

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

STATE OF FLORIDA
FLORIDA A&M UNIVERSITY

VOLUME II

IN RE: BOARD OF TRUSTEES MEETING
DATE: MARCH 10, 2016
TIME: COMMENCING AT: 9:00 a.m.
CONCLUDING AT: 4:07 p.m.
LOCATION: FLORIDA A&M UNIVERSITY
GRAND BALLROOM
TALLAHASSEE, FLORIDA
REPORTED BY: YVONNE LAFLAMME, FPR

C & N REPORTERS
CERTIFIED PROFESSIONAL REPORTERS
P.O. BOX 3093
TALLAHASSEE, FLORIDA 32315
(850) 697-8314

1 B O A R D M E M B E R S

2 CHAIR CLEVE WARREN

3 NICOLE WASHINGTON

4 KELVIN LAWSON

5 ROBERT WOODY

6 CRAIG REED

7 MATTHEW CARTER

8 BETTYE GRABLE

9 GARY McCOY

10 TONNETTE GRAHAM

11 THOMAS DORTCH

12 BELINDA SHANNON (TELEPHONICALLY)

13

14

15

16

17

18

19

20

21

22

23

24

25

1 *****

2 (Thereupon, Volume II followed Volume I without
3 omission.)

4 (Back on the record at 1:00 p.m.)

5 CHAIRMAN WARREN: Are we ready?

6 TRUSTEE SHANNON: I'm here.

7 CHAIRMAN WARREN: Hello, Trustee Shannon.

8 TRUSTEE SHANNON: Hello.

9 TRUSTEE LAWSON: All right. We're back in
10 session. Trustees, we had one action item on the
11 agenda today. The action item is approval for prior
12 current and projected years of the university
13 auxiliary facility.

14 Mr. Cassidy, you're recognized to present the
15 item.

16 MR. CASSIDY: All right. Well, we'll take this
17 item first. This is something that's required under
18 Board of Governor's Regulation 9.008, which requires
19 that these statements for any auxiliaries that the
20 University has that have bonds associated with them
21 that those -- there has to be an annual income
22 expenditure statement in a format that the Board of
23 Governors specifies that need to be prepared, approved
24 by the Board of Trustees, sent to the Board of
25 Governors for their approval, and so we're in that
mode.

1 The two auxiliaries we have that have bonds are
2 Housing Operations Auxiliary Fund and our Parking
3 Operations Auxiliary Fund.

4 CHAIRMAN WARREN: Mr. Cassidy, may I ask you to
5 hold for just a second? We moved this item from the
6 consent agenda to the action items, and I just need to
7 help the members find where they can see where I'm
8 talking about.

9 MR. CASSIDY: It's item 8B.

10 CHAIRMAN WARREN: So if you look behind the
11 orange tab, it's titled "auxiliaries." There's Budget
12 and Finance, and it's about the last item in that
13 section.

14 TRUSTEE CARTER: I don't have it.

15 CHAIRMAN WARREN: Oh, you don't have that? Okay.
16 I'm sorry.

17 MR. CASSIDY: Is it there? Do we have it?

18 CHAIRMAN WARREN: No.

19 MR. CASSIDY: Okay. That's fine. So we have the
20 statements for the Housing Operations Fund and the
21 Parking Operations Fund in the format that's required
22 to approve these going forward, and I beg a couple of
23 statements.

24 Number one, the format is to provide the previous
25 year's actual, the current year that's three-quarters

1 of the way almost estimated, and a projected incoming
2 expenditure statement. And when you project that,
3 it's like a budget.

4 For each of these operations that have bonds. If
5 I may, I return to the -- and then, in order -- the
6 Board of Governors sees consistent information. The
7 form is consistent, and then there is four narrative
8 questions to help the Board get a quick picture, and I
9 think it will be helpful for you.

10 First of all, let me say that for both of these,
11 for housing and parking operations, part of what needs
12 to be done is to set aside the necessary reserve funds
13 to support, to secure the bonds, and that is being
14 done, has always been done and will be done. So
15 that's part of what's in here.

16 But the questions in the narrative sheet on
17 housing, the questions are the same in each document,
18 "Do the pledged revenues contain any overhead
19 assessments." And as it relates to housing -- as it
20 relates to housing, our bond covenants don't allow
21 overhead assessments, so the answer to this question
22 is no.

23 The next question is -- and again, this is so the
24 Board of Governors can do a quick review -- do any of
25 the line items, revenues or expenses change year over

1 year 10 percent or more." In this case the answer to
2 the question is yes. And it was actually at the last
3 Board meeting you approved the change to the Housing
4 Operations budget, to add more money to the operating
5 budget, because of the fact that there were more
6 residents that had been planned for. So the answer to
7 the question is, yes, the expenses are up because
8 residency was up, and actually all approved that
9 change.

10 The next one is, "Please explain amounts
11 categorized as other." And in this case, it's a line
12 item. It's called other expenses and transfers out.
13 And again, I wish I could change these forms, but
14 they're prescribed. And there is information on that
15 line item. Let me see if I can find it. It's line 8
16 -- I'm sorry. It's line 5, and that's facilities,
17 maintenance and reserve -- and so you see we are
18 setting that money aside every year and it's as
19 required.

20 So the statement as it relates to housing
21 operations conforms, the necessary reserves for both
22 the bonds surety and replacement reserves have been
23 established.

24 If I can make -- switch to housing -- to parking
25 for a moment. You have a same format of a statement

1 and I'm going to through the questions for you, if I
2 may. "Do the pledged revenues reported contained any
3 overhead assessments." In the case of parking, we are
4 allowed to charge a 6 percent overhead assessment, and
5 have done so, as we always have.

6 For those who may be new to the Board or haven't
7 heard this boring conversation before, we charge an
8 overhead assessment to certain auxiliary facilities
9 and other kinds of facilities on campus to offset the
10 central services, such as purchasing, payroll,
11 accounting, and other similar centralized services
12 that are provided to the stand-alone operations, such
13 as the housing or a parking facility organization.
14 They're a part of us, but centrally we perform a lot
15 of the services for them and so that's what the
16 overhead assessment is for. Six percent is the rate
17 that we charge for any such things on campus, so no
18 one is being treated differently, except in the case
19 of housing, where we're not allowed to charge it. So
20 that's what that is about and it is being charged as
21 usual.

22 The next question is, "Do pledged revenues or
23 expenditures change 10 percent year over year?" And
24 in this case the answer is yes, and that's because
25 several things have happened. There's more money in

1 people expense because there have been vacant
2 positions previously that they intend to fill next
3 year, and the folks who run the parking operation have
4 bought new software and other materials that will
5 result in additional expenditures.

6 The end result of this is they believe they're
7 going to have a much more efficient operation for
8 parking, but it will have some changes in costs year
9 to year between the current year and next year.

10 The third one is anything in the "other," and,
11 again, we have the required three percent repair and
12 replacement reserve for parking operations; that's
13 line 7.

14 And so, both of these statements conform. I
15 would like to mention while I'm in the parking
16 operations, this intersects with our next line item,
17 briefly, when we're talking about Athletics, because
18 one of the facts of our parking operations is that
19 these bonds will be paid off in 2018, and that will
20 mean that the reserve fund will be released. We're
21 going to talk about that when we're talking about the
22 health of our auxiliaries overall. This is a big
23 benefit to our auxiliary funds going forward that's
24 two-plus years away.

25 So those are the statements. I would entertain

1 any questions you might have. They conform to what
2 was required to be done. We have actually filed them
3 with the Board of Governors saying, awaiting Board
4 approval, so they know they're on their way, and I
5 would entertain any questions you may have.

6 CHAIRMAN WARREN: Trustee Lawson?

7 TRUSTEE LAWSON: Yes.

8 CHAIRMAN WARREN: If I may?

9 TRUSTEE LAWSON: Sure.

10 CHAIRMAN WARREN: When the bonds are paid off,
11 you just indicated the reserve funds would be
12 released.

13 MR. CASSIDY: Yes.

14 CHAIRMAN WARREN: I'm assuming we haven't
15 dedicated other than what they have been reserved for
16 to this day; is that right?

17 MR. CASSIDY: They become relatively unrestricted
18 auxiliary funds.

19 CHAIRMAN WARREN: But does that presuppose that
20 the purpose for which the reserves were set aside goes
21 away as well as is there no need to spend these
22 reserve dollars on, in this case parking lot or
23 dormitory repairs or facilities repairs?

24 MR. CASSIDY: Well, I think what it means is,
25 when that happens, our facilities people will do a

1 complete look at the one parking garage to determine
2 if this is enough or not enough money, I suppose, for
3 ongoing repair and maintenance on the facility, and
4 then if there are additional funds available, we would
5 release them.

6 TRUSTEE LAWSON: I think -- if I may comment on
7 that as well -- I think one of the things that Dale
8 mentioned is when this parking situation goes away
9 there will be -- there will be the additional
10 resources there. Because one of the concerns with
11 Athletics, and we'll get there in a second, is it was
12 taking too much from the other auxiliaries, but in
13 actuality, we'll have a better surplus. Said another
14 way, probably not the correct financial terms.

15 But I think when you look at these auxiliaries,
16 and this was really for us to be informed about
17 because this is a recommendation or an item that has
18 to go before the BOG; is the auxiliary solvent, and
19 the answer is yes; are there material changes, yes.
20 But there are good changes, because we have more
21 students on campus which utilize the facility, which
22 means you need to staff up. And they're good changes,
23 because we're soon to retire the parking decks. So
24 they're all positive changes even though they are
25 material changes.

1 CHAIRMAN WARREN: Right. I accept it as positive
2 changes. I just, for clarity, let me restate my
3 question so I know for my own edification.

4 MR. CASSIDY: Sure.

5 CHAIRMAN WARREN: The paying off of the bonds
6 means that the cash flow now dedicated to build the
7 reserves does not have to be reserved any longer?

8 MR. CASSIDY: Statutorily.

9 CHAIRMAN WARREN: And in terms of the bond
10 covenants as well.

11 MR. CASSIDY: Right, right.

12 CHAIRMAN WARREN: But the reserve that has been
13 built, is the use of the now accumulated reserves, if
14 they are, is there deferred maintenance on facilities
15 for which these reserves were built in need of being
16 addressed with reserves?

17 MR. CASSIDY: Right. And that's the valuation
18 that will be made at the time that the money is --
19 when the bond covenants release it. We will have our
20 facilities people go through it and do a complete
21 analysis of what is necessary and what's necessary
22 going forward and the concept being that there may be
23 some money that we're able to release.

24 CHAIRMAN WARREN: But first priority.

25 MR. CASSIDY: Parking facility operation.

1 CHAIRMAN WARREN: All right.

2 TRUSTEE DORTCH: Mr. Chairman, my question is,
3 why wait until the bonds are released to do an
4 analysis, and to do forecasting upfront if there's
5 going to be maintenance needed in long-term? So that
6 the Board will know in advanced that if there's "X"
7 amount and you need to reserve this portion for
8 maintenance, and the other becomes released for other
9 University needs that the Board will need to react to,
10 rather than wait until 2018. We need a forecast
11 upfront, and that seems to me to be more responsible
12 in managing that.

13 MR. CASSIDY: Point taken. And we would do that
14 so we would know at the time it's done. The other
15 thing we can obviously do, and this is a reserve that
16 we can't draw down. It has to stay intact, and we
17 obviously have a history of what repairs have been
18 required a building up until now. So point
19 well-taken. Let's say within the last fiscal year,
20 these things will have paid off in full in June of
21 2018. We'll put it on the calendar for July of 2017
22 to begin that analysis including the historical costs
23 and what we think it will be going forward.

24 TRUSTEE DORTCH: Because the reason why I was
25 asking is considering we're going to look at a new

1 strategic plan, and knowing in 2018 there's certain
2 dollars that should be released out of reserves
3 because it's mandated by the bond holder, that we
4 would be thinking forward, and again, not wait until
5 it's released, but that we'll plan upfront.

6 MR. CASSIDY: Point taken, and we will make sure
7 it's available and brought to you. All right?

8 TRUSTEE DORTCH: All right, thank you.

9 TRUSTEE LAWSON: Any other questions? Good
10 comment, Trustee Dortch.

11 TRUSTEE DORTCH: Another question, because I want
12 to be clear on parking. Are we going to -- because I
13 have some serious questions about parking -- the
14 overall parking will be discussed in this plan?
15 Because there were certain things discussed around
16 parking, so I want to be clear on parking; who
17 controls it; and also, is that discussion on parking
18 coming in the overall academic five-year plan or
19 athletic five-year plan? Okay.

20 TRUSTEE LAWSON: But I think we're talking two
21 different types of parking. This is the day-in,
22 day-out student parking garage facility, and I think
23 the other parking issue had to do more with game day
24 parking. But hold that point though, because that
25 will be a discussion point in Athletics, but I want to

1 make sure we separate the two.

2 This is the parking infrastructure, garages, et
3 cetera. There is a three percent transfer out for
4 maintenance over time that's already baked in, but
5 this is for kind of the every day student need.

6 MR. CASSIDY: Parking operations covers parking
7 across the campus. The only bonded facility is the
8 one parking garage. And then as Trustee Lawson said,
9 when we get to Athletics, the parking topic there is
10 around game day parking and football.

11 CHAIRMAN WARREN: So Trustee Lawson, are you
12 making a motion on this issue?

13 TRUSTEE LAWSON: Yeah. If there aren't any other
14 questions, I'm asking for a motion to approve the
15 operating budget for prior, current and projected
16 years of the University Auxiliary Facilities and
17 Revenue Bonds.

18 CHAIRMAN WARREN: Is there a second?

19 TRUSTEE DORTCH: Second.

20 CHAIRMAN WARREN: Are there any further
21 questions? Motion has been properly seconded.

22 TRUSTEE LAWSON: All those in favor?

23 (All trustees answer in the affirmative.)

24 TRUSTEE LAWSON: Motion carries.

25 CHAIRMAN WARREN: All right. So it's a Board

1 action, not a committee action. It's on the board
2 agenda now, right? I just want to make sure.

3 So we'll go on to the next item on our agenda,
4 and I'm going to ask Trustee Lawson to read that item
5 into discussion, which is Item 8A. If we can put that
6 on the screen for the members who don't have a hard
7 copy.

8 TRUSTEE LAWSON: So just a point of
9 clarification, Trustee Warren. I will review the
10 item, but you should moderate the vote, okay?

11 CHAIRMAN WARREN: Okay.

12 TRUSTEE LAWSON: Because this is we're handling
13 this as a body of a whole. It's out of our committee
14 but being voted on the body as a whole.

15 So Trustees, we have one action item, which is to
16 consider the approval of the five-year financial plan
17 for intercollegiate Athletics. This, again, is the
18 item that we could not review during committee because
19 we didn't have a quorum. And there are some tenants
20 here that I would love for everybody to get their
21 heads wrapped around, understand, ask questions about,
22 because we would like to agree on this, because this
23 has not only implications on campus but these are
24 things that we also need to review with the Board of
25 Governors, State Auditor, et cetera, from a policy

1 standpoint, and our Board needs to be in alignment
2 with the plan prior to being presented to those
3 bodies.

4 Mr. Cassidy, I'm sorry. You are recognized to
5 present.

6 MR. CASSIDY: Thank you. And I apologize in
7 advanced. This is a complicated set of documents and
8 supporting information. I'll do my best to keep it as
9 coherent here as possible. However, I was beginning
10 to worry about my trip out of town tonight, so I
11 cancelled my flight, so I have all afternoon. Just
12 joking.

13 Thank you, Trustee Lawson.

14 There's a number of documents. I am going to
15 kind of run through them so you can get familiar with
16 them, because we will in some ways flip back and forth
17 between them. There's a narrative, a four-page
18 document, that is an executive summary of what this
19 plan is all about. The second document, document B,
20 is a summary of our --

21 TRUSTEE CARTER: Excuse me. Mr. Chairman, may I
22 interrupt for just a moment? Is this the document
23 we're talking about?

24 CHAIRMAN WARREN: No, we're not. It's on the
25 screen.

1 MR. CASSIDY: It's been posted but I don't know
2 if anybody has received it.

3 TRUSTEE WOODY: Did y'all e-mail it?

4 CHAIRMAN WARREN: It's in the portal.

5 TRUSTEE LAWSON: Those were the documents that
6 were posted online, correct?

7 MR. CASSIDY: Yes.

8 TRUSTEE LAWSON: I'll tell you what. Let's give
9 Trustee Carter a minute to get the right documents in
10 front of him so he can follow along.

