

**Board of Trustees
Meeting Minutes
February 5, 2024**

Call to Order:

Kristin Harper, Chair

Chair Harper called special Board of Trustees meeting to order. Linda Barge-Miles called the roll, and a quorum was established. The following trustees were present: Brown, Cliatt, Crossman, Figgers, Gibbons, Harper, Lawson, Mondelus, Perry, Reed, Stone, Washington, and White.

Public Comments:

There were no requests for public comments.

Performance-Based Funding Data Integrity Audit/Certification

Chair Harper recognized VP Maleszewski to present the Performance-based Funding Audit. He shared the results of the audit. He shared that this year the audit focused on metrics 5, 6, 8, and 10 for the period of fall 2022, spring 2023 and summer 2023. He said that submissions were made on time and appropriate for decision making purposes. VP Maleszewski then recommended that President Robinson and Chair Harper use the audit as a basis to execute the Board of Governors required certification document. There were no questions from the Board. The motion for approval of the certification was moved and seconded by Trustees Reed and Lawson, respectively. The motion carried.

New 700-bed Residence Hall Project (Phase II) Update

VP Brown provided an update on the second phase of the 700-bed residence hall construction project by informing the board that the project's guaranteed maximum price of \$74.9 million dollars with Finrock Construction, LLC has been accepted by the university. The loan closing date is set for February 13, 2024. She also provided a timeline for the project with the sitework beginning in March 2024 and a targeted completion date of July 31, 2025. In closing, she thanked the various partners and stakeholders for their support. Afterwards, she was joined by members of the University's facilities team, Office of General Counsel and outside counsel to provide insight and address any concerns. The update concluded with discussions on student accommodations in the cafeteria and new dorm as well as minority business project inclusion.

Athletics - 2023-2024 Budget Update

VP/AD Sykes began by stating that 55% of the projected revenue for the current fiscal year has been collected. To date, the department is at 80% spend of the projected expenditures and are trending higher than originally anticipated in compensation areas due to the successful football season. Other expenditure categories have trended as anticipated. The department is also projected

to benefit from the newly implemented Board of Governors regulation related to athletics out-of-state waivers and by identifying scholarships from the various majors. The department will continue monitoring the expenditures and will be strategic in developing ways to reduce spending for the remainder of the academic year. Trustee Lawson asked if the potential leave pay-out for all coaches was captured in the budget presented? VP/AD Sykes responded that the leave pay-outs are captured as projections, which are on the high end just in case every staff member transitioned out. Trustee Lawson followed up asking if sizeable expenses that come post football season were also captured in the projections. AD Sykes answered by stating that extensive education with all campus stakeholders have been conducted and reinforced at every staff meeting to ensure that no financial commitments are made without going through the proper procurement process. Trustee Gibbons requested that the President and staff provide a full overview of the athletics budget since it seems as though the department was not operating in a deficit prior to the start of VP/AD Sykes tenure. He stated that “as he continues to go through the numbers, it looks like there’s a structural deficit within the athletics department that we continue to overlook as opposed to taking the time in fixing the real issue. After doing a deep dive, he keeps hearing negative language and other stuff about contracts are ambiguous and we don’t know what this means, and, he’s not going to get into particular football games and that kind of stuff, but all he’s going to say is, as he read more and more and more into this, it just seems like we don’t have a hold on the athletics budget. We keep getting snapshots in time instead of a full overview of what this budget looks like. If there’s a structural deficit, we need to deal with the deficit upfront or we will continue to run into the negative. Now he’s been getting telephone call about us taking a vote at the foundation and employees, and the President taking a vote to get money to the athletic department, which is a total violation of the law.” Dr. Robinson then asked what law is being violated? Trustee Gibbons responded, “if you’re an ex officio member, you can’t vote and, if you have any employees that are on a foundation board, they have to call out and be on their own time. They can’t be on the clock. The budget director can’t vote on something and be over the money when it comes into the budget. That’s a total violation of Florida law. So, we got to be very careful that we follow the rules and not just try to fix stuff, and we’re making it worse and worse and worse and worse rather than just following procedures. So, he would like to see the foundation by-laws to see who’s actually on the board and who’s a voting member because this is starting to get worse and worse and worse. He not going to sit here as a fiduciary and just rubber stamp budget and other things when he doesn’t have a full picture. Now, Trustee Washington ask for the budget, Lawson asked for the entire budget and we keep getting these snapshots. So, madam Chair and Mr. President, I’m asking formally that we go through the entire budget, from beginning to end, so that we can understand what’s going on with the budget. And if there’s a structural deficit, if there’s other things that are wrong, that we can fix that upfront as opposed to trying to mend this every year and going to the BOG trying to present a budget that’s limping every year. It’s not fair to the University. It’s not fair to you all. But it definitely not fair to us to be having to vote on it.” President Robinson requested to comment first and responded that he would go to Audit and Mr. Maleszewski regarding the inappropriateness of members voting on the foundation board of directors. He further stated that, “this is the format that

