

Special Committee on Athletics Minutes

Chair Kelvin Lawson

Friday, September 18, 2020

CALL TO ORDER AND WELCOME

Kelvin Lawson, Chair

Chair Lawson called the Special Committee on Athletics meeting to order. Ms. Karai Lockley – Senior Associate Athletic Director of Business and Finance/Senior Woman Administrator called the roll. The following committee members were present, and a quorum was established: Trustee Ann Marie Cavazos, Trustee Thomas Dortch Trustee David Lawrence, Trustee Xavier McClinton, and Chair/Trustee Kelvin Lawson.

Chair Lawson granted VP/AD Gosha the floor to present items for discussion during this Special Committee on Athletics meeting. VP/AD Gosha opened with thanking the committee that helped secure the \$10M BluePrint grant from the city of Tallahassee. The grant will go towards the upgrades and maintenance of Bragg Memorial Stadium.

VP/AD Kortne Gosha continued with updating the committee on the salary reductions that will be implemented across the department due to Covid-19 financial implications. Employees who currently receive \$35,000 or less will not be affected with this reduction. This committee needed to approve the salary reductions on two contractual employees before moving forward: VP/AD Kortne Gosha and Head Football Coach Willie Simmons. The contracts will be amended to reflect the 7% reduction and resume as normal after June 30, 2021 (end of fiscal year). Chair Lawson asked for an action item of approving these changes on both amendments and it was moved by Trustee Woody and Trustee Dortch second the motion. The committee members followed up with clarifying questions – after which the motion was carried. Since they are multi-year contracts this will be presented to the full board approval in December.

The next action item was the approval of the new 5-year apparel agreement with adidas Inc. The decision was brought on by leaving the Mid-Eastern Athletic Conference (MEAC) and transitioning to the Southwestern Atlantic Conference (SWAC) where it is acceptable to negotiate apparel deals with any provider. There are several benefits with this contract – which includes: direct relationship with vendor, personal account representative and discounts on footwear/apparel. This contract will allow for a \$200,000 per year institutional spending minimum and anything over that amount Athletics will receive rebates. Adidas will also provide performance incentives to our coaches and teams' successes. This brand will allow us to have an online retail activation mechanism to garner revenue for the department through licensing. Florida A&M's general counsel are in agreeance with the overall contract but needed further clarification of areas of the contract. Trustee Dortch motioned that the committee to accept the adidas apparel contract moving forward subject to the final approval of President Robinson and general counsel. It was seconded by Trustee Lawrence and was unanimously agreed by all and the motion was moved.

Following the motion – there were informational items that were presented to the committee for discussion.

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Peak Sports Media is a third-party contractor that would be housed in the Athletics Department and solely be responsible for selling the Athletics Department's exclusive rights to multi-media rights. Peak will guarantee the Athletics Department revenue upfront and a revenue share once the department has met their \$400,000 threshold. There will be 2 full-time staff members managed and compensated by Peak Sports Media. A 5-year agreement will guarantee the department \$1M in revenue which does not include revenue shares.

Daktronics is a provider of digital signage that will require a \$750,000 investment to Florida A&M which will be gifted as a digital billboard at the Florida A&M Law School campus in Orlando. The digital space would be sold to sponsors with a 50/50 revenue shared model applied between provider and Athletics. The billboard has the potential to generate \$200,000 annually.

Crown Castle provides cell phone towers in high-density areas (i.e. Football and basketball stadiums/arenas). These towers would boost cell phone usage and access in these areas on campus. Crown Castle will install all the towers and meter utility costs monthly.

VP/AD Gosha expressed his dedication to bring the best practices in the industry of athletics to Florida A&M.

In closing – general counsel will review and follow-up with President Robinson and VP/AD Gosha about any open-ended contracts and assist shifting the discussion items to actionable items in the December Board meeting.