11 TRUSTEE CARTER: I would appreciate it. Thank
12 you.

13 TRUSTEE LAWSON: Mr. Cassidy, just hold for one
14 second.

15 TRUSTEE WOODY: So, Mr. Chairman, are we asking
16 to approve this report?

17 CHAIRMAN WARREN: It's an action item to look at
18 right now.

19 TRUSTEE WOODY: The only concern that I would
20 have is I haven't had a chance to look at it yet.

21 CHAIRMAN WARREN: Mr. Cassidy, this item was sent
22 out to the members, correct?

23 MR. CASSIDY: It was posted, yeah.

24 PRESIDENT MANGUM: We will get some copies made.

25 TRUSTEE SHANNON: Mr. Chair, are we talking about

1 the "Five-Year Financial Plan For Intercollegiate
2 Athletics" document that is posted under meeting
3 materials?

4 CHAIRMAN WARREN: Yes.

5 TRUSTEE LAWSON: Yes.

6 TRUSTEE SHANNON: Okay. So that's the document I
7 have pulled up. I just wanted to make sure it was the
8 right one.

9 CHAIRMAN WARREN. There was no failure to
10 distribute it, but it did come late.

11 MR. CASSIDY: Do you think there's something else
12 I could do for five minutes while these are made, or
13 how do you want to handle this?

14 TRUSTEE LAWSON: Well, I think there's -- Trustee
15 Carter, do you guys have a copy now? Trustee Woody,
16 do you have a copy now?

17 TRUSTEE WOODY: Yeah.

18 TRUSTEE LAWSON: You're sharing a copy now?

19 CHAIRMAN WARREN: Do you have a copy?

20 TRUSTEE LAWSON: You don't?

21 So you have it electronically?

22 Okay. So Mr. Chair, this may take a little
23 longer than anticipated, so I am probably going to
24 have Mr. Cassidy go through more detail as far as than
25 less, just so everybody can come along in the journey

1 with us.

2 And then, we also ask AD Overton to come and
3 speak to some of the specific details on some of the
4 financials, around game day expenses, guarantees, and
5 other things he's been working through.

6 So I apologize if this may take a little longer
7 than normal, just so that everyone comes along in the
8 journal.

9 MR. CASSIDY: So are you ready to proceed?

10 CHAIRMAN WARREN: Yes.

11 TRUSTEE LAWSON: I'm sorry, Mr. Cassidy. I had a
12 recommendation from the President here. It's a little
13 bit of an audible. We're going to ask Mr. Overton to
14 come up and speak to the plan, and then you'll come
15 behind him with next steps, because at least that will
16 allow everyone to follow along with the numbers, and
17 then you can come back with the narrative on how we
18 address the Board of Governors, how we address the
19 Auditor General, et cetera.

20 AD OVERTON: Good afternoon, Trustees.

21 TRUSTEE LAWSON: Hold on a second. Does everyone
22 have this particular document?

23 TRUSTEE REED: Can you give us five minutes?

24 Just give us five minutes, to read this quickly?

25 TRUSTEE LAWSON: Why don't we do this? Why don't

1 we take a five-minute break to allow us to get copies
2 and read through the documentation.

3 TRUSTEE SHANNON: And Trustee Lawson, you are
4 talking about the documents that are supposed to be
5 not (inaudible) and no other documents, right?

6 CHAIRMAN WARREN: Trustee Shannon, there's a
7 hand-out that was given to us today that you would --

8 TRUSTEE SHANNON: Okay.

9 CHAIRMAN WARREN: -- that you would not have.
10 What you would have is the action item 8A.

11 TRUSTEE SHANNON: Right. That's what I have
12 pulled up.

13 CHAIRMAN WARREN: Okay. So the AD is -- I don't
14 think it's necessary for us to -- everybody has
15 something to look at so we'll move on. So with the
16 exception of Trustee Shannon on the phone, who does
17 not have this document? Somebody is e-mailing it to
18 you now Trustee Shannon.

19 TRUSTEE SHANNON: Okay, great.

20 TRUSTEE LAWSON: So let's make sure we have order
21 here. Everyone has the document. We're putting it on
22 the screen. We're e-mailing it to Trustee Shannon.
23 Is there a way to make the print on the screen larger
24 so that those in the audience can follow along?

25 CHAIRMAN WARREN: Every Trustee has something to

1 look at so let's go forward.

2 TRUSTEE DORTCH: And Mr. Chairman, going forward,
3 especially on anything that we have to vote on that
4 relates to finances or policies, we should make it
5 mandatory, at a minimum number of days we receive this
6 in advanced so we can review them and answer any
7 questions. Even if they're posted on a website, it
8 should come directly to each trustee, so we can do our
9 due diligence and homework and don't waste a lot of
10 time in the meeting trying to get up-to-date.

11 And I know we were doing a lot of rushing, but
12 going forward, we should have a policy that requires
13 this.

14 CHAIRMAN WARREN: I read you loud and clear,
15 Trustee Dortch.

16 And this sort of speaks to conversation we've had
17 last night and today. I was sharing with the group
18 last night a new word that I learned. It's called
19 "Pre-crastinator", as opposed to a "procrastinator."
20 Procrastinator is someone that waits until the last
21 minute to get stuff done; pre-crastinator is someone
22 who is afraid to miss a deadline and starts way ahead
23 of time to get something done so that it's ready when
24 it's due. So what it says, is maybe for us, maybe for
25 the world in general, more pre-crastinators are

1 existent than procrastinators, so we can avoid this
2 type of thing.

3 As we go forward, this is for edification of the
4 whole -- I'm not just talking to the presenters -- but
5 it is, quite frankly, annoying. It gives us the sense
6 of disorganization, when at last minute we're trying
7 to deal with a very significant item with a lot of
8 details here, and we are rushing it forward because we
9 didn't get it done in a committee process or where it
10 has to be vetted before it got to here.

11 So I think I said this in my first meeting as
12 chair: The process that we want to employ is to vet
13 things at the committee process so when we come to the
14 Board, that what we're hearing from the chair and/or
15 representative from staff, are the recommendations, as
16 opposed to vetting it at this meeting.

17 All members have the opportunity to tune in when
18 committee meetings are going on, and in fact, we have
19 the opportunity to chime in as well through the chair
20 of that committee. So for us to, one, to declare a
21 lack of knowledge about something at a board meeting,
22 that decoration usually results from the fact that we
23 have got the information and in an untimely fashion;
24 that we were not pre-crastinating but we were
25 procrastinating.

1 So it makes it difficult to get stuff done where
2 people feel comfortable with what we're asked to make
3 a decision on. Just take that as instructive, but
4 also this warning that it won't come until it's been
5 vetted.

6 Now, I understand there are lots of things that
7 have to go on to the Board of Governors and on to
8 whomever else after that, but the onus is on staff to
9 do the backwards planning. If something is due on the
10 10th, you can't wait till the 9th to get it done,
11 particularly if the actions of the Board and/or the
12 committee occur on the 12th.

13 So things have to be backed up to get in to the
14 hopper, so to speak, so there's accurate time to be
15 given to preparation and assimilation of that to
16 members so it can be properly vetted before it gets
17 here. Cool?

18 AD OVERTON: Absolutely.

19 CHAIRMAN WARREN: All right. So let's hope this
20 is the last time that we'll have this kind of thing.

21 So with that apology to you, Trustee Dortch, I
22 think we have been instructive enough that we can go
23 on with this, but let's try and move on with it
24 efficiently.

25 TRUSTEE LAWSON: Okay. Are you prepared? Are

1 you ready?

2 AD OVERTON: Yes, absolutely.

3 TRUSTEE LAWSON: Now, again, does everybody have
4 this documentation? Okay. Trustee Shannon? Trustee
5 Shannon? We'll have to assume she has it.

6 TRUSTEE SHANNON: Yeah, I do. I'm sorry, I was
7 on mute.

8 TRUSTEE LAWSON: That's okay.

9 TRUSTEE SHANNON: Yeah.

10 TRUSTEE LAWSON: So AD Overton, you are
11 recognized, and you know, probably give us a little
12 more detail versus less. For those of you that
13 haven't been close to this, this may be new or may be
14 a second time around seeing it. Some of us have been
15 a little closer to it than others, so I would ask AD
16 Overton to take a little more time than normal to get
17 everybody on the same page.

18 AD OVERTON: Thank you so much for your time. I
19 appreciate it. I will make sure that we take heed to
20 Chairman's instructions and make sure any additional
21 supplements that we provide in advanced.

22 One of the things I wanted to do is frame this
23 request and this five-year plan in something which you
24 could see, and this is part of our mission, which is
25 building champions. And everything that we're doing

1 relative to the budget is focused on that, okay?

2 So we've got obviously got building champions in
3 the classroom, in the field and life, through academic
4 excellence and integrity, but there's a strategic plan
5 and really that plan is to make sure we fill and
6 repair the pillars, because in Athletics we've got
7 major fractures that we're working towards. And I
8 want to make sure that in every action we take, you
9 know, we're operating on the frame work, okay?

10 So what you see right here is this is the stadium
11 leaning a bit because of the fractures. So in college
12 sports, you've got academics, compliance, training --
13 and training is medical training -- strength and
14 conditioning, facilities and finances.

15 If you want to have a first-class program, you've
16 got to have a great support structure, okay? And so,
17 the first order of business for me was to drill down
18 and see where the holes were, identify those, and then
19 build a business plan to help repair those fractures.

20 Once the fractures are filled, then what you see
21 is division. You see that the Championship Athletic
22 Department stands on a solid foundation, and once that
23 foundation is solid, the expectations, the wins, the
24 victories, all of those things to surface, you can
25 have a program that can sustain that for long periods

1 of time.

2 So the process of building champions starts now
3 with repair of the financial pillar, okay? As well as
4 academics compliance pillar. Those are things that we
5 have to work on. No matter who your coach is, no
6 matter who your athletic director is, unless your
7 foundation is correct, okay, unless you have a good
8 foundation, it doesn't matter. You have to have great
9 academics. You have to have great compliance. You
10 have to have all of those four structures that coaches
11 need and student athletes need in order to be
12 successful. So the vision is clear.

13 Now, I'm going to drill down real quick to this
14 -- that's a little small, obviously, but in your
15 packet you see this. Dale is going to talk a lot more
16 about where the funding sources are coming from,
17 relative to university support, okay. What I want to
18 show you here is going through this document how we're
19 going to arrive at the five-year plan relative to each
20 category, because we're talking about a pretty
21 significant jump in revenue based on each revenue
22 line. So let me give you some information on that.

23 So student fees, as you see, because we're in
24 alignment with the University policies and that is
25 going to stay flat or decline just a little bit. And

1 then, when it comes to football gate receipts, we're
2 expecting an 81 increase -- over five years -- in
3 football gate receipts, and let me tell you how we get
4 there. We've got an "Investing in Champions" annual
5 giving campaign that we want to start, and I'll share
6 that with you as we drill down to the business plan on
7 that, all right?

8 We also have an out and out sales team of folks
9 that are active and they're out selling tickets, okay,
10 and also in the combination packages. Because one of
11 the things we did is we spent a lot of time assessing
12 the fan base. We sent out a fan survey, 2300 people
13 filled out that fan survey. And many of them said
14 that they would like to be able to, just like any
15 other school, buy parking and tickets at the same time
16 and make sure that we were operating in a way that's
17 easier for them to buy, okay? So that's part of the
18 business plan there, so to do that, we're selling
19 about 5,300 season tickets to get to that number.
20 Football game guarantees, so that's a significant jump
21 in revenue over time. How are we doing that is
22 we're --

23 TRUSTEE LAWSON: Milton, I'm sorry. You have all
24 of the background but could you just, for those of us
25 that can't see the numbers and even people in the

1 audience, give us numbers. For example, you were
2 going through game day guarantees. 685 to 1.1, big
3 jump, and I know you have a rationale why. But I
4 would like for you to give us, unfortunately, that
5 level of detail so everybody follows through.

6 AD OVERTON: Sure, okay. So this fiscal year,
7 our game guarantee -- this game guarantee line
8 included both basketball and football, so at 685, what
9 was included in that was \$450,000 for a game guarantee
10 for South Florida, and then the remaining amount came
11 from basketball game guarantees. As Dale and I begin
12 to build a budget, we actually separated that out. So
13 you'll see the line for basketball game guarantees for
14 the next fiscal year, okay?

15 Let me give you the information on how we jumped
16 from 650 to 1.1 million. We actually already have
17 game contracts in hand for 1.1 million. We're going
18 to play, obviously Miami, for nearly \$700,000. It's
19 actually 695. We have a game contract in Mobile for
20 our Classic game in Mobile against Tuskegee, and the
21 base there is 350. We've actually changed our revenue
22 model from the standpoint of ownership, so the
23 difference between our previous philosophy and now, is
24 that any games we inter into, we're going to enter
25 them from an ownership standpoint. And what that

1 means is every piece of revenue -- that's radio,
2 that's TV, that's national regional sponsorships -- we
3 get a share of that as an owner, as opposed to a
4 talent fee. So that's how that's happening.

5 The other piece is that we're reviewing
6 contracts. When I first came in, we had a game to
7 game, all home contract against Coastal Carolina.
8 Looking at applying the traditional or looking at the
9 model and the market for that, we bought a system
10 called "Win AD." Win AD is typically used in college
11 sports, so we use that to look at the model and we are
12 able to call them, and say, "Hey, this is a home on
13 home contract; unfortunately, there's some terms that
14 you didn't quite measure up to, so what we need based
15 on what you've paid in the marketplace, is a \$100,000
16 to come play." So that's how you get to 1.1 million,
17 just in football.

18 Now you go to basketball for the next year and
19 you see \$200,000 a year more for basketball. We
20 exceeded that this year, and we'll actually exceed it
21 next year as well. So we've moved from 685 to
22 1.3 million in game contracts, based on applying
23 market principals, utilizing industry standard market
24 technology, so that's how we get there, so there's
25 philosophy changes that comes with that. But again,

1 you can see this plan, we've already started it,
2 because we have game contracts in hand. We've already
3 moved forward with that 50 percent in revenue, net
4 line.

5 The next one we'll spend time on is football
6 season tickets. So football season tickets -- I'm
7 going to drill down just a little bit -- in the past
8 there have been some that have been submitted, and
9 there's not a business plan for each one of those
10 revenue lines. So each revenue line we have here,
11 there's an associated business plan for it, okay? I
12 think you guys can see. Let me back up real quick.

13 Now, when asked the question -- some of y'all can
14 see that, but you do have that in your packet -- how
15 do you increase season tickets and individual game
16 tickets? You increase season tickets and individual
17 game tickets by having a roll-out. And this one, we
18 call it "Investing in Champions" annual giving
19 campaign. You can call it a priority point system,
20 but what it is, is packages. We have six packages,
21 and of those six packages, you have access to multiple
22 amenities as well as your parking, okay?

23 And now, from the revenue standpoint, there's
24 three things that happen as a result of that: You
25 actually increase in your donation, and you also

1 increase in your season tickets by that amount. So
2 once we're able to roll this package out, what we're
3 expecting is \$1.4 million in new revenue for ticket
4 sales, as well as donations.

5 So as you look at this, sometimes it's kind of
6 hard to -- when you look at this particular revenue
7 bond, we're talking about two of them. We're talking
8 about football season ticket sales and then football
9 game receipts. When we look at game receipts, we're
10 talking about individual game tickets. But what I
11 want you to know is the drill down here is there is a
12 plan that we're executing towards the strategy already
13 that we can obviously quantify today, based on the
14 contracts we have and based on the movement we have.

15 Now, if you want a little more information on it,
16 think about this year. Won one football game, but in
17 every matrix that we have, relative to season ticket
18 increase, individual game ticket increase, attendance,
19 concessions, all of those matrix this fiscal year went
20 up, based on implementation of a plan that we really
21 just started. I think I had two or three weeks on the
22 job in order to make some level of change.

23 But the great news is we actually have, you know,
24 we have a full year to implement this, so what I'm
25 showing you is that we're moving forward in that

1 particular standard.

2 Now, let me go down. Concessions. Not a whole
3 lot of money. What was budgeted was the \$75,000.
4 Right now, just for football, we're at 76, okay?
5 Basketball, we hit \$20,000 in basketball just in
6 concessions, so we're over 90. So when we project
7 \$75,000 next year for concessions, we know we're going
8 to exceed that. So each one of these revenue lines
9 that we have here, they're really conservative, based
10 on what we are looking at and based on what we're
11 seeing in terms of increases today.

12 Let's go to the other larger revenue lines that's
13 coming in is advertisement. So we have \$200,000 for
14 advertising. And obviously, that's sponsorship sales.
15 That's sponsorship sales going out in the public,
16 local businesses, national businesses and securing
17 sponsorships.

18 Let me give you a baseline for that, okay? So
19 the Florida Classic game, one game, we secured
20 \$870,000 in sponsorships. One football game. So to
21 have a goal for \$400,000 for the entire year, for
22 every sport, is very legitimate, okay? It's very
23 legitimate. Now, how do we accomplish that? We have
24 changed and made adjustments in organizational chart
25 to some of the sponsorships, and we've actually

1 changed and made an adjustment in how we go about
2 doing that. So why are we asking for asset return?
3 You have to ask for that, because if in the
4 marketplace three or four or five people are selling
5 the same packages -- it's a huge market place. We
6 have actually sold underneath the value that we should
7 be selling.

