

# FLORIDA ATLANTIC UNIVERSITY 2004-2005 UNIVERSITY OPERATING BUDGET JULY 1, 2004 TO SEPTEMBER 30, 2004 FIRST 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 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.

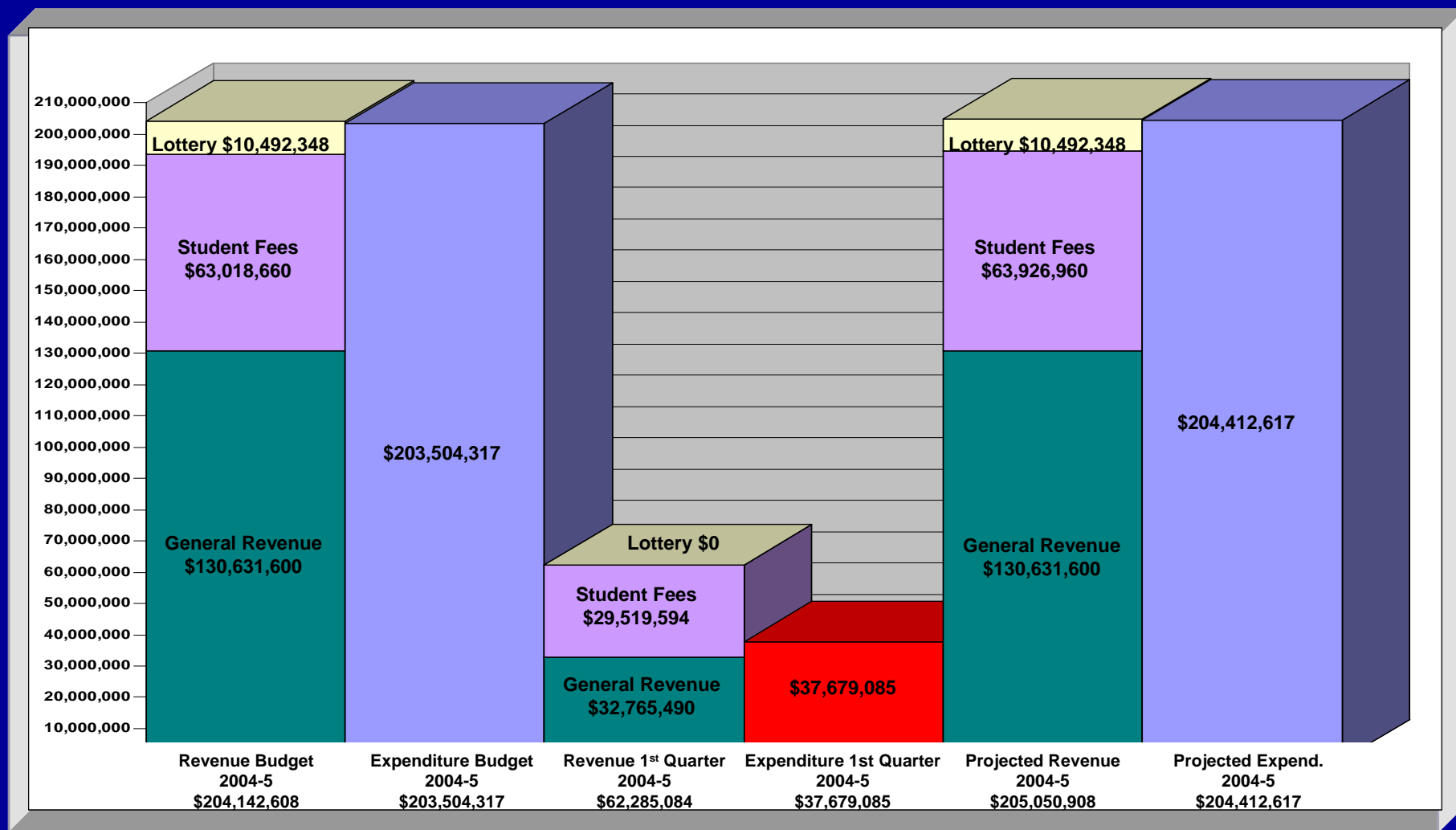
**Education Enhancement Trust Fund**, consisting of collections from the sale of Florida lottery tickets. At least 38 percent of total lottery collections is dedicated to the trust fund.

**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, 2004 – September 30, 2004  
First Quarter Report



# Educational and General Operating Budget

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July 1, 2004 to September 30, 2004

Projected Revenues 2004-05 \$204,142,608

Actual Revenues to Sept. 30 \$62,285,084

Projected Expenses 2004-05 \$203,504,317

Actual Expenses to Sept. 30 \$37,679,085

The total budgeted revenue for 2004-2005 is \$204,142,608. This amount is \$813,999 higher than the BOT approved budget due to Board of Governor's Amendments for insurance (\$175,708) and additional student fee collections (\$638,291). The major revenue components are general revenue (\$130,631,600), student fees (\$63,018,660), and lottery funding (\$10,492,348).

For the first quarter, actual revenue collections are general revenue of \$32,765,490 and student fees of \$29,519,594. The first quarterly installment of lottery funding is due in mid-October.

The total expense budget for 2004-2005 is \$203,504,317. This amount does not reflect the BOG adjustment of student fees as it appears that this estimate was based upon a higher level of out-of-state students than is likely to be achieved. As these revenues are achieved, a budget amendment may be recommended by the President. Total expenditures through September 30 were \$37,679,085, or approximately 18.38 percent of the total budgeted amount. Payroll of almost \$26 million and operating expenses of almost \$12 million account for total expenditures. Total expenditures are slightly below the spending rate of the previous year – 18.43 percent compared to 19.36 percent in 2003-04.

