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- What occurred or what you were unable to do
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Lake Sumter State College

DISTRICT BOARD OF TRUSTEES

WEDNESDAY, SEPTEMBER 23, 2020

Leesburg Campus

Leesburg Campus
9501 U.S. Highway 441
Leesburg, FL 34788

South Lake Campus
1250 N. Hancock Road
Clermont, FL 34711

Sumter Center
1423 County Road 526 A
Sumterville, FL 33585

**Lake-Sumter State College
DISTRICT BOARD OF TRUSTEES
Wednesday, September 23, 2020
Leesburg Campus, Magnolia Room/Zoom**

ITEM #

CALL TO ORDER Mr. Wahl

PLEDGE OF ALLEGIANCE and MOMENT OF SILENCE

PUBLIC COMMENT

(If you wish to make a Public Comment at this meeting, at least 15 minutes before the start of the meeting,
please see Recording Secretary for a Speaker's Card)

PRESENTATIONS Mr. Wahl/Dr. Sidor

Advancement in Automation Dr. Heather Bigard

..... Nick Kemp and Sandy Litton

CONSENT CONSIDERATIONS (Tab A)Mr. Wahl/Dr. Sidor

ACTIONS and ACKNOWLEDGEMENTS

9-01 Action: Minutes of July 22, 2020 Board Meeting & Workshop

9-02 Action: Human Resources Transactions

9-03 Action: Monthly Fiscal Report for August 2020

9-04 Acknowledgement: Facilities Update

~~9-05 Action: Purchases Over \$25,000~~

9-06 Action: 2020-2021 Blanket and Annual Purchase Orders

9-07 Acknowledge: Perkins Grant Application

INFORMATION ITEMS (Tab B).....Mr. Wahl/Dr. Sidor

9-08 Information: Code of Ethics for Public Officers and Employees/Conflict of Interest

..... Board Attorney Anita Geraci-Carver

9-09 Information: Resolution for Lake County-Donation of Ford trucks.....Dr. Sidor

9-10 Information: Review College Mission StatementDr. Sidor

9-11 Information: Health Insurance Rates for coming yearDr. Bigard

SCHEDULED INFORMATION REPORTS (Tab C)

9-12 President's Update

- Meetings/Activities/Misc.

- Legislative Update

- Vice Presidents Report (Bigard, Brady, Vitale & Byrd)

9-13 Committee ReportsMr. Wahl

- Executive Committee

- Sumter Partnership

- Facilities Planning

9-14 Board Attorney's Report Mrs. Geraci-Carver

NEW BUSINESS (Tab D)Mr. Wahl/Dr. Sidor

9-15 Acknowledgement: 2019-2020 Annual Financial Report-UnauditedDr. Bigard

9-16 Action: Board Committee Assignment/Committee Charge Mr. Wahl

9-17 Action: President's Evaluation Mr. Wahl

9-18 Action: Extended Thanksgiving Holiday for FacultyDr. Sidor

OTHER CONSIDERATIONSMr. Wahl/Dr. Sidor

As Needed by Chairman/President

CALENDAR NOTES:

Next Executive Committee Meeting	Tuesday, October 6, 2020	Leesburg Campus
Next Board Meeting	Wednesday, October 14, 2020	Leesburg Campus
Distinguished Alumni	Tuesday, Oct. 13, 2020, 6 pm	Mission Inn Resort
Employee Service Day	Friday, October 23-All Day	TBD
Monster Dash 5k/10k	Saturday, October 31, 2020 8am	Leesburg Campus
Commencement	Friday, Dec. 11, 2020	Leesburg Convocation Center

NO BOARD MEETING IN DECEMBER



Lake Sumter
State College

OFFICE OF THE PRESIDENT

Present to the Board: September 23, 2020

TO: Lake-Sumter State College
District Board of Trustees

FROM: Stanley M. Sidor
President

RE: 9-01 Minutes of July 22, 2020 Regular Board Meeting & Workshop

OVERVIEW:

Attached are the minutes of July 22, 2020 regular board meeting and workshop.

ANALYSIS:

The minutes are for the board's approval.

RECOMMENDATION:

It is recommended that the Board approve this item as written.

**DISTRICT BOARD OF TRUSTEES
LAKE-SUMTER STATE COLLEGE
LEESBURG, SUMTERVILLE, CLERMONT
JULY 22, 2020**

The regular meeting of the District Board of Trustees, Lake-Sumter State College, was called to order at 4:52 p.m. on July 22, 2020, in the Magnolia Room and via Zoom, by Mr. Peter F. Wahl, Chairman. In attendance was Mr. Bryn Blaise, Mrs. Marcia Butler, Mrs. Jennifer Hill, Mrs. Jennifer Hooten, Mr. Bret Jones, and Emily Lee. Mr. Wahl welcomed those in attendance and invited them to join in the Pledge of Allegiance followed by a moment of silence.

CONSENT CONSIDERATIONS- ACTIONS and ACKNOWLEDGEMENTS

Jennifer Hill moved and Marcia Butler seconded the motion to approve as presented agenda items numbers 612 through 624 as follows:

**Minutes of June 24, 2020, Regular Board Meeting and Workshop
2020-612**

**Human Resources Transactions
2020-613**

Appointments of:

Michael Vitale	effective date 06/01/2020
Nicholas Kemp	effective date 07/01/2020
Christopher Libby	effective date 07/01/2020
David Phillips	effective date 07/01/2020
Marta Ralowicz	effective date 07/01/2020
Devin Horvath	effective date 07/01/2020

Resignation of:

Nicole Duslak	effective date 05/05/2020
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Separation of:

Sam Sweeney	effective date 06/30/2020
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Retirement of:

Carolyn Baldwin	effective date 06/30/2020
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**Monthly Fiscal Report for June 2020
2020-614**

**Facilities Update
2020-615**

Purchases of \$25,000

2020-616

Approval of the LSSC Foundation, Inc. DSO

2020-617

Career Source Training Provider Agreement

2020-618

Collegiate High School Program Agreement/LSSC and Lake County Schools

2020-619

Collegiate High School Program Agreement/LSSC and Sumter County Schools

2020-620

The Villages Early College Memorandum of Understanding

2020-621

Dual Enrollment Articulation Agreements-Lake Co., Sumter Co., Home Education, Non-Public Schools, and The Villages Early College

2020-622

Sumter County Operations Agreement

2020-623

Lake County Career Pathways Agreement

2020-624

The motion was passed with the following vote: Voting “yea” – Blaise, Butler, Hooten, Hill, Jones, Lee, and Wahl.

SCHEDULED INFORMATION REPORTS

President’s Update

2020-625

Dr. Sidor reported that after the board approved the budget we received notification from the governor’s office that we will have a 6% holdback within our budget. He is still waiting on a side by side comparison. He explained that Dr. Bigard will speak more in depth of the budget reduction. The college will reopen on Monday, July 27 LSSC employees will be returning to campus expect for the employees who have completed the accommodations paperwork.

He reported that 88% of fall classes are online and we are prepared to go fully online if we have too. Dr. Michelle Nash is on loan to the Sumter County Health Department for 90 days to assist with Covid-19 efforts. Dr. Nash is an epidemiologist whose specialized skills will be helpful as they add additional personnel.

He reported on the Dedicated Education Unit that UF Health-Leesburg has agreed to a lease to provide space for this program across the street from the hospital. He also reported that Advent Health is still on track to start classes in January 2021.

Dr. Heather Bigard

Dr. Bigard started her report by introducing the new Executive Director of Organizational Development Deborah Snellen. The Covid response team continues to meet on a weekly basis. She reviewed the hours of operation for each campus to receive students and remote services will continue to be offered.

The final guidelines for reopening will be distributed to all of our partners, students and employees training programs have been developed as to the expectations on the campuses. We plan to meet with individual partners so they know what our plans are and the majority of them are working on the same plan as the college. The college will be requiring face covering in the open hallways and sidewalks, main social distance, cleaning stations, temperature checks, and frequent disinfectant of surfaces.

Men and Women's Cross Country will begin regular season on August 1. Volleyball will move to the spring, beach volleyball will have an abbreviated spring schedule, softball will be permitted to practice and scrimmage for 60 consecutive days within September 5-November 15th for fall with a max of seven scrimmage dates.

She reported on the 6% hold back on the budget which equates to about a million dollars for the college. We will be working over the next few months to balance the budget with a 10% hold back from all departments.

COBA continues to meet with the Department of Education on budget and campus reopening plans. She updated on the CARES Act, to date we have awarded over 650 students with this grant. Our plans are to award the remainder this fall focusing on technology students.

Claire Brady

Dr. Brady reported that Student Services are busy enrolling summer and fall term students. Her department is gearing up for Monday when campuses reopen. They have tested their systems and feel they are ready to proceed.

Enrollment is down 7.5% in headcount and also down 5% in FTE. These are not the best numbers, but have greatly improved from the week prior in part to messaging that is going out and the enrollment coaching team reaching out and offering individual assistance to get students enrolled.

There has also been a social media campaign and a large print mail out to target university students who were enrolled at some point and maybe have changed their minds to encourage enrollment with us. We also targeted dual enrollment students, newly graduated, displaced and furlough workers. We are encouraging both degree seeking students, transient, and short term certificate programs.

We had had a strong response to our virtual admissions events and the virtual lobby. This is an online one stop shop for students. As we head into fall we are looking to balance our remote services and our face to face. We are reimagining how we offer career services which will mostly be online.

Dr. Laura Byrd

Dr. Byrd gave several updates from her department.

Foundation Scholarships: Year to date, the Foundation has awarded over 556 students a total of \$424,955 in Spring & Summer. For the fall semester, the Foundation received 531 scholarship applications. We awarded \$308,763 to 373 students. This 70% of the total applicants.

The next scholarship application will open in October for the Spring 2021 semester.

22nd Annual Golf Tournament: The golf tournament to support athletics will take place on Friday, September 18, 2020, at Harbor Hills Country Club. Sponsorships & golf registration is now available. Please see Coach Mike Matulia or Dr. Byrd for more information.

Distinguished Alumni: The Distinguished Alumni & Hall of Fame celebration is scheduled for Tuesday, October 13 at Mission Inn. Nominations will open in July & we encourage you to think of a deserving Alum to nominate.

Gala: The committee will come together in August to discuss next moves.

Monster Dash: Scheduled for October 31. We are hoping to have an in-person race. We are also looking at option for a virtual marathon.

Foundation Board Nominating Committee: The nominating committee will meet on July 28, to discuss the five positions that will open at the end of 2020. Please let me know of any names you would like the committee to consider.

Continuing Education: She welcomed Mr. Greg Jones to the Institutional Advancement staff as the Director of Corporate Training and Continuing Education. Greg comes to us from Brevard County where he has served in multiple capacities. He has worked with the State of Florida Department of Labor, Economic Development Commission, and the housing authority. He has already hit the ground running and we are excited about what he will do for our college.

The lineworker bootcamp finished on July 9. A skills exhibition was held on July 8th. The partners attending the skills day were SECO, Duke, Southeast Power, Team Fishel, Elite Construction and Florida Energy Consortium.

Lake-Sumter applied for the available funds allotted for the rapid credentialing dollars totaling \$266,000 with a \$66,000 match. We will use this money to start the CDL program. We already have \$75,000 allocated for CDL that could serve as matching dollars.

Youth Development:

- Setting up the fall schedule for Black Rocket Virtual classes. These courses will be offered as after-school programs and on Saturdays during the school season.
- Reaching out to potential members for scheduling the initial advisory board meeting.
- Exploring options for reading and math programs (Grades 1st – 8th). Would like to offer in the Fall but may be pushed back to Spring depending on the economic situation.
- Reviewing requirements for becoming a VPK provider. Reviewing benefits/challenges.

Marketing: The Marketing Department has been busy in the last month and actively supporting a wide variety of efforts across the College.

- A coordinated and robust social media campaign is currently running on Facebook and Twitter to promote all types of enrollment, including continuing education certificates, associate degrees, and bachelor degrees. These campaigns have collectively reached over 300,000 people across Lake and Sumter Counties (and slightly beyond) and generate over 5,000 link clicks. These ads are generating interested for virtual Admissions events, online applications, and for students to request more information.
- Working with an outside partner to conduct a geotargeted campaign to advertise to students who were at/near the UCF, USF, UF, or FSU campuses in January 2020 and are now (June 2020) in Lake or Sumter County. This campaign will encourage eligible students attending those universities to attend LSSC this year instead.
- Supporting the Return to Campus plan with a significant amount of signage and communication efforts. Will do a press release and other awareness efforts to announce our return to campus on July 27.
- Making updates to the website to improve navigation and information discovery for our students while they are enrolling and registering.

Doug Wymer

Dr. Wymer reported that Pinecrest Lakes Academy Middle High School's 9th grade class will be housed at the South Lake Campus of Lake-Sumter State College for the 2020-2021 academic year now beginning on Monday, August 24. AVP Thom Kieft and other college staff have been engaged with Pinecrest over the last 6 weeks preparing for their usage of three classrooms in the Cooper Memorial Library building as well as the school office and science lab in Bldg. 1.

Mr. Kieft and the LSSC team have coordinated with the Pinecrest Lakes administration, Pinecrest Lakes teachers, Lake County Schools safety and charter office, and the Florida Department of Education Office of Safe Schools to ensure the students and teachers have a safe and healthy learning environment. Pinecrest Lakes Middle High School has an enrollment goal of 100 9th graders for their first high school cohort.

As I have previously reported, the math and science faculty have been working to develop online options for courses that have never been taught online at LSSC before. These efforts are a response to COVID-19 to provide options for students in the fall 2020 schedule. All of these courses will be offered fully online for the first time in the fall 2020 semester.

Math

Professor Alissa Sustarsic

- Developed MAT 1033 Intermediate Algebra for online delivery; the instructional content will be available to faculty teaching the course in other delivery modalities - especially useful for faculty teaching hybrid classes

Associate Professor Sybil Brown

- Developed MAC 1114 Trigonometry for online delivery; has already proved to be a valuable resource for another math faculty member to teach the course in the synchronous online modality this fall

Assistant Professor Jeffrey Stephens

- Currently developing MAC 1140 Precalculus Algebra for online delivery - 80% complete and on schedule for the July 31 deadline.

Natural Sciences

Assistant Professor Dr. Katie Roles

- CHM 1025C Introduction to Chemistry: completed last fiscal year
- CHM 2045C General Chemistry I: completed save a handful of video re-shots of labs which were completed on July 20.

Assistant Professor Dr. Debra Hicks

- BSC 1010C: work is on schedule to be completed by July 31; possibly need to re-shoot video for one lab

Assistant Professor Jennifer Cerione and Instructor James Jackson

- BSC 2085C Human Anatomy and Physiology I: work is on schedule to be completed by July 31; course build in Canvas is complete, work continues with McGraw-Hill to create a Master Connect shell account which can be copied and then linked to Canvas sections teaching this course
- BSC 2086C Human Anatomy and Physiology II: work is on schedule to be completed by July 31; course build in Canvas nearing completion, a few lecture videos still needed, and will require creation of a publisher's master shell as described for 2085C

Instructor Dr. Matthew Drum / Assistant Professor Christopher Leibner

- MCB 2010C: work is on schedule to be completed by July 31; modules, homework assignments, exam and labs either complete or nearing so, currently still need to add a few additional asynchronous lectures and one more course project.

On Tuesday July 14, we conducted our Advisory Visit with Dr. Young, the SACSCOC Vice President assigned to LSSC. Due to the pandemic, the visit was virtual and was focused on discussions about the Focused Report and the Quality Enhancement Plan. Our time to complete the Focused Report was shorter than planned due to a pandemic-related delay of the report from the Off-Site Review Committee. Dr. Young had many positive things to say about the Focused Report and offered some valuable advice on a few of the draft narratives. Following the Advisory Visit, I sent a debrief email summarizing the conversation about each of the 15 standards included in the Focused Report. Of those 15 standards., four are complete, four are

missing one or two small pieces, one is a complex standard well on the way to completion, and I have not heard back from authors for the other six standards.

The experience with the QEP was similar. Overall, Dr. Young's comments regarding our preparation for the October visit were positive. I am meeting with the QEP Co-Directors on Thursday July 23 to discuss necessary changes. The Focused Report and QEP are due to the On-Site Review Committee on September 14 and we are on track to deliver a high-quality document at that time.

On a connected note, the On-Site Review Committee won't be on-site at all. The SACSCOC Board released a decision last week that calls for all fall 2020 visits to be completed virtually. Dr. Young and I have been corresponding about the format and schedule for a virtual visit and I am in touch with two other Institutional Accreditation Liaisons at institutions that will complete the virtual visit in September so that we can learn from their experiences as we finalize the plans for the LSSC visit.

Executive Committee

2020-626

Pete Wahl reported that the Executive Committee met and discussed items on the agenda.

Board Attorney's Report

2020-627

Anita Geraci-Carver updated the board on the Parker Case which was the ongoing case with Leadership Lake County and Lake-Sumter State College. Discovery is ongoing. On May 13, 2020 Plaintiff's attorney filed a Notice That Cause is at Issue and requested a 5 day jury trial. A trial date has not been set, however, the case has been reassigned from to Judge Metz to Judge Rada.

Revision to the East Lake Property agreement have been circulated. The revised agreement will be discussed by the Facilities Committee on July 15th. The revised agreement is also scheduled to go before the Board of Trustees at its July 22, 2020 meeting.

The OCR investigation into the student complaint remains pending. Due to Covid-19 and employees working remotely, interviews have yet to be scheduled.

Negotiations with UFF were held in the Magnolia Room on July 13, 2020. A closed session with the board will immediately follow the board meeting on July 22, 2020. She also updated the board on HB171 and SB72 and new language within the bills.

NEW BUSINESS

Approval of Board Officers

2020-628

The slate of officers was presented as Mr. Peter Wahl, Chair and Emily Lee, Vice Chair.

Bret Jones made a motion to accept the 2020-21 officers and Marcia Butler seconded and motion carried.

The motion was passed with the following vote: Voting “yea” – Blaise, Butler, Hooten, Hill, Jones, Lee, and Wahl.

20-21 Board Meeting Schedule

2020-629

A motion was made by Jennifer Hill to accept the 2020-21 Board Meeting Schedule and seconded by Jennifer Hooten and motion carried.

The motion was passed with the following vote: Voting “yea” – Blaise, Butler, Hill, Hooten, Jones, Lee, and Wahl.

2019-20 Board Self Evaluation

2020-630

Dr. Sidor reviewed the board self evaluation with outstanding and strongly agree being the overall ratings. A motion was made by Bryn Blaise to accept the evaluation and seconded by Jennifer Hooten and motion carried.

The motion was passed with the following vote: Voting “yea” – Blaise, Butler, Hill, Hooten, Jones, Lee, and Wahl.

Approval of Capital Improvement Plan

2020-631

The deadline to submit the Capital Improvement Plan for FY2021-22 is the end of July. Jennifer Hill made a motion to accept and Jennifer Hooten seconded and motion carried.

The motion was passed with the following vote: Voting “yea” – Blaise, Butler, Hill, Hooten, Jones, Lee, and Wahl.

HSCA New Partner Agreement

2020-632

Dr. Sidor reported to the board that the Health Science Collegiate Academy is looking to expand its student population by entering into an agreement with Pinecrest Academy. The agreement has been reviewed by the Facilities Board Committee and approved by the HSCA Governance Committee. Dr. Sidor recommends that the approve this request.

Jennifer Hill made a motion and Bryn Blaise seconded and motion carried.

The motion was passed with the following vote: Voting “yea” – Blaise, Butler, Hill, Hooten, Jones, Lee, and Wahl.

Academica-Pinecrest Facilities Use Agreement

2020-633

Academica Charter School is seeking to use space for their Pinecrest Academy expansion to include a Charter High School in Clermont, FL. Pinecrest has requested the use of space on the South Lake Campus to nest their 9th graders. A facilities use agreement is being negotiated and must be provided to Lake County Schools for approval in July.

The board is being asked to accept the item as written, pending legal review and edits by both parties. Jennifer Hill made a motion and Jennifer Hooten seconded and motion carried.

The motion was passed with the following vote: Voting “yea” – Blaise, Butler, Hill, Hooten, Jones, Lee, and Wahl.

East Lake Property Agreement

2020-634

A new agreement was drafted with updated terms and a new timeline for development. The Board Facilities Committee will meet and review the agreement on July 15, 2020.

Jennifer Hill made a motion to accept the item as written and Jennifer Hooten seconded and motion carried.

The motion was passed with the following vote: Voting “yea” – Blaise, Butler, Hill, Hooten, Jones, Lee, and Wahl.

Ratify Rapid Credentialing Application

2020-635

Dr. Bryd explained that we have applied for a grant to fund the corporate training and continuing education CDL program. The grant will provide \$266,305 with a required match of \$66,576 which will come from the LSSC Foundation, Inc.

Jennifer Hill made a motion to accept and Jennifer Hooten seconded and motion carried.

The motion was passed with the following vote: Voting “yea” – Blaise, Butler, Hill, Hooten, Jones, Lee, and Wahl.

