

MINUTES OF THE MEETING OF THE STATE BOARD OF TRUSTEES

IVY TECH COMMUNITY COLLEGE OF INDIANA

INDIANAPOLIS, INDIANA

June 9, 2011

Chairman Lee Marchant called the June 9, 2011, regular meeting of the State Board of Trustees to order at 10:00 am CST at the Valparaiso Campus. Chairman Marchant announced that the meeting today would be expedited in order for board members to make flights and the Presidents report would be postponed until August.

A. ROLL CALL

Secretary V. Bruce Walkup called the roll and the presence of a quorum was announced.

The following State Trustees were present:

Mr. Lee J. Marchant, Chair
Mrs. Anne K. Shane, Vice Chair
Mr. V. Bruce Walkup, Secretary
Mr. Kevin Ahaus
Ms. Linda Buskirk
Ms. Debora K. Butterfield
Mr. David M. Findlay
Mr. Richard R. Halderman
Mr. Anthony J. Moravec
Mr. Norman E. "Ned" Pfau, Jr.
Mr. Steve Schreckengast
Mr. Leslie C. Shively

The following State Trustees were unable to attend:

Ms. Lillian Sue Livers
Ms. Kaye H. Whitehead

B. NOTICES OF MEETING MAILED AND POSTED:

Secretary V. Bruce Walkup confirmed that notices of the April 14, 2011, regular meeting were properly mailed and posted.

C. APPROVAL OF BOARD MINUTES:

Chairman Lee J. Marchant directed the trustees' attention to the minutes of April 14, 2011, regular board meeting. Trustee Richard Halderman made the motion to approve the minutes of the April 14, 2011 regular meeting as submitted. Trustee Linda Buskirk seconded the motion and the motion was carried unanimously.

D. COMMITTEE REPORTS:

Item 1 Chairman Marchant reported that the Executive Committee met and said that the matters discussed at that meeting would be incorporated into the following committee reports.

Item 2 Chairman Marchant called upon Trustee Norman “Ned” E. Pfau, Jr. for a report from **Budget and Finance Committee**. Trustee Pfau reported there were four action items for the board to consider. Trustees Pfau moved approval of:

Resolution Number 2011-24 Approval Of The Student Fee Rates For Fiscal Years 2011-2013

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

Resolution Number 2011-25 Approval Of The College 2011-12 Fiscal Year Internal Operating Budget

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

Resolution 2011-26 Approval Of A Contract For Custodial Services In the Southwest Region

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

Item 3 Chairman Marchant called upon Trustee Linda Buskirk for the **Planning and Education Committee Report**. Trustee Buskirk moved for approval of:

Resolution Number 2011-27, New Program

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

Trustee Buskirk reported that the planning and education committee also received preliminary reports on the impact of several Achieving the Dream intervention strategies on student success and the core functions for student life that are provided in every region.

Item 4 Chairman Marchant called upon Trustee Debora K. Butterfield to give the **Building, Grounds and Capital Committee Report**. Trustee Butterfield moved for approval of:

Resolution Number 2011- 28 Approval To Purchase 0.611 Acres Of Improved Land At 22507 County Road 18 In Elkhart County, Region 2/North Central

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

Resolution Number 2011-29 Approval to Purchase 0.193 Acres Of Improved Land at 604 Sheridan Road In Evansville, Region 12/Southwest

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

Resolution Number 2011-30 Approval To Combine Four Leases At Liberty Crossing In Bloomington, Region 14/Bloomington

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

Resolution Number 2011-31 Approval To Increase The Contract Authorization For The Fall Creek Expansion New Construction And Renovation Project, Region 8/Central Indiana

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

Resolution Number 2011-32 Approval To Amend The Agreement With Shiel Sexton For Increased Construction Management Services, Fees, And General Conditions For The Fall Creek Expansion New Construction And Renovation Project, Region 8/Central Indiana

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

Resolution Number 2011-33 Approval To Purchase 0.2788 Acres Of Improved Land At 8821 Highway 311 In Sellersburg, Region 13/South Central

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

Item 5 Chairman Marchant called upon Trustee David M. Findlay for the **Audit Committee Report**. Trustee Findlay reported that the Audit Committee had no action items for the board to consider. The committee did review the 2011-12 Internal audit schedule.