The President is requesting an additional budget amendment of \$908,300 for emergency hurricane repairs (\$500,000) and branding/40th Anniversary activities (\$408,300). This amount will be taken from excess student fee collections associated with over-enrollments in 2003-04. It is anticipated that the hurricane expenses will be reimbursed through FEMA and insurance reimbursements. This will increase projected revenues and expenditures to \$205,050,908 and \$204,412,617, respectively.

# Educational and General Operating Budget

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## Analysis:

General revenue collections are projected to reach their targeted amounts. While adverse economic and financial difficulties, as well as human suffering, currently face the State of Florida as a result of hurricanes, it is believed that revenues will be achieved as a result of federal appropriations through FEMA and other sources, as well as other insurance and disaster assistance that will significantly increase construction spending in Florida.

Student fee collections are slightly below projected amounts at this time. However, enrollments are strong and it is believed that projected collections will be achieved. Additionally, payment due-dates were extended two weeks as a result of hurricanes Frances and Jeanne, moving final payment dates into October.

# THE STUDENT FINANCIAL AID BUDGET

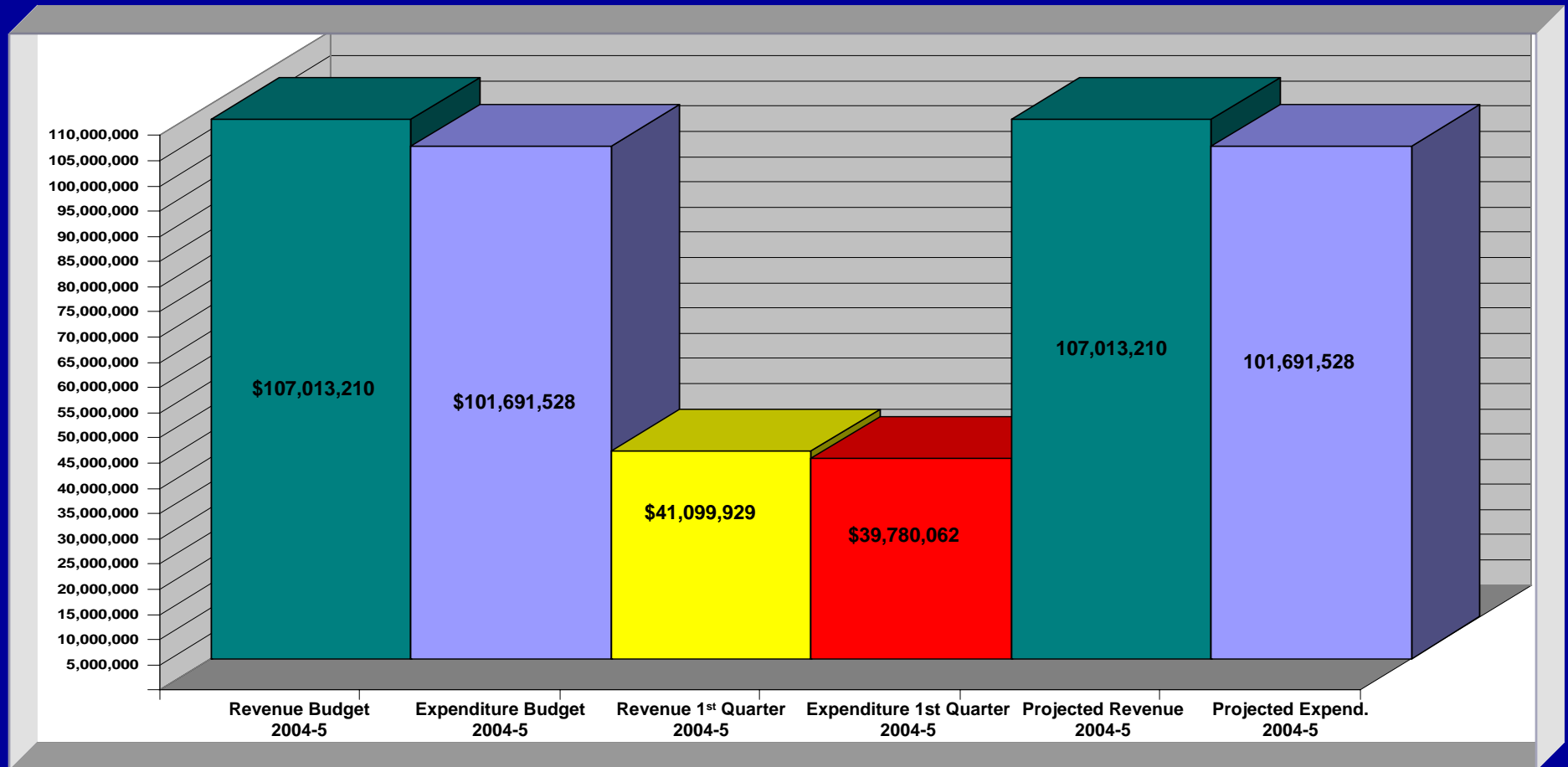
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The Student Financial Aid budget largely represents scholarship and loan funds that are received by the University and subsequently disbursed to students. Included in the budget are funding from student financial aid fees as well as financial aid support 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 2004-05:

\$ 3.40	Undergraduate In-State
\$23.25	Undergraduate Out-of-State
\$ 9.55	Graduate In-State
\$39.90	Graduate Out-of-State

# Florida Atlantic University Student Financial Aid Operating Budget July 1, 2004 – September 30, 2004 First Quarter Report



# Student Financial Aid Operating Budget

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July 1, 2004 to September 30, 2004

Projected Revenues 2004-05 \$107,013,210    Actual Revenues to Sept. 30 \$41,099,929

Projected Expenses 2004-05 \$101,691,528    Actual Expenses to Sept. 30 \$39,780,062

The total budgeted revenue for 2004-2005 is \$107,013,210. As of September 30, 2004, \$41,099,929 in revenue has been generated, or approximately 38 percent of the total budget. Total projected expenditures for the year are \$101,691,528. To date, \$39,780,062 has been expended, or approximately 39 percent of total projected expenditures for the year.

