

FLORIDA UNIVERSITY
Board of Trustees

Direct Support Organizations and Athletics Committee Meeting
Thursday, September 12, 2024 | 9:00 am
Grand Ballroom

Committee Members: Deveron Gibbons, Chair – John Crossman, Natlie Figgers,
Kelvin Lawson, Loryn May, Belvin Perry, Jr., Kenward Stone,
Nicole Washington, Michael White

AGENDA

- | | | |
|-----|---------------|-----------------|
| I. | Call to Order | Chair Gibbons |
| II. | Roll Call | Mr. Nick Dulcio |

ACTION ITEMS

- | | | |
|------|---|-----------------|
| III. | Approval of Minutes
A. July 30, 2024, DSO and Athletics Committee | Chair Gibbons |
| IV. | Consideration of Approval of DSO Board Members
FAMU Foundation, Inc.
A. Re-Elected to the Board (Term Expiration: December 31, 2024)
B. Faculty Senate Representative
C. SGA Representative | Dr. Donald Palm |
| V. | FY 2024-2025 Foundation Operating Budget Amendment | Dr. Donald Palm |

INFORMATIONAL ITEMS

- | | | |
|-------|--|-------------------------|
| VI. | Update on Corrective Action Plan | Dr. Donald Palm |
| VII. | Update on Divisional Activities
A. FY 2024-2025 University Advancement Updates

B. DSO Updates
1. FAMU Foundation, Inc.
2. FAMU National Alumni Association
3. FAMU Rattler Boosters | Dr. Donald Palm |
| VII. | Athletic Directors Report
A. Athletics Department Update | Acting AD Michael Smith |
| VIII. | Adjournment | Chair Gibbons |

FLORIDA UNIVERSITY
Board of Trustees
ACTION ITEM

Direct Support Organizations (DSO) and Athletics Committee
Thursday, September 12, 2024
Agenda Item III.

Subject: Consideration of the Approval of Minutes

Proposed Board Action: Approval of the Minutes

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

Recommendation: Approve the DSO and Athletics Committee Meeting Minutes for July 30, 2024.

Attachment: Yes

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Direct Support Organizations (DSO) and Athletics Committee Minutes
Trustee Deveron Gibbons, Chair
Tuesday, July 30, 2024

Trustee Deveron Gibbons called the meeting to order. Trustees John Crossman, Natlie Figgers, Kelvin Lawson, Loryn May, Belvin Perry, Jr., Kenward Stone, Nicole Washington and Michael White were in attendance and established a quorum.

Approval of May 13, 2024, DSO and Athletics Committee Meeting Minutes

Trustee Lawson motioned for approval; seconded by Trustee Stone. The motion passed, unanimously.

Approval of DSO Budgets | FY 2024-2025

A. FAMU Foundation, Inc.

B. FAMU National Alumni Association

C. FAMU Rattler Boosters

Dr. Donald Palm presented the FY 2024-2025 DSO Budgets for the FAMU Foundation, FAMU National Alumni Association and FAMU Rattler Boosters. He provided the committee with a brief overview of the changes for each DSO Budget and answered questions from the committee members.

Trustee Lawson motioned for approval of all FY 2024-2025 DSO Budgets; the motion was seconded by Trustee Stone.

A roll call vote on the motion was administered, and the results were as follows:

Trustee Name	Vote
Trustee Gibbons	Yes
Trustee Crossman	Yes
Trustee Figgers	Yes
Trustee Lawson	Yes
Trustee May	Yes
Trustee Perry	Yes
Trustee Stone	Yes
Trustee Washington	Not Present during Voting
Trustee White	Yes

The motion passed, unanimously.

Consideration of Approval of DSO Board Members | FAMU Foundation, Inc.

A. Re-Elected to the Board (Term Expiration December 31, 2024)

Dr. Donald Palm presented to the Committee consideration for approval of four (4) nominees for term renewals for the FAMU Foundation, Inc. Board of Directors. These nominees were approved by the Foundation Board at their April 24, 2024, Virtual Board Meeting.

Directors Angela C. Adderley, John L. Green, Lisa R. LaBoo and Freddie Raines. The committee discussed this matter, citing the need for clarification around the Foundation Board's term renewal requirements for Board Members. The Committee also discussed the Foundation Board's recently approved term limits policy and board members' compliance with the annual give/get requirements, which were also recently changed. During the discussion, the Committee agreed that all Board of

FLORIDA *A&M* UNIVERSITY
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Trustees members should review the Foundation Board's policies and procedures for term-renewing board members. The Committee also agreed that the Foundation Board's term-renewal process should be reviewed to determine how well it aligns with other SUS Institutions.

After the discussion, the Trustee Perry motioned to table this action item until next week's Trustees' Retreat; Trustee Lawson seconded the motion.

A roll call vote on the motion was administered, and the results were as follows:

Trustee Name	Vote
Trustee Gibbons	Yes
Trustee Crossman	Not Present during Voting
Trustee Figgers	Yes
Trustee Lawson	Yes
Trustee May	Yes
Trustee Perry	Yes
Trustee Stone	Yes
Trustee Washington	Yes
Trustee White	Yes

The motion passed, unanimously.

Approval of FAMU Naming Committee Action Item:

A. Honorary Naming of the Fogg Planetarium of the Challenger Learning Center

Dr. Donald Palm presented to the Committee consideration for approval of the Honorary Naming of the Fogg Planetarium of the Challenger Learning Center. He stated that the FAMU Naming Committee approved this action item at their June 18, 2024, Committee meeting.

Trustee White motioned for approval of the honorary naming; seconded by Trustee Lawson.

A roll call vote on the motion was administered, and the results were as follows:

Trustee Name	Vote
Trustee Gibbons	Yes
Trustee Crossman	Yes¹
Trustee Figgers	Yes
Trustee Lawson	Yes
Trustee May	Yes
Trustee Perry	Yes
Trustee Stone	Yes
Trustee Washington	Yes
Trustee White	Yes

The motion passed, unanimously.

Employment Agreement – Patrick Crarey

VP/AD Tiffani-Dawn Sykes presented the employment contract for Patrick Crarey as the new Head Coach for Men's Basketball. She provided a brief summary of the selection/hiring process for Coach

¹ Trustee Crossman sent "Yes" vote via text message to Nick Dulcio.

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Crarey, which included a selection committee of internal and external stakeholders, as well as a brief overview of his qualifications for the position and a summary of his coaching career achievements.

Atty. David Self reviewed the contract terms with the Committee, citing the following:

- Contract Dates: July 1, 2024, thru April 5, 2027
- Salary: \$150,000/year
- Performance Incentives (if earned): Academic, Athletic and Basketball Summer Camps

The Committee discussed the proposed employment agreement, citing the list of candidates that was up for the position, the increased salary for Coach Crarey as compared to his last coaching position and the multi-year structure of the contract agreement. Trustee Lawson strongly urged the Committee to consider a one-year contract with the option, after a year, for the contract to be extended.

VP/AD Sykes informed the Committee that FAMU's [athletic coaches] are ninth among all eleven SWAC schools for salary rankings and that the base salary is within the current operating budget. She also detailed how the proposed contract is in line with previous contract agreements, with the exception of the ending date being changed to align with the end of the National Championship season.

The Committee discussed the best approach to move forward; whether to approve the proposed multi-year agreement or a one-year agreement. The Committee agreed that a one-year agreement was not a standard operating practice and discussed how this agreement would affect the coach's ability to recruit as well as the termination payout terms. Atty. Self stated that the proposed multi-year agreement contains terms that allow for a maximum payout of twenty (20) weeks or approximately \$60,000 should the coach be terminated without cause, which was in line with current BOT Regulations.

After the discussion, Trustee Lawson motioned to approve a one-year employment contract for Patrick Crarey with an option to extend the agreement based on performance/successes as defined by the VP/AD; Trustee White seconded the motion.

