

FLORIDA **A&M** UNIVERSITY
Board of Trustees

Meeting Minutes
May 15, 2024

CALL TO ORDER AND WELCOME

Kristin Harper, Chair

Chair Harper called the meeting to order. Trustees Aly, Cliatt, Crossman, Figgers, Gibbons, Harper, Lawson, May, Perry, Reed, Stone, Washington, and White established a quorum.

PUBLIC COMMENTS

Public comments were presented by the following individuals:

- Curtis Johnson
- Toby Rutledge
- Vaughan Wilson
- Carolyn Hepburn Collins

MAJOR DONOR GIFT UPDATE

Chair Harper began by commending the University's team for their handling of operations during the recent tornadoes that caused considerable damage to the campus.

Chair Harper then introduced the topic of the special gift announcement made at the recent commencement exercises and emphasized the need for transparency and accountability.

President Larry Robinson addressed the Board, taking full responsibility for the mishandling of the proposed gift. He apologized to all parties involved and acknowledged the missteps in the University's approach. President Robinson informed the Board that on Wednesday, May 8, 2024, he received information suggesting the gift was not as it appeared. Consequently, he and VP Friday-Stroud contacted the donor to cease the engagement agreement.

President Robinson clarified that there was no personal gain involved but noted that the potential impact of such a large gift on the students and the University would have been extraordinary. He admitted that he did not inform Board Chair Kristin Harper or Foundation Board Chair Lisa LaBoo of the gift prior to the commencement program due to a nondisclosure agreement, which he believed would have jeopardized the transformational donation. He expressed his commitment to establishing a more transparent process for handling large gifts in the future.

President Robinson announced the resignation of Vice President Shawnta Friday-Stroud from her position as Vice President for Advancement. She will return to her role as the full-time Dean of the School of Business and Industry. Chief Operating Officer Dr. Donald Palm will assume the VP for Advancement responsibilities until an interim replacement is found. President Robinson

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plans to work with the Association of Governing Boards to identify an immediate interim Vice President for Advancement and to re-launch the search for a permanent replacement. He assured the Board that the University will continue to pursue excellence.

Chair Harper expressed her frustration and disappointment with how the situation unfolded. She emphasized that neither she nor her fellow trustees or the FAMU Foundation should have been caught by surprise with the public announcement of such a significant gift. She fully supported President Robinson's decision to cease the transaction and stressed the need for the University and the Board to ensure such incidents do not recur. Chair Harper highlighted the Board's fiduciary duty to pursue the University's interests diligently, place the institution's interests ahead of their own, and ensure compliance with all applicable laws and regulations, while respecting donor privacy and confidentiality.

With input from members of the Board, Chair Harper moved that the Board of Trustees hire an external firm to perform a complete investigation of the major gift, since its inception, to determine what happened, compliance with applicable policies, processes, and financial controls, and to recommend any corrective actions, with a written report under the leadership of the Board of Trustees Audit chair with regular updates to the Board of Trustees, based on the timeline established by the external firm. The motion was seconded by Trustee Gibbons and passed unanimously.

Chair Harper clarified that during the FAMU Foundation Board of Directors meeting the previous week, a motion was approved to evaluate its by-laws, processes, and procedures. She noted that, to her knowledge, the FAMU Foundation Board was not conducting an external investigation. She confirmed that the Board of Trustees will receive updates on the investigation during Board meetings and that the administration will provide information on managing gifts in the interim.

During a brief discussion on personnel involved with the gift, President Robinson stated he would not make any personnel decisions related to the gift agreement.

Trustee Crossman encouraged trustees to continue promoting positive stories about FAMU. It was noted that the University is working with a communications team regarding this matter.

President Robinson reassured the Board that the University is financially sound and was not dependent on the gift for its operations. Chair Harper concluded by stating that FAMU has endured for 136 years and will overcome this challenging period, emerging stronger and better.

ADJOURNMENT

There being no further business, the meeting adjourned.