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BREVARD COMMUNITY COLLEGE
BOARD OF TRUSTEES MEETING

January 28, 2008
9:05 a.m.

Dobson Conference Center (Bldg. #13)
Cocoa Campus

PRESENT: Mr. James Theriac, Chair; Mr. C. R. "Rick" McCotter III; Mrs. Dixie Sansom; Mr. James Richey; Mrs. Alberta Wilson; Dr. James A. Drake, Secretary; Mr. Philip Nohrr, Attorney.

GUESTS: Mr. Bernard Simpkins
Mr. Scott Glover, Morgan-Stanley
DSO Representatives: Mr. Scott Baughan; Mr. Dewey Harris; Mr. Al O'Connell; Mr. James LaHam; Mr. Nick Heldreth; Mr. Larry Garrison
Donovan Management, Inc.: Mr. Jim Donovan, Mr. John Flint, Ms. Pam Weber

I. CALL TO ORDER:

Mr. James Theriac, Chair, called the meeting to order at 9:05 a.m.

A. Pledge of Allegiance

Mr. Theriac opened the meeting with the recitation of the Pledge of Allegiance.

B. Additions/Corrections to Agenda

There were no additions or corrections to the agenda noted for the record.

C. Introduction of Guests

Dr. Drake invited guests from Donovan Management, Inc. and the Direct Support Organizations, as well as Mr. Bernie Simpkins, to introduce themselves.

(Mrs. Wilson joined the meeting at 9:15 a.m.)

Mr. Theriac expressed his thanks to Mr. Scott Glover, of The Glover Group, for underwriting the birthday celebration for Dr. Maxwell C. King on January 27, 2008, at the King Center.

II. APPROVAL OF OFFICIAL MINUTES OF PREVIOUS MEETING:

A. Minutes – Board of Trustees Meeting – November 26, 2007 (Addendum)
B. Minutes – Special Board of Trustees Meeting – December 17, 2007 (Addendum)

Mrs. Sansom moved approval of the minutes of the Board of Trustees meetings held on November 26, 2007, and December 17, 2007. Mr. McCotter seconded the motion. All those voting in favor of the motion: McCotter, Richey, Sansom, Theriac, Wilson; opposed: none. Motion unanimously approved.

III. PRESENTATIONS:

A. Recognition of Donor

Dr. Drake introduced and recognized Mr. Bernard W. Simpkins, the donor and founder of the College's Simpkins' Entrepreneurial Seminar Lecture Series, whose recent bequest gives him a singular distinction as the first $1,000,000 donor in the history of the College. Dr. Drake reported that Mr. Simpkins expressed his desire to invest in the legacy as well as the future of the College by providing the long-term funding to create an Entrepreneurship degree program.

Mr. Simpkins expressed his appreciation to the Board of Trustees for the recognition of this milestone, and shared an inspirational story related to the principles of entrepreneurship. Mr. Simpkins discussed his history and realization of growth in various businesses in Brevard County, and then discussed the benefits and advantages that an entrepreneurship program at the College could provide to the young adults of Brevard County. Mr. Simpkins added that an entrepreneurship program at BCC could articulate into baccalaureate programs at the University of Central Florida, among other institutions.

Mr. Theriac expressed his appreciation for Mr. Simpkins' support of the College, and commented that the creative process has always been the motivator for Mr. Simpkins' success. Mr. Theriac added that giving back to the community has also been a priority for Mr. Simpkins.

B. Donovan Management, Inc.

Mr. Donovan reported that Donovan Management was hired by the College to provide a fundraising assessment and plan for the BCC Foundation. The methodology for the assessment included interviews and document review. Mr. Donovan introduced two independent consultants, Mr. Jon Flint and attorney-at-law Ms. Pam Weber, whose services DMI retained for the assessment of the BCC Foundation. Mr. Donovan also discussed the history of DMI, the credentials of his team, and their proven expertise in nonprofit and higher-education fundraising.

