

# FLORIDA ATLANTIC UNIVERSITY 2005-2006 UNIVERSITY OPERATING BUDGET JULY 1, 2005 TO MARCH 15, 2006 THIRD QUARTER REPORT

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- *Educational and General Operating Budget*
- *Student Financial Aid Operating Budget*
- *Grants and Contracts-Sponsored Research Operating Budget*
- *Auxiliary Enterprises Operating Budget*
- *Athletics Local Operating Budget*
- *Student Government-Student Activities Operating Budget*
- *Concessions Operating Budget*

# THE EDUCATIONAL AND GENERAL BUDGET

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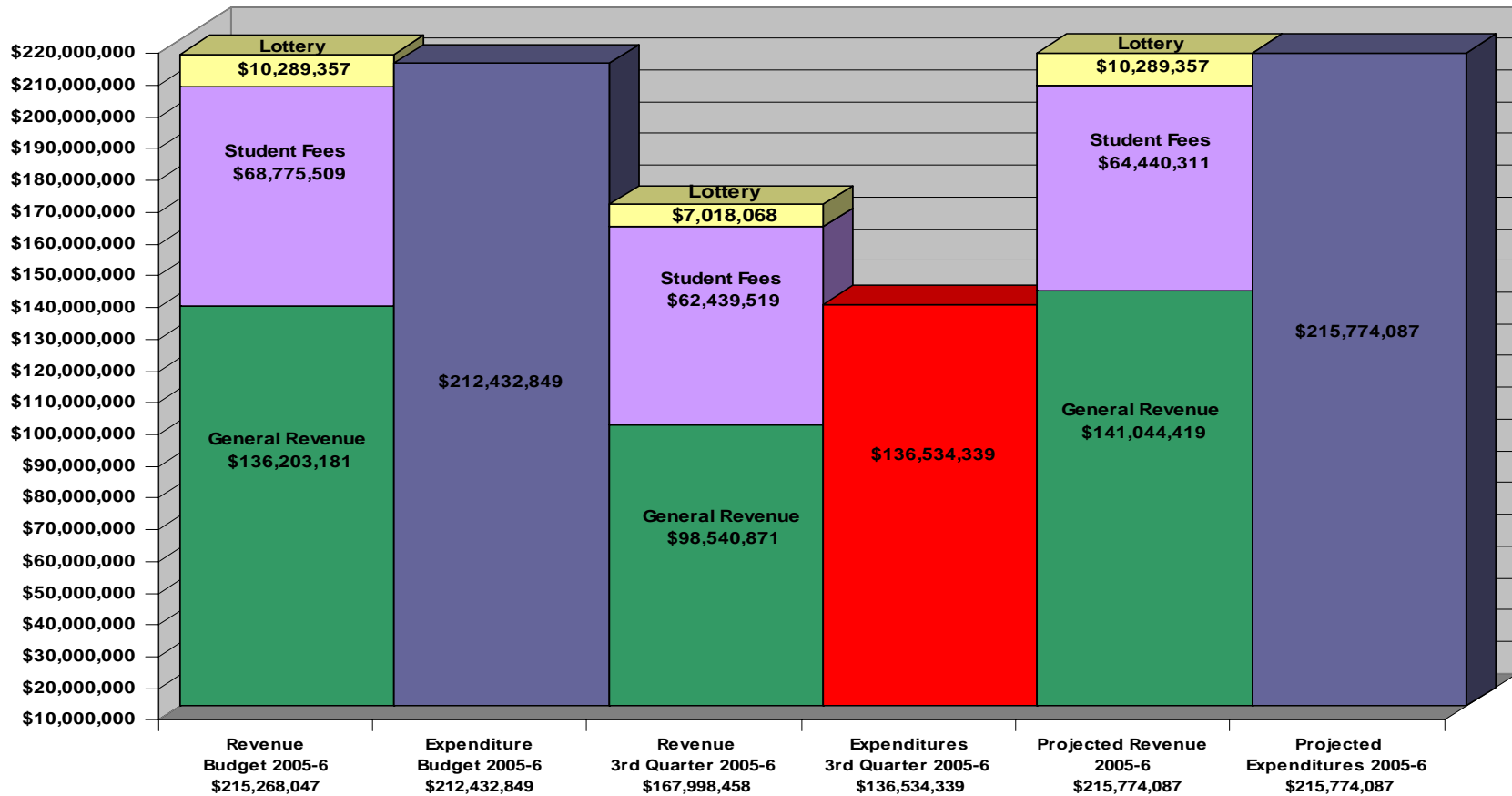
**The Educational and General budget includes expenditures for instruction, research, library and learning resources, student services, plant operations and maintenance and administrative support. The budget is funded by:**

**General Revenue, consisting primarily of State of Florida sales tax collections and corporate income tax collections, as well as license fees and other taxes and operating receipts.**

**Education Enhancement Trust Fund, consisting of collections from the sale of Florida 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.**

# Florida Atlantic University Educational and General Operating Budget July 1, 2005 – March 15, 2006 Third Quarter Report



# Educational and General Operating Budget

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July 1, 2005 to March 15, 2006

Budgeted Revenues 2005-06: \$215,268,047

Actual Revenues to March 15: \$167,998,458

Budgeted Expenses 2005-06: \$212,432,849

Actual Expenses to March 15: \$136,534,339

The total budgeted revenue for 2005-2006 is \$215,268,047. The major revenue components are general revenue (\$136,203,181), student fees (\$68,775,509), and lottery funding (\$10,289,357).

For the third quarter, actual revenue collections are general revenue of \$98,540,871, student fees of \$62,439,519 and lottery funding of \$7,018,068, for total revenue of \$167,998,458.

The total expense budget 2005-2006 is \$212,432,849. This amount does not reflect the \$2,835,198 BOG adjustment of student fees held in unallocated reserve.

Both the Revenue Budget and the Expense Budget are being adjusted to reflect the following BOG amendments: (\$387,070) Risk Management/Casualty Risk Insurance and \$4,675,339 for salary increases of 3.6 percent for all eligible employees on August 1, 2005.

