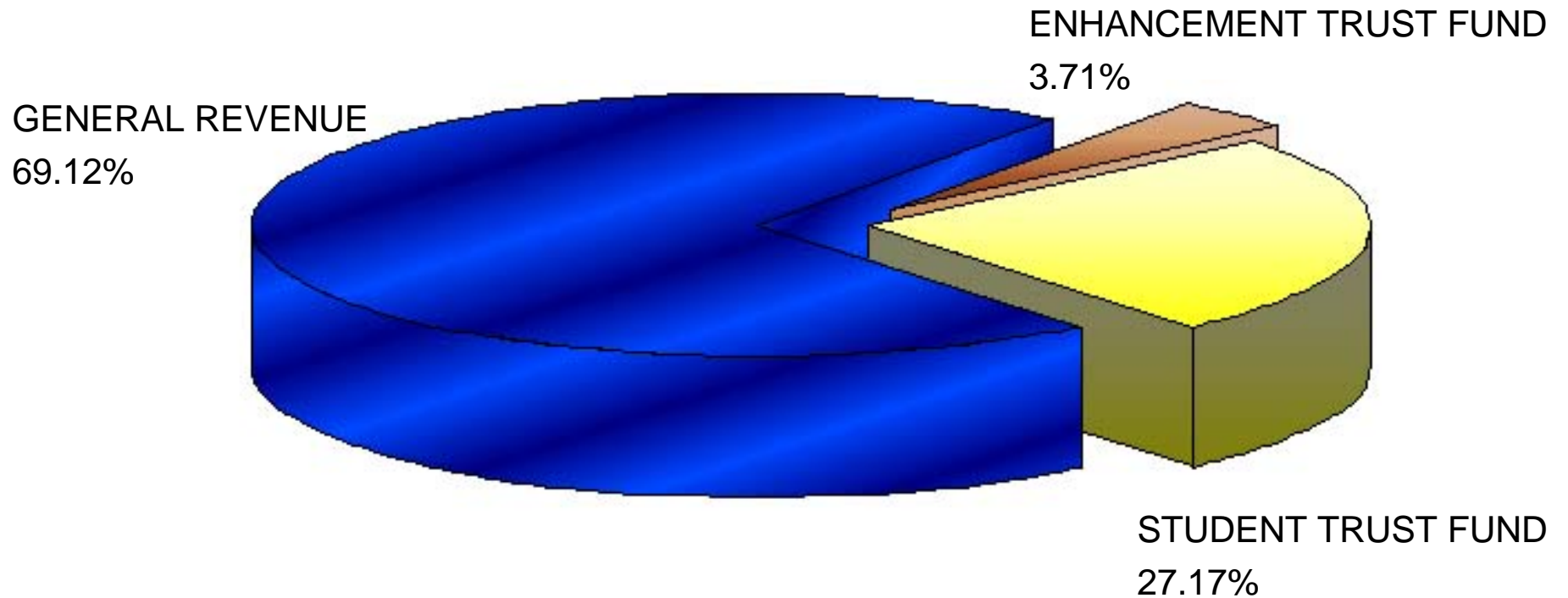


■ EDUCATIONAL & GENERAL	53.15%
■ SPONSORED RESEARCH & GRANTS	14.34%
■ STUDENT ACTIVITY	1.41%
■ STUDENT FINANCIAL AID	17.56%
■ CONCESSION FUND	.11%
■ AUXILIARY ENTERPRISES	10.48%
■ INTERCOLLEGIATE ATHLETICS	2.95%

University Budget Office



Educational & General Appropriations 2003-04 Budget by Source



General Revenue	\$122,615,577
Enhancement Trust Fund	6,459,257
Student Trust Fund	<u>54,075,950</u>
Total	\$183,150,784

University Budget Office



Budget Construction Timetable

- December 2003 Florida Atlantic University submission of request for increases to A&S, Health and Athletic fees.
- January 2004 Florida Atlantic University Board of Trustees would consider approval of requested A&S, Health and Athletic fee increases (no increase recommended in 2004).
- April 2004 Budget forms with instructions distributed to University and Student Government.
- May 2004 Budget Workshops and budget preparations; budget approval by President, Provost and area Vice Presidents.
- May 2004 Analyzed budgets with Vice President for Financial Affairs Recommendations due to the President and Executive Committee after completion of legislative session.
- June 2004 President's Recommended Budget submitted to the Board of Trustees for approval.



Budget Construction Timetable

(Continued)

- June 2004 Board of Trustees approve 2005-06 Legislative Budget Request.
- July 1, 2004 Approved budgets for 2004-2005 will be entered into system to provide beginning budget authority.
- August 2004 Submit FAU Operating budget to FBOE.
- September 2004 FBOE formal approval of budgets.



