

FLORIDA **A&M** UNIVERSITY
Board of Trustees

Direct Support Organizations (DSO) Committee Meeting
Wednesday, December 7, 2022
2:45 p.m.
FAMU Grand Ballroom

Committee Members: Thomas Dortch, Jr., Chair
Kristin Harper, Kelvin Lawson, Kenward Stone

AGENDA

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

ACTION ITEMS

- | | | |
|------|---|-------------------|
| III. | Approval of Minutes | Chair Dortch |
| | A. October 5, 2022, DSO Committee Meeting | |
| IV. | Consideration of Approval of DSO Board Members | Dr. Friday-Stroud |
| | A. FAMU Foundation, Inc. | |
| | 1. Traditional Foundation Board Members | |
| | 2. Elected Board Officers: | |
| | i. Chair | |
| | ii. Vice Chair | |
| | iii. Treasurer | |
| | iv. Secretary | |
| | B. Approval of 2022-2023 Foundation Operating Budget Amendment | Dr. Friday-Stroud |
| | C. Approval of Amendment - BOT Policy 2018-01 FAMU Direct Support Organizations | Dr. Friday-Stroud |

INFORMATIONAL ITEMS

- | | | |
|------|--|-------------------|
| V. | Update on Divisional Activities | Dr. Friday-Stroud |
| | A. FY 2022-23 University Advancement Updates | |
| | B. DSO Updates | |
| | 1. FAMU Foundation, Inc. | |
| | 2. FAMU National Alumni Association | |
| | 3. FAMU Rattler Boosters | |
| VI. | New Business | Chair Dortch |
| VII. | Adjournment | Chair Dortch |

Direct Support Organizations (DSO) Committee Minutes
Trustee Kenward Stone, Presiding
Wednesday, October 5, 2022

Trustee Kenward Stone called the meeting to order. Trustees Kristin Harper and Kelvin Lawson were present. A quorum was established. Five action items and several informational items were presented to the DSO Committee.

Approval of June 2, 2022, DSO Committee Meeting Minutes

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

Re-Elected to the Board (Term Expiration: December 31, 2022)

At the June 2nd and September 4th 2022 FAMU Foundation General Board Meetings, a total of six (6) Directors were re-elected to the FAMU Foundation Board due to term expirations set for December 31st 2022.

Re-Elected to the Foundation Board

1. Dir. Chan Bryant Abney
2. Dir. Hosetta Coleman
3. Dir. John Crossman
4. Dir. Marcelia Freeman
5. Dir. Twuanna Munroe Ward
6. Dir. Muhammad Haseeb*
 - a. **1-Year Term Renewal as Faculty Designee*

Trustee Dubose asked if there was a minimum commitment that Board Members must meet, Dr. Friday-Stroud stated that board members are required to make an annual gift of \$5,000. \$500 of which must be a personal contribution and the remaining \$4,500 may be personally contributed or solicited by the board member. She confirmed that each member seeking re-election had met their annual financial commitment.

A motion was made to approve the re-election of these six (6) Directors to serve another four-year term and one-year term respectively on the FAMU Foundation Board. Trustee Lawson motioned for approval; seconded by Trustee Harper. The motion passed, unanimously.

Consideration of Approval of DSO Board Member - University CFO/VP of Finance and Administration

Dr. Friday-Stroud presented to the Committee consideration for approval of the University CFO/VP of Finance and Administration as a Foundation Board Director and Board Treasurer, citing that Dr. Walker, in her role as the CFO/VP has a seat on the FAMU Foundation Board per the Foundation Bylaws. The Foundation Board approved Dr. Walker's election at their June 3rd 2022 board meeting.

A motion was made to approve the election of Dr. Gloria J. Walker to serve on the FAMU Foundation Board of Directors and serve as Board Treasurer. Trustee Lawson motioned for approval; seconded by Trustee Harper. The motion passed, unanimously.

Consideration of Approval of DSO Board Member – FAMU NAA President

Dr. Friday-Stroud presented to the Committee consideration for approval of the FAMU National Alumni Association (NAA) President, Mr. Curtis Johnson, Jr. to serve as a Foundation Board Director, citing that Mr. Johnson, in his role as the FAMU NAA President has a seat on the FAMU Foundation Board per the Foundation Bylaws. The Foundation Board approved Mr. Johnson’s election at their June 3rd 2022 board meeting.