Total expenditures through March 15 were \$136,534,339, or approximately 64 percent of the total projected budget amount. Total expenditures are slightly below the spending rate of the previous year – 62.03 percent compared to 70.05 percent in 2004-05. This is primarily due to reductions in expense categories and the use of March 15, 2006 financial data instead of March 31, 2006 data.

# Educational and General Operating Budget

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## Analysis:

General Revenue collections are projected to reach their targeted amounts. The November 15, 2005 State Revenue Estimating Conference -- the last conference update -- added \$3.2 billion dollars to its forecast of General Revenue collections for this year and next. Estimated collections for fiscal year 2005-06 were raised by \$1.7 billion. This forecast reflects the belief that the current real estate boom is cresting and will slowly return to a more sustainable growth pattern. Sales Tax collections are strengthened by the growth in population, hurricane reconstruction and higher business investments. Documentary Stamp Tax collections are still high and the continued economic strength of Florida will increase Corporate Income Tax collections.

Student fee collections and student enrollments are being carefully monitored. Based on summer final, fall final and spring preliminary enrollments, overall targets will be achieved but the margin is approximately one percent. It is projected that lower level FTE will exceed targets while upper level and graduate FTE will fall slightly below targets. Out-of-state enrollments continue to be weak at FAU and system-wide. Florida residents account for 94 percent of FAU's Fall 2005 students enrolling up from 92 percent in Fall 2003. We are projecting that there will be a shortfall of approximately \$1.5 million which can be covered by fund balances from under-spending in 2004-05 and lapsed positions. The projected expenditures budget has been adjusted to reflect the adjustment to student fees.

Lottery revenue is projected to be fully achieved. The February 2, 2006 Lottery Estimating Conference raised expected distributions, but only by \$7.7 million.

# THE STUDENT FINANCIAL AID BUDGET

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The Student Financial Aid budget largely represents scholarship and loan funds that are received by the University and subsequently disbursed to students. Included in the budget are funding from student financial aid fees as well as financial aid support from all sources such as federal financial aid awards (Pell, Student Educational Opportunity Grants, Perkins Loans, Stafford Loans), state financial aid awards (Bright Futures, Florida Assistance Grants), Institutional Programs (Presidential Awards, MLK Scholarships) and Private Scholarships (FAU Foundation).

Student financial aid fees are established by the legislature. Current per-credit hour financial aid fees for 2005-06:

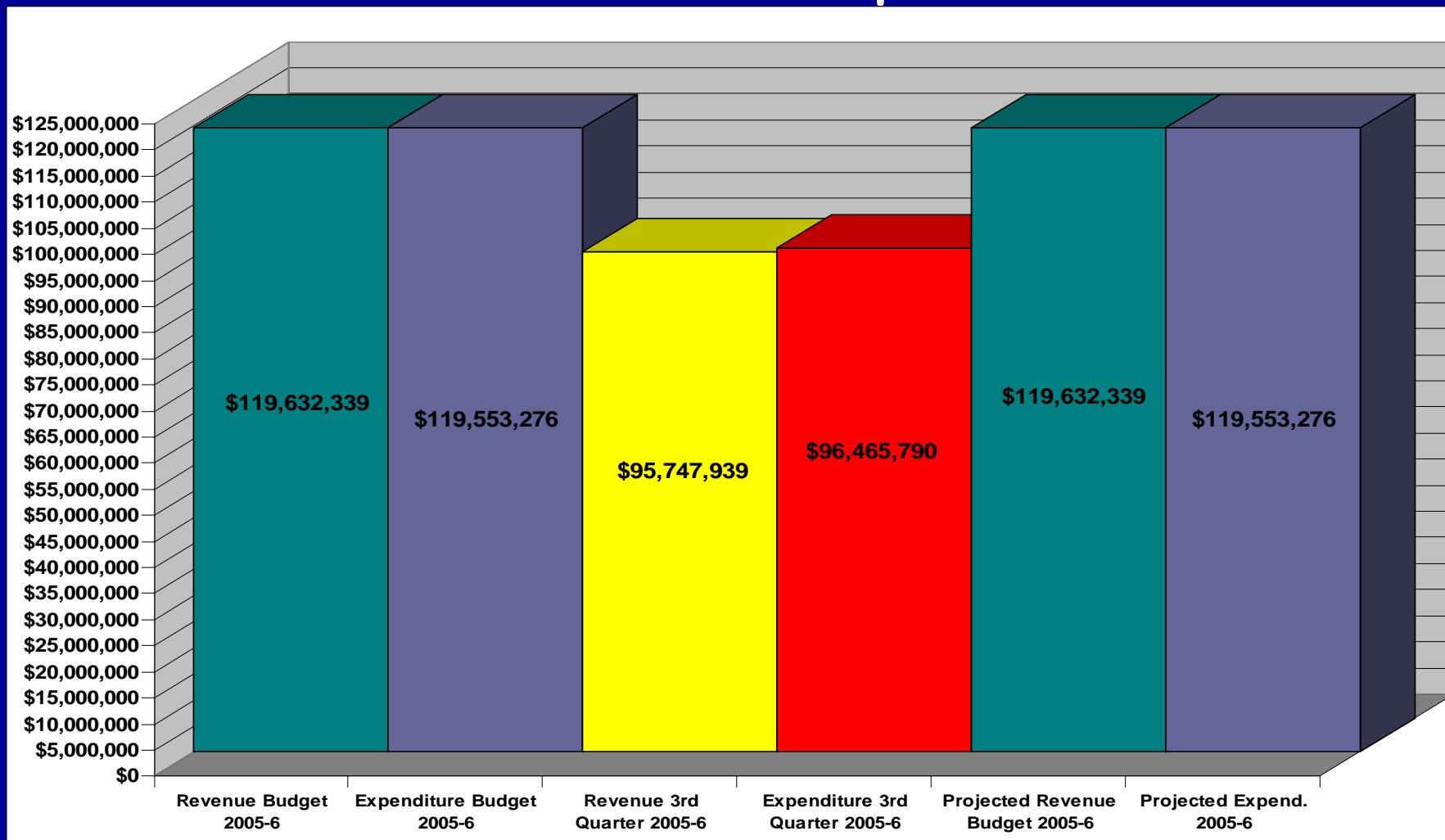
\$ 3.57	Undergraduate In-State
\$24.41	Undergraduate Out-of-State
\$10.02	Graduate In-State
\$41.89	Graduate Out-of-State

