

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

**Board of Trustees Meeting
Thursday, August 11, 2022
Agenda Item VIII. DSO1**

- Subject:** **Acceptance of DSO Budgets: FY 2022-2023
A. FAMU National Alumni Association**
- Proposed Board Action:** Dr. Shawnta Friday-Stroud, Vice President of University Advancement and Executive Director of the FAMU Foundation, will present the DSO Budget for the FAMU National Alumni Association (NAA).

The FY 2022-2023 FAMU NAA Operating Budget was approved by its leadership.
- Rationale:** The DSO Budget is submitted for acceptance in accordance with FAMU Board of Trustees Policy Number 2018-01.

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 no later than sixty (60) days after the first day of the fiscal year for which the budget pertains.
- Recommendation:** Approve the FY 2022-2023 FAMU National Alumni Association Operating Budget.
- Attachment:** FY 2022-2023 FAMU National Alumni Association Operating Budget

Budget Revenue 2022

REVENUE CATEGORIES	FUND	Unaudited			Unaudited			2022-2023 BUDGET	NOTES		
		2020-2021 BUDGET	2020-2021 Actual	2020-2021 Variance	2021-2022 BUDGET	2021-2022 Actual	2021-2022 Variance				
		5/14/2020	1/1/2021	1/1/2021	5/14/2021	2/28/2022	3/31/2022				
1000-Operating Income											
1010 Regular & Associates Memberships	211	100,000	86,698	(13,302)	110,000	110,100	(100)	110,000	2200 members @ \$50 per active member.	2200	
1020 Life Endowment Earnings	198	75,000	80,112	5,112	87,000	84,556	2,444	88,000	from the Life Membership Endowment Account each year to place into operations. This is a departure from the previous agreement reached at the Las Vegas Annual Meeting was to take the Lesser of two values : Either (5.5% Variable Interest Rate - 1% Administrative Charge) * (Average Balance of Life Membership Endowment for the previous fiscal year) OR Life Members x \$35 as per Las Vegas Membership Meeting Agreement.		
1145 Fundraising & Miscellaneous Activities	211	-	700	700	-	-	-	82,000	Includes Bus Transportation and other Fundraisers		
1145.1 Church Day Revenue	1335	-	-	-	-	-	-	-			
1145.2 FAMU Day at the Capitol Registrations (100@\$10)	211	6,000	-	(6,000)	8,300	1,560	6,740	1,500	75 participant registrations @\$20 each	75	
1145.3 Insurance Quote Revenue	211	-	-	-	-	-	-	-	Geico		
1145.4 5th Quarter Classic / Soiree	211	-	-	-	50,000	-	50,000	-		29,500	
1145.5 FAMU NAA Cruise	211	-	-	-	-	-	-	-			
1145.7 Transfer in from DAA	202	-	-	-	-	-	-	-			
Operations Carry-Forward	211	-	-	-	-	-	-	25,000	2021 & 2022 DAA profit (\$15K + \$10K)		
1170 Executive Board Retreat Sponsorship / Registration	211	-	-	-	-	-	-	20,000	Savings created due to Covid-19 ceasing operations will be brought forward from the 211 Operating Account.		
								2,000			
Total Operating Income		181,000	167,510	(13,490)	255,300			328,500			
1100-Restricted Income - Other Revenue											
1120 New Life Members	197	78,985	168,480	89,495	112,500	187,115	(74,615)	112,500	150 members @ \$750	150	
