

MINUTES OF THE BOARD OF TRUSTEES
INDIAN HILLS COMMUNITY COLLEGE

October 13, 2014

The regular Board of Trustees meeting for Indian Hills Community College was held on October 13, 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, Beth Danowsky, Richard J. Gaumer, Tom Keck, Jerry L. Kirkpatrick, Kevin M. Kness, George E. Manning, John Pothoven, and Alan M. Wilson.

Minutes

The minutes of the September 8, 2014, regular board meeting were reviewed.

Motion

It was moved by Tom Keck and seconded by Richard J. Gaumer to approve minutes of the September 8, 2014, regular board meeting. The motion carried.

Old Business

None.

Written Communications

None.

Approval of Monthly Claims

Board member Tom Keck reviewed the list of bills on behalf of the Board and reported that all questions were answered satisfactorily by appropriate staff members.

Motion

It was moved by Tom Keck and seconded by George E. Manning to approve the bills list for the month of September, 2014. The motion carried.

FY14 State Financial Reports

Bill Meck, Treasurer/CFO, reported that he has two reports this month. Tab B is the FY14 State Financial Reports and there are four separate reports, a balance sheet summary for FY14, AS-15s, which are the revenue expenditure summaries for Funds 1, 2, and 7 which

representing our General Fund, our Restricted General Fund and our Plant Fund. The Balance Sheet Summary shows the Unrestricted General Fund 1, Restricted General Fund 2, and Plant Fund 7. Total assets for the Unrestricted Funds is \$9,438,933, with a fund balance of \$4,989,076, and total liabilities and General Fund balance of \$9,438,933. In the Restricted General Fund we have current assets of \$7,015,141, our fund balances total \$47,994 and total liabilities & fund balance of \$7,015,141. Within the Plant Fund current assets are \$3,438,297, our fixed assets equal \$84,858,229, resulting in total assets of \$84,858,229. We have Unrestricted Fund Balances of \$3,237,897, Net Investment in Plant is \$81,419,932 for a total Liabilities & Fund Balance of \$84,858,229.

Revenue and Expenditure Summaries - These are required reports for the State Department of Education. Now that our audit report has been completed, these will match what our audit reports say when it comes back in a draft form. In the Unrestricted General Fund 1 we are reporting revenues of \$34,946,252 against expenditures of \$34,915,907 for a difference of \$30,345 revenue over expense within the General Fund.

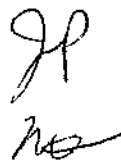
In Restricted Fund 2 we have reported revenues of \$10,243,977 against expenditures of \$11,082,794 which nets to a reduction of fund balance within Fund 2 of \$838,817. In the previous fiscal year the auditors were showing and reporting the early retirement deficit against our Auxiliary Fund. This year it is reported it Fund 2.

Plant Fund 7 - we have reported revenue of \$4,375,857 and expenditures of \$5,133,659 for a deficit of \$757,802, caused by paying off our dorm revenue bonds and using a fund balance that was carried over from the prior year.

FY15 Financial Report

Bill Meck, Treasurer/CFO, stated that it is nice to give a positive report and is a little different scenario than what we were facing a year-ago. Our revenues are up compared to a year-ago. Our Fee Revenue is up \$138,000, \$80,000 of that is related to our Coast Flight Agreements and the rest is a general increase in our Fee Revenue. Tuition Revenue is up approximately \$125,000, Non-Resident tuition is up about \$200,000 and our Resident Tuition is down \$75,000. We are showing Revenue over this time last year at approximately \$263,000.

Other Revenue - State Aid is up from a year-ago, which we would expect to see, we have had a decrease in other revenue which could be related to timing but revenue is up \$266,000 from a year-ago at



this time. On the Expenditure side, our Salary and Fringes are down over \$200,000. The trend is showing that our wage costs are down in all areas of wages, not just in one particular area. There is an increase in our Services line \$138,000, \$80,000 of that is the corresponding payment to Coast Flight for flight fees. With that agreement we take in the revenue and turn around and pay them. Material and Supplies and Other Current Expenses have changed a little but nothing significant. In total our Expenditures are down \$88,000 which means our Net position has improved \$325,000 from a year-ago and is \$3.4 million.

Marlene stated that total enrollment was 4,300, down 3.4%, which is less than estimated.

Motion

Kevin M. Kness moved and Richard J. Gaumer seconded to approve the FY15 Financial Report. The motion carried.

Board President John Pothoven asked for a motion to Adjourn Sine Die.

Motion

Tom Keck moved and Beth Danowsky seconded to adjourn Sine Die. The motion carried.

President Dr. Marlene Sprouse called the New Organization meeting to order at 4:14 p.m.

Election of President of the Board of Trustees

Dr. Sprouse asked for nominations for the election of President of the Board of Trustees. Kevin M. Kness nominated John Pothoven and Richard J. Gaumer seconded the nomination. Richard J. Gaumer moved that nominations cease, Tom Keck seconded.

Motion

Richard J. Gaumer moved for the election of John Pothoven as President of the Board of Trustees, Tom Keck seconded. The motion carried.

