

BUDGET AND FINANCE COMMITTEE

Friday, June 27, 2025

**SUBJECT: APPROVAL OF FY 2025-2026 PROPOSED OPERATING BUDGET AND
APPROVAL OF THE CURRENT FISCAL YEAR AUXILIARY FUNDS
TRANSFER.**

PROPOSED COMMITTEE ACTION

- (i) Recommend approval of Florida Atlantic University's 2025-2026 Operating Budget, which consists of Educational and General (General Revenue, Student Fees, and Education Enhancement); Student Financial Aid; Grants and Contracts; Auxiliary Enterprises; Athletics; Student Government; and Concession Funds, and a delegation to the University President for the authority to amend these budgets as appropriate during the fiscal year consistent with Legislative, Board of Governors' and Board of Trustees' directives and guidelines.
- (ii) Recommend the approval of the transfer of \$5m in Auxiliary funds to Athletics for the current fiscal year.

BACKGROUND INFORMATION

The University President is required to prepare an annual budget for approval by the BOT. Authority for the University President to amend the budget is necessary to accommodate changes in revenues, expenditures, statutory budget changes, salary increases, health insurance increases, retirement rate increases, and technical amendments without the need for the Board of Trustees' approval each time these modifications are made.

The Board of Governors (BOG) amended BOG Regulation 9.013 Auxiliary Operations on June 18, 2025 to allow for the transfer of funds from Non-Athletics Auxiliary Operations to Athletics provided that the transfer meets certain criteria as outlined in the amended regulation.

IMPLEMENTATION PLAN/DATE

The 2025-26 Operating Budget will be effective July 1, 2025. The auxiliary transfer for the current fiscal year will be effective upon Board approval.

FISCAL IMPLICATIONS

The operating budget governs the University's expenditures during the year.

Supporting Documentation: The FY 2025-26 Proposed Operating Budget

Amended BOG Regulation 9.013 and Supporting Documentation for the
Auxiliary Transfer

Presented by: Mr. Jayson Iroff, VP Financial Affairs and CFO

Phone: 561-297-3134

FLORIDA ATLANTIC UNIVERSITY



University Operating Budget
Fiscal Year July 1, 2025 – June 30, 2026
Jayson Iroff, Vice President & Chief Financial Officer



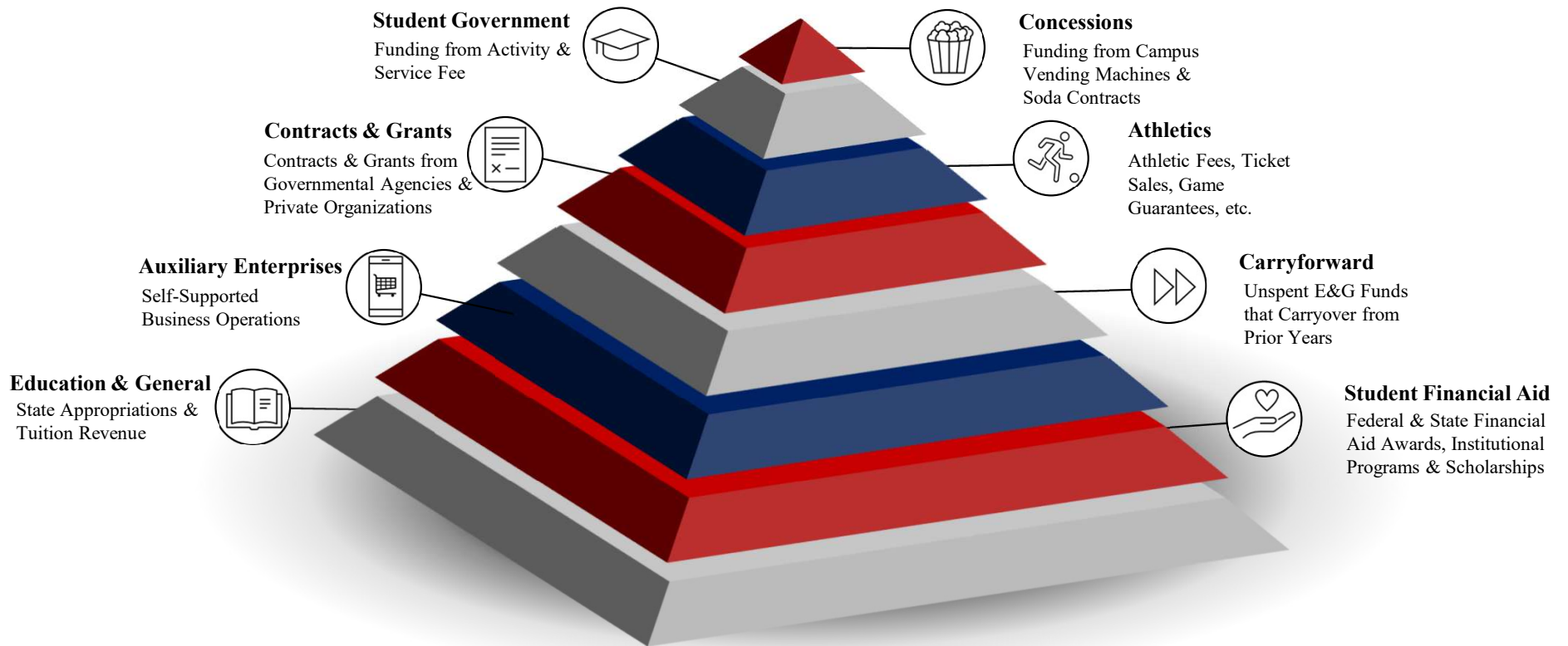
Outline

University Overview	Slide 3
FY2024–25 Performance Summary	Slides 4–9
FY2025–26 Proposed Operating Budget	Slides 10–12
Education & General (E&G) Budget	Slides 13–24
Other Funds Overview	Slides 25–35
Budget Approval Request	Slides 36–37
Component Units	Slides 38–55
Upcoming Projects/BOG Submissions	Slides 56–57
Funding Source Definitions	Slides 59–69



University Overview

Colors of Money





FY2024-2025 Projected Performance



FY2024-2025 Forecasted Results | Funding Sources

Revenues

All University Fund Sources	Budget	Actuals through Q3	Projected Year End	Budget Variance Over/(Under)	Projected Budget Performance
Education & General	429,475,016	360,832,135	452,350,703	22,875,687	5.3%
Student Financial Aid	224,015,313	221,584,919	247,668,224	23,652,911	10.6%
Auxiliary Enterprises	151,866,134	128,429,727	160,063,035	8,196,900	5.4%
Contracts & Grants:					
Foundation	16,050,881	10,714,653	17,857,605	1,806,724	11.3%
Henderson	12,810,177	13,871,464	14,621,827	1,811,650	14.1%
Sponsored Research & DOR	82,349,008	46,138,321	71,837,626	(10,511,382)	-12.8%
Contracts & Grants Total	111,210,066	70,724,438	104,317,058	(6,893,008)	-6.2%
Athletics *	40,488,621	26,159,715	40,488,621	0	0.0%
Student Government	9,878,687	10,225,974	10,944,788	1,066,101	10.8%
Concessions	803,210	110,831	697,081	(106,129)	-13.2%
Grand Total	967,737,047	818,067,739	1,016,529,510	48,792,463	5.0%

*The Athletics Budget includes a \$5M transfer from Auxiliary funds, which will be approved at the BOT meeting.



FY2024-2025 Major Funding Source Variances Explained

We are projecting...

1. A \$22.8M surplus over the \$429.4M **Education & General** revenue budget.
 - a) Consistent with last fiscal year, strong enrollment growth and investment income drove the 5.3% surplus above the budget.
2. A \$23.7M surplus over the \$224.0M **Student Financial Aid** revenue budget.
 - a) Expanded Pell Grant access, higher FAFSA completion rates, and targeted financial aid support all contribute to this increase.
3. A \$8.2M surplus over the \$151.9M **Auxiliary Enterprises** revenue budget.
 - a) Driven by the success of executive degree programs, higher investment yields, and increased business activity from higher fall enrollment.
4. A \$10.5M underspend against the \$82.3M **Sponsored Research & Division of Research** revenue budget.
 - a) Revenues trail expenditures due to the cost-reimbursable nature of most awards. Recent expenditure declines reflect temporary federal and state funding realignments. We anticipate a return to prior levels as conditions stabilize.