# Florida Atlantic University

## Student Financial Aid Operating Budget

### July 1, 2005 – March 15, 2006

### Third Quarter Report



# Student Financial Aid Operating Budget

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July 1, 2005 to March 15, 2006

Budgeted Revenues 2005-06: \$119,632,339

Actual Revenues to March 15: \$95,747,939

Budgeted Expenses 2005-06: \$119,553,276

Actual Expenses to March 15: \$96,465,790

The total budgeted revenue for 2005-2006 is \$119,632,339. As of March 15, 2006, \$95,747,939 in revenue has been generated, or approximately 80 percent the total revenue budget. Total projected expenditures for the year are \$119,553,276. As of March 15, 2006, \$96,465,790 has been expended, or approximately 80.7 percent of total projected expenditures for the year.

## Analysis:

The amount of expenditures to date for 2005-06 are slightly less than the percentage spent in the prior year (80.69 percent for 2005-06 compared to 84.39 percent for 2004-05). Actual cash expenditures are over revenues by \$717,851, which is being covered by available cash balances. Revenue and expenditures are believed to be on target with projections.



# THE GRANTS AND CONTRACTS BUDGET

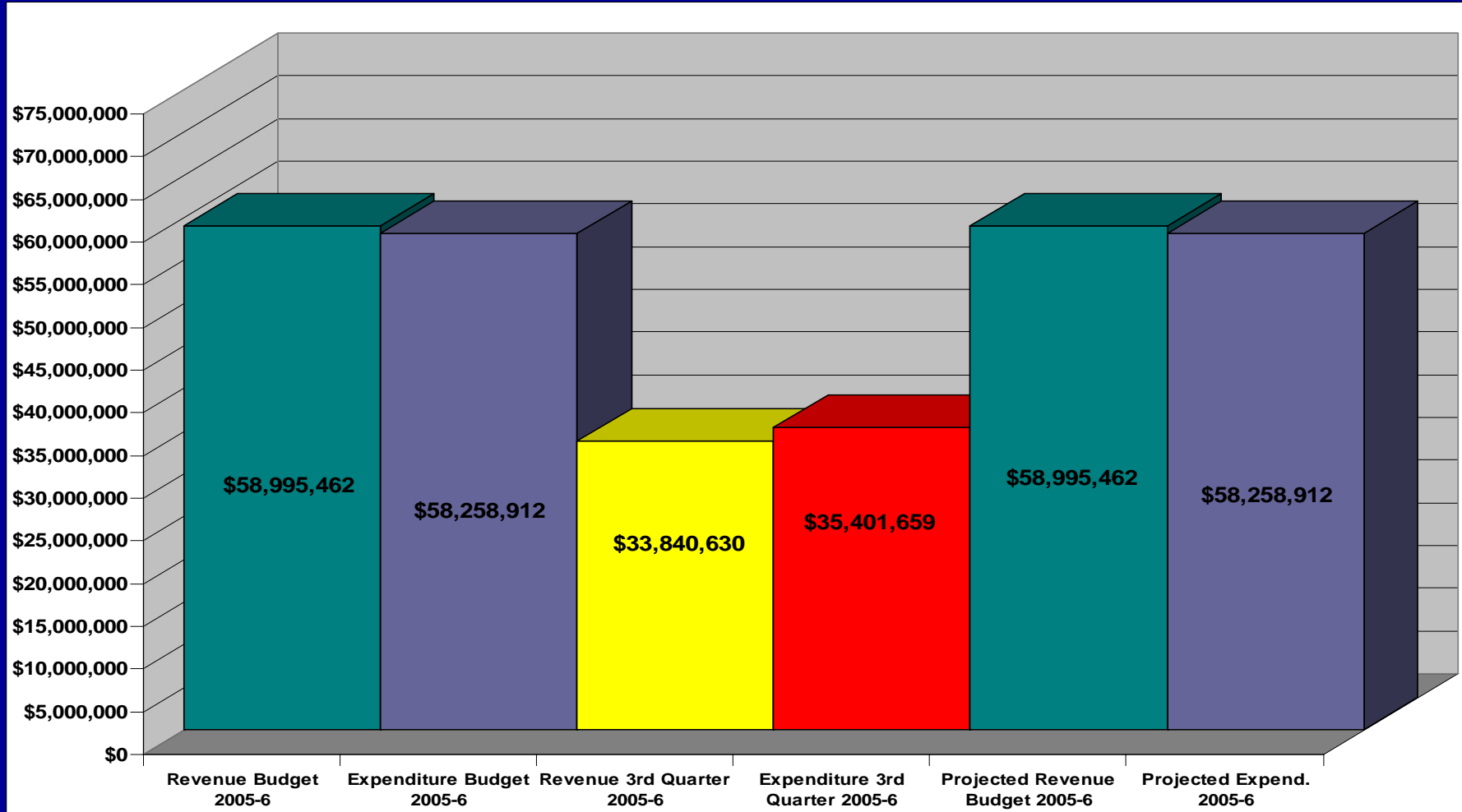
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The Grants and Contracts budget consists of funding from federal agencies, state agencies, foundations and private sources that enables the University to conduct specific research projects or to provide specific services.

Expenditures for the Division of Sponsored Research, the A.D. Henderson University School and the Florida Atlantic University Foundation (payroll and clearing account) are included in the Grants & Contracts budget.

The Division of Sponsored Research assists faculty and students with the submission of hundreds of grant applications each year; however, not every grant application culminates in an award.

# Florida Atlantic University Grants and Contracts Operating Budget July 1, 2005 – March 15, 2006 Third Quarter Report



# Grants and Contracts Operating Budget

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July 1, 2005 to March 15, 2006

Budgeted Revenues 2005-06: \$58,995,462

Actual Revenues to March 15: \$33,840,630

Budgeted Expenses 2005-06: \$58,258,912

Actual Expenses to March 15: \$35,401,659

The total budgeted revenue for 2005-2006 is \$58,995,462 and budgeted expenses are \$58,258,912. As of March 15, 2006, \$33,840,630 in revenue has been generated, approximately 57 percent of the budgeted amount. \$35,401,659 has been expended, or approximately 61 percent of the total expenditure budget.

