

**HAGERSTOWN COMMUNITY COLLEGE
BOARD OF TRUSTEES**

MINUTES

*Joint Meeting
December 21, 2004*

A joint meeting of the Board of Trustees of Hagerstown Community College and the HCC Foundation Board Executive Committee was held on Tuesday, December 21, 2004, in the Cumberland South room at the Plaza Hotel in Hagerstown, Maryland, beginning at 12:00 noon. In attendance:

Board Members

Wayne E. Alter, Jr.
Guy Altieri, Secretary / President
Merle S. Elliott, Chair
William J. Reuter

HCC Foundation Board Executive Committee

Lieba Cohen, Foundation Director
Julie Donat, President
Roger Fairbourn, Vice President
William F. Fritts, II, Treasurer
Alan J. Levin, Secretary

Others

Anna Barker – Dean of Administration and Finance
Carolyn Cox – Director, Financial Aid
Heather Pinckney – Coordinator, Career Development & Workplace Learning
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 12:35 PM.

Foundation Report

Annual Recap

Ms. Donat reported that Ms. Ellen Gercke and Mr. Mark Harrell joined the Foundation Board effective July 1, 2004. The Ben Jones Art Show and Sale held in November netted almost \$25,000. In addition to ongoing efforts to secure named scholarships, the latest of which has been pledged by Dr. and Mrs. Max Creager, fund raising activities for 2005 include the Giannaris Tribute, Presidential Luncheon, Donor Recognition Reception, and an Ethical Wills Seminar. A Charitable Gift Annuity Program is also being researched.

Update on New Portfolio Management Firm

Mr. Fritts reported that the Foundation's portfolio management was assumed by Wachovia Securities on January 8, 2004. This year for the first time the Foundation's audit report was included with the College's audit report. A revised investment policy and investment decision policy were recommended by the Finance and Investment Committee and approved by the Foundation Board of Directors. As of September 30, 2004, the total portfolio value was \$5,702,897 with a net return of 3.4% for the year. Money allocation, which is apportioned to value, growth, large cap, mid cap, and small cap funds, is reviewed every quarter. A fee of .6% includes the fee for the five money managers, who each reserve a portion of the allocated cash for new investments.

Scholarship Awards

Ms. Cohen discussed scholarship awards. The amount budgeted is based on 5% of the five year average market value determined at the end of each calendar year. Over awarding by 50% allows for those students who do not attend or whose scholarships are revoked or reduced due to receiving other scholarships. The Job Training Institute received \$6,000, and the Director of Financial Aid received \$7,500 in discretionary funds to allocate as she deems appropriate. ESSENCE scholarships in the amount of \$3,280 were awarded to 15 students in FY04, and \$5,128 in funding has been secured from the Washington County Gaming Commission for FY05.

Capital Campaign

Ms. Donat reported that in addition to raising funds for scholarships, the Foundation Board is considering undertaking a capital campaign to fund equipment purchases for the Career Programs Building. While the official vote will be taken at the Foundation Board Meeting in January, numerous preliminary steps have been taken by members of the Board: (1) met with president and development officer at Frederick Community College to learn about their capital campaign, (2) Ms. Cohen and Mr. Fairbourn have independently attended seminars and workshops regarding capital campaigns, (3) the Foundation Executive Committee voted in December to acknowledge the intent to wage a \$1.5 million capital campaign and a \$2 million scholarship campaign, and (4) the Executive Committee acknowledged the value of a feasibility study to determine the dollar goal for the campaign.

Much discussion ensued regarding the feasibility study. Ms. Donat said that the study would provide information regarding how much money could be raised, as well as the methodology for running the campaign. It is believed that the consultant fees would cost approximately \$50,000 - \$60,000 for the feasibility study, and 3-4% of the generated funds to run the campaign. While trustees were not convinced a feasibility study was required, they expressed support if, after further study and consideration, the Foundation deemed it necessary.

The Waltersdorf/Henson challenge was discussed. This grant program matches funds raised by participating institutions at a minimum of \$100,000 and a maximum of \$1 million. Letters of intent from interested institutions must specify the amount of money to be raised and matched.

Two-thirds of the specified amount must be raised to receive any percentage of matching funds, and 100% of the specified amount must be raised to receive a dollar for dollar match. The program kicks off on June 1, 2005 and continues for five years. Ms. Donat said the Foundation had prepared a letter of intent to raise \$500,000 to be designated as the Teaching and Learning fund. Considering the traditional fund raising efforts for scholarships, along with the possibility of mounting a capital campaign, Ms. Donat said the Foundation chose a figure it felt was achievable. The trustees felt that since the focus of each campaign would be different, all would gain community support, and given the competition for the Waltersdorf/Henson funds, it might be wiser to submit a letter of intent to raise \$1 million, and then adjust the amount in the final application if necessary. The Foundation agreed to take the suggestion under advisement.

Student Financial Support Report

Ms. Cox reported that 75% of HCC's students receive some type of financial aid. Last year, 1,690 students received over \$3.36 million in financial aid. The federal government, Maryland state government, HCC office of Institutional Advancement, community organizations, and miscellaneous groups were the sources of funding. The source of almost half of the funding is the federal Pell grant, which provided over \$1.65 million in FY04. Eighty-five students received senatorial and delegate funds this year. The award process is established by the senators and delegates, and money can be awarded to students attending out-of-state institutions.

HCC's Financial Future

Projecting Enrollment and Financial Needs

Dean Barker discussed enrollment projections through FY15 and the requisite financial support required to fund it. President Altieri said that the current projections are based on flat growth, as the College is still waiting for updated projected growth figures from the Board of Education. Dean Barker pointed out that one of the largest anticipated cost increases is utilities at 28%; the College plans to negotiate the best rate possible.

Adjournment

There being no further business or discussion, the joint meeting was adjourned at 2:35 PM.

Respectfully submitted,

Guy Altieri, Ed.D.
President/Secretary

GA/bwr