

**Florida Agricultural and Mechanical University  
Board of Trustees**



**Direct Support Organizations Committee Meeting  
Wednesday, March 6, 2019  
11:15 a.m. - Noon  
FAMU Grand Ballroom**

**Committee Members:** Thomas Dortch – Chair; Dave Lawrence – Vice Chair  
Bettye Grable, David Jackson III, Kelvin Lawson

**AGENDA**

- |                  |                      |
|------------------|----------------------|
| I. Call to Order | Thomas Dortch, Chair |
| II. Roll Call    | Ms. Angie Wiggins    |

**ACTION ITEMS**

- |   |  |
|---|--|
| III. Approval of DSO Committee Meeting Minutes  | Chair Dortch                           |
| 1. June 6, 2018   |  |
| 2. August 9, 2018   |  |
| IV. FAMU Foundation, Inc.   | Dr. Shawnta Friday-Stroud              |
| 1. Acceptance of Revised Bylaws   | Vice President, University Advancement |
| 2. Approval of Revised FY 2018-19 Budget  |  |
| V. Approval of Proposed Amended University Regulation<br>11.001 Requirements for Certification, Budget & Audit Review | Dr. Friday-Stroud                      |

**INFORMATIONAL ITEMS**

- |  |                   |
|--|-------------------|
| VI. Update on Divisional Activities          | Dr. Friday-Stroud |
| 1. FY 2018-19 University Advancement Updates |                   |
| 2. DSO Updates                               |                   |
| A. FAMU Foundation, Inc.                     |                   |
| B. National Alumni Association               |                   |
| C. FAMU Rattler Boosters                     |                   |
| VII. New Business                            | Chair Dortch      |
| VIII. Adjournment                            | Chair Dortch      |

**Florida Agricultural and Mechanical University  
Board of Trustees**



**ACTION ITEM**

**Direct Support Organizations Committee  
Wednesday, March 6, 2019  
Agenda Item: III. 1.**

**Item Origination and Authorization**

Policy \_\_\_\_\_ Award of Bid \_\_\_\_\_ Budget Amendment \_\_\_\_\_ Change Order \_\_\_\_\_  
Resolution \_\_\_\_\_ Contract \_\_\_\_\_ Grant \_\_\_\_\_ Other \_\_\_\_\_

**Action of Board**

Approved \_\_\_\_\_ Approved w/ Conditions \_\_\_\_\_ Disapproved \_\_\_\_\_ Continued \_\_\_\_\_ Withdrawn \_\_\_\_\_

**Subject:** Approval of DSO Committee Meeting Minutes (June 6, 2018)

**Rationale:** In accordance with the Florida Statues, a governmental body shall prepare and keep minutes or make a tape recording of each open meeting of the body.

**Attachment:** DSO Committee Meeting Minutes (June 6, 2018)

**Recommendation:** Approve the minutes of the June 6, 2018, DSO Committee Meeting.

**Florida Agricultural and Mechanical University  
Board of Trustees**



Direct Support Organizations (DSO) Committee Meeting Minutes  
Wednesday, June 6, 2018

**Trustee Thomas Dortch, Chair**

The meeting was called to order at 11:44AM by Committee Vice Chair Dave Lawrence. Ms. Angie Wiggins called the roll, and the following Committee members participated: Chair Thomas Dortch (telephonically); Trustees Bettye Grable; David Jackson, III; and Kelvin Lawson.

- **Approval of March 7, 2018, DSO Committee Meeting Minutes:**

Trustee Lawson motioned for approval. Committee Chair Dortch seconded the motion; approved unanimously by the committee.

- **Interim Vice President, Dr. Shawnta Friday-Stroud, presented Amended Policy pertaining to Senate Bill 4 DSO Implementation:**

The Florida Excellence in Higher Education Act 2018 (Senate Bill 4/2018-4 Laws of Florida) has amended Florida Statute 1004.28. The amendment addresses: board chair required appointments; travel expense prohibitions; purchasing and acquisition thresholds; state appropriated funds transfer prohibitions and annual reporting requirements; political contribution prohibitions; and changed public records exemptions. As a result of the passage of the statutory changes, the DSOs Policy was amended.