FY2024-2025 Forecasted Results | Funding Uses

Expenses

All University Fund Uses	Budget	Actuals through Q3	Projected Year End	Budget Variance Over/(Under)	Projected Budget Performance
Education & General	429,475,016	299,919,947	401,004,356	(28,470,660)	-6.6%
Carryforward	270,464,457	47,349,404	60,460,380	(210,004,077)	-77.6%
Student Financial Aid	227,110,987	221,528,244	243,399,655	16,288,668	7.2%
Auxiliary Enterprises*	168,072,911	104,200,077	144,236,149	(23,836,762)	-14.2%
Contracts & Grants:					
Foundation	16,050,881	12,128,428	16,984,822	933,941	5.8%
Henderson	12,861,695	8,823,408	11,142,923	(1,718,772)	-13.4%
Sponsored Research & DOR	82,349,008	47,713,544	69,214,299	(13,134,709)	-16.0%
Contracts & Grants Total	111,261,584	68,665,380	97,342,044	(13,919,540)	-12.5%
Athletics*	40,488,621	29,089,751	35,488,621	(5,000,000)	-12.3%
Student Government	11,883,176	7,456,993	9,798,576	(2,084,600)	-17.5%
Concessions	803,210	487,692	623,490	(179,720)	-22.4%
Grand Total	1,259,559,962	778,697,489	992,353,271	(267,206,691)	-21.2%

*The Athletics Budget includes a \$5M transfer from Auxiliary funds, which will be approved at the BOT meeting.



FY2024-2025 Major Funding Use Variances Explained

We are projecting...

1. A \$28.4M underspend against the \$429.4M **Education & General** expense budget.
 - a) E&G is projected to currently finish the year 6.6% short of the expense budget due to marginal underspend in areas across the University.
2. A \$210.0M underspend against the \$270.5M **Carryforward** expense budget.
 - a) Includes initiatives that span multiple years.
 - b) Includes 7% statutory reserve requirement.
 - c) Compared with \$38.7M spent in FY2023-2024, this projected \$60.5M spend calculation is 56.3% higher.
3. A \$16.3M surplus over the \$227.1M **Student Financial Aid** expense budget.
 - a) The surplus represents projected available funding higher due to higher projected revenues collected relating to the initiative referenced in the funding sources variances.



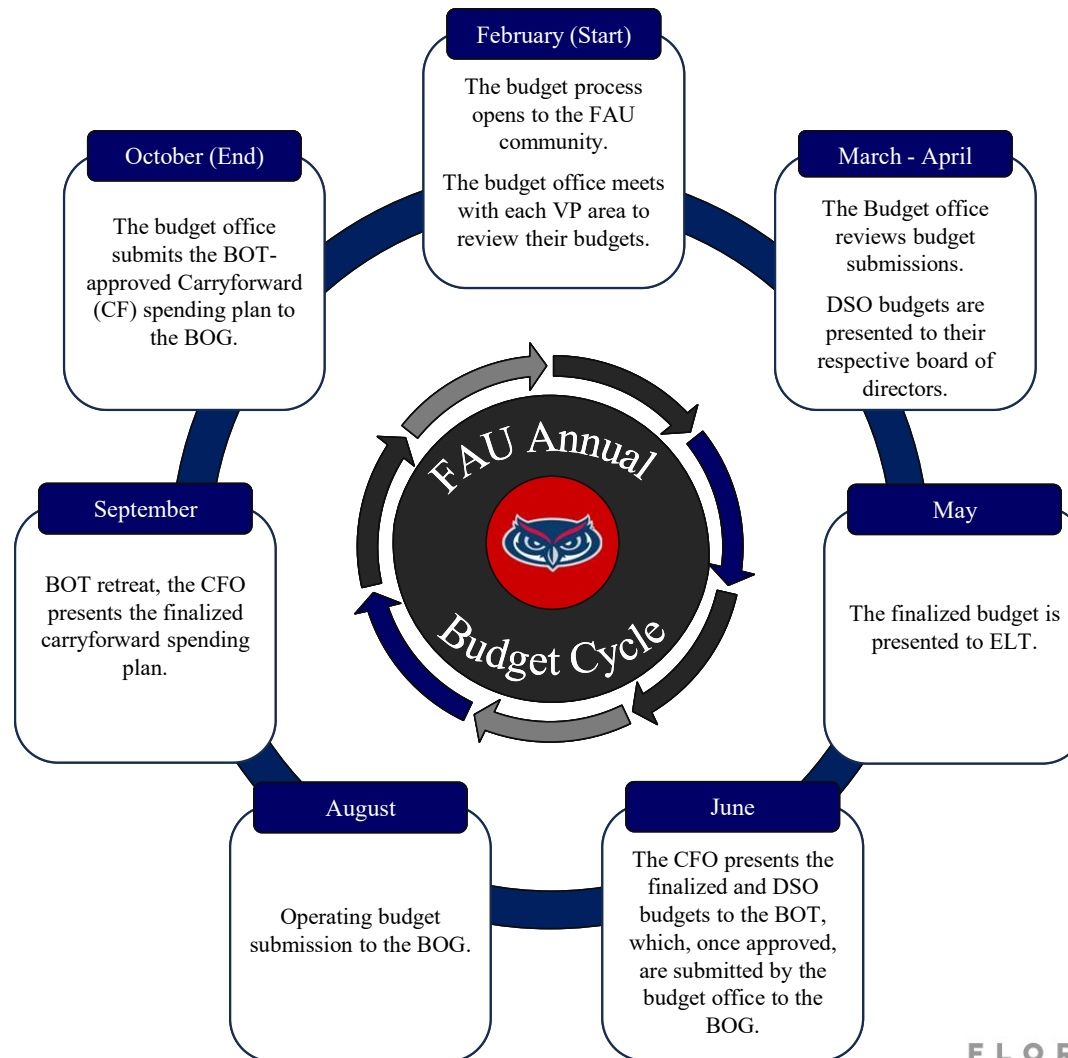
FY2024-2025 Major Funding Use Variances Explained (Continued)

We are projecting...

4. A \$23.8M underspend against the \$168.0M **Auxiliary Enterprises** expense budget.
 - a) Includes initiatives that span multiple years.
 - b) Includes the \$5.0M transfer from Auxiliary funds to the Athletics budget.
5. A \$13.1M underspend against the \$82.3M **Sponsored Research & Division of Research** expense budget.
 - a) Expenditures are trending lower due to temporary federal and state funding realignments.



Fiscal Year 2025-2026 Florida Atlantic University Operating Budget



Annual Budget Cycle Overview

The annual budget cycle at FAU is a collaborative, transparent process designed to align institutional priorities with financial resources. Spanning from February through October, this cycle ensures thoughtful planning, strategic allocation, and compliance with university and state guidelines.

- **Engagement & Planning**
- **Review & Refinement**
- **Approval & Submission**
- **Implementation & Oversight**



Florida Atlantic Operating Budget

Fiscal Year July 1, 2025 – June 30, 2026

All University Funds*	FY2024-2025	FY2025-2026	\$ Change	% Change
Education & General:				
State Support	255,995,488	262,246,655	6,251,167	2.4%
Tuition & Fees	173,479,528	186,317,381	12,837,853	7.4%
E&G Total	429,475,016	448,564,036	19,089,020	4.4%
Student Financial Aid	227,110,987	243,171,441	16,060,454	7.1%
Auxiliary Enterprises**	168,072,911	181,311,306	13,238,395	7.9%
Contracts & Grants:				
Foundation	16,050,881	20,000,000	3,949,119	24.6%
Henderson	12,810,177	13,565,149	754,972	5.9%
Sponsored Research & DOR	82,349,008	84,787,602	2,438,594	3.0%
Contracts & Grants Total	111,210,066	118,352,751	7,142,685	6.4%
Athletics**	40,488,621	44,530,000	4,041,379	10.0%
Student Government	11,883,176	12,323,849	440,673	3.7%
Concessions	803,210	700,000	(103,210)	-12.8%
Grand Total	989,043,987	1,048,953,383	59,909,396	6.1%

*Excludes 2025-2026 Carryforward, as this is presented annually at the September Board Meeting.

** FY2024-25 and FY2025-26 budgets include transfers from Auxiliary funds to the Athletics budget, \$5.0M in FY2024-25 and \$3.3M in FY2025-26, which will be approved at the BOT meeting.

