

MINUTES: January 20, 2011

MEETING: DAYTONA STATE COLLEGE
DISTRICT BOARD OF TRUSTEES

PLACE: DAYTONA STATE COLLEGE
DAYTONA BEACH CAMPUS
BUILDING 100, ROOM 402L
1200 W. INTERNATIONAL SPEEDWAY BLVD.
DAYTONA BEACH, FLORIDA

PRESENT: Mr. Frank Lombardo, Corporate Secretary/Interim President
Mr. John Tanner, Chairperson
Dr. Christina Frederick-Recascino, Vice Chairperson
Mr. Bob Davis
Mrs. Mary Ann Haas
Mrs. Forough Hosseini
Dr. Steven Miles

ABSENT: Mr. William Davison
Mr. Joseph Petrock
Mr. Gregory Smith

Board Workshop began – 12:15 p.m.

Roll Call – Mr. Davison, Mr. Petrock and Mr. Smith were absent. Mrs. Haas was absent during roll call but arrived after the start of the meeting.

Mr. Tanner asked Dr. T.K. Wetherell, Presidential Search Advisory Committee Chairman, to introduce Dr. Robert Parilla, Senior Consultant with Academic Search, and share his background. Dr. Parilla reviewed documents sent to the Board that consisted of the presearch questions, guidelines for scheduling the presearch study, and the weekly timetable. He explained details of the upcoming selection process. During discussions the Board determined they would like the search committee to select five candidates to interview for the presidency. Dr. Parilla received input from the Board on the presearch questions discussed with each of the groups he met with during his visit, which will assist him in developing and refining the Profile document.

Board Meeting began 2:17 p.m.

I. CALL TO ORDER

Mr. Tanner called the meeting to order at 2:17 p.m.

II. ROLL CALL

Mr. Davison, Mr. Petrock and Mr. Smith were absent.

Order of agenda items changed

VI. TIME RESERVED/PRESIDENT

B. NEW BUSINESS

1. Presidential Search Documents

Mr. Tanner explained Dr. Parilla would need direction from the Board based on discussion during the workshop.

MOTION: (Hosseini/Miles) That the District Board of Trustees approve the Charge and Expectations document, revising the language in section 2. to read, "...shall recommend five viable candidates, in unranked alphabetical order, ..." ; and the Code of Ethics document, as presented. Motion carried unanimously.

Agenda returned to order.

III. PUBLIC PARTICIPATION

Mr. Tanner inquired if there were any members from the public that requested time to appear before the Board. No requests had been received.

IV. CONSENT AGENDA

- A. Minutes of November 18, 2010 Regular Board Meeting
- B. Minutes of December 7, 2010 Regular Board Meeting
- C. Human Resources Recommendations
- D. Grant Applications
- E. Agreements
- F. Affiliation Agreements
- G. Budget Amendments
- H. Out of District Field Trip Requests
- I. Out of Country Travel Request
- J. Pre-qualification of Contractor of Construction Projects Board Certification

MOTION: (Hosseini/Davis) The District Board of Trustees approve the Consent Agenda. Motion carried unanimously.

V. FINANCE

A. Finance

1. Financial Statements as of 12/31/10

Ms. Laura Phillips, Associate Vice President/Controller, reviewed highlights of the financial report ending 12/31/10. Mrs. Haas requested a breakout of student revenue showing percentages gained from tuition increase and enrollment growth in future financial reports.

Distributed Health Insurance Plan document. Made an official part of the minutes as Supplemental A: 1/20/11. Distributed Unallocated Budget – Balances and Explanation Sheet of Funds 1-9. Made an official part of the minutes as Supplemental B: 1/20/11. Mr.

Lombardo reviewed the College's self-insured health insurance plan and indicated there have been no increases to employee contributions in four years. The Health Care Task Force, made up of employees from each constituent group and holding various health coverage, provide oversight of the plan.

Mr. Lombardo reviewed the Unallocated Budget document and explained the College is in good financial shape.

2. Direct Support Organization Audit Report- WDSC

Mr. Lombardo presented the audit report for WDSC TV 15 as of June 30, 2010 and explained there were no comments or recommendations. Information only item.

3. Daytona State College Audit - Update

Distributed Financial Audit – DRAFT of Responses memorandum dated 1/20/11. Made an official part of the minutes as Supplemental C: 1/20/11. Mr. Lombardo reviewed audit findings related to the Community Cultural Foundation (CCF) agreement and how the College concurs with each of the findings and will comply with the recommendations. Mr. Lombardo reviewed changes that will be implemented based on audit recommendations, which included strengthening procedures and training for managers and administrators. Discussion was held on the practice of colleges providing accounting services for other agencies and the agreement with Radiology Associates.

Dr. Miles departed the meeting at this point.

Mr. Peter Heebner, Board Counsel, explained the Commission on Ethics may provide an opinion if these types of agreements are permitted and explained auditors only look at the letter of the law and an opinion would clarify this finding for the future. Discussed concerns with the College taking on the responsibility of being a fiscal agent for another entity.

Mr. Lombardo explained the College would like to conduct internal reviews and institute an internal auditor position that would report directly to the Board Chairperson. Mr. Lombardo also stated information will be brought forward to the Board on checks written above a certain amount and how these checks will be signed by the president or designee.

MOTION: (Recascino/Hosseini) That the District Board of Trustees support the hiring of an internal auditor who will report to the Board Chairperson. Motion carried unanimously.

Mr. Davis asked about the collection of funds related to the Community Cultural Foundation and Mr. Lombardo shared the accounting records will be reviewed for accuracy and will continue working with CCF and others to collect money owed to the College.

