



Item: **BF: A-3**

BUDGET AND FINANCE COMMITTEE

Tuesday, June 8, 2021

SUBJECT: REVIEW AND DISAPPROVAL OF THE 2021-22 ANNUAL BUDGET FOR FAU HARBOR BRANCH OCEANOGRAPHIC INSTITUTE (HBOIF).

PROPOSED COMMITTEE ACTION

Review and recommend disapproval of the 2021-22 FAU Harbor Branch Oceanographic Institute Foundation (HBOIF) Operating Budget.

BACKGROUND INFORMATION

The HBOIF By-laws require the preparation of an annual budget. The budget must be prepared before the beginning of the University's fiscal year, approved by the HBOIF Board of Directors and recommended by the University President to the Board of Trustees each year. Pursuant to FAU Regulation 6.013, the Board of Trustees must approve the budget before it can be enacted.

During the April 29, 2021 HBOIF Board meeting, this budget was approved. The budget includes \$227,600 in payroll expenses, \$214,720 in contract professional services expenses, and \$590,360 in legal fees including \$500,000 in fees to fund the litigation that HBOIF initiated against the university. The Administration believes many of these expenses are wasteful or inappropriate therefore recommends that this Board reject the budget and require the HBOIF to approve a revised budget.

IMPLEMENTATION PLAN/DATE

July 1, 2021.

FISCAL IMPLICATIONS

N/A.

Supporting Documentation: Proposed 2021-22 HBOIF Operating Budget

Presented by: Ms. Stacy Volnick, V.P. Administrative Affairs

Phone: 561-297-1455

HBOI Foundation
FY22 Operations Budget

FY22 Budget

Income

40000 · Donations & Gifts		0.00
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45000 · Love Your Lagoon (Gross)		
45100 · Sponsorships		100,000.00
45200 · Ticket Sales		0.00
45250 · Auction/Raffle		0.00
45300 · Donations - LYL		0.00
Total 45000 · Love Your Lagoon (Gross)		100,000.00

54000 · Other Revenue		
54005 · HBOIF - admin (SLP)		86,295.21
54010 · Rent & Lease Revenue		66,432.00
54023 · Sales Tax Collection Allowance		0.00
54025 · Miscellaneous Income		0.00
Total 54000 · Other Revenue		152,727.21

Total Income 252,727.21

Expense

72000 · Payroll Expenses		
72010 · Salaries & Wages		
72011 · President & CEO		95,656.63
72012 · Director of Operations		0.00
72013 · Administrative Assistant		75,420.27
72014 · Grants Coordinator & Administrative Assistant		60,001.00
Total 72010 · Salaries & Wages		231,077.90
72015 · Payroll Taxes		17,677.46
72060 · 401K		10,453.12
72080 · Allocation-Permenter SLP Mktg		-31,608.12
Total 72000 · Payroll Expenses		227,600.36

HBOI Foundation

FY22 Operations Budget

FY22 Budget

75000 - Contract Professional Services			
	75020 - Accounting Fees		
	75021 - Audit		39,000.00
	75022 - Tax Reporting		2,800.00
	75023 - Accounting Oversight		72,000.00
	Total 75020 - Accounting Fees		113,800.00
	75025 - Professional Services - Other		10,920.00
	75026 - Interim ED Fees		75,000.00
	75027 - Interim ED Expenses		15,000.00
	Total 75000 - Contract Professional Services		214,720.00

75500 - Legal Fees			
	75510 - General Legal Fees		50,000.00
	75512 - Legal Other		40,360.00
	75516 - Litigation		500,000.00
	Total 75500 - Legal Fees		590,360.00

	80002 - Rent & CAM		73,917.84
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81000 - Operations			
	81010 - Supplies		4,000.00
	81015 - Telephone		4,500.00
	81020 - Postage & Shipping		1,500.00
	81025 - Printing & Copying		3,000.00
	81030 - Books, Subscriptions, Reference		1,500.00
	81032 - Memberships & External Events		2,500.00
	81035 - Computer & Website		13,500.00
	81040 - Gifts & Entertainment		2,000.00
	81045 - Promotion & Advertising		10,000.00
	Total 81000 - Operations		42,500.00

HBOI Foundation
FY22 Operations Budget

FY22 Budget

82000 · Facilities & Equipment		
82005 · Utilities		2,700.00
82000 · Facilities & Equipment - Other		10,000.00
Total 82000 · Facilities & Equipment		12,700.00

82030 · Real estate taxes		4,852.00
82035 · Depreciation Expense		9,462.00
83000 · Travel & Meetings		5,000.00
83010 · Board Travel & Meetings		17,000.00
84000 · Insurance Expense		82,000.00
84100 · Bank Service Expense		2,000.00
84300 · Investment Management Fees		79,000.00
85000 · Donor Related		20,000.00

