INDEX
Meeting of the State Board of Trustees
Ivy Tech Community College of Indiana
August 10, 2006

Meeting Notice.......................................................................................................................... iii

Agenda...................................................................................................................................... 1

Minutes ..................................................................................................................................... 3
  - Regular Meeting, June 15, 2006
  - Special Board Meeting, July 14, 2006

Proposed Resolutions:

  • Resolution Number 2006-44, Appointment and Reappointment of Regional Trustees................................................................. 28

  • Resolution Number 2006-45, Approval of Contract for Security Services, Region 6 ............................................................... 29

  • Resolution Number 2006-46, Approval of Disaster Recovery Services Contract for College Mainframe and Server Configurations .............................................................................. 30

  • Resolution Number 2006-47, Approval of Contract Lease and Maintenance for Convenience Copiers, Region 4 ........................................................................................................ 31

  • Resolution Number 2006-48, Amendment of Custodial Services Contract, Region 5 ..................................................................... 32

  • Resolution Number 2006-49, Approval of New Programs ........................................................................................................ 33

  • Resolution Number 2006-50, Approval to Acquire 10.0 Acres of Land in Marion by Exercising an Option to Purchase, Region 6 ..................................................................................... 35

  • Resolution Number 2006-51, Approval to Acquire 1.59 Acres of Land in Madison by Exercising an Option to Purchase, Region 11 ....................................................................................... 36

  • Resolution Number 2006-52, Approval to Lease Land in Bloomington to the Monroe County Development Commission, Region 14 ...................................................................................... 37
INDEX

PAGE 2


- **Resolution Number 2006-54**, Approval to Enter Into an Agreement to Develop Architectural Design and Program Design Standards for the College, Statewide ........................................................................................................ 39

- **Resolution Number 2006-55**, Approval to Renovate part of the Center for Workforce Development in Terre Haute, Region 7 .................................................. 40

Treasurer’s Report ........................................................................................................ 41

Budget and Finance Committee Report ........................................................................ 55

Planning and Education Committee Report ................................................................. 61

Buildings, Grounds, Capital Committee Report ......................................................... 63

Audit Committee Report ............................................................................................... 81
OFFICIAL NOTICE OF MEETING
IVY TECH COMMUNITY COLLEGE
STATE BOARD OF TRUSTEES

Notice is hereby given that the State Board of Trustees of Ivy Tech Community College will hold the following meetings at the Clifty Inn, Clifty Falls State Park, State Road 56, Madison, Indiana.

Thursday, June 15, 2006

7:30 a.m. – 10:30 a.m. Meeting of State Trustees in Executive Session in Overlook 1 to discuss the following subjects pursuant to I.C. 5-14-1.5-6.1 (b):
(2) (B) Litigation
(2) (D) Leasing of real estate property
(4) Information about prospective employees
(9) Job performance evaluation of employees
(10) Train state trustees with an outside consultant about the performance of the role of trustees as public officials

10:30 a.m. – Noon Standing Committee Meetings
Planning & Education – Clifty Room
Budget & Finance – Overlook 1
Buildings, Grounds, & Capital – Hoffman Room
Audit – Main Lobby

1:00 p.m. – 2:30 p.m. Joint Committee Meeting – Overlook 1

2:30 p.m. The State Trustees will hold a regular meeting in Overlook 1 to consider and take action on such items as may be brought before them. Included will be a public hearing at which a decision will be made with regard to the awarding of a contract for the following public works:

Renovation of Part of the Center for Workforce Development in Terre Haute, Region 7

Marvin E. Foote, Secretary

Dated this 26th day of July, 2006
PRELIMINARY AGENDA AS OF JULY 26, 2006*
Meeting of the State Board of Trustees

August 10, 2006

I. Roll Call

II. Report of Secretary on Notice of Meeting

III. Approval of Minutes:

- Regular Meeting, June 15, 2006
- Special Board Meeting, July 14, 2006

IV. State of the College, Gerald I. Lamkin, President

V. Treasurer’s Report, Robert C. Holmes, VP/Finance and Treasurer

VI. Reports of Board Committees

A. Executive Committee, William R. Goins, Chairman

Resolution Number 2006-44, Appointment and Reappointment of Regional Trustees

B. Budget and Finance Committee, Norman E. Pfau, Jr., Chairman

Resolution Number 2006-45, Approval of Contract for Security Services, Region 6

Resolution Number 2006-46, Approval of Disaster Recovery Services Contract for College Mainframe and Server Configurations

Resolution Number 2006-47, Approval of Contract Lease and Maintenance for Convenience Copiers, Region 4

Resolution Number 2006-48, Amendment of Custodial Services Contract, Region 5
C. Planning and Education Committee, Lee J. Marchant, Chairman

Resolution Number 2006-49, Approval of New Programs

D. Buildings, Grounds, and Capital Committee, John P. Griffin, Chairman

Resolution Number 2006-50, Approval to Acquire 10.0 Acres of Land in Marion by Exercising an Option to Purchase, Region 6

Resolution Number 2006-51, Approval to Acquire 1.59 Acres of Land in Madison by Exercising an Option to Purchase, Region 11

Resolution Number 2006-52, Approval to Lease Land in Bloomington to the Monroe County Development Commission, Region 14

Resolution Number 2006-53, Approval to Increase the Contract Authorization for the Richmond Phase 1 New Construction Project, Region 9

Resolution Number 2006-54, Approval to Enter Into an Agreement to Develop Architectural Design and Program Design Standards for the College, Statewide

Public Hearing and Consideration of:

Resolution Number 2006-55, Approval to Renovate Part of the Center for Workforce Development in Terre Haute, Region 7

E. Audit Committee, Mark J. Neff, Chairman

VII. Old Business

VIII. New Business

IX. Adjournment

*Matters may be added to or deleted from the board agenda between the date of this preliminary agenda and the board meeting.
MINUTES OF THE MEETING OF THE STATE BOARD OF TRUSTEES
IVY TECH COMMUNITY COLLEGE OF INDIANA
INDIANAPOLIS, INDIANA
JUNE 15, 2006

Chairman William R. Goins called the June 15, 2006, regular meeting of the State Board of
Trustees to order at 11:00 a.m. in Mount McKinley at the Hyatt Regency Indianapolis, One
South Capital Avenue, Indianapolis, Indiana.

A. **ROLL CALL:**

Secretary Jerry D. Speidel called the roll and the presence of a quorum was announced.
The following State Trustees were present:

Mr. William R. Goins, Chair
Mr. Thomas J. Trauring, Vice Chair
Mr. Jerry D. Speidel, Secretary
Mr. Jesse R. Brand
Mr. Joseph T. Bumbleburg
Mr. Marvin E. Foote
Mr. Francis H. Lueken, Jr.
Mr. Lee J. Marchant
Mr. Louis R. Martinez
Mr. Mark J. Neff
Mr. Norman E. "Ned" Pfau, Jr.
Mr. V. Bruce Walkup

Trustees unable to attend the meeting:

Mr. Lawrence R. Foster, Jr.
Mr. John P. Griffin

B. **NOTICES OF MEETINGS MAILED AND POSTED:**

Secretary Jerry D. Speidel confirmed that notices of the June 15, 2006, regular meeting
were properly mailed and posted.

C. **APPROVAL OF BOARD MINUTES:**

Chairman William R. Goins directed the trustees’ attention to the minutes of the April 13,
2006, regular board meeting and the May 1, 2006, special board meeting. Trustee Louis
R. Martinez made the motion to approve the April 13, 2006, and May 1, 2006, minutes as
submitted. Trustee Marvin E. Foote seconded the motion, and the motion was carried
unanimously.
D. **STATE OF THE COLLEGE:**

Chairman Goins called on President Gerald I. Lamkin for the President’s Report.

- President Lamkin introduced the new chancellor for Region 8/Central Indiana, Dr. Hank Dunn, and called on him for remarks. Dr. Dunn said that he appreciates the opportunity to become part of Ivy Tech Community College. He sees it as a vibrant community college that is growing. He is impressed with the fact that we have a strategic plan and that we are already doing so many things that many other colleges aspire to do. He said that he has found everyone to be welcoming and cordial and it is a pleasure to be here.

- President Lamkin noted that all of the state trustees had in front of them a copy of the Sunday, June 4, 2006, *The Muncie Star Press*, courtesy of Region 6 Interim Chancellor Gail Chesterfield. He pointed out that nearly the entire main section of the paper focused on different aspects of Ivy Tech, from the history of the College to programs and services it provides today. President Lamkin thanked Interim Chancellor Chesterfield for bringing in those copies for the trustees.

- Before the trustees approve the 2006-07 budget for $267 million later today, President Lamkin said he wanted to share some interesting statistics to show how far the College has come. The June 30, 1973, Annual Report showed the College’s budget as $8 million. Of that, $1.4 million was from student fees and $4 million was from the state. This year from the state, Ivy Tech will receive $157 million and $108 million will come from student fees.

- President Lamkin next called on Region 1 Chancellor Lupe Valtierra for an update on an upcoming regional event. Chancellor Valtierra told the trustees that they would be invited to the official ribbon cutting ceremony for the new Valparaiso campus to be held on September 6, 2006. He reported that at their last regional board meeting, the architects and construction managers reported that the project is 99.5 percent complete. He concluded by saying that the timeline on this project was very aggressive, but it has been a great experience and he looks forward to the building being open for the students.

- Next, President Lamkin called on Region 11 Chancellor Jim Helms for comments about more regional events. Chancellor Helms first thanked everyone who attended the groundbreaking ceremony in Madison. He said it was a successful event and many people were in attendance. He announced that the ribbon cutting and dedication ceremony for the new riverfront facility in Lawrenceburg will be on Sunday, October 15, 2006, and that official invitations will be sent out well before the occasion.

- President Lamkin called on Dr. Rebecca Nickoli, Executive Director of Academic Support Services, for a report on the Higher Learning Commission. Dr. Nickoli said
that since the last state board meeting, the College received the final report of the focus visit by the Higher Learning Commission team who came in March. They had determined that rather than doing a conventional focus visit, they would provide advice to prepare us for our comprehensive visit which is scheduled for sometime during the 2008-09 academic year. The team provided excellent advice for us in their report, such as suggesting that the College conduct an economic impact study. They also provided a wealth of advice about the technical considerations of the College, in particular the Banner/IIS Project and distance education. Dr. Nickoli said that all of the advice will be shared with the new self-study steering committee that will begin preparations for the 2008-09 comprehensive visit. The steering committee’s first meeting is June 26, and Dr. Nickoli said that the trustees would be updated throughout the preparations for that self study.

- President Lamkin next called on Vice President for Development, Chuck Harris, for a report on the latest Cornerstone Society event. Vice President Harris said that the second annual recognition function for the Cornerstone Society was held on June 11 at the Indianapolis Museum of Art. This function was to recognize those donors who have made a planned gift—either as an irrevocable current gift or as a provision in their wills—to help provide for the future of the College. Vice President Harris mentioned in particular two attendees, Ralph and Margaret Sipes from Region 11. Margaret has been a faculty member and a librarian at the Madison campus for years, and her husband, Ralph, is a professor at Hanover College. They both have a love for Ivy Tech and overcame some obstacles to attend this event. Vice President Harris said that this is the kind of love and dedication for Ivy Tech that is seen in so many of the Cornerstone Society members, which now totals more than 80. Vice President Harris said that he is willing to travel to meet with any of the state trustees to discuss whether a planned gift is the right way for any of them to provide for the future growth and development of Ivy Tech. He thanked the trustees for their support and noted that without it, Ivy Tech would not be a nationally recognized leader in planned giving among two-year colleges as it is today.

- President Lamkin said that a signing ceremony with Indiana’s Adjutant General Martin Umbarger was originally scheduled to take place today immediately prior to the start of this Board meeting, but, since General Umbarger was attending the funeral of a fallen soldier from Indiana, this signing will be rescheduled. President Lamkin said that he will sign this agreement on behalf of the College acknowledging that Ivy Tech will become a 5-Star Employer Supporter of National Guard and Reserve members. This means that Ivy Tech will promote training for managers and supervisors to effectively manage their employees who serve, review employee policies to ensure compliance with the Uniformed Serviced Employment and Re-Employment Rights Act Law, advocate employee service in the National Guard and Reserve, and promote the mission of Employer Support of Guard and Reserves (ESGR).
President Lamkin concluded his report by saying that he would join Governor Mitch Daniels and the Indiana delegation on their trip to Japan and Korea from June 17 to 28. Other upcoming events he reminded the trustees about included the Sample Awards luncheon on June 29 at The Marott in Indianapolis; a special Board meeting to approve the biennial budget on Friday, July 14; and the next State Board meetings in Madison at the Clifty Inn on August 9 and 10. President Lamkin thanked all of the trustees for their support of the College and said that it is because of their efforts that the College is the success that it is today.

Chairman Goins added that he was fortunate enough to attend nine of the 14 commencement ceremonies this year, and he thanked all of the chancellors and their staffs for doing such a wonderful job. He said that he appreciates all of the trustees who participated in the ceremonies in their regions and those who were also able to attend other ceremonies.

E. **TREASURER’S REPORT:**

Chairman Goins called on Bob Holmes, Vice President for Finance/Treasurer, for the Treasurer’s Report.

- Treasurer Bob Holmes said that we have completed 11 months of the 2005-06 fiscal year and we will begin the year-end closeout process in about three weeks. Through May, our revenues have increased by slightly over $19 million as compared to May of last year. Student fees have grown by $9 million and state appropriations are up by about $10 million. Other income is essentially flat as increases in investment income have been offset by reductions in overhead recovery and some internal transfers. Expenditures have grown by about $20.8 million, and that total includes over $6 million in expenses associated with the IIS Project. Thus, while expenditures have grown by $1.6 million more than revenues, $6.4 million is the result of the IIS Project for which we have been saving for several years, and now are in the process of spending that money. Next, Vice President Holmes announced that, regarding the upcoming Series K bond issue, we expect to sell next week. He directed the trustees to their folders and to three documents for their review. The first item is a copy of the presentation that was made to Standard and Poors, Fitch, and the bond insurers. It provides information about the College and Foundation, including the educational programming, student demographics, enrollment, facilities, and finances. The second items were credit reports from Standard and Poors and Fitch. Standard and Poors reaffirmed our A+ rating but revised its rating outlook from stable to positive. Reading from the report, Vice President Holmes said, “This revision reflects the community college system’s position in the state’s higher education system and continued healthy financial operations including consistent generation of good operating surpluses, enrollment growth, and maintenance of manageable debt levels. The A+ rating for Ivy Tech reflects a history of solid state support from Indiana, AA+ stable issuer credit rating; very strong systemwide enrollment growth with estimated FTE of 43,184 students in 2005-06, a 52 percent increase from 2000-01. The all encompassing nature of the security pledge consisting of all academic fees, including
tuition. A large system with a network of 14 regions and 23 campuses located throughout the state, a seasoned management team with a clear strategic vision of the future, strong financial performance with a history of operating surpluses and an $18.2 million surplus in fiscal year 2005 and the bonds’ relatively short average life to the final maturity in 2026. An offsetting credit factor is the low level of appropriations on a per FTE basis, and in addition, although the enrollment growth has been managed to date, there is concern with the continued growth that the school might face additional capital projects. However, Ivy Tech does not receive legislative approval for any additional projects.” Vice President Holmes said that Ivy Tech was also reviewed by Fitch Ratings, and they provided a rating of AA- with a stable credit outlook. Each rating agency has its own point of emphasis, and in their varied review, Fitch states “the AA- rating is based on the replacement funds provided by the state for tuition and fees used to pay debt service as well as Ivy Tech Community College’s increasing enrollment, campus locations throughout the state, solid financial performance, and financial flexibility provided by non-tenured faculty. Fitch believes that the financial strength and stability of Ivy Tech is largely due to the experienced management team coupled with the College’s ability to respond to changing enrollment demands through the use of non-tenured faculty. The major concerns are low liquidity and limited fundraising ability.” This report is also included in the trustees’ folders. President Lamkin and Trustee Trauring both thanked Vice President Holmes and his staff for doing an outstanding job. Vice President Holmes called for questions, and there were none. Trustee Marvin E. Foote moved that the Treasurer’s Report be approved. Trustee Louis R. Martinez seconded the motion, and the motion carried unanimously.

F. COMMITTEE REPORTS:

Item 1 Reporting for the Executive Committee, Chairman Goins reported that the Executive Committee met on May 31, 2006, and that the trustees had already received a memorandum summarizing those discussions. At this meeting, Executive Committee members Goins, Trauring, Speidel, Griffin, and Martinez approved Executive Committee Resolution Number 2006-1, Resolution Approving and Authorizing the Sale of the Ivy Tech Community College Student Fee Bonds, Series K. A signed copy of the resolution will be included as an attachment to the June State Board minutes.

Chairman Goins called on Trustee Trauring to present Resolution Number 2006-26, and to present the names of all recommended candidates to fill each regional trustee vacancy. Trustee Trauring made the motion to appoint and/or reappoint the following candidates to the respective regional boards:

<table>
<thead>
<tr>
<th>Region 1</th>
<th>Raymond V. Komenich</th>
<th>Education</th>
</tr>
</thead>
<tbody>
<tr>
<td>Region 2</td>
<td>Hardie Blake</td>
<td>Commerce</td>
</tr>
<tr>
<td></td>
<td>Richard A. VanPuffelen</td>
<td>Agriculture</td>
</tr>
</tbody>
</table>
BOARD MINUTES
JUNE 15, 2006

Region 3
L. Burton Wygant
Frederick E. Roberts
John R. Thomas
Education
Labor
Commerce

Region 4
Kevin M. Caress
Robert C. Pahl
Kathryn A. Vernon
Education
Manufacturing
Commerce

Region 5
James B. Clary
Gregory P. Aaron
Commerce
At-Large

Region 7
Michael A. Pleasant
Ed Carmichael
Labor
Agriculture

Region 10
Diane McKinney
John M. Burnett
Richard Beckort
At-Large
Education
Agriculture

Region 11
John V. Kime
Lillian S. Livers
Labor
Commerce

Region 12
William S. Doty
David E. Gunn
Karen Watkins
Manufacturing
At-Large
Labor

Region 14
Frank Nardi
Jerry Lambrecht
John A. Maloy, Jr.
At-Large
Agriculture
Education

Trustee Bumbleburg seconded the motion to approve Resolution Number 2006-26, Appointment and Reappointment of Regional Trustees, and the motion carried unanimously.

Item 2
Chairman Goins suggested that the Board consider the following 7 resolutions as a single consent action since each had been thoroughly discussed in the Budget & Finance Committee meeting and with the entire Board in the Joint Committee meeting earlier this morning. With the Board fully apprised of
each proposed resolution, Trustee Jerry D. Speidel moved that the 7 resolutions be adopted. Those resolutions are delineated as follows:

**Resolution Number 2006-27, Approval of the College 2006-07 Fiscal Year Internal Operating Budget**

**Resolution Number 2006-28, Approval of Contract Extension for Statewide Marketing/Advertising Services**

**Resolution Number 2006-29, Approval of Contract Award for Advertising Services, Region 3**

**Resolution Number 2006-30, Approval of Arrangement with Indiana Higher Education Telecommunication System (IHETS) for College Data, Video, and Internet Circuits and Services**

**Resolution Number 2006-31, Approval of Facilities Management Contract, Region 8**

**Resolution Number 2006-32, Approval of Additional Funds for the Custodial Services Contract Due to Adding Additional Space at Region 12**

**Resolution Number 2006-33, Approval of Purchase of Assessment Instrument from American College Testing (ACT)**

Trustee Martinez seconded the motion to approve the above 7 resolutions, and the motion carried unanimously.

**Item 3**

Chairman Goins suggested that the Board consider the following 2 resolutions as a single consent action since each had been thoroughly discussed in the Planning & Education Committee meeting and with the entire Board in the Joint Committee meeting earlier this morning. With the Board fully apprised of each proposed resolution, Trustee Mark J. Neff moved that the 2 resolutions be adopted. Those resolutions are delineated as follows:

**Resolution Number 2006-34, Approval of New Programs**

**Resolution Number 2006-35, Approval of the Awarding of the High School Diploma by Ivy Tech Community College**

Trustee Marvin E. Foote seconded the motion, and the motion carried unanimously.
At this time, Trustee Neff announced that the 2006 Glenn W. Sample Award winner is Dr. Vesta Whisler from Region 6. President Lamkin asked Interim Chancellor Gail Chesterfield for comments about Dr. Whisler. Interim Chancellor Chesterfield said that Dr. Whisler has been with the College for a number of years and exemplifies the faculty at Ivy Tech. Dr. Whisler completed her doctorate degree a few years ago, and she is more famously known right now throughout the state as developing an online faculty certification course. Many of the faculty from all of the regions have been taking that online certification course, and a frequent comment is the fact that the course is challenging. In addition to working well with her students and developing the online delivery of courses, Dr. Whisler is also committed to the community and providing services. For example, during the Thanksgiving holiday, she spent personal time in Florida working with the American Red Cross to help hurricane victims. Interim Chancellor Chesterfield said Dr. Whisler is very worthy of this award.

