

MINUTES OF THE MEETING OF THE
AUDIT COMMITTEE OF THE BOARD OF DIRECTORS OF THE
INDIANA ECONOMIC DEVELOPMENT CORPORATION

December 9, 2014

The Audit Committee ("Committee") of the Board of Directors of the Indiana Economic Development Corporation (the "Corporation") met on December 9, 2014, at Project Lead the Way, Indianapolis, Indiana. Present at the meeting were Committee members James Marcuccilli and Joel Gorelick. Representing the Corporation were Mark Pishon and Lee Robinson. Representing Katz Sapper & Miller (KSM) LLP were Scott A. Schuster and Pete Buck.

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 September 18, 2014, at The Kokomo Automotive Museum, Kokomo, Indiana. Upon motion duly made and seconded, the minutes from the prior meeting were unanimously adopted.

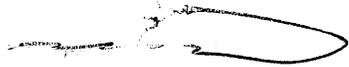
Mr. Schuster summarized KSM's audit report stating that in its opinion no significant deficiencies identified were considered to be material weaknesses, relative to internal control over financing reporting. Also, no significant deficiencies identified were considered to be material weaknesses relative to internal control over major programs including, the Indiana Small Business Development Centers (SBDC). KSM stated that the IEDC complied, in all material respects with compliance requirements. Mr. Gorelick asked about funding of the audit of the SBDC and Mr. Pishon stated that the Lieutenant Governor's office provided funding for the SBDC audit.

Mr. Buck briefly discussed communication between the IEDC and Elevate Ventures and the IEDC's role in portfolio management and loan review. Mr. Gorelick asked who at the IEDC performs the portfolio management and loan review functions. Mr. Pishon stated that he and Matt Tuohy, Program Manager, 21st Century Research & Technology Fund and Elevate Ventures Affiliate, provide portfolio management for the IEDC and that Mr. Tuohy performs a yearly loan review. Mr. Marcuccilli recommends increasing the frequency of loan reviews and further suggests that the IEDC perform a loan review separate of Elevate Ventures. Mr. Pishon states that a quarterly review would be a "best case scenario" but may not be practical. Mr. Gorelick concurs, but states that the review process should be ongoing.

Mr. Marcuccilli recommends that KSM be engaged to perform next year's audit.

Having no further business, Mr. Marcuccilli asked for a motion to adjourn the meeting of the Committee. Such a motion was made and seconded and upon unanimous vote the Committee meeting was adjourned.

Respectfully submitted,



Mark Pishon, Acting Secretary

Approved:



James Marcuccilli, Chairman

Attachments:

1. Meeting Agenda dated December 9, 2014

**Indiana Economic Development Corporation
Audit Committee Meeting
Public Session Agenda
December 9, 2014 (1:00 p.m. – 2:00 p.m.)**

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

- II. Katz Sapper Miller presentation of FY 6/30/2014 Financial Statements and Independent Audit Report.

**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).



**NOTICE OF A MEETING OF THE
AUDIT COMMITTEE
OF THE BOARD OF DIRECTORS OF
THE INDIANA ECONOMIC DEVELOPMENT CORPORATION**

Notice is hereby given that the Audit Committee of the Board of Directors of the Indiana Economic Development Corporation will hold a public meeting on December 9, 2014 at 1:00 p.m., at Project Lead The Way, 3939 Priority Way South Drive, #400, Indianapolis, IN 46240.