Direct Support Organizations Committee Meeting

PRESENTED BY

Thomas Haynes, Ph.D.
Wednesday, December 3, 2014

Florida Agricultural and Mechanical University
Action Items

- Approval of September 10, 2014 Committee Minutes
- Approval of Amendments to the FAMU Foundation Bylaws
- Approval of Resolution No. 2014-01: Foundation Bylaws Amendment
- Approval of Memorandum of Understanding (MOU) Between Florida A&M University and the FAMU Foundation, Inc.
III. Approval of Minutes

Approval of September 10, 2014, Committee Minutes

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

Recommendation:
Approve the minutes of the September 10, 2014, DSO Committee Meeting.
IV. Bylaws – Amendments

Approval of Amendments to the FAMU Foundation Bylaws

Rationale:
• In accordance with the FAMU Internal Management Memorandum (IMM) for DSOs, the FAMU Board of Trustees is required to approve changes to the Bylaws.
• On November 23, 2013, the FAMU Foundation Board of Directors approved a total of eight amendments to the FAMU Foundation Bylaws.
• The first five (5) amendments were changes in language to existing sections of the bylaws.
• The remaining three (3) amendments are entire sections that were added to the bylaws.
• Since there is not a conflict between these amendments, the MOU, nor the IMM agreement, resolutions are not required.
V. Resolution – Bylaws Amendment

Approval of Resolution No. 2014-1: Foundation Bylaws Amendment

Rationale:
The proposed Memorandum of Understanding (MOU) agreement includes language which prohibits the University President from serving on the Audit Committee, which is in direct violation with the current Foundation Bylaws language that states: “the President of the University shall be an ex-officio and voting member of all standing committees of the Board of Directors.”

Resolution 2014-1 would amend the language denoted in this portion of the bylaws to read: “the President of the University shall be an ex-officio and voting member of all standing committees of the Board of Directors, except for the Audit Committee.”
VI. MOU

Approval of MOU Between the University and Foundation

Rationale:

• The current governing document between the University and all Direct Support Organizations (DSOs) is the Internal Management Memorandum (IMM).

• Last year, Trustee Marjorie Turnbull requested that the Foundation develop a separate Memorandum of Understanding (MOU) agreement with the University to more specifically outline the relationship of the Foundation and the University.

• A draft MOU was provided to the FAMU B.O.T. at their Sept. 11, 2014 Meeting for comments/changes.

• The MOU was approved by the FAMU Foundation Board of Directors at their Board Meeting held on November 22, 2014 in Orlando. The MOU is now presented to the FAMU B.O.T. for final ratification.
Information Items

Update on Divisional Activities

• University Advancement & B.O.T. Goals
• FAMU Foundation, Inc.
  ➢ Foundation Operations
  ➢ Investments
• Alumni Affairs
• Rattler Boosters, Inc.
I. University Advancement & B.O.T. Goals

- University Advancement’s Strategic Goal: Enhance Institutional Fundraising and its assigned goal of $5.5MM. Exceptional resurgence of support and participation.

- Fundraising Initiatives & Gifts. Giving to Florida A&M University has increased by 106% over last year.
  - President’s Inauguration & Scholarship Gala ($558,842)
  - $10 for 10 Giving Campaign ($149,434.82)
  - Multimillion Dollar Gift and Six Figure Bequests ($5 Million major gift; over $200,000 in planned gifts)
  - Over 4,000 Donors - 175% increase in donors over last year this time
  - Total fundraising to-date exceeds $6.8 Million in cash and pledges
University Advancement Operations & Outcomes

Four-Year Comparison of Constituent Giving
(Cash only)

<table>
<thead>
<tr>
<th></th>
<th>Base</th>
<th>1st Qtr</th>
<th>2nd Qtr</th>
<th>3rd Qtr</th>
<th>4th Qtr</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2011/12</td>
<td>$-</td>
<td>$1,082,635.00</td>
<td>$1,965,763.00</td>
<td>$2,652,702.00</td>
<td>$3,197,820.00</td>
</tr>
<tr>
<td>FY 2012/13</td>
<td>$-</td>
<td>$1,106,635.00</td>
<td>$1,947,765.00</td>
<td>$2,541,044.00</td>
<td>$3,226,011.00</td>
</tr>
<tr>
<td>FY 2013/14</td>
<td>$-</td>
<td>$885,811.00</td>
<td>$1,833,063.00</td>
<td>$2,403,738.00</td>
<td>$3,315,699.00</td>
</tr>
<tr>
<td>FY 2014/15</td>
<td>$-</td>
<td>$1,301,301.00</td>
<td>$2,951,937.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Goal</td>
<td>$-</td>
<td>$1,500,000.00</td>
<td>$3,250,000.00</td>
<td>$4,500,000.00</td>
<td>$5,500,000.00</td>
</tr>
</tbody>
</table>