have been used for several years that has also been accepted by the Board of Governors. We have not changed anything here. We have not tried to hide anything. He would be more than happy if this version of FAMU Board of trustees, as a board, if there's a different format that you would like for us to report on, then we will sit down and explore that and report accordingly. This is the mechanism we have always used to make sure that we did not leave anything out. With regards to the executive team around the table, the reason that we did this is to make sure that everybody was on the same page when it came to seeing what the budget looks like each and every year. If the board has another idea about what is to be reported, we will be more than happy to accommodate that. I yield now to Mr. Maleszewski regarding the inappropriateness of members voting." Trustee Gibbons responded by saying, "if that's the system that we've utilized, then I'd like for the general counsel at the BOG to tell me that it was okay for ex officio members and staff members who will be providing oversight for some of the funding to be voting members on the foundation board. Mr. Maleszewski can say whatever he like. I'm fine with that, but I'm requesting that the BOG general counsel give us something in writing that says that that is okay." Mr. Maleszewski responded by stating that, "this morning this issue was raised to me, and I reviewed the bylaws of the FAMU foundation and it identifies, as ex officio members, four university employees, the president, the CFO, Carmen Cummings and a faculty member. According to the bylaws, all ex officio members are voting members of the foundation's board and allowed to vote on business that comes before the board. I did further research to determine if that structure or construct is common. It is the same structure at the University of Florida and Florida State University. I have not received information from the other state university boards yet, but have requested it. In doing additional research, it is very common for employees of a university to serve on the foundation board, and it's more common than not that they serve as voting members in that capacity. I hope that you find that information helpful. The members of the board and the bylaws are readily available on the foundation's website." Trustee Gibbons responded, "I appreciate that. I'm requesting that the Board of Governors general counsel's office compiles that and looks at it as it relates to state rules and regulations of conflict and give us a render." President Robinson stated, "we will make that request Trustee Gibbons and provide you that response as soon as we get it. I will ask Joe Maleszewski to indulge his counterpart there at the Board of Governors and ask for his opinion on this matter."

Afterwards, Chair Harper recognized Trustee Cliatt, who commented. "upon joining the board, because of the stipulations that are placed against this board and all state boards in the State of Florida, I would like to say that there were a lot of reading material that I had to cipher through in order to help better understand some of the questions that I would ask during the meeting. I would also say that VP Brown, who is our CFO, has a handle on the majority of the numbers in all of the different departments and I would like to see President Robinson direct more of us, the board of trustees members, to the individual meetings with the CFO and others to make sure that the board of trustee members, including myself, when we have questions that could lead to legality issues, that we make sure that we cover our bases with the department heads, with the chief financial officer and with our general counsel before we make comments that cannot be retracted in public. So

President Robinson, I would just ask that you please reach out to particularly the five trustees that have just come on and I would also like to see a process in place for when we have new trustees cycle on because it's important to both, the trustees and the university, for them to have a full understanding of the parameters that we have because it's not clearly defined when we come on the board. I think with this, and, if we are able to have a sustaining process of that for the board of trustee members, I think that would be very beneficial to all of us. Thank you." Chair Harper thanked Trustee Cliatt and stated, "just a reminder, especially for some of our newer trustees, prior to every board meeting, the administrators make themselves available for briefings, whereas trustees can ask any and all detailed questions offline in one-on-one settings and go to any level of detail that we are really looking for. That also helps to streamline our meetings because a lot of questions oftentimes can be answered prior to in those briefings. And it's also, particularly when I was a newer board member, it's a great way to get up to speed because there is quite a lot to learn in thinking about this institution. So, thank you for that comment Trustee Cliatt." She then recognized Trustee Washington. Trustee Washington thanked President Robinson and the staff for taking time to go through this and do a deeper dive on the athletic budget with her. She stated that "I appreciate Linda for sending out the analysis for the last several years. I would encourage us, as we think through, you know, to Trustee Gibbon's point around what our athletic budget looks like comprehensively, to find a way to report our year over year budget to actuals in a format that actually allows for trends analysis. While I appreciate getting each year, the categories are not always the same and so I would like a reporting structure. Again, I think it's helpful for us to better understand sort of how we've been trending in some of these categories. My main concern was around the operating expenses for this year, which look like they're trending a little bit higher or significantly higher than what we budgeted for this year. And so, I obviously had conversations with the staff and went through and looked at our prior year budget to actual on the operating expenses and it seems as if the last, you know, we did some years in the more recent, I mean in the further past, 16-17, 17-18, 18-19 where the operating expenditures came in much higher than budgeted, probably due to our own budget constraints. Our last four years have been within budget and so I would just encourage us again, when we look at these things, the trend analysis matters and trying to figure out how we can best tell the story around what's going on in our athletic budget." President Robinson thanked Trustee Washington and responded by stating that, "we invite any member of the board, of course on one-on-one basis. We can talk as long and go into detail as you would like. I want to make sure everyone on the board know that we extend that invitation to you and all of you just have to ask and we'll make ourselves available. I just want to make sure you understand that people sitting around this table in this university environment, in general, are people who are doing their best to do things the right way. We have committed ourselves to a culture of accountability. We are not perfect and if you discover we are not doing something correctly, we want to be first to know so that we can correct if as soon as possible. We will take on consideration this advice regarding how to write this budget differently and I think that will be a slight deviation as Trustee, former chair Lawson can say we spent quite a bit of time getting this format, but we are more than welcome to think about another way to make sure that we're operating knowing where