Item 6 Chairman Marchant called upon Trustee Steve Schreckengast for the **Workforce and Economic Development Committee Report**. Trustee Schreckengast reported that there were no action items for the board to consider. The committee heard reports on the status and future of Workforce and Economic Development and formation of Corporate College.

E. **TREASURER'S REPORT:**

Chairman Lee Marchant called upon Vice President Bob Holmes, for the Treasurer's Report. The College has now completed 11 months of the 2010-11 fiscal year and will begin the year-end close process in about three weeks. Nationally, and in Indiana, this has been a year of fits and starts economically. At Ivy Tech, we are fortunate to be ending the year in solid financial shape. Enrollment grew once again – the Institutional Research Department is estimating growth of over 6% for both headcount and FTE students. As the economy improves, however, our rate of growth is beginning to slow down and this summer's ten-day count is showing a decline. Through May, our revenues increased by \$23M; primarily a result of higher student fee revenue which is up over \$18M over the May 2010 figures. Entering the final month of the fiscal year, we are now slightly above the budget for the year. State appropriations including debt service reimbursements, continue to arrive as budgeted and are currently running \$5M over last year. Investment income fell slightly behind last year, but has met the budget estimate. Interest rates have dropped again, negatively impacting revenue compared to last year at this time. Finally, other income has grown considerably in recent months and has nearly moved even with last year. On the expenditure

side, total expenses have increased by \$32M – predominantly impacted by a \$25M increase in compensation. Full-time faculty costs have grown by 12.9% as the College added 130 new faculty positions in 2010-11. Increases in supplies and utilities added \$5M to the overall increase. Much of this cost is related to opening new facilities in Elkhart, Muncie, Avon, Sellersburg, and Bloomington. The remainder of the increase is related to transfers out for debt service, parking, student activities, and payments to offset our liabilities for sick leave, vacation, and retiree insurance.

In comparing the revenue and expenditure trends with last year, the College is running about \$9M below last year's pace when we increased unrestricted net assets by about \$60M. With just one month of the fiscal year remaining we are running well within budget. Finally, bond payments were made on our outstanding debt twice a year – on July 1 and January 1. While the State reimburses us for those expenses – it's typically one to two months after our payment. This year, our July 1 principal and interest payment totals nearly \$24M so we have been becoming more liquid with our investment portfolio and have scheduled investments to mature in order to make this large payment. With these large payments, we have reduced our outstanding debt by over \$32M in the last two years from \$303M down to \$271 M. Progress will not be as great in 2011-12 as we expect to enter into new debt totaling about \$11.6M for two projects recently approved by the State Budget Committee – the Indianapolis Connector at \$6.8M and the Muncie Ball Corporation Headquarters at \$4.8M. At the same time, we will pay off \$17.5M. Special recognition was given to Mark Husk and Janice Hoffman from the treasurers, as well as to the chancellors, EDFs, and others that worked hard in putting together the budget that was adopted today.

F. STATE OF THE COLLEGE

Chairman Marchant announced earlier that the meeting would be expedited and the President's Report would be postponed until August.

G. OLD BUSINESS

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

H. NEW BUSINESS

Trustee Marchant called for new business.

Trustee Anthony Moravec presented **Resolution Number 2011-34**, explaining the Regional Board Nominating Committee has recommended that Wesley Boas, be reappointed to the Columbus Regional Board of Trustees. Trustee Moravec moved to approve **Resolution Number 2011-34, Reappointment of Regional Trustee-Columbus Region**. Trustee Schrekengast seconded the motion. Chairman Marchant called for further discussion, and there was none. The motion carried unanimously.