Item 4

Chairman Goins suggested that the Board consider the following 6 resolutions as a single consent action since each had been thoroughly discussed in the Buildings, Grounds, and Capital Committee meeting, and with the entire Board in the Joint Committee meeting earlier this morning. With the Board fully apprised of each proposed resolution, Trustee Trauring moved that all 6 resolutions be adopted. Those resolutions are delineated as follows:

Resolution Number 2006-36, Approval of the Priority Ranking Measures for Capital Projects for the 2007-09 Biennium and Subsequent Biennia

Resolution Number 2006-37, Approval of the Current Community Support Measure for Capital Projects for the 2009-11 Biennium and Subsequent Biennia

Resolution Number 2006-38, Approval to Purchase 0.196 Acres of Improved Land at 603 Colonial Avenue in Evansville, Region 12

Resolution Number 2006-39, Approval to Exercise a Renewal Option for the Tucker and Jones Buildings in Marion, Region 6

Resolution Number 2006-40, Approval of a Lease for and Renovation of Space in the International Medical Group Building at 2960 North Meridian Street in Indianapolis, Region 8

Resolution Number 2006-41, Approval of a Third Technical Amendment to Resolution Number 2001-54 for the Approval of a Construction Management Firm for the Valparaiso New Construction Project, Region 1
Trustee Jesse R. Brand seconded the motion to approve the above 6 resolutions, and the motion carried unanimously.

At this time during the regular meeting, Chairman Goins called a public hearing for the consideration and awarding of a Public Works contract for the New Construction Project in Valparaiso, Region 1. Trustee Trauring moved that Resolution Number 2006-42 for the awarding of a contract for the New Construction Project in Valparaiso be approved. Trustee Martinez seconded the motion. Chairman Goins asked if anyone in attendance had anything to present to the Board regarding this Resolution, and no one came forward. Chairman Goins called for a vote to approve Resolution Number 2006-42, Approval of the Valparaiso New Construction Project Contracts, Region 1, and the motion carried unanimously.

Item 5 Chairman Goins called upon Trustee Bumbleburg to give the Audit Committee Report. Trustee Bumbleburg said there were no action items to be brought forth at this time.

Chairman Goins thanked all of the trustees for doing a great job serving on their committees.

G. OLD BUSINESS:

Chairman Goins called for old business.

- Trustee Trauring said that a little over three years ago, he received a call from Governor Frank O’Bannon appointing him as a trustee of Ivy Tech. He said this appointment came as a surprise to him because he did not know Governor O’Bannon, had never talked to him or otherwise showed support. He added that it has been wonderful experience serving with the fine people on this Board. He said that Trustee Griffin served with him this year on the Buildings, Grounds, and Capital Committee, and he is sharp. Trustee Griffin studied the bid documents and saved the College several hundred thousand dollars on the award of a construction management contract. This was something left to the trustees’ discretion, Trustee Griffin caught it, and it saved money for the taxpayers of the state. Trustee Trauring went on to say that it has been a pleasure to get to know Trustee Lee Marchant this year; he has a vast knowledge of the College and will be a valuable trustee. Trustee Trauring said that Trustee Neff always knows the right questions to ask, and he is very skilled, especially in the area of finance, and he will be valuable to the Board. Trustee Bruce Walkup is a man of action and likes to get things done, which is important in our current status here at the College—we need to get things done, and Trustee Walkup will see to that. Trustee Foote is a compassionate man who truly cares about the students, the faculty, and the staff. Trustee Jerry Speidel is a lifelong student and also a close friend beyond their roles at Ivy Tech. Trustee Trauring said that whenever he needed something,
Speidel was the first to offer help. He said that Chairman Goins was the first trustee he met when he attended his first meeting. Chairman Goins is a consensus builder, and could not be a better person to chair this Board, and he will truly treasure his friendship for life. Trustee Trauring said it was a pleasure to work with President Lamkin and to see the work that he has done. He has gathered great people around him and has helped build a great college into something that is recognized nationally as a premier community college. Trustee Bumbleburg has an unbelievable memory, and he has been enormously valuable in tracing the history of actions taken by the Board and putting them in context. Trustee Jesse Brand has very strong leadership characteristics. He goes right to the bottom line on issues and asks the right questions, and he feels that the Board will rely on him greatly as the College moves forward. Trustee Lou Martinez is an idea guy who is always thinking of what we are doing, what we have done, and what we should be doing, with the latter being an important function of this Board. Nobody combs through the paperwork, nobody looks over the budget, nobody spends as much time on detail as Trustee Francis Lucken, and he applauded his efforts. Trustee Ned Pfau is solid, has great judgment, and knows what is important and what is not. This has been a great bunch of people that he has had the privilege to serve with. Trustee Trauring said he wanted to leave the trustees with ideas to think about for the future. His suggestions are as follows:

- Create a statewide mentor program. When a prospective student first contacts an Ivy Tech region, he or she should be immediately introduced to a trained adult counselor or person who can act as an educational mentor to ensure that the student feels that he or she is being assisted by someone who cares and will help guide them through the entire process. He knows that Ft. Wayne already has a similar program in place, and the trustees need to be looking at how they can help students through the process. He said that young students do not know where to go or what to do when they first get to college and it is important that they be mentored.

- Create more buy-in from the local communities so the focus of the legislature is shifted away from funding the College’s capital projects and instead funding the operation and maintenance of our buildings, something they do not fund now. This would also enable the local communities to raise the money for capital projects. We need to expand our informational technology and the ability for distance education, but we cannot do that right now because we do not have the money. We also need to find a way to secure proper funding so that all College employees can earn an appropriate wage. Getting the legislature to provide funding for other things and letting the local communities be accountable for funding capital projects is a new idea and is at least worth studying.

- Dramatically increase the full-time faculty and quickly and substantially diminish our reliance on adjunct or part-time faculty.
➢ Adopt and implement a broad base diversity plan. This is something that
Trustees Martinez and Brand have talked about, and we all feel that we
need to increase the number of minorities in positions of administration,
faculty, and even in student enrollment. That might mean that we have to
go into the high schools and recruit minority students and go to Black
colleges to recruit faculty. We need to increase our cooperation with inner
city schools and other schools for joint degree programs. Let students in
high school know that there are career opportunities for them, other than
selling drugs or otherwise getting in trouble.

➢ Reject the thought of consolidating our regions. He has spoken
passionately about this before. Local control aids in local fundraising,
assists in locating qualified local residents for faculty and administrative
positions, and allows for immediate responses to local economic issues. It
also reduces political in-fighting over the dollar. If you have the
consolidation of regions, it will exasperate existing problems.

➢ Institute additional oversight and controls for the expenditure of unspent
carry forward dollars. This is a potential time bomb that could severely
embarrass the College if there are not proper controls that are immediately
addressed. This is not a criticism as far as what is being done now, and it is
not a suggestion that there is anything improper going on. But there is an
opportunity for mischief right there involving big dollars with inadequate
control, and it should be addressed.

➢ Study in depth the new strategic plan that is being implemented. He is
specifically concerned if the quality of the results is measured. It measures
numbers that we are putting out, but if we are transferring students into
four-year institutions, those institutions are going to be very concerned
about the quality education of those who received the two-year associate
degree. He also does not recall that this Board has ever voted on or
approved the revised strategic plan, and that is something that this Board
needs to do as it is certainly within their purview and something that should
not be abdicated.

➢ Consider revising the meeting schedule. The trustees need to spend more
time in Executive Session and less time doing administrative, perfunctory
matters.

➢ Develop an immediate plan to increase Ivy Tech’s information technology
capabilities. We might need legislative help on this. By early 2008, one of
10 college students will be enrolled in an on-line degree program according
to a Boston-based market research firm called EdVenture. He thinks we are
getting behind the curve in this area, and this is probably something that
deserves more focus.
BOARD MINUTES
JUNE 15, 2006

➤ Establish a college-wide disaster preparedness plan. It is important, not only for pandemics, but fires, tornadoes, and other things that could interrupt the usage of our buildings, especially when there is a good effort being made to increase the efficiency of the use of our facilities.

➤ He said he would miss everyone, and he thanked everyone.

H. NEW BUSINESS:

Chairman Goins called for new business.

• Chairman Goins called for the nomination of board officers, and Trustee Walkup moved for approval the following:

1) Board Officers: William R. Goins, Chairperson; Jesse R. Brand, Vice Chairperson; and Marvin E. Foote, Secretary; each to serve in these roles for only one year pursuant to the By-laws, and

2) Executive Committee: William R. Goins, Chairperson; Jesse R. Brand, Vice Chairperson; Marvin E. Foote, Secretary; V. Bruce Walkup, At-Large; and Mark J. Neff, At-Large, and

3) Standing Committees: Norman E. Pfau, Jr., Chairperson of the Budget and Finance Committee and V. Bruce Walkup to also serve on this committee; John P. Griffin, Chairperson of the Building, Grounds, and Capital Committee; Lee J. Marchant, Chairperson of the Planning and Education Committee; Mark J. Neff, Chairperson of the Audit Committee and Joseph T. Bumbleburg to also serve on this committee, and

4) That the vote on this motion be made by a show of hands and that the numbers be recorded for the minutes, since the By-laws stipulate that a sitting chairperson must be re-elected by a two-thirds majority of the Board.

Trustee Trauring requested an amendment to this motion that includes the appointment of William F. Morris as Assistant Secretary and Mark Husk as Assistant Treasurer.

Trustee Bumbleburg seconded the motion and amendment. Trustee Goins called for a vote of those in favor of the motion to elect said officers by a show of hands. All 12 trustees in attendance voted affirmative, and the motion carried unanimously.

• Chairman Goins called for the nomination of external counsel, and Trustee Neff made the motion to select Ice Miller, LLP, Richard A. Snikle its representative, as external legal counsel to the Board and the College to serve at the pleasure of the
BOARD MINUTES
JUNE 15, 2006

Board until further notice. Trustee Bumbleburg seconded the motion, and the motion carried unanimously.

• President Lamkin announced to the trustees that during his absences from the office, Vice President for Administration, William F. Morris, will serve as acting president.

• President Lamkin introduced Adam VanAusdell, a writer for the Indiana Education Insight newsletter, who was in attendance to observe the meeting.

• Chairman Goins thanked the four trustees whose terms expire at the end of the month for their service. He said it has been his pleasure to serve with each of them, and on behalf of the entire Board, he thanked them for their dedication, leadership, and compassion that they showed for the students. He noted Trustee Trauring’s comments from earlier in the meeting and said that that is a good example of how passionate our trustees are about the College. Chairman Goins also said that he has not met a person more dedicated to a cause than Trustee Lueken, when the fact is that he simply tried to make the College better for every single student. Chairman Goins said that these trustees have done an outstanding job and that they definitely made this institution better than it was when they joined the Board.

I. ADJOURNMENT:

There being no further business to come before the Board, Chairman Goins called for a motion to adjourn the meeting. Trustee Trauring made the motion to adjourn, and Trustee Brand seconded the motion. The motion carried unanimously.

STATE TRUSTEES
IVY TECH COMMUNITY COLLEGE

William R. Goins, Chair

Marvin E. Foote, Secretary

Dated June 15, 2006

Prepared by Tina S. Phelps, Recording Secretary
RESOLUTION APPROVING AND AUTHORIZING THE SALE OF THE
IVY TECH COMMUNITY COLLEGE
STUDENT FEE BONDS, SERIES K

EXECUTIVE COMMITTEE RESOLUTION NUMBER 2006-1

WHEREAS, the State Board of Trustees (the "Board") of The Trustees of Ivy Tech Community College of Indiana (the "College") has full power and authority under and by virtue of the laws of the State of Indiana, including, more particularly, the provisions of Indiana Code 20-12-6 and 5-1-5, to issue bonds secured by Student Fees to finance academic and building facilities on its campuses; and

WHEREAS, the College has heretofore executed and delivered to U.S. Bank National Association (originally Merchants National Bank & Trust Company of Indianapolis), as Trustee (the "Trustee"), a certain Trust Indenture dated as of November 1, 1985 as previously amended (the "Original Indenture"), for the purpose of securing its Student Fee Bonds issued from time to time thereunder; and

WHEREAS, the Board, by Resolution Number 2006-12, has previously authorized (i) the Treasurer to develop a Plan of Financing for approval by the Board or its Executive Committee for the financing of the costs of the Project, as defined below, and the costs of refunding all or part of the Series E and Series H Student Fee bonds (the "Prior Bonds") and (ii) the Executive Committee to approve a Plan of Financing and authorize the issuance of the Bonds described below; and

WHEREAS, the Treasurer has submitted a Plan of Financing therefore to this Executive Committee for consideration; and

WHEREAS, Article IV of the Original Indenture authorizes the issuance of one or more additional series of Bonds by the College and the authentication and delivery of those additional series of Bonds by the Trustee under the conditions set forth in Article IV, which conditions have been complied with so as to authorize the issuance, authentication and delivery of the Bonds described below by the Trustee under the conditions set forth in Article IV, to provide the funds required to finance the costs of the acquisition, constructing and equipping of various projects at its Marion, Valparaiso and Madison campuses, as more particularly described in Exhibit A hereto (or any combination thereof) (collectively, the "Projects"), to refinance, if appropriate, the Prior Bonds and to finance various costs incidental to the financing and refinancing; and

WHEREAS, the Board has heretofore determined that a necessity exists to acquire, construct and equip the Projects, and

WHEREAS, there has now been submitted to the Executive Committee a form of Ninth Supplemental Indenture (the "Ninth Supplemental Indenture"), a form of Official Statement (the "Official Statement"), a form of Bond Purchase Agreement (the "Bond Purchase Agreement"), a form of Construction and Rebate Agreement (the "Rebate Agreement"), and a form of Supplement to Continuing Disclosure Undertaking Agreement (the "Undertaking") in connection with the issuance of the Bonds (as defined below) in an aggregate principal amount not to exceed
$60,159,000, plus amounts necessary to defease the Prior Bonds, plus certain additional costs and discounts, including costs of issuance, bond insurance premiums, if applicable, capitalized interest and other costs incidental to the financing as permitted by law, which financing has been approved by the Indiana General Assembly, the Higher Education Commission, the State Budget Agency, and the Governor of the State of Indiana.

NOW THEREFORE BE IT RESOLVED, by the Executive Committee as follows:

Section 1. The issuance of Student Fee Bonds by the College on the terms and conditions set forth in the Ninth Supplemental Indenture, in one or more series, is hereby authorized in the aggregate principal amount not to exceed the sum of $60,159,000, plus amounts necessary to defease the Prior Bonds, plus underwriters’ discount as described below and original issue discount, as permitted by law, costs of issuance, costs of any premium for bond issuance, as defined in the Ninth Supplemental Indenture, capitalized interest and other costs incidental to the financing. The Bonds shall be designated “Ivy Tech Community College of Indiana Student Fee Bonds, Series K” (the “Series K Bonds”) or otherwise as determined by the Treasurer (the “Bonds”). The true interest cost of the Bonds shall not exceed 6.5% with a maximum aggregate underwriters’ discount of 2%, together with original issue discount, if any, as permitted by law, and with such serial or term maturities and redemption features as the executing officers shall approve. The final maturity of the Bonds shall not extend beyond July 1, 2030. The Bonds shall be sold pursuant to the Bond Purchase Agreement at negotiated sale to the Underwriters.

Section 2. The Ninth Supplemental Indenture is approved in substantially the form submitted to the Executive Committee and is made a part of these Resolutions as if fully set forth herein. The Chairman or Vice Chairman of the College are, or either of them is, hereby authorized to execute and deliver, and the Secretary or Assistant Secretary of the College are, or either of them is, hereby authorized to attest the signature of and to imprint the corporate seal of the College on the Ninth Supplemental Indenture in substantially the form presented to this meeting, with those changes in form or substance that the officers executing those documents shall approve, as appropriate, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 3. The Official Statement is approved in substantially the form submitted to the Executive Committee and is made a part of these Resolutions as if fully set forth herein. The Treasurer or Assistant Treasurer of the College are each hereby authorized and directed to make those changes in form or substance as are necessary or appropriate, to authorize the distribution of the Official Statement, to deem an Official Statement to be final or nearly final for purposes of applicable Securities and Exchange Commission rules, to execute and deliver the form or any final Official Statement with those changes in form or substance that the Treasurer (or Assistant Treasurer) shall approve, and to cause printed copies of the preliminary and final Official Statements to be provided to those prospective purchasers, investors and other persons as he may deem advisable in order to market the Bonds, and any such prior actions are hereby ratified and confirmed.
Section 4. The Treasurer is authorized to designate one or more senior managers and one or more co-managers from the previously approved list of underwriters attached as Exhibit B hereto. The Bond Purchase Agreement is approved in substantially the form submitted to the Executive Committee and is made a part of these Resolutions as if set forth fully herein. The Chairman, Vice Chairman, Treasurer or Assistant Treasurer of the College are, or any of them is, hereby authorized to execute and deliver the Bond Purchase Agreement in substantially the form submitted to the Executive Committee, with those changes in form or substance that the officer or officers executing that document shall approve, such approval to be conclusively evidenced by the execution and delivery thereof, and any such prior actions are hereby ratified and confirmed.

Section 5. The Rebate Agreement is approved in substantially the form submitted to the Executive Committee and is made a part of these Resolutions as if set forth fully herein. The Chairman, Vice Chairman, Treasurer or Assistant Treasurer of the College are, or any of them is, hereby authorized to execute and deliver, and the Secretary or Assistant Secretary of the College are, or either of them is, hereby authorized to attest the signature of and to imprint the corporate seal of the College on the Rebate Agreement in substantially the form submitted to the Executive Committee, with those changes in form or substance that the officers executing that document shall approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 6. An Escrow Deposit Agreement is approved in substantially the form previously used in connection with Student Fee Bonds of the College. The Chairman, Vice Chairman, Treasurer or Assistant Treasurer of the College are, or any of them is, hereby authorized to execute and deliver, and the Secretary or Assistant Secretary of the College are, or either of them is, hereby authorized to attest the signature of and to imprint the corporate seal of the College on an Escrow Deposit Agreement in substantially the form previously used, with those changes in form or substance that the officers executing that document shall approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 7. The Supplement to Continuing Disclosure Undertaking Agreement is approved in substantially the form submitted to the Executive Committee and is made a part of these Resolutions as if set forth fully herein. The Chairman, Vice Chairman, Treasurer or Assistant Treasurer of the College are, or any one of them is, hereby authorized to execute and deliver the Undertaking in substantially the form presented to this meeting, with those changes in form or substance that the officer executing that document shall approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 8. The Treasurer (or, in his stead, the Assistant Treasurer) of the College is hereby authorized to prepare the bond forms, as approved by the Board in accordance with these Resolutions required for use in the issuance of the Bonds, and to cause the same to be executed manually or by facsimile by the proper officers of the College as provided in the Ninth Supplemental Indenture and the Original Indenture, as amended. Upon execution of the Bonds, the Treasurer (or, in his stead, the Assistant Treasurer) shall deliver the Bonds to the Trustee for authentication, and upon their authentication, the Treasurer (or, in his stead, the Assistant Treasurer) is authorized and directed to deliver the Bonds to the purchasers thereof for payment of the purchase price, which price shall reflect the underwriters' discount permitted by these Resolutions and an original issue discount, if any, as permitted by law.
Section 9. The Chairman, Vice Chairman, Treasurer, Assistant Treasurer, Secretary and Assistant Secretary of the College are, and each of them is, hereby authorized and directed to do any and all further acts and things necessary underlying execution and delivery of such additional or supporting agreements, documents, or certificates (including a DTC Letter of Representations and any agreement associated with obtaining bond insurance or debt service reserve fund issuance, if appropriate) as may be requested or necessary in order to complete the transaction contemplated by the Bond Purchase Agreement, the Ninth Supplemental Indenture, the Rebate Agreement, the Undertaking, and the Official Statement hereby authorized.

Executive Committee
State Trustees
Ivy Tech Community College of Indiana

William R. Goins, Chairman

Jerry D. Speidel, Secretary

Dated May 31, 2006
## EXHIBIT A

<table>
<thead>
<tr>
<th></th>
<th>Project Description</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Valparaiso Campus – New Campus, Phase II</td>
<td>$19,144,000</td>
</tr>
<tr>
<td>2</td>
<td>Marion Campus</td>
<td>$21,015,000</td>
</tr>
<tr>
<td>3</td>
<td>Madison Campus</td>
<td>$20,000,000</td>
</tr>
<tr>
<td></td>
<td><strong>Total Project Costs:</strong></td>
<td><strong>$60,159,000</strong></td>
</tr>
</tbody>
</table>
EXHIBIT B

Underwriters

Firms Eligible to Serve as Senior Manager

City Securities Corporation
Edward D. Jones & Co., L.P.

Firms Eligible to Serve as Co-Manager

City Securities Corporation
Edward D. Jones & Co., L.P.
J.P. Morgan Trust Company, National Association
PNC Capital Markets, Inc. and Hilliard Lyons
Backstrom, McCarley Berry & Co., LLC

1/172221.2
Consideration of a Resolution Approving and Authorizing the Sale of Ivy Tech Community College of Indiana Student Fee Bonds, Series K

Resolution 2006-12, adopted by the State Board of Trustees at the April 2006 Board meeting, authorized the Executive Committee of the Board to approve the issuance of bonds to finance the costs of acquisition, construction, and equipping of any or all of the following projects:

1. Marion New Construction Project $21,015,000
2. Madison Main Campus Expansion and Renovation Project $19,144,000
3. Valparaiso New Campus Project – Phase II $20,000,000
   Total $60,159,000

Previously, at the August 2005 State Board meeting, Resolution 2005-35 Declaration of Official Intent to Reimburse Expenditures was approved for these three projects.

Combining the three projects into a single bond issue will allow the College to avoid two sets of legal expenses, administrative costs, printing costs, etc. Total savings of a single issue rather than two separate ones is estimated to be $75,000. In addition, this resolution authorizes the College to refinance the Series E and H outstanding debt if that would result in interest savings. However, at this time it does not appear that a refinancing will be cost-effective.

