

MINUTES OF THE BOARD OF TRUSTEES**INDIAN HILLS COMMUNITY COLLEGE**

April 14, 2014

The regular Board of Trustees meeting for Indian Hills Community College was held on April 14, 2014, in the Board Room on the Main Campus, Indian Hills Community College, Ottumwa, Iowa. Board President John Pothoven called the meeting to order at 4:01 p.m.

Roll Call

Members present: Judith A. Cox, Richard J. Gaumer, Tom Keck, Kevin M. Kness, John Pothoven and Richard C. Sharp.

Members absent: Beth Danowsky, Sharon Kline, and George E. Manning.

Minutes

The minutes of the March 10, 2014, regular board meeting were reviewed.

Motion

It was moved by Richard J. Gaumer and seconded by Judith A. Cox to approve minutes of the March 10, 2014, regular board meeting. The motion carried.

Public Hearing

John Pothoven asked for a motion to open the public hearing for Sale of Real Property located at the Ottumwa North Campus.

Motion

It was moved by Kevin M. Kness and seconded by Richard J. Gaumer to open the public hearing.

John Pothoven asked Shelle Harvey if she had received any written objections or comments on the Sale of Real Property located at the Ottumwa North Campus. She stated "no." John Pothoven asked if there were any oral objections or comments. There were no comments or discussion so he asked for a motion and second to close the public hearing.

Motion

It was moved by Richard J Gaumer and seconded by Richard C. Sharp to close the public hearing. The motion carried.

Review/Approve Bids for Sale of Real Property Located at the Ottumwa North Campus

Bill Meck, Treasurer/CFO, asked for confirmation from Shelle Harvey that she had not received any other written bids to which she said "no" and Bill stated that the Business Office did not as well. Indian Hills was approached by an existing business interested in purchasing approx. 3.5 acres of land at the North Campus, allowing for expansion of their current



facility. Dr. Sprouse and Bill Meck discussed this and felt \$50,000 was a fair price for 3.5 acres, and felt the sale would not affect our operations now or in the future. The entity has agreed to pay up to \$1,500.00 in closing costs as part of the arrangement. Bill asked the board to accept this bid which works out to \$14,280 per acre, and the entity would like to close as soon as possible.

Motion

Richard J. Gaumer moved to authorize the sale of land to Federal Express for the price contained in the offer and to authorize the president and secretary to sign the deed on behalf of the college. Kevin M. Kness seconded the motion.

A roll call vote was taken:
Judith A. Cox Yes
Richard J. Gaumer Yes
Tom Keck Yes
Kevin M. Kness Yes
Richard C. Sharp Yes
John Pothoven Yes

Members absent:
Sharon Kline
George E. Manning
Beth Danowsky

The motion carried with 6 ayes, 0 nays.

Old Business

None.

Written Communications

None.

Financial Report

Bill Meck, Treasurer/CFO, reported that we have shown improvement this month from the prior month. Tuition and Fees-down \$653,501 from a year ago at this time, and last month he believes we were down \$787,000-so we improved some. Other Income-we are \$570,000 behind a year ago, however, the number from a year-ago does include \$975,000 of the \$1.3 million transfer from the endowment fund. Salary and Fringe-\$604,000 below a year ago. Last month we were at about \$560,000, so this month we gained a little over \$40,000; still moving in the right direction. Services - a little higher this month, utilities are up about \$75,000 compared to a year ago which accounts for about 50% of the increase. Other current expenses are up a little bit which has to do with some of the

changes in the Business Office pertaining to collection procedures. We had some fees that were charged in the past that were a little more than we are currently charging so adjustments have been made to student's accounts. Write-offs are already below what was brought to the board last year, so progress is being made.

In the Fund 2 levy accounts, a little over \$2.1 million spent to date compared to \$1.7 million last year. So again, a little bit more emphasis on the timing of payments and utilizing the insurance fund.

Motion

It was moved by Tom Keck and seconded by Richard C. Sharp to accept the Financial Report. The motion carried.

Approval of Monthly Claims

Board member Richard J. Gaumer reviewed the list of bills on behalf of the Board and reported that all questions were answered by appropriate staff members.

Motion

It was moved by Richard J. Gaumer and seconded by Judith A. Cox to approve the bills list for the month of April, 2014. The motion carried.