The Florida Board of Governors has made these amended changes mandatory for all public universities in the State University System of Florida. Having worked in coordination with the FAMU General Counsel's staff and President Larry Robinson, Dr. Friday-Stroud recommended that the DSO Committee approve the Amended Policy converting FAMU IMM No. 2003-01 to FAMU Board of Trustees (BOT) Policy No. 2018-01, which it did. Committee Chair Dortch moved for approval. The motion was seconded by Trustee Lawson; approved unanimously by the committee.

Dr. Friday-Stroud advised that the FAMU National Alumni Association (NAA) President, LTC Gregory Clark, requested to go on record as having presented a letter to the DSO Chair pertaining to this item. Following advisement of the DSO Committee, meetings will be held individually with FAMU DSOs for a clear understanding of the required amendments, and memorandums of understanding (MOU); staff to return to the FAMU BOT with recommended procedural approaches; and the Interim General Counsel will discuss common ground edits to the draft MOU with LTC Clark and the NAA as requested.

- **Dr. Friday-Stroud provided updates on Divisional Activities:**

- Current giving is at \$4.01M. This total will rise following receipt of incoming funds from the FAMU NAA fundraising luncheon held in May during the NAA's Annual Convention.
- Several slides were presented in regard to divisional activities that support: 1) FAMU Rising Strategic Priority 4: Transformative Alumni, Community, and Business Engagement; 2) ongoing FAMU Rising Fundraising Campaign and activities; and 3) Capital Campaign preparations.

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- A fundraising road tour will be organized that includes members of the FAMU BOT and FAMU Foundation Board.
- She is working with FAMU Deans to address individual fundraising needs.

**DSO Updates:**

- **FAMU Foundation, Inc.**
  - The FAMU Foundation Board of Directors held its spring 2018 Board Meeting, May 24-25, in Orlando, in conjunction with the FAMU NAA's 2018 National Convention.
  - The FAMU Small Business Development Center, a paid tenant, moved into the FAMU Foundation building on May 31.
  - The Investment balance is approximately \$124M. The Endowment balance is approximately \$110M.
- **FAMU National Alumni Association**
  - At the FAMU NAA Convention's fundraising Luncheon, they generated more than \$444,000 in support of the Save Our Students Scholarships, FAMU Athletics initiatives, and the FAMU Marching 100's journey to Pasadena.
    - FAMU's 8<sup>th</sup> President, Dr. Frederick Humphries, was present and motivated attendees to give.
  - NAA President, LTC Clark, will present a check from the NAA Convention during the FAMU BOT Meeting.
- **Florida A&M University Rattler Boosters, Inc.**
  - The FAMU Rattler Boosters, Inc. has completed its reorganizational steps.
  - Dr. Friday-Stroud is working with the Boosters on its Annual Fundraising Campaign to support FAMU Athletics.
  - Over \$250,000 has been raised by all Boosters – FAMU Rattler Boosters and non-members of the FAMU Ratter Boosters.

There being no further business, the meeting adjourned at 12:21 p.m.

Dave Lawrence, Committee Vice Chair

**Florida Agricultural and Mechanical University  
Board of Trustees**



**ACTION ITEM**

**Direct Support Organizations Committee  
Wednesday, March 6, 2019  
Agenda Item: III. 2.**

**Item Origination and Authorization**

Policy _____	Award of Bid _____	Budget Amendment _____	Change Order _____
Resolution _____	Contract _____	Grant _____	Other _____

**Action of Board**

Approved \_\_\_\_\_    Approved w/ Conditions \_\_\_\_\_    Disapproved \_\_\_\_\_    Continued \_\_\_\_\_    Withdrawn \_\_\_\_\_

**Subject:**                    **Approval of DSO Committee Meeting Minutes (August 9, 2018)**

**Rationale:**                In accordance with the Florida Statutes, a governmental body shall prepare and keep minutes or make a tape recording of each open meeting of the body.