OTHER CONSIDERATIONS

As Needed by Chairman/President

- ✓ Chairman Wahl reviewed the events on the calendar. He announced that the next Board meeting will be on Wednesday, September 23, 2020, at 5 p.m. for the regularly scheduled meeting.

There being no further business, the meeting was adjourned at 6 p.m.

Respectfully submitted,

ATTEST:

Peter F. Wahl, Chairman

Stanley M. Sidor, Ed. D.
Secretary/College President

Recording Secretary: Claudia Morris

LAKE-SUMTER STATE COLLEGE
DISTRICT BOARD OF TRUSTEES

July 22, 2020

Workshop for Board Chair/Vice Chair Nominations

A meeting of the District Board of Trustees, Lake-Sumter State College, was called to order on July 22, 2020 at 4:30 p.m. in Magnolia Room, Leesburg Campus, by Mr. Peter Wahl, Chair. The other Committee members in attendance were Mr. Bryn Blaise, Mrs. Marcia Butler, Mrs. Jennifer Hill, Mrs. Jennifer Hooten, Mr. Bret Jones, Ms. Emily Lee, Dr. Stanley Sidor, College President, and was also in attendance.

Mr. Wahl opened the meeting and stated that the object of the meeting was to develop a slate of officers (Chairman and Vice Chairman) for 2020-2021 to be recommended at the Board meeting. He also stated no vote would come out of this meeting the purpose was to open it up to those who may wish to serve.

He asked the board to consider leaving the current officers in place for another year Pete Wahl chairman and Emily Lee vice-chairman for the 20-21 academic year.

Mrs. Marcia Butler stated she agreed with Mr. Wahl that he has done an excellent job serving as Chairman and she would like to recommend him to serve another year as the chairman. Jennifer Hooten supported the recommendation. Pete Wahl accepted the recommendation for serving in this position. Mr. Bret Jones recommended Ms. Emily Lee to serve as Chairman position and Mrs. Jennifer Hill supported the recommendation. Ms. Lee accepted the recommendation for serving in this position.

A vote was called for Mr. Wahl to serve as chair with a total of seven yes. A vote was called for Emily Lee to serve as chair with a total of three yes. The approval of the 20-21 slate of officers for Mr. Peter Wahl, chair and Emily Lee, Vice Chair will be brought to the board for vote during the regular meeting.

These recommendations will be brought forward at the board meeting for vote.

There being no further business, the meeting was adjourned at 4:40 p.m.

Respectfully submitted,

ATTEST:

Peter F. Wahl, Chair

Stanley M. Sidor, Ed., D.
Secretary/College President

Recording Secretary: Claudia D. Morris



Lake Sumter
State College

OFFICE OF THE PRESIDENT

Present to the Board: September 23, 2020

TO: Lake-Sumter State College
District Board of Trustees

FROM: Stanley M. Sidor
President

RE: 9-02- Human Resources Transactions

OVERVIEW:

Per the Florida Statute 1001.64 (18) Each board of trustees shall establish the personnel program for all employees of the Florida College System institution.

Human Resources personnel transactions including New Hires, Resignations, Retirements and Separations presented to the District Board of Trustees for approval.

ANALYSIS:

Attached is a list of employee appointments, retirements and resignations for this period.

RECOMMENDATION:

It is recommended that the Board approve this item as written.

Human Resources Transactions



FACULTY

APPOINTMENT

<u>Name</u>	<u>Position</u>	<u>Classification</u>	<u>Effective Date</u>
Randall Blackburn	Instructor Electrical Distribution Technology	1-1	08/18/2020

STAFF

ADMINISTRATIVE-GENERAL

APPOINTMENT

<u>Name</u>	<u>Position</u>	<u>Classification</u>	<u>Effective Date</u>
Douglas Wymer	AVP Institutional Accreditation & Curriculum Development	1-1	06/01/20
Sandy Litton	Director Process Improvement & Institutional Research & Compliance	2-3	07/01/20

ADMINISTRATIVE-MANAGERIAL

RESIGNATION

<u>Name</u>	<u>Position</u>	<u>Classification</u>	<u>Effective Date</u>
Joan Thurman	VP AA Executive Assistant	1-4	08/06/20

ADMINISTRATIVE-STUDENT SUPPORT

APPOINTMENT

<u>Name</u>	<u>Position</u>	<u>Classification</u>	<u>Effective Date</u>
Casey Nicole	HSCA Experiential Learning Coordinator	2-4	09/16/20

SEPARATION

<u>Name</u>	<u>Position</u>	<u>Classification</u>	<u>Effective Date</u>
Mark Hasty	Coordinator for Veterans & International Students	1-3	07/30/20




Lake Sumter
State College

OFFICE OF THE PRESIDENT

Present to the Board: September 23, 2020

TO: Lake-Sumter State College
District Board of Trustees

FROM: Stanley M. Sidor 
President

RE: 9-03 – Monthly Financial Report

OVERVIEW:

Each month a report is provided to the District Board of Trustees accounting for the activity in the major operating fund (Fund 1) of the College. This report is prepared by the offices of the Executive Vice President and Associate Vice President of Financial Services and Controller, and is intended to keep the Board apprised of the financial condition of budget and the operating funds of the College. On a quarterly basis, a College-wide Balance Sheet and budget reports for Funds 2, 3, 5 and 7 are also provided.

ANALYSIS:

Attached includes:

- Monthly Fiscal Report of the General Operation Fund (YTD August 2020)

Revenue and expenditures are in good order.

RECOMMENDATION:

It is recommended that Board approve this item as written.



Lake Sumter
State College

Division of Business Affairs

MEMORANDUM

To: Dr. Sidor, President
District Board of Trustees

From: Dr. Heather Bigard, Executive Vice President

Date: September 23, 2020

Re: Monthly Fiscal Report – YTD August 2020

Each month a fiscal report is prepared to appraise your office and the District Board of Trustees on the status of the College budget. The Fiscal Status Report of the General Operating Fund (Fund1) provides a comparative summary of budget-to-actual revenues and expenses for the current period.

FUND 1 OPERATING BUDGET

We are currently two months into our fiscal year or 16.7% completed. Year-end adjusting entries are in progress.

Revenues

Total revenue booked to date is \$6,038,598, or 23% of the total budget of \$26,749,155.

- Tuition and fee revenue is trending below budget and is projected to be \$9,709,915 which is 2.6% under the budgeted amount.
- State support revenue is received throughout the fiscal year in installments. We have received a total of \$2,102,544 in General Revenue and Performance Funding and \$0 in Lottery funds. The State is holding back 6% of the originally allocated appropriations which equates to a \$923,355 budget shortfall for the College.
- Other Income and Other Support actuals are projected to be close to budget.

Expenses

Actual expenses to-date total \$3,726,989 or 14% of the total budget of \$26,340,126.

**Lake-Sumter State College
Fiscal Status Report - Fund 1
General Current Fund
July 1, 2020 - August 31, 2020**

	FY 2019-20		FY 2020-2021			
	Annual Budget	YTD Actual 8/31/2019	Annual Budget	YTD Actual 8/31/2020	Percent of Budget Earned/Spent	Projected 6/30/2021
REVENUES & BUDGETED FUND BALANCE						
Student Fees						
Fall						
Tuition	\$ 2,932,139	\$ 3,016,821	\$ 2,904,700	\$ 2,811,499	97%	\$ 2,701,314
Technology Fees	140,679	150,880	147,000	140,605	96%	135,233
Distance Learning	181,288	182,325	177,900	432,600	243%	421,811
Dual Enrollment	302,316	301,596	306,000	357,047	117%	355,000
HSCA Dual Enrollment	538,150	0	538,150	-	0%	538,150
Lab Fees	92,641	72,504	260,900	39,305	15%	38,922
Spring						
Tuition	\$ 2,521,690	\$ -	\$ 2,468,900	\$ -	0%	2,296,029
Technology Fees	120,581	-	123,400	-	0%	113,522
Distance Learning	159,370	-	157,900	-	0%	374,390
Dual Enrollment	302,316	-	412,200	-	0%	462,200
HSCA Dual Enrollment	538,150	-	538,150	-	0%	485,480
Lab Fees	79,021	-	142,200	-	0%	21,214
Summer						
Tuition	\$ 1,051,258	\$ -	\$ 1,058,700	\$ -	0%	984,570
Technology Fees	51,156	-	53,700	-	0%	49,401
Distance Learning	121,376	-	141,600	-	0%	194,130
Dual Enrollment	-	-	700	-	0%	700
HSCA Dual Enrollment	-	-	-	-	0%	-
Lab Fees	19,080	-	33,400	-	0%	4,983
Miscellaneous Fees	169,225	68,965	123,100	56,195	46%	148,666
Youth Development	280,000	-	280,000	-	0%	280,000
Continuing Education	109,696	9,526	104,200	59,829	57%	104,200
Total Student Tuition and Fees	\$ 9,710,133	\$ 3,802,616	\$ 9,972,800	\$ 3,897,079	39%	\$ 9,709,915
State CCPF Support	\$ 12,606,690	\$ 2,101,114	\$ 12,791,621	\$ 2,035,152	16%	\$ 12,024,124
State Performance Funding	455,985	75,996	628,896	67,392.00	11%	591,162
State Lottery	1,753,669	-	1,968,738	-	0%	1,850,614
Miscellaneous State Support	144,151	20,253	100,000	-	0%	100,000
Federal Support Indirect Cost	80,000	11,440	52,600	5,911	11%	52,600
Foundation Support	169,000	-	190,000	-	0%	180,000
Contracts	195,306	2,700	196,100	2,700	1%	174,214
Miscellaneous Revenue	-	2,583	207,000	30,364	15%	182,182
Total Revenues	\$ 25,114,934	\$ 6,016,702	\$ 26,107,755	\$ 6,038,598	23%	\$ 24,864,811
Transfers In	892,052	-	641,400	-	0%	641,400
Total Revenues and Transfers In	\$ 26,006,986	\$ 6,016,702	\$ 26,749,155	\$ 6,038,598	23%	\$ 25,506,211
EXPENDITURES						
Personnel Expenditures						
Salaries and Wages	14,759,698	1,524,133	14,453,386	1,826,898	13%	14,453,386
Benefits	4,641,097	614,788	5,160,543	705,369	14%	5,160,543
Current Operating Expenditures	5,899,585	1,424,881	6,118,308	1,193,683	20%	5,461,477
Capital Outlay Expenditures	0	0	57,889	1,039	0%	45,000
Complete Florida Plus Program	0	0	0	0	0%	100,000
Contingency	503,519	-	550,000	-	0%	-
Total Expenditures	\$25,803,899	\$3,563,803	\$26,340,126	\$3,726,989	14%	\$ 25,220,406
Transfer to Fund 7	-	-	400,000	-		376,000
Excess of Revenues over (Expenditures)	\$ 203,087	\$ 2,452,899	\$ 9,029	\$ 2,311,609		\$ (90,195)

- Salaries and benefits to-date are \$2,532,267 or 13% of budget.
- Operating and capital expenses to-date are \$1,194,722 or 20% of budget.

Year-End Projection

Revenue is projected to exceed expenses by \$285,805 before a budgeted transfer to Fund 7 of State appropriations of \$376,000, leaving a net of (\$90,195).

Attachment: August 2020 Operating Fund 1 Budget Report




Lake Sumter
State College

OFFICE OF THE PRESIDENT

Present to the Board: September 23, 2020

TO: Lake-Sumter State College
District Board of Trustees

FROM: Stanley M. Sidor 
President

RE: 9-04 - Facilities Monthly Report

OVERVIEW:

The Facilities Department prepares a monthly report on the status of capital projects and major repairs.

ANALYSIS:

A report on the status on facility projects is attached.

RECOMMENDATION:

Acknowledge the current facilities project report.

Facilities Report September 2020

<u>PROJECT</u>	<u>BUDGET</u>	<u>FUNDING</u>	<u>STATUS</u>	<u>COMMENTS</u>
Student Services Building Air HVAC Handler Replacement	\$180,000	Infrastructure	In Progress	Progress to date: Bid Package completed and distributed to 6 vendors to obtain quotes for purchase and install of new Air Handler. Quotes due by September 4, 2020.
Grounds and Irrigation	\$65,000	Infrastructure	In Progress	Progress to date: Continuing efforts to landscape around new (320-ft long) sidewalk in South Lake (from parking lot F to the Science Health Building), which will include two new bench installs, lighting, irrigation lines, emergency call-box, etc.
Network rooms HVAC SL and Sumter	\$43,000	Infrastructure	In Progress	Progress to date: Vendor (Liebert) is making progress with the install of the SL Science-Health Building first floor IT-Room HVAC Rack Unit and outside Condensing Unit.
Sumterville Building-4 VAV Upgrade Project	\$40,000	New Capital Fee	In Progress	Progress to date: Sent Scope of Work to several vendors to obtain quotes for install of new VAV's.
SL Building #2 Chiller Replacement	\$450,000	New HVAC Funding/LOCAL	In Progress	Progress to date: Bid Package completed and distributed to 6 vendors to obtain quotes for purchase and install of new 240-Ton Chiller. Quotes due by October 5, 2020.
LE Building M HVAC Coil Replacement	\$30,000	LOCAL	Completed	Progress to date: After performing HVAC requirements study (because the building usage has changed significantly since this "Make-Up Air Unit" was installed before LSSC purchased the building). We determined the make-up air unit is not required for the building and therefore were able to eliminate the need for replacement.
SL Sidewalk Installation	\$180,000	Infrastructure	In Progress	Progress to date: Sidewalk is installed, proceeding with procuring/installing landscaping, lighting, seating around the sidewalk.



Lake Sumter State College

OFFICE OF THE PRESIDENT

Present to the Board: September 23, 2020

TO: Lake-Sumter State College
District Board of Trustees

FROM: Stanley M. Sidor
President

RE: 9-06 - 2020-2021 Blanket and Annual Purchase Orders

OVERVIEW:

Each year the college issues a number of "blanket" or "open" purchase orders with a variety of vendors to facilitate the purchase of regular supplies and payment for repair services. The purchase orders are assigned a maximum amount under which a number of individual orders will be invoiced. This report is prepared by the Office of the Executive Vice President/Chief Financial & Operation Officer and is intended to keep the Board apprised of annual blanket purchases that have been entered into through the bidding process or by exception as outlined in the LSSC Administrative Procedure 6-09. Exceptions to the bidding requirements include certain educational materials, IT resources as defined in Section 282.303 of Florida Statute, professional services listed in Section 287.055 of Florida Statute, sole source items and items on specific state and local contracts. Purchases up to \$195,000 (Category IV in Section 287.017 of Florida Statute) fall under the authority of the President to be approved. Purchases up to \$195,000 (Category IV in Section 287.017 of Florida Statute) fall under the authority of the President to be approved. Purchases on the list that exceed that amount are contracts that were previously approved by the Board.

ANALYSIS:

Attached is the list of Blanket and Annual Purchase Orders for 2020-2021.

RECOMMENDATION:

The District Board acknowledge or accept this item as written.

2020-2021 Blanket and Annual Purchase Orders

Vendor: SSC Services Solution
Item Description: Grounds and Custodial Services/ July 2020-June 2021
Amount: \$ 1,068,204.00
Purchase Order #: P2100031
Vendor Code: X00121574

Vendor: City of Leesburg
Item Description: Utilities/ July 2020-June 2021
Amount: \$ 655,000.00
Purchase Order #: PB21FC20
Vendor Code: LEECIT

Vendor: Duke Energy
Item Description: Utilities/ July 2020-June 2021
Amount: \$ 400,000.00
Purchase Order #: PB21FC24
Vendor Code: DUKENE

Vendor: City of Clermont
Item Description: Utilities/ July 2020-June 2021
Amount: \$ 40,000.00
Purchase Order #: PB21FC23
Vendor Code: CLECIT

Vendor: SECO
Item Description: Utilities/ July 2020-June 2021
Amount: \$ 55,000.00
Purchase Order #: PB21FC21
Vendor Code: SECO

Vendor: Century Link
Item Description: Local Phone & Telecommunications/ July 2020-June 2021
Amount: \$ 82,000.00
Purchase Order #: PB21IT03
Vendor Code: CENLIN

Vendor: Waste Management
Item Description: Garbage Collections/ July 2020-June 2021
Amount: \$ 36,000.00
Purchase Order #: PB21FC17
Vendor Code: WASMAN

Vendor: US Bank Equipment Finance
Item Description: Copier Leases/ July 2020-June 2021
Amount: \$ 33,515.68
Purchase Order #: P2100056
Vendor Code: X00126160

Vendor: Allen, Norton & Blue, PA
Item Description: Legal Services/ July 2020-June 2021
Amount: \$ 35,000.00
Purchase Order #: PB21VP02
Vendor Code: ALLNOR

Vendor: Miller & Miller Investigative and Security Services
Item Description: Security Services/ July 2020-June 2021
Amount: \$ 319,095.99
Purchase Order #: P2100064
Vendor Code: MILMIL

Vendor: Elsevier Inc.
Item Description: Assessment Testing & Web Resources/ July 2020-June 2021
Amount: \$ 100,000.00
Purchase Order #: PB21NU06
Vendor Code: ELSINC

Vendor: Millennium Computer Systems
Item Description: Software Fast Finance Product/ September 2020-Aug 2021
Amount: \$ 25,500.00
Purchase Order #: P2100081
Vendor Code: X00121855

Vendor: Siemens Industry, Inc.
Item Description: Automation & Mechanical Service Agreement/ July 2020-June 2021
Amount: \$ 86,029.00
Purchase Order #: P2100049
Vendor Code: SIEIND



Lake Sumter
State College

OFFICE OF THE PRESIDENT

Present to the Board: September 23, 2020

TO: Lake-Sumter State College
District Board of Trustees

FROM: Stanley M. Sidor
President

RE: 9-07 FY 2020-21 Perkins V Grant

OVERVIEW:

The Strengthening Career and Technical Education for the 21st Century Act (Perkins V Grant) is a principal source of federal funding to states and discretionary grantees for the improvement of secondary and post secondary career and technical education programs across the nation. The purpose of the Act is to develop more fully the academic, career, and technical skills of secondary and postsecondary students who elect to enroll in career and technical education program.

ANALYSIS:

The grant application is developed and will be completed in time for the submission deadline. LSSC was awarded only 25% of its grant funds for the first quarter of the fiscal year totaling \$33,241.00. The remaining funds are expected to be distributed in October, 2020.

RECOMMENDATION:

It is recommended that the Board acknowledge or accept this item as written.

FLORIDA DEPARTMENT OF EDUCATION PROJECT APPLICATION

Please return to: Florida Department of Education Office of Grants Management Room 332 Turlington Building 325 West Gaines Street Tallahassee, Florida 32399-0400 Telephone: (850) 245-0496	A) Program Name: Strengthening Career and Technical Education for the 21st Century Act (Perkins V) Postsecondary, Section 132 Entitlement Fiscal Year 2020-2021 TAPS NUMBER: 21B005	DOE USE ONLY Date Received Project Number (DOE Assigned)
B) Name and Address of Eligible Applicant: Lake-Sumter State College 9501 US Hwy 441 Leesburg, FL 34788		
C) Total Funds Requested: \$ 333,242 <hr style="width: 20%; margin-left: 0;"/> DOE USE ONLY Total Approved Project: \$	D) Applicant Contact & Business Information	
	Contact Name: Amy Albee-Levine Fiscal Contact Name: Debra Hampton	Telephone Numbers: 352-435-6331
	Mailing Address: 9501 US Hwy 441 Leesburg, FL 34788	E-mail Addresses: albeelea@lssc.edu hamptond@lssc.edu
	Physical/Facility Address: Same as above	DUNS number: 135457997 FEIN number: 59-121013
CERTIFICATION I, <u>Stanley Sidor</u> , (<i>Please Type Name</i>) as the official who is authorized to legally bind the agency/organization, do hereby certify to the best of my knowledge and belief that all the information and attachments submitted in this application are true, complete and accurate, for the purposes, and objectives, set forth in the RFA or RFP and are consistent with the statement of general assurances and specific programmatic assurances for this project. I am aware that any false, fictitious or fraudulent information or the omission of any material fact may subject me to criminal, or administrative penalties for the false statement, false claims or otherwise. Furthermore, all applicable statutes, regulations, and procedures; administrative and programmatic requirements; and procedures for fiscal control and maintenance of records will be implemented to ensure proper accountability for the expenditure of funds on this project. All records necessary to substantiate these requirements will be available for review by appropriate state and federal staff. I further certify that all expenditures will be obligated on or after the effective date and prior to the termination date of the project. Disbursements will be reported only as appropriate to this project, and will not be used for matching funds on this or any special project, where prohibited. Further, I understand that it is the responsibility of the agency head to obtain from its governing body the authorization for the submission of this application.		
E) _____ Signature of Agency Head	 _____ President Title	 _____ Date



A) LAKE-SUMTER STATE COLLEGE

B) _____

Project Number: (DOE USE ONLY)

FLORIDA DEPARTMENT OF EDUCATION BUDGET NARRATIVE FORM

(1) FUNCTION	(2) OBJECT	(3) ACCOUNT TITLE AND NARRATIVE	(4) FTE POSITION	(5) AMOUNT
	530	Salaries: Coordinator, Associate in Science, Nursing program. Three months salary (July-August 2020) for program coordinator. Sec. 134: Local Application: 3B, 3C, 5A, 5B, 9, 6 Sec. 135: Uses of Funds : 4B	1.0	\$7,500
	592	Retirement: Coordinator, Associate in Science Nursing program (July-August 2020)		\$636
	591	Social Security: Coordinator, Associate in Science Nursing program (July-August 2020)		\$574
	645	Industry Certification Testing Vouchers: Funding to cover the cost of industry certification vouchers for students in the Engineering Technology, Health Information Technology, and Computer Information Technology programs. Sec. 134: Local Application: 4 Sec. 135: Uses of Funds : 2F		\$3,000
	665	Minor Technical Equipment: Equipment for the Engineering Technology, Electrical Distribution Technology, Computer Information Technology, Health Information Technology, and Nursing programs. Sec. 134: Local Application: 4, 5A, 5B Sec. 135: Uses of Funds : 4B, 5D		\$9,000
	655	Educational Materials and Supplies: Supplies will be purchased for CTE students in all certificate and AS degrees offered. Sec 134: Local Application: 4, 5A. 5B Sec. 135 Uses of Funds: 4B, 5D		\$6,266
	706	Capital Equipment : Equipment purchased at greater than \$1000 for students in AS and certificate programs. Sec 134: Local Application: 4 Sec. 135 Uses of Funds: 4B		\$6,266
C) TOTAL				\$33,242

Instructions Budget Narrative Form

This form should be completed based on the instructions outlined below, unless instructed otherwise in the Request for Proposal (RFP) or Request for Application (RFA).