DEBT PAYOFF/OTHER CASH MANAGEMENT

Bill Meck, Treasurer/CFO, has been having some conversations (along with Business Office staff) with US Bank regarding the Dormitory debt contained within the Plant Fund and being paid for out of proceeds from the Auxiliary fund and dorm rentals. After looking at the balance sheet and discovering that 72% of the amount needed to pay off the debt was sitting in the Plant Fund debt service account, with ½ million of that earmarked at US Bank as a requirement for the debt, with the other \$827,000 sitting in an ISJIT account earning very little interest. The debt agreement stated we could not pre-pay, but eventually a proposal was agreed upon and the net result was that on April 1, 2014 the debt was paid off. The impact on our expenditure statement for this year will be an additional \$1,900 of expense over what we would have had if we had not paid off the debt, but we will save future interest costs of over \$85,000. This frees up revenue that comes out of the Auxiliary fund, and we can use that revenue within the college to perform some much needed dormitory maintenance.

Richard J. Gaumer asked if this means that we are debt free to which Dr. Sprouse and Bill Meck both stated "Yes, we are debt free."

Bill Meck stated that the Business Office will also be looking at conducting an rfp process for the college's checking/primary operating account. This account is held by US Bank. They are charging approx. \$25,000 a year in fees, and we also pay additional merchant processing

charges. We will be trying to lower both the monthly fees and the merchant charges.

ESTABLISHMENT OF DEPOSITORIES

Bill Meck stated that he would like to request one more institution added to our Depository Resolution. A request came from Success Bank to be able to accept our invested cash-they are currently offering a money market account that pays 60 basis points. The last time IHCC did a certificate of deposit bid, we received 55 basis points. Success Bank is able/willing to take up to \$3 million-we have a CD that is maturing in the next week and additional excess funds as well to place with them, maintaining liquidity for the funds and increasing interest earnings.

Motion

It was moved by Richard J. Gaumer and seconded by Kevin M. Kness to add Success Bank as a Depository and reaffirm the other institutions. The motion carried. John Pothoven abstained from voting because he is a Director at one of the banks.

A roll call vote was taken:

Judith A. Cox	Yes
Richard J. Gaumer	Yes
Tom Keck	Yes
Kevin M. Kness	Yes
Richard C. Sharp	Yes
John Pothoven	Abstained

Members absent:

Sharon Kline
George E. Manning
Beth Danowsky

The motion carried with 5 ayes, 0 nays and 1 abstention by John Pothoven. The Resolution is made a part of these minutes.

IACCT Report

Board member Richard Gaumer reported that the annual IACCT Conference was held March 31 and April 1, 2014 in Des Moines. The conference was well attended (approximately 120 people). Northwest and Southwest Community College's did a nice job hosting the conference and in 2015 the conference will be hosted by Indian Hills Community College. The conference will be held the third week in July 2015. Dr. Sprouse reported that MJ Dolan will supply a list of sponsors that donate to the conference on a regular basis.

Richard Gaumer also reported that the next IACCT meeting is in early May and the group will be discussing a book called *Hollowing out the Middle*.

Resolution Authorizing Redemption of Outstanding Bonds and Directing Notice Be Given

Mick Lawson referred board members to agenda item 8b which pertains to a Resolution Approving Redemption of Outstanding Bonds and Directing that Notice be Given on Series 2008-1 of the 2008-1 Multiple Project dated June 1, 2008. The holders of the certificates would be notified that Indian Hills Community College has set June 1, 2014 as the date for the redemption of all outstanding Industrial New Jobs Training Certificates, Series 2008-1 as provided in the resolution authorizing the issuance of the bonds dated May 12, 2008. The bonds should be presented to Bankers Trust Company of Des Moines, Iowa, on or before June 1, 2014. All interest will be discontinued from and after the redemption date.

Mick Lawson stated "Unless there are questions Mr. President, I'm recommending the Board adopt the Resolution approving redemption of outstanding bonds and directing notice be given."

Motion

John Pothoven asked the board for a recommendation. Richard J. Gaumer moved to approve the Resolution of Redemption of Outstanding Bonds and Directing that Notice be Given, Kevin Kness seconded.

A roll call vote was taken:

Judith A. Cox	Yes
Richard J. Gaumer	Yes
Tom Keck	Yes
Kevin M. Kness	Yes
Richard C. Sharp	Yes
John Pothoven	Yes

Members absent:

Sharon Kline
George E. Manning
Beth Danowsky

The motion carried with 6 ayes, and 0 nays. The Resolution of Redemption of Outstanding Bonds is made a part of these minutes.

