

**BREVARD COMMUNITY COLLEGE
BOARD OF TRUSTEES
MEETING**

April 16, 2001
4:00 P.M.

Room #168, King Center for the Perf. Arts
Melbourne Campus

PRESENT: Mr. Eugene C. Johnson, Chairman; Mrs. Miriam E. Martinez, Vice Chairman;
Mr. James W. Handley; Mrs. Betts O. Silvernail; Dr. Alexandra M. Penn Williams;
Dr. Thomas E. Gamble, Secretary; Mr. Joe Matheny, Attorney

1. CALL TO ORDER:

Mr. Johnson called the Board meeting to order.

2. CONSENT AGENDA:

Dr. Gamble reviewed the changes to the agenda. Item 9.b., "Approval of Capital Outlay Budget Amendment" was added to the agenda. Mrs. Silvernail asked to have item 9.a., "Monthly Budget Summary Report" and item 9.b., "Approval of Capital Outlay Budget Amendment" placed on the open agenda. Dr. Gamble recommended approval of the consent agenda items:

- 3.a. Approval of Minutes - Board of Trustees Meeting - March 19, 2001
- 6.a. Approval of Selection of Architect for Occupational Building (#1) Renovations - Titusville Campus
- 7.a. Approval of Report on Pending Legal Actions
- 8.a. Approval of Personnel Actions
- 9.c. Approval of the Disposition of Surplus Property

Mrs. Martinez moved approval of the consent agenda items. Mrs. Silvernail seconded the motion. All those voting in favor of the motion - Silvernail, Martinez, Handley, Johnson, Penn Williams; opposed - none. Motion unanimously approved.

3. APPROVAL OF THE OFFICIAL MINUTES OF PREVIOUS MEETING:

- a. Minutes - Board of Trustees Meeting - March 19, 2001

Approved - consent agenda.

4. COMMUNICATIONS:

a. Recognition of All-Florida Academic Team Members - Dr. Bilsky

Dr. Judy Bilsky, Associate Vice President of Educational Services, reported the All-USA/All-Florida Community and Junior College Academic Team is sponsored by *USA Today*, the American Association of Community Colleges and Phi Theta Kappa honor society. The purpose of this award is to recognize scholarly achievement of students enrolled in community colleges; in particular those who demonstrate their intellectual curiosity and achievement outside of the classroom. She reviewed the criteria for award eligibility. BCC Students David Bailey, Jeremy Bent, Arrietta Hannan and Maryann Owen were recognized for their selection to the All-USA Academic Team. Dr. Bilsky reported the students, accompanied by sponsor, Catherine Beam, were recently recognized at an awards ceremony in Tallahassee. Dr. Gamble and Mr. Johnson, Chair, commended the students for this achievement.

b. Report on the Music Program - Dr. Kaliszeski/Mr. Lamb/Ms. Baggarly/Mr. Bishop

Dr. Mike Kaliszeski, Melbourne Campus President, introduced BCC faculty members Claire Baggarly, Jim Bishop and Robert Lamb. Mr. Lamb reported the music program consists primarily of two elements; the academic side and performance ensembles. On the academic side, all four semesters of music theory are offered which is an academic foundation course for all music majors. Piano and sight reading courses are also part of the music major curriculum. He discussed the BCC music ensembles which not only provide an educational experience for the students, but enables them to receive practice performing in front of audiences.

Mr. Lamb reported on future plans for the music program which will include a consolidation of the program on the Cocoa Campus beginning in the fall. The goal is to have a stronger theory program and ensembles by combining programs. Dr. Gamble reported the theater facility on the Cocoa Campus can be devoted entirely to the music program. In addition, the television station would be available to assist in taping performances and televising them. Mr. Lamb reported on several grant applications, one of which includes a provision for a music technology lab. Ms. Baggarly and Mr. Bishop provided a brief report on upcoming activities and programs. Mr. Bishop discussed a long range plan of having a performing arts department for the college. This prospect of conducting workshops for community choirs; churches, etc. was discussed as a revenue source for the college as well as providing a method for choirs to grow.

c. Recognition of Sherry Osborne

Mr. Johnson, Chair, recognized Ms. Sherry Osborne, Executive Assistant to the District President, who will be retiring after 30 years of service to BCC.

d. Introduction of *Florida Today* Reporter

Ms. Bradley introduced Mr. Brad Buck, formerly of the *Gainesville Sun* who will be providing coverage for higher education.