## Analysis:

The amount of expenditures to date for 2004-05 is greater than the percentage spent in the prior year (39 percent for 2004-05 compared to 34 percent for 2003-04). Improvements in financial aid distribution as a result of the new BANNER system allowed awards to be distributed more efficiently with almost all Fall semester awards being distributed before September 30. Revenue and expenditures are believed to be on target with projections.

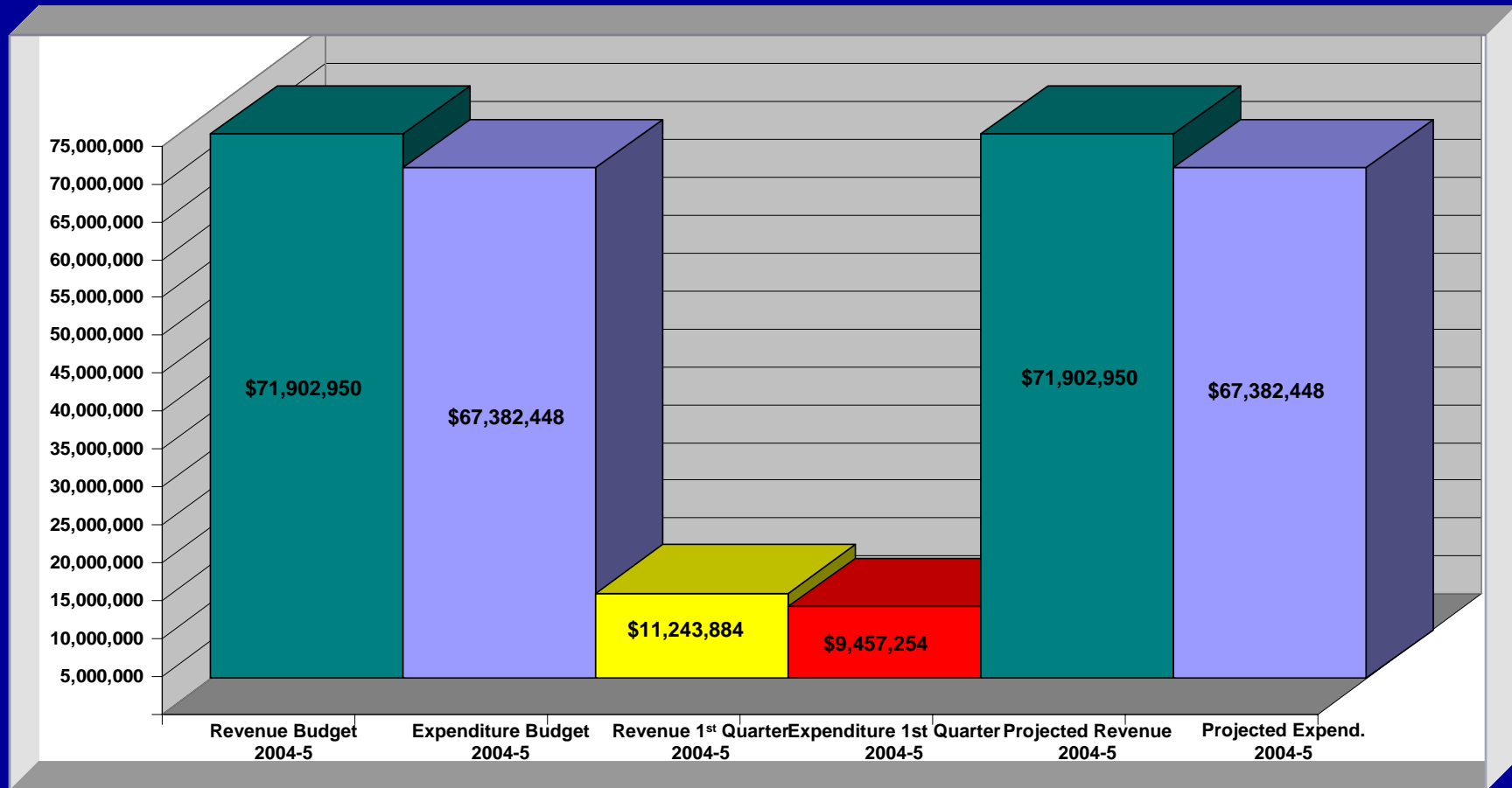


# THE GRANTS AND CONTRACTS BUDGET

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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 and programs or to provide specific services.

Florida Atlantic University  
Grants and Contracts Operating Budget  
July 1, 2004 – September 30, 2004  
First Quarter Report



# Grants and Contracts Operating Budget

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July 1, 2004 to September 30, 2004

Projected Revenues 2004-05 \$71,902,950 Actual Revenues to Sept. 30 \$11,243,884

Projected Expenses 2004-05 \$67,382,448 Actual Expenses to Sept. 30 \$ 9,457,254

The total budgeted revenue for 2004-2005 is \$71,902,950 and budgeted expenses are \$67,382,448. As of September 30, 2004, \$11,243,884 in revenue has been generated, approximately 16 percent of the budgeted amount. \$9,457,254 has been expended, or approximately 14 percent of the total expenditure budget.

