CALL TO ORDER
Mr. Tanner called the meeting to order at 2:00 p.m.

Order of agenda items were changed

III. ATTORNEY STEPHEN KAHN
Meeting with Attorney Stephen Kahn regarding his employment by Daytona State College, attorney's fees and the scope of his assignment.
Mr. Tanner introduced Mr. Kahn and shared he knew of Mr. Kahn from law school where he was an underclassman. Mr. Kahn explained he has over thirty years of experience in dealing with allegations in ethical, financial, neglected duties, misfeasance and malfeasance lapses on an official level. Mr. Kahn stated the Board has talked of an audit but he was unclear as to what kind of audit they are looking for. He explained the process normally starts with a charge sheet and how a thorough complete, independent investigation of the facts would be done. He would then present a written conclusion and recommendation. He explained in reference to the student housing issue he was unsure why the Board would want to spend public dollars to investigate something that did not come to fruition but believes he could help by doing a thorough investigation of that episode by using the "T" chart method. He shared the Community Cultural Foundation/American Music Festival issue seems to be very complicated. He explained how others are interested in these outcomes and the more
these issues become public, the more this could jeopardize the College’s legislative appropriations. Mr. Kahn suggested four steps:

1. Pick the issue(s) for investigation: student housing, Community Cultural Foundation or both.
2. Once this has been done, offer seven (7) days to anyone who has an interest in the operation of the College to frame an issue or raise a question. Persons should only submit clear statements of what they think should be investigated via e-mail or fax.
3. He would collect, refine and restate the information received.
4. He would then present a list that is clear and concise to the Board prior to next meeting so they can then decide what they would like to hire him to do.

Mr. Kahn stated if the Board wanted him to proceed he would propose a preliminary agreement. He explained his normal hourly rate is $300/hour but has reduced this to $275/hour and would also be reimbursed out-of-pocket expenses per State guidelines. Mr. Kahn read the proposed preliminary agreement into the meeting records. He explained the Board would need to designate one Board member as the sole contact person for logistical, procedural items only and shared he would not discuss substance with anyone. He shared his e-mail and fax number.

Mr. Tanner explained the Board has the opportunity to employ Mr. Kahn under the terms of the contract he read and should discuss whether the scope of the inquiry would include student housing and issues involving the Community Cultural Foundation and the prioritization of those issues.

Mr. Petrock explained the Board had done two reviews of the procurement process and passed a motion in March 2010 to have the State auditor conduct a third party review of the procurement process. He stated how this goes hand in hand with the article in today’s News-Journal, “DSC board should question need for more audits.” He shared Mr. Tanner is on the Community Cultural Foundation task force and felt it was premature to move forward without hearing from the task force and the State auditor regarding their recommendations, which would narrow the scope of work. He thought there was going to be a list of attorneys presented to the Board for review and discussion and the Board would then choose someone from this list.

Mrs. Haas believed the task force was looking at feasible ways to reimburse the College and not the overall situation. She shared how these issues are not just being discussed locally and how the student housing issue is still being brought up in the newspaper and that this was the beginning of the conflict. After joining the Board she began to see relationships start to deteriorate and feels the review needed to go back to the beginning of the toxic situation and this was a perfect opportunity for a third party review.
Mrs. Hosseini asked about the confidentiality of those submitting information to Mr. Kahn. Mr. Kahn shared if a Board commissions someone to do its work for them, all of these records would fall under the State’s public record law.

Dr. Miles believes the idea of seven days to frame the scope of work is necessary and would like to see Mr. Kahn help the Board frame the MOU student housing into an issue that can be looked at.


Dr. Recascino commented that the end result would be to have a functional Board and have trust between the Board, the College and the community and was supportive of taking action now for the betterment of the community and the College.

**MOTION:** (Hosseini/Haas) That the District Board of Trustees hire Mr. Stephen Kahn as outlined in the preliminary agreement for both the student housing and Community Cultural Foundation issues. Motion carried by the following vote:

- Davis - Yes
- Miles - Yes
- Haas- Yes
- Petrock- No
- Hosseini- Yes
- Recascino – Yes

Mr. Kahn and Mr. Tanner executed Mr. Kahn’s preliminary agreement. Made an official part of the minutes as Supplemental B: 10/27/10. Dr. Recascino was designated as the point of contact for Mr. Kahn.

Mr. Kahn had earlier recommended the Board review the requirements of FS 286.011 Florida public open meeting sunshine law and FS 119 Public Records and Mr. Tanner asked if he would be willing to provide training to the Board on these matters. Mr. Kahn explained Mr. Peter Heebner, Board Attorney, was just as experienced in this area and would be best to conduct this training for the Board.

