MINUTES: October 21, 2010

MEETING: DAYTONA STATE COLLEGE
DISTRICT BOARD OF TRUSTEES

PLACE: DAYTONA STATE COLLEGE
DAYTONA BEACH CAMPUS’ THEATER CENTER
BUILDING 220, ROOM 102
1200 W. INTERNATIONAL SPEEDWAY BLVD.
DAYTONA BEACH, FLORIDA

PRESENT: Dr. Kent Sharples, Corporate Secretary/President
Mr. John Tanner, Chairperson
Dr. Christina Frederick-Recascino, Vice Chairperson
Mr. Bob Davis
Mr. William Davison (telephonically)
Mrs. Mary Ann Haas
Mrs. Forough Hosseini
Dr. Steven Miles
Mr. Joseph Petrock
Mr. Gregory Smith

Board Meeting began 7:12 p.m.
Distributed via e-mail 10/20/10 4:03 p.m. revised Minutes of September 16, 2010,
Regular Board Meeting (Pages 532-532c). Made an official part of the minutes as
Supplemental A: 10/21/10.

I. CALL TO ORDER
Mr. Tanner called the meeting to order at 7:12 p.m.

II. PUBLIC PARTICIPATION
Mr. Tanner asked those addressing the Board to limit their comments to agenda
items only and adhere to the three minute rule.

Request to appear before Daytona State College District Board of Trustees
forms. Made an official part of the minutes as Supplemental B: 10/21/10.

Dr. Thurman Gillespy, retired orthopedic surgeon, provided background on his
involvement in cultural organizations and arts in the community and how the LSO
initially came to Daytona in 1966 at the invitation of Mr. Tippen Davidson to fill a
cultural void in the area. He explained about the Lively Arts Center and News-
Journal Center and how with Mr. Davidson’s passing they looked at the College
to help support the continuation of the arts and supported the continuation of
education and the arts.

Mr. John Graham, former Daytona State College trustee, explained how during
Dr. Sharples tenure he had amassed a sterling record of enhancing the College’s
prestige, enrollment, and quality of academics and has performed extremely well.
He shared about a year ago some issues regarding proposed student housing seemed to reveal deeper differences between some Board members and Dr. Sharples, and until last Spring a majority of the Board felt that Dr. Sharples and the College staff had handled the housing issue properly. He stated three board members who were supportive of Dr. Sharples were replaced by the Governor, despite their willingness to continue to serve. He indicated another issue has now arisen and as these issues relate to Dr. Sharples they should be evaluated within the framework of his overall performance, which has been superlative. To the best of his knowledge, he believed these two issues constitute the only questions that have been raised about his performance over a ten year period. He explained how the history of the College amply demonstrates that working in conjunction with the Board the College is capable of accomplishing great things and urged the Board to restore teamwork with Dr. Sharples, to move back to the positive path it has been on for ten years.

Dr. Mary Bennett, former Daytona State College trustee, explained how she has served on the College’s Board for thirteen years, with two presidents, and was always provided documentation and answers to any questions she had. She explained how she may not have agreed with everything but disagreed professionally and worked through the issues until they were resolved. She stated Dr. Sharples has served the College and the community well, bringing the College to another level through his vision and leadership. She believed there was a personal agenda and that her appointment disappeared the night before it was to be voted on by the Senate. She appreciated the Board’s fiduciary responsibility and asking the tough questions but it should be done in a professional manner. She believes the Board is systematically destroying a fine institution and in her opinion most people were appalled by the way the Board is behaving. She believed the community would suffer a great loss if Dr. Sharples was terminated. She urged the Board to approve the CCF contract extension because she has confidence the CCF board, who are community leaders, are interested in bringing culture to the area. She felt the American Music Festival revitalized the city and gave hope for a stimulated economy. She asked the Board to return to the professionals she knows they are so they can become a functioning and productive Board again.

Dr. Bud Fleuchaus, retired surgeon and Daytona State College Foundation Board member, shared how there are too many important things to do and by being in the paper all the time, the Board is damaging the College Foundation as well as everyone, by their actions. He believes there should be a finance committee to address the current problem. He read a resolution from the College Foundation Board of Directors that outlined the many accomplishments of Dr. Sharples and stated that the Board of Trustees should support Dr. Sharples and the progress that he has made.