5. CITIZEN'S PRESENTATION:

None

6. CONSTRUCTION AND DEVELOPMENT:

- a. Approval of Selection of Architect for Occupational Building (#1) Renovations - Titusville Campus - Mr. Little (Addendum)

Approved - consent agenda. The three firms were approved in the following ranking order: (1) Florida Architects, (2) Starmer Rinaldi and (3) AJT.

7. OLD BUSINESS:

- a. Report on Pending Legal Actions (Addendum)

Approved - consent agenda.

- (1) Report on New Entrance - Titusville Campus - Mr. Matheny

Mr. Joe Matheny, College Attorney, reported on the new entrance for the Titusville Campus. He provided a copy of a scaled drawing which depicted the location of the road. This entrance would also provide access for Parrish Medical Center for employee parking and the emergency room. Mr. Matheny reported as the Chain of Lakes project develops further north there may be a third access road to the campus. BCC has a contract with the hospital to sell enough land to the hospital to build a new road and improve hospital parking. In this exchange the college would receive an approximate two-acre parcel of land and a new right of way.

Mr. Matheny reported the college contracted with Parrish Medical Center for \$302,960 to purchase property from the college. After the application of a credit of \$68,880, the college will have a net return of \$234,080. The road will be built to the City of Titusville standards and will cost \$95,529. This cost will come from the net proceeds of \$234,080.

Mr. Matheny reported a culvert to provide drainage for the roadway is required and the county will need a temporary holding site. Brevard County has requested permission from the college to construct a temporary retainage pond on college property. Mr. Matheny discussed the recommendation by Mr. Richard Moon to locate the pond toward the back of the property and having it as being one of the first lakes as part of the Chain of Lake project. Dr. Gamble reported the hospital has requested the use of the fill

dirt which will come from the retainage pond. Mr. Little indicated a discussion is necessary before a final decision can be made regarding the fill. Mr. Matheny will provide an update on the Chain of Lakes project at the May Board meeting.

(2) FERF Land Exchange - Mr. Matheny

Mr. Matheny reported it was discovered the lot adjacent to the Labs' facility actually belongs to the college. It was acquired a number of years ago in a property exchange with Parrish Medical Center whereby the property had to be free from the bond issue in order to construct the clean room facility. Florida law authorizes the college to trade land for other land of equal or greater value. He asked the Board consider whether or not this is an opportunity for the college to acquire all of the properties remaining in the name of FERF. Mr. Matheny recommended the college trade the five acres of property to FERF in exchange for all of the lands owned by FERF valued in 1995 at approximately \$1.13 million. Also, it would be an opportunity to have the property owned by FERF and the Foundation, with the exception of a 17-acre parcel, turned over to the college. Mr. Matheny reported the Foundation Executive Committee is supportive of this action. This action will enable FERF to proceed with the sale of the property to MRI.

Mr. Matheny reported it would be beneficial to leave the 17-acre under the Foundation's ownership for flexibility in selling it for an amount which would be given to the college. He reported if a piece of property valued at \$100,000 or more is owned by the college that in order to sell it, an appraisal must be obtained and then the property must be sold to the highest bidder at a public auction. The exception is the land can be traded for property at an equal or higher value.

Dr. Penn Williams expressed concern over the validity of the action to sell the Labs to MRI, which was approved by the Board at the March Board meeting. Mr. Matheny answered questions presented by Dr. Penn Williams. Dr. Gamble recommended approval of the land exchange as described.

Mr. Handley moved approval of the transfer of the five acres of property owned by the college to FERF in exchange for property owned by FERF and the Foundation, with the exception of the 17-acres owned by the Foundation. Dr. Penn Williams seconded the motion. All those voting in favor of the motion - Handley, Penn Williams, Silvernail, Martinez, Johnson; opposed - none. Motion unanimously approved.

b. FERF/MRI Report - Mr. Little (Addendum)

Mr. Little reviewed the financial update on the Midwest Research Institute (MRI) sale. Since the Board accepted the sale last month, FERF, Merrill Lynch and SunTrust, acting

