

MINUTES OF THE MEETING OF THE STATE BOARD OF TRUSTEES
IVY TECH COMMUNITY COLLEGE OF INDIANA
June 7, 2012

Chairman Anne Shane called the June 7, 2012 regular meeting of the State Board of Trustees to order at 1:30 pm at Elkhart County Campus, 22531 County Road 18, Goshen, IN

A. ROLL CALL

Secretary Steve Schreckengast called the roll and the presence of a quorum was announced.

The following State Trustees were present:

Mrs. Anne K. Shane, Chair
V. Bruce Walkup, Vice Chair
Mr. Steve Schreckengast, Secretary
Mr. Kevin Ahaus
Ms. Linda Buskirk
Mr. David M. Findlay
Mr. Lee J. Marchant
Mr. Anthony J. Moravec
Ms. Kaye H. Whitehead

The following State Trustees were unable to attend:

Ms. Debora K. Butterfield
Mr. Richard R. Halderman
Ms. Lillian Sue Livers
Mr. Norman E. "Ned" Pfau, Jr.
Mr. Leslie C. Shively

B. EXECUTIVE SESSION MEMORANDA:

Following notice under IC5-14-1.5-4, IC 5-14-1.5-5 and IC5-14-1.5-6.1(d)

The State Board of Trustees met in Executive Session on Wednesday, June 6, 2012 at 2:00 p.m. at the Elkhart County Campus, 22531 County Road 18, Goshen, IN.

Members present were: Anne K. Shane, Chair, Bruce Walkup, Vice Chair, Steve Schreckengast, Secretary, Kevin Ahaus, Linda Buskirk, David Findlay, Lee Marchant, Anthony J. Moravec, and Kaye Whitehead.

Members absent were: Debora K. Butterfield, Richard R. Halderman, Lillian Sue Livers, Norman E. "Ned" Pfau, Jr., and Leslie Shively.

The Trustees considered the following items as permitted under IC 5-14-1.5-6.1(b). For each subject, a reference to the applicable subdivision of IC 5-14-1.5-6.1 (b) and a description of that subject are included.

- (2)(B) Initiation of litigation that is either pending or has been threatened specifically in writing.
- (2)(C) The implementation of security systems.
- (2)(D) The purchase or lease of real property by the governing body up to the time a contract or option to purchase or lease is executed by the parties
- (3) The assessment, design, and compensation of school safety and security measures, plans, and system
- (5) To receive information about and interview prospective employees
- (6)(A) With respect to any individual over whom the governing body has jurisdiction, to receive information concerning the individual's alleged misconduct
- (7) For discussion of records classified as confidential by state or federal statute.
- (9) To discuss job performance evaluations of individual employees. This subdivision does not apply to a discussion of the salary, compensation, or benefits of employees during a budget process.
- (11) To train board members with an outside consultant about the performance of the roles of members as public officials

With the Approval of these minutes the Trustees present at the meeting certify that no subject matter was discussed in the executive session other than the subject matter specified in the public notice issued for this meeting.

C. NOTICES OF MEETING MAILED AND POSTED:

Secretary Steve Schreckengast confirmed that notices of the June 7, 2012, regular meeting were properly mailed and posted

D. APPROVAL OF BOARD MINUTES:

Chairman Anne K. Shane directed the trustees' attention to the minutes of April 12 2012, regular board meeting. Trustee David Findlay made the motion to approve the minutes of the April 12, 2012 regular meeting as submitted. Trustee Anthony Moravec seconded the motion and the motion was carried unanimously.

E. COMMITTEE REPORTS:

Item 1 Chairman Shane reported that the Executive Committee met on May 24, 2012 and said that the matters discussed salary issues among Senior Leadership across the state and how to equalize them, discussion on funding formula and construction priorities to be presented to the State Budget Committee and Commission of Higher Ed.

Chairman Shane also noted that Trustees Pfau, Ahaus and Livers were asked to sit on the nominating committee for leadership of the board and the announcement of the committee members whom will be presented at the next State Board of Trustees Meeting in August.