Dr. Scott Klioze, surgeon, explained how he sees movements in the community that concern him. Events that transpired on the Halifax Health board were predetermined, not based on facts or reasons and he sees the same thing happening at the College. He stated the Board does have a fiduciary responsibility and it should not let personal beliefs, outside forces or anything
else influence them. He stated because what transpired during this meeting, the whole process was a sham. He said Dr. Sharples has served the community well for the past ten years, advanced the institution and the Board chooses to ignore the answers to their questions. He believes Dr. Sharples is doing what is right for the institution and if the Board felt he made a mistake they should give him the opportunity to be responsible. He indicated the CCF event may or may not make money but felt it was not necessary to criticize an event that was for the good of the community. He believed there was a secondary agenda and if the Board believes it was doing the right thing it was not obvious to the audience. He asked the Board to please be responsible.

Dr. Leslie Giscombe, Daytona State College student, wanted to thank Dr. Sharples for inspiring him to continue his education. He shared how he attended his daughter’s graduation from the College in 2009 and during the ceremony Dr. Sharples spoke about the new look of Daytona State and how it is comprised of nontraditional-aged students. While listening to the speech he was inspired to return to college to pursue a Bachelor of Applied Science degree. He thanked Dr. Sharples for his efforts to ensure a quality education and freedom of expression and for bringing the College to where it is today.

Mr. Jerred Mason, Daytona State College student, referenced the slogan “Building a Stronger Community” and said the two values that stood out were community and integrity. He explained the community is built on mutual respect, effective open communication and civic responsibility. He imagined the institution would go far with the Board of Trustees and Dr. Sharples being united. He believed building a stronger community should start from within and should begin in the Board Room. He explained the College fully supports academic freedom and the right of intellectual pursuit and believes the issue of integrity must be addressed and feels the political conflicts between the Board and the President should cease.

He stated they are the trusted guardians of the institution and the future of its students. He believed the College has come a long way with a visionary leader who is in place and how the College could be propelled to greater heights. He stated everyone has a voice and was there to as the Board to keep Dr. Sharples and move forward toward the vision.

Mr. Thomas Copeland, Daytona State College student and promoter, stated he was impressed things were run on the campus for the most part and read in the newspaper what was going on and decided that rather than pass judgment prematurely, he would to attend the Board meeting to listen to all sides. He shared how at the conclusion of the meeting he changed his opinion and accepted the explanation for what had happened and thought in the future Dr. Sharples should be more considerate of the Board. He believes the Board is rightfully upset because it gives the appearance they were being circumvented. He did not believe there was any malice involved. He spoke regarding the issue of monies paid to the artists and how he had brought major artists to the area and paid them nothing because he knew what he was doing. He felt there was no malice involved but there may have been incompetence.
Mr. Tim Stockman, Daytona Beach Young Professional Group member, shared the goal of the Young Professional Group is to attract and obtain young talent in the area and how successful they have been over the past five years. He stated in talking to young professionals who choose to stay in the area, they believe in the potential the Daytona Beach area has to live, work and grow. He believed the American Music Festival was a perfect example of the city moving forward and wanted to thank Daytona State College and the CCF staff for making this happen. He believes a true measure of a great educational institution is not only how a college treats its own students and faculty but also how the college enhances a community outside the campus boundaries. He stated over the past years the College has proven to be a forward thinking institution under the leadership of Dr. Sharples and as the Board moves through discussions on what to do with the CCF and the future of the leadership of the institution, he hoped they knew that many young professionals are watching and monitoring the discussion. They are confident that decisions will be made that are measured, well educated, and keep the well-being of the entire community in mind.

Mr. Bill McMunn, Halifax Area Civic League of the Halifax Area Vice President, shared the Civic League is a group comprised of all types of service, charitable and business organizations. He stated the Executive Committee wanted to ask the Board not to make a rush judgment on this and to get all of the facts, and figure out what the problems are. He asked the Board to do what is good for the community and to unite the community. He discussed the old axiom of treat people the way you would like to be treated and hopes the Board can civilly work together on this. He believes this will be solved and will become better for it but sees a big split happening amongst the Board and is hopeful people can unite and solve this problem in a way that works for everyone and how this organization is there to help. One of the major points they wanted to make was the state auditor will be conducting an audit of the College the first of the year and believes the auditor will be a very definitive group. The Board should wait for them to come and determine whether policies were followed or not. He was confident that all of these things were done for the right reasons and the opinion of the Civic League is the College has a wonderful President, a Board that cares and hopes everyone can unite and come up with a solution that works for everyone.