A motion was made to approve the election of Mr. Curtis Johnson, Jr. to serve on the FAMU Foundation Board of Directors. Trustee Harper motioned for approval; seconded by Trustee Lawson. The motion passed, unanimously.

Consideration of Approval of DSO Board Member – SGA Representative

Dr. Friday-Stroud presented to the Committee consideration for approval of Ms. Machia J. Sanders to serve as a Foundation Board Director as the Student Government Association (SGA) representative. Ms. Sanders was nominated by Trustee Zachary Bell, SGA President, and per the Foundation Bylaws a representative from SGA has a seat on the FAMU Foundation Board. The Foundation Executive Committee approved Ms. Sander’s election at their August 1st 2022 committee meeting.

A motion was made to approve the election of Ms. Machia J. Sanders to serve on the FAMU Foundation Board of Directors. Trustee Lawson motioned for approval; seconded by Trustee Harper. The motion passed, unanimously.

Shawnta Friday-Stroud, Ph.D., provided updates on Divisional Activities

A. FY 2022-23 University Advancement

- FY 2022-2023 Fundraising Progress as of September 28, 2022:
 - Raised over \$6.61M
 - New Cash - \$4.83M
- Dr. Friday-Stroud noted that corporate giving was the largest source of support.
- The 10-Year Fundraising Overview emphasized the fact that Advancement had raised \$23.6 million last year, which was the highest ever raised by the University.

Trustee Harper thanked Dr. Friday-Stroud and her team on the recent communication that she had received regarding inclusion of FAMU in her estate planning. Dr. Friday-Stroud stated that the Advancement team is collaborating with the vendor FreeWill to encourage alumni to include FAMU in their estate plans which supports the division’s goal of providing diverse methods of giving to the University.

Trustee Dubose asked is the FAMU Foundation was certified by GuideStar, and Dr. Friday-Stroud informed him that it was bronze certified with plans to enhance our status to silver. The Trustees discussed the current fundraising infrastructure for Advancement. Dr. Friday-Stroud shared with the trustees that she had submitted within her budget request funds to increase development staff and that we were still awaiting the outcome of the request.

In the meantime, she is strategically allocating funds to supplement OPS staff and engage third-party vendors to assist with fundraising operations. The Trustees then briefly discussed providing funding for

students traveling, e.g., Marching "100" band members. Dr. Friday-Stroud relayed that there were plans within the projected budget to account for students travel to mitigate funding issues before the fall season activities. The trustees encouraged the University officials to include band travel in all future engagements for football activities and to determine if current contracts could be renegotiated.

B. DSO Updates

1. FAMU Foundation, Inc.

- FAMU Foundation Fall 2022 Board of Directors Meeting will be held on November 16-19, 2022, in Orlando, FL., in conjunction with the Florida Classic
- Investment Value - \$150,942,911 as of July 31, 2022, compared to \$159,758,620 as of March 31, 2022
- Endowment Value - \$111,817,447 as of July 31, 2022, compared to \$122,192,828 as of March 31, 2022
- No Findings in the FBOG Crowe Audit Report
- Completed DOA Corrective Action Plan based on Crowe's initial observations

2. FAMU National Alumni Association (NAA)

- *FAMU NAA Student Scholarship Dollars Vote*
 - Newly installed FAMU NAA President Curtis Johnson, Jr. & the Executive board were joined by several alumni chapters in voting August 30th to transition more than \$300K in student scholarships to help incoming freshmen to rising seniors. The funds have already cleared the FAMU Foundation and are headed to the accounts of many students.
- *OBC Legislative Breakfast and Symposium*
 - Although the dark clouds yielded a tough loss for our Rattlers on the gridiron, the Orange Blossom Classic was still filled with alumni fellowship and meaningful events, including the FAMU NAA and JSU Alumni Association were proud to host the OBC Legislative Symposium featuring our own FAMU President Dr. Larry Robinson, JSU President, Attorney Thomas Hudson, lawmakers from the Mississippi State delegation and Florida Conference of Black State Legislators.
 - The Event's focus was to Engage, Empower and Elevate as we examine the scope of issues, challenges, and solutions toward the sustainability and survival of our HBCUS.
- Working with Division of Audit to complete Crowe DSO Corrective Action Plan (CAP).