Industrial New Jobs Training Program (Cambridge Investment Research, Inc.)

Mick Lawson reported that item 8c pertains to preliminary Industrial New Jobs Training with Cambridge Investment Research, Inc. which is located in Fairfield. Cambridge Investment Group was founded in 1981 as a home for investment representatives/advisors whose clients demanded more and better solutions for their financial needs. No other independent

broker/dealer has focused as long or as intently on creating new choices that make sense for representatives/advisors and their clients. The mission is to make a difference as the leading independent broker/dealer specializing in fee-based advisory solutions. Cambridge Investment was named broker/dealer of the Year in 2008.

Mick stated that this will be a large project and Cambridge Investment will hire an additional 311 employees at their facility of which most have already been hired. We have had two other projects with Cambridge, one in 2006 and one in 2009. The average hourly wage is \$19.78 per hour, the average county wage for Jefferson County is currently \$15.90; the average regional wage for the Area 15 is \$15.37. Par Value for this agreement would be \$2,533,466.71 which would then supply a training plan of \$1,678,168.35.

Mick Lawson stated "Unless there are questions Mr. President, I'm recommending the Board adopt the Resolution approving the preliminary Industrial New Jobs Training agreement."

Motion

John Pothoven asked the board for a recommendation. Richard J. Gaumer moved to adopt the Resolution of the preliminary Industrial New Jobs Training agreement with Cambridge, Richard C. Sharp seconded.

A roll call vote was taken:

Judith A. Cox	Yes
Richard J. Gaumer	Yes
Tom Keck	Yes
Kevin M. Kness	Yes
Richard C. Sharp	Yes
John Pothoven	Yes

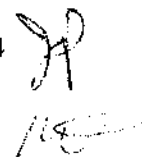
Members absent:

Sharon Kline
George E. Manning
Beth Danowsky

The motion carried with 6 ayes, and 0 nays. The Resolution of the preliminary Industrial New Jobs Training agreement with Cambridge is made a part of these minutes.

Personnel Report

Ms. Bonnie Campbell, Human Resources Director, presented the Personnel Report. (Contracted Staff) - Retirement-Cindy Gordy, Instructor, Nursing Theory and Clinical, will retire May 16, 2014. (At-Will) - New Assignment-Michael Kauzlarich, Dormitory Supervisor, Centerville Campus. Effective March 3, 2014, temporary position, \$300.00 per week. Barbara Waller, Testing Center Assistant. Effective March 25,



2014, part time, \$15.85 per hour. Resignation: Martha Scharff, Financial Assistance Advisor. Effective March 11, 2014. Termination: Louise Perez, Food Service Worker. Effective March 13, 2014.

Motion

It was moved by Tom Keck and seconded by Judy Cox to approve the Personnel Report. The motion carried. The Personnel Report is made a part of these minutes.

New Business

John Pothoven stated that the board needs to elect a Vice President because this position was not filled after Robert Pitsch retired. John Pothoven asked for nominations. Richard J. Gaumer nominated Tom Keck and Kevin Kness asked that all nominations cease. Judy Cox seconded. After no further discussion, Tom Keck was voted in as the Vice President of the Board of Trustees.

President of the College

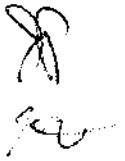
A. Planning and Building Report

Rick Fosdyck reported that the Sustainable Agriculture project in Centerville is continuing. They are beginning to dig the footings and soil testing was done today, Monday, April 14, 2014. They are hoping to pour footings by the end of this week. The Business Incubator at the North Campus has the underground floor work complete and after the sand on the inside is level and some electrical work is finished, the slab will be poured. Contractors are hoping to pour concrete for the parking lot, weather permitting, the week of April 21, 2014. On the Main Campus work is being done in the basement of the Rosenman building for the EMS labs. The framing is complete and dry wall is pretty close to being finished. By the end of next week Rick hopes to have the ceiling grids up, the sprinklers put in place, and carpet will be laid the first week in May. The Hellyer Student Life Center construction will begin in May. Everyone is working hard.

Rich Gaumer asked how the President's house was coming along. Rick and Marlene said it is coming along well and should be complete in approximately 6-weeks.