Controller's Office

Jay Semmel, University Controller, organizes, directs and oversees the financial and accounting operations of the University and insures compliance with the federal, state, Board of Education and university rules and regulations on collections, disbursements and accounts for all funds under the jurisdiction of the University.



Mission Statement

The University Controller's Office functions primarily to provide financial and bursar services to Florida Atlantic University. These services include the receipt, classification and recording of revenues, revenue collection activities, payment for all purchases from vendors, payroll disbursements, loan and scholarship distribution, investment and cash management services, provision of periodic financial records for user departments and external constituencies, and maintenance of necessary management controls.



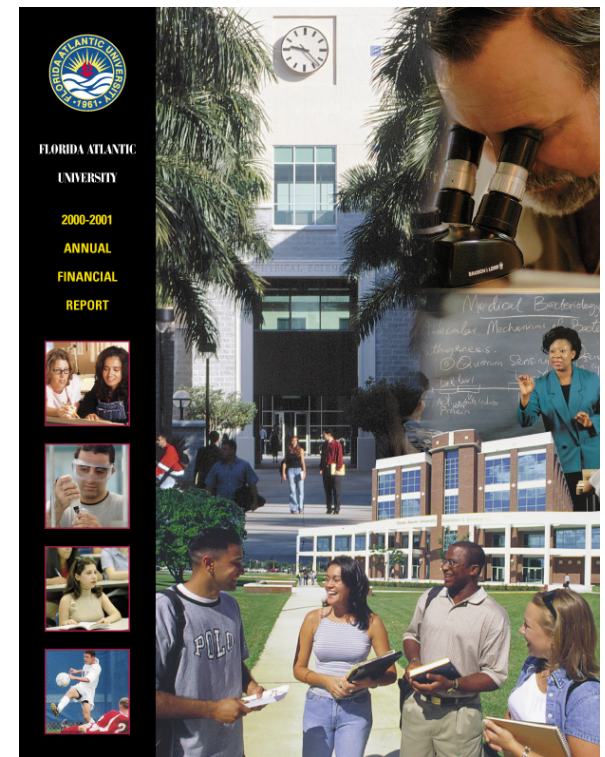
Controller's Office Functions

- Accounts Payable
- Accounts Receivable
- Cashiering
- Cash Management
- Student Financial Aid
- Payroll
- Property Management
- Travel



Annual Financial Reporting

- ***Financial Statements*** are prepared annually to present the financial condition of the University. The financial statements are prepared in accordance with generally accepted accounting principles as recommended by the Governmental Accounting Standards Board (GASB). These financial statements present the university's financial position, changes in fund balances and current fund revenues, expenditures and other changes. The information contained in the statements provides an overview of the health of the institution and an assessment of the university's ability to meet the financial obligations associated with its mission.





In-State Tuition

In-State Undergraduate Student Tuition 2003-04

Registration and Tuition Fees (per credit hour)	Undergraduate	Proposed
Matriculation Fee	\$63.41	\$ 68.16
Student Financial Aid Fee	3.17	3.41
Building Fee	2.32	2.32
Capital Improvement Trust Fund Fee	<u>2.44</u>	<u>2.44</u>
Sub-Total	\$71.34	\$ 76.34
Local Fees		
Activity & Service Fee	\$10.00	10.00
Athletic Fee	11.75	11.75
Health Fee	<u>5.00</u>	<u>5.00</u>
Sub-Total	\$26.75	\$ 26.75
Total In-State Tuition & Fees (per credit hour)	\$98.09	\$103.08

Percent Increase 5.10 Percent overall. 7.5 percent matriculation and financial aid fee.



In-State Tuition

In-State Graduate Student Tuition 2003-04

Registration and Tuition Fees (per credit hour)	Graduate	Proposed
Matriculation Fee	\$169.82	\$191.05
Student Financial Aid Fee	8.49	9.55
Building Fee	2.32	2.32
Capital Improvement Trust Fund Fee	2.44	2.44
Sub-Total	\$183.07	\$205.36
Local Fees		
Activity & Service Fee	\$ 10.00	10.00
Athletic Fee	11.75	11.75
Health Fee	5.00	5.00
Sub-Total	\$ 26.75	\$ 26.75
Total In-State Tuition & Fees	\$209.82	\$232.11

Percent Increase 10.62 Percent overall. 12.5 percent matriculation and financial aid fee.