Mr. Donovan reported on many strengths of the College and the Foundation, which include: five presidents in forty-seven years; successful scholarship fundraising; a new College president; the College's upcoming 50th anniversary celebration; the College's solid reputation as a workforce provider; corporate representation on Direct Support Organization (DSO) boards; the College's large economic impact in the region; a wide range of well-managed investments; above average of levels of return on investments; a diverse Board of Directors; the institution's history of awarding almost 55,000 degrees; close proximity to the Kennedy Space Center; location in a growing population area, to include senior citizens; the presence of a large corporation, i.e. Harris Corporation; adequate resources to run the organization; good special event fundraiser in place; ending the fiscal year in good health, and; the executive committee structure appears adequate.

Mr. Donovan further discussed that while the special event fundraising has been the main thrust of fundraising for the Foundation and has been successful, more emphasis on individual giving is needed. Mr. Donovan reported that 85% of all giving is done by individual donors.

Mr. Donovan then identified weaknesses in the Foundation, and discussed that the turnover and fluctuation of the Executive Director position results in the perception that the Foundation is adrift. In addition, a review of the Foundation audit indicates that 4% of total expenses was for fundraising and18% was for management support, which does not include the salary and benefits for an Executive Director.

Mr. Donovan underscored out that there are three separate and distinct DSO's at the College, plus a fourth entity, WBCC-TV, which has also solicited funds within the business community. There is considerable concern that the fundraising efforts among these organizations are not coordinated, and may in fact be duplicative. The King Center sees donor prospects as cultural patrons, while the Foundation's focus is upon scholarships. This may be confusing to donors and lead to internal competition for planned giving in the future. The Foundation also lacks a leadership-development plan to address the issue of succession, and there is no process for identifying, recruiting and evaluating current board members.

Duplication of effort presents an image of fragmentation of efforts to donors. Currently, each DSO has its own staff, financial records, auditors, fundraising plans and goals, and marketing materials. It is Mr. Donovan's perception and recommendation that donors want to see collaboration and cooperation among the DSO's, and that ideally one entity should be charged with the responsibility for strategic fundraising and overall philanthropy at the institution.

DMI has suggested that the College recruit an Executive Director/CEO for the Foundation and create a Development Council for the College. The membership for the Development Council would be the leadership from each of the DSO's and College leadership. This volunteer structure would drive philanthropy at the College, and provide an image of collaboration and coordination to the community.

Mr. Flint then discussed donor structure, and the prospect for significant increase among loyal donors. Ms. Weber added that BCC is in a wonderful position to take advantage of opportunities for individual gift-giving. The DSO's provide exposure for the College, providing BCC with an opportunity to demonstrate financial stewardship by sharing the burden of oversight and responsibility for asset management.

C. Open Forum

Mr. Theriac began the open forum by reporting on some critical concerns at the College. Mr. Theriac reported that the shooting range, a facility essential to the training needs for police programs at the College, needs a new roof. The nursing program also needs more funding to maintain its programs and respond to this growing need in the community. Also, students are attending private institutions because they cannot get the needed classes at BCC, resulting in lower-income students being charged private-school tuition amounts when the College should be providing these services to them. Additionally, the College is facing a 4% state hold-back this year.

Mr. Theriac stated that a primary objective of the College is to provide a quality education to as many people as possible, and the DSO's should increase the educational benefit to the community. Mr. Theriac discussed that each of the DSO's operates differently and has different needs. The King Center provides entertainment to the community, and has funds in reserve. The Cocoa Village Playhouse provides community theater to benefit the area, although the maintenance and upgrade of this facility is currently an expense to the College. The Foundation does a wonderful job raising money for students. Mr. Theriac suggested

that one umbrella over the separate DSO's, provided that each DSO maintains its own identity, may help donors perceive the College as a single entity, and the funds generated by these organizations could be utilized to help the College respond to the educational needs of the community.

Mr. Heldreth stated that he has been with the King Center since its beginning, and they have assembled a strong Board of Directors. The King Center has a different arena in which it operates, providing both educational and entertainment components, and they have been very successful. The King Center has received major support from the College, and blossomed under the leadership of Dr. King. Mr. Heldreth cautioned that one umbrella over the fundraising efforts of the College may create the perception that fund raising dollars are co-mingled, and funds raised by the King Center are not earmarked for the performing arts. Mr. Heldreth agreed that the development of cultural education is critical for the College to provide to current and future students.