The major revenue components are federal awards of \$5,567,895 (50 percent of revenue to date), private awards of \$2,341,721 (21 percent) and state and local awards of \$1,257,919 (11 percent).

Of total expenditures to date, salaries and benefits total \$3,950,641 (42 percent of total expenditures); OPS of \$1,640,739 (17 percent); and expense of \$3,865,874 (41 percent).

## Analysis:

The Division of Research and Graduate Studies assists faculty and graduate students with the submission of hundreds of grant applications; however, not every grant application culminates in an award. FAU has had a steady increase in grant submissions and this has led to an increase in both revenues and expenditures.

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. Furthermore, some expenditures will precede the collection of offsetting revenues.

# 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 and access fee.

The major auxiliary areas are:

*Food Service*

*Housing*

*Bookstore*

*Printing/Duplicating*

*Telecommunications*

*University Theatre*

*Postal Services*

*Student Health Center*

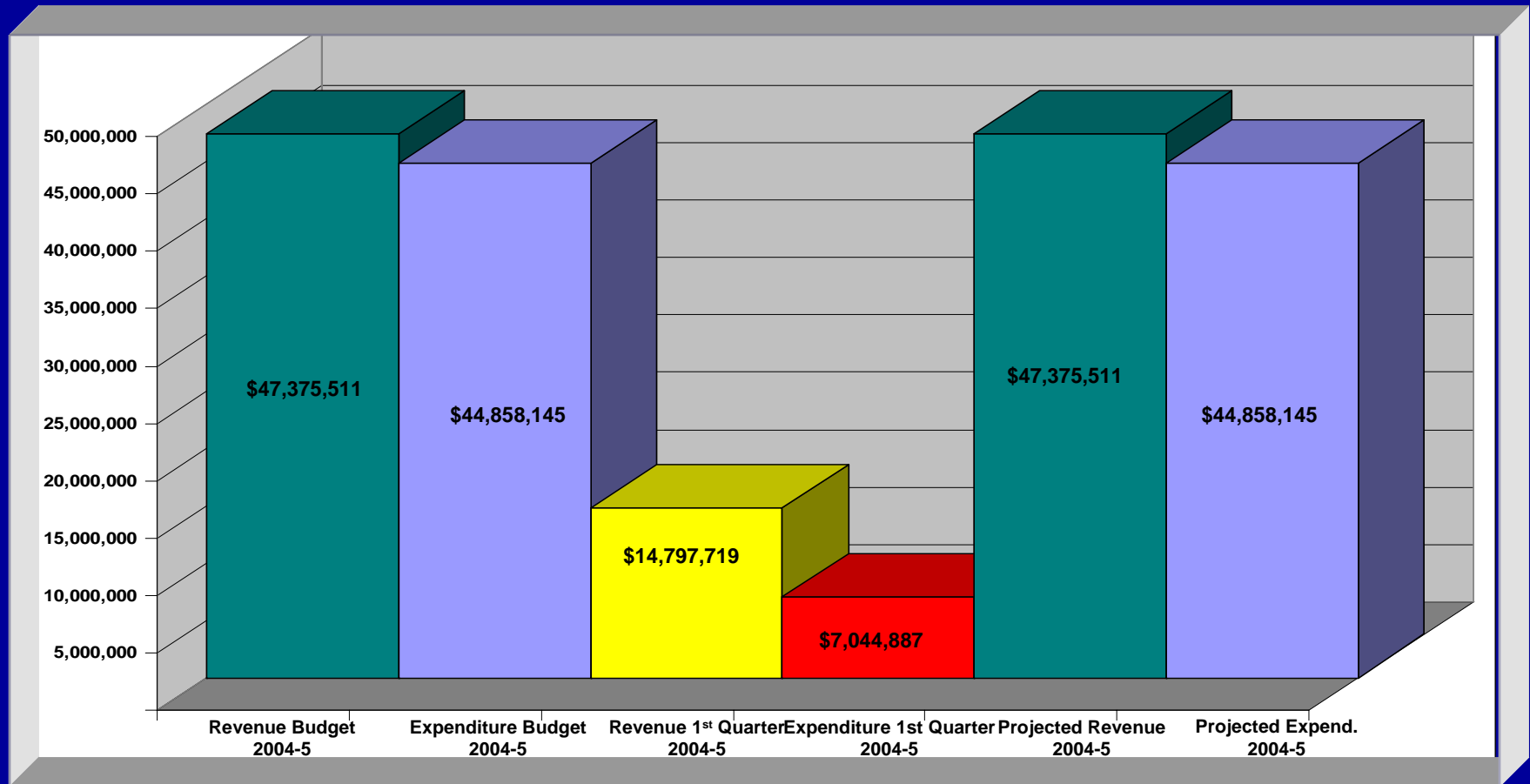
*Traffic and Parking*

*University Center*

*College Continuing Education*

*Lifelong Learning Society*

# Florida Atlantic University Auxiliary Enterprises Operating Budget July 1, 2004 – September 30, 2004 First Quarter Report



# Auxiliary Enterprises Operating Budget

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July 1, 2004 to September 30, 2004

Projected Revenues 2004-05 \$47,375,511      Actual Revenues to Sept. 30 \$14,797,719

Projected Expenses 2004-05 \$44,858,145      Actual Expenses to Sept. 30 \$ 7,044,887

The total budgeted revenue for 2004-2005 is \$47,375,511. As of September 30, 2004, \$14,797,719 in revenue has been generated, or approximately 31 percent of the total budget. Total projected expenditures for the year are \$44,858,145. To date, \$7,044,887 has been expended, or approximately 16 percent of total projected expenditures for the year.