85500 · Love Your Lagoon		
85501 · Food & Beverage		18,000.00
85502 · Equipment Rental		1,000.00
85503 · Printing & Design		500.00
85504 · Photography		575.00
85506 · Awards & Favors		1,734.00
85507 · Supplies		0.00
85508 · Advertising & Promotion		6,000.00
85509 · Contract Labor		0.00
85510 · Miscellaneous		0.00
85511 · Postage		0.00
85513 · Valet Parking		320.00
85514 · Fees - Square/NFG		600.00
Total 85500 · Love Your Lagoon		28,729.00

86000 · Business Expense		300.00
87000 · Miscellaneous Expenses		1,500.00

Total Expense		1,411,641.20
Net Ordinary Income		-1,158,913.99

HBOI Foundation

FY22 Operations Budget

FY22 Budget

Other Income/Expense

90000 - Other Income		
53019 - Investment Interest & Dividends		0.00
53500 - Realized Gains/Losses		0.00
53600 - Unrealized Gains/Losses		0.00
54200 - Contributions to Endowment		0.00
Total 90000 - Other Income		0.00

Total Other Income 0.00

Other Expense

87100 - Special Initiatives		
87165 - HBOI New Faculty		
87165-8 - HBOI New Faculty-Year 8		0.00
Total 87165 - HBOI New Faculty		0.00
87175 - HBOI Discretionary Fund Awards		
87175-4 - HBOI FCCHH FY20		800,000.00
87175-5 - HBOI Faculty Salary Support FY20		210,000.00
Total 87175 - HBOI Discretionary Fund Awards		1,010,000.00
87176 - HBOI Special Award		10,000.00
87177 - LYL Proceeds		
87177-3 - 2019 IRL Fellowship Program		
87177-4 - 2020 IRL Fellowship Program		
87177-4 - 2020 IRL Symposium		
87177-6 - 2021 IRL Symposium		10,000.00
87177-7 - 2021 IRL Fellowship Program		100,000.00
Total 87177 - LYL Proceeds		110,000.00
87178 - Marilyn Link Memorial Scholarship		5,000.00
87179 - High Impact Grant		1,220,000.00
Total 87100 - Special Initiatives		2,355,000.00

Total 90500 - Other Expenses 2,355,000.00

Net Other Income -2,355,000.00

Net Income -3,513,913.99

	Use of Endowment		3,513,913.99
	Net Income		0.00
	FY22 Spendable Calculated at 1/31/21		3,567,328.00
	Available Spendable Unbudgeted		53,414.01

HBOI Foundation

FY22 SLP Budget

		FY22 SLP Budget
Income		
50000 · Specialty License Plate Revenue		
50010 · PWD Tag Revenue		1,064,747.56
50015 · PFW Tag Revenue		392,275.42
50020 · Aqua Tag Revenue		364,255.74
50025 · SOS Tag Revenue		980,688.54
Total 50000 · Specialty License Plate Revenue		2,801,967.26
Total Income		2,801,967.26
Expense		
70200 · SLP Research Funds Expense		
70210 · PWD Research Funds Expense		1,834,455.00
70215 · PFW Research Funds Expense		437,312.00
70220 · AQUA Research Funds Expense		262,553.00
70225 · SOS Research Funds Expense		949,314.00
Total 70200 · SLP Research Funds Expense		3,483,634.00
71000 · Pass Through to Others Expense		
71010 · PFW - Wyland Foundation		41,413.00
71020 · Aqua - Guy Harvey		35,523.00
71025 · SOS - Guy Harvey		102,989.00
71041 · Aqua - Florida Aquaculture Assn		5,000.00
Total 71000 · Pass Through to Others Expense		184,925.00
72080 · Allocation-Permenter SLP Mktg		0.00
82025 · SLP Expense (can do up to 10% of income)		
82300 · SLP/FAU Admin Fee		112,078.69
82350 · SLP/HBOIF Admin		84,059.02
82400 · SLP Marketing Expense		
82406 · SLP Online/TV/Media/Ad		216,500.00
82407 · SLP Print		2,250.00
82411 · SLP Other/Salary/Fringe		31,608.12
82412 · SLP Bank Fee		250.00
82414 · SLP Tax Collector Visibility		7,066.44
82415 · SLP Special Branding Projects		1,000.00
82416 · SLP External Events/Sponsorship		21,500.00
Total 82400 · SLP Marketing Expense		280,174.56
Total 82025 · SLP Expense		476,312.27
Total Expense		4,144,871.27
Net Ordinary Income		-1,342,904.01
Other Income		
90001 · PWD Interest Income		0.00
90002 · PFW Interest Income		0.00
90003 · Aqua Interest Income		0.00
90004 · SOS Interest Income		0.00
Total Other Income		0.00
Net Income		-1,342,904.01