Mr. Donovan responded that donors would maintain the ability to determine where the money goes. The Development Council would focus on fund raising campaigns and maximizing individual donations, and would provide an image of a united effort of philanthropy to the public.

Mr. Heldreth stated that his primary concern is for the King Center's volunteer governing board to be able to focus upon fundraising for the King Center. He does not want to create a perception that their fundraising efforts would not directly benefit the King Center. Mr. Heldreth is in favor of a Development Council to help coordinate strategic fundraising and to create greater awareness for the College.

Mr. Theriac stated that if the King Center were self-sustaining, funds that are now being expended by the College to support some of its operations, capital-improvement needs, and the like, could be funded directly by the King Center. Mr. Heldreth responded that he does not think the King Center is ready to be self-sustaining. The College has stepped up to assist the King Center during "lean years." Mr. Heldreth also stated that an estimated $10 million endowment would be required for the King Center to become self-sustaining.
Mr. Garrison commented that the King Center endowment fund is approximately $7 million at this time.

Dr. Drake reported that there are several overlapping issues that each of the DSO's faces, as well as the College. The College has compiled an assessment in terms of what the College expends to support the DSO's. Dr. Drake asked Mr. Billings to review the handout entitled *Direct Support Organizations Cost Analysis.*

Mr. Billings provided an overview of the handout, including incoming funds and expenses, and reported on the expenses incurred to the College by the DSO's. Mr. Billings summarized that the College spends more money on the DSO's than it receives from the state to support them. In addition, the maintenance of the DSO facilities will be provided by PECO funds in the future, and these funds will then not be available for the maintenance of educational facilities on the campuses. Cumulatively, for FY 2006-07, the College has spent approximately $400,000 to support the DSO's.

Dr. Drake reported that none of the DSO's, or the College, has a strategic fundraising plan. There are also a number of questions regarding resources for the DSO's. For instance, the Cocoa Village Playhouse is on the National Registry, but the annex is not. There is a restriction on the Cocoa Village Playhouse that the building would revert to the City of Cocoa if the College could no longer maintain it. Would the annex, which is conjoined to the original theater, also revert to the City? Also, the College has recently issued a $9,000 assessment to the Cocoa Village Playhouse resulting from an IRS ruling, which came as an unwelcome surprise to the Playhouse management and governing board. Also, during the recent State Board of Administration (SBA) funds crisis, the DSO's did not have a clear understanding of the Local Government Investment Pool (LGIP) fund and restrictions. The governing board of the College was called upon to make difficult decisions about those funds. Dr. Drake also discussed that enrollment is increasing, while the state is reducing funds. The College is also facing increases in the demand for services from the community. The DSO's and the College have different focal points, but a common one of supporting the College.

Dr. Drake further discussed that the Development Council would include equal representation from all three DSO's. Most community colleges do not have three DSO's. BCC has the opportunity for gift giving through these DSO's.

Mr. Heldreth asked if other community colleges in the country have DSO's, and if there is one that BCC can benchmark from.

Mr. Donovan responded that public institutions are struggling to make the case for philanthropic support clear to donors, because there is the perception that these institutions are state-funded, when they are not; they are state-assisted. It has been Mr. Donovan's experience that philanthropy is developed to supplement state support and tuition. Mr. Donovan stated that the bigger issue is getting volunteer leadership to serve on these boards. There is a best practice for one source to move forward and allocate funds. When the case for philanthropy is made, the institution may set priorities within it annually.

Mrs. Sansom suggested that it would be appropriate to complete the assessment of the Foundation before considering an overarching organization for DSO's to address philanthropy. In response to a question from Mrs. Sansom regarding additional investments of the Foundation, Mr. Nohrr clarified that investments with Wachovia provided a $1.7 million investment return for the Foundation, in addition to the $9 million return with the Glover Group.