Out-of-State Registration Fees

Out-of-State Undergraduate Student Tuition 2003-04

Registration and Tuition Fees (per credit hour)	Undergraduate	Proposed
Matriculation Fee	\$ 63.41	\$ 71.34
Student Financial Aid Fee	3.17	3.41
Building Fee	2.32	2.32
Capital Improvement Trust Fund Fee	2.44	2.44
Tuition	350.10	393.86
Supplemental Student Financial Aid Fee	5.32	5.74
Sub-Total	\$438.42	\$492.63
Local Fees		
Activity & Service Fee	\$ 10.00	\$ 10.00
Athletic Fee	11.75	11.75
Health Fee	5.00	5.00
Sub-Total	\$ 26.75	\$ 26.75
Total Out-of-State Tuition & Fees (per credit hour)	\$465.17	\$519.38

Percent Increase **11.65 Percent overall. 12.5 percent matriculation, financial aid fee, and out-of-state tuition.**



Personnel Services

Denise Campbell, Director of Personnel Services, is responsible for administering a comprehensive program of personnel services to the University.

Mission Statement

The mission of the Department of Personnel Services is to develop, implement and maintain a comprehensive program of Personnel Services management that meets the needs of the University community.

Our commitment to you and Florida Atlantic University is to support the University's academic objectives and to provide a service-oriented, proactive approach to Personnel Service functions.





Personnel Services Functions

- Classification and Compensation
- Employee Relations/Labor Relations
- Processing and Records
- Employment Services
- Benefits and Retirement
- Unemployment/Workers' Compensation
- Employee and Supervisory Development
- Leave Administration



Personnel 2003

	<u>Full Time</u>	<u>Part Time</u>	<u>Total</u>
Executive Service	4	0	4
Faculty	949	17	966
A&P	625	13	642
Support Staff	700	33	733
Adjuncts	27	544	581
OPS (Hourly)	96	317	413
Grad Assistants	3	672	675
Student Assistants	0	868	868
Total Personnel	2,404	1,606	4,010



Purchasing

Ed Schiff, Director of Purchasing, is responsible for administering a comprehensive program for the purchase of goods and services. The department is responsible for all procedures involving contract bidding, vendor selection, acquisition of equipment, furnishings, supplies, minor construction, preventive maintenance services, contractual services and lease of space for the University within pre-established budgetary constraints. Purchasing also includes: preparing budget estimates, preparing bid specifications, initiating formal quotations, processing proposals and bids, conducting public bid openings, evaluating and awarding bids and administering contracts until final completion or termination.

Mission Statement

In support of the instructional, educational and research goals of Florida Atlantic University, the Purchasing Department will provide the campus community with quality, cost-effective and expedient procurement services. These services are rendered with professional, ethical and courteous principles in accordance with state and university regulations and guidelines.





Purchasing Programs

- Procurement Levels
 - Bid Threshold \$50,000
- Contract Authority
 - University President
- P-Card Program
- Minority Business Enterprise Procurement Program
- Cost savings from the bid threshold level and the p-Card program are in excess of \$1 million. Average cost of preparing a purchase order at \$90 versus the cost of preparing a p-Card transaction at \$18.