**Attachment:**              DSO Committee Meeting Minutes (August 9, 2018)

**Recommendation:**      Approve the minutes of the August 9, 2018, DSO Committee Meeting.

**Florida Agricultural and Mechanical University  
Board of Trustees**



Direct Support Organizations (DSO) Committee Meeting Minutes  
Thursday, August 9, 2018

**Trustee Thomas Dortch, Chair**

The meeting was called to order at 9AM by Committee Chair Thomas Dortch. Ms. Angie Wiggins called the roll, and the following Committee members participated: Trustees Bettie Grable; David Jackson, III; Dave Lawrence; and Kelvin Lawson.

- **Acceptance of DSO Budgets: FY 2018-2019:**

The DSO Budgets for the FAMU Foundation, FAMU National Alumni Association, and FAMU Rattler Boosters, were submitted in accordance with the recently approved FAMU Board of Trustees (BOT) Policy No. 2018-01.

Interim Vice President, Dr. Shawnta Friday-Stroud, presented the Budgets to the Committee and advised that all three DSO Budgets were approved by their governing bodies. A motion was made and passed, unanimously, to accept the DSO Budgets as submitted, and to recommend them to the FAMU BOT for acceptance.

An inquiry was made in follow-up to a previous discussion regarding funding for lobbying expenses - is it what it was last year, and the contract status. Dr. Friday-Stroud advised that it was determined, that is the range that it is likely to be in and additional funding has been provided in the President's budget for university support. Should more than the \$70,000 be needed, an adjustment can be made.

An additional question was asked – has FAMU been compared to other universities to see where that range should be. Trustee Lawrence stated that he would like to know what other universities spend. Dr. Friday-Stroud was requested to obtain a comparison and to communicate her findings to the Board.

- **Approval of New DSO Board Members:**

In accordance with FAMU BOT Policy No. 2018-01, Item III, Section D., No. 4.: "Provide that the Board shall approve all appointments, including elected board members, to any DSO board;" and, in accordance with the FAMU Foundation Bylaws, Section 6, that pertains to Designated Ex-Officio Membership, the position of Faculty Representative, and a current FAMU Student Government Association Representative or Student Representative who is not serving on the FAMU BOT shall be considered members of the Foundation. These two seats on the FAMU Foundation Board are one-year term limits. FAMU Foundation Bylaws protocol has been followed and requests were made to re-elect Professor Phyllis Taite as the Faculty Representative, and Senate President Rochard Moricette as the Student Representative. A motion was made and passed, unanimously, to recommend to the FAMU BOT for appointments to the FAMU Foundation Board, the Re-election of Professor Phyllis Taite as the Faculty Representative, and Election of Senate President Rochard Moricette as the Student Representative.

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- **Additional Item:**

Chair Dortch advised that Trustee Harold Mills requested clarity regarding the actual numbers for cash and pledges for last year; record shows it was the largest amount ever raised.

Dr. Friday-Stroud reported, in the June 6, 2018, DSO Committee Meeting, that the University was around the \$4M mark. In the third week of June, the University received a \$5M pledge from Metz Culinary Management, which increased the pledges to \$5.2M and increased the total pledges plus cash to \$9.5M. The University ended the year with \$4.3M in cash and \$5.2M in pledges.

Dr. Friday-Stroud advised that she and Dr. Wanda Ford received the \$5M check from Metz in the second week of July. The University currently has \$5.4M in cash.

There being no further business, the meeting adjourned at 9:30 a.m.  
Thomas Dortch, Committee Chair

**Florida Agricultural and Mechanical University  
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**ACTION ITEM**

**Direct Support Organizations Committee  
Wednesday, March 6, 2019  
Agenda Item: IV. 1.**

**Item Origination and Authorization**

Policy _____	Award of Bid _____	Budget Amendment _____	Change Order _____
Resolution _____	Contract _____	Grant _____	Other _____

**Action of Board**

Approved \_\_\_\_\_ Approved w/ Conditions \_\_\_\_\_ Disapproved \_\_\_\_\_ Continued \_\_\_\_\_ Withdrawn \_\_\_\_\_

**Subject:**                    **Acceptance of Revised FAMU Foundation Bylaws**

**Rationale:**                Implementation of DSO Policy changes and modifications to the FAMU Foundation’s organizational structure pursuant to requirements set forth in Florida Senta Bill 4. Revisions were made to the FAMU Foundation Bylaws to comply with the new requirements and in part to “wordsmith” and clarify some of the existing substantive provisions of the Bylaws.