## Analysis:

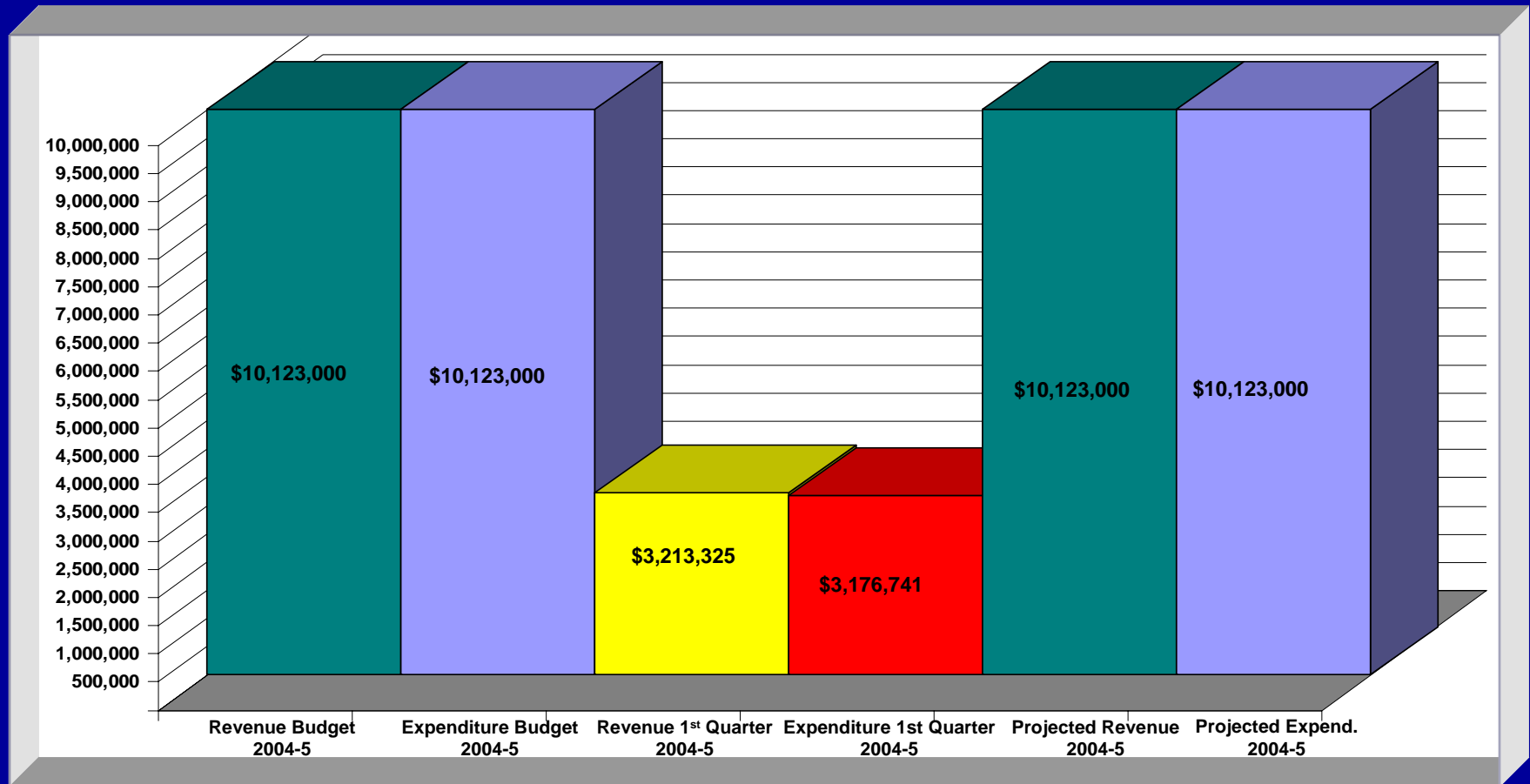
The expenditures to date for 2004-05 are less than the percentage spent in the prior year (16 percent for 2004-05 compared to 21 percent for 2003-04). It is believed that the lower level of spending is related to delays associated with the hurricanes and the closing of the university; non-critical purchases were postponed. Revenue and expenditures for the year are believed to be on target with projections.

# THE ATHLETICS BUDGET

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The Athletics Budget supports the University's student athletics program. Funding is generated from student athletics fees (\$11.75 per-credit hour) as well as ticket sales to athletics events, game guarantees, NCAA distributions, sponsorships and private support.

# Florida Atlantic University Athletics Operating Budget July 1, 2004 – September 30, 2004 First Quarter Report





# Athletics Operating Budget

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July 1, 2004 to September 30, 2004

Projected Revenues 2004-05 \$10,123,000 Actual Revenues to Sept. 30 \$3,213,325

Projected Expenses 2004-05 \$10,123,000 Actual Expenses to Sept. 30 \$3,176,741

The total budgeted revenue for 2004-2005 is \$10,123,000. The major revenue components are athletics fees (\$6,641,570), ticket sales (\$471,500), and corporate sales/private support (\$2,196,330).

Of these major revenue components, actual collections are athletics fees of \$2,591,615, ticket sales of \$146,166, and corporate sales/private support of \$144,189.

The total expense budget for 2004-2005 is \$10,123,000. Payroll of \$4,069,677, program operating expenses of \$3,429,614, and scholarships of \$2,623,709 account for this total. Total expenditures through September 30 were \$3,176,741, or approximately 31 percent of the total budgeted amount. Of total expenditures to date, 45 percent (\$1,455,443) were financial aid and 25 percent (\$780,139) were payroll.