**IV. CPA FIRM**
Employment of a CPA firm to audit, verify and authenticate all pledges to the Community Cultural Foundation (CCF) and to audit all financial transactions, disbursements and receipts concerning or related to Daytona State College’s relationship with CCF

Mr. Tanner commented on the newspaper article where there were concerns the College was over-auditing itself and how an editorial indicated the Department of Education (DOE) was engaged in an audit. Mr. Tanner spoke to the Commissioner of Education and DOE was not engaged in any type of audit at this time regarding the College. He shared
there may be activity by the Auditor General’s office but did not know if this had to do with the CCF.

Mr. Tanner had a preliminary meeting with the CCF task force members, Daytona Beach Mayor Glenn Ritchey, Volusia County Chairman Frank Bruno and Mr. Jeff Feasel, CCF President. They felt the first thing the task force will do, similar to a forensic CPA, is verify what the commitments are, what has been paid, and where the money is going to go. He shared with the people on the task force he was convinced the results of that audit will be impeccable.

Mr. Tanner asked the Board if they wanted to wait to see what the CCF task force puts together or move forward and ask for an audit by a forensic CPA firm of the fiscal relationship between the College and CCF. Mr. Tanner indicated there is no timeline for the audit by the task force. Dr. Miles indicated Mr. Feasel mentioned at the last Board Meeting they would come back to the Board in ninety (90) days, but was not sure if that was inclusive of the task force plans. Mrs. Haas understood this was to formulate a plan on how to raise dollars to pay off the debt.

Mrs. Hosseini asked who would be tasked with checking the College’s internal finances associated with the CCF, as this would be a separate issue from the CCF task force. She shared this is something that might need to be done since she still does not know how much is owed to the College.

Mr. Davis commented on getting this behind everyone and how vendors have not been paid by CCF and he believes there are more bills that have not been presented. He indicated there were discrepancies in regards to commitments from the Halifax Advertising Authority Board, Cultural Foundation of Volusia County and would like to do a forensic audit.

MOTION:  (Haas/Hosseini) That the District Board of Trustees authorize the Board Chairperson or designee to hire a forensic CPA firm to audit all financial transactions, disbursements and receipts concerning or related to Daytona State College's relationship with CCF. The firm must not have relationships with the Board, College and Community Cultural Foundation. Carried unanimously.

V. LEGISLATIVE CASE STATEMENT
Review of edited legislative information materials and changes in pages dealing with Daytona State College nursing program and the Mike Curb College information.
Dr. Sharples explained the language in the legislative case statement that spoke specifically to the College’s commitment to continue nursing education. He shared the legislative case statement is developed each year with initiatives approved by the Board to move forward and how this document is used to lobby the Legislature for funding. Dr. Sharples
shared his commitment to Dr. Trudie Reed, President of Bethune-Cookman University (B-CU), that the College would not pursue a BSN. He indicated last year there was legislation that passed that allowed institutions to apply for funding of 2+2 programs which is what the College is interested in doing with B-CU and the University of Central Florida (UCF). Dr. Sharples shared the language in the case statement has been revised to more accurately reflect the collaboration between the institutions. He explained if the College did a joint degree, the State Board of Education’s approval process requires the Board to approve a letter of intent first and this will not be done until the collaborative program is in place. He did share that the Board in the past has discussed nursing but assured Dr. Reed the only intent is to find funding for a collaborative program. Dr. Sharples shared how Dr. Reed has offered to lower tuition and has been working with area foundations to bridge the gap in tuition.

Dr. Trudie Reed shared background on discussions held regarding the College’s initial interest to offer a Bachelor’s degree in nursing. Dr. Reed wanted to clarify there was not a shortage of nurses and referenced a newly published report by the Florida Center for Nursing entitled “RN and LPN Supply and Demand Forecasts, 2010-2025: Florida’s Projected Nursing Shortage in View of the Recession and Healthcare Reform.” She explained the report suggests there is an adequate supply of nurses, but the problem is with retention in respective hospitals. She shared the reason B-CU argued against Daytona State offering this program was there were not enough clinical sites and credentialed faculty to teach this program. She stated the collaboration with Daytona State College would be the solution and how they have reduced their tuition for Daytona State students entering the program. Dr. Reed shared that she and Dr. Sharples have spoken, as well as the chairpersons of both boards, and all are on the same page.

Dr. Paula Pritchard, Dean School of Nursing, Bethune-Cookman University, shared her background and the improvements made to the baccalaureate program and how they continue to work collaboratively with Daytona State and the University of Central Florida to increase and improve quality of professional registered nurses.