Of total expenditures to date, salaries and benefits total \$14,705,399 (41 percent of total expenditures); OPS of \$5,945,741 (17 percent); and expense of \$14,750,519 (42 percent).

## Analysis:

Total expenditures to date are above last year's by \$3,091,430, an increase of approximately 11.6 percent. Cash expenditures have exceeded cash receipts by \$1.9 million, which has been covered by available cash balances in the Grants and Contracts budget. This is a temporary phenomenon due to delayed collections of several large grants. For example, the Florida Department of Children and Families has been billed \$1,021,000 which is over 30 days outstanding. Under the terms of many grants, expenditures proceed the collection of off-setting revenues. The cash flows of the Division of Sponsored Research are being carefully monitored. Revenue is not earned evenly over the course of the fiscal year. For example, two of the primary sources of award funds, National Institute of Health and National Science Foundation, make their award announcements in November and April.

Revenues and expenditures for Sponsored Research through the end of the year should be approximately \$6 million less than initially budgeted.

# THE AUXILIARY ENTERPRISES BUDGET

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The Auxiliary Enterprises budget includes activities that support the instructional, research and service objectives of the University. Auxiliary enterprise operations are self-supporting and must generate adequate revenue to cover expenditures and to allow for future renovations and building or equipment replacement. Some auxiliaries are partially funded by student fees, including Student Health Center through the student health fee (\$5.00 per-credit hour) and Traffic and Parking through the transportation access fee.

The major auxiliary areas are:

*Food Service*

*Housing*

*Bookstore*

*Printing/Duplicating*

*Telecommunications*

*University Theatre*

*Postal Services*

*Student Health Center*

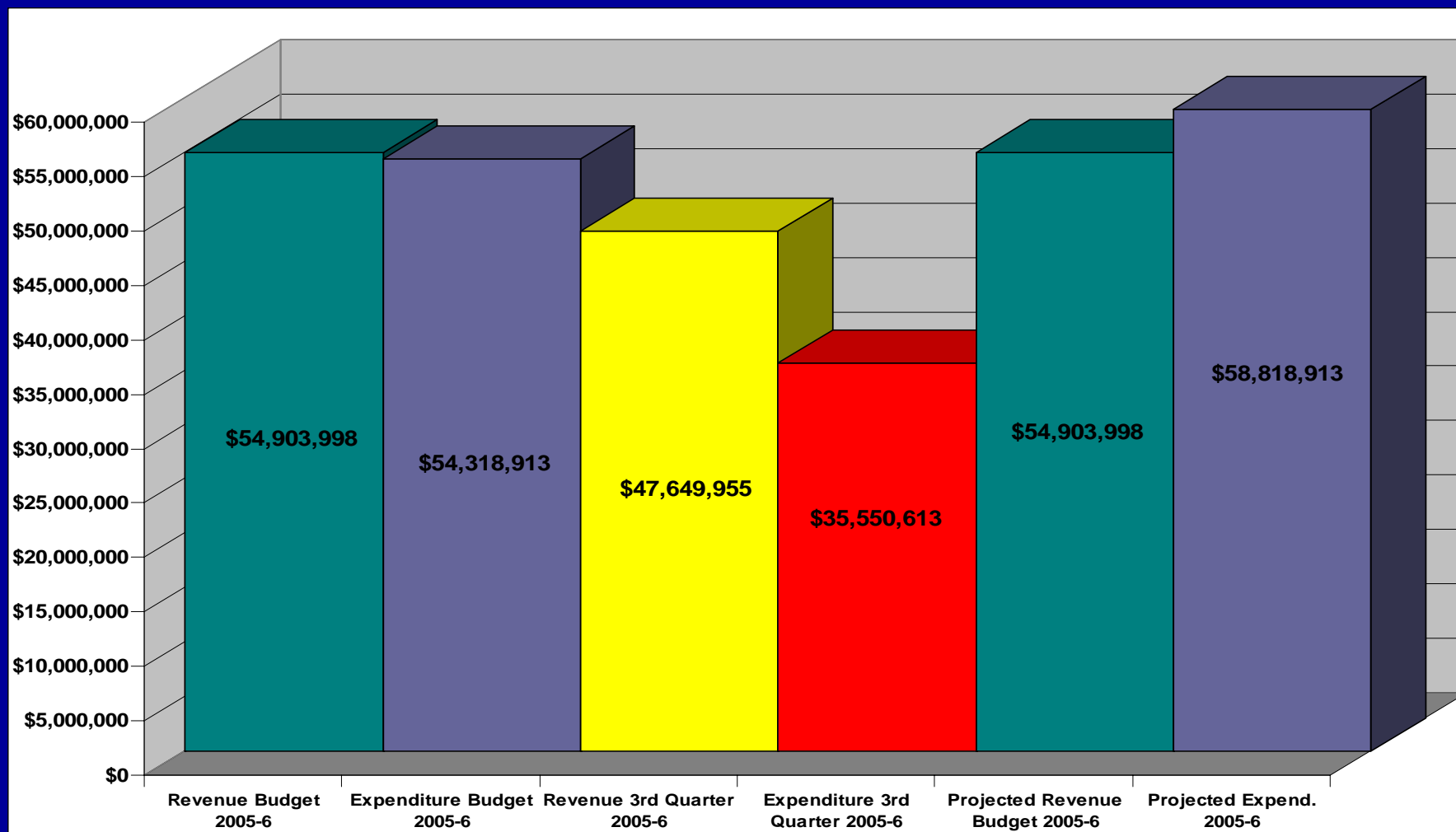
*Traffic and Parking*

*University Center*

*College Continuing Education*

*Lifelong Learning Society*

# Florida Atlantic University Auxiliary Enterprises Operating Budget July 1, 2005 – March 15, 2006 Third Quarter Report



# Auxiliary Enterprises Operating Budget

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July 1, 2005 to March 15, 2006

Budgeted Revenues 2005-06: \$54,903,998      Actual Revenues to March 15: \$47,649,955

Budgeted Expenses 2005-06: \$54,318,913      Actual Expenses to March 15: \$35,550,613

The total budgeted revenue for 2005-2006 is \$54,903,998. As of March 15, 2006, \$47,649,955 in revenue has been generated, or approximately 87 percent of the total budget. Total projected expenditures for the year are \$54,318,913. As of March 15, 2006, \$35,550,613 has been expended, or approximately 65 percent of total projected expenditures for the year.