8 Now, in my experience, working at the previous
9 institutions I've been at, I used to oversee
10 multimedia and \$20 million in multimedia rights. Now,
11 it's a different product, but it's still the same
12 business principles, okay? Is you have to have a
13 singular approach towards fundraising, you have to
14 have a singular approach towards ticket sales, and you
15 also have to also make sure you're managing properly
16 your sponsorship sales. So we feel very confident in
17 that level of increase over the next few years.

18 Royalties. And I won't go down each revenue
19 line, but I am going to hit a couple of larger ones.
20 So royalties. At my previous institution, I oversaw a
21 \$120 million royalty. It actually was the largest
22 college sport royalty revenue in college sports.

23 Here, same thing. The Rattlers are just as
24 passionate about their team and what we wear as any
25 other team -- and I would want say more passionate.

1 So we have well over 55,000 people that we have access
2 to, but never had a royalty plan. Never really had a
3 licensing strategy. Now, this will be a very simple
4 one.

5 Of \$100 million last year for my previous
6 institution, 30 percent of that \$100 million was
7 online sales, okay? We had no strategy for online
8 sales. So what we're doing is for Mother's Day, for
9 Father's Day, for Christmas, we're actually going to
10 see a push.

11 The first action, two weeks on the job, I had
12 COCN; that's the company who manages our licensing
13 rights, and we talked to them about what our new
14 strategy is going to be. So as I indicated, a
15 business plan for each revenue line, that's how we're
16 going to get to this new budget. So this is what you
17 look at as a 21 century intercollegiate business
18 approach. It's a new revenue model. It's not new;
19 it's just new to FAMU, okay?

20 Moving forward real quick. Fundraising. So this
21 is another big line. I will explain why this is
22 really important. So this past year, our goal was
23 obviously a half-million dollars. In terms of AD
24 fundraising, I think we're about 236 or something like
25 that, okay?

1 Previously we've only done \$10, \$20,000, so
2 that's a huge jump. Now, as you see, from 2015, from
3 this year to the next year, we're keeping it the same.
4 We're keeping it the same, but we actually have a
5 fundraising strategy. We have a "Investing in
6 Champions" annual giving campaign that we are holding
7 to launch, and we're ready to go on that. So we feel
8 confident that we'll be able to do that.

9 So again, if you have the chance to get out and
10 talk to many of our support groups, and many of our
11 support groups are doing a fantastic job, whether
12 they're the Boosters, whether they're the 220 club,
13 they all want to help us. We have to have -- if we're
14 going to move this forward, we have to have a singular
15 idea relative to fundraising so that we're actually
16 focusing on large dollars. Philanthropic giving, not
17 transactional giving, but philanthropic giving.

18 So we have to have new field house. I am calling
19 it an all sports duplex, okay, that's complete with an
20 academic center, a new strength and conditioning area
21 for all student athletes, weight room, training room.
22 Go back to the pillars. We have to repair the
23 pillars. The facilities is a very important part of
24 that so we can get the prospects we want. So we have
25 an approach to that.

1 Obviously, parking, we have put in here for that
2 season and moving beyond. Here's what we have to
3 understand about parking, is that it's standard in
4 intercollegiate Athletics. The Athletic Department
5 utilizes those resources. It's a game day resource.
6 The only reason you have those resources is because of
7 the game, right? So this is just standard.

8 And what we -- I want you to understand, it's not
9 just a \$300,000 that you see on here on this. It
10 actually affects three parts of our business. One
11 third of our projected growth comes from this area,
12 because if we cannot -- we have people that are giving
13 money to us. We have donors who may not be Boosters,
14 may not be a part of the F club, may not be part of
15 220, but they give us \$10,000. When they come to a
16 game, we would like to provide them premium parking.

17 So if you're going to move forward relative to
18 your fundraising strategy, you have to be able to have
19 those assets, okay? Now, same thing with corporate
20 sponsorships. We go out and we sell a \$25,000
21 sponsorship package. When you sell that package, you
22 have to sell that with premium parking. They get five
23 spaces, okay, along with tickets. This is standard
24 intercollegiate Athletics business. This is the way
25 it works. But if we have to peel off that money and

1 donate it back to an outside group, you can't do that.
2 You don't even have the resources you need in order to
3 improve that category, and then you have your season
4 tickets.

5 So three categories, huge categories, that really
6 depends on and will help us move forward with 21st
7 Century intercollegiate athletic business model.

8 So that's the drill down in how we get to A to B.
9 And again, when you're talking about, you know, we say
10 the game contracts again. You are talking about
11 moving from let's say \$685,000 to 2.6 in 2021. Not a
12 huge stretch. The reason it's not a huge stretch is
13 if we remember the philosophy relative to football
14 revenue generation and not season tickets and
15 individual game ticket sales. We're talking about,
16 you know, the classic games, okay? My goal is to have
17 three classic games, and in those classic games we
18 already started with one.

19 So, next year, we already have a classic game on
20 the new model, so we're not talking about things we're
21 thinking about doing. We're talking about things
22 we're already making progress towards. Now, once you
23 go back to Atlanta, once you go back to Miami, what
24 happens is we know what we make in our Classic game
25 right now.

1 What's the largest amount of money we've made on
2 a Classic game that we have right now with Betheune
3 Cookman? 1.2 million net. 1.2 million. This is half
4 of net proceeds. I'm going to repeat that. 1.2
5 million after net proceeds. What about this year?
6 \$870,000. So if we are making \$870,000 and the
7 philosophy is ownership as we move forward, then
8 doesn't that mean that we can make 2.2? Doesn't that
9 mean we don't necessarily have to go out and kill our
10 guys, the student athletes, on playing games? And I
11 love playing these larger games, but we need to be in
12 an ownership position. We've got to be in a position
13 of leadership, and this is a beauty of HBCU.

14 So I learned a lot of the business principles
15 from some of the best coaches and some of the best
16 administrators, but never had this asset. I'm so
17 excited about this asset, I don't know what to do. And
18 only FAMU can we do this at this position.

19 So the last thing I'm going to say about this,
20 and again, I'm going to frame it back up. Framing it
21 up, this is where we are. Every single thing that I
22 just talked about, we're hitting each one of these
23 categories. This is the foundation we have to repair.
24 No matter who comes in, no matter who the coach is,
25 you have to make sure those coaches and those student

1 athletes have the tools they need to be successful.

2 That's just a fact.

3 What are the issues right now with football,
4 okay? Won one game. Now, how many games are we
5 supposed to win if your academics were not correct?
6 So you have APR issues. When you have APR issues,
7 this means you cannot practice at the same time when
8 everybody can; it means you cannot go to a post season
9 play, right; it means you can't even have spring ball.
10 Those are the three negative knocks that are so tough
11 for a coach to recruit against, so you have to fix
12 that no matter who your coach is.

13 One of the other issues is compliance. If we
14 don't fix compliance, no matter how much you win,
15 you're going to go down, back up, go down, because the
16 NCAA is going to pull up. I've been doing this for
17 20-plus years in very, very successful programs. I
18 didn't wear these rings today because I want to look
19 back. I never wear jewelry. I don't care about it.
20 I only do it in recruiting.

21 So I've got three championship rings on: One
22 national championship ring in football, one
23 championship ring in softball, and one in women's
24 soccer. I have a championship ring in every single
25 sport that I've been in, okay?

1 This has nothing to do, because this is what FAMU
2 is about. This is not about looking back. I wear
3 these rings for one reason and that is to look
4 forward, because this is what I came here for, because
5 this is what FAMU's all about. But to get there, you
6 have to invest in a strong strategy, okay, that have
7 business principles tied to it, based on industry
8 standards, okay?

9 And then you get to this. You have to believe
10 you're going to have a new stadium, because if you
11 don't believe it, we can't get there. You asked for a
12 plan and we have a strong plan, and every single
13 thing -- and I'll go ahead and open this up for
14 questions because I want you to ask me about every
15 single piece of revenue that I just described and how
16 we're going to get there, and there's a business plan
17 for it.

18 TRUSTEE LAWSON: Thank you, AD Overton. We were
19 joking about your energy level up here.

20 AD OVERTON: I'm passionate about this. I came
21 here to win.

22 TRUSTEE LAWSON: But I seriously do want to open
23 the floor to other board members who haven't had as
24 much time on these numbers as I have had and some of
25 the others has had, because I think the general

1 question is, how do you go from point A to point B,
2 and how do we have some degree and assurance? Nothing
3 is guaranteed. It's a budget and it's not an exact
4 science, but some degree of assurance that the numbers
5 are within reason. So I open the floor, maybe start
6 with Chair Warren and move around.

7 CHAIRMAN WARREN: So we've been talking all
8 morning about implementation strategies and what you
9 have been articulating to us are your strategies for
10 getting there. The reasonableness of them, presumably
11 based on your background in the business, and most of
12 us quite frankly not being engaged in that sort of
13 business, but having that and then having to trust
14 that you have done the research, applied it to our
15 scenario here and find it achievable.

16 So let me ask you three things, and two of them
17 were just related to accounting issue. Mr. Givens was
18 chatting with me earlier about being the accounting
19 type or financing type, so as you go to the numbers
20 that you put together, I just want to understand a
21 couple of things. And maybe this is for the
22 edification of the group as well.

23 The last line talks about DSO and auxiliary
24 support. That's 30 percent of the \$10 million revenue
25 line. Did I read that right?

1 AD OVERTON: Sure. You said DSO support, yeah.
2 You said 3.1 million.

3 CHAIRMAN WARREN: 3.1 million.

4 AD OVERTON: Yes.

5 CHAIRMAN WARREN: So for edification of the
6 group, explain what that means.

7 AD OVERTON: Okay. So for the group, that means
8 this is the revenue that's coming in this
9 institutional support, and that institutional support
10 may be in way of Title 9 dollars, and Dale is going to
11 be a lot better at this part of it than I am, but it's
12 all institutional support that's not E&G funds. So
13 again, it's resources that we're able to secure
14 through Title 9, through Carrie Ford; any types of
15 dollars that are not auxiliary dollars.

16 Now, let me mention this. Industry standard is
17 that there are -- I want to make sure -- it's probably
18 two percent of college sports programs in the country
19 that are self-sustaining. So every school, including
20 I would say FSU, FIU, FAU; when you look at the NCAA
21 reports, there is institutional support coming
22 through. There is no way to do it without it.

23 CHAIRMAN WARREN: You landed exactly where I
24 would hope you would go with this. For all who
25 understand that the break-even notion on Athletics is

1 just that; that without some form of institutional
2 support you don't get there.

3 AD OVERTON: Absolutely.

4 Do you mind if I add one other quick thing? I
5 think this is good for the group is looking at the
6 Athletic Department. What I've seen is there's been a
7 de-valuation of the Athletic Department; not just from
8 campus, but from others because we've said it's okay,
9 and here's what I mean by that.

10 When you look at the assets that the Athletic
11 Department is asked to provide to the institution,
12 previous institution. Whenever we enter into a cash
13 transfer to the University, but we did tickets, you
14 know, for events like student events, recruiting
15 events. The stadium, we lease the stadium out. All
16 of those are assets and values of the University was
17 on a balance sheet as transfer to the University.

18 Here, when you look at in the last 10 years, it's
19 been about three million dollars of value, that when
20 you look at the deficit -- that we're calling it a
21 deficit. I have a hard time using that word because
22 once you apply the \$7 million of resources that have
23 been expended to auxiliaries relative to the DSO, in
24 terms of valuation of multimedia and parking, and then
25 you also look at band support, cheer support. They do

1 a fantastic job and we want them to continue to be
2 able to do that, as well as tickets, as well as
3 facilities, rentals, as well as all of those other
4 things. Those dollars actually come up to about
5 \$10 million.

6 CHAIRMAN WARREN: So help me. So this is your
7 valuation of those kinds of things?

8 AD OVERTON: Yes.

9 CHAIRMAN WARREN: That if -- I don't want to put
10 words in your mouth, but as I read it, what it says in
11 2016 is your valuation of what the Athletic Department
12 has done in kind to the college. The valuation on
13 that is about \$3.1 million.

14 AD OVERTON: Over 10 years.

15 CHAIRMAN WARREN: This is year one.

16 AD OVERTON: I was just talking -- this is
17 auxiliary support. I was talking about the notion
18 that the Athletic Department has a deficit, and had
19 the value been transferred back over to the Athletics
20 over time it would have been...

21 CHAIRMAN WARREN: But if we're looking at pro
22 form a budget, and your notion is to recover that type
23 of appropriation, if you will, to the University side,
24 you want to value that as revenue recovery. And is
25 that in this line?

1 MR. CASSIDY: Okay. If I can, let me go at this
2 slightly different way. One of the things we've found
3 as we were looking into the history of Athletics
4 spending more money than its revenue, which is our
5 history; one of the things we've found is that kind of
6 going back to what Milton said, is that very few
7 programs were even. What we had done in the past is
8 when we, for instance, take scholarship money and fund
9 it out of Title 3 -- fund it out of Title 9, we've
10 simply made a transfer, but we haven't called it both
11 a revenue and an expense to the Athletic Department,
12 so we've really understated the accounting for the
13 Athletic Department, because the Athletic Department
14 still has the scholarship expense, but it's being
15 funded from the University, right.

16 So most of what's in this DSO and auxiliary
17 support accounts for both sides of those transactions
18 and puts it into both revenue, as well as expenses.
19 So historically, we've kind of understated the amount
20 of support. One of the things I've heard since I've
21 been here and it's another way Milton saying
22 devaluing, is people who say the problem with
23 Athletics is the University doesn't support it enough;
24 well, I would contend that's not true, but we haven't
25 been fully transparent or at least visible about how

1 we've been supporting it. Because as an accountant,
2 you know this is both a revenue and an expense, and
3 we're the ones supplying the revenue in this case.

4 So, much of what's in there are things that have
5 already been happening and will continue to happen.
6 When we get to the detail behind each of this year's
7 schedule, you'll see we're adding some things that
8 have never been accounted for before as revenue
9 because the University has been doing them for several
10 years. So that's kind of brief explanation of this
11 line.

12 CHAIRMAN WARREN: And so you now harken back to
13 the accounting equation for every action is an equal
14 and opposite reaction. Always have the balance.

15 So let me take you to something that doesn't
16 strike me as balancing. In the bottom portion there,
17 the item might be mistitled, but it's something called
18 total expenses. And I took that to mean that it was a
19 total of two things above it, but it's not. So is
20 that to be some other expense line or something?

21 MR. CASSIDY: Where are you seeing?

22 CHAIRMAN WARREN: Third line down, it says "total
23 expenses." It's the same thing that's on the screen.

24 MR. CASSIDY: Yeah, it's been showing this year
25 we expect to break even.

1 CHAIRMAN WARREN: No, no, no, no. If you read
2 the expected final column, and you work to the third
3 row, 3,781,199 is titled "total expenses."

4 MR. CASSIDY: I'm not looking at the same
5 schedule you are.

6 CHAIRMAN WARREN: It's right here. On the board
7 here.

8 MR. CASSIDY: Final for this year, right?

9 CHAIRMAN WARREN: Third line down. It's called
10 total expenses.

11 PRESIDENT MANGUM: The fifth page in your
12 document.

13 MR. CASSIDY: I don't see anything that says
14 total expenses. That's what I don't get.

15 CHAIRMAN WARREN: Does Mr Overton have it in his
16 hands?

17 MR. CASSIDY: I apologize. Brain crap.

18 That's expenses other than people and OPS. So
19 that's kind of operating expenses if you will. That's
20 for the phone and the office type of things. So
21 expenses shouldn't necessarily say -- well, it says
22 "total" in terms of it's a number of different items
23 that are considered expenses. Bills we pay other
24 than --

25 CHAIRMAN WARREN: So it's other operating

1 expenses?

2 MR. CASSIDY: Yeah, other operating expenses, if
3 you will.

4 CHAIRMAN WARREN: Well, with the labeling there,
5 that helps me.

6 MR. CASSIDY: And we can fix that. That's what
7 happens when you have lived with something for a
8 month, you stop seeing something others will see.

9 TRUSTEE DORTCH: Chairman Warren, in reviewing
10 this, I want to commend you for at least being forward
11 thinking. And it appears a lot of the thought has
12 gone into this plan, and I want to commend you based
13 on the orientation I got yesterday, to hear what
14 progress has been made, even in dealing with the NCAA
15 sanctions, and so it shows quality in leadership.

16 But I do have a major concern here, and it's
17 about our bottom line. And let me preface that by
18 saying I understand there are certain sensitivities.
19 I understand the value of what being a Rattler Booster
20 has been to the institution in support over the years,
21 but as a businessman, the bottom line does not gel
22 well for me, is that you've taken assets of the
23 institution. Those assets are managed outside of the
24 institution and I'm trying to see whether the real
25 return of investment is back to the institution.