we've been and where we're planning on going each and every year. We have managed each year and projected this year and the last four years so we wind up in the black. We budgeted everything in the categories, as we said, or spent in those categories or received revenue in those categories but I commend you, the board and members of this team for figuring out a way, within the rules, for getting us in the black each of the four or five years and we are going to continue to do that. I would love to have this conversation more sensibly with your, Trustee Gibbons, Trustee Washington, to see exactly what it is or how it is you would like to have it illustrated." Chair Harper also reiterated that, "in the budget, finance and facilities report, oftentimes there is a look back of versus a year ago. So, I think that that would be a good build for the athletics budget so that we can understand, not only the trend analysis year over year, but where we were as it relates to actuals versus a year ago." Trustee Washington clarified that she wasn't arguing to present the budget any other way, but would like a compilation. So as the categories are reviewed each year, not have them as separate snapshots, but have all of the revenue descriptions in one as it pertains to the last five years. President Robinson stated that we know that at least one year in that cycle where we won't be meaningful for the board and that was 2020 but the university will do it's best to go back as far as we can. He thinks the disruption itself was around 17 or 18 when we went to a new level with the posted salary. There were some other things happening as well, but that was one that took us out of what we actually budgeted for that particular year. We will do what the board wants and try to be as transparent as possible. Trustee Brown followed by asking what was the internal athletics fundraising was for the current year. VP/AD Sykes did not have the number available, but will work with the foundation and report back. He then requested a breakdown of some of the larger items. He stated that it would be helpful to see some of those expenses, especially for the Orange Blossom Classic, which was something he was interested in reviewing. He continued by stating, "When looking at some of the categories, for example, to some of them that have the numbers that are fairly on the lower side, like the Investing in Champions at 129,000, I think, in the reporting, just to prevent some of the questions, maybe if there were some notes that could be added because from seeing it sometimes, it's a little hard to understand, like what the nuances may be with each line item. So, if there's an opportunity maybe, we're provided some notes, and it may make it a little easier to understand why some of those numbers are a lot different from actuals and collective. Thanks." President Robinson informed that board that there are monthly athletic budget meetings and any board member can join those meeting. He requested that the meeting be made available to the board and properly noticed accordingly. He told Trustee Brown another option, as with Trustee Washington, where she actually came to the university and spent a couple of hours going through the budget on an item by item basis with the staff, this can be done with you as well, however, this option will require a little advance notice to work into the staff's schedule. The team would include Ms. Brown, Ms. Murray, Joe Maleszewski, VP Sykes and Michael Smith and so many more that sit around the table. Certainly, all members of the board are welcome also. Finally, Chair Harper commended the staff on not only identifying but also leveraging the BOG regulation as it relates to out-of-state waivers and getting to a place where our budget is balance for this year. This is really

important as we think about the debt repayment and pursuing options that can potentially relieve us in the future of that debt repayment.

Athletics – Contract – Head Football Coach

VP/Ad Sykes announced that Mr. James Colzie was hired as the 19th full-time head football coach on January 20, 2024. Following a brief highlight of Mr. Colzie’s coaching career, VP/AD Sykes requested board approval of the three-year contract. A motion was moved and seconded by Trustees Reed and White, respectively, to approve the head coach contract. The motion carried.

With there being no further business, the meeting adjourned.