



**Florida Agricultural and Mechanical University
Board of Trustees Information Item**

Meeting Date March 5, 2014

Agenda Item **V**

Item Origination and Authorization			
Policy _____	Award of Bid _____	Budget Amendment _____	Change Order _____
Resolution _____	Contract _____	Grant _____	Other _____

No Action of Board Required	
Continued _____	Withdrawn _____

Subject: Update on the Division of University Advancement & BOT Goals

Informational Only:

As University Advancement seeks to build on the University’s strategic foci of excellence, FAMU has seen some exciting developments over the past quarter. Several University corporate engagements are now maturing into more tailored, broad-based and strategic partnerships that are proving to be highly lucrative and budget relieving. As a result, FAMU recently received two major unconventional investments. Thanks to a long time partnership with Microsoft, SBI recently received a \$450,000 donation of software to the School of Business and Industry that will enhance office productivity and content management for students, faculty, and staff. In a record, landmark academic grant from the Siemens Corporation, FAMU recently received the state-of-the-art Siemens Product Lifecycle Management Software for digital manufacturing. The software has a commercial value of more than \$85 million. This generous gift positions FAMU to become a major academic leader in producing the next generation of engineers. Joining the committee meeting to discuss this transformative gift and its significance to FAMU will be the project’s Principal Investigator, Dr. Tarik Dickens, a FAMU-FSU College of Engineering Professor.

Enhance Institutional Fundraising

University fundraising performance as of February 21, 2014 shows FAMU 7.4% ahead of last year this time (FY 2012-13: \$2,212,015 as compared to FY 2013-14: \$2,376,355). There is also an encouraging increase in donors of 19.36% over the last fiscal year. While overall, meeting the quarterly goals continues to be a struggle, our alumni giving has set an encouraging pace and is well within reach of meeting the \$750,000 goal for this quarter with the YTD total of \$736,496 given by 1,746 alums. That performance is more than double last year’s YTD total of \$350,418 given by 1,391 alums.



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4.1.1: Comprehensive Campaign Planning

1. Continuing efforts to assess and improve operations to achieve and support readiness for a comprehensive campaign:

- Working with Schools, Colleges, Institutes and Centers to fine tune funding priorities and goals. Continuing to work toward building fundraising plans in partnership with each Dean outlining giving priorities, fundraising goals and cases for support.

1. Outcome: Priority Naming Opportunities Inventory which outlines nine buildings among the University campuses and centers with available spaces suitable for naming. (Copies to be distributed to Committee Members).

2. Outcome: Approximately 450 students applied for and received scholarship awards valued at almost \$795,000 using the FAST Student Scholarships Application System. More than 2,302 students visited the site to review scholarship opportunities and almost 1,500 completed applications.

3. Overall, the Foundation has awarded scholarships totaling \$2.21million to 869 students to date this fiscal year.

2. Identifying and cultivating a larger pool of high-return prospects with 6 and 7 figure gift potential.

- Identified 93 donors and prospects who fit the criteria of prospective major gift donors (having given a single gift of \$10,000 and above) in our database and have assigned 63 of these donors to development officers' portfolios to further qualify and develop/execute cultivate plans to secure gifts.
- The strategies implemented this year to increase attention and interest in planned giving continues to generate interest. We have bequests valued at more than \$775,000 currently pending probate.



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4.1.2: Enhance Corporate Relations (Industry Cluster Partners)

- The Advancement Team has engaged in a number of visits to foundations and corporations and also hosted campus site visits. In the past quarter, the Vice President and staff visited or hosted almost 40 corporations and foundations. Despite horrific weather, almost half of the 61 registered Career Expo Companies made it to town, stayed over an extra day when we had to postpone for weather safety and networked with and interviewed approximately 450 FAMU students and alumni.
- The FAMU Industry Cluster is currently conducting an aggressive membership campaign to attract new and re-engage old members. There are currently 15 companies that have been contacted and expressed positive interest in joining Cluster and four companies that have expressed interest in re-engaging. Cluster companies and local sponsors have pledged or given almost \$80,000 to support various University initiatives and events over the last quarter. The Industry Cluster will also sponsor and participate in the Annual BEEP (Black Executives Exchange Program) Campus Visit – (March 18-20).
- The Corporate and Foundations pipeline continues to be robust with both awards and proposals. Schools, Colleges, Departments and Centers in both individual and joint projects have proposals pending award notification totaling \$785,000 this quarter (\$21MM YTD total pending) while over \$904,000 was awarded.

Recommendation: None.



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Subject: Update on the FAMU Foundation, Inc.

Informational Only:

The Spring 2013 FAMU Foundation Board of Directors Meeting will be held April 23rd through the 25th in Tallahassee.