The FAMU Foundation Board approved the revisions to the Bylaws at their Board of Directors Teleconference held on January 9, 2018.

**Attachment:**              Revised FAMU Foundation Bylaws.

**Recommendation:**      **Acceptance of the Revised FAMU Foundation Bylaws.**



**Florida Agricultural and Mechanical University  
Board of Trustees**



**ACTION ITEM**

**Direct Support Organizations Committee  
Wednesday, March 6, 2019  
Agenda Item: IV. 2.**

Item Origination and Authorization				
Policy _____	Award of Bid _____	Budget Amendment _____	Change Order _____	
Resolution _____	Contract _____		Grant _____	Other _____

Action of Board				
Approved _____	Approved w/ Conditions _____	Disapproved _____	Continued _____	Withdrawn _____

**Subject:**                    **Approval of Revised FY 2018-19 FAMU Foundation Budget**

**Rationale:**                The FAMU Board of Trustees (BOT) voted to approve an increase (9 percent) and bonus (15 percent) for FAMU President Larry Robinson. The vote occurred in December 2018; pending approval/modification to the FAMU Foundation FY 2018-19 Budget. Due to the amount of the increase and bonus totaling more than \$40K, approval is required from the FAMU Foundation Board, followed by the FAMU BOT. The prorated 9 percent increase, December 6<sup>th</sup> – June 30<sup>th</sup>, plus a 15 percent bonus, will add an additional \$83,500 to the budget.

The Foundation Board approved the revision to the FY 2018-19 FAMU Foundation Budget at their Board of Directors Teleconference held on Tuesday, February 26, 2019.

