

Des Moines Area Community College

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Board of Directors Meeting Minutes

11-24-1992

Board of Directors Meeting Minutes (November 24, 1992)

DMACC

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Nov. 24, 1992

DES MOINES AREA COMMUNITY COLLEGE

Regular Board Meeting
November 24, 1992
DMACC Commons - Ankeny Campus

A G E N D A

1. Call to order - 4 p.m.
2. Roll call.
3. Consideration of tentative agenda.
4. Public comments.
5. Consideration of minutes of the October 12, 1992 organizational/regular meeting.
6. Consideration of regular meeting schedule for the DMACC Board of Trustees for December 1992 through October 1993.
7. Consideration of final payment to Academy Roofing Company for the re-roofing of Building #16, Ankeny Campus.
8. Consideration of listing for sale of student built house located at 730 SE Peterson, Ankeny.
9. Consideration of a resolution approving the form and content, execution and delivery of a jobs training agreement for QUALIS, INC.
10. Consideration of a resolution approving the form and content, execution and delivery of a jobs training agreement for STEELWORKS, INC.
11. Consideration of a resolution approving the form and content, execution and delivery of a jobs training agreement for STORY CONSTRUCTION, INC.
12. Consideration of a resolution approving the form and content, execution and delivery of a jobs training agreement for HERSCHEL CORPORATION.
13. Consideration of ratification of members to the DMACC Foundation, Ankeny-Des Moines board.
14. Consideration of appointments to the program advisory committees for academic year 1992-1993.

15. Consideration of Academic and Training Term Calendars for the 1993-94 school year.
16. Consideration of Board Policy #1026, Indemnification of Board Members and Others.
17. Discussion of revised Board Policy #1007, Conflict of Interest, and #1027, Gifts and Lobbying.
18. Consideration of Human Resources report.
19. Consideration of payables.
20. Presentation of financial report.
21. Discussion - Boone Campus housing.
22. President's report.
23. Board members' reports.
24. Information Items:
 - A. November 26-27 - THANKSGIVING - Campuses closed
 - B. _____ - December Board Meeting, 4 p.m., Ankeny
25. Adjournment.

**BOARD OF DIRECTORS
DES MOINES AREA COMMUNITY COLLEGE
2006 South Ankeny Boulevard
Ankeny, Iowa**

**REGULAR MEETING,
NOVEMBER 24, 1992**

The regular meeting of the Des Moines Area Community College Board of Trustees was held in the DMACC Commons, Ankeny Campus, on November 24, 1992. Board President Doug Shull called the meeting to order at 4 p.m.

ROLL CALL

Members Present:

Harold Belken	Eldon Leonard
DeVere Bendixen	Gerry Pecinovsky
*Susan Clouser	Doug Shull
Lloyd Courter	Nancy Wolf-Keith

Members Absent:

Dick Johnson

Others Present:

Joseph A. Borgen, President
Helen Harris, Board Secretary
Don Zuck, College Treasurer
Other interested DMACC staff and community residents

**APPROVAL OF
TENTATIVE AGENDA**

A motion to approve the tentative agenda as presented was made by E. Leonard, seconded by G. Pecinovsky.

Motion passed unanimously.

PUBLIC COMMENTS

None.

**APPROVAL OF
MINUTES**

President Shull stated that since there were no corrections and no objection, the minutes stand approved as presented.

**APPROVAL OF
REGULAR MEETING
DATES**

Due to conflicts, the meeting calendar approved at the October organizational meeting is being changed. A motion was made by E. Leonard, seconded by N. Wolf-Keith, that regular meetings of the Board of Trustees be held on the third Tuesday of the month unless otherwise indicated on the agenda. A copy of said schedule is Attachment #1 to these minutes.

Motion passed unanimously.

**APPROVAL OF FINAL
PAYMENT/ACADEMY
ROOFING/BLDG. 16**

A letter of acceptance and substantial completion has been received from RDG Bussard Dikis Architects for the re-roofing of Building #16, Ankeny Campus. (Attachment #2). It was moved by N. Wolf-Keith, seconded by D. Bendixen, that the board approve final payment of \$1,725 to Academy Roofing Company for completion of this project.

Motion passed unanimously.

***BOARD MEMBER CLOUSER ARRIVED**

**APPROVAL OF
LISTING STUDENT
BUILT HOUSE,
ANKENY**

H. Belken moved that the board approve the listing for sale of the student built house located at 730 SE Peterson, Ankeny, in the amount of \$128,500. Second by N. Wolf-Keith.

Motion passed unanimously.

**APPROVAL OF ITEMS
9-12, JOBS TRAINING
AGREEMENTS**

Items 9-12 were considered as one consent agenda item. A copy of these resolutions is on file with the DMACC Internal Auditor, Building 1. A motion was made by L. Courter, seconded by G. Pecinovsky, that the board approve the following resolutions:

QUALIS, INC.

A resolution approving the form and content, execution and delivery of a jobs training agreement for QUALIS, INC., in the amount of \$20,000.

STEELWORKS, INC.

A resolution approving the form and content, execution and delivery of a jobs training agreement for STEELWORKS, INC. in the amount of \$21,000.

**STORY
CONSTRUCTION,
INC.**

A resolution approving the form and content, execution and delivery of a jobs training agreement for STORY CONSTRUCTION, INC. in the amount of \$25,000.

HERSCHEL CORP.

A resolution approving the form and content, execution and delivery of a jobs training agreement for HERSCHEL CORPORATION, under the grant program in the amount of \$5,000.

Motion passed unanimously on a roll call vote.

**RATIFICATION OF
DMACC
FOUNDATION,
ANKENY-DES
MOINES BOARD
MEMBERSHIP**

A motion was made by E. Leonard, seconded by L. Courter, that the following names be added to the DMACC Foundation, Ankeny-Des Moines Board of Directors. Term of office is to October 1995.

Michael D. Grandgeorge, President & CEO of Hawkeye Bank of Ankeny; Jeff Segin, Executive Director of the Ankeny Industrial Development Corp.; Ollie Weigel, D.D.S., Ankeny.

The following members term of office have been extended to October, 1994:

James Anderlik, Ankeny; Don Davis, Ankeny State Bank; Dale Froehlich, President of Ankeny State Bank.

Motion passed unanimously.

**APPROVAL OF
PROGRAM ADVISORY
COMMITTEES, 1992-
93**

L. Courter made the motion that the program advisory committees for academic year 1992-1993 be approved as presented. Second by D. Bendixen. A list of the committees is on file in the office of the Executive Dean, Academic and Student Services, Building 20.

Motion passed unanimously.

**APPROVAL OF
ACADEMIC &
TRAINING TERM
CALENDARS, 1993-94
SCHOOL YEAR**

It was moved by E. Leonard, seconded by S. Clouser, that the board approve the Academic and Training Term calendars for the 1993-94 school year as shown in Attachment #3 to these minutes.

Motion passed unanimously.

APPROVAL OF
BOARD POLICY
#1026,
INDEMNIFICATION

A motion was made by L. Courter, seconded by E. Leonard, that the board approve revised Board Policy #1026, Indemnification of Board Members and Others, and that a letter dated October 21, 1992 from attorney Michael G. Kulik of the Davis, Hockenberg Law Firm, Des Moines, be filed with a copy of this policy and be made part of these minutes (Attachment #4).

Motion passed unanimously.

DISCUSSION-BOARD
POLICIES 1007,
CONFLICT OF
INTEREST & 1027,
GIFTS & LOBBYING

In response to a new Iowa law which goes into effect January 1, 1993, a new board policy (Gifts and Lobbying Policy) is being proposed. This necessitates that current Board Policy #1007, Conflict of Interest, be revised. Action on both policies will be taken at the December board meeting.

APPROVAL OF
HUMAN RESOURCES
REPORT

It was moved by H. Belken, seconded by L. Courter, that the board approve the following personnel items:

New Personnel

Cain, Timothy W., Institutional Data Analyst. Annual salary \$30,000. Effective October 28, 1992. 12-month position. Employment agreement with professional staff.

Cuckie, Frank B., Instructor, Study Skills, Newton. Annual salary \$30,948. Effective October 19, 1992. .931 of 12-month position. Specially funded continuing contract with licensed faculty - probationary.

