

June 21, 2011

TO: BOARD OF TRUSTEES
Valencia Community College

FROM: SANFORD C. SHUGART
President

RE: REQUEST TO RESERVE FUND BALANCE

The President recommends that the Board rescinds all previous designations of fund balance, and designate \$12,050,000 of the College's unallocated current fund balance for the following specific purposes to ensure we have the resources available when needed.

- 1) \$2,000,000 designated for purchase of land at the College's Osceola campus. The College believes during the current economic downturn there may be opportunities to purchase land, but the necessary Public Education Capital Outlay (PECO) funds are not available.
- 2) \$5,000,000 designated as matching funds for Osceola County's contribution of \$5 million for the construction of Osceola Building 4. There was no provision for the funding of the Facilities matching grants program in the 2011-12 State appropriations.
- 3) \$3,750,000 to provide financial assistance to the University of Central Florida (UCF) for the second part of their pledged match toward the construction of Osceola Building 4. There was no provision for UCF to provided funding for this project in the 2011-12 State appropriations.
- 4) \$1,300,000 to cover the shortfall in funding for Osceola Building 4 costs due to the veto of the final Public Educational Capital Outlay (PECO) appropriation not covered by the 2011 Capital Outlay and Debt Service bond proceeds.

RECOMMENDED ACTION:

The President recommends that the Board of Trustees approve the designation of fund balance for land purchase and building construction.



President