



FLORIDA ATLANTIC UNIVERSITY

Board of Trustees

Item: **BF: A-2c**

BUDGET AND FINANCE COMMITTEE

Friday, June 27, 2025

**Subject: Request for Approval of the 2025-26 Florida Atlantic University Foundation
Operating Budget.**

PROPOSED COMMITTEE ACTION

Review and recommend approval of the 2025-26 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 the 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.

During the May 14, 2025, FAUF Board meeting, this budget was approved.

IMPLEMENTATION PLAN/DATE

July 1, 2025.

FISCAL IMPLICATIONS

N/A.

Supporting Documentation: Proposed 2025-26 FAUF Operating Budget

Presented by: Michelle Depalma, CFO of the FAU Foundation

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Florida Atlantic University Foundation



Florida Atlantic University Foundation

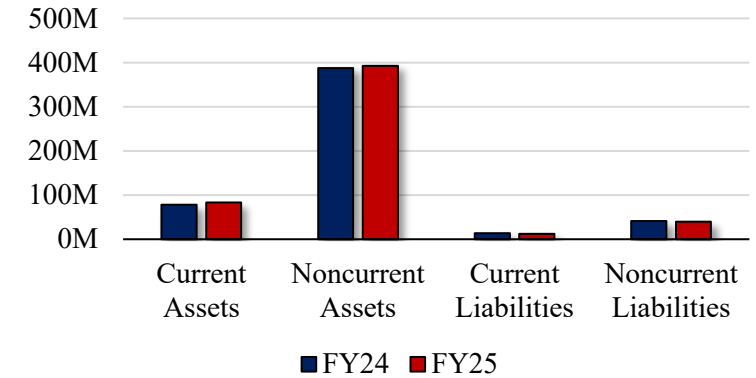
FY2024-2025 Performance Through Quarter 3

P&L Activity	Through Q3 FY2025	Through Q3 FY2024	Variance
Source of Funds from Foundation: (Revenues)			
Endowment Management Distribution	6,793,010	6,447,165	345,845
Interest on Expendable Funds	2,613,481	2,457,372	156,109
Gift & Non-Gift Fees & Other Income	155,459	192,755	(37,296)
Total Source of Foundation Funds (Revenues)	9,561,950	9,097,292	464,658
			-
Use of Foundation Funds: (Expenses)			
Operating Expenses	(1,632,365)	(1,391,555)	(240,810)
Government Relations & University Leadership Support	(340,420)	(234,640)	(105,780)
University Initiatives/Priorities	(4,086,900)	(3,317,771)	(769,129)
Total Use of Foundation Funds (Expenses)	(6,059,685)	(4,943,966)	(1,115,719)
Source of Funds Over/(Under) Use of Funds	3,502,265	4,153,326	(651,061)

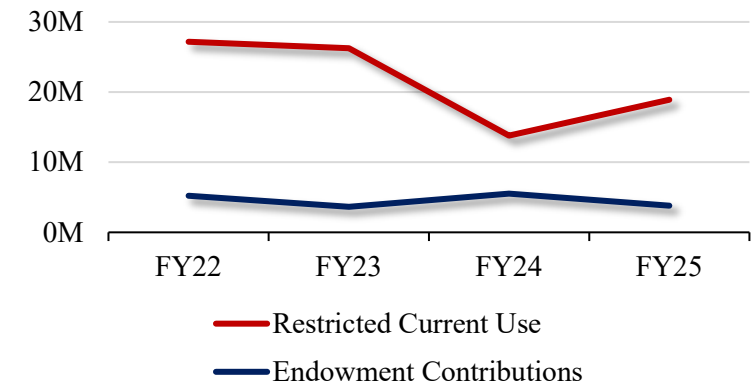
Net funds available through Quarter 3 total \$3.5M, down \$651K from the prior year, primarily due to:

- Increased support for university initiatives and priorities, aligned with strategic goals.
- Higher operating expenses, reflecting inflationary impacts and expanded programming.
- Continued investment in government relations and leadership support.
- A slight decline in gift and non-gift income, partially offsetting gains from endowment and interest income.

Balance Sheet Insights



Operating Revenue





Florida Atlantic University Foundation

Budget Performance into Proposal	FY2023-2024		FY2024-2025		FY2025-2026	FY2025 Projected
	Approved Budget	Actuals	Approved Budget	Projected Actuals	Proposed Budget	Performance to Budget %
Source of Funds from Foundation:						
Endowment Management Distribution	6,420,780	6,447,165	6,763,694	6,793,010	7,261,749	0.4%
Interest on Expendable Funds	1,250,000	3,326,427	2,000,000	3,413,481	2,400,000	70.7%
Gift & Non-Gift Fees & Other Income	195,000	247,790	223,000	215,459	193,000	-3.4%
Total Source of Foundation Funds	7,865,780	10,021,382	8,986,694	10,421,950	9,854,749	16.0%
Projected Use of Foundation Funds:						
Salaries & Benefits - FAU Advancement Staff	(1,500,000)	(1,918,000)	-	-	-	-
Operating Expenses	(2,283,572)	(1,884,348)	(2,289,894)	(2,183,427)	(2,609,749)	-4.6%
Government Relations & University Leadership Support	(1,218,050)	(345,761)	(1,246,800)	(633,795)	(1,795,000)	-49.2%
University Initiatives/Priorities	(264,158)	(242,770)	(5,450,000)	(5,450,000)	(5,450,000)	0.0%
Scholarships	(2,600,000)	(2,600,000)	-	-	-	-
Total Projected Use of Foundation Funds	(7,865,780)	(6,990,879)	(8,986,694)	(8,267,222)	(9,854,749)	-8.0%
Source of Funds Over/(Under) Projected Use of Funds	-	3,030,503	-	2,154,728	-	N/A
Additional Information						
Annual Fundraising	FY2020-FY2021	FY2021-FY2022	FY2022-FY2023	FY2023-FY2024	FY2024-FY2025	
Endowment Value	58,000,000	81,000,000	68,000,000	70,200,000	64,000,000	
	285,000,000	258,000,000	267,000,000	295,000,000	305,000,000	



Florida Atlantic University Foundation

Fiscal Year July 1, 2025 – June 30, 2026, Proposed Operating Budget

Florida Atlantic University Foundation	FY2025-2026 Proposed Budget
Source of Funds from Foundation:	
Endowment Management Distribution	7,261,749
Interest on Expendable Funds	2,400,000
Gift & Non-Gift Fees & Other Income	193,000
Total Source of Foundation Funds	9,854,749
Projected Use of Foundation Funds:	
Salaries & Benefits - FAU Advancement Staff	-
Operating Expenses	(2,609,749)
Government Relations & University Leadership Support	(1,795,000)
University Initiatives/Priorities	(5,450,000)
Scholarships	
Total Projected Use of Foundation Funds	(9,854,749)
Source of Funds Over/(Under) Projected Use of Funds	-