Helkenn, David G., Transportation Institute Specialist. Annual salary \$24,075 (\$11.53/hour). Effective November 2, 1992. 12-month position. Employment agreement with professional staff.

Resignation

Altmeier, Kent T., LAN Equipment Specialist. Effective November 6, 1992.

Contract Changes

Kiester, Lois M., Continuing Education Coordinator. Change from 60% to 100%. Annual salary \$36,128. Effective October 12, 1992.

Contract Changes
(continued)

Marmon, James, Instructor, GM Project. Change from 12-month, 217 days, to 12-month, 231 days. Annual salary \$51,189. Effective August 15, 1992.

Motion passed unanimously.

APPROVAL OF
PAYABLES

Approval of the payables as presented in Attachment #5 to these minutes was made by H. Belken, seconded by G. Pecinovsky.

Motion passed unanimously.

PRESENTATION OF
FINANCIAL REPORT

Darrell Roberts, Vice President of Business Services, presented the October 31, 1992 Financial report as shown in Attachment #6 to these minutes. The DMACC Annual Financial Report for the year ending June 30, 1992 was also presented. A motion was made by G. Pecinovsky, seconded by N. Wolf-Keith, that the Financial and Audit Reports be received and filed.

Motion passed unanimously.

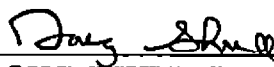
BOONE CAMPUS
HOUSING
DISCUSSION

A discussion regarding proposed construction of student housing at the DMACC Boone Campus was held. Correspondence from David VanSickel, Attorney with Davis, Hockenber Law Firm, regarding options available is Attachment #7 to these minutes. The board authorized President Borgen to put together a proposal on student housing for the Boone Campus and present it to the board for review.


ADJOURNMENT

A motion for adjournment was made by E. Leonard, seconded by N. Wolf-Keith.

Motion passed unanimously and at 5:25 p.m., Board President Shull adjourned the meeting.



DOUG SHULL, Board President



HELEN M. HARRIS,
Board Secretary

BOARD OF TRUSTEES
Des Moines Area Community College

Regular Meeting Schedule - November 1992 - October 1993

November 24, 1992 - Tuesday

December 16, 1992 (Wednesday)

January 19, 1993 - Tuesday

February 16, 1993

March 16, 1993 (This will be changed due to budget deadline)

April 20, 1993 - Urban Campus

May 18, 1993

June 15, 1993

July 20, 1993

August 17, 1993 - Carroll Campus

September 21, 1993

October 11, 1993 - Boone Campus
(MONDAY) - Organizational & Regular Meeting

CALL TO ORDER IS 4 P.M. MEETINGS ARE HELD THE THIRD TUESDAY OF THE MONTH ON THE ANKENY CAMPUS, DMACC COMMONS, UNLESS OTHERWISE INDICATED ON AGENDA.

Board Approved 11-24-92

RDG Bussard Dikis

November 5, 1992

Mr. Mark Baethke
Acting Director, Physical Plant
Des Moines Area Community College
2006 S. Ankeny Boulevard
Ankeny, Iowa 50021

Dear Mark:

DMACC Building 16 Reroofing - 1992, Construction Contract Closeout:
RDG/Bussard Dikis 92246.00 (7.6.6)

This is to advise you that, to the best of our knowledge, belief and professional judgement, work under the DMACC Building 16 Reroofing construction contract is complete and installed in accordance with the contract documents with the exception of the items included on the Final Inspection dated October 20, 1992.

Attached is a copy of the Certificate of Substantial Completion including the Final Inspection report. The remaining work is minor and we recommend approval of the Certificate of Substantial Completion by Contractor and Owner. Multiple copies have been mailed to Academy Roofing for their signature.

Upon completion of the final punch list, we recommend approval of the completed work and final payment to the contractor.

Sincerely,



Arnold E. Fischer, AIA

encl: Certificate of Substantial Completion

Renaissance Design Group

An Architecture, Interior Design and Planning Corporation
RDG Bussard Dikis Inc. 303 Locust Street Des Moines Iowa 50309 515.288.3141 Fax 515.288.8631
RDG Wilscam Birge Inc. 2201 Farnam Street Omaha Nebraska 68102 402.345.5151 Fax 402.345.3837

CERTIFICATE OF SUBSTANTIAL COMPLETION

A DOCUMENT G704

Distribution to:

OWNER

ARCHITECT

CONTRACTOR

FIELD

OTHER

PROJECT: Building 16 Reroofing, 1992
 (name, address) Des Moines Area Community College

ARCHITECT: RDG Bussard Dikis, Inc.

ARCHITECT'S PROJECT NUMBER: 92246.00

TO (Owner):

CONTRACTOR: Academy Roofing Company

Des Moines Area Community College
 2006 South Ankeny Boulevard
 Ankeny, Iowa 50021

CONTRACT FOR: Reroofing

CONTRACT DATE: August 10, 1992

DATE OF ISSUANCE: November 5, 1992

PROJECT OR DESIGNATED PORTION SHALL INCLUDE: Entire project

The Work performed under this Contract has been reviewed and found to be substantially complete. The Date of Substantial Completion of the Project or portion thereof designated above is hereby established as October 20, 1992

which is also the date of commencement of applicable warranties required by the Contract Documents, except as stated below.

DEFINITION OF DATE OF SUBSTANTIAL COMPLETION

The Date of Substantial Completion of the Work or designated portion thereof is the Date certified by the Architect when construction is sufficiently complete, in accordance with the Contract Documents, so the Owner can occupy or utilize the Work or designated portion thereof for the use for which it is intended, as expressed in the Contract Documents.

A list of items to be completed or corrected, prepared by the Contractor and verified and amended by the Architect, is attached hereto. The failure to include any items on such list does not alter the responsibility of the Contractor to complete all Work in accordance with the Contract Documents. The date of commencement of warranties for items on the attached list will be the date of final payment unless otherwise agreed to in writing.

RDG Bussard Dikis

Arnold E. Fischer

11/5/92

ARCHITECT

BY

DATE

The Contractor will complete or correct the Work on the list of items attached hereto within _____ days from the above Date of Substantial Completion.

days

Academy Roofing

CONTRACTOR

BY

DATE

The Owner accepts the Work or designated portion thereof as substantially complete and will assume full possession thereof at _____ (time) on _____ (date).

Des Moines Area Community College

M. L. Bracke

11/5/92

OWNER

BY

DATE

The responsibilities of the Owner and the Contractor for security, maintenance, heat, utilities, damage to the Work and insurance shall be as follows:

(Note—Owner's and Contractor's legal and insurance counsel should determine and review insurance requirements and coverage; Contractor shall secure consent of surety company, if any.)

Subsequent to October 20, 1992, the Owner has responsibility for Security, maintenance, heat, utilities and insurance. Contractor has responsibility for damage caused by his forces during completion of final inspection punch list.

FINAL INSPECTION

PROJECT: Building 16 Reroof, 1992
Des Moines Area Community College
RDG/BD #92246.00

DATE: October 20, 1992

PRESENT: Arnie Fischer RDG Bussard Dikis, Inc.

CONTRACT: Academy Roofing

The Final Inspection was held this date. This report includes incomplete or deficient items which require completion or rework prior to acceptance of the completed project. Construction is sufficiently complete to establish this date as the Date of Substantial Completion.

