

MINUTES OF THE MEETING OF THE STATE BOARD OF TRUSTEES
IVY TECH COMMUNITY COLLEGE OF INDIANA
INDIANAPOLIS, INDIANA
December 8, 2011

Chairman Anne Shane called the December 8, 2011, regular meeting of the State Board of Trustees to order at 3:00 pm at the Omni Severin Indianapolis Hotel.

A. ROLL CALL

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

The following State Trustees were present:

Mrs. Anne K. Shane, Chair
V. Bruce Walkup, Vice Chair
Mr. Steve Schreckengast, Secretary
Mr. Kevin Ahaus
Ms. Debora K. Butterfield
Mr. Richard R. Halderman
Mr. Lee J. Marchant
Mr. Anthony J. Moravec
Ms. Lillian Sue Livers
Mr. Norman E. "Ned" Pfau, Jr.
Ms. Kaye H. Whitehead

The following State Trustees were unable to attend:

Ms. Linda Buskirk
Mr. David M. Findlay
Mr. Leslie C. Shively

B. NOTICES OF MEETING MAILED AND POSTED:

Secretary Steve Schreckengast confirmed that notices of the December 8, 2011, regular meeting were properly mailed and posted.

C. APPROVAL OF BOARD MINUTES:

Chairman Anne K. Shane directed the trustees' attention to the minutes of October 13, 2011, regular board meeting. Trustee Richard Halderman made the motion to approve the minutes of the October 13, 2011 regular meeting as submitted. Trustee Kaye Whitehead seconded the motion and the motion was carried unanimously.

D. COMMITTEE REPORTS:

Item 1 Chairman Shane reported that the Executive Committee met on November 17, 2011 and said that the matters discussed at that meeting would be incorporated into the following committee reports. In addition the Executive Committee finalized the performance metrics for the president's annual evaluation and assigned oversight to the appropriate Board Committee.

Item 2 Chairman Shane called upon Trustee Pfau for a report from **Budget and Finance Committee**. Trustee Pfau reported there was one action item for the board to consider. Trustee Pfau moved for approval of:

Resolution Number 2011-63, Approval of Accounts Receivable Write-Offs for the Fiscal Year ending June 30, 2011

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

Trustee Pfau reported that the committee discussed the recent sale of student fee bonds, the ongoing negotiations with Blackboard for more favorable pricing, and heard a report from Ben Burton on Student Financial aid.

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

Resolution Number 2011-64, Approval Of A New General Education Transfer Certificate

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

Trustee Livers reported the committee received an update on the ASAP Cohort completions, 6 Remediation pilots, and the results of a student engagement survey.

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

Resolution Number 2011-65, Approval to Dispose of Property not needed by the College at its Kokomo campus by easement to the city of Kokomo, Region 5/Kokomo

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

Resolution number 2011-66, Request that Ivy Tech Foundation, Inc. Purchase approximately 2.030 Acres of improved land in Fort Wayne for lease to the College, Region 3/Northeast

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

Resolution Number 2011-67, Request that Ivy Tech Foundation, Inc. purchase approximately 8.421 Acres of improved land in Terre Haute for lease to the College, Region 7/Wabash Valley

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

Request Number 2011-68, Approval to purchase an undivided interest in 1.085 Acres of improved land at 651 Fairway Drive and a request that Ivy Tech Foundation, Inc. purchase the remaining undivided interest in the same property in Evansville for lease to the College, Region 12/Southwest

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

Resolution Number 2011-69, Request that Ivy Tech Foundation Inc. increase its spending authorization for renovations to the Ivy Tech Corporate College and Conference Center in Indianapolis

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

Resolution Number 2011-71, Request that Ivy Tech Foundation purchase land and a building in Batesville for lease to the College with rent not to exceed \$150,000 per year with 90-day option period to perform due diligence and provided that long term leases can be obtained from the current tenants

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

Item 5 Chairman Shane called upon Trustee Walkup for the **Audit Committee Report**. Trustee Walkup reported that the Audit Committee had no action items for the board to consider. The committee did discuss that the State Board of Accounts had issued an unqualified opinion for their annual audit of the College. Trustee Walkup called on Assistant General Counsel J.D. Lux to present for the Board's consideration a request from Northeast Region Trustee Don Wood to do work for the College. Mr. Lux explained the circumstances and confirmed that a uniform conflict of interest form was completed by Mr. Wood. Trustee Walkup moved to approve the proposed business transaction. Trustee Pfau seconded the motion, which was unanimously approved by the Trustees.

