

VALENCIA COLLEGE

DATE: April 9, 2012
TO: Board of Trustees of Valencia College
FROM: Sanford C. Shugart, President
SUBJECT: Trustees' Meeting – Tuesday, April 17, 2012

Dear Members of the Board:

Enclosed are the materials for the District Board of Trustees Meeting to be held on:

Date: Tuesday, April 17, 2012
Time: 8:30 AM
Location: Valencia College Winter Park Campus
850 W. Morse Blvd., Room 224-226
Winter Park, FL 32789

Designated parking will be provided as indicated in the attached map of the Winter Park Campus. In addition, we have made arrangements for Valencia Volunteers to meet you upon arrival and show you the way to the room where the meeting will be held.

I also wanted to remind you that we have scheduled a "Finance and Budgeting Workshop" to be conducted by Keith Houck; the workshop is scheduled to begin immediately following the board meeting for those of you who are available to attend.

As always, please feel free to call me with any questions prior to the meeting.

Yours truly,

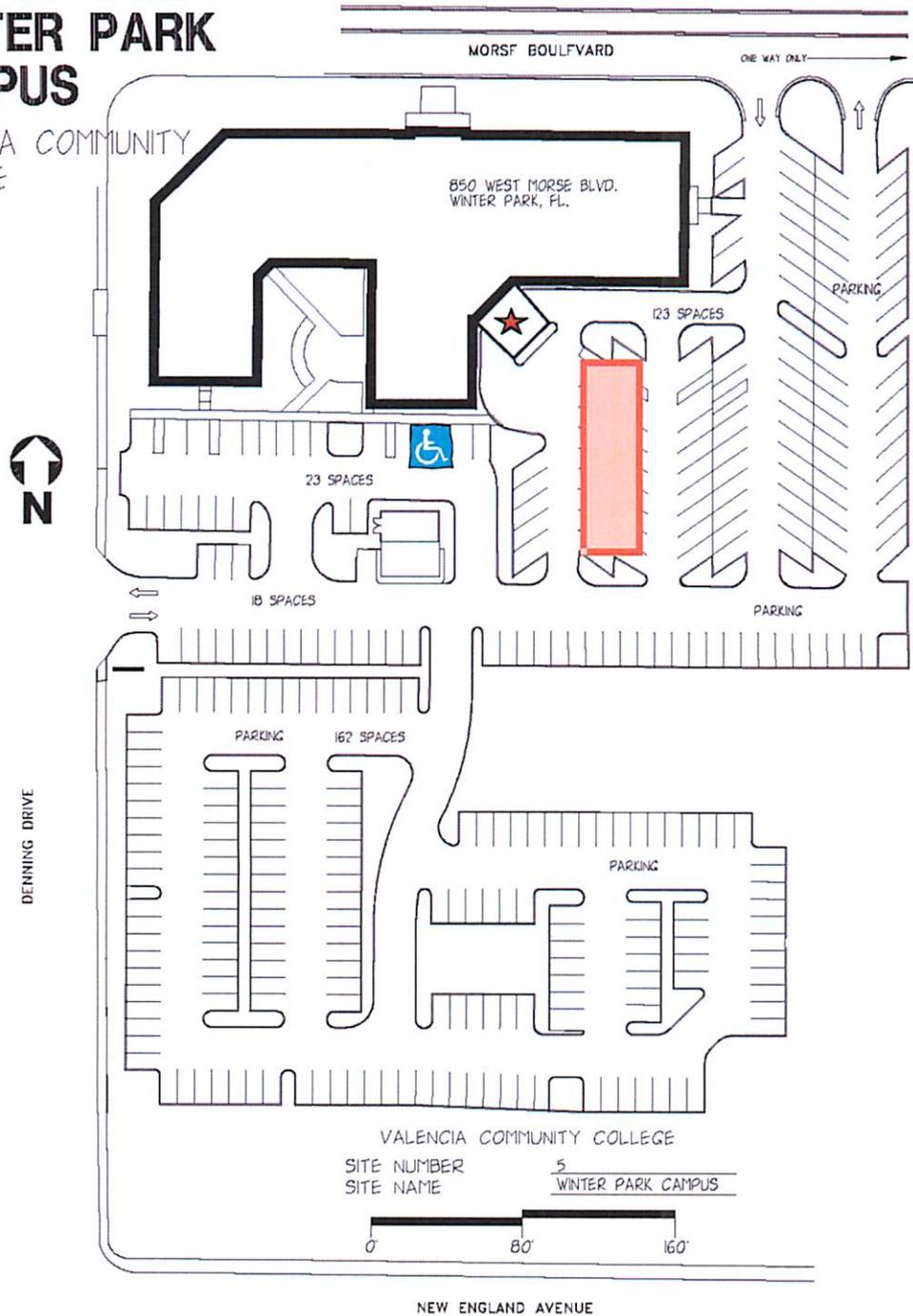


Sandy

SCS/dms
Attachments

MAP OF THE WINTER PARK CAMPUS

VALENCIA COMMUNITY COLLEGE
 UPDATED 8-05



-  Designated Parking
-  Entrance

VALENCIA COLLEGE
DISTRICT BOARD OF TRUSTEES
Orlando, Florida



Regular Meeting
April 17, 2012 – 8:30 a.m.

Rooms 224-226, Winter Park Campus
850 West Morse Blvd., Winter Park, FL

AGENDA

THIS MEETING IS OPEN TO THE PUBLIC

Call to Order – *Ms. Bertica Cabrera Morris, Board Chair*

Invocation – *Dr. Stanley H. Stone, Vice President, Human Resources and Diversity*

Pledge of Allegiance to the Flag

Recognition – Faculty Council Chair

I. Approval of Minutes – February 21, 2012, Regular Meeting

II. President's Report – *Dr. Sanford Shugart, President*

III. New Business

1. Approval of Contract to Purchase Property
2. Annual Equity Update Plan
3. Additions, Deletions or Modifications of Courses and Programs
4. Continuing Education Courses and Fees
5. Human Resources Agenda
6. Submission of Grant Proposals
7. Property Deletions

IV. Reports

- A. Developmental Education Initiative (*Dr. Karen Borglum, Assistant Vice President, Curriculum Development & Articulation, and Dr. Nicholas Bekas, Professor of English*)
- B. Valencia Foundation Report (*Ms. Lori Kifer-Johnson, Trustee*)
- C. Faculty Association Report (*Dr. Robert Gessner, Faculty Association President*)
- D. Financial Report (*Mr. Keith Houck, Vice President, Operations & Finance*)
- E. Construction Report (*Mr. Keith Houck*)
- F. Winter Park Campus Report (*Dr. Michele McArdle, Executive Dean, Winter Park Campus*)
- G. Winter Park Campus SGA Report (*Mr. Scott Schaara, President, Student Government Association*)

V. Other Business

**APPROVAL OF
FEBRUARY 2012
DBOT MEETING MINUTES**

**VALENCIA COLLEGE
DISTRICT BOARD OF TRUSTEES
REGULAR MEETING**

Minutes

February 21, 2012

Valencia College – West Campus

Members Present

Ms. Bertica Cabrera-Morris, Chair
Ms. Maria Grulich Toumazos, Vice Chair
Ms. Jerry D. Buchanan
Mr. Guillermo Hansen
Ms. Lori Kifer-Johnson
Mr. Lewis M. Oliver III
Mr. Fernando Perez

Dr. Sanford C. Shugart, Secretary to the Board and President of the College

Call to Order

Ms. Bertica Cabrera Morris called the meeting of the District Board of Trustees to order at 8:38 a.m.

President Shugart presented a framed caricature to outgoing Chairman Raymond Maguire in recognition for his leadership, years of service and support as a chair and member of the board. The board members expressed their gratitude and wished Mr. Maguire well.

Ms. Cabrera Morris welcomed and introduced two new board members, Mr. Fernando J. Perez and Mr. Guillermo Hansen.

Invocation

The invocation was offered by Dr. Stan Stone, Vice President of Human Resources and Diversity.

Pledge of Allegiance

The Pledge of Allegiance was recited by all.

