

MINUTES OF THE MEETING OF THE ECONOMIC POLICY COMMITTEE OF THE  
BOARD OF DIRECTORS OF THE INDIANA ECONOMIC DEVELOPMENT  
CORPORATION  
DECEMBER 8, 2011

The Economic Policy Committee ("Committee") of the Board of Directors of the Indiana Economic Development Corporation (the "Corporation") met on December 8, 2011 at the Governor's Residence, 4750 N. Meridian Street, Indianapolis, Indiana. Present at the meeting were Committee Members John Mutz, Kip Tom, Bob Taylor and Robert Koch. Representing the Corporation were Chad A. Pittman and Charlie Sparks.

As Chairman of the Committee, Mr. Mutz called the meeting to order. Mr. Mutz noted that a sufficient number of the members of the Committee were present to constitute a quorum.

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

Mr. Mutz then reviewed and presented for approval the minutes from the previous meeting of the Economic Policy Committee, held on September 13, 2011 at Mid-America Science Park, 821 S. Lake Road South, Scottsburg, Indiana. Upon motion duly made and seconded, the minutes from the prior meeting were unanimously adopted.

Mr. Mutz then called upon representatives from Crowe Horwath to present the IEDC's Incentive Program Review. Mindy Herman, Maren McGrane and Ashley Craig from Crowe reported on the review. The incentive program Review consisted of the following activities: a high level review of the internal IEDC policies and procedures, the Development Finance Office, Audit, and Compliance/Legal departments including interviews with staff; a review and comparison of job projections contained in Annual Reports and IEDC source documentation; and a review of progress from the 2010 incentive program review. The summary of findings included job numbers, process documentation and progress on proactive measures. The review determined that there is no evidence that the IEDC has inflated job projections or project figures. The IEDC clarified the way in which incentives are certified and tax credits are awarded to companies for job creation. Considerations for job numbers include: consistently use a cut-off date to capture informal job numbers, specify an as-of date to align informal jobs to a specific year, consistently use a standard call and/or email script when IEDC staff contact companies for informal job numbers, and define the terms competitive projects and job commitments in future IEDC reports. They reported that regarding process documentation that the IEDC is in the process of developing an internal policy and procedures manual to document business processes of the Development Finance Office, Audit and Legal/Compliance Department. Considerations for documentation include: finalizing and leveraging the written policies and procedures manual and including processes and procedures of the Business Development and Marketing Departments, the policy and procedure manual should include a glossary of terms consistent with the terms

defined in the IEDC Source System, and documenting the process staff use to gather job commitment numbers when developing the IEDC Annual Report and providing periodic updates to the IEDC Board of Directors. They reported that regarding progress on proactive measures, the IEDC and Department of Revenue are working together to improve processes to certify tax credits by leveraging technology and coordinating site visits to companies. They reported that IEDC has made progress to optimize the IEDC Source System to track jobs data. They also reported that the IEDC reconciles prior year job projections in aggregate and adjustments were reported in the 2010 Annual Report. Following the review report the committee discussed the findings including the 2010 job actualization and the 2010 certified jobs.

Mr. Mutz then called upon Bob Taylor to present the resolution for Right to Work. Mr. Taylor discussed the benefits of having Indiana be a Right to Work State. Consistent statements made by site selection consultants indicate that Indiana does not earn the opportunity to compete for certain projects due solely to the absence of a Right to Work law. Discussion followed. A motion was made to recommend the Resolution on Right to Work to the full board. The motion was seconded and unanimously approved by all Committee members present.

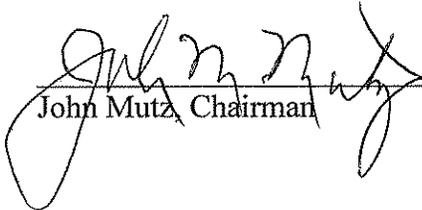
Mr. Mutz then discussed with the committee members the question of whether the IEDC should be forthcoming with the dollar amount of actual assistance we give a company after the fact. Laurie Morone of the Corporation explained to the committee members that the IEDC currently discloses Awarded amounts and Paid Amounts, but not Certified or Claimed Amounts. The Certified and especially the Claimed Amount presents the most internal debate, particularly when there is a compliance issue with a company, and the media wants to know how much the State has forgone in revenue to incentivize a failed project. At this time, the IEDC would prefer to disclose whether the Company claimed none, some or all of the tax credits for which it is eligible, or whether the IEDC did not certify any tax credits at all. This information, however, may not be disclosed under the current statutory scheme governing tax information and the public records. She reported that even if the IEDC were legally permitted to disclose this information, the IEDC should consider whether such disclosure would dampen interest in incentives offered by Indiana. General discussion on this followed and it was determined that the IEDC staff would take a look at the pros and cons and report back to the committee with a recommendation.

There being no more business to come before the Committee, Mr. Mutz concluded the public portion of the meeting.

Respectively submitted,

  
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Chad Pittman, Acting Secretary

Approved:

  
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John Mutz, Chairman

Attachments:

1. Public Notice of meeting
2. Meeting Agenda dated December 8, 2011



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

Notice is hereby given that the Economic Policy Committee of the Board of Directors of the Indiana Economic Development Corporation will hold a public meeting on December 8, 2011 at 2:00 p.m., at the Governor's Residence, 4750 N. Meridian Street, Indianapolis, Indiana.

**Economic Policy Committee Meeting of the  
Indiana Economic Development Corporation  
Board of Directors**

**December 8, 2011 (2:00 p.m.)  
Governor's Residence  
4750 N. Meridian Street  
Indianapolis, IN**

- I. Welcome Board Members and Guests
  - Recognition of Quorum
  - Recognition of Compliance with Open Door Law
  - Approval of Minutes from September 13, 2011 Meeting
  
- II. Incentive Program Review
  
- III. Right to Work Discussion