1 As I look at the amount of revenue that's shown
2 here that has come in off of parking, and the other
3 thing that was baffling yesterday when I asked the
4 question I asked now from my orientation, is, how is
5 it that we take our assets, and we pay money to use
6 our assets doing our athletic events, when it's our
7 asset as an institution. If we have to buy parking
8 ourselves, that doesn't make sense. It's like me
9 having to pay to park in my garage.

10 But anyways, moving from there, I think it is
11 very critical -- because I did a calculation of
12 overhead for the Boosters and the potential of what
13 that can mean. Even if the Boosters still operated, I
14 count at least a \$108,000 in administrative overhead
15 had that been a part of working together. I'm sure
16 the Athletic Department could use some more warm
17 bodies and if the Booster and Athletic Department were
18 working close and hand in hand, there could be a
19 reduction of costs.

20 I think the efforts that you put forth to address
21 this whole issue of potential deficits is like -- I
22 sat in Athletics Committee meeting and deficits was
23 not brought up to me, but I don't believe in operating
24 in the red. And 22 years business, I would be out of
25 business that way.

1 So I think here, I really think that our Chairman
2 and the President and the head of the Boosters need to
3 sit down and have a real come to Jesus, in terms of
4 how we're going to move -- because Athletics is one of
5 the major recruitments for any institutions. So we've
6 got to have healthy Athletics, we need to play by the
7 rules, and what disturbs me just as much as the
8 revenue going out is these footnotes about potential
9 NCAA violations, and we don't need sanctions or
10 anything else when we're trying to and moving off of
11 those sanctions.

12 When I look, there may be some questionable
13 actions and activities, so as a member or Trustee of
14 this Board, that of itself is enough for me to say
15 that if we're going to maintain our fiduciary
16 responsibilities, then finances and playing by the
17 rules have got to be adhered to.

18 So Mr. Chairman, I think it's very critical that
19 you, and the President, and the Boosters, and whomever
20 else needs to get together and need to address this.
21 But I'm looking at millions that have gone out and I
22 don't see where it's come back in to Athletics, and so
23 that is a major concern.

24 And this being my first meeting, I am no way
25 anti-Booster. I think the Boosters is very valuable,

1 but this is a business, and so that's got to be
2 addressed. And we've got to now look at what is in
3 the best interest of Florida A&M University, and the
4 Booster has to be supported because that's why the
5 Booster Club exists. That's why Alumni and everything
6 exists for the University.

7 So with that said, I really encourage and think
8 that there has to be a meeting of the minds, and we
9 need to correct this because there's no way, when I
10 look at the revenue coming in and what comes back to
11 this institution, we can have a healthy athletic
12 program and other benefits to our student body.

13 AD OVERTON: Do you mind if I address that real
14 quick in that I'm a big believer in history, because I
15 believe in the Rattler nation, and you do that with
16 your actions and not by what you say. So you look
17 historically at the numbers, and that's why -- I have
18 spent time with Dale and Veronica and say, "When has
19 the Academic Department been healthy?"

20 In 2003, we had a surplus. Coach Riley, I called
21 and talked to him, because between '94 and 2003, we
22 had a \$2 million surplus right here in Athletics,
23 okay? And after, that the budget in 2004 was \$8.8
24 million. Well, we're in 2015, and it's \$8.7 million.
25 Now, during that process, right after Coach Riley

1 left, assets were provided outside of Athletic
2 Department's control. It was during that surplus time
3 and championship time the Athletic Department
4 controlled its assets, all of them. So it gave
5 Athletic Director the opportunity to be successful and
6 make sure that the student athletes had what they
7 need.

8 Now, obviously, I've done a performer, because I
9 want to make sure -- I've had a business before and
10 what you do is you just focus on the numbers. And you
11 look at the value, and the valuation is the valuation.
12 The valuation is based on, you know, actual what we
13 sell for. These are a loss. These are the prices for
14 our loss. These cannot be argued with. And as you go
15 down, these are empty lots. So when you look at the
16 actual performance of what the investment has been,
17 and I won't go into huge detail, is that we're \$8.2
18 million out and a one in. That's a negative return on
19 investment.

20 You've just got to look at the numbers, because
21 if you want to have a championship program, you have
22 to apply standard business principles. We have to.
23 And whether NCAA is concerned we have policies in
24 place. 2005-15, I believe. We have two Board of
25 Trustee policies that are on the books. Whoever wrote

1 it did a great job, because what it does is it
2 specifically applies controls to any DSO relative to
3 the NCAA rules. That's why it was written.

4 But for whatever reason that was abandoned, and
5 when you do that, when you reduce the ability to
6 generate income -- what did I say, 7.2 out which means
7 7.2 negative? What's the budget? What's the deficit?
8 7.4 over 10 years. So if you really want to know what
9 happened...

10 CHAIRMAN WARREN: Let me comment for a moment.
11 So as not to lose focus, the most important thing we
12 do here is serve students. And where we set up a DSO,
13 we set up a DSO for the benefit of the University.
14 That includes the Foundation, that includes the
15 Boosters, or anybody else charged with such a title as
16 DSO. It is to support the strategic initiatives of
17 the University. And then the onus is on us to make
18 sure there are adequate controls in place, to monitor
19 the performance of that DSO, the auditing of these
20 activities, et cetera, et cetera.

21 So no DSO is independent, if you will, of the
22 strategic objectives of the University; their
23 objectives should marry into ours. In this case, as
24 we're talking about this parking lot and we've been
25 talking about it for some time, if not today and the

1 weeks prior to, about this issue, the Board of
2 Governors in particular, we have an obligation to get
3 back to them for a budget proposal of how we turn
4 Athletics around, and it's important to muster the
5 resources to do that, and if one those resources is a
6 parking lot, if one of those resources is a multimedia
7 signage at the stadium, whatever that resource is, the
8 onus that we have is to make this budget work, and if
9 that's not working through the Foundation or the
10 Booster Club or Cleve's household, then they need to
11 change what they're doing or we take away what their
12 responsibility is so we can manage it appropriately to
13 the numbers we need to turn this operation around.

14 So, without having a lot of debate on the
15 subject, if we can refocus everybody's attention on
16 what we're about here and stay focused on the bottom
17 line so this operation, the Athletic Department.

18 So now, you then would accept responsibility to
19 meet these goals that you set here?

20 AD OVERTON: Absolutely, yes, sir.

21 CHAIRMAN WARREN: We will hold you accountable,
22 and that's what we hired you for, and not to lose
23 faith in you until you prove that you can't do the
24 job. I would say that Coach Riley did it so it must
25 be possible.

1 AD OVERTON: He's a good man.

2 CHAIRMAN WARREN: No offense to Coach Riley. I'm
3 saying there it shows there's a way to do this with
4 professional attention to it, but in no way are we to
5 put the needs of the DSO ahead of strategic needs of
6 the University.

7 So I'm not empathetic to any conversation about
8 how we make room for the survival of the DSO when it
9 adversely impacts the University, and the Athletic
10 Department is a part of the University, so that comes
11 first. Now, if there's room for us to reach some area
12 of compromise and I'm just -- there are 13 of us so
13 you may have 13 different opinions about this but I'm
14 giving you mine, and hopefully there's some consensus
15 around it when I say it.

16 The most important thing we do here, particularly
17 given the attention that's been given externally to
18 the Athletic Department, from the Board of Governors
19 to the NCAA to this Board, is for you to come on board
20 and turn this ship around. As large of aircraft
21 carrier as it is, it still can turn around.

22 And so, that's our expectation, and take no
23 prisoners in the process of doing that would be my
24 point of view about it.

25 TRUSTEE LAWSON: Thank you, Chairman Warren.

1 What I would like to do is, I think there were a
2 couple of other members; Trustee Carter, Trustee Reed,
3 did you have questions? Or Trustee Dortch, did you
4 finish your question?

5 TRUSTEE DORTCH: I'm finished.

6 TRUSTEE LAWSON: Trustees Reed or Carter?

7 TRUSTEE REED: I just had a question regarding
8 the discussion. It was around inappropriate
9 accounting practices, which are one of the four
10 bullets mentioned in the action item.

11 I was first trying to get clarity on what was the
12 action we were supposed to be taking, and I think I
13 got clarity on it now and it sounds like a Board of
14 Governor's request in taking a response to that.

15 So if you can speak to how that inappropriate
16 accounting practices, and then of course the NCAA risk
17 out there. We spoke a lot about the financial, and
18 how they were going to manage pieces of it.

19 MR. CASSIDY: Well, I alluded a little bit to the
20 accounting practices in that we were recording the
21 expenses, for, for instance scholarships. But when we
22 transferred the funding of those scholarships and we
23 did this earlier this year, we took \$700,000 of
24 scholarships for Athletics and we funded it from
25 Title 9. In prior years, we just left that

1 expenditure there, but we never showed where the
2 revenue came from, okay?

3 Back to the Chairman's question awhile ago, it
4 really needs to belong in revenue as auxiliary
5 support or University support. So it's not that we
6 were stealing money or anyone was stealing money.
7 What it was, was we weren't recording both sides of
8 the transaction, and I quickly discovered that as I
9 started to look at this, because I knew that we were
10 doing things year to year to support Athletics, but I
11 didn't see it showing up in the net numbers, and in.

12 Some of the context that I wanted to bring in the
13 discussion earlier I go through some of the details of
14 what we found from that. And AD Overton mentioned
15 some of them: The value of tickets that are
16 complementary tickets that have been given out for
17 years to various groups, functions, and others over
18 the years; those have been given out, but we've never
19 recorded the fact that if we're going to call this an
20 expense, then we have to have the revenue, which in
21 this case would be either due from the University or
22 some similar characterization to make sure we're
23 balancing every transaction.

24 So the inappropriate isn't meant to mean...

25 CHAIRMAN WARREN: Malfeasance.

1 MR. CASSIDY: Malfeasance. It's meant to mean we
2 don't record both sides of the transactions. And in
3 the narrative here, and I'm sort of getting back to
4 the edge of why all of this matters and who is
5 watching and those kinds of things, and because we do
6 have some new board members, can I spend a few minutes
7 on that concept?

8 TRUSTEE LAWSON: Sure. Are we close to answering
9 your question, Trustee Reed?

10 TRUSTEE REED: So I think my question is more
11 around, so we've changed a policy or process to insure
12 is that we now won't have those issues occurring?

13 MR. CASSIDY: Yeah, and that's why you're
14 beginning to see this line item of auxiliary support
15 being significant, and its DSO, because we're starting
16 to record the second half of that transaction going
17 forward. And we've been doing it this year every time
18 we make a transfer.

19 If we were look at the detail of the 2017 budget
20 or action plan, you would see that we've got some
21 things in there that we've been doing for several
22 years, including -- let me look at the detail here --
23 and we're recording the value of those. We have three
24 academic advisors that the University is paying for.
25 Their salary and benefits is \$164,000. We have a

1 financial aid person whose salary and benefits
2 \$60,000; four graduate assistants, 81,000.

3 So there alone is \$306,000 of support that the
4 University has been providing. Athletics has been
5 benefiting from that and the key to all of this is
6 have our students, but we haven't been recording the
7 fact that's support that's being given to the
8 University. And then we talk about scholarships and
9 there have been things that frankly as -- the simple
10 concept behind this is, the way we've been recording
11 things, we've been spending more than we've been
12 taking in. And that's where the -- I want to call it
13 the "due to other funds" number, which is \$7.6
14 million, which is what shows up in the audited
15 financial statements all of the Athletics Department,
16 which is the requirement; that's shown as "due to
17 other funds," and it's largely auxiliaries because
18 we've done a lot of support through auxiliary.

19 Bottom line, funding is our most functional and
20 usable resource and so overtime we've given money for
21 that. Other ways we've done it is through
22 scholarships and Title 9 and other places. But the
23 "D" word that floats around here is really a due to
24 ourselves, okay? And the problem with it is we've
25 been -- we, or the auditors have been recording the

1 "due to," but we haven't been showing the "due from;"
2 all of the things that Athletics has been doing for
3 the University that haven't been valued and haven't
4 been recorded either and so it's one of the things
5 that's in this narrative document. The "due to other
6 funds" in our most recent financial statements is \$7.6
7 million. We believe we can identify at least three to
8 four million dollars over that same 10-year period
9 where that "due to" has built up that has been
10 provided to the University but not recorded.

11 TRUSTEE REED: So that actually helps close the
12 gap is what you're saying?

13 MR. CASSIDY: Yes, exactly.

14 CHAIRMAN WARREN: So let's take Trustee Carter's
15 question.

16 TRUSTEE CARTER: I was just trying to get a feel.
17 I see a lot of red here, and I was just trying to
18 figure out, the DSOs are to support fundraising; is
19 that correct? No? I'm not an accountant. I went to
20 law school where red does not mean good.

21 CHAIRMAN WARREN: That's correct.

22 TRUSTEE CARTER: So this 7.2; is that right? 7.2
23 million?

24 AD OVERTON: That's correct.

25 TRUSTEE CARTER: So as presented by the AD is to

1 address this, as well as going forward in building
2 these pillars and solidifying the foundation in terms
3 for the academic compliance, training -- those six
4 pillars that you mentioned.

5 TRUSTEE LAWSON: I'm sorry. Let me get the gist
6 of your question, Trustee Carter.

7 Because I think -- I'll add one piece of
8 editorial to this; it helped me as I was looking at
9 this. Right, wrong or indifferent, most of the
10 programs in the SUS run at a deficit. They are funded
11 through other DSO entities. All of their bills are
12 paid, as all of our bills are paid. What we have
13 looked at is a reclassification of revenue and
14 liabilities to make this picture more realistic than
15 what it truly has been.

16 The third thing we looked at was how much money
17 will we truly bring in the door in '17, and AD Overton
18 took us through these numbers, and as I walked through
19 these numbers a couple of things became apparent. The
20 big numbers around student fees and guarantee games
21 and NCAA revenue, et cetera, the thing that made me
22 feel a bit more comfortable is either they're already
23 existing contracts or close to be existing contracts
24 to support the big dollar numbers and the revenue
25 generation plan.

1 And like I said earlier, it is a plan. It's not
2 an absolute. It is our best environmental scan and
3 assessment of where we are and where we think we can
4 go, based on what we know. And some of this already
5 has contracts in hand and attached to it. So you
6 don't see numbers here that will say for the 6.8, or
7 whatever the gap has been historically, that that
8 number has been closed, and I think the reality is we
9 will probably -- it will probably take us several
10 years to truly generate that much internal revenue to
11 close that gap.

12 But I will just leave you with the statement that
13 most schools -- right, wrong, or indifferent -- run a
14 deficit, even the larger national powerhouses. Those
15 deficits are funded through the Boosters and other
16 auxiliaries. Which quite frankly, we've been doing
17 the same thing, just not classifying the transactions
18 in a way that's more beneficial to us, and in turn we
19 have to answer question to the Board of Governors
20 specifically around, Do you have a plan that your
21 Board is comfortable and has agreed to.

22 So that's really one of the things that from
23 around this table, after all of the discussion, you
24 know. Mr. Overton has done a nice job of taking you
25 through the numbers and how they hang together.

1 Mr. Cassidy is going to take you back through Trustee
2 Reed's question around the accounting practices, and
3 then we're going to answer the last question: What's
4 the liveable -- first of all, are we comfortable with
5 everything; and second, what's the deliverable to the
6 Board of Governors, which Mr. Cassidy and I have had a
7 chance to go back through and re-read the minutes from
8 the Board of Governors to be sure we understood what
9 they were looking for, and so you'll clarify that for
10 everyone.

11 We will still entertain other questions. This
12 has been like a year-plus issue, so I don't want to
13 run it through in 30 minutes. So I think Trustee
14 Reed, Trustee Dortch, and in that order.

15 CHAIRMAN WARREN: Hold on just a second.

16 So here's what I would like to do, so we don't
17 just kind of beat the horse to death. Much of what
18 you were going to say, we got into it as Mr. Overton
19 was talking through his presentation as well, and so I
20 don't want to you duplicate that at all.

21 What I want to do is get to a point, to a head on
22 this, so we can take some action on the action item,
23 and then we're going to vote it up or down. So as you
24 have got some direction, if you will, from Trustee
25 Lawson, what I want to do is bring us to a summary

1 point and if other members have questions following
2 that, we can deal with those questions, if your
3 summary doesn't resolve them in your summary. And
4 then I will ask you, ladies and gentlemen, what's your
5 pleasure in the action, all right? So let's proceed
6 in that way.

7 MR. CASSIDY: Thank you. That's helpful. One of
8 the things that I would like to point out is this a
9 six-year budget plan. At the June Board meeting, you
10 will be asked to approve next year's Athletic
11 Auxiliary budget as a one-year budget. This is a
12 long-term plan and it, just as you said, we hold the
13 Athletic Director accountable for achieving it. Each
14 year, you will continue to get, "Here's what the
15 budget what we approved," which hasn't happened yet,
16 and here's what was achieved and does the next year's
17 budget make any sense.

