



George L. Hanbury II, Ph.D.
President/Chief Executive Officer

August 1, 2022

Kevin B. Kelleher, Assistant County Administrator
County Administration
115 S. Andrews Avenue, Rm 409
Fort Lauderdale, FL 33301

Re: Modification of the Tenth Amendment to the Agreement between Broward County and NSU

This letter is in response to your email to Mr. Terry Mularkey dated July 25, 2022. Please find responses to each of your inquiries below.

1. *We are trying to finalize the above referenced modification that provides that the parties are to each contribute \$1.75M (in addition to the previous contribution of \$5M each) for the NSU Broward Center of Innovation. Please confirm that the additional monies are for completion costs and not operations consistent with the Tenth Amendment.*

Yes, as noted in my letter to Ms. Bertha Henry dated February 22, 2021, the additional funds are “in order to attain the estimated \$13,500,000 total needed for the completion of the center and pre-opening start costs. Consistent with the original intention, the County’s additional contribution will be used toward capital.”

It is NSU’s understanding that the County Commission previously approved this request and that the \$1.75M was included in the County’s FY22 adopted operating budget. The modification to the amendment simply memorializes the additional contribution approved by both parties.

2. *Also please confirm and provide any supporting documents that NSU has contributed its \$5M as previously required and has budgeted or set aside the additional \$1.75M.*

Following is a summary of confirmed sources and uses of funds:

	NSU	County	Total
Original contribution	\$ 5,000,000	\$ 5,000,000	\$ 10,000,000
Additional contribution	1,750,000	1,750,000	3,500,000
Total sources	\$ 6,750,000	\$ 6,750,000	\$ 13,500,000
Pre-opening start up costs	\$ (2,123,265)	\$ -	\$ (2,123,265)
Capital project budget*	(5,393,000)	(6,750,000)	(12,143,000)
Total uses	\$ (7,516,265)	\$ (6,750,000)	\$ (14,266,265)
<i>Additional NSU contribution</i>	<i>\$ (766,265)</i>	<i>\$ -</i>	<i>\$ (766,265)</i>

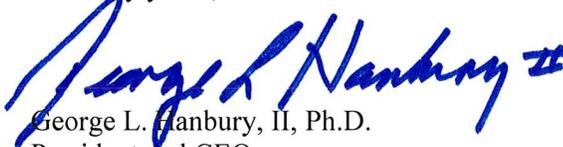
*Actual incurred through 6/30/22 (includes \$35k encumbrances) \$ (11,255,083)

Pre-opening startup costs are actual operational losses incurred by NSU through April 2022 when the official grand-opening occurred. The capital project costs incurred through June 2022 include actual amounts expended for completion of the center. The remaining capital project budget primarily includes equipment that is pending order/receipt, based on the ongoing supply chain delays caused by COVID-19 as well as strategic planning related to evolving technology. It is anticipated that these remaining funds will be expended in the near future.

When previously establishing the capital project account budget as well as annual center operational budgets, NSU earmarked the funds for these purposes. As shown above, total capital and pre-opening start up expenditures to date are approximately \$13.4M.

I trust that this information satisfies your request. Please advise should you have any additional questions.

Sincerely yours,



George L. Hanbury, II, Ph.D.
President and CEO

GLH/as