The expenditure budget has been increased \$4.5million to cover necessary emergency repairs as a result of hurricanes Katrina and Wilma.

## Analysis:

The expenditures to date for 2005-06 are slightly higher than the percentage spent in the prior year (60.44 percent for 2005-06 compared to 58.19 percent for 2004-05). Revenues and expenditures for the year are believed to be on target with projections.

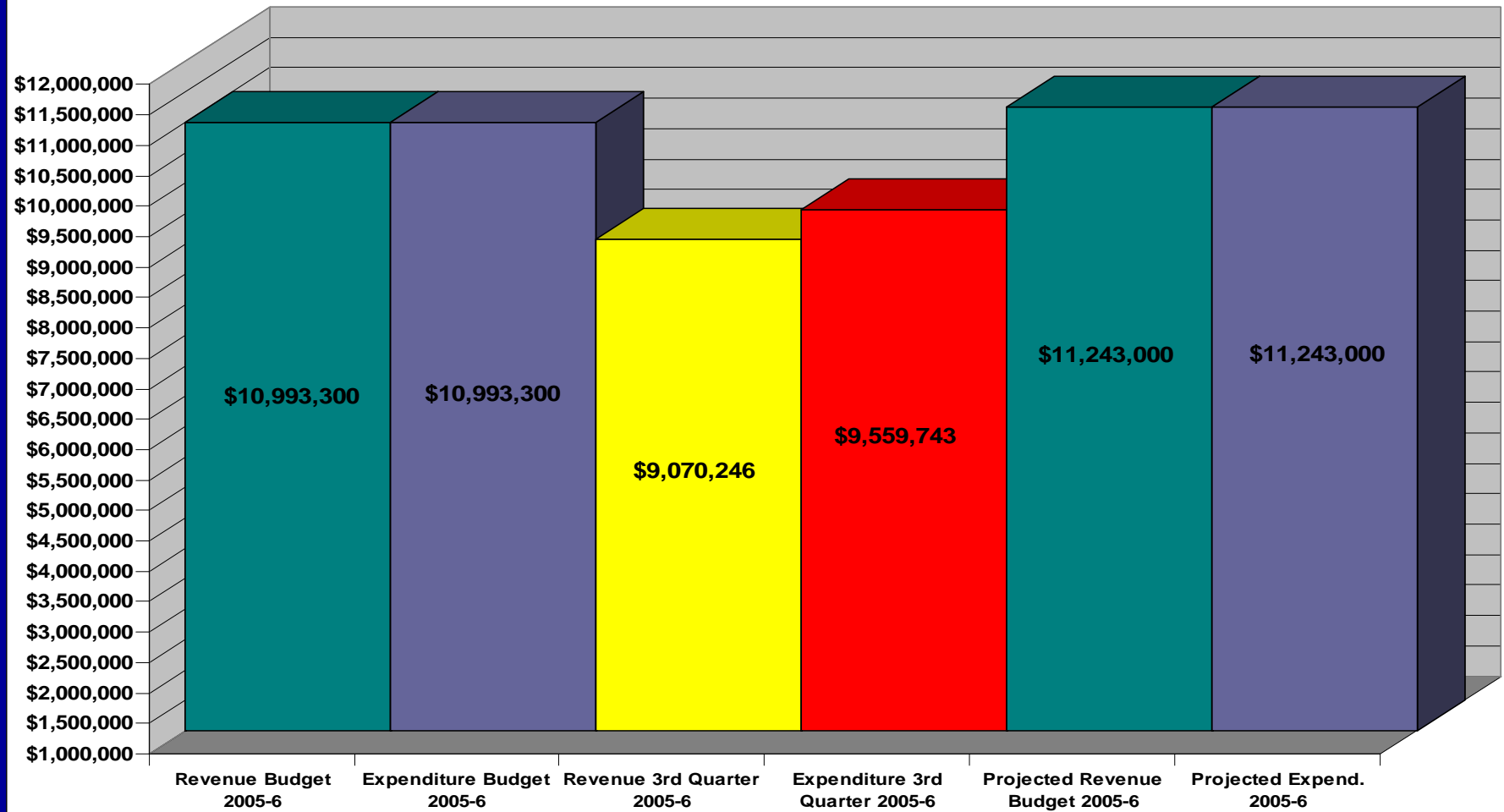
# THE ATHLETICS LOCAL OPERATING BUDGET

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The Athletics Local Operating Budget supports the University's student athletics program. Funding is generated from student athletics fees (\$13.75 per-credit hour) as well as ticket sales to athletics events, game guarantees, NCAA distributions, sponsorships and private support.

In addition to the Local Operating Budget, FAU Athletics receives \$246,000 in State Educational and General Title IX Gender Equity funding and \$1,077,815 in out-of-state waiver authority and financial aid.

# Florida Atlantic University Athletics Local Operating Budget July 1, 2005 – March 15, 2006 Third Quarter Report





# Athletics Local Operating Budget

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**July 1, 2005 to March 15, 2006**

**Budgeted Revenues 2005-06: \$10,993,300**

**Actual Revenues to March 15: \$9,070,246**

**Budgeted Expenses 2005-06: \$10,993,300**

**Actual Expenses to March 15: \$9,559,743**

The total budgeted revenue for 2005-2006 is \$10,993,300. The major revenue components are athletics fees (\$7,927,000), ticket sales (\$327,000), game guarantees (\$1,290,000), NCAA/Conference distribution (\$415,000) corporate partners (\$280,000), and corporate sales (\$282,000), and development (\$360,000).

Of these major revenue components, actual collections were athletics fees of \$6,540,557, ticket sales of \$359,560, game guarantees of \$1,294,500, corporate partners of \$90,000, corporate sales of \$76,625, NCAA/Conference distributions of \$535,196 and Development of \$152,638.