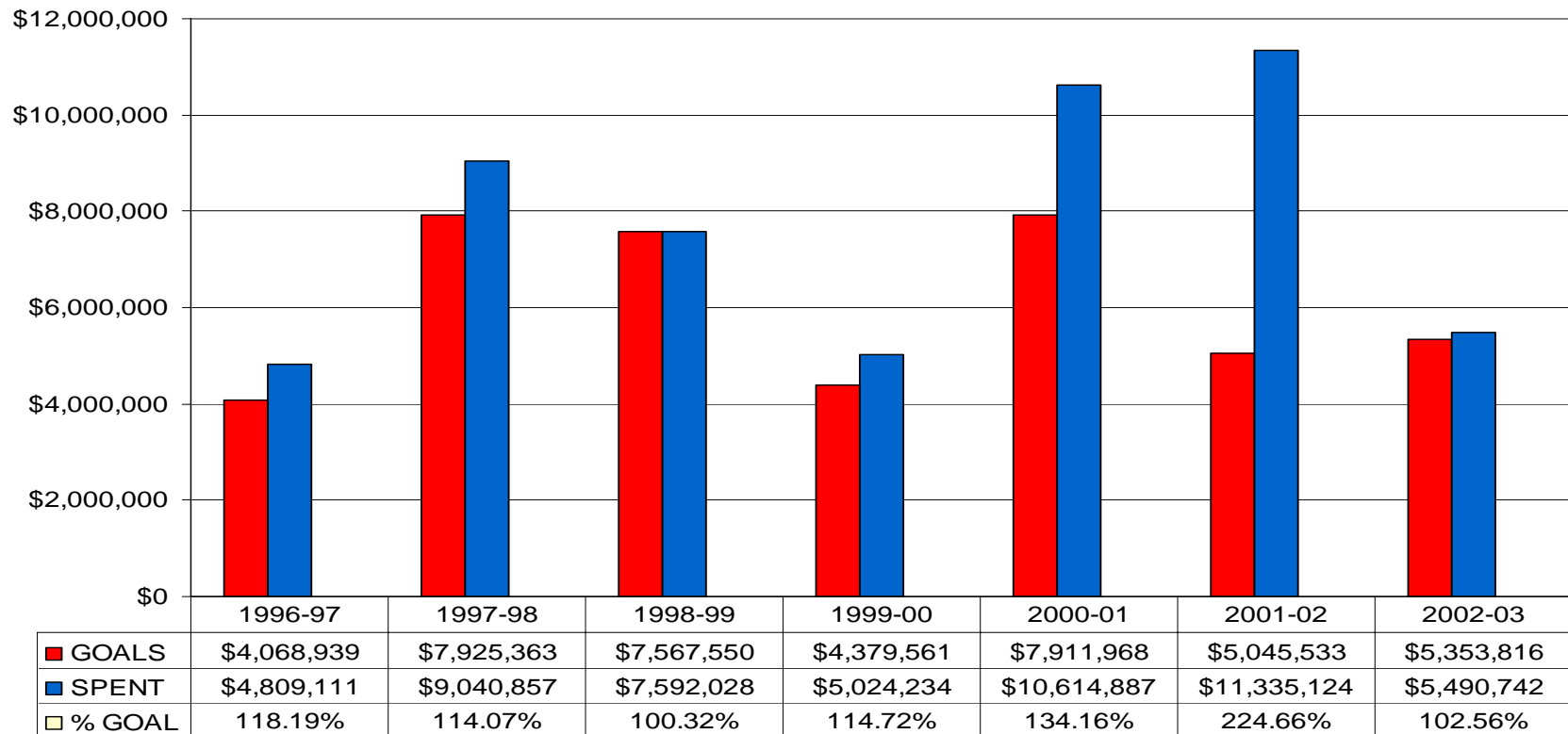




Purchasing

Minority Business Enterprise Program

Minority Business Enterprise Program Statistics



* A decrease in the PECO appropriation in 2002-03 resulted in fewer dollars being spent with Certified MBEs. Also, the timing of major projects resulted in several buildings becoming operational during the 2001-02 year and extended the planning into the 2003-04 year, thereby reducing the major PECO expenditures in the 2002-03 year.



Administrative Technology Systems

Rosanna Star Berzok, Ed.D., Director, is responsible for the design, development and implementation of integrated technological and e-business delivery systems to Financial Affairs. Systems architecture design with relational database interfaces are key components to the product definition.

Mission Statement

In response to a rapidly changing global society, information and technology must be incorporated into the University's infrastructure. Integrated access to existing systems can ensure business process effectiveness and transform routine transactions into sophisticated analyses and solutions. Professional development, training and hardware and software support can position Florida Atlantic University well into this new millennium.





Administrative Technology Systems

The goals of Administrative Technology Systems are to:

- Integrate data administration routines with business process solutions
- Identify redesign opportunities to improve productivity, efficiency and quality
- Design and implement delivery systems to train and educate internal support departments
- Coordinate new technologies and application development to construct multi-departmental collaboration
- Provide high-end strategic information resource management and technical leadership

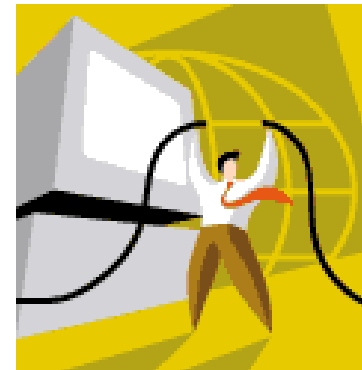


Administrative Technology Systems Functions

Re-Engineering of Business

Practices:

- Single Paycheck from Multiple Sources
- On-Line Travel Authorization Requests
- Automated Property Forms
- On-Line Payment of Tuition & Fees
- On-Line Budget Transfers
- Travel Reimbursement System
- Web Based E-Business





University Police

- **The mission** of the Florida Atlantic University Police Department is to provide professional service while reducing criminal opportunity and community anxiety. The Department is committed to treating all people fairly while supporting an environment where diverse social, cultural, and academic values are allowed to develop. Through fostering partnerships with the community, the University Police Department is dedicated to promoting an atmosphere which is conducive to the academic mission of the University.