OBSERVATIONS:

1. Install sheet metal cap on roof curb separating Building 16 roof from connecting link. See detail B/7.2.
2. Install screws to anchor exhaust fans(2 locations) to curbs. East exhaust fan may not be connected(electrically). Junction box and outlet are laying loose under fan cover. Electrical work is Owner responsibility.
3. Wood Blocking supporting gas lines:
 - A. Many blocks exceed 8'-0" spacing. See note 7 on drawing.
 - B. Pipe is not in contact with supports in several locations. Install shims per note 7 on drawing.
 - C. Reused pipe supports may be reused only if in sound condition and asphalt/gravel is removed.
4. OTHER:
 - A. Sales tax statement - Received
 - B. Roof Warranty:
 - 1) 2-year installer warranty received.
 - 2) 10-year manufacturer's warranty not received.
 - C. G706A Contractor's Affidavit of Release of Liens - Received
 - D. G706 Contractor's Affidavit of Payment of Debts and Claims - Received.
 - E. G707 Consent of Surety Company Company to Final Payment - Received
 - F. Final Application for Pay - Retainage
(Academy submit application for unpaid 5% retainage)

AEF

cc: John McDermott, Academy Roofing
Mark Baethke, DMACC

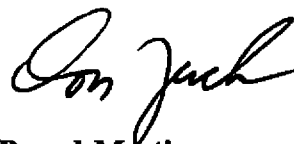
DC Memorandum

Des Moines Area Community College

DATE: October 28, 1992

TO: Helen Harris - Board Secretary

FROM: Don Zuck - Vice President, Operations

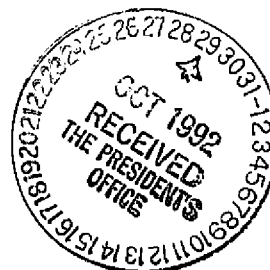


RE: Agenda Item for November ²⁴16, 1992, Board Meeting
1993-94 Calendar Committee Recommendation

The Calendar Committee has recommended an Academic Calendar and Training Term Calendar for the 1993-94 school year and presented it to the Executive Council at the September 14, 1992, Executive Council meeting. A copy of each document is attached plus a listing of the calendar committee.

The recommended calendars are being submitted for Board approval.

Attachments



Des Moines Area Community College

	M	T	W	T	F	M	T	W	T	F	M	T	W	T	F	M	T	W	T	F	M	T	W	R	F
JULY 1993				1	2	<input checked="" type="checkbox"/> 5	6	7	8	9	12	13	14	15	16	19	<input checked="" type="checkbox"/> 20	21	22	23	26	27	28	29	30
AUGUST	2	3	4	<input checked="" type="checkbox"/> 5	<input checked="" type="checkbox"/> 6	<input checked="" type="checkbox"/> 9	<input checked="" type="checkbox"/> 10	<input checked="" type="checkbox"/> 11	<input checked="" type="checkbox"/> 12	<input checked="" type="checkbox"/> 13	<input checked="" type="checkbox"/> 16	<input checked="" type="checkbox"/> 17	<input checked="" type="checkbox"/> 18	<input checked="" type="checkbox"/> 19	<input checked="" type="checkbox"/> 20	<input checked="" type="checkbox"/> 23	<input checked="" type="checkbox"/> 24	<input checked="" type="checkbox"/> 25	<input checked="" type="checkbox"/> 26	<input checked="" type="checkbox"/> 27	<input checked="" type="checkbox"/> 30	<input checked="" type="checkbox"/> 31			
SEPTEMBER			<input checked="" type="checkbox"/> 1	2	3	<input checked="" type="checkbox"/> 6	7	8	9	10	13	14	15	16	17	20	21	22	23	24	27	28	29	30	
OCTOBER					1	4	5	6	7	8	11	12	13	14	15	18	19	20	21	22	25	<input checked="" type="checkbox"/> 26	27	28	29
NOVEMBER	1	2	3	4	5	8	9	10	11	12	15	16	17	18	19	22	23	<input checked="" type="checkbox"/> 24	<input checked="" type="checkbox"/> 25	<input checked="" type="checkbox"/> 26	29	30			
DECEMBER			1	2	3	6	7	8	9	10	13	14	15	16	17	20	<input checked="" type="checkbox"/> 21	<input checked="" type="checkbox"/> 22	<input checked="" type="checkbox"/> 23	<input checked="" type="checkbox"/> 24	<input checked="" type="checkbox"/> 27	<input checked="" type="checkbox"/> 28	<input checked="" type="checkbox"/> 29	<input checked="" type="checkbox"/> 30	<input checked="" type="checkbox"/> 31
JAN. 1994	<input checked="" type="checkbox"/> 3	<input checked="" type="checkbox"/> 4	<input checked="" type="checkbox"/> 5	<input checked="" type="checkbox"/> 6	<input checked="" type="checkbox"/> 7	<input checked="" type="checkbox"/> 10	<input checked="" type="checkbox"/> 11	<input checked="" type="checkbox"/> 12	<input checked="" type="checkbox"/> 13	<input checked="" type="checkbox"/> 14	<input checked="" type="checkbox"/> 17	<input checked="" type="checkbox"/> 18	19	20	21	24	25	26	27	28	31				
FEBRUARY		1	2	3	4	7	8	9	10	11	14	15	16	17	18	21	22	23	24	25	28				
MARCH		1	2	3	4	7	8	9	10	<input checked="" type="checkbox"/> 11	14	15	16	17	18	<input checked="" type="checkbox"/> 21	<input checked="" type="checkbox"/> 22	<input checked="" type="checkbox"/> 23	<input checked="" type="checkbox"/> 24	<input checked="" type="checkbox"/> 25	28	29	30	31	
APRIL					1	4	5	6	7	8	11	12	13	14	15	<input checked="" type="checkbox"/> 18	19	20	21	22	25	26	27	28	29
MAY	2	3	4	5	6	9	10	<input checked="" type="checkbox"/> 11	<input checked="" type="checkbox"/> 12	<input checked="" type="checkbox"/> 13	<input checked="" type="checkbox"/> 16	<input checked="" type="checkbox"/> 17	<input checked="" type="checkbox"/> 18	<input checked="" type="checkbox"/> 19	<input checked="" type="checkbox"/> 20	<input checked="" type="checkbox"/> 23	<input checked="" type="checkbox"/> 24	<input checked="" type="checkbox"/> 25	<input checked="" type="checkbox"/> 26	<input checked="" type="checkbox"/> 27	<input checked="" type="checkbox"/> 30	31			
JUNE			1	2	3	6	7	<input checked="" type="checkbox"/> 8	9	10	13	14	15	16	17	20	21	22	23	24	27	28	29	<input checked="" type="checkbox"/> 30	
JULY					1	<input checked="" type="checkbox"/> 4	5	6	7	8	11	12	13	14	15	18	19	20	<input checked="" type="checkbox"/> 21	22	25	26	27	28	29
AUGUST	1	2	3	4	<input checked="" type="checkbox"/> 5	<input checked="" type="checkbox"/> 8	<input checked="" type="checkbox"/> 9	<input checked="" type="checkbox"/> 10	<input checked="" type="checkbox"/> 11	<input checked="" type="checkbox"/> 12	<input checked="" type="checkbox"/> 15	<input checked="" type="checkbox"/> 16	<input checked="" type="checkbox"/> 17	<input checked="" type="checkbox"/> 18	<input checked="" type="checkbox"/> 19	<input checked="" type="checkbox"/> 22	<input checked="" type="checkbox"/> 23	<input checked="" type="checkbox"/> 24	<input checked="" type="checkbox"/> 25	<input checked="" type="checkbox"/> 26	<input checked="" type="checkbox"/> 29	<input checked="" type="checkbox"/> 30	<input checked="" type="checkbox"/> 31		
SEPTEMBER				1	2	<input checked="" type="checkbox"/> 5	6	7	8	9	12	13	14	15	16	19	20	21	22	23	26	27	28	29	30

<input type="checkbox"/>	Beginning of Terms	<input checked="" type="checkbox"/>	Holiday - College Closed	<u>Two-Semester Contracts</u>	<u>Twelve-Month Contracts</u>
<input type="checkbox"/>	Beginning of 8-Week Summer Term	<input checked="" type="checkbox"/>	College Closed	(8-30 to 5-12)	(8-14 to 8-13)
<input type="checkbox"/>	End of Terms	<input type="checkbox"/>	Faculty Non-Duty Days	Fall Semester 77 days	Fall Semester 77 days
<input type="checkbox"/>		<input type="checkbox"/>	Professional Days	Spring Semester 77 days	Spring Semester 77 days
<input type="checkbox"/>		<input type="checkbox"/>	President's Days	Professional Days 10 days	Summer Term 51 days
<input type="checkbox"/>		<input type="checkbox"/>	Faculty Staff Development Day (One additional day to be designated by DMACCHEA)	Total 164 days	Professional Days 12 days
<input type="checkbox"/>		<input type="checkbox"/>			Total 217 days