**Attachment:**              Revised FY 2018-19 FAMU Foundation Budget

**Recommendation:**    Approval of the Revised FY 2018-19 FAMU Foundation Budget.

**FAMU FOUNDATION, INC.**  
**PROPOSED BUDGET AMENDMENT FOR FISCAL YEAR 2018-2019**

	<b>APPROVED BUDGET*</b>	<b>ACTUAL @ 12/31/2018</b>	<b>PROPOSED</b>	
			<b>BUDGET AMENDMENT</b>	<b>REVISED BUDGET**</b>
<b>REVENUE AND SUPPORT</b>				
Operating Revenue	\$2,271,551	\$2,194,433	\$83,500	\$2,355,051
<i>Endowment Administrative Fees [1.5%] &amp; Operating Fees</i>	\$1,795,551	\$1,795,551	\$83,500	\$1,879,051
<i>Incoming Gifts Fees [5% or 7%]</i>	\$400,000	\$364,668		\$400,000
<i>Administrative Fees on Miscellaneous Revenue (7%)</i>	\$70,000	\$31,244		\$70,000
<i>Administrative Fees on Disbursements [\$2.50]</i>	\$6,000	\$2,970		\$6,000
License Tags Revenue	\$450,000	\$182,600		\$450,000
Rents & Fees 625 East Tennessee Street	\$75,000	\$20,450		\$75,000
Contingency Revenue	\$75,000	\$0	\$0	\$75,000
<b>TOTAL REVENUE AND SUPPORT</b>	<b>\$2,871,551</b>	<b>\$2,397,483</b>	<b>\$83,500</b>	<b>\$2,955,051</b>
<b>EXPENDITURES</b>				
<b>Foundation Operations</b>				
Staff Salaries and Benefits	\$725,000	\$524,325		\$725,000
Contractual Services	\$25,000	\$14,848		\$25,000
General Counsel & Legal Services	\$50,000	\$15,000		\$50,000
Auditing and Accounting Services	\$100,000	\$27,750		\$100,000
Foundation Board Support	\$90,000	\$78,061		\$90,000
Staff Travel	\$30,000	\$4,360		\$30,000
Memberships & Subscriptions	\$5,000	\$1,855		\$5,000
Insurance	\$22,000	\$16,714		\$22,000
Janitorial Services	\$30,000	\$14,700		\$30,000
Office Security Monitoring	\$10,000	\$5,707		\$10,000
Office Utilities	\$50,000	\$19,879		\$50,000
Pest Control	\$4,000	\$810		\$4,000
Grounds Maintenance	\$12,000	\$5,625		\$12,000
Software Maintenance	\$50,000	\$35,808		\$50,000
Telephone	\$2,500	\$0		\$2,500
Office Equipment/Furniture	\$10,645	\$2,884		\$10,645
Materials, Printing & Postage	\$20,000	\$5,515		\$20,000
625 E TN Street Renovations	\$100,000	\$61,757		\$100,000
625 E TN Street Reserve Fund	\$0	\$0		\$0
Bank Fees	\$5,000	\$1,054		\$5,000
Donor Outreach Support / Other	\$25,000	\$22,254		\$25,000
Operating Contingency	\$12,171	\$0		\$12,171
<b>Total Foundation Operations</b>	<b>\$1,378,316</b>	<b>\$858,906</b>	<b>\$0</b>	<b>\$1,378,316</b>
<b>Office of University Advancement</b>				
Advancement Operations/Develop't Support	\$80,000	\$80,000		\$80,000
Fundraising Activities [75% License Tags Revenue]	\$337,500	\$136,950		\$337,500
<b>Total Office of University Advancement</b>	<b>\$417,500</b>	<b>\$216,950</b>	<b>\$0</b>	<b>\$417,500</b>
<b>University Support</b>				
University President Compensation	\$310,750	\$310,750		\$310,750
University President Salary Increase, Performance Bonus and Benefits	\$0	\$0	\$83,500	\$83,500
Office of the President	\$100,000	\$100,000		\$100,000
University Auxiliary Support	\$298,485	\$298,485		\$298,485
Board of Trustees Assessment	\$36,000	\$36,000		\$36,000
Board of Governors Assessment	\$14,000	\$12,777		\$14,000
Lobbying Expenses	\$70,000	\$70,000		\$70,000
University Stadium Support	\$0	\$0		\$0
License Tags Scholarships [25% License Tags Revenue]	\$112,500	\$45,650		\$112,500
Athletics Salary Support	\$134,000	\$134,000		\$134,000
<b>Total University Support</b>	<b>\$1,075,735</b>	<b>\$1,007,662</b>	<b>\$83,500</b>	<b>\$1,159,235</b>
<b>TOTAL EXPENDITURES</b>	<b>\$2,871,551</b>	<b>\$2,083,518</b>	<b>\$83,500</b>	<b>\$2,955,051</b>
<b>REVENUE LESS EXPENDITURES</b>	<b>\$0</b>	<b>\$313,965</b>	<b>\$0</b>	<b>\$0</b>

\* Approved by FAMU Foundation Board of Directors on 07/25/2018 and FAMU Board of Trustees on 08/09/2018.

\*\* Approved by FAMU Foundation Board of Directors on 02/26/2019.

**Florida Agricultural and Mechanical University  
Board of Trustees**



**ACTION ITEM**

**Direct Support Organizations Committee  
Wednesday, March 6, 2019  
Agenda Item: V.**

**Item Origination and Authorization**

Policy ____	Award of Bid ____	Budget Amendment ____	Change Order ____
Resolution ____	Contract ____	Grant ____	Other ____

**Action of Board**

Approved \_\_\_\_    Approved w/ Conditions \_\_\_\_    Disapproved \_\_\_\_    Continued \_\_\_\_    Withdrawn \_\_\_\_

**Subject:**                    **Approval of Proposed Amended University Regulation 11.001 Requirements for Certification, Budget & Audit Review (DSOs)**

**Rationale:**                To amend Regulation 11.001, to comply with the amendment of Section 1004.28, Florida Statutes (March 2018), which revised the Universities' oversight of direct support organizations including Board appointments and establishment of procurement, construction and acquisition thresholds.

**Attachment:**              Proposed Amended Regulation 11.001

**Recommendation:**    It is recommended that the Board of Trustees approve the Proposed Regulation 11.001 for notice and adoption after the expiration of the thirty (30) day notice period, provided there are no public comments, in accordance with the Florida Board of Governors' Regulation Development Procedure.