FLORIDA ATLANTIC UNIVERSITY



Education & General



Five-Year Budget Detail

Education & General Revenues

Education & General	FY2021-2022	FY2022-2023	FY2023-2024	FY2024-2025	FY2025-2026	5 Year Change %
University E&G						
State Appropriation	197,414,486	207,212,508	240,786,012	234,248,449	240,049,616	21.6%
Tuition & Fees	136,401,331	136,401,331	144,762,147	162,762,147	175,600,000	28.7%
University State Support Total	333,815,817	343,613,839	385,548,159	397,010,596	415,649,616	24.5%
Medicine E&G						
State Appropriation	16,747,039	16,747,039	21,747,039	21,747,039	22,197,039	32.5%
Tuition & Fees	10,717,381	10,717,381	10,717,381	10,717,381	10,717,381	0.0%
Medicine State Support:	27,464,420	27,464,420	32,464,420	32,464,420	32,914,420	19.8%
Florida Atlatic E&G Budget Total	361,280,237	371,078,259	418,012,579	429,475,016	448,564,036	24.2%
Year Over Year Growth %	-	2.7%	12.6%	2.7%	4.4%	
Tuition & Fees %	41%	40%	37%	40%	42%	
State Appropriation %	59%	60%	63%	60%	58%	
Actual Net Tuition Revenue*	145,124,795	150,740,973	170,864,839	181,818,278		

*Actual Net Tuition Revenue for FY2024-2025 is a projected figure



State Support Detail

Education & General Revenues

Education & General	FY2021-2022	FY2022-2023	FY2023-2024	FY2024-2025	FY2025-2026	5 Year Change %
University State Support:						
General Revenue	159,522,935	160,142,048	186,865,176	183,439,290	190,109,375	19.2%
Lottery	37,891,551	47,070,460	53,920,836	50,809,159	49,940,241	31.8%
University State Support Total	197,414,486	207,212,508	240,786,012	234,248,449	240,049,616	21.6%
Medicine State Support:						
General Revenue	16,747,039	16,747,039	21,747,039	21,747,039	22,197,039	32.5%
Florida Atlatic State Support Total	214,161,525	223,959,547	262,533,051	255,995,488	262,246,655	22.5%
Year Over Year Growth %	-	4.6%	17.2%	-2.5%	2.4%	

Over the past five fiscal years, Florida Atlantic University has received a cumulative 22.5% increase in total state support, growing from \$214.2 million in FY2021-22 to \$262.2 million projected for FY2025-26. This reflects an average annualized growth rate of approximately 4.5%.



State Support Variances

Education & General Revenues

\$6.2M 

Reduction due to the non-recurring nature of hiring and retaining faculty dollars, nursing support, and performance funding issued last fiscal year.

+

\$10.5M 

Increase due to the addition of non-recurring operational support for the University and Medicine issued for the upcoming fiscal year.

+

\$2.0M 

Increase due to the addition of non-recurring support for to A.D. Henderson University School

=

\$6.3M 

Moving into FY2025-2026 Florida Atlantic is projecting a \$6.3M increase in state funding when compared to the prior fiscal year.

\$1.1M 

FAU received **\$1.1M** in continued non-recurring funding to support the ongoing Max Planck partnership

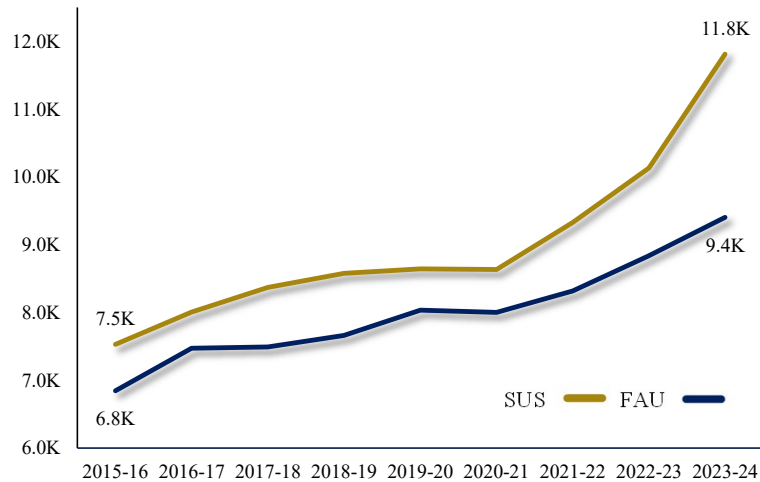


Historical State Support Analysis – Funding Per FTE

Education & General Funding Comparison Across the State University System

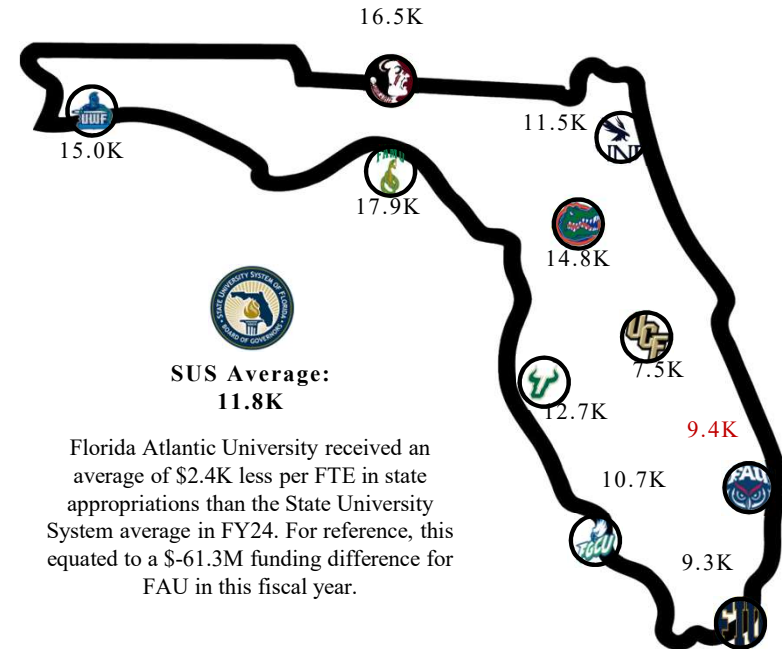
State Appropriation Funding Per FTE

FAU Against the SUS Average



State Appropriation Funding Per FTE

Across the SUS 2023-2024



Data Parameters

1. All data excludes preeminence and emerging preeminence funding.
2. Florida Polytech and New College remitted from SUS average due to vastly different university structures.
3. For FY2023-24, preeminent universities include UF, FSU & USF. FIU has been added to the list for FY2024-25
4. For FY2023-24, emerging preeminent universities include UCF & FIU.
5. All data retrieved from SUS webpage. Historical Funding, Allocation Summaries, & Legislative Budget Requests.



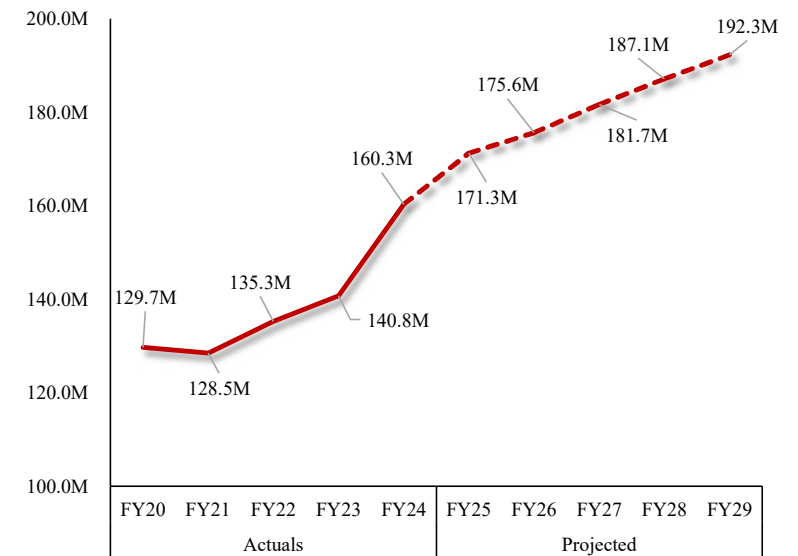
Tuition & Fees

Education & General Revenues

Tuition Expectations for FY2025-2026

Revenues:	
Instate Tuition	95,232,207
Out of State Tuition	70,509,248
Tuition Differential	29,608,009
Other Related Revenue	6,176,631
Total Revenues	201,526,095
Expenses:	
Tuition Waivers	(25,440,963)
Other Tuition Related Expenses	(485,132)
Total Expenses	(25,926,095)
Total Net Tuition Projection*	175,600,000
Projected Credit Hour Growth	
Projected Dollar Growth	3.5%

Net Tuition Projection



1. Tuition projections are based on the 2025 FAU accountability plan assumptions to project credit hour totals and mix.
2. Revenues are then modeled based on historical revenue earned per credit hour.
3. Medicine is not included



Growth in Full-Time Equivalent (FTE) Revenue Explained

Education & General Revenues

Accountability Plan FTE Analysis	Undergraduate	Graduate	Total
2024 Accountability Plan Average Fall 25-28 Growth	2.85%	2.26%	2.77%
2025 Accountability Plan Average Fall 25-28 Growth	3.21%	3.51%	3.26%
Upward Revision	0.36%	1.25%	0.49%

Due to an upward revision in FTE growth expectations from the 2024 to the 2025 Florida Atlantic Accountability Plan, we are modeling a higher tuition yield than in previous years.

\$12.8M 

Increase in tuition and fees budget
going into fiscal year 2025-2026.