Dolores Danser, Interim Chief of Police, is responsible for the day-today operations of the University Police Department. Chief Danser oversees all aspects of law enforcement on all campuses of Florida Atlantic University. Florida Atlantic University Police is a full-service law enforcement agency and all officers are state certified sworn law enforcement officers.





Traffic and Parking

- **The mission** of the Florida Atlantic University Traffic & Parking department is to provide professional service while reducing criminal opportunity and community anxiety. The Department is committed to treating all people fairly while supporting an environment where diverse social, cultural, and academic values are allowed to develop. Through fostering partnerships with the community, the Traffic & Parking department is dedicated to promoting an atmosphere which is conducive to the academic mission of the university.

Michelle Bolden, Director of Traffic and Parking, is responsible for the day-to-day operations of the Traffic & Parking Department. Michelle oversees the monitoring, reporting and financial operations of the department.





Traffic and Parking

- External Operations
 - Ticket writing
 - Battery boosts
 - Lock-outs
 - Late Night Safety Escorts
 - FAU Information Center
- Internal Operations
 - Decal distribution
 - Request special parking
- Web On-line Services (www.fau.edu/parking)
 - Student request for decals
 - Faculty/Staff payroll deduction
 - Appeal process





Business Services

Mission Statement:

The Office of Business Services consists of several diversified areas that are committed to enhancing the business and professional services experiences of Florida Atlantic University students, faculty, staff and visitors by providing a variety of support services.

Sergio Palacio, Director of Office Services is responsible for the OWL CARD Center, Copy Services (Campus Copy, coin/card operated copiers, departmental and convenience copiers) with Milner/Lanier, banking services with BankAtlantic, office supplies for departmental and student/employee purchases with Office Depot Business Services Division and Corporate Express, sale of Palm Tran bus passes through the OWL CARD Program, Mail Services, Pack -N- Post and a printer cartridge recycling program.





Business & Auxiliary Services

- Bookstore
- Food Service
- Concessions
- Photo ID (Owl Card)
- Office Services
- Mail Center
- Copy Services





FAU Strategic Goals

- Goal 1 To increase student access on each of Florida Atlantic University's partner campuses.
- Goal 2 To provide student support services and other activities that contribute to an exciting and supportive learning environment.
- Goal 3 To encourage curricular and pedagogical innovations responsive to the diverse learning styles, circumstances, and educational needs of Florida Atlantic University's Students.
- Goal 4 To achieve recognition from local, regional, national and international constituencies for the excellence of FAU academic programs.
- Goal 5 To enhance graduate education and research.
- Goal 6 To expand partnerships with business, government, cultural and educational institutions.
- Goal 7 To promote the academic and organizational integration of FAU's partner campuses.
- Goal 8 To develop and allocate resources on the basis of strategic priorities and performance.

FINANCIAL AFFAIRS ASSISTS FAU IN ACHIEVING ALL OF THESE GOALS



How Financial Affairs Has Assisted FAU in Achieving its Strategic Goals

Goal 1 To increase student access on each of Florida Atlantic University's partner campuses.

- Personnel and Administrative Support on Partner Campuses
- “Frictionless” Administrative Process
 - p-Card Purchasing Program
 - On-Line Budget Transfers
 - On-Line Tuition Payments
 - On-Line Office Supply Purchases
 - On-Line Travel Authorization Request
 - On-Line BANNER Financial & Human Resource Information
 - On-Line SIS Account Information
 - On-Line Time Entry
 - On-Line Vendor Links
 - On-Line Student Statements
 - On-Line Virtual Showroom

Any Time, Any Place



How Financial Affairs Has Assisted FAU in Achieving its Strategic Goals

Goal 2 To provide student support services and other activities that contribute to an exciting and supportive learning environment.

- On-Line Payment of Tuition and Fees
- Banking Services to Students, Students and Staff
- Pack-N-Post
- Copy Services
- Safe and Healthy Environment for Students, Faculty and Staff
- Electronic Distribution of Financial Aid
- Innovative and Value-Minded Programs in Foodservice and Bookstore
(Center Marketplace, Branded Food Concepts, Emergency Loans for Student Purchase of Books)



How Financial Affairs Has Assisted FAU in Achieving its Strategic Goals

Goal 3 To encourage curricular and pedagogical innovations responsive to the diverse learning styles, circumstances, and educational needs of Florida Atlantic University's students.

- Financial Affairs Staff Teaching at the Undergraduate and Graduate Level

Dr. Rosanna Berzok teaches in the Higher Education Leadership Program including courses in Introduction to Technology, Applied Educational Technology and Finance in Higher Education.