Following a Request for Proposals, the Foundation’s Audit Committee selected S. Davis & Associates of Hollywood, Florida, to perform the Foundation’s operational audit that is required every three years. A scope of work for the audit is nearing completion and the audit will be underway by late March or early April.

After a failed search for a Senior Accountant and a reassessment of the Foundation’s current and anticipated needs, that position was upgraded to Assistant Director of Accounting and a new search undertaken. A pool of sixty applicants yielded six excellent candidates. Two of those finalists will be interviewed next week and one of them should be on staff for at least the last quarter of this fiscal year.

A Request for Proposal process to identify a commercial real estate consultant recently came to a successful conclusion. Two firms responded. The Foundation selected CBRE, Inc. which had the strongest proposal and currently has a state contract with the Florida Department of Management Services to provide real estate optimization planning. The firm’s national footprint and strong Florida and Tallahassee presence were also contributing factors to the firm’s selection.

Building and grounds work is underway at the Foundation preparing for active marketing of commercial space. A “quiet” advertising phase began recently using CBRE’s proprietary Tallahassee and Florida databases and promotion to the local broker community. Increased local promotion caught the attention of a government office that is considering leasing 5,000 square feet in the building with a target occupancy date of October 2014.

Recommendation: None.



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No Action of Board Required

Continued _____ Withdrawn _____

Subject: Update on the FAMU Foundation, Inc., Investments

Informational Only:

Investment Returns for the Period Ended December 31, 2013:

	Quarter	FYTD – 7/1/13 – 12/31/13	12 Months – 1/1/13 - 12/31/13
Investment Returns	5.03%	10.59%	14.32%
Composite Benchmark	4.85%	9.66%	15.29%
Investment Goal	2.13%	4.25%	8.50%

Investment portfolio returns for the Quarter, and Fiscal Year to Date (FYTD) periods ended December 31, 2013 outperformed both the portfolio's composite benchmark returns, and the portfolio's investment goals. The outperformance for the quarter, and FYTD was due primarily to investment returns for equities, and hedge funds. Equity returns for the quarter were 8.47% vs. 8.32% for the composite benchmark, and FYTD returns were 17.94% vs. 16.58% for the composite benchmark. Hedge fund returns for the quarter were 3.81% vs. 3.46% for the composite benchmark, and FYTD returns were 7.06% vs. 4.94% for the composite benchmark. Investment returns for the trailing 12-months period outperformed the investment goal of 8.5%, but underperformed the composite benchmark due primarily to the underperformance of equities. Equity returns for the trailing 12-months period were 24.41% vs. 27.45% for the composite benchmark. Equity returns for the first half of the year were negatively impacted by underperforming investment managers that were replaced after completion of the transition to a new asset custodian in April 2013.

Comparison of Investment Returns for Trailing 12 Months to Prior Years:

For the Trailing Twelve Months Ending -	12/31/13	12/31/12	12/31/11
Investment Returns	14.32%	11.37%	-2.16
Composite Benchmark	15.29%	11.82%	-3.59
Investment Goal	8.50%	8.50	8.50

The returns for the trailing twelve months ended 12/31/11 were much lower than the other two years in the table due to high negative returns during the quarter ended 9/30/11 that were the result of extreme market volatility following the credit downgrade of U.S. Government Debt in August 2011.

Recommendation: None.



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No Action of Board Required	
Continued _____	Withdrawn _____

Subject: Update on the Office of Alumni Affairs

Informational Only:

The following items will be presented during the March 5, 2014 DSO Committee Meeting:

FAMU OAA/ALUMNI INITIATIVES 2013- 2014

- Expand its Student Recruitment mission
- Enhance Alumni Outreach efforts for Athletics
- Greater collaboration with Government Affairs

The FAMU Office of Alumni Affairs and Division of Student Affairs kicked off the new year with the President’s Student/Alumni Recruitment Program at Andrew Jackson High School **January 16**. More than 20 Scholarships were awarded totaling nearly \$225,000. Many of our Alumni Ambassadors are Educators and assist in helping us lure students to FAMU. Nearly 830 students and parents attended the event. OAA is currently working with Student Affairs on final logistics for the upcoming Presidents Road Tour planned for **March 8-11 to include, Tampa, Fort Myers, Fort Lauderdale and Miami**.

OAA coordinated the NAA Florida Region Conference on the FAMU Campus, **January 30-February 1, 2014**. More than 50 NAA Executive Board Leaders and Chapter Presidents from around the state attended the conference. Interim President Robinson shared news about the State of the University. The Florida Region executive leadership collected more than 10 thousand dollars toward facilities upgrades during this meeting.

OAA continues its work to coordinate FAMU Day at the Capitol, **March 26**. In collaboration with Government Affairs, OAA is disseminating the 2014 FAMU Legislative Priorities to Alumni. Alumni Leadership and students will spend the day visiting local lawmakers to convey their gratitude and concerns regarding the fiscal fate of FAMU during the Florida Legislative Session. The day will culminate with an evening reception.