Election of Officers

Dr. William J. Mallowney, Vice President for Policy and General Counsel, presided over the election of officers. Dr. Mallowney discussed the basic operating rules of these board proceedings. Ms. Cabrera Morris was elected chair of the board by unanimous consent. Ms. Grulich Toumazos was elected vice chair by unanimous consent.

**Approval of Minutes
December 13, 2012**

Chair Cabrera Morris called for approval of the December 13, 2011, board meeting minutes. A motion was made by Mr. Oliver and seconded by Ms. Grulich Toumazos to approve the December 13, 2011 Regular Board Meeting Minutes. The motion was approved unanimously.

Public Comments

President Shugart the introduced Mr. Joseph Richardson, father of a Valencia student. Mr. Richardson thanked the board and the college for the support his son Matthew received as a student in the dual-enrollment program, which he credits for his son's academic success.

REPORTS:

Campus Report

Dr. Falecia Williams, Valencia College West Campus President, reported the highlights of various campus initiatives and activities.

Student Government Association Report

Mr. Patrick O'Connor, Valencia West Campus SGA President, presented the highlights of SGA activities at the campus.

Spring 2012 Enrollment Report

Dr. Joyce Romano, Vice President, Student Affairs, and Ms. Joan Tiller, Interim Vice President, Academic Affairs & Planning presented a report on Spring 2012 college-wide enrollment, financial-aid trends, and student characteristics.

Influencers' Campaign

Ms. Lucy Boudet, Vice President for Marketing & Strategic Communications presented highlights of the "Influencer's" advertising initiative. Ms. Boudet informed the board that the campaign targets the college's education partners, business, community leaders and legislators, and aims to raise community awareness about the college.

Financial Indicators Report

Mr. Keith Houck, Vice President for Operations and Finance, reported on the college's allocation of funds for various construction and land acquisition projects.

Construction Report

Mr. Houck reported on the progress of construction projects at the Lake Nona, Osceola and West campuses.

Audit Plan Status Report

President Shugart introduced Ms. Undria Stalling, Internal Auditor for Valencia Compliance and Auditing Department and commented on her role as it relates to the college and specifically to the board.

Ms. Stalling welcomed the new members to the board and presented the audit plan status report. Ms. Stalling stated that the procurement card program audit and the tuition and fee revenue audit were both completed and resulted in no recommendations.

Valencia Foundation Report

Chair Cabrera Morris adjusted the agenda to move the Valencia Foundation Report to Item H in the reports section, ahead of the Faculty Council Report.

Ms. Lori Kifer Johnson reported on the Foundation's accomplishments and activities.



**Faculty Council
Report**

Dr. Robert Gessner, Faculty Association President reported on the Faculty Council's efforts in seeking alternative textbook choices to decrease the cost of instructional materials to students.

President's Report

President Shugart officially welcomed the two new board members. Dr. Shugart then presented a legislative update highlighting the Florida College System's 2012-13 budget.

President Shugart stated that over the course of March and April 2012, he and Mr. Houck would meet with each board member individually to discuss the college's FY2012-13 budget. Thereafter, a comprehensive budget report will be compiled and presented at a Regular Meeting of the board prior to June 2012.

President Shugart announced that a report on dual enrollment had been presented to the House Education Policy Committee in Tallahassee in hopes of starting a conversation aimed at funding this popular and effective program.

President Shugart discussed the recognition and visibility that the awarding of the Aspen Prize has created for the college, as well as the allocation of the prize funds.



President Shugart reported on the progress of the Intensive Language Institute at the Osceola Campus. He also announced the signing of agreements in partnership with various international universities and Walt Disney World which will result in internship and student international exchange opportunities. Additionally, Dr. Shugart informed the board that the college has been visited by international educational partners who wish to gain familiarity with the college's best practices and methods.

President Shugart reminded the board that the Auditor General conducts routine audits on the college. Dr. Shugart stated that the board would receive the most up-to-date State Auditor's report directly from that office sometime in late March 2012.

President Shugart stated that the Florida Institute of Technology (FIT) in Melbourne, Florida has expressed an interest in recruiting more of the college's graduating engineering students. FIT has since offered to provide ten \$15,000 presidential scholarships to Valencia students.

Remarks

Chair Cabrera Morris thanked Ms. Buchanan, Mr. Hansen, and Ms. Quittschreiber for attending the annual Trustee's Conference held in Tallahassee in January 2012. She encouraged the board to adopt a style in which they remain engaged and interconnected with the college. She encouraged trustees to remain fiscally conservative and informed, and advocated maintaining high leadership standards within the college.

Chair Cabrera Morris encouraged a future discussion regarding the formation of board sub-committee. President Shugart proposed creating a real estate strategy task force comprised of one board member, private citizens and college staff. This matter may be discussed further at the April Board Meeting.

NEW BUSINESS:

Consent Agenda

- 1. Nonbinding Letter of Intent to Discuss Accepting the Donation of Property in Apopka, FL** – To authorize the college to engage in discussions with a landowner proposing a land donation to the college and gather more information on the proposed land donation. Trustee Guillermo Hansen moved to accept this item, and Vice Chair Grulich Toumazos seconded and the motion was approved unanimously.
- 2. Allocation of Aspen Prize Funds** – To authorize the allocation of the Aspen Prize funds to the Valencia Foundation for investment with proceeds to be used in student scholarships and continued innovation. Vice Chair Grulich Toumazos moved to accept this item, and Trustee Guillermo Hansen seconded and the motion was approved unanimously.

A motion was made to accept the remaining Items 3 through 7 of the consent agenda, and members of the board unanimously approved the following actions:

- 3. Additions, Deletions or Modifications of Courses and Programs**
- 4. Continuing Education Courses and Fees**
- 5. Human Resources Agenda**
- 6. Submission of Grant Proposals**
- 7. Property Deletions**

Adjournment

Chair Cabrera Morris adjourned at the board meeting at 11:31 a.m.

Secretary

Chair

PRESIDENT'S REPORT

Long-range Facilities Planning Committee

Valencia College

January 2012

Valencia College's Future

Valencia College, recent Aspen Award winner as the best community college in America, is a large and growing higher education institution operating in Orange and Osceola Counties. The future of the institution can take many paths as it pursues the mission of positively affecting the lives of its students. Developing a better understanding of future growth patterns, transportation systems and industry needs will better position the college to meet future needs.

Role of the Valencia College Long-range Facility Planning Committee

The Committee is charged with understanding the education mission of Valencia College, the elements of its growth, existing and future delivery methods, its partners and the relationship facilities plays in the fulfillment of the College's mission. Also the Committee will look at the best development possibilities of existing and future sites for other than college development. The panel of community-based experts has been assembled, as the Long-range Facilities Planning Committee [LRFPC], to provide insights, discuss options and recommend actions to provide facilities to better serve the community for the next 20 years. Facilities include land, buildings and services for:

- Core education buildings and facilities;
- Affiliated activities such as the Valencia Foundation and corporate training; and
- Administrative and support activities.

Process for Committee Development of Strategic Ideas and Actions

The Committee, once organized, will develop an agenda of long-range issues and topics to be explored and resolved. Recommended resolutions will be made to the administration for their use in developing long-range plans for Valencia College.

Specific Committee Activities might include gaining and using an understanding of:

1. **Growth** - Understanding the projected qualitative and quantitative growth anticipated in Valencia's student population;
2. **Trends** - Understanding the relationship of sites and facility needs to projected growth and to trends in education, such as alternative delivery, web-based courses and partnerships;
3. **Facilities** - Understanding the various sizes, specialties and locational needs of Valencia College campuses to provide resident and business-based students better access to Valencia College facilities and services, including improved transportation access; and
4. **Partnerships** - Understanding the impact of partnerships, such as the existing and future relationships with University of Central Florida, Orange County Public Schools and Osceola County Public Schools on future facility needs.

Recommendations may be forthcoming from the Committee re:

1. The location, size, sequencing, and projected timing of new sites and facilities and the use or re-purposing of existing facilities;
2. Partnerships with other educational institutions, industry and other organizations to improve education experiences; and
3. Factors related to facilities and services that influence attracting faculty, staff and students to Valencia College.

Committee Composition and Operation

The Committee is anticipated as follows:

- The Committee is composed of community experts in planning, development, real estate, and facilities who are familiar with the mission and operations of Valencia College.
- The Committee's activities will be supported and staffed by the Valencia College administration.
- The Committee will meet three times for a morning or afternoon to:
 - Establish a foundation of information about the issues and opportunities facing the College;
 - Create alternative responses to the future challenges; and
 - Make recommendations for actions for the administration to consider.