A. Enter Name of Eligible Recipient.

B. (DOE USE ONLY)

COLUMN 1

FUNCTION: SCHOOL DISTRICTS ONLY:

Use the four digit function codes as required in the Financial and Program Cost Accounting and Reporting for Florida Schools Manual.

COLUMN 2

OBJECT: SCHOOL DISTRICTS:

Use the three digit object codes as required in the Financial and Program Cost Accounting and Reporting for Florida Schools Manual.

COMMUNITY COLLEGES:

Use the first three digits of the object codes listed in the Accounting Manual for Florida's Public Community Colleges.

UNIVERSITIES AND STATE AGENCIES:

Use the first three digits of the object codes listed in the Florida Accounting Information Resource Manual.

OTHER AGENCIES:

Use the object codes as required in the agency's expenditure chart of accounts.

COLUMN 3 - ALL APPLICANTS:

ACCOUNT TITLE: Use the account title that applies to the object code listed in accordance with the agency's accounting system.

NARRATIVE: Provide a detailed narrative for each object code listed. For example:

- **SALARIES** - describe the type(s) of positions requested. Use a separate line to describe each type of position.
- **OTHER PERSONAL SERVICES** – describe the type of service(s) and an estimated number of hours for each type of position. OPS is defined as compensation paid to persons, including substitute teachers not under contract, who are employed to provide temporary services to the program.
- **PROFESSIONAL/TECHNICAL SERVICES** - describe services rendered by personnel, other than agency personnel employees, who provide specialized skills and knowledge.
- **CONTRACTUAL SERVICES AND/OR INTER-AGENCY AGREEMENTS** - provide the agency name and description of the service(s) to be rendered.
- **TRAVEL** - provide a description of each type of travel to be supported with project funds, such as conference(s), in district or out of district, and out of state. Do not list individual names. List individual position(s) when travel funds are being requested to perform necessary activities.
- **CAPITAL OUTLAY** - provide the type of items/equipment to be purchased with project funds.
- **INDIRECT COST** - provide the percentage rate being used. Use the current approved rate. (Reference the DOE Green Book for additional guidance regarding indirect cost.)

COLUMN 4 – MUST BE COMPLETED FOR ALL SALARIES AND OTHER PERSONAL SERVICES.

FTE - Indicate the Full Time Equivalent (FTE based on the standard workweek for the type of position) number of positions to be funded. Determine FTE by dividing the standard number of weekly hours (e.g., 35 hours) for the type of position (e.g., teacher aide) into the actual work hours to be funded by the project.

COLUMN 5

AMOUNT - Provide the budget amount requested for each object code.



Lake Sumter
State College

OFFICE OF THE PRESIDENT

Present to the Board: September 23, 2020

TO: Lake-Sumter State College
District Board of Trustees

FROM: Stanley M. Sidor
President

RE: 9-08- Code of Ethics for Public Officers and Employees/Conflict of Interest

OVERVIEW:

Members of the Board of Trustees are governed by Ethics laws set forth in Part III, Ch. 112, Florida Statutes.

ANALYSIS:

Annually, the Board Attorney, Anita Geraci-Carver, conducts ethics training for board member. Attached is a disclosure form that each Lake-Sumter State College District Board of Trustee member is required to sign to document the completion of the training.

RECOMMENDATION:

It is recommended that the Board acknowledge and accept this item as written.



DISTRICT BOARD OF TRUSTEES OF LAKE SUMTER STATE COLLEGE: COMMITMENTS

As a member of the Board of Trustees of LSSC, I acknowledge I am governed by Ethics laws set forth in Part III, Ch. 112, Florida Statutes, and agree to be bound by such regulations. I agree that I am responsible for and will adhere to the following:

I. PROHIBITED ACTIONS OR CONDUCT

- A. Solicitation and Acceptance of Gifts - I will not solicit or accept anything of value, such as a gift, loan, reward, promise of future employment, favor, or service, that is based on an understanding that my vote, official action, or judgment will be influenced by such gift.
- B. Unauthorized Compensation – I will not accept any compensation, payment, or thing of value when I know, or with the exercise of reasonable care should know, that it is given to influence my vote or other official action.
- C. Misuse of Public Position – I will not corruptly use or attempt to use my position as a Trustee or College resources to obtain a special privilege or benefit for myself or others.
- D. Disclosure and Use of Certain Information – I will not disclose or use information not available to the public and obtained by reason of my position as a Trustee, for the benefit of myself or others.
- E. Solicitation or Acceptance of Honoraria – I will not solicit honoraria relating to my position and duties as a Trustee.

II. PROHIBITED EMPLOYMENT AND BUSINESS RELATIONSHIPS

- A. Doing Business with One’s Agency – Acting in my role as a Trustee, I will not purchase, rent, or lease any realty, goods, or services for the College from a business entity in which I, my spouse or child owns more than a 5% interest, unless a legal exception exists, and in such case, I agree to abide by any requirements associated with said exemption. Further, Acting in my private capacity, I will not rent, lease or sell any realty, goods, or services to the College, unless a legal exception exists, and in such case, I agree to abide by any requirements associated with said exemption.
- B. Conflicting Employment and Contractual Relationship – I will not hold any employment or contract with any business entity or agency regulated by or doing business with the College unless a legal exception exists, and in such case, I agree to abide by any requirements associated with said exemption. I will not hold any employment or have a contractual relationship that will pose a frequently recurring conflict between my private interests and duties as a Trustee or which will impede the full and faithful discharge of my duties as a Trustee unless a legal exception exists, and in such case, I agree to abide by any requirements associated with said exemption.

**DISTRICT BOARD OF TRUSTEES OF LAKE SUMTER STATE
COLLEGE: COMMITMENTS**

III. VOTING CONFLICTS OF INTEREST

I will not participate in any matter, including vote in any matter, which will inure to my special private gain or loss, or will inure to the special private gain or loss of any principal by whom I am retained, of the parent organization or subsidiary or sibling of a corporate principal by which I am retained, of a relative, or a of a business associate. I agree to publicly announce the nature of my interest before the vote and I will file a memorandum of voting conflict on Form 8B (Commission on Ethics Form) with the Board of Trustee’s meetings’ recording officer within 15 days after the vote.

IV. DISCLOSURES

- A. Form 1 – Limited Financial Disclosure – I agree to accurately complete Form 1 and file this disclosure by July 1 of each year, as well as within 30 days from the date of appointment, and within 60 days after I leave my position as Trustee.

- B. Form 9 – Quarterly Gift Disclosure - I agree to accurately complete Form 9 and file this disclosure with the Commission on Ethics on the last day of any calendar quarter following the calendar quarter in which I received a gift worth more than \$100, other than gifts from relatives, gifts prohibited from being accepted, gifts primarily associate with my business or employment, and gifts otherwise required to be disclosed.

Signature

Print Name

Date _____




Lake Sumter
State College

OFFICE OF THE PRESIDENT

Present to the Board: September 23, 2020

TO: Lake-Sumter State College
District Board of Trustees

FROM: Stanley M. Sidor 
President

RE: 9-09 Resolution for Lake County BOCC

OVERVIEW:

The College recently received a donation of two Ford F-150 trucks from Lake County Board of County Commissioners for the College's facilities department.

ANALYSIS:

In recognition of the generous donation from Lake County a resolution is being read into record and will be presented to them along with a plaque at an upcoming BOCC meeting.

RECOMMENDATION:

It is recommended that the board accept this item as written.



**DISTRICT BOARD OF TRUSTEES
RESOLUTION HONORING
LAKE COUNTY BOARD OF COUNTY COMMISSIONERS**

WHEREAS, the mission of the Lake-Sumter State College is to deliver student success through personal attention and flexible pathways leading to rewarding careers and higher wages; and

WHEREAS, one of the responsibilities of the District Board of Trustees is to build partnerships within the community further the mission of the College; and

WHEREAS, strong community partnerships are mutually beneficial relationships that allow for additional opportunities when funding sources for public colleges are limited; and

WHEREAS, Lake-Sumter State College is proud have a strong partnership with the Lake County to mutually advance our missions and enhance our communities;

WHEREAS, the College identified a need for service vehicles to support maintenance and facilities operations at the College's three campuses; and

WHEREAS, Jeff Cole of Lake County was instrumental in facilitating the donation of two Ford F-150 pickup trucks from their fleet; and

THEREFORE, BE IT RESOLVED THAT, the LSSC District Board of Trustees do hereby convey special recognition to Jeff Cole and Lake County Board of County Commissioners as Outstanding Community Partners for their generous support of Lake-Sumter State College.

Presented this 31st day of August, 2020.

Peter F. Wahl, Chairman, District Board of Trustees

Stanley M. Sidor, Ed.D., President




Lake Sumter
State College

OFFICE OF THE PRESIDENT

Present to the Board: September 23, 2020

TO: Lake-Sumter State College
District Board of Trustees

FROM: Stanley M. Sidor 
President

RE: 9-10 Review College Mission Statement

OVERVIEW:

In accordance with College Board Rule 2.01 and [Florida Statutes 1004.65]1001.64] The Lake-Sumter State College District Board of Trustees review the mission statement on a regular basis.

ANALYSIS: Current Mission Statement:

Lake-Sumter State College's mission is to deliver student success through personal attention and flexible pathways leading to rewarding careers and higher wages.

RECOMMENDATION:

It is recommended that the board acknowledge and accept the mission statement as written.



Lake Sumter
State College

OFFICE OF THE PRESIDENT

Present to the Board: September 23, 2020

TO: Lake-Sumter State College
District Board of Trustees

FROM: Stanley M. Sidor
President

RE: 9-11- Health Insurance Rates for 2021

OVERVIEW:

Per the Florida Statute 1001.64 (18) are required to take action on Human Resources personnel transactions including Employee Benefit packages, New Hires, Resignations, Retirements and Separations presented to the District Board of Trustees for approval.

ANALYSIS:

Attached is a recommendation for the 2021 employee benefits package.

RECOMMENDATION:

It is recommended that the Board approve this item as written.

Health Insurance Plan
Fiscal 2021
Recommendation

Assumptions:

- 1 Total employee enrollment in all Benefit plans offered will remain static, although there may be movement between health plans.
- 2 A premium increase of 5% for Florida Blue Plans has been factored into these recommendation.
- 3 Florida Blue implemented plan design changes in all plans by increasing deductibles, maximum out-of-pocket costs, and co-pays.
- 3 There is no premium increase to Ameritas Dental Insurance, VSP Vision Insurance, and the Standard Plans (Life, STD & LTD.)

Recommendations:

1 Drop Allstate Gap Insurance. The College first offered this plan in 2017 to all employees enrolled in either the Core or Preferred Plans at no cost for Employee only coverage.
This was intended to help employees by easing the shift to increased deductibles and co-pays mandated by ACA by reimbursing for certain covered out-of-pocket expenses.
Between 2017-2019, LSSC paid \$ 163,800 in total premiums to Allstate, but only \$ 62,000 was paid to employees in claims paid. The average annual premium paid by LSSC is \$ 54,600 and the average annual total claims paid is \$ 20,669.00. This low claim rate may be due to (a) lack of understanding/education by the employees; (b) lack of need; (c) submission of claims is a hassle for too little compensation

By eliminating the Allstate Gap Insurance, LSSC can apply the \$ 54,600 savings towards reducing the employee cost-share for Health Insurance plans in 2021.

- 2 Recommend offering an additional **Employee Paid Benefit: VSP Vision Premium Plan.** Provides additional choice for employees. LSSC will pay only that portion that it will pay towards Standard Employee Only VSP Vision.
- 3 **Florida Blue Premium & Core health insurance plans:** Communicate to employees that 2021 will be the last year that the College will offer the Premium Plan and Core Plan.
The Premium Plan is a grandfathered Plan that was initially intended to be eliminated per the terms of ACA. However, changes in the law allowed us to retain the plan.
Previous benefit strategies increased the employee cost for this plan to incentivize employees to move to one of the another plans offered. This strategy has worked. Currently only seven (7) employees are enrolled in each the Premium and the Core plans. In addition, the employee cost for the Premium Plan will increase in 2021, see below.
- 4 **Change Employee Cost Shares for each of the Florida Blue Plans.** Savings realized by eliminating the Allstate Gap Insurance and increasing the employee cost for the Premium Plan will allow the College to reduce the employee cost for the HSA and Preferred plans.
- 5 **HSA Plan:** To further incentivize enrollment in the HSA Plan, LSSC will contribute \$ 500 to each employee's plan, (\$750 for dependent coverage)

Conclusion:

- 1 The College has budgeted \$ 2,662,016.00 for health insurance for fiscal year 2021.
- 2 The College will realize an expense reduction(savings) of \$ 82,299.00 by accepting the above recommendations, allowing us t to offer a comprehensive benefit package to our employees.

	2020		Status Quo		Proposed	
	LSSC	Employees	LSSC	Employees	LSSC	Employees
Employee Only	2,396,856	3,696	2,517,468	3,888	2,517,468	3,888
Dependent	94,452	279,648	99,180	293,760	117,149	275,791
Total	2,491,308	283,344	2,616,648	297,648	2,634,617	279,679
				Eliminate GAP	(54,900)	
				Net	2,579,717	
Budget	2,662,016.00					

Benefits Summary and Recommendations

- ▶ Drop Allstate Gap insurance for \$54,600 savings
- ▶ Offer an additional VSP Vision Premium plan – employee paid except for portion paid by LSSC for VSP Standard
- ▶ 2021 will be final year for Core and Premium plans
- ▶ Reduce employee cost for HSA and Preferred plans
- ▶ To further incentivize HSA, LSSC contributes \$500 to each employee plan (\$750 for dependent coverage)
- ▶ Realize a savings of \$82,299 by accepting these recommendations, allowing employees continued comprehensive coverage
- ▶ VSP Vision rates will decrease (4.8%) and are guaranteed through 2025
- ▶ Dental, Standard Life and Disability rates will not change



Lake Sumter
State College

OFFICE OF THE PRESIDENT

Present to the Board: September 23, 2020

TO: Lake-Sumter State College
District Board of Trustees

FROM: Stanley M. Sidor
President

RE: 9-12 Scheduled Reports/President/Vice Presidents

OVERVIEW:

Each month the college President and Vice Presidents presents the Trustees with an updated report on Lake-Sumter State College business and events surrounding the college.

ANALYSIS:

The report contains information in reference to Legislative Updates, meetings, and other miscellaneous items.

RECOMMENDATION:

It is recommended that the Board acknowledge or accept this item as written.



Lake Sumter State College

Division of Business Affairs

Update for the President and Board of Trustees September 23, 2020

Dr. Heather Bigard, Executive Vice President

COVID-19

- Team Corona successfully led the LSSC pandemic response and opened the fall semester with predominantly online courses, remote student support services, socially distant office and classroom spaces, and new guidelines, protocols, and training to keep the campus community safe.
- As a result of the pandemic, the institution has leaped forward in online course delivery, remote student support and enrollment services, and the automation of several business processes. Next steps include the development of measurements to track and further refine these innovations and improvements.

ATHLETICS

Mike Matulia, Executive Director of Athletics

- “Return to Play” protocols and procedures are currently being followed and have been successful. Daily COVID-19 wellness checks are being performed electronically by all student-athletes, coaches and staff.
- Cross Country teams have begun competition, with both Men’s and Women’s teams being ranked in the top 20 in the first NJCAA Division II poll; Men’s team was ranked 6th and Women’s Team was 14th.
- All other sport teams have begun their 60-day fall practice schedules.

BUSINESS SERVICES

- *Melinda Barber, Associate Vice President of Business Affairs & Controller*
- Administered CARES funding of \$1,035,600 ins student support and \$355,000 in administrative costs as of September 15. Total award is \$2,419,641. \$1,153,190 must be awarded to students. New Tech award has help to identify more students to receive funds.
- Completed Foundation Audit.
- Collaborated with HR on benefits proposal that would offer some premium relief for employee with dependents.

CAMPUS SAFETY

Rebecca Nathanson, Director of Campus Safety

- Installation of new video recording equipment for existing video camera system, providing increased video storage of 30-90 days (from previous 7 days).
- 17 video cameras added or replaced to upgrade video capability; we now have video surveillance of the athletic field area; new equipment also provides much more efficient, user friendly interface for retrieval of footage.

FACILITIES

Rick Palmer, Executive Director of Facilities

- Job Search for a Licensed Journeyman Electrician continues.
- Started the process to obtain quotes for purchase and installation of replacement 250-Ton Chiller for South Lake Building-2 #2 Chiller.
- Awarded Leesburg Student Services Building 2nd Floor Air-Handler Replacement Project to Siemens. Once equipment has been received installation will be scheduled in such a manner to minimize disruption to occupants of that building.
- SL Science-Health Building first floor IT-Room HVAC Liebert HVAC System Install Project (Rack Unit) nearing completion.
- Met with Continuing Education and The Foundation this week to focus attention toward accelerating the kick-off of land-preparation and site-plans for the CDL Project on the Sumter Site.

FINANCIAL AID

Marta Ralowicz, Interim Director of Financial Aid

- Awarded and disbursed Tech Grant (paid from CARES Act) to 327 students.
- Awarded Financial Aid to 826 students for the 2020-2021 Academic Year.
- Processed disbursements (state and federal aid) for Fall, 2020.
- Presented at Lakehawk Preview Days on July 21, 2020.

HUMAN RESOURCES

Deb Snellen, Executive Director of Organizational Development

- Collaborated with Campus Safety, Student Development, and Marketing to update the COVID-19 Contact Tracing Process.
- Implemented weekly Employee COVID-19 Work Accommodations Report.
- Processed 19 employee COVID-19 Work Accommodation requests and three employee ADA Accommodation requests.
- Coordinated and scheduled Conversations in Inclusiveness student and employee workshops to launch the Lakehawk Leadership Academy in late September/October.
- Planning a Virtual Benefits Fair in October prior to open enrollment.
- Reviewing recruiting process to be more efficient and effective.
- Reviewing administrative procedures for needed updates.

INFORMATION TECHNOLOGY

Nick Kemp, Interim Chief Information Officer

- Implemented Signal Vine for Admissions.
- API for Canvas Faculty Sites.
- Engagement platform Presence implemented.
- Oracle Self-Audit completed by Enterprise Systems Office.
- Canvas – COVID-19 Return to Campus for Student/Faculty/Staff.
- Phishing Alert add-in button added to both Outlook and Outlook Web Access.
- New 500mb internet connection is now up and running at the Sumter campus.
- Programmatically updated Fall courses to distance learning and ensured all fees processed appropriately. Saved multiple departments hours of manual updates and safeguarded against incidental data entry errors.
- Resolved certificate trust issues on ADFS servers that directly affected Single Sign-On.
- Completed annual IT equipment inventory.
- Expanded on process to capture Continuing Ed students in order to upload into Canvas. This will allow Continuing Ed to utilize Canvas when needed.
- Successfully completed the process of loading electronic transcripts into Banner.
- Process created to send automated e-mails to Financial Aid and Admissions/Veterans.
- Completed multiple data requests contributing towards SACSCOC.
- Assembled 4 new smartboards and stands for SGA and eLearning.
- Coordinated with PIIR, HR and Admissions to resubmit our entire years’ worth of data for State Reporting.
- Dave Phillips completed 2 MIT Sloan courses, Visual Management for Competitive Advantage: MIT’s Approach to Efficient and Agile Work and Management Analytics: Decision-Making Lessons from the Sports Industry.
- Mathew Burke received his Network + certification.