In response to a question from Mrs. Wilson regarding the purpose of a Development Council, Mr. Donovan discussed that a Development Council would consist of the top leaders on each DSO board and the President of the College and the Vice President for Advancement of the Institution. It would serve as an Executive Committee for Philanthropy, and would coordinate case development and ferret out prospects, maximizing philanthropy for all the programs, and would demonstrate one collaborative organization to the community.

Mrs. Sansom asked if the College's DSO directors currently meet with the Vice President for Advancement. Mrs. Sansom suggested that if the DSO's are not meeting with each other at this time, it may be appropriate for them to meet and discuss areas in which they could work cooperatively, and then meet with the Vice President.

Mr. Baughan expressed that a Development Council may be perceived as another layer of administration or another committee. Right now there are three separate entities in the community trying to raise money. The challenge is how to coordinate these organizations without alienating the volunteers. When another layer is added, you risk alienating the volunteers or creating the perception that the job is harder. Also, there may be an advantage to having three separate groups versus one brand (BCC); you may reach people who may not be otherwise interested in the College.

Mr. Heldreth expressed that his interpretation of the Development Council is to promote synergy and awareness, and the group would consist of the leadership of the DSO's. They are not another committee. It is his understanding that this group would meet periodically, and possibly meet with the Board of Trustees once a year.

Mr. O'Connell stated that the goal for the Foundation is to raise money for scholarships. Mr. O'Connell noted the profound effect that scholarships have on students and their success, and stressed that it is important for the Foundation to keep its focus on the students and the College.

Mr. LaHam questioned the degree to which members of the community are aware of the link between the DSO's and the College. From a business perspective, there are two options for any of the DSO's—namely, to be linked to the College, or to become independent of the College. If there is a clear link to the College, then a DSO should continue to operate under the College. Citing the perceived link between the King Center and the College as an example, Mr. LaHam asked Mr. Janicki for examples of the ways in which the Center benefits the educational mission of the College and its impact upon students. Mr. Janicki responded that BCC students, as well as faculty and staff, are provided discounted tickets to King Center events, in addition to which the Center provides, at no charge, many outreach opportunities for Brevard County teachers in an effort to bring cultural activities to the classroom. The King Center admits 30,000-40,000 students per year at greatly reduced prices, county-wide. The King Center also raises awareness of BCC within the community by including the BCC logo in all advertising.

Mr. LaHam further discussed that a transition will be required to bring more visibility to the fact that the DSO operates with and for the College. Mr. LaHam cautioned trustees not to lose sight of the purposes of the three separate organizations, and ventured that potential governing-board members will want to serve on specific DSO boards that fit their charitable interests. Mr. LaHam reported that the Foundation is researching ways to raise its standards and to become more visible to the community.

Mr. Baughan suggested that trustees develop a type of "report card" for respective DSO leaders to measure how effectively the DSO governing boards are performing. A report card would provide trustees with the knowledge of how the DSO's are operating, and the College would be able to develop benchmarks and measure progress. Mr. Baughan mentioned that in the history of his involvement with the Cocoa Village Playhouse, there has been little rapport between the Playhouse governing board and the Board of Trustees. A report card may provide a continuous flow of communication to and from the College, while also promoting better coordination among the DSO's.

In response to an inquiry from Mr. Richey concerning the Board of Trustees' authority and responsibility for the policy and operational aspects of the DSO's, Mr. Nohrr responded that in the late 1990's, the Florida statutes changed with regard to the control of DSO's, and made the Board of Trustees directly responsible for DSO's; this is found in Chapter 240. The statutes maintain that an institution cannot create a DSO unless the Board of Trustees certifies that there is a need for a DSO and then must develop and approve a charter and mission. The statutes indicate that DSO's are under the authority and responsibility of the Board of Trustees. With regard to fundraising, one of the reasons for establishing a DSO is for the organization to be able to invest and manage donor assets. Each DSO has an investment policy that is approved by its Executive Committee, its full governing board, and the Board of Trustees. Mr. Nohrr made the assumption that the investment policies of all three DSO's have been approved by the Board of Trustees. Once these approvals have been obtained, and the policies are integrated into the provisions of Statute 1001, the DSO is permitted to move forward with the investment policy. Also in the late 1990's, in an effort to rein in some of the DSO's, it became mandatory for the President of the College to serve on each Executive Committee, and for a member of the Board of Trustees to serve as a voting member as well. The intention behind the mandate was to give the College more involvement and control of the DSO's.