A roll call vote on the motion was administered, and the results were as follows:

Trustee Name	Vote
Trustee Gibbons	Yes
Trustee Crossman	<i>Not Present during Voting</i>
Trustee Figgers	No
Trustee Lawson	Yes
Trustee May	Yes
Trustee Perry	No
Trustee Stone	Yes
Trustee Washington	Yes
Trustee White	Yes

The motion passed, by majority vote, six (6) votes for and two (2) against the motion.

Update on Divisional Activities

A. FY 2023-2024 University Advancement Updates

1. FY 2023-2024 Fundraising Progress as of June 30, 2024:
 - i. Raised \$26,931,255.79 (134.65% of \$20M Goal)

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2. New Cash - \$22,884,395.79 (84.9% of Total & 114.4% of \$20M Goal)
3. Pledges & Planned Gifts - \$4,046,760 (15% of Total & 20.2% of \$20M Goal)
4. Year-to-Year Constituent Comparison
 - i. Corporations and Foundations account for the majority of support.
5. Historical Fundraising Trend – 2012-13 to 2023-24
 - i. Last three fiscal years have been over \$20+ Million

B. DSO Updates

1. **FAMU Foundation, Inc.**
2. **FAMU National Alumni Association**
3. **FAMU Rattler Boosters**

FAMU Foundation, Inc.

- FAMU Foundation 2024 Board of Directors Retreat will be held on August 7-8, 2024, in Orlando, FL, in conjunction with the FAMU Board of Trustees Retreat.
- Investment Value - \$161,041,113.25 as of May 31, 2024, compared to \$160,105,439 as of March 31, 2024.
- Endowment Value - \$122,550,814.39 as of May 31, 2024, compared to \$121,287,626 as of March 31, 2024.

FAMU National Alumni Association

- This year's NAA Convention (May 30 – June 2) welcomed nearly four hundred attendees, and a strong collaboration with the FAMU Foundation and FAMU BOT, in beautiful Tampa Bay.
 - Twenty-two (22) FAMU alums were also honored at the Distinguished Alumni Awards Gala, including our very own Foundation Board Member Elaine E. Armster.
 - We are also pleased report the FAMU NAA's strides to support student success donating more than 453 Thousand Dollars for scholarships, support for our student athletes and athletic programs in the 2023-2024 fiscal year.

FAMU Rattler Boosters

- The Boudreaux Recovery Zone was installed on the practice field on July 18th.
 - The cooling station is a contribution by the Rattler Boosters and the Eddie Jackson 220 Quarterback Club.
- On August 10th is the Rattler Boosters Kick-Off Celebrations for Cheerleaders, Volleyball, and Football Student Athletes.
 - Golf Tournament starts at 8:00 a.m.
 - The luncheon starts at 2:00 p.m.
 - Rattler Fan Day starts at 4:00 p.m.
- The Rattler Boosters and the Eddie Jackson 220 Quarterback Club are working in conjunction to increase the nutrition budget from \$1,500 to \$2,500 per month.

With there being no further business, the meeting was adjourned.

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ACTION ITEM

Direct Support Organizations (DSO) Committee
Thursday, September 12, 2024
Agenda Item IV. A.

Subject: **Consideration of Approval of DSO Board Members**
FAMU Foundation, Inc. Board of Directors
A. Re-Elected to the Board (Term Expiration: December 31, 2024)

Proposed Board Action: Dr. Donald E. Palm, III, Interim Vice President of University Advancement and Interim Executive Director of the FAMU Foundation, will present the consideration of approval of re-elected DSO Board Members for the FAMU Foundation Board of Directors.

At the April 24, 2024, FAMU Foundation Virtual Board Meeting, these Directors were re-elected to the FAMU Foundation Board due to term expirations on December 31, 2024.

Re-Elected to the Board

- 1) Dir. Angela C. Adderley
- 2) Dir. John L. Green
- 3) Dir. Lisa R. LaBoo
- 4) Dir. Freddie Raines

At the August 29, 2024, FAMU Foundation General Board Meeting, Dir. Erica D. Hill was re-elected to the FAMU Foundation Board due to her term expiration on December 31, 2024.

Rationale: This action item is submitted for approval in accordance with FAMU Board of Trustees Policy Number 2018-01, *"Provide that the Board shall approve all appointments, including elected board members, to any DSO board."*

Recommendation: **Approve the re-election of the five (5) Directors listed above to serve another four-year term on the FAMU Foundation Board beginning January 1, 2025, and ending December 31, 2028.**

Attachment: Biographical Summaries

FLORIDA **A&M** UNIVERSITY
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ACTION ITEM

Proposed Term Renewing Board Members' Biographical Summaries

- 1) Dir. Angela C. Adderley
- a. Location: West Orange, NJ
 - b. Occupation: McDonald's Franchisee
 - c. Foundation Board Member: 2021-Present



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- 2) Dir. John L. Green
- a. Location: Houston, TX
 - b. Occupation: CPA Attorney and Counselor At Law
 - c. Foundation Board Member: 2013-Present



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- 3) Dir. Lisa R. LaBoo
- a. Location: Eustis, FL
 - b. Occupation: CEO, Prosperity Investment Services, Inc.
Pres., Prosperity Real Estate, LLC
 - c. Foundation Board Member: 2017-Present



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- 4) Dir. Freddie Raines
- a. Location: Houston, TX
 - b. Occupation: Senior Director/Banking | Capital One
 - c. Foundation Board Member: 2021-Present



Freddie Raines by Heather

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- 5) Dir. Erica D. Hill
- a. Location: Plano, TX
 - b. Occupation: Semi-Retired, former Corporate Executive
 - c. Foundation Board Member: 2017-Present



FLORIDA UNIVERSITY
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ACTION ITEM

Direct Support Organizations (DSO) Committee
Thursday, September 12, 2024
Agenda Item IV. B.

Subject: **Consideration of Approval of DSO Board Members**
FAMU Foundation, Inc. Board of Directors
B. Re-elected to the Board
(Term Expiration: November 23, 2024)

Proposed Board Action: Dr. Donald E. Palm, III, Interim Vice President of University Advancement and Interim Executive Director of the FAMU Foundation, will present the consideration of approval of re-elected DSO Board Members for the FAMU Foundation Board of Directors.

At the August 29, 2024, FAMU Foundation General Board Meeting, Dir. Ebenezer T. Oriaku was re-elected to the FAMU Foundation Board due to his term expiration on November 23, 2024.

Rationale: This action item is submitted for approval in accordance with FAMU Board of Trustees Policy Number 2018-01, *"Provide that the Board shall approve all appointments, including elected board members, to any DSO board."*

Recommendation: **Approve the re-election of Dir. Ebenezer T. Oriaku as the Faculty Representative to serve another one-year term on the FAMU Foundation Board beginning November 24, 2024, and ending November 23, 2025.**

Attachment: Biographical Summary

FLORIDA *A&M* UNIVERSITY
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Ebenezer T. Oriaku, Ph.D.
Professor, Pharmacology
College of Pharmacy and Pharmaceutical Sciences, Institute of Public Health

Biographical Summary



Dr. Ebenezer Oriaku started as an Assistant Professor of Pharmaceutical Sciences at Florida A&M University in 1993.

Dr. Oriaku was honored at the Florida A&M Relays for his service to the track and field program as a recipient of the Jenkins Service Award in 2009. In 2017, Dr. Oriaku was inducted into the FAMU Sports Hall of Fame Class for his time as a track and field student-athlete (1975-1978). In 2018, the University Faculty Senate awarded him a plaque for "Outstanding Contributions to the Sports Enterprise".

Dr. Oriaku has served on various committees both for FAMU and the National Collegiate Athletic Association (NCAA). He currently serves as the Faculty Athletic Representative and Chair of the University Athletic Committee. In the past he has co-chaired the search committee for the hiring of the baseball, chaired the search committees for the hiring of the head Football coach and Athletic Director. He is also assigned as a member of NCAA Division 1 Progress Toward Degree Waivers Committee in 2018.

Throughout his career he has over 20 research publications. He has been named the College Of Pharmacy and Pharmaceutical Sciences Teacher of the year on four separate occasions. He was also honored as the University Teacher of the Year twice and the University Advanced Teacher of the Year twice.

