

**BREVARD COMMUNITY COLLEGE  
BOARD OF TRUSTEES MEETING**

June 16, 2008  
9:05 a.m.

Dobson Conference Center (Bldg. #13)  
Cocoa Campus

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

**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. Introduction of New Trustee

Mr. Theriac welcomed Mr. Stephen Charpentier to the Board of Trustees of Brevard Community College.

Mr. Charpentier provided a brief history of his educational and professional background, including his graduation from Brevard Community College. Mr. Charpentier is currently an attorney in private practice in Brevard County.

C. Additions/Corrections to Agenda

Dr. Drake recommended that Item IV.B., The Year in Review: Challenges and Achievements of Brevard Community College, 2007-08, be deferred until the August Board meeting. Dr. Drake suggested that this would allow adequate time for representatives from each of the College's Direct Support Organizations to present their respective Year in Review. It was agreed that this item be removed from the current agenda, and deferred until the August 18, 2008 Board of Trustees meeting.

**II. APPROVAL OF OFFICIAL MINUTES OF PREVIOUS MEETINGS:**

A. Minutes – Board of Trustees Meeting – April 21, 2008 (Addendum)

Mrs. Sansom noted a grammatical error on page 4 of the minutes, which has been subsequently corrected.

Mrs. Sansom moved approval of the minutes of the Board of Trustees meeting held April 21, 2008, with one grammatical correction. Mrs. Wilson seconded the motion. All those voting in favor of the motion: Charpentier, McCotter, Sansom, Theriac, Wilson; opposed: none. Motion unanimously approved.

### **III. PUBLIC COMMENTS:**

Immediately prior to the meeting being brought to order by the Chair, Mr. Edward Destler, an employee of the College, requested permission in writing to address the Board concerning his assessment and concerns about the College's recent decision to discontinue underwriting at WBCC-TV. Upon the Chair's approval, Mr. Destler was accorded five minutes (as stated on the agenda of each Board of Trustees meeting) in which to express his viewpoints. Mr. Destler provided a brief history of underwriting at WBCC according to his records and recollections, and expressed his firm belief in the financial advantages that underwriting yielded for the College. He also expressed his personal views regarding the negative impact of discontinuing the practice of underwriting. Furthermore, he made reference to additional concerns that he perceived in regard to recent actions on the part of the College administration. At the conclusion of Mr. Destler's presentation, Mr. Theriac asked the Board members whether they had any questions for Mr. Destler. Hearing none, Mr. Theriac thanked Mr. Destler for expressing his viewpoints.

### **IV. PRESENTATIONS:**

#### **A. Recognition of Phi Theta Kappa Students**

This presentation was delayed while awaiting the arrival of additional students. Dr. Drake subsequently introduced members of the All-USA Academic Team, including Mr. Von Regan Davis, the recipient of the President's Cup Award. A video of Mr. Davis' speech at the spring graduation was shown in which Mr. Davis shared the challenges he faced in achieving his goals and expressed deep appreciation for his family, as well as the students, faculty and staff at BCC. Dr. Drake thanked Mr. Davis for sharing his experience with us. Mrs. Sansom expressed appreciation for this reminder that the principal purpose of the College is to serve the students.

### **V. CONSENT AGENDA:**

- A. Approval of May Monthly Summary of Income and Expenditures (Addendum)
- B. Approval of FY 2008-09 Capital Outlay Budget (Addendum)
- C. Approval of FY 2008-09 DSO Operating Budget (Addendum)
- D. Approval of Guaranteed Maximum Price, Building 6 Roof, Melbourne Campus (Addendum)
- E. Approval of Facilities – Naming Proposal, BCC Golf Teaching Facility
- F. Approval of Police Testing Center By Laws, including Proposed Budget and Fee Schedule (Addendum)
- G. Approval of 2007-08 Annual Equity Plan (Addendum)

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

**VI. CONSTRUCTION AND DEVELOPMENT:**

None.

**VII. OLD BUSINESS:**

A. Report on Pending Legal Actions (Addendum)

Mr. Nohrr reported no significant changes to pending legal actions that may pertain to the Board and its authority. Mr. Richey had no items to report regarding legal matters pertaining to the College, as delegated by statute to the President by the Board of Trustees.