Item 6 Chairman Shane called upon Trustee Kevin Ahaus for the **Corporate College Committee Report**. Trustee Ahaus reported that there were no action items for the board to consider. The committee heard a from Jeff Terp, Acting President, of Corporate College, about the action steps planned for the next six months and a second report on grants by Dr. Becky Nickoli.

E. TREASURER'S REPORT:

Vice Chairman V. Bruce Walkup called upon Vice President Bob Holmes for the Treasurer's Report. Treasurer Holmes reported that we are now approaching the halfway point of the 2011-12 fiscal year. Through November student fee revenue is essentially flat – up a total of just under

\$900,000 or .4% over the same period last year. This is a result of the 6% drop in FTE students for summer term and the fact that our 3% fee increase did not take effect until fall term. In addition, for fall term as of ten-day count, headcount enrollment was flat, and FTE enrollment declined by 2.4%. These figures may change by the end of the semester as the College offers a large number of shorter classes throughout the semester.

As always, the College will adjust the budget based on increases or decreases in enrollment and student fees at the end of the fall semester when final counts are completed.

State appropriations have increase by 9.4 million or 10.2%. About \$8.5 million of this increase is for general operating expenses, which the College earned through the State's performance funding formulas. The remainder is for debt service costs for capital projects authorized by the General Assembly and approved for release by the State Budget Committee and Governor.

Investment income is down \$106,000 compared to last year, but we are still on track to meet our budget estimate of \$3,000,000. However, despite significant increases in investable balances, the College will earn about \$1.9 million less in interest income this year as compared to 2007-08. Finally, other revenue has increased significantly as compared to the first five months from last year. A portion of this is due to timing with the remainder primarily resulting from increases in grants and contracts. In total general fund revenues are up \$11.4 million.

Total General Fund expenditures have increased by 13.4 million so we are running slightly behind last year's pace, but still on track for a significant increase in cash and investments and unrestricted net assets. Compensation costs are up \$9.2 million or slightly over 8%. This is a result of the 2% salary increase approved for the fiscal year beginning July 1 and the addition of 99 full-time faculty positions this year. Supplies, equipment, utilities, and facility leases have increased by \$2.4M – primarily resulting from opening new buildings in Warsaw, Sellersburg, and two in Indianapolis. The increase in transfers is related to higher debt service payments and larger initial transfers to fund the other post-employment benefit liability and the accrued sick leave and vacation liability. Finally, he noted that we have begun the 2012-13 internal operating budget process. Several strategic planning and budgeting schedules have been distributed and the schedule for regional meetings has been set for February 23-29.

F. STATE OF THE COLLEGE

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

President Snyder reported on his visit to the White House to meet with President Obama on college affordability. President Snyder was one of 20 college presidents to participate on the summit. It was observed at the summit that college tuition and other costs are rising at a faster rate than healthcare costs. President Obama offered that colleges and universities appear to be engaged in a "facilities nuclear war" in an attempt to have the most grand of campuses and buildings. He suggested that radical changes could be forthcoming. President Snyder also provided the board a review of the cost savings that had been attained by an aggressive procurement strategy. Finally, President Snyder presented his annual diversity report to the board. Each campus and the statewide system has established diversity committees that meet regularly throughout the year. Last fall, representatives from each regional diversity committee and the statewide committee meet for a two-day retreat in Indianapolis. Additional plans and programs were initiated as an outcome of the retreat. We had made modest gains in minority hiring but the College is challenged to do more. We continue to lead public colleges and universities in contracting with minority and women owned businesses (WMBEs).

G. **OLD BUSINESS**

Vice Chairman Walkup called for old business, and there was none.

H. **NEW BUSINESS**

Chairman Shane called for new business.

Trustee Anthony Moravec presented **Resolution Number 2011-70**, explaining the Regional Board Nominating Committee has recommended that Larry Koenes representing At-Large, be re-appointed to the Columbus Regional Board of Trustees. Trustee Moravec moved to approve **Resolution Number 2011-70, Appointment of Regional Trustee-Columbus**. Trustee Schreckengast seconded the motion. Chairman Shane called for further discussion, and there was none. The motion carried unanimously.

I. **ADJOURNMENT:**

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

**STATE TRUSTEES
IVY TECH COMMUNITY COLLEGE**


Anne Shane, Chairman


Steve Schreckengast, Secretary

Dated December 15, 2011

Prepared by Gretchen L. Keller, Recording Secretary