III. CONSENT AGENDA – September 16, 2010
A. Minutes of June 17, 2010 Regular Board Meeting
B. Minutes of July 15, 2010 Workshop
C. Minutes of July 15, 2010 Board Meeting
D. Human Resources Recommendations
E. Grant Applications
F. Agreements
G. Standard Agreements
H. Affiliation Agreements
I. Budget Amendments
J. Deletion of Inventory Items
K. Out of District Field Trip Requests
L. Out of Country Travel Request – Burnell
M. Foundation Annual Dinner Event
N. 2010/2011 Annual Institutional Plan
O. 2010-2013 Strategic Plan

Mrs. Haas asked to remove an agreement from Item F. Agreements for Berman, Hopkins, Wright & LaHam CPAs and Associates, LLP and place on the following meeting agenda.

**MOTION:** (Smith/Petrock) That the District Board of Trustees approve the September 16, 2010 Consent Agenda. Carried unanimously.

IV. **CONSENT AGENDA – October 21, 2010**
A. Minutes of September 16, 2010 Regular Board Meeting
B. Human Resources Recommendations
C. Grant Applications
D. Agreements
E. Budget Amendments
F. Out of District Field Trip Request
G. Out of Country Travel Request – Sanders, Powers, Payne
H. Out of Country Travel Request – Motlagh

Dr. Recascino explained she has a conflict of interest with regards to the UCF Institute for simulation and training agreement listed under Item D. Agreements, page 726.

Mrs. Haas asked to pull Item A. Minutes of September 16, 2010 Regular Board Meeting, due to a concern and will provide information to Mrs. Mercer on this.

Mr. Petrock and Mr. Davison recused themselves from voting on any items with regards to the Community Cultural Foundation (CCF) because they had served on the CCF Board.

**MOTION:** (Smith/Petrock) That the District Board of Trustees approve Consent Agenda Items B through D. Motion carried with Dr. Recascino recusing herself from the UCF agreement in Item D.*

*Dr. Recascino was recused based on a conflict of interest with the UCF Institute for simulation and training agreement listed in Item D. Agreements, page 726.*

**MOTION:** (Petrock/Haas) That the District Board of Trustees approve Consent Agenda Items E through H. Carried unanimously.
V. FINANCE

Dr. Spiwak, Executive Vice President, reviewed the annual report. He stated the report is prepared after the books have been closed and the report contains documents prescribed by the Department of Education and State controller’s office. He reviewed the following areas: revenues and expenditures; fund balance comparisons for the last ten years; comparison of student revenues 08/09 and 09/10; operating expenses; expenditures by function; history of the budgeted and actual revenue and expenditures; fund balance and five percent state-mandated fund balance; and the summary of budget amendments. Mrs. Haas stated a concern with a statement on page 823 under the section, Community Performing Arts Agreement, and how it seemed to indicate the College has the primary responsibility of cultural events and related services and that CCF focuses on fundraising and it seems the College has taken on everything but fundraising. Dr. Spiwak explained he will take a look at this area and did not believe that was the intent. He shared the report had been submitted to Tallahassee and Mr. Tanner indicated a letter of correction could be sent to make it clear that the College is not assuming financial responsibility for all the arts.

B. Report of Purchasing Items (9/16/10)
Dr. Sharples presented the monthly report of purchasing items related to the September 16, 2010 agenda that fall between $50,000 and $150,000. Information item.

C. Financial Report – 9/30/10 First Quarter
Dr. Spiwak explained this report is for the first quarter of the new fiscal year and reviewed revenues and expenditures to date; student revenue collected; and explained how the College is experiencing a 10% growth and had budgeted conservatively for 5%. He reviewed operating revenues and expenditures and how spending has increased by 1% more on academics than the previous year; he then reviewed budgeted and actual revenue, and projected fund balance. He inquired if the Board preferred quarterly reports or would like to continue receiving monthly reports. The Board indicated they would like to receive these reports monthly.

D. Report of Purchasing Items (10/21/10)
Dr. Sharples presented the monthly report of purchasing items related to the October 21, 2010 agenda that fall between $50,000 and $150,000. Information item.