OAA coordinated the first “Alumni Welcome Reception,” in honor of our Incoming President Dr. Elmira Mangum. The capacity crowd of Tampa Alumni, NAA Leadership from the Florida Region and our Trustees supported this event held at the Centre Club of Tampa, following Dr. Mangum’s confirmation by the Board of Governor’s **Thursday February 20**. More than \$32,000 in pledges was raised at this event.

Recommendation: None.



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Continued _____	Withdrawn _____

Subject: Update on the Rattler Boosters

Informational Only:

The following items are informational for the March 5, 2014 DSO Committee Meeting:

Rattler Booster Spring Updates

- Release of Rattler Booster 2014 Snake Bites Magazine to Membership
- Rattler Booster Membership Drive Kick-Off
 Early Bird Special until March 1st
- Contributions to:
 - Softball Program Game Shoes
 - Men’s Track Team for Notre Dame Mayo Invitational Travel
- Promoted & Supported Baseball “First Pitch Banquet”



Florida Agricultural and Mechanical University
Board of Trustees Action Item

Meeting Date _ March 5, 2014

Agenda Item IV

Item Origination and Authorization			
Policy <u>X</u>	Award of Bid _____	Budget Amendment _____	Change Order _____
Resolution _____	Contract _____	Grant _____	Other _____

Action of Board				
Approved _____	Approved w/Conditions _____	Disapproved _____	Continued _____	Withdrawn _____

Subject: Review & Approval of Recommended Changes to Naming Policy

Rationale:

As Florida A&M University focuses on identifying and engaging a larger pool of high-return funding prospects, a review of the current Naming Opportunities Policy has been conducted. Staff will present recommendations to modify the policy based on current needs for a broader and more flexible approach in negotiating naming opportunity gifts for facilities and programs.

Recommendation: Approve recommended changes to the Naming Policy.

Florida Agricultural and Mechanical University



Board of Trustee Policy

Board of Trustees Policy Number:

2008-05

Date of Adoption/Revision

June 12, 2008; Rev. TBD

Subject	Naming Opportunities
Authority	Board of Governors Regulation 9.005, Naming of Buildings and Facilities Section 7 (d), Article IX, Florida Constitution
Applicability	To establish guidelines for naming of a FAMU building, road, bridge, park, recreation complex, college, center, or other similar facility

I. Policy Statement and Purpose

The Florida Agricultural and Mechanical University (FAMU or University) Board of Trustees establishes the following Policy and Procedures to provide the manner by which any building, structure, road, bridge, park, recreational complex or any tangible property, or any component thereof (hereafter "Facility") or, college, school, department, institute, center, or program (hereafter "Program") or any other property or property right under the control of the Board of Trustees may be named for an individual or other entity

A. Meeting Requirement:

The naming of any Facility or Program ~~as well as any space~~ requires the ~~nomination~~ recommendation of the President of the University and ~~the~~ approval of the Board of Trustees as a noticed, non-consent agenda item at a meeting of the Board of Trustees.

B. Names Prohibited:

No Facility may be named on an honorary basis for any active State University System member, including staff, faculty, students or trustees without the prior approval of the Board of Governors of the State University System. However, a Program may be named for such an active member of the State University System without the approval of the Board of Governors as set forth in sub-paragraph A above.

II. Honorary Naming

Non-gift related, or "Honorary", naming of any Facility or Program is reserved for individuals who have been duly recognized for achievements of extraordinary and lasting distinction and who have made a significant contribution to the State of Florida and/or to the University or to the fields of education, government, law, science or the welfare of the human race. The integrity of the individual should exemplify outstanding virtues.

A. Establishment of an Advisory Committee on Honorary Naming of Facilities and Programs

The President shall appoint an Advisory Committee on Honorary Naming Facilities and Programs which will review and make recommendations to the President for consideration. Membership shall include the Vice President for University Advancement, who shall Chair the Committee, the Vice President of Administrative and Fiscal Affairs or their designee, a representative of the Faculty Senate and the Student Government Association. The President may appoint other members to the Committee as deem appropriate.

B. Committee Function

The Committee shall be an advisory body to the President and shall have no policy-making or administrative authority. The Committee shall advise the President with respect to proposals to name or change the name of University facilities and programs, consistent with the policy and procedures set forth by the Board of Trustees. The Committee shall meet at such times and places required to efficiently perform its duties.

III. Gift Related Naming

Gift related naming of a Facility or Program requires a donation to the University or the Florida A&M University Foundation, Inc. (the "Foundation") which makes a significant contribution to the cost of building the Facility or implementing the Program housed in the facility approved by the Board of Trustees.

