



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

Friday, June 27, 2025

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

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### **PROPOSED Board ACTION**

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.

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**Supporting Documentation:** Proposed 2025-26 FAUF Operating Budget

**Presented by:** Michelle Depalma, CFO of the FAU Foundation

**Phone:** 561-297-4791



# Florida Atlantic University Foundation



# Florida Atlantic University Foundation

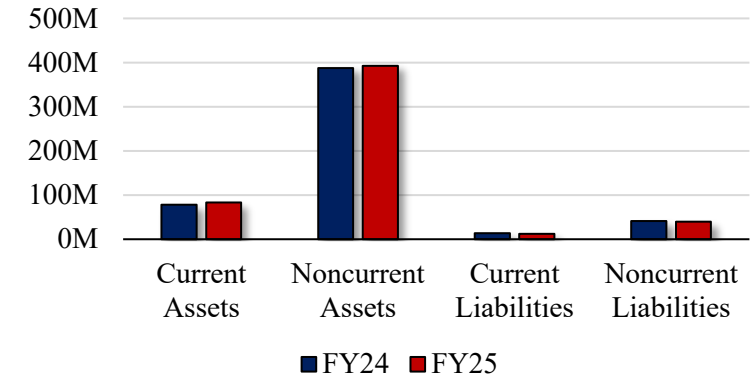
## FY2024-2025 Performance Through Quarter 3

| P&L Activity                                         | Through Q3<br>FY2025 | Through Q3<br>FY2024 | Variance           |
|------------------------------------------------------|----------------------|----------------------|--------------------|
| <b>Source of Funds from Foundation: (Revenues)</b>   |                      |                      |                    |
| 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)           |
| <b>Total Source of Foundation Funds (Revenues)</b>   | <b>9,561,950</b>     | <b>9,097,292</b>     | <b>464,658</b>     |
|                                                      |                      |                      | -                  |
| <b>Use of Foundation Funds: (Expenses)</b>           |                      |                      |                    |
| 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)          |
| <b>Total Use of Foundation Funds (Expenses)</b>      | <b>(6,059,685)</b>   | <b>(4,943,966)</b>   | <b>(1,115,719)</b> |
| <b>Source of Funds Over/(Under) Use of Funds</b>     | <b>3,502,265</b>     | <b>4,153,326</b>     | <b>(651,061)</b>   |

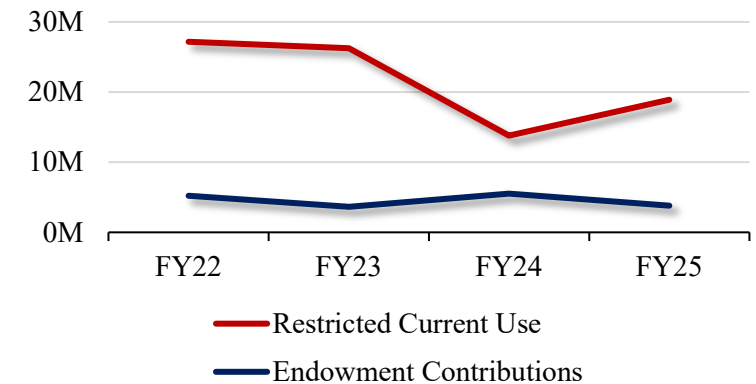
Net funds available through Quarter 3 total \$3.5M, down \$651K from the prior year, primarily due to:

- 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 % |
| <b>Source of Funds from Foundation:</b>                    |                    |                    |                    |                    |                    |                         |
| 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%                   |
| <b>Total Source of Foundation Funds</b>                    | <b>7,865,780</b>   | <b>10,021,382</b>  | <b>8,986,694</b>   | <b>10,421,950</b>  | <b>9,854,749</b>   | <b>16.0%</b>            |
| <b>Projected Use of Foundation Funds:</b>                  |                    |                    |                    |                    |                    |                         |
| 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)        | -                  | -                  | -                  | -                       |
| <b>Total Projected Use of Foundation Funds</b>             | <b>(7,865,780)</b> | <b>(6,990,879)</b> | <b>(8,986,694)</b> | <b>(8,267,222)</b> | <b>(9,854,749)</b> | <b>-8.0%</b>            |
| <b>Source of Funds Over/(Under) Projected Use of Funds</b> | <b>-</b>           | <b>3,030,503</b>   | <b>-</b>           | <b>2,154,728</b>   | <b>-</b>           | <b>N/A</b>              |
| <b>Additional Information</b>                              |                    |                    |                    |                    |                    |                         |
| 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<br>Proposed Budget |
|------------------------------------------------------------|--------------------------------|
| <b>Source of Funds from Foundation:</b>                    |                                |
| Endowment Management Distribution                          | 7,261,749                      |
| Interest on Expendable Funds                               | 2,400,000                      |
| Gift & Non-Gift Fees & Other Income                        | 193,000                        |
| <b>Total Source of Foundation Funds</b>                    | <b>9,854,749</b>               |
| <b>Projected Use of Foundation Funds:</b>                  |                                |
| 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                                               |                                |
| <b>Total Projected Use of Foundation Funds</b>             | <b>(9,854,749)</b>             |
| <b>Source of Funds Over/(Under) Projected Use of Funds</b> | <b>-</b>                       |