18 So we're asking you to approve a plan, not a
19 series of six budgets, okay, so that's an important
20 distinction. And in order to bring that home, if I
21 can, and getting to the Chair's point, about getting
22 to the history -- and this is important, I think
23 especially for new Board members. There's a been a
24 lot of talk about -- I guess I'll use other people's
25 word -- the deficit, and it has built -- and this is

1 in the Document A, the third and fourth paragraph on
2 the first page, where in 200,7 the amount that was
3 reflected in the financial statements that was due to
4 other funds; in other words, it's due from one pocket
5 of the University to several other pockets of the
6 University. In 2007, that was \$3.2 million.

7 The last audited financial statements that have
8 been issued, in 2014, is going to \$7.6 million. Not
9 yet issued, but they're finished, and the audit work
10 done for 2015 says it's grown to \$7.68 million. It's
11 about \$58,000 different in '15 than '14, so you can
12 already see a little bit of turn-around. But the
13 financial statements show this as due from the
14 University's Athletic fund to other parts of the
15 University, so that's the first point.

16 The second point is, as we've said, we found that
17 over time, the things that Athletic Department has
18 been providing to the University haven't been
19 accounted for and that's -- we've had discussions.
20 I've had two discussions with the external independent
21 auditor of the Athletics enterprise who records these
22 numbers about the possibility of us going back and
23 trying to the assemble what we believe is easily three
24 to four million dollars worth of "due from" parts of
25 the University. Because remember, these are separate

1 pockets and ultimately they mesh together. And he's
2 sympathetic, and he's looking forward to the
3 opportunity to go through and to see what we can do
4 about that.

5 So, that's what's being said. I just want to
6 give some more detail to the idea, because I think a
7 lot of people have trouble getting their arms around
8 the fact that Athletics always loses money. I have
9 the report from the NCAA, where they did a 10-year
10 comparison of which athletic programs make money and
11 which don't, and I think the most telling statistic is
12 of what's now called the "Power 5 Conferences," which
13 is essential football and basketball, which is the ACC
14 and the Big 10, the Big 12, the Pac 12 and the SEC; 56
15 percent of those athletic programs are not
16 self-supporting, even though they are the big revenue
17 generators, okay? So they have to be supported from
18 elsewhere within the institution.

19 The difference between us and some of the other
20 schools in the SUS is we don't have a foundation that
21 has large amounts of resources, or it raises a lot of
22 resources because that's where most of the differences
23 get made up, okay?

24 So I just want to give you some of those facts as
25 background. Incidentally, in reviewing what the state

1 auditor has been saying to us and confirming their
2 approach to this, there are two other schools within
3 the SUS who have been cited as having a D2. So we're
4 not alone within the SUS. Where we are, is we're
5 cited for it twice and they've only been cited for it
6 once.

7 TRUSTEE DORTCH: I think this is good
8 information, but two things: No matter what other
9 institutions do, it's the standards we set as a board.
10 This institution has proven that it can have a surplus
11 in Athletics, so we should never settle for it's there
12 and others are doing it, others have it.

13 Right now, we are the Florida A&M University, and
14 so going forward, we have to make sure we do
15 everything so that we set the standard and not follow.
16 With all of that said, and I think your plan to go
17 ahead and kind of show what would be, quote, due to
18 Athletics, if you did do that work and bring it back,
19 it's good for PR marketing and good for our knowledge.
20 With all of that said, if I'm not out of order, I
21 would just call the question.

22 CHAIRMAN WARREN: The question has been called on
23 which motion? The motion in the action?

24 MR. CASSIDY: Let me read you the proposed
25 action.

1 TRUSTEE LAWSON: Chairman, do you --

2 MR. CASSIDY: I have it, thank you. We believe
3 that we have presented a comprehensive and reasonable
4 plan going forward, which is what we're asking you to
5 adopt. And the goal is ---the recommendation is based
6 on this five-year financial plan and the spreadsheet
7 that you have seen and the other documents presented.
8 We recommend that the Board approve this five-year
9 financial plan to do two things: Address the
10 financial stability of Athletics; and second of all,
11 to address the finding that was raised by the State of
12 Florida, Office of the Auditor General in their
13 operational report 2014.108, which said that we owe
14 money to ourselves.

15 TRUSTEE DORTCH: So moved.

16 TRUSTEE LAWSON: Second.

17 CHAIRMAN WARREN: It's been moved and properly
18 seconded.

19 Any questions or further comments?

20 TRUSTEE REED: Excuse me. I just have one
21 question, and this is pertaining to the action, the
22 fourth bullet. Is there a requirement or any issues
23 for us to execute that fourth bullet from a
24 contractual stand point or something of that nature?
25 Is there any liability associated with this fourth

1 bullet?

2 CHAIRMAN WARREN: The bullet in the rationale or
3 recommendation?

4 TRUSTEE REED: The management of the University-
5 owned assets that are included in the revenue.

6 CHAIRMAN WARREN: So Mr. Cassidy, do you want to
7 read the recommendation verbatim? I think you just
8 tried -- the bullet is in rationale but taking the
9 action that's at the bottom.

10 MR. CASSIDY: Yeah. And the University's --
11 well, the Board of Trustee's Policy Number 2005-18
12 gives the authority for these assets to the Athletic
13 Department, and so, the policy already exists. It
14 wasn't being followed for a number of years, and then
15 not following it got codified in a document, but we're
16 really asking that you take it back to where the board
17 policies says it should be.

18 TRUSTEE DORTCH: But Mr. Chairman, to that end, I
19 would encourage, and I would like to actually offer a
20 motion, because I'm not disagreeing. I think we
21 should, but we're one family and I don't think it
22 should be "this is it," and not have communication and
23 dial-up with the Boosters.

24 And so, my motion is that the Chair and the
25 President, working with Finance and the Athletic

1 Department meet with the leadership of the Booster,
2 work hand and hand so that there is an amicable
3 friendly working effort to inform of the intentions of
4 the University but to work so at least to keep them
5 engaged, so there's no alienation between what they've
6 done over the years and try to do. But still, at the
7 same time, we know what the ultimate decision has got
8 to be and that's what's in the best interest of
9 Florida A&M University. So I so move.

10 TRUSTEE WOODY: Second.

11 CHAIRMAN WARREN: I think there's an existing
12 motion on the floor.

13 The first motion.

14 TRUSTEE LAWSON: Allow me to amend this motion?

15 TRUSTEE DORTCH: I'm sorry. I'll wait for the
16 first motion --

17 TRUSTEE CARTER: I think we should do the first
18 motion since there's more discussion there.

19 CHAIRMAN WARREN: So we're back on the first
20 motion. It was properly seconded. All in favor of
21 the first motion? Unless there are further questions.

22 TRUSTEE LAWSON: Question. As the originator of
23 the motion, he can amend his own motion if he so
24 desires to?

25 TRUSTEE WOODY: It's a separate motion.

1 TRUSTEE DORTCH: I will amend the motion to
2 include the second part so that it is approved, the
3 program, and direct that the President and Chairman
4 with the Athletic Department, Finance, and the Booster
5 come together to work out a workable plan to
6 transition the assets.

7 TRUSTEE LAWSON: I will second that motion.

8 CHAIRMAN WARREN: All right. Any further
9 questions?

10 TRUSTEE CARTER: Mr. Chairman, since that's from
11 your committee...

12 TRUSTEE LAWSON: Actually, essentially, it's now
13 a committee of the whole.

14 TRUSTEE CARTER: All right.

15 CHAIRMAN WARREN: All in favor.

16 (All answer affirmatively.)

17 CHAIRMAN WARREN: Those opposed? The "ayes" have
18 it. Thank you, Mr. Cassidy.

19 MR. CASSIDY: Thank you.

20 CHAIRMAN WARREN: Thank you, Mr. Overton.

21 Are there any other action items to come before
22 the board?

23 (Trustee Dortch exits meeting.)

24 CHAIRMAN WARREN: So that rolls them up so to
25 speak. Before we lose a quorum, I just want to be

1 sure we are done with the action items, so let's go
2 then, if we're done with action items, to the status
3 updates.

4 First of those is Faculty Senate.

5 TRUSTEE GRABLE: Thank you, Mr. Chairman. The
6 Faculty Senate is the highest legislative body in the
7 University. With that said, the Faculty Senate meets
8 on the third Tuesday of every month. We will be
9 meeting on this coming Tuesday, March 15th. We are --
10 our agenda right now will include a report from
11 Faculty Senator Latinwa regarding an ad hoc committee
12 that the Senator developed to help suggest activities
13 that the faculty can participate in, in an effort to
14 help the University with this performance matrix. So
15 we're excited that. That has been going on.

16 And also, we will have an update from several
17 different departments, including Dr. Hudson's shop,
18 the Division of Research and a couple of others. And
19 that's all I have.

20 CHAIRMAN WARREN: Thank you, Trustee Grable.

21 TRUSTEE GRABLE: I'm sorry. I did want to make
22 one other comment. I want to publicly thank the
23 President and the Provost for their, during the last
24 couple of months, have made a Yeoman's effort and
25 showed up for our Faculty Senate meetings. That is

1 really important, and we appreciate your presentation
2 last month, Madam Provost, as well as President
3 Mangum. Thank you. And we look forward to seeing you
4 on Tuesday.

5 CHAIRMAN WARREN: Thank you again, Trustee
6 Grable.

7 The Student Government Association, Trustee
8 Graham.

9 TRUSTEE GRAHAM: Mr. Bruno, the person on the
10 agenda will do it.

11 MR. BRUNO: How is everybody doing?

12 Greetings, Board members and members of the
13 audience. I'm here to provide the Student Government
14 report. For those of you who I haven't had the
15 opportunity to meet yet, my name is Justin Bruno. A
16 little bit about myself: I'm a third-year computer
17 engineering student from Orlando, Florida. I'm over
18 at the FAMU-FSU College of Engineering. I am one of
19 the recipients of one of the University's Life Gets
20 Better Presidential scholarships, and I'm currently
21 the Student Body Vice-President alongside Trustee
22 Tonnette Graham.

23 First off, Student Government recently -- first
24 off, actually I want to welcome all of the
25 newly-appointed trustee members. I'm glad to see you

1 guys are here serving the University.

2 For the report, first off, we have Student
3 Government recently under went an election last month,
4 on February 16th, for the positions of Student Body
5 President, Vice-President, Mr. and Ms. FAMU, the
6 attendance of the Court, continuing third-year
7 Senators for the Student Senate, and Class Presidents
8 and Vice-Presidents.

9 I was actually one of those elected in that
10 election, and as such, I will be the new Student Body
11 President and the student representative on the Board
12 of Trustees for the upcoming year. So I'm happy.

13 My Vice-President, Devin Harrison, was my running
14 mate, and he's a second year public relations student
15 from Tallahassee, Florida, and we will be executing
16 transition period for building up our administration
17 in the coming weeks. So at the next meeting we should
18 have an update for our progress and forming that
19 Cabinet and the administration.

20 Mr. and Ms. FAMU also elected. Ms. FAMU is Amber
21 Lee Williams (phonetic.) She's a junior from
22 Tallahassee, Florida. And Mr. FAMU is James Rosier
23 (phonetic) from Orlando, Florida.

24 The attendance for each class that will serving
25 on the University's Royal Court were also elected, and

1 their Royal Court is currently undergoing an
2 application process for selecting the royal escorts
3 for those attendance.

4 Next up, last month, the SGA sponsored a number
5 of student leaders to attend the 2016 New Orleans
6 Student Government training conference hosted by
7 American Student Government Association. Just a
8 little bit about the conference so you all have an
9 idea of what came out of it. The purpose of the
10 conference was to give student leaders from all over
11 the nation an opportunity to improve their student
12 government network with peers from other universities.
13 A few of the features were access to more than 20
14 intensive workshops and round tables designed to
15 address specific needs of individual Student
16 Government Associations, workshops for all levels of
17 student government, very evolved and strong student
18 governments, new student governments starting out, and
19 SGAs just trying to improve, and experience and
20 knowledgeable speakers from across the nation, all of
21 whom are former student government leaders and
22 advisors themselves.

23 SGA also sponsored students to travel abroad and
24 participated in a conference in both South Africa and
25 Dubai during Spring Break. That trip is currently

1 going on as we speak. One of your colleagues, Trustee
2 Graham, she actually traveled with the group to South
3 Africa and just returned early this morning. She
4 reported that she had the opportunity to meet
5 university officials in Durban for future partnerships
6 with FAMU students, between FAMU students and their
7 students, so that should be something very beneficial
8 to the University coming up.

9 In terms of programming SGA, we have the FAM
10 Fest, which is somewhat of a remix of the what used to
11 be called the "Be Out Day." That is scheduled to take
12 place -- is being planned currently and is scheduled
13 to take place in April.

14 Renovations for Student Government are taking
15 place right down the hall. As you all know, this is
16 the second phase of the use of the CITF funds. The
17 first phase was the renovation of the SBI lounge. The
18 initial vision of the renovation and corresponding
19 construction are scheduled to be completed by the
20 second week of April, but there's an extension of the
21 initial vision that will extend the total completion a
22 bit beyond that deadline. But as I said, the
23 instruction as associated with the initial vision will
24 be completed by the second week of April.

25 Just a brief point on Homecoming. Homecoming,

1 2016, the planning process is under way. Dr. John
2 Lee, he's been doing an excellent job thus far in him
3 leading the effort of planning and doing the committee
4 endeavors.

5 We have recently appointed some student
6 representatives to serve on that committee and have
7 already seen signs of productivity on the committee
8 that should lead to a more effective and enjoyable
9 Homecoming experience for students and alumni.

10 I will continue to make myself available to the
11 committee in that process for support, but my Vice-
12 President elect, Devin Harrison, is set to serve as
13 the overall student chair person for the Homecoming
14 planning processes as we move forward.

15 And lastly, the Florida Student Association of
16 which Trustee Graham serves as the chair had a
17 successful rallied here in Tallahassee this past month
18 on February 10th. Many students joined in on that
19 rally from across the state, and the Florida Student
20 Association is also planning to launch a state-wide
21 student campaign to address mental health coming up
22 next week.

23 So that is all I have for you all, and I would
24 like to say I appreciate the opportunity to address
25 you all, as you all will be my colleagues on the Board

1 in our meeting in June when I take my seat as the
2 student representative on the Board of Trustees.

3 So I thank you and I look forward to working with
4 you all as we continue to serve the University.

5 CHAIRMAN WARREN: Mr. Bruno, thank you for your
6 presentation. And I would say to you that you fill
7 some big shoes following behind Trustee Graham. This
8 is -- I don't know if it's my fourth or fifth year, I
9 can't remember -- on the Board of Trustees, and it's
10 been my experience that the representation from the
11 student body has been strong.

12 So I give you that as a warning that our
13 expectation is you will be strong.

14 MR. BRUNO: Yes, sir.

15 CHAIRMAN WARREN: We've had nothing less than
16 that from Trustee Graham. In fact, Trustee Graham, we
17 didn't think you would be here today, so it's good to
18 see you. And with 49 days left, I think there's more
19 than 49 days between the next time we may see one
20 another, so it's also an opportunity to say thank you
21 for your service to the Board, and to the student body
22 and to the University.

23 TRUSTEE CARTER: And to the Board of Governors.

24 CHAIRMAN WARREN: And to the Board of Governors.
25 Thank you. So fill the wagon, partner.

1 University Advancement and Alumni Affairs.

2 VP Cotton.

3 VP COTTON: Good afternoon, Mr. Chairman, Madam
4 President, and members of the Board. I will be brief
5 in any comments because much of what I intended to
6 report on, quite frankly, has been alluded to by
7 Trustee Grable earlier.

8 I would like to point out several successes that
9 I think bear mentioning. The first thing I would like
10 to say is after my almost 30 years of development I
11 have learned that success and advancement is
12 surrounding yourself with talented people who know
13 what they're doing. So let me begin by talking about
14 the fundraising aspect, which I began to refer to as
15 the "English plan." And for those of you who have not
16 had a chance to meet my Associate Vice-President For
17 Developing, Michelle English, michelle leads to
18 strategy and comprehensive vision for fundraising for
19 university advancement.

20 To-date, fundraising -- as a matter of fact, I
21 pulled the numbers up -- we have raised \$4,760,000 and
22 some change; with roughly \$353,400 in the pipeline,
23 and pipelines are gifts that we have pledges for that
24 we feel relatively sure that we're going to get within
25 the next 45 days. So they're not just pledges where

1 people say they're going to give money; they're gifts
2 that we've already talked about the gift agreement and
3 we've already met with them.