VI. TIME RESERVED/PRESIDENT

A. Enrollment Report
Dr. Tom LoBasso, Vice President for Enrollment, reviewed the enrollment report.
B. Community Cultural Foundation Agreement Extension

Dr. Sharples was unsure what the pleasure of the Board was with regards to the CCF agreement extension. Mr. Feasel, during the workshop, recommended having one or two Board members serve on a task force and working collaboratively with members of the CCF board, Volusia County County Council, City of Daytona Beach. He believed Mr. Feasel suggested a ninety (90) day hiatus so the task force could see what options there might be. Mr. Tanner asked if the Board could suspend or terminate its relationship with CCF as it exists now, participate with a Board member on the task force and remove any appearance the College is still fronting the money for anything CCF is moving forward on. He recognized the Board’s concern with regard to expenditure of money and the incurring of obligations by CCF that fell on the institution. He asked Dr. Sharples how he recommended they should proceed. Dr. Sharples shared the agreement needed to be restructured to be much more inclusive and well defined. He explained if the College stays true to its mission and stays involved in the performing of cultural arts, then the College should somehow be a part of this, and it would be nice to have the City and County, as well as the CCF Board involved, but this is all at the will of the Board.

Mr. Tanner explained the Board could entertain a motion of whether or not to terminate the contract; whether to continue to extend the contract; if there should be a representative on the task force. Mrs. Hosseini asked if Mr. Feasel was still in the audience to find out what the vision of CCF was and how they would like the Board to proceed. (Mr. Feasel was no longer in attendance). Dr. Miles asked if Mr. Feasel had given the Board a proposal and Mr. Tanner understood what was discussed earlier did not include extending the contract or anything of that nature. He asked the Board if they wanted to terminate the old contract as it existed and look forward to where they can go from here.

Mrs. Hosseini shared she had a lot of concerns and felt if the contract was followed people would not have been let go and the future of the LSO placed in jeopardy. She stated there was nothing wrong with the contract, it was just never adhered to. Dr. Miles explained in looking at the contract, which was an excellent contract and how Mrs. Hosseini put hundreds of hours into it, he felt the one thing the Board did not include in the agreement was the control over how the events were put on and who was in charge. Mrs. Hosseini explained at the conclusion of the six months payment of salaries, payments should have stopped and looked at it again before money began to be lost. Mrs. Haas indicated the contract states CCF shall govern the administration of events but Dr. Miles shared it did not allow the Board to say no. Mr. Tanner stated by terminating the contract it did not mean they would not support trying to bring the LSO here or do other good things the contract intended.
MOTION: (Recascino/Haas) That the District Board of Trustees terminate the contract with the Community Cultural Foundation (CCF/formerly DBIF). Motion Carried with Mr. Petrock and Mr. Davison being recused.*

* Mr. Petrock and Mr. Davison served on the Community Cultural Foundation Board.

Mrs. Hosseini agreed about controls but felt there was control because the College held the checkbook. She explained the people who have not been paid are local people and had a difficult time voting to sever the relationship. Mr. Tanner stated he believed the Board would consider those individuals and vendors who are owed money and would do its best to help make those people whole, because to an extent it was responsible for the situation they were in.

Mr. Tanner asked if a Board member wanted to volunteer to participate on the task force or designate a staff member to participate so the College can maintain a presence on the task force and try to help this go in the right direction. Mrs. Hosseini suggested Mr. Tanner represent the Board and Mr. Davis concurred.

C. Legislative Case Statement 2011 – Draft
Dr. Sharples explained the legislative case statement is used in Tallahassee as the primary talking points to work with the Legislature and the various committees with regard to the College’s funding priorities and would like to request Board approval before moving forward and printing the document.

Dr. Recascino commented on language on page 886, where the College would continue to review the issues of whether to pursue approval for a baccalaureate degree in nursing. She did not believe the Board was that far along in discussing the baccalaureate degree. Dr. Sharples reported he and Mr. Tanner met with Dr. Pam Carbiener of the Bert Fish foundation about a bilateral type program with Bethune-Cookman University (BCU) and the University of Central Florida (UCF) and thought the sentence in the case statement may be misleading and offered to pull this page. He explained the conversation at the meeting spoke specifically about how the institutions can work together to create a collaborative effort and could reword the sentence in the case statement or remove it completely because there was no proposal or intent to move forward with a baccalaureate degree proposal. Dr. Miles did not want the page removed and explained those who read the facts understand there is a nursing shortage looming in healthcare and how there is discussion about requiring nurses in hospitals to have a BSN degree. He explained when looking at workforce projections for nurses, the most critical need is bachelor of science and believes to abrogate its responsibility to somebody else was wrong. Dr. Sharples offered to add “to work collaboratively with other institutions of higher education who have
baccalaureate in nursing.” He explained if there was a collaborative degree then they will need to pursue financial help from the state to build and support the program.