Total Donors 11/24/2013- 1,522 **--** Total Donors 11/24/2014- 4,193
175% Increase in Donors
## University Advancement Operations & Outcomes

### Comparison of Gifts by Purpose - Fiscal 2013-14 and 2014-15

<table>
<thead>
<tr>
<th>Purpose</th>
<th>2nd Qtr Financial Objectives</th>
<th>Giving as of 11/24/13</th>
<th>Gifts as of 11/24/13</th>
<th>Giving as of 11/24/14</th>
<th>Gifts as of 11/24/14</th>
</tr>
</thead>
<tbody>
<tr>
<td>Endowed Scholarships</td>
<td>$750,000.00</td>
<td>$364,500.38</td>
<td>2,343</td>
<td>$420,909.91</td>
<td>2,395</td>
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<tr>
<td>Expendable Scholarships</td>
<td>$1,000,000.00</td>
<td>$469,882.35</td>
<td>222</td>
<td>$1,438,415.33</td>
<td>823</td>
</tr>
<tr>
<td>Temp. Restricted Funds</td>
<td>$1,000,000.00</td>
<td>$480,282.48</td>
<td>648</td>
<td>$866,600.95</td>
<td>1,175</td>
</tr>
<tr>
<td>SCI Discretionary</td>
<td>$200,000.00</td>
<td>$66,750.24</td>
<td>518</td>
<td>$131,305.93</td>
<td>1,102</td>
</tr>
<tr>
<td>Unrestricted</td>
<td>$300,000.00</td>
<td>$61,275.91</td>
<td>551</td>
<td>$94,705.18</td>
<td>1,830</td>
</tr>
<tr>
<td>Purpose Total:</td>
<td>$3,250,000.00</td>
<td>$1,442,691.36</td>
<td>4,282</td>
<td>$2,951,937.30</td>
<td>7,325</td>
</tr>
<tr>
<td>2nd Quarter Financial Objective Attainment</td>
<td></td>
<td></td>
<td>44.39%</td>
<td></td>
<td>90.83%</td>
</tr>
</tbody>
</table>
Donor Giving Analysis

YTD
Total Donors 11/24/2013 - **1,522**  Total Donors 11/24/2014 - **4,192**
**175% Increase in Donors**

<table>
<thead>
<tr>
<th></th>
<th># Donors</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Repeat</strong></td>
<td>126</td>
<td><strong>$96,731.75</strong></td>
</tr>
<tr>
<td><strong>Increased</strong></td>
<td>588</td>
<td><strong>$944,38.05</strong></td>
</tr>
<tr>
<td><strong>New</strong></td>
<td>2295</td>
<td><strong>$319,281.57</strong></td>
</tr>
<tr>
<td><strong>Recovered</strong></td>
<td>980</td>
<td><strong>$1,546,375.52</strong></td>
</tr>
<tr>
<td><strong>Decreased</strong></td>
<td>215</td>
<td><strong>$52,337.00</strong></td>
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</table>
## Inauguration Fundraising Support

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sponsorships, Scholarship Donations, Gala Sales &amp; Contributions, Donations and In-Kind</td>
<td>$ 558,842.90</td>
</tr>
<tr>
<td>Cash</td>
<td>$ 182,902.90</td>
</tr>
<tr>
<td>Donations</td>
<td>$ 6,490.00</td>
</tr>
<tr>
<td>Scholarship Support</td>
<td>$ 305,150.00</td>
</tr>
<tr>
<td>In-Kind Support</td>
<td>$ 35,500.00</td>
</tr>
</tbody>
</table>
University Advancement Operations & Outcomes

Enhancing Institutional Fundraising

$10 for 10 Giving Campaign

$149,434.82 (cash & pledges)
2,907 Donors
3,430 Gifts
University Advancement Operations & Outcomes

Enhancing Institutional Fundraising

- Faculty/Staff: Goal $200,000 - YTD Actual $192,965
- FAMU $10 for 10: $149,434.82 (cash & pledges)
- Inauguration: Goal: $500,000 - Actual: $558,842.90
- Hired Director of Annual Giving
- Interviewing D.O. for College of Engineering
- Completed model SCI fundraising plan (Law)
- Developed Goal Assignment Plan for all SCIs
- Identified and Documented Specialty License Plate Owners to be included as annual donors
- Code Cleanup/Process Review and Improvement
- Staff training
- Key Performance Indicators Re-evaluated/Updated
University Advancement Operations & Outcomes

Enhancing Institutional Fundraising

- Plan/Launch Phase 2 of $10 for 10 #FAMU8434 - Goal $1M
- FAMU Rattler’s Fund - Goal $1M by Fall 2015
- EOY Direct Mail and Holiday Greeting Card
- Giving Tuesday – Dec. 12 Goal $10K in 24 hours
- Position approval and selection – Development Officers Colleges of Law and Engineering
- Completed Corporate Messaging Kit
- Completed Preliminary Goals for each SCI
- Working with Deans on Strategies
- Conduct Alumni License Plate Owners Survey
- Plaque Unveiling recognizing the $500,000 Capital
- Health Plan/Edwin Thorpe, Sr. Endowed Scholarship
- Complete Foundation Annual Report Mid-November 2014
University Advancement Operations & Outcomes