B. Management of Direct Support Organization Investments for FY 2008-09

Dr. Drake introduced Mr. Nick Heldreth, current Chair of the Board for the King Center for the Performing Arts. Mr. Heldreth was invited to the Board meeting by Dr. Drake to discuss a matter of urgency regarding the investment consulting services for the endowment of the King Center.

Mr. Heldreth reported that the King Center's governing board was notified in May that Merrill-Lynch was withdrawing nationwide from providing investment consultation to clients whose funds are on deposit with Merrill-Lynch. Mr. Heldreth stated that according to the information he and other members of the King Center's Executive Committee had received, the federal Securities and Exchange Commission had issued a ruling requiring the separation of investment-management and investment-consulting services. In the meantime, as Mr. Heldreth explained, Mr. Troy Brown, the investment consultant with Merrill-Lynch, had notified the King Center Board that he was joining an independent firm, The Bogdahn Group, located in Winter Haven, and offered to continue to provide investment-consulting services to the College. The King Center Board also received a formal letter from Merrill-Lynch at that time, advising them that the firm's contract for the King Center would expire on June 2. Mr. Heldreth added that because the King Center Board members felt compelled to act quickly in order to protect the endowment's assets, the Board recommended that Mr. Brown continue to serve as the King Center's investment advisor for a specified period of time in order to maintain continuity and protect these assets. The King Center Board, with the assistance of Attorney Nohrr on behalf of the College, negotiated a short-term "bridge agreement" for Mr. Brown to serve as investment advisor for the King Center until a determination is made by the King Center Board, along with the Board of Trustees, regarding where the funds will be invested. Mr. Heldreth noted that the funds can remain with Merrill-Lynch at this time, but that Merrill-Lynch cannot also serve as the investment advisor for the endowment. Mr. Heldreth added that the terms of the bridge agreement clarify, and Mr. Brown understands, that the College may select a different investment advisor at the August Board meeting.

Mr. Theriac recommended that the funds remain at Merrill-Lynch until the Board of Trustees meeting in August. Mr. Heldreth noted that Mr. Brown will not have the authority to move the money, only to offer advice regarding the funds. Mr. Mark Cherry, Associate Vice President for Financial Services, confirmed this.

In response to a question from Mr. Charpentier, Mr. Cherry provided clarification regarding the fund investments and the fees associated with their management. Mr. Cherry also assured the Board of Trustees that the College would not lose any opportunities by keeping the funds at Merrill-Lynch at this time.

Mrs. Sansom suggested that in order for the College's investments to be managed in one location, the King Center endowment funds should be transferred to a local firm such as Morgan Stanley, which manages most of the BCC Foundation funds. Mr. McCotter stated his preference for having the King Center endowment managed by a local firm, rather than one located outside the region. Mr. Theriac responded that at this time the College has the option to either keep the funds at Merrill-Lynch, or move the funds to Morgan-Stanley. Mr. Theriac noted that Morgan-Stanley is a local firm and has a good reputation and an established record of service to the College and the Foundation.

Mrs. Wilson suggested waiting until the August meeting to make this decision. Dr. Drake clarified that Mr. Heldreth had been invited to this meeting at his request as President, and could neither have anticipated, expected, nor prepared for this matter to become an action item by the Board on this occasion. Mr. Heldreth added that members of the King Center Board may want to participate in this decision.

Mrs. Wilson made a motion to table the discussion regarding the King Center investment funds until the next Board of Trustees meeting. Mr. Charpentier seconded the motion.

Dr. Drake clarified that according to parliamentary procedure, when a motion is made to table an item, and that motion is seconded, the motion to table must be voted upon and is not open to further discussion at that time. Mr. Charpentier suggested that the bridge agreement with Mr. Brown be addressed prior to discussing the investment funds.

All those voting in favor of the motion: Charpentier, Wilson; opposed: McCotter, Sansom, Theriac. Motion failed.

