



FLORIDA ATLANTIC UNIVERSITY

Board of Trustees

Item: **BF: A-2a**

BUDGET AND FINANCE COMMITTEE

Tuesday, June 16, 2026

SUBJECT: Request Approval of the Fiscal Year 2026-2027 Florida Atlantic University Research Corporation Operating Budget.

PROPOSED COMMITTEE ACTION

Review and recommend approval of the 2026-2027 Florida Atlantic University Research Corporation's (FAURC) Operating Budget; and authorize the FAURC Chair to amend this budget as appropriate during the fiscal year, consistent with the FAURC's directives and guidelines.

BACKGROUND INFORMATION

The annual budget of the FAURC must be approved by the FAURC Board of Directors and submitted to the Board of Trustees for approval.

During the March 27, 2026 FAURC Board meeting, this budget was approved.

IMPLEMENTATION PLAN/DATE

July 1, 2026

FISCAL IMPLICATIONS

N/A

Supporting Documentation: Proposed Fiscal Year 2026-2027 FAURC Operating Budget

Presented by: Ms. Lynn Asseff, Associate VP, Financial Management Phone: 772-242-2395

Mr. Jayson Iroff, VP for Financial Affairs & Chief Financial Officer Phone: 561-297-3134



Florida Atlantic University Research Corporation

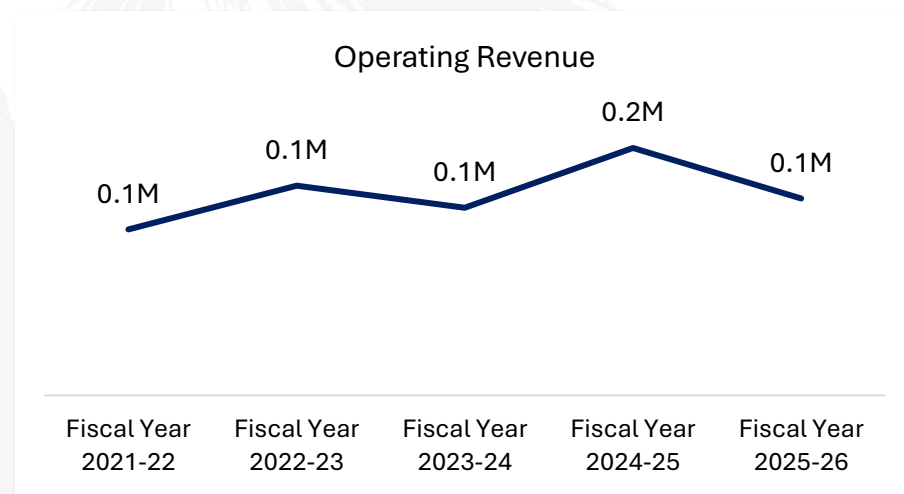
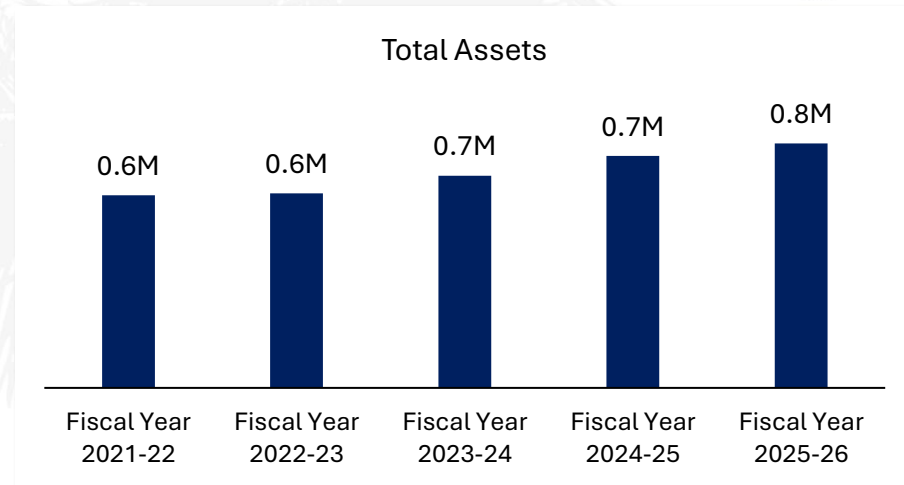
Fiscal Year July 1, 2026 – June 30, 2027 Proposed Budget