Preliminary agendas for each of the three half-day sessions follow.

Valencia College plays a significant role in the local economy and is a sound investment from multiple perspectives. Students benefit from improved lifestyles and increased earnings. Taxpayers benefit from a larger economy and lower social costs. Finally, the community as a whole benefits from increased job and investment opportunities, higher business revenues, greater availability of public funds, and an eased tax burden.

Investment analysis

Student Perspective

- Valencia served 64,319 students in the 2010-11 reporting year.
- The average Valencia student's income increases by **\$5.60** for every dollar invested in their Valencia education.
- Students enjoy an attractive **15.1%** average rate of return on their Valencia educational investment, recovering all costs in 10.2 years.

Students enjoy a **15.1%** rate of return on their investment in Valencia

Social Perspective

- Higher earnings of Valencia students and associated increases in state income expand the tax base in Florida by about **\$196.5 million** each year.
- Florida will see avoided social costs amounting to **\$11.3 million** per year due to improved health, reduced crime, and reduced welfare and unemployment.

Taxpayer Perspective

- The state government allocated approximately **\$106 million** in support of Valencia in FY 2010-11.
- For every dollar of this support, taxpayers see a return of **\$2.80** (in the form of higher tax receipts and avoided costs).
- State government sees an annual rate of return of **8.9%** on their support for Valencia.

Economic Growth Analysis

College Operations Effect

- The Valencia College Service Area economy annually receives **\$122.9 million** in income due to Valencia operations.

Student Spending Effect

- Valencia estimates that approximately 15% of its students come from outside the region.
- The expenditures of Valencia's non-local students generate roughly **\$16.0 million** in added income in the Valencia College Service Area each year.

Productivity Effect

- The Valencia College Service Area economy embodies an estimated **5.6 million** credits that have accumulated over the past 30-year period as thousands of former Valencia students enter the workforce.
- Valencia credits translate to higher earnings for students and increased output of businesses. The added income attributable to the accumulation of Valencia credits in the workforce amounts to around **\$781.7 million** each year.

Transfer Student Effect

- The DirectConnect relationship between Valencia and the University of Central Florida (UCF) allows students to continue their post-secondary education.
- The additional education of students that transfer to UCF generates an additional **\$126.4 million¹** in income to the region each year.

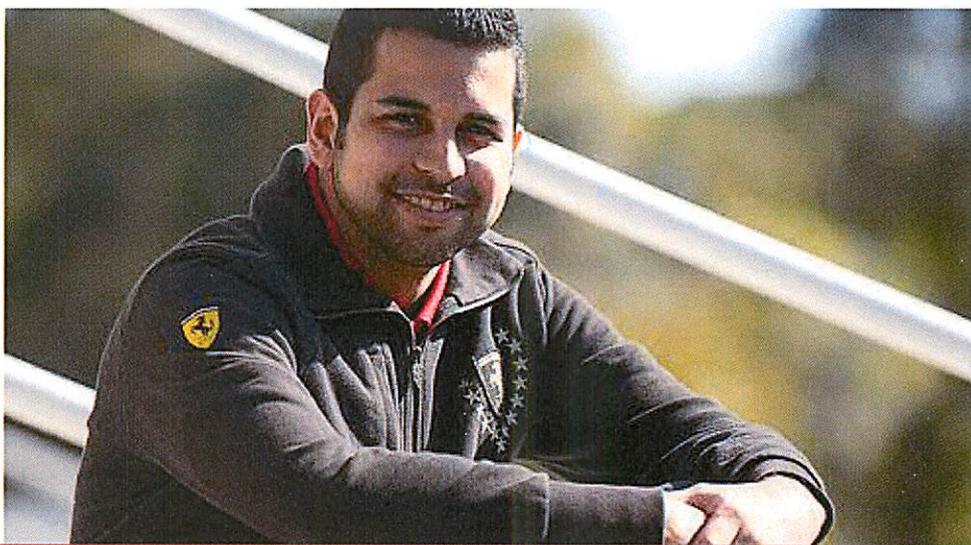
Added income attributable to the accumulation of Valencia skills amounts to **\$781.7 million** each year

Total Effect

- The total annual impacts on the Valencia College Service Area sum to **\$1.047 billion**.

¹ This value is distinct from the other impact metrics in that it is the result of a cooperative agreement between Valencia and UCF. Both institutions might rightly claim this impact.

EXECUTIVE
SUMMARY



Economic Contribution of

VALENCIA COLLEGE

Analysis of **Investment Effectiveness** and **Economic Growth**



March 2012



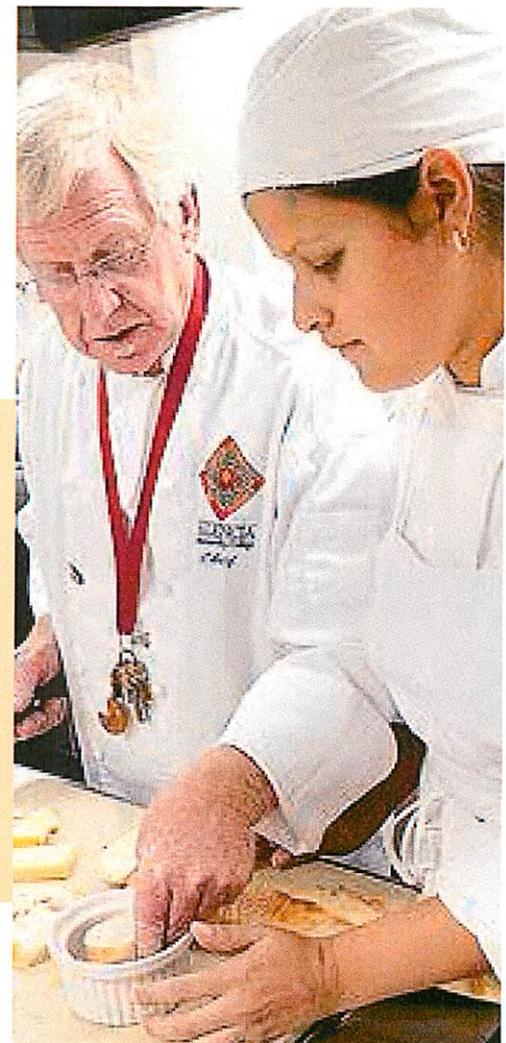
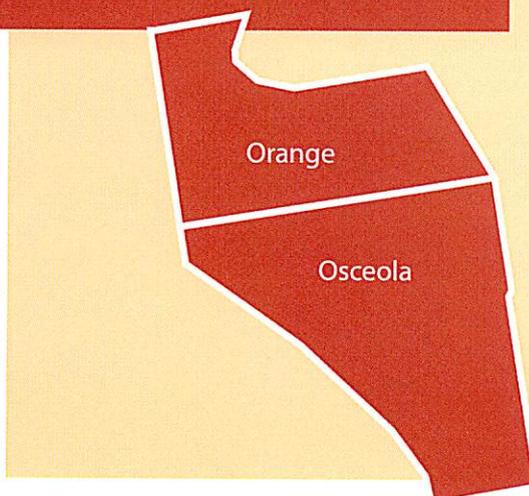
Investment Analysis

- For every dollar students invest in Valencia, they receive a cumulative \$5.60 in higher future income (discounted) over the course of their working careers.
- Florida benefits from improved health and reduced welfare, unemployment, and crime, saving the public some \$11.3 million per year.
- Taxpayers see a rate of return of 8.9% on their investment in Valencia.

Economic Growth Analysis

- The net added income generated by Valencia operations (\$122.9 million) and the spending of non-local students (\$16 million) contributes a total of \$139 million in income to the Valencia College Service Area economy each year.
- The accumulated credits achieved by former Valencia students over the past 30 years translate to \$781.7 million in added regional income each year due to the higher earnings of students and increased output of businesses.

Valencia College Service Area



Introduction

How do the Valencia College Service Area economy and the state of Florida benefit from the presence of Valencia College (Valencia)?