Staff from the College have met with rating agencies, bond insurers, the Indiana Finance Authority, and the State Budget Agency. The College plans to issue a 20 year, fixed-rate, bond issue so as to take advantage of the historically low interest rate environment and relatively flat yield curve. Under current market conditions, interest rates for the Series K bond issue are expected to approximate 4.5%. A complete report on the results of the rating agency visit and bond sale will be made after completion of the sale.
Vice Chairman Jesse R. Brand called the July 14, 2006, special meeting teleconference of the State Board of Trustees to order at 11:30 a.m.

A. **ROLL CALL:**

Assistant Secretary William F. Morris called the roll and the presence of a quorum was announced. The following State Trustees were present:

- Mr. Jesse R. Brand, Vice Chair
- Mr. Marvin E. Foote, Secretary
- Mr. Joseph T. Bumbleburg
- Ms. Leigh Duckwall
- Mr. John P. Griffin
- Mr. Lee J. Marchant
- Mr. Mark J. Neff
- Mr. Norman E. "Ned" Pfau, Jr.
- Ms. Martie Rivas-Ramos
- Mr. V. Bruce Walkup
- Ms. Linda White
- Ms. Kaye Whitehead

Trustees unable to attend the meeting:

- Mr. William R. Goins, Chair
- Mr. Lawrence R. Foster, Jr.

B. **NOTICES OF MEETINGS MAILED AND POSTED:**

Secretary Marvin E. Foote confirmed that notices of the July 14, 2006, special meeting were properly mailed and posted.

Vice Chairman Brand announced that approval of the June 15, 2006, regular meeting minutes, the report of the President, and the report of Board committees would be deferred until the regular meeting on August 10, 2006.

C. **COMMITTEE REPORTS:**

**Item 1** Vice Chairman Brand called upon Trustee Norman E. Pfau, Jr. for a report on behalf of the Budget and Finance Committee. Trustee Pfau said that the trustees should have in front of them a copy of Resolution Number 2006-43,
and he asked Bob Holmes, Vice President for Finance and Treasurer, to provide a brief overview of the documents that were distributed. Vice President Holmes explained that for the past few weeks, Ivy Tech Community College has been preparing the College’s 2007-09 biennial operating budget request. The original instructions came in on March 10 and were issued jointly by the State Budget Director and the Commissioner for Higher Education. Ivy Tech is required to submit the preliminary budget figures electronically today, with the final bound budget request document due on August 1. This project was a team effort as staff from finance, academic affairs, human resources, institutional research, and financial aid all had a part in putting this overall document together. The chancellors have had the opportunity to provide input as well, and on behalf of the administrative staff, Vice President Holmes said he was pleased to present this biennial budget request to the trustees. He explained that, according to the submission guidelines, the state only wants to look at state appropriations and student fees. They will not take into account federal research grants, auxiliary enterprises like bookstores or hospitals, athletic department fees for those institutions that have intercollegiate athletics; the submissions are limited to state appropriations and student fees. Ivy Tech’s budget starting point is $260 million, and roughly $145 to $150 comes to the College from the state with the remainder coming from student fees. The College is requesting, as are all Indiana higher education institutions, a three percent increase in inflation. Each of the institutions met with budget agency representatives and higher education commission representatives and agreed that this is a reasonable request; however, that does not mean that we will get it. The state has a formula for funding enrollment growth or for taking funding away if enrollment is lost. With that formula, Ivy Tech has earned roughly $12.5 million for enrollment growth, and we are asking for that in this budget. During the biennial budget we are now in, 2005-07, the state funded 90 percent of the enrollment change which shorted us by about $3 million, but it was all they could afford at the time. We are requesting that $3 million in this 2007-09 budget. Another adjustment category is the plant expansion adjustment to cover new leases as well as operating costs for new facilities that are under construction, which totals about $1.5 million for 2007-08. The quality improvement area is another area within the budget that the state allows each university or college to request improvements. Ivy Tech is requesting a total of $5 million, which Dr. Marnia Kennon will explain later. Adding all of these requests together, the total budget request is about $290 million, which is a $30 million increase from our starting point. That equals an 11.5 percent increase on the expenditure side. However, because we are only asking for a three percent increase in student fees, the request for state appropriations is larger than the 11.5 percent expenditure increase. The final student fees decision will be made next spring after the General Assembly has acted, but our biennial budget estimate historically has followed the inflation estimate, which is three percent for this biennia. The $290 million would
become our starting point for 2008-09. Again, we requested three percent inflation, which amounts to $8 million. The enrollment change funding is requested in the first year of the biennium; it would continue in the second year, but would not be an additional increase. We are asking for about $1.1 million more for plant expansion for new leases and the operating costs of the new facilities that are coming online, and an additional $5 million of quality improvement, for a grand total of $304 million. The increase in the second year is $14 million. Vice President Holmes also explained that colleges and universities have what are called “line item budget requests” which are projects of special legislative interests with a purpose broader than a simple university setting. About five years ago, Ivy Tech had its first one—the workforce certification initiative. Last year, the legislature transferred money for the Valparaiso nursing partnership that had previously been in Purdue Northcentral’s budget to Ivy Tech when Purdue Northcentral got out of the associate degree nursing business. The Fort Wayne public safety building lease of $1 million is simply a pass through amount that was part of our capital appropriation last time. The legislature made Ivy Tech the preliminary recipient, then it is passed on to the city of Fort Wayne for the development of the new public safety building that we are leasing space in. The Fast Track to College request is in response to a bill that was adopted last year by the General Assembly to try to improve K-12 education. Reviewing the quality improvement items in the budget, Dr. Kennon said the first item is to provide 100 new full-time faculty for new and expanding programs during the biennium. We currently have 943 faculty, so this would put us near 1,100 faculty, which is still not a lot of full-time faculty for an institution that enrolls over 100,000 students a year. This will allow us to expand programs, typically health programs, that cannot grow now because of lack of faculty; and to implement new programs for education programs, pre-engineering, and engineering technology, which are all high demand programs within the state. The second quality improvement item we are requesting is to provide 70 additional full-time faculty in our remedial and developmental programs. We serve a number of under-prepared students who come to the college; that is the nature of a community college and open admissions college. We also recognize that there are problems with literacy levels in the workforce, so we need more full-time faculty to provide leadership in curriculum development and instruction at the campuses and also to be able to take what we are doing in workforce literacy out into the workplace. Those items total $5 million a year. The last item for the Board’s attention is a line item appropriation to support the Fast Track to College and Double Up for College. This is a new responsibility that has specifically been given to Ivy Tech by the legislature to help the state deal with the problems that we and other states are experiencing with people not completing high school. Using our existing courses, we are able to award high school diplomas to students who come to Ivy Tech, but we think the dropout problem is beyond what our existing courses can provide. We are asking for a significant amount of money to provide a new type of
service for this new mission for the College that would allow us to reach out to students who are truly in danger of not completing high school. Fourteen million dollars in the second year of the biennium would be earmarked for the new services, thereby ensuring that no money would be taken away from the services we are providing to our current students. Vice President Holmes said that the deadline to electronically submit the summary of the budget to the state is this afternoon, and we are to submit the actual bound biennial budget no later than July 31. On October 13, we make a presentation to the Commission for Higher Education about the biennial budget, both operating and capital. Some time after that, probably in November, we will make a similar presentation to the state budget committee. The General Assembly will start in early January; we will make a presentation to Ways and Means probably in February; Ways and Means will take action at the end of February, and the House will take their action in March; then it goes to the Senate, and will probably go to conference committee in early to mid April with hopes that an agreement is made prior to April 30, 2007. The new budget would take effect on July 1, 2007. Vice President Holmes said that updates would be provided to the trustees during the process. Trustee Pfau moved for approval of Resolution Number 2006-43, Ratification of the Biennial Legislative Budget Request for Operating Funds Submitted to the Indiana General Assembly. Trustee Foote seconded the motion, and the motion carried unanimously.

Vice President Holmes thanked the trustees on behalf of all of the staff who worked on this project for their support.

D. OLD BUSINESS:

Vice Chairman Brand called for old business.

- Trustee Walkup suggested that Vice President Holmes provide a brief overview of the budget for the newly appointed trustees. President Lamkin said he planned on having more meetings with the four new trustees in August about this and other topics.

- Referring to the 2005-06 State Board Committee Assignments that were recently distributed on behalf of Chairman Goins, Trustee Neff asked if he was in fact to serve on two Board committees. President Lamkin said that was affirmative.

E. NEW BUSINESS:

Vice Chairman Brand called for new business, and there was none.
F.  **ADJOURNMENT:**

There being no further business to come before the Board, Vice Chairman Brand called for a motion to adjourn the meeting. Trustee Bumbleburg made the motion to adjourn, and Trustee Foote seconded the motion. The motion carried unanimously.

---

STATE TRUSTEES  
IVY TECH COMMUNITY COLLEGE

Jesse R. Brand, Vice Chair

Marvin E. Foote, Secretary

Dated July 14, 2006

Prepared by Tina S. Phelps, Recording Secretary
APPOINTMENT AND REAPPOINTMENT OF REGIONAL TRUSTEES

RESOLUTION NUMBER 2006-44

WHEREAS, the terms of appointment of certain Regional Trustees expired on June 30, 2006, and

WHEREAS, a trustee vacancy exists on the Region 14 Regional Board due to the resignation of Dr. John A. Maloy, Jr., representing Education, and

WHEREAS, the Regional Boards have submitted the names of three (3) candidates or more for each trustee vacancy, and

WHEREAS, the individuals listed below have been nominated for appointment or reappointment by their respective Regional Board of Trustees, and

WHEREAS, the individuals listed below meet all of the qualifications to represent the constituencies to which they are assigned;

<table>
<thead>
<tr>
<th>REGION</th>
<th>NAME</th>
<th>CONSTITUENCY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Region 6</td>
<td>Jeffrey R. Lang</td>
<td>Manufacturing</td>
</tr>
<tr>
<td>Region 8</td>
<td>Ural Smith</td>
<td>Commerce</td>
</tr>
<tr>
<td>Region 14</td>
<td>Thomas R. Edington</td>
<td>Education</td>
</tr>
</tbody>
</table>

NOW THEREFORE BE IT RESOLVED, that those individuals named above are hereby appointed or reappointed as trustees for their respective regions, and

FURTHER BE IT RESOLVED, that these Regional Trustees will serve through June 30, 2009, or on the date a successor is duly appointed.

State Trustees
Ivy Tech Community College of Indiana

William R. Goins, Chairman

Marvin E. Foote, Secretary

Dated August 10, 2006
To: Bill Morris

From: John Whikehart

Date: August 2, 2006

Re: Regional Board of Trustees Nominations

I am submitting the name of Thomas Edington as a new nomination to replace John Maloy (Education) who resigned July 2006.

In addition to our nominees, the following individuals were given consideration for appointment:

Education: Denise Lessow and Marvin Bass
Nomination For Membership
Board of Trustees - Region 14

(Fill out nomination of incumbent Board member only)

Nominee's Constituency:  
( ) Agriculture  ☑ Education  ( ) Manufacturing
( ) Commerce  ( ) Labor  ( ) At Large

NAME OF NOMINEE: Thomas Elington
HOME ADDRESS: 709 W. Wacker Ave, Elkhart, IN 47429
HOME TELEPHONE: 219-287-0087  BUSINESS TELEPHONE: 219-874-9832
MAILING ADDRESS: 300 S. Edgarwood, Elkhart, IN 47429
E-MAIL ADDRESS: tentington@csbcske.k12.in.us

EDUCATIONAL BACKGROUND:

<table>
<thead>
<tr>
<th>School Name</th>
<th>Graduate (yes or no)</th>
<th>Area of Study</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ball State</td>
<td>yes - 1975</td>
<td>Elementary Education</td>
</tr>
<tr>
<td>Ball State</td>
<td>yes - 1978</td>
<td>Masters Elementary Education</td>
</tr>
</tbody>
</table>

PLACE OF EMPLOYMENT: Richland-Bean Blossom
CURRENT OCCUPATION: Superintendent

Please provide a brief biographical outline of the nominee. Include former employment, professional and civic affiliations and appropriate dates for same. Additional sheets may be attached if necessary.

Resume attached

John Whicker
I, insert chancellor's name, hereby certify that the above named Nominee has given permission to be considered for a Regional Trusteeship and that he/she will serve if appointed.

Signature:  
Date: 8-2-06

May 10, 1996
Thomas R. Edington
Post Office Box 155
Denver, Indiana 46926
765-985-3660 Home  765-985-3891 Work

PROFESSIONAL EXPERIENCE

Superintendent  1996-Present  North Miami Community Schools
                 Denver, Indiana

• Instituted elementary literacy program, middle school practices, and high school block schedule
• Began full-day kindergarten program for selected students
• Instituted evaluations for all district employees
• Oversaw safety, energy, program, and aesthetic upgrades of facilities
• Initiated counseling program in elementary school
• Increased General fund cash balance annually

Principal  1986-1996  Huntington County Community Schools
            Huntington, Indiana

• Served as central office intern during summers for various building projects
• Implemented curricular improvements for writing and mathematics
• Participated in contract negotiations
• Formulated building and athletic budgets for corporation business manager
• Coordinated change in substitute teacher calling service
• Oversaw community use of swimming pool and gymnasium facilities
• Implemented middle school philosophy with veteran staff

Teacher  1979-1986  Northern Wells Community Schools
          Ossian, Indiana

• Taught elementary and middle grades
• Developed enrichment and computer classes
• President of Norwell Classroom Teachers Association
• Taught integrated science/math courses
• Completed school year for injured elementary school principal
• Coached football, wrestling, and volleyball

Teacher  1975-1979  Mt. Pleasant Township Community Schools
                 Yorktown, Indiana

• Taught grade 5 and driver education
• Sponsored elementary intramurals
• Coached wrestling
• Instructed in open-concept facility
EDUCATION

Ph.D. in Educational Administration 1996 Indiana State University
   • Research in high school block scheduling Terre Haute, Indiana
Educational Specialist in Administration 1992 University of S. Mississippi
   • Research in implementation of middle schools Hattiesburg, Mississippi
Principal Certification 1985 Ball State University
   • Specialization in administration Muncie, Indiana
Master of Arts in Elementary Education 1978 Ball State University
   • Specialization in administration Muncie, Indiana
Bachelor of Science - Elementary Education 1975 Ball State University
   • Specialization in administration Muncie, Indiana

COMMUNITY ASSOCIATIONS

• Northern Indiana Community Foundation - board president
• Peru Civic Center - board president
• Rotary Club of Peru - past president
• Miami County Community Foundation - board past president
• Junior Achievement of Miami County - board vice president
• United Way of Miami County - 2001 and 2002 campaign chair
• St. Charles Catholic Church - member

PROFESSIONAL ASSOCIATIONS

• Phi Delta Kappa - educational honorary - member
• Region 8 Education Service Center - board past president
• Heartland Career Center - advisory board member
• Logansport Area Joint Special Services Cooperative - board member
• Monticello Monthly Superintendent Meeting - facilitator
• Upper Wabash Valley School Study Council - treasurer
• Indiana Association of Public School Superintendents - research commission
• Indiana School Executive Leadership Academy - graduate
• Workforce Investment Board - member

Credentials, personal, and professional references provided upon request.
Credentials and References

Thomas R. Edington

Post Office Box 155
Denver, Indiana 46926

References

Dr. Steven L. Yager
Superintendent
Northwest Allen County Schools
13119 Coldwater Road
Fort Wayne, Indiana 46845
260.637.3155(w) 260-637-2017(h) steve.yager@nacs.k12.in.us

Dr. Gregory Ulm
Director, North Central Association
Education Building, Room 1208
Indiana State University
Terre Haute, Indiana 47809
800.468.7405(w) 812-232-2729(h) eaulm@isugw.ind.state.edu

Dr. Thomas McKaig
Superintendent
Peru Community Schools
W. 3rd Street
Peru, Indiana 46970
765.473.3081(w) 765-473-7849(h) tmckaig@peru.k12.in.us

Dr. Max Spaulding
Superintendent (retired)
Huntington County Community School Corporation
5246 N 500 W
Huntington, Indiana 46750
260.358.9416(h) 765-249-2515(w) maxbarb@comcast.net

Mr. Randy Smith
Board President (retired)
North Miami Community Schools
1017E 1500N
Akron, Indiana 46910
574-893-4155(h) rjsmith@hoosierlink.net

Credentials

Dr. Robert Boyd, Director
Administrative Placement
School of Education, Room 1202
Indiana State University
Terre Haute, Indiana 47809
812.237.3804
APPROVAL OF CONTRACT FOR SECURITY SERVICES,
REGION 6

RESOLUTION NUMBER 2006-45

WHEREAS, Region 6 requests approval to award a contract for security services for two fiscal year periods, July 1, 2006 through June 30, 2008, and

WHEREAS, American Security, Inc proposed the lowest bid to provide security services for the two year period for the amount of $292,698, plus an amount for extra annual services and special events as requested by the region, and

WHEREAS, the billing rates will remain the same throughout the duration of the contract, and

WHEREAS, the Region 6 Board of Trustees recommended approval of the security services contract with American Security, Inc. at the April 6, 2006 meeting;

NOW THEREFORE BE IT RESOLVED, that the State Board of Trustees authorize and direct the College President, or his designee, to execute the contract for security services after review by College General Counsel.

State Trustees
Ivy Tech Community College of Indiana

William R. Goins, Chairman

Marvin E. Foote, Secretary

Dated August 10, 2006
APPROVAL OF DISASTER RECOVERY SERVICES CONTRACT FOR COLLEGE MAINFRAME AND SERVER CONFIGURATIONS

RESOLUTION NUMBER 2006-46

WHEREAS, the existing contract with SunGard Recovery Services for the College's data center expired on June 30, 2006, and

WHEREAS, the College is in need of ongoing business continuity services for the central College mainframe, local area, and wide area network server configurations, and

WHEREAS, the cost of the services for a period of five fiscal years, beginning July 1, 2006 and ending June 30, 2011, with costs after the first year being subject to an 8% annual increase, would not exceed $252,172;

NOW THEREFORE BE IT RESOLVED, that the State Board of Trustees authorize the renewal of the contract with SunGard Recovery Services for a period of five years with costs not exceeding $252,172.

State Trustees
Ivy Tech Community College of Indiana

[Signature]
William R. Goins, Chairman

[Signature]
Marvin E. Foote, Secretary

Dated August 10, 2006
APPROVAL OF CONTRACT LEASE AND MAINTENANCE FOR CONVENIENCE COPIERS, REGION 4

RESOLUTION NUMBER 2006-47

WHEREAS, Region 4 requests approval to enter into a five year lease and maintenance contract for eighteen convenience copiers to meet the needs of the Lafayette campus, and

WHEREAS, the region solicited proposals in accordance with College policy, and

WHEREAS, the proposals were evaluated and the Ikon proposal is recommended as the best solution to meet the region’s need, and

WHEREAS, the lease cost is $155,124 for the five year terms, and the maintenance cost is estimated to be $103,457 over the five year term, for a total projected cost of $258,581, and

WHEREAS, the Region 4 Board of Trustees recommended approval of the lease and maintenance at the July 10, 2006 meeting;

NOW THEREFORE BE IT RESOLVED, that the State Board of Trustees authorizes and directs the President, or his designee, to execute a contract with Ikon in the amount and under the terms as stated, after review by the College General Counsel.

State Trustees
Ivy Tech Community College of Indiana

William R. Goins, Chairman

Marvin E. Foote, Secretary

Dated August 10, 2006
AMENDMENT OF CUSTODIAL SERVICES CONTRACT, 
REGION 5 

RESOLUTION NUMBER 2006-48 

WHEREAS, the current custodial contract for the Kokomo and Logansport campuses needs amendment due to the addition of services to be provided for the Touby Pike Building II in Kokomo, Holman Building in Peru, and the deletion of the Grissom Building in Peru, and 

WHEREAS, Region 5 requests approval to amend the custodial services contract with MJV Group for the period July 1, 2006 through June 30, 2007 to reflect the above changes, with an option to renew and extend the contract for the two additional two year terms, and 

WHEREAS, the revised rate for services will be paid at a rate of $10,869.00 per month, an increase of $2,035.00 per month, a total of $24,420 annually increasing the contract to $236,420, and 

WHEREAS, the Region 5 Board of Trustees recommended approval of the contract amendment; 

NOW THEREFORE BE IT RESOLVED, that the State Board of Trustees authorizes and directs the President, or his designee, to execute the amended contract with MJV Group for custodial services as stated, after review by the College General Counsel. 

State Trustees 
Ivy Tech Community College of Indiana 

William R. Goins, Chairman 

Marvin E. Foote, Secretary 

Dated August 10, 2006
APPROVAL OF NEW PROGRAMS

RESOLUTION NUMBER 2006-49

WHEREAS, Ivy Tech Community College has identified the importance of providing educational opportunities for its students, and

WHEREAS, Ivy Tech has identified needs for degree programs in the service regions; and

WHEREAS, the Planning and Education Committee of the State Trustees has reviewed the proposed programs and recommended their approval;

NOW THEREFORE BE IT RESOLVED that the State Trustees do hereby approve the College to offer the new programs listed in the addendum, and

FURTHER BE IT RESOLVED that the State Trustees authorize that the proposals be submitted to the Commission for Higher Education for appropriate action.