1120.1 Salaries Transfer-In	198	13,051	-	(13,051)	6,000	-	6,000	-	211 Operating Account Carry-Forward		
1140 Contributions (Chapters, Alumni, and Individual)	211	-	54	54	54	11,325	(11,271)	54			
1141 Contributions - Chapters Liability Insurance	211	22,692	650	(22,042)	-	-	-	-	Each chapter that has a public event shall insure that event and name the NAA and the event location as an "additional insured"		
1150 Contributions (NAA Million Dollar Campaign Endowment)	1404	100	50	(50)	1,500	80	1,420	-	Executive Board Challenge: 30 members @ \$50 per member (5.5% Variable Interest Rate - 2% Administrative Charge) * (Average Balance of Million Dollar Endowment for the previous fiscal year).	30	
1160 Endowed Scholarship Fund Earnings (Million Dollars Campaign Earnings)	1405	10,000	10,082	82	10,100	-	10,100	7,256	Individuals and Chapters to write checks directly to the FAMU NAA for this purpose at the FAMU NAA Fundraising Breakfast event in order to reach this goal.		
1161 NAA Retention Scholarship	1894	50,000	60,947	10,947	61,000	42,318	18,682	42,000	Restricted for Band Program - Rose Bown & Beyond		
BAND Marching 100 to the Rose Bowl & Beyond (NAA)	210	-	316	316	-	-	-	-	Restricted for Football Program		
FAMUFIRST FAMU First (NAA)	2033	50,000	5,185	(44,815)	60,000	90,470	(30,470)	60,000	Restricted for University Programs		
1900 NAA Contributions to University - Clearing	2041	25,000	24,426	(574)	50,000	1,083	48,917	50,000			
1200 History Book	211	-	-	-	500	-	500	4,995			
1360 Contributions (Corporate)	211	35,000	20,000	(15,000)	20,000	35,000	(15,000)	65,000	GEICO (\$40,000), & Other (\$10,000 in Corporate Contributions)		
Total Restricted Income - Other Revenue		284,828	290,190	5,362	321,654			341,805			
1200-Restricted Income - Scholarships											
1210 Restricted Scholarships	204	100,000	72,976	(27,024)	75,000	112,875	(37,875)	75,000	Chapters & Ind. (3 Yr Running Average)		
1220 Unrestricted Scholarships	206	7,900	6,310	(1,590)	7,000	3,370	3,630	3,000	Alumni and Individuals		
1220.1 Alumni - Unrestricted Scholarship	206	22,882	-	(22,882)	3,176	-	3,176	3,176	Carryforward of Ending 206 Balance		
1225 2196 - FAMU NAA Founders Day SOS	198	22,853	-	(22,853)	-	-	-	-			
1230 Founder's Day Scholarships	2196	50,000	93,090	43,090	100,000	50,510	49,490	70,000	Fundraising Committee Campaign		
1240 Endowment - Earnings Transfer In	198	25,000	-	(25,000)	113,267	-	113,267	50,000	Matching Money from 198		
1405 1405 - NAA Million Dollar Campaign Endowment Earnings		-	-	-	20,134	-	20,134	-	Restricted Scholarship Monies currently Available		
Total Restricted Income - Scholarships		228,635	172,377	(56,258)	318,577			201,176			
Restricted Income -Distinguished Alumni Awards Gala	202	40,000	-	(40,000)	30,000			30,000	45,000	300 participants @ \$150.00 each	300
1300-Restricted Income - Annual General Meeting/May	213	90,000	650	(89,350)	100,000			100,000			
1301 Leadership Summit					37,500	8,713	28,787	-	150 people @ \$250 per registrant	150	
Total Projected Revenue/Other Source		824,463	630,727	(193,736)	1,063,031			1,016,481			