In this study, EMSI applies a comprehensive model designed to quantify the economic benefits of community and technical colleges and translate these into common sense benefit/cost and investment terms. The study includes two major analyses:

Investment Analysis: Treats education funding as an investment, calculating all measurable returns and comparing them to costs, from the perspectives of

students, taxpayers, and society as a whole.

Economic Growth Analysis: Measures added income in the region due to college operations, student spending, and the accumulated skills of past and present students still in the workforce.

The economic impact model has been field-tested to generate more than 900 studies for community, technical, and further education colleges in the US, Canada, the UK, and Australia. To see the full documentation of the study, please contact the college.

The Results

Investment Analysis

Student Perspective

Benefits of higher education are most obvious from the student perspective: students sacrifice current earnings (as well as money to pay for tuition) in return for a lifetime of higher income. Compared to someone with a high school diploma, associate's degree graduates earn \$11,200 more per year, on average, over the course of a working lifetime (undiscounted).

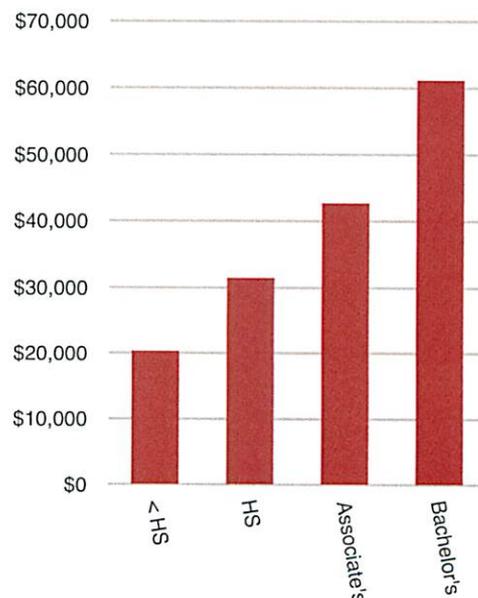
From an investment standpoint, Valencia students enjoy a 15.1% rate of return on their investments of time and money. This compares favorably with returns on other investments, e.g., long-term return on stocks and bonds.

The corresponding benefit/cost ratio is 5.6, i.e., for every dollar students invest in Valencia education, they receive a cumulative of \$5.60 in higher future income over their working careers. This is a real return that accounts for any discounting that occurs during the entire period. The payback period is 10.2 years.

Social Perspective

From the perspective of society as a whole, the benefits of education accrue to different publics. For example,

**Average Earnings by Education Level
in Valencia College Service Area**



Valencia students expand the state's economic base through their higher incomes, while the businesses that employ them also become more productive through the students' added skills. These benefits, together with the associated ripple effects, contribute an estimated \$196.5 million in taxable income to the Florida economy each year.

As they achieve higher levels of education, Valencia students are also less likely to smoke or abuse alcohol, draw welfare or unemployment benefits, or commit crimes. This translates into associated dollar savings (i.e., avoided costs) to the public equal to approximately \$11.3 million annually. These are benefits that are incidental to the operations of Valencia and accrue for years into the future, for as long as students remain active in the workforce.

To compare benefits to costs, we project benefits into the future, discount them back to the present, and weigh them against the \$106 million that state taxpayers spent in FY 2010-11 to support the college. Following this procedure, it is estimated that Valencia provides a benefit/cost ratio of 25.1, i.e. every dollar of state tax money invested in the college today yields a cumulative of \$25.10 in benefits that accrue to all Florida residents, in terms of added taxable income and avoided social costs.

Taxpayer Perspective

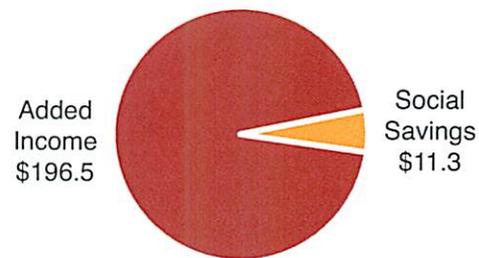
Under the taxpayer perspective, only benefits that accrue to state government are counted, namely, increased tax collections and reduced government expenditures. For example, in place of increased income, the taxpayer perspective includes only the increased state tax receipts from those higher incomes. Similarly, in place of overall crime, welfare, unemployment and health savings, the taxpayer perspective includes only those that translate to actual reductions in state government expenditures.

Note here that government often undertakes activities wanted by the public, but which may be unprofitable in the marketplace. This means that positive economic returns are generally not expected from government investments. From the taxpayer perspective, therefore, even a small positive return (a benefit/cost ratio equal to or greater than 1, or a rate of return

Valencia Investment Analysis at a Glance

Stakeholder	Rate of Return	Benefit/Cost	Payback (Years)
Student perspective	15.1%	5.6	10.2
Social perspective	NA	25.1	NA
Taxpayer perspective	8.9%	2.8	14.7

Annual Benefits to Florida Public Due To Valencia Students (\$ Millions)



equal to or greater than the 3% discount rate used in the taxpayer investment analysis) would be a favorable outcome.

For Valencia, the results indicate positive returns: a rate of return of 8.9% and a benefit/cost ratio of 2.8 (every dollar of state tax money invested in Valencia today returns \$2.80).

Economic Growth Analysis

Valencia affects the local economy in three ways: (1) through its local purchases, including wages paid to faculty and staff; (2) through the spending of students who come from outside the region; and (3) through the increase in the skill base of the local workforce. These effects break down as follows:

College Operations Effect

Valencia creates income through the earnings of its faculty and staff, as well as through its own operating and capital expenditures. Adjusting for monies withdrawn from the local economy in support of Valencia, it is estimated that the Valencia College Service Area economy receives a net of \$122.9 million in added

labor and non-labor income due to Valencia operations each year.

Student Spending Effect

Students from outside the region spend money for room and board, transportation, entertainment, and other miscellaneous personal expenses. These expenditures create jobs and incomes for local businesses. The spending of Valencia's non-local students generates approximately \$16 million in added income in the Valencia College Service Area economy each year.

Student Productivity Effect

Every year students leave Valencia and join or rejoin the regional workforce. Their added skills translate to higher income and a more robust Valencia College Service Area economy. Based on Valencia's historical enrollment and credit production over the past 30-year period, it is estimated that the accumulated contribution of Valencia instruction received by former students (both completers and non-completers) annually adds some \$781.7 million in income to the Valencia College Service Area.

Transfer Student Effect

In addition to the measures described above, we also quantify the effect of Valencia students who transfer to the University of Central Florida (UCF). Arguably the education students receive at UCF would not have

Valencia Economic Impact Analysis at a Glance

Added Income	
College operations effect	\$122,925,000
Student spending effect	\$16,045,000
Student productivity effect	\$781,685,000
Transfer student effect	\$126,365,000
Total Effect	\$1,047,019,000
Job Equivalents	22,700

been generated if it were not for their prior academic involvement at Valencia. Note that this measure is distinct from the others because it reflects the symbiotic relationship between two institutions. Valencia ensures students have the requisite knowledge and skills to enter and be successful at UCF, while UCF in turn delivers credits and credentials that will ultimately result in additional earning increases for transfer students. The effect of the relationship between these two institutions generates an additional \$126.4 million¹ in income in the regional economy.

Total Effect

Altogether, the average annual added income due to the activities of Valencia and its former students equals \$1,047 million.

¹ This value is distinct from the other impact metrics in that it is the result of a cooperative agreement between Valencia and UCF. Both institutions might rightly claim this impact.

Conclusion

The results of this study demonstrate that Valencia is a sound investment from multiple perspectives. The college enriches the lives of students and increases their lifetime incomes. It benefits taxpayers by generating increased tax revenues from an enlarged economy and reducing the demand for taxpayer-supported social services. Finally, it contributes to the vitality of both the local and state economies.

About the Study

This report summarizes the results from “The Economic Contributions of Valencia College” detailing the role that the college plays in promoting economic development, enhancing students’ careers, and improving quality of life. Data sources include, but are not limited to, 2010-11 academic and financial reports from the college, industry and employment data from the U.S. Bureau of Labor Statistics, earnings and demographic data from the U.S. Census Bureau, and a variety of studies and surveys relating education to social behavior.