WEEKEND CLASS CALENDAR

1993-94

	SAT.	SUN.	SAT.	SUN.	SAT.	SUN.	SAT.	SUN.	SAT.	SUN.
SEPTEMBER	<input type="checkbox"/> 4	5	11	12	18	19	25	26		
OCTOBER	2	3	9	10	16	17	23	24	30	31
NOVEMBER	6	7	13	14	20	21	<input type="checkbox"/> 27	<input type="checkbox"/> 28		
DECEMBER	4	5	11	12	18	<input type="checkbox"/> 19	<input type="checkbox"/> 25	<input type="checkbox"/> 26		
JANUARY	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 8	<input type="checkbox"/> 9	<input type="checkbox"/> 15	<input type="checkbox"/> 16	<input type="checkbox"/> 22	23	29	30
FEBRUARY	5	6	12	13	19	20	26	27		
MARCH	5	6	12	13	19	20	<input type="checkbox"/> 26	<input type="checkbox"/> 27		
APRIL	2	3	9	10	16	17	23	24	30	
MAY		1	7	<input type="checkbox"/> 8	<input type="checkbox"/> 14	<input type="checkbox"/> 15	<input type="checkbox"/> 21	<input type="checkbox"/> 22	<input type="checkbox"/> 28	29
JUNE	4	5	11	12	18	19	25	26		
JULY	2	3	9	10	16	17	23	24	30	<input type="checkbox"/> 31
AUGUST	<input type="checkbox"/> 6	<input type="checkbox"/> 7	<input type="checkbox"/> 13	<input type="checkbox"/> 14	<input type="checkbox"/> 20	<input type="checkbox"/> 21	<input type="checkbox"/> 27	<input type="checkbox"/> 28		
SEPTEMBER	<input type="checkbox"/> 3	4	10	11	17	18	24	25		

Beginning of term

End of Term

No Classes

Note: Evening classes will not meet on the Wednesday night prior to Thanksgiving

Des Moines Area Community College

	M	T	W	T	F	M	T	W	T	F	M	T	W	T	F	M	T	W	T	F	M	T	W	R	F	
JULY 1993				1	2	<input checked="" type="checkbox"/> 5	6	7	8	9	12	13	14	15	16	19	20	21	22	23	26	27	28	29	30	
AUGUST	2	3	<input checked="" type="checkbox"/> 4	<input checked="" type="checkbox"/> 5	6	9	10	11	12	13	16	17	18	19	20	23	24	25	26	27	<input checked="" type="checkbox"/> 30	<input checked="" type="checkbox"/> 31				
SEPTEMBER			<input checked="" type="checkbox"/> 1	2	3	<input checked="" type="checkbox"/> 6	7	8	9	10	13	14	15	16	17	20	21	22	23	24	27	28	29	30		
OCTOBER					1	4	5	6	7	8	11	12	13	14	15	18	19	20	21	22	25	26	27	28	29	
NOVEMBER	1	2	3	4	5	8	9	10	11	12	15	16	17	18	19	22	23	24	<input checked="" type="checkbox"/> 25	<input checked="" type="checkbox"/> 26	29	30				
DECEMBER			1	2	3	6	7	8	9	10	13	14	15	16	17	20	<input checked="" type="checkbox"/> 21	<input checked="" type="checkbox"/> 22	<input checked="" type="checkbox"/> 23	<input checked="" type="checkbox"/> 24	<input checked="" type="checkbox"/> 27	28	29	30	<input checked="" type="checkbox"/> 31	
JAN. 1994	<input checked="" type="checkbox"/> 3	4	5	6	7	<input checked="" type="checkbox"/> 10	11	12	13	14	<input checked="" type="checkbox"/> 17	<input checked="" type="checkbox"/> 18	19	20	21	24	25	26	27	28	31					
FEBRUARY		1	2	3	4	7	8	9	10	11	14	15	16	17	18	21	22	23	24	25	28					
MARCH		1	2	3	4	7	8	9	10	11	14	15	16	17	18	<input checked="" type="checkbox"/> 21	<input checked="" type="checkbox"/> 22	<input checked="" type="checkbox"/> 23	<input checked="" type="checkbox"/> 24	<input checked="" type="checkbox"/> 25	28	29	30	31		
APRIL					1	4	5	6	7	8	11	12	13	14	15	18	19	20	21	22	25	26	27	28	29	
MAY	2	3	4	5	6	9	10	<input checked="" type="checkbox"/> 11	<input checked="" type="checkbox"/> 12	<input checked="" type="checkbox"/> 13	<input checked="" type="checkbox"/> 16	<input checked="" type="checkbox"/> 17	<input checked="" type="checkbox"/> 18	<input checked="" type="checkbox"/> 19	<input checked="" type="checkbox"/> 20	<input checked="" type="checkbox"/> 23	<input checked="" type="checkbox"/> 24	<input checked="" type="checkbox"/> 25	26	27	<input checked="" type="checkbox"/> 30	31				
JUNE			1	2	3	6	7	8	9	10	13	14	15	16	17	20	21	22	23	24	27	28	29	30		
JULY					1	<input checked="" type="checkbox"/> 4	5	6	7	8	11	12	13	14	15	18	19	20	21	22	25	26	27	28	29	
AUGUST	1	2	3	4	<input checked="" type="checkbox"/> 5	<input checked="" type="checkbox"/> 8	9	10	11	12	15	16	17	18	19	22	23	24	25	26	<input checked="" type="checkbox"/> 29	<input checked="" type="checkbox"/> 30	<input checked="" type="checkbox"/> 31			
SEPTEMBER				1	2	<input checked="" type="checkbox"/> 5	6	7	8	9	12	13	14	15	16	19	20	21	22	23	26	27	28	29	30	

- Training Term
- [Beginning of Academic Term
-] End of Academic Term
- Holiday
- President's Day

DAVIS, HOCKENBERG, WINE, BROWN, KOEHN & SHORS, P.C.

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CABLE: DAVIS LAW

LONDON, ENGLAND

October 21, 1992

Dr. Joseph Borgen, President
Des Moines Area Community College
2006 South Ankeny Blvd.
Ankeny, IA 50021

Dear Dr. Borgen:

A member of the DMACC Board of Directors has raised a question with respect to the proposed revisions to DMACC Board Policy 1026. As revised, the policy would grant to a member or officer of the Board, a member of any advisory committee, or an officer of DMACC a right of indemnification with respect to punitive damages. This right would be subject to an exception in the event that the conduct giving rise to the punitive damages constitutes a willful or wanton act, or in a case where the punitive damages are imposed in a proceeding where the potential indemnitee is found liable to DMACC. Apparently, the Board member raised the question of whether a DMACC officer or Board member should ever be entitled to indemnification for punitive damages.

Our instructions were to provide the officers and directors of DMACC with indemnification rights to the maximum extent permitted under Iowa law. Providing such indemnification rights will allow DMACC to continue to attract qualified persons who are willing to serve as officers and directors. It is possible that certain actions which are not necessarily willful or wanton could give rise to punitive damages. For example, under certain federal statutes pertaining to consumer credit, a creditor who violates the statute is automatically liable for punitive damages, regardless of whether the violation is willful or wanton. The mere fact that the law has been violated constitutes grounds for punitive damages. To the extent that an entity covered by Board Policy 1026 makes student loans, it may be

Dr. Joseph Borgen
October 21, 1992
Page Two

deemed to be engaging in a consumer credit transaction and officers or directors may be subject to the punitive damages statute.

Since it is possible that an officer or director of DMACC could incur punitive damages for acts which are not willful or wanton, and which do not arise from suits in which the officers or directors are adjudged liable to DMACC, the provision in Board Policy 1026 which authorizes indemnification with respect to punitive damages provides additional indemnification rights. If the objective of the DMACC Board is to provide the broadest possible indemnification rights, then we would recommend that the provision with respect to punitive damages be retained in the policy.

Please feel free to call me if you have any further questions or comments in this regard.

Very truly yours,

DAVIS, HOCKENBERG, WINE, BROWN, KOEHN & SHORS P.C.

