

**HAGERSTOWN COMMUNITY COLLEGE
BOARD OF TRUSTEES**

MINUTES

*Joint Meeting with Foundation Executive Committee
December 16, 2003*

A Joint Meeting of the Board of Trustees of Hagerstown Community College and the Foundation Executive Committee was held on Tuesday, December 16, 2003, at the Plaza Hotel, Chesapeake Room, beginning at 12:00 Noon. In attendance:

Board Members

Guy Altieri, Secretary / President
Carolyn W. Brooks, Vice-Chair
Patricia K. Cushwa
Anton T. Dahbura
Merle S. Elliott, Chair
Margaret E. Hetzer
William J. Reuter

Foundation Executive Committee

Michael Morrell – President
Julie Donat – Vice President
Roger Fairbourn - Secretary
Pete Low – Immediate Past President
Lieba Cohen – Director, Institutional Advancement

Others

Anna Barker – Dean of Administration and Finance
Dave Cole – Director, Student Services
Carolyn Cox – Director, Student Financial Aid
Barbara Roulette – Recording Secretary
Donna Rudy – Dean of Students
Elizabeth Stull – Director, Public Information / Government Relations

Call To Order

Mr. Merle S. Elliott, Chair, presided and convened the joint meeting at 12:20 PM.

Foundation Report

Foundation Board President Morrell expressed appreciation for the opportunity to meet jointly with the Board of Trustees. He prefaced discussion by pointing out that the Foundation Board conducted a self-evaluation, the tabulated results of which were included in the Foundation

report. General consensus was that the Foundation Board and the Director of Institutional Advancement function effectively.

Vice President Donat recapped Foundation activities and named scholarships. Activities held in the Fall of 2003 included the Institute for Learning and Retirement (ILR) Schooner Trip, the "Reel Art" Fund Raiser, the Presidential Lunch, and the Ben Jones Art Show and Sale, which was very successful. Ms. Donat gave special thanks and recognition to Trustee Maggie Hetzer for raising \$5,000 through the sale of raffle tickets. Planned activities for 2004 include the Merle Elliott Tribute, a trip to Italy, co-sponsored with the ILR, the Presidential Lunch, and on-going efforts to secure named scholarships and other donations. Securing bequests is currently pursued through the Planned Giving Program, and additional opportunities in this area are being explored.

Seven new named scholarships were added this year: (1) Coach Jim Brown and Sharon Brown Booster (from personal contributions), (2) Coach Jim Brown and Sharon Brown Scholarship Booster, (3) Coach Jim Brown and Sharon Brown Foundation, (4) Engstrom/Beckley, (5) Hagerstown Trust / Fulton Financial Advisors, (6) Home Builders Association of Washington County, Inc. Booster, and (7) Nellie Itneyer Lytton and Emmett Lake Lytton Scholarship.

Foundation President Morrell summarized the financial report of the Foundation. The Endowment Asset Status for FY03 is approximately \$5.3 million, which includes pledges and in-kind donations. The estimated annual income as of November 19, 2003 is approximately \$180,000, with a projected yield of 3.51%. The investment portfolio consists of a mix of government bonds, securities and equities, the percentage of which cannot exceed 50%, nor fall below 32%.

The Foundation conducted an RFP to select an investment firm to manage its portfolio, and selected Wachovia Securities, beginning January 1, 2004. Mr. Morrell said that Wachovia's use of external money managers, which the Foundation can choose, allows the Foundation to replace one manager without disrupting the entire portfolio. The Foundation Board also retains control of the investment mix.

Director Cohen discussed Foundation donations and the allocation of scholarship dollars, which totaled \$188,300 for 2003, with total donations of \$269,969. She pointed out that the large donations in 2000 and 2001 were a result of the Learning Resource Center naming campaign. The amount budgeted for scholarship awards is 5% of the 5-year average market value, which is determined at the end of each calendar year. In addition to scholarship awards, the Foundation provided the following: (1) \$6,000 to the Single Parent Program, and for the current year is supporting the Job Training Institute, (2) \$7,500 in discretionary funds to the Director of Student Financial Aid to be used for those students who have not completed a Foundation scholarship application, and (3) \$7,162 to the Faculty/Foundation Scholarship for Academic Excellence in order to make the scholarship equal to the General Foundation Scholarship.

Student Financial Support Report

President Altieri prefaced this report by pointing out that annually between 70 and 75% of HCC's students receive some type of financial assistance. Director Cox discussed the major student funding sources, which are the federal government, Maryland state government, HCC Foundation, community organizations and miscellaneous groups. Last year, a total of 1,586 HCC students received \$2.75 million in financial support, the majority of which is awarded solely on the basis of need. The source of almost half of the financial aid awarded is federal student Pell grants.

Director Cole reported that student workers fall into two categories: students who have been awarded work-study as a part of their total student financial aid package (CWS), and those students who request to work on campus. CWS students are paid by the federal government, and the hours they work are dictated by the number of hours they need to reach their award amount. The other student workers are paid out of the College's operating budget. Student workers are a valuable resource for many departments on campus.

Implementation of GASB39

Dean Barker reported that in 2001, the College conducted an RFP and awarded a contract to the auditing firm of Wooden & Benson. The contract was for a 3 year period, with optional renewal for 3 one-year periods. The original 3-year contract was completed at the end of FY03. Beginning with FY04, GASB39 will be implemented. This is an accounting standard which requires the Foundation to be included as part of the College. Given this circumstance, it is recommended that the contract for Wooden & Benson be renewed for one year to better facilitate this accounting transition.

President's Report

Projecting HCC's Enrollment and Financial Growth

President Altieri discussed the preliminary projections for HCC's enrollment growth. It is projected that 1,700 additional students will attend HCC by 2010. It is estimated that about 500 of those will be traditional college age, and 1,200 will be adult learners. For the Fall term, that Prince George's County, Montgomery County, and other community colleges have experienced enrollment declines. Many colleges are projecting that without increased state or local support they will need to curtail enrollments, since tuition only covers 30 to 40 % of the total costs for educating each student and tuition levels are already high for many colleges. In an effort to assure that HCC can absorb its anticipated growth, it is imperative that the College pursue increased operational funding and dollars for the capital projects detailed on the facility master plan.

Proposed Capital Campaign

President Altieri pointed out that state and county funding for the planned renovations to the Career Programs Building only covers the cost of construction. The College will minimally need to raise the \$1 million additional funds needed for furnishings and equipment. A capital campaign, called "It Takes Two," was proposed. This would initially be a 120-day campaign, with a kick-off in January. The campaign would also be reactivated in future years to help secure state, county, and private giving funds to renovate, furnish, and equip the other instructional buildings. All employees, as well as trustees and foundation members, would be encouraged to participate. Organizing a speakers' bureau to address community groups and conducting a letter-writing campaign are several ideas under consideration. The Board suggested that this topic needed further discussion at the January board meeting.

Adjournment

There being no further business, discussion, or remarks, the joint meeting was adjourned at 2:30 PM.

Respectfully submitted,

Guy Altieri, Ed.D.
President/Secretary

GA/bwr