

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



**BOARD OF TRUSTEES MEETING
MEETING MINUTES
August 16, 2019**

Chair Kelvin Lawson called the meeting to order. Attorney Barge-Miles called the roll and a quorum was established. The following trustees were present: Carter, Cavazos, Dortch, Lawson, Moore, Moricette, Reed, Washington, and Woody.

Public comments were presented by Dr. Carolyn Collins and Mr. Michael Reid.

Next, Chair Lawson asked if there were any items that needed to be removed from the consent agenda. He stated that the budget needed to be removed because it would be amended. Trustee Washington asked for the removal of the president's evaluation from the consent agenda. Chair Lawson clarified that the consent agenda now includes the President's goals, as recommended by the Governance Committee; the banking resolution; and the two naming opportunities. Trustee Moore moved approval of the consent agenda. It was seconded by Trustee Moricette and the motion carried.

The Consent Agenda included the following items:

A. Governance Committee (GC)

GC1 President Robinson's 2019/2020 goals:

Goal 1: Achieve an overall score on the metrics evaluated under the Performance Based Funding Model of at least 71 points for 2019/2020 and moving to 80 points for 2020/2021.

Goal 2: Increase the University's four-year graduation rate from 22.5% to 30%.

Goal 3: Achieve first-time licensure pass rates that meet or exceed state or national benchmarks.

Goal 4: Increase annual giving by 5% and continue plans to launch a capital campaign.

Goal 5: Implement the University's comprehensive service excellence plan to improve customer service in key administrative units, inclusive of the following:

- Deliver training for development of service excellence standards for each Critical Point of Contact (CPOC)
- Create service excellence standards for each CPOC

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- Develop service assessment tools to monitor progress
- Establish service excellence program to develop, implement, and monitor service excellence
- Initiate preliminary benchmarking for the development of recognition program

Increase the percent of graduates reporting they are “*Very Satisfied/Somewhat Satisfied*” with services in key administrative units on the Exit Survey:

Unit	2018-19	2019-20 Goal
Advising Process	67%	70%
Office of Parking Services	46%	60%
Office of Financial Aid	54%	65%
Registrar’s Office	79%	80%
Housing Office	57%	60%

Goal 6: Increase enrollment of FCS AA transfer students from 886 to 975.

Goal 7: Increase total R&D expenditures by 1%.

Goal 8: Ensure completion of CASS and residence hall on time and within budget.

Goal 9: Strengthen the University’s financial health by achieving or exceeding a minimum debt coverage ratio ≥ 1.0 .

B. Budget, Finance and Facilities Committee (BFF)

BFF2 Banking Resolution

C. Direct Support Organizations

DSO1 Althea Gibson Tennis Courts

DSO2 Lt. James R. Polkinghorne Village

Next, Trustee Woody moved approval of the budget, with the adjustments made to the athletic budget. The motion was seconded by Trustee Dortch and the motion carried.

The next item on the agenda was consideration of the president’s evaluation. Trustee Moore moved approval of the evaluation, with the president submitting a written plan that speaks to overall organizational management and necessary controls. The motion was seconded by Trustee Carter. The Trustees responded with a voice vote. Chair Lawson indicated that he

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wanted a roll call vote, as he could not confirm approval through the voice vote. Following a discussion regarding the “written plan”, Trustee Dortch asked Trustee Moore if she could present a written document/memo regarding what she was requesting, with a reasonable time-frame. Trustee Moore agreed. Chair Lawson informed the Board that they could either offer an amendment to the current motion or vote the motion up or down. Trustee Dortch offered an amendment to the motion. The amendment provided that any concerns that they were voting on would be sent to Chair Lawson in writing. The chair would transmit the specifics of the request to the president. The president and the chair would work out a reasonable due date, with the Board receiving the response by October. Trustee Moore accepted the amendment. The motion was seconded by Trustee Woody and the amended motion carried. Chair Lawson asked for a motion to approve the President’s evaluation. Trustee Moore moved approval. The motion was seconded by Trustee Dortch and the motion carried.

Vice President Joe Maleszewski introduced Brent Sparkman, a partner in Carr, Riggs and Ingram (CRI) to address the audit regarding Athletics. Mr. Sparkman explained that FAMU engaged CRI to help determine the status of the auxiliary fund repayment plan by Athletics and investigate the existence of new improper fund transfers to Athletics for the period July, 2015 – June 20, 2019. As background, he shared that the Auditor General conducted an operational audit for fiscal year ending 2015 reporting accumulated cash deficits of the athletic program of \$7,014,000. Those funds had come been transferred to Athletics from the University’s auxiliaries. FAMU entered into an Auxiliary fund repayment plan that would span over a 12-year period. It was to be repaid by Athletics, with some support from the FAMU Foundation. The plan also required a dual approval of transfers by the President and CFO, to prevent further auxiliary transfers.

The audit found that:

- Six transfers of auxiliary funds made to Athletics did not comply with the Board of Governors Regulation 9.013.
- Four of the transfers of non-athletic concession funds were deemed allowable at the time they occurred because the University relied on an Attorney General’s Opinion in making those transfers. They were approved by the President and CFO. The Auditor General later determined that the transfers were not allowed, because the aforementioned Attorney General’s Opinion was outdated. CRI found no evidence of the University making those types of transfers from that point forward.
- CRI determined there were two unallowable transfers from Auxiliaries to Athletics totaling \$2,234,000. CRI found no indication that these transfers were authorized by the University President, as required by the payment plan presented in 2016. The transfers were authorized by the CFO and Controller.
- CRI did not find any instances of fraud in the procedures they performed, nor did they find anything that indicated individual personal gain as a result of these transfers.

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VP Maleszewski confirmed that his office will continue periodic reviews, as a detective control to make sure these types of transfers do not occur again. Chair Lawson indicated that he would work with BOG Audit and Compliance Committee Chair Tim Cerio regarding an updated repayment plan.

There was no further business and the meeting adjourned.