Tuition & Fees	FY2024-2025	FY2025-2026	Δ
University	162,762,147	175,600,000	12,837,853
College of Medicine	10,717,381	10,717,381	0
Tuition & Fees	173,479,528	186,317,381	12,837,853



Year-Over-Year Budget Summary

Education & General

\$6.3M 

Increase due to the addition of state support.

+

\$12.8M 

Increase due to higher forecasted tuition growth in FTE.

=

\$19.1M 

Moving into FY2025-2026 Florida Atlantic is realizing a \$19.1M increase in the Education & General operating budget.



Florida Atlantic E&G Budgeted Spend Trends

Education & General Expenses

Education & General Budget	FY2021-2022	FY2022-2023	FY2023-2024	FY2024-2025	FY2025-2026	5 Year Change %
Payroll	259,441,959	261,833,902	276,707,645	296,112,986	309,435,668	19.3%
Year Over Year Growth %	-	0.9%	5.7%	7.0%	4.5%	
Operational Expenses	101,838,278	109,244,357	141,304,934	133,362,030	139,128,367	36.6%
Year Over Year Growth %	-	7.3%	29.3%	-5.6%	4.3%	
Total Budgeted Expenses	361,280,237	371,078,259	418,012,579	429,475,016	448,564,036	24.2%
Year Over Year Growth %	-	2.7%	12.6%	2.7%	4.4%	
Education & General Actuals*	FY2021-2022	FY2022-2023	FY2023-2024	FY2024-2025		
Total Actual Expenses	307,452,698	329,178,915	380,080,175	401,004,356		
Variance Actuals To Budget	53,827,539	41,899,344	37,932,404	28,470,660		
Year Over Year Growth %%	-	7.1%	15.5%	5.5%		
Change to the Budget	14.9%	11.3%	9.1%	6.6%		

1. The **5.7%** increase in payroll from FY2022-23 to FY2023-24 reflects a university-wide implementation of merit-based salary increases aimed at enhancing retention and competitiveness.
2. The **7.0%** payroll increase from FY2023-24 to FY2024-25 is driven university-wide continuation of merit-based salary increases, as well as targeted state funding received to support the hiring and retention of faculty.
3. The **29.0%** increase in operational expenses in FY2023-24 is primarily due to significant operational enhancements, including investments in university-wide infrastructure and programmatic expansions within the College of Medicine.

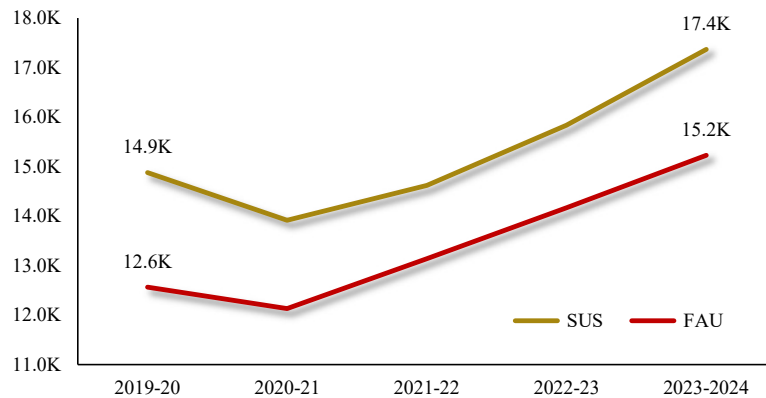


Historical Spending Per FTE

Education & General Spending Comparison Across the State University System

Total Expenditures Per FTE (5-Year Trend)

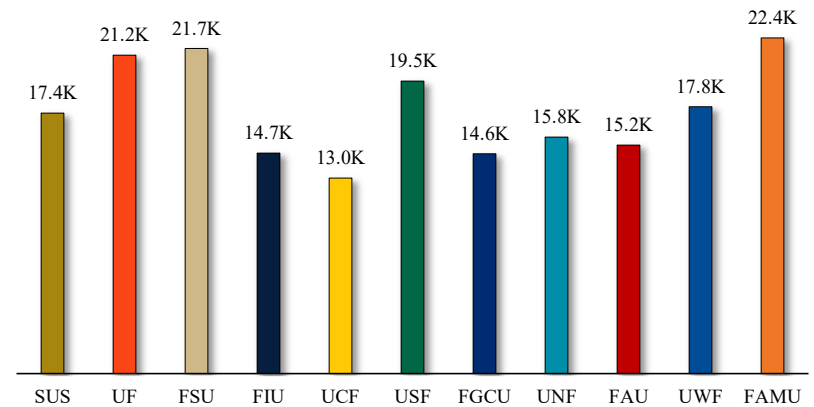
FAU Against the SUS Average



While FAU's total expenditures per FTE have grown 21.2% over the past 5 years, they continue to remain under 2.1K or 12.3% under the SUS average total expenditures per FTE.

Total Expenditures Per FTE (Across SUS)

2023-2024



In FY2023–24, Florida Atlantic University ranked 7th out of 10 institutions analyzed across the State University System for total expenditures per FTE.

Data Parameters

1. Total expenditures per FTE include both direct and indirect costs to provide a complete picture of institutional resource deployment.
2. Florida Polytech and New College remitted from SUS average due to vastly different university structures.
3. All data retrieved from SUS webpage. FLBOG Expenditure Analysis Reports



Florida Atlantic E&G New Investments

Education & General Expenses

Florida Atlantic is making new E&G investments to advance academic excellence, student success, and research innovation—supporting FAU 100 and strengthening our national reputation.



Employee Compensation Investment

Demonstrates FAU's commitment to competitive compensation, workforce stability, and responsiveness to market conditions.



Student Success and Outcomes Enhancement

Supports key strategies to improve advising, retention, and graduation—advancing Performance-Based Funding metrics, student impact, & FAU's rise in the U.S. News rankings.



Campus Safety

Increased investment into campus safety operations.



Strategic University Priorities

Provides resources for mission-aligned, high-impact initiatives that support institutional agility and strategic direction.



Research Capacity Expansion

Strengthens FAU's research infrastructure, fosters interdisciplinary collaboration, and supports competitiveness for external funding.



Operational Costs

Addresses inflationary pressures in essential services to ensure reliable custodial, utility, and general operations across the university.



Florida Atlantic E&G New Investments

Investment Category	FY2026 Investment	Key Notes
Employee Compensation	\$14,695,877	Supports salary competitiveness and workforce stability through compensation investments for both bargaining and non-bargaining positions.
Strategic University Priorities	\$12,000,000	Presidential initiatives advancing university-wide impact and mission-critical goals, utilizing recurring and non-recurring resources.
Student Success and Outcomes	\$8,865,933	Targets retention, graduation, and rankings through advising, wellness, and high-impact student success programs.
Cost Increases for Operations	\$8,997,846	Covers rising costs in operational expenses to maintain essential campus services.
Research Capacity Expansion	\$1,000,000	Funds interdisciplinary collaboration and infrastructure to grow FAU's research portfolio.
Safety	\$827,808	Additional resources for police services.



\$46.4M

New E&G investment initiatives
across the University



Other Funds



Auxiliary Enterprises

Revenues & Expenses

Auxiliary Enterprises*	FY2024-2025	FY2025-2026	Variance	% Change
Revenues	151,866,134	165,182,711	13,316,577	8.8%
Expenses**	168,072,911	181,311,306	13,238,395	7.9%

Top Auxiliary Generated Revenues

College of Business Executive Education Programs	\$ 33.7
Medicine Residency Programs	\$ 18.5
Business Services (Center Market Place, Food Services)	\$ 14.8
Student Health Services	\$ 14.7
Center for eLearning	\$ 13.8
FAU Health	\$ 10.8
Traffic and Parking Services	\$ 9.4
Clearwire	\$ 5.4
Student Union, Recreation Center, Auditorium	\$ 3.6

*Includes Technology Fund (Technology Fees)

** FY2024-25 and FY2025-26 budgets include transfers from Auxiliary funds to the Athletics budget, \$5.0M in FY2024-25 and \$3.3M in FY2025-26. The non-athletic auxiliary funds come from Clearwire revenue generated.



Auxiliary Enterprises

Variances

↑ 13.3M

Revenues

FAU Health Expansion	Nearly 60% of the total increase (\$7.8M of \$13.31M) stems from the launch of FAU Health's Academic Practice Plan in partnership with Broward Health — the largest single contributor to revenue growth.
College of Business Momentum	Driven by strong demand in Executive Degree Programs and rising study tour participation, revenue jumped \$660K, signaling continued program growth.
Graduate Medical Education Growth	Expanded fellowship/residency positions, salary increases, and inflation adjustments added \$465K, reflecting investment in clinical training capacity.