PROCESS IMPROVEMENT & INSTITUTIONAL RESEARCH and COMPLIANCE

Sandy Litton, Director

- Completed and compiled a Distance Learning Survey for the Council of Presidents.
- Developed a college-wide weekly metric dashboard/report.
- Completed 2021 FTE Projections.
- Complied data usage for commonly used Workflows.

Workflow	Completed Cases as of 9/2	Workflow Launch Date
Dual Enrollment Application	592	6/16/2020
Florida Residency	580	8/10/2020
VA Schedule Approval	87	6/9/2020
Veteran's 60-day Tuition Deferment	57	6/9/2020
Change of Program	47	4/20/2020
Course Substitution	46	4/20/2020

- Academic Assessment - August saw the maturation of our new SLO process that has been three years in development. Faculty met as many as four times during the first week back from Summer. These meetings consisted of scoring common assessments, followed by course-level, discipline-level, outcome-level discussions of the data. These discussions allowed faculty to discuss the ramifications of the data and make instructional decisions to further increase the success of our students. All discussions occurred with support from administrators, and the Outcome-level discussions involved all faculty, across disciplines and degree programs. The result is impressive data, process, and decision-making to show SACSCOC in the Focused Report, and their visit with us next month. We also have about 90% of our SLO work for the entire school year done in that one week.

STRATEGIC INNOVATION AND DIGITAL EDUCATION

Michael J. Nathanson, Executive Director

- Assisted instructors with beginning of the semester issues (Zoom, Kaltura video needs, organizing content appropriately, etc.)
- Created a new CDS shell for Mark Duslak, Anne Alcorn, and others. Assisted with importing content, arranging/organizing, loading students and publishing.
- Assisted Latisha McCray with her new HSCA college prep shell.
- Assisted IT and Academic Affairs to pull outcome reports for Public Speaking courses.
- Developed training suggestion for students, staff and faculty and presented training at faculty meetings.
- Continue researching/exploring Rubric options for the QEP committee.
- Assisted the nursing department with syncing enrollments and courses with Examsoft.
- Honorlock Training continues.



**Enrollment & Student Affairs
Update for the President and the District Board of Trustees
September 2020
Dr. Claire L. Brady, Vice President Enrollment & Student Affairs**

ACADEMIC ADVISING

Jen Manson, Assistant Director Student Development- Advising

- Recorded 2,878 total advising contacts in July/August through all modalities.
- Recorded 250 contacts in “Ask Us Anything” online support in July/August.
- Conducted interventions with 113 students on “Academic Warning” this summer semester.

ADMISSIONS & RECORDS

Jenni Kotowski, Executive Enrollment Management & Caitlin Moore, Registrar

- Mailed 600 Graduation Celebration boxes to spring graduates.
- Awarded 227 degrees and academic certificates for summer.
- Evaluated 572 post-secondary transcripts for the fall semester.
- Launched a “Spring Headstart” marketing campaign for fall late-start courses.
- Late-start classes will continue enrolling students through mid-October.

Fall 2020 Enrollment (as of 9/4/20)	Total #	% Annual Change	Total # Difference
Overall Headcount	4,810	-8%	418
Overall FTE	1,437	-6%	280
Fee-paying headcount	3,465	-9%	375
Fee-paying FTE	1,063	-8%	96
Non-fee paying headcount	1,351	-3%	48
Non-fee paying FTE	374	-2%	7

CAREER DEVELOPMENT SERVICES

Anne Alcorn & Kairise Conwell, Career Advisors

- Facilitated nine (9) Virtual Chat sessions to connect Engineering Technology students to engineers and relay technicians from Duke Energy, PowerGrid, and Tampa Armature Works.
- Created and launched a separate Career Development Services Canvas shell for all students.
- Created new resume module in Canvas for BAS-Strategic Leadership program.

DEAN OF STUDENTS

Carolyn Scott, Dean of Students

- Provided laptops to 25 students through the Laptop Loaner Program in July/August.
- Provided Emergency Dean wrap-around support to 31 students in July/August.
- Eight students completed the COVID-19 Exposure Reporting Form 7/01-9/04/20.

- 70% of our students have completed the COVID-19 training (as of 9/04).
- Chaired the Student Experience workgroup of Team Corona: created Student Guidelines for returning to campus, drafted the student content of the Pandemic Policy, and created the Covid-19 Student Training.

EDUCATIONAL OPPORTUNITY PROGRAMS

Dr. Roland Nuñez, Director Educational Opportunity Programs

- Upward Bound completed a 5-week summer program that transitioned completely online, with 35 students in attendance.
- Talent Search completed a virtual summer program with over 60 students in attendance.
- Upward Bound and Talent Search both received US DOE continuation awards, guaranteeing funding for another fiscal year.
- Four Upward Bound graduates enrolled at LSSC for fall, including one student who was accepted into the Honors program.
- EOP adopted a new, fully virtual tutoring program in collaboration with Tutor.com, providing 24/7 access to high school academic tutoring.

LAKE COUNTY SCHOOLS/LSSC PARTNERSHIP

Dr. Rhonda Boone, LCS Administrator on Special Assignment

- Dr. Boone began her new role as an Administrator on Special Assignment in mid-July.
- Dr. Boone will promote student access and achievement, focusing on: Dual Enrollment, FTIC recruiting, connecting school-based staff and LSSC programs, implementing automation between LCS and LSSC, and promoting collaborations.

STUDENT DEVELOPMENT & NEW STUDENT ORIENTATION

Mark Duslak, Associate Dean of Students

- New initiative “Ask Us Anything” online student support was extraordinarily successful. Over 1,250 students participated in this service in July/August.
- Processed 17 student administrative appeals since 07/01/20.
- Selected to serve an additional term on the editorial board of the *NACADA Review: Academic Advising Praxis and Perspectives*.

STUDENT ACCESSIBILITY SERVICES (SA)

Alicia Hall, Assistant Direct Student Development- SAS

- Conducted a phone coaching campaign to all enrolled SAS-registered students to transition them into online learning and services.
- Hosted a fall Virtual Open House for students, faculty, and staff.
- Processed 91 student requests for accommodations and 27 new student intakes for fall (as of 9/04/20).
- Launched a coaching program for students with challenges in executive functioning skills.
- SAS Assistant Director Alicia Hall was appointed as the Community Outreach Coordinator for the Florida AHEAD Regional Consortium.

STUDENT LIFE

Jenn Unterbrink, Director Student Life

- Launched a new online student engagement platform “LSSC Student Experience.”

- Launched Year 2 of Lakehawk Leadership Series & the National Society of Leadership and Success.
- Hosted a college-wide virtual “Welcome Back Bash” using the EventHub platform.
- Student Government Association (SGA) passed their FY21 Student Activities Fee Budget. In addition to existing clubs, two new clubs were approved for standing budgets (PRISM & Student Performing Arts).

SUMTER CENTER

Kelly Hickmon, Assistant Dean of Students

- Received 79 applications for the AAS Electrical Distribution Technology degree and certificates; 30 of those enrolled for fall.
- Received 64 applications for the AS Engineering Technology degree and certificate; 31 of those enrolled for fall.
- Sumter Center Student Government Association (SGA) has 2 returning officers and are recruiting new student leaders.

ESA STAFFING UPDATES & ACCOMPLISHMENTS

- We are sad to share that Mark Hasty, our Veteran & International student Coordinator, passed away in early August. He is deeply missed. We are in discussions with his family to establish a Veterans scholarship in his honor.
- Associate Dean of Students Mark Duslak is an author of an upcoming publication in the December 2020 issue of the NACADA Journal. The title of the manuscript is *Administrator Perceptions of Academic Advisor Tasks*. The NACADA journal is the premier scholarly publication for the field of academic advising.
- EOP Director Dr. Roland Nuñez published an article in the peer-reviewed Journal of Technology and Higher Education in August 2020 titled *Development and Assessment Strategies of Educational Entertainment Media for Learner-Centered Instruction in Higher Education*.

DR. CLAIRE BRADY, VICE PRESIDENT ENROLLMENT & STUDENT AFFAIRS

- Selected to serve on the 15-member nationwide NASPA “Future of Student Affairs” Taskforce, one of two community college representatives from across the US.
- Facilitating a division staff book club on Ibram Kendi’s “How to be an Anti-Racist”.
- Began annual term as Chair-Elect of the Florida Council of Student Affairs (CSA).
- Published a blog for NASPA on “Leading in the time of COVID-19” (<https://naspa.org/blog>)



Lake Sumter State College

OFFICE OF THE PRESIDENT

Present to the Board: September 23, 2020

TO: Lake-Sumter State College
District Board of Trustees

FROM: Stanley M. Sidor
President

RE: 9-13 Committee Reports

OVERVIEW:

The District Board of Trustees serve on Committees that address different areas of the college. Currently, there are six committees: Executive Committee, Facilities Committee, Strategic Planning Committee, Sumter Partnership, Technology Committee, and the Nominating Committee.

ANALYSIS:

The Board Chairman will appoint each Trustees to a committee and select a chair person for each one. Once a meeting has occurred the chair of each committee will update the full Trustee Board at the monthly DBOT meeting.

RECOMMENDATION:

It is recommended that the Board acknowledge or accept this item as written.

**LAKE-SUMTER STATE COLLEGE
EXECUTIVE COMMITTEE MEETING OF
THE DISTRICT BOARD OF TRUSTEES
SEPTEMBER 15, 2020**

Attendees: Mr. Pete Wahl (Chair), Dr. Stan Sidor (President), Dr. Heather Bigard (Vice President, Administrative and Financial Services), and Anita Geraci-Carver (College Attorney)

Agenda Review

Mr. Wahl reviewed the September agenda and announced a presentation on Advancement in Automation.

Anita Geraci Carver will do the annual Code of Ethics Training. The remaining information items are as follows:

- Resolution for Lake County for Truck Donations
- Review of the Mission Statement
- Health Insurance Rate Renewal

Consent agenda includes July minutes, Human Resources transactions, monthly Fiscal Report, Facilities, Purchases, and the Perkins Grant Application

Dr. Sidor will report on discussion with Academica about educational and facility related partnerships. He also announced that the Facilities Committee will meet on September 16 to discuss Leesburg and South Lake facilities, the CDL program, and the East Lake property donation.

- New Business
 - Annual Financial Report DRAFT
 - Board Committee Assignment
 - President's Evaluation
 - Extended Thanksgiving Holiday for Faculty

**Next Executive Committee Meeting:
October 6, 2020
8:30 a.m., SSB 210, Room 207**



Lake Sumter
State College

OFFICE OF THE PRESIDENT

Present to the Board: September 23, 2020

TO: Lake-Sumter State College
District Board of Trustees

FROM: Stanley M. Sidor
President

RE: 9-14 – Board Attorney Report

OVERVIEW:

Each month the college attorney Anita Geraci-Carver presents the District Board of Trustees with an updated report on any legal matters on behalf of Lake-Sumter State College.

ANALYSIS:

The report contains information in reference to legal matters, and other miscellaneous items.

RECOMMENDATION:

It is recommended that the Board acknowledge or accept this item as written.



September 14, 2020

District Board of Trustees for
Lake-Sumter State College
9501 U.S. Highway 441
Leesburg, Florida 34474

Re: Board Attorney Report for September 23, 2020

Dear Trustees:

Below is an update on several matters of interest to the Board.

Karen Parker v. Lake-Sumter State College and Leadership Lake County, Inc., Lake County Case No. 2019-CA-001641. Ms. Parker alleges the College was negligent surrounding an alleged incident on August 18, 2016 where Ms. Parker claims she was injured when she tripped and fell while attending an event on the Leesburg campus. On May 13, 2020 Plaintiff's attorney filed a Notice That Cause is at Issue and requested a 5 day jury trial. In early August, 2020 Plaintiff and Leadership Lake County, Inc. each had attorney's enter a notice of appearance in the case so new attorneys are involved. Additionally, Plaintiff's attorney requested leave to amend the complaint which was granted. On September 1, 2020, the College filed an answer and affirmative defenses to Plaintiff's amended complaint.

OCR Case Nos. 04-17-2349 & 04-18-2164. The OCR investigations into the student's complaints remains pending. The College's last communication with the former student was in the fall of 2018. On May 12, 2020 OCR contacted the College to discuss scheduling interviews. Due to COVID-19 and employees working remotely, interviews have not yet been scheduled.

United Faculty of Florida-Lake Sumter State College (full-time teaching faculty). Negotiations are scheduled to take place at 2:00 PM on September 21, 2020 at the Sumter Campus.

Service Employees International Union (SEIU) Florida Public Services Union (FPSU) (Part Time Adjunct Instructors). Nothing to report at this time.

If you have any questions, please feel free to call me. I look forward to seeing you at the Board meeting.

Lake Sumter State College
September 14, 2020
Page 2 of 2

Respectfully submitted,



Anita Geraci-Carver

cc: Dr. Sidor, President
Dr. Bigard, Vice-President





Lake Sumter
State College

OFFICE OF THE PRESIDENT

Present to the Board: September 23, 2020

TO: Lake-Sumter State College
District Board of Trustees

FROM: Stanley M. Sidor
President

RE: 9-15 - 2019-2020 Annual Financial Report-Unaudited

OVERVIEW:

Each year, the College prepares and submits an Annual Financial Report (AFR) to the State of Florida. The report includes both a narrative and consolidated summary of the institution's and direct support organization's financial activity.

ANALYSIS:

College's financial position decreased \$3 million, or 3.7% from last year mostly due to the increase in long-term liabilities related to pension and other post-employment benefits (OPEB) and the decrease in capital assets due to depreciation. Operating Revenue increased slightly (\$73 thousand). Non-Operation Revenue increased moderately (\$626 thousand) mostly due to Federal CARES funding. Operating Expenses increased \$2.6 million or 7.3% due to increases in pension liabilities, and facility repairs and improvements. Other Revenues decreased from last year due to the fact that the state has not provided Capital Appropriations. A consolidated statement can be found on page 4 of the AFR. The unrestricted fund balance is 5.05% of available funds, just at the 5% minimum requirement.

RECOMMENDATION:

It is recommended that the Board acknowledge or accept this item as written.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's discussion and analysis (MD&A) provides an overview of the financial position and activities of the College for the fiscal year ended June 30, 2020, and should be read in conjunction with the financial statements and notes thereto. The MD&A, and financial statements and notes thereto, are the responsibility of College management. The MD&A contains financial activity of the College for the fiscal years ended June 30, 2020, and June 30, 2019.

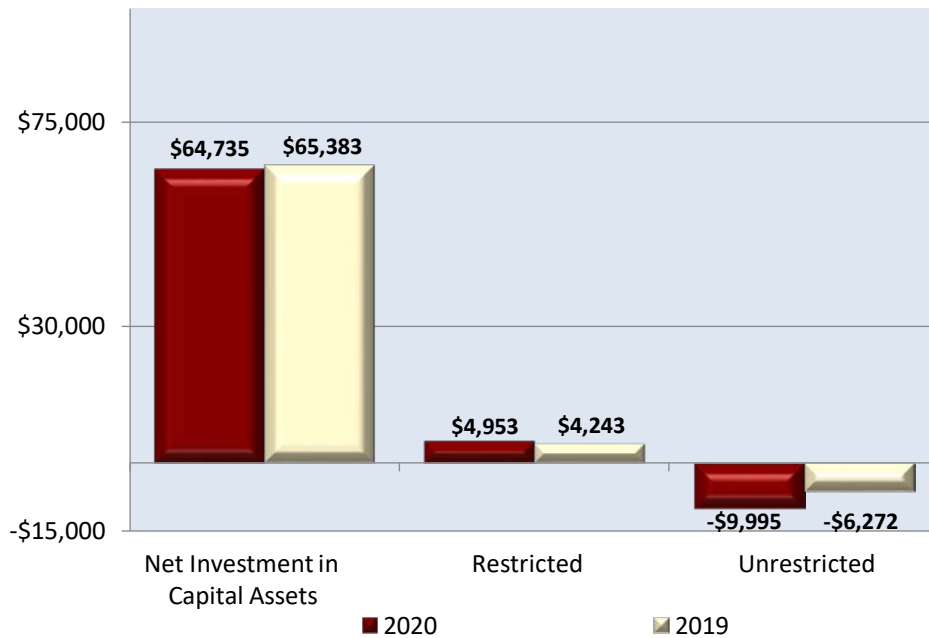
FINANCIAL HIGHLIGHTS

The College's assets and deferred outflows of resources totaled \$78.2 million at June 30, 2020. This balance reflects a \$3.0 million, or 3.7 percent, decrease as compared to the 2018-19 fiscal year, resulting from a decrease in Deferred Outflows of Resources related to pensions, a decrease in Depreciable Capital Assets and decrease in Cash and Cash Equivalents. While assets and deferred outflows of resources decreased, liabilities and deferred inflows of resources increased by \$0.7 million, or 3.8 percent, totaling \$18.5 million at June 30, 2020, due to an increase in pension liabilities. As a result, the College's net position decreased by \$3.7 million, resulting in a year-end balance of \$59.7 million.

The College's operating revenues totaled \$9.1 million for the 2019-20 fiscal year, representing a 0.8 percent increase compared to the 2018-19 fiscal year due mainly to a slight increase in. Operating expenses totaled \$38.4 million for the 2019-20 fiscal year, representing an increase of 7.3 percent as compared to the 2018-19 fiscal year due mainly to an increase in Personnel Services related to benefits and Contractual Services.

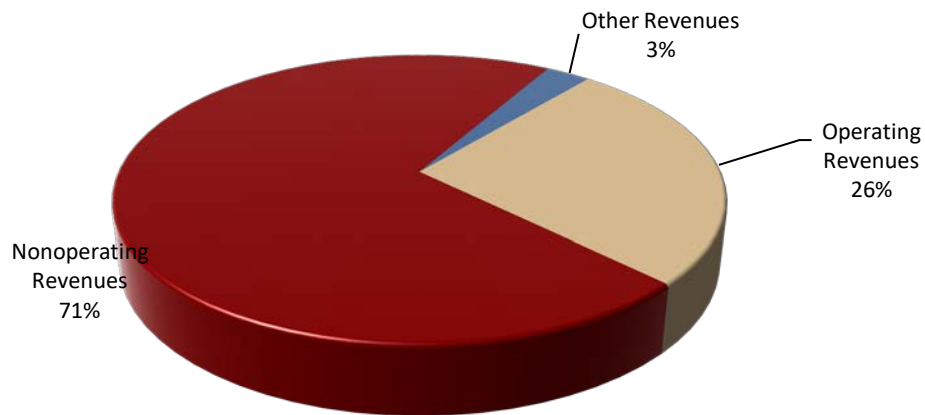
Net position for June 30, 2020, and June 30, 2019, is \$59,692,794 and \$63,353,748. Net position represents the residual interest in the College's assets and deferred outflows of resources after deducting liabilities and deferred inflows of resources. The College's comparative total net position by category for the fiscal years ended June 30, 2020, and June 30, 2019, is shown in the following graph:

**Net Position
(In Thousands)**



The following chart provides a graphical presentation of College revenues by category for the 2019-20 fiscal year:

**Total Revenues
2019-20 Fiscal Year**



OVERVIEW OF FINANCIAL STATEMENTS

Pursuant to Governmental Accounting Standards Board (GASB) Statement No. 35, the College’s financial report consists of three basic financial statements: the statement of net position; the statement of revenues, expenses, and changes in net position; and the statement of cash flows. The financial statements, and notes thereto, encompass the College and its component units. These component units include:

- Lake-Sumter State College (Primary Institution) – Most of the programs and services generally associated with the College fall into this category, including instruction, public service, and support services.
- Lake-Sumter State College Foundation, Inc. (Component Unit) – A legally separate 501(c)(3) entity, this component unit is a direct-support organization that the College is financially accountable for, as the College reports its financial activities to the State of Florida.

This MD&A focuses on the College, excluding the discretely presented component unit(s). For those component units reporting under GASB standards, MD&A information is included in their separately issued audit reports.

The Statement of Net Position

The statement of net position reflects the assets, deferred outflows of resources, liabilities, and deferred inflows of resources of the College, using the accrual basis of accounting, and presents the financial position of the College at a specified time. Assets, plus deferred outflows of resources, less liabilities, less deferred inflows of resources, equals net position, which is one indicator of the College’s current financial condition. The changes in net position that occur over time indicate improvement or deterioration in the College’s financial condition.

