

GENERAL BOARD MEETING MINUTES

Florida A&M University Foundation Board of Directors

Spring 2019 FAMU Foundation Board Meeting

Friday, May 17, 2019 * 9:45 a.m. – 12 p.m.

Hyatt Regency Birmingham – The Wynfrey Hotel * Birmingham, AL

Board Members Present

Dir. Jemal Gibson, *Chair*
Dir. Lisa LaBoo, *Vice Chair*
Dir. Alfreda Blackshear, *Secretary*
Dir. Wanda Ford, *Treasurer*
Dir. Larry Robinson, *FAMU President*
Dir. Chan Bryant Abney
Dir. Elaine Armster
Dir. William Bryant
Dir. Gregory Clark
Dir. Hosetta Coleman^T
Dir. John Crossman^T
Dir. Wanda Ford
Dir. Marcelia Freeman^T

Dir. Shawnta Friday-Stroud
Dir. Clifton Goins, IV
Dir. John Green
Dir. Monica Williams Harris
Dir. Thomas Jones, Jr.
Dir. Lenetra King
Dir. Carmen Cummings Martin
Dir. Kenneth Neighbors^T
Dir. Akunna Olumba
Dir. Phyllis Taite
Dir. Twuanna Munroe Ward
Dir. Tirrell D. Whittley

Board Members Not Present

Trustee Belvin Perry, Jr., *FAMU Board of Trustees*
(*BOT*)
Dir. Keith Clinkscales
Dir. Lorin Crenshaw

Dir. Taylar Hall
Dir. Erica Hill
Dir. Laurence Humphries
Dir. G. Scott Uzzell

Guests Present

Trustee Kelvin Lawson, *Chair, FAMU BOT*
Trustee Kimberly Moore, *Vice Chair, FAMU BOT*
Trustee Robert Woody, *FAMU BOT*
Col. Brodes Hartley, *Foundation Emeritus Chair*
Harold Knowles, Esq. *Foundation General Counsel*
David Self, Esq., *FAMU Attorney*
Daryl Parks, Esq.

Mr. Ronald Thompkins, *CPA, BCA Watson Rice*
Ms. Kathy Times, *Executive Associate Director*
Ms. Sabrina Pritchett-Evans, *Consultant*
Dr. William Hudson, *FAMU Student Affairs*
Mr. Augustus Mitchell, *FAMU Student Affairs*
Dr. Ann Perry Booth

Staff Present

Ms. Kristen Florence
Ms. Juanita Johnson
Mrs. Quiana Lowe
Mrs. Gena Palmberg
Ms. Kimberly Hankerson

Ms. Renita Smith
Mrs. Audrey Simmons-Smith
Mr. Eric Swanigan
Mrs. Brandi Tatum-Fedrick
Ms. Angie Wiggins

Call to Order and Roll Call

The meeting was called to order at 9:45 a.m. by Chair Jemal Gibson. Ms. Angie Wiggins offered the roll call and determined a quorum was present.

Conflict of Interest Disclosure

Chair Gibson requested that Board members disclose any conflict of interest with items on the agenda; none were disclosed.

Approval of Minutes

The minutes from the following meetings were approved:

1. November 17, 2018 - General Board Meeting
2. January 9, 2019 - Board of Directors Teleconference
3. February 26, 2019 - Board of Directors Teleconference
4. March 20, 2019 - Foundation Executive Committee Teleconference

The minutes were moved for approval by Dir. Thomas Jones; seconded by Dir. Twuanna Munroe Ward. The motion passed, unanimously.

Opening Comments

Foundation Board Chair – Mr. Jemal Gibson

Chair Gibson thanked Directors Thomas Jones, Jr., and Hosetta Coleman for their leadership as the former Chair and Vice Chair; and, welcomed Director Akunna Olumba to the Board.

Chair Gibson advised that, in response to inquiries regarding his vision, the vision will be created collectively as a Board. His personal mission to help elevate the Foundation will focus on three areas.

- **Engagement** – time spent on Board activities, and Board expectations.
- **Effectiveness** – Board performance in terms of raising and managing money; carrying out director duties, responsibilities, and assignments and measuring those results and Board members.
- **Efficiency** – how efficient is the Board; are the right or best processes or systems in place; and, are the tools in place for maximizing engagement and effectiveness, size and structure.

The recent FAMU Foundation Board Assessment Survey and results provide a baseline in terms of the Board's current status and areas to build upon.

FAMU NAA President – COL. Gregory Clark

Due to the FAMU NAA Convention occurring simultaneously as the Board Meeting, President Clark was unavailable.