↑ 13.2M

FAU Health Expansion	The largest single expense driver, \$6.53M, is tied to the launch of the Academic Practice Plan with Broward Health — reflecting both clinical staffing and operational startup costs.
Infrastructure & Facilities Projects	Parking & Transportation and Business Services together added \$3.3M in expenses, driven by ongoing project costs and newly approved infrastructure upgrades.
Academic & Administrative	Roughly \$3.4M stemmed from CRM and marketing expansions in the College of Business, and increased personnel and commencement-related costs under the Provost.
Athletics Revenue Sharing Support	\$5.0M budgeted to support new revenue sharing responsibilities of the University relating to athletics.



Auxiliary Enterprises – Clearwire Agreement

- The Clearwire Agreement is a 30-year Educational Broadband Service, Spectrum lease agreement between Florida Atlantic University and Clearwire Spectrum Holdings that was entered into in April of 2008. Current lease revenues realized by the University are \$5.3m per year.
- Revenues realized from the lease agreement are not pledged against any existing debt, future liabilities or commitments.
- Revenues from the lease agreement do not include any student fees or payments.

Auxiliary Clearwire

FY25 Beginning Fund Balance	5,305,818
FY25 Revenue	5,313,468
Athletics Transfer	(5,000,000)
FY25 Ending Fund Balance	5,619,286
FY26 Revenue	5,313,468
Athletics Transfer	(3,300,000)
FY26 Ending Fund Balance	7,632,754
FY27 Revenue	5,313,468
Athletics Transfer	(3,300,000)
FY27 Ending Fund Balance	9,646,222



Contracts & Grants

Revenues & Expenses

Contracts & Grants	FY2024-2025	FY2025-2026	Variance	% Change
Revenues:				
Foundation	16,050,881	20,000,000	3,949,118	24.6%
Henderson	12,810,177	14,255,132	1,444,955	11.3%
Sponsored Research & DOR	82,349,008	84,787,602	2,438,594	3.0%
Total Revenues	111,210,066	119,042,733	7,832,667	7.0%
Expenses:				
Foundation	16,050,881	20,000,000	3,949,118	24.6%
Henderson	12,861,695	13,565,149	703,454	5.5%
Sponsored Research & DOR	82,349,008	84,787,602	2,438,594	3.0%
Total Expenses	111,261,585	118,352,751	7,091,166	6.4%



Contracts & Grants

Variances

Revenues	 7.8M
FAU Foundation	Revenue rose \$3.94M, driven by momentum from the Transcend Tomorrow campaign, larger endowment returns, and increased spending distributions.
Henderson School	Revenue climbed \$1.44M, supported by a Base Student Allocation increase, new FAU–Treasure Coast University Schools funding, and \$500K in recurring legislative support for lab school initiatives.
Sponsored Research & Division of Research	The Division of Research revenue of \$319K remains relatively flat for FY26. Sponsored funding increased by \$2.43M, driven by expanded research activity, including an estimated 3% salary increase

Expenses	 7.1M
FAU Foundation	Expenses rose \$3.94M, in parallel with increased revenue, supporting expanded distributions aligned with donor intent and campaign commitments.
Henderson School	Expenses increased \$703K, reflecting new STEM-focused initiatives like the Institute for Innovation in Education and healthcare pathway investments from legislative funding.
Sponsored Research & Division of Research	Expenses rose \$2.43M, reflecting a 3% salary escalation, inflation-driven increases in contractual services, additional staffing support, and funds allocated for overhead distribution. This includes a \$901K increase in Sponsored Research and a \$1.53M increase in Division of Research expenses.



Student Financial Aid

Revenues & Expenses

Student Financial Aid	FY2024-2025	FY2025-2026	Variance	% Change
Revenues	224,015,313	242,381,327	18,366,014	8.2%
Expenses	227,110,987	243,171,441	16,060,453	7.1%

What are some of the ways this continued investment helps our students?

Pre-Cancellation Initiative Success Rate

94%



of at-risk students remained enrolled in Spring 2024 after receiving proactive outreach and support from Financial Aid staff.

This initiative contacted over 800 students who were in danger of losing their classes due to financial aid or scholarship issues. The 94% retention rate demonstrates the tangible impact of targeted student support on enrollment continuity, persistence, and institutional success.



Student Financial Aid

Variances

Revenues		↑ 18.4M
Pell Grant Expansion	Increased enrollment, improved FAFSA completion rates, and expanded eligibility led to a significant boost in Pell Grant revenue.	
Growth in Federal Stafford Loans	Federal loan revenue rose in response to broader student demand for aid — a trend consistent with patterns observed across the State University System (SUS).	
Financial Aid Fee Revenue	Higher enrollment drove an increase in financial aid fee collections, supported by current-year activity and prior-year trends.	

		↑ 16.1M
Pell Grant Disbursements	Spending rose in tandem with revenue as more eligible students received Federal Pell Aid.	
Growth in Federal Stafford Loans	Federal loan expenses rose in response to broader student demand for aid — a trend consistent with patterns observed across the State University System (SUS).	
Institutional Aid Support	Additional funds were allocated for the FAU Presidential Scholarship, which support First- time- in College Freshmen award, as well as for other merit-based aid programs.	



Athletics

Revenues & Expenses

Athletics	FY2024-2025*	FY2025-2026*	FY2026-2027*	Variance FY25 vs. FY26	% Change
NCAA/Conference Distribution	3,568,000	4,138,000	4,400,000	570,000	15.98%
Corporate Sponsorships	1,250,000	1,950,000	2,100,000	700,000	56.00%
Ticket Sales/Annual Fundraising	3,550,000	3,550,000	3,650,000	-	0.00%
Student Fees	15,900,000	16,650,000	16,650,000	750,000	4.72%
Auxiliary Enterprises	5,000,000	3,300,000	3,300,000	(1,700,000)	-34.00%
Fund Balance	-	5,000,000	-	5,000,000	-
Other Sources**	11,220,621	9,942,000	9,550,000	(1,278,621)	-11.40%
Revenues	40,488,621	44,530,000	39,650,000	4,041,379	
Expenses (Including Revenue Sharing)	40,488,621	44,530,000	39,650,000	4,041,379	9.98%

Revenues 4.0M



The revenue increase reflects anticipated growth in athletics fee collections associated with projected enrollment gains, along with new support from the naming rights agreement with Flagler Credit Union. The year-over-year increase is moderated by the absence of non-recurring revenues realized in FY2025.

Expenses 4.0M



The increase in expenses mirrors the growth in revenue, as Athletics continues to operate within a balanced budget framework. Additional revenue is being reinvested to support program operations and strategic initiatives aligned with the department's long-term goals.

- * The budgets include transfers from Auxiliary funds to the Athletics budget. FY2024-25 budget includes a \$5.0M transfer. FY2025-26 budget includes a \$3.3M transfer, plus the unspent fund balance of \$5.0M from FY2024-25. FY2026-27 budget includes a \$3.3M transfer, which will be approved at the BOT meeting.
- ** Other Sources include game guarantees, foundation support, concessions, parking, rentals, and miscellaneous revenue.



Student Government

Revenues & Expenses

Student Government	FY2024-2025	FY2025-2026	Variance	% Change
Revenues	9,878,687	9,645,638	(233,049)	-2.4%
Expenses	11,883,176	12,323,849	440,674	3.7%

Revenues

↓ 0.2M

Student Government adopted a conservative revenue projection for FY2025–26, showing a modest decline of \$233K (–2.4%) from the prior year. This forecast reflects a cautious approach to revenue assumptions and aligns with the Student Government Board’s internal planning methodology.

Expenses

↑ 0.4M

Expenses are projected to increase by \$441K (3.7%), supported by strong fund balances. The increase reflects a 3% rise in salary and benefit costs as well as targeted reinvestments in key student engagement initiatives, including the Bonfire Music Festival and Homecoming.



Concessions

Revenues & Expenses

Concession	FY2024-2025	FY2025-2026	Variance	% Change
Revenues	803,210	700,000	(103,210)	-12.8%
Expenses	803,210	700,000	(103,210)	-12.8%

Revenues

 **0.1M**

The slight decrease in budgeted revenue reflects a return to a more historical funding level. The FY2024-2025 budget was elevated due to one-time expenses that were planned to be expenses using fund balance.

Expenses

 **0.1M**

Expenses align with the revised revenue forecast.



Approval Request



Florida Atlantic University Operational Budget

Fiscal Year July 1, 2025 – June 30, 2026

All University Funds	FY2025-2026
Education & General:	
State Support	262,246,655
Tuition & Fees	186,317,381
E&G Total	448,564,036
Student Financial Aid	243,171,441
Auxiliary Enterprises	181,311,306
Contracts & Grants:	
Foundation	20,000,000
Henderson	13,565,149
Sponsored Research & DOR	84,787,602
Contracts & Grants Total	118,352,751
Athletics	44,530,000
Student Government	12,323,849
Concessions	700,000
Grand Total	1,048,953,383

This represents Florida Atlantic University's 2025-26 proposed operating budget which is now presented to the Board of Trustees for approval. The operating budget consists of Educational and General; Student Financial Aid; Contracts & Grants; Auxiliary Enterprises; Athletics; Student Government; and Concessions.