## Analysis:

Athletic fee collections are projected to reach their targeted amounts. For comparison purposes, approximately \$6.5 million was collected last year.

Ticket revenues are lower than anticipated at this point. However, FAU's first home game was postponed as a result of Hurricane Jeanne. The first home game will be held October 23 and that will provide additional information on projected ticket revenues.

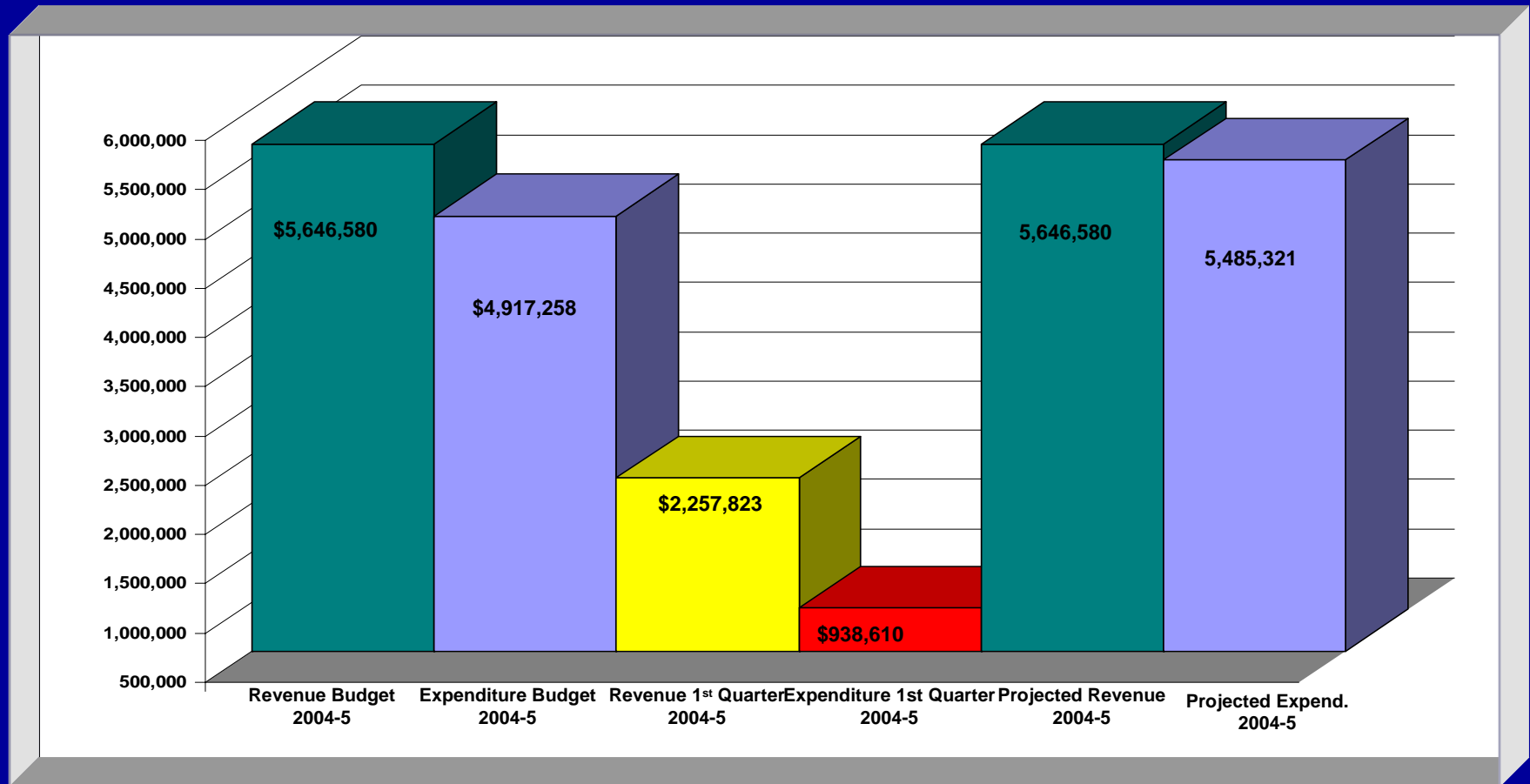
Corporate sales and private support have reached only 6.5 percent of their projected amounts as of September 30. A comprehensive fund-raising program has been developed and the president is committed to spending considerable time on athletics fund-raising.

# 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 through the Activity and Service fee paid by students (\$10 per-credit hour).

# Florida Atlantic University Student Government – Student Activities Operating Budget July 1, 2004 – September 30, 2004 First Quarter Report



# Student Government-Student Activities Operating Budget

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July 1, 2004 to September 30, 2004

Projected Revenues 2004-05	\$5,646,580	Actual Revenues to Sept. 30	\$2,257,823
Projected Expenses 2004-05	\$4,917,258	Actual Expenses to Sept. 30	\$ 938,610

The total budgeted revenue for 2004-2005 is \$5,646,580. As of September 30, 2004, \$2,257,823 in revenue has been generated, or approximately 40 percent of the total projected revenue budget. These funds have been generated by Activity and Service fees. Total projected expenditures for the year are estimated at \$4,917,258. To date, \$938,610 has been expended, or approximately 19 percent of total projected expenditures for the year.

Student Government has requested a budget amendment to increase expenditures by \$568,063. An additional request for increasing expenditures by approximately \$300,000 is being considered. Revenues during the current year and excess revenue from last year can support these requests.