3. FAMU Rattler Boosters

- Selected Truist Bank as the financial institution for the Rattler Boosters' Operational account.
- Completed the Football video upgrade project - total cost of \$22,000.
- Held the Rattler Boosters' Virtual Volleyball and Football Kickoff Fundraiser on August 23rd. As of September 20th, over \$30,000 has been raised.
- Working with the University Division of Audit to complete the Crowe DSO Corrective Action Plan (CAP).

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

FLORIDA **A&M** UNIVERSITY
Board of Trustees
ACTION ITEM

Direct Support Organizations (DSO) Committee
Wednesday, December 7, 2022
Agenda Item: IV. A. 1.

Subject: **Consideration of Approval of DSO Board Member**
a. FAMU Foundation Board of Directors
Traditional Board Members:
i. COL. Gregory L. Clark

Proposed Board Action: Dr. Shawnta Friday-Stroud, Vice President of University Advancement and Executive Director of the FAMU Foundation, will present the consideration of approval COL. Gregory L. Clark as a Director for the FAMU Foundation Board of Directors.

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."*

COL. Clark was elected/approved by the FAMU Foundation Board of Directors at their General Board Meeting held on Saturday, November 19, 2022. He would serve a four-year term beginning January 1, 2023 and ending on December 31, 2026.

Mr. Chair, the DSO Committee is asked to consider the election of COL. Gregory L. Clark to serve on the FAMU Foundation Board of Directors.

Attachment: N/A

FLORIDA **A&M** UNIVERSITY
Board of Trustees
ACTION ITEM

Direct Support Organizations (DSO) Committee
Wednesday, December 7, 2022
Agenda Item: IV. A. 2.

- Subject:** **Consideration of Approval of DSO Board Member**
- a. **FAMU Foundation Board of Directors**
Elected Board Officers:
 - i. **Chair – Dir. Lisa R. LaBoo**
 - ii. **Vice Chair – Dir. Kenneth Neighbors**
 - iii. **Treasurer – Dir. Freddie Raines**
 - iv. **Secretary – Dir. Erica D. Hill**

Proposed Board Action: Dr. Shawnta Friday-Stroud, Vice President of University Advancement and Executive Director of the FAMU Foundation, will present the consideration of approval of the elected Board Officers for 2023-2024 for the FAMU Foundation Board of Directors.

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.”*

These officers were elected/approved by the FAMU Foundation Board of Directors at their General Board Meeting held on Saturday, November 19, 2022. These officers will serve a two-year term beginning January 1, 2023, and ending on December 31, 2024.

Mr. Chair, the DSO Committee is asked to consider the election of the 2023-2024 FAMU Foundation Board Officers.

Attachment: N/A

FLORIDA **A&M** UNIVERSITY
Board of Trustees
ACTION ITEM

Direct Support Organizations (DSO) Committee
Wednesday, December 7, 2022
Agenda Item IV. B.

Subject: **Approval of 2022-2023 Foundation Operating Budget Amendment - \$550K – University Support**

Proposed Board Action: Dr. Shawnta Friday-Stroud, Vice President of University Advancement and Executive Director of the FAMU Foundation, will present the 2022-2023 Foundation Operating Budget Amendment of \$550K for University Support.

The FY 2022-2023 FAMU Foundation Operating Budget Amendment was approved by the FAMU Foundation Board during their General Board Meeting held on Saturday, November 19, 2022.

Rationale: The DSO Budget Amendment is submitted for approval 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 2022-2023 FAMU Foundation Operating Budget Amendment for \$550K.

- \$350,000 for Summer 2023 Athletics Scholarships.
- \$100,000 for Band Travel.
- \$100,000 for Incoming VP/AD Support.

Attachment: 1.) FY 2022-2023 FAMU Foundation Operating Budget.