In addition, the approval will delegate to the University President, the authority to amend these budgets as appropriate during the fiscal year consistent with Legislative, Board of Governors' and Board of Trustees' directives and guidelines.

FLORIDA ATLANTIC UNIVERSITY



Component Units



Use of University Property, Facilities & Personnel

Component Units

Direct Support Organizations	FY2024-2025 Projected				FY2025-2026 Budget			
	Property	Facilities Sq Ft	Number of Personnel	Personnel Cost	Property	Facilities Sq Ft	Number of Personnel	Personnel Cost
FAU Foundation		2,133	21	2,099,295		2,133	21	2,139,857
FAU Finance Corporation	-	-	-	-	-	-	-	-
FAU Research Corporation	-	-	4	67,109	-	-	4	69,021
Harbor Branch Oceanographic Institute Foundation	-	-	-	-	-	-	-	-
FAU Clinical Practice Organization	-	19,848	11	147,104	-	19,848	13	167,180

Under Board of Governors regulation, the university annually documents and seeks Trustees’ approval for anticipated use of university resources by Direct Support Organizations (DSOs), including employee services, office space, and related facilities. The university also reports actual usage to demonstrate the purpose and value of the support provided.

CPO Lease Cost per Sq Ft	Through 9/30/2025
Primary Care	26.81
Integrative Health	25.52

In FY2024-2025, No property was purchased.

Based on local market rates, the university would charge \$35 per square foot for the Foundation’s 2,133 SF office space; however, the Foundation is not charged rent and occupies the space rent-free.



Florida Atlantic University Finance Corporation



Florida Atlantic University Finance Corporation

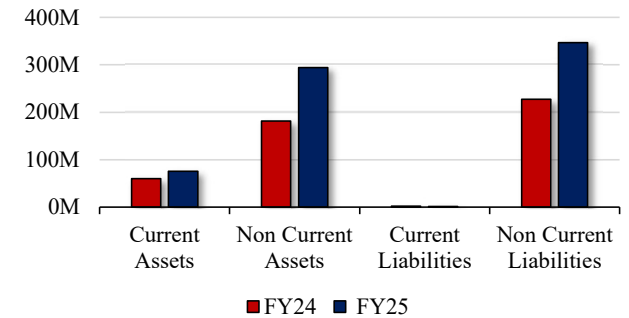
FY2024-2025 Performance Through Quarter 3

P&L Activity	Through Q3 FY2025	Through Q3 FY2024	Variance
Operating Revenues			
Housing Operations Revenues	43,630,770	41,586,862	2,043,908
Housing Operations Expenses	(17,196,573)	(13,720,300)	(3,476,273)
Depreciations and Amortization Expense	(7,017,771)	(7,018,647)	875
Operating Income, Net	19,416,426	20,847,915	(1,431,490)
Nonoperating Revenues (Expenses)			
Athletic Revenues	4,315,710	5,420,246	(1,104,536)
Interest Income	2,512,939	1,192,719	1,320,220
Unrealized Gains (Losses)	169,051	1,436,764	(1,267,713)
Contributions to the University, Net	-	-	-
Other Nonoperating Expenses	(350,000)	(350,000)	-
Interest Expense	(4,314,086)	(4,482,589)	168,503
Nonoperating Expenses, Net	2,333,614	3,217,140	(883,526)
Net Income	21,750,040	24,065,055	(2,315,016)

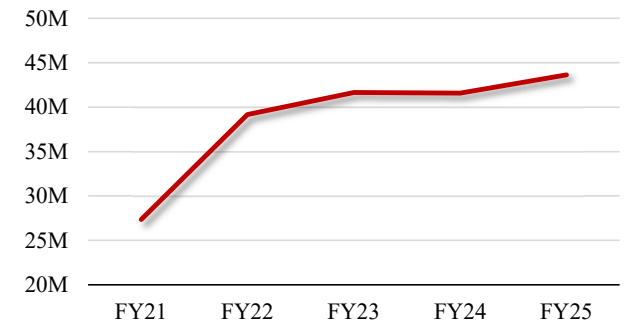
Net income through quarter 3 is \$2.3M currently lower due to:

- Higher planned repair and maintenance costs this year.
- Additional expenses associated with the financing of Talon Hall, the new student housing facility.
- Reduced unrealized gains, reflecting the current net asset value of FAUFC's investment portfolio.
- Lower athletics revenue, due to one fewer game guarantee compared to the prior year, as anticipated.

Balance Sheet Insights



Operating Revenue





Florida Atlantic University Finance Corporation

FAU Finance Corporation	FY2023-2024		FY2024-2025			Projected Variance to FY2025 Budget	Projected Variance to FY2024 Actuals
	Budget	Actuals	Budget	Actuals Through May	Projected Full Year		
Operating revenues:							
Total operating revenues	44,456,372	43,788,043	46,159,341	45,222,491	45,324,694	-1.8%	3.5%
Less: DBF debt service	(4,321,550)	(4,321,550)	(4,320,550)		(4,320,550)	0.0%	0.0%
Housing operations revenues, net	40,134,822	39,466,493	41,838,791	45,222,491	41,004,144	-2.0%	3.9%
Operating expenses:							
Salaries and benefits	(6,666,762)	(6,477,688)	(7,251,734)	(6,625,291)	(7,029,612)	-3.1%	8.5%
Salaries (OPS)	(2,413,974)	(1,748,337)	(2,196,796)	(1,795,832)	(1,864,089)	-15.1%	6.6%
Utilities	(2,715,772)	(2,862,262)	(3,055,899)	(2,402,394)	(2,594,836)	-15.1%	-9.3%
Repairs and maintenance	(1,436,337)	(4,240,281)	(1,193,750)	(4,421,216)	(5,064,700)	324.3%	19.4%
Other operating expenses	(7,397,142)	(5,223,425)	(7,956,514)	(5,415,939)	(6,157,588)	-22.6%	17.9%
Total operating expenses	(20,629,987)	(20,551,992)	(21,654,693)	(20,660,672)	(22,710,826)	4.9%	10.5%
Operating income, net	19,504,835	18,914,501	20,184,098	24,561,819	18,293,318	-9.4%	-3.3%
Nonoperating revenues (expenses):							
Athletics revenues	2,357,793	6,256,487	5,256,487	4,480,077	4,845,954	-7.8%	-22.5%
Less: Transfer to athletics	0	(2,056,845)	(2,895,968)		(2,485,435)	-14.2%	20.8%
Athletics revenues, net	2,357,793	4,199,642	2,360,519	4,480,077	2,360,519	0.0%	-43.8%
Interest income	752,400	1,751,782	1,063,731	3,656,536	4,056,536	281.3%	131.6%
Contributions to the University	0	(253,116)	(320,000)		(320,000)	0.0%	26.4%
Other nonoperating expenses	(350,000)	(350,000)	(350,000)	(350,000)	(350,000)	0.0%	0.0%
Interest expense	(8,960,545)	(8,960,545)	(8,792,042)	(4,396,021)	(8,792,042)	0.0%	-1.9%
Nonoperating revenues (expenses), net	(6,200,352)	(3,612,237)	(6,037,792)	3,390,592	(3,044,987)	-49.6%	-15.7%
Change in net position (before non-cash adjustments)	13,304,483	15,302,264	14,146,306	27,952,411	15,248,331	7.8%	-0.4%
Non-cash adjustments and accounting entries:							
Unrealized gains/(losses)		1,267,713			169,051		-86.7%
Depreciation expense		(9,394,755)			(9,393,583)		0.0%
Amortization premium & deferred outflows		862,535			862,535		0.0%
Change in net position (after non-cash adjustments)		8,037,757			6,886,334		-14.3%



Florida Atlantic University Finance Corporation

Approved Tuesday, February 4, 2025

FAU Finance Corporation	Budget		
	FY2024-2025	FY2025-2026	% Change
Operating revenues (expenses):			
Total housing operating revenues	46,159,341	47,630,213	3.2%
Less: DBF debt service	(4,320,550)	(4,317,800)	-0.1%
Housing operations revenues, net	41,838,791	43,312,413	3.5%
Total housing operating expenses:	(21,654,693)	(22,350,470)	3.2%
Operating income, net	20,184,098	20,961,943	3.9%
Nonoperating revenues (expenses):			
Athletics revenues	5,256,487	6,361,617	21.0%
Less: Transfer to athletics	(2,895,968)	(3,701,842)	27.8%
Athletics revenues, net	2,360,519	2,659,775	12.7%
Interest income	1,063,731	1,891,125	77.8%
Contributions to the University	(320,000)	(320,000)	0.0%
Other nonoperating expenses	(350,000)	(350,000)	0.0%
Interest expense	(8,792,042)	(10,800,366)	22.8%
Nonoperating expenses, net	(6,037,792)	(6,919,467)	14.6%
Net revenues over expenses	14,146,306	14,042,476	-0.7%

Net revenues over expenses exclude non-cash items such as depreciation, amortization, and unrealized gains/losses, which are reflected only in actuals. These adjustments are presented separately (see prior slide) to focus the budget on core operating performance.