Mr. Richey stated that the Board of Trustees has the opportunity to enhance its oversight of the DSO's. The College has identified the problem of perceived fragmentation among the DSO's. Mr. Richey suggested that the Board research the most efficient way to maximize the College's resources for the benefit of BCC and its students, and further proposed that the Board vest the authority with the College president to take a fresh look at the DSO's and assess every initiative to determine whether it provides maximum benefit to the students.

Mr. Garrison stated that the creation of a Development Council is a journey, and should not be expected to happen over one or two years. Mr. Garrison stated that DMI has put together an outstanding roadmap, and feels this is the appropriate direction for the College. From past experience with the HealthFirst merger, it took many years to persuade the governing boards of the several hospital foundations to merge into the HealthFirst Foundation. Mr. Garrison suggested that it will take a lot of time and planning by the Board of Trustees and the DSO's to determine how a merger of DSO's could be made to work, with a net effect being a quantifiable savings in administrative expenses for the College. Having served as Chair of the BCC Foundation and in working with the King Center, Mr. Garrison observed that people are going to give depending on what is important to them.

Mr. Harris reported that the Cocoa Village Playhouse has made good progress in leadership development on their governing board, and have fostered very good working relationships with the College. The Playhouse board is working hard to make the theater and annex self-sustaining. The Cocoa Village Playhouse also provides services to the drama students at BCC. Mr. Harris discussed the need for the coordination of efforts in fundraising, especially in the planned giving area since a great deal of the audience at the Cocoa Village Playhouse is over age 65.

Mr. Baughan discussed the history of the Cocoa Village Playhouse and the significant progress that has been made toward the vision of creating something beautiful for the community. Over the years, the College has withdrawn operational funding for the Playhouse, and it has been a challenge to achieve operational success within the very limited budgetary resources the Playhouse has to work within. The governing-board members of the Playhouse have a clear understanding that the Playhouse is meant to support the mission of the College, and

understands that the Playhouse's fundraising success will result in the College being repaid for the financial support it has provided.

Mr. Donovan then addressed Mrs. Sansom's concern regarding the completion of the Foundation assessment prior to consideration of a Development Council. Mr. Donovan stated that the demand for professionals to direct fund raising is high, while the supply is low, and the salaries are high. A good candidate for the Executive Director position may decline the position because of the perception that the organization is fragmented. A Development Council may make the position more attractive. Mr. Donovan discussed that UCF has a director of development in each of its five colleges, who meet with the Vice President each week, and they are raising a lot of money. This structure reflects coordination and collaboration within the institution.

Mrs. Sansom maintained that a formal umbrella organization is not needed at this time, and would perhaps add a layer of unnecessary bureaucracy to communications among the DSO's. Instead, she suggested that the College use its current resources and continue Dr. Drake's efforts, and have the Chairs and Executive Directors of the DSO's meet regularly with the administration.

Mrs. Wilson stated that she disagreed with her colleague, and that a Development Council would not necessarily form another bureaucratic layer, but rather is something that should have been happening all along. Such a Development Council would provide a structure for bringing key leaders together to strategize, plan, and assess the outcomes of a college-wide strategic fundraising plan. In order to change things to the positive, the College needs to become less fragmented through ongoing dialogues.

Mr. Heldreth suggested that under the appropriate leadership, the Board of Trustees may empower the president with its expectations, and then he in turn, with his staff, can develop and implement the operational follow-through. The creation of an umbrella entity is then avoided. Mr. Heldreth cautioned the College to be very careful about creating an overarching fundraising entity, because it may cause a ripple effect in respective organizations.

Mr. Baughan pointed out that coming to any decision with regard to a Development Council would be quite difficult. Leaders of the respective boards need reasonable time to judge how effective this proposed Council might be, and how the potential negative perception of the umbrella organization may be offset.