The following summarizes the College’s assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position at June 30:

Condensed Statement of Net Position at June 30

(In Thousands)

	2020	2019
Assets		
Current Assets	\$ 5,348	\$ 6,863
Capital Assets, Net	64,735	65,389
Other Noncurrent Assets	<u>4,436</u>	<u>3,556</u>
Total Assets	<u>74,519</u>	<u>75,808</u>
Deferred Outflows of Resources	<u>3,647</u>	<u>5,348</u>
Liabilities		
Current Liabilities	2,013	2,410
Noncurrent Liabilities	<u>14,812</u>	<u>13,831</u>
Total Liabilities	<u>16,825</u>	<u>16,241</u>
Deferred Inflows of Resources	<u>1,648</u>	<u>1,561</u>
Net Position		
Net Investment in Capital Assets	64,735	65,383
Restricted	5,028	4,243
Unrestricted	<u>(9,920)</u>	<u>(6,272)</u>
Total Net Position	<u>\$ 59,843</u>	<u>\$ 63,354</u>

The decrease in net position is attributable to the decrease in net capital assets due to depreciation and the net change in deferred outflows and deferred inflows of resources.

The Statement of Revenues, Expenses, and Changes in Net Position

The statement of revenues, expenses, and changes in net position presents the College's revenue and expense activity, categorized as operating and nonoperating. Revenues and expenses are recognized when earned or incurred, regardless of when cash is received or paid.

The following summarizes the College's activity for the 2019-20 and 2018-19 fiscal years:

**Condensed Statement of Revenues, Expenses, and Changes in Net Position
For the Fiscal Years**

(In Thousands)

	2019-20	2018-19
Operating Revenues	\$ 9,101	\$ 9,028
Less, Operating Expenses	38,400	35,780
Operating Income (Loss)	(29,299)	(26,752)
Net Nonoperating Revenues	24,664	23,314
Income (Loss) Before Other Revenues, Expenses, Gains, or Losses	(4,635)	(3,438)
Other Revenues, Expenses, Gains, or Losses	973	1,231
Net Increase (Decrease) In Net Position	(3,662)	(2,207)
Net Position, Beginning of Year	63,354	65,561
Net Position, End of Year	\$ 59,692	\$ 63,354

Operating Revenues

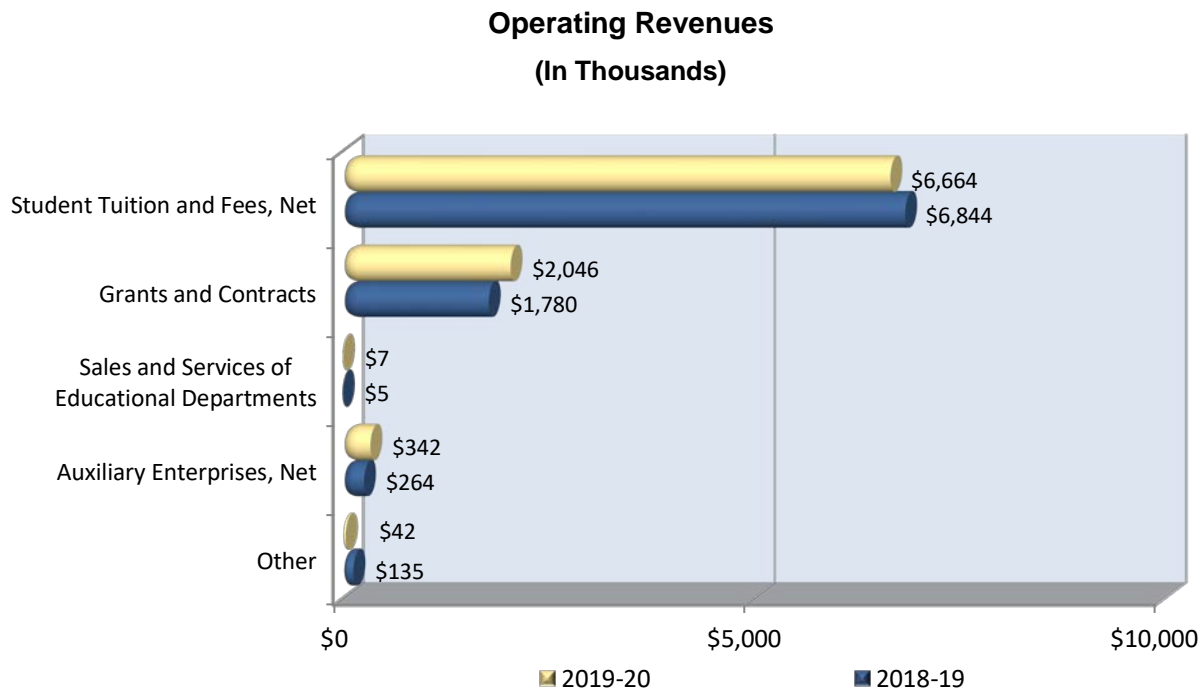
GASB Statement No. 35 categorizes revenues as either operating or nonoperating. Operating revenues generally result from exchange transactions where each of the parties to the transaction either gives or receives something of equal or similar value.

The following summarizes the operating revenues by source that were used to fund operating activities for the 2019-20 and 2018-19 fiscal years:

**Operating Revenues
For the Fiscal Years
(In Thousands)**

	<u>2019-20</u>	<u>2018-19</u>
Student Tuition and Fees, Net	\$ 6,664	\$ 6,844
Grants and Contracts	2,046	1,780
Sales and Services of Educational Departments	7	5
Auxiliary Enterprises, Net	342	264
Other	42	135
Total Operating Revenues	<u>\$ 9,101</u>	<u>\$ 9,028</u>

The following chart presents the College's operating revenues for the 2019-20 and 2018-19 fiscal years:



College operating revenue remained mostly unchanged from the prior year. A slight decrease in Student Tuition and fees is off-set by an increase in Grants and Contracts reflecting the enrollment increase in the HSCA program.

Operating Expenses

Expenses are categorized as operating or nonoperating. The majority of the College's expenses are operating expenses as defined by GASB Statement No. 35. GASB gives financial reporting entities the choice of reporting operating expenses in the functional or natural classifications. The College has chosen to report the expenses in their natural classification on the statement of revenues, expenses, and changes in net position and has displayed the functional classification in the notes to financial statements.

The following summarizes operating expenses by natural classification for the 2019-20 and 2018-19 fiscal years:

Operating Expenses For the Fiscal Years

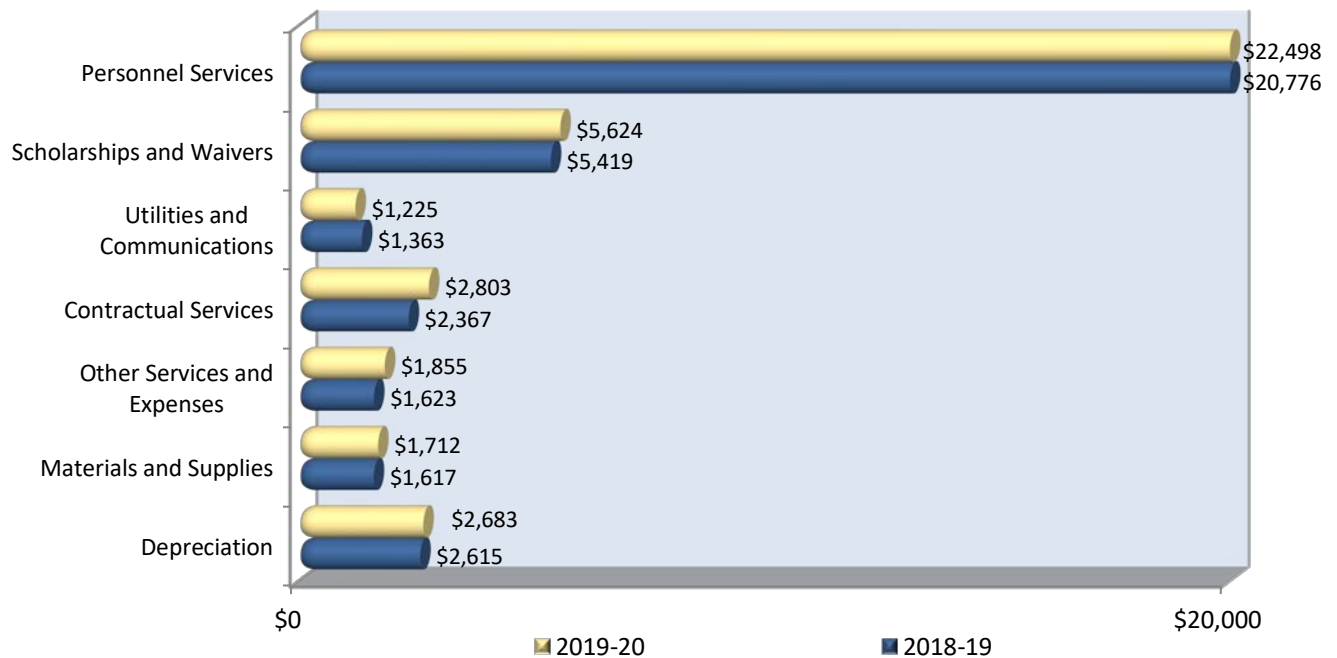
(In Thousands)

	2019-20	2018-19
Personnel Services	\$ 22,498	\$ 20,776
Scholarships and Waivers	5,624	5,419
Utilities and Communications	1,225	1,363
Contractual Services	2,803	2,367
Other Services and Expenses	1,855	1,623
Materials and Supplies	1,712	1,617
Depreciation	2,683	2,615
Total Operating Expenses	\$ 38,400	\$ 35,780

The following chart presents the College's operating expenses for the 2019-20 and 2018-19 fiscal years:

Operating Expenses

(In Thousands)



College operating expense changes were the result of the following factors: College operating expense changes were the result of increases in Personnel Services due to the increase in pension liabilities and Contractual Services due to a facility repairs and improvements.

Nonoperating Revenues and Expenses

Certain revenue sources that the College relies on to provide funding for operations, including State noncapital appropriations, Federal and State student financial aid, certain gifts and grants, and investment income, are defined by GASB as nonoperating. Nonoperating expenses include capital

financing costs and other costs related to capital assets. The following summarizes the College's nonoperating revenues and expenses for the 2019-20 and 2018-19 fiscal years:

**Nonoperating Revenues (Expenses)
For the Fiscal Years**

(In Thousands)

	2019-20	2018-19
State Noncapital Appropriations	\$ 14,891	\$ 14,714
Federal and State Student Financial Aid	7,265	6,993
Gifts and Grants	2,371	1,605
Investment Income (Loss)	137	2
Net Nonoperating Revenues	\$ 24,664	\$ 23,314

Nonoperating revenues increased as a result of CARES funding.

Other Revenues, Expenses, Gains, or Losses

This category is (mainly) composed of State capital appropriations and capital grants, contracts, gifts, and fees. The following summarizes the College's other revenues, expenses, gains, or losses for the 2019-20 and 2018-19 fiscal years:

**Other Revenues, Expenses, Gains, or Losses
For the Fiscal Years**

(In Thousands)

	2019-20	2018-19
State Capital Appropriations	\$ 131	\$ 488
Capital Grants, Contracts, Gifts, and Fees	842	743
Other Revenues (Expenses)	-	-
Total	\$ 973	\$ 1,231

Other revenues showed a decrease due to a decline in State Capital Appropriations.

The Statement of Cash Flows

The statement of cash flows provides information about the College's financial results by reporting the major sources and uses of cash and cash equivalents. This statement will assist in evaluating the College's ability to generate net cash flows, its ability to meet its financial obligations as they come due, and its need for external financing. Cash flows from operating activities show the net cash used by the operating activities of the College. Cash flows from capital financing activities include all plant funds and related long-term debt activities. Cash flows from investing activities show the net source and use of cash related to purchasing or selling investments, and earning income on those investments. Cash flows from noncapital financing activities include those activities not covered in other sections.

The following summarizes the College's cash flows for the 2019-20 and 2018-19 fiscal years:

**Condensed Statement of Cash Flows
For the Fiscal Years
(In Thousands)**

	2019-20	2018-19
Cash Provided (Used) by:		
Operating Activities	\$(24,480)	\$(22,512)
Noncapital Financing Activities	24,337	23,313
Capital and Related Financing Activities	(1,035)	1,102
Investing Activities	130	2
Net Increase (Decrease) in Cash and Cash Equivalents	(1,048)	1,905
Cash and Cash Equivalents, Beginning of Year	8,863	6,963
Cash and Cash Equivalents, End of Year	\$ 7,815	\$ 8,868

Major sources of funds came from State noncapital appropriations (\$14.9 million), Federal and State Student Financial Aid (\$7.1 million), Federal Direct Student Loan program receipts (\$2.4 million), net student tuition and fees (\$6.3 million), grants and contracts (\$1.8 million). Major uses of funds were for payments to employees and for employee benefits (\$20.0 million), disbursements to students for Federal Direct Student Loans (\$2.4 million), and to providers of goods and services (\$6.1 million).

Changes in cash and cash equivalents were the result of an overall decrease in operating revenue and an increase in capital expenditures.

**CAPITAL ASSETS, CAPITAL EXPENSES AND COMMITMENTS,
AND DEBT ADMINISTRATION**

Capital Assets

At June 30, 2020, the College had \$105.2 million in capital assets, less accumulated depreciation of \$40.5 million, for net capital assets of \$58.0 million. Depreciation charges for the current fiscal year totaled \$2.5 million. The following table summarizes the College's capital assets, net of accumulated depreciation, at June 30:

**Capital Assets, Net at June 30
(In Thousands)**

	2020	2019
Land	\$ 6,515	\$ 6,515
Construction in Progress	231	159
Buildings	55,687	57,091
Other Structures and Improvements	1,486	625
Furniture, Machinery, and Equipment	816	999
Assets Under Capital Lease(s)	-	-
Capital Assets, Net	\$ 64,735	\$65,389

Additional information about the College's capital assets is presented in the notes to financial statements.

Debt Administration

As of June 30, 2019, the College had retired all its State Board of Education capital outlay bonds outstanding, representing a decrease of \$6,000 from the prior fiscal year. Additional information about the College's long-term debt is presented in the notes to financial statements.

ECONOMIC FACTORS THAT WILL AFFECT THE FUTURE

For the 2020-21 fiscal year, the College did receive a \$573 thousand or 4% increase in overall State funding for operations. However, since the College's economic condition is closely tied to that of the State of Florida and given the negative economic growth linked to the Coronavirus pandemic, a decrease in State funding is anticipated. The College was recently informed by the Florida College System Chancellor's office that the Governor has authorized a holdback of operating appropriations which equates to a six percent holdback of program funds, student success incentive performance funds, and industry certifications. The College's 2020-21 budget was prepared with an adequate amount of reserves to cover this potential decrease in State funding. Other than State appropriations, the College receives the majority of its other operating funds from student tuition and fees. While the fiscal year 20-21 budget was based upon a flat enrollment level as compared to the prior fiscal year, the Coronavirus pandemic is expected to affect those enrollment levels. Despite the expected revenue reductions from the State and potential enrollment level declines, the College has adequate reserves coupled with budgetary reduction plans to help cover pandemic-related economic issues. Additionally, the College was awarded \$2.4 million in Federal CARES Act funds which will continue to assist students in the form of emergency grant aid and also assist in enhancing online learning initiatives, cover certain technology needs, and address safety issues resulting from the pandemic so that all campuses can reopen safely for students and staff. Board of Trustees increased the capital improvement fee portion of the tuition rate 1.8% percent to take effect beginning with the Fall 2020 term. The College's current financial and capital plans indicate that the infusion of additional financial resources from an increase in tuition rates will be necessary to maintain its present level of services.

REQUESTS FOR INFORMATION

Questions concerning information provided in the MD&A or other required supplementary information, and financial statements and notes thereto, or requests for additional financial information should be addressed to Dr. Heather Bigard, Executive Vice President, Chief Financial and Operation Officer, Lake-Sumter State College, 9501 US Hwy 441, Leesburg, Florida 34788.

BASIC FINANCIAL STATEMENTS

LAKE-SUMTER STATE COLLEGE A Component Unit of the State of Florida Statement of Net Position

June 30, 2020

	College	Component Unit(s)
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$ 3,308,512	\$ 1,872,532
Restricted Cash and Cash Equivalents	72,526	-
Investments		12,606,438
Accounts Receivable, Net	774,495	23,201
Due from Other Governmental Agencies	795,084	-
Due from Component Unit(s)/College	53,625	-
Prepaid Expenses	343,632	11,500
Total Current Assets	5,347,874	14,513,671
Noncurrent Assets:		
Restricted Cash and Cash Equivalents	4,433,709	-
Restricted Investments	-	6,679,694
Depreciable Capital Assets, Net	57,989,302	-
Nondepreciable Capital Assets	6,745,696	-
Other Assets	2,396	-
Total Noncurrent Assets	69,171,103	6,679,694
TOTAL ASSETS	74,518,977	21,193,365
DEFERRED OUTFLOWS OF RESOURCES		
Other Postemployment Benefits	17,160	-
Pensions	3,630,227	-
Irrevocable Split-Interest Agreements		1,168,761
TOTAL DEFERRED OUTFLOWS OF RESOURCES	3,647,387	1,168,761
LIABILITIES		
Current Liabilities:		
Accounts Payable	413,863	52,042
Salary and Payroll Taxes Payable	966,878	-
Due to Other Governmental Agencies	133,971	946
Unearned Revenue	20,253	73,272
Deposits Held for Others	142,373	-
Long-Term Liabilities - Current Portion:		
Compensated Absences Payable	249,281	-
Other Postemployment Benefits Payable	17,160	-
Net Pension Liability	68,870	-
Total Current Liabilities	2,012,649	126,260

	<u>College</u>	<u>Component Unit(s)</u>
LIABILITIES (Continued)		
Noncurrent Liabilities:		
Compensated Absences Payable	1,428,629	-
Other Postemployment Benefits Payable	453,005	-
Net Pension Liability	<u>12,930,893</u>	-
Total Noncurrent Liabilities	<u>14,812,527</u>	-
TOTAL LIABILITIES	<u>16,825,176</u>	-
DEFERRED INFLOWS OF RESOURCES		
Other Postemployment Benefits	208,383	-
Pensions	1,440,010	-
Irrevocable Split-Interest Agreements		1,168,761
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>1,648,393</u>	<u>1,168,761</u>
NET POSITION		
Net Investment in Capital Assets (A)	64,734,998	-
Restricted:		
Nonexpendable:		
Endowment	-	6,679,694
Expendable:		
Endowment		4,332,793
Grants and Loans	456,795	-
Scholarships	61,819	4,835,246
Capital Projects	4,359,572	1,989,164
Debt Service	-	-
Other	-	1,837,113
Unrestricted	<u>(9,920,388)</u>	<u>1,393,095</u>
TOTAL NET POSITION	<u>\$ 59,692,796</u>	<u>\$ 21,067,105</u>

The accompanying notes to financial statements are an integral part of this statement.

LAKE-SUMTER STATE COLLEGE
A Component Unit of the State of Florida
Statement of Revenues, Expenses, and Changes in Net Position
For the Fiscal Year Ended June 30, 2020

	<u>College</u>	<u>Component Unit(s)</u>
REVENUES		
Operating Revenues:		
Student Tuition and Fees, Net of Scholarship		
Allowances of \$ 2,191,925	\$ 6,663,497	\$ -
Federal Grants and Contracts	78,956	-
State and Local Grants and Contracts	1,932,292	-
Nongovernmental Grants and Contracts	35,400	-
Sales and Services of Educational Departments	6,696	-
Auxiliary Enterprises	342,107	-
Other Operating Revenues	42,140	1,505,371
Total Operating Revenues	<u>9,101,088</u>	<u>1,505,371</u>
EXPENSES		
Operating Expenses:		
Personnel Services	22,498,544	288,925
Scholarships and Waivers	5,624,075	626,489
Utilities and Communications	1,224,861	-
Contractual Services	2,803,439	76,351
Other Services and Expenses	1,854,787	581,378
Materials and Supplies	1,711,860	65,488
Depreciation	2,682,901	-
Total Operating Expenses	<u>38,400,467</u>	<u>1,638,631</u>
Operating Income (Loss)	<u>(29,299,379)</u>	<u>(133,260)</u>
NONOPERATING REVENUES (EXPENSES)		
State Noncapital Appropriations	14,890,712	-
Federal and State Student Financial Aid	7,265,341	-
Gifts and Grants Received for Other Than Capital or Endowment Purposes	2,372,498	-
Net Gain on Investments	-	3,356,271
Investment Income (Loss)	136,805	284,248
Other Nonoperating Revenues	200	-
Interest on Capital Asset-Related Debt	(120)	-
Net Nonoperating Revenues (Expenses)	<u>24,665,436</u>	<u>3,640,519</u>
Income (Loss) Before Other Revenues, Expenses, Gains, or Losses	<u>(4,633,943)</u>	<u>3,507,259</u>
State Capital Appropriations	130,800	-
Capital Grants, Contracts, Gifts, and Fees	842,189	-
Additions to Endowments		56,469
Total Other Revenues, Expenses, Gains, or Losses	<u>972,989</u>	<u>56,469</u>
Increase (Decrease) in Net Position	<u>(3,660,954)</u>	<u>3,563,728</u>
Net Position, Beginning of Year	<u>63,353,748</u>	<u>17,503,377</u>
Net Position, End of Year	<u>\$ 59,692,794</u>	<u>\$ 21,067,105</u>

The accompanying notes to financial statements are an integral part of this statement.