Mike

Michael G. Kulik

MGK:DW:dd

SE1:E0629002.92

BOARD POLICY

Number: 1026

Section: Board of Directors

Subject: Indemnification of Board
Members and Others



The College shall indemnify and save harmless members and officers of the Board, members of any Advisory Committee, and officers, employees, and agents of the College ("Indemnitees") to the fullest extent permitted by law against liabilities, claims, demands and expenses, including attorney's fees, judgments, penalties, fines, settlements and other reasonable expenses, incurred by any such Indemnitee relating to his or her conduct as a member or officer of the Board, member of an Advisory Committee, or officer, employee, or agent of the College, except that the mandatory indemnification required hereby shall not apply (and the College shall be entitled to restitution) (i) to conduct which is determined in an action commenced by the College against the Indemnitee to constitute a willful or wanton act; or (ii) to judgments, penalties, fines, and settlements arising from any proceeding by or in the right of the College, or to expenses in any such case where such Indemnitee shall be adjudged liable to the College.

In addition to the right of indemnification conferred in the foregoing paragraph, said Indemnitees shall also be entitled to have paid directly by the College the expenses reasonably incurred in defending any such proceeding against an Indemnitee, or any similar type of proceeding against such Indemnitee, in advance of its final disposition, to the fullest extent authorized by applicable law, as the same exists or may hereafter be amended.

For purposes of determining entitlement to indemnification hereunder, an act or omission shall be deemed to have occurred within the scope of employment or duties of a member or officer of the Board, a member of any Advisory Committee, or an officer of the College if the act or omission is of the same general nature as conduct implicitly or explicitly authorized by the College or is in any way incidental to such authorized conduct. The scope of employment shall be construed broadly to cover all activities or duties which directly or indirectly further the interests of the College. The President of the College shall determine whether an act or omission of any other employee or agent is within the scope of employment or duties of such person for purposes of indemnification hereunder.

The right of indemnification of a member or officer of the Board, a member of any Advisory Committee, or an officer of the College shall include the right to indemnification with respect to punitive damages. The President of the College shall determine on a case by case basis whether the College shall indemnify any other employee or agent of the College with respect to punitive damages.

Any independent or autonomous board or commission of the College having authority to disburse funds for a particular function without approval of the Board shall similarly defend, save harmless and indemnify its members, officers, employees, and agents against claims or demands.

BOARD POLICY

Number: 1026.1

Section: Board of Directors



Subject: Indemnification of Board Members and Others

The obligations of the College to defend and to save harmless and indemnify shall apply whether or not the College is a party to the action and shall include but not be limited to cases arising under title 42 United States Code section 1983.

In the event the Indemnitee fails to cooperate in the defense against the claim or demand, the College shall have a right of indemnification against that Indemnitee.

Adopted - December 8, 1987

Revised - November 24, 1992

DMACC MONTHLY FINANCIAL REPORT



OCTOBER 1992

ATTACHMENT #6
Regular Meeting
Nov. 24, 1992

DES MOINES AREA COMMUNITY COLLEGE

MONTHLY FINANCIAL REPORT

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PAGES

BALANCE SHEET & ATTACHMENTS:

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in Fund Balances
- 3 Schedule B - Investments
- 4 Schedule F - Detail of Liabilities

BUDGET VS ACTUAL SUMMARY REPORTS:

- 5 Budget Balance Report for All Funds
- 6 Budget Status Graph Funds 1 and 2
- 7 Budget Status Graph Funds 3 - 7
- 8 Graph Showing Actual Expenditures & Revenue
Comparisons between Current and Prior Year
for Funds 1, 2, and 7.

DES MOINES AREA COMMUNITY COLLEGE
BALANCE SHEET
October 31, 1992

ASSETS	Unrestricted	Restricted	Auxiliary	Agency	Scholarship	Loan	Plant	Total
	General	General						
Current Assets	Fund 1	Fund 2	Fund 3	Fund 4	Fund 5	Fund 6	Fund 7	
Cash on hand or in banks (Sch A)	264,733	(19,483)	69	16,378		4,464	(7,147)	259,014
Investments (Sch B)	2,496,228	16,111,681	(215,649)	384,338	36,894	14,968	825,319	19,653,779
Accounts receivable (Sch C)	6,928,757	22,465,454	53,299				211,055	29,658,565
Student Loans (Sch E)						1,056,165		1,056,165
Deposits & Prepaid Expenses (Sch D)		252,192		7,431				259,623
Inventories (Sch D)	186,046		691,999					878,045
Due to/from other funds	159,568	(159,568)						
Total current assets	10,035,332	38,650,276	529,718	408,147	36,894	1,075,597	1,029,227	51,765,191
Fixed Assets								
Land, Buildings & Improvements				35,664			42,907,116	42,942,780
Equipment, Leased Prop, Books & Film				127,463			15,649,566	15,777,029
Total fixed assets	0	0	0	163,127	0	0	58,556,682	58,719,809
TOTAL ASSETS	10,035,332	38,650,276	529,718	571,274	36,894	1,075,597	59,585,909	110,485,000
LIABILITIES AND FUND BALANCES								
Current liabilities	7,202,940	9,514,256	62,129	7,816		(28)	97,433	16,884,546
Long term liabilities		28,794,000					2,896,000	31,690,000
Deposits Held in Custody for Others	587	25,520		549,950				576,057
Total liabilities (Sch F)	7,203,527	38,333,776	62,129	557,766	0	(28)	2,993,433	49,150,603
Fund Balance								
Unrestricted	2,645,759							2,645,759
Restricted - spec purposes	186,046	316,500	467,589		36,894	1,075,625	517,666	2,600,320
Net Investment in Plant							55,641,946	55,641,946
Total fund balance (Sch G thru K)	2,831,805	316,500	467,589	0	36,894	1,075,625	56,592,476	61,320,889
TOTAL LIABILITIES & FUND BALANCE	10,035,332	38,650,276	529,718	557,766	36,894	1,075,597	59,585,909	110,471,492

DES MOINES AREA COMMUNITY COLLEGE
STATEMENT OF REVENUE, EXPENDITURES & CHANGES IN FUND BALANCES
October 31, 1992

	Unrestricted	Restricted	Auxiliary Fund 3	Agency Fund 4	Scholarship Fund 5	Loan Fund 6	Plant Fund 7	Total
	General Fund 1	General Fund 2						
REVENUES & OTHER ADDITIONS:								
Tuition and Fees	3,671,256	187,211	8,951	84,205				3,951,623
Local Support (Property Taxes)	1,204,123	290,305					1,048,765	2,543,193
State Support	5,307,765	334,166						5,641,931
Federal Support	284,054	47,433		12,702	1,955,962	54,785		2,354,936
Sales & Services	27,240		2,228,130	44,667			1,800	2,301,837
Training Revenue		890,050						890,050
Other Income	212,664	410,745	10,216	57,903	75	7,568	28,336	727,507
Total Revenue & Other Additions	10,707,102	2,159,910	2,247,297	199,477	1,956,037	62,353	1,078,901	18,411,077
EXPENDITURES & OTHER DEDUCTIONS:								
Educational & General								
Instruction	5,680,486	1,666,533						7,347,019
Academic Support	1,495,823							1,495,823
Student Services	876,326	96,465						972,791
Institutional Support	1,477,219	369,866						1,847,085
Operation & Maintenance of Plant	858,032	103,225						961,257
Auxiliary Enterprise Expenditure			2,385,167					2,385,167
Scholarship Expense					2,136,528			2,136,528
Loan Fund Expense						14,836		14,836
Plant Fund Expense							645,490	645,490
Agency Fund Expense				173,140				173,140
Total Expenditures & Other Deductions	10,387,886	2,236,089	2,385,167	173,140	2,136,528	14,836	645,490	17,979,136
TRANSFER AMONG FUNDS: ADDITIONS & DEDUCTIONS								
Mandatory	(19,022)				12,935	6,087		0
Non-Mandatory	(69,456)	76,176	(150,500)	43,780	100,000	0		0
NET INCREASE (DECREASE) FOR THE PERIOD	230,738	(3)	(288,370)	70,117	(67,556)	53,604	433,411	431,941
FUND BALANCE AT BEGINNING OF YEAR	2,601,067	316,503	755,959	479,833	104,450	1,022,021	56,159,065	61,438,898
FUND BALANCE AT END OF PERIOD	2,831,805	316,500	467,589	549,950	36,894	1,075,625	56,592,476	61,870,839