4 So when you put those two together, we're sitting
5 just south of \$5,117,400, but 4,764,000 already in
6 hand. And just in case you're wondering, this time we
7 were sitting at last year was 4,255,000, so we're
8 about 12 percent above where we were last year. And
9 one thing I want to point out is we're doing that with
10 a smaller staff, a smaller staff focused on raising
11 larger gifts. We're focusing now on major
12 fundraising, less events, and less individual annual
13 giving. We were focused on \$25,000 and above.

14 The other thing, Dr. Mangum mentioned this
15 earlier, the average gift is up from \$797 last year to
16 \$1500 per donor this year. And again, we're doing
17 this year with fewer donors.

18 The other thing I would like to mention is one of
19 the things that I take great pleasure in is we have
20 more than \$1.5 million in gifts this year from people
21 who have never made a gift to FAMU before. That is an
22 outstanding achievement, and that is something that
23 again I have -- I love to take a lot of credit for,
24 but I have to give the credit to Ms. English, because
25 she came in and put a focus on that.

1 The other responsibility I have is working with
2 very talented group of people who supervise the Alumni
3 Affairs Department, and I refer to this section as the
4 Lee model. If you met Dr. John Michael Lee, Dr. Lee
5 is a data nut, and I mean that with all degree of
6 sincerity. He's constantly pushing us to focus on
7 data and results.

8 Our alumni engagement numbers stands roughly at
9 nine percent. And John and I were talking about this
10 earlier and he knows that I want to be at 12 to 15
11 percent category, and if we are successful in getting
12 to that 12 to 15 percent category, we'll be at the
13 average for HBCUs.

14 I would like to echo something that was mentioned
15 earlier. A person who I have had a chance to meet and
16 have a lot of respect, your colleague, Lieutenant
17 Colonel Greg Clark, is the new President of the
18 National Alumni Association. I am extremely excited
19 about that. Lieutenant Colonel Clark has agreed to
20 sit with us and has accepted the responsibility of
21 raising \$500,000 to assist in FAMU students moving
22 towards graduation and eliminating debt, so we're
23 really excited about that. That's something that the
24 NAA has decided to do and something we're very excited
25 about.

1 The other objective that I want to focus on is
2 the fact that I'll be challenging our Alumni Director,
3 Dr. Lee, to take a look at moving us from our current
4 numbers which are roughly four to five million
5 dollar -- 4 to 5,000 active alumn, to 6 to 7,000
6 active alumn on a annual basis. If we're able to do
7 that, Lieutenant Colonel Clark, that will give us 12
8 to 13 percent average.

9 So for Lieutenant Colonel Clark and Dr. Lee,
10 that's the challenge that we're going to be trying to
11 get at that 12 to 15 percent category. The last
12 category I will mention in my role is to also serve as
13 executive director of FAMU Foundation, and that
14 section I refer to as the "Poole Philosophy."
15 Associate Vice-President Angela Poole is responsible
16 for working directly with the Foundation and managing
17 investments.

18 The FAMU Foundation endowment stands roughly at
19 \$125 million. We lost roughly \$4 million last year,
20 but even with that loss, FAMU Foundation remains the
21 largest foundation of all public HBCUs.

22 As a matter of fact, not only does it stand as
23 the largest for all public HBCUs, even when it's
24 compared to all HBCUs nationwide, FAMU is 4th or 5th,
25 even when we consider institutions like Howard,

1 Spelman and Hampton. FAMU stands at 125 million and
2 the next closest to us is 50 million, which is
3 Tennessee State.

4 So quite an impressive legacy that we stand on to
5 begin, even though we lost four percent. And just for
6 the record, we're currently reviewing our investment
7 philosophy, and we'll be meeting in May to take a look
8 at plan forward that would add strength and stability
9 to our endowment because we most certainly need to
10 grow that endowment.

11 Last thing I want to mention and I'll take my
12 seat, is the Office of University Advancement just
13 completed our organizational retreat last week, and
14 part of the President's vision we are beginning to put
15 meat on the bones to talk about that hundred-million-
16 dollar Capital campaign that we mentioned earlier, and
17 we will be coming back to the Board later with some
18 touch points, because it will be the President and the
19 Board that will have to give us both vision and
20 marching orders in regard to that.

21 Mr. Chairman, Madam President, that concludes my
22 report, unless there are questions.

23 TRUSTEE CARTER: Were you by chance here this
24 morning when the man from SACS was here?

25 VP COTTON: I was taking copious notes, yes.

1 TRUSTEE CARTER: About the money matters. You
2 know I'm totally focused on the performance metrics,
3 so I try to tie everything into that. So he didn't
4 have -- I guess we're talking apples and grapefruits.
5 For every million dollars that we raise, how does that
6 impact our graduation rates? Do you see how I'm
7 trying to relate those two?

8 VP COTTON: I do, and I think he gave a very good
9 answer which is similar to the answer I would give.
10 He said it's almost impossible to put a dollar matrix
11 on that. On one hand, I understand his point.

12 Years ago, I was talking to someone who was
13 trying to make the case that money wasn't is answer to
14 education, and money isn't what will solve the
15 educational crisis. One of the things that I've
16 always said is people who say that money isn't the
17 answer usually are people who have plenty of money.

18 So my thing is, money does matter. It makes a
19 significant difference, but the reality is, here at
20 Florida A&M University, we have to raise more. And if
21 in fact we raise more money and we're able to get to
22 that 10 to 20 million a year matrix that we should be
23 raising, a lot of those gaps will be filled because we
24 will be able to channel discretionary dollars to the
25 career center that Dr. Hudson was talking about

1 earlier. We will be able to channel two to four
2 million dollars a year into those support services for
3 students who come in and need ancillary to catch up.
4 We would be able to hire innovative faculty and put
5 challenge dollars for recruitment and research.

6 All of that are the types of things that would
7 happen if we had additional money. So yes, money does
8 matter, but we need more discretionary dollars.
9 Scholarship funding is wonderful and traditionally 60
10 to 70 percent of all funds that are raised go to
11 scholarships, but we need for discretionary dollars.
12 That would allow faculty and leadership to fund those
13 areas that truly would help move students move
14 academically.

15 CHAIRMAN WARREN: President Mangum?

16 PRESIDENT MANGUM: I just wanted to add one
17 comment about the resources and the value of the
18 endowment and the degrees of freedom and flexibility
19 that one has with it. Many of the larger resource
20 institutions that you saw on those slides, especially
21 the private ones, one of the core uses for those
22 resources have to do with faculty, faculty research,
23 and faculty investment through professorships, endowed
24 professorships that allow faculty to pursue and to
25 support graduate students to build out that research

1 portfolio, increases the attraction to your
2 institution and also allows you to fund facilities
3 that you wouldn't normally be able to fund through our
4 normal public channels.

5 So the funding does matter, but it matters most
6 when it comes to faculty excellence, I think in
7 research.

8 TRUSTEE CARTER: So is there -- it makes a lot
9 more sense to me. You see where I'm going with this,
10 because I think if we look at that and say, "Okay,
11 where is the value at for the resources?" I mean,
12 we're going to bring in new faculty that will bring in
13 the new students; two, we're going to enhance the
14 quality of life for the current faculty; that's going
15 to help us with the students.

16 But the other thing, too, is it's going to
17 enhance our perspective in terms of being able to
18 build and build and build and get in the mode of
19 building and staying in that mode. So we have to
20 fundraise one year and drop off, but have a sustained
21 program, and I think that will get us to where we need
22 to be. And I think that on those matrix and all, I
23 think for Dr. Mangum to have the discretion to move
24 forward, when she's talking to some professor, who his
25 and the latest Silicon Valley thing who wants to do

1 research, and say, "Well, I'm going to bring my
2 graduate students, but hey, this is what it's going to
3 cost is \$500,000."

4 We don't want her to say, "We'll get back with
5 you," because those resources need to be there because
6 when you do that and you're bringing in first-class
7 folks, and you take care of the first-class people
8 that are here, then you are more likely to have a
9 student population and particularly one in graduates.
10 I think that's one of the charts on there talked about
11 how the rates and everything improved on a graduate
12 level.

13 So I'm really excited about that and I think
14 probably all of us could get excited with our
15 fundraising and assistance to the program.

16 Thank you.

17 LIEUTENANT COLONEL CLARK: First, I want to make
18 sure that I can introduce everybody to some of my
19 executive board members back there. I see Mr. Moore
20 back there, and more executive board members and make
21 sure they're introduced. They're here to support us
22 and I'm so happy they are here today.

23 I also want to personally invite each and every
24 one of you to the 2016 National Alumni Convention.
25 It's on the board right there in Tampa, Florida;

1 May 25 through the 29th. We will also be meeting the
2 FAMU Foundation will be a part of this meeting and the
3 thought process would get two of the DSOs up under the
4 same umbrella at the same times so we can kind of talk
5 this thing out and move this thing forward.

6 So I personally invite you to the convention.
7 We're going to have a good time, but we're going to
8 meet and raise some money. We are committed to
9 raising half-million dollars. It will culminate on
10 that breakfast, that Friday morning, the 27th. I
11 think that is the date -- the 28th, I'm sorry -- and
12 we will raise this these dollars, and we're going to
13 use them right away, okay? We'll pull together a
14 scholarship committee along with members of the
15 University and figure out which students that need
16 help right away. So that's step one.

17 And then we'll go on to whatever next project the
18 University needs our help with, and we're committed
19 with VP Cotton and making that work.

20 Last thing is membership. We're going to drive
21 the membership. I'm going to ask each and every one of
22 you to become members of the National Alumni
23 Association. So I'm coming to you, so I'm going to
24 publicly say that today, and we're going to have to
25 get those numbers up.

1 Thank you so much for all the help you do.

2 CHAIRMAN WARREN: Trustee Graham.

3 TRUSTEE GRAHAM: Thank you, Mr. Chair.

4 VP Cotton, wait a minute. You mentioned
5 scholarships earlier. I wanted some clarification on
6 the Strong Finish Scholarship from the President. How
7 do you determine the merit or priority for students
8 for funding throughout the school year?

9 VP COTTON: I think that's probably a question
10 more appropriate for the President and Dr. Hudson.

11 PRESIDENT MANGUM: The Strong Finish Scholarships
12 are scholarships that we have raised funds for
13 students that finish Florida A&M University in four
14 years, that came here without any scholarship or
15 merit-based funding. That's to say they have paid
16 their way and they did it in four years. They came
17 and they primarily financed their way through loans.

18 I have an additional set of criteria that deals
19 with the income level. These are all Pell and Pell
20 eligible students. That's for the Strong Finish
21 Awards, and that was provided through the gift
22 agreement from the philanthropist who provided the
23 resources. So we are string finish awards to those
24 students in that income level.

25 We have a High Achievers Award. We have two

1 levels of high achievers that are primarily -- awards
2 used for retention. Those are also restricted based
3 upon donor requests. One set of High Achiever Awards
4 has to do with rising sophomores and rising juniors;
5 the primary purpose is to increase our retention
6 rates.

7 The Board of Governors performance criteria
8 suggest that students that are retained and have a GPA
9 over 2.0 counts for our matrix, but the students that
10 are able to transfer are the students that typically
11 have a 3.0, 2.75 and higher GPA, so we provide awards
12 to those students in the year that they're coming back
13 to pay tuition. That is also moderated by income,
14 Pell-eligible students. And I have another donor that
15 provides, and that's under \$40,000 in household
16 income.

17 We also have another donor that provides
18 scholarships to students that household income goes up
19 to \$80,000, because they're trying to effect some of
20 the middle income students that might be right on the
21 edge, and they're provided with the same type of
22 criteria. Students with 2.75 or over, and those
23 awards are based upon the amount of money we have
24 availability in the pool, and we award them based upon
25 the level of GPA.

1 So for example, last year, a student with over a
2 3.5 GPA would have received \$5,000. Student that was
3 3.0 may have received four. And 2.75, so it's a
4 graded scale, so we give out all of the money we get
5 out every year to the students that meet those
6 ccriteria for retention.

7 TRUSTEE GRAHAM: Thank you, Madam President.
8 Maybe I should reset my question or share the
9 scenario. I was asking on how it's divvied out or
10 given throughout the year, because I know in the past
11 I've sent some students to your office for assistance,
12 and they're saying they can't get it at this time or
13 they'll be placed on a priority list. More
14 specifically, one of the young ladies working in the
15 President's dining room today was eating with some of
16 my colleagues on the Board, and they were just having
17 a conversation with her, and she shared how she has
18 one more semester left but she has a couple of
19 thousand dollars owed so she can't register to
20 complete her last semester.

21 And a similar situation has happened to a former
22 FAMU student leader, with a resume probably second to
23 none in the history of student leadership. But he
24 graduated in December and can't get his diploma to
25 start his job because he has a balance. So what

1 systems are in place, or how can these students get
2 these scholarship funds so they can move forward?

3 VP COTTON: One of two ways -- one is I would
4 invite and I would be glad to talk with you
5 specifically about that as soon as the meeting is
6 over.

7 But in general, as you are probably aware, as
8 long as the student has at least a 2.0 GPA, we have
9 numerous scholarships that are available throughout
10 the year and that are administered at different times
11 of the year. But by and large, as the President
12 implied, the overwhelming number of our scholarships
13 are dictated by the donor intent, and as long as the
14 qualifications is there and as long as the funding is
15 there, we try to work directly with the students.

16 But without dealing specifically with what, I
17 would recommend in this particular situation is you
18 and I talk. I was going to say, Dr. Hudson and I talk
19 almost weekly about situations, because we get calls
20 almost every day from parents who say, "My child is
21 eligible for a scholarship. Why didn't my child get a
22 scholarship?" And there's always a back story.

23 But where it's possible we try to work as
24 intimately as we can if the money is available, and if
25 the money is available. but specifically, Dr. Hudson

1 probably has a better understanding.

2 DR. HUDSON: Specifically with students, there is
3 a variety of why students won't get scholarships. And
4 we're talking about scholarships, but in many cases it
5 financial assistance. There's a very big difference
6 between scholarships and financial assistance, and a
7 lot of our students may not fit what the criteria what
8 the donor money had specified it for. But the
9 University does a great job in providing financial
10 assistance, and that's through the Office of Financial
11 Aid or through the Foundation.

12 It also depends on the amount, because you have
13 some outstanding amounts that could be up to \$11,000,
14 and there's not financial assistance or Foundation
15 scholarships that's going to cover \$11,000 for a
16 student.

17 So it depends on the scenario and the situation
18 that the student is in, whether or not we can be able
19 to help them. Through financial aid, you know there's
20 a cap. We can't exceed that cap, and so many of those
21 students have exhausted the financial aid to be able
22 to assist them because they have taken out loans,
23 specifically our out-of-state students, and have
24 exhausted their budget or their budget for that year.
25 So we don't want to go back down that path of

1 assisting those students and have to repay that money.

2 CHAIRMAN WARREN: So Dr. Hudson, let's see if I
3 can help in the answer to Trustee Graham.

4 In the same way that you receive federal dollars
5 for financial aid to students, they come with some
6 constraints for rules of distribution of those
7 dollars. Similarly, when you get a dollar from a
8 donor with restrictions but restrictive funds, the
9 donor typically articulates how the money is to be
10 spent or disbursed based on a certain criteria. It is
11 what you were talking about earlier, the discretionary
12 dollars or unrestricted funds, that would allow you to
13 respond to a student request that comes through VP
14 Hudson's office.

15 And then he talks to you about the resources we
16 can use to help the student out. Those are the
17 discretionary powers. And also, let's be clear about
18 this: The Foundation is not the maker of financial
19 aid. They don't make scholarships. They fund them at
20 the request of the donors.

21 So your role, Mr. Cotton, is to, in raising
22 money, to satisfy the strategic objectives of the
23 University; one of those is financial aid and/or
24 scholarships to students, but you're not a
25 decision-maker on who gets it, nor should you be the

1 conduit for which they come. And if you did get one,
2 hopefully what happens is you refer it back to
3 Dr. Hudson. That's his role with financial aid and
4 financial assistance to students. But for clarity
5 purposes, donors -- you know, it was an interesting
6 point over here. If Colonel Clark is successful in
7 raising this half-million dollars, this half-million
8 dollars is going to come as restricted funds. It's
9 for students of a certain type.

10 You will have the audit type that walk in the
11 door that says, "I need \$11,000," and have no fund,
12 unless you have discretionary funds, to be able to
13 address that. In my first year on this board, I meet
14 a student who can't get back in the school because a
15 student owed \$9,000. In listening to that story that
16 just happened to be myself and another trustee hearing
17 the story and had the resources in the Foundation to
18 address that need, but that was the donor deciding to
19 use those resources to address that student's need so
20 the student could get back in school.

21 So again, you're the gatherer of the eggs, but
22 you don't decide when they get scrambled.

23 VP COTTON: Let me say this, Mr. Chairman, and
24 I'm glad you said that because it helps people
25 understand. The President and I talked about it, and

1 she made it clear to me, one of the things, one of the
2 challenges we have as a Foundation is to make sure we
3 understand what you just said.

