

**APPROVAL OF THE COLLEGE 2009-10 FISCAL YEAR
INTERNAL OPERATING BUDGET**

RESOLUTION NUMBER 2009-29

WHEREAS, the 2009-2010 fiscal year internal operating budget for the College needs to be adopted, and

WHEREAS, the general fund unrestricted operating revenue estimate for the 2009-2010 fiscal year, as recommended by the administration, totals \$437,208,645 as illustrated on Exhibit "A" as attached hereto, and

WHEREAS, the operating expenditure budget is within this revenue as projected, as illustrated on Exhibit "B" as attached hereto, and

WHEREAS, additional restricted funds are anticipated, and expenditures are to be budgeted within these projections;

NOW THEREFORE BE IT RESOLVED, that the State Board of Trustees does hereby approve the revenue estimates and budget allocations for the 2009-2010 fiscal year as attached hereto (Exhibits "A" and "B") at a total of \$437,208,645 in operations funds, and

BE IT FURTHER RESOLVED, that each budget allocation as hereby approved shall be adjusted by the Vice President for Finance and Treasurer as authorized by the President after the year end 2008-2009 closing to reflect the actual revenue and expense budget carry forward of each such unit, and

BE IT FURTHER RESOLVED, the Vice President for Finance and Treasurer, as directed by the President, shall affect a reduction or increase to these budget allocations as necessary in order to maintain a balanced budget for the fiscal year. Such action may occur whenever it is determined that budgeted revenue is not being collected as has been projected, or to adjust for a significant shift in enrollment between regions or sites, or to adjust for changes in other income. All such budget increases or decreases during the fiscal year shall be reported to the Board by the Vice President for Finance and Treasurer at its next meeting subsequent to such action by the President, and

BE IT FURTHER RESOLVED, that the amounts included in the Reserve Accounts may be allocated to the respective regions and sites as needed for the specified purposes by the Vice President for Finance and Treasurer when approved by the President, and

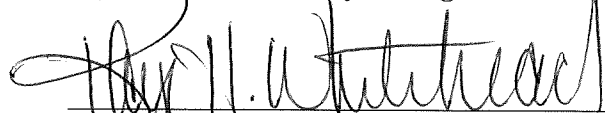
BE IT FURTHER RESOLVED, that the restricted funds awarded to the College may be expended for their intended purposes within the mission of the College, and that addition of such funds will be reported to this Board by the Vice President for Finance and Treasurer at its next board meeting, and

BE IT FURTHER RESOLVED, that debt service funds may be expended for the payment of interest, principal reduction, or other related costs, and that expenditures in excess of \$500,000 will be reported to this Board at its next board meeting following such expenditure by the Vice President for Finance and Treasurer, and


BE IT FURTHER RESOLVED, that revenues received from Auxiliary Enterprises, may be expended for their intended purpose of paying for the obligations of the Auxiliary Enterprises Fund, and

BE IT FURTHER RESOLVED, that the Board approves the annual allocation of funds for all utilities, local phone service and postage as well as for the specific contracts listed on Exhibit "C" that obligates the College to expenditures exceeding \$500,000 and authorizes the President to enter into such contracts with the vendors listed or with alternative vendors if circumstances warrant, with any such changes reported to the Board at its next regularly scheduled meeting.

**State Trustees
Ivy Tech Community College of Indiana**



Kaye H. Whitehead, Chairman



Anne K. Shane, Secretary

Dated July 16, 2009

EXHIBIT A

IVY TECH COMMUNITY COLLEGE OF INDIANA

2009-10 TOTAL OPERATING REVENUE ESTIMATE

State Appropriation:

General - Operating (2008-09 Level)	\$164,419,166
Fee Replacement	<u>26,656,511</u>

Total State Appropriation \$191,075,677

Student Fees:

In-State (\$4.65 Increase) - \$99.65	\$155,629,617
Out-of-State (\$13.55 Increase) - \$206.85	1,842,900
Out-of-State Distance Ed (\$82.50 Increase) - \$206.85	<u>843,834</u>

Total Student Fees 158,316,351

(\$1,598,996 - R&R Fee Revenue - \$1.00/cr.hr. is included in the \$158,316,351)

Distance Education - \$15.00 Per Credit Hour (\$5 Increase) 4,246,213
Technology Fee - \$50 Per Semester (\$10 Increase) 9,002,959

Transfers In:

Lawrenceburg Project - 2009-10 Gaming Revenue*	<u>\$ 100,000</u>
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Total Transfers In 100,000

Other Revenue:

Regional Estimates:

Miscellaneous Fees	
-- Regular Credit	\$ 4,913,032
-- Non-Credit & WED Charges	6,565,500
Other Income (Gifts, Grants, Overhead, etc.)	2,062,820
College-wide	1,000,000
Investment Income	<u>3,200,000</u>

Total Other Revenue 17,741,352

Total Unrestricted Operating Revenue Estimate \$380,482,552

2008-09 Year-end Close Carry Forward Estimates 56,726,093

TOTAL REVENUE \$437,208,645

*Lawrenceburg funding of \$241,000 (remainder of estimated gaming revenue) will be recorded in accounts 8-81064 and 0-81064.