LAKE-SUMTER STATE COLLEGE
A Component Unit of the State of Florida
Statement of Cash Flows

For the Fiscal Year Ended June 30, 2020

	College
CASH FLOWS FROM OPERATING ACTIVITIES	
Student Tuition and Fees, Net	\$ 6,328,897
Grants and Contracts	1,807,603
Payments to Suppliers	(6,130,933)
Payments for Utilities and Communications	(1,224,861)
Payments to Employees	(14,755,856)
Payments for Employee Benefits	(5,217,818)
Payments for Scholarships	(5,630,508)
Auxiliary Enterprises	343,075
Sales and Services of Educational Departments	6,696
Other Receipts (Payments)	(6,791)
Net Cash Used by Operating Activities	(24,480,496)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
State Noncapital Appropriations	14,890,712
Federal and State Student Financial Aid	7,074,159
Federal Direct Loan Program Receipts	2,438,206
Federal Direct Loan Program Disbursements	(2,438,206)
Gifts and Grants Received for Other Than Capital or Endowment Purposes	2,372,498
Net Cash Provided (Used) by Noncapital Financing Activities	24,337,369
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
State Capital Appropriations	130,800
Capital Grants and Gifts	819,598
Proceeds from Sale of Capital Assets	200
Purchases of Capital Assets	(1,979,869)
Principal Paid on Capital Debt and Leases	(6,000)
Interest Paid on Capital Debt and Leases	(120)
Net Cash Provided (Used) by Capital and Related Financing Activities	(1,035,391)
CASH FLOWS FROM INVESTING ACTIVITIES	
Investment Income	129,845
Net Cash Provided (Used) by Investing Activities	129,845
Net Increase (Decrease) in Cash and Cash Equivalents	(1,048,673)
Cash and Cash Equivalents, Beginning of Year	8,863,419
Cash and Cash Equivalents, End of Year	\$ 7,814,746

	<u>College</u>
RECONCILIATION OF OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES	
Operating Loss	\$(29,299,379)
Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities:	
Depreciation Expense	2,682,901
Changes in Assets, Liabilities, Deferred Outflows of Resources, and Deferred Inflows of Resources:	
Receivables, Net	(611,354)
Prepaid Expenses	371,267
Accounts Payable	(332,933)
Deposits Held for Others	(23,965)
Compensated Absences Payable	166,058
Other Postemployment Benefits Payable	(169,682)
Net Pension Liability	948,696
Deferred Outflows of Resources Related to Pensions	1,700,819
Deferred Inflows of Resources Related to Pensions	87,074
NET CASH USED BY OPERATING ACTIVITIES	<u>\$(24,480,498)</u>
SUPPLEMENTAL DISCLOSURE OF NONCASH INVESTING AND CAPITAL FINANCING ACTIVITIES	
Donation of capital assets were recognized on the statement of revenues, expenses, and changes in net position, but are not cash transactions for the statement of cash flows.	\$ 22,591

The accompanying notes to financial statements are an integral part of this statement.

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

Reporting Entity. The governing body of Lake-Sumter State College,¹ a component unit of the State of Florida, is the College Board of Trustees. The Board of Trustees constitutes a corporation and is composed of nine members appointed by the Governor and confirmed by the Senate. The Board of Trustees is under the general direction and control of the Florida Department of Education, Division of Florida Colleges, and is governed by State law and State Board of Education (SBE) rules. However, the Board of Trustees is directly responsible for the day-to-day operations and control of the College within the framework of applicable State laws and SBE rules. The College serves Lake and Sumter Counties.

Criteria for defining the reporting entity are identified and described in the Governmental Accounting Standards Board's (GASB) *Codification of Governmental Accounting and Financial Reporting Standards*, Sections 2100 and 2600. These criteria were used to evaluate potential component units for which the Board of Trustees is financially accountable and other organizations for which the nature and significance of their relationship with the Board of Trustees are such that exclusion would cause the College's financial statements to be misleading. Based on the application of these criteria, the College is a component unit of the State of Florida, and its financial balances and activities are reported in the State's Comprehensive Annual Financial Report by discrete presentation.

Discretely Presented Component Unit(s). Based on the application of the criteria for determining component units, the Lake-Sumter State College Foundation, Inc. (Foundation), a legally separate entity, is included within the College's reporting entity as a discretely presented component unit and is governed by a separate board.

The Foundation is also a direct-support organization, as defined in Section 1004.70, Florida Statutes, and although legally separate from the College, is financially accountable to the College. The Foundation is managed independently, outside the College's budgeting process, and its powers generally are vested in a governing board pursuant to various State statutes. The Foundation receives, holds, invests, and administers property, and makes expenditures to or for the benefit of the College.

The Foundation is audited by other auditors pursuant to Section 1004.70(6), Florida Statutes. The Foundation's audited financial statements are available to the public and can be obtained from the Executive Vice President for Business Services, Lake-Sumter State College, 9501 US Hwy 441, Leesburg, Florida 34788. The financial data reported on the accompanying financial statements was derived from the Foundation's audited financial statements for the fiscal year ended December 31, 2019.

Basis of Presentation. The College's accounting policies conform with accounting principles generally accepted in the United States of America applicable to public colleges and universities as prescribed by GASB. The National Association of College and University Business Officers (NACUBO) also provides the College with recommendations prescribed in accordance with generally accepted accounting principles promulgated by GASB and the Financial Accounting Standards Board (FASB). GASB allows

¹ The College's Board of Trustees approved the name change from (former name) to College name on (date) pursuant to Section 1001.60(2)(b), Florida Statutes.

public colleges various reporting options. The College has elected to report as an entity engaged in only business-type activities. This election requires the adoption of the accrual basis of accounting and entity-wide reporting including the following components:

- Management's Discussion and Analysis
- Basic Financial Statements:
 - Statement of Net Position
 - Statement of Revenues, Expenses, and Changes in Net Position
 - Statement of Cash Flows
 - Notes to Financial Statements
- Other Required Supplementary Information

Measurement Focus and Basis of Accounting. Basis of accounting refers to when revenues, expenses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources are recognized in the accounts and reported in the financial statements. Specifically, it relates to the timing of the measurements made, regardless of the measurement focus applied. The College's financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from nonexchange activities are generally recognized when all applicable eligibility requirements, including time requirements, are met. The College follows GASB standards of accounting and financial reporting.

The College's component unit uses the economic resources measurement focus and the accrual basis of accounting, and follows FASB standards of accounting and financial reporting.

Significant interdepartmental sales between auxiliary service departments and other institutional departments have been accounted for as reductions of expenses and not revenues of those departments.

The College's principal operating activity is instruction. Operating revenues and expenses generally include all fiscal transactions directly related to instruction as well as administration, academic support, student services, physical plant operations, and depreciation of capital assets. Nonoperating revenues include State noncapital appropriations, Federal and State student financial aid, and investment income (net of unrealized gains or losses on investments). Interest on capital asset-related debt is a nonoperating expense. Other revenues generally include revenues for capital construction projects.

The statement of net position is presented in a classified format to distinguish between current and noncurrent assets and liabilities. When both restricted and unrestricted resources are available to fund certain programs, it is the College's policy to first apply the restricted resources to such programs followed by the use of the unrestricted resources.

The statement of revenues, expenses, and changes in net position is presented by major sources and is reported net of tuition scholarship allowances. Tuition scholarship allowances are the difference between the stated charge for goods and services provided by the College and the amount that is actually paid by

the student or the third-party making payment on behalf of the student. The College applied the “Alternate Method” as prescribed in NACUBO Advisory Report 2000-05 to determine the reported net tuition scholarship allowances. Under this method, the College computes these amounts by allocating the cash payments to students, excluding payments for services, using a ratio of total aid to aid not considered third-party aid.

The statement of cash flows is presented using the direct method in compliance with GASB Statement No. 9, *Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting*.

Cash and Cash Equivalents. The amount reported as cash and cash equivalents consists of cash on hand, cash in demand accounts, and cash with State Treasury Special Purpose Investment Account (SPIA) and State Board of Administration (SBA) Florida PRIME investments pools. For reporting cash flows, the College considers all highly liquid investments with original maturities of 3 months or less, that are not held solely for income or profit, to be cash equivalents. Under this definition, the College considers amounts invested in the State Treasury SPIA and SBA Florida PRIME investment pools to be cash equivalents.

College cash deposits are held in banks qualified as public depositories under Florida law. All such deposits are insured by Federal depository insurance, up to specified limits, or collateralized with securities held in Florida’s multiple financial institution collateral pool required by Chapter 280, Florida Statutes. Cash and cash equivalents that are externally restricted to make debt service payments, maintain sinking or reserve funds, or to purchase or construct capital or other restricted assets are classified as restricted.

At June 30, 2020, the College reported as cash equivalents at fair value \$3,822,828 in the State Treasury SPIA investment pool representing ownership of a share of the pool, not the underlying securities (Level 3 inputs, as discussed in Note 3.). Pooled investments with the State Treasury are not registered with the Securities and Exchange Commission. Oversight of the pooled investments with the State Treasury is provided by the Treasury Investment Committee per Section 17.575, Florida Statutes. The authorized investment types are set forth in Section 17.57, Florida Statutes. The State Treasury SPIA investment pool carried a credit rating of AA-f by Standard & Poor’s, had an effective duration of 0.43 years and fair value factor of 1.0291 at June 30, 2020. Participants contribute to the State Treasury SPIA investment pool on a dollar basis. These funds are commingled and a fair value of the pool is determined from the individual values of the securities. The fair value of the securities is summed and a total pool fair value is determined. A fair value factor is calculated by dividing the pool’s total fair value by the pool participant’s total cash balance. The fair value factor is the ratio used to determine the fair value of an individual participant’s pool balance. The College relies on policies developed by the State Treasury for managing interest rate risk or credit risk for this investment pool. Disclosures for the State Treasury SPIA investment pool are included in the notes to financial statements of the State’s Comprehensive Annual Financial Report.

At June 30, 2020, the College reported as cash equivalents \$51,008 in the Florida PRIME investment pool administered by the SBA pursuant to Section 218.405, Florida Statutes. The College’s investments in the Florida PRIME investment pool, which the SBA indicates is a Securities and Exchange Commission Rule 2a7-like external investment pool, are similar to money market funds in which shares are owned in

the fund rather than the underlying investments. The Florida PRIME investment pool carried a credit rating of AAAM by Standard & Poor's and had a weighted-average days to maturity (WAM) of 53 days as of June 30, 2020. A portfolio's WAM reflects the average maturity in days based on final maturity or reset date, in the case of floating-rate instruments. WAM measures the sensitivity of the Florida PRIME investment pool to interest rate changes. The investments in the Florida PRIME investment pool are reported at amortized cost.

Section 218.409(8)(a), Florida Statutes, provides that "the principal, and any part thereof, of each account constituting the trust fund is subject to payment at any time from the moneys in the trust fund. However, the executive director may, in good faith, on the occurrence of an event that has a material impact on liquidity or operations of the trust fund, for 48 hours limit contributions to or withdrawals from the trust fund to ensure that the Board [State Board of Administration] can invest moneys entrusted to it in exercising its fiduciary responsibility. Such action must be immediately disclosed to all participants, the trustees, the Joint Legislative Auditing Committee, and the Investment Advisory Council. The trustees shall convene an emergency meeting as soon as practicable from the time the executive director has instituted such measures and review the necessity of those measures. If the trustees are unable to convene an emergency meeting before the expiration of the 48-hour moratorium on contributions and withdrawals, the moratorium may be extended by the executive director until the trustees are able to meet to review the necessity for the moratorium. If the trustees agree with such measures, the trustees shall vote to continue the measures for up to an additional 15 days. The trustees must convene and vote to continue any such measures before the expiration of the time limit set, but in no case may the time limit set by the trustees exceed 15 days." As of June 30, 2020, there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit a participant's daily access to 100 percent of their account value.

Capital Assets. College capital assets consist of land, construction in progress, buildings, other structures and improvements, furniture, machinery, and equipment, and assets under capital leases. These assets are capitalized and recorded at cost at the date of acquisition or at acquisition value at the date received in the case of gifts and purchases of State surplus property. Additions, improvements, and other outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. The College has a capitalization threshold of \$5,000 for tangible personal property and \$25,000 for buildings and other structures and improvements. Depreciation is computed on the straight-line basis over the following estimated useful lives:

- Buildings – 40 years
- Other Structures and Improvements – 10 years
- Furniture, Machinery, and Equipment:
 - Computer Equipment – 3 years
 - Vehicles, Office Machines, and Educational Equipment – 5 years
 - Furniture – 7 years

Noncurrent Liabilities. Noncurrent liabilities include bonds payable, installment purchase(s) payable, capital lease(s) payable, special termination benefits payable, compensated absences payable, other postemployment benefits payable, and net pension liabilities that are not scheduled to be paid within the next fiscal year.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net positions of the Florida Retirement System (FRS) defined benefit plan and the Health Insurance Subsidy (HIS) defined benefit plan and additions to/deductions from the FRS and HIS fiduciary net positions have been determined on the same basis as they are reported by the FRS and the HIS plans. Benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

2. Deficit Net Position in Individual Funds

The College reported an unrestricted net position which included a deficit in the current funds - unrestricted, as shown below. This deficit can be attributed to the full recognition of long-term liabilities (i.e., compensated absences payable, OPEB payable, and net pension liabilities) in the current unrestricted funds.

<u>Fund</u>	<u>Net Position</u>
Current Funds - Unrestricted	\$ (11,202,319)
Auxiliary Funds	<u>1,281,931</u>
Total	<u>\$ (9,920,388)</u>

As shown in the following schedule, this deficit can be attributed to the full recognition of long-term liabilities (i.e., compensated absences payable, OPEB payable, and net pension liabilities) in the current unrestricted funds that are expected to be paid over time and financed by future appropriations.

	<u>Amount</u>
Total Unrestricted Net Position Before Recognition of Certain Long-Term Liabilities, Deferred Outflows and Deferred Inflows of Resources	\$ 3,228,456
Amount Expected to be Paid in Future Years:	
Net Pension Liability and Related Deferred Outflows and Deferred Inflows of Resources	10,809,546
Compensated Absences Payable	1,677,910
Net Postemployment Benefits and Related Deferred Outflows and Deferred Inflows of Resources	<u>661,388</u>
Total Amount Expected to be Paid in Future Years	<u>13,148,844</u>
Total Unrestricted Net Position	\$ (9,920,388)

3. Investments

The Board of Trustees has adopted a written investment policy providing that surplus funds of the College shall be invested in those institutions and instruments permitted under the provisions of Florida Statutes. Section 218.415(16), Florida Statutes, authorizes the College to invest in the Florida PRIME investment pool administered by the State Board of Administration (SBA); Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating

agency; interest-bearing time deposits and savings accounts in qualified public depositories, as defined by Section 280.02, Florida Statutes; direct obligations of the United States Treasury; obligations of Federal agencies and instrumentalities; securities of, or interests in, certain open-end or closed-end management type investment companies; and other investments approved by the Board of Trustees as authorized by law. State Board of Education (SBE) Rule 6A-14.0765(3), Florida Administrative Code, provides that College loan, endowment, annuity, and life income funds may also be invested pursuant to Section 215.47, Florida Statutes. Investments authorized by Section 215.47, Florida Statutes, include bonds, notes, commercial paper, and various other types of investments.

Component Unit Investments – Foundation

As of December 31, 2018, the Foundation had the following investments and maturities:

Investment Type	Fair Value	Maturities In Years		
		1 - 5	6 - 10	More Than 10
Investment in Debt Obligations:				
United States Government Obligations	718,383	81,311	637,072	-
Mortgage-backed Securities	12,122		-	12,122
Corporate Bonds	6,363,184	3,932,192	2,430,992	-
Total investments in Debt Obligations	\$ 7,093,689	\$ 4,013,503	\$ 3,068,064	\$ 12,122
Other Investments:				
Equities	12,192,443			
Total Component Unit Investments	\$ 19,286,132			

The Foundation categorizes the fair measurements of its investments based on the hierarchy established by Generally Accepted Accounting Principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The Foundation does not have any investments measured using Level 2 or 3 inputs

Investments held by the Foundation at December 31, 2018, are all Level 1 inputs reported at fair value, are as follows:

	Amount	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by fair value level				
United States Treasury Securities	\$ 718,383	\$ 718,383	\$ -	\$ -
Corporate Bonds	6,363,184	6,363,184	-	-
Mortgage-backed Securities	12,122	12,122	-	-
Total investments by fair value level	7,093,689	7,093,689	-	-
Investments measured at the net asset value (NAV)				
Equities	12,057,562	12,057,562	-	-
Real Estate Funds	134,881	134,881	-	-
Total investments measured at NAV	12,192,443	12,192,443	-	-
Total investments measured at fair value	\$ 19,286,132	\$ 19,286,132	\$ -	\$ -

The Foundation mitigates risk by utilizing investment managers to build a portfolio with the right risk Profile.

The following risks apply to the Foundation's investment debt securities:

Interest Rate Risk: Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Foundation's investment policy does not limit investment maturities except with respect to cash equivalents, which must have a maximum average maturity of less than 1 year. The Foundation manages its exposure to fair value losses from increasing interest rates through the segmented time distribution method.

Credit Risk: Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Foundation's investment policy limits its fixed income investments to an overall weighted average credit rating of "A" or better by Moody's or Standard & Poor's. No more than 15 percent of the fixed income portion of the portfolio shall be rated below investment grade (below Baa/BBB). All commercial paper investments must have a minimum rating of A1/P1 by Standard & Poor's and Moody's, respectively. Obligations of the United States Government and obligations explicitly guaranteed by the United States Government are not considered to have credit risk. At December 31, 2018, the Foundation's investments in bonds and notes had credit quality ratings by nationally-recognized rating agencies ranging from Baa1 to Aaa by Moody's and from BBB+ to AAA by Standard & Poor's.

Custodial Credit Risk: Custodial credit risk is the risk that, in the event of failure of a counterparty to a transaction, the Foundation will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. Lending of the Foundation's portfolio of securities is expressly prohibited by the Foundation's investment policy. While the brokerage and trust accounts are in the name of the Foundation, the securities are actually held in the trust department or agent's name.

Concentration of Credit Risk: Concentration of credit risk is the risk of loss attributed to the magnitude of the Foundation's investment in a single issuer. The Foundation's investment policy limits investments

in any one company to no more than 7 percent of the equity portion of its portfolio and no more than 10 percent of the fixed income portion of its portfolio, and the equity portion of the portfolio must maintain a minimum of 20 positions, with no position of any one issuer exceeding 8 percent of the manager's total portfolio. Securities issued by the United States Government or its agencies are not subject to these limitations. The policy also provides that no more than 5 percent of the portfolio may be invested in commercial paper of any one issuer, and no more than \$3,000,000 in bank certificates of deposit of any single issuer, unless the investments are fully collateralized by United States Treasury or agency securities. The policy further limits investments in any one economic sector to no more than 10 percent of the equity portion of the portfolio may be in American Depository Receipts, and no more than 60 percent of the fixed income portion of the portfolio may be invested in either corporate or mortgage-backed securities.

4. Accounts Receivable

Accounts receivable represent amounts for student fee deferments, various student services provided by the College, uncollected commissions for food service and vending machine sales, unused credit memos, and contract and grant reimbursements due from third parties. The accounts receivable are reported net of a \$65,919 allowance for doubtful accounts.

5. Due From Other Governmental Agencies

The amount due from other governmental agencies of \$795,084 consists of Student Financial aid through PELL and the CARES ACT grant.

6. Due From and To Component Unit(s)/College

The \$53,624 reported as due to component unit consists of amounts owed by the College to the Foundation pursuant to an agreement to support the Foundation's operations. The College's financial statements are reported for the fiscal year ended June 30, 2020. The College's component unit financial statements are reported for the fiscal year ended December 31, 2019. Accordingly, amounts reported by the College as due from and to component unit on the statement of net position do not agree with amounts reported by the component unit as due from and to the College.

7. Capital Assets

Capital assets activity for the fiscal year ended June 30, 2020, is shown in the following table:

<u>Description</u>	<u>Beginning Balance</u>	<u>Adjustments</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>
Nondepreciable Capital Assets:					
Land	\$ 6,514,755	\$ -	\$ -	\$ -	\$ 6,514,755
Construction in Progress	159,469	-	1,731,643	1,660,172	230,940
Total Nondepreciable Capital Assets	\$ 6,674,224	\$ -	\$ 1,731,643	\$ 1,660,172	\$ 6,745,695
Depreciable Capital Assets:					
Buildings	\$ 86,174,565	\$ -	\$ 582,418	\$ -	\$ 86,756,983
Other Structures and Improvements	5,497,875	-	1,077,755	-	6,575,630
Furniture, Machinery, and Equipment	5,065,195	-	297,434	195,331	5,167,298
Assets Under Capital Lease(s)	-	-	-	-	-
Total Depreciable Capital Assets	96,737,635	-	1,957,607	195,331	98,499,911
Less, Accumulated Depreciation:					
Buildings	29,083,597	-	1,985,999	-	31,069,596
Other Structures and Improvements	4,872,908	-	216,463	-	5,089,371
Furniture, Machinery, and Equipment	4,066,533	-	480,439	195,331	4,351,641
Assets Under Capital Lease(s)	-	-	-	-	-
Total Accumulated Depreciation	38,023,038	-	2,682,901	195,331	40,510,608
Total Depreciable Capital Assets, Net	\$ 58,714,597	\$ -	\$ (725,294)	\$ -	\$ 57,989,303

(1) Adjustments were made to correct prior year accounting errors as discussed in Note 3. of the notes to financial statements.