4 When people say, "Oh, wow, \$125 million, we try
5 to make people understand that this -- Ms. Poole and
6 Ms. English and I don't sit around and receive
7 proposals and fund proposals. That's not what we do.
8 Donors give us money, it's specified what the purpose
9 of that money is for, and then we have to respond to
10 what the donor says. It's not to the major and the
11 focus of the donor and the gift, okay?

12 TRUSTEE LAWSON: So one quick question. How are
13 the students made aware of the respective criteria?
14 So if a person puts money aside for students from a
15 certain geographical area, how do the students become
16 aware of what's available to them?

17 DR. HUDSON: The Foundation has a portal where
18 students can go and apply for scholarships, and it
19 lists was the criteria area for those scholarships.

20 TRUSTEE LAWSON: So the student has to take the
21 initiative to go to the portal if they're looking
22 for --

23 VP COTTON: And one thing we are doing, Trustee
24 Lawson, is we have improved the scholarship portal,
25 and to the credit of people like Trustee Graham who

1 has held our feet to the fire, we are doing a much
2 better job of making sure the students are aware of
3 the portal. The portal will talk to you about
4 eligibility, it will talk to you about what types of
5 scholarships are available, and what the application
6 dead lines is and what the criteria is.

7 PRESIDENT MANGUM: I would like to add, though,
8 for the Strong Finish Awards, that we give at
9 graduation that pays down portion of the students
10 loans, there is no application process, other than
11 they apply for graduation. We run the records and see
12 if they've been here and completed in four years, and
13 if they have outstanding loans, based upon the
14 resources we pay down up to 50 percent of those loans,
15 directly to the bank.

16 TRUSTEE LAWSON: But that's different than where
17 a donor has earmarked their dollars to go to a
18 specific type of student.

19 PRESIDENT MANGUM: That's correct, right.

20 TRUSTEE WASHINGTON: Just a quick recommendation.
21 Is there a way to put on the portal, also, on the
22 financial aid or student services page as well, so
23 students don't have to take an extra step as they're
24 already applying for financial aid.

25 DR. HUDSON: It's on the financial aid website.

1 CHAIRMAN WARREN: Thank you, both.

2 TRUSTEE GRAHAM: Is the portal up and running?

3 VP COTTON: Yes.

4 TRUSTEE GRAHAM: Okay, because I heard it wasn't.
5 What's the link for it?

6 VP COTTON: Why don't I send that information
7 directly to -- assuming it goes to the Board, I'll
8 send it to the Board Liaison and make sure we get that
9 out.

10 Dr. Hudson just said we'll send it out FAMU info,
11 okay?

12 CHAIRMAN WARREN: Okay, thank you.

13 Government Relations and Research. VP Moore.

14 VP MOORE: Mr. Chairman, Madam President, members
15 of the Board, new members of the Board. I'm Timothy
16 Moore, Vice-President of Research. It's a pleasure to
17 be before you today. I actually have two hats on
18 today. I have a government relations hat, and I have
19 other responsibilities for research enterprise, which
20 includes intellectual property as well as our overall
21 research goals for the University.

22 What I would like to talk about first -- and I
23 didn't put it in my slides, I apologize -- is just an
24 update on our legislative activities within the state.
25 At present, we're in the final couple of days of our

1 state legislative session. We are very thankful to
2 our legislators for the help they have given us this
3 year, although we're a little bit disappointed we're
4 not getting all that we asked for.

5 Right now, we have 6.5 million dollars in PECO
6 funding that has been added to last year's amount for
7 our Student Services building, which we believe will
8 accelerate the work of Dr. Hudson and others around
9 the university to insure that our students have one at
10 one point stumping for their activities as it relates
11 to student support.

12 We also have been able to convince legislators
13 \$1.5 million in recurring funds for our Crestview
14 campus, so that our pharmacy program there will remain
15 whole and intact going forward. One other piece of
16 legislation that is in place, is a discussion around
17 industrial hemp research. The universities that have
18 land grant programs, ourselves and Gainesville,
19 Florida, have land grant missions. We are being
20 granted, looks like if the language goes through
21 and the Governor does not strike it, will be approved
22 to be engaged in that kind of research, and we'll talk
23 about that in just a few moments.

24 I would like to, with your permission, Mr. Chair,
25 go into my slides here for the committee and then

1 answer any questions you might have. So let me see if
2 I can get this running.

3 All right. My job today is to give an update on
4 research enterprise here at Florida A&M University.
5 Busy slide, but I want to give a couple of trends.
6 I'm a big believe in data, and so I want to make sure
7 where we are and where we're going.

8 Prior to my arrival, going back two fiscal years,
9 we were essentially flat in our research awards at
10 approximately \$42 million. Last year, we had a
11 significant uptake of almost 10 percent to 47 million,
12 and I've drawn a dash line to show we're projecting
13 right now around the 49 to 51 million range for this
14 coming year, and that would be a very sizeable jump
15 for us.

16 But the most important part of this is like
17 commodities futures. As you look through our future
18 activities -- i.e. our proposals -- our proposal
19 volume is exploding out of the gate. Right now, we're
20 sitting at approximately \$121, \$122 million, in
21 proposal volume to date. That should put us on track
22 for 140 million-plus in proposals. With a wind break
23 of 43 percent on average you can do the math, and we
24 will be in the high fifties or the next year and the
25 year after upon award of these contracts.

1 That's very, very important, because what that
2 significants is two things: One is that we're highly
3 competitive. The second thing is that our faculty are
4 becoming very much engaged in writing proposals. And
5 I want to credit the President, the Provost, and
6 members of the Board of Trustees for considering some
7 ideas that I have put forth awhile back for finding
8 supplemental pay activities for our faculties to
9 conduct research and engage in scholarly activities.

10 With the help of the Provost's office, we think
11 we will have that to the Board for vote for
12 consideration and review in the June time frame.
13 That's important. What it will do is allow our
14 faculty to generate additional income based on buying
15 out time on some other salary lines by buying project
16 work.

17 I want to pause for a second, Mr. Chair, and talk
18 about the synergy between what Mr. Cotton does and
19 what Athletics do and what we do in research.

20 For every \$12-and-a-half million of donation we
21 receive, it goes into escrow account, that Mr. Cotton
22 will tell you, we draw a certain percentage that we
23 can use. For every faculty member, that generates a
24 million dollars of fully burdened research work here
25 at this University. We generate the equal amount of

1 money, the \$12-and-a-half million dollars that
2 donation money generates.

3 So what you're seeing there is the research
4 enterprise, and the donation enterprise to come
5 together and to compliment each other. That's why
6 when you look at the policies of this University, you
7 can't segregate Research from Foundation, from
8 Athletics, because all of these things intertwine and
9 interplay.

10 I want to also touch on another point, which the
11 Foundation is very, very important, because the more
12 endowed chairs we receive, the more state money we can
13 actually redirected into other areas and activities.
14 Trustee Grable and I have talked on a number of
15 occasions about the start-up packages for new faculty.
16 For an engineering faculty to come in with some note,
17 you're looking at half-million-dollar starting
18 package; biological sciences, a quarter-million
19 dollars. Those are dollars that do not exist right
20 now at this university and we're going to have to find
21 ways to be very creative, both at enterprise and
22 research, as well as the Foundation, to find ways to
23 sponsor that, because that's critical to our
24 sustaining success and march towards research
25 preeminence.

1 I also want to point out to you, early in January
2 of this year -- I'm sure the Provost has already
3 shared it with the Board, but I think with the new
4 members it's worth noting.

5 This year, we moved from our Carnegie Level 3,
6 R3, ranking, to our Carnegie Level 2 ranking. There
7 is only four total HBCUs in that category, and with
8 the Number 1 HBCU in terms of research across the
9 United States, that's a significant event. Our
10 Number 2 competitor within the HBCU is \$20 million
11 behind in annual work rate, so we're doing very, very
12 well. And our faculty are exemplary, but we're going
13 to try and clean the obstacles out and make sure the
14 process of getting proposals in goes forward very
15 smoothly.

16 Intellectual properties, another indicator of the
17 health of the University. One of the things I would
18 like to point out to the Board is this. I'm not a big
19 fan of tracking patents. The reason for that is
20 they're very expensive and they take time. I think
21 the greater indexes of success is the area of
22 intellectual property disclosures. That's where a
23 faculty member or a staff member says, "I have an idea
24 and I want to go ahead and file it protective," and we
25 can do provisional filings. We had a drop-off for a

1 couple of years, and this kind of U-shaped graph in
2 that we had nobody in our tech transfer office.

3 This past August, I hired Mr. Reece Salisbury,
4 (phonetic), who has been very introduced to The Board
5 previously and has been very energized to go out to
6 our faculty to make sure they're beginning to report
7 their discoveries. We expect that number to grow.
8 Just to give you a thumbnail for the Board of
9 Trustees, for every 10 IP disclosures, we usually
10 generate one patent. So we usually have this one
11 draw down in a funnel shape. So for every one of
12 those disclosures, we get a patent out of every 10.

13 So what that means for us is, as we grow our
14 invention disclosure pool, we have more ability to do
15 license agreements, we have more ability to
16 commercialize, we have more ability to protect what is
17 rightfully Florida A&M's intellectual property.

18 As I indicated earlier, I have a couple of points
19 I'm going to walk through. I apologize for the busy
20 slides.

21 Faculty supplement plan. This is very, very
22 important. I think it's another reason our faculty
23 are taking off on writing proposals; they're
24 anticipating that the Board will support this measure,
25 and I would urge you to give it full weight and

1 consideration. It's an innovative mechanism.

2 What I would also like to point out to you is my
3 colleagues, in the research phase at Florida,
4 University of South Florida and Central Florida have
5 all contacted to find out if this passes, how they can
6 copy Florida A&M University, which is a good thing.

7 Other thing I would ask our new board members to
8 do is to take some time to the Provost and tour around
9 some of our research facilities. You will see they
10 range from outstanding world-class, to things that are
11 probably third world, and we need to make sure we
12 address that, particularly in our biological sciences
13 research space. There's some real gaping holes there
14 and we need to make sure we find ways to infuse
15 capital there.

16 One thing that I've been very committed to is our
17 DRS program. For the members of the board that don't
18 know, we have one of three Developmental Researches
19 School in the state. That gives us a K-12 research
20 school here at Wahnish and Orange. I'm very much
21 committed to that. We're working with our partner at
22 Bellamy Station to actually put together a code
23 education summer camp. The intent of that is to make
24 sure our young minds in the 6th, 7th, and 8th grade
25 begin to learn how to write multiple device coding

1 applications so they can actually participate in the
2 IT community. We think that will be our stellar stars
3 coming forth in the next five to ten years.

4 New faculty recruitment and start-up packages.
5 We already touched on this, but again, in order to
6 maintain best in class, we're going to have to make
7 sure we engage the best faculty that are out there,
8 and they want to come. We've just got to be able to
9 clear the pathway for them.

10 Last point of order, Mr. Chairman, is this. We
11 have a NOAA contract renewal coming up where the
12 actual proposal will go at the end of this month.
13 This will be the fourth five-year contract that we
14 seek. That's \$15,000,000 for every five years we've
15 had it. We're the largest contract recipient from
16 NOAA. We're in the midst of doing STEM and workforce
17 diversity.

18 For those of you who don't know, 800,000-plus
19 federal employees are retiring each year for the next
20 three years. It is a massive brain drain going on in
21 the federal government and NOAA is turning to us in
22 full partnership to try and help staunch that blow of
23 brain and knowledge out the door.

24 One of the things coming up in the June time
25 frame will be a formal designation of a new center so

1 we can show that partnership with NOAA to be clear and
2 forthright.

3 Subject to any questions you might have,
4 Mr. Chair or Madam President or others members of the
5 Board, that concludes my comments.

6 CHAIRMAN WARREN: Are there any questions of VP
7 Moore?

8 TRUSTEE CARTER: First of all, thank you for
9 doing the correlations of what I was asking, those
10 correlations. Secondly, what you put up there, the
11 slide about recommendation, can you put that up again?
12 You know, people talk about recruiting faculty, is the
13 best way to recruit faculty is to treat your current
14 faculty well. Because it's a small community of
15 faculty all over the country and they talk to each
16 other. So obviously, we want to have the best in
17 class, so I'm really looking forward as we go through
18 that, Mr. Chairman, when we get to that point, I
19 really want to be in the process of supporting this
20 whole-heartedly.

21 Because research -- as a research institution if
22 you think about it, part of our we performance matrix,
23 the one chosen by the Board and Trustees for this
24 University has to do with research. So we need to be
25 going gun blazing working on this whenever humanly

1 possible, because I see how the correlation between
2 those research dollars; how it impacts on the
3 Foundation; how it impacts on the quality of life;
4 recruiting quality faculty and also providing research
5 space.

6 But really, we can't do that unless we treat our
7 current faculty well, because it's a very small
8 community, and in fact, on the Board of Governors, a
9 lot of times, talking to different Provosts and others
10 that both talk to one another, and I remember
11 talking -- it's semi-related, but we were talking
12 about the preeminence for the University of Florida
13 and Florida State, and they were talking about, "Hey,
14 are we going after of these professors or researchers,
15 they packages and all like that." They reach out to
16 folks on our faculty and say, "Hey, did they come
17 through for you? Did they this?"

18 So that's going to be very, very important, so I
19 think that should be running on bifurcated tracks:
20 One is going after new faculty get those things taken
21 care of, but also taking care of the current faculty,
22 because that's going to be the easiest way to do it
23 is, is having the current faculty doing research to
24 bring in those dollars as well as attracting faculty.

25 VP MOORE: Yes, sir, I would also like to make

1 another point for the Board to understand.

2 Right now there are about 3,000 colleges or
3 institutions of higher learning in the United States.
4 Of those, approximately 620 do research. From the
5 billion dollars a year, John Hopkins, down to a few
6 thousand dollars a year. We rank 199th in the
7 country. We're in the upper third of everybody in the
8 US, and our next nearest HBCU competitor is over a
9 hundred spaces behind us. Okay?

10 Second of all, for us to make the next leap up,
11 to move up to the 150 range, is only another nine
12 million dollars of research. So if we're in the
13 \$60 million a year range, we're moving up in some very
14 rare space and some space that we've never operated in
15 as a University. That's my desire is to get us there
16 and blow through that ceiling.

17 I don't want to be the best of an HBCU class.
18 It's important but that's not going to be our matrix.
19 What's going to distinguish this University is the
20 ability to be up there in the big dog world and
21 competing and winning on big levels.

22 The other point I want to bring out to this board
23 is this. When you look at federal research dollars,
24 sequestration and all of the other things we hear from
25 this political campaign this year, the one thing to

1 bear in mind is 10 percent of all research money is
2 federally-mandated as set aside dollars for minority-
3 owned small businesses, minority serving institutions
4 and HBCUs. Quite frankly, there's more money in the
5 federal sector that goes unclaimed than are mouths to
6 chase it.

7 When I was a federal program officer in the
8 Department of Energy, my number one dilemma each
9 fiscal year was finding qualified small and
10 disadvantaged and HBCUs that could actually understand
11 the need that I had, meet the deliverables, and be
12 qualified to execute the work. We stand in a very
13 rare area where we can drag a lot of the SUS along
14 with us, but we become the prime. Instead of feeding
15 on crumbs, we're actually going to be sitting at the
16 table driving the equations.

17 So I want to make sure that's very clear. Very
18 good points here. Thank you.

19 TRUSTEE GRABLE: And Mr. Chairman, could I follow
20 up on that? And I would like to thank Trustee Carter.
21 I know in our work plan narrative last year, I know
22 that the Provost added in a statement at my request,
23 that we if think about treating the faculty the way we
24 have expect to treat new faculty that we bring on;
25 Florida A&M must address the work and course load that

1 the current faculty is dealing with.

2 We teach more courses, have larger credit hours,
3 per faculty member than any other state university.
4 With that being the case, you could almost understand
5 why it's very difficult for faculty to be able to
6 spend more time on research. We are also being asked
7 to spend more time with students. I will tell you
8 right now, many faculty here on this campus, we spend
9 our spring break dealing with student issues. I've
10 had several calls this week, myself, and I'm sure
11 other faculty members do. We give students, a lot of
12 us, our personal cell phone numbers. We do a lot of
13 things to assist students. We are their parents while
14 they are here.

15 So beyond the teaching and the service and
16 whatever else is out there, potentially, on our
17 assignments of responsibilities, we need to make sure
18 those assignment of responsibilities allow for time
19 for research. It is terribly unfair -- and I'm going
20 to quote as close as I can a former president --
21 that's just wrong to ask a group of people, like
22 faculty, highly-educated people to do research while
23 you're overloading them with more courses over many,
24 many years here at FAMU than any other university
25 faculty has. We have got to address this problem.