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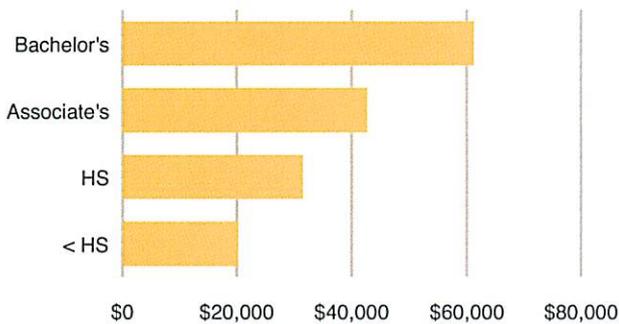


Education Will Pay You Back—For a Lifetime

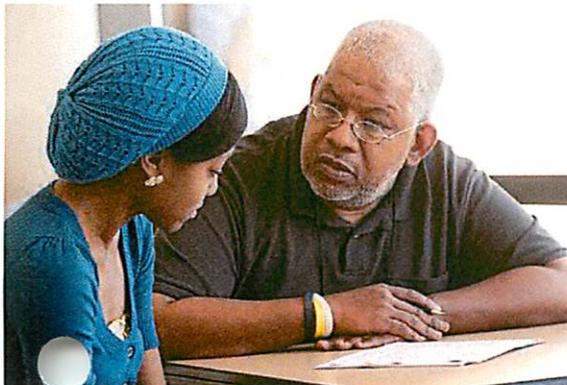
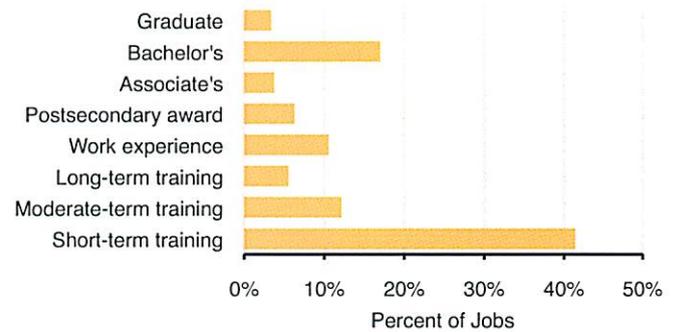
- Students enjoy an attractive 15.1% rate of return on their Valencia educational investment.
- Over the course of his or her working career, the average Valencia student's lifetime earnings will increase \$5.60 for every dollar invested in their Valencia education (in the form of tuition, fees, and forgone earnings).
- The average annual income of the typical associate's degree graduate in the Valencia College Service Area at the midpoint of his or her career is \$42,700, 36% more than someone with a high school diploma.
- Over the course of a working lifetime, associate's degree graduates in the Valencia College Service Area earn \$470,400 more than someone with a high school diploma (undiscounted).



Average Earnings in Valencia College Service Area



Projected 2021 Jobs in Valencia College Service Area by Skill Level



Education Is Your Ticket to a Better Job

- By 2021 it is anticipated that there will be about 377,000 new and replacement jobs available in the Valencia College Service Area.
- About 24% of these jobs will require an education level equal to an associate's degree or greater.
- Another 6% of available jobs in 2021 will require some kind of post-secondary certificate or vocational award.



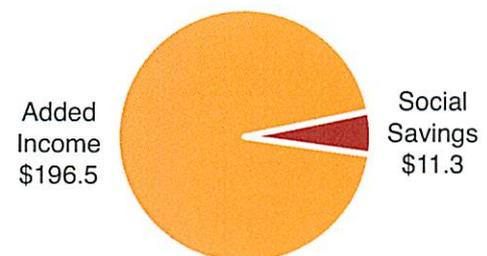
Valencia Raises Consumer Spending

- Valencia employed 1,275 full-time and 1,653 part-time faculty and staff in the 2010-11 reporting year, with an annual payroll of **\$123.5 million**.
- In addition to payroll, Valencia spent **\$107.9 million** in FY 2010-11 for supplies and services, of which an estimated 46% was spent in the Valencia College Service Area.
- Valencia estimates that approximately 15% of its students come from outside the Valencia College Service Area. Non-local students who settle in the region spend money at local businesses for food, transportation, and other personal expenses.

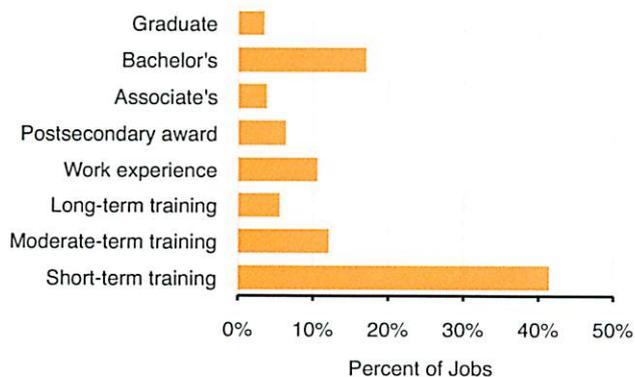
Valencia Generates New Income

- The net added income generated by Valencia operations (\$122.9 million) and the spending of non-local students (\$16 million) contributes a total of **\$139 million** in income to the Valencia College Service Area economy each year.
- The increased productivity of workers due to the accumulation of past and present Valencia skills in the Valencia College Service Area workforce creates approximately **\$781.7 million** in added income each year.

Added Income in Valencia College Service Area Due to Valencia (\$ Millions)



Projected 2021 Jobs by Skill Level in Valencia College Service Area (%)



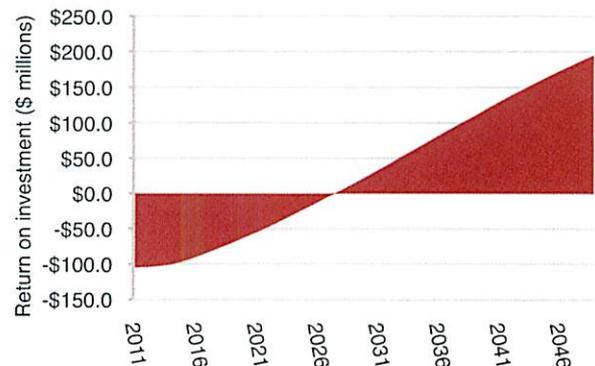
Valencia Creates a Skilled Workforce

- Valencia activities encourage new business, assist existing business, and create long-term economic growth. The college enhances worker skills and provides customized training to local business and industry.
- An estimated **5.6 million** Valencia credits have accumulated in the Valencia College Service Area workforce over the past 30-year period as former Valencia students (completers and non-completers) enter the regional workforce each year.

Valencia Leverages Taxpayer Dollars

- An estimated 95% of Valencia students remain in Florida and contribute to economic growth. Students who enter the workforce expand the tax base by generating higher earnings and reducing social costs.
- Higher student earnings and associated increases in property income generate about \$22.6 million in added tax revenue each year.
- State government will save approximately \$980,800 in avoided social costs each year, including savings associated with improved health, lower costs of law enforcement, and fewer welfare claimants.

Long-term Return to State Taxpayers on Their Valencia Investment



Valencia Generates a Return on Public Investment

- State government allocated about \$106 million in support of Valencia in FY 2010-11.
- For every dollar appropriated by state government to Valencia, taxpayers will see a return with a cumulative added value of \$2.80 in the form of higher tax revenues and avoided social costs.
- State government will receive a rate of return of 8.9% on its investment in Valencia.