Dr. Jessell, Ms. Seita and Mr. Crudele have provided guest lectures to the Higher Education Leadership Program focusing on Best Practices and Innovations in higher education financial administration.



How Financial Affairs Has Assisted FAU in Achieving its Strategic Goals

Goal 4 To achieve recognition from local, regional, national and international constituencies for the excellence of FAU academic programs.

- FAU's On-Line Signature System won a NACUBO Best Practice Award
- Sales Tax Recovery Program has contributed to the academic programs success by maximizing investments in building and equipment. Sales tax recovery program has saved FAU over \$1 million since its inception, and these funds have been reinvested in the facilities and equipment to improve the academic programs at FAU. Over \$5.8 million of purchases in the Charles E. Schmidt Bio-Medical complex were processed through the program, saving \$348,000 in state sales tax payments that were then invested in specialized laboratory space and equipment.
- FAU initiated changes to the SUS-ORP to expand participation at no additional cost to the University, enabling colleges and other areas to attract top quality faculty and staff.



How Financial Affairs Has Assisted FAU in Achieving its Strategic Goals

Goal 4 Continued

- FAU p-Card for travel saves time and money from direct, lower air fare purchases and reduced paperwork to sales tax savings in Florida .
- FAU established a pre-tax parking program for employees, saving employees the federal income tax liability on the parking decal fee.
- Personnel Services “*ActionLine*” and “*Ask Personnel*” provide superior support to faculty and staff and aid in improving employee retention and reducing employee turnover.



How Financial Affairs Has Assisted FAU in Achieving its Strategic Goals

Goal 5 To enhance graduate education and research.

- FAU's Single Paycheck from multiple sources payroll program improves the time and effort reporting on research grants by accurately portraying the appropriate charge of faculty and staff assignments.
- The new BANNER payroll and personnel system improves the accuracy of time and effort reporting.



How Financial Affairs Has Assisted FAU in Achieving its Strategic Goals

Goal 6 To expand partnerships with business, government, cultural and educational institutions.

- FAU's Office Supply contract with Office Depot and Corporate Express provides next day delivery of office supplies on all campuses at a significantly reduced cost.
- The Bookstore is administered by Barnes & Noble College Bookstores.
- Foodservice is administered by Chartwells and Wackadoo's.
- Copy Services and Postal Services is administered by Milner/Lanier.
- Vending Services is provided by Pepsi/Dileroto & Sons.
- FAU's Employee Assistance Program has multiple participants including counselors, psychologists, physicians working together to assist FAU employees.

These partnerships result in improved services and lower costs to students, faculty and staff.



How Financial Affairs Has Assisted FAU in Achieving its Strategic Goals

Goal 7 To promote the academic and organizational integration of FAU's partner campuses.

- Financial Affairs strives to effectively and conveniently serve students, faculty and staff.
- All services and functions in the Financial Affairs are viewed with an eye toward minimizing travel to other locations in order to receive quality service levels.
- On-Line Services and review of Best Practices will continue to expand and be a priority for Financial Affairs.



How Financial Affairs Has Assisted FAU in Achieving its Strategic Goals

Goal 8 To develop and allocate resources on the basis of strategic priorities and performance.

- Financial Affairs is committed to allocating all resources on the basis of the FAU strategic priorities, performance, and university-wide goals and objectives.
- The Budget Office sponsors the Fiscal Forum monthly to improve communications and processes involving budget allocations, purchasing procedures, human resource functions and services, financial transaction processing. The goal of the Fiscal Forum is to improve efficiencies and develop cost saving innovations.



How Financial Affairs Has Assisted FAU in Achieving its Strategic Goals

Goal 8 (continued)

- 2002 SACS Reaffirmation Committee Report stated:

Committee Members noted that FAU has made substantial progress in implementing such [planning and evaluation] processes for administrative and support service units. Interviews and examination of documentation provided to the committee demonstrated that some administrative and support service units ... had developed considerable expertise in obtaining feedback from constituents, measuring processes and using results for on-going improvements. Therefore, the Committee suggests that these units... share their best practices and approaches with other units.

- Since 1997, there have been no significant audit findings for FAU.
- FAU Bond issues have received “A” ratings.



Financial Affairs 2004/05 Priorities Continued Operations

- Continue the implementation and improvement of the BANNER Financial, Human Resource and Student Information Systems.
- Continue development of web-based business applications.
- Implement “Best Practices” programs.
- Revise the Personnel rules, policies and procedures.
- Develop new techniques and uses for the p-Card program.
- Review and revise the Auxiliary Chargeback and Fees structure.
- Assist in the collective bargaining process.
- Assist Academic Affairs in reviewing and revising research overhead policies.