The total expense budget for 2005-2006 is \$10,993,300. Payroll of \$4,349,249, program operating expenses of \$3,711,697, and scholarships of \$2,932,354 account for this total. Total expenditures through March 15, 2006 were \$9,559,743, or approximately 86.9 percent of the total budgeted amount. Of total expenditures to date, 29 percent (\$2,722,139) were financial aid, 35 percent (\$3,354,202) were payroll, and 36 percent (\$3,483,402) were for general operating expenses.

# Athletics Local Operating Budget

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July 1, 2005 to March 15, 2006

## Analysis:

Athletic Fee collections are projected to reach their targeted amounts and these are being closely monitored.

Ticket revenues, including corporate purchase of football tickets, are expected to exceed the target. Total revenues do not reflect the \$90,000 in Pepsi and \$100,000 in Bank Atlantic corporate partner revenues that will be received. NCAA/Conference distributions have already exceeded their estimates. Corporate sales are still below target and need to be closely monitored to ensure targets are achieved. Development revenue is also below target and needs to be monitored but is expected to reach target. Game guarantee revenues have already exceeded estimates. Expenses for the fourth quarter of the year need to be carefully monitored by the Athletics department.

Athletics requested a budget amendment of \$249,700 in revenue and expenditures last quarter, which was approved. This amount was necessary to cover unbudgeted expenses that will be fully covered by sponsored revenues. Examples of these are \$140,000 for televised football games sponsored by ADT; \$15,000 in advertising sponsored by USP; and \$10,000 in tent rentals sponsored by Great Tents. Monthly meetings are taking place to monitor revenues and expenditures of Athletics.

An athletics workshop was held on February 8, 2006. During the workshop, the Athletics department identified an initial shortfall of \$297,000, but also presented a plan to achieve a balanced budget by June 30, 2006.

# THE STUDENT GOVERNMENT- STUDENT ACTIVITIES BUDGET

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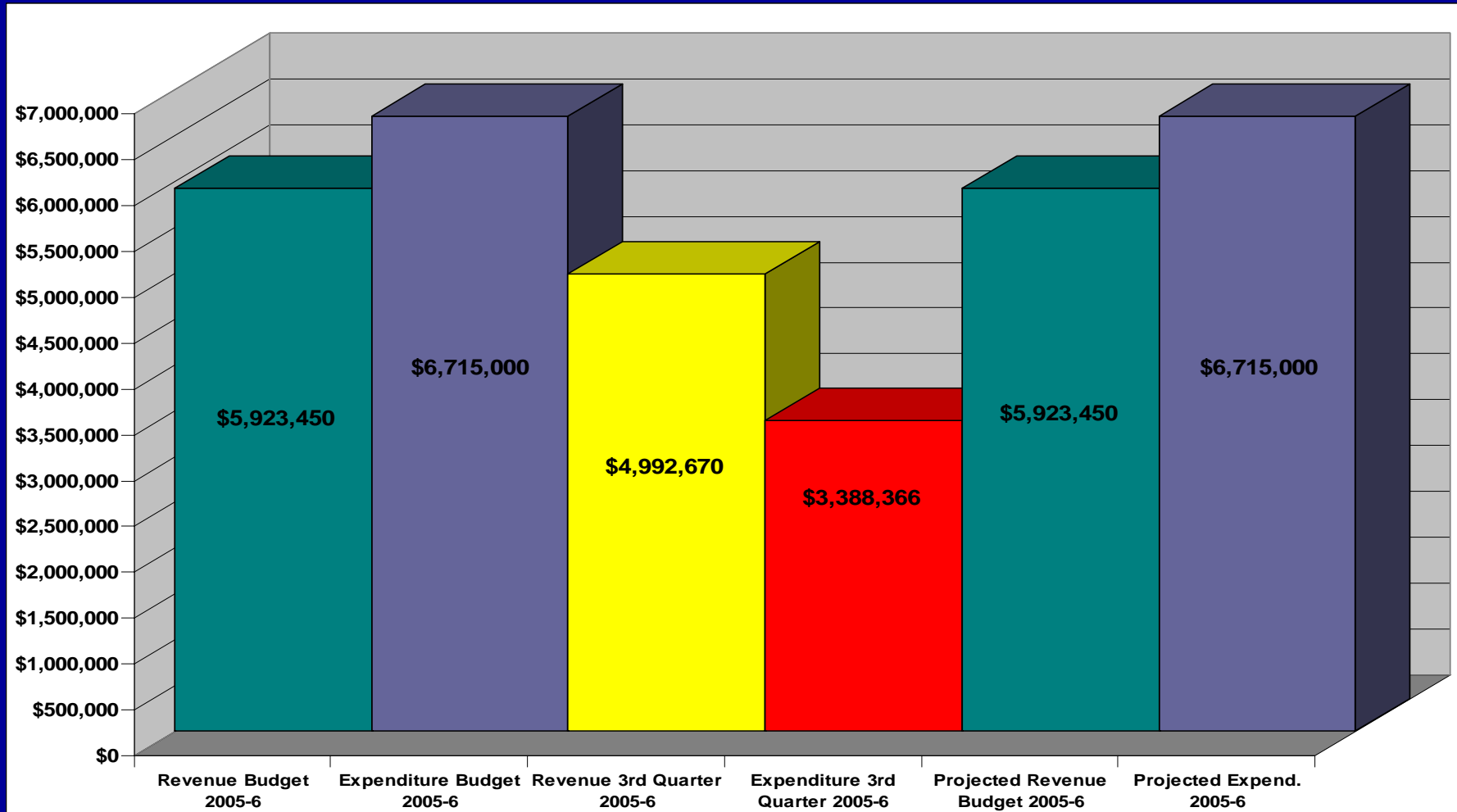
The Student Government-Student Activities budget supports student activities such as student government and student clubs and organizations. Also included in the budget are expenditures for the University Center and campus recreation and student wellness activities. The Student Government budget is funded primarily through the Activity and Service fee paid by students (\$10 per-credit hour) as well as other types of service fees.