FAMU FOUNDATION, INC
FISCAL YEAR 2022-2023 APPROVED OPERATING BUDGET

REVENUE AND SUPPORT

Operating Revenue	\$3,428,380
<i>Endowment Administrative Fees and Operating Fees</i>	<i>\$2,787,380</i>
<i>Incoming Gifts Fees [7%, 5% or 3%]</i>	<i>\$275,000</i>
<i>Administrative Fees on Miscellaneous Revenue (7%)</i>	<i>\$60,000</i>
<i>Administrative Fees on Disbursements [\$2.50]</i>	<i>\$6,000</i>
<i>Campaign Fee [2%]</i>	<i>\$300,000</i>
License Tags Revenue	\$450,000
Rents and Fees 625 East Tennessee Street	\$70,000
Contingency Revenue	\$550,000

TOTAL REVENUE AND SUPPORT **\$4,498,380**

EXPENDITURES

Foundation Operations	
Staff Salaries and Benefits	\$890,000
Contractual Services	\$25,000
General Counsel and Legal Services	\$60,000
Auditing and Accounting Services	\$55,000
Foundation Board Support	\$150,000
Travel, Registration, Training and Seminars	\$25,000
Memberships and Subscriptions	\$5,000
Insurance	\$40,000
Janitorial Services	\$30,000
Office Security Monitoring	\$12,000
Office Utilities	\$50,000
Pest Control	\$4,000
Grounds Maintenance	\$14,000
Software Maintenance	\$150,000
Telephone	\$2,500
Office Equipment/Furniture	\$25,000
Materials, Printing & Postage	\$20,000
625 E TN Street Renovations	\$100,000
Bank Fees	\$10,000
Donor Outreach Support and Other	\$83,775
Equipment - Van	\$0
Operating Contingency	\$9,157
Transportation Maintenance	\$2,500
Total Foundation Operations	\$1,762,932

Office of University Advancement

Advancement Operations/Development Support	\$126,000
Capital Campaign Support	\$100,000
Fundraising Activities [75% License Tags Revenue]	\$337,500
Total Office of University Advancement	\$563,500

University Support

University President Compensation	\$388,562
Interim University President Compensation	\$0
University President Salary Increase, Bonus & Benefits	\$70,000
Office of the President	\$80,000
University Auxiliary Support	\$298,485
Board of Trustees Assessment	\$36,000
Board of Governors Assessment	\$16,000
Legislative Advocacy	\$80,000
License Tags Scholarships [25% License Tags Revenue]	\$112,500
Athletics Salary Support	\$104,000
Athletics Scholarships Support/General	\$350,000
University Executive Support	\$336,401
University Support	\$300,000
Total University Support	\$2,171,948

TOTAL EXPENDITURES **\$4,498,380**

REVENUE LESS EXPENDITURES **\$0**

FLORIDA **A&M** UNIVERSITY
Board of Trustees
ACTION ITEM

Direct Support Organizations (DSO) Committee
Wednesday, December 7, 2022
Agenda Item IV. C.

- Subject:** **Approval of Amendment - BOT Policy 2018-01
FAMU Direct Support Organizations**
- Proposed Board Action:** Dr. Shawnta Friday-Stroud, Vice President of University Advancement and Executive Director of the FAMU Foundation, will present the December 8, 2022, Amendment to BOT Policy 2018-01 - FAMU Direct Support Organizations.
- Rationale:** The DSO Policy Amendment is submitted for approval in accordance with University Policy Number: UP-01-01, Article III, Section B. 1.
- Board of Trustees Policies (BOT Policies) are policies that implement state and federal law or BOG Regulations and require FAMU BOT approval. BOT Policies become effective upon adoption by the FAMU BOT in a noticed open meeting.*
- Recommendation:** Approve the December 8, 2022, Amendment to BOT Policy 2018-01 - FAMU Direct Support Organizations.
- Attachment:** 1.) BOT Policy 2018-01 - FAMU Direct Support Organizations
(Redlined Version).



FLORIDA AGRICULTURAL AND MECHANICAL UNIVERSITY
Board of Trustees Policy

Board of Trustees Policy Number: 2018-01	Date of Adoption: June 7, 2018 Date of Revision: (Formerly IMM 2003-01) June 24, 2003, May 22, 2003, <u>December 8, 2022</u>
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Subject	FAMU Direct Support Organizations
Authority	Sections 1001.706, 1004.06, 1004.28; 1010.09; 1013.171, 1013.78, Florida Statutes; Board of Governors Regulation 9.011; FAMU Regulation Chapter 11
Applicability	FAMU Direct Support Organizations

I. Rescinding of FAMU Internal Management Memorandum No. 2003-01

FAMU Internal Management Memorandum No. 2003-01, FAMU Direct Support Organizations adopted on May 22, 2003 and revised on June 24, 2003 is hereby repealed or rescinded effective at the time of adoption of this policy.