Dr. Oriaku is a three-time alumnus of FAMU earning his bachelor's degree in biology in 1981, master's degree in pharmacology in 1989, and doctorate in pharmacology in 1991. He has served as the Faculty Representative on the FAMU Foundation, Inc. Board of Directors since October 2023.

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ACTION ITEM

Direct Support Organizations (DSO) Committee
Thursday, September 12, 2024
Agenda Item: IV. A. C.

Subject: **Consideration of Approval of DSO Board Members**

FAMU Foundation, Inc.
C.SGA Representative

Mr. Jeffrey K. Francis
MBA Program Graduate Student,
School of Business & Industry
B.S. Degree, Health Science

Proposed Board Action:

Dr. Donald E. Palm, III, Interim Vice President of University Advancement and Interim Executive Director of the FAMU Foundation, will present the consideration of approval of re-elected DSO Board Members for the new DSO Board Member for the FAMU Foundation, Inc. Board of Directors.

Mr. Francis was appointed by the SGA President, Ms. Loryn May and was approved by the Foundation Board of Directors at their August 29, 2024, General Board Meeting.

Recommendation:

Approve the nomination of Mr. Jeffrey K. Francis as the SGA Representative to serve a one-year term on the FAMU Foundation Board of Directors beginning July 1, 2024, and ending June 30, 2025.

Attachment:

Biographical Summary
Current Resume | 1 Page

FLORIDA **A&M** UNIVERSITY
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ACTION ITEM

Mr. Jeffrey K. Francis | SGA Representative

Biographical Summary



Jeffrey K. Francis is a 1-Year MBA Graduate Student from Jacksonville, FL.

Mr. Francis has served in Student Government in various capacities including SGA Vice President and a Freshman Senator.

Jeffrey Francis

Jeffrey1.frankis@fam.u.edu | (904) 864-5189

EDUCATION

Florida A&M University
School of Business and Industry (SBI)
1-Year Master of Business Administration

Tallahassee, FL
Expected Graduation: Summer 2025

Florida Agricultural & Mechanical University
School of Allied Health
Bachelor of Science: Health Science

Tallahassee, FL
Expected Graduation: Spring 2024

Honors/Awards: Florida State College at Jacksonville, Presidents List: Fall 2020, Spring 2022 Dean's List: Spring 2021, Fall 2021
Florida Agricultural and Mechanical University SGA Rising Star

PROFESSIONAL EXPERIENCE

Mayor's Youth at Work

Jacksonville, FL

Coding Intern

March 2022 – May 2022

- Collaborated with a team of developers to design web applications using Python
- Participated in daily stand-up meeting to discuss progress and challenges
- Conducted research on emerging technologies to provide recommendations on coding systems
- Actively participated in team meetings contributing innovative solutions and ideas for project improvements

Phase Three Star LLC

Jacksonville, FL

Shift Leader

June 2020 – May 2022

- Trained and developed management team and crew using the company's current training system
- Conducted crew and administration organization team meetings as needed to discuss operational procedures
- Assumed responsibility for cash on all shifts, including bank deposits, and ensured proper adherence to all cash procedures
- Scheduled an adequate staff to manage operations and accommodate guest flow

LEADERSHIP EXPERIENCE

Florida A&M University

Tallahassee, FL

Student Government Association, Vice President

May 2023– Present

- Promoted policies and initiatives that increased student inclusivity and engagement by over 50% throughout the academic year
- Utilize \$600,000 Activity and Service fee budget to implement an enhancement of student & alumni within the FAMU community
- Actively advocate for student needs working closely with faculty and administrators to drive positive changes in campus policies
- Engage with students through diverse communication channels, fostering their involvement in student government activities

Powerhouse Chapter, Collegiate 100

Tallahassee, FL

Public Relations Committee

February 2023 – Present

- Developed and executed strategic communication plans to enhance the organization's public image and reputation.
- Monitored and analyzed public sentiment and trends, adjusting PR strategies to address emerging issues and opportunities
- Hosted public relations events and campaigns to increase the organization's visibility and engage with the community
- Collaborated with graphic designers to produce visually appealing and informative materials for both online and offline platforms

Florida A&M University

Tallahassee, FL

Student Government Association, Freshman Senator

October 2022– May 2023

- Played a pivotal role in passing legislation that positively impacted campus improvements and academic resources
- Worked on initiatives designed to promote well-being, such as mental health awareness campaigns and diversity and inclusion
- Actively sought feedback from students through surveys, forums, and town hall meetings, using this input to guide policy decisions
- Promoted transparency in student government through regular reports to constituents and accessible meeting minutes

SKILLS & INTERESTS

Skills: Good Communication, Critical Thinking, Problem Solving, and Detailed Oriented

Computer: Proficient in Microsoft Word and Outlook, Intermediate in Microsoft Excel, and PowerPoint, Advanced in Java Script

Interests: Project Management, Marketing, Consulting, Sales

Other Affiliations: National Association of Student Affairs Professionals Student Leadership Institute, Mr. Alpha Kappa Alpha Sorority, Incorporated Pageant Contestant, Florida A&M University Faculty Senate, Alpha Kappa Psi Professional Business Fraternity, Incorporated Buddy Program Mentee

FLORIDA UNIVERSITY
Board of Trustees
ACTION ITEM

Direct Support Organizations (DSO) and Athletics Committee
Thursday, September 12, 2024
Agenda Item V.

Subject: **FY 2024-2025 Foundation Operating Budget Amendment**

Proposed Board Action: Dr. Donald E. Palm, III, Interim Vice President of University Advancement and Interim Executive Director of the FAMU Foundation, will present the FY 2024-2025 Foundation Operating Budget Amendment

The FY 2024-2025 FAMU Foundation, Inc. Operating Budget Amendment was approved by the FAMU Foundation Board during their August 29, 2024, General Board Meeting.

Rationale: The Foundation Operating Budget Amendment is submitted for acceptance in accordance with FAMU Board of Trustees Policy Number 2018-01.

"A DSO shall have the authority to amend its budget. Budget amendment requests for less than 15%, but not to exceed \$40,000, of the total amount of the annual budget shall require the approval of the President, provided that no budget amendment affecting the President or the President's compensation, salary or other benefits shall be made without the approval of the Board. Other budget amendment requests shall require the approval of the President and the Board."

Recommendation: **Approve the FY 2024-2025 FAMU Foundation, Inc. Operating Budget Amendment.**

Attachments: FY 2024-2025 FAMU Foundation, Inc. Operating Budget with Proposed Amendment.