# Florida Atlantic University

## Student Government – Student Activities Operating Budget

### July 1, 2005 – March 15, 2006

### Third Quarter Report



# Student Government- Student Activities Operating Budget

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July 1, 2005 to March 15, 2006

Budgeted Revenues 2005-06: \$5,923,450

Actual Revenues to March 15: \$4,992,670

Budgeted Expenses 2005-06: \$6,715,000

Actual Expenses to March 15: \$3,388,366

The total budgeted revenue for 2005-2006 is \$5,923,450. As of March 15, 2006, \$4,992,670 in revenue has been generated, or approximately 84 percent of the total projected revenue budget. These funds have been generated primarily by Activity and Service fees. Total projected expenditures for the year are estimated at \$6,715,000. To date, \$3,388,366 has been expended, or approximately 50 percent of total projected expenditures for the year.

## Analysis:

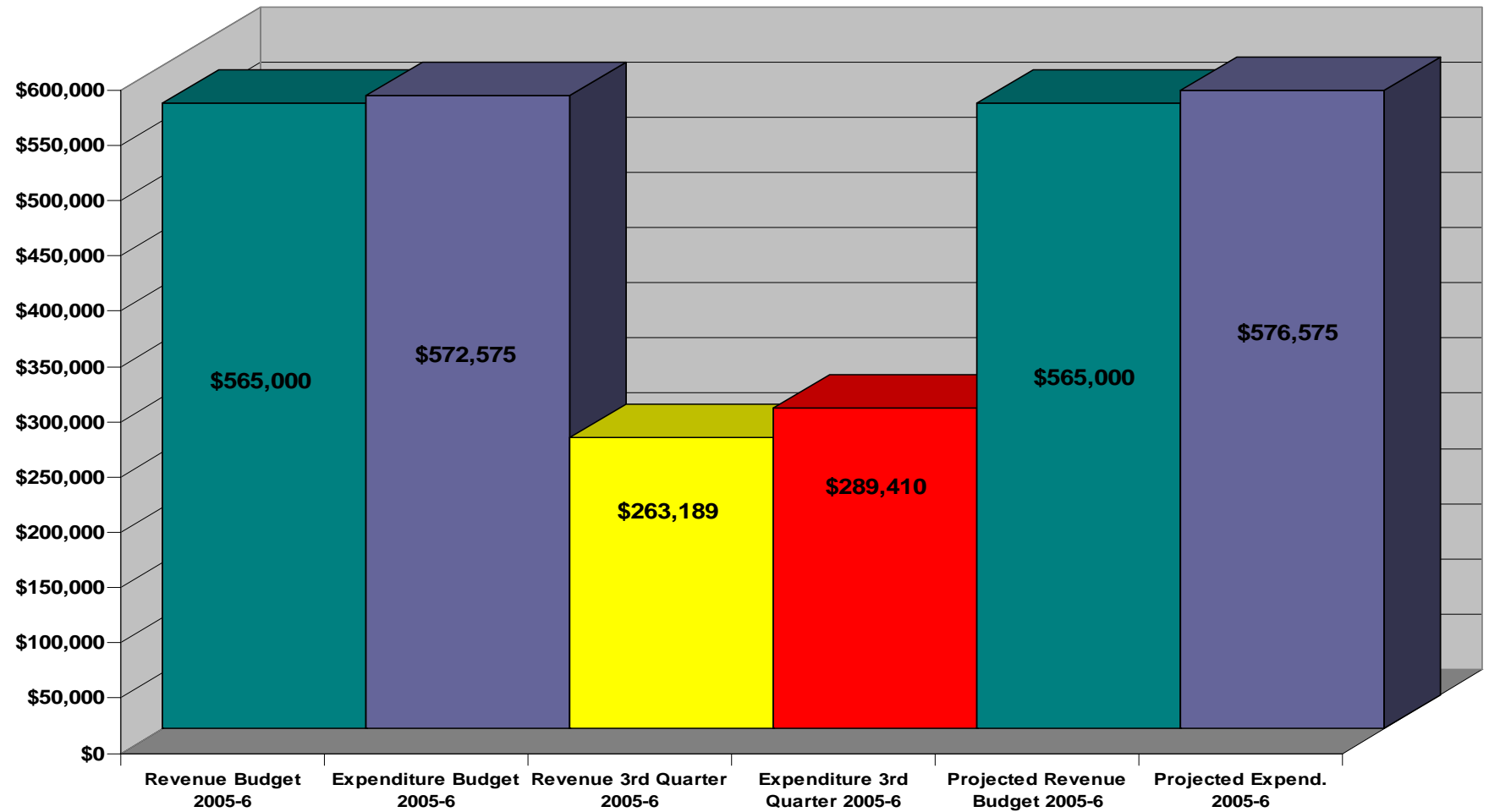
The expenditures to date for 2005-06 are lower than the percentage spent in the prior year (50 percent for 2005-06 compared to 63 percent for 2004-05). Although projected expenditures for the year were planned to exceed revenues by \$791,550 as the result of available cash balances, actual expenditures are not projected to reach these amounts.

# THE CONCESSIONS BUDGET

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The Concessions Budget consists of funds from concession operations such as soft drink and snack vending machines. Expenditures from these funds support the academic mission of the University.

# Florida Atlantic University Concessions Operating Budget July 1, 2005 – March 15, 2006 Third Quarter Report



# Concessions Operating Budget

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July 1, 2005 to March 15, 2006

Budgeted Revenues 2005-06: \$565,000

Actual Revenues to March 15: \$263,189

Budgeted Expenses 2005-06: \$572,575

Actual Expenses to March 15: \$289,410

The total budgeted revenue for 2005-2006 is \$565,000. As of March 15, 2006, \$263,189 has been received, or approximately 46.6 percent of the revenue budget, and \$289,410 has been expended, or approximately 51 percent of the total expenditure budget.

## Analysis:

The amount of expenditures to date for 2005-06 is higher than in the prior year, \$289,410 v. \$191,692, primarily due to the inclusion of transfers this year. Revenues and expenditures for the year are believed to be on target with projections.