Dr. Sharples explained the next item on the agenda was the update regarding the BS degree and explained how he and Mr. Tanner met with Dr. Trudie Reed, President of Bethune-Cookman University, BCU Board Chairperson, and their nursing staff about a collaborative degree. He indicated the need, as Dr. Miles pointed out, for baccalaureate nurses is increasing and some states are moving toward not allowing the nursing exam to be taken unless they hold a baccalaureate degree. He believed this may be a few years away in Florida but they should be prepared. He explained the goal is to figure out a way to work collaboratively with BCU and UCF, combining what they do in a baccalaureate degree with what Daytona State College does in the associate degree nursing level. Mr. Tanner indicated there were several impediments to offering this degree and that Dr. Reed has made a very generous and significant offer to greatly reduce BCU tuition to make it affordable for students transferring into this program. He explained how Dr. Reed shared Dr. Sharples’ commitment to not pursue a BSN degree and the Board should support that. He explained how the College was originally pursuing other baccalaureate programs and the other area colleges could have fought the College. Part of this trade-off was to not seek a four-year nursing degree. He indicated they will work with them to augment what they are doing so together the urgent and critical needs can be met.

Dr. Sharples explained if a collaborative degree is done it will require State Board approval. Mr. Tanner explained the meeting was to try and lay the groundwork, because there is a need, and the College will help fulfill this need. He believes the three colleges together can make this happen. Dr. Sharples shared at the conclusion of the meeting it was agreed that the nursing deans from both institutions will try to work out an agreement. Dr. Sharples offered to reword the statement and Dr. Miles shared it would be remiss to take nursing and healthcare out of the College’s legislative priorities. Mr. Tanner suggested the page be edited and asked the Board if they would allow him to review and approve these changes since he has been engaged in the conversations.

**MOTION:** (Petrock/Miles) That the District Board of Trustees approve the Legislative Case Statement.

**AMENDED MOTION:** (Petrock/Miles) That the District Board of Trustees approve page 886 of the Legislative Case Statement to be revised, and authorize Mr. Tanner to review and approve edits to this specific page. Carried unanimously.
Mrs. Haas explained the Legislative Case Statement references the Mike Curb facility and the $19.3 million funding request. She did not feel it was appropriate to send this document to the state when there is not an agreement between the College and Mr. Curb and the Board has not approved or entered into a contract with Mr. Curb. Dr. Sharples stated he began discussing this project with Mike Curb in 2008 and how there have been many discussions with the Board regarding this. He explained how Mr. Curb gave the College a building that he paid $1.4 million for and the only agreement was with the College Foundation. The Foundation gave the building to the College because of insurance reasons. He shared how the specific academic college was renamed the Mike Curb College of Arts, Music and Science, which was similar to renaming the Hosseini College of Hospitality and Culinary Management. He indicated there was no commitment to put Mr. Curb’s name on the building and the naming rights issue is still out there. He shared that the College was proposing to construct a building that would allow the College to expand its technical programs related to the recording industry. He explained how Mr. Curb’s name is huge in this industry. However, the building did not have to be built with his name on it and there was no agreement or commitment to retain his offer to give us that building. He indicated Mr. Curb could withdraw his gift effective November 2011 and the Board can move forward with a request of $19.3 million that was on the State’s approved list and lobby the Legislature for $19.3 million throughout the PECO funding process. He stated there was no guarantee Mr. Curb would want his name on this building based on some of the issues the College is faced with. He shared how this page could be pulled but he believed the Board wanted him to pursue the $19.3 million with the Legislature.

Dr. Sharples explained the agreement with the Foundation indicates if the building is not started in three years, Mr. Curb will take the building back. Mr. Tanner understood there is no commitment to build this building, they are only committing to the Legislature that the College needs this funding and if provided, these dollars would be used towards this type of endeavor. He explained this document is just a vehicle to support the College’s request for funding in Tallahassee and there is no commitment to build a building at the News-Journal Center site or any other location and name it after Mike Curb. Dr. Sharples concurred and said Mike Curb’s name is significant in the recording industry.

Dr. Sharples explained how some in the Legislature know Mr. Curb is a friend of the College and understand the value of having a highly recognized professional like that associated with the recording school. He hopes Mr. Curb would continue his commitment after the agreement ends.