B. Athletics Update

Kevin Pink reported on all of our athletic teams. **Baseball** – the overall record: 27-12; Conference record: 9-3 and we are currently in first place over Iowa Western. The boys had 19 wins by the end of March (most in over 12 years) and they are 11-2 at home. Centerville will Host the Region 11 postseason tournament May 9-11. We also lead the region in home runs and stolen bases, we have eight players batting over .300, five pitchers



with ERAs under 3.00, ten players signed with four-year schools before the season started, and the roster has players from 12 states and six different foreign countries.

Softball – the softball team has an overall record of 19-17; Conference record of 2-4. They have split five of the last six DHs; and played five extra-inning games. The Region tournament will be in Council Bluffs. The team is hitting .307 and 2.51 ERA. Six players are batting over .300, and 15 of the 20 girls are from Iowa.

Golf – the team started the season ranked No. 1 in the nation in one poll and No. 2 in NJCAA. They have won 2 of the 4 tournaments they've played in, and at the tournament in Augustana Invitational we had three of the top four players and were playing against all four-year schools. The district meet is in Lawrence, Kansas and a national tournament will be at Spirit Hollow in Burlington, Iowa.

Dr. Sprouse reported that Barret Peery accepted a job at Arizona State University and John Wardenburg has been named the new head basketball coach. John has been the Assistant Coach for the last three years. Dr. Sprouse introduced John Wardenburg to the Board of Trustees.

John Wardenburg is honored and thankful for the trust being shown in him to head the team. The team has a great base with the three kids coming back next season. A gentleman out of Milwaukee has signed to play and he is 6' 4 or 6' 5. His goals are the same as Barret Peery, to win it all!

C. Spring Graduation

Dr. Sprouse stated that spring graduation is May 14, 2014 on the Centerville Campus and May 15, 2014 on the Ottumwa Campus. Please let Shelle know if you will be attending one or both graduations.

Dr. Sprouse informed the board that she put an activities list in their folders. This highlights activities coming up in the next month. The week of April 21-26 is Pay It Forward week and Dr. Sprouse also gave them a list of activities that will be going on around campus to Pay It Forward.

D. Human Resources-New Employee Orientation

Bonnie Campbell introduced Sheri Heisdorffer, Human Resources Coordinator. Sheri has been in this position since 2010 and spent over 20 years in Student Services.

Sheri reported that one of her responsibilities, after finding the right person to fill a position, is to help them become successful at Indian Hills Community College. She wants everyone to feel comfortable and welcomed at the college and she also wants them to know how we operate,

our culture, our policies and procedures, and our staff handbook. Sheri explains the administrative structure, Executive Council, and Management Council. She wants employees to know how these committees fit into their lives and how the information comes from both directions back to them through staff meetings. Employees are welcome to ask questions during orientation but Sheri also leaves time at the end to talk with the person and answer any questions he/she may have. Sheri also travels to do orientations because it is important for employees to know that we know they are out there and this gives Sheri an opportunity to visit center staff as well.

Sheri said a new video was created and she wanted to thank Kevin Pink and Randy Anderson for the hard work they put into producing the video. The video features Dr. Sprouse, Dr. Thompson, our Dean of Students, and Rhonda Conrad. At this time Sheri showed the Board of Trustees the new video. Sheri stated that she has received positive feedback about the quality of the video and the information it contains.

Closing Remarks

Dr. Sprouse informed board members that she put a Staff Development Day half sheet in their folders. She did an informational session and also in input session and she encouraged faculty and staff to give her their input to help with the next round of strategic planning. There will be several ways faculty and staff can give their input and board members will also get chances to give theirs. After suggestions have been compiled Dr. Sprouse will share the ideas with the board.

Dr. Sprouse reported that the 2014 Annual ACCT Leadership Congress will be held in Chicago, IL from October 22-25, 2014. Registration is open and the discounted rate end August 15, 2014. Please take a look around the site, see if the dates work for you, and in the next couple of months we will need to get a list of members wanting to attend and work from there.

Richard Gaumer stated that the ACCT office is wondering if IHCC has anyone interested in becoming an Ambassador. If anyone is interested please contact Dr. Sprouse, MJ Dolan, or Richard Gaumer.

Dr. Sprouse passed out save the date cards informing people that IHCC will be hosting the 2015 IACCT Conference.

ADJOURNMENT

Board member Tom Keck moved that the meeting be adjourned. Hearing no objections, Board President John Pothoven adjourned the meeting at 5:20 p.m.

John Folhoven

BOARD PRESIDENT

Shelle R Harvey

BOARD SECRETARY