Financial Affairs

2004/05 Priorities

New Initiatives

- Create University Treasurer Position to Improve Financial Operations and Functions
- Enhance Homeland Security at FAU
- Create half-time Benefits Position in Personnel Services
- Expand the Owl Card Program
- Enhance Expense and OPS budget to partially offset loss of purchasing power.



Financial Affairs

Five Year Budget History

1999-2000 THROUGH 2003-2004

	1999-2000	2000-2001	2001-2002	2002-2003	2003-2004
BUDGET *	\$3,753,903	\$4,039,492	\$4,000,504	\$3,906,726	\$3,958,860
CPI ADJUSTED BUDGET **	\$3,753,903	\$3,933,638	\$3,793,586	\$3,607,579	\$3,559,923
FAU FT AND PT EMPLOYEES	3,464	3,518	3,687	3,777	4,010
FAU STUDENT HEADCOUNT	20,581	21,466	23,819	24,119	25,018
CPI BUDGET PER:					
FAU FT AND PT EMPLOYEES	\$1,083.69	\$1,118.15	\$1,028.91	\$955.14	\$887.76
FAU STUDENT HEADCOUNT	182.40	183.25	159.27	149.57	142.29

* Budget excludes University wide funding such as SCT Banner, Workmens' Compensation and Risk Management Insurances

** US Department of Labor, bureau of Labor Statistics. Miami - Ft Lauderdale Metropolitan Area.
2.691 Average Annual Increase 1999-2003



Financial Affairs

Request for Budget Increase

Request 1: Establish Position of University Treasurer

Linkage: Goal 5,6,8	Amount Requested: S&B	\$117,000
	Exp	<u>10,000</u>
	Total	\$127,000

The primary function of the University Treasurer is to assist in the oversight of the financial well-being of Florida Atlantic University. The Treasurer is responsible for the handling of all cash management issues including investment of university funds, bank reconciliations, and management of payables and receivables. The Treasurer is also responsible for maintaining the financial records of the institution

Benefits of the Program:

Generate increased earnings to support Florida Atlantic University programs without exposing the University to unnecessary risk.



Financial Affairs

Request for Budget Increase

Strategies to Develop the Treasurer Position

Cash Management to improve investment returns.

Prompt, Detailed Bank Reconciliations to accurately reflect cash position.

Develop Programs to Speed Up Collections.

Develop Programs to Reduce Accounts Receivable and Bad Debts.

Effectively Manage Accounts Payables, paying on time, using discounts where appropriate.

Assessment of the Treasurer's Program

Monitor investment earnings

Compare periodic reports showing the financial position of the University

Compare bad debts and write-offs over time

Compare average age of accounts receivable and overdue accounts

Increase on-line payables and receivable transactions



Financial Affairs

Request for Budget Increase

Criterion:

Establish benchmark measures of performance – 100 basis points above the 30 day Treasury Bill.

Data Summary – Analysis & Evaluation:

Develop investment strategies to increase the financial position of Florida Atlantic University by maximizing investment opportunities.

Program Improvement:

The University is able to keep investment earnings for the first time since devolving from the State of Florida. A performance baseline will be established in fiscal year 2003-04 and investments will be monitored to maximize yields.

Return of Investment:

Cost of position less than anticipated cash benefits.



Financial Affairs

Request for Budget Increase

Request 2: Homeland Security Issues

Linkage: Goals 7, 8	Amount Requested: S&B	\$ 99,550
	Exp	<u>38,400</u>
	Total	\$137,900

Homeland security is a concerted effort to prevent security breaches within the University and reduces our vulnerability to terrorism and crimes and minimizes any damage that may occur and allows for a speedy recover when adverse events do occur.

Benefits of the Program

Improved Campus Security on all FAU Campuses

Review all policies and processes procedures and procedures to enhance University-wide safety and security

Reduced loss/damage of property by expanded Card Access to FAU Buildings

Improved campus security through camera surveillance monitoring at one site

Improve hiring process through background checks on prospective employees



Financial Affairs

Request for Budget Increase

Strategies to Develop the Program

Homeland security officer will work with all areas to complete comprehensive assessment of FAU's current safety and security strengths and weaknesses.

Existing, successful programs will be expanded to other areas where appropriate; programs that are deficient will be corrected in a priority manner.

Assessment of the Program

Examine and analyze police incident reports.

Monitor workers' compensation claims data.



Financial Affairs

Request for Budget Increase

Criterion:

Establish benchmark measures of performance. Reductions in incidents of theft, property damage, assault, unauthorized visitation/trespass.