State Trustees
Ivy Tech Community College of Indiana

William R. Goins, Chairman

Marvin E. Foote, Secretary

Dated August 10, 2006
ADDENDUM TO RESOLUTION NUMBER 2006-49

The following new degree program was approved:


The following routine program expansion was approved:

Technical Certificate in Business Administration: Region 5 at Kokomo and Region 10
APPROVAL TO ACQUIRE 10.0 ACRES OF LAND IN MARION BY EXERCISING AN 
OPTION TO PURCHASE, REGION 6

RESOLUTION NUMBER 2006-50

WHEREAS, long-range planning for the Marion campus included the need for new facilities, and

WHEREAS, said planning also includes the acquisition of properties in or near Marion to accommodate new facilities and parking, and

WHEREAS, at the request of the College, Ivy Tech Foundation, Inc. acquired approximately 10.0 acres of land contiguous to land donated to the College in Marion near the intersection of Interstate 69 and State Road 18, and

WHEREAS, the College has an option to purchase said 10.0 acres, and

WHEREAS, funding is now available from the bond proceeds for the planned construction project, and

WHEREAS, the Region 6 Trustees previously requested that the College exercise its option and purchase said 10.0 acres at any appropriate time;

NOW THEREFORE BE IT RESOLVED, that the State Trustees do hereby approve the acquisition of said property for no more than $332,000 plus closing costs, and

FURTHER BE IT RESOLVED, that the State Trustees do hereby authorize and direct the President and any other appropriate College Officer to execute all necessary documents for the above stated acquisition after the documents have been approved by the College Interim General Counsel.

State Trustees
Ivy Tech Community College of Indiana

William R. Goins, Chairman

Marvin E. Foote, Secretary

Dated August 10, 2006
Buildings, Grounds, and Capital Committee
Region 6 – Approval to acquire 10.0 acres of land in Marion by exercising the option to purchase approved by the State Trustees in October 2004, not to exceed $332,000 plus closing costs
August 10, 2006

This revised resolution will correct an error made in calculating the purchase price for the 10 acres of land in Marion.

Subsequent to the distribution of the August State Trustee meeting material, it was discovered that the wrong payoff line was inadvertently read from the loan amortization table to calculate the purchase payment. The corrected purchase payment is $332,000 plus closing costs.

Action requested: Approval of revised Resolution 2006-50 to purchase land in Marion from the Foundation.
APPROVAL TO ACQUIRE 1.59 ACRES OF LAND IN MADISON BY EXERCISING AN OPTION TO PURCHASE, REGION 11

RESOLUTION NUMBER 2006-51

WHEREAS, long-range planning for the Madison campus included the need for additional facilities and parking, and

WHEREAS, said planning also includes the acquisition of properties in the vicinity of the Madison Campus to accommodate additional facilities and parking, and

WHEREAS, at the request of the College, Ivy Tech Foundation, Inc. acquired approximately 1.59 acres of land contiguous to land owned by the College in Madison, and

WHEREAS, the College has an option to purchase said 1.59 acres, and

WHEREAS, funding is now available from the bond proceeds for the planned construction and renovation project, and

WHEREAS, the Region 11 Trustees previously requested that the College exercise its option and purchase said 1.59 acres at any appropriate time;

NOW THEREFORE BE IT RESOLVED, that the State Trustees do hereby approve the acquisition of said property for no more than $368,000 plus closing costs, and

FURTHER BE IT RESOLVED, that the State Trustees do hereby authorize and direct the President and any other appropriate College Officer to execute all necessary documents for the above stated acquisition after the documents have been approved by the College Interim General Counsel.

State Trustees
Ivy Tech Community College of Indiana

[Signature]
William R. Goins, Chairman

[Signature]
Marvin E. Foot, Secretary

Dated August 10, 2006
APPROVAL TO LEASE LAND IN BLOOMINGTON TO THE MONROE COUNTY DEVELOPMENT COMMISSION, REGION 14

RESOLUTION NUMBER 2006-52

WHEREAS, the relationship between Monroe County and the College has been mutually beneficial over the years, and

WHEREAS, Monroe County, through its development commission wishes to construct a life science incubator and Ivy Tech Biomanufacturing Institute on Ivy Tech land for the benefit of Monroe County and the College, and

WHEREAS, Monroe County proposed to construct said building for use by the County and the College, at no cost to the College, using a 20-year ground lease from the College and donating the building to the College at the end of the 20-year period, and

WHEREAS, the Region 14 Board of Trustees has requested that the State Trustees lease land for 20 years to the Monroe County Development Commission so that they can construct and use the life science incubator and Ivy Tech Biomanufacturing Institute;

NOW THEREFORE BE IT RESOLVED, that the State Trustees do hereby approve the above stated lease to the Monroe County Development Commission for $1.00 per year, and

FURTHER BE IT RESOLVED, that the State Trustees do hereby authorize and direct the President and any other appropriate College Officer to negotiate and execute a ground lease with said Commission after the documents have been approved by the College Interim General Counsel.

State Trustees
Ivy Tech Community College of Indiana

William R. Goins, Chairman

Marvin E. Foote, Secretary

Dated August 10, 2006
APPROVAL TO INCREASE THE CONTRACT AUTHORIZATION FOR THE
RICHMOND PHASE 1 NEW CONSTRUCTION PROJECT, REGION 9

RESOLUTION NUMBER 2006-53

WHEREAS, on April 24, 2003, the State Trustees approved 17 contracts amounting to
$12,690,554 and on October 14, 2004, the State Trustees approved a technology contract for
$1,492,469 for a total initial contract authorization of $14,183,023, and

WHEREAS, a delay in the project was caused by faulty design of the steel bracing requiring
additional bracing to be added to the building, and

WHEREAS, twelve contractors submitted claims for the delay, and

WHEREAS, change orders for payment of the delay claims (in addition to change orders for the
project, including change orders for the additional steel) will exceed the ten percent limit to
change orders on a project imposed by the State Trustees’ by-laws, and

WHEREAS, sufficient funds have been set aside from the insurance proceeds to reimburse the
College for change orders for the additional work related to the additional steel bracing and for
delay claims, and

WHEREAS, to close out the project, settled delay claim change orders need to be processed and
paid, and

WHEREAS, the ten percent limit to change orders on a project can only be exceeded by
approval of the State Trustees;

NOW THEREFORE BE IT RESOLVED, that the State Trustees do hereby authorize a new
base amount of $16,001,723 (a $1,818,700 increase) for the original 18 contracts for purposes of
determining the new level that, ten percent above which additional State Trustee authorization is
needed.

State Trustees
Ivy Tech Community College of Indiana

William R. Goins, Chairman

Marvin E. Foote, Secretary

Dated August 10, 2006
APPROVAL TO ENTER INTO AN AGREEMENT TO DEVELOP ARCHITECTURAL DESIGN AND PROGRAM DESIGN STANDARDS FOR THE COLLEGE, STATEWIDE

RESOLUTION NUMBER 2006-54

WHEREAS, the College Administration believes that development of architectural and building space design standards will improve the College’s capital projects, improve design consistency among College projects, and reduce College and State costs for Ivy Tech capital projects, and

WHEREAS, staff has developed and distributed a request for qualifications (RFQ) to 11 firms, and

WHEREAS, staff has evaluated responses to the RFQ based on how well the responding firm’s previously developed standards meet the needs of an educational institution and the process used to develop the standards submitted, and

WHEREAS, the firm of Schmidt Strategies is being recommended as the project consultant for a fee of $275,000 and reimbursables of approximately $15,000;

NOW THEREFORE BE IT RESOLVED, that the State Trustees do hereby approve the above stated project and approve a contract award to Schmidt Strategies not to exceed $290,000, and

FURTHER BE IT RESOLVED, that the State Trustees do hereby authorize and direct the President and any other appropriate College Officer to negotiate and execute a contract with said firm after a funding source has been identified and after the documents have been approved by the College Interim General Counsel.

State Trustees
Ivy Tech Community College of Indiana

[Signature]
William R. Goins, Chairman

[Signature]
Marvin E. Foote, Secretary

Dated August 10, 2006
Buildings, Grounds, and Capital Committee

Statewide – Approval to enter into an agreement with a design firm to develop architectural design and program design standards for the College’s new construction and major renovation projects, $290,000

August 10, 2006

The Request for Qualifications was submitted to 11 Indiana architectural firms that are either doing work for the College or are known to have developed architectural standards for an educational institution. Six firms submitted materials to the Facilities Planning Department by noon, July 26, 2006. All six were evaluated on the basis of having assisted an education institution develop such standards. Only two firms were able to demonstrate such prior experience and both were invited to interview for the project. On August 2, 2006 both firms were interviewed by the recommendation committee - Jeff Terp, Dick Tully, and Rick White. The committee recommends Schmidt Strategies for the project.

Schmidt Strategies has successfully developed similar standards for the Indianapolis Public Schools and assisted IPS in the implementation of the standards. They were superior to the other firm interviewed in each of the areas to be addressed. They clearly understood the complexities of developing standards for the College with campuses in 23 communities and ownership of buildings in two others. They understood the need for consensus building among the 14 regions of the College with staff at differing levels of construction or major renovation experience. They understood the need to bring additional equity to the facilities planning process. They have sufficient staff to complete the project in the time frame proposed and provided a draft work plan to complete significant portions the project in time for the start of architectural planning for any new planning projects that may be approved by the 2007 General Assembly.

Schmidt Strategies will do the work for a fee of $275,000 and estimated reimbursables of $15,000 for a total encumbrance of $290,000. The reimbursables amount assumes travel to each location where the College owns buildings or has repair responsibility for leased buildings, meetings with each Chancellor and his or her facilities staff and other relevant staff, and (except for a final report) distribution of materials electronically instead of printing and mailing.

Action requested: Approval of revised Resolution 2006-54 to develop architectural and program design standards and contract.
APPROVAL TO RENOVATE PART OF THE CENTER FOR WORKFORCE DEVELOPMENT IN TERRE HAUTE, REGION 7

RESOLUTION NUMBER 2006-55

WHEREAS, the Center for Workforce Development building in Terre Haute needs to be renovated to provide classroom, teaching labs, offices, and other support spaces for programs and services formerly provided at the condemned airport building, and

WHEREAS, insurance proceeds and Region 7 resources are available to pay for said renovations, and

WHEREAS, the Center for Workforce renovation bid process has been completed in accordance with applicable statutes, Indiana Case Law and College procedures including State Trustee Resolution 2004-32 regarding the use of apprentices, and

WHEREAS, the lowest and best bid according to College procedures is from CDI, Inc. for $2,540,500, which requires approval by the State Trustees, and

WHEREAS, the Region 7 Board of Trustees has reviewed the project and made a recommendation on a contract award;

NOW THEREFORE BE IT RESOLVED, that the State Trustees do hereby approve the above stated project and approve a contract award to CDI, Inc. for $2,540,500, and

FURTHER BE IT RESOLVED, that the State Trustees do hereby authorize and direct the President and any other appropriate College Officer to negotiate and execute a contract with said firm after the documents have been approved by the College Interim General Counsel.

State Trustees
Ivy Tech Community College of Indiana

William R. Goins, Chairman

Marvin E. Foote, Secretary

Dated August 10, 2006
Buildings, Grounds, and Capital Committee
Region 7 – Approval to renovate part of the Center for Workforce Development in Terre Haute, $2,540,500
August 10, 2006

Bids for this project have now been evaluated and the Region 7 Board of Trustees has recommended a $2,540,500 contract for the Center for Workforce Development building renovation project for the base bid and one alternate. Bids were received from three contractors.

The lowest bidder for the work, CDI, Inc. was judged to have submitted the best responsive bid meeting all State Trustee requirements including Resolution 2004-32.

While checking the project manual prior to a pre-bid meeting, it was discovered that the project manual contained a previous version of the State Trustees resolution regarding the use of apprentices on Ivy Tech construction and renovation projects (Resolution Number 94-42). All contractors were informed of the error at the pre-bid meeting and the architect prepared and distributed Addendum 1, in which Resolution 94-42 was replaced with Resolution 2004-32, the current version. Each contractor was to submit a statement, on the back of the resolution, certifying how it would comply with the resolution.

All three bidders were at the pre-bid meeting and certified that they received Addendum 1. However, the lowest and highest bidder completed their statements on the back of Resolution 94-42, the previous version printed in the project manual and the one identified in the bidder’s check list of documents to submit with the bid. The middle bidder completed the statement on the back of Resolution 2004-32, the current version printed in Addendum 1. The middle bidder also submitted the required documentation to verify its statement (letters from the applicable apprenticeship programs) for its company with its bid, as required in the instructions to bidders, but did not submit the required documentation for its subcontractors. The lowest bidder did not submit the required documentation to verify its statement for its company with its bid, as required in the instructions to bidders, but did submit the documentation within 24 hours (along with an appropriate statement on the back of Resolution 2004-32) and submitted documentation for its subcontractors within 48 hours of the bid opening. The College has a long standing practice of allowing the documentation for Resolution 2004-32 to be submitted after the bid opening.

Since the lowest bidder submitted appropriate documentation to verify compliance with Resolution 2004-32 in a timely manner, the College, using its authority, as stated in the instructions to bidders, to “waive any and all formalities and informalities”, accepted the Resolution 2004-32 documentation submitted by the lowest bidder the next day or two. Therefore, the lowest bidder is being recommended for this project since he can meet all the bidding requirements of the State and College including Resolution 2004-32.

Funding will come from insurance proceeds (approximately $825,000) and other sources (Region 7 foundation and auxiliary enterprise monies and Region 7 operations surplus).

Action requested: Approval of revised Resolution 2006-55 for the Center for Workforce Development building renovation project and contract.
APPROVAL TO RENOVATE PART OF THE HOLMAN BUILDING IN PERU,
REGION 5

RESOLUTION NUMBER 2006-56

WHEREAS, the Holman Building in Peru needs to be renovated to provide classroom, teaching
labs, offices, and other support spaces for classes and services, and

WHEREAS, gift funds are available to pay for said renovations, and

WHEREAS, the Holman Building bid process has been completed in accordance with
applicable statutes, Indiana Case Law and College procedures including State Trustee Resolution
2004-32 regarding the use of apprentices, and

WHEREAS, the lowest and best bid according to College procedures is from Beau Mitchell
Corporation for $213,716, which requires approval by the State Trustees, and

WHEREAS, the Region 5 Board of Trustees has reviewed the project and made a
recommendation on a contract award;

NOW THEREFORE BE IT RESOLVED, that the State Trustees do hereby approve the above
stated project and approve a contract award to Beau Mitchell Corporation for $213,716, and

FURTHER BE IT RESOLVED, that the State Trustees do hereby authorize and direct the
President and any other appropriate College Officer to negotiate and execute a contract with said
firm after the documents have been approved by the College Interim General Counsel.

State Trustees
Ivy Tech Community College of Indiana

William R. Goins, Chairman

Marvin E. Foote, Secretary

Dated August 10, 2006
Buildings, Grounds, and Capital Committee
Region 5 – Approval to renovate part of the Holman Building in Peru, Phase 1, $213,716
August 10, 2006

This project will renovate part of the main Holman Building in Peru – Phase 1.

As most of you know, the College has taken possession of the former Holman Elementary School in Peru as a gift from the Peru Community Schools as approved by the State Trustees at your February 2006 meeting. And that, while the 1962, 29,000 gross square foot building is solidly constructed, it needs over $1.0 million of renovations to make it fully usable by the College. Those renovations can occur over time and in phases. Over $800,000 of gift funds have been raised for the renovation of the building with more than $332,000 currently on hand.

Work to be done in the first phase consists of:

- A total roof restoration including all penetrations, stripping and resealing all membrane seams, and replacing the parapet wall caps that surround the existing gymnasium;
- A total reconstruction of handicapped accessible rest rooms for both men and women;
- Addition of a handicapped accessible drinking fountain, exterior hand rails and handicapped parking, and power actuated door controls at entrances for ADA accessibility;
- Installing the infrastructure for exterior message signage, complete with footer, cabling and electrical service;
- Replacement of chalk boards with white boards;
- Painting to match existing finishes in individual classrooms; and
- Exterior limestone cleaning and repair (washed, tuck pointed, and restored to its original appearance).

Following College and State policies regarding advertising and bidding procedures, bids for the project were released on July 5, 2006 and were opened in Region 5 offices on July 24. Three bids were received. The Region 5 Board of Trustees has recommend the lowest bidder, Beau Mitchell Corporation, who was also judged to have submitted the best bid meeting all State Trustee requirements including Resolution 2004-32. Beau Mitchell’s bid, including one alternate is $213,716. There is no separate contingency for this project; any change orders will be funded from the reserve of gift funds.

Action requested: Approval of new Resolution 2006-56 for the Holman Building Phase 1 renovation project and contract.
IVY TECH COMMUNITY COLLEGE OF INDIANA

STATE BOARD REPORT FOR YEAR ENDING JUNE 30, 2006

I. REVENUE REPORT

<table>
<thead>
<tr>
<th>Category</th>
<th>Budget Original</th>
<th>Budget Adjusted</th>
<th>Revenue To Date</th>
<th>Budget Variance Compared to Adj. Budget (To Be Collected)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Amount</td>
</tr>
<tr>
<td>Student Fees</td>
<td>$111,751,297</td>
<td>$114,314,556</td>
<td>$119,139,480</td>
<td></td>
</tr>
<tr>
<td>State Appropriation</td>
<td>150,344,707</td>
<td>150,344,707</td>
<td>150,343,453</td>
<td>1,254</td>
</tr>
<tr>
<td>Workforce Certification</td>
<td>837,000</td>
<td>837,000</td>
<td>(417,500)</td>
<td>1,254,500</td>
</tr>
<tr>
<td>Investment</td>
<td>1,000,000</td>
<td>1,000,000</td>
<td>3,464,420</td>
<td>(2,464,420)</td>
</tr>
<tr>
<td>Budgeted Transfers In/Out</td>
<td>(13,624,939)</td>
<td>(13,660,372)</td>
<td>(14,189,114)</td>
<td>528,742</td>
</tr>
<tr>
<td>Other (Miscellaneous)</td>
<td>2,291,043</td>
<td>2,380,952</td>
<td>4,414,262</td>
<td>(2,033,310)</td>
</tr>
<tr>
<td>Total</td>
<td>$252,699,108</td>
<td>$255,216,843</td>
<td>$262,755,001</td>
<td></td>
</tr>
</tbody>
</table>

II. EXPENDITURE REPORT BY MAJOR OBJECT CLASSIFICATION

<table>
<thead>
<tr>
<th>Category</th>
<th>Budget Original</th>
<th>Budget Adjusted</th>
<th>Expenditures/ Encumbrances</th>
<th>Available Balance Compared to Adj. Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Amount</td>
</tr>
<tr>
<td>Compensation</td>
<td>$176,399,805</td>
<td>$180,946,647</td>
<td>$174,944,964</td>
<td>$6,001,683</td>
</tr>
<tr>
<td>General Supplies &amp; Expense</td>
<td>60,980,197</td>
<td>64,599,254</td>
<td>64,964,568</td>
<td>(365,314)</td>
</tr>
<tr>
<td>Utilities</td>
<td>5,344,840</td>
<td>5,462,499</td>
<td>5,708,282</td>
<td>(245,783)</td>
</tr>
<tr>
<td>Facilities Leases</td>
<td>4,205,000</td>
<td>4,587,826</td>
<td>4,521,247</td>
<td>66,579</td>
</tr>
<tr>
<td>Capital Equipment</td>
<td>5,669,266</td>
<td>39,424,628</td>
<td>12,204,197</td>
<td>27,220,431</td>
</tr>
<tr>
<td>Total</td>
<td>$252,599,108</td>
<td>$295,020,854</td>
<td>$262,343,258</td>
<td>$32,677,596</td>
</tr>
</tbody>
</table>

Note: Throughout the fiscal year the total of the revenue budget plus the 2004-05 carry forward may differ from the expenditure budget due to transfers to/from other funds.
### IVY TECH COMMUNITY COLLEGE OF INDIANA