Mrs. Sansom then made a motion to move the investment funds to Morgan-Stanley. Mr. Theriac seconded the motion for discussion purposes. In response to a question from Mr. Charpentier regarding fees involved, Mr. Cherry summarized the services Mr. Brown would provide until the August meeting. Mr. Brown's services would include monitoring the savings and loan (S & L) allocation to make sure that it remains in compliance with the King Center Board's investment policy, monitoring the performance of the fund majors, and monitoring the activity of these to ensure they remain in compliance. Mr. Cherry stated that Mr. Brown does not currently have

access to the investment funds, and will not have any authority regarding the recommended actions for these funds until the College authorizes Merrill-Lynch to provide that information. The cost of this service is \$17,500 per year, charged quarterly. Mr. Nohrr reported that the College will incur no cost if the agreement with Mr. Brown and The Bogdahn Group is terminated by the College. Mr. Nohrr further clarified that there will be no charge to the College for Mr. Brown's services through August 18. Mr. Heldreth stated that The Bogdahn Group hopes to preserve the opportunity for a long-term relationship with the College. Mr. Charpentier confirmed his understanding that there is no charge for Mr. Brown's services through August 18, and there is also no charge if the College chooses to opt out of the agreement with The Bogdahn Group at that time.

Board members further discussed the possible advantages of moving the endowment. Mr. Theriac stated that there does not seem to be a great disparity in this type of investment fund, and the funds may be just as secure at Merrill-Lynch as they would be at Morgan Stanley. Mr. Theriac stated for local accessibility and oversight, his preference would be for the Morgan Stanley firm. Mrs. Sansom stated that Morgan Stanley has a long history with the College and the DSO's. Mr. McCotter added that he would like to support the local economy, and also prefers local access. Mrs. Wilson commented that her preference will be for the funds to be managed locally.

Mr. Heldreth strongly recommended that the King Center Board be involved in this decision, and suggested that the College continue to build on the partnership that was initiated at the January Board of Trustees meeting. Board members agreed that there is no urgency to move the funds at this time. It was discussed that members of the appropriate committees of King Center Board may be invited to the August 18 Board of Trustees meeting to make recommendations and participate in this decision. Dr. Drake stated that the Board of Trustees is also expected to confirm the appointments of DSO officers and new DSO governing-board members. Mrs. Wilson stated that her preference would be for the investment of the funds to remain open for discussion until the August meeting in order to maintain a sense of partnership.

In response to a question from Mrs. Sansom, Mr. Nohrr reported that both the BCC Foundation and the King Center have adopted investment policies. Mr. Nohrr further discussed that most investment policies are approved by the Board of Trustees. Mr. Theriac assured Mr. Heldreth that the Board of Trustees is not trying to exclude the King Center Board from this decision. Mr. Charpentier clarified that there is no additional cost involved in leaving the funds at Merrill-Lynch at this time. Mrs. Sansom and Mr. Theriac agreed that the motion currently before the Board of Trustees is for the transfer of the funds prior to the August Board meeting.

Mr. Theriac further stated that the legal and functional purpose of Direct Support Organizations is to raise funds in support of the College, but that at the January Board meeting it became apparent that some of the DSO boards have differing views of these roles and purposes. Mr. Theriac added that at the direction of the Board of Trustees at that meeting, the College is researching ways to coalesce these different viewpoints in order to maximize fundraising for scholarships and other needs of the College, especially during this challenging fiscal year. Mr. Heldreth confirmed that as Dr. Drake had expressed, he [Mr. Heldreth] came to the meeting with the singular purpose of

gaining the trustees' approval for the bridge agreement with The Bogdahn Group, and was not aware that relocating the endowment funds would become an action item during this meeting. Mr. Heldreth added, however, that he will comply with whatever the Board of Trustees determines to be best for the College.

Mr. Theriac then called the question.

All those voting in favor of the motion: Theriac,  
Sansom; opposed: Charpentier, McCotter, Wilson.  
Motion failed.