Executive Board Approved
4/20/2022

Budget Expenditures 2022

			2021-2022	Unaudited 2021-2022	2021-2022	2022-2023	
	EXPENDITURES CATEGORIES	FUND	BUDGET	Actual	Variance	BUDGET	NOTES
Line Item	2000- Operating Expense - Alumni Operations		5/14/2021	3/31/2021	3/31/2021	3/31/2022	
2004	NAA Printing	211	250.00		250.00		- Annual Meeting & FAMU Day at the Capitol
2009	Media and Technology Committee	211	14,995.00	5,759.50	9,235.50	14,700.00	Online Database and all internet service charges (e.g. GoDaddy, Constant Contact, domains)
2010	Annual NAA Audit/990 Report	211	15,000.00		15,000.00	11,791.68	
2013	Membership Packets (Pins, etc.)	211	24,000.00	27,788.97	(3,788.97)	25,000.00	Regular & Life Membership
2021	Travel - Executive Board Annual Meeting	211	3,500.00		3,500.00	3,500.00	National Officers (8 Elected officers+6 Appointed officers)*700
2022	Travel - Alumni Affairs/University Office / NAA Annual Meeting	211	2,000.00		2,000.00	2,000.00	JAA (travel and hotel expense)
2023	Travel - President Special Meeting & Events	211	20,000.00		20,000.00	15,000.00	signed rep. per EB approval
2024	NAA Teleconferences/Phone	211	-		-	-	
2025	NAA Homecoming	211	4,300.00	5,220.00	(920.00)	3,000.00	
2025.1	Regional and Chapter Support - Alumni Village	211	-		-	-	GEICO Sponsored Hospitality
2025.2	Regional and Chapter Support	211	9,000.00		9,000.00	10,500.00	GEICO Sponsored Hospitality
2025.3	Hospitality - Alumni, Supporters and Friends - Florida Classic	211	10,000.00	7,400.00	2,600.00	7,500.00	GEICO Sponsored Hospitality
2025.4	Hospitality - Alumni, Supporters and Friends	211	5,350.00	5,169.56	180.44	5,200.00	GEICO Sponsored Hospitality Rattler Roundup
2026	Governmental Relations Committee - BOG & BOT Meeting Travel	211	11,820.00	300.00	11,520.00	8,000.00	GAC Budget
2028	Check Charges / Bank Fee / Merchant Fee	211	10,000.00		10,000.00	20,000.00	
2028.1	Administrative Charges	211	3,500.00		3,500.00	3,500.00	Charges to endowed accounts
2029	NAA Document Update	211	-		-	-	
2030	New Student Preview (Fall & Spring)	211	-		-	-	- Spring Preview Door Prizes
2031	State Licenses	211	61.25		61.25	61.25	Secretary of State Division of Corporations Annual Report
2032	NAA President's Expense Account	211	5,000.00		5,000.00	5,000.00	
2039	NAA Membership Committee Expenses	211		620.00	(620.00)	3,000.00	Abenity
2039.1	Scholarship Committee	211	4,000.00	4,000.00	-	4,000.00	
2040	NAA Publicity Expenses/Gala, Reception, Meetings, etc.	211	29,500.00		29,500.00	51,000.00	Fundraising Events
2040.1	Governmental Relations Committee - FAMU Day @ Capitol	211	8,000.00	5,188.26	2,811.74	8,000.00	Governmental Relations Committee (GRC) Budget
2042	Fundraising Committee	211	5,760.00	270.00	5,490.00	19,000.00	
2042.1	Church Day	1335	-		-	-	
2044	NAA Contingencies (Contract Services, etc.)	211	500.00		500.00	500.00	
2049	NAA Postage	211	106.00		106.00	106.00	
2049.1	Supplies	211	2,100.00		2,100.00	2,100.00	
2050	NAA Liability Insurance -Liability & Financial Officer's Bonding	211	-		-	1,962.25	
2060	Archival Committee		5,385.56		5,385.56	\$8,060	
2070	Financial Secretary Expenses	211				730.00	
5000	Election - 2018 Election	211	16,500.00	9,355.00	7,145.00		- Survey Ballots
3050	Student NAA Chapter	211	3,000.00		3,000.00	3,000.00	
3050.1	Student Recruitment	211	9,000.00	930.32	8,069.68	7,500.00	
7000	History Book	211	5,000.00		5,000.00	5,000.00	
6000	NAA Fiscal Operations Staff	211	6,000.00		6,000.00	1,200.00	
	Interest Expense	211	8.39		8.39	200.00	
	Miscellaneous	211	2,662.66		2,662.66	-	
	Transportation Costs	211	-		-	12,000.00	
6004	Orange Blossom Support Activities	211	15,000.00	4,429.90	10,570.10	5,000.00	
6005	Florida Classic Support Activities	211	10,489.40		10,489.40	5,000.00	
800	Executive Board Retreat	211	-		-	2,000.00	
	Advertising	211	200.00		200.00	200.00	
	Black Voters Matter Grant		-		-	-	
	Total Operating Expenses		261,988.26			274,311.18	
	Contributions to University						
3010	NAA Scholarships	211	150,000		150,000.00	150,000.00	NAA Scholarships monies to come from operating & scholarship accounts. Net profit from DAA
3010	NAA Chapter Scholarships	204	75,000		75,000.00	75,000.00	
3010	Founder's Day	2196	150,000		150,000.00	105,000.00	Chapter Scholarships of \$100,000 matched by Transfer In of \$50K
3020	NAA Scholarships	206	7,000		7,000.00		NAA Scholarship Committee Awards to First Time In College FAMU - Students. 0206 Unrestricted Disbursements.

