MINUTES: February 16, 2012

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: Dr. Carol Eaton, Corporate Secretary/President
Mr. Dwight Lewis, Chair
Mrs. Donna Brosemer
Mr. Bob Davis
Mr. Lloyd Freckleton
Mrs. Mary Ann Haas
Mrs. Betty Holness
Mrs. Forough Hosseini
Mr. John Tanner

ABSENT: Dr. Christina Frederick-Recascino, Vice Chair

Board Meeting began 2:04 p.m.
Distributed Taste of the 24 Restaurant Guide 2012 brochure prior to the start of the meeting. Made an official part of the minutes as Supplemental A: 2/16/12.

I. CALL TO ORDER
Mr. Lewis called the meeting to order at 2:04 p.m.

II. ROLL CALL
Dr. Recascino was absent.

III. PUBLIC PARTICIPATION
Mr. Lewis 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. Approval of 12/8/11 Regular Board Meeting Minutes
B. Approval of Agreements
C. Approval of Agreements - Affiliation
D. Approval of Budget Amendments
E. Approval of Grant Application
F. Approval of Human Resource Recommendations
G. Approval of Out of District Field Trip Requests
Mrs. Haas appreciated the presentation of grant information. Mr. Freckleton inquired about the Upward Bound grant and if there were opportunities for Flagler County. Dr. Tom LoBasso explained the grant is based on financial criteria and Flagler County did not qualify but will look at opportunities for students in this area.

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

V. TIME RESERVED/PRESIDENT
A. President’s Update
Dr. Eaton explained the revisions to the master site plan are being presented this month for review, as well as the first draft of the response to the Southern Association of Colleges and Schools (SACS) monitoring report. She shared there are training opportunities offered by SACS and extended an invitation to attend an April 18, 2012 trustee workshop hosted by St. Johns River State College that will be facilitated by Dr. Belle Wheelan, President of SACS. She stated Dr. Vitale will review the Center for Interactive Media proposal and explained this was the overall plan and there was still much work to do. Once the new academic program is finalized this will be brought forward for Board approval.

Dr. Eaton stated Mr. Micare will review funding request proposals and explained the Association of Florida Colleges (AFC) has shared that the Florida Senate proposed cutting university budgets by $400 million and expect the institutions to use some their reserves to make up the difference. She shared state colleges have been asked to report on their total general operating reserves and how the College has proposals to utilize some of its reserves.

She reported on two recent trips to Tallahassee, the first was to attend the AFC Trustees Legislative Conference and thanked trustees who were able to attend. She shared the college presidents had an opportunity to meet with Governor Scott and trustees attended a reception with the Governor. The second trip was to appear on a panel presentation to the Senate Higher Education Committee with other state college presidents. She explained the legislature is very interested in how successful the colleges are in remediation, transfers and baccalaureate programs and this information gives them a better understanding of what colleges are doing.

B. Approval of Agreements – Non-Consent Items
Dr. Eaton explained this agreement was not included in the consent agenda as it was an item that was previously pulled by a trustee. Dr. Eaton stated the revenue amount was the combination of federal funds and institutional match.
MOTION: (Haas/Holness) The District Board of Trustees approve the agreement with the University of Central Florida, as presented. Motion carried unanimously.

C. Approval of Authorization Request for Monthly Expenditures
Dr. Eaton explained the request would allow the College to continue to pay monthly expenditures for utilities, payroll, insurance and healthcare services for fiscal year 2012/2013.

MOTION: (Davis/Haas) The District Board of Trustees authorize the College to pay monthly expenditures for utilities, payroll, insurance and healthcare benefits for 2012/2013. Motion carried unanimously.

Dr. Eaton explained agenda items that do not fall under the consent agenda will have a new standardized format which will provide the Board with an overview, analysis, and recommendation.

D. Draft Master Site Plan
Dr. Eaton reviewed the revised master site plan for the Daytona Beach Campus and the changes that were incorporated from the November 2011 Board meeting. She explained the time for each phase is dependent upon available funding. Mrs. Hosseini suggested looking at alternate sources of revenue since there were no PECO funds so phases could be accomplished sooner, taking advantage of lower construction costs.