Specific naming opportunities and corresponding minimum gift levels are determined by the President, Dean, Vice President of University Advancement, and Vice President of Administrative and Fiscal Affairs or their designee. Naming may be affixed when accompanied by gifts equivalent to fifty percent (50%) of the fundraising target.

Naming requests must be accompanied by supporting documentation in the form of a gift agreement which outlines the terms and expectations of the donor.

To be considered for such a naming opportunity for a new Facility or for implementing a new Program, a minimum lump sum amount of one million (\$1,000,000) dollars is required, in accordance within

the perceived value as determined by the Office of University Relations in consultation with the President. The integrity of the individual should exemplify outstanding virtues.

To be considered for such a naming opportunity for an existing Facility or Program a minimum lump sum endowment of \$200,000 is required.

In all cases, State matching funds may be added to the donor's endowment for purposes of meeting the minimum naming requirement. Such naming recognition will reflect not only the donor's endowment, but also the donor's commitment to the mission, vision and objectives of the University.

IV. Matching Gifts

Based on the Alec P. Courtelis University Facility Enhancement Challenge Grant Program, Section 1013.79, Florida Statutes, when the naming opportunity concerns construction of a new building or renovation of an existing building, a donor will be required to provide 100 percent of the private portion of the building or renovation cost. ~~In accordance with the Alec P. Courtelis University Facility Enhancement Challenge Grant Program,~~ the private portion would be 50 percent of the total construction or renovation cost. ~~(See Section 1013.79, Florida Statutes).~~ If the University chooses to conduct a campaign, which raises the needed private funds from numerous donors, the minimum donation required from an individual for a naming opportunity is 60 percent of the private portion (or, under the existing Alec P. Courtelis University Facility Enhancement Challenge Grant Program, 30 percent of the total cost). These provisions apply only as funding is available.

V. Removal or Renaming

A. Honorary:

At any time, the Board of Trustees may remove a name from and/or rename any Facility or Program named on an honorary basis upon the recommendation of the President of the University and the approval of the Board of Trustees as a noticed, non-consent agenda item at a public meeting of the Board of Trustees. The removal of any name previously requiring the approval of the Board of Governors of the State University System shall likewise require the approval of the Board of Governors.

B. Gift Related:

As stated in the gift agreement, At any time, the Board of Trustees may remove a name and or rename a Facility or Program named on a gift related basis when doing so would be in the best interest of the University. The Board of Trustees may consider whether the donor continues to exemplify a commitment to the mission, vision and objectives of the University and whether the donor maintains the integrity consistent with the honor of such naming opportunity. Any altering of

previously named facilities or programs shall occur in consultation with the donor or his/her designee.

VI. Duration and Modification of Namings

A. The duration of a donor's or honoree's name on any facility or program ordinarily continues for as long as the facility or unit is used in the same manner or for the same purpose for which the naming occurred. Any naming made pursuant to this policy shall remain in effect until such time as the University determines the facility has exceeded its useful life or the facility's continued use has become impossible or impractical. Upon demolition, replacement, substantial renovation, redesignation of purpose, or similar modification of a named facility or program, the University may deem that the naming period has concluded.

- 1) The appropriate University representative will make all reasonable efforts to inform in advance the original donors or honorees or their surviving family members when the naming period is deemed to have concluded.
- 2) The University may, but is not required to, provide for the appropriate perpetuation of the previous name. Perpetuation of the original name in an equivalent naming is not required. Appropriate perpetuation or previous names may include, for instance, a plaque in or adjacent to new and renovated facilities.

B. Term Naming – In appropriate instances, a naming may be granted for a pre-determined fixed term, usually 3-10 years. At the end of the term, the name of the facility or program shall expire but may be renewed with the same or a new name. The gift agreement should clearly specify the period of time for which the facility or unit will be named.

C. Joint or Hyphenated Naming – Additional names may be added to a facility or program unless prohibited by the original donor's gift agreement, in recognition of an additional gift even if the prior donor's or honoree's naming period has not concluded. Hyphenation of names is one method for jointly naming a facility or program.

D. Revocation of naming approval or conferral – In certain circumstances, the University reserves the right, on reasonable grounds, to revoke and terminate its obligations regarding a naming with no financial responsibility for returning any received contributions to the donor. These actions, and the circumstances that prompt them, may apply to an approved naming that has not yet been acted upon or to a conferred naming and must be outlined in the gift agreement.

- 1) In situations where University facilities, or any part thereof, has been dedicated to or named for any person, family, or organization, the University reserves the right to withdraw the designation or name if, in the sole opinion of the University, the person, family, or organization has come into disrepute in the University or in the general community so as to reflect negatively or adversely upon the University.
- 2) If the donor fails to maintain payments on a pledge upon which the naming was bestowed, the naming may be revoked.
- 3) If a planned gift upon which the naming was bestowed does not result in the value agreed upon, the naming may be revoked.