#### 2005-06 STATE BOARD REPORT FOR YEAR ENDING JUNE 30, 2006

#### OPERATING BUDGETS BY LOCATION

<table>
<thead>
<tr>
<th>Regions/Sites</th>
<th>2005-06 Original Budget</th>
<th>Regional Board Approved Increases</th>
<th>Gross Carry Forward</th>
<th>Enrollment Adjustment</th>
<th>Economic Develop. Revolving Fund</th>
<th>Transfers and Other Adjustments</th>
<th>Total Adjusted Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gary</td>
<td>$10,833,556</td>
<td>-</td>
<td>$2,750,780</td>
<td>($239,396)</td>
<td>-</td>
<td>$(788,339)</td>
<td>$12,567,801</td>
</tr>
<tr>
<td>Valparaiso</td>
<td>$4,510,749</td>
<td>-</td>
<td>$643,761</td>
<td>(58,608)</td>
<td>-</td>
<td>$4,254,461</td>
<td>$5,521,852</td>
</tr>
<tr>
<td>East Chicago</td>
<td>$3,112,696</td>
<td>-</td>
<td>$99,088</td>
<td>(44,687)</td>
<td>-</td>
<td>$40,441</td>
<td>$3,091,336</td>
</tr>
<tr>
<td>Michigan City</td>
<td>$2,311,840</td>
<td>-</td>
<td>(47,004)</td>
<td>(202,990)</td>
<td>-</td>
<td>431,139</td>
<td>2,492,525</td>
</tr>
<tr>
<td><strong>Total Region (1)</strong></td>
<td><strong>$20,768,841</strong></td>
<td>-</td>
<td><strong>$3,416,685</strong></td>
<td><strong>($336,281)</strong></td>
<td>-</td>
<td><strong>$24,089</strong></td>
<td><strong>$23,673,314</strong></td>
</tr>
<tr>
<td>South Bend</td>
<td>$13,083,894</td>
<td>-</td>
<td>$1,251,988</td>
<td>($235,208)</td>
<td>-</td>
<td>$86,476</td>
<td>$14,278,500</td>
</tr>
<tr>
<td>Warsaw</td>
<td>$1,371,800</td>
<td>-</td>
<td>201,697</td>
<td>(62,290)</td>
<td>-</td>
<td>(3,765)</td>
<td>1,507,442</td>
</tr>
<tr>
<td>Elkhart</td>
<td>$2,201,662</td>
<td>-</td>
<td>958,303</td>
<td>26,054</td>
<td>-</td>
<td>(76,070)</td>
<td>3,109,049</td>
</tr>
<tr>
<td><strong>Total Region (2)</strong></td>
<td><strong>$16,657,356</strong></td>
<td>-</td>
<td><strong>$2,511,688</strong></td>
<td><strong>($279,444)</strong></td>
<td>-</td>
<td><strong>6,841</strong></td>
<td><strong>$18,896,241</strong></td>
</tr>
<tr>
<td>Fort Wayne (3)</td>
<td>$21,229,729</td>
<td>-</td>
<td>$3,532,081</td>
<td>95,465</td>
<td>-</td>
<td>44,289</td>
<td>24,501,564</td>
</tr>
<tr>
<td>Lafayette (4)</td>
<td>$17,830,409</td>
<td>-</td>
<td>$2,291,398</td>
<td>106,910</td>
<td>-</td>
<td>(225,897)</td>
<td>20,002,820</td>
</tr>
<tr>
<td>Kokomo</td>
<td>$9,776,738</td>
<td>-</td>
<td>$492,840</td>
<td>231,612</td>
<td>$224,000</td>
<td>270,863</td>
<td>10,998,053</td>
</tr>
<tr>
<td>Logansport</td>
<td>$1,782,191</td>
<td>-</td>
<td>274,575</td>
<td>(14,930)</td>
<td>-</td>
<td>2,776</td>
<td>2,044,592</td>
</tr>
<tr>
<td><strong>Total Region (5)</strong></td>
<td><strong>$11,558,929</strong></td>
<td>-</td>
<td><strong>$767,415</strong></td>
<td><strong>$216,662</strong></td>
<td>$224,000</td>
<td><strong>$273,069</strong></td>
<td><strong>$13,040,645</strong></td>
</tr>
<tr>
<td>Muncie</td>
<td>$13,740,749</td>
<td>-</td>
<td>$1,516,864</td>
<td>160,523</td>
<td>-</td>
<td>(784,327)</td>
<td>14,033,809</td>
</tr>
<tr>
<td>Anderson</td>
<td>$3,455,635</td>
<td>-</td>
<td>(180,772)</td>
<td>(24,324)</td>
<td>(91,833)</td>
<td>1,104,507</td>
<td>4,405,046</td>
</tr>
<tr>
<td>Marion</td>
<td>$2,591,005</td>
<td>-</td>
<td>530,692</td>
<td>2,020</td>
<td>(88,000)</td>
<td>2,943,774</td>
<td></td>
</tr>
<tr>
<td><strong>Total Region (6)</strong></td>
<td><strong>$19,787,389</strong></td>
<td>-</td>
<td><strong>$1,896,694</strong></td>
<td><strong>$44,366</strong></td>
<td>-</td>
<td><strong>284,180</strong></td>
<td><strong>$21,982,629</strong></td>
</tr>
<tr>
<td>Terre Haute (7)</td>
<td>$16,494,702</td>
<td>$104,568</td>
<td>$2,870,491</td>
<td>424,149</td>
<td>-</td>
<td>48,119</td>
<td>19,942,027</td>
</tr>
<tr>
<td>Indianapolis (8)</td>
<td>$39,347,540</td>
<td>-</td>
<td>$4,309,391</td>
<td>421,051</td>
<td>-</td>
<td>138,180</td>
<td>44,216,102</td>
</tr>
<tr>
<td>Richmond (9)</td>
<td>$8,148,466</td>
<td>-</td>
<td>$1,347,351</td>
<td>372,345</td>
<td>$25,628</td>
<td>(31,507)</td>
<td>9,010,969</td>
</tr>
<tr>
<td>Columbus (10)</td>
<td>$7,651,226</td>
<td>-</td>
<td>740,154</td>
<td>203,400</td>
<td>-</td>
<td>99,353</td>
<td>8,694,223</td>
</tr>
<tr>
<td>Madison</td>
<td>$4,631,152</td>
<td>-</td>
<td>$1,313,641</td>
<td>(49,208)</td>
<td>-</td>
<td>4,404</td>
<td>5,899,989</td>
</tr>
<tr>
<td>Lawrenceburg</td>
<td>$3,187,860</td>
<td>-</td>
<td>1,068,249</td>
<td>84,677</td>
<td>-</td>
<td>4,404</td>
<td>3,970,780</td>
</tr>
<tr>
<td><strong>Total Region (11)</strong></td>
<td><strong>$7,819,012</strong></td>
<td>-</td>
<td><strong>$2,411,800</strong></td>
<td><strong>$35,469</strong></td>
<td>-</td>
<td><strong>4,404</strong></td>
<td><strong>$16,770,775</strong></td>
</tr>
<tr>
<td>Evansville (12)</td>
<td>$15,663,726</td>
<td>$90,000</td>
<td>$2,359,803</td>
<td>198,674</td>
<td>-</td>
<td>118,143</td>
<td>18,430,146</td>
</tr>
<tr>
<td>Sellersburg (13)</td>
<td>$10,066,167</td>
<td>-</td>
<td>$1,592,869</td>
<td>152,614</td>
<td>-</td>
<td>(72,177)</td>
<td>11,739,493</td>
</tr>
<tr>
<td>Bloomington (14)</td>
<td>$10,493,613</td>
<td>-</td>
<td>$1,383,436</td>
<td>852,456</td>
<td>-</td>
<td>69,599</td>
<td>12,799,106</td>
</tr>
<tr>
<td><strong>Total Reg/Sites</strong></td>
<td><strong>$223,517,045</strong></td>
<td>-</td>
<td><strong>$31,401,148</strong></td>
<td><strong>$2,107,926</strong></td>
<td><strong>$198,374</strong></td>
<td><strong>781,055</strong></td>
<td><strong>$258,400,114</strong></td>
</tr>
<tr>
<td>C-W Accounts</td>
<td>$12,256,901</td>
<td>-</td>
<td>6,034,235</td>
<td>15,493</td>
<td>-</td>
<td>(4,205,720)</td>
<td>14,100,907</td>
</tr>
<tr>
<td><strong>Total College</strong></td>
<td><strong>$252,599,108</strong></td>
<td>-</td>
<td><strong>$40,807,875</strong></td>
<td><strong>$2,168,693</strong></td>
<td><strong>$198,374</strong></td>
<td><strong>(1,147,762)</strong></td>
<td><strong>$295,030,854</strong></td>
</tr>
</tbody>
</table>
## IVY TECH STATE COLLEGE
### SUMMARY SCHEDULE OF INVESTMENT TRANSACTIONS
#### JUNE 1 - JUNE 30, 2006 & YEC

#### CURRENT YEAR

<table>
<thead>
<tr>
<th>Principal</th>
<th>Total Funds</th>
<th>Pooled Investment</th>
<th>Other Funds (2)</th>
<th>Total Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beginning Balance</td>
<td>$89,308,583</td>
<td>Fund 01: $2,672,730</td>
<td>Other Funds (2): $597,574</td>
<td>Fund 01: $1,233,899</td>
</tr>
<tr>
<td>Ending Balance</td>
<td>$83,521,178</td>
<td>Total: $3,270,304</td>
<td>Total: $1,449,006</td>
<td>Total: $216,974</td>
</tr>
</tbody>
</table>

#### INTEREST INCOME

<table>
<thead>
<tr>
<th>Description</th>
<th>Fund 01</th>
<th>Other Funds (2)</th>
<th>Total Funds</th>
<th>Pooled Investment</th>
<th>Other Funds (2)</th>
<th>Total Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beginning Cash</td>
<td>$2,672,730</td>
<td>$597,574</td>
<td>$3,270,304</td>
<td>Fund 01: $1,233,899</td>
<td>Other Funds (2): $1,449</td>
<td>Total: $216,974</td>
</tr>
<tr>
<td>Months interest</td>
<td>446,039</td>
<td>2,967</td>
<td>449,006</td>
<td>(19,560)</td>
<td>-</td>
<td>(677,979)</td>
</tr>
<tr>
<td>Int earned with Trustee</td>
<td>(19,560)</td>
<td>-</td>
<td>(19,560)</td>
<td>(14,399)</td>
<td>-</td>
<td>14,399</td>
</tr>
<tr>
<td>Adjustments</td>
<td>-</td>
<td>1,094,066</td>
<td>1,094,066</td>
<td>(32,510)</td>
<td>(32,510)</td>
<td>-</td>
</tr>
<tr>
<td>Transfers</td>
<td>(47,190)</td>
<td>47,190</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Cash collections to date</td>
<td>3,052,020</td>
<td>1,741,797</td>
<td>4,793,817</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Adjustments</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1,015,775</td>
</tr>
<tr>
<td>Intr Accrs - YEC 03-04</td>
<td>(584,926)</td>
<td>(23,354)</td>
<td>(584,926)</td>
<td>(23,387)</td>
<td>(23,387)</td>
<td>(333,151)</td>
</tr>
<tr>
<td>Int Accrual Basis</td>
<td>$3,454,420</td>
<td>$1,718,443</td>
<td>$5,172,863</td>
<td>$1,679,125</td>
<td>$1,015,775</td>
<td>$2,694,867</td>
</tr>
</tbody>
</table>

**Footnotes:**
1. Pooled Investment fund also includes Bookstore, Payroll Withholdings, and Parking
2. Other funds include Plant TFP/BIRT, Insurance Stabilization Reserve, and Student Government

**Average yield to Maturity as of June 30, 2006 -- 5.046%**
**Average yield to Maturity as of June, 2005 -- 3.124%**

### SUMMARY OF INVESTMENT ACTIVITY AS OF JUNE 30, 2006

<table>
<thead>
<tr>
<th>Institution</th>
<th>Type of Investment</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>National City Bank</strong></td>
<td>Certificate of Deposit</td>
<td>$70,500,000</td>
</tr>
<tr>
<td><strong>Federated Investors</strong></td>
<td>Commercial Paper</td>
<td>-</td>
</tr>
<tr>
<td><strong>Lake City Bank</strong></td>
<td>Agency / Disc Notes</td>
<td>$6,000,000</td>
</tr>
<tr>
<td><strong>Irwin Union Bank</strong></td>
<td>Savings</td>
<td>$152,407</td>
</tr>
<tr>
<td><strong>Lafayette Savings Bank</strong></td>
<td>Prime Cash Obligations Fund</td>
<td>$6,776,980</td>
</tr>
<tr>
<td><strong>Huntington Capital Corp</strong></td>
<td>Dreyfus Cash Management</td>
<td>$91,791</td>
</tr>
<tr>
<td><strong>First Indiana Bank</strong></td>
<td>Total</td>
<td>$83,521,178</td>
</tr>
<tr>
<td><strong>First Federal Savings Bank</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td>$83,521,178</td>
</tr>
<tr>
<td>Region</td>
<td>Title or Description</td>
<td>Source</td>
</tr>
<tr>
<td>------------</td>
<td>--------------------------------------</td>
<td>---------------------------------</td>
</tr>
<tr>
<td>Region 03</td>
<td>DOL Grant Offender Re-entry</td>
<td>U.S. Department of Labor</td>
</tr>
<tr>
<td>Fort Wayne</td>
<td>Hearthstone Initiative</td>
<td></td>
</tr>
<tr>
<td>Region 04</td>
<td>Tech Prep/Career Majors</td>
<td>Indiana Department of Workforce Development</td>
</tr>
<tr>
<td>Lafayette</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Grants &amp; Contracts</td>
<td>TFP Companies</td>
</tr>
<tr>
<td>----------------------</td>
<td>--------------------</td>
<td>---------------</td>
</tr>
<tr>
<td>Total this Report</td>
<td>$74,600</td>
<td>$0</td>
</tr>
<tr>
<td>2005-2006 YTD-Total</td>
<td>25,057,679</td>
<td>0</td>
</tr>
<tr>
<td>2004-2005 Fiscal Year-End Total</td>
<td>41,719,722</td>
<td></td>
</tr>
<tr>
<td>2003-2004 Fiscal Year-End Total</td>
<td>23,652,746</td>
<td></td>
</tr>
<tr>
<td>2002-2003 Fiscal Year-End Total</td>
<td>27,222,323</td>
<td></td>
</tr>
<tr>
<td>2001-2002 Fiscal Year-End Total</td>
<td>28,739,291</td>
<td></td>
</tr>
<tr>
<td>2000-2001 Fiscal Year-End Total</td>
<td>26,204,816</td>
<td>2,980,470</td>
</tr>
<tr>
<td>1998-1999 Fiscal Year-End Total</td>
<td>25,228,673</td>
<td>7,117,601</td>
</tr>
<tr>
<td>1997-1998 Fiscal Year-End Total</td>
<td>19,565,913</td>
<td>2,441,262</td>
</tr>
<tr>
<td>1995-1996 Fiscal Year-End Total</td>
<td>14,593,163</td>
<td>4,880,390</td>
</tr>
<tr>
<td>Authorization for Disbursement</td>
<td>Purpose of Disbursement</td>
<td>Amount of Disbursement</td>
</tr>
<tr>
<td>--------------------------------</td>
<td>-------------------------</td>
<td>------------------------</td>
</tr>
<tr>
<td>I. Article VIII Contracts and Other Documents Approval and authorization of the Board.</td>
<td>A. FICA/MQFE/FED Tax</td>
<td>226,216.40</td>
</tr>
<tr>
<td></td>
<td>B. Indiana Sales Tax</td>
<td>103,687.08</td>
</tr>
<tr>
<td></td>
<td>C. Insurance</td>
<td>581,397.67</td>
</tr>
<tr>
<td></td>
<td>D. Insurance</td>
<td>189,279.45</td>
</tr>
<tr>
<td></td>
<td>E. Insurance</td>
<td>109,808.46</td>
</tr>
<tr>
<td></td>
<td>F. Insurance</td>
<td>384,929.00</td>
</tr>
<tr>
<td></td>
<td>G. Insurance</td>
<td>120,132.14</td>
</tr>
<tr>
<td></td>
<td>H. Retirement</td>
<td>470,052.54</td>
</tr>
<tr>
<td>I. State County Taxes</td>
<td></td>
<td>462,369.53</td>
</tr>
<tr>
<td>J. FICA/MQFE/FED Tax</td>
<td></td>
<td>1,220,516.64</td>
</tr>
<tr>
<td>K. FICA/MQFE/FED Tax</td>
<td></td>
<td>227,512.34</td>
</tr>
<tr>
<td>L. Retirement</td>
<td></td>
<td>470,663.51</td>
</tr>
<tr>
<td></td>
<td>M. FICA/MQFE/FED Tax</td>
<td>1,255,631.12</td>
</tr>
<tr>
<td>II. Article IV. Officers of the Board. Section 5. Treasurer. Article VIII. Execution of Contracts and other Documents. Section A Approval and authorization of the Board.</td>
<td>A. Commercial Money Market-Dreyfus</td>
<td>480,000.00</td>
</tr>
<tr>
<td></td>
<td>B. Prime Cash Obligations Fund</td>
<td>637,000.00</td>
</tr>
<tr>
<td></td>
<td>C. Savings</td>
<td>176,241.37</td>
</tr>
<tr>
<td></td>
<td>D. Prime Cash Obligations Fund</td>
<td>1,114,000.00</td>
</tr>
</tbody>
</table>
### DISBURSEMENTS OF $100,000.00 AND OVER
FOR THE MONTH OF JUNE, 2006
PAGE 2