Trustee Kevin Ahaus presented **Resolution Number 2011-35**, explaining that Regional Board Nominating Committee has recommended that J. Joe Meyer, be reappointed to the Richmond Regional Board of Trustees. Trustee Ahaus moved to approve **Resolution Number 2011-35, Reappointment of Regional Trustee-Richmond Region**. Trustee Halderman seconded the motion. Chairman Marchant called for further discussion, and there was none. The motion carried unanimously.

Trustee V. Bruce Walkup presented **Resolution Number 2011-36**, explaining the Regional Board Nominating Committee has recommended that Danny Tanoos, representing Education and Ken Baker, representing Manufacturing be reappointed to the Terre Haute Regional Board of Trustees. Trustee Walkup moved to approve **Resolution Number 2011-36, Reappointment of Regional Trustees-Terre Haute Region.** Trustee Schreckengast seconded the motion. Chairman Marchant called for further discussion, and there was none. The motion carried unanimously.

Trustee David Findlay presented **Resolution Number 2011-37**, explaining the Regional Board Nominating Committee has recommended that Leigh Allen, representing Commerce, Kenzie Bentle, representing Education and Harold Hunt, representing Manufacturing be reappointed to the Southeast Regional Board of Trustees. Trustee Findlay moved to approve **Resolution Number 2011-37, Reappointment of Regional Trustee- Southeast Region.** Trustee Halderman seconded the motion. Chairman Marchant called for further discussion, and there was none. The motion carried unanimously.

Trustee Les Shively presented **Resolution Number 2011-38**, explaining the Regional Board Nominating Committee has recommended that Derrick Stewart, representing At-Large be appointed and Mary Roberson, representing Education be reappointed to the Southwest Regional Board of Trustees. Trustee Shively moved to approve **Resolution Number 2011-38, Reappointment and Appointment of Regional Trustees-Southwest Region.** Trustee Schreckengast seconded the motion. Chairman Marchant called for further discussion, and there was none. The motion carried unanimously.

Trustee V. Bruce Walkup presented **Resolution Number 2011-39**, explaining the Regional Board Nominating Committee has recommended that Gary Chaplin be reappointed to the Bloomington Regional Board of Trustees. Trustee Walkup moved to approve **Resolution Number 2011-39, Reappointment of Regional Trustee- Bloomington Region,** Schreckengast seconded the motion. Chairman Marchant called for further discussion, and there was none. The motion carried unanimously.

Trustee David Findlay presented **Resolution Number 2011-40**, explaining the Regional Board Nominating Committee has recommended that Mark T. Mow be reappointed to the North Central Regional Board of Trustees. Trustee Findlay moved to approve **Resolution Number 2011-40, Reappointment of Regional Trustee-North Central.** Trustee Schreckengast seconded the motion. Chairman Marchant called for further discussion, and there was none. The motion carried unanimously.

Trustee David Findlay presented **Resolution Number 2011-41**, explaining the Regional Board Nominating Committee has recommend that Sally DeVoe representing At-Large, Jeffrey L. Southworth representing Commerce and B. Thomas Lowe representing Education be reappointed to the East Central Regional Board of Trustees. Trustee Findlay moved to approve **Resolution Number 2011-41, Reappointment of Regional Trustees- East Central.** Trustee Schreckengast seconded the motion. Chairman Marchant called for further discussion, and there was none. The motion carried unanimously.

Compensation Committee Report and Motion

Chairman Marchant called upon Trustee Shane to report on the work of the Compensation Committee. Trustee Shane reported that President Snyder's performance review was completed

and the results were discussed by the full board in executive session and also shared with President Snyder. The report was highly complementary of President Snyder's leadership and the board unanimously recommended modifications to his compensation. Accordingly, Trustee Shave moved that the Board authorize adjustments to President Snyder's compensation effective July 1, 2011, in a form and manner mutually agreeable with President Snyder and including a base salary increase plus a performance based bonus opportunity.

I. **ADJOURNMENT:**

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

**STATE TRUSTEES
IVY TECH COMMUNITY COLLEGE**

Lee J. Marchant, Chairman

V. Bruce Walkup, Secretary

Dated April 14, 2011

Prepared by Gretchen L. Keller, Recording Secretary