FAMU FOUNDATION, INC
FISCAL YEAR 2024-2025 PROPOSED OPERATING BUDGET

	FY 2024-2025 DRAFT	Difference	FY 2023-2024 Budget
REVENUE AND SUPPORT			
Operating Revenue	\$3,725,825	\$83,011	\$3,642,814
<i>Endowment Administrative Fees and Operating Fees</i>	<i>\$2,987,825</i>	<i>\$83,011</i>	<i>\$2,904,814</i>
<i>Incoming Gifts Fees [7%, 5% or 3%]</i>	<i>\$355,000</i>	<i>\$0</i>	<i>\$355,000</i>
<i>Administrative Fees on Miscellaneous Revenue (7%)</i>	<i>\$77,000</i>	<i>\$0</i>	<i>\$77,000</i>
<i>Administrative Fees on Disbursements [\$2.50]</i>	<i>\$6,000</i>	<i>\$0</i>	<i>\$6,000</i>
<i>Campaign Fee [2%]</i>	<i>\$300,000</i>	<i>\$0</i>	<i>\$300,000</i>
License Tags Revenue	\$450,000	\$0	\$450,000
Rents and Fees 625 East Tennessee Street	\$70,000	\$0	\$70,000
* Contingency Revenue	\$483,834	(\$216,166)	\$700,000
TOTAL REVENUE AND SUPPORT	\$4,729,659	(\$133,155)	\$4,862,814
EXPENDITURES			
Foundation Operations			
University Advancement Staff Salaries and Benefits	\$1,027,000	\$57,000	\$970,000
Contractual Services	\$25,000	\$0	\$25,000
General Counsel and Legal Services	\$75,000	\$15,000	\$60,000
Auditing and Accounting Services	\$55,000	\$0	\$55,000
Foundation Board Support	\$250,000	\$30,000	\$220,000
Travel, Registration, Training and Seminars	\$35,000	\$10,000	\$25,000
Memberships and Subscriptions	\$5,000	\$0	\$5,000
Insurance	\$40,000	\$0	\$40,000
Janitorial Services	\$30,000	\$0	\$30,000
Office Security Monitoring	\$12,000	\$0	\$12,000
Office Utilities	\$50,000	\$0	\$50,000
Pest Control	\$4,000	\$0	\$4,000
Grounds Maintenance	\$20,000	\$0	\$20,000
Software Maintenance	\$150,000	\$0	\$150,000
Telephone	\$2,500	\$0	\$2,500
Office Equipment/Furniture	\$25,000	\$0	\$25,000
Materials, Printing & Postage	\$20,000	\$0	\$20,000
625 E TN Street Renovations	\$100,000	\$0	\$100,000
Bank Fees	\$15,000	\$0	\$15,000
Donor Outreach Support and Other	\$83,775	\$0	\$83,775
Equipment - Van	\$0	\$0	\$0
Operating Contingency	\$17,102	(\$2,989)	\$20,091
Transportation Maintenance	\$5,000	\$0	\$5,000
Total Foundation Operations	\$2,046,377	\$109,011	\$1,937,366
Office of University Advancement			
Advancement Operations/Development Support	\$126,000	\$0	\$126,000
Comprehensive Campaign Support	\$100,000	\$0	\$100,000
Fundraising Activities [75% License Tags Revenue]	\$337,500	\$0	\$337,500
Total Office of University Advancement	\$563,500	\$0	\$563,500
University Support			
University President Compensation	\$388,562	\$0	\$388,562
Interim University President Compensation	\$325,320	\$325,320	\$0
University President Salary Increase, Bonus & Benefits	\$64,590	(\$15,410)	\$80,000
Office of the President	\$100,000	\$20,000	\$80,000
University Auxiliary Support	\$269,594	(\$28,891)	\$298,485
Board of Trustees Assessment	\$36,000	\$0	\$36,000
Board of Governors Assessment	\$17,000	\$1,000	\$16,000
Legislative Advocacy	\$80,000	\$0	\$80,000
License Tags Scholarships [25% License Tags Revenue]	\$112,500	\$0	\$112,500
Athletics Salary Support	\$134,000	\$0	\$134,000
Athletics AD Salary Support	\$183,924		
Athletics Scholarships Support/General	\$0	(\$400,000)	\$400,000 *
University Executive Support	\$336,401	\$0	\$336,401
University Support	\$71,891	(\$328,109)	\$400,000 *
Total University Support	\$2,119,782	(\$242,166)	\$2,361,948
TOTAL EXPENDITURES	\$4,729,659	(\$133,155)	\$4,862,814
REVENUE LESS EXPENDITURES	\$0	\$0	\$0

*\$400,000 (Athletics & Scholarship) \$100,000 (University Support-Band) \$200,000 (University Support - AD Discretionary)

*The Contingency Revenue (\$299,910 + \$183,924) is from FY23-24

Corrective Action Plan

Major Gift from Gregory Gerami, Batterson Farms Corporations, The Isaac Batterson Family 7th Trust

Issue 1	Recommendation #1
Failure to Provide Adequate Information to the University Board of Trustees and Foundation Board of Directors to Enable the Boards to Fulfill their Respective Fiduciary Responsibilities. (Rpt Refence – Pg 3)	Changes to FAMU Policies and Regulations We recommend modifying FAMU Foundation Policies and Guidelines to place the determination for whether gifts over a certain threshold are in the “best interest of the University” at the sole discretion of the Foundation Board of Directors.
Corrective Action Plan	
1. Review Current Policies and Guidelines: Conduct a thorough review of current FAMU Foundation policies and guidelines to identify specific areas requiring modifications in line with the recommendation. 2. Establish a Gift Threshold: Define a financial threshold for gifts that require Board approval. Consider historical data, current financial landscape, and peer institutions' practices to determine the appropriate threshold. 3. Policy Modification Drafting: Draft the necessary modifications to the FAMU Foundation Policies and Guidelines. This should include clear language that determines who has responsibility for accepting or rejecting gifts over an established threshold, such as the FAMU Foundation, VP of Advancement, and/or University President. 4. Stakeholder Review and Feedback: Circulate the draft modifications among key stakeholders, including University leadership, for feedback and additional input. Ensure legal compliance and alignment with university objectives. 5. Board Approval of Revised Policies: Present the final draft of the revised policies to the Foundation Board of Directors for approval. Ensure that the policies are formally adopted into the Foundation's governance framework. 6. Communication and Training: Develop and implement a communication strategy to inform relevant stakeholders, including Foundation staff, University leadership, and potential donors, about the changes. Provide training sessions to Foundation staff on the updated policies and procedures. 7. Implementation and Monitoring: Implement the revised policies immediately upon Board approval. Establish a monitoring process to ensure compliance with the new guidelines and to assess the effectiveness of the policy change. Regularly review the impact of the new policy and make adjustments as needed.	
Responsible Party & Implementation Date	Resources Required for Implementation
Responsible Party: Implementation Date:	

Corrective Action Plan

Major Gift from Gregory Gerami, Batterson Farms Corporations, The Isaac Batterson Family 7th Trust

Issue 1 (Continued)	Recommendation #2
Failure to Provide Adequate Information to the University Board of Trustees and Foundation Board of Directors to Enable the Boards to Fulfill their Respective Fiduciary Responsibilities. (Rpt Refence – Pg 3)	FAMU Regulation Update We recommend clear language be added to Florida A&M University Regulation, Chapter 1.021, detailing the President's responsibility to provide timely and adequate information to the University Board of Trustees related to financial matters above a certain threshold.
Corrective Action Plan	
1. Review of Current Regulation: Conduct a comprehensive review of the current language in FAMU Regulation, Chapter 1.021, to identify gaps related to the President's responsibility for communicating financial matters to the Board of Trustees. 2. Establish a Financial Threshold: Determine a clear financial threshold above which the President is required to report to the Board of Trustees. This threshold should be aligned with the University's financial policies and comparable to peer institutions. 3. Drafting the Regulation Update Develop draft language to amend FAMU Regulation, Chapter 1.021. The draft should clearly define the President's responsibility to provide timely and adequate information to the Board of Trustees about significant financial matters exceeding the established threshold. 4. Stakeholder Review and Feedback: Circulate the draft amendment among key stakeholders for feedback. Ensure that the proposed changes are legally sound, clear, and in the best interest of the University's governance framework. 5. Board of Trustees Approval: Present the final draft of the regulation update to the University Board of Trustees for review and approval. Ensure that all necessary documentation and rationale for the changes are provided. 6. Regulation Implementation: Once approved, formally incorporate the updated regulation into the University's governance documents. Communicate the changes to all relevant parties, including University leadership and administrative departments. 7. Training and Communication: Develop and deliver training sessions to university leadership, including the President and senior administrative staff, on the new reporting requirements. Additionally, provide clear communication to all relevant departments about the changes in the regulation. 8. Monitoring and Reporting: Establish a monitoring system to ensure compliance with the updated regulation. Include periodic reviews and reports to the Board of Trustees to confirm that the President is providing timely and adequate financial information as required.	
Responsible Party & Implementation Date	Resources Required for Implementation
Responsible Party: Implementation Date:	

Corrective Action Plan

Major Gift from Gregory Gerami, Batterson Farms Corporations, The Isaac Batterson Family 7th Trust