Phase 1 included the new thermal energy storage and remodel of the News-Journal Center and preparing the south east parking lot site for a new building. Phase 2 included the demolition of the Theater Center, addition of a new four-story student center/classroom building and development of overflow parking. Phase 3 included the demolition of the Lenholt Student Center, addition of a four-story academic building and a parking garage. Phase 4 included an addition of a three-story academic building on International Speedway Boulevard (ISB). Phase 5 included the demolition of the Studio Arts Hall, addition of a new four-story academic building, expansion of north parking lot, and improvements to west side traffic flow, parking and retention areas. Phase 6 included the demolition of the Arts & Sciences, Davidson Hall and Learning Resource Center buildings and the construction of two four-story academic buildings. Phase 7 included the demolition of the Goddard Center, addition of two four-story academic buildings, phase II parking garage and east parking area.

Mrs. Hosseini inquired about the property adjacent to the College and Mr. Steven Eckman, Director of Facilities Planning, shared these lots are scattered and the College has not had additional funding to purchase lots to accumulate enough property for a project. He shared the value of homes have decreased and owners are not interested in selling at or close
to the appraised value. The Board would like staff to identify parcels contiguous to other properties owned by the College and bring back to the Board for purchasing approval.

Discussed the construction of a new building on ISB and how the building should have self-contained program(s) similar to the Hosseini Center, which would keep the pedestrian and vehicular traffic separate. Reviewed Phase 7 and how the pedestrian traffic flows between areas of the campus.

Dr. Eaton confirmed the Board would like to move up the construction of the new three-story academic building on ISB from Phase 4 to Phase 3; move the construction of the new four-story academic building from Phase 3 to Phase 4; not pursue a parking garage at this point in time due to costs; and look at parcels of property along the east side of the College.

E. Draft SACS Monitoring Report
Dr. Eaton explained the College is required to submit a monitoring report to the Southern Association of Colleges and Schools (SACS) on the two recommendations that were made by the SACS Board as part of the site visit that occurred in May 2011. She explained the draft report was for the Board’s information and will be brought back for approval at the March meeting. Dr. Nancy Morgan, Interim Associate Vice President of Institutional Effectiveness, explained the report will address the recommendations and show evidence of compliance. The report is due to SACS by April 16, 2012. Mrs. Haas commented she reviewed the document very carefully and felt it was very thorough and how staff did a great job in preparing.

VI. ACADEMICS
A. Approval of Center for Interactive Media Proposal
Dr. Michael Vitale, Senior Vice President of Academic Affairs, explained the College will maintain the broadcast license and continue broadcasting programming; continue serving as the local emergency broadcast facility; review existing commitments; and plan to continue pledging and underwriting of programs. He shared that he and Mr. Roberto Lombardo, Vice President of Information Technology, met with WDSC employees advising them their employment would end June 30, 2012. He stated there are new positions being developed to support the proposal and will support the continued broadcasting of the WDSC signal, plus the distribution of content over the internet. WDSC employees are eligible to apply for these or any other open positions within or outside of the College.

Dr. Vitale explained academics will become the main focus for the television facility and faculty are developing an A.S. degree program tentatively called Interactive Media and plan to have it in place for the fall
of 2013. The program would use existing courses such as journalism, photography, music production, television and radio broadcasting.

Dr. Vitale stated the Florida Virtual College, Help Desks, and Faculty Innovation Center will relocate to the WDSC facility. The Florida Virtual College and technical staff will report to Information Technology and the academic program will report to Academic Affairs.

Board members expressed concern for those losing their employment and would like the College to help them in job placement either within the College or outside if appropriate.

Mrs. Holness and Mrs. Haas inquired about online courses. Dr. Vitale explained online courses would probably not increase at this time but the quality of online and face to face courses would increase and offer new opportunities for faculty instruction. Mrs. Holness and Mr. Tanner inquired about employment opportunities for graduates of this program. Dr. Vitale stated it was important that graduates find employment and how this will be an important part of program development. He indicated they will look closely at what jobs are available within the Volusia/Flagler service district and in the state. Dr. Eaton explained another component would be the transition to a four-year degree at a partner university.

