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July 27, 2007

VIA FEDERAL EXPRESS

Dr. James H. Ammons, President
Florida A&M University
Suite 400, Lee Hall
Tallahassee, Florida 32307

Re: Funding Request to Task Force on FAMU Finance & Operational Control Issues

Dear President Ammons:

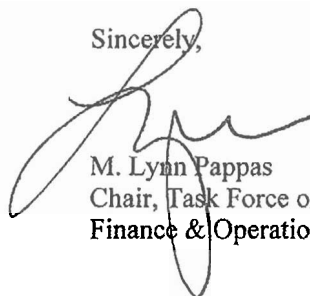
You have requested that the Task Force consider Florida A & M's July 20, 2007 request for \$758,800 to fund elements of FAMU's corrective action plan for IT services. As you know, our total appropriation (before discount) is \$1,000,000.00

The funds appropriated by the Legislature to the Task Force are restricted to providing a "comprehensive review of the financial operations of Florida A & M" (Special Appropriation 170 A). The Board of Governors broader charge and mandate is that the Task Force provide oversight and technical support to the university focused on restoring public trust in FAMU's ability to manage its finances and operations. We do not believe that direct funding support for FAMU's corrective action plan without oversight of the funded actions and an assessment of likely outcomes is consistent with the appropriations proviso language and the Task Force's stated mission.

As you know from the Task Force Work Plan outlined on the recent conference call meeting of the Task Force, we did suggest assisting in the IT area to support the work of FAMU. We are open to discuss coordination of our Work Plan strategy in a manner that might further certain of the objectives of your proposal while adhering to our oversight role. In that regard, I have asked Mr. Derry Harper to contact you to discuss a means of collaboration on this issue.

Please contact me immediately should you have questions.

Sincerely,



M. Lynn Pappas
Chair, Task Force on FAMU
Finance & Operational Control Issues

MLP/df

cc: Chair Carolyn Roberts, Board of Governors (via Email)
Chancellor Mark Rosenberg, Board of Governors (via Email)
Inspector General Derry Harper, Board of Governors (via Email)
FAMU Task Force Members (via Email)



FLORIDA BOARD OF GOVERNORS

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November 16, 2007

James H. Ammons, President
Florida A&M University
Suite 400, Lee Hall
Tallahassee, Florida 32307

Dear President Ammons:

We have reviewed Florida A&M University's (FAMU) October 25, 2007 request for \$756,000 to support the university's ongoing efforts to improve financial accountability and to train staff on the use of new information technology systems. Of this amount, \$615,000 would be used to hire consultants under the supervision of the Board of Governor's Task Force on FAMU Operational and Control Issues (Task Force) to perform temporary accounting functions, develop a Grants Billing Module, and create an accessible data management environment for internal and external users.

The Task Force was created by the Board of Governors for the State University System of Florida (BOG). The BOG is a state agency subject to the provisions of Chapter 287, Florida statutes. The proposed procurement by the Task Force of professional services is subject to a competitive bid process provided for in the statutes. Therefore, FAMU's request for funding must be considered within these limitations. In addition, as I pointed out in my July 27, 2007 response to FAMU's first funding request, the Task Force is prohibited from providing direct funding to the university. The use of funds from the special legislative appropriation is restricted to obtaining contracted services consistent with a "comprehensive review of financial operations." While the use of additional consultants to perform direct accounting functions at FAMU may be desirable, I am concerned that they do not fall within the appropriation guidelines the Task Force has received.

The Task Force's Information Technology Action Team comprised of Chief Information Officers from two universities and Ramon Padilla, the BOG's Chief Information Technology Director; has been actively engaged for several months in an assessment of FAMU's information technology corrective action plan. On October 22, 2007 the Task Force selected an auditing services firm. I have directed Inspector General Derry Harper to include an analysis of FAMU's request for funding in our Task Force detailed work plan. We anticipate the detailed work plan will be completed in the next 20 to 30 days. At that time, if our two groups conclude the proposals for funding to FAMU furthers our common goals toward corrective action in the IT area without jeopardizing our oversight responsibility, we will certainly discuss with you a strategy to approach the legislature to obtain necessary authorization. Mr. Harper will contact you immediately to schedule an initial meeting to discuss how to proceed.

The Task Force is committed to providing FAMU assistance in restoring public trust in its fiscal management and operations. We will do so with dispatch, while acting as good stewards of the public funds entrusted to us.

Sincerely,



M. Lynn Pappas
Chair, Task Force on FAMU
Finance & Operational Control Issues

cc: Chair Carolyn Roberts, Board of Governors
Chancellor Mark Rosenberg, Board of Governors
Inspector General Derry Harper, Board of Governors
FAMU Task Force Members