Dr. Drake stated that because of the current interpretation of the statutes, a great deal of responsibility is delegated to the president by the Board of Trustees. Dr. Drake discussed concerns with employment and exposure as it relates to the DSO's. The College is bound by federal and state laws to provide certain levels of compensation and to perform evaluations of our DSO staff, because they are College employees. Also, issues involving contracted services and independent contractors continue to emerge as a matter for the Internal Revenue Service. The College may be required to employ part-time every person who provides services at the Cocoa Village Playhouse. The King Center deals with agencies to provide these services.

With regard to legal exposure, the College has facilities for which it must ensure safety and security of patrons and staff, and the College must oversee the compliance of all such facilities with environmental regulations. Any legal actions directed against a DSO often engulf the College and its Board of Trustees, thereby putting assets at potential risk.

Dr. Drake further discussed that each of the DSO Directors started reporting to the Vice President for Advancement and Public Affairs about six months ago. This was initiated for communication purposes. From an employment standpoint, the position descriptions for the Directors are inconsistent with regard to reporting and accountability. The College has not had an administrative structure in the past to address employment issues for these organizations such as salary, training, etc. Dr. Drake mentioned that the reporting requirement for DSO Executive Directors to the Vice President for Advancement and Public Affairs provides a start in clarifying these issues. Dr. Drake pointed out that there is no formal timetable for creation of a Development Council. Rather, it is described as an emerging entity that provides regular opportunities for dialogue between the DSO governing boards and the BCC Board of Trustees.

Mr. Theriac asked Mr. Garrison for his recommendation on moving forward with a Development Council. Mr. Garrison responded that something is needed to bring the College's fundraising efforts together. There is not a "one size fits all" solution. The process is necessarily a journey that takes ample time. Mr. Garrison suggested that bringing the leadership of the DSO's together to talk is a very useful first step.

Mr. Theriac thanked DSO members for attending the Board of Trustees meeting and for their time and input.

Mr. Richey suggested that the Board make motions to either reaffirm the authority of the Board, or provide a specific directive regarding a proposal to maximize College resources for the students. Mr. Richey suggested the following motion to reaffirm the authority of the Board:

> The Board of Trustees of Brevard Community College reaffirms its authority under the statutes of the State of Florida to proscribe and adopt all policies for the direction, management and operation of the College's DSOs, including but not limited to, the approval of oversight of annual operating budgets, the security and use of the properties and services, the acquisition and management of financial assets, and the recruitment, supervision and compensation of employees.

Mr. Richey suggested the following motion regarding a proposal to maximize the College's resources:

> In furtherance of this Board's oversight and other legal responsibility regarding the DSO's, we direct Dr. Drake to propose to us the most efficient way to maximize our College resources for the benefit of the College. This proposal shall consider all issues including but not limited to budgets, personnel, assets, coordination of entities, and every other issue related to the DSO's.

After initial discussion, the trustees agreed to combine the two proposed motions into a single motion.

> Mr. Richey made a motion, as stated above, to reaffirm the Board's authority related to the DSO's and to direct Dr. Drake to propose ways to maximize the College's resources as related to the DSO's. Mrs. Sansom seconded the motion. All those voting in favor of the motion: McCotter, Richey, Sansom, Theriac, Wilson; opposed: none. Motion unanimously approved.

Mr. Theriac stated that the Board of Trustees has made some difficult decisions over the last two years. He lauded Dr. Drake's leadership and ability to bring people together.

Mr. McCotter asked what specifically the administration is prepared to do with regard to hiring an Executive Director of the Foundation. Dr. Drake responded that the contract between the College and DMI includes the coordination and management for the search for an Executive Director. A position description has been developed by DMI, which will help the College find and attract highly qualified candidates.

Dr. Drake said that following today's discussions, the College's task will include developing overarching priorities for a strategic fundraising plan for the College. Once these priorities are identified, budgets will be developed with and for the DSO's to reflect the priorities of the College.