Issue 2	Recommendation
Apparent Conflict that Exists Between the Florida Sunshine Law and the Florida Public Records Act as they Relate to University Donor Anonymity (Footnote to Issue 1, Recommendation #2 above (Rpt Reference – pg 3))	Confidential Records and Sunshine Laws We recommend finding legal counsel to reconcile this and raising the issue to the SUS Board of Governors. Consult with legal counsel to reconcile challenge[s] due to an apparent conflict that exists between the Florida Sunshine Law and the Florida Public Records Act as they relate to university donor anonymity. The Florida Sunshine Law allows for closed meetings of a university board of trustees for certain specified topics; however, this does not include for the purpose of preserving requests for anonymity by donors. The Florida Public Records Act, by contrast, allows for donors who wish to remain anonymous to preserve their anonymity by exempting their information from public records requests, giving universities the ability to deny public request for records that would jeopardize a donor's anonymity. These two statutes are difficult to harmonize where a board of trustees requires information about a donor to carry out its fiduciary duties because the Sunshine Laws requires non-exempt meetings be open to the public.
Corrective Action Plan	
1. Consult with Legal Counsel: Engage with internal and, if necessary, external legal counsel to fully understand the conflict between the Florida Sunshine Law and the Florida Public Records Act. Specifically, explore the legal implications of both statutes as they pertain to donor anonymity and board of trustees' fiduciary duties. 2. Legal Analysis and Reconciliation: Conduct a detailed legal analysis to identify potential ways to reconcile the conflicting statutes. This may include exploring case law, legal precedents, and interpretations that can provide a pathway to harmonize the requirements of both laws. 3. Develop a Legal Position: Based on the legal analysis, develop a formal legal position that outlines how the University will address the conflict, if applicable.	
Responsible Party & Implementation Date	Resources Required for Implementation
Responsible Party: Implementation Date: Complete	N/A

Corrective Action Plan

Major Gift from Gregory Gerami, Batterson Farms Corporations, The Isaac Batterson Family 7th Trust

Issue 3	Recommendation
Current Disposition of Major Gift (Rpt Reference – Pages 4 & 54)	Communication to Donor of Foundation Position We recommend the Foundation consider communicating its position in writing to the Donor to make clear the Foundation's position: (1) the Gift Agreement was never executed, (2) the transfer of stock was invalidated by the Carta, transfer agent, and (3) the stock certificates in the Foundation's possession have been canceled. As such, as of May 14, 2024, the University and the Foundation have no ownership interest in Batterson Farms Corporation nor any legal relationship with the Donor.
Corrective Action Plan	
Draft the Communication to the Donor: Draft a formal letter to the Donor that clearly outlines the Foundation's position. The letter should include: ○ A statement that the Gift Agreement was never executed. ○ An explanation that the transfer of stock was invalidated by the Carta transfer agent. ○ Confirmation that the stock certificates in the Foundation's possession have been canceled. ○ A declaration that, as of May 14, 2024, the University and the Foundation have no ownership interest in Batterson Farms Corporation nor any legal relationship with the Donor. Review and Approval of the Communication: Submit the drafted letter for review and feedback to the Foundation Board of Directors, Foundation Legal Counsel and/or University Legal Counsel to ensure it accurately reflects the Foundation's position and adheres to legal standards. Make any necessary revisions based on feedback. Document the Communication and Response: Document the delivery of the letter, including the date and method of delivery. Track any response or further communication from the Donor. Ensure all related correspondence is stored in the Foundation's records for future reference.	
Responsible Party & Implementation Date	Resources Required for Implementation
Responsible Party: Implementation Date:	

Corrective Action Plan

Major Gift from Gregory Gerami, Batterson Farms Corporations, The Isaac Batterson Family 7th Trust

Issue 4	Recommendation #1
University Organizational Structure Allows for Certain Individuals to Bypass Established Checks and Balances. (Rpt Reference – Pages 4 & 55)	Roles of Vice President for University Advancement and Executive Director of the Foundation We recommend the Interim President evaluate separating the roles of Vice President for University Advancement and Executive Director of the Foundation into two distinct positions.
Corrective Action Plan	
1. Assessment of Current Roles and Responsibilities: Conduct a comprehensive assessment of the current roles and responsibilities associated with the Vice President for University Advancement and Executive Director of the FAMU Foundation. This assessment will include an analysis of the workload, key functions, and the effectiveness of having these roles combined. 2. Benchmarking and Best Practices: Research and benchmark best practices from peer institutions regarding the structure of their advancement and foundation leadership. Determine how similar universities organize these roles and the impact of separating them. 3. Stakeholder Consultation: Engage with key stakeholders, including the FAMU Foundation Board of Directors, senior university leadership, and FAMU Board of Trustees, to gather input and feedback on the potential separation of these roles. Understand concerns, expectations, and potential benefits or challenges associated with the change. 4. Evaluation and Decision-Making: Based on the assessment, benchmarking, and stakeholder feedback, evaluate the pros and cons of separating the roles. Develop a recommendation for either maintaining the current structure or separating the roles into two distinct positions. 5. Action Plan for Separation (if approved): If the decision is made to separate the roles, develop a comprehensive action plan for the transition. This plan should include: ○ Job Descriptions: Draft new job descriptions for each role, clearly defining responsibilities, expectations, and reporting structures. ○ Recruitment: Initiate the recruitment process for the new positions, including internal and external searches if necessary. ○ Transition Planning: Outline steps for a smooth transition, ensuring continuity of operations in both University Advancement and the FAMU Foundation. ○ Budget and Resources: Assess and allocate the necessary budget and resources to support the two distinct positions.	
Responsible Party & Implementation Date	Resources Required for Implementation
Responsible Party: Implementation Date:	

Corrective Action Plan

Major Gift from Gregory Gerami, Batterson Farms Corporations, The Isaac Batterson Family 7th Trust

Issue 4 (Continued)	Recommendation #2
University Organizational Structure Allows for Certain Individuals to Bypass Established Checks and Balances. (Rpt Reference – Pages 4 & 55)	Analysis of Senior Leadership Reporting Chains Additionally, we recommend the University undertake an analysis of senior leadership reporting chains to ensure positions are staffed with qualified individuals that provide a strong framework of oversight and accountability. However, the Executive Director of the Foundation should continue to report directly to the President and the Foundation Board of Directors, as the head of a direct support organization.
Corrective Action Plan	
1. Conduct a Comprehensive Review of Current Reporting Chains: Review the existing reporting structure of senior leadership positions within the University. This includes mapping out current reporting lines, identifying overlaps or gaps in oversight, and assessing the clarity of each position's responsibilities. Review the existing reporting structure of senior leadership positions within the University. This includes mapping out current reporting lines, identifying overlaps or gaps in oversight, and assessing the clarity of each position's responsibilities. 2. Evaluate Qualifications and Effectiveness of Current Leadership: Conduct an evaluation of the qualifications, experience, and performance of individuals in senior leadership roles. This should include a review of their ability to provide effective oversight, accountability, and strategic guidance within their respective areas. 3. Benchmarking and Best Practices: Research and benchmark against best practices in reporting structures, leadership qualifications, and performance evaluation processes from peer institutions. Identify successful models that enhance oversight and accountability in similar university settings. 4. Stakeholder Consultation: Engage with key stakeholders, including senior leadership and external experts, to gather input on the current reporting structure and potential improvements. Ensure that any changes align with the University's strategic goals and governance needs. 5. Develop a Revised Reporting Structure: Based on the review, evaluation, and stakeholder feedback, develop a revised reporting structure that strengthens oversight and accountability. Ensure that the new structure clearly defines reporting lines, responsibilities, and accountability mechanisms. 6. Implementation of the Revised Structure: Implement the revised reporting structure, including any necessary staffing changes, reassignments, or adjustments in responsibilities. Communicate the changes clearly to all affected parties and provide support during the transition. 7. Training and Development: Offer training and development opportunities to senior leaders to ensure they are well-equipped to fulfill their roles in the new reporting structure. Focus on enhancing leadership skills, strategic oversight, and accountability.	
Responsible Party & Implementation Date	Resources Required for Implementation
Responsible Party: Implementation Date:	

Corrective Action Plan

Major Gift from Gregory Gerami, Batterson Farms Corporations, The Isaac Batterson Family 7th Trust