<table>
<thead>
<tr>
<th>Authorization for Disbursement</th>
<th>Purpose of Disbursement</th>
<th>Amount of Disbursement</th>
<th>Approved Vendor</th>
<th>Check Date</th>
<th>Reference Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>II. Article IV. Officers of the Board. Section 5. Treasurer. Article VIII. Execution of Contracts and other Documents. Section A Approval and authorization of the Board.</td>
<td>E. Prime Cash Obligations Fund</td>
<td>1,300,000.00</td>
<td>Federated Investors</td>
<td>06/06/06</td>
<td>Ref. #614</td>
</tr>
<tr>
<td></td>
<td>F. Commercial Money Market-Dreyfus</td>
<td>320,000.00</td>
<td>National City Bank</td>
<td>06/07/06</td>
<td>Ref. #697</td>
</tr>
<tr>
<td></td>
<td>G. Prime Cash Obligations Fund</td>
<td>581,000.00</td>
<td>Federated Investors</td>
<td>06/08/06</td>
<td>Ref. #636</td>
</tr>
<tr>
<td></td>
<td>H. Savings</td>
<td>698,374.68</td>
<td>National City Bank</td>
<td>06/08/06</td>
<td>---</td>
</tr>
<tr>
<td></td>
<td>I. Prime Cash Obligations Fund</td>
<td>370,000.00</td>
<td>Federated Investors</td>
<td>06/09/06</td>
<td>Ref. #695</td>
</tr>
<tr>
<td></td>
<td>J. Prime Cash Obligations Fund</td>
<td>580,000.00</td>
<td>Federated Investors</td>
<td>06/12/06</td>
<td>Ref. #699</td>
</tr>
<tr>
<td></td>
<td>K. Prime Cash Obligations Fund</td>
<td>7,107,000.00</td>
<td>Federated Investors</td>
<td>06/15/06</td>
<td>Ref. #708</td>
</tr>
<tr>
<td></td>
<td>L. Prime Cash Obligations Fund</td>
<td>654,000.00</td>
<td>Federated Investors</td>
<td>06/16/06</td>
<td>Ref. #710</td>
</tr>
<tr>
<td></td>
<td>M. Commercial Money Market-Dreyfus</td>
<td>110,000.00</td>
<td>National City Bank</td>
<td>06/19/06</td>
<td>Ref. #709</td>
</tr>
<tr>
<td></td>
<td>N. Commercial Money Market-Dreyfus</td>
<td>165,000.00</td>
<td>National City Bank</td>
<td>06/21/06</td>
<td>Ref. #718</td>
</tr>
<tr>
<td></td>
<td>O. Commercial Money Market-Dreyfus</td>
<td>1,426,000.00</td>
<td>National City Bank</td>
<td>06/22/06</td>
<td>Ref. #726</td>
</tr>
<tr>
<td></td>
<td>P. Prime Cash Obligations Fund</td>
<td>2,534,000.00</td>
<td>Federated Investors</td>
<td>06/23/06</td>
<td>Ref. #727</td>
</tr>
<tr>
<td></td>
<td>Q. Prime Cash Obligations Fund</td>
<td>4,419,000.00</td>
<td>Federated Investors</td>
<td>06/27/06</td>
<td>Ref. #738</td>
</tr>
<tr>
<td></td>
<td>R. Certificate of Deposit</td>
<td>500,000.00</td>
<td>First Federated Savings</td>
<td>06/28/06</td>
<td>Ref. #737</td>
</tr>
<tr>
<td></td>
<td>S. Certificate of Deposit</td>
<td>500,000.00</td>
<td>First Federated Savings</td>
<td>06/28/06</td>
<td>Ref. #737</td>
</tr>
<tr>
<td></td>
<td>T. Certificate of Deposit</td>
<td>500,000.00</td>
<td>First Federated Savings</td>
<td>06/28/06</td>
<td>Ref. #737</td>
</tr>
<tr>
<td></td>
<td>U. Certificate of Deposit</td>
<td>500,000.00</td>
<td>First Federated Savings</td>
<td>06/28/06</td>
<td>Ref. #737</td>
</tr>
<tr>
<td></td>
<td>V. Certificate of Deposit</td>
<td>500,000.00</td>
<td>First Federated Savings</td>
<td>06/28/06</td>
<td>Ref. #737</td>
</tr>
<tr>
<td>Authorization for Disbursement</td>
<td>Purpose of Disbursement</td>
<td>Amount of Disbursement</td>
<td>Approved Vendor</td>
<td>Check Date</td>
<td>Reference Number</td>
</tr>
<tr>
<td>--------------------------------</td>
<td>-------------------------</td>
<td>------------------------</td>
<td>--------------------------</td>
<td>------------</td>
<td>------------------</td>
</tr>
<tr>
<td>II. Article IV, Officers of the Board. Section 5, Treasurer. Article VIII. Execution of Contracts and other Documents. Section A Approval and authorization of the Board.</td>
<td>W. Certificate of Deposit</td>
<td>500,000.00</td>
<td>First Federated Savings</td>
<td>06/28/06</td>
<td>Ref. #737</td>
</tr>
<tr>
<td></td>
<td>X. Certificate of Deposit</td>
<td>1,000,000.00</td>
<td>Huntington Bank</td>
<td>06/28/06</td>
<td>Ref. #734</td>
</tr>
<tr>
<td></td>
<td>Y. Certificate of Deposit</td>
<td>500,000.00</td>
<td>Lake City Bank</td>
<td>06/28/06</td>
<td>Ref. #736</td>
</tr>
<tr>
<td></td>
<td>Z. Certificate of Deposit</td>
<td>500,000.00</td>
<td>Lake City Bank</td>
<td>06/28/06</td>
<td>Ref. #736</td>
</tr>
<tr>
<td></td>
<td>A. Certificate of Deposit</td>
<td>500,000.00</td>
<td>Lake City Bank</td>
<td>06/28/06</td>
<td>Ref. #736</td>
</tr>
<tr>
<td></td>
<td>B. Certificate of Deposit</td>
<td>500,000.00</td>
<td>Lake City Bank</td>
<td>06/28/06</td>
<td>Ref. #736</td>
</tr>
<tr>
<td></td>
<td>C. Certificate of Deposit</td>
<td>500,000.00</td>
<td>Lake City Bank</td>
<td>06/28/06</td>
<td>Ref. #736</td>
</tr>
<tr>
<td></td>
<td>D. Certificate of Deposit</td>
<td>500,000.00</td>
<td>Lake City Bank</td>
<td>06/28/06</td>
<td>Ref. #736</td>
</tr>
<tr>
<td></td>
<td>E. Certificate of Deposit</td>
<td>1,000,000.00</td>
<td>Huntington Bank</td>
<td>06/28/06</td>
<td>Ref. #734</td>
</tr>
<tr>
<td></td>
<td>F. Certificate of Deposit</td>
<td>500,000.00</td>
<td>Lake City Bank</td>
<td>06/28/06</td>
<td>Ref. #736</td>
</tr>
<tr>
<td></td>
<td>G. Certificate of Deposit</td>
<td>1,000,000.00</td>
<td>Huntington Bank</td>
<td>06/28/06</td>
<td>Ref. #734</td>
</tr>
<tr>
<td></td>
<td>H. Certificate of Deposit</td>
<td>1,000,000.00</td>
<td>Huntington Bank</td>
<td>06/28/06</td>
<td>Ref. #734</td>
</tr>
<tr>
<td></td>
<td>I. Certificate of Deposit</td>
<td>1,000,000.00</td>
<td>Huntington Bank</td>
<td>06/28/06</td>
<td>Ref. #734</td>
</tr>
<tr>
<td></td>
<td>J. Certificate of Deposit</td>
<td>1,000,000.00</td>
<td>Huntington Bank</td>
<td>06/28/06</td>
<td>Ref. #734</td>
</tr>
<tr>
<td></td>
<td>K. Certificate of Deposit</td>
<td>1,000,000.00</td>
<td>Huntington Bank</td>
<td>06/28/06</td>
<td>Ref. #734</td>
</tr>
<tr>
<td></td>
<td>L. Certificate of Deposit</td>
<td>1,000,000.00</td>
<td>Huntington Bank</td>
<td>06/28/06</td>
<td>Ref. #734</td>
</tr>
<tr>
<td></td>
<td>M. Certificate of Deposit</td>
<td>1,000,000.00</td>
<td>Huntington Bank</td>
<td>06/28/06</td>
<td>Ref. #734</td>
</tr>
<tr>
<td></td>
<td>N. Certificate of Deposit</td>
<td>500,000.00</td>
<td>First Federal Savings</td>
<td>06/28/06</td>
<td>Ref. #737</td>
</tr>
<tr>
<td>Authorization for Disbursement</td>
<td>Purpose of Disbursement</td>
<td>Amount of Disbursement</td>
<td>Approved Vendor</td>
<td>Check Date</td>
<td>Reference Number</td>
</tr>
<tr>
<td>-------------------------------</td>
<td>-------------------------</td>
<td>------------------------</td>
<td>-----------------</td>
<td>------------</td>
<td>-----------------</td>
</tr>
<tr>
<td>O</td>
<td>Certificate of Deposit</td>
<td>500,000.00</td>
<td>First Federal Savings</td>
<td>06/28/06</td>
<td>Ref. #737</td>
</tr>
<tr>
<td>P</td>
<td>Certificate of Deposit</td>
<td>500,000.00</td>
<td>First Federal Savings</td>
<td>06/28/06</td>
<td>Ref. #737</td>
</tr>
<tr>
<td>Q</td>
<td>Certificate of Deposit</td>
<td>500,000.00</td>
<td>First Federal Savings</td>
<td>06/28/06</td>
<td>Ref. #737</td>
</tr>
<tr>
<td>R</td>
<td>Certificate of Deposit</td>
<td>500,000.00</td>
<td>First Federal Savings</td>
<td>06/28/06</td>
<td>Ref. #737</td>
</tr>
<tr>
<td>S</td>
<td>Certificate of Deposit</td>
<td>500,000.00</td>
<td>First Federal Savings</td>
<td>06/28/06</td>
<td>Ref. #737</td>
</tr>
<tr>
<td>T</td>
<td>Certificate of Deposit</td>
<td>500,000.00</td>
<td>Lake City Bank</td>
<td>06/28/06</td>
<td>Ref. #736</td>
</tr>
<tr>
<td>U</td>
<td>Certificate of Deposit</td>
<td>500,000.00</td>
<td>First Federal Savings</td>
<td>06/28/06</td>
<td>Ref. #737</td>
</tr>
<tr>
<td>V</td>
<td>Certificate of Deposit</td>
<td>500,000.00</td>
<td>Lake City Bank</td>
<td>06/28/06</td>
<td>Ref. #736</td>
</tr>
<tr>
<td>W</td>
<td>Certificate of Deposit</td>
<td>500,000.00</td>
<td>First Federal Savings</td>
<td>06/28/06</td>
<td>Ref. #737</td>
</tr>
<tr>
<td>X</td>
<td>Certificate of Deposit</td>
<td>500,000.00</td>
<td>First Federal Savings</td>
<td>06/28/06</td>
<td>Ref. #737</td>
</tr>
<tr>
<td>Y</td>
<td>Certificate of Deposit</td>
<td>500,000.00</td>
<td>First Federal Savings</td>
<td>06/28/06</td>
<td>Ref. #737</td>
</tr>
<tr>
<td>Z</td>
<td>Certificate of Deposit</td>
<td>500,000.00</td>
<td>First Federal Savings</td>
<td>06/28/06</td>
<td>Ref. #737</td>
</tr>
<tr>
<td>AA</td>
<td>Certificate of Deposit</td>
<td>500,000.00</td>
<td>Lake City Bank</td>
<td>06/28/06</td>
<td>Ref. #736</td>
</tr>
<tr>
<td>BB</td>
<td>Certificate of Deposit</td>
<td>500,000.00</td>
<td>Lake City Bank</td>
<td>06/28/06</td>
<td>Ref. #736</td>
</tr>
<tr>
<td>CC</td>
<td>Certificate of Deposit</td>
<td>500,000.00</td>
<td>Lake City Bank</td>
<td>06/28/06</td>
<td>Ref. #736</td>
</tr>
<tr>
<td>DD</td>
<td>Certificate of Deposit</td>
<td>500,000.00</td>
<td>Lake City Bank</td>
<td>06/28/06</td>
<td>Ref. #736</td>
</tr>
<tr>
<td>EE</td>
<td>Certificate of Deposit</td>
<td>500,000.00</td>
<td>Lake City Bank</td>
<td>06/28/06</td>
<td>Ref. #736</td>
</tr>
<tr>
<td>FF</td>
<td>Certificate of Deposit</td>
<td>500,000.00</td>
<td>First Federal Savings</td>
<td>06/28/06</td>
<td>Ref. #737</td>
</tr>
<tr>
<td>GG</td>
<td>Savings</td>
<td>145,282.08</td>
<td>National City Bank</td>
<td>06/30/06</td>
<td>———</td>
</tr>
<tr>
<td>Authorization for Disbursement</td>
<td>Purpose of Disbursement</td>
<td>Amount of Disbursement</td>
<td>Approved Vendor</td>
<td>Check Date</td>
<td>Reference Number</td>
</tr>
<tr>
<td>-------------------------------</td>
<td>------------------------</td>
<td>------------------------</td>
<td>-----------------</td>
<td>------------</td>
<td>------------------</td>
</tr>
<tr>
<td>III. Reported to the Board of Trustees, over 100,000 under 200,000.</td>
<td>A. Apprenticeship Region 12</td>
<td>142,081.55</td>
<td>Indiana-Kentucky Regional Carpenters</td>
<td>06/01/06</td>
<td>32-930297 32-930321</td>
</tr>
<tr>
<td></td>
<td>B. Apprenticeship Region 12</td>
<td>116,484.00</td>
<td>Evansville Electrical JATC</td>
<td>06/02/06</td>
<td>32-930472 32-930512</td>
</tr>
<tr>
<td></td>
<td>C. Apprenticeship Region 12</td>
<td>173,361.15</td>
<td>Internati'l Brotherhood of Broilermakers</td>
<td>06/02/06</td>
<td>32-930471 32-930513</td>
</tr>
<tr>
<td></td>
<td>D. Computer Equipment Reg's. 09, &amp; 10</td>
<td>157,692.55</td>
<td>Matrix Integration LLC</td>
<td>06/02/06</td>
<td>32-930591</td>
</tr>
<tr>
<td></td>
<td>E. Construction Region 07</td>
<td>122,644.00</td>
<td>Interdisign</td>
<td>06/08/06</td>
<td>32-932635</td>
</tr>
<tr>
<td></td>
<td>F. Construction-Storm Damage Region 07</td>
<td>173,311.26</td>
<td>JL Fox Inc</td>
<td>06/12/06</td>
<td>32-933264</td>
</tr>
<tr>
<td></td>
<td>G. Student Loan Cancellations</td>
<td>136,319.93</td>
<td>National City Bank</td>
<td>06/18/06</td>
<td>0000702</td>
</tr>
<tr>
<td></td>
<td>H. Computer Equipment Reg's. 02, 10, 11, &amp; 12</td>
<td>113,935.00</td>
<td>Matrix Integration LLC</td>
<td>06/19/06</td>
<td>32-934813 32-934886</td>
</tr>
<tr>
<td></td>
<td>I. Apprenticeship Regions 02 &amp; 12</td>
<td>129,508.40</td>
<td>Sheetmetal Workers</td>
<td>06/20/06</td>
<td>32-935100 32-935101 32-935102 32-935103 32-935104 32-935161</td>
</tr>
<tr>
<td></td>
<td>J. Textbooks Region 04</td>
<td>130,551.83</td>
<td>Folletts</td>
<td>06/23/06</td>
<td>32-943256 32-943343</td>
</tr>
<tr>
<td></td>
<td>K. Construction Region 12</td>
<td>135,307.55</td>
<td>Peyronnin Construction Co Inc</td>
<td>06/23/06</td>
<td>32-943344</td>
</tr>
<tr>
<td></td>
<td>L. Construction Region 12</td>
<td>181,270.76</td>
<td>M&amp;K Kay Electric Co Inc</td>
<td>06/23/06</td>
<td>32-943269 32-943345</td>
</tr>
<tr>
<td></td>
<td>M. Computer Equipment Region 01</td>
<td>145,649.14</td>
<td>Dell</td>
<td>06/23/06</td>
<td>32-943459</td>
</tr>
<tr>
<td></td>
<td>N. Advertising &amp; Marketing Services</td>
<td>176,476.00</td>
<td>Asher Agency Inc</td>
<td>06/28/06</td>
<td>32-943599</td>
</tr>
<tr>
<td></td>
<td>O. Telephone Equipment Region 08</td>
<td>104,097.25</td>
<td>SBC</td>
<td>06/27/06</td>
<td>32-946217</td>
</tr>
</tbody>
</table>
### DISBURSEMENTS OF $100,000.00 AND OVER
FOR THE MONTH OF JUNE, 2006

#### PAGE 6

<table>
<thead>
<tr>
<th>Authorization for Disbursement</th>
<th>Purpose of Disbursement</th>
<th>Amount of Disbursement</th>
<th>Approved Vendor</th>
<th>Check Date</th>
<th>Reference Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>III. Reported to the Board of Trustees, over 100,000 under 200,000.</td>
<td>P. Apprenticeship Region 08</td>
<td>124,337.64</td>
<td>Bricklayers IN/KY Locals</td>
<td>06/28/06</td>
<td>32-946385</td>
</tr>
<tr>
<td>Q. Student Loan Cancellations</td>
<td></td>
<td>123,876.40</td>
<td>National City Bank</td>
<td>06/27/06</td>
<td>0000728</td>
</tr>
<tr>
<td>R. Construction Regs. 01, 09, &amp; 12</td>
<td></td>
<td>164,344.55</td>
<td>The Skillman Corp</td>
<td>06/28/06</td>
<td>32-946532</td>
</tr>
<tr>
<td>S. Construction Region 31</td>
<td></td>
<td>146,631.55</td>
<td>Larson Danielson Construction</td>
<td>06/28/06</td>
<td>32-946533</td>
</tr>
<tr>
<td>T. Construction Region 39</td>
<td></td>
<td>106,329.70</td>
<td>Moorehead Electric Co Inc</td>
<td>06/28/06</td>
<td>32-946534</td>
</tr>
<tr>
<td>U. Apprenticeship Region 08</td>
<td></td>
<td>126,989.10</td>
<td>Sheetmetal Workers</td>
<td>06/29/06</td>
<td>32-947888</td>
</tr>
<tr>
<td>V. Apprenticeship Region 08</td>
<td></td>
<td>156,831.55</td>
<td>Plumbers &amp; Steamfitters</td>
<td>06/29/06</td>
<td>32-947889</td>
</tr>
<tr>
<td>W. Computer Equipment Regions 01 &amp; 06</td>
<td></td>
<td>147,388.34</td>
<td>Dell</td>
<td>06/29/06</td>
<td>32-948047</td>
</tr>
<tr>
<td>A. Consulting</td>
<td></td>
<td>420,000.00</td>
<td>Sungard SCT</td>
<td>06/07/06</td>
<td>32-931983</td>
</tr>
<tr>
<td>B. Apprenticeship Region 08</td>
<td></td>
<td>239,941.60</td>
<td>Indiana Regional Council of Carpenters</td>
<td>06/12/06</td>
<td>32-933147 32-933265</td>
</tr>
<tr>
<td>C. Principal &amp; Interest E, G, H, I, &amp; J Bonds</td>
<td></td>
<td>8,978,394.37</td>
<td>US Bank</td>
<td>06/14/06</td>
<td>32-900324 32-900325 32-900327 32-900328</td>
</tr>
<tr>
<td>D. Apprenticeship Region 08</td>
<td></td>
<td>254,912.80</td>
<td>Indianapolis Electrical JATC</td>
<td>06/29/06</td>
<td>32-947887</td>
</tr>
<tr>
<td>E. Purchase Card S &amp; E Transaction</td>
<td></td>
<td>542,698.74</td>
<td>JP Morgan Chase</td>
<td>06/29/06</td>
<td>0000732</td>
</tr>
</tbody>
</table>
OPERATIONS FUND REVENUE
TOTAL REVENUE - JUNE 2006 PHASE III

- 2003-04
- 2004-05
- 2005-06
OPERATIONS FUND REVENUE -- TOTAL REVENUE GRAPH BACKGROUND

The graph depicting Total Operations Fund Revenue includes revenues from State Appropriations, Student fees, and Other Income (including interest income). We normally receive our state appropriation check (approximately $11.5 million) on the fifteenth of each month. Peak months for student fee revenues are July, August, November, December, and April of each year during the early registration periods. The debt service, student activity fee, and parking fee revenue and subsequent transfers have been backed out of the Operations Fund Revenue for all the years shown to present a clearer picture of the Operations Fund activity.

Jun--2006 Analysis: For the year, both student fee revenue (up 9%) and state operating appropriations (up 7.8%) increased over fiscal year 2004-05. The operating appropriation increase is due to both the increase in appropriation levels for 2005-06 and because the state has frozen the payment delay amount instead of continuing to roll it forward. Summer 2005 enrollment indicates the number of FTE students who have made arrangements to pay was down 1%, Fall FTE enrollments were up 1.1% over last year, Spring FTE enrollments were up 3.5%, and Summer 2006 enrollment at 10-day count indicates enrollments are up by 1.5% over last year. The 4.8% increase in student fee rates is reflected in the Fall and Spring term revenues but not for the Summer term 2005. The 2006-07 increase in student fee rates of 4.8% is reflected in Summer term 2006. Other income has increased by 1.1% primarily because higher interest rates and increased balances available for investment have counter balanced a loss of overhead recovery. Total fiscal year to date revenue is up by $19.4 million (8.1%) over fiscal year 2004-05.

OPERATIONS FUND EXPENSE -- TOTAL EXPENSES GRAPH BACKGROUND

The graph depicting Total Operations Fund Expense includes expenditures for Salaries and Benefits, and Other Expenses. There appears to be a definite correlation in the timing and amounts of expenditures by the College when analyzing total expenses by month for the last three fiscal years.

The highest months for expenses are typically October and February when College Fee Remission expenditures occur. Hourly personnel receive twenty-six pays a year; therefore, twice a year they receive three pays during a month. In FY 2003-04, December and June were the two months where three pays were recorded; in FY 2004-05, October and April, and in FY 2005-06, September and March are the two months when three pays will be recorded.

Jun--2006 Analysis: The 2005-06 total expenditures are approximately $24.7 million (10.6%) higher as compared to 2004-05. For the year, compensation has increased by 6.5%. Compensation has increased due to the increase in faculty and staff as well as the 4% salary increase for faculty and 3% salary increase for all other employees. Other expenditures have increased by 20.6% primarily as a result of increases in natural gas and electricity utilities, capital expense, leased computer software, promotions and advertising, printing, and equipment maintenance agreements. In addition, the total includes $7.0 million of expenses associated with the Integrated Information System (IIS) project. 2005-06 total revenues were an estimated $1.6 million greater than total expenses for the year.
Budget and Finance Committee

August 10, 2006

I. Action Items:

A. Consideration of a Resolution for Approval of Contract for Security Services at Region 6

Region 06 requests approval for a contract for security services with American Security from July 1, 2006 to June 30, 2008. This contract will provide security for Muncie, Marion, and Anderson campuses. The current agreement ends June 30, 2006.

The bid process was completed in accordance with College purchasing procedures. Five bids were received as a result of the bid solicitation. American Security submitted the lowest bid. The Region is satisfied with the services American Security offers and has been highly recommended by local businesses, such as Delaware Machinery.

The cost will be $11.76 per hour for Anderson at 140 hours per week, $12.50 per hour for Marion at 20 hours per week, and $12.00 per hour for Muncie at 76.5 hours per week. The total estimated cost is $146,348.80 plus an amount for extra services and special events. This will be billed at a flat rate, not subject to economic changes and factors.

The Region 06 Board of Trustees approved this proposed contract at their April 6, 2006 meeting per Resolution 2006-04. The funding will be from Region 06’s operating budget.

B. Consideration of a Resolution for Approval of a Contract for Disaster/Business Recovery Services for Mainframe and Server Configurations

The Information Technology Services department requests approval to renew the contract with Sungard Recovery Services for disaster recovery services for the College mainframe and server configurations for the five-year period beginning July 1, 2006 and ending June 30, 2011. The current contract was previously approved by the State Board in June 2001 for a five year period ending on June 30, 2006.

The Information Technology (IT) Services department management became aware that the contract’s renewal provision caused the contract to automatically continue for another five year term, if written termination notice was not given six months in advance of the contract expiration date. Due to this automatic renewal provision, this contract continues to be in force. While it is the department’s practice to avoid automatic renewals whenever possible and when not possible to limit them to one year, the current management was not aware of the unusual renewal term of this contract. The dollar amount value to renew for a five year period requires State Board approval.
The contract for disaster/business recovery includes use of a hot site and a cold site. A hot site is the primary fully operational data facility, containing an installed computer equipment configuration, whereas a cold site is an empty computer room, ready to receive and support a replacement computer configuration. The hot site is the place where the College can very quickly recover the most critical applications. The cold site is a space in which a fully functioning computer configuration can be built in the case of a long term disaster at the NMC.

Sungard Recovery Services provides equipment and technical expertise to Information Services to prepare for a disaster affecting the college mainframe or the Central Office local area network (LAN). In case of a disaster affecting the central data center, the Sungard hot and cold site locations are equipped for survivability with hardware, software and network support. This will allow Information Technology Services to move the Colleges critical operations and network connectivity processes to those locations and continue operations.

In the past, for the hot site, cold site, equipment and technical expertise, the college paid a monthly subscription fee of $3,582 per month. The contract allowed for fee increases up to 8% per contract year. However, in the past five years, Sungard Recovery Services has not increased any of the fees under this contract. Additionally, if an actual disaster is declared, the college would incur additional fees of $2,500 one-time per disaster and up to $3,750 per day of location in the recovery facility.

Under the renewed contract the first year cost will continue to be $3,582 per month, the same rate as the College has paid for the last five years. Like the previous contract, the new agreement allows for annual increases of up to 8%. If all allowable increases do occur the total amount of the contract over the five year period would be $252,172, with additional fees owed if a disaster actually occurred. These additional fees are at the same rate as the 2001-06 contract. Therefore, Information Technology Services is requesting approval to renew the contract with Sungard Recovery Services in an amount not to exceed $252,172. If a disaster does occur the State Board of Trustees would be informed of the situation including any additional costs required over the $252,172.

The college is currently in the process of updating the disaster recovery plan for the wide area network (WAN). The technical services included in this contract will continue to assist us in the planning for recovery of the WAN, however the WAN has changed significantly in the past five years. The college has more campuses, internet was barely used 5 years ago and is the basis of research and content delivery today, and bandwidth has increased 16-fold or more to each campus. However, our disaster recovery planning for the network has not kept up with the pace of change in the network. The college anticipates increased cost to recover the network once we have completed the planning for updating WAN recovery. Additionally, as the college moves away from the mainframe environment for its administrative systems to the server environment necessary to support Banner, the College will need to re-plan for recovery of these systems. It is likely that the cost will increase because of this as well. Once the additional costs are known this resolution may need to be amended.
The funding for this agreement will be from the Information Technology Services annual operating budget.

C. Consideration of a Resolution for Approval of a Contract for the Lease and Maintenance of Copiers at Region 4

Region 4 request approval of lease for copiers to satisfy its current and future copying needs for convenience (walk up model) copiers for departmental use.