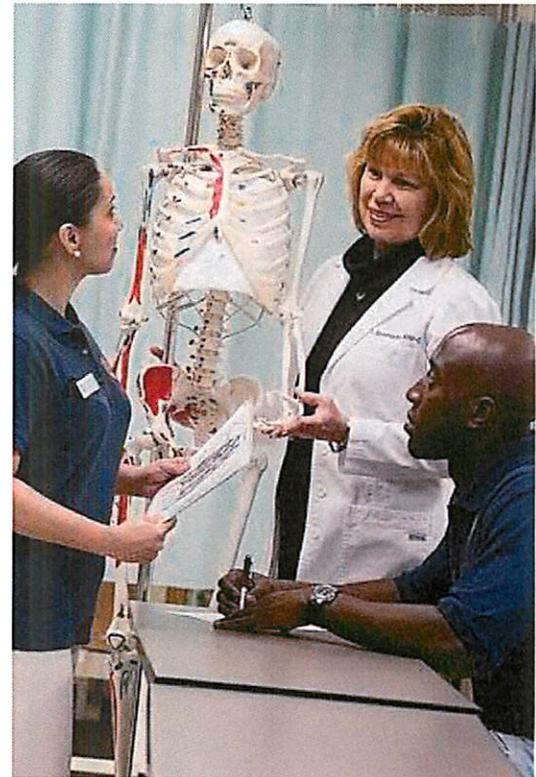
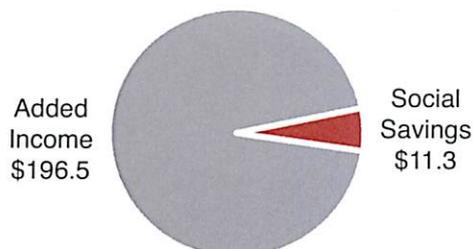
Valencia Increases State Income

- The activities of Valencia's 2010-11 student body will generate about \$132.1 million in labor income in the state economy each year.
- Once Valencia's current students become active in the workforce, they will promote business output, raise consumer spending, and increase property income in the state. All of this contributes an additional \$64.5 million in taxable income each year.
- Altogether, higher student income and associated effects on business productivity add \$196.5 million in income annually to the state economy.

Valencia Reduces Social Costs

- Education is statistically correlated with improved lifestyle behaviors, including reduced incidences of absenteeism, alcohol abuse, and smoking, lower probability of committing crime, and fewer welfare and unemployment claims.
- It is estimated that Valencia's 2010-11 student population will generate social savings to the Florida public equal to \$11.3 million a year.
- These savings accrue to all state and local residents—students, homeowners, businesses, and taxpayers.

Added Income in Valencia College Service Area
Due to Valencia (\$ Millions)



State taxpayers earn a 8.9% rate of return on their investment in Valencia College.

Valencia College adds more money to the state treasury than it takes out. Not only does the college pull its own weight, but it also effectively subsidizes other sectors funded by the taxpayers. Absent Valencia, taxes would actually have to be raised in order to maintain services in all other sectors at their current levels. The return on investment is considered from two taxpayer perspectives: social and taxpayer.

Social Perspective

The social perspective adds up all benefits attributable to Valencia, regardless of recipient, and compares the total to the original investment made. This is called the “benefit/cost ratio.” If the ratio is less than 1.0, the investment is not worthwhile; if it is greater, the investment is considered sound.

For example, a transportation authority might justify a new road by showing that savings in travel time and vehicle expenses accrued by thousands of drivers exceed the project’s cost. Public parks are justified by showing that recreation, scenic, and other values enjoyed by park users exceed the cost of park infrastructure, operation, and the net value of the park’s land and resources not used for other purposes. So the social perspective counts all benefits, not just those that accrue back to state government.

Benefits generated by Valencia also accrue to different groups. Students benefit from higher incomes, employers benefit from increased worker productivity, and the public at large benefits from an expanded economic base. The public also enjoys a variety of external social benefits, such as reduced crime, lower welfare and unemployment, improved health, and less absenteeism from work. All of these are tallied up and compared to the investment made by state government, or the taxpayers. A social perspective benefit/cost ratio greater than 1.0 is a minimal indicator of a worthwhile public investment.

Counting benefits and costs in this way, Valencia’s benefit/cost ratio is 25.1. In other words, the cumulative added value attached to each dollar invested will have a present value of \$25.10 by the end of the students’ working career.

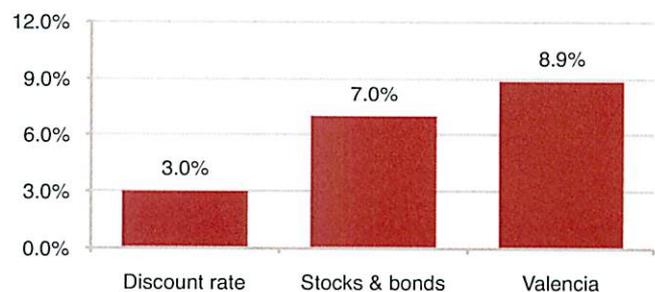
Taxpayer Perspective

The taxpayer investment perspective counts only benefits that can be entered into the books of state government. For example, educated workers earn more and thus pay more taxes. Furthermore, because state government bears part of the cost of crime, its budget benefits from education’s crime-reducing effect, and the same is true for other benefits of an educated populace. The bottom line: state government receives returns from their support of Valencia in the form of increased tax revenue and savings associated with avoided social costs.

Worthwhile public projects often generate negative taxpayer perspective returns, because the role of government is to provide services that the public wants but that the business sector may find unprofitable. Considerable funds are spent on public parks, for example, yet they yield little or no direct return. From a taxpayer perspective, returns are negative, though the park is justified by the benefits tracked under the social perspective.

But unlike most government endeavors, funding for Valencia generates strong results from both the social and taxpayer perspectives. Economists generally assume a 3% discount rate in analyzing government investments, assuming that governments can obtain unsecured loans at a rate of 3% or receive a 3% return on any excess funds, if they were invested. Since Valencia’s taxpayer rate of return of 8.9% is greater than 3%, state government actually makes money on the investment. By funding the college, therefore, other recipients of state funding are actually subsidized through the revenues generated by the college.

Comparison of Valencia’s Rate of Return to Discount Rate and Average Return on Stocks and Bonds



NEW BUSINESS

**APPROVAL OF CONTRACT
TO PURCHASE PROPERTY**

VALENCIA COLLEGE

Attached is a copy of The Florida College System Annual Equity Update Report 2011/12 for Valencia College. For the past few years, the College has implemented rigorous strategies to close women and minority achievement gaps while increasing minority student enrollment, retention and completion rates. Our efforts have yielded great results. As the data shows we have met with sustained progress in most areas along with improved teaching and learning, and enhanced services to our increasingly diverse student population. As it relates to increasing the representation of women and minorities in senior administrative positions and instructional and contract instructional staffing, we have exceeded projected goals in many areas. The data here shows that our overall goal to recruit and retain high quality personnel is ongoing and successful. As mandated by Section 1000.05, Florida Statutes (F.S.), Florida Educational Equity Act and Section 1012.86, F.S, Community College Employment Equity Accountability Program, our reports will address the following: [a] general information and applicable laws for reporting; [b] policies and procedures prohibiting discrimination; [c] strategies to overcome underrepresentation of students; [d] substitution waivers for admissions and course substitution for students with disabilities; and [e] college employment equity accountability program.

GENERAL INFORMATION AND APPLICABLE LAWS FOR REPORTING

Description of Plan Development

Each year a taskforce is established to review the new Equity Update Report procedures and prepares a draft report which is discussed with the College President and Vice President for Human Resources and Diversity, who also serves as an ex-officio member of the Equity Update Report Taskforce. Upon approval, the report is submitted to the District Board of Trustees for their approval. The Equity Update Report for 2011/12 was included on the District Board of Trustees' agenda on April 17, 2012. Later, the report is distributed throughout the college and to the College's Black Advisory Committee at their annual planning retreat. A full description of the process used to prepare and complete the report is provided herein.

Policies and Procedures Prohibiting Discrimination

The District Board of Trustees is specifically authorized by Florida law to adopt rules, procedures, and policies consistent with law and rules of the State Board of Education and Florida Board of Education. The process utilized by the College to comply with requirements of Section 1000.05, Florida Statutes, and Rules 6A-19.001-010 has been described in the report. In addition, the College utilizes a shared governance process wherein various policies and rules are within the purview of these

areas in order to consistently review and recommend any policy changes to the District Board of Trustees for consideration and adoption. Once the policy revision or update has been approved, formal consideration and recommendation to the District Board of Trustees is sought. Upon adoption, the revised or new policy is promulgated through the Office of the Vice President for Policy and General Counsel in conjunction with the Office of the Vice President for Human Resources and Diversity.

Policy of Nondiscrimination

Contained in Appendix 1 is a copy of the College's policies on nondiscrimination as it relates to students, employees, applicants for admission, and applicants for employment.