Issue 5	Recommendation #1
The University's Current Position Descriptions for The Vice President for University Advancement and The Executive Director of The Foundation Are Notably Broad and Lack Specific Elements Related to Due Diligence. (Rpt Reference – Pg 55 & 56)	Revision of University Position Descriptions We recommend the position descriptions be revised to highlight the importance of conducting accurate research on prospective donors. This due diligence need not be performed directly by the Assistant Vice President for University Advancement or Vice President, but these individuals should be required to know what tools are available for due diligence and when a due diligence request should be made. Additionally, specific responsibilities for ensuring compliance with due diligence protocols should be clearly outlined in their job descriptions to prevent future oversights and ensure the integrity of the donation process.
Corrective Action Plan	
1. Review Current Position Descriptions: Conduct a thorough review of the current position descriptions for the Assistant Vice President for University Advancement and the Vice President for University Advancement. Identify gaps related to due diligence responsibilities and compliance with donor research protocols. 2. Identify Due Diligence Tools and Resources: Compile a comprehensive list of tools and resources available for conducting due diligence on prospective donors. This can include databases, consulting with experts in the fundraising arena, and any other relevant tools that can assist in donor research. 3. Draft Revised Position Descriptions: Revise the position descriptions to include specific language that: ○ Highlights the importance of conducting accurate research on prospective donors. ○ Requires the Assistant Vice President for University Advancement and Vice President to be knowledgeable about the due diligence tools available and when to initiate a due diligence request. ○ Clearly outlines their responsibilities for ensuring compliance with due diligence protocols. ○ Includes accountability measures to prevent future oversights in the donation process. ○ Includes a requirement that the Executive Director of the Foundation hold an annual strategy session in conjunction with the Chair of the Foundation Board of Directors. Facilitation of the strategy session, should the need arise, should be sought by professionals familiar with Foundation best practices and industry trends. ○ Includes professional development requirements within the position description, such as attendance of the annual conference for the Association of Governing Boards. 4. Training and Communication: Develop and deliver training sessions for the Assistant Vice President and Vice President for University Advancement on the updated position descriptions, with a focus on due diligence protocols and the use of available tools. Communicate the importance of these responsibilities to the entire advancement team.	
Responsible Party & Implementation Date	Resources Required for Implementation
Responsible Party: Implementation Date:	

Corrective Action Plan

Major Gift from Gregory Gerami, Batterson Farms Corporations, The Isaac Batterson Family 7th Trust

Issue 6	Recommendation #1
The University and Foundation Failed to Utilize the Comprehensive Commercial and Open-Source Tools Available Through the Office of Prospect Research to Verify the Source of Donated Funds. (Rpt Refence – Pg 56 - 59) Note: The FAMU Foundation Board of Directors disagrees with the report language for this issue. The FAMU Foundation Board of Directors was not made aware of the gift prior to acceptance by the FAMU Foundation Executive Director and was therefore not afforded the opportunity to request a due diligence review of the gift be performed.	Office of Advancement Training We recommend that all individuals in the Office of Advancement should receive appropriate training on this topic, including a requirement that due diligence to be conducted of all donors prior to accepting a gift. Due diligence should be a mandatory requirement for all donors, and derogatory information should be flagged and elevated to the vice president or executive vice president level for approval to proceed in accepting that donation.
Corrective Action Plan	
Develop Training Curriculum: Design a training curriculum focused on due diligence for donors. The curriculum should cover: - The importance of due diligence in the donation process. - Specific procedures for conducting due diligence on all donors. - Tools and resources available for donor research. - Identification and handling of derogatory information. - Protocols for escalating issues to the vice president or executive vice president level. Identify Training Participants: Identify all individuals within the Office of Advancement who will be required to participate in the training. This should include all staff members involved in donor relations, fundraising, and gift acceptance. Schedule and Deliver Training Sessions: Schedule and conduct mandatory training sessions for all identified participants. Ensure that the training is delivered in a format that accommodates all staff, such as in-person workshops, webinars, or online modules. Provide opportunities for participants to ask questions and engage with the material. Create and Distribute Due Diligence Guidelines: Develop and distribute written guidelines on due diligence procedures to all staff in the Office of Advancement. These guidelines should include step-by-step instructions for conducting due diligence, criteria for identifying derogatory information, and the process for escalating issues. Implement a Due Diligence Checklist: Create a due diligence checklist that must be completed for every donor before accepting a gift. This checklist should ensure that all necessary steps are taken, and it should be signed off by the responsible staff member and reviewed by a supervisor before proceeding with the gift acceptance. Establish an Escalation Protocol: Formalize a protocol for escalating derogatory information identified during due diligence to the vice president or executive vice president level. This protocol should include clear criteria for what constitutes derogatory information and detailed steps for escalation. Continuous Improvement and Refresher Training: Provide regular refresher training sessions to ensure that all staff remain informed about due diligence procedures. Update the training curriculum and guidelines based on feedback, new tools, or changes in compliance requirements.	
Responsible Party & Implementation Date	Resources Required for Implementation
Responsible Party: Implementation Date:	

Corrective Action Plan

Major Gift from Gregory Gerami, Batterson Farms Corporations, The Isaac Batterson Family 7th Trust

Issue 7	Recommendation #1
The University's Lack of Policies or Procedures Surrounding Donations Has Created Significant Confusion, Forcing the University to Rely on Other Sources or Create Ad-Hoc Rules. (Rpt Refence – Pg 59-61)	Policy for Different Types of Gifts, Including Private Stock Transfers A comprehensive policy needs to be created to anticipate and address different types of gifts, including private stock transfers. This policy should include: 1. Clear Guidelines for Various Gift Types: Establish protocols for the acceptance of different types of gifts, including private stock, real estate, and other non-cash assets. 2. Due Diligence Requirements: Mandate due diligence procedures for all types of donations, ensuring that the sources and nature of the gifts align with the University's mission and comply with legal standards. 3. Training and Education: Provide training for Foundation leadership and relevant staff on the intricacies of private stock transfers and other complex donations. 4. Documentation and Compliance: Ensure that all necessary documentation, including independent audits, appraisals, and IRS forms, are completed and maintained in compliance with legal and ethical standards.
Corrective Action Plan	
1. Policy Development: Draft a comprehensive policy that covers the acceptance of different types of gifts, including but not limited to private stock, real estate, and other non-cash assets. The policy should include: Clear Guidelines for Various Gift Types: Establish protocols and criteria for accepting different types of gifts, detailing the specific requirements and considerations for each type. Due Diligence Requirements: Define mandatory due diligence procedures for all types of donations, ensuring alignment with the University's mission and legal standards. Documentation and Compliance: Outline the necessary documentation, including independent audits, appraisals, and IRS forms, required for each gift type. 2. Stakeholder Review and Feedback: Present the draft policy to key stakeholders, including the Foundation Board of Directors, University leadership, and legal counsel, for review and feedback. 3. Approval and Adoption of Policy: Submit the final policy for formal approval by the Foundation Board of Directors and/or University leadership. Once approved, the policy will be adopted and incorporated into the Foundation's governance framework. 4. Training and Education: Develop and deliver training programs for Foundation leadership and relevant staff on the newly established policy, with a focus on the intricacies of private stock transfers and other complex donations. The importance of due diligence and compliance with legal and ethical standards. The specific protocols and documentation requirements for different types of gifts.	
Responsible Party & Implementation Date	Resources Required for Implementation
Responsible Party: Implementation Date:	

Corrective Action Plan

Major Gift from Gregory Gerami, Batterson Farms Corporations, The Isaac Batterson Family 7th Trust