II. Policy Statement and Purpose

To establish uniform criteria for certifying FAMU Direct Support Organizations and uniform policies regarding the operation and oversight of FAMU Direct Support Organizations.

III. Procedures, Approvals/Responsibilities

A. Florida Agricultural and Mechanical University Direct Support Organizations (“DSO” or “organization”) are approved by the University President (the “President”) and the Florida Agricultural and Mechanical University Board of Trustees (the “Board”) for certification. If the President determines that the organization is no longer serving the best interests of the University, the President may request that the Board decertify a DSO. The Board has the authority to request that the President investigate any DSO that is acting inconsistently with the best interests of the University. The request for decertification shall include a plan for disposition of the organization’s assets and liabilities.

B. Certification as a DSO is required if the organization will:

1. Use the property, facilities, personal services, or name of the University; or
2. Receive, hold, invest, or administer assets or property or make expenditures for the benefit of the University.

C. A request for initial and continued certification of a DSO to the Board shall include:

1. The Articles of Incorporation.
2. The Bylaws, which shall describe the operating procedures and specific individual responsibilities of the organizations' boards, committees, and officers as related to the activities of the organization, and shall incorporate this policy and the Board of Trustees' Regulation 11.001 by reference.

D. The Articles of Incorporation and the Bylaws, together, shall:

1. Provide that the organization shall comply with the provisions of Section 1004.28, Florida Statutes.
2. Provide that any person employed by the organization shall not be considered to be a state or public employee of Florida by virtue of employment by the organization.
3. Provide that the chief executive officer, executive director or senior operating officer of the organization shall be selected and appointed by the ~~governing board of the organization, with prior approval by the~~ President, in consultation with the DSO's governing board. The chief executive officer, executive director or senior operating officer of the DSO shall report to the President, and shall not serve as a member of the DSO Board.
4. Provide that the Board shall approve all appointments, including elected board members, to any DSO board.
5. Include or reference the organization's policy and procedures on public access to records and open meetings. The policy shall ensure public access to information in accordance with Section 1004.28(5), Florida Statutes, while also protecting the confidentiality of personal or financial information about donors or prospective donors, in accordance with Section 1004.28(5), Florida Statutes. The policy shall also include the organization's policy and procedures on access to meetings in accordance with Chapter 286, Florida Statutes.
6. Provide that any subsequent amendments to the Articles of Incorporation or Bylaws of the organization shall be approved by the President and the Board, prior to becoming effective.
7. Provide that the President shall have the following powers and duties:
 - a. Monitor and control the use of University resources by the DSO.
 - b. Control the use of the University name by the DSO.
 - c. Monitor compliance of the DSO with state and federal laws and rules of the Board.

- d. Recommend to the Board an annual budget, pursuant to paragraph I.
- e. Review and approve expenditure plans, pursuant to paragraph K.
- f. Approve salary supplements and other compensation or benefits paid to the University faculty and staff from DSO assets and salaries, benefits, and other compensation paid to employees of the DSO, consistent with the Board’s policies provided in paragraph O. The President may designate an individual who shall be a vice president of the University or other senior officer of the University reporting directly to the President to serve in this capacity. Determination of compensation of athletic personnel from DSO assets may be made at the discretion of the President and may not be delegated.

g. Approve contribution of funds or supplements to support intercollegiate athletics.

- 8. Provide that the organization shall provide equal employment opportunities for all persons regardless of race, color, religion, gender, age, or national origin.
- 9. Provide that personal services must comply with Section 1012.976, Florida Statutes.
- 10. Provide that state funds cannot be used for the organization’s travel expenses.
- 11. Provide that organizations shall comply with University set thresholds for approval of purchases, acquisitions, projects, and issuance of debt by DSOs.
- 12. Prohibit the giving, directly or indirectly, of any gift to a political committee or committee of continuous existence as defined in Section 106.011, Florida Statutes.

E. The Chair of the Board shall appoint at least one representative to the board of directors and executive committee of the organization, and the President or the President’s designee will serve on the board of directors and executive committee of the organization.

F. The DSO shall, immediately upon certification by the Board, file with the Department of State as a Florida not-for-profit corporation under the provisions of Chapter 617, Florida Statutes.

G. The Board shall not transfer any funds to and/or allow any DSO to use the property, facilities, or personal services of the University if the organization violates D.8.