Mrs. Haas hoped Mr. Curb would continue his commitment and shared that the contract was entered into and signed by Mr. Curb, Dr. Sharples and Mr. Larry Atkinson, who was the College Foundation’s Executive Director at the time. Dr. Sharples stated the gift agreement was between the College’s Foundation for the $1.4 million building. Mrs. Haas was
surprised the agreement was not between the Board of Trustees and Mr. Curb. Dr. Sharples asked if Mrs. Haas wanted all gifts to go to the Board before they are accepted by the Foundation Board. She stated the property never went to the Foundation but was transferred to the College as indicated on the quit claim deed. Dr. Sharples explained this is done for insurance purposes.

Mr. Tanner explained this is related to the Legislative Case Statement brochure to try and secure funding from Tallahassee and asked if the case statement was acceptable in its present form. He understands there is no agreement for the Mike Curb College and asked if this could be presented without the name. Dr. Sharples clarified the academic college was renamed the Mike Curb College of Arts, Music and Science and that is an official name for that academic college, similar to the Hosseini College of Hospitality and Culinary Management, and how this college and not the building carries that name. Mrs. Haas thought all of the commitments outlined in the agreement would happen upon accepting the property, the building being built and all those parameters listed. Dr. Sharples stated the agreement gave the College three years to find $25 million in funding to build the building.

MOTION: (Smith/Miles) That the District Board of Trustees approve the Legislative Case Statement as presented, excluding revisions to be made on page 886. Motion carried by the following vote.

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D. **Bachelor of Science Degree in Nursing Update**

This item was reviewed previously in the agenda.

**VII. TIME RESERVED/BOARD CHAIR**

A. **Consideration of and response to 10/11/10 letter from SACS-VP Williams.**

Dr. Sharples explained it was important for the Board to understand that SACS is only looking for information and requires a response to whether or not the College is in compliance on the various criterion that are established. The report is due November 15, 2010 and once prepared and submitted, SACS will review and make a decision on sending an on-site or off-site visiting committee to the College to confirm what was in the report. The report will then go to a Criterion Reports committee and from there will go to the full Commission for consideration and could result in no recommendations or it may include recommendations. He explained how the process begins with the presentation of documentation. Mr. Tanner explained the Board and the public need reassurance and because of Dr. Sharples background and dealings with SACS, the College will be in good
hands to protect its accreditation. Dr. Sharples shared how visiting committee members come from outside the specific state, and there are eleven states within the southeast region. The committee would include presidents from other institutions, vice presidents and whomever necessary. He shared his tenure with SACS included eight years on the Commission on Colleges and had chaired around 25 committee visits to different institutions throughout the Southeast. He is very familiar with the process.

Dr. Sharples shared the College in planning for a SACS reaffirmation visit in 2014, which are done every 10 years. He shared the last SACS committee report the College received five to six recommendations. He said how there is no guarantee the College will not get a recommendation and the real key is documentation, factual documentation with no editorial comments, and the College receives a letter from SACS indicating the committee’s findings. He shared if there is a recommendation, it did not necessarily mean the College’s accreditation was in jeopardy. He explained if there were recommendations, the College must respond to the recommendations until such time SACS is satisfied with the response and are again compliant with whatever the standard or criterion might be. He stated it can be a very simple process and explained right now he did not believe the College is in jeopardy of losing its accreditation. He stated SACS is simply asking for information, the College will provide that information and SACS will respond. He also explained this is normally a two or three month process.

B. Consideration of and response to 10/08/10 resolution by the DSC Faculty Senate.
Mr. Tanner withdrew this agenda item.

Order of agenda items changed.

E. Authority and limitations of DSC Board Chair or Vice Chair to act on behalf of the DSC Board.
Mr. Tanner explained some of the present concerns had arisen because of this and did not want the authority to make decisions that have this depth of impact. He shared he met with Dr. Sharples and based on recommendations, extended the CCF employees employment contract by four weeks. He explained how the CCF employees had not been given sufficient notice they were going to be terminated and did not hear a vote by the Board they should be terminated and how their employment was only a day or two away from ending. He felt this was a moral issue and that the Board had discussed those employees would be able to secure pledges that were going to help make the College whole or at least restore the CCF to a more sound financial position. He explained without the Board’s authority he authorized this extension and if he overstepped his position, he apologized. He stated how he would like the Board to ask legal counsel to draft a policy that would narrowly or more clearly define what the chair and vice chair can do in the absence of a Board meeting.
The Board felt this was acceptable and legal counsel will begin working on this.