Issue 8	Recommendation #1
Training and Leadership Influence (Rpt Reference – Page 61)	Comprehensive Training All individuals involved in the gift process should receive comprehensive training on the following: Chain of Command: Clear guidelines on the chain of command and when senior leadership should become involved in the gift process. Due Diligence Procedures: The requisite documentation required for due diligence and who is responsible for ensuring it is completed. Documentation and Signatures: Understanding who should sign the documents and at what stage. Announcement Protocols: When announcements of donations should be made to ensure all due diligence and approvals have been completed.
Corrective Action Plan	
Develop Training Modules: Develop a series of training modules that cover the following key areas: Chain of Command: Clear guidelines on the chain of command in the gift process, including when and how senior leadership should be involved. Due Diligence Procedures: Detailed instructions on the requisite documentation for due diligence, including who is responsible for completing and verifying these documents. Documentation and Signatures: Step-by-step guidance on who should sign various documents during the gift process and at what stages these signatures are required. Announcement Protocols: Guidelines on when public announcements of donations should be made, ensuring that all due diligence and necessary approvals are completed beforehand. Identify Training Participants: Identify all individuals within the Office of Advancement and related departments who are involved in the gift process. Ensure that the training reaches everyone responsible for any aspect of gift acceptance, documentation, or announcements. Schedule and Deliver Training Sessions: Schedule and deliver comprehensive training sessions to all identified participants. Ensure that the sessions are interactive and provide opportunities for participants to ask questions and clarify any doubts. Create and Distribute Reference Materials: Develop and distribute reference materials, including quick reference guides, checklists, and flowcharts, that participants can use during the gift process. These materials should reinforce the training content and provide easy-to-access information on chain of command, due diligence, documentation, and announcement protocols.	
Responsible Party & Implementation Date	Resources Required for Implementation
Responsible Party: Implementation Date:	

Corrective Action Plan

Major Gift from Gregory Gerami, Batterson Farms Corporations, The Isaac Batterson Family 7th Trust

Issue 9	Recommendation #1
There Is No Threshold for When the University Board of Trustees or The Foundation Board of Directors Must Be Informed About Donations. (Rpt Reference – Pg 61 - 63)	Changes to FAMU Policies and Regulations To ensure the wealth of knowledge present on the Foundation Board of Directors and University Board of Trustees is fully utilized, it is paramount that leadership receive important information in a timely manner. Currently, the President must inform the University Board of Trustees to enter into settlement agreements at or in excess of \$250,000. There is no threshold for when the University Board of Trustees or the Foundation Board of Directors must be informed about donations. A similar threshold should be established for donations to ensure transparency and oversight.
Corrective Action Plan	
1. Review Current Policies and Practices: Conduct a review of current policies and practices regarding the reporting of donations to the University BOT and Foundation BOD. Identify any existing gaps and compare them with the settlement agreement threshold policy. 2. Determine Appropriate Donation Threshold: Collaborate with the University BOT and Foundation BOD to determine an appropriate financial threshold for donations that should trigger mandatory reporting to both boards. Consider factors such as the University's financial landscape, the potential impact of donations, and best practices from peer institutions. 3. Draft Policy for Reporting Threshold: Draft a formal policy that establishes the agreed-upon threshold for informing the University BOT and Foundation BOD about donations. The policy should outline the procedure for reporting and specify the types of donations that require notification (e.g., cash, stock, real estate). 4. Review and Approve the Policy: Present the draft policy to the University BOT and Foundation BOD for review and/or approval. Make any necessary revisions based on their feedback to ensure the policy is comprehensive and aligns with both boards' expectations. 5. Implement the Reporting Procedure: Implement the new reporting procedure, ensuring that all relevant departments and staff are aware of the threshold and the steps to be taken when a donation meets or exceeds it. Incorporate the procedure into the University's governance and operational frameworks. 6. Communicate the New Policy: Communicate the new policy to all relevant stakeholders, including University leadership, the Foundation BOD, the University BOT, and Advancement staff. Ensure that the communication is clear and that all parties understand the importance of the threshold for transparency and oversight.	
Responsible Party & Implementation Date	
Responsible Party: Implementation Date:	Resources Required for Implementation

Corrective Action Plan

Major Gift from Gregory Gerami, Batterson Farms Corporations, The Isaac Batterson Family 7th Trust

Issue 9 (continued)	Recommendation #2
There Is No Threshold for When the University Board of Trustees or The Foundation Board of Directors Must Be Informed About Donations. (Rpt Reference – Pgs 61 - 63)	EthicsPoint Reporting Furthermore, there was a breakdown in the ethics notification process. The system itself and the administration thereof by the Office of Compliance and Ethics is sufficient. However, there remains an inefficiency in the process whereby individuals designated as recipient of hotline tips have no requirement to review the tips. Individuals received the notification about Mr. Gerami, but several did not open the notice. Each office should designate individuals responsible for reviewing and acknowledging ethics complaints to ensure they are addressed promptly and appropriately.
Corrective Action Plan	
1. Review Current EthicsPoint Reporting Process: Conduct a comprehensive review of the current EthicsPoint reporting process, focusing on how hotline tips are received, distributed, and monitored. Identify gaps in the current system, particularly regarding the responsibility and accountability for reviewing and acknowledging tips. 2. Identify and Designate Responsible Individuals: Work with each department to identify and designate specific individuals responsible for reviewing and acknowledging EthicsPoint hotline tips. Ensure that these individuals are in positions of authority and have the necessary knowledge to address complaints effectively. 3. Establish Clear Responsibilities and Expectations: Develop clear guidelines outlining the responsibilities of designated individuals. These guidelines should include: ○ Timely Review: Requirement to review all ethics notifications within a specified timeframe (e.g., 24-48 hours). ○ Acknowledgment: Mandatory acknowledgment of receipt and initiation of appropriate actions within the system. ○ Follow-Up: Procedures for following up on complaints to ensure they are addressed promptly and effectively. 4. Integrate Accountability Measures: Integrate accountability measures within the EthicsPoint system to track whether designated individuals are reviewing and acknowledging tips. This may include: ○ Automated Alerts: Setting up automated reminders for designated individuals if a tip has not been reviewed within the required timeframe. ○ Audit Logs: Implementing audit logs to record when and by whom a tip was reviewed and acknowledged, ensuring transparency and accountability. 5. Training and Communication: Provide training sessions for all designated individuals on their responsibilities within the EthicsPoint system. The training should cover the importance of timely review, the acknowledgment process, and how to navigate the system effectively.	
Responsible Party & Implementation Date	Resources Required for Implementation
Responsible Party: Implementation Date:	

Corrective Action Plan

Major Gift from Gregory Gerami, Batterson Farms Corporations, The Isaac Batterson Family 7th Trust

Issue 10	Recommendation #1
FAMU Leadership Frequently Cited an NDA as a Reason for Not Disclosing or Sharing Information with the University Board of Trustees or Foundation Board of Director Members or Responding to Questions from Stakeholders and the Media. (Rpt Reference – Pgs 63 - 64)	BOT Fiduciary Duties The University Board of Trustees (BOT) plays a critical role in providing fiduciary oversight to the University. To effectively fulfill their obligations, it is imperative that the University Board of Trustees not be excluded from information necessary for them to perform their duties. Excluding the University Board of Trustees from critical discussions and decisions undermines their ability to ensure the University's financial health, integrity, and compliance with legal and ethical standards.
Corrective Action Plan	
1. Review Current Communication and Reporting Practices: Conduct a thorough review of the current communication and reporting practices between the University administration, the BOT, and the FAMU Foundation Board of Directors (BOD). Identify any gaps or instances where the BOT and BOD may have been excluded from critical discussions or decisions. 2. Establish Clear Guidelines for BOT and BOD Involvement: Develop clear guidelines that outline when and how the BOT/BOD should be informed and involved in critical discussions and decisions. These guidelines should include: ○ Criteria for Critical Information: Define what constitutes critical information that must be shared with the BOT and BOD(e.g., significant financial decisions, legal matters, ethical concerns, etc.). ○ Communication Protocols: Establish protocols for ensuring that information is communicated to the BOT and BOD in a timely and comprehensive manner, including regular updates and emergency notifications when necessary. ○ Meeting Inclusions: Ensure that the BOT and BOD is included in relevant meetings where decisions are being made that impact the University's financial health and integrity. 3. Implement Regular Reporting Mechanisms: Implement regular reporting mechanisms to keep the BOT and BOD informed of critical issues. This could include: ○ Quarterly Reports: Provide detailed quarterly reports on the University's financial status, legal matters, and compliance issues. ○ Special Briefings: Schedule special briefings for the BOT and BOD when significant decisions are pending or when urgent matters arise. ○ Access to Information: Ensure that BOT and BOD members have access to relevant documents and data needed to make informed decisions. 4. Training for BOT and BOD Members: Provide training for BOT and BOD members on their fiduciary duties, the importance of being informed, and the specific types of information they should expect to receive. This training should also cover how to interpret financial reports, legal updates, and compliance information.	
Responsible Party & Implementation Date	Resources Required for Implementation
Responsible Party: Implementation Date:	