H. The DSO shall conduct its financial operations observing a fiscal year ending on either June 30 of each year, unless otherwise approved by the Board.

Entity	Year-End	Report Due Date
1. FAMU Foundation, Inc.	June 30	Jan. 1 (following year)
2. FAMU National Alumni Association, Inc.	June 30	Jan. 1 (following year)

3. FAMU Rattler Boosters, Inc.	June 30	Jan. 1 (following year)
4. FAMU Research Foundation, Inc.	June 30	Jan. 1 (following year)

- I. The DSO shall submit an annual operating budget, which has been approved by the DSO's governing board and by the President and submitted to the Board for approval. The budget shall be submitted in the format of the Attachment no later than sixty (60) days after the first day of the fiscal year for which the budget pertains.
 1. The construction of physical facilities shall be set forth in the budget, including those on leased public property, as authorized and defined in Section 1013.171, Florida Statutes. The construction of facilities, although set forth in the budget, shall be consistent with the system wide strategic plan adopted by the State Board of Education if the project is to be constructed on state land or with state funds and consistent with Section 1013.78, Florida Statutes. Any other construction project shall require notification to the President prior to commencement of construction.
 2. Salary supplements, compensation, and benefits provided to the President, to University faculty, and to staff and to employees of the DSO with DSO assets shall be detailed in the budget.
 3. A schedule of the names of the organization's governing board members, their dates of service, and committee membership lists shall be submitted with the budget. The schedule of names shall include a statement signed by the President, or the President's designee, certifying that the composition of the organization's governing board is in accordance with its Bylaws. The individuals appointed by the Chair of the Board and by the President shall be clearly identified.
- J. 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.
- K. As required by the President and University Regulations and Policies, the DSO shall prepare and submit to the President, an expenditure plan that separately delineates planned actions which will result in a commitment of University resources or which represent a significant commitment of the resources of the DSO, including but not limited to:
 1. Major fund-raising events and campaigns along with their purpose.
 2. Compensation and benefits to University employees and employees of the organization.
 3. Capital projects including land acquisition, construction, renovation, or repair.
 4. Other major commitments of the resources of the DSO as defined by the President.

- L. The DSO shall annually prepare an audit and related financial documents, in accordance with applicable laws and rules, which shall be submitted to the President and to the Audit Committee of the Board for Board review and approval.
1. Each DSO shall cause a financial audit of its accounts and records to be conducted by an independent certified public account, after the close of each fiscal year, in accordance with rules adopted by the Auditor General pursuant to Section 11.45(8), Florida Statutes, and University Regulations and Policies.
 2. The audit report shall be submitted by the President to the Board no later than the end of the sixth month following the close of the organization's fiscal year. The President shall submit the annual audit report to the Auditor General, the State Board of Education, and the Board of Governors no later than nine (9) months after the close of the organization's fiscal year.
- M. Beginning July 1, 2019, and annually thereafter, each DSO shall report to the Board of Trustees the amount of state appropriations transferred to the DSO during the previous fiscal year, the purpose for which the funds were transferred, and the remaining balance of any funds transferred.
- N. The DSO shall submit to the President, the State Board of Education, and the Board of Governors its federal Internal Revenue Service Application for Recognition of Exemption (Form 1023) and its annual federal Internal Revenue Service Return of Organization Exempt from Income Tax (Form 990).
- O. The following policies concerning salary supplements, compensations, and benefits provided to the President, to University faculty and staff, and to employees of the DSO with DSO assets are applicable:
1. Full or part-time employees of DSOs are not state or public employees of Florida and may not participate in State Retirement or other fringe benefits available to employees of the state or public employees.
 2. Any salary supplement provided by a DSO to the President shall be consistent with any applicable state law and rules and approved by the Board.
 3. Salary supplements and other compensation or benefits provided for University employees will be paid using the State of Florida payroll payment process or the University payroll system, and will not be subject to state retirement contributions nor included in salary averaging for the purpose of computing retirement benefits.
 - a. The President or the President's designee shall approve all supplemental compensation to be paid to University employees by DSOs. Determination of compensation of athletic personnel from DSO assets is to be made at the discretion of the President and may not be delegated.