# FLORIDA ATLANTIC UNIVERSITY OPERATING BUDGET STATUS AS OF March 15, 2006 SUMMARY COMPARISONS

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- *Year-to-Date Expenditures for Fiscal Year 2005-06*
- *Year-to-Date Expenditures for Fiscal Year 2004-05*
- *Year-to-Date Student Credit Hours for Fiscal Year 2005-06*
- *Year-to-Date Student Credit Hours for Fiscal Year 2004-05*
- *Year-to-Date Expenditures by Activity in Dollars for Fiscal Year 2005-06*
- *Year-to-Date Expenditures by Activity in Dollars for Fiscal Year 2004-05*
- *Year-to-Date Expenditures by Activity in Percentages for Fiscal Year 2005-06*
- *Year-to-Date Expenditures by Activity in Percentages for Fiscal Year 2004-05*

**FLORIDA ATLANTIC UNIVERSITY  
OPERATING BUDGET STATUS  
AS OF MARCH 15, 2006**

	YEAR - TO - DATE EXPENDITURES FISCAL YEAR 2005-06					YEAR - TO - DATE EXPENDITURES FISCAL YEAR 2004-05				
	Expenditures	Operating Budget	Remainder	% of Budget Spent	Cash & Investments	Expenditures	Budget	Remainder	% of Budget Spent	
Educational & General	\$ 136,534,339	\$ 220,109,285	\$ 83,574,946	62.03%	\$ 34,215,485	\$ 142,758,434	\$ 203,504,317	\$ 60,745,883	70.15%	
Student Financial Aid	\$ 96,465,790	119,553,276	23,087,486	80.69%	489,559	\$ 88,765,500	105,185,251	16,419,751	84.39%	
Sponsored Research / other Grants	\$ 35,401,659	58,258,912	22,857,253	60.77%	1,331,369	\$ 32,293,017	67,382,448	35,089,431	47.92%	
Auxiliary Enterprises	\$ 35,550,613	58,818,913	23,268,300	60.44%	36,847,349	\$ 26,104,836	44,858,145	18,753,309	58.19%	
Athletics	\$ 9,559,743	11,243,000	1,683,257	85.03%	(208,061)	\$ 9,456,440	10,123,000	666,560	93.42%	
Student Activities	\$ 3,388,366	6,715,000	3,326,634	50.46%	3,760,162	\$ 3,093,156	4,917,258	1,824,102	62.90%	
Concessions	\$ 289,410	576,575	287,165	50.19%	234,739	\$ 191,692	325,575	133,883	58.88%	
Total	\$ 317,189,919	\$ 475,274,961	\$ 158,085,042	66.74%	\$ 76,670,601	\$ 302,663,076	\$ 436,295,994	\$ 133,632,918	69.37%	

**STUDENT CREDIT HOURS**

FISCAL YEAR 2005-06 AS OF 3/15/2006					FISCAL YEAR 2004-05			
Semester	Actual	Budget	Difference	% Variance	Actual	Budget	Difference	% Variance
Summer	94,070	96,260	(2,190)	-2.28%	94,014	94,867	(853)	-0.90%
Fall	247,493	242,174	5,319	2.20%	242,693	236,020	6,673	2.83%
Spring (estimate)	227,557	224,326	3,231	1.44%	227,706	222,352	5,354	2.41%
Total	569,120	562,760	6,360	1.13%	564,413	553,239	11,174	2.02%

**FLORIDA ATLANTIC UNIVERSITY  
OPERATING BUDGET STATUS  
EXPENDITURES BY CATEGORY AS OF MARCH 15, 2006**

**EXPENDITURES BY ACTIVITY - DOLLAR AMOUNTS**

	YEAR - TO - DATE EXPENDITURES FISCAL YEAR 2005-06				YEAR - TO - DATE EXPENDITURES FISCAL YEAR 2004-05			
	Salaries & Benefits	OPS	Expense / Other	Total	Salaries & Benefits	OPS	Expense / Other	Total
Educational & General	\$ 94,113,773	\$ 12,287,878	\$ 30,132,688	\$ 136,534,339	\$ 96,833,316	\$ 12,391,054	\$ 33,534,064	\$ 142,758,434
Student Financial Aid	227,330	376,416	95,862,044	96,465,790	223,447	475,428	88,066,625	88,765,500
Sponsored Research / other Grants	14,705,399	5,945,741	14,750,519	35,401,659	14,617,014	5,973,121	11,702,882	32,293,017
Auxiliary Enterprises	7,844,404	2,780,138	24,926,071	35,550,613	8,067,373	2,454,362	15,583,101	26,104,836
Athletics	2,915,057	263,533	6,381,152	9,559,743	2,746,470	345,872	6,364,098	9,456,440
Student Activities	139,687	658,370	2,590,309	3,388,366	104,985	696,635	2,291,536	3,093,156
Concessions	-	-	289,410	289,410	-	-	191,692	191,692
Total	\$ 119,945,650	\$ 22,312,076	\$ 174,932,193	\$ 317,189,919	\$ 122,592,606	\$ 22,336,472	\$ 157,733,998	\$ 302,663,076

**EXPENDITURES BY ACTIVITY - PERCENT OF TOTAL**

	FISCAL YEAR 2005-06 AS OF 3/15/2006				FISCAL YEAR 2004-2005 AS OF 3/31/2005			
	Salaries & Benefits	OPS	Expense	Total	Salaries & Benefits	OPS	Expense	Total
Educational & General	68.93%	9.00%	22.07%	100.00%	67.83%	8.68%	23.49%	100.00%
Student Financial Aid	0.24%	0.39%	99.37%	100.00%	0.25%	0.54%	99.21%	100.00%
Sponsored Research / other Grants	41.54%	16.80%	41.67%	100.00%	45.26%	18.50%	36.24%	100.00%
Auxiliary Enterprises	22.07%	7.82%	70.11%	100.00%	30.90%	9.40%	59.69%	100.00%
Athletics	30.49%	2.76%	66.75%	100.00%	29.04%	3.66%	67.30%	100.00%
Student Activities	4.12%	19.43%	76.45%	100.00%	3.39%	22.52%	74.08%	100.00%
Concessions	0.00%	0.00%	100.00%	100.00%	0.00%	0.00%	100.00%	100.00%
Total	37.82%	7.03%	55.15%	100.00%	40.50%	7.38%	52.12%	100.00%