8. Unearned Revenue

Unearned revenue at June 30, 2020, of \$20,253 consists of agreements with the Lake County Cooper Memorial Library for the security and custodial needs that will taking place after June 30, 2020.

9. Long-Term Liabilities

Long-term liabilities activity for the fiscal year ended June 30, 2020, is shown in the following table:

<u>Description</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Current Portion</u>
Bonds Payable	\$ 6,000	\$ -	\$ 6,000	\$ -	\$ -
Note(s) Payable	-	-	-	-	-
Installment Purchase(s) Payable	-	-	-	-	-
Capital Lease(s) Payable	-	-	-	-	-
Special Termination Benefits Payable	-	-	-	-	-
Compensated Absences Payable	1,511,852	254,245	88,187	1,677,910	249,281
Other Postemployment					
Benefits Payable	639,847	-	169,682	470,165	17,160
Net Pension Liability	12,051,067	948,696	-	12,999,763	68,870
Asset Retirement Obligations Payable	-	-	-	-	-
Total Long-Term Liabilities	\$ 14,208,766	\$ 1,202,941	\$ 263,869	\$ 15,147,838	\$ 335,311

Bonds Payable. The State Board of Education (SBE) issues capital outlay bonds on behalf of the College. These bonds mature serially and are secured by a pledge of the College's portion of the

State-assessed motor vehicle license tax and by the State's full faith and credit. The SBE and the State Board of Administration (SBA) administer the principal and interest payments, investment of debt service resources, and compliance with reserve requirements. The College had fully retired the bonds as of June 30, 2019.

Compensated Absences Payable. College employees may accrue annual and sick leave based on length of service, subject to certain limitations regarding the amount that will be paid upon termination. The College reports a liability for the accrued leave; however, State noncapital appropriations fund only the portion of accrued leave that is used or paid in the current fiscal year. Although the College expects the liability to be funded primarily from future appropriations, generally accepted accounting principles do not permit the recording of a receivable in anticipation of future appropriations. At June 30, 2020, the estimated liability for compensated absences, which includes the College's share of the Florida Retirement System and FICA contributions, totaled \$1,677,910. The current portion of the compensated absences liability, \$249,281, is the amount expected to be paid in the coming fiscal year and represents a historical percentage of leave used applied to total accrued leave liability.

Other Postemployment Benefits Payable. The College follows GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, for other postemployment benefits administered by the Florida College System Risk Management Consortium.

General Information about the OPEB Plan

Plan Description. The Other Postemployment Benefits Plan (OPEB Plan) is a single-employer defined benefit plan administered by the Florida College System Risk Management Consortium) that provides OPEB for all employees who satisfy the College's retirement eligibility provisions. Pursuant to the provisions of Section 112.0801, Florida Statutes, former employees who retire from the College are eligible to participate in the College's health and hospitalization plan for medical, prescription drug, dental, vision, and life insurance coverage. The College subsidizes the premium rates paid by retirees by allowing them to participate in the OPEB Plan at reduced or blended group (implicitly subsidized) premium rates for both active and retired employees. These rates provide an implicit subsidy for retirees because, on an actuarial basis, their current and future claims are expected to result in higher costs to the OPEB Plan on average than those of active employees. The College does not offer any explicit subsidies for retiree coverage. Retirees are required to enroll in the Federal Medicare (Medicare) program for their primary coverage as soon as they are eligible. The OPEB Plan contribution requirements and benefit terms of the College and the OPEB Plan members are established and may be amended by action from the Board. No assets are accumulated in a trust that meet the criteria in paragraph 4 of GASB Statement No. 75.

Benefits Provided. The OPEB Plan provides healthcare benefits for retirees and their dependents. The OPEB Plan only provides an implicit subsidy as described above.

Employees Covered by Benefit Terms. At June 30, 2019, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefits	12
Inactive Employees Entitled to But Not Yet Receiving Benefits	4
Active Employees	237
Total	<u>253</u>

Total OPEB Liability

The College's total OPEB liability of \$470,165 was measured as of June 30, 2019, and was determined by an actuarial valuation as of June 30, 2019.

Actuarial Assumptions and Other Inputs. The total OPEB liability in the June 30, 2019, actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.60%
Real Wage growth	0.65%
Wage Inflation	3.25%
Salary Increases, including wage inflation	
Regular Employees	4.00% - 7.80%
Senior Management	4.70% - 7.10%
Discount rate	3.87%
Healthcare cost trend rates	7.00% for 2019, decreasing to an ultimate rate of 4.60% for 2026 and later years
Pre-Medicare	
Medicare	5.0% for 2019, decreasing to an ultimate rate of 4.60 by 2021

The discount rate was based on the Bond Buyer General Obligation 20-year Municipal Bond Index.

Mortality rates were based on the Generational RP-2000 with Projection Scale BB.

The demographic actuarial assumptions for retirement, disability incidence, and withdrawal used in the June 30, 2019, valuation were based on the results of an actuarial experience study for the period January 1, 2010, through December 31, 2014, adopted by the FRS.

The remaining actuarial assumptions (e.g., initial per capita costs, health care cost trends, rate of plan participation, rates of plan election, etc.) used in the June 30, 2019, valuation were based on a review of recent plan experience done concurrently with the June 30, 2019, valuation.

Changes in the Total OPEB Liability

	Amount
Balance at 6/30/19	<u>\$ 639,847</u>
Changes for the year:	
Service Cost	42,507
Interest	23,814
Differences Between Expected and Actual Experience	(28,197)
Changes in Assumptions or Other Inputs	(158,337)
Benefit Payments	<u>(49,469)</u>
Net Changes	<u>(169,682)</u>
Balance at 6/30/20	<u><u>\$ 470,165</u></u>

Changes of assumptions and other inputs reflect a change in the discount rate from 3.87 percent in 2018 to 3.50 percent in 2019.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate. The following table presents the total OPEB liability of the College, as well as what the College's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.50 percent) or 1 percentage point higher (4.50 percent) than the current rate:

	<u>1% Decrease (2.50%)</u>	<u>Current Discount Rate (3.50%)</u>	<u>1% Increase (4.50%)</u>
Total OPEB liability	\$550,748	\$470,165	\$405,119

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates. The following table presents the total OPEB liability of the College, as well as what the College's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rates:

	<u>1% Decrease</u>	<u>Healthcare Cost Trend Rates</u>	<u>1% Increase</u>
Total OPEB liability	\$390,072	\$470,165	\$572,143

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the fiscal year ended June 30, 2020, the College recognized OPEB expense of \$41,866. At June 30, 2020, the College reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Change of assumptions or other inputs	-	49,469
Transactions subsequent to the measurement date	41,865	-
Total	\$ 41,865	\$ 49,469

Of the total amount reported as deferred outflows of resources related to OPEB, \$41,865 resulting from benefits paid subsequent to the measurement date and before the end of the fiscal year will be included as a reduction of the total OPEB liability in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Fiscal Year Ending June 30</u>	<u>Amount</u>
2021	\$ (24,456)
2022	(24,456)
2023	(24,456)
2024	(24,456)
2025	(24,456)
Thereafter	(86,103)
Total	\$ (208,383)

Net Pension Liability. As a participating employer in the Florida Retirement System (FRS), the College recognizes its proportionate share of the collective net pension liabilities of the FRS cost-sharing multiple-employer defined benefit plans. As of June 30, 2020, the College’s proportionate share of the net pension liabilities totaled \$12,999,763. Note 10 includes a complete discussion of defined benefit pension plans.

10. Retirement Plans – Defined Benefit Pension Plans

General Information about the Florida Retirement System (FRS)

The FRS was created in Chapter 121, Florida Statutes, to provide a defined benefit pension plan for participating public employees. The FRS was amended in 1998 to add the Deferred Retirement Option Program (DROP) under the defined benefit plan and amended in 2000 to provide a defined contribution

plan alternative to the defined benefit plan for FRS members effective July 1, 2002. This integrated defined contribution pension plan is the FRS Investment Plan. Chapter 121, Florida Statutes, also provides for nonintegrated, optional retirement programs in lieu of the FRS to certain members of the Senior Management Service Class employed by the State and faculty and specified employees of State colleges. Chapter 112, Florida Statutes, established the HIS Program, a cost-sharing multiple-employer defined benefit pension plan to assist retired members of any State-administered retirement system in paying the costs of health insurance.

Essentially all regular employees of the College are eligible to enroll as members of the State-administered FRS. Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. Such provisions may be amended at any time by further action from the Florida Legislature. The FRS is a single retirement system administered by the Florida Department of Management Services, Division of Retirement, and consists of two cost-sharing multiple-employer defined benefit plans and other nonintegrated programs. A comprehensive annual financial report of the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information, is available from the Florida Department of Management Services Web site (www.dms.myflorida.com).

The College's FRS and HIS pension expense totaled \$2,605,140 for the fiscal year ended June 30, 2020.

FRS Pension Plan

Plan Description. The FRS Pension Plan (Plan) is a cost-sharing multiple-employer defined benefit pension plan, with a DROP for eligible employees. The general classes of membership are as follows:

- *Regular Class* – Members of the FRS who do not qualify for membership in the other classes.
- *Senior Management Service Class (SMSC)* – Members in senior management level positions.
- *Special Risk Class* – Members who are employed as law enforcement officers and meet the criteria to qualify for this class.

Employees enrolled in the Plan prior to July 1, 2011, vest at 6 years of creditable service and employees enrolled in the Plan on or after July 1, 2011, vest at 8 years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62 or at any age after 30 years of creditable service. All members enrolled in the Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service. Employees enrolled in the Plan may include up to 4 years of credit for military service toward creditable service. The Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The Plan provides retirement, disability, death benefits, and annual cost-of-living adjustments to eligible participants.

The DROP, subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the Plan to defer receipt of monthly benefit payments while continuing employment with an FRS-participating employer. An employee may participate in DROP for a period not to exceed 60 months after electing to participate. During the period of DROP participation, deferred

monthly benefits are held in the FRS Trust Fund and accrue interest. The net pension liability does not include amounts for DROP participants, as these members are considered retired and are not accruing additional pension benefits.

Benefits Provided. Benefits under the Plan are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the 5 highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the 8 highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on retirement plan and/or the class to which the member belonged when the service credit was earned. Members are eligible for in-line-of-duty or regular disability and survivors' benefits. The following table shows the percentage value for each year of service credit earned:

<u>Class, Initial Enrollment, and Retirement Age/Years of Service</u>	<u>% Value</u>
Regular Class members initially enrolled before July 1, 2011	
Retirement up to age 62 or up to 30 years of service	1.60
Retirement at age 63 or with 31 years of service	1.63
Retirement at age 64 or with 32 years of service	1.65
Retirement at age 65 or with 33 or more years of service	1.68
Regular Class members initially enrolled on or after July 1, 2011	
Retirement up to age 65 or up to 33 years of service	1.60
Retirement at age 66 or with 34 years of service	1.63
Retirement at age 67 or with 35 years of service	1.65
Retirement at age 68 or with 36 or more years of service	1.68
Senior Management Service Class	2.00
Special Risk Class	3.00

As provided in Section 121.101, Florida Statutes, if the member was initially enrolled in the Plan before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is 3 percent per year. If the member was initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of 3 percent determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3 percent. Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

Contributions. The Florida Legislature establishes contribution rates for participating employers and employees. Contribution rates during the 2019-20 fiscal year were:

<u>Class</u>	<u>Percent of Gross Salary</u>	
	<u>Employee</u>	<u>Employer (1)</u>
FRS, Regular	3.00	8.47
FRS, Senior Management Service	3.00	25.41
FRS, Special Risk	3.00	25.48
Deferred Retirement Option Program (applicable to members from all of the above classes)	0.00	14.60
FRS, Reemployed Retiree	(2)	(2)

(1) Employer rates include 1.66 percent for the postemployment health insurance subsidy. Also, employer rates, other than for DROP participants, include 0.06 percent for administrative costs of the Investment Plan.

(2) Contribution rates are dependent upon retirement class in which reemployed.

The College's contributions to the Plan totaled \$876,718 for the fiscal year ended June 30, 2020.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At June 30, 2020, the College reported a liability of \$8,940,748 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2019. The College's proportionate share of the net pension liability was based on the College's 2018-19 fiscal year contributions relative to the total 2018-19 fiscal year contributions of all participating members. At June 30, 2019, the College's proportionate share was .025961409 percent, which was an increase/a decrease of .000866972 from its proportionate share measured as of June 30, 2018.

For the fiscal year ended June 30, 2020, the College recognized pension expense of \$2,270,219. In addition, the College reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
	\$ 530,301	\$ 5,549
Change of assumptions	2,296,369	-
Net difference between projected and actual earnings on FRS Plan investments	-	494,649
Changes in proportion and differences between College FRS contributions and proportionate share of contributions	112,029	369,953
College FRS contributions subsequent to the measurement date	876,718	-
Total	\$ 3,815,417	\$ 870,151

The deferred outflows of resources totaling \$2,938,699, resulting from College contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year

ending June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Fiscal Year Ending June 30</u>	<u>Amount</u>
2021	\$ 843,717
2022	254,524
2023	614,953
2024	463,898
2025	119,637
Thereafter	<u>29,744</u>
Total	<u>\$ 2,326,473</u>

Actuarial Assumptions. The total pension liability in the July 1, 2019, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.60 percent
Salary increases	3.25 percent, average, including inflation
Investment rate of return	6.90 percent, net of pension plan investment expense, including inflation

Mortality rates were based on the PUB-2010 base table, projected generationally with Scale MP-2018. This is a change from the prior year mortality assumption which was based on the Generational RP-2000 with Projection Scale BB tables.

The actuarial assumptions used in the July 1, 2019, valuation were based on the results of an actuarial experience study for the period July 1, 2013, through June 30, 2018.

The long-term expected rate of return on pension plan investments was not based on historical returns, but instead is based on a forward-looking capital market economic model. The allocation policy's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes an adjustment for the inflation assumption. The target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation (1)</u>	<u>Annual Arithmetic Return</u>	<u>Compound Annual (Geometric) Return</u>	<u>Standard Deviation</u>
Cash	1%	3.3%	3.3%	1.2%
Fixed Income	18%	4.1%	4.1%	3.5%
Global Equity	54%	8.0%	6.8%	16.5%
Real Estate (Property)	10%	6.7%	6.1%	11.7%
Private Equity	11%	11.2%	8.4%	25.8%
Strategic Investments	<u>6%</u>	5.9%	5.7%	6.7%
Total	<u>100%</u>			
Assumed inflation - Mean			2.6%	1.7%

(1) As outlined in the Plan's investment policy.

Discount Rate. The discount rate used to measure the total pension liability was 6.90 percent. The Plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return. The discount rate used in the 2019 valuation was updated from 7.00 percent to 6.90 percent.

Sensitivity of the College’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate. The following presents the College’s proportionate share of the net pension liability calculated using the discount rate of 6.90 percent, as well as what the College’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.90 percent) or 1 percentage point higher (7.90 percent) than the current rate:

	<u>1% Decrease (5.90%)</u>	<u>Current Discount Rate (6.90%)</u>	<u>1% Increase (7.90%)</u>
College’s proportionate share of the net pension liability	\$15,455,576	\$8,940,748	\$3,499,765

Pension Plan Fiduciary Net Position. Detailed information about the Plan’s fiduciary net position is available in the separately issued FRS Pension Plan and Other State Administered Systems Comprehensive Annual Financial Report.

Payables to the Pension Plan. At June 30, 2020, the College reported a payable of \$81,950 for the outstanding amount of contributions to the Plan required for the fiscal year ended June 30, 2020.

HIS Pension Plan

Plan Description. The HIS Pension Plan (HIS Plan) is a cost-sharing multiple-employer defined benefit pension plan established under Section 112.363, Florida Statutes, and may be amended by the Florida Legislature at any time. The benefit is a monthly payment to assist retirees of State-administered retirement systems in paying their health insurance costs and is administered by the Florida Department of Management Services, Division of Retirement.

Benefits Provided. For the fiscal year ended June 30, 2020, eligible retirees and beneficiaries received a monthly HIS payment of \$5 for each year of creditable service completed at the time of retirement with a minimum HIS payment of \$30 and a maximum HIS payment of \$150 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS benefit, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which can include Medicare.

Contributions. The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended June 30, 2020, the contribution rate was 1.66 percent of payroll pursuant to Section 112.363, Florida Statutes. The College contributed 100 percent of its statutorily required contributions for the current and preceding 3 years. HIS Plan contributions are deposited in a separate trust fund from which HIS payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled.

The College's contributions to the HIS Plan totaled \$138,707 for the fiscal year ended June 30, 2020.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At June 30, 2020, the College reported a net pension liability of \$4,059,015 for its proportionate share of the net pension liability. The current portion of the net pension liability is the College's proportionate share of benefit payments expected to be paid within 1 year, net of the College's proportionate share of the HIS Plan's fiduciary net position available to pay that amount. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018, and update procedures were used to determine liabilities as of June 30, 2019. The College's proportionate share of the net pension liability was based on the College's 2018-19 fiscal year contributions relative to the total 2018-19 fiscal year contributions of all participating members. At June 30, 2019, the College's proportionate share was .036276834 percent, which was a decrease of .001234297 from its proportionate share measured as of June 30, 2018.

For the fiscal year ended June 30, 2020, the College recognized pension expense of \$334,921. In addition, the College reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 49,301	\$ 4,970
Change of assumptions	469,996	331,751
Net difference between projected and actual earnings on HIS Plan investments	2,619	-
Changes in proportion and differences between College HIS contributions and proportionate share of HIS contributions	169,612	238,139
College contributions subsequent to the measurement date	334,921	-
Total	<u>\$ 1,026,449</u>	<u>\$ 574,860</u>

The deferred outflows of resources totaling \$691,528, resulting from College contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Fiscal Year Ending June 30</u>	<u>Amount</u>
2021	\$ 78,923
2022	63,165
2023	34,576
2024	(25,108)
2025	4,561
Thereafter	29,079
Total	<u>\$ 185,196</u>

Actuarial Assumptions. The total pension liability at July 1, 2018, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.60 percent
Salary Increases	3.25 percent, average, including inflation
Municipal bond rate	3.50 percent

Mortality rates were based on the Generational RP-2000 with Projection Scale BB.

While an experience study had not been completed for the HIS Plan, the actuarial assumptions that determined the total pension liability for the HIS Plan were based on certain results of the most recent experience study for the FRS Plan.

Discount Rate. The discount rate used to measure the total pension liability was 3.50 percent. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index. The discount rate used in the 2019 valuation was updated from 3.87 percent to 3.50 percent.

Sensitivity of the College’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate. The following presents the College’s proportionate share of the net pension liability calculated using the discount rate of 3.50 percent, as well as what the College’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.50 percent) or 1 percentage point higher (4.50 percent) than the current rate:

	1% Decrease (2.50%)	Current Discount Rate (3.50%)	1% Increase (4.50%)
College’s proportionate share of the net pension liability	\$4,633,573	\$4,059,015	\$3,580,472

Pension Plan Fiduciary Net Position. Detailed information about the HIS Plan’s fiduciary net position is available in the separately issued FRS Pension Plan and Other State Administered Systems Comprehensive Annual Financial Report.

Payables to the Pension Plan. At June 30, 2020, the College reported a payable of \$68,870 for the outstanding amount of contributions to the HIS Plan required for the fiscal year ended June 30, 2020.

11. Retirement Plans – Defined Contribution Pension Plans

FRS Investment Plan. The SBA administers the defined contribution plan officially titled the FRS Investment Plan (Investment Plan). The Investment Plan is reported in the SBA’s annual financial statements and in the State’s Comprehensive Annual Financial Report.