Florida Atlantic University Research Corporation

Fiscal Year 2025-26 Financial Update Through the Third Quarter, Ended March 31, 2026



FAU Research Corporation	Fiscal Year 2024-25	Fiscal Year 2025-26	Variance
	Actuals Through the Third Quarter	Actuals Through the Third Quarter	
Operating revenues:			
Nongovernmental grants, contracts & other operating revenues	95.4K	96.8K	1.4%
Royalties	77.6K	40.9K	(47.3%)
Total operating revenues	173.0K	137.6K	(20.4%)
Operating expenses:			
Contractual & program expenses	114.0K	110.0K	(3.5%)
Royalty expenses	11.6K	7.6K	(34.8%)
Total operating expenses	125.6K	117.6K	(6.4%)
Net operating income	47.4K	20.0K	(57.7%)
Non-operating revenues (expenses):			
Investment income	17.4K	19.3K	10.8%
Net Income	64.8K	39.4K	(39.3%)



Net income through Quarter 3 totals \$39.4K, down \$25.4K from the prior year, primarily due to:

- Operating revenue decreased \$35.4K, from \$173.0K to \$137.6K.
- Royalty revenue decreased \$36.7K, or 47.3%, from \$77.6K to \$40.9K.
- Operating expenses decreased \$8.0K, or 6.4%, partially offsetting the revenue decline.
- Investment income increased \$1.9K, or 10.8%, but was not enough to offset lower operating income.

Florida Atlantic University Research Corporation

Fiscal Year 2026-27 Budget Introduction



FAU Research Corporation	Fiscal Year 2024-25		Fiscal Year 2025-26		Fiscal Year 2026-27	Fiscal Year 2025-26
	Approved Budget	Full Year Actuals	Approved Budget	Full Year Projected Actuals	Proposed Budget	Projected Performance to Budget %
Operating revenues:						
Nongovernmental grants, contracts & other operating revenues	65.0K	150.3K	85.0K	2190.8K ¹	100.0K	2577.4%
Royalties	100.0K	120.6K	110.0K	54.2K	85.0K	49.3%
Total operating revenues	165.0K	270.8K	195.0K	2244.9K	185.0K	1151.3%
Operating expenses:						
Contractual & program expenses	115.0K	170.2K	138.6K	126.1K	2234.8K ²	91.0%
Royalty expenses	66.7K	84.2K	73.4K	23.0K	56.7K	31.4%
Total operating expenses	181.7K	254.5K	212.0K	149.1K	2291.5K	70.3%
Net operating income	(16.7K)	16.4K	(17.0K)	2095.8K	(2106.5K)	N/A
Non-operating revenues (expenses):						
Investment income	16.7K	26.7K	17.0K	25.1K	24.0K	147.5%
Net Income	-	43.1K	-	2120.9K	(2082.5K)	-

¹ Includes \$2.1M OP Solutions success fee and proceeds from divestiture of patents.

² Includes \$2.1M expected disbursement; revenues received in fiscal year 2025-26 and funds to be disbursed in fiscal year 2026-27.



Florida Atlantic University Research Corporation

Fiscal Year July 1, 2026 – June 30, 2027 Proposed
Budget

FAU Research Corporation Fiscal Year 2026-2027

Proposed Budget

Operating revenues:

Nongovernmental grants, contracts & other operating revenues	100.0K
Royalties	85.0K
Total operating revenues	185.0K

Operating expenses:

Contractual & program expenses	2,234.8K ¹
Royalty expenses	56.7K
Total operating expenses	2,291.5K

Net operating income (2,106.5K)

Non-operating revenues (expenses):

Investment income	24.0K
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Net Income (2,082.5K)

¹ This includes the disbursement of \$2.1M received in June 2026.



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