F. **Whether or not to allow absent DSC Board members to "attend" meetings and vote by telephone.**

Dr. Miles inquired about a physical quorum, which would be five Board members, and confirmed with legal counsel that special meetings have to be noticed like other Board meetings. Mr. Davis shared information on what he learned from his visits with other college and university presidents in preparation for serving on the Board.

Mr. Tanner explained with video and teleconferencing capabilities of the 21st century did the Board want to allow members to participate and vote by these means. Mr. Heebner, Board Counsel, advised there are some laws and opinions that indicate a quorum cannot be created by electronic means but others could be present by video or teleconferencing if that was made part of College policy. Mr. Tanner asked once a quorum is established did the Board want to allow other members to participate by electronic means.

**MOTION:** (Hosseini/Haas) That the District Board of Trustees allow members of the Board to participate in meetings via electronic means, if a physical quorum has been established. Carried unanimously.

C. **Consideration of DSC joining The Association of Governing Boards of Universities and Colleges.**

Mr. Tanner withdrew this agenda item.

G. **The immediate hiring of an attorney to represent the DSC Board in preparing the report to SACS – Requested by the SACS (VP-Williams) in her letter of 10/11/10, which report is due on or before 11/15/10.**

Mr. Tanner withdrew this agenda item.

H. **Hiring the same attorney (above) to represent the DSC Board in the preparation of and submission to the investigative team selected by Chancellor Holcombe, per your letter to the Chancellor, requesting an investigation of the issues of student housing, CCF and SACS.**

Mr. Tanner withdrew this agenda item.

D. **Report of DSC Board Vice Chair Frederick-Recascino re: Independent audit of student housing issue.**

*Distributed Recommendation for Action Related to Residential Housing Project October 13, 2010. Made an official part of the minutes as Supplemental C: 10/21/10.*
Dr. Recascino provided a summary of what she did over the past month after being tasked to make a recommendation for action to follow up and hopefully resolve the residential housing project issues. She read her report that included the summary of the task, conclusions, and recommendations. She proposed the following actions should be undertaken to achieve the following ends: to resolve continued questions about the residential housing project undertaken between October 2009 and March 2010 by the College and to define the duties of the President and the Board as they relate to approval of projects and other activities. She recommended an independent third-party forensic audit be conducted focusing on four areas: 1) Review the RFP process and make suggestions to remedy any weaknesses 2) Review how the RFP process was conducted and confirm it was followed 3) Investigate any irregularities related to conflict of interest 4) Review documents relevant to defining the President-Board relationship and activities the President can engage in without Board approval.

Dr. Recascino recommended that the Board engage Mr. Stephen Kahn, former Florida Senate counsel and board-certified attorney in Florida state government law, to undertake this audit. She explained Mr. Kahn has experience in examining situations such as this, is familiar with Florida governments, and is an independent third party with no local ties.

Mr. Smith asked what the cost would be and who Mr. Kahn is. Dr. Recascino indicated Mr. Khan would come and talk to the Board with no obligation. She shared he was the former general counsel of the Florida Senate, is highly respected, board-certified in Florida state government law, is very flexible, and negotiable on his hourly rates. She indicated he would work to develop, if the Board chose to do this, a contract that would place any kind of a cap the Board would like. Mr. Smith asked about duplicating an effort and how the state auditor is coming in early 2011 and will look at the College. Dr. Sharples explained the state auditor will look at the College from an operational standpoint which will include the procurement process. Dr. Miles would like to have Mr. Kahn come in to be interviewed and have him bring a contract with him. Mr. Davis shared that this action had no reflection on Dr. Sharples.

Mr. Petrock explained for the new Board members how the process in question had been reviewed every other year by the state auditor and how he attended an exit interview during his term as Chair. He shared the state auditor could not come until January and how the Board reviewed the whole process, interviewed the entire procurement team, how the RFP was established, what went on, and how Dr. Sharples was not involved in the selection or process. He explained the procurement process was looked at again in a workshop prior to a Board meeting and how this had been reviewed twice and felt if Mr. Khan does come into town he should disclose any relationships or ties he has to anyone in town.
Mr. Smith asked if there was any idea on the cost and Dr. Recascino explained his hourly rate was flexible and would be somewhere between $200 and $300 an hour. She indicated the Board could put a cap on the contract if they would like to set a limit on how much they would want to pay and how much effort they would want him to do or task him with. Mr. Smith asked if he would be giving a quote on the project before the Board would make a commitment and she felt he would do that.

**MOTION:** (Davis/Haas) The District Board of Trustees retain Mr. Stephen Kahn to conduct a third-party forensic audit. Motion carried unanimously.

