

**One-Page Response to FAMU Foundation Board Members’ Requests Regarding \$400,000 for  
FAMU BOT Settlement Agreement**

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<b>FAMU Foundation Board Members’ Request</b>	<b>Response</b>
Validate no other source of University funds are available to pay the \$400,000 Settlement Amount	Given that this settlement is from an Athletics personnel situation, only Athletics or DSO funds can be used. Athletics does not have \$400,000 in its current budget to pay the \$400,000 by the May 1, 2020 date in the proposed and tentatively accepted settlement agreement.
What Foundation funds are available, and what is the impact of using those funds?	The Foundation generates funds annually from fees based on the Foundation Board’s approved fee structure. Over the last couple of years, staff has been conservative in its budget requests only requesting incremental increases in various categories and not requesting to draw down all funds earned from fees. As a result of these prudent decisions, even after the approved November 2019 budget increase, there is \$338,000 remaining that staff did not request to be allocated within the 2019-2020 budget. Therefore, to meet the requested \$400,000, staff is requesting that the Foundation Board approve drawing down the remaining \$338,000 that has been earned from fees assessed over the last few years. The remaining \$62,000 will be covered by funds available to Dr. Robinson that do not require Foundation Board approval.
\$30,000 for Fundraising Position	It was never said by staff that \$30,000 was not available for a fundraising position. What was said is that a vacant \$46,000 E&G (non-Foundation) administrative position could be used to add \$33,000 for a fundraising position beginning July 1 because salary savings from the vacant \$46,000 position is being used to pay several individuals OPS that are working on projects through June 30, 2020.
What are the consequences of breaching the BOT’s Settlement Agreement?	The following consequences are possible if the BOT’s Settlement Agreement is breached: the Plaintiff would likely move for enforcement of the Settlement Agreement and that motion would likely be granted; the Plaintiff would also likely move for sanctions alleging “bad faith” on the University’s part for having caused a cancellation of the trial on the false premise of having reached a settlement, which would likely be granted resulting in additional fees; and, it would likely create a publicity crisis that would detrimentally impact fundraising.