**MOTION:** (Freckleton/Holness) The District Board of Trustees approve the Center for Interactive Media Proposal. Motion carried unanimously.

**B. Approval of 2012-2013 Academic Calendar**

The item was presented for approval.

**MOTION:** (Hosseini/Haas) The District Board of Trustees approve the 2012-2013 Academic Calendar, as presented. Motion carried unanimously.

**VII. FINANCE / FACILITIES**

**A. Finance**

1. **Financial Summary for December 2011**

   Mr. Dennis Micare, Senior Vice President of Finance and Administration, reviewed the executive summary which included revenues and expenses. He indicated the College has begun to receive lottery funding. He also explained there was a problem with posting entries for exemptions and waivers and the revenue shortfall amount will be corrected and brought back in March. He reviewed the schedule of accounts and Fund 1 reserves which was reported to the state. He indicated colleges had been previously instructed by the Division of Florida Colleges to be prudent in saving dollars and asked this be expressed to the legislature when
the report was presented by the Division. He believed additional reserve information will be requested.

He reviewed reports on general operating fund revenue and expenses, student fee collections which will be revised when additional postings are completed. He reviewed the summary of reserve funds for Funds 1, 3 and 7 and explained PECO funds are on hold and may be reverted back to the state. He stated other funds are not earmarked for specific projects and how there was not enough funding to construct a building as all funding has to be in place before construction can begin. Mr. Lewis wanted to make sure it was clear to all that the College has had a list of needs, not a list of wants, and it has been saving up for these items and was not spending reserves wastefully. Mr. Micare explained much of the funding in reserves was due to expenditures being deferred so reserves could be built up. Mrs. Brosemer concurred and shared the impression given to the public is institutions having large reserves are making more money than they need. She felt it is important for the College to make the case that there was a purpose to be served by having this money in reserves so there is not a misperception by the public or the state.

Mr. Micare explained reports are submitted monthly to the state on the position of all funds and explained how it is required to spend the interest on PECO first before spending the actual allocation. Mr. Davis shared the legislature is also looking at reserves of other agencies, not just higher education institutions. Mr. Micare reviewed the maintenance construction projects underway and how funds for these projects have already been encumbered.

*Mrs. Hosseini temporarily departed the meeting.*

2. **Wire Transfers/Checks Issued Greater Than/Equal to $50,000**

   Mr. Micare presented as information item.

3. **Approval of Tuition Waivers, Scholarships and Receivables**

   Mr. Micare explained this report was for fall and spring terms.

   **MOTION:** (Freckleton/Haas) The District Board of Trustees approve the preliminary summary report of tuition waivers, scholarships and receivables, as presented. Motion carried unanimously.

*Mrs. Hosseini returned to the meeting.*
4. **Approval of Deferred Equipment Replacement**
Mr. Micare explained the list of minor equipment in need of replacement has been categorized by condition and there is almost $435,000 (acquisition value) of equipment that is in very poor condition. He indicated the College would like to begin replacing this equipment and will include in next year’s budget an equipment replacement category so equipment can be kept in good stead. He explained those items would be deemed as surplus and would be either sold, donated or traded in which would come before the Board for approval.

**MOTION:** (Haas/Holness) The District Board of Trustees authorize the reallocation of $420,608 from Fund 1 Board Designated reserves for equipment replacement listed in poor condition, leaving a balance of $5 million in Fund 1 Board Designated reserves. Motion carried unanimously.

5. **Approval of Deferred Maintenance Proposal**
Mr. Micare explained funding was needed for ongoing minor renovations and remodeling. He explained the three-year request is due to the understanding that PECO funds will be constrained for the next two years. He stated facilities planning staff are paid from PECO project funds and would request funding to cover these personnel. He indicated funding for deferred maintenance projects would keep proposed projects moving forward and the College would follow established procedures and bring forward at the appropriate time those projects requiring Board approval.

Mr. Davis explained PECO funds come from utility taxes and with decreases in revenue there is not enough funding to issue new bonds, which is why the Governor is requesting the return of PECO funds. Mrs. Brosemer felt this was an appropriate use of funds that have been set aside for this purpose and if something changed where this should not be done the College would not proceed.