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. College employees already participating in the State College System Optional Retirement Program or DROP are not eligible to participate in the Investment Plan. Employer and employee contributions are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Service retirement benefits are based upon the value of the member’s account upon retirement. Benefit terms, including contribution requirements, are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contributions rates, that are based on salary and membership class (Regular Class, Senior Management Service Class, etc.), as the FRS defined benefit plan. Contributions are directed to individual member accounts and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06 percent of payroll and by forfeited benefits of Investment Plan members. Allocations to the Investment Plan member accounts during the 2019-20 fiscal year were as follows:

<u>Class</u>	<u>Percent of Gross Compensation</u>
FRS, Regular	6.30
FRS, Senior Management Service	7.67
FRS, Special Risk Regular	14.00

For all membership classes, employees are immediately vested in their own contributions and are vested after 1 year of service for employer contributions and investment earnings regardless of membership class. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Nonvested employer contributions are placed in a suspense account for up to 5 years. If the employee returns to FRS-covered employment within the 5-year period, the employee will regain control over their account. If the employee does not return within the 5-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended June 30, 2020, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the College.

After termination and applying to receive benefits, the member may roll over vested funds to another qualified plan, structure a periodic payment under the Investment Plan, receive a lump-sum distribution, leave the funds invested for future distribution, or any combination of these options. Disability coverage is provided in which the member may either transfer the account balance to the FRS Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the FRS Pension Plan, or remain in the Investment Plan and rely upon that account balance for retirement income.

The College's Investment Plan pension expense totaled \$385,206 for the fiscal year ended June 30, 2020.

State College System Optional Retirement Program. Section 1012.875, Florida Statutes, provides for an Optional Retirement Program (Program) for eligible college instructors and administrators. The Program is designed to aid colleges in recruiting employees by offering more portability to employees not expected to remain in the FRS for 8 or more years.

The Program is a defined contribution plan, which provides full and immediate vesting of all contributions submitted to the participating companies on behalf of the participant. Employees in eligible positions can make an irrevocable election to participate in the Program, rather than the FRS, and purchase retirement and death benefits through contracts provided by certain insurance carriers. The employing college contributes 5.15 percent of the participant's salary to the participant's account, 3.56 percent to cover the unfunded actuarial liability of the FRS pension plan, and 0.06 percent to cover the administrative costs, for a total of 8.71 percent, and employees contribute 3 percent of the employee's salary. Additionally, the employee may contribute, by payroll deduction, an amount not to exceed the percentage contributed by the college to the participant's annuity account. The contributions are invested in the company or companies selected by the participant to create a fund for the purchase of annuities at retirement.

The College's contributions to the Program totaled \$41,343 and employee contributions totaled \$70,971 for the 2019-20 fiscal year.

12. Operating Lease Commitments

The College leased 62 copiers and 1 postage machine under (an) operating lease(s), which expire(s) in 20XX. (This) These leased asset(s) and the related commitments are not reported on the College's statement of net position. Operating lease payments are recorded as expenses when paid or incurred. Outstanding commitments resulting from this (these) lease agreement(s) are contingent upon future appropriations. Future minimum lease commitments for this (these) noncancelable operating lease(s) are as follows:

<u>Fiscal Year Ending June 30</u>	<u>Amount</u>
2021	\$ 51,293
2022	51,293
2023	46,788
2024	<u>33,627</u>
Total Minimum Payments Required	<u>\$ 183,001</u>

13. Risk Management Programs

The College is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The College provided coverage for these risks primarily through the Florida College System Risk Management Consortium (Consortium), which was created under authority of Section 1001.64(27), Florida Statutes, by the boards of trustees of the Florida public colleges for the purpose of joining a cooperative effort to develop, implement, and participate in a coordinated Statewide college risk management program. The Consortium is self-sustaining through member assessments (premiums) and purchases excess

insurance through commercial companies for claims in excess of specified amounts. Excess insurance from commercial companies provided coverage of up to \$100 million for property insurance. Insurance coverage obtained through the Consortium included fire and extended property, general and automobile liability, workers' compensation, health, life, and other liability coverage. Settled claims resulting from these risks have not exceeded commercial coverage in any of the past 3 fiscal years.

14. Litigation

The College is involved in several pending and threatened legal actions. The range of potential loss from all such claims and actions, as estimated by the College's legal counsel and management, should not materially affect the College's financial position.

15. Functional Distribution of Operating Expenses

The functional classification of an operating expense (instruction, academic support, etc.) is assigned to a department based on the nature of the activity, which represents the material portion of the activity attributable to the department. For example, activities of an academic department for which the primary departmental function is instruction may include some activities other than direct instruction such as public service. However, when the primary mission of the department consists of instructional program elements, all expenses of the department are reported under the instruction classification. The operating expenses on the statement of revenues, expenses, and changes in net position are presented by natural classifications. The following are those same expenses presented in functional classifications as recommended by NACUBO:

<u>Functional Classification</u>	<u>Amount</u>
Instruction	\$ 9,125,466
Public Services	92,558
Academic Support	5,025,350
Student Services	4,311,070
Institutional Support	7,394,286
Operation and Maintenance of Plant	4,096,690
Scholarships and Waivers	5,624,075
Depreciation	2,682,901
Auxiliary Enterprises	<u>48,070</u>
Total Operating Expenses	<u>\$ 38,400,466</u>

16. Current Unrestricted Funds

The Southern Association of Colleges and Schools, Commission on Colleges, which establishes the accreditation requirements for institutions of higher education, requires a disclosure of the financial position of unrestricted net position, exclusive of plant assets and plant-related debt, which represents the change in unrestricted net position. To meet this requirement, statements of net position and revenues, expenses, and changes in net position for the current unrestricted funds are presented as follows:

Statement of Current Unrestricted Funds Net Position

ASSETS

Current Assets:

Cash and Cash Equivalents	\$	3,383,511
Accounts Receivable, Net		408,955
Due from Other Gov't Agencies		147,103
Due from Component Units		24,393
Prepaid Expenses		343,632

TOTAL ASSETS 4,307,594

DEFERRED OUTFLOWS OF RESOURCES

Other Postemployment Benefits		17,160
Pensions		3,630,227

LIABILITIES

Current Liabilities:

		-
Accounts Payable		310,237
Due to Other Gov't Agencies		133,972
Salary and Payroll Taxes Payable		610,017
Unearned Revenue		20,253
Deposits Held for Others		4,659
Compensated Absences Payable		249,281
Net Pension Liability		68,870

Total Current Liabilities 1,397,289

Noncurrent Liabilities:

Compensated Absences Payable		1,428,629
Other Postemployment Benefits Payable		470,165
Net Pension Liability		12,930,893

TOTAL LIABILITIES 16,226,976

DEFERRED INFLOWS OF RESOURCES

Other Postemployment Benefits		208,383
Pensions		1,440,010

TOTAL NET POSITION \$ (9,920,388)

**Statement of Current Unrestricted Funds Revenues,
Expenses, and Changes in Net Position**

REVENUES

Operating Revenues:

Student Tuition and Fees, Net of Scholarship	\$ 5,599,127
Allowances of \$2,191,925	1,901,042
State and Local	41,732
Nongovernmental Grants and Contracts	6,696
Sales and Services of Educational Departments	342,057
Auxiliary Enterprises, Net	119,332
Other Operating Revenues	<u>119,332</u>

Total Operating Revenues	<u>8,009,986</u>
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EXPENSES

Operating Expenses:

Personnel Services	21,752,960
Scholarships and Waivers	25,754
Utilities and Communications	1,224,005
Contractual Services	1,927,814
Other Services and Expenses	1,341,484
Materials and Supplies	<u>947,283</u>

Total Operating Expenses	<u>27,219,300</u>
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Operating Loss	<u>(19,209,314)</u>
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NONOPERATING REVENUES

State Noncapital Appropriations	14,892,674
Gifts and Grants	71,281
Investment Income (Loss)	132,748
Other Nonoperating Revenues	<u>158,200</u>

Net Nonoperating Revenues	<u>15,254,903</u>
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Loss Before Other Revenues or Expenses	(3,954,411)
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Transfers to/from Other Funds	<u>306,202</u>
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Decrease in Net Position	<u>(3,648,209)</u>
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Net Position, Beginning of Year	<u>(6,272,179)</u>
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Net Position, End of Year	<u><u>\$ (9,920,388)</u></u>
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OTHER REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Changes in the College's Total Other Postemployment Benefits Liability and Related Ratios

	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total OPEB Liability			
Service cost	\$ 42,507	\$ 43,404	\$ 46,260
Interest	23,814	22,068	19,265
Changes of benefit terms	-	-	-
Difference between expected and actual experience	(28,197)	-	-
Changes of assumptions or other inputs	(158,337)	(19,849)	(35,904)
Benefit Payments	<u>(49,469)</u>	<u>(50,872)</u>	<u>(48,731)</u>
Net change in total OPEB liability	(169,682)	(5,249)	(19,110)
Total OPEB Liability - beginning, as Restated	<u>639,847</u>	<u>645,096</u>	<u>664,206</u>
Total OPEB Liability - ending	<u>\$ 470,165</u>	<u>\$ 639,847</u>	<u>\$ 645,096</u>
Covered-Employee Payroll	\$ 11,663,213	\$ 11,424,377	\$ 11,424,377
Total OPEB Liability as a percentage of covered-employee payroll	4.03%	5.60%	5.65%

**Schedule of the College's Proportionate Share of the Net Pension Liability –
Florida Retirement System Pension Plan**

	<u>2019 (1)</u>	<u>2018 (1)</u>	<u>2017 (1)</u>	<u>2016 (1)</u>
College's proportion of the FRS net pension liability	0.025961409%	0.026828381%	0.027943189%	0.027285022%
College's proportionate share of the FRS net pension liability	\$ 8,940,748	\$ 8,080,847	\$ 8,268,245	\$ 6,889,489
College's covered payroll (2)	\$ 13,562,069	\$ 13,769,760	\$ 13,683,155	\$ 13,894,753
College's proportionate share of the FRS net pension liability as a percentage of its covered payroll	65.92%	58.69%	60.41%	49.58%
FRS Plan fiduciary net position as a percentage of the FRS total pension liability	82.61%	84.26%	83.89%	84.88%

(1) The amounts presented for each fiscal year were determined as of June 30.

(2) Covered payroll includes defined benefit plan actives, investment plan members, State college system optional retirement plan members, and members in DROP because total employer contributions are determined on a uniform basis (blended rate) as required by Part III of Chapter 121, Florida Statutes.

Schedule of College Contributions – Florida Retirement System Pension Plan

	<u>2020 (1)</u>	<u>2019 (1)</u>	<u>2018 (1)</u>	<u>2017 (1)</u>
Contractually required FRS contribution	\$ 876,718	\$ 801,063	\$ 842,550	\$ 875,574
FRS contributions in relation to the contractually required contribution	<u>(876,718)</u>	<u>(801,063)</u>	<u>(842,550)</u>	<u>(875,574)</u>
FRS contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
College's covered payroll (2)	\$ 13,562,069	\$ 13,470,141	\$ 13,769,760	\$ 13,683,155
FRS contributions as a percentage of covered payroll	6.46%	5.95%	6.12%	6.40%

(1) The amounts presented for each fiscal year were determined as of June 30.

(2) Covered payroll includes defined benefit plan actives, investment plan members, State college system optional retirement plan members, and members in DROP because total employer contributions are determined on a uniform basis (blended rate) as required by Part III of Chapter 121, Florida Statutes.

<u>2015 (1)</u>	<u>2014 (1)</u>	<u>2013 (1)</u>
0.028816871%	0.028388597%	0.0230143%
\$ 3,722,085	\$ 1,732,122	\$ 3,961,785
\$ 12,865,517	\$ 12,444,911	\$ 11,664,616
28.93%	13.92%	33.96%
92.00%	96.09%	88.54%

<u>2016 (1)</u>	<u>2015 (1)</u>	<u>2014 (1)</u>
\$ 617,033	\$ 702,580	\$ 621,831
<u>(617,033)</u>	<u>(702,580)</u>	<u>(621,831)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 13,894,753	\$ 12,865,517	\$ 12,444,911
4.44%	5.46%	5.00%

**Schedule of the College's Proportionate Share of the Net Pension Liability –
Health Insurance Subsidy Pension Plan**

	<u>2019 (1)</u>	<u>2018 (1)</u>	<u>2017 (1)</u>	<u>2016 (1)</u>
College's proportion of the HIS net pension liability	0.036276834%	0.037511131%	0.037911615%	0.03627564%
College's proportionate share of the HIS net pension liability	\$ 4,059,015	\$ 3,970,220	\$ 4,053,685	\$ 4,618,428
College's covered payroll (2)	\$ 12,136,584	\$ 12,354,694	\$ 12,157,768	\$ 12,237,683
College's proportionate share of the HIS net pension liability as a percentage of its covered payroll	33.20%	32.14%	33.34%	37.74%
HIS Plan fiduciary net position as a percentage of the HIS total pension liability	2.63%	2.15%	1.64%	0.97%

(1) The amounts presented for each fiscal year were determined as of June 30.

(2) Covered payroll includes defined benefit plan actives, investment plan members, and members in DROP.

Schedule of College Contributions – Health Insurance Subsidy Pension Plan

	<u>2020 (1)</u>	<u>2019 (1)</u>	<u>2018 (1)</u>	<u>2017 (1)</u>
Contractually required HIS contribution	\$ 138,707	\$ 142,430	\$ 228,340	\$ 195,414
HIS contributions in relation to the contractually required HIS contribution	<u>(138,707)</u>	<u>(142,430)</u>	<u>(228,340)</u>	<u>(105,414)</u>
HIS contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
College's covered payroll (2)	\$ 12,225,592	\$ 12,136,584	\$ 12,354,694	\$ 12,157,788
HIS contributions as a percentage of covered payroll	1.13%	1.17%	1.85%	1.61%

(1) The amounts presented for each fiscal year were determined as of June 30.

(2) Covered payroll includes defined benefit plan actives, investment plan members, and members in DROP.

<u>2015 (1)</u>	<u>2014 (1)</u>	<u>2013 (1)</u>
0.036911297%	0.035779918%	0.034050966%
\$ 3,764,372	\$ 3,345,510	\$ 2,964,584
\$ 11,215,377	\$ 10,636,070	\$ 9,892,723
33.56%	31.45%	29.97%
0.97%	0.99%	1.78%

<u>2016 (1)</u>	<u>2015 (1)</u>	<u>2014 (1)</u>
\$ 193,414	\$ 141,098	\$ 122,570
<u>(193,414)</u>	<u>(141,098)</u>	<u>(122,570)</u>
\$ -	\$ -	\$ -
\$ 12,237,683	\$ 11,215,377	\$ 10,636,070
1.58%	1.26%	1.15%

1. Schedule of Changes in the College's Total Other Postemployment Benefits Liability and Related Ratios

No assets are accumulated in a trust that meet the criteria in paragraph 4 of GASB Statement No. 75 to pay related benefits.

Changes of Benefit Terms. (The following is an example.) Amounts presented reflect an increase in the retirees' share of health insurance premiums from 0 percent in 20XX to 25 percent in 20XX-20XX and to 45 percent in 20XX. In 20XX, amounts reflect a change of benefit terms to require Medicare-eligible recipients to enroll in Medicare.

Changes of Assumptions. (The following is an example.) In 2012, amounts reported as changes of assumptions resulted primarily from adjustments to expected retirement ages of general plan members. In 2009, amounts reported as changes of assumptions resulted primarily from adjustments to expected retirement ages of members. In 2006, amounts reported as changes in assumptions resulted primarily from adjustments to assumed life expectancies as a result of adopting RP-2000 Healthy Annuitant Mortality Table for purposes of developing mortality rates.

(Reference: GASB Cod. P52. 140)

2. Schedule of Net Pension Liability and Schedule of Contributions – Florida Retirement System Pension Plan

Changes of Benefit Terms.

Changes of Assumptions. The long-term expected rate of return was decreased from 7.00 percent to 6.90 percent, and the active member mortality assumption was updated.

(Information about factors that significantly affect trends in the amounts reported in the RSI schedules should be presented as notes to the schedules, e.g., for example, changes of benefit terms, changes in the size or composition of the population covered by the benefit terms, or the use of different assumptions).

(Reference: GASB Cod. Sec. P20.184)

3. Schedule of Net Pension Liability and Schedule of Contributions – Health Insurance Subsidy Pension Plan

Changes of Benefit Terms.

Changes of Assumptions. The municipal rate used to determine total pension liability decreased from 3.87 percent to 3.50 percent.

(Information about factors that significantly affect trends in the amounts reported in the RSI schedules should be presented as notes to the schedules, e.g., for example, changes of benefit terms, changes in the size or composition of the population covered by the benefit terms, or the use of different assumptions).

(Reference: GASB Cod. Sec. P20.184)



Lake Sumter
State College

OFFICE OF THE PRESIDENT

Present to the Board: September 23, 2020

TO: Lake-Sumter State College
District Board of Trustees

FROM: Stanley M. Sidor
President

RE: 9-16 Board Committee Assignment

OVERVIEW:

The Lake-Sumter State College District Board of Trustees are broken down into six committees of service Technology, Strategic Planning, Nominating, Foundation, Sumter Partnership, and Facilities. The Board Chairman will divide the board into these committees based on their area of expertise.

ANALYSIS:

The Lake-Sumter State College District Board of Trustees Chairman will announce each committee member and select the chairman to plan and oversee the named committee.

RECOMMENDATION:

It is recommended that Board approve this item as written.

2020-2021 Lake-Sumter State College District Board of Trustees Committee

Strategic Planning:

The committee makes recommendations to the Board on matters pertaining to development of the colleges strategic plan.

Bret Jones, Chair, Emily Lee and Marcia Butler

Foundation Liaison:

This liaison provides information to the Board of Trustees on Foundation activities and decisions and provides information to the Foundation Board of Trustee activities and decisions.

Tim Morris

Sumter Partnership:

The committee makes recommendations to the Board on matters pertaining to development of workforce programs in Sumter county.

Bryn Blaise, Chair, and Jennifer Hooten

Facilities:

The committee makes recommendations to the Board on matters pertaining to facilities utilization for all college locations.

Jennifer Hill, Chair, Marcia Butler and Bryn Blaise

Technology Committee

The committee makes recommendations to the Board on matters pertaining to development and attainment of technology program benchmarks in the colleges strategic plan.

Bret Jones, Chair, Bryn Blaise, and Jennifer Hill

Nominating Committee

The committee makes recommendations to the Board on committee selections and who would potentially be named to serve as chair and vice chair.

Marcia Butler, Chair, Tim Morris, and Emily Lee



Lake Sumter
State College

OFFICE OF THE PRESIDENT

Present to the Board: September 23, 2020

TO: Lake-Sumter State College
District Board of Trustees

FROM: Stanley M. Sidor
President

RE: 9-17 Evaluation for College President

OVERVIEW:

Each year the Lake-Sumter State College President completes an evaluation based on his performance the prior year.

ANALYSIS:

The evaluation metrics are created by the president and approved by the Lake-Sumter State College Board of Trustees. The board receives a JotForm to complete their individual evaluation which is compiled by the board attorney.

RECOMMENDATION:

It is recommended that the Board approve this item as written.



Lake Sumter State College

OFFICE OF THE PRESIDENT

Present to the Board: September 23, 2020

TO: Lake-Sumter State College
District Board of Trustees

FROM: Stanley M. Sidor
President

RE: 9-18 Modification of the 2020 Thanksgiving Holiday for faculty

OVERVIEW:

Lake-Sumter State College has focused on quality instruction and academic integrity as the impacts from COVID-19 require modifications to teaching methods and service offerings.

In less than ten days, we successfully closed all college campus locations and moved the entire operation online, while maintaining excellent student and community support. This was accomplished with no service interruption.

ANALYSIS:

The transition of this event occurred in March which hindered employees from observing the majority of their spring break holiday. The dedication of our LSSC employees lead to a seamless experience. The board approved two additional days for staff prior to the July 4th holiday. At that time the president notified the board he would bring back a request for faculty time off after consultation with all faculty. This request, for faculty only is to award two additional holiday days prior to Thanksgiving. The dates are November 23rd and 24th.

RECOMMENDATION:

It is recommended that the Board acknowledge or accept this item as written.



Lake Sumter State College

OFFICE OF THE PRESIDENT

Present to the Board: September 23, 2020

TO: Lake-Sumter State College
District Board of Trustees

FROM: Stanley M. Sidor
President

RE: 9-19- Approval to change October Board Meeting to October 21

OVERVIEW:

The college needs to move the October District Board meeting to Wednesday, October 21, 2020.

ANALYSIS:

The District Board of Trustee meetings are typically scheduled to take place during the third Wednesday of each month unless it falls during a holiday or another scheduled event. We are asking the board to move the scheduled October 14th meeting to Wednesday, October 21st at the Sumter Center, Room 4108 to allow more time for preparation for this meeting.

RECOMMENDATION:

The College recommends that the District Board approve the meeting changes.

Lake-Sumter State College's mission is to deliver student success through personal attention and flexible pathways leading to rewarding careers and higher wages.

District Board of Trustees

Mr. Peter F. Wahl, Chairman
Ms. Emily Lee, Vice Chairman
Dr. Stanley M. Sidor, President
Mrs. Anita Geraci-Carver, Board Attorney

Mr. Bryn Blaise
Mrs. Marcia Butler
Mrs. Jennifer Hill
Mrs. Jennifer Hooten
Mr. Bret D. Jones
Mr. Timothy Morris