**Florida Agricultural and Mechanical University  
Board of Trustees  
ACTION ITEM**

**Governance Committee**

**Date: March 6, 2019**

**Agenda Item: Proposed amended University Regulation 11.001 Requirements for Certification, Budget and Audit Review.**

Item Origination and Authorization			
Policy <u>  X  </u>	Award of Bid <u>      </u>	Budget Amendment <u>      </u>	Change Order <u>      </u>
Resolution <u>      </u>	Contract <u>      </u>	Grant <u>      </u>	Other <u>      </u>

Action of Board				
Approved <u>      </u>	Approved w/ Conditions <u>      </u>	Disapproved <u>      </u>	Continued <u>      </u>	Withdrawn <u>      </u>

**Subject:** 11.001 Requirements for Certification, Budget and Audit Review (Direct Support Organizations)

**Rationale:** To amend Regulation 11.001, to comply with the amendment of Section 1004.28, Florida Statutes (March 2018), which revised the Universities' oversight of direct support organizations including Board of Trustees' approval of DSO Board appointments and establishment of procurement, construction and acquisition thresholds.

**Attachments:** Proposed Amended Regulation 11.001

**Recommendation:** It is recommended that the Board of Trustees approve the Proposed Regulation 11.001 for notice and adoption after the expiration of the thirty (30) day notice period, provided there are no public comments, in accordance with the Florida Board of Governors' Regulation Development Procedure.

## FLORIDA A&M UNIVERSITY BOARD OF TRUSTEES



### NOTICE OF PROPOSED AMENDED REGULATION

**Date:** March 6, 2019

**REGULATION CHAPTER TITLE:** Chapter 11

**REGULATION TITLE AND NUMBER:** Requirements for Certification, Budget and Audit Review. (11.001).

**SUMMARY OF REGULATION:** To amend Regulation 11.001, to comply with the amendment of Section 1004.28, Florida Statutes (March 2018), which revised the Universities' oversight of direct support organizations.

**AUTHORITY FOR REGULATION:** Article IX, Section 7, Florida Constitution, Section 1004.28, Florida Statutes, Board of Governors Regulation 1.001.

**UNIVERSITY OFFICIAL INITIATING THIS REGULATION:** Shira Thomas, Interim Vice President of Legal affairs and General Counsel

**PROCEDURE FOR COMMENTS:** Written comments concerning this proposed regulation shall be submitted within 14 days of the date of this notice to the person identified below. The comments must specifically identify the regulation on which you are commenting.

**THE PERSON TO BE CONTACTED REGARDING THE PROPOSED REGULATION IS:** Shira Thomas, Interim Vice President of Legal affairs and General Counsel, Office of the General Counsel, 304 Foote-Hilyer Administration Center, 1700 Lee Hall Drive, Tallahassee, Florida 32307, Telephone: (850) 599-3591, Facsimile: (850) 561-2862, Email: shira.thomas@famuedu.

**FULL TEXT OF THE PROPOSED REGULATION:** The full text of the proposed amended regulation follows:

## Regulation of Florida A&M University



### 11.001 Requirements for Certification, Budget and Audit Review.

(1) An organization seeking to become a direct support organizations (“DSO”) shall be certified by the Florida Agricultural and Mechanical University Board of Trustees (“University Board”) to use University property, facilities and personal services to the extent permissible by applicable law, Section 1004.28, Florida Statutes, Florida Board of Governors' Regulation 9.011, and University Regulations and Policies. Such support organizations shall be organized and operated to serve the best interests or mission of the University, and may receive, hold, invest, and administer property and make expenditures to, or for, the benefit of the University or University-affiliated research and development authority. In order to be certified as a direct support organization, as provided in Section 1004.28, F.S., an organization wishing to become a Florida Agricultural and Mechanical University (“University”) Direct Support Organization (“DSO”) shall fulfill the requirements of Section 1004.28(1)(a), F.S., and shall request approval of the Florida Agricultural and Mechanical University Board of Trustees (“the Board”). Upon the approval of the University President (the “President”) and approval by the Board, a direct support organization shall be considered to be certified and authorized to use the property, facilities, name and personal services of the University.

#### (2) University Board Oversight

- (a) The Board shall approve all appointments, including elected board members, to any DSO governing board.
- (b) The Chair of the Board shall appoint at least one representative to the board of directors and executive committee of the DSO, and the President or the President’s designee will serve on the board of directors and executive committee of the organization.