SCHBBALS

DES MOINES AREA COMMUNITY COLLEGE

Disc 4

SCHEDULE B
INVESTMENTS

October 31, 1992

INSTITUTION	OBJECT CODE	INVESTMENT TYPE	INTEREST RATE	DUE DATE	PRINCIPAL AMOUNT
UNRESTRICTED GENERAL FUND (FUND 1)					
First Natl Bk,Ames	131	Savings Acct	3.0%		(244,506)
Prin Mutual Life	132	Life Insur/Pres	N/A		175,211
Hawkeye Bk & Trust	134	Savings Acct	2.97%		18,088
State Bk & Trust	135	Savings Acct	3.15%		58,282
Carroll Cy State B	136	Savings Acct	3.45%		2,489,153
					<u>2,496,228</u>
RESTRICTED GENERAL FUND (FUND 2)					
First Natl Bk,Ames	131	Savings Acct	3.0%		241,253
Firststar Bank	112	Savings Acct	2.9%		1,513,740
Norwest Bank	112	Variables			14,356,688
					<u>16,111,681</u>
AUXILIARY FUND (FUND 3)					
First Natl Bk,Ames	131	Savings Acct	3.0%		(215,649)
AGENCY FUND (FUND 4)					
First Natl Bk,Ames	130	Cert of Deposit	8.50%	7/1/93	2,941
First Natl Bk,Ames	131	Savings Acct	3.0%		381,397
					<u>384,338</u>
SCHOLARSHIP FUND (FUND 5)					
First Natl Bk,Ames	131	Savings Acct	3.0%		36,894
LOAN FUND (FUND 6)					
First Natl Bk,Ames	131	Savings Acct	3.0%		14,968
PLANT FUND (FUND 7)					
First Natl Bk,Ames	131	Savings Acct	3.0%		825,319

LIABILITIES

Disc 4

SCHEDULE F

DES MOINES AREA COMMUNITY COLLEGE
 DETAIL OF LIABILITIES
 October 31, 1992

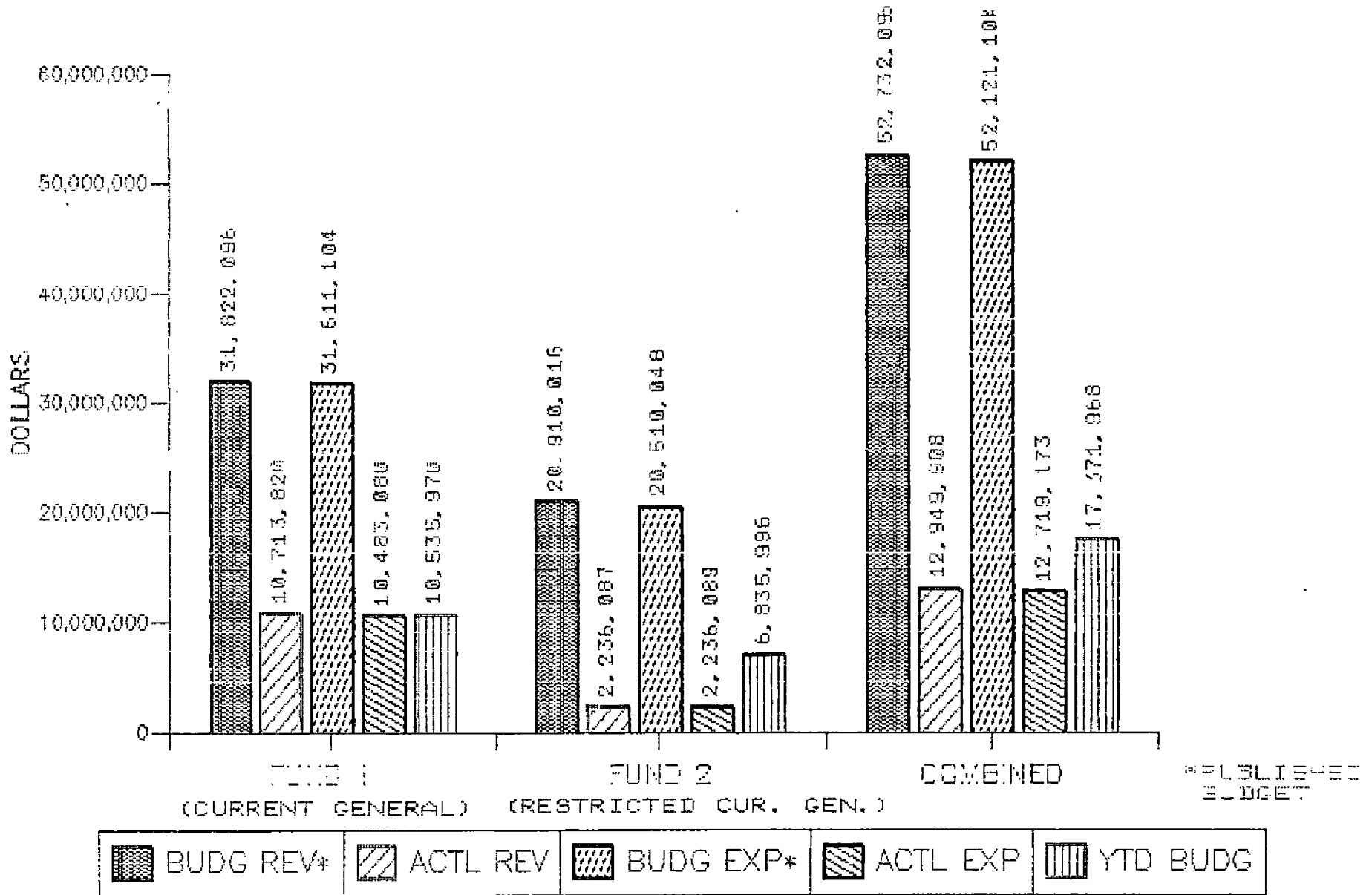
	Unrestricted	Restricted	Auxiliary	Agency	Scholarship	Loan	Plant
	General	General					
	Fund 1	Fund 2	Fund 3	Fund 4	Fund 5	Fund 6	Fund 7
	-----	-----	-----	-----	-----	-----	-----
PAYABLES:							
Trade Payables	(111)	11,684					
Anticipatory Warrant	4,325,000						
Long Term Payables (Bonds)		28,794,000					2,896,000
Leaseholds Payable							107,475
ACCRUED LIABILITIES:							
Payroll	1,667,652	30,689	17,269	316			(5,885)
Accrued Vacation	399,400	45,963	44,860				4,520
Interest on Debt	21,917						
UNAMORTIZED DISC ON CERTIF		(305,141)					(8,677)
FUNDS HELD IN TRUST	587	25,520		6,658			
DEFERRED INCOME	789,082	9,731,061		842		(28)	
	-----	-----	-----	-----	-----	-----	-----
TOTAL LIABILITIES	7,203,527	38,333,776	62,129	7,816	0	(28)	2,993,433
	-----	-----	-----	-----	-----	-----	-----