## Analysis:

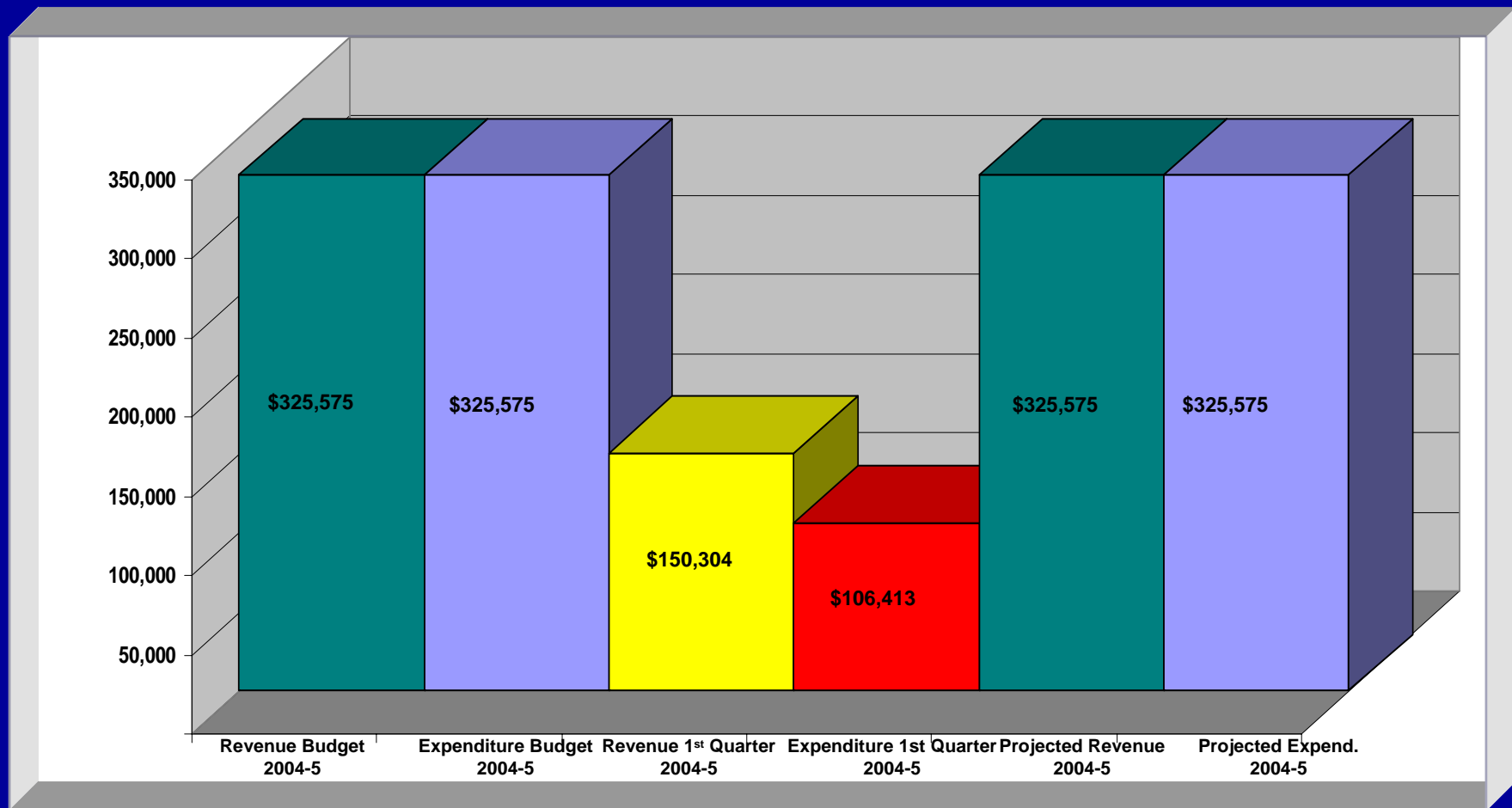
The expenditures to date for 2004-05 are higher than the percentage spent in the prior year (17 percent for 2004-05 compared to 13 percent for 2003-04) but current spending is reasonable. Expenditures last year were lower than in previous years—actual and budgeted expenditures were approximately \$1 million lower than actual and budgeted revenues. Revenue and expenditures for the year, including budget amendments, are believed to be on target with projections.

# 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, 2004 – September 30, 2004 First Quarter Report



# Concessions Operating Budget

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July 1, 2004 to September 30, 2004

Projected Revenues 2004-05   \$325,575   Actual Revenues to Sept. 30   \$150,304

Projected Expenses 2004-05   \$325,575   Actual Expenses to Sept. 30   \$106,413

The total budgeted revenue for 2004-2005 is \$325,575. As of September 30, 2004, \$106,413 has been expended, or approximately 33 percent of the total budget.

## Analysis:

The amount of expenditures to date for 2004-05 is greater than the percentage spent in the prior year, but within the range of appropriate (25 percent) expenditures for the first quarter. The beginning of the fall semester is usually a period of higher expenditures associated with new student and new faculty/staff orientations. Revenue and expenditures are believed to be on target with projections.