(c) The senior operating officer of the DSO shall be selected and appointed by the University President in consultation with the DSO's governing board. The senior operating officer of the DSO shall report to the President.

(d) Also refer to Policy 2018-01, FAMU Direct Support Organizations.

(3) Direct Support Organizations Finance and Budget

(a) Operating budgets of DSOs shall be prepared at least annually, approved by the organization's governing board and by the President and submitted to the Board for approval.

(b) A DSO shall have the authority to amend its budget. Budget amendment requests for less than 15%, but not to exceed \$40,000, of the total amount of the annual budget shall require the approval of the President, provided that no budget amendment affecting the President or the President's compensation, salary or other benefits shall be made without the approval of the Board. Other budget amendment requests shall require the approval of the President and the Board.

(c) Direct support organizations shall provide for an annual audit and management letter, as prescribed by applicable laws and rules, which shall be submitted to the President and to the Audit Committee of the University Board for ~~Board~~ review and approval.

(d) DSO thresholds for the purchase of commodities and services, acquisition of real property, projects, construction and/or renovation, and issuance of debt are set forth and shall be made in accordance with University procurement and construction regulations, policies, and procedures including, without limitation, FAMU Regulation Chapter 6, Purchasing Program, University Board Policy 2013-02, Construction Procedures Manuals.

(e) Any debt issued by a direct support organization is subject to the State University Debt Management Guidelines, and all public-private partnership transactions involving a direct support organization are subject to the State University System Public-Private Partnership guidelines.

(f) Any transfer of a state appropriation to a direct support organization is limited to funds pledged for capital projects.

1. A direct support organization may transfer funds and provide the use of direct support organization property, facilities or personal services without any charge to the University.
2. Annually, the University will report to the Legislature and to the Board of Governors all transfers of state funds to each University direct support organization as specified by the Board of Governors' Chancellor.

(4) Decertification

- (a) The Board has the authority to request that the President investigate any DSO that is acting inconsistently with the best interests of the University. If the President determines that the DSO is no longer serving the best interests of the University, the President may request that the Board decertify a DSO. ~~The Board has the authority to request that the President investigate any DSO that is acting inconsistently with the best interests of the University.~~ The request for decertification shall include a plan for disposition of the DSO's assets and liabilities.

*Specific Authority s. 1004.28 FS. History—New 1-1-04, amended \_\_\_\_-19.*



**Florida Agricultural and Mechanical University  
Board of Trustees**



**INFORMATIONAL ITEMS**

**Direct Support Organizations Committee  
Wednesday, March 6, 2019  
Agenda Item: VI.**

**Subject:** Update on Divisional Activities

**Summary:** Update on Divisional Activities:

1. FY 2018-19 University Advancement Updates
2. DSO Updates
  - A. FAMU Foundation, Inc.
  - B. National Alumni Association
  - C. Florida A&M University Rattler Boosters, Inc.

**Florida Agricultural and Mechanical University  
Board of Trustees**



**Direct Support Organizations Committee**

**VI. Update on Divisional Activities**

**1. FY 2018-19 University Advancement Updates**

**Fundraising Updates:**

- Total giving as of February 22, 2019, is at \$8,712,773.47, compared to \$2,956,265.72, on February 22, 2018.
- New Cash Gifts - \$2,948,572.10 (2/22/18 - \$2,374,501.50)
- Pledge Collections - \$5,277,486.78 (2/22/18 - \$312,428.97)
- Pledges - \$486,714.59 (2/22/18 - \$269,335.25)
  
- Top 3 Largest Giver Categories
  - Alumni: \$1.195M
  - Corporations: \$850K
  - Friends: \$636K
  
- Top 3 Largest Gifts by Category
  - Corporation: \$100,000.00
  - Alumnus: \$ 57,314.85
  - Friend: \$ 40,000.00

**2. DSO Updates:**

- **FAMU Foundation, Inc.**
  - The FAMU Foundation Board of Directors will hold its fall 2019 Board Meeting, May 15-17, in Birmingham, AL, in conjunction with the FAMU NAA's 2019 National Convention.
  - The FAMU Medical Marijuana Education Initiative for Minority Communities (FMMI) moved into the FAMU Foundation building. The lease was signed on August 31, 2018.
  - At December 31, 2018, the Investment balance is \$117,584,037 and the Endowment balance is \$87,049,014. The Investment portfolio suffered an \$11.4M loss in the fourth quarter.
  