BUDREP
DISK #1

DES MOINES AREA COMMUNITY COLLEGE
BUDGET REPORT
SUMMARY BY FUND (ALL FUNDS)
October 31, 1992

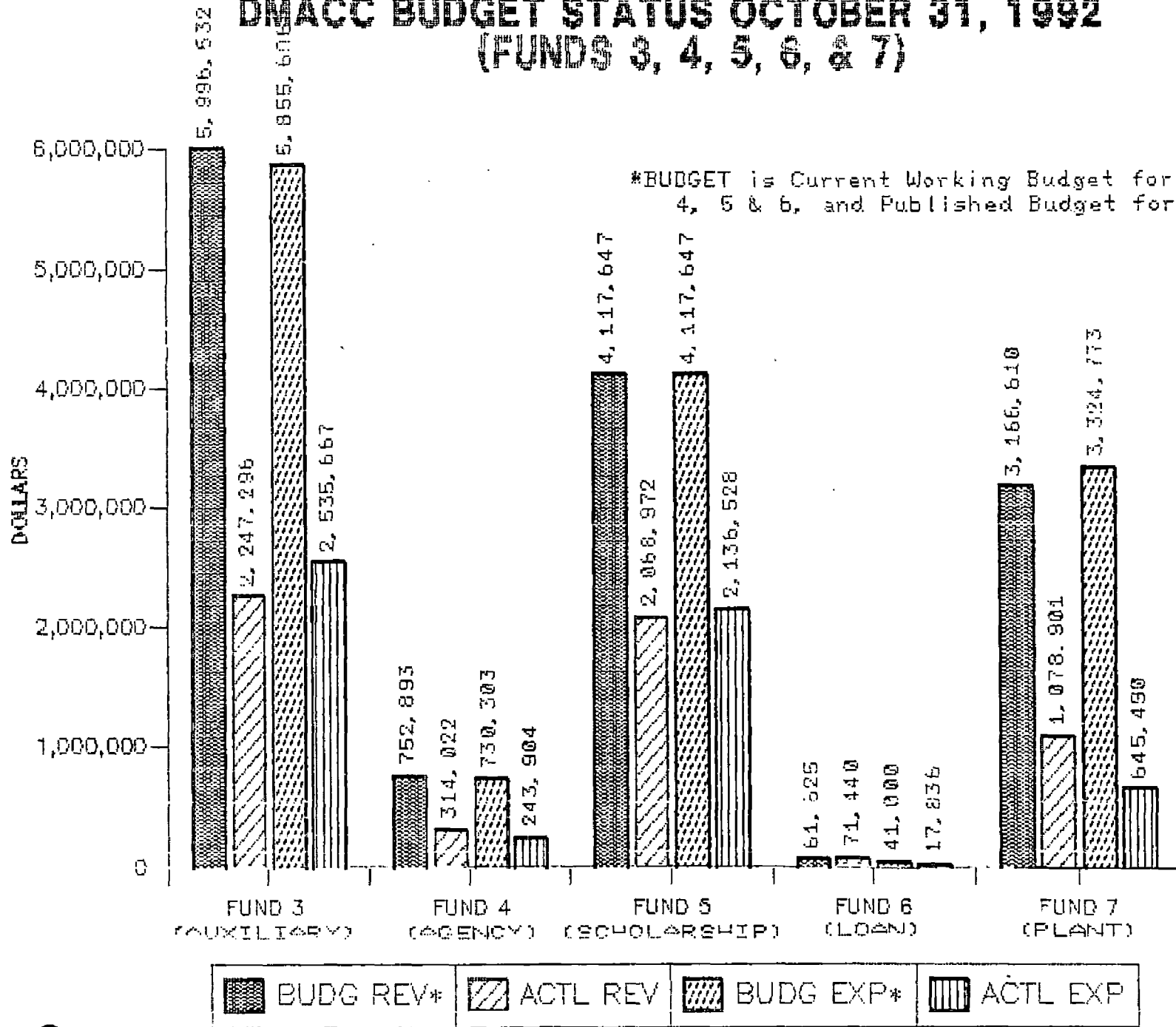
FUND NAME	FUND NO.	BOARD APPROVED BUDGET	WORKING BUDGET	AMOUNT EXPENDED/ RECEIVED	AMOUNT ENCUMBERED	WORKING BUDGET BALANCE
REVENUE:						
GEN FUND CURRENT	1	\$31,822,082	\$32,219,998	\$10,713,821		21,506,177
RESTRICTED CURRENT	2	20,910,016	20,378,584	2,236,087		18,142,497
AUXILIARY	3	5,715,410	5,996,532	2,247,296		3,749,236
AGENCY	4	792,893	752,893	314,022		438,871
SCHOLARSHIP	5	4,152,941	4,117,647	2,068,972		2,048,675
LOAN	6	76,490	61,625	71,440		(9,815)
PLANT	7	3,166,610	3,166,610	1,078,901		2,087,709
		<u>\$66,636,442</u>	<u>\$66,693,889</u>	<u>\$18,730,539</u>		<u>\$47,963,350</u>
EXPENDITURES:						
GEN FUND CURRENT	1	\$31,611,071	\$32,018,641	\$10,483,084	\$12,503,627	\$9,031,930
RESTRICTED CURRENT	2	20,510,040	19,806,507	2,236,089	958,382	16,612,036
AUXILIARY	3	5,579,974	5,855,696	2,535,667	1,011,925	2,308,104
AGENCY	4	764,123	730,303	243,904	54,636	431,763
SCHOLARSHIP	5	4,152,941	4,117,647	2,136,528		1,981,119
LOAN	6	41,000	41,000	17,836		23,164
PLANT	7	3,310,625	3,324,773	645,490	152,737	2,526,546
		<u>\$65,969,774</u>	<u>\$65,894,567</u>	<u>\$18,298,598</u>	<u>\$14,681,307</u>	<u>\$32,914,662</u>

DMACC BUDGET STATUS OCTOBER 31, 1992 (FUNDS 1 & 2)

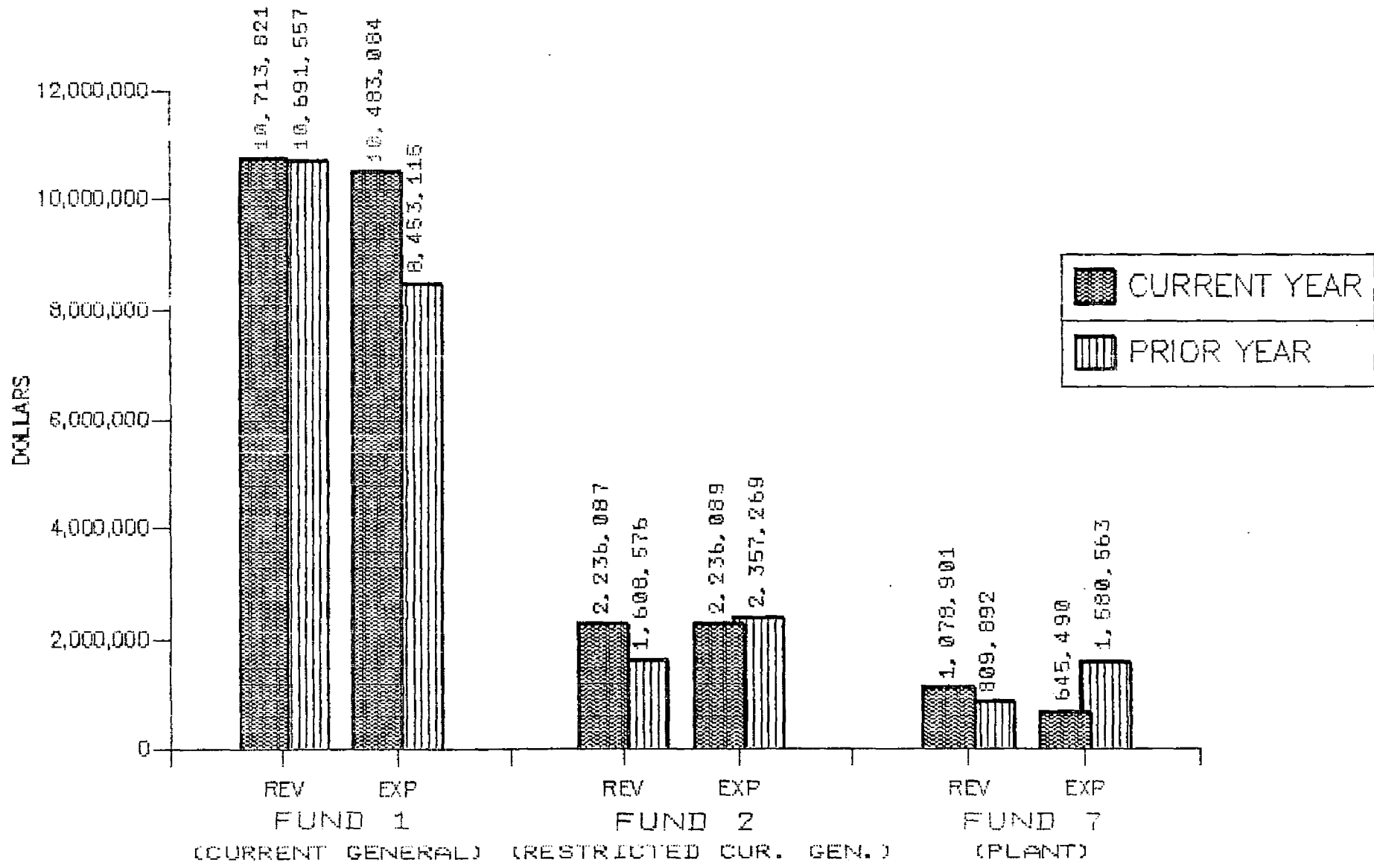


DMACC BUDGET STATUS OCTOBER 31, 1992

(FUNDS 3, 4, 5, 6, & 7)



DMACC REVENUES AND EXPENDITURES YEAR-TO-DATE THROUGH OCTOBER 31, 1992



DAVIS, HOCKENBERG, WINE, BROWN, KOEHN & SHORS, P.C.