as trustee, have all signed an agreement that stipulates the acceptance of Merrill Lynch of a 12% discount on the bond payoff. The executed contract was transmitted to MRI, signaling the start of the 60-day due diligence period. College officials have submitted all documents in their possession that were required by the contract. A number of the documents were previously provided to MRI staff and the broker was referred to the MRI staff for those documents. Mr. Matheny furnished to MRI a letter of title commitment which is a promise to issue a title policy to the purchaser at the time of closing. The 60-day free study period expires some time the end of May. It is anticipated the deal should close as approved and accepted by FERF and the Board. Mr. Little reported the bottom line numbers of the financial summary of the cash required from FERF to close and the net BCC contribution have not changed. Mr. Little reported after the Board approved the sale of the property, an amendment was approved by the Board for a transfer of funds to the appropriate classification for the BCC payment. The Board approves the college budget under expenditure classifications of personnel, operating expenses and capital outlay. Amendments are requested when the budget needs to be updated in these categories. The \$827,000 amendment was significantly less than the BCC total contribution of \$1,762,533. The reason is because approximately \$950,000 in budgeted operating expense dollars were identified as payable on the Labs sale. The remaining \$827,000 was transferred from other categories. The financial summary received at the meeting broke down the expense into two line items; remaining budget allocated for bond payments and transfers available from other BCC accounts. Several weeks after the March meeting, Mr. Little discovered an error in the calculation of the remaining budget allocated for bond payments. The process was correct, however, he failed to consider bond payments to be paid during the 60 day free study period. Mr. Little reported this miscalculation did not misrepresent the big picture of the project, as there are other surplus funds available in the same classification to reallocate. The total operating expense reallocation did not change and no amendment is required for this transaction.

Mr. Little reported Dr. Penn Williams asked him to perform an estimate of the fund balance effect if the Foundation chose not to sell the 17 acres of land. The fair market value of the land is \$500,000. Looking at the June 30, 2000, fund balance of 6.64%, if the college assumes it meets its current year budget numbers exactly then the fund balance at June 30, 2001, would drop to 5.6%. The minimum requirement for reserve is 4%.

Mr. Little reported the financial summary of the sale included a \$500,000 offset in cost due to the value of the land to be sold. The fact that the college owns five acres of the property and FERF is swapping other acreage for that property adds a different financial analysis to the deal. The value of the five acres is not currently reflected in the college financial statements. Therefore, the total value of the land the college would receive would increase the college fund balance. The second way this could be handled is the college could record a prior period adjustment for the five acres for the value of approximately \$150,000. The college would then, due to the land swap, reverse that

transaction showing the swap to FERF and then record the receipt of the other acreage the college will be receiving. Mr. Little reported the common land is not easily appraised and felt an analysis should be done first. It was appraised in 1995 for approximately \$1.3 million; however, is mitigation land and not easily sold.

8. NEW BUSINESS:

- a. Approval of Personnel Actions - Ms. Oglesby (Addendum)

Approved - consent agenda.

- b. Approval of 2000-2001 Equity Report - Ms. Oglesby (Addendum)

Ms. Joni Oglesby, Associate Vice President for Human Resources, reported the Equity Act planning process is conducted in three-year cycles and BCC provides an update yearly. The format of the report is prescribed by the Department of Education and the Division of Community Colleges and has specific equity indicators the community college is required to address. She provided some highlights of the report. The first-time in college numbers are up for Black minorities, Hispanics and other minorities. Completions are down for Blacks and Hispanics, but up for other minorities. With regard to full-time employment, the college is up across-the-board for Black, Hispanics and other minorities. The college does continue to advertise in publications which target women and ethnic minorities. Ms. Oglesby reviewed the content of the equity report, section by section. The Board expressed concern with the gaps in college preparatory reading. The gap deals with students taking preparatory reading in comparison with Black/White and Hispanic/White. Ms. Oglesby reviewed strategies taken by faculty members to help to close the gap. Ms. Oglesby answered questions presented by the Board members. Dr. Gamble reported Dr. Bilsky will be providing a report to the Board specifically addressing the issue of the pre-post on the remedial and developmental performance, which will provide insight as well. Dr. Gamble recommended approval of the 2000-2001 Equity Report.

Mrs. Martinez moved approval of the 2000-2001 Equity Report. Dr. Penn Williams seconded the motion. All those voting in favor of the motion - Martinez, Handley, Silvernail, Penn Williams, Johnson; opposed - none. Motion unanimously approved.

9. FINANCIAL ACTIONS:

- a. Monthly Budget Summary Report (Addendum)

Mrs. Silvernail questioned the expenditures of 86% of the restricted budget. Mr. Little reported the college cannot recognize revenue until it is received, until it is earned when it is restrictive. Restrictive revenue is not actually earned until it is spent in accordance with the grants. Most of the grants are cost reimbursement and when monthly reports are

filed with the grantee, they then submit the rest of the funds. Mr. Little answered questions presented by the Board. Dr. Gamble recommended approval of the Monthly Budget Summary Report.

