ITEM #1 APPROVAL OF NOVEMBER 3, 2011 EXECUTIVE COMMITTEE MINUTES

The minutes were approved.

ITEM #2 APPOINTMENT OF NOMINATING COMMITTEE

A Nominating Committee was appointed to make recommendations for University Corporation officers, one-year terms to begin July 1, 2012.

ITEM #3 RETIREMENT PLAN

The Corporation retirement plan consists of a 401(a) plan and a 403(b) plan, administered by Teachers Insurance and Annuity Association – College Retirement Equities Fund (TIAA-CREF). Advisors and retirement plan auditors recommended replacing the plan with a new 403(b) plan that would comply with all current requirements.

The retirement committee selected Principal Financial Group to administer the new plan. Principal is a top 403(b) plan administrator, with 94% of its business in retirement plans. Principal communications utilize all media and their ‘best of class’ investment platform offers greater diversification. The goal is to have most employees take advantage of the highest employer contribution.

PASSED: To recommend that The University Corporation Board of Directors approve transferring The University Corporation retirement plan from TIAA-CREF to the Principal Group, effective July 1, 2012.

ITEM #4 JUDGE JULIAN BECK INSTRUCTIONAL IMPROVEMENT GRANTS

Grants for 2012/13 were approved, as recommended by the CIELO Advisory Board.

ITEM #5 INVESTMENT POLICY

After discussions regarding the asset mix and asset targets sections of the policy and review with investment advisors and the university’s Vice President for Administration and Finance, the consensus recommendation was to combine the two sections into one new section. Ranges in some categories were tightened.

PASSED: To recommend that The University Corporation Board of Directors approve the proposed revisions to The University Corporation investment policy.

ITEM #6 FINANCIAL STATEMENTS
The March 31, 2012 financial statements were reviewed. Net cash generated to replenish reserves is $243,000 favorable to budget for the year-to-date.

University House renovations are expected to total roughly $115,000, including routine repair and maintenance that had been deferred. Primary considerations were maintaining the value of the asset and ensuring that the house reflected well on the university while being respectful of fiscal considerations. Good quality, but not high-end materials were chosen. To support catering for events at University House, the focus of renovation has been the original 1966 kitchen.

**ITEM #7**

**2012/2013 OPERATING BUDGET**

After three years with no pay increase, the budget includes a 3% cost of living adjustment, contingent on passage of the governor’s tax initiative in November 2012. If the initiative fails, the Corporation will have to respond as needed to assist the university. The budget assumes a 5% reduction in bookstore commissions, offset by growth in Sponsored Programs and Foodservices. University licensing activity has increased since the opening of the Valley Performing Arts Center and continued growth is anticipated. After three years with no increases, a 3% rent increase is included in Real Estate.

The budget includes new reserves for Arbor Court and University House, as well as $330,000 to construct a permanent Freudian Sip coffee house in the Oviatt Library, as part of the library’s first floor renovation. Also included is $900,000 to begin to fund future student housing food service projects in conjunction with the opening of another 400-bed student housing facility in 2015.

**PASSED:**

To recommend that The University Corporation Board of Directors approve the 2012/2013 operating budget as presented.

**ITEM #8**

**FRAUD PREVENTION CHECK-UP**

Vicenti, Lloyd & Stutzman LLP (VLS) conducted the Corporation’s first ever ‘fraud prevention check-up.’ The score of 51 (on a 100 point scale) was the highest score VLS has ever given on a first review. The check-up included recommended steps for improvement.

**ITEM #9**

**RESEARCH & SPONSORED PROJECTS – AWARDS AND EXPENDITURE REPORTS (OCTOBER, NOVEMBER, DECEMBER 2011; JANUARY, FEBRUARY, MARCH 2012)**

The net available to campus is 59% above budget.