- b. The list of approved payees shall be provided to the University payroll office for processing as prescribed by the Bureau of State Payrolls or University payroll procedures.
- c. The DSO, in coordination with the appropriate personnel of the University, shall transfer the appropriate funds from the DSO into a State Treasury account for disbursement in accordance with State Comptroller's guidelines. These funds shall be sufficient to pay all federally required employer matching. The appropriate withholding taxes, as dictated by the State Comptroller, will also be applicable.
- d. Prior to increasing the salary or changing the salary source for an individual who receives compensation from a DSO fund source that does not contribute to the Florida Retirement System (FRS) and from a fund source that does contribute to FRS, the University shall request a written analysis from the Division of Retirement, Florida Department of Management Services, or other appropriate state agency, if the proposed change in salary increases the proportion of the total salary that is paid from state funds. This analysis, assessing the potential impact of such action on FRS, shall be provided prior to the President's approval of the change in salary. If the change in salary results in a significant fiscal impact on the FRS, an assessment payable to the FRS may be required.

Attachment(s)	Florida Agricultural and Mechanical University Direct Support Organization Annual Budget and Expenditure Form
Hyperlink Addresses	N/A

ATTACHMENT

**FLORIDA AGRICULTURAL AND MECHANICAL UNIVERSITY DIRECT SUPPORT ORGANIZATION
ANNUAL BUDGET AND EXPENDITURE REPORT**

For Period _____ Through _____

FILL IN EVERY BLANK. USE N/A IF NOT APPLICABLE

I. GENERAL DATA

Name of Direct Support Organization
 Address
 College/School Affiliation (if any)
 Name of Director (if any)
 Telephone Number
 Other Institutions or Agencies Involved
 Identify the following members on the Board of Trustees and Executive Committee:
 Designee of the President, Designee of the Board of Trustees Chairman
 The Board of Directors
 The Executive Council

II. FISCAL DATA

A. Revenues by Source

Source of Funds:	Prior Year:	Revenue Budget:
University		
Federal		
Private		
Sales & Licensing		
Other Revenues		

Totals

B. Operation of the Direct Support Organization

Expenditure Item/Category:	Prior Year:	Expenditures Budget:

Total DSO Operational Expenditures

C. Activities or Program*	Prior Year	Expenditures Budget

Total DSO Univ. Activity Expenditures

Signature of Senior Operating Officer

GRAND TOTAL OF ALL EXPENDITURES

*The Direct Support Organization's prior year expenditures and current year budget in support of University programs and activities may be summarized on a single line if desired; alternatively, the support of University programs and activities may be specified in considerable detail.

FLORIDA **A&M** UNIVERSITY
Board of Trustees
INFORMATIONAL ITEM

Direct Support Organizations (DSO) Committee
Wednesday, October 5, 2022
Agenda Item: V.

Subject: Update on Divisional Activities

Background Information and Summary:

Dr. Shawnta Friday-Stroud will provide an update on Divisional activities.

A. FY 2022-23 University Advancement Updates

▪ **FY 2022-2023 Fundraising as of November 9, 2022**

- **Progress as of November 9, 2022:**
Raised \$10,131,071.20
(67.5% of \$15M Goal)
- New Cash Goal - \$15M
Current - \$7,567,726.24
(74.6% of Total 50.4% of \$15M Goal)
- Pledges & Planned Gifts Goal -\$15M
Current - \$2,563,344.96
(25% of Total & 17% of \$15M Goal)

B. DSO Updates

1. FAMU Foundation, Inc.

- FAMU Foundation Fall 2022 Board of Directors Meeting was held on November 16-19, 2022, in Orlando, FL., in conjunction with the Florida Classic.
- Investment Value - \$137,399,888 as of September 30, 2022, compared to \$150,942,911 as of July 31, 2022.
- Endowment Value - \$102,120,327 as of September 30, 2022, compared to \$111,817,447 as of July 31, 2022.
- FAMU Foundation Board approved \$550,000 additional in University support: \$350,000 for Summer 2023 Athletics Scholarships; \$100,000 for Band Travel; and \$100,000 for Incoming VP/AD Support.

FLORIDA **A&M** UNIVERSITY
Board of Trustees
INFORMATIONAL ITEM

2. FAMU National Alumni Association (NAA)

- The FAMU NAA held its Fall meetings November 16-19, 2022, in Orlando, FL in conjunction with the Florida Classic.

3. FAMU Rattler Boosters

- The FAMU Rattler Boosters continues to raise money for all Athletics teams.