

MINUTES OF THE MEETING OF THE
AUDIT COMMITTEE OF THE BOARD OF DIRECTORS OF THE
INDIANA ECONOMIC DEVELOPMENT CORPORATION
September 18, 2014

The Audit Committee ("Committee") of the Board of Directors of the Indiana Economic Development Corporation (the "Corporation") met on September 18, 2014, at The Kokomo Automotive Museum, Kokomo, Indiana. Present at the meeting were Committee members James Marcuccilli and Joel Gorelick. Representing the Corporation were Mark Pishon and Lee Robinson.

James Marcuccilli, chairman of the Committee, called the meeting to order. Mr. Marcuccilli noted that a sufficient number of the members of the Committee were present to constitute a quorum.

Mr. Marcuccilli also recognized that the meeting of the Committee was being held in full compliance with the open door and open records laws of the State of Indiana and noted that all postings and other related requirements were observed.

Mr. Marcuccilli then reviewed and presented for approval the minutes from the previous meeting of the Committee, held on June 26, 2014, at The Ford Center, Evansville, Indiana. Upon motion duly made and seconded, the minutes from the prior meeting were unanimously adopted.

Mr. Marcuccilli asked about the Corporation's budget request for the years 2016 and 2017. Mr. Pishon explained that the Corporation in furtherance of its mission requested an increase of approximately \$17.0 million for the Marketing Fund, an additional \$15.0 million for the Skills Enhancement Fund and a \$2.0 million increase in the International Trade Fund over the biannual period. Mr. Pishon also noted that the Manufacturing Extension Partnership Program (MEP), managed by Purdue University received recognition as being the best run program of its kind in the US. Based upon the recognition, the IEDC has requested an additional line item and new State funding of \$1.7 million. Overall the Corporation is requesting \$66.5 million for the 2016-2017 biennium budget. Mr. Pishon added that the increase in the budget request is due largely to the Corporation's "Good to Great" plan.

Mr. Pishon provided copies of the Indiana Economic Foundation (Foundation) financial reports. Mr. Gorelick asked for an explanation of the "unrestricted net assets" category listed on the Foundation's balance sheet as of August 31, 2014. Mr. Pishon stated that he will provide the Committee with more detail.

Mr. Pishon briefly discussed the progress of the audit being conducted by Katz Sapper & Miller of the Corporation and foundation.

**Indiana Economic Development Corporation
Audit Committee Meeting
Public Session Agenda
September 18, 2014 (10:30 a.m. – 11:00 a.m. EST)**

- I. Welcome
 - a. Introductions
 - b. Recognition of Quorum
 - c. Recognition of Compliance with Open Door Law
 - d. Approval of Minutes from Prior Meetings

- II. Adopt IEDC Budget request for Years 2016 and 2017

- III. Review IED Foundation Financial Reports

- IV. Discuss Annual Audit schedule by KSM

**Executive Session
(None)**

An executive session is called for consideration of pending incentive requests made to the State of Indiana by industrial or commercial prospects (confidential proposals in progress) and discussions of records and circumstances classified as confidential by state and federal statute, IC. 5-14-1.5-6.1(b)(4) and (7).