Florida Atlantic University Foundation



Florida Atlantic University Foundation

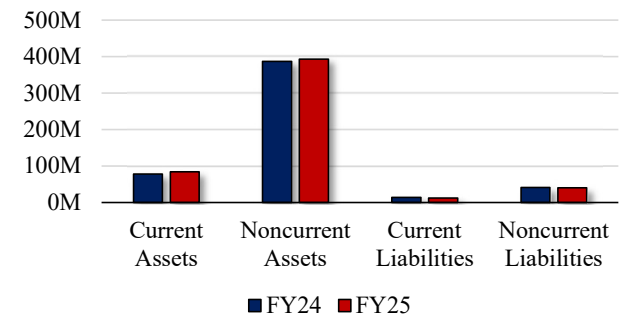
FY2024-2025 Performance Through Quarter 3

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)

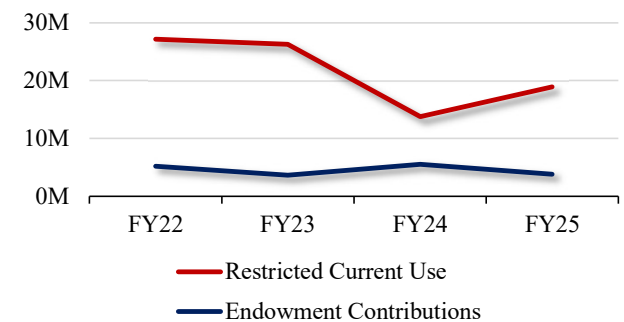
Net funds available through Quarter 3 total \$3.5M, down \$651K from the prior year, primarily due to:

- 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						
	FY2020-FY2021	FY2021-FY2022	FY2022-FY2023	FY2023-FY2024	FY2024-FY2025	
Annual Fundraising	58,000,000	81,000,000	68,000,000	70,200,000	64,000,000	
Endowment Value	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	-



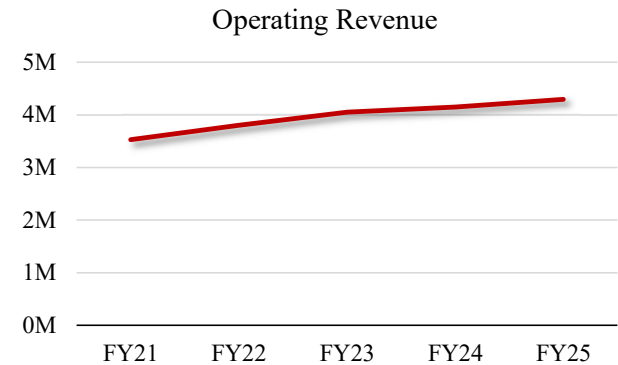
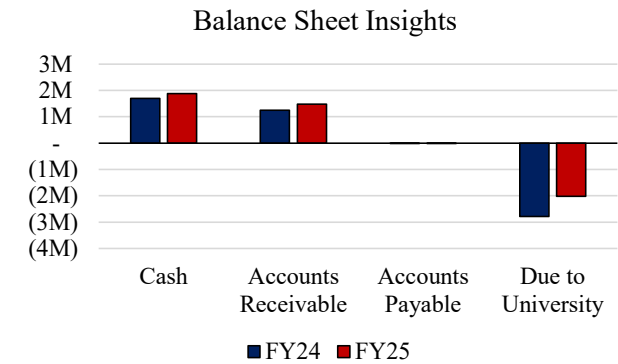
Florida Atlantic University Clinical Practice Organization



Florida Atlantic University Clinical Practice Organization

FY2024-2025 Performance Through Quarter 3

P&L Activity	Through Q3 FY2025	Through Q3 FY2024	Variance
Operating Revenues:			
Clinical Services/Patient Care	4,292,892	4,150,008	142,884
Operating Expenses:			
Salaries & Benefits	(3,719,796)	(3,583,570)	(136,226)
EMR/Billing	(93,983)	(60,676)	(33,307)
Utilities	(37,803)	(36,483)	(1,320)
Medical, Lab, Patient Supplies	(6,587)	(25,391)	18,804
Examination, Testing, Medical Svcs	(22,832)	(12,433)	(10,400)
Audit Services	(13,500)	(12,750)	(750)
Practice Consultant	(21,226)	(7,215)	(14,011)
Software	(3,107)	(3,158)	51
Insurance	(6,568)	(6,500)	(68)
Facility Lease	(18,190)	-	(18,190)
Equipment Lease	(402)	(3,148)	2,746
Credit Card & Bank Fees	(17,454)	(16,668)	(786)
Other Operating Expenses	(29,747)	(10,700)	(19,047)
Total Operating Expenses	(3,991,196)	(3,778,692)	(212,504)
Net Income	301,696	371,316	(69,619)



Net income through Quarter 3 FY2025, totals \$302K, a decrease of \$69K compared to FY24

- a) Operating revenues rose by \$143K, driven primarily by higher clinical services and patient care activity.
- b) Operating expenses increased by \$213K, mainly due to higher salaries and benefits (+\$136K) and billing/consulting services (+\$47K).



Florida Atlantic University Clinical Practice Organization

Budget Performance into Proposal	FY2023-2024		FY2024-2025		FY2025-2026	FY2025 Projected
	Approved Budget	Actuals	Approved Budget	Projected Actuals	Proposed Budget	Performance to Budget %
Operating revenues	6,460,517	5,237,714	6,079,596	5,723,856	8,126,184	-5.9%
Operating expenses						
Salaries & Benefits	(6,073,442)	(4,717,464)	(5,812,241)	(5,354,157)	(7,753,479)	-7.9%
EMR/Billing	(127,200)	(68,244)	(92,305)	(125,311)	(107,313)	35.8%
Utilities	(75,200)	(40,425)	(49,340)	(50,405)	(49,615)	2.2%
Medical, Lab, Patient Supplies	(37,859)	(1,898)	(6,363)	(8,783)	(4,730)	38.0%
Examination, Testing, Medical Svcs	(33,000)	(24,600)	(20,000)	(30,443)	(24,276)	52.2%
Audit Services	(17,000)	(17,000)	(16,000)	(16,000)	(16,000)	0.0%
Practice Consultant	(42,000)	(5,247)	(26,570)	(28,302)	(46,094)	6.5%
Rent	0	0	0	(40,273)	(53,000)	N/A
Software	(8,400)	(1,864)	(2,796)	(4,143)	0	48.2%
Insurance	(9,500)	(3,611)	(6,695)	(6,568)	(6,765)	-1.9%
Office Supplies	(7,889)	(4,360)	0	0	(4,399)	N/A
Equipment Lease	(8,400)	(3,940)	(4,164)	(536)	(4,750)	-87.1%
Credit Card & Bank Fees	(12,900)	(17,635)	(14,900)	(23,272)	(14,280)	56.2%
Other Operating Expenses	(7,727)	(8,027)	(28,222)	(35,663)	(41,483)	26.4%
Total operating expenses	(6,460,517)	(4,914,315)	(6,079,596)	(5,723,856)	(8,126,184)	-5.9%
Net operating income	-	323,399	-	-	-	N/A

The FY2026 budget rises to \$8.1M (+\$2.0M) driven by a new \$926K TeamHealth contract, \$692K in growth across three sites, and \$268K from increased clinical hours and salaries. Expenses rise with revenue to maintain breakeven.