1 And I know that I've discussed this with the
2 President, and I do believe there is some interest in
3 making that happen, but we must move quicker on that
4 or we will be here with faculty who have given their
5 lives -- 35, 37, 38 -- lots of years, mostly just
6 teaching, because we didn't have time to do other
7 things.

8 Thank you for bringing that topic up to the
9 table.

10 CHAIRMAN WARREN: Thank you, Trustee Grable.

11 LIEUTENANT COLONEL CLARK: I want to commend you
12 for the job well done in research. I think we are
13 headed in the right direction, and as Trustee Grable
14 said, we've got some issues we need to take care of,
15 but we expect to go the direction as you're taking us
16 right now. We're FAMU. We expect to be good and play
17 in that ballfield. So job well done.

18 VP MOORE: Thank you, sir. I appreciate that,
19 but as one ex-Army guy to a current Army guy, I'll
20 tell you this. I'm very fortunate to be sitting at
21 the top of the organization. A lot of people make me
22 look really good. I've got folks in sponsor programs,
23 tech transfer contracts and grants, my lab addible
24 component that don't give me a moment's worry, so I'm
25 able to do the big idea piece and not worry about the

1 day-to-day operation. I couldn't do what I do without
2 them and this University wouldn't function without
3 them.

4 I want to just segway for just one second,
5 Mr. Chair, back to the fact of the teaching load.
6 That's a very vital issue Trustee Grable brings up.
7 Right now, it's the primary way in which our teaching
8 can earn additional income, is by teaching overload.
9 And so that's the whole purpose behind this agenda
10 item that will be coming up before you in June, is to
11 give an alternative pathway for faculty to earn more
12 income. We want to make sure the teaching mission is
13 primary here. We also want to make sure the
14 scholarship is primary here and research is primary
15 here. We should be allowing our faculty within the
16 guidelines of the President, the Provost and their
17 Deans, to pick and choose which pathway they choose to
18 go based on their creative intellectual and personal
19 pursuits. I think right now, we just don't have the
20 tools in the tool box and this is what this whole idea
21 is about.

22 So sir, I would kindly ask the Board give it its
23 full weight and consideration when it comes before
24 them later this year.

25 CHAIRMAN WARREN: Thank you.

1 VP MOORE: Yes, sir.

2 CHAIRMAN WARREN: I think this provides a great
3 segway into the last component of our meeting on a our
4 strategic plan.

5 What we've been hearing are some critical areas
6 in the University that need to be, should be
7 addressed, and the hope is that when we finalize
8 strategic plan on these issues, particularly as to how
9 we go to quality and faculty, how we provide time for
10 faculty to do research, how we deal with the
11 fundraising initiatives and the focus of those
12 initiatives; all of those things, preferably from our
13 perspective, reveal themselves in the kind of
14 strategic plan that we finally planned on.

15 So I want to spend a few minutes before we call
16 it a day talking about the notion of a strategic
17 planning retreat. By the way, Brian has left to catch
18 an airplane so he won't be here to talk about --
19 unless someone is here to talk for him. He's already
20 gone?

21 TRUSTEE LAWSON: He did leave.

22 CHAIRMAN WARREN: So what I want to is get this
23 strategic planning retreat and to talk about the work
24 that has been done today and how we make best use of
25 this time frame that we have.

1 Dr. Mangum started out, in her President's
2 report, talking about the charge to the Strategic
3 Planning Task Force, and I want to be one of the first
4 if not the last to say the Strategic Planning Task
5 Force did one heck of a job of bringing all of that
6 information back to the President based on the charge
7 given them.

8 Now, here is us at the 30,000 foot level, is to
9 receive that information and it's reasonable that
10 before we start to toy with it, if I can use that term
11 and not diminishing the value of it, is for President
12 and her staff now to apply the thought process that
13 has to be employed on how we resource the money to
14 deal with faculty issues or how are we deal with the
15 student issues; how we deal with research issues; how
16 we deal with facilities issues. All of those things
17 have to come together strategically.

18 So we should have some expectation, Dr. Mangum,
19 that you and your staff are going to really pull it
20 apart and put it back together, and when you put it
21 back together to bring to us in some proposal that we
22 can then address. Your proposal to us would include,
23 also, the rationale for the decision-making that you
24 and your staff would have made before giving us this
25 document to review.

1 So it's my notion that we give Dr. Mangum and her
2 staff, leadership team and others, that she might
3 engage in that process; the opportunity to pull this
4 thing apart and put it back together and bring it to
5 us in some draft form that we can then be at when we
6 come together for our retreat.

7 Currently, I've put out on the table to the staff
8 that we have a strategic planning retreat in the month
9 of June. And that date was reached, selfishly, based
10 on my own calendar, but also trying to consider what
11 staff has in front of it between now and say the June
12 meeting, which I believe is in the first week of June.
13 For the colleges and the universities, the end of the
14 fiscal year is June, so there's this run-up to all of
15 this budget planning and all this other stuff that is
16 an awful drain on people resources, as you work your
17 way towards it. Trustee Woody knows exactly what I'm
18 talking about.

19 So what I don't want to do is for us to put
20 another burden on staff when we have that kind of
21 burden coming up. We have graduation coming up, so on
22 and so on, so, I throw out on the table for your
23 consideration this idea of a June retreat that was
24 earlier mentioned to be June 6, 7, 8, or 9, 10, 11, or
25 whatever it is.

1 Here is the notion: That we show up on a Friday
2 ready to go the work, so we will have -- or Thursday
3 or whatever it is. We will have an arrival on the
4 first day in time for dinner, but it's a working
5 dinner, guys; you come -- and ladies to roll your
6 sleeves up and get to work on orienting ourselves to
7 the larger part of the work that would happen the next
8 day.

9 We would start early morning into that work and
10 that would be at the Quincy Farm, but we will spend
11 the entire day and work through the evening. So that
12 we will start in morning and end early evening, but it
13 will work through the day and into the night as we
14 give that strategic plan all that it needs to be, and
15 all of the energy that needs to be addressed to it.

16 The third day of our meeting, we will deal with
17 the business of the institution kinds of things that
18 we've done today. So that's the idea that I put on
19 the table to you for us to dialogue about, so with
20 that I'm open to your input.

21 TRUSTEE LAWSON: Chairman Warren, I just had a
22 comment. I like the idea. I just feel like it needs
23 to be done earlier. The rationale for that is, I
24 think that there's been a lot work to date on the
25 strategic plan and it still needs you to go back

1 through the leadership team. There's a time that it
2 needs to also go to the Faculty Senate and then in
3 prep for that, it also has to go before the BOG, et
4 cetera. So there are a couple of time lines and I
5 just want to make sure we have enough time lines or
6 staged gates that we have enough time to get through.
7 As well as, I think if it gets done correctly, the
8 strategic plan should drive the budgeting process that
9 should begin shortly after that.

10 So I think June feels late to me, personally. I
11 could be all wrong on that, but it's just, I would ask
12 that we consider a date prior to June -- you know,
13 late April, early May. Because, again, for
14 Mr. Cassidy's work, what we align to in the strategic
15 plan and the big tenants we want to focus on will
16 drive all budgeting decisions and resource
17 allocations. So my suggestion is we consider a date
18 prior to June.

19 CHAIRMAN WARREN: Could I ask Dr. Mangum to speak
20 to the report having to go to the Faculty Senate to
21 the BOG?

22 PRESIDENT MANGUM: Thank you for that. There is
23 no requirement for BOG approval of the University's
24 strategic plan. And of course, we always talk with
25 the Faculty Senate when they meet, in the interest of

1 shared governance, about our processes, but there's no
2 approval either at the Faculty Senate level.

3 So it's a matter of discussion, like we discuss
4 all activities, and I believe the Strategic Planning
5 Task Force talked with the Faculty Senate on many
6 occasions to come up with the destinations document.

7 So conversations around how the University moves
8 forward in rolling out a strategic plan after we have
9 put the implementation around it can occur at any time
10 at the Faculty Senate. You have two more meetings,
11 correct?

12 TRUSTEE GRABLE: Yes, we do. We have a meeting
13 Tuesday, as you know, and one in April; the third
14 Tuesday. And I would like to at least say that in the
15 spirit of shared governance, we of course would want
16 to run that past the faculty, because we would be one
17 of the key constituents that have to help to make it
18 happen, so that would be --

19 PRESIDENT MANGUM: Absolutely. I'm speaking to
20 the time line of moving it up. One of the things I
21 explained earlier had to do with us gathering
22 information around different proposals that was in the
23 plan. Moving it to April is almost impossible for us.
24 We have, just this past week, passed out the
25 assignments for each one of the administrative areas

1 to gather the data we need to analyze. We gave them
2 until almost the end of March to be able to give us
3 the data back so we can look at how to apply it and
4 look at those scenarios across the institution.

5 Also, our academic calendar, looking at an
6 earlier date, we have graduation on the 30th of April
7 and I'm hoping that you will all come back and join us
8 on the 30th of April. But we also, in the month of
9 May, have the National Alumni Association meeting,
10 which basically mobilizes this entire campus and in
11 support of that event that is going to be in Tampa.
12 So we're really excited, and in fact, it is going to
13 be in the State of Florida, and that's going to make
14 it a a lot easier for us and a lot less for us to get
15 to it.

16 But we have the BOG meetings to prepare for, and
17 we also have Board of Trustees meetings in mid-May.
18 Your committee meetings are in mid-May that we have to
19 prepare for. This is usually the time of year that
20 many of the chapters of the alumni have their
21 fundraising events. I know we have got Seminole --
22 and we're we chase across the state going to
23 fundraising events; I do myself, as does the
24 development staff, Student Affairs staff.

25 It's going to be really tight for us to sit down

1 and have the analytical conversations that we need to
2 have and focus on it before June.

3 And one of the last things, I guess, I would like
4 to comment on is that we have some major fundraising
5 visits and activities that we have planned during this
6 period that I have to attend if we really want to hit
7 that mark that George is talking about and some other
8 conferences. That is the time of year for conferences
9 for many of the professional staff. It's just going
10 to be difficult for us to pull together a
11 comprehensive document in order to be able to get it
12 to you, because we have a marketing strategy,
13 marketing material, that we want to bring to you as a
14 result of the work that we're doing and working with
15 the communications staff to start preparing those
16 documents after graduation, basically, is when it's
17 going to happen. It's going to be the month of May
18 that we're going to try and pull all of it together
19 and have time to sit down as a team to work through
20 it.

21 So I implore you, I encourage you and plead with
22 you to let us take that June 9 date, because it's also
23 resource friendly for us; that means we bring you back
24 one time instead of two. And because also the
25 distance between here in Quincy, knowing there's a

1 little to no hotel in Quincy, so you will be traveling
2 back and forth, unless you would like to get a motel
3 type, then, you know, it might work.

4 CHAIRMAN WARREN: Trustee Woody?

5 TRUSTEE WOODY: I support that. June 9th is
6 what?

7 TRUSTEE LAWSON: Thursday.

8 PRESIDENT MANGUM: Thursday, Friday, and
9 Saturday.

10 TRUSTEE WOODY: So you're talking about working
11 Thursday, Friday, and Saturday?

12 PRESIDENT MANGUM: Thursday night?

13 CHAIRMAN WARREN: Thursday night, Friday, and
14 Saturday.

15 TRUSTEE WOODY: And we'll am have the board
16 meeting...

17 CHAIRMAN WARREN: On Saturday.

18 TRUSTEE CARTER: Mr. Chairman, I think since
19 we're going to be relying on the President and her
20 staff to get us that information, and there are some
21 things that are built into the calendar that she
22 cannot control, and plus, I'm all in favor to get the
23 President out there, for them to see her when they
24 want to write a check. So I think the June -- if
25 anything, let it be us adjusting instead of faculty

1 and staff and President. I think we can do that.

2 And another thing, too, is there's -- is there a
3 Board of Governors meeting in June?

4 PRESIDENT MANGUM: And a call in May.

5 TRUSTEE CARTER: So I think we should at least
6 defer to the President in terms of recommendation on
7 that. So the 9th, 10th and 11th, Mr. Chairman? That
8 works. We'll just have to adjust.

9 CHAIRMAN WARREN: 9th, 10th, 11th; that's
10 Thursday, Friday, Saturday. Anybody else? I want to
11 presume there's a consensus around the June date, but
12 do we need to take a vote on it?

13 TRUSTEE LAWSON: I'm sorry. Location. Where are
14 we thinking location-wise?

15 CHAIRMAN WARREN: Location Friday, we are here,
16 so probably have dinner where we had dinner yesterday.
17 But again, that's a working dinner.

18 And VP Miller and I and others, the onus is on us
19 to insure that the members are exhausted on that
20 Thursday, Friday, and Saturday. The hope is also --
21 the plan is to have a facilitator so that there is a
22 third-party orchestration of the process of our
23 thinking and input. And we travel, if you will, to
24 the Quincy on Saturday morning -- Thursday -- Friday
25 morning, we're there all day until the evening, we

1 travel back here to our hotel, we meet on Saturday at
2 the Foundation, and have our business meeting at the
3 Foundation, and then we're done. Okay?

4 We're good?

5 TRUSTEE WOODY: That's good. So the date is 9th,
6 10th and 11th?

7 CHAIRMAN WARREN: Yes, that's what I take from
8 you. There are other things in between that we should
9 be present at. Graduation is one of those. And I
10 don't know if you have been to FAMU graduation, but
11 there are a lot of people there -- and people as in
12 graduates -- and most times there's two sessions. So
13 it can be an exhaustive day, morning and afternoon
14 session, but that's why we're trustees, is to be there
15 for students, so I encourage you to log those dates in
16 your calendars and to be there if at all possible.

17 The Alumni Association's event in Tampa is one
18 that we should plan to attend, and if you aren't
19 yet -- and I promised you I would be and I will -- an
20 associate member of the Alumni Association, I
21 encourage you to do that.

22 If you are on the board of some non-for-profit
23 they say you have a responsibility as a board member
24 is either to give or to get. Well, this ain't quite
25 that, but our expectation of you is that you either

1 give or get or both. So be thinking about how you
2 make a contribution to the overall effort by giving or
3 getting or doing both, and you can be creative as to
4 how that happens. I won't dig into your pocketbooks
5 to tell you what to do, but I think the onus is on us
6 to be part of the effort, as opposed to being part of
7 the conversation about the effort, if you get my drift
8 here.

9 TRUSTEE CARTER: Excuse me for interrupting you,
10 Mr. Chairman, but will we be having Board of Trustee
11 staff send us out the dates and times included so that
12 we can calendar that, as well as graduation and all of
13 that.

14 CHAIRMAN WARREN: Yes. If I could ask
15 Dr. Starling, if you would capture all of those dates
16 in a calendar, and send it to us as just that so it
17 doesn't get confused with anything else. And by the
18 way, I don't know how many of you have the same
19 problem I have, but I never read any FAMU e-mails, so
20 hopefully someone can fix that for me but it's being
21 forwarded to my personal e-mail. So if you have that
22 same issue, is the point I'm bringing it up, is to let
23 someone know. Oftentimes, like Trustee Woody asked me
24 in December or January, I forget which one it was --
25 have I got the letter from the Governor's office for

1 the BOG, and I said no. I hadn't seen it, but it was
2 sitting in my FAMU e-mail box.

3 So if you aren't in the habit of going there,
4 then have it forwarded to. Or go there. I've
5 discovered that the hard way; that I need to read any
6 FAMU e-mail. So last thing, I want to harken back to
7 a place of where we started this morning, is the
8 discipline of staff, and I'll let you go.

9 Be mindful of the fact that we have something to
10 do, like you do, so help us by planning the use of our
11 time so that it's valuable time spent on the issues of
12 the University. But don't expect that all of the
13 Trustees will be available on call, because you
14 called. So the onus is on you -- to use my word that
15 I coined earlier -- to be a precrastinator. Think
16 about what it is that you are trying to get done in
17 your respective area or what we're trying to get for
18 the University and do the backwards planning.

19 So things are on the agenda where they need to
20 be, or we've had conversations around policy
21 decision-making that we need to make on the issue that
22 is yours, your respective issue. But help us out and
23 not burn us out, okay?

24 And with that, if there's no other comments from
25 the members, the meeting stands adjourned.

1 (Meeting concluded.)

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

CERTIFICATE OF REPORTER

STATE OF FLORIDA)
COUNTY OF LEON)

I, Yvonne LaFlamme, Florida Professional Reporter
and Notary Public, certify that I was authorized to and
did stenographically report the foregoing proceeding; and
that the transcript is a true and complete record of my
stenographic notes.

I further certify that I am not a relative,
employee, attorney, or counsel of any of the parties, nor
am I a relative or employee of any of the parties'
attorney or counsel connected with the action, nor am I
financially interested in the outcome of this case.

Dated this 28th day of MARCH 2016.

Yvonne LaFlamme, FPR
Court Reporter
Notary Public
State of Florida at Large