Mrs. Silvernail moved approval of the monthly budget summary report. Mr. Handley seconded the motion. All those voting in favor of the motion - Silvernail, Handley, Martinez, Penn Williams, Johnson; opposed - none. Motion unanimously approved.

b. Approval of Capital Outlay Budget Amendment - Mr. Little (Addendum)

Mr. Little reviewed the Capital Outlay Budget Amendment request. This budget amendment is being presented due to the project budget changes for the Palm Bay Expansion Project discussed at the March 2001 Board meeting. Mr. Little answered questions presented by the Board members. Dr. Gamble recommended approval of the Capital Outlay Budget Amendment.

Mrs. Silvernail moved approval of the Capital Outlay Budget Amendment. Dr. Penn Williams seconded the motion. All those voting in favor of the motion - Penn Williams, Silvernail, Martinez, Handley, Johnson; opposed - none. Motion unanimously approved.

Mr. Little reported the Capital Outlay Budget for next year will probably be done in May or June 2001. A list will be brought back to the Board members for their consideration.

c. Disposition of Surplus Property - Mr. Little (Addendum)

Approved - consent agenda.

10. REPORT OF THE DISTRICT PRESIDENT:

a. Summer Schedule

Mr. Johnson commended the Summer Schedule. Dr. Gamble discussed the schedule, which is done jointly with the University of Central Florida. Next spring, it will contain not only the summer sessions, but the following fall. This will enable the students to sign up before they leave for the summer for their fall classes.

b. King Center Volunteer Recognition Event

Dr. Gamble reported Saturday, April 14, 388 King Center volunteers were recognized at a dinner/dance at the Imperial Comfort Hotel in Melbourne. Dr. Gamble reported there will be a kick-off for the season with Olivia Newton John.

c. Board Policy Manual Updates

Dr. Gamble reported the Board policy updates have been sent to the appropriate administrators for a final review. A copy of the policy updates will be provided to the Board.

d. Space Day - Tallahassee

Dr. Gamble reported he participated in Space Day in Tallahassee on April 2 and took the opportunity to visit with the Brevard legislative delegation. They were successful in at least earmarking funds for next year for the Florida Space Research Institute. The key issues affecting the community colleges at this time are in conference between the House and the Senate. Dr. Gamble reported BCC hosted a meeting of the local hospital administrators and nursing staffs on March 20. A copy of the minutes of the meeting was provided to each Board meeting. The bottom line is that the hospitals in this region are experiencing difficulty locating nursing staff. The Board of Nursing has a ratio set of students to faculty. There was effort made by the Board of Nursing to further reduce the ratio, which would have cost the college greatly. Dr. Gamble reported he testified before the House Committee on Colleges and Universities on this matter and, in fact, the decision was postponed for at least one year. There will be a definitive study carried out by the Department of Education as to the necessity for changing the ratio.

e. Federal Audit

Dr. Gamble reported BCC received an excellent federal audit on the Department of Education funds. Nineteen of the community colleges received an excellent rating; three of the 10 state universities were given an excellent rating.

f. Student Financial Aid Cohort Default Rate

Dr. Gamble reported the student financial aid cohort default rate was at its lowest for BCC at 9.9%. This is the best he had seen in a community college and he credited Ms. Joan Buchanan, Dean of Financial Aid, and her staff, for this accomplishment.

g. College of Promise

Dr. Gamble reported BCC has been designated as a College of Promise. This is under the America's Promise Alliance for Youth Program in recognition of caring adults, safe places, a healthy start, marketable skills and opportunities to serve. They were particularly pleased with BCC's new ESP employee service project where staff members

are allowed to contribute one and one-half hours per week to community service during their regular work week.

h. Dual Enrollment Program

Dr. Gamble reported the agreement for dual enrollment program between BCC and the School System will be presented to the School Board for their approval.

Dr. Gamble reported on the direct mail marketing effort for the dual enrollment program to students at their homes. Dual enrollment academies will be held on each of the four campuses.

i. Board Meeting Location Change

Dr. Gamble reported the Board of Trustees and District President's Cabinet members have an opportunity to participate on May 21 and 22 in the newest aerospace offering of an introductory course to the aerospace industry that NASA would like BCC to offer to all NASA employees. In order to make it more convenient for everyone, the May 21 Board meeting will be held at the Titusville Campus. The June 18 Board meeting will then be held at the Palm Bay Campus.

j. Budget Workshop

Dr. Gamble reported the Board Budget Workshop will be held at the Melbourne Campus on Monday, June 11 at 4:00 p.m.

11. ADJOURNMENT:

There being no further business to come before the Board, the meeting adjourned at 6:30 p.m.

APPROVED: _____
Chairman, District Board of Trustees

ATTESTED: _____
Secretary, District Board of Trustees