4. Report of Purchasing Items

Mr. Lombardo presented the monthly report of purchasing items between \$65,000 and \$195,000. Information only item.

VI. TIME RESERVED/PRESIDENT

A. OLD BUSINESS

1. RFP Legal Services

Mr. Lombardo presented for approval.

MOTION: (Hosseini/Recascino) That the Board of Trustees approve RFP # 11-003 Board Legal Services. Motion carried unanimously.

2. Community Cultural Foundation Task Force Update by Chairman Tanner

Mr. Tanner explained he had heard from a couple of vendors who were paid in full and shared there was some discussion from CCF leadership if larger vendors would accept less than the full payment. There was consensus among the Board members that vendors should be paid in full and Mr. Tanner will report this position back to the task force.

3. Presidential Search Update

This item was reviewed during the workshop.

B. NEW BUSINESS

2. Halifax Hospital Agreement

Mr. Lombardo explained the College employs a physician to take care of student athletes and indicated an attachment will be placed with this agreement explaining if an opinion is received from the Ethics Commission with a concern, the agreement would become invalid.

MOTION: (Haas/Davis) That the District Board of Trustees approve the request to renew and amend the agreement with Halifax Hospital Medical Center, as presented. Motion carried unanimously.

Order of agenda items changed

5. Dr. Philip Benjamin Matching Program

Mr. Lombardo explained the document has been reviewed and matching dollars verified and presented for approval.

MOTION: (Hosseini/Haas) That the District Board of Trustees approve the Dr. Phillip Benjamin Matching Program 2011-2012 Appropriations Request, as presented. Motion carried unanimously.

4. Radiology Associates Renewal Agreement

Mr. Lombardo explained the College received a termination letter from Mr. Falco, CEO of Radiology Associates, providing a six-month notice for non-renewal of the agreement. Discussed terminating the contract earlier if both parties agree it would be logistically possible.

MOTION: (Hosseini/Davis) That the District Board of Trustees accept the termination letter and ask to terminate the existing agreement as soon as it is logistically possible. Motion carried unanimously.

6. Board Policies

Mr. Lombardo proposed placing Board Policies as an agenda item each month and asked the Board to review current College policies and bring forward requests for new or revised policies. The Board would then direct staff to draft or revise a policy based on Board discussion and bring back for Board approval. The policy would then be placed on the agenda for a first reading and final reading.

3. ATC Renewal Agreement

Mr. Lombardo explained every five years the Charter Agreement needs to be renewed and asked permission to begin discussion with the area school board superintendents.

MOTION: (Davis/Hosseini) That the District Board of Trustees authorize the President to begin discussions on the renewal of the ATC Charter agreement and bring back to the Board for approval. Motion carried unanimously.

Agenda returned to order.

7. Board Meeting Schedule 2011

Mr. Lombardo asked the Board to review the meeting schedule for the remainder of the year and if they would like any changes made. It was proposed that the February meeting be moved to the third Thursday of the month, February 17, 2011, and held on the Flagler/Palm Coast Campus to avoid race traffic. No other changes were made to the schedule. Discussed dates for the presidential search process that would occur in May 2011.

MOTION: (Hosseini/Haas) That the District Board of Trustees approve the Board Meeting Schedule, revising the February meeting date and location to February 17, 2011, 4:00 p.m., on the Flagler/Palm Coast Campus. Carried unanimously.

8. PECO Funding Update

Mr. Lombardo stated he has asked staff to begin a master site planning process for the College. He explained the News-Journal Center is in need of a scene shop and additional classroom space and how the Daytona Campus is also in need of additional classroom space.

Mr. Tanner requested approval for the audit response to be developed and finalized by the President, overseen by the Vice Chairperson, and submitted to the auditors in a timely manner. The response will include the request for an inquiry and an opinion regarding the Radiology Associates agreement. The Board requested to see the response prior to submission.

MOTION: (Hosseini/Davis) That the District Board of Trustees authorize the President to develop and finalize the audit response, overseen by the Vice Chairperson, and submit to the auditors in a timely manner. Carried unanimously.

Mrs. Hosseini departed the meeting at this point.

Mrs. Sharon Crow, Vice President of Governmental Relations, presented an update on PECO funding and how half of the Florida College system's funding was lost when reductions were made in the PECO Estimating Conference. She explained the College may need assistance from the Board through the funding process.

9. Enrollment Report

Dr. Tom LoBasso, Vice President for Enrollment and Student Services, reviewed the enrollment report and shared the federal government has changed its satisfactory progress rules, making it harder for students to get reinstated for financial aid, which may have an impact on the College's future enrollment.

VII. TIME RESERVED/CONSTITUENT HEADS

Reports were presented by Mr. Hector Valle, Professional Council President; Dr. Richard Grego, Faculty Senate President; and Ms. Nicole Brown, Student Government Association President.

VIII. TIME RESERVED/BOARD MEMBERS

Mrs. Haas shared the workshop was very effective and informative. She thanked Mr. Tanner for doing an outstanding job as chairman and appreciated his professionalism and diplomacy.

Mr. Davis explained the meeting was a great learning process and how Mr. Lombardo is doing a great job and handling the difficult situations with grace and dignity.

Mr. Tanner shared Mr. Lombardo has exhibited courage over the past several months and has addressed issues with great insight and encourages everyone to work together. He shared Daytona State is one of the finest institutions in the country because of the men and women who work at the College.

Mr. Lombardo thanked the Board for their confidence in him and shared he could not do the job alone.

IX. ADJOURN

Mr. Tanner adjourned the meeting at 3:58 p.m.

Date of next meeting: February 17, 2011.