EXHIBIT B

IVY TECH COMMUNITY COLLEGE OF INDIANA SUMMARY OF ALL RECOMMENDED ALLOCATIONS BY SITE 2009-10

<u>Region/Site</u>	Recommended Budget Allocation
Gary	\$ 20,405,508
Valparaiso	9,267,245
East Chicago	4,334,224
Michigan City	3,283,606
Total Region (1)	37,290,583
South Bend	19,111,443
Warsaw	2,215,131
Elkhart	4,351,612
Total Region (2)	25,678,186
Fort Wayne (3)	32,390,447
Lafayette (4)	26,819,514
Kokomo	14,957,357
Logansport	2,439,497
Total Region (5)	17,396,854
Muncie	16,540,564
Anderson	6,271,200
Marion	4,948,493
Total Region (6)	27,760,257
Terre Haute (7)	25,643,122
Indianapolis (8)	56,979,435
Richmond (9)	12,975,499
Columbus (10)	13,946,453
Madison	7,360,324
Lawrenceburg	5,784,455
Total Region (11)	13,144,779
Evansville (12)	23,475,896
Sellersburg (13)	15,117,536
Bloomington (14)	21,018,083
College-wide Accounts	21,522,974
Total Regions	\$ 371,159,618
President's Special Projects Fund	800,000
Information Technology & Security	8,883,047
Center for Instructional Technology	1,839,365
Transfers Out	28,576,296
State-wide Support	25,950,319
Total College	\$ 437,208,645

EXHIBIT C

**ANNUAL CONTRACTS OBLIGATING THE COLLEGE TO
EXPENDITURES EXCEEDING \$500,000**

<u>Service/Purpose</u>	<u>Estimated Amount</u>	<u>Current Vendor</u>
Employee Group Medical Insurance	\$26,961,789	Anthem and Tower Bank
Employee Group Dental Insurance	1,788,620	Delta Dental Plan of Indiana – DDP
Property, Liability, Auto, Worker’s Comp., Builder’s Risk, Umbrella, Professional Liability Insurances	2,550,000	Gregory & Appel Insurance
Unemployment Compensation	500,000	Department of Workforce Development
Legal Fees	500,000	Ice Miller Donadio and Ryan
College Advertising	\$4,500,000	Asher Agency

Ivy Tech Community College
Consideration of a Resolution Approving the 2009-10 Internal Operating Budget
July 16, 2009

- The State Trustees will meet on July 16, 2009 to consider the adoption of the 2009-10 Internal Operating Budget.
- With the General Assembly just adopting the budget on the evening of June 30, final documents are still being prepared.
- Additional detailed information will be presented at the meeting. At this time an updated summary of revenues and budgetary initiatives is included.

IVY TECH COMMUNITY COLLEGE

2009-10 BUDGET

<u>Base Revenue Estimate Less Debt Service</u>		\$ 339,199,000
<u>New Revenue</u>		
Operating Appropriation - Total of \$164,419,166		3,628,000
Student Fee Increase		
4.9% In-State, 7% Out-of-State	6,917,000	
\$10 Increase in Technology Fees to \$50/Semester	1,538,000	
\$5 Increase in Distance Education Fees to \$15/Cr. Hr.	<u>1,246,000</u>	
Total Student Fee Increase		9,701,000
Regional Misc. Revenue		1,738,000
CW Investment and Misc Revenue		<u>(440,000)</u>
Total Increase in Revenue		\$ 14,627,000
Total Revenue		\$ 353,826,000
<u>Base Expenditure Budget</u>		\$ 339,199,000
<u>Committed Expenditures</u>		
Prior Salary Increases - Faculty		248,000
Fringe Benefits - Primarily Retirement		715,000
Oper. Exp. Funded by Misc. Revenue	1,738,000	
Oper. Costs for New Facilities	601,000	
Reductions for New Leases	<u>(503,000)</u>	
Total		1,836,000
Fairbanks Lease - I.T.	190,000	
Other Leases	<u>(34,000)</u>	
Total Leases		156,000
Utilities		929,000
Fire & Casualty Ins.	(200,000)	
Emergency R & R	182,000	
Accreditation	50,000	
B/S Hold Harmless	(240,000)	
Banner Reserve	(872,000)	
Banner Post Implementation	872,000	

Fin. Aid	233,000	
In-Service	37,000	
Reserve Replenishment	628,000	
Total		690,000

Office of the President		
HR - Reclass. & Service Awards	30,000	
IR - Interns, etc	29,000	
General Counsel	(12,000)	
WED	59,000	
Student Services & Fin. Aid	165,000	
Minority Vendor Data Base	32,000	
Provost	50,000	
Purchasing & Facilities	125,000	
Total		478,000

Total Committed Expenses \$ 5,052,000

Base + Committed Expenses \$ 344,251,000

Total Available \$ 9,575,000

Planned Initiatives

Salary Equity	215,000	
Program & School Stipends	108,000	
Faculty Recruitment Initiative	100,000	
Clements Study for Foundation	800,000	
R2T4 Consolidation	174,000	
Reversion Reimbursement - 25 New Positions	1,624,000	
Marketing - Transition to Recurring	200,000	
Subtotal		3,221,000

Balance to Allocate \$ 6,354,000

Initiatives for Evaluation

Information Technology - TBD		
Center for Inst. Tech. - Blackboard & Position	623,000	
ITS Staff & Other Needs	769,000	
Other/Regional Distance Education Needs	623,000	
Other/Regional Technology Needs	769,000	
Subtotal	2,784,000	

Faculty & Staff Initiatives - 66 New Positions \$ 3,570,000
Faculty
Financial Aid and Student Services

Allocation to Balance Budget 6,354,000