Florida Atlantic University Clinical Practice Organization

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

FAU Clinical Practice Organization	FY2025-2026			
	Nursing	Medicine	Education	Total
Operating revenues	1,457,600	6,622,584	46,000	8,126,184
Operating expenses				
Salaries & Benefits	(1,105,095)	(6,605,284)	(43,100)	(7,753,479)
EMR/Billing	(107,311)	-	-	(107,311)
Utilities	(49,615)	-	-	(49,615)
Medical, Lab, Patient Supplies	(4,730)	-	-	(4,730)
Examination, Testing, Medical Svcs	(24,276)	-	-	(24,276)
Audit Services	(6,000)	(8,000)	(2,000)	(16,000)
Practice Consultant	(46,094)	-	-	(46,094)
Rent	(53,000)	-	-	(53,000)
Insurance	(6,765)	-	-	(6,765)
Office Supplies	(4,399)	-	-	(4,399)
Equipment Lease	(4,750)	-	-	(4,750)
Credit Card & Bank Fees	(4,080)	(9,300)	(900)	(14,280)
Other Operating Expenses	(41,485)			(41,485)
Total operating expenses	(1,457,600)	(6,622,584)	(46,000)	(8,126,184)
Net operating income	-	-	-	-



Florida Atlantic University Research Corporation



Florida Atlantic University Research Corporation

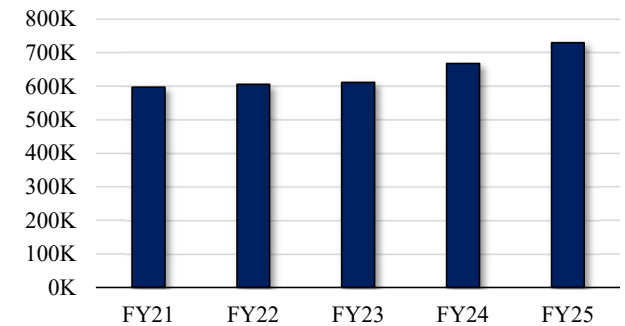
FY2024-2025 Performance Through Quarter 3

P&L Activity	Through Q3 FY2025	Through Q3 FY2024	Variance
Operating Revenues:			
Nongovernmental Grants, Contracts & Other Operating Rev.	95,388	48,823	46,566
Royalties	77,581	82,359	(4,777)
Total Operating Revenues	172,970	131,181	41,788
Operating Expenses:			
Contractual & Program Expenses	(113,971)	(76,209)	(37,762)
Royalty Expenses	(11,631)	(27,031)	15,400
Total Operating Expenses	(125,602)	(103,240)	(22,362)
Net Operating Income	47,368	27,942	19,426
Non-Operating Revenues (Expenses):			
Investment Income	17,430	13,365	4,065
Net Income (Financial Statement-Accrual)	64,798	41,307	23,491

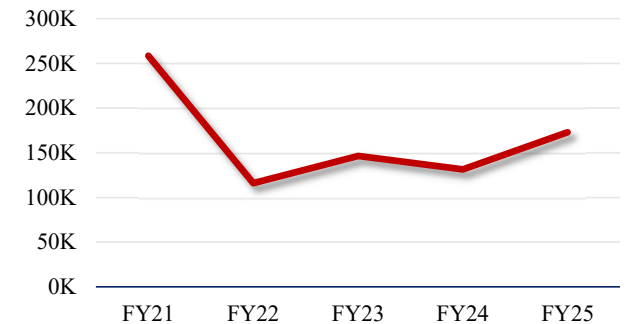
Net income through Quarter 3 FY2025 totals \$64.8K, an increase of \$23.5K over the prior year.

- a) A \$42.8K increase in total operating revenues, primarily from a \$46.6K rise in nongovernmental grants.
- b) This was partially offset by a \$22.4K increase in operating expenses, mainly due to higher contractual and program spending.

Total Assets



Operating Revenue





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Budget Performance into Proposal	FY2023-2024		FY2024-2025		FY2025-2026	FY2025 Projected
	Approved Budget	Actuals	Approved Budget	Projected Actuals	Proposed Budget	Performance to Budget %
Operating revenues:						
Nongovernmental grants, contracts & other operating revenues	65,000	128,015	65,000	95,388	85,000	46.8%
Royalties	100,000	123,307	100,000	120,562	110,000	20.6%
Total operating revenues	165,000	251,322	165,000	215,950	195,000	
Operating expenses						
Contractual & program expenses	(105,000)	(134,604)	(115,000)	(129,348)	(138,630)	12.5%
Royalty expenses	(66,700)	(96,252)	(66,700)	(70,190)	(73,370)	5.2%
Total operating expenses	(171,700)	(230,856)	(181,700)	(199,538)	(212,000)	
Net operating income	(6,700)	20,466	(16,700)	16,412	(17,000)	-198.3%
Non-operating revenues:						
Investment income	6,700	30,937	16,700	24,654	17,000	47.6%
Net Income	-	51,403	-	41,066	-	N/A



Florida Atlantic University Research Corporation

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

Florida Atlantic University Research Corporation	FY2025-2026 Proposed Budget
Operating revenues:	
Nongovernmental grants, contracts & other operating revenues	85,000
Royalties	110,000
Total operating revenues	195,000
Operating expenses	
Contractual & program expenses	(138,630)
Royalty expenses	(73,370)
Total operating expenses	(212,000)
Net operating income	(17,000)
Non-operating revenues:	
Investment income	17,000
Net Income	-



Projects/BOG Submissions



Projects/BOG Submissions

- **The Carryforward Budget (CF)**
 - The Budget Office collaborates with all departments across the university to develop the FY26 CF budget due to the State on October 1st
- **The Fixed Capital Outlay Budget (FCO)**
 - The Budget Office, Controller's office, and the Facilities department collaborate with departments across the university to develop the FY26 FCO budget due to the State on October 1st
- **Redesign Budget Model**
 - We will continue working with Deloitte, the consulting firm, on the University's redesigned budget model. The project will be discussed at the University retreat.



Questions



Funding Sources Definitions



Education & General

Definition:

- The Education and General (E&G) budget consists of State appropriated General Revenue, Educational Enhancement (Lottery) funding, and Student Tuition.

Restrictions:

- E&G funds are available for use across all of the costs associated with general instruction, research, public service, plant operations and maintenance, student services, libraries, administrative support, and other enrollment-related and stand-alone operations of the university.



Carryforward

Definition:

- Unspent E&G balance that carries into the following year(s)

Restrictions:

- Carryforward funds are utilized in a manner similar to Education & General (E&G) spending.
- Any unexpended E&G dollars carried forward into a new fiscal year must align with the allowable uses outlined in Board of Governors Regulation 9.007(3)(a)(4).

*Note: As of **July 1, 2023**, Florida's regulations were amended to permit the use of carryforward funds for **recurring expenses** in state universities. Prior to this change, carryforward funds were restricted to non-recurring expenditures.*



Student Financial Aid

Definition:

- Student Financial Aid is comprised of funding from student financial aid fees, support from federal and state financial aid awards, institutional programs, and numerous private scholarships.

Restrictions:

- Student Financial Aid expenses are allocated to support students through the various funding sources referenced on the revenue side. These revenues are subsequently committed to support Florida Atlantic student needs.
- The Student Financial Aid fund functions primarily as a passthrough.



Auxiliary Enterprises

Definition:

- Auxiliary Enterprises are comprised of business and enterprise operations that are self-supporting through user fees, payments, and charges.

Restrictions:

- Auxiliaries are required by Board Regulation to be self-supporting and are reviewed by external entities on a periodic basis to ensure compliance.



Contracts & Grants (C&G)

Definition:

- The Contracts and Grants (C&G) budget consists of funding from federal agencies, state agencies, foundations, and private sources that enables the university to conduct specific research projects or to provide specific non-research services.
- C&G are comprised of funding from many sources, including federal, state and local governmental agencies and private organizations, endowment distributions from the FAU Foundation, and A. D. Henderson University School operations.

Restrictions:

Expenditures to support research grants include:

- direct costs such as salaries, wages, and benefits of research personnel, materials, supplies, travel, equipment, and rental of space that are directly attributed to the research project, and
- indirect costs such as building and equipment use and depreciation, physical plant and maintenance, hazardous waste disposal, libraries, general administration costs (legal, purchasing, accounting), janitorial services, and utilities.



Athletics

Definition:

- The Athletics Operating budget supports the university's student athletics program. Funding is generated from student athletics fees as well as ticket sales to athletics events, game guarantees, NCAA distributions, sponsorships and private support.

Restrictions:

- As athletics is a self-supported unit, all expenses must be used to support their operational activities. Examples include:
 - Coaching and Administrative Salaries
 - Team Travel
 - Equipment and Uniforms
 - Recruiting
 - Student-Athlete Scholarships & Waivers



Student Government

Definition:

- Student Government is comprised of funding from the activity and service fee paid by students, club and program income.

Restrictions:

- Funding supports student activities such as clubs and organizations, student centers, and recreational sports for all campuses.



Concession

Definition:

- Concession is primarily comprised of funding from campus vending machines and FAU's beverage contract.



Direct Support Organization Funds

Definition:

- Per Florida Statute 1004.28 (1)(a), “University direct-support organization” means an organization which is:
- A Florida corporation not for profit incorporated under the provisions of chapter 617 and approved by the Department of State.
- Organized and operated exclusively to receive, hold, invest, and administer property and to make expenditures to or for the benefit of a state university in Florida or for the benefit of a research and development park or research and development authority affiliated with a state university and organized under part V of chapter 159.”

• **Restrictions:**

- Similar to Auxiliary Enterprises, DSO’s must be self-supporting; the key distinction is that DSO’s are formally incorporated.



DSO's Include

1. Florida Atlantic University Foundation, Inc.
2. Florida Atlantic University Research Corporation Inc.
3. Florida Atlantic University Finance Corporation, Inc.
4. Florida Atlantic University Clinical Practice Organization, Inc.
5. Harbor Branch Oceanographic Institute Foundation, Inc.