In 2001 the region entered a five year agreement with Ikon (IOS Capital) for the lease and maintenance of nine convenience copiers on the Lafayette campus. This lease agreement expired on August 1, 2006. The region was able to obtain approval from Ikon and the office of the Vice President for Finance and Treasurer to extend this agreement for additional months to enable the transition to new copier equipment to occur after the start of the Fall Semester. The removal, installation, and training on new equipment would create a hardship at one of the busiest times on campus for students, and new and existing faculty.

Due to the current copier lease expiring, it was necessary to locate replacement equipment to continue providing access to convenience copiers. A task force was created to assess the needs within the region. The task force participants consisted of regional staff assigned to serve as representatives of the three instructional divisions and fifteen departments (instructional and non-instructional). Each representative examined the current needs for their assigned areas and provided the information to the committee. The results were combined; specifications for each area were developed, and used to prepare the request for proposal document.

The request for proposal for digital multifunction networked copy equipment was solicited in accordance with the requirements of College policies and procedures. After the bid opening, the proposals were evaluated to ensure all specifications were met. Those responses that met all specifications were then compared monetarily to see which would be the most economical solution for the College. When combining the cost of the lease and the cost of continuing maintenance, Ikon Office Solutions provided the most economical solution to meet the regions needs. Their ability to provide us with State of Indiana pricing and our satisfaction with the Ikon products and services are also factors leading to the task force recommending this choice to the region’s executive management.

The region proposes a new lease agreement for eighteen convenience copiers to begin October 1, 2006 and continue to September 30, 2011 for a period of five years. The lease cost is $2,585 per month, a decrease of $252 per month. The annual lease cost is $31,025, a total of $155,124 over the five year period. The maintenance per copy rate will average $.00752, a decrease of $.01458 below the current rate. The maintenance per copy, assuming a 10% increase in impressions each year, is projected to be $103,457 for five years. The total cost for the lease and projected maintenance per copy cost is
projected to be $258,581 over the five year term of the contract. Using the total number of copies made for fiscal year 2006 of 2,053,858; this is projected to result in a five-year savings of $32,964.

The Region 4 Board of Trustees recommended approval of the proposed contract with Ikon at the July 10, 2006 meeting. The cost will be funded from the Region 4 operating budget.

D. Consideration of a Resolution for Approval of Contract for Custodial Services, Region 5

Region 5 requests approval to amend the custodial services contract with MJV Group that was previously approved by State Board Resolution Number 2005-24 at the June 2005 meeting. The contract, for services to be provided for the Kokomo and Logansport campuses, is for the period July 1, 2005 through June 30, 2007. The initial contract also includes an option to renew for two additional two year terms; with service fees for the renewal period to be negotiated by both parties prior to the expiration date of the original contract term.

Due to the addition of the Touby Pike Building II in Kokomo (38,000 square feet), Holman Building in Peru (28,000 square feet), and deletion of the Grissom Building in Peru (2,750 square feet), the parties have agreed to amend the agreement. Region 05 is requesting amendment for the period beginning July 1, 2006 and expiring June 30, 2007. The amendment will reflect the change in consideration to be paid by the region to MJV Group as a result of the increased responsibilities to be undertaken for the additional building square feet. The new contract rate will be $10,869 monthly for performing the duties determined, resulting in an increase of $2,035 per month, a total of $24,420 annually. The additional cost increases the agreement to $236,420.

The Region 5 Board of Trustees is expected to recommend approval of the proposed contract by poll of the regional board members prior to the State Board of Trustees meeting. Funding for the custodial services contract will be provided from the regional operating budget.

II. Information Items:

A. Regional Use of Growth and Equity Funds

The $1,000,000 enrollment growth distribution, approved as part of the 2006-2007 operating budget by the full State Board of Trustees at the June meeting, has been distributed as part of each eligible region's budget. All locations receiving funding have been asked to provide a summary of how the new funds will be expended. The regional summaries will be shared at the August Budget and Finance Committee meeting.
B. Discussion of the 2005-06 Budgetary Carry Forward

While the budgetary carry forward has not been completed as of this writing, we want to inform you of two transfers. We have transferred $1,000,000 from the College-wide carry forward into the Compensated Absences Reserve. This money is reserved to assist in paying the $8.4 million liability associated with employee accrued vacation, sick leave and special holidays. With the $1,000,000 transfer the Compensated Absences Reserve has a balance of $3,250,000. We have also transferred $1,750,000 from the College-wide carry forward to the newly established Other Post Employment Benefits Reserve. This reserve is an offset to the liability to be incurred in fiscal year ending June 30, 2008, related to a new GASB 45 statement concerning Post Employment Benefits; you may remember we discussed this issue during the June 2006 committee meeting. Additional information will be provided at the August Budget and Finance Committee meeting concerning the budgetary carry forward for the fiscal year ending June 30, 2006.

C. Discussion of the State of Indiana Closeout

Information will be provided at the August Budget and Finance Committee meeting concerning the State of Indiana Closeout for the fiscal year ending June 30, 2006.

D. Results of the Sale of the Series K Bond Issue

In January of 2006, Ivy Tech began planning for the issuance of Student Fee Bonds to fund a $19.1 million campus expansion and renovation project at Madison and $21 million of new campus construction at Marion. Both projects had been previously approved by the Indiana General Assembly and the State Budget Committee for bond financing in the 2005 – 2007 biennium. In March of 2006, the State Budget Committee additionally approved Phase 2 of Valparaiso’s new campus construction and this $20 million project was added to the financing plan. With long-term tax-exempt interest rates still well under 5.00%, the State was in favor of locking in relatively low borrowing costs for these approved projects. In April, the Ivy Tech State Board of Trustees approved the financing and delegated authority to its officers to complete the financing on a timely basis. By early May, documentation for the Series K Bonds was prepared and submitted to bond rating agencies and potential bond insurers for their review and by early June the Indiana Finance Authority had signed-off on the financing plan and gave the College the green light to issue 20-year fixed rate bonds. The Series K Bonds were sold on June 21st at a bond yield (to maturity) of 4.6% and closed on July 19th.

Given Ivy Tech’s improved credit position due to the establishment of the state-wide community college system, enrollment growth, strong state support and affordable tuition, the presentation of this financing to the credit community was of critical importance. On May 15th and 16th, representatives of the College and its financing team met in New York City with rating analysts from Standard & Poor’s as well as analysts from Ambac, FSA and MBIA, interested bond insurers. In these meetings Ivy Tech’s unique story was told, highlighting recent positive developments and the effective role the College plays in Indiana higher education. Fitch Ratings, a second rating agency, met with College administrators in Indianapolis on May 26th. The results of these meetings were a “AA-” rating from Fitch and an “A+” rating from S&P with an upgrade in outlook
from "stable" to "positive." These improved ratings led to more aggressive bidding from bond insurers resulting in a premium of 20.9 basis points versus 23.3 b.p. on the Series I and J Bonds. The combination of the improved ratings and the lower insurance premium saved the College and the State approximately $200,000 in future debt service costs on the Series K Bonds.

On the week the Series K Bonds were sold, large secondary market volume created a supply imbalance that shifted buying power to institutional investors. An underwriting team, led by City Securities, responded to this market environment by offering the Series K Bonds to a combination of institutional and retail investors. This team was successful in maintaining a serial bond structure, as opposed to term bonds, in negotiating with institutional investors and targeted four maturities for exclusive retail distribution. Both of these pricing strategies resulted in interest cost savings to the College. In addition, three of the retail maturities (2015, 2020 and 2026) were sold with a five year par call, which is more favorable to Ivy Tech than a conventional ten-year call. The retail maturities were effectively marketed through the distribution networks of Edward Jones, City Securities and Hilliard Lyons. The final bond yield of 4.6% was significantly below the State's biennial budgetary assumption for interest rates of 5.75%

After closing on July 19, the bond proceeds were immediately invested in a combination of bank certificates of deposit and a money market fund. CD maturities were scheduled based on projections for construction payments. Interest rates ranged from 5.45% for a three month CD to 5.71% for a 23 month CD, virtually assuring that the College will earn the maximum amount of investment income for the projects that is allowed under federal arbitrage regulations.

**E. Region 8 Custodial Services Contract Amendment**

At the February 9, 2006 meeting, State Board Resolution 2006-2 was passed granting approval for Region 8 to enter into an agreement with Landrum’s Carpet Care Solutions to provide custodial services for the Fairbanks Center building. The resolution approved a contract for one year, renewed annually for two additional years. The amount approved was $149,220 for the initial term, and the three year total cost was $447,660.

An amendment to the original agreement became necessary and was completed on March 7, 2006. In addition to providing services for the scope of the original agreement, the contractor is now responsible for providing custodial services for 12,615 square feet of new office space occupied by the College Information Technology Services Department. The IT Services Department relocated staff offices from the North Meridian Center to the Fairbanks Center building.

The terms and conditions, including cost per square foot, are the same as stated in the original agreement. The cost is $883.05 per month, $10,597 annually, or $31,790 over the total three year contract period. The additional cost increases the Landrum’s Carpet Care Solutions agreement to $479,630. Due to the relatively small size of the increase, and to the fact that the cost per square foot did not change, the College administration felt it was appropriate to notify the Trustees through an information item.
PLANNING AND EDUCATION COMMITTEE

August 10, 2006

I. Action Item

A. New Program Approvals

New Program

The College is proposing adding the following new program to the program inventory: the Associate of Applied Science and Certificate in Information Assurance and Computer Security, to be offered by Region 10.

The Associate of Applied Science degree for the Information Assurance and Computer Security Program is designed to prepare graduates to work in information assurance and computer security. The Certificate is designed for students currently working in the computer industry to enhance their knowledge of information assurance and computer security.

The U. S. National Information Systems Security Glossary defines Information Systems Security as “measures that protect and defend information and information systems by ensuring their availability, integrity, authentication, confidentiality, and non repudiation. These measures include providing for restoration of information systems by incorporating protection, detection, and reaction capabilities.”

A substantial demand currently exists for highly qualified information assurance and computer security experts in both the public and private sectors. The Bureau of Labor Statistics predicts that demand for specialists in computer security will expand as industries and government improve computer security, to protect computer networks and electronic infrastructures. The information security field is expected to generate many opportunities over the next decade as firms across all industries place a high priority on safeguarding their data and systems.

Several major industries in the Columbus service area have expressed written support for the Information Assurance and Computer Security program. With Muscatatuck State Development Center becoming a homeland training center, there is potential for additional employment opportunities. The new Honda facility, and new satellite operations related to it, may also increase demand for skilled, educated workers in Information Assurance and Computer Security.

Routine Approvals: Pending management committees’ approval, the College is proposing the following program expansions –

TC in Business Administration: Region 5 at Kokomo and Region 10
II. Discussion Items

A. Higher Learning Commission

The Steering Committee that will guide the preparation for the 2008-09 comprehensive visit of the Higher Learning Commission (formerly called NCA) met for the first time in June. The Steering Committee is charged to oversee the self-study process, identify what committees will be needed, identify the plan of work and timeline, communicate the process to the College community, and prepare for the visit itself. The committee reviewed the new criteria for accreditation and the exit report of the March 2006 focus visit which included advice for the College regarding issues that may need special attention. An update will be provided in more detail at the August meeting.

B. Distance Learning – Progress on Five-Year Strategic Plan

The new Distance Learning Advisory Committee has now met twice and is in the process of implementing the various recommendations approved in the strategic plan. The highest priority recommendations under implementation include the new course development model (producing a single, statewide version of the 20 most popularly-enrolled courses) and training to certify faculty to teach online. A cost study of distance learning will be conducted during the fall semester so that the College can have better information for decision-making about the relative costs of distance education versus face-to-face instruction. In addition, new marketing pieces are being developed related to distance learning opportunities for students.

C. Workforce and Economic Development

An update on activities of the Workforce and Economic Development department will be provided at the meeting.
BUILDINGS, GROUNDS, AND CAPITAL COMMITTEE

August 10, 2006

I. DECISION ITEMS

A. Region 6 – Approval to acquire 10.0 acres of land in Marion by exercising the option to purchase approved by the State Trustees in October 2004, not to exceed $327,000 plus closing costs.

This item will give the College control of all the land on which the Marion project is being constructed.

At your October, 2004 meeting, the State Trustees approved three real estate items for Marion near the intersection of Interstate 69 and State Highway 18: 1) receive a gift of approximately 22.88 acres of land from the owners of the property, 2) receive a gift of approximately 15 acres of land from the City of Marion north of and contiguous to the gift from the owners, and 3) request that Ivy Tech Foundation, Inc. purchase approximately 10 acres of land south of and contiguous to the gift from the owners and lease it to the College until the College could purchase the property as part of a capital budget project. Subsequently the owners donated their land, the City of Marion purchased their designated land and gave it to the College, and the Foundation purchased their designated land and leased it to the College.

The 2005 General Assembly approved a new construction project for Marion that includes purchase of the ten acres from Ivy Tech Foundation, Inc. The lease with the Foundation contains an option to purchase the property that needs to be exercised since part of the Marion project will be constructed on the Foundation-owned land and the General Assembly bonding authorization for the approved project includes funding for the land purchase.

The purchase price, which is not to exceed $327,000, is based on the remaining balance of the loan obtained by the Foundation, accrued interest, and a Foundation purchase surcharge. In addition there will be standard closing costs.

State Trustee approval is needed since the item is a real estate transaction other than a lease of two years or less. Since prior approval has been given by the General Assembly, approvals by the Commission for Higher Education, State Budget Committee, and Governor are not needed even though the purchase is greater than $250,000.

Action Requested: Approval of the purchase (exercising the option to purchase) of land in Marion.
B. Region 11 – Approval to acquire 1.59 acres of land in Madison by exercising the option to purchase approved by the State Trustees in October 1997, not to exceed $368,000 plus closing costs.

This item would give the College control of the former Technology Building property (approximately 1.59 acres of land) in Madison.

At your October, 1997 meeting, the State Trustees approved three real estate items for Madison: 1) request that Ivy Tech Foundation, Inc. purchase the Technology Building property and lease it to the College (for less than the College was paying the owners) until the College could purchase the property as part of a capital budget project, 2) purchase 3.50 contiguous acres, and 3) obtain an option to purchase 2.03 acres contiguous to the 3.50 acres, all from the same owners.

Subsequently the Foundation purchased the Technology Building (including its 1.59 acres of land) and the College purchased the 3.50 acres of contiguous land after obtaining state agency authorization. The College also requested approval and funding for the 2.03 acre purchase as part of its 1999-2001 capital budget request. The General Assembly did not fund the request; therefore, the College exercised its option and purchased the 2.03 acres with College funds. With the purchase of the additional 2.03 acres, the College and Foundation control approximately 13.12 acres at the campus so that the College could pursue an appropriately sized new construction project for the campus.

The Technology Building was demolished due to a severe mold problem and the 2005 General Assembly approved a new construction and renovation project for Madison that includes purchase of the Technology Building property from Ivy Tech Foundation, Inc. The lease with the Foundation contains an option to purchase the property that needs to be exercised since part of the Madison project will be constructed on Foundation-owned land and the General Assembly bonding authorization for the approved project includes funding of the land purchase.

The purchase price, which is not to exceed $368,000, is based on the remaining balance of the loan obtained by the Foundation, accrued interest, and a Foundation purchase surcharge. In addition there will be standard closing costs.

State Trustee approval is needed since the item is a real estate transaction other than a lease of two years or less. Since prior approval has been given by the General Assembly, approvals by the Commission for Higher Education, State Budget Committee, and Governor are not needed even though the purchase is greater than $250,000.

Action Requested: Approval of the purchase (exercising the option to purchase) of land in Madison.
C. Region 14 – Approval to lease land in Bloomington to the Monroe County Development Commission, $1 per year income.

This item will lease land to the Monroe County Development Commission so that they can construct a life science incubator and biomanufacturing institute.

Growing out of community meetings on economic development in Monroe County involving the Chancellor of Region 14 and Monroe County officials, the County and its Redevelopment Commission have approached the College about construction of a life science incubator and Ivy Tech Biomanufacturing Institute on College property.

Following an approval by the State Trustees in August 2004, the College acquired approximately 16 acres of land near (about 500 feet to the east of) the Bloomington Campus for future development. Environmental Phase I and other testing prior to the purchase found that the site would support a building and parking lot: construction. The property is in the Monroe County Tax Increment Finance (TIF) District and the County, through its Redevelopment Commission, desires to build a new facility, using TIF bond and other funding and a 20-year, $1.00 per year, ground lease from the College. At the end of that period, the bonds would be paid off and the College would take possession and ownership of the building. Of the proposed 18 to 25,000 square foot facility, 10 to 15,000 square feet would be used for private sector life sciences technology incubator activities and local K-12 science lab support activities. Approximately 8 to 10,000 square feet would be dedicated for Ivy Tech science lab and classroom space. The College would not pay for the construction of the building or for leasing space in the building. The building would be constructed on the north end of the 16-acre property. The final size of the building and number of acres needed for the building and parking will depend on an architectural and engineering design study yet to be completed. The College will have one or more representatives on the design team and a significant amount of approval authority for the design of the building.

Region 14 Trustees have asked the State Trustees to approve a ground lease to the Monroe County Development Commission on which they will build a life science incubator and Ivy Tech Biomanufacturing Institute

Action Requested: Approval of a 20 year lease of land to the Monroe County Development Commission in Bloomington.
D. Region 9 – Approval of a $1,818,700 increase in contract authorization for the Richmond Phase 1 (Johnson Hall) project.

The College has completed its Phase 1 new construction project (Johnson Hall) in Richmond. Package A bids were received and 17 contracts approved by the State Trustees in the amount of $12,690,554 at your April 2003 meeting for the majority of the work on the building. Package B bids were received and one contract approved by the State Trustees in the amount of $1,492,469 at your October 2004 meeting for the technology work in the building. Total approved contracts were therefore $14,183,023.

A delay in the project was caused by faulty design of the steel bracing. Additional steel bracing was designed, fabricated, and placed in the building. The project completion was delayed from May 2005 to December 2005. The architect admitted fault and committed to paying for the corrections needed except for the additional steel, at 2001 prices, that should have been designed into the building at the beginning. The College reached settlement with the architect’s insurance company at the limits of their policy less certain settlement costs. While the building has been completed and all change orders covered with project funds, the College has been negotiating with 12 contractors on their delay claims (additional costs due to the delay). The insurance proceeds include funding of an escrow account out of which the College will be reimbursed for settled delay claims. Each settled claim is to be accompanied by a release from the contractor and a change order to their contract. Settlement of the delay claims, along with previously executed change orders (including change orders for the additional steel costs) will increase the total of the contracts by more than ten percent (e.g. to more than $15,601,325 = $14,183,023 X 1.10). Prior to processing any change orders for delay claims, the total for the contracts (including previously approved delay claims) is $15,576,722.

The code of by-laws of the State Trustees allows for the College administration to execute change orders increasing previously approved contracts by up to ten percent. Any increases of ten percent or more needs State Trustee approval.

The 12 contractors submitted delay claims of $941,119. The College has reached agreement with 10 of the contractors to settle for $133,950. The two unsettled claims total $595,092 but the administration believes the claims can be settled for less than $291,000 (based on current offers and counter offers) or a total delay-claim settlement of less than $425,000. Clearly, an additional $425,000 increase on the current contract total of $15,576,722 (for a new total of $16,001,722 would exceed the ten percent provision).

The administration is therefore requesting $1,818,700 of additional authorization from the State Trustees for a new contract total of $16,001,723 ($14,183,023 + $1,818,700). This would then allow the College to pay the negotiated delay claims and reach final settlement of the project.

Since changes to the 18 contracts have been covered within the project budget and payment of the delay claims will also be covered within the project budget (using contingency and interest earnings), additional project authority is not needed from State
authorities (Commission for Higher Education, State Budget Agency and Committee, and Governor). Such additional State authority is needed for a new construction project if the project budget is exceeded by $500,000.

Action Requested: Approval of a $1,818,700 increase in the contract authorization for the Richmond Phase 1 new construction project.

POSSIBLE DECISION ITEMS

E. Statewide – Approval to enter into an agreement with a design firm to develop architectural design and program design standards for the College’s new construction and major renovation projects (request for qualifications are being evaluated).

The College administration believes that development of architectural and building space design standards will improve the College’s capital projects, improve design consistency among College projects, and reduce College and State costs for its capital projects.

The College has been moving toward standardizing various portions of its capital projects. Space use planning guidelines have been used for over 20 years and periodically revised and expanded. Ice Miller has assisted the College with creating standardized modifications to the American Institute of Architects’ contracts for architects and engineers, construction managers, and contractors. One of the requirements of the Paulien & Associates study was to recommend a space needs model for use by the College (see the information item on the Paulien study below). They have recommended a space needs model and the College is moving forward to implement that model by expanding the College’s existing space use guidelines. One of the Paulien recommendations is to further refine their general teaching laboratory space needs guideline with standards for each commonly used teaching laboratory.

The next step many colleges and universities take in standardizing capital projects is to develop architectural design standards. Staff has investigated developing design standards and believes that it is time for Ivy Tech to take that step; but add to it the development of building space standards using the Paulien study as a base. Other educational institutions that have developed and implemented architectural design standards have generally realized reduction of redundant costs, increased facilities efficiencies, improved maintenance costs, realization of facility equity across campuses, and a return on the investment of creating the design standards. Return on investment usually can be measured in utility savings, custodial staff savings, architectural fee savings (reduce the initial programming fee), and construction cost savings.