Dr. Miles asked if Mr. Kahn would be coming down or were they just engaging him. Mr. Tanner clarified the vote was to engage Mr. Kahn but would not engage him with an open-ended contract and shared Mr. Kahn has indicated he would come to the next meeting of the Board. Dr. Recascino shared she would not recommend engaging anyone without meeting them.

Mr. Smith departed the meeting at this point

Agenda items returned to order.

**VII. TIME RESERVED/CONSTITUENT HEADS**

Ms. Janet Sledge, Administrative Council President, read a letter on behalf of the Administrative Council, indicating their confidence in Dr. Sharples and how they believed the actions by the Board jeopardize the Colleges accreditation status and expected the Board to adhere to Florida Department of Education Board of Trustees Roles and Responsibilities and the Ten Truisms of Trusteeship. 
*Distributed June 16, 2010 letter from Daytona State College Student Body. Made an official part of the minutes as Supplemental D: 10/21/10.*

Ms. Lori Lemoine, Career Employees Association President, read a letter on behalf of the Career Employees and explained they discussed the current situation between the Board and the President and how the current disagreements are counterproductive and not in the best interests of the College. She explained the Association supported portions of the Administrators Council’s resolution regarding placing the College in noncompliance with SACS and jeopardizing the College’s accreditation status. She shared these feelings were derived from the September 16, 2010 consent agenda not being passed, public participation being moved to the end of the meeting; negative publicity affecting the image of the College; requesting the faculty not meet; and the board overstepping its boundaries and interfering with the day-to-day operations of the College. They felt it was in the best interest of the College to move forward in a quick manner, so the College can continue to provide the best services to its students.  *Distributed June 16, 2010 letter from Daytona State College Student Body. Made an official part of the minutes as Supplemental E: 10/21/10.*
Mr. Richard Grego, Faculty Senate President, read the resolution by the Faculty Senate and explained the Board runs counter to the best interests of the College. The Faculty Senate urged the President and Board to resolve these differences so no further disruption to the College occurs and its reputation is harmed. He reaffirmed the Faculty Senate’s confidence in Dr. Sharples and stated under his leadership the College has grown and maintained financial stability.

Mr. Robert Grimm, Professional Council President, explained how inaccurate data from a survey prevented a resolution from being presented to the Board. He offered to share the information but it was determined the data should be accurate before being presented to the Board.

Ms. Nicole Brown, Student Government Association President, read a letter on behalf of the study body, which outlined concerns about the damage to the College’s reputation and how the recent newspaper article depicts the students as being unaware and uninterested in the controversy. She explained student leaders are aware and the impact is being felt by the students. She stated students gain educational experience from participating in cultural and economic development activities in the community and hopes the Board and the President will work together to bring the College back into a more cohesive working relationship so it can move forward. Distributed June 16, 2010 letter from Daytona State College Student Body. Made an official part of the minutes as Supplemental F: 10/21/10.

VIII. TIME RESERVED/BOARD MEMBERS
Dr. Miles explained the hospital undergoes an accreditation every three years and understands what accreditation means to an institution and how the Board has a commitment to do everything necessary to see that the College is accredited and if it means his resignation, he would offer his up first.

Mr. Petrock echoed Dr. Miles’ comments and thanked Ms. Brown for her comments and shared this is what is right with our community and how the Board is there to be a role model and build a better community to help these people be successful citizens in a democratic society

Mrs. Hosseini explained the Board has a fiduciary responsibility to watch over policies of the College as well as the finances of the College and shared they would not have to ask the tough questions if the proper policies and procedures set in place were followed. She stated if there were no checks and balances things will go awry. She further stated if this had been done they would not be in this situation and the Board is watching out for the best interest of the students.

Dr. Recascino commented how she met with the engineering technology faculty and how they were a fine group and was very impressed with their work and was also impressed with the Advanced Technology Center and the programs there.

Mrs. Haas wanted to clarify that the Board did not intend harm by tabling the consent agenda at the last meeting last month and how Dr. Sharples did not
believe there was anything time sensitive in the consent agenda and they were only trying to expedite a lengthy meeting.

Mr. Davis commented how he takes his job seriously as a trustee and how the Board has a job to do. He explained how the Board should have information before the newspapers or before hearing about it on the radio and hopes everyone can work together better so everyone can receive information at the same time.

X. ADJOURN
Mr. Tanner adjourned the meeting at 9:38 p.m.

Date of next meeting: November 18, 2010.