Executive Board Approved
4/20/2022

Budget Expenditures 2022

	EXPENDITURES CATEGORIES	FUND	2021-2022	Unaudited	2021-2022	2022-2023	NOTES
			BUDGET 5/14/2021	2021-2022 Actual 3/31/2021	Variance 3/31/2021	BUDGET 3/31/2022	
3030	Professional Licensure Exam Preparation Scholarship		3,550		3,550.00	12,570.00	Previously labelled: Law School Bar Preparation Scholarship
3040	Endowed Scholarship	1405	-		-	-	Student Retention Scholarships
3050	NAA Scholarship - Retention	1894	57,450		57,450.00	42,000.00	Student Retention Scholarships
3030	Contributions to the University	206	-		-	-	
3030	Contributions to the University	211	-		-	-	
3030	Contributions to University	1404	1,500		1,500.00	-	
BAND	Marching 100 to the Rose Bowl & Beyond (NAA)	210	-		-	-	
FAMUFIRST	FAMU First (NAA)	2033	60,000		60,000.00	60,000.00	
CLEARING	NAA Contributions to University - Clearing	2041	50,000		50,000.00	50,000.00	
	Total Contributions to University		554,500.00			494,570.00	
Convention	Annual General Meeting/May - Restricted	213	100,000.00		100,000.00	100,000.00	
	Leadership Summit		37,500.00		37,500.00	-	
DAA	Distinguished Alumni Awards Gala (DAAG) - Restricted	202	20,000.00		20,000.00	25,000.00	
	Total Expenses						
	Total Restricted Contributions to NAA Endowment/Restricted Accounts						
	National Alumni Life Membership	197	112,500		112,500.00	112,500.00	We account for the same revenue amount on the Revenue side because we have to restrict these monies and deposit them in the Alumni Endowed account and not expend any principal dollars.
	Million Dollars Campaign Earnings	1405	10,100		10,100.00	7,255.91	We account for the same revenue amount on the Revenue side because we have to restrict these monies and deposit them in the Alumni Endowed account and not expend any principal dollars.
	Total Restricted Contributions to NAA Endowment/Restricted Accounts		122,600.00		122,600.00	122,600.00	
	Total Projected Expenditures/Contributions		1,096,588.26			1,016,481.18	
	Total Projected Revenue/Other Source		1,096,588.26			1,016,481.18	
	Total Projected Expenditures/Contributions		(1,096,588.26)			(1,016,481.18)	
	Revenue/Other Source Less Expenditures/Contributions		\$ -			\$ (0.00)	0.00%
	<i>Gregory Clark</i>						
	Gregory L. Clark						
	President, National Alumni Association						
	<i>Angella Williams</i>						
	Angella Williams, Recording Secretary						
	<i>Lanette R. Jones</i>						
	Lanette R. Jones, Treasurer						
	<i>Karla Harris</i>						
	Karla Johnson-Harris, Financial Secretary						
	<i>Reginald J. Mitchell, Sr.</i>						
	Reginald J. Mitchell, Sr., Budget Committee Chair						

**Board of Trustees Meeting
Thursday, August 11, 2022
Agenda VIII. DSO2**

Subject: **BOT Policy Number: 2005-18 –
University Athletics Boosters Policy Amendments**

Proposed Board Action: Dr. Shawnta Friday-Stroud, Vice President of University Advancement and Executive Director of the FAMU Foundation, will present the amendments to the University Athletics Boosters Policy.

The Division of Legal Affairs reviewed and approved the amendments to the policy.

Rationale: The University Athletics Boosters Policy is submitted for acceptance in accordance with FAMU Board of Trustees approval of the Rattler Boosters opening an external checking account for operational expenses on June 2, 2022.