Mr. McCotter stated that he is not sure that fragmentation is a bad thing. What the Cocoa Village Playhouse does is performing arts, and what the King Center does is performing arts. The Playhouse works with local talent to enhance the performing-arts education process, getting people involved and thereby contributing to their cultural education. The King Center does so on a much larger scale, utilizing professional entertainment. The Foundation is educationally driven, and should be working with hospitals to create partnerships to fill nursing shortages and other health-care needs in the county. Mr. McCotter concluded by stating that the DSO's should enhance the mission of the College, and that the Board of Trustees must ensure that the mission of the College is enhanced and accomplished through the DSO's.

Mr. Donovan responded that while the purpose of each DSO is indeed different, fragmentation in the report refers to presenting the case and the coordination of fundraising efforts. The case for increased support is made by maximizing the philanthropic resources for the College from the communities its campuses serve.

(Break – 11:20-11:35 a.m.)

IV. CONSENT AGENDA:

A. Report on Personnel Actions (Addendum)
B. Approval of December Monthly Summary of Income and Expenditures (Addendum)
C. DSO Financials FY – 07 (Addendum)
D. DSO Quarterly Reports (Addendum)
E. College Surplus Property Report (Addendum)
F. Leases with Nextel Spectrum Acquisition Corporation (Addendum)

Mr. Richey requested an overview regarding the leases with Nextel Spectrum Acquisition Corporation. Mr. Nohrr explained that BCC, through its licensing with the FCC, has a spectrum of the airwaves that they control. Sprint-Nextel would like to take an upper portion of that spectrum to create wireless internet. BCC is not assigning its license, but it is assigning that portion of the spectrum range to Nextel. In return, Nextel is paying $1.375 million per lease. The College will receive those funds once the FCC approves the agreement. The College will initially receive $25,000 per lease, and it will take approximately 120 days from the date of approval to receive the balance. Sprint-Nextel will then control that portion of the spectrum. There is an option to renew the lease for two additional terms. In addition to the initial lump sum, the College will receive annual payments of

$16,000, then $18,000 for the second year, etc. with a 3% increase per year, and the College may use Nextel services for $18,000 per year.

In response to a follow-up question from Mr. Richey, Mr. Nohrr stated that the College has been assured that this portion of the spectrum is not used for anything else. Mr. Nohrr also discussed that the amount the College has negotiated with Nextel is competitive and is a good deal, as experts have advised that upcoming company mergers will decrease the amount of money the College is likely to get.

In response to a question from Mrs. Wilson, Mr. Nohrr reported the duration of the lease is ten years, with options for two additional ten-year leases. Mr. Nohrr also reported that Nextel can extract itself from the lease, but will not be able to get their money back if so. If the College terminates the agreement within the first five years, the penalty is $375,000, but the College would retain $1 million.

Mrs. Wilson indicated that she has a question regarding the surplus property report and will contact Mr. Billings about it. She clarified that her concern would not preclude her approval of the consent agenda items.

Mrs. Sansom moved approval of Consent Agenda items A, B, C, D, E and F. Mrs. Wilson seconded the motion. All those voting in favor of the motion: McCotter, Richey, Sansom, Theriac, Wilson; opposed: none. Motion unanimously approved.

Mrs. Sansom left the meeting.

V. PUBLIC COMMENTS:

There were no public comments.

VI. CONSTRUCTION AND DEVELOPMENT:

A. Guaranteed Maximum Price for Roof Replacement, Cocoa Campus, Building 5 (Addendum)
B. Guaranteed Maximum Price for Collegewide HVAC Phase IIIB (Addendum)

Dr. Paradise summarized the details of the construction and development items, and confirmed that the items are funded.

Mr. McCotter moved approval of Construction and Development Items A and B. Mrs. Richey seconded the motion. All those voting in favor: McCotter, Richey, Theriac, Wilson; opposed: none. Motion unanimously approved.

VII. OLD BUSINESS:

A. Report on Pending Legal Actions (Addendum)

Mr. Nohrr reported no significant changes to pending legal actions.

B. Update on Commercial Banking Requests for Proposals

Mr. Billings distributed a summary of the response that was made to the Request for Proposal for Banking Services that was released by the College on December 21, 2007. Oral presentations are scheduled for February 5, 2008. It is anticipated that the selection advisory committee will submit to the President a list of banks for final consideration in time for the February 18, 2008, meeting of the Board of Trustees.