## **VIII. NEW BUSINESS:**

### **A. Approval of FY 2008-09 Operating Fund Budget (Addendum)**

Attorney Richey, Internal Counsel, asked Mr. Cherry to present the operating fund budget for fiscal year 2008-09. Mr. Cherry discussed the three-page budget summary that was provided to Board members. Mr. Cherry highlighted key elements of the budget, including the significant reduction in state appropriations for the coming year. The College expects to make up for this reduction through increased enrollment projections, and a projected fee increase as approved by the Governor. Mr. Cherry further discussed the College's plan for increased instructional needs. The 2008-09 budget reflects the College's commitment to increasing services to current and prospective students by expanding funding for instruction, augmenting academic-support and advising services at all campuses, and supporting the proposed new BCC "Ten by Ten" initiative for the retraining of displaced aerospace workers during the transition from the Shuttle to the Constellation era. The proposed budget also reflects expenditures to meet projected enrollment increases, including ten new faculty positions, and takes into consideration data that links the role of full-time faculty in increasing student retention. This budget includes: an 8% increase in adjunct instructors and faculty overloads to meet course load requirements; fifteen new instructional and academic support positions; four new financial aid specialists; two new outreach and retention directors; a substantial increase for student-assistant positions (which includes an increase in the number of these positions as well as a cost of living increase for these students), and academic-support specialists, advisors and counselors to serve the needs of all BCC students. Expenses for cost of living increases are also reflected in the budget, including: a \$310,000 increase in fuel and energy costs; \$120,000 property and casualty insurance; \$950,000 faculty and staff cost of living adjustment; and \$2,700,000 for instruction-related and infrastructure equipment. The budget includes significant cost reductions as well, including an \$180,000 reduction in administrative travel; \$275,000 in administrative salaries as a result of the elimination and/or consolidation of administrative positions; and the continuing savings yielded by the College's energy saving initiatives. This budget also takes into consideration that state budget revenue may continue to decline for an extended period of time. The College plans to invest one-time funds of approximately \$570,000 for such vital professional services as Planned Giving, Major Gifts, additional support staff, and other "kick-start" initiatives to enable the BCC Foundation to dramatically increase private donations.

Mrs. Sansom made a motion to approve the 2008-09 Operating Budget. Mrs. Wilson seconded the motion. All those voting in favor: Charpentier, McCotter, Sansom, Theriac and Wilson; opposed: none. Motion unanimously approved.

B. Approval of FY 2008-09 Tuition and Fee Schedule (Addendum)

Mr. Cherry reiterated that a 6% fee increase has been included in the budget, as approved by the Governor.

Mrs. Sansom made a motion to approve the 2008-09 Tuition and Fee Schedule. Mrs. Wilson seconded the motion. All those voting in favor: Charpentier, McCotter, Sansom, Theriac and Wilson; opposed: none. Motion unanimously approved.

C. Approval of Ratification of Agreement with UFF/BCC (Addendum)

Ms. Linda Miedema, Provost of the Titusville Campus, Dr. Kathy Cobb, Provost of the Melbourne Campus, Ms. Judi Schatte, UFF-BCC President, and Dr. Laura Dunn of the UFF-BCC presented to the trustees the highlights of the faculty negotiations. On behalf of the College administration, Dr. Cobb reported successful negotiations between UFF and the College. Specific issues addressed in the contract included faculty schedules, maintenance of continuing contracts and professional development initiatives for faculty. Dr. Dunn reported that salary increases for full-time faculty members was also addressed by both sides during the negotiations, and an amicable agreement was reached on the issue. Ms. Schatte reminded everyone that the entire faculty contract will be open for negotiation next year. Mrs. Wilson thanked the members of the negotiating committee, and Dr. Drake as President, for their roles in reaching this important agreement.

Mrs. Sansom made a motion to approve the Ratification of the Agreement with UFF/BCC. Mrs. Wilson seconded the motion.

Mrs. Sansom stated that she is proud of the College's progress and professionalism with regard to the faculty negotiations. Mr. Nohrr discussed that the faculty will not have the opportunity to vote on the agreement before August, and suggested that the Board consider if they would like to approve the proposed agreement at this time, or wait until after the faculty has voted on it. Following Mr. Theriac's suggestion, all Board members agreed that it would be appropriate to approve the agreement at this time, thereby conveying the good faith and confidence of the Board of Trustees to the faculty of the College.

All those voting in favor: Charpentier, McCotter, Sansom, Theriac and Wilson; opposed: none. Motion unanimously approved.

D. Request for Future Board Meeting Presentations or Agenda Items

Mrs. Sansom requested an update on the dual enrollment program, especially in light of tuition increases and enrollment caps in the state universities. The presentation should also address the importance of our partnerships with the universities.

**IX. FINANCIAL ACTIONS:**

None.

**X. REPORT OF THE PRESIDENT:**

Dr. Drake introduced the new Executive Director/Chief Executive Officer of the BCC Foundation, Mr. Jon Flint. Mr. Flint provided a summary of his extensive fund raising experience.

**XI. ADJOURNMENT:**

There being no further business to be brought before the Board, the meeting adjourned at 10:35 a.m.

**APPROVED:**   
Chair, District Board of Trustees

**ATTESTED:**   
Secretary, District Board of Trustees