Dr. Angeline Bushy, College of Nursing, University of Central Florida Daytona Campus, shared her background and explained UCF has a BSN program on the Daytona Campus that is offered in its entirety and admits thirty-six students every January and how their students achieve excellent outcomes on the nursing exam. She indicated there is 2+2 RN to BSN program with Daytona State that is completely on-line and how the colleges’ co-sponsor a clinical consortium to coordinate the use of clinical facilities in the area so they are not oversaturated. Mrs. Hosseini inquired about various data about nursing shortages. Dr. Bushey believed there was a shortage of nurses and how nurses continuing their education take longer to graduate from a BSN program because they are attending part-time. Dr. Pritchard addressed Mrs. Hosseini question about the shortage
of BSN candidates based on 2009 data and because of the economic downturn many nurses are not retiring but staying within the field and retention by hospitals was another factor. Mrs. Hosseini understood between B-CU and UCF they would be able to train enough nurses to meet the needs of area hospitals and Dr. Pritchard concurred. Dr. Miles shared RN nurses that choose to go into the BSN program are doing so because of managerial requirements and what is missing in the nursing workforce is critical thinking and there is data that shows students starting out as a BSN function at a higher level. He feels what is needed is more nurses with critical thinking skills and less managerial skills.

Mr. Tanner explained the language that Dr. Recascino had shared concerns over has now been modified and asked if that was acceptable. Dr. Recascino indicated it was.

**MOTION:** (Recascino/Davis) That the District Board of Trustees approve the revised Legislative Case Statement, as presented. Carried unanimously.

Mr. Tanner indicated Dr. Sharples is preparing the response to SACS that is due November 15, 2010. Dr. Sharples explained there may be a need for an extension because there are other areas requiring attention. Mr. Tanner asked that an extension from SACS be requested and that the draft or final response to SACS be made available to the Board with a sufficient amount of time to review and meet with Dr. Sharples individually if they so choose.

Dr. Sharples asked Mr. Brian Babb, College Counsel, to address the Board with regards to the swim team. Mr. Babb shared this was an operational issue based on numerous program issues, problems and complaints. The Senior Vice President of Academic Affairs and the Athletic Director, with the concurrence of other College departments, made a preliminary recommendation to place the swimming and diving program on internal probation. Accordingly, the President initiated an internal investigation of the program and in order to comply with procedural substantive due process all notice and opportunity shall be provided. During the process the swimming and diving team shall maintain its current and academic athletic schedule. In addition to substantive and procedural process there are federal and state cases and statutes and regulations that require confidentiality. These include but are not limited to FERPA, HIPPA or FS 768.28 and FS 1012. These are also in addition to public records and exemption to section 119. A report regarding the status of the program shall be provided to the Board at the conclusion of the investigation, to the extent permitted by law. If the Board has any questions regarding this matter they may contact Mr. Babb.
II. PUBLIC PARTICIPATION
Mr. Tanner asked those addressing the Board to limit their comments to agenda items only, adhere to the three minute rule and maintain a civil discourse.

Reverend Victor Gooden, President of the Daytona Beach Black Clergy Alliance, applauded the Board in making the effort to heal the wounds and move forward in a cohesive and great manner. He appreciated the collaboration with Bethune-Cookman University.

Mr. Don Steadman, Technical Director for the City of Daytona Beach, explained one of the jobs he had was to supply labor for the American Music Festival and how he has a bill for $25,000 that has not been paid. Mr. Tanner explained the Board is working with the CCF task force to do their best to help see that people are paid and this will be addressed, but is not sure who will write the check at this time. Mrs. Hosseini shared at the last meeting she had discussed as part of the motion the College being responsible for the local businessman who have not been paid and why the College could not hold that responsibility outside of the contract to pay these people.

MOTION: (Hosseini/) That the District Board of Trustees authorize payments to local laborers related to the American Musical Festival event, up to a certain amount.

Mr. Davis explained he also wants local vendors paid but if the Board authorizes payment without the forensic audit, would this create a problem for the Board and would need a legal opinion on this action. Mr. Tanner suggested tabling the motion at this time with consensus that the Board ask legal counsel to research the legality of this because there were some questions about the legality of the contract extension and disbursements authorized. He also indicated another issue for legal counsel to research was if there was a way the College could pay or contribute to the payment of these bills legally, so the Board is not acting unlawfully to do the right thing.

Mr. Steadman explained he completed paperwork to become a vendor of the College and submitted invoices before checks had stopped being issued. Mr. Tanner explained the Board is on his side but shared they cannot spend money they are not authorized by law to spend. Mrs. Hosseini shared if these people were vendors of the College this may be something that could be looked into also.

VI. ADJOURN
Mr. Tanner adjourned the meeting at 4:08 p.m.