**MOTION:** (Holness/Freckleton) The District Board of Trustees authorize the College to hold all available PECO funds and shift project and staff funding as described below for this and subsequent years so it may proceed with current and future projects as identified. Motion carried unanimously.

1. Approval to reallocate $1,000,000 for ongoing minor renovation and remodeling from the Capital Improvement Fee Reserve in Fund 7 as follows:
   - FY2011-2012 $200,000
   - FY2012-2013 $400,000
   - FY 2013-2014 $400,000
2. Approval to reallocate $1,000,000 for Facilities Planning salaries and fringe benefits from the Board Designate Reserve in Fund 7 as follows:

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<th>FY2011-2012</th>
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<th>FY 2013-2014</th>
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<tr>
<td>$200,000</td>
<td>$400,000</td>
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3. Approval to reallocate $6,000,000 for Deferred Maintenance Projects from the Capital Improvement Fee reserve in Fund 7 as follows:

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B. Facilities

1. Approval of Contractor Approval: Building 100 3rd Floor Accounting Remodel Project ITB #12-008

Mr. Micare explained this is for the renovation of the accounting area. The Board inquired about hiring of local firms and Mr. Eckman stated the contractor was asked about hiring of local subcontractors and indicated 100% are from Volusia and/or Flagler counties.

MOTION: (Hosseini/Brosemer) The District Board of Trustees accept the lowest qualified bid from Ovation Construction, Inc. and direct the President or her designee to enter into a contract in the amount of $275,250 pursuant to the provisions of Florida Statute 287.057. Additionally, the President is authorized to approve up to an additional $27,525, should the project warrant it. Motion carried unanimously.

Mr. Lewis adjourned the meeting at 3:57 p.m. for a brief break. The meeting resumed at 4:12 p.m. Mrs. Haas departed the meeting during the break.

VIII. ENROLLMENT AND STUDENT DEVELOPMENT

A. Enrollment Report

Dr. Tom LoBasso, Senior Vice President for Enrollment and Student Development, reviewed decreases in Spring enrollment as compared to the previous year, changes in specific categories, changes being experienced by each of the campuses and the reduction of adult education enrollment. He explained the increases experienced were from dual enrollment and the College does not receive tuition revenue for these enrollments. He stated the Legislature is proposing to increase the income for Pell grant eligibility which would impact enrollment. Mrs. Brosemer asked about funding for dual enrollment students. Dr. LoBasso explained the College does receive FTE and is used in the calculation for state funding. He shared at one point the state covered 75% for the cost of instruction but now it is less than 50%. Dr. Eaton explained the Council
of Presidents have discussed dual enrollment funding and may put forth a proposal to change the funding formula.

Mr. Lewis asked about bridge loans and the effect this has on enrollment. Dr. LoBasso explained the College no longer does these types of loans but offers financial aid deferments. He explained with a deferment if a student does not submit paperwork needed they will be dropped from their classes, where a bridge loan would secure the student’s seat in class and obligate the student to repay the loan. He indicated the change does have an impact on enrollment.

IX. MONTHLY STATUS REPORT
A. Internal Auditor: Approval of Office of Internal Audit Operational Manual
Ms. Isalene Montgomery, Vice President/Internal Auditor, explained she developed in accordance with International Standards for the Professional Practices of Internal Auditing (IPPF), the internal audit charter and established operational policies and procedures to guide the internal audit activity at the College

MOTION: (Freckleton/Holness) The District Board of Trustees approve the Office of Internal Audit Charter as set forth in the Operational Manual, as presented. Motion carried unanimously.

B. Foundation Update
Mrs. Donna Sue Sanders, Foundation Executive Director, explained the Taste of 24 restaurant guidebook recognized all restaurants and sponsors that supported the event. She explained there were over 1,300 in attendance and how Mr. and Mrs. Mike Curb were in attendance. She believed after expenses, the Foundation would clear around $66,000. She thanked the students, faculty and staff who helped with the event. The first investment committee meeting with PFM Advisors will be held February 22, 2012 to review investment ideas for consideration and the committee will work on developing new investment policy and procedures.