Staff prepared a request for qualifications (RFQ) seeking assistance from a design firm to develop 1) architectural standards, 2) building space standards, and 3) a process for approvals and accountability of the standards primarily for its new construction projects and major renovation projects.
Architectural standards to be developed will include but not necessarily be limited to structural, architectural exterior, architectural interior, fire protection, mechanical, plumbing, electrical, and telecommunications. In addition to greater consistency throughout its future projects, the College expects the standards developed to achieve greater energy and other efficiencies to seek to reduce utility and building operating expenses.

Building space standards will include most but not all of the higher education space classification codes as defined in the Post Secondary Education Facilities Inventory and Classification Manual, National Center for Education Statistics, U.S. Department of Education and will be based on the Paulien-recommended space needs model.

The RFQ was submitted to 11 Indiana architectural firms that are either doing work for the College or are known to have developed architectural standards for an educational institution. Responses are due in the Facilities Planning offices by noon Wednesday July 26. Responses will be evaluated over the following three days and selected firms interviewed the first week in August with a firm selected by the end of that week. The fee will be negotiated with and a proposal outline developed by the selected firm in time for the State Trustee meetings August 9 and 10.

Fees for development of an extensive set of architectural and building space standards are expected to be over $200,000 and therefore require State Trustee approval. Note that the College has not identified a funding source for this project at this time. Entering into a contract is subject to being able to include the project cost as an additional authorized cost in the College’s next bond issue or, if that is not possible, waiting until the College gets through its fiscal year-end close to determine the availability of carry forward funds after a list of commitments has been established. Once funding has been identified, a contract can be executed and the College can proceed with the project.

The resolution provided will be modified based on staff recommendation of a design firm.

Action Requested: Approval of a firm to assist the College with development of architectural and building space standards provided responses to the Request for Qualifications are acceptable.

F. Region 7 – Approval to renovate part of the Center for Workforce Development in Terre Haute, bid evaluation is underway.

This project will renovate part of the Center for Workforce Development (CWD) building, the former Brentlinger Building, in Terre Haute for use by the College.

At your October 2005 meeting, the State Trustees requested that Ivy Tech Foundation, Inc. purchase the Brentlinger Building in Terre Haute for lease to the College. While some of the building was immediately useable for the Region’s Workforce and Economic
Development department and an ACT Testing Center, the relocation of a number of programs would require phased renovations.

Recently the Airport Campus Building of the Terre Haute Region was condemned as a result of two severe storms (February 16 and April 14, 2006) that caused extensive damage to the airport property. When meeting with representatives of the College's insurance company, it was agreed that due to the condemnation, funds approved for the temporary relocation of programs and services could be used to move programs and services to the Center for Workforce Development Building in lieu of temporarily leasing modular units. Funds could also be used to renovate the building as needed to accommodate the programs and services moved from the airport campus. On April 18, the Region moved a good portion of lab equipment from the airport building to the CWD building. The equipment has been set up in a makeshift fashion to allow faculty to complete courses within the spring semester and to have the ability to offer courses during the summer and fall terms.

Region 7 will use insurance proceeds (approximately $800,000) and other sources (Region 7 foundation and auxiliary enterprise monies and Region 7 operations surplus) to accelerate the planned renovation of the building. It is estimated that $2.8 million in funds will complete Phase 1 of the building renovation. Phase 1 will provide enough space to accommodate the majority of existing programs and services from the airport campus. The remaining programs not moved into the CWD building have been relocated to the main campus (Early Childhood Development and Medical Lab Assisting) or moved to another Ivy Tech Region.

The work includes renovating approximately 37,500 square feet of the 82,000 square feet in the building (the building already has approximately 12,000 square feet of finished space that is being used by the Workforce and Economic Development department and ACT Testing Center). The balance of the space will be addressed during additional renovation phases.

The renovation project will create general classrooms, multi-purpose classrooms, faculty offices, support spaces, mechanical rooms, teaching labs, storage spaces, student lounge areas, and restrooms. Renovations will address deficiencies in all mechanical, electrical, and plumbing areas as well as addressing building, design, and accessibility codes. New walls (block or stud and drywall), floor coverings, suspended ceilings, window, and door systems will be installed. A mechanical mezzanine will be constructed to support mechanical and electrical design needs. Sprinkler and fire and security alarm systems will be updated.

Site improvements will consist of student activity areas, a new building entry, and installation of additional sanitary lines. Existing parking areas will be expanded and all existing asphalt surfaces sealed and striped to support additional parking spaces. Site lighting will be improved.
Following College and State policies regarding advertising and bidding procedures, bids for the project were released on July 1, 2006 and were due in Region 7 offices on July 24. At their July 28 meeting the Region 7 Board of Trustees is expected to make a recommendation to the State Trustees for use at your August 9 and 10 meetings. Construction is planned to start as soon as the College’s request to proceed with the Special Repair and Rehabilitation project submitted May 1, 2006 is approved by the appropriate State agencies and will take approximately six months to complete. The resolution provided will be modified based on bid evaluations and regional trustee recommendations.

Action requested: Approval of the Center for Workforce Development renovations provided bids are acceptable.

II. DISCUSSION ITEM

A. Paulien & Associates report on the facilities strategic plan

Since your June meeting, the facilities strategic plan advisory committee has met with Paulien staff and reviewed their report and recommendations. Staff has also received the revised sections of the Paulien & Associates report that were modified as a result of the meeting. The summary sections of the report will be available at the Buildings, Grounds, and Capital Committee meeting. However, the staff response is presented here.
Ivy Tech Community College engaged the Paulien & Associates firm to assist the College with a Facilities Strategic Plan and to make recommendations on a number of key issues. Members of the firm visited Ivy Tech and the state four times between January and June of 2006 meeting with the Facilities Strategic Plan Advisory Committee three times. In June a draft final report was presented to the Advisory Committee. Following comments made by the Advisory Committee at the June 15, 2006, a number of the final report documents were revised to create a final report. Following are staff reactions and response to the final report. As a result of the final report, one action is being proposed at the August 9 and 10, 2006 State Trustee meetings and other actions may be proposed at later meetings.

Staff are pleased that Paulien & Associates has recognized the work that the College has done over the years to develop and implement a process and measurements used to rank capital projects in the College’s capital budget requests. The consultants stated that it “is the most thorough and comprehensive set of planning measures that, in the consultant’s experience, any U.S. system of higher education is using to rank capital projects.”

The State Trustees formally adopted the priority ranking measures for the 2007-09 capital budget and later requests and, in making changes to the previous set of measures, included recommendations made by the consultants and by the State Budget Agency.

Needs Analysis Process Recommendations

The consultant has recommended that a standardized needs analysis should be performed for potential capital projects while recognizing that “there may still be occasions where executive, legislative, and college entities may see factors which override the findings of such a [analysis based] system.”

Staff agrees that a needs analysis process based on the consultants recommendations would be helpful to determine which projects should be placed on the College’s list of potential capital projects and will explore the feasibility of a system as proposed by the consultant.

While not part of their written report, during meetings with the consultants they noted that a formal evaluation of the condition of existing Ivy Tech buildings would have a
number of benefits including an independent evaluation that could be used for 1) the recommended needs analysis and 2) need measure number five in the Priority Ranking Measures adopted by the State Trustees to rank projects in the College's Capital Budget Request. Staff has discussed such a formal evaluation with a consulting firm specializing in this type of evaluation and believes such an evaluation would cost approximately $1.50 per gross square foot (GSF) or about $4.0 million for the College owned 2.7 million GSF. Staff agrees that a formal evaluation of the condition of existing space would be helpful but point out that the $4.0 million to fully implement such an evaluation is not available in the College's budget.

Lease versus Purchase Issues

Staff agrees with the consultant's analysis of the lease versus purchase or build issues and their endorsement of the current College guideline and will continue to recommend to the State Trustees leasing for initial and short term needs and acquiring permanent space (purchase and renovate or build) where there is a long term need in a community.

The consultants stated that "In terms of the investment of public dollars, the capital funding of the building (in effect paying cash for a facility) will result in lower total dollars spent over the life of the building. . . . Long term location stability becomes an issue since a landlord could find a more profitable use for the property or need to sell it. A new owner might want the facility for their own use. Lease terms can be adjusted in the landlord's favor depending on local market conditions, which could force Ivy Tech to move."

The consultant concluded with "The consultant has not seen strong evidence for the argument that leasing is a good long-term solution. The approach currently used by Ivy Tech (to look to donated facilities or short-term leases when a new community is provided service, then to enter into longer term leases as communities become established centers, and finally to construct owned facilities when the long-term prospects for a community look favorable) is the most widely used approach by community colleges and seems the appropriate approach."

New Campus Policy Issues Outline (Campus Development Policy and Process)

The consultants have recommended that the College develop and the State Trustees adopt a campus development policy and process.

Most states do not have policies which address this topic. However, the Indiana Commission for Higher Education (CHE) has a Policy for Authorizing New Campuses and Off-Campus Sites (adopted in October 1996) that will likely be under review over the next year and the North Central Commission on Accreditation and School Improvement also have criteria for campus designations. A system for moving sites from one stage to another (i.e. from extension site to instructional site to postsecondary center to campus)
would benefit the College as it continues to grow. Items and areas to be included in the
development of the policy would include, but are not necessarily limited to; amount of
space, amount of and projections of enrollments, minimal staffing requirements, use of
distance education technology, levels of on-site student services, and degree of
coordination with and autonomy from the home campus.

Staff agrees with the recommendation and will explore the feasibility of developing such
a policy but notes that developing such a policy will take significant time and resources
from all Regions and departments within the College to develop and then implement.

**Review of High Growth Areas**

The consultants provided an analysis of high (12 counties) and low (14 counties)
population growth counties and an analysis of economic growth by the Department of
Workforce Development's eleven regions.

Staff appreciates the work done by the consultants on the identification of high growth
areas but wish to note that in the 14 counties projected to lose population over the next 10
years, enrollments at Ivy Tech campuses (Grant/Marion, Wayne/Richmond, and
Madison/Anderson) has been growing. Therefore, any implication that Ivy Tech and the
State should only invest in counties with growing populations and with projected
economic growth should be rejected. It appears that when the need is demonstrated, Ivy
Tech and the State should invest in larger projects in the high growth areas (because the
need for additional space and additional programs is relatively higher in high growth
areas) while making sure the smaller campuses are also appropriately served. Ivy Tech
needs to invest where it anticipates growth in enrollments and need for programs.

**Evaluation of Ivy Tech Community College Proposed Capital Projects**

Staff appreciates the work the consultant has done to evaluate the 12 new construction
capital projects requested by Ivy Tech regions for the 2007-09 biennium. Staff would
like to note that, of the seven projects in the College's 2007-09 Capital Budget Request,
four (Fort Wayne, Indianapolis, Muncie, and Sellersburg) were initially recommended by
the consultant for implementation without any further study. Three were recommended
for additional study (Greencastle, Logansport, and Elkhart), and none were recommended
for deferral. However, after further study by the consultants and review of
documentation provided to the consultants, the consultants have recommended the
Greencastle and Logansport projects for implementation. Thus bringing the total to six
projects recommended for implementation and one, Elkhart, needing further study. Of
the five projects requested by the Ivy Tech regions but deferred by the State Trustees
until a later biennium, the consultant has recommended either additional study or
deferral.
Space Needs Modeling Study

The consultants have recommended a space needs model for consideration by the College. The consultant’s model has recommendations for each of the major room classification codes. Staff believes that such a model (guidelines for each major code) has merit and should be pursued. Building on the consultants recommendations, staff believe that developing architectural and building space standards for most of the higher education classification codes, with additional standards for each commonly used teaching laboratory, would benefit the College in future construction and major renovation projects.

The current Ivy Tech planning guidelines are at the campus level: 82 assignable square feet per full-time equivalent enrollment (ASF/FTE) for full service main campuses with programs that require large amounts of space, 78 ASF/FTE for a campus with a mix of large and small space programs, and 75 ASF/FTE for most other campuses. These guidelines have been in place for well over a decade and staff believes they have been valid, conservative, less than those used for most other states, and take into consideration large verses small space needs programs.

The consultants found little evidence to recommend modification of their model by size of campus or difference in administrative load. However, the consultants do believe that there would be a benefit in creating a model based on program offerings: “While it would be ideal to create a model more sensitive to program offerings, this approach is more complex and requires more detailed base data. This approach is not being recommended at this time for Ivy Tech because it requires accurate facilities data by subject field and this information is not currently available.”

Staff believed that the first model developed by the consultants understated the need for space in a community college 1) with a high number of technical programs that require large amounts of space (automotive, machine tool, construction, HVAC, industrial trades, culinary arts, etc.), 2) that is significantly increasing the non-credit workforce and economic development services it provides on campus, and 3) that needs additional spaces to accommodate students while they are not in class.

After the advisory committee reviewed the initial model with the consultants and staff reviewed other state’s guidelines with the consultants, the consultants revised their model.

Classroom and Teaching Laboratory Utilization Analysis

An analysis of how well Ivy Tech’s classrooms and teaching labs were used for credit instruction during the fall of 2005 was part of Paulien & Associates work. This was intended as an outside look at classroom and teaching lab utilization separate from the biennia facilities utilization data submitted by the regions to the College administration.
The analysis does identify which campuses have high or low use of their classrooms and teaching labs and will be distributed to the Chancellors for their use.

Of particular note is that Ivy Tech’s classroom planning standard for new facilities is very close to nationally used standards (Ivy Tech 32 weekly room hours and 66 percent station occupancy ratio versus nationally 30 weekly room hours and 60 percent station occupancy ratio). Ivy Tech’s average actual fall 2005 use was 27 weekly room hours and 62 percent station occupancy ratio.

Ivy Tech’s teaching lab planning standard may need to be increased from its current 17.6 weekly room hours and 70 to 75 percent station occupancy ratio to nearer the nationally used guideline of 20 weekly room hours and 80 percent station occupancy ratio. However, as the consultant points out, “In reality, occupancy averages that the consultant’s have studied typically range between 60% and 75%.” Staff will review the material and recommend a change to this guideline. Ivy Tech’s average actual fall 2005 use was 22 weekly room hours and 73 percent station occupancy ratio; fairly close to the most used guideline except for the station occupancy ratio.

Summary of new initiatives

In summary, Paulien & Associates has suggested a number of new initiatives for which staff are evaluating the feasibility of implementing or are pursuing.

1. Needs analysis process – explore the feasibility of implementation,
2. Conduct a formal evaluation of the condition of all existing Ivy Tech buildings – at an estimated $4.0 million this is too expensive an item to implement, however, staff will explore self-reporting survey instruments that may have been developed at other colleges and universities,
3. New campus policy issues outline (campus development policy and process) – explore the feasibility of implementation since it would take significant time and resources throughout the College, and
4. Space needs model development – recommend expanding the College’s guidelines to include a space model for all the major room classification codes and develop architectural and building space standards (see Decision Item E).
B. Committee scope of work for the 2007-09 Biennial Budget process.

Since this Committee last met, the Commission for Higher Education (CHE) has started its review of the public higher education institutions’ capital and operating requests. Staff has been informed that the CHE does not plan to visit projects this biennium (typically they do visit the top capital projects of each public higher education institution). At their October 13, 2006 meeting in West Lafayette, Ivy Tech will make a presentation on its capital and operating request to the CHE.

Typically the CHE makes its capital recommendations at their November or December meeting. Institutional presentations of their budget requests to the State Budget Committee are expected to take place in mid-November.

III. INFORMATION ITEMS

A. A progress report on current projects: recently completed, under construction, or authorized for construction or planning.

Following is a report on the current or recently completed Ivy Tech capital projects. Please note that projects approved over multiple biennia are grouped together by project.

Changes since June:

Valparaiso Phase 2 project is under construction

Richmond Phase 2 new construction has been completed

Evansville Phase 2 new construction has been completed
## IVY TECH COMMUNITY COLLEGE OF INDIANA
### CURRENT CAPITAL PROJECTS BY FUNDING

<table>
<thead>
<tr>
<th>Project</th>
<th>Biennium Authorized</th>
<th>Authorized Amount</th>
<th>Gross Square Feet</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ft. Wayne Technology Ctr. Planning</td>
<td>2005-07</td>
<td>2,500,000</td>
<td></td>
<td>Architect and construction manager selected, request to release planning funds submitted, planning on hold</td>
</tr>
<tr>
<td>Logansport planning</td>
<td>2005-07</td>
<td>300,000</td>
<td></td>
<td>Architect and construction manager selected, request to release planning funds submitted, planning on hold</td>
</tr>
<tr>
<td>Greencastle planning</td>
<td>2005-07</td>
<td>250,000</td>
<td></td>
<td>Architect and construction manager selected, release of planning funds approved, planning on hold</td>
</tr>
<tr>
<td>Marion planning Marion</td>
<td>2003-05</td>
<td>250,000</td>
<td></td>
<td>Planning completed Construction is underway, should finish December 2007</td>
</tr>
<tr>
<td>Marion</td>
<td>2005-07</td>
<td>20,015,000</td>
<td>104,550</td>
<td></td>
</tr>
<tr>
<td>Subtotal Marion</td>
<td></td>
<td>20,265,000</td>
<td>104,550</td>
<td></td>
</tr>
<tr>
<td>Madison planning Madison</td>
<td>2003-05</td>
<td>826,000</td>
<td></td>
<td>Planning completed Construction is underway, should finish new construction December 2007 and renovation August 2008</td>
</tr>
<tr>
<td>Madison</td>
<td>2005-07</td>
<td>19,144,000</td>
<td>80,700</td>
<td></td>
</tr>
<tr>
<td>Subtotal Madison</td>
<td></td>
<td>19,970,000</td>
<td>80,700</td>
<td></td>
</tr>
</tbody>
</table>
**IVY TECH COMMUNITY COLLEGE OF INDIANA**  
**CURRENT CAPITAL PROJECTS BY FUNDING**

<table>
<thead>
<tr>
<th>Project</th>
<th>Biennium</th>
<th>Authorized Amount</th>
<th>Gross Square Feet</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Portage planning for lease</td>
<td>2003-05</td>
<td>275,000</td>
<td></td>
<td>Architect selected, planning underway, request for lease funds submitted for 2005-07 but not funded</td>
</tr>
<tr>
<td>Valparaiso land and planning</td>
<td>2001-03</td>
<td>2,600,000</td>
<td></td>
<td>Land purchased, planning completed</td>
</tr>
<tr>
<td>Valparaiso Phase 1</td>
<td>2003-05</td>
<td>15,843,000</td>
<td>84,445</td>
<td>Construction completed June 2006</td>
</tr>
<tr>
<td>Valparaiso Phase 2</td>
<td>2005-07</td>
<td>20,000,000</td>
<td>102,100</td>
<td>Construction underway, should finish February 2008</td>
</tr>
<tr>
<td>Subtotal Valparaiso</td>
<td></td>
<td>38,443,000</td>
<td>186,545</td>
<td></td>
</tr>
<tr>
<td>Evansville planning</td>
<td>1999-01</td>
<td>1,000,000</td>
<td></td>
<td>Planning completed</td>
</tr>
<tr>
<td>Evansville Phase 1</td>
<td>2001-03</td>
<td>19,100,000</td>
<td>91,000</td>
<td>Construction and renovation completed</td>
</tr>
<tr>
<td>Evansville Phase 2</td>
<td>2003-05</td>
<td>18,158,000</td>
<td>68,250</td>
<td>Construction completed, renovation should finish March 2007</td>
</tr>
<tr>
<td>Subtotal Evansville</td>
<td></td>
<td>38,258,000</td>
<td>159,250</td>
<td>116,000</td>
</tr>
<tr>
<td>Richmond planning</td>
<td>1999-01</td>
<td>1,708,000</td>
<td></td>
<td>Planning completed</td>
</tr>
<tr>
<td>Richmond Phase 1</td>
<td>2001-03</td>
<td>17,800,000</td>
<td>106,050</td>
<td>Construction complete</td>
</tr>
<tr>
<td>Richmond Phase 2</td>
<td>2003-05</td>
<td>8,780,000</td>
<td>25,540</td>
<td>Construction completed, renovation should finish November 2006</td>
</tr>
<tr>
<td>Subtotal Richmond</td>
<td></td>
<td>28,288,000</td>
<td>131,590</td>
<td>31,891</td>
</tr>
<tr>
<td></td>
<td>2003-05</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>-----------------</td>
<td>---------</td>
<td>----------</td>
<td>----------</td>
<td></td>
</tr>
<tr>
<td>Indianapolis Fairbanks purchase</td>
<td>10,000,000</td>
<td>250,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Donations for renovation</td>
<td>6,000,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Subtotal Fairbanks</td>
<td>16,000,000</td>
<td>250,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>164,549,000</td>
<td>912,635</td>
<td>170,502</td>
<td></td>
</tr>
</tbody>
</table>

Purchase completed

Phase 7 renovations are underway
B. Possible action items for future meetings.

The following projects have been identified as possible action items for this Committee at future State Trustee meetings.

*Region 6 land acquisition projects* - Region 6 has several properties in its land acquisition plan that may be available for purchase within the next year.

*Region 8 land acquisition projects* - Region 8 has several properties in its land acquisition plan that may be available for purchase within the next year.

*Region 8 renovation projects* – Region 8 has one or more renovation projects and a parking lot project that may exceed $200,000 and would therefore need State Trustee approval: 1) demolition of parts of the Fall Creek Expansion property, 2) additional renovations of the Fairbanks building, and 3) one or more additional parking lot projects at the North Meridian Center.

*Region 12 land acquisition projects* - Region 12 has several properties in its land acquisition plan that may be available for purchase within the next year.
AUDIT COMMITTEE

August 10, 2006

The Audit Committee will have no action items to bring forward. A report will be provided at the State Board of Trustees meeting on August 10, 2006.