# FLORIDA ATLANTIC UNIVERSITY OPERATING BUDGET STATUS AS OF SEPTEMBER 30, 2004 SUMMARY COMPARISONS

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- *Year-to-Date Expenditures for Fiscal Year 2004-05*
- *Year-to-Date Expenditures for Fiscal Year 2003-04*
  
- *Year-to-Date Student Credit Hours for Fiscal Year 2004-05*
- *Year-to-Date Student Credit Hours for Fiscal Year 2003-04*
  
- *Year-to-Date Expenditures by Activity in Dollars for Fiscal Year 2004-05*
- *Year-to-Date Expenditures by Activity in Dollars for Fiscal Year 2003-04*
  
- *Year-to-Date Expenditures by Activity in Percentages for Fiscal Year 2004-05*
- *Year-to-Date Expenditures by Activity in Percentages for Fiscal Year 2003-04*



**FLORIDA ATLANTIC UNIVERSITY  
OPERATING BUDGET STATUS  
AS OF SEPTEMBER 30, 2004**

	YEAR - TO - DATE EXPENDITURES FISCAL YEAR 2004-05					YEAR - TO - DATE EXPENDITURES FISCAL YEAR 2003-04			
	Expenditures	Operating Budget	Remainder	% of Budget Spent	Cash & Investments	Operating Expenditures	Budget	Remainder	% of Budget Spent
<b>Educational &amp; General</b>	\$ 37,679,085	\$204,412,617	\$ 166,733,532	18.43%	\$ 30,101,114	\$ 35,466,359	\$183,150,784	\$ 147,684,425	19.36%
<b>Student Financial Aid</b>	39,780,062	101,691,528	61,911,466	39.12%	2,869,663	29,732,574	87,995,115	58,262,541	33.79%
<b>Sponsored Research / other Grants</b>	9,457,254	67,382,448	57,925,194	14.04%	7,947,982	12,011,783	55,065,596	43,053,813	21.81%
<b>Auxiliary Enterprises</b>	7,044,886	44,858,145	37,813,259	15.70%	31,658,660	8,182,368	38,884,867	30,702,499	21.04%
<b>Athletics</b>	3,176,741	10,123,000	6,946,259	31.38%	199,489	2,904,922	8,982,192	6,077,270	32.34%
<b>Student Activities</b>	938,610	5,485,321	4,546,711	17.11%	3,159,037	597,088	4,699,312	4,102,224	12.71%
<b>Concessions</b>	106,413	325,575	219,162	32.68%	181,819	39,814	325,575	285,761	12.23%
<b>Total</b>	\$ 98,183,051	\$434,278,634	\$ 336,095,583	22.61%	\$ 76,117,764	\$ 88,934,908	\$379,103,441	\$ 290,168,533	23.46%

**STUDENT CREDIT HOURS**

FISCAL YEAR 2004-05 AS OF 9/30/2004					FISCAL YEAR 2003-04			
Semester	Actual	Budget	Difference	% Variance	Actual	Budget	Difference	% Variance
<b>Summer</b>	94,050	94,867	(817)	-0.86%	92,268	87,937	4,331	4.93%
<b>Fall (estimate)</b>	240,606	236,020	4,586	1.94%	233,005	216,677	16,328	7.54%
<b>Spring (estimate)</b>	226,480	222,352	4,128	1.86%	215,660	201,290	14,370	7.14%
<b>Total</b>	561,136	553,239	7,897	1.43%	540,933	505,904	35,029	6.92%

**FLORIDA ATLANTIC UNIVERSITY  
OPERATING BUDGET STATUS  
EXPENDITURES BY CATEGORY AS OF SEPTEMBER 30, 2004**

**EXPENDITURES BY ACTIVITY - DOLLAR AMOUNTS**

	YEAR - TO - DATE EXPENDITURES FISCAL YEAR 2004-05				YEAR - TO - DATE EXPENDITURES FISCAL YEAR 2003-04			
	Salaries & Benefits	OPS	Expense	Total	Salaries & Benefits	OPS	Expense	Total
Educational & General	\$ 23,418,469	\$ 2,515,279	\$ 11,745,337	\$ 37,679,085	\$ 25,059,371	\$ 3,551,098	\$ 6,855,890	\$ 35,466,359
Student Financial Aid	59,735	85,354	39,634,973	39,780,062	84,892	169,274	29,478,408	29,732,574
Sponsored Research / other Grants	3,950,641	1,640,739	3,865,874	9,457,254	4,712,341	2,170,912	5,128,530	12,011,783
Auxiliary Enterprises	2,155,484	549,693	4,339,709	7,044,886	2,399,488	1,066,071	4,716,809	8,182,368
Athletics	722,657	57,483	2,396,601	3,176,741	829,970	102,119	1,972,833	2,904,922
Student Activities	16,796	137,604	784,210	938,610	24,498	210,868	361,722	597,088
Concessions	-	-	106,413	106,413	-	-	39,814	39,814
Total	\$ 30,323,782	\$ 4,986,152	\$ 62,873,117	\$ 98,183,051	\$ 33,110,560	\$ 7,270,342	\$ 48,554,006	\$ 88,934,908

**EXPENDITURES BY ACTIVITY - PERCENT OF TOTAL**

	FISCAL YEAR 2004-05 AS OF 9/30/2004				FISCAL YEAR 2003-04 AS OF 9/30/2003			
	Salaries & Benefits	OPS	Expense	Total	Salaries & Benefits	OPS	Expense	Total
Educational & General	62.15%	6.68%	31.17%	100.00%	70.66%	10.01%	19.33%	100.00%
Student Financial Aid	0.15%	0.21%	99.64%	100.00%	0.29%	0.57%	99.15%	100.00%
Sponsored Research / other Grants	41.77%	17.35%	40.88%	100.00%	39.23%	18.07%	42.70%	100.00%
Auxiliary Enterprises	30.60%	7.80%	61.60%	100.00%	29.33%	13.03%	57.65%	100.00%
Athletics	22.75%	1.81%	75.44%	100.00%	28.57%	3.52%	67.91%	100.00%
Student Activities	1.79%	14.66%	83.55%	100.00%	4.10%	35.32%	60.58%	100.00%
Concessions	0.00%	0.00%	100.00%	100.00%	0.00%	0.00%	100.00%	100.00%
Total	30.88%	5.08%	64.04%	100.00%	37.23%	8.17%	54.59%	100.00%