Item 2 Chairman Shane called upon Trustee Walkup for a report from **Budget and Finance Committee**. Trustee Walkup reported there were four action items for the board to consider. Trustee Walkup moved for approval of:

Resolution Number 2012-27, Approval of contract for Student Success Center (Enrollment and Student Support Services)

Trustee Ahaus seconded the motion, and the motion carried unanimously.

Trustee Walkup moved for approval of:

Resolution Number 2012-28, Approval of the College 2012-13 Fiscal Year Internal Operating Budget

Trustee Findlay seconded the motion, and the motion carried unanimously.

Trustee Walkup moved for approval of:

Resolution Number 2012-29, Resolutions of the State Board of Trustees of the Trustees of Ivy Tech Community College of Indiana Authorizing the Issuance and Sale of Ivy Tech Community College Student Fee Bonds, Series Q

Trustee Moravec seconded the motion, and the motion carried unanimously.

Chairman Shane thanks Bob Holmes Treasurer and Chris Ruhl for their work on Blackboard, the internal operating budget and refinancing bonds at a favorable rate.

Item 3 Chairman Shane called upon Trustee Buskirk for the **Planning and Education Committee Report**. Trustee Buskirk reported there was one action item for the board to consider. Trustee Butterfield moved for approval of:

Resolution 2012-30, Approval of New Programs

Trustee Marchant seconded the motion, and the motion carried unanimously.

Update on completion initiative and it supporting our strategic plan and the key finding from the student satisfaction survey.

Item 4 Chairman Shane called upon Trustee Kaye Whitehead to give the **Building, Grounds and Capital Committee Report**. Trustee Whitehead moved for approval of:

Resolution Number 2012-31, Approval of 2013-15 Capital Budget Request and 2013-23 Ten-Year Capital Improvement Plan

Trustee Schreckengast seconded the motion, and the motion carried unanimously.

Resolution Number 2012-32, Approval of a Lease for a New Castle Instructional Center, Region 6/East Central

Trustee Schreckengast seconded the motion, and the motion carried unanimously.

Resolution Number 2012-33, Approval for a Lease Amendment for the Patterson Building In Muncie, Region 6/East Central

Trustee Schreckengast seconded the motion, and the motion carried unanimously.

Resolution Number 2012-34 Request that Ivy Tech Foundation, Inc. Renovate the First Floor of the Forethought Building in Batesville under an Agreement with the College to do so, Region 11/Southeast

Trustee Ahaus seconded the motion, and the motion carried unanimously.

Resolution Number 2012-35, Approval of a Contract to Renovate the Second Floor of the Fisher Building in Muncie, Region 6/East

Trustee Walkup seconded the motion, and the motion carried unanimously.

Resolution Number 2012-36, Approval to Purchase 0.381 Acres of Improved Land at 8226 Highway 311 in Sellersburg, Region 13/South Central ~WITHDRAWN

Resolution Number 2012-48, Approval of a Request that Ivy Tech Foundation, Inc. purchase Approximately 2.0263 Acres of Improved Land at 2540 North Capital Avenue for Lease Back to the Fall Creek Academy

Trustee Findlay seconded the motion, Chairman Shane recused herself from voting due to business and personal involvement and the motion carried unanimously.

Item 5 Chairman Shane called upon Trustee Moravec for the **Audit Committee Report**. It was reported that the Audit Committee had no action items for the board to consider. Reviewed and approved Audit Committee Charter, Internal Audit Committee Charter, College Code of conduct Ethics for State Board of Trustees Meeting with External Auditors which is required yearly.

Item 6 Chairman Shane called upon Trustee David Findlay for the **Corporate College Committee Report**. Trustee Findlay reported that there were no action items for the board to consider. The committee heard from Corporate College President Matt Bell on next steps. Updates were given by Becky Nickoli and Jeff Pittman on On-line.