FAMU Board of Trustees Chair – Mr. Kelvin Lawson

Chair Lawson thanked Directors Jones and Coleman for their leadership as former Chair and Vice Chair and thanked and applauded the efforts of Board members for all that they do, and for stewarding the Foundation's large endowment. He spoke of the anticipated increase in the fundraising goal for President Larry Robinson and encouraged this Board to give and to do more individually and collectively. The Chairman advised that the University has north of \$150M of infrastructure coming out of the ground in Tallahassee in the next 18 months. Dir. Wanda Ford outlined the four major facility projects to be completed by Fall 2020. These projects include: the CASS Building, a 700-bed facility, a dining facility, and an amphitheater with 100 additional parking spaces.

University President – Dr. Larry Robinson

Dr. Robinson congratulated and welcomed the Board Chair and Vice Chair in their new roles. The President shared that he, Chair Gibson, and Dr. Shawnta Friday-Stroud and select staff attended the Association of Governing Boards conference in February.

Noting that the University has several metrics that reflect positively on the work being done, Dr. Robinson advised of the desire to equip the Board with more impact stories that can be used when communicating with potential donor or partners. He also highlighted two new partnerships for the University: hemp/medical marijuana and Duke Energy Solar Facility.

Committee Reports

A. Audit Committee - Dir. John L. Green, Chair

External Auditor, five-year contract extension finalized

Dr. Friday-Stroud stated that the External Audit Contract has been finalized with BCA WATSON RICE LLP.

Operational Audit

Dr. Friday-Stroud reported that three firms replied to the RFP. The Foundation staff selected Clifton, Larson and Allen (CLA) based on price, experience with non-profits, and ability to meet deadlines. The Operational Audit is in progress and the findings will be presented at the November Meeting. She advised that the Operational Audit should be completed within 1 ½ months. This Audit is conducted every three years.

New Business

Mr. Ronald Thompkins, of BCA WATSON RICE LLP, presented the Planning Communications for fiscal year June 30, 2019. The report included the items listed below.

- Engagement Team
- Their Approach
- Principal Areas of Audit Emphasis
- Planned Deliverables
- IRS Form 990
- Timeline

A teleconference may be called prior to the November Meeting to review the report.

Other Items

Change of Reporting Requirements from FASB vs GASB for preparation of financials. There was a suggestion and discussion around changing the Foundation's Corporate Status to allow for GASB tax reporting. The Committee requested that research be completed regarding this matter. This discussion will be tabled to evaluate the findings.

B. Development Committee - Dir. Lisa LaBoo, Chair

Fundraising Report

Dr. Friday-Stroud reported that as of May 10, 2019, over \$9.5M has been raised, broken down as follows:

New Cash	\$3,740,108.16
Pledge Collections	\$5,369,510.77
Pledges	\$480,212.41

Dr. Friday-Stroud shared a Fundraising Performance Snapshot, showing giving over the past six years, as well as the current and previous pledge fulfillment rates.

	FY 17/18	FY 18/19
Pledge Fulfillment	13%	1118%

Fundraising Activities

Dr. Friday-Stroud also noted current and upcoming fundraising initiatives, to include:

- | | |
|--|---------------------------------|
| FAMU Rising | Athletics \$1M Big Push Weekend |
| Give Back Homecoming Challenge | Memory Lanes Brick Campaign |
| Parents & Grandparents Giving Campaign | FAMU Retirees Giving |

It was requested of staff to show the alignment between each of the reported activities and the strategic plan. There was also discussion around strengthening the branding of FAMU Rising, better equipping Board members to articulate its impact on the University.

Lastly, Dr. Friday-Stroud detailed the life cycle of a gift. Mr. Ronald Thompkins, the Foundation’s Auditor, detailed changes in accounting when reporting pledges. It was suggested that the Foundation change its corporate status to allow for GASB tax reporting. This discussion, however, was tabled to be continued in the Audit Committee Meeting. There was also discussion about tracking and pledges. Dr. Friday-Stroud advised that staff would work with the Foundation’s vendor to develop a way to automate this process.

Infrastructure Improvements

Dr. Friday-Stroud provided an updated organizational chart for the Division of University Advancement, detailing all organizational structure changes. Due to time constraints, this item was tabled to be discussed at the General Board Meeting.

Board Toolkit

Lastly, Ms. Kimberly Hankerson, AVP of Major and Principal Giving, presented a Board Toolkit. The Toolkit includes governing documents, University highlights, the role of the Board, strategic plans, and details about compliance with the Sunshine Law.

C. Finance Committee, Dir. Twanna Munroe Ward, Chair

Operating Budget

Dr. Friday-Stroud presented an overview of the FY 2019-2020 DRAFT Operating Budget.