The Rattler Boosters have opened a checking account with Truist Bank in anticipation of a membership drive scheduled for late August, however no activity has occurred until the policy amendments are approved.

Recommendation: Approve the University Athletics Boosters Policy Amendments.

Attachment: BOT Policy Number: 2005-18 – University Athletics Boosters Policy Amendments (Redlined Version).



Florida Agricultural & Mechanical University Board of Trustees Policy

Board of Trustees Policy Number: 2005-18	Date of Adoption/Revision: October 6, 2005, August , 2022
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Subject	UNIVERSITY ATHLETICS BOOSTER POLICY
Authority	Sections 1001.74 and 1001.75, Florida Statutes
Applicability	These provisions shall apply and be supplemental to the Internal Management Memorandum (IMM) 2003-04 FAMU BOT Policy 2018-01 - (Direct Support Organizations)

Section 1.	Booster Organization(s)
1.	All athletic booster organizations or clubs associated with or connected with Florida A-&M University (University) must be organized and operated within the purview of the University's Athletic Department.
2.	All booster organizations or clubs must be consolidated to have one accounting and organizational entity.
Section 2.	Finances
1.	All booster organizations or clubs activities, i.e. concessions, parking, program sales, fundraising activities, etc., shall be conducted through the University's Athletic Department, to ensure adherence to the University's accounting policies and controls.
<u>2.</u>	All <u>donated</u> funds received and expended from booster accounts must be deposited into a University account and subject to accounting in the University's Controller/Budget Office.
<u>3.</u>	<u>Booster membership dues and other non-donated booster funds are for the booster organizations' operational expenses.</u>
<u>2.4.</u>	<u>Operational funds of booster organizations may be received into and expended from a non-University-related banking institution and are subject to accounting by the organization's treasurer and financial secretary, the Vice President of University/Executive Director of the FAMU Foundation, Inc./BOT Direct Support Organizations (DSO) Liaison. The funds and account are subject to annual audits and any other periodic audits as stated below in Section 5.</u>
Section 3.	Fundraising Activities of Athletic Boosters
1.	All fundraising activities of athletic boosters must be approved by the President or the President's designee.
2.	Upon the conclusion of any fundraising activity, a post-activity report of the fundraising activity, including items sold/donated, list of participants, list of donors and amount of donations, etc., shall be provided to the President or the President's designee.
3.	A booster organization or club shall not engage in a fundraising event which does not have present an employee from the University's Athletic Department and the University's Office of Development.

4. Athletic coaches or student-athletes participating in a fundraising event of a booster organization or club shall not be involved in the handling of any funds associated with the fundraising event.

Section 4. Appointment of Athletic Staff to Boosters' Executive Board

1. The President shall appoint a senior athletics staff member, i.e. Athletics Director or an Assistant Director of Athletics, to serve as a member of the booster's executive board in an advisory or oversight capacity. The staff member's responsibility in this role shall include, but not be limited to:
 - a. Examining and authorizing all financial expenditures and monitoring booster expenditures for compliance with NCAA, MEAC and University regulations, rules and policies.
 - b. Attending all booster executive meetings and reporting all financial activity to the Athletic Director, University and Development officers.

SECTION 5. Booster Audits

1. In addition to the requirements of [FAMU BOT Policy 2018-01 -Direct Support Organizations](#)~~IMM#2003-1~~, all financial statements, reports and audits of the booster organization shall be submitted to the auditor performing an annual audit of the University's athletic financial audit, as required by the NCAA Constitution 6.2.3, as now or hereafter amended.
2. Periodic spot-audits shall be conducted of the booster organization's financial activities by the University's Office of Audit and Compliance.
3. Periodic audits of athletic donors shall be conducted by the University's Office of Audit and Compliance to ensure proper accounting of all appropriate donated funds.

SECTION 6. Administrative Procedures

The President, or the President's designee, shall establish administrative procedures to implement this policy.

Notation: This BOT Policy was adopted by the Board of Trustees as BOT Policy 2005-15. The policy has been renumbered to avoid duplication in document numbering.