C. SACS Update: Process and Timeline for SACS Reaffirmation
Dr. Nancy Morgan, Interim Associate Vice President of Institutional Effectiveness, reviewed three stages in the Southern Association of Colleges and Schools (SACS) reaffirmation process. The first is an off-site review of the compliance report by a SACS Peer Review Committee. The College will respond to the preliminary findings of this committee by submitting a focused report and will also submit the Quality Enhancement Plan (QEP) at that time. The second stage is an on-site review by a Reaffirmation Committee of peers who will spend two and a half days on campus looking at areas that were in question, comprehensive standards, the QEP, and will then provide a Report of the Reaffirmation Committee. The final stage is an opportunity for the College to respond to the
Reaffirmation Committee’s report. The SACS Compliance Review Committee will then make a recommendation to the SACS Commission, who will vote on this recommendation in June 2014. Dr. Morgan explained that the on-site committee will look at distance education, regional campuses, and policies. She reviewed types of evidence that will show compliance and how staff is developing the second draft of the compliance report and the QEP. A QEP Review Committee will review pre-proposals and ensure criteria is met and would like to ask that a Board member serve on the QEP Review Committee. Mr. Lewis asked Mrs. Holness if she would serve on the QEP Review Committee. Mrs. Holness agreed. The QEP topic will be selected from the pre-proposals by a college-wide vote and announced.

X. TIME RESERVED/BOARD CHAIR
   A. Board Chair’s Update
   Mr. Lewis shared Dr. Eaton was presented with president emeritus status by her former institution, Frederick Community College. Dr. Eaton explained emeritus status recognizes length of service and commitment to an institution and was honored to have received this award. Mr. Lewis commented on the AFC Trustees Annual Legislative Conference in Tallahassee where trustees and presidents discussed their roles. He shared how important the college system in Florida is and how it supports the communities and universities. He shared the college system represents over 903,000 students, awarded over 93,000 degrees, and employ more than 45,000 Floridians. He also stated baccalaureate programs are created with local business and industry input to ensure they meet current and unmet employment needs; associate graduates earn 50% more than high school graduates; awarded 67% of all nursing degrees in Florida annually; graduates represent 73% of first responders (police, fire, EMT, paramedic); provide training in high tech fields; and 2+2 programs allow a seamless transfer for a bachelor’s degree through partnerships with state universities. While in Tallahassee, trustees and students had opportunities to meet with legislature and he felt the highlight of this trip was seeing students participate in government.

   B. Board Professional Development Opportunities
   Mr. Lewis reviewed the professional development opportunities and recommended attendance when possible.

XI. TIME RESERVED/CONSTITUENT HEADS
   Reports were presented by Ms. Cass Fowler, Administrators Council President; Mr. Hector Valle, Professional Council President; Mr. Valle presented on behalf of Ms. Lori Lemoine, Career Employees Association President; Mr. Barry Gibson, Faculty Senate President; and Ms. Cathy Webb, Student Government Association President.
XII. TIME RESERVED/BOARD MEMBERS
Mr. Davis was appreciative of the assistance extended during the AFC conference in Tallahassee. He explained during the AFC event they honored the first black junior college presidents who were called the Magnificent 12 and was proud to be part of that ceremony with other dignitaries. He learned during the event that the first black junior college was in Daytona Beach.

Mr. Freckleton explained he visited the Flagler/Palm Coast Campus to attend a ribbon cutting ceremony with the students. He shared he had a good time in Tallahassee and he is doing well.

Mrs. Holness shared she was excited to learn Volusia Junior College was the first college in Daytona Beach and it was interesting to meet the people and learn the history. She shared it was a good opportunity to see students interact with the legislature and were well represented at the conference. She explained how important it was to have local representation on construction projects and working with minority and women.

Mr. Lewis explained about the Mary Karl Vocational School and how the property was acquired for the school with the help of Dr. Mary McLeod Bethune and Mrs. Eleanor Roosevelt.

XIII. ADJOURN
Mr. Lewis adjourned the meeting at 5:03 p.m.

Date of next regular meeting: March 22, 2012.