President, Dr. Marlene Sprouse turned the meeting over to President of the Board of Trustees John Pothoven.

Election of Vice President of the Board of Trustees

President John Pothoven entertained election for Vice President for the Board of Trustees. Richard J. Gaumer nominated Tom Keck and Beth Danowsky seconded the nomination. Beth Danowsky moved that nominations cease, Richard J. Gaumer seconded.

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Motion

Judith A. Cox moved for the election of Tom Keck as Vice President of the Board of Trustees, Kevin M. Kness seconded. The motion carried.

Appointment of Secretary for the Board of Trustees**Motion**

Judith A. Cox moved and Kevin M. Kness seconded to appoint Shelle Harvey as the Board of Trustees Secretary. The motion carried.

Appointment of Treasurer for the Board of Trustees**Motion**

Richard J. Gaumer moved and Judith A. Cox seconded to appoint Bill Meck as the Treasurer for the Board of Trustees. The motion carried.

Appointment of Delegate and Alternate to IACCT

President John Pothoven recommended Richard J. Gaumer as delegate for IACCT and Tom Keck as the Alternate.

Motion

Kevin M. Kness moved and Judith A. Cox seconded for Richard J. Gaumer to be the IACCT delegate and Tom Keck to be the Alternate. The motion carried.

IACCT Report

Richard J. Gaumer introduced MJ Dolan, Executive Director, Iowa Association of Community College Trustees. MJ spoke to the board, stating that she has found if a community college is not doing well, then the economic center of that region is not doing well and IHCC has been doing great things in the last few years. MJ handed out an Iowa Community Colleges Grow Tax-payers flyer and explained this document. MJ stated that the Iowa New Jobs Training Program, (260E), will soon show numbers for all workforce training programs and are in the process of working with Economic Developers from all the colleges to replace the current document with a more attractive one. Each college will choose an area of workforce to tell a story about and a picture will be placed in the document and these will be placed in each legislator's mail box. When people have a chance to talk to a legislature explain what you do and tell the story about why you are serving on the board and how valuable your roll is, by changing the lives of students.

MJ talked about legislative priorities. She stated that the priorities are the same as last year, IACCT and the community colleges are asking for State General Aid Funding. State General Aid will be the main focus because it is needed to keep community colleges operational.

MJ thanked everyone for their contributions to the Iowan's for a Skilled Workforce. If board members have a chance to go with Dr. Sprouse and Martha Wick to give legislators their contributions it is a remarkable opportunity for the small amount of money that is given.

MJ stated that the IACCT office is watching the elections very closely. The Republican agenda is to reduce government and expenses. While we are all in favor of that, if you are sitting in a community college seat the Senate Majority Leader Mike Gronstal is a strong advocate and usually the person sitting in the governor's seat will say zero dollars for community colleges and the Senate Majority Leader will say give them \$100 million and the Speaker of the House will come in and be the compromise and that is how we have been getting our funding. The Senate race in our area is very close.

The Iowa Association of Community College Trustees had a clean audit this year. MJ stated that the biggest challenge for the coming year will be funding, another big issue that will be watched is the Regents funding.

Richard J. Gaumer handed out the IACCT Leadership Club card. These webinars are free and they are an opportunity to get a better education on important topics.

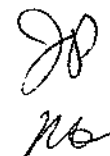
Richard J. Gaumer also reported that he and John Pothoven will attend a session, while in Chicago at the ACCT Congress, on student loan default rates. Richard stated that community colleges are competing for fewer students and the default rates in community colleges is higher. Richard is hoping to learn some strategies to deal with default rates.

Personnel Report

Ms. Bonnie Campbell, Human Resources Director, presented the Personnel Report. Bonnie also stated that she brought Staff Handbooks for board members.

Motion

It was moved by Judith A. Cox and seconded by George E. Manning to approve the Personnel Report. The motion carried. The Personnel Report is made a part of these minutes.



New Business

President John Pothoven reported that he received a letter of resignation from board member Kevin M. Kness. Kevin stated that he has enjoyed his time on the Board of Trustees and it was a great experience.

Dr. Sprouse gave Kevin M. Kness a gift and stated that he will be missed and the board enjoyed working with him.

Kevin M. Kness was asked by President John Pothoven if he had a recommendation for his replacement on the board. Kevin M. Kness recommended Nellie M. Coltrain, retired from First Iowa State Bank in Albia, Iowa. Mr. Pothoven and Dr. Sprouse had met with Ms. Coltrain earlier in the month to discuss her interest in serving. All board members received a copy of her resume

Motion

It was moved by Kevin M. Kness and seconded by Tom Keck to approve Nellie M. Coltrain's nomination to the Board of Trustees to replace Kevin M. Kness. The motion carried.

Appointment of Voting Delegates to the ACCT Congress

Motion

It was moved by Tom Keck and seconded by Beth Danowsky to appoint Richard J. Gaumer and John Pothoven as Voting Delegates for the ACCT Congress. The motion carried.

President of the College

A. Facilities Report

Bill Meck reported that Dr. Marlene Sprouse, President, has moved into her house and that project has been completed. There are other projects that are in the planning phase. The ATC is looking at upgrades that will include; new carpet, new furniture, and paint. These upgrades will continue over the next two years.