Data Summary – Analysis & Evaluation:

FAU's performance in achieving reductions will be compared to national, state and local law enforcements standards and achievements.

Program Improvement:

New initiatives will be continuously evaluated to ensure standards are achieved.

Return of Investment:

Cost of program is less than the cost of theft/damage; improved safety and security for the campus. Increased safety for students, faculty and staff.



Financial Affairs

Request for Budget Increase

Request 3: Establish Half-Time Position in Benefits

Linkage: Goal 7,8	Amount Requested:	S&B	\$37,000
		Exp	<u>6,000</u>
		Total	\$43,000

Changes in the private sector benefits provisions and federal income tax laws require the University to undertake pro-active initiatives in employee benefits offerings in order to attract and retain quality faculty and staff. Two programs the Office of Personnel Services would like to begin for OPS employees are the FICA Alternative Plan and the Special Pay Plan for tax deferred/non-FICA contributions by employees. Other benefit programs to assist employees will also be explored.

Benefits of the Program:

Improved tax and retirement benefits to OPS and regular employees.
Cost savings to the University (FICA contribution savings)



Financial Affairs

Request for Budget Increase

Strategies to Develop the Program

Program providers will be solicited.

Personnel benefits area will work with employees, explaining the benefits and options of the two programs.

Assessment of the Benefit Program

Through the collegial process, achieve support of the program by staff and OPS employees.

Compare quarterly reports on savings to the University



Financial Affairs

Request for Budget Increase

Criterion:

Establish benchmark measures of performance.

Data Summary – Analysis & Evaluation:

Develop strategies to expand the FICA Alternative Program to all classes of OPS employees and the Special Pay Plan to all classes of regular employees.

Program Improvement:

The University will continue to monitor changes in the Federal Income Tax laws and competitive market benefit programs and will expand and develop new programs to better serve the needs of all of employees.

Return of Investment:

With OPS payroll of over \$15 million potential savings to the University could be as high as \$900,000 annually from the FICA Alternative Program alone. OPS employees will also achieve the benefit of having a personal and portable retirement benefit.



Financial Affairs

Request for Budget Increase

Request 4: Expand the use of the Owl Card Program

Linkage: Goals 2, 6, 7 Amount Requested: Exp \$25,000

The OWL CARD is the official identification card used for verification of FAU status (student enrollment and employment) for using University services such as the Library, Dining and Vending services, obtaining passes for university sporting and theatrical events, for use as debit card, distribution of financial aid, calling card, building access and participating university shops and other related services.

Benefits of Owl Card usage include:

- Increased security
- Improved accountability and efficiency
- Reduced theft and vandalism
- Greater conveniences for students, faculty and staff
- Discounts for services and special promotions
- Less need to carry cash
- Access to computer labs
- Campus Recreation and athletic events
- Postal services



Financial Affairs

Request for Budget Increase

Strategies to Expand Owl Card Usage

Advertising and Marketing of the Program

Web based media

Special offers and promotions

Discounts on purchases (Talon Tokens)

Update

Assessment of the Owl Card Program

Track number of transactions and amount and dollar volume quarterly

Monitor advertising strategies (surveys, etc.)

Compare incident reports involving theft and vandalism

Compare register reconciliation of cash



Financial Affairs

Request for Budget Increase

Criterion:

Increase deposits and student use of the Owl Card by 10 percent per year
Increase the number of faculty and staff issued the Owl Card by 10 percent per year.

Data Summary – Analysis & Evaluation:

Deposits of the on-line feature of the Owl Card will be monitored and analyzed and exceed the 10 percent goal by 3 percent (\$3.5 million in 2001-02, \$4.2 million in 2002-03). In 2004-05 a similar increase can be achieved with a small investment in funding the program.

Program Improvement:

Marketing efforts must continue to keep pace with the increased enrollment and the added services to faculty and staff. We will continue to monitor the number new Owl Card users.

Return of Investment:

Cost of system less than cost of theft/damage; improved safety and security for the campus. Increased access for student, faculty and staff.



Financial Affairs

Request for Budget Increase

Request 5: Maintain Purchasing Power of Expense and OPS Needs in Financial Affairs

Linkage: Goals 1-8 Amount Requested: \$12,000

Financial Affairs is requesting a “cost of living” adjustment of \$12,000 to maintain even purchasing power in OPS and expense item expenditures.



Financial Affairs

Request for Budget Increase

Summary

Request 1: University Treasurer	\$127,000
Request 2: Homeland Security	137,900
Request 3: Benefits Position	43,000
Request 4: Owl Card Program	25,000
Request 5: Expense/OPS Increase	<u>12,000</u>
Total	\$344,900



Financial Affairs