Enhancing Institutional Fundraising

3rd & 4th QUARTER 2015 STRATEGIES:

• Thank You Thon – Mid January; SCI Focused Phon a Thon Mar-April
• Maintain focus on increasing recurring and matching gifts
• Complete and implement fundraising plans for each school, college and athletics with targeted goals and funding to help implement plan initiatives
• Work with SCIs to secure Challenge Gifts to boost participation
• Acknowledge specialty license plate owners and recruit new owners with Marketing
• Continue to encourage and support web-based micro campaigns
• Expand stewardship initiatives to include New Donor Welcome Package/Kit and a Scholarship Donor Recognition event
University Advancement Operations & Outcomes

Enhancing Institutional Fundraising

3rd & 4th QUARTER 2015 STRATEGIES:

• Provide President support and leads for cultivating and soliciting high-capacity donors by completing wealth screening
• Continue to engage and support Foundation Board in fundraising initiatives
• Continue successful efforts to broaden prospect and donor base using multi-channel engagement strategies
• Continue to enhance legacy gift program with the launch of Crescendo, a planned giving education and decision-making tool and recognizing new planned giving donors with Legacy Society Induction.
• Focus on personalized and effective stewardship of donors resulting in increased giving and higher donor retention
VII. B. FAMU Foundation, Inc.

B.1 Foundation Operations

• Overview of Operations Audit Findings; completed Nov. 14, 2014.
• Fall 2014 Foundation Board of Directors Meeting * Nov. 20-22, 2014 * Orlando, FL.
• Staff’s continued work with CBRE to build out/market commercial space in the Foundation building. Currently, there are six prospective tenants in various stages of evaluating the Foundation’s facilities.
## B.2 Investments

### Investment Returns for the Period Ended September 30, 2014:

<table>
<thead>
<tr>
<th></th>
<th>FYTD – 7/1/14 – 9/30/14</th>
<th>3 Months – 7/1/13 - 9/30/13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investment Returns</td>
<td>-1.27%</td>
<td>5.30%</td>
</tr>
<tr>
<td>Composite Benchmark</td>
<td>-0.47%</td>
<td>4.55%</td>
</tr>
<tr>
<td>Investment Goal</td>
<td>2.13%</td>
<td>2.13%</td>
</tr>
</tbody>
</table>

### Comparison of Investment Returns for Trailing 12 Months to Prior Years:

<table>
<thead>
<tr>
<th>For the Trailing Twelve Months Ending:</th>
<th>9/30/14</th>
<th>9/30/13</th>
<th>9/30/12</th>
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</thead>
<tbody>
<tr>
<td>Investment Returns</td>
<td>8.90%</td>
<td>11.67%</td>
<td>14.12%</td>
</tr>
<tr>
<td>Composite Benchmark</td>
<td>9.78%</td>
<td>11.62%</td>
<td>14.16%</td>
</tr>
<tr>
<td>Investment Goal</td>
<td>8.50%</td>
<td>8.50%</td>
<td>8.50%</td>
</tr>
</tbody>
</table>
VII. C. Alumni Affairs

• Per recommendation of FAMU President, Dr. Elmira Mangum, Alumni Affairs has chartered its First International Alumni Chapter, the West Africa Native Land Chapter, based in Nigeria. It is the first international chapter to be chartered since the National Alumni Association was founded in 1901.

• A campaign to raise critical dollars for the FAMU Athletic Department was launched this fall. Leadership of the FAMU National Alumni Association; The National Rattler “F” Club; the FAMU Boosters; The 220 Club; The Special Edition Club; and, other community organizations which desire to increase athletic funding, are engaging in weekly conference calls to garner support for this million dollar initiative which is scheduled to culminate by Homecoming 2015.

These dollars will support four initiatives:

- Field House
- Travel for Athletes
- Golf
- Tennis
VII. D. Rattler Boosters

- The Rattler Boosters hosted the Annual Fall Football Kick-Off; the Marching 100 and FAMU Football team were presented checks for their participation.
- The Rattler Boosters managed designated campus parking lots for football game day parking.
- The Rattler Boosters’ hosting of the pre-games, within the Fang Café, has spurred some Boosters to give at a higher membership level. An evaluation is being performed to determine actual growth and motivation factors.

**Booster Initiatives:**
- Rattler Radio Sports Network – investigating plan for expansion.
- Field House - Researching cost for locker room enhancement to assist in upgrading its appearance and functionality.
“At FAMU, Great Things Are Happening Every Day.”

established 1887