F. **TREASURER'S REPORT:**

Chairman Anne Shane called upon Vice President Bob Holmes for the Treasurer's Report. Treasurer Holmes reported that we have now completed eleven months of the 2011-12 fiscal year and will begin the year-end close process in about three weeks. Through May, total revenue is up \$16.1 million or 3.5% as compared to May 2011. We are on track to meet the overall revenue estimate that supports the 2011-12 budget. However, there is some bad news

regarding student fee revenues. It now appears that we will fall short of last year's student fee total. Through May, student fee revenue is trailing last year's total by \$5.8 million. This is primarily due to a significant drop in summer enrollment. Through May 28, summer FTE enrollment is down 16% as compared to last year. This accounts for more than \$3.0 million of the shortfall. State appropriations have increased \$19.4 million or 10.7% as compared to May 2011. All but \$600,000 of this increase is for operating expenses as fee replacement appropriations to reimburse us for debt service costs are relatively flat with last year. Investment income is down \$137,000 as compared to last year, but we will top the \$3.0 million revenue estimate that supports the 2011-12 budget. Higher investable balances have offset a portion of lower interest rates. Other income and transfers are up \$2.8 million as compared to last year and are already over budget estimates. The increase is primarily related to increases in grants and contracts, overhead recovery, and various miscellaneous sources.

Total general fund expenses are up \$30 million over last year primarily due to the \$20 million increase in compensation costs. This is a result of the 2% salary pool and the addition of 99 full-time faculty positions in the current year's budget. Supplies and equipment, utilities, and facility leases have increased by \$1.6 million primarily related to new costs associated with opening new buildings in Warsaw, Sellersburg, and two in Indianapolis. The increase in transfers out is primarily related to the loss of federal stimulus funds and state support to fund R&R projects. The college has funded \$6.6 million of R&R projects in 2011-12. The remaining increase is due to larger initial transfers to fund the other post-employment benefits and the accrued sick leave and vacation liabilities. Overall, we continue to be on target to increase college unrestricted net assets by 30 million. Finally, I would note that we make our bond payments, on our outstanding debt, twice per year on July 1 and January 1. While the state reimburses us for those expenses – it's typically one to two months after our payment. This year, our July 1 payment totals \$24.6 million so we have been becoming more liquid with our investment portfolio and have scheduled investments to mature in order to make this large payment. The good news is that with these large payments, we have paid off \$35 million of outstanding debt in the last two years.

G. **STATE OF THE COLLEGE**

Chairman Shane called upon President Snyder for the President's Report.

Reports were given by Tandra Miles on Talent Management, Jill Kramer on Accelerating Greatness and Chris Hancock on Foundation Strategic Plan and 2008-2013 Accomplishments.

H. **OLD BUSINESS**

Chairman Shane called for old business, and there was none.

I. **NEW BUSINESS**

Chairman Shane called for new business.

Chairman Shane called for motion to approve Resolutions 2012-37 through 2012-46, Reappointments and Appointments of Regional Trustees: Northeast, Northwest, North Central, Kokomo, East Central, Central Indiana, Columbus, Southeast, Southwest, and Bloomington Regions. Chairman Shane made special note that Resolution 2012-42, Reappointment of Trustee

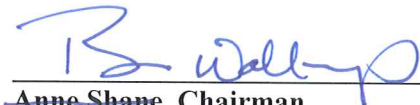
Martha Lamkin would represent At-Large not Education and Resolution 2012-41 Reappointment and Appointment of Regional Trustees-Wabash Valley has been withdrawn.

Trustee Whitehead seconded the motion, and the motion carried unanimously.

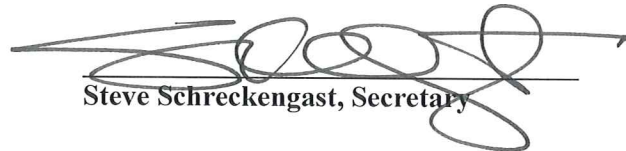
J. **ADJOURNMENT:**

With no further business to come before the Board, Chairman Shane adjourned the meeting.

**STATE TRUSTEES
IVY TECH COMMUNITY COLLEGE**



Anne Shane, Chairman
Anne Shane



Steve Schreckengast, Secretary

Dated June 11, 2012

Prepared by Gretchen L. Keller, Recording Secretary