Continuous Notice of Nondiscrimination and Notice of Equity Officer/Coordinator

Examples of sites containing the identity of the Equity Officer, Dr. Stan Stone, who is also Vice President for Human Resources and Diversity, and the Title IX Compliance Officer, are found in Appendix 2 as requested. Our notices of nondiscrimination are appropriately worded, prominently posted and cover all of the protected classes as stipulated by federal, state and local laws.

Revised Policies and Procedures – Related only to Civil Rights and Grievances Procedures

No revisions were made to the College's policies and procedures regarding civil rights and the grievances procedures.

STRATEGIES TO OVERCOME UNDERREPRESENTED STUDENTS

Student Enrollments

A. FTIC

The data shows the total number of Black FTIC enrollment rose from 1,862 (22.63%) in 2009-10 to 2,063 (22.44%) in 2010-11. The projected enrollment goal for 2011-12 was met. The total number of Hispanic FTIC enrollment increased from 2,626 (36.23%) in 2008-09 to 3,030 (36.83%) in 2009-10 and greatly improved to 3,426 (37.7%) in 2010-11; the projected goal was met. The College is extremely pleased to report that the projected goal for Other FTIC enrollment was met. The data shows that the total Other FTIC enrollment increased from 348 (4.80%) in 2008-09 to 355 (4.31%) in 2009-10 and increased significantly to 624 (6.79%) in 2010-11. Similarly, the goal projected for Female FTIC enrollment was met. Please refer to Appendix 4a for more information.

B. Total Enrollments

The College is also pleased to note that projected goals for each group were met or exceeded. Total Black Overall Enrollment continued to show great improvement: 8,011 (18.22%) in 2008-09, 9,197 (18.85%) in 2009-10 and 10,217 (19.28%) in 2010-11. As it relates to Hispanic students, a similar growth trend was shown over the past three years: 12,613 (28.68%) in 2008-09, 14,787 (30.31%) in 2009-10 and

16,801 (31.70%) in 2010-11. There was a major increase in the number of total Other Overall Enrollment students which rose from 2,616 (5.95%) in 2008-09 to 2,851 (5.84%) and increased greatly to 3,453 (6.52%) in 2010-11. The data supports that the strategies we have employed are productive. The goal was met for Female Overall Enrollment and the data shows great progress: 25,228 (57.36%) in 2008-09 increased to 27,793 (56.98%) in 2009-10 and significantly increased to 29,969 (56.55%) in 2010-11.

The success we have enjoyed in the increase of student enrollment, both FTIC and Overall Enrollment is largely due to the strategies employed by Student Affairs and the achievements of the College's Bridges to Success Program; Dual Enrollment; Career Pathways and REACH Program, to name a few. Our mid-term review of enrollment data shows that Valencia is experiencing a flat enrollment and therefore will not seek to modify projected enrollment goals for 2012-13. For the past couple of years, faculty have been instrumental in assisting Valencia's efforts to encourage middle and high school students to prepare for college. This has been a wonderful pathway for student engagement in the public schools. Of particular note, are these activities that Valencia's engineering faculty have been involved in to improve the enrollment of STEM majors: Engineering Camp – a one day camp where middle and high school female students explore a variety of engineering related fields; Robots Rock – a robotic workshop delivered to 5th graders in partnership the University of Central Florida and IEEE; Engineering Competition – engineering faculty serve as judges in several high school engineering competitions; and Write It! Do It! – faculty serve as mentors for high school female juniors at Cypress Creek High School for their Science Olympiad Competition.

Student Completions

Contained in Appendix 4b are various graphs depicting Student Completions by AA Degree, AS Degree and by Certificates. A review of the data reporting AA Degree completions shows that there was an increase in the number of completers for all races excluding Black students. The data shows that the number of Black student completers rose greatly from 417 (11.55%) in 2008-09 to 652 (14.23%) in 2009-10, but dipped very slightly to 645 (13.62%) in 2010-11; the projected goal was narrowly missed. Hispanic AA Degree completers met the goal projection and grew significantly from 897 (24.85%) in 2008-09 to 1,243 (27.13%) in 2009-10 and further increased to 1,393 (29.43%) in 2010-11. The projected goal for Hispanic AA Degree completers was therefore met. The College set a very conservative growth goal of 1% for Other AA Degree student completers and met this goal. The data shows an increase from 233 (6.46%) in 2008-09 to 308 (6.72%) in 2009-10 and rose greatly to 351 (7.41%) in 2010-11. The College is pleased to note this progression regarding AA Degree completions for Other students. Female AA Degree completers increased from 2,233 (61.60% in 2001-09 to 2,671 (58.28%) in 2009-10 and modestly increased to 2,725 (57.62%) in 2010-11, thereby meeting their projected goal. The LEP total completers largely increased from 208 in 2008-09 to 278 in 2009-10 and grew to 301 in 2010-11. The DIS total completers grew from 120 in 2008-09 to 167 in 2009-10 but decreased slightly to 146 in 2010-11.

The data for Black AS Degree completers shows an increase from 124 (14.04%) in 2008-09 to 163 (16.93%) in 2009-10 but dipped very slightly to 161 in 2010-11; the projected goal was not met. The total number of Hispanic AS Degree completers showed a very slight decrease in 2008-09 from 229

(25.93%) to 227 (23.57%) in 2009-10 but rose greatly to 281 (26.66%) in 2010-11 and therefore met the projected goal of 2%. The College is extremely pleased to note that the projected goal for Other AS Degree completers was met; the data shows a very, very slight increase from 55 (6.23%) in 2008-09 to 57 (5.92%) in 2009-10 and further increased to 65 (6.17%) in 2010-11. Female AS Degree completers increased from 546 (61.83%) in 2008-09 to 571 (59.29%) in 2009-10 and grew to 621 (58.92%) in 2010-11 and met the projected goal. The LEP total completers declined from 75 in 2008-09 to 56 in 2009-10 but rose greatly to 95 in 2010-11. The DIS total completers very, very slightly declined from 48 in 2008-09 to 46 in 2009-10 but rose slightly to 51 in 2010-11.

The Certificate programs data shows that all ethnicities met the projected goal for 2010-11. Black completers showed a modest decline from 479 (16.47%) in 2008-09 to 468 (15.51%) in 2009-10 and rose significantly to 534 (15.78%) in 2010-11. Hispanic completers decreased from 876 (30.11) in 2008-09 to 819 (27.14%) in 2009-10 but increased significantly to 1,044 (30.84%) in 2010-11. Other completers increased from 136 (4.68%) in 2008-09 to 166 (5.50%) in 2009-10 and largely increased to 227 (6.71%) in 2010-11. Female completers modestly decreased from 1,431 (49.19%) in 2008-09 to 1,413 (46.82%) in 2009-10 and rose to 1,546 (45.67%) in 2010-11. The LEP total completers rose from 169 in 2008-09 to 218 in 2009-10 and increased to 279 in 2010-11. The DIS total completers rose very slightly from 106 in 2008-09 to 121 in 2009-10 and declined to 96 in 2010-11.

Based on the data as shown, we are not modifying our goals for 2012-13. We anticipate a very conservative projection and goal increase of 1% to 2% across the board. Although we remain very encouraged by the strategies that we have employed in this area, our emphasis for 2012-13 is to improve upon the number of Black AA Degree and AS Degree completers.

Student Retention by Race and Gender

Here, the College is required to analyze methods and strategies used to increase persistence and retention of full-time and part-time FTIC students (for a more detailed review of the data, please see Appendix 4c). The data for full-time FTIC students shows that although a gap exists when comparing the retention rates of full-time Black students to full-time White students, the number of full-time Black male students was retained at a higher rate than full-time Black female students. No gaps exist when comparing full-time Hispanic students to full-time White students. For this Report, Other students were identified as American Indian or Alaskan Native, Asian, and Unknown/Not Reported. A gap exists when comparing the number of full-time Other students to that of full-time White students, however, if analyzed according to separate category, the data shows that a greater number of full-time Asian males and females were retained from the previous year. The data also shows that a greater number of both full-time American Indian or Alaskan Native females and full-time Unknown/Not Reported females were retained.