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TELEPHONE (515) 288-2500
FACSIMILE (515) 243-0654
CABLE: DAVIS LAW

LONDON, ENGLAND
RECEIVED

NOV 13 1992

V.P. OPERATIONS

November 10, 1992

Mr. Don Zuck
Vice President-Operations
Des Moines Area Community College
2006 South Ankeny Boulevard
Ankeny, Iowa 50021

RECEIVED

NOV 13 1992

V.P. OPERATIONS

Dear Don:

Enclosed is my memo discussing the existing student housing arrangement at the Ankeny Campus and the rules which would be applicable to student housing which was owned and/or operated by the College.

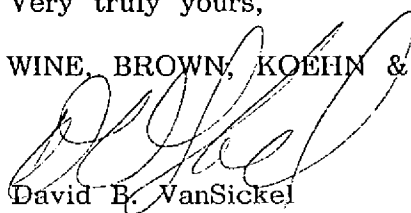
I want to emphasize that the ability of the College to own residence halls and use tax-exempt financing should significantly lower the cost of these facilities and the rents necessary in order to support a project. This is a significant change from the situation that existed when the private development agreement for the Ankeny project was executed. On a purely economic basis, in all probability, it now makes the most sense for the College to own any new facilities.

In addition, the College may want to give some consideration to endeavoring to purchase the existing facility on the Ankeny Campus. This is permitted under the recent amendments to Chapter 280A and could also be financed with tax-exempt debt. If the College owned the Ankeny facilities, the ability to finance other facilities would be enhanced by being able to establish a housing system and have the debt paid from all of the revenues of the system.

Once you have had an opportunity to review the enclosed, please call me with any additional questions which you may have.

Very truly yours,

DAVIS, HOCKENBERG, WINE, BROWN, KOEHN & SHORS, P.C.



David B. VanSickel

DBV:dbm
enclosure

SE6:E6131503.92

RECEIVED

NOV 13 1992

MEMORANDUM

V.P. OPERATIONS

TO: Don Zuck, Vice President-Operations
Des Moines Area Community College

FROM: David B. VanSickel
Davis, Hockenber, Wine, Brown, Koehn & Shors, P.C.

DATE: November 9, 1992

RE: Student Housing

You have asked us to summarize the options available to Des Moines Area Community College ("DMACC") in connection with the proposed construction of student housing at the Boone Campus of DMACC. The following is a summary of the provisions of the Iowa Code with respect to residence halls and dormitories at community colleges, together with the applicable rules under the Internal Revenue Code concerning tax-exempt financing for residence halls, and the provisions of the private development agreement which DMACC has with respect to the housing on the Ankeny Campus.

College-Owned Residence Halls

As a result of legislation adopted in 1990 and subsequently amended in 1991, community colleges in Iowa are now permitted to own and finance residence halls under Chapter 280A of the Iowa Code. The most significant provisions of the Code pertaining to dormitory bonds are as follows:

1. The board of trustees of each community college is authorized to undertake and carry out "projects" at the community college. Projects include the acquisition by purchase, lease or construction of buildings for use as student residence halls and dormitories, including dining and other incidental facilities therefor. Projects also include additions to buildings, reconstruction, equipment, improvements and repair or remodeling of residence halls in dormitories.

2. The board is authorized to operate, control, maintain and manage residence halls and dormitories and dining and other incidental facilities.

3. The board is authorized to rent rooms in the residence halls to students, officers, guests and employees of the community college at such rates, fees or rentals as will provide a reasonable return on the investment, but in any event in an amount sufficient to insure the payment of principal of and interest on all bonds issued to pay for the cost of the project.

4. The board is authorized to borrow money and issue and sell negotiable bonds or notes to pay for the costs of projects. The bonds may be sold at either public or private sale.

5. The bonds or notes are to contain such provisions with respect to rates, maturity and terms as the board determines. The costs which may be funded from the sale of bonds include the cost of construction, interest on the bonds during construction for six months after the estimated completion date, and various other normal costs of issuing bonds.

6. Bonds or notes issued under the provisions of this subdivision of Chapter 280A are payable from and secured by an irrevocable first lien pledge of a sufficient portion of the net rents, profits and income from the operation of the residence halls and dining facilities financed with the proceeds of the bonds and any other residence halls or incidental facilities pledged to the payment of the bonds. The bonds may also be secured by mortgaging the property.

7. All bonds or notes issued under this subdivision of Chapter 280A are exempt from taxation by the State of Iowa and interest on the bonds or notes is exempt from the state income tax.

8. The bonds are not an obligation of the State of Iowa but are payable from the income derived from the operation of the residence halls and dormitories.

9. Section 280A.69 contains provisions which require that community colleges which complete dormitory projects set aside a percentage of available dormitory space for the purposes of meeting the needs of certain categories of students. These include students who are participating in specialized or intensive programs, students whose residence is located too far from the community college to permit commuting, and students whose disabilities require special housing adaptations. In addition, this section indicates that day care arrangements should be included.

10. Under the Internal Revenue Code, interest on bonds issued by a community college to provide dormitory space will be exempt from federal income tax as long as the bonds are issued in accordance with the requirements of the Internal Revenue Code. Thus, the interest on bonds issued by a college for a dormitory project would be exempt from both federal and state income tax. This "double exemption" makes the bonds a particularly attractive investment since there are still relatively few bonds issued in the State of Iowa which have that feature.

The most significant requirement in order to have bonds issued by DMACC for dormitory purposes comply with the Internal

Revenue Code is that they not be "private activity bonds". Private activity bonds are bonds issued for a project which will be owned or operated by a private business and secured by payments to be made by a private business. This will not be a problem as long as the dormitory is owned and operated by DMACC. However, in the event that DMACC were interested in having the dormitory operated by a private group under a management agreement, the management agreement needs to comply with the following specific requirements in order to avoid having the bonds considered as private activity bonds:

1. The term of the management contract (including any renewal options) may not exceed five years;
2. DMACC must have the option to terminate the management contract (without penalty) at the end of any three year period;
3. No portion of the compensation paid to the manager may be based on a share of net profits; and
4. At least fifty percent (50%) of the annual compensation paid to the manager must be based on a periodic fixed fee.

As long as a management contract with respect to the operation of a dormitory complies with the foregoing requirements, the bonds will not be private activity bonds and the interest on the bonds will be tax-exempt. A lease or different type of management contract would result in the interest on the bonds being subject to taxation.

Existing Ankeny Agreement

Another option available to DMACC is to seek proposals for and enter into an agreement similar to the existing agreement on the Ankeny Campus. This would result in the private development of student housing on the Boone Campus. The following is a summary of the existing agreement with respect to the student housing on the Ankeny Campus:

1. The student housing is located on real estate owned by DMACC. The real estate has been leased for a relatively low amount pursuant to a long-term ground lease from DMACC to a private developer. The ground lease has a term of 50 years and at the end of the term the real estate reverts to DMACC.
2. Pursuant to the agreement between DMACC and the developer, the student housing has been constructed in accordance with plans and specifications approved by DMACC.

3. The student housing was privately financed by the developer at taxable rates. DMACC was required to subordinate its fee interest in the real estate to the interest of the mortgage holder on the real estate. DMACC does have the right to cure defaults by the developer, but if DMACC failed to cure a default, its interest in the real estate could be subjected to foreclosure.

4. The student housing is managed by the private developer with DMACC retaining certain rights and being responsible for certain services to the project.

5. The tenant is required to pay all operating costs of the Project, including taxes and insurance.

6. Units in the student housing are required to be leased to DMACC students on a priority basis. Rental charges are established at \$175 per month per person with an escalator clause tied to the Consumer Price Index.