- **FAMU National Alumni Association**
  - Alumni from eight states welcomed FAMU to the Southern Region Conference of the National Alumni Association on **February 9<sup>th</sup> & 10<sup>th</sup>** in Atlanta, GA.

## Florida Agricultural and Mechanical University Board of Trustees



- President Larry Robinson, Dr. William Hudson and I hosted sessions on the state of the University, new recruitment and admission standards, athletic initiatives, and fundraising goals and ways to engage more of our alumni in giving to FAMU.
- Kudos to the Polk County Alumni Chapter for another successful gala held on **February 16<sup>th</sup>** in Lakeland, FL, and the launch of a new fundraising project in support of FAMU. You may recall Polk county completed its \$100,000 endowment project last year and is embarking upon a \$50,000 goal in support of FAMU Football and the Save Our Students retention and graduation mission.
- The ever-popular jazz and R& B weekend in Miami, FL, will be **transformed, March 9<sup>th</sup> & 10<sup>th</sup>**, as Rattlers in the Gardens converge on Hard Rock Stadium. Our very own alumnus Oliver Gilbert, Mayor of Miami Gardens, is leading the charge to donate a dollar to FAMU for every ticket purchased. This initiative is a memorial salute to the life and service of Fallen Rattler, Adrian Freeman, who passed away last year. The check to FAMU is expected to be presented on stage prior to the Lionel Richie Concert on Sunday night, March 10.
- FAMU DAY at the Capitol will be held on **Thursday, April 18<sup>th</sup>**. The agenda is still being developed. Students, Alumni and Trustees are invited to be a part of this important day of legislative visits an advocacy on behalf of FAMU.
- On the radar, the National Alumni Conference and FAMU Foundation Board Meeting will be held, **May 16-19 in Birmingham, AL**, at the Wynfrey Hotel. Highlights include Inauguration festivities for Colonel Gregory Clark serving his 2<sup>nd</sup> term as President; a life membership breakfast featuring FAMU Foundation Chair Jemal Gibson; President Larry Robinson's Breakfast on the State of the University; awareness sessions featuring Deans from various colleges and schools, FAMU Athletics, an alumni Fundraising Luncheon hosted by alumna Denise Hendricks; and tours of the Birmingham Civil Rights Institute.
- **Florida A&M University Rattler Boosters, Inc.**
  - The FAMU Rattler Boosters played a major role in the increase of funds raised for the FAMU Athletic Department last year. The **“\$323,000 Booster Mock Check”** presented during Homecoming 2018 represented funds donated to the FAMU Athletic Department since Homecoming 2017. It did not include the reported more than \$850,000 given for the “Investment in Champions” Program. **Last year, the FAMU Rattler Boosters surpassed 300 regular members. Currently, there are 192 Regular Members, 72 Life Members and 14 Subscribing Life Members.** A goal of the FAMU Rattler Boosters is to **secure 1,000 Regular Members and 150 Life Members by December 31, 2019.**

## Florida Agricultural and Mechanical University Board of Trustees



- The FAMU Rattler Boosters 2018 Annual meeting was held on September 22, 2018. The 2019 meeting was held on February 9, 2019.
- The FAMU Rattler Boosters held their Second Annual Football Kickoff in August 2018.
- The FAMU Rattler Boosters have raised approximately \$10,000 of the FAMU Track & Field \$11,000 budget for the FAMU Relays to be held on March 15, 2019.
- On February 23, 2019, the FAMU Rattler Boosters hosted a basketball reunion. Over 100 male and female players attended and voted to create a basketball booster club as an affiliate of the FAMU Rattler Boosters. Plans have already been made to return to Homecoming 2019.

**Florida Agricultural and Mechanical University  
Board of Trustees**



**Direct Support Organizations Committee  
Wednesday, March 6, 2019  
Agenda Item: VII.**

**VI. New Business**