As it pertains to part-time FTIC student persistence and retention, the data shows that a gap exists when comparing part-time Black students to part-time White students. However, there was a great increase in the actual number of part-time Black male students from the previous reporting year. The percentage of part-time Black females remained unchanged. No gap exists when comparing part-

time Hispanic students to part-time White students. Again, the category Other was comprised of American Indian or Alaskan Native, Asian, and Unknown/Not Reported. The total number of part-time Other students retained from the previous year decreased. A gap does exist.

The Taskforce noted that the number of full-time and part-time males who are Black and Hispanic are improving. The College has been exploring various strategies to improve upon or assist students in resolving problem areas identified by students such as limited funds, housing and transportation needs, and childcare. We will continue to monitor progress of student retention for both full-time and part-time FTIC students.

Student Success Rates in Gatekeeper Mathematic Course by Race

Our strategies are indicative of the College's overall objective which is to enroll more students and increase the percentage of those who are successful, irrespective of ethnicity. A more comprehensive review of the data is presented in Appendix 4d. The analysis below discusses the results of the data for each gatekeeper mathematic course:

MAT0024C (new course number is MAT0028C) shows an overall slight increase from 2008-09 to 2009-10, then a slight decrease from 2009-10 to 2010-11 in success for all groups. Enrollment increased in all groups.

MAT1033C Although there was a gap increase in the success rates between Black and White students, there was a slight increase in the total number of Black students completing this course and the gap was not as wide as that of MAT0024C. A very small gap exists between Hispanic and White students.

As it pertains to MAC1105, the data shows that each individual group is improving. Black students successfully completing this course increased from 2009-10 to 2010-11. White students also increased during the same period. The gap between White and Black students increased with a slight increase shown between White and Hispanic students.

MGF 1106 data shows an overall positive trend for this course. A negative gap between Black and White students continues to decrease from 2009-10 to 2010-11. The Black student completion rates from 2008-09 to 2010-11 was greater than that of White students. There was a very slight negative gap between Hispanic and White students for 2010-11.

While there is room for improvement to diminish and close the gaps in the gatekeeper mathematic courses, the results as described above are very promising and indicate that our strategies are working. The Taskforce will continue to monitor the data and the effectiveness of the proposed strategies. In addition, the College has successfully competed for and been awarded numerous grants that will assist us in closing gaps that have been identified. Those grants are summarized in Appendix 9.

SUBSTITUTION WAIVERS FOR ADMISSIONS AND COURSE SUBSTITUTIONS FOR STUDENTS WITH DISABILITIES

Valencia fully complies with applicable policy, law, and statutes concerning persons with disabilities as it pertains to admission, graduation, study program admission, upper-division entry, and substitute requirements. For additional information, please refer to Appendix 5a and 5b.

ACCOUNTABILITY IN INSTITUTIONAL EMPLOYMENT

For purposes of this Report, the College uses the National Census statistical data for Graduate Degree and Higher as a benchmark to gauge success when comparing and analyzing the data for Executive/Administrative/Managerial Staff, Full-time Instructional Staff and Full-time Continuing Contract Instructional Staff. This is the most appropriate benchmark to use since the majority of employment positions at the College require educational credentials at the master's degree or higher and that data reflects the percentage of persons by race and gender over age 25 who have achieved a graduate degree or higher. A more complete analysis is provided in Appendix 6a, 6b and 6c. The Fall Staff Report is found in Appendix 7.

Executive/Administrative/Managerial Staff

There were no gaps when comparing the percentage of Black female or male employees to the Census Data for Grad Deg. and Higher. While there was an increase in the percent of Hispanic females from 6.1% in 2010-11 to 7.0% in 2011-2; the goal for Hispanic males was not met. Unlike White males, no gap exists for White females. There were gaps when comparing the percentage of Other females and males; a very slight increase in the percentage of Other females was shown.

Full-time Instructional Staff

We are delighted to note that no gaps exist for Black female and male full-time instructional staff and that the percentage of males increased from 3.9% in 2010-11 to 4.5% in 2011-12. Although the goal for Hispanic male full-time instructional staff was not met, there was an increase in the percentage of females from 6.1% in 2010-11 to 7.0% in 2011-12. The data shows no gap for White female and male full-time instructional staff. There were gaps when comparing the percentage of Other female and male full-time instructional staff to the Census Data for Grad Deg. and Higher; a slight increase was shown for Other females for the same period. No gap exists when comparing Female full-time instructional staff data.

Full-time Continuing Contract Instructional Staff

Relatively small gaps exist when comparing the percentage of Black female and male employees to the Census Data for Grad Deg. and Higher for 2011-12. The goal for Hispanic females was met, showing an increase from 5.8% to 6.1%; however, the goal for Hispanic males was not. No gap is shown for White female and male staff members. There was a very slight increase in the percentage of Other

females, but a gap exists when comparing Other females and males to the Census Data for Grad. Deg. and Higher data. No gap exists when comparing Female staff data.

Each year, we review the data to appropriately and accurately determine whether we are meeting our goals and projections. We are encouraged by the data which shows that in many areas we have been successful in diminishing or closing identified gaps. For the reporting year 2012-13, the Taskforce will closely monitor recruitment and hiring of male employees at each level under review. Unlike previous years, the College is not seeking to modify its goals for 2012-13. Our review of the media and other publications we have employed for advertising vacant positions has resulted in more efficient and effective strategies as listed on page 34, 37 and 40 of the report. We found no barriers to report which would affect the recruitment and/or retention of female and minority employees at each staffing level in the Report.

Evaluation of Employment Practices – Evaluation of Key Personnel and President

The report describes the process by which deans, campus presidents, and vice presidents are evaluated. There have been no changes to the policy by which officials are rated. No executive employee received an unsatisfactory rating. Each year, the President is evaluated annually by the District Board of Trustees. The Chair reviewed the evaluations for the academic year 2010-11 on July 19, 2011. The members unanimously rated the President as “satisfactory” (the highest rating level) in all aspects, including equity.

Additional Requirements

The College maintains diversity and balance in the gender and ethnic composition of selection committees for each vacancy. The Valencia Employee Selection Guide requires that all selection committees including those for full and part-time employment be representative of the College. A Diversity Representative serves on all committees. In addition, during the selection of the West Campus president in early spring 2011, the Chair of the College’s Black Advisory Committee as appointed to serve on that hiring committee.

The College has set forth the requirements for receiving continuing contracts for instructional staff. Continuing contracts are recommended by the President based on successful performance of duties and demonstration of professional competence as stipulated in College Policy 6Hx28:3E-02. As it relates to the annual appraisal of eligible faculty members’ progress toward attainment of continuing contract, deans evaluate pre-tenured faculty at the end of each semester during their first year. Barring specific problems, evaluations are conducted annually. The policy cited above also describes the procedure to be taken by deans when performance has been less than acceptable.

Valencia is in compliance with Section 1012.86, F.S. This Section addresses how resources should be allocated to support the implementation of strategies and the achievement of goals in a timely manner. The President authorizes the establishment of faculty positions based upon staff needs and the budget. The College regularly budgets funds to advertise in publications and other media which specifically target women and minorities.

As it pertains to resources that are used to increase the number of females and minorities receiving continuing contracts, the College makes professional development funds available to eligible faculty to earn continuing contracts. Funding is also available to hire consultants and other subject matter experts to enhance the skills and attributes of faculty through faculty academy individualized learning plans.

Information concerning the salary ranges in which new hires were employed compared to the salary ranges for employees with comparable experience and qualifications as required by statute is contained in Appendix 8. The data will show salary ranges for the period of July 1, 2007 through June 30, 2011 and for the period of July 1, 2011 to present for both administrative staff and faculty.

Valencia endeavors to ingrain diversity and equity seamlessly throughout the institution. Much of the success we have demonstrated in this report as it pertains to student enrollment, persistence, retention and graduation was noted by Aspen Institute officials when the College received the inaugural Aspen Prize for Community College Excellence in December 2012. We endeavor to recruit, hire, train and retain qualified personnel and are always striving to improve upon our hiring practices. Clearly, inclusiveness is essential and vital for meeting the needs of our students. Valencia College is committed to the principles of diversity and inclusion.

Should you desire additional information or need clarification, I may be reached on 407/582-8075 or by email: sstone@valenciacollege.edu. Thanks for your attention to this matter.

Dr. Stan Stone, Vice President
Human Resources and Diversity