Rick Fosdyck is on the Centerville Campus trying to complete the multipurpose building flooring. Once the floor is finished that project will be complete. Rick and his crew will then be at the Incubator working on the additional build out. Two additional office spaces will be added inside the Incubator. The Greenhouse has a very minor punch list but is otherwise complete and The Hellyer Student Life Center has been completed.

B. Indian Hills Regional Entrepreneurship Center (Business Incubator)

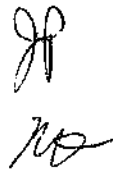


Tom Rubel, reported that we are in the final stages of completing the facility and the official title is the Indian Hills Regional Entrepreneurship Center. This title was given some thought because of the importance of tying our Entrepreneurship curriculum and programming into the incubator concept. Three people have been assigned to move this forward. Chuck Crabtree will tell our philosophy and where we are at with this project and what we are attempting to do. Michael Wampler will be partnering in this initiative with emphasis on entrepreneurship and Brian Ziegler, Director of Small Business is also involved.

Chuck Crabtree, Director –BioDevelopment, showed a PowerPoint. Chuck explained that our center is not all that different from a poultry incubator, it provides a warm nurturing environment, it is an ideal location for startup and early growth, but not designed to be a “forever home,” something new emerges and grows, it encourages population expansion, and it increases the odds of survival.

Small Business Development Center and by law, works with any small business at any stage and is most valuable when a client makes the effort to return for multiple counseling sessions, though many don't. The incubator difference is that these business will be required to work closely with the provided resources such as Small Business Development. Research/technology focuses on large or established companies, offers few or no business assistance services, and permits companies to stay as long as they like. The Business incubation program works with select, viable start-up and early-stage companies, offers targeted, specific business assistance services, requires companies to graduate and move out, and an immersion program with continuous contact and support. Services that will be provided at the Indian Hills Regional Entrepreneurship Center include: help with business basics, networking activities, marketing assistance, help with financial management, access to legal assistance, identifying sources of capital/financing, links to college/corporate partners, business training programs, mentoring and coaching, and product development and research assistance. Training topics can include conflict resolution, retaining talent, time management, and many more. Some types of businesses that will fit the REC Model are light manufacturing, internet marketing/sale, and many more. The ribbon cutting ceremony is scheduled for November 21, 2014. There is a plan in place for marketing strategies, flyers, brochures, ads, etc.

Tom Rubel stated that there will be bumps in the road and they will have to be dealt with. Advisory Council is made up of community people and this board will be making approvals for all clients that go into this building.



C. The College Experience

Darlas Shockley, Executive Dean, Arts and Sciences, stated that a college wide initiative is student success and student completion and as part of those initiatives, the Arts and Sciences division developed a course that was introduced several years ago. The new course is The College Experience and this is considered one of the best practices out there today, getting students to completion. Darlas introduced Dr. Garry Meredith, Program Director, Social Sciences/Business; Rhonda Eakins, Department Chair, Arts and Sciences; Heather Davison, Instructor, History; and Don Waltenberger, Program Director, Criminal Justice.

Dr. Garry Meredith reported that this course came out of the 2010 Plans for Excellence. Darlas assigned Garry and Don as co-chairs of the committee for student retention. The committee discussed why students are leaving IHCC and what could be done to keep students. Early on the committee brought students to the meetings to ask them why they were leaving and what could be done to keep them on campus. Sophomore students were asked "What do you wish you had known, when you were freshmen, which would have made your transition from high school to college easier?" So, The College Experience was created from student recommendations. The course was originally created IHCC specific but Gail Lockridge (former Registrar) said there could be transferability issues, so the course was adjusted. The course is required for students seeking an AA or an AAS degree.

Heather Davison reported on course content. Heather reported that there are 12 Student Learning Outcomes. These outcomes help students navigate a college environment, to succeed in their classes, and to develop soft-skills that will be needed in the workforce. The textbook being used is *Making Your Mark*. This textbook will help students develop the motivation and skills to achieve high-performance college and career success. The core concepts in the book, also known as The 8 Cornerstones of High Performance are; attitude, educational and career vision, self-management skills, fundamental skills, workplace skills, contacts, experience, and personal life. This course is offered online and face-to-face. Rhonda Eakins stated that there are a variety of reasons students do not make it through college. Often, it is not that students cannot do the work; sometimes they are overwhelmed by the system. This course is to help students feel comfortable and connected so they will stay. Health Sciences will be adding this as a mandatory course in most programs.

D. Upcoming Events

Dr. Marlene Sprouse gave Board Members a schedule of upcoming events beginning October 21st and going through December 11th. Each Trustee also received a notebook with the new Indian Hills logo. Marlene explained about the marketing audit and reported that IHCC is designing a fresh marketing strategy. Dr. Sprouse stated that the new pictures of Trustees are on the wall and they look very nice.

Adjournment

Board member Tom Keck moved that the meeting be adjourned. Hearing no objections, Board President John Pothoven adjourned the meeting at 5:25 p.m.



BOARD PRESIDENT



BOARD SECRETARY