Corrective Action Plan

Major Gift from Gregory Gerami, Batterson Farms Corporations, The Isaac Batterson Family 7th Trust

Issue 10 (continued)	Recommendation #2
FAMU Leadership Frequently Cited an NDA as a Reason for Not Disclosing or Sharing Information with the University Board of Trustees or Foundation Board of Director Members or Responding to Questions from Stakeholders and the Media. (Rpt Reference – Pgs 63 - 64)	Donor Confidentiality and Florida Sunshine Law – BOT Closed Door Sessions To maintain the confidentiality of legitimate donors while ensuring comprehensive oversight, University policies should explore options to allow for closed sessions or individual briefings of the University Board of Trustees when discussing sensitive donation-related matters. This amendment will enable the University Board of Trustees to be fully informed and engaged in the decision-making process without compromising donor privacy. This recommendation may present a challenge due to an apparent conflict that exists between the Florida Sunshine Law and the Florida Public Records Act as they relate to university donor anonymity. We recommend the Board of Trustees seeks legal counsel to reconcile this and raises the issue to the SUS Board of Governors.
Corrective Action Plan	
1. Legal Review of Closed Sessions Options: Conduct a legal review to explore options for allowing closed sessions or individual briefings of the BOT when discussing sensitive donation-related matters. Review existing statutes and case law to determine permissible exceptions under the Florida Sunshine Law. 2. Develop Policy Amendment Proposal (if applicable): Based on the legal review, draft a policy amendment proposal that outlines conditions under which closed sessions or individual briefings may be held. Ensure the proposal balances donor confidentiality with the BOT's need for comprehensive oversight.	
Responsible Party & Implementation Date	Resources Required for Implementation
Responsible Party: Implementation Date:	

Corrective Action Plan

Major Gift from Gregory Gerami, Batterson Farms Corporations, The Isaac Batterson Family 7th Trust

Issue 10 (continued)	Recommendation #3
FAMU Leadership Frequently Cited a Non-Disclosure Agreement (NDA) as a Reason for Not Disclosing or Sharing Information with the University Board of Trustees or Foundation Board of Director Members or Responding to Questions from Stakeholders and the Media. (Rpt Refence – Pgs 63 - 64)	Revision of FAMU Confidentiality Agreement Furthermore, the FAMU Confidentiality Agreement, which existed prior to this incident, lacks clarity regarding the extent and limitations of confidentiality. It remains unclear what type of counsel senior leadership received concerning the NDA or Confidentiality Agreement. The Office of General Counsel should revise this document to explicitly outline what discussions and disclosures are permitted, ensuring necessary transparency among university leadership.
Corrective Action Plan	
1. Review the Existing Confidentiality Agreement: Conduct a thorough review of the existing FAMU Confidentiality Agreement to identify areas that lack clarity regarding the extent and limitations of confidentiality. Assess any past counsel received concerning the NDA or Confidentiality Agreement. 2. Draft Revised Confidentiality Agreement: Draft a revised version of the FAMU Confidentiality Agreement that explicitly outlines permitted discussions and disclosures. Ensure that the revised document balances the need for transparency among university leadership with the protection of confidential information. 3. Stakeholder Review and Approval: Present the revised Confidentiality Agreement to key stakeholders, including the BOT and senior leadership, for review and approval. Make any necessary revisions based on their feedback. 4. Implement and Communicate the Revised Agreement: Implement the revised Confidentiality Agreement across the University. Ensure that all relevant parties, including University leadership and those involved in donor relations, understand and sign the updated agreement. Provide training sessions to clarify the revised terms.	
Responsible Party & Implementation Date	Resources Required for Implementation
Responsible Party: Implementation Date:	

Corrective Action Plan

Major Gift from Gregory Gerami, Batterson Farms Corporations, The Isaac Batterson Family 7th Trust

Issue 10 (continued)	Recommendation #4
FAMU Leadership Frequently Cited an NDA as a Reason for Not Disclosing or Sharing Information with the University Board of Trustees or Foundation Board of Director Members or Responding to Questions from Stakeholders and the Media. (Rpt Reference – Pgs 63 - 64)	Training on Non-Disclosure Agreements (NDA) Additionally, we recommend that the Office of General Counsel provide comprehensive training to appropriate staff about NDAs and the FAMU Confidentiality Agreement. This training should cover the scope of these agreements, the importance of transparency, and the circumstances under which information can and should be shared with the University Board of Trustees and other key stakeholders.
Corrective Action Plan	
1. Develop Training Curriculum: Create a comprehensive training curriculum that covers: ○ The scope and legal implications of NDAs and the FAMU Confidentiality Agreement. ○ The importance of transparency in university operations. ○ Guidelines on when and how information covered by these agreements can be shared with the BOT, BOD, and other key stakeholders. ○ Case studies or scenarios illustrating proper and improper use of NDAs and confidentiality agreements. 2. Identify Training Participants: Identify all staff members who are involved in negotiating, signing, or enforcing NDAs and confidentiality agreements, as well as those who may need to share sensitive information with the BOT or other stakeholders. This may include senior leadership, legal counsel, FAMU Foundation staff, and advancement officers. 3. Schedule and Deliver Training Sessions: Schedule and conduct training sessions for all identified participants. Ensure the sessions are interactive, allowing participants to ask questions and engage with the material. 4. Create and Distribute Reference Materials: Develop and distribute reference materials that participants can use after the training. These materials should include: ○ Summaries of key points from the training. ○ Quick reference guides on the scope of NDAs and confidentiality agreements. ○ Flowcharts or decision trees for determining when and how information should be shared with the BOT, BOD, or other stakeholders.	
Responsible Party & Implementation Date	Resources Required for Implementation
Responsible Party: Implementation Date:	

The above plan was approved by:

Donald Palm, Ph.D.
Executive Vice President and Chief Operating Officer
Interim Vice President of Advancement
Interim Executive Director, FAMU Foundation

Date

Timothy Beard, Ph.D., CRC, BCMC,
President

Date

FLORIDA UNIVERSITY
Board of Trustees
INFORMATIONAL ITEM

Direct Support Organizations (DSO) Committee
Thursday, September 12, 2024
Agenda Item: VIII. A. B.

Subject: Update on Divisional Activities

Background Information and Summary:

Dr. Donald E. Palm, III will provide an update on Divisional activities.

A.) FY 2024-2025 University Advancement Updates

- FY 2024-2025 Fundraising at August 21, 2024
 - \$3,162,528.08 (15.81% of \$20M Goal)
- New Cash
 - \$3,032,008.08 (95.87% of Total & 15.16% of \$20M Goal)
- Pledges & Planned Gifts
 - \$130,520.00 (4.13% of Total & 0.65% of \$20M Goal)

B.) DSO Updates

1. FAMU Foundation, Inc.

- FAMU Foundation Fall 2024 Board of Directors Meeting will be held on November 21-23, 2024, in Orlando, FL, in conjunction with the Florida Blue Florida Classic.
- Investment Value - \$162,934,473.87 as of June 30, 2024, compared to \$161,041,113.25 as of May 31, 2024.
- Endowment Value - \$124,140,598.81 as of June 30, 2024, compared to \$122,550,814.39 as of May 31, 2024.

2. FAMU National Alumni Association (NAA)

- President and Mrs. Beard, and our FAMU Alumni were truly engaged during the MEAC/SWAC Challenge Football Game participating in a broad platform of events in the Greater Atlanta area.
- Kudos to FAMU NAA President Curtis Johnson and the Metro Atlanta Chapter for their unwavering support during the game and surrounding events.

3. FAMU Rattler Boosters

- The annual Rattler Boosters Cross Country/Cheerleaders/Volleyball/Football Kick-Off Luncheon was held on Saturday August 10, 2024. The event was held at the Al Lawson Center.