The motion was made to approve the FY 2019-2020 Operating Budget.

Moved by: Dir. Tirrell D. Whittley

Seconded by: Dir. John Green

The motion passed, unanimously.

The Budget includes a change in the administrative gift fees to include a sliding scale of:

- Less than \$5,000, 7% fee rate
- \$5,000 thru \$99,999, 5% fee rate
- \$100,000 and above, 3% fee rate

The Committee requested the Hit Rate on asks of \$100,000 or more.

The motion was made to approve the Administrative Gift Fee Sliding Scale.

Moved by: Dir. John Green

Seconded by: Dir. Lenetra King

The motion passed, unanimously.

Budget Comparison Report

The Committee was provided the current year-to-date Budgetary Comparison Report. The budget report was updated with the year-to-date comparative data. The Committee was provided and reviewed the quarterly financial reports and requested of staff to include quarter-to-date, and a percent variance analysis comparison in future financial reports.

The financial reports are to include four columns. They are:

- Current quarter-to-date
- Previous quarter-to-date
- Percent variance
- Prior year audited

D. Investment Committee - Dir. Clifton A. Goins, IV, Chair

Presentation by Commonfund

Commonfund staff provided an overview on current Market and Economic conditions; an Investment Performance Review for January – March 2019; a recommendation on Private Real Estate Investment; and an Annual Diverse Manager Review.

The Committee discussed the performance as compared to the benchmark. Since inception, the performance is slightly below benchmark, roughly 50 basis points. The Committee agreed that a memo be put forth to Commonfund that includes the Committee's thoughts on asset allocations.

After the discussion pertaining to the Private Real Estate Investment recommendation, Chair Goins, Vice Chair Marcelia Freeman, and Director Lorin Crenshaw, were directed to draft a memo from the Investment Committee to Commonfund that expresses the Committee's unreadiness, and request for other alternatives.

As it relates to the diverse professionals employed by Commonfund, Commonfund staff was requested to provide data for investment roles within the managing director, director, and analyst positions.

Chair Gibson requested that Board members complete a form provided for them to list by choice and rank order, the Board Committees that they would like to be a part of. The goal is to obtain the right size and structure of the committees. A Conflict of Interest Disclosure Form was also issued for Board members to review and sign.

E. Executive Director's Report

Dr. Friday-Stroud advised that fundraising is currently at \$9.5M for new cash, pledge collections, and pledges. She also stated another \$2M is needed by June 30th.

Dr. Friday-Stroud presented the University Advancement Organizational Restructure Chart. The restructuring includes a new hire (Ms. Kimberly Hankerson) in the major and principle giving areas.

She also informed the Board of the initiatives listed below.

- A table was provided that delineates the alignment between fundraising activities and their connection and tie to the University's Strategic Plan.
- June 14-16, 2019 - Athletics/\$1M BIG Push – A Fundraiser for Athletic Scholarships, Facilities and Nutrition.
- Pre-Order Memory Lane Bricks, June 28 – July 31, 2019.
- Samples of the Colleges & Schools give back – program setup for text-to-give to their discretionary funds.
- Operational Audit was in progress; will be presented at the Fall 2019 Board Meeting.
- The Associate General Counsel for the University, David Self, shared the basis of the Florida Sunshine Law.
- Advised of a Lawsuit filed by former Vice President, George Cotton.
- Sabrina Pritchett-Evans provided an overview on the Charitable Planned Giving Program.
- Dr. William Hudson, Jr., and Mr. Augustus “Gus” Mitchell made a presentation on the FAMU Student Affairs Recruitment 2019-2020.
- She provided a report on how the fundraising activities aligned with FAMU Rising and University Advancement's Strategic Plan.

F. Foundation Board Chair – Mr. Jemal Gibson

FAMU Foundation Board Assessment Survey

Chair Gibson spoke briefly about the Survey highlights in which 22 members responded. He explained that the purpose of the survey was to establish a baseline of the Board's current status as it relates to Board engagement, effectiveness and efficiency. Per Chair Gibson, the Board will review this survey again in a year's time to determine awareness, insight, and transparency, as the Board continuously improves to get better. Chair Gibson then made assignments to the various committees.

Confirm Spring 2020 FAMU Foundation Board Meeting

A motion was made that the Spring 2020 Board Meeting be held on May 20-21 in Atlanta, GA. The motion was properly moved and seconded; passed unanimously.

Adjournment

The meeting was adjourned at 12:24 p.m. by Chair Jemal Gibson.

Minutes Prepared By

Ms. Kristen Florence | Ms. Renita Smith