VIII. NEW BUSINESS:

A. Request for Future Board Meeting Presentations or Agenda Items

There were no requests for future board meeting presentations or agenda items. Dr. Drake confirmed that such requests may be made at any time.

IX. FINANCIAL ACTIONS:

A. Update – State Board of Administration Funds

Dr. Drake reported that the amount the College was able to withdraw from SGA/LGIP, Fund A, has all been withdrawn subject to a 2% penalty. As of December 31, 2007, the funds were deposited in Morgan Stanley's institutional money market funds account. Dr. Drake invited Mr. Scott Glover to the meeting in the event there are questions about the funds.

Mr. Glover distributed a Prospectus on the fund, and reported that the College's funds are invested in an institutional U.S. Government money market fund. All holdings in this fund are government backed, or in institutions which have the ability to borrow from the U.S. Treasury. There is a provision which allows the fund to deviate slightly from the government's and purchase CD's as long as they are FDIC insured. Mr. Glover reported there is no risk involved with these investments, and the most recent returns are 4%. There are two funds represented in the report.

X. REPORT OF THE PRESIDENT:

A. Enrollment Data and Trends, Spring 2008

Dr. Drake reported enrollment is up 14.5 % above what it was last year on this date. The College is ahead of the state's projections, and class sizes have been well managed. Dr. Drake added that all four brick-and-mortar campuses have reported significant increases. Other coastal community colleges are also reporting significant gains. Indian River Community College, now a four-year institution, is reporting an increase of approximately 9%, and Daytona Beach Community College, also a four-year institution, is reporting a 15% increase.

Dr. Drake noted that Mr. McCotter was one of first trustees to stress student recruitment and retention. The College has responded by substantially increasing its advertising and marketing. The College boasts a high-quality faculty and support staff, which must be increasingly highlighted throughout the recruitment process. Because students recruit students, it is also important for the public to hear the voices of our BCC students by offering testaments to the quality of our teaching, learning, and student life. To the best of our information from BCC records, Mr. Ross said, the College has never experienced a spring enrollment gain on a par with our Spring 2008 increase. Dr. Drake suggested that a

good indicator of how our students, faculty and staff feel about the College will be reflected in the graduation ceremonies that will be aired on WBCC-TV starting January 29, 2008. Mr. Ross thanked Dr. Drake for his leadership of the College's enrollment management initiatives. Dr. Drake stressed that recruitment and retention was identified as a high priority this year, a strategic marketing plan was developed and funded to meet that priority, and the results are now evident in the Spring 2008 enrollment numbers.

Trustees viewed a brief video segment of the commencement ceremonies that will be telecast on WBCC-TV. Mr. Ross added that all trustees will receive a DVD of the graduation, and that photographs of the ceremonies are available for viewing on the College's website.

B. Resource Development Report

Dr. Drake reported that the Board of Trustees approved a strategic initiative to increase resource development by 25% at the close of this fiscal year. Dr. Fettrow was asked to report on the results to date. Dr. Fettrow reported an increase of 27.9% in grants awarded to date. Dr. Fettrow also noted that the department now has only two full-time grant writers, despite which the number of grants submitted and awarded increased 40.74%. The industry standard is 50%, and BCC is currently at the 68.7% success rate. Dr. Fettrow expressed her thanks to Dr. Drake for his leadership in this area, and expressed pride in the grant writers of the Resource Development department.

XI. MISCELLANEOUS

Mr. Nohrr reported that it has been his experience in working with DSO's at BCC that there is considerable internal coordination regularly occurring between and among them. As the Board of Trustees begins the process of coordinating college-wide fundraising, there are elements already in place at the departmental levels in the DSO's.

XII. ADJOURNMENT

Mrs. Wilson expressed her sincere thanks to Mr. Glover for sponsoring Dr. King's birthday celebration.

There being no further business to be brought before the Board, the meeting adjourned at 12:05 p.m.

APPROVED: _____
Chair, District Board of Trustees

ATTESTED: _____
Secretary, District Board of Trustees

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