

**HAGERSTOWN COMMUNITY COLLEGE  
BOARD OF TRUSTEES**

**MINUTES**

*Joint Meeting  
December 20, 2005*

A joint meeting of the Board of Trustees of Hagerstown Community College and the HCC Foundation Board Executive Committee was held on Tuesday, December 20, 2005, in the Cumberland South room at the Plaza Hotel in Hagerstown, Maryland, beginning at 12:00 noon. In attendance:

Board Members

Wayne Alter, Jr.  
Guy Altieri, Secretary / President  
Carolyn Brooks  
Pamela Christoffel  
Anton Dahbura, Vice Chair  
Merle Elliott, Chair  
Margaret Hetzer  
William Reuter

HCC Foundation Board Executive Committee

Lieba Cohen, Foundation Director  
Julie Donat, President  
Roger Fairbourn, Vice President  
William F. Fritts, II, Treasurer  
William Mann, Campaign Coordinator  
Michael Morrell, Immediate Past President  
Richard Phoebus, Campaign Chair

HCC Staff

Anna Barker – Vice President, Administration and Finance  
Carolyn Cox – Director, Financial Aid  
Judith Oleks – Vice President, Academic Affairs  
Barbara Roulette – Recording Secretary  
Donna Rudy – Dean of Students  
Elizabeth Stull – Director, Public Information / Government Relations

Others

Tiffany Arnold – Reporter, Herald Mail

**Call To Order**

Mr. Merle S. Elliott, Chair, presided and convened the joint meeting at 12:15 PM.

## **Foundation Report**

### ***Annual Recap***

Ms. Donat reported that Ms. Joan Bontempo joined the Foundation Board effective July 1, 2005. Three members resigned, and three vacancies remain. Fundraising activities include the Ben Jones Art Show and Sale, which was held November 18 and 19, 2005; the Waltersdorf Tribute to be held on April 7, 2006; Silent Phase of the \$5M Campaign to begin in January / February 2006; and the Donor Recognition Reception to be held in April 2006.

### ***“A Real and Worthy Purpose”***

“A Real and Worthy Purpose” will provide financial resources for furnishing and equipping the Career Programs Building, enhancement and expansion of the Commercial Vehicle Transportation Program, completion of the Waltersdorf-Henson Endowment Challenge, and the Foundation Scholarship Endowment. The steering committee has been named, and the budget and timeline have been established. Honorary chairs of the campaign are Dr. and Mrs. Harrison, Dr. and Mrs. Kepler, and Mr. John Baer. Team captains should be in place by January 15, 2006. Recognizing alumni to be a large, potential resource, data information for alumni from 1948-1962 have been collected. The kick off of the public phase of the campaign is projected for September 2006 to coincide with the College’s 60<sup>th</sup> Anniversary celebration. Mr. Phoebus emphasized the need for everyone’s support of this significant fundraising challenge. Ms. Cohen said that among the named scholarships either added or completed in FY05 were Mr. and Mrs. Wayne E. Alter, Jr. and Bill and Maggie Hetzer – Athletic.

### ***Financial and Investment Overview***

Mr. Fritts reported that the endowment asset status for FY05 was \$6,400,349, which included pledges and in-kind donations. The quarterly report for the period ending 9/30/05 showed total portfolio value of \$6,194,255 with a net return of 3.2% for the period 1/1/05 to 9/30/05. The net return for the calendar year 2004 was 8.6%. Portfolio outperformed the benchmark for 2004 (8.6% vs. 7.3%) and has equaled the benchmark for the nine months ended 9/30/05. Mr. Fritts said that the Finance and Investment Committee met with Jim Holzapfel of Wachovia Securities every quarter to review the portfolio’s performance and discuss recommendations, but the money managers of the funds had complete discretion. There are no transaction fee costs.

### ***Scholarship Awards***

Ms. Cohen discussed scholarship awards. The amount budgeted for scholarships was based on 5% of the five year average market value determined at the end of each calendar year. Over awarding by 50% allowed for those students who did not attend or whose scholarships were 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 deemed appropriate. The Foundation secured \$5,128 in funding for ESSENCE scholarships from the Washington County Gaming Commission for FY05 and \$6,906 for FY06. In response to a question regarding the slight decrease in awarded scholarship funds in 2005, Mr. Fritts

explained that the Foundation had expenses for other projects, such as the Arboretum Fund. In addition, interest rates, which were down from previous years, affected the total amount allocated for award. For future reference, the Board requested a chart showing the total amount allocated for scholarship award, and the total amount actually awarded.

## **Special Reports**

### ***Student Financial Support Report***

Ms. Cox reported that the Stafford Student Loan, for which students can directly apply, more than doubled in amounts awarded in FY05. Currently, Stafford Student Loan payments begin six months after graduation, and the interest rate is linked to the prime rate. A proposed bill for this legislative session would fix the rate at 6.8% permanently. The College's default rate is 6%, which is very good. More state financial aid dollars are available to community college students. HCC students received 57% of Senator Munson's scholarship awards and 50% of Delegate Donoghue's scholarship awards.

The Opportunity Fund provides a stop gap for those students who might not qualify for other forms of financial aid. An internal committee reviewed applications and approved \$44,850 in scholarships with preference given to those students expressing an interest in the College's extracurricular activities and organizations.

The ESSENCE Program continues to gain momentum, with the number of students increasing from 434 in FY04 to 564 in FY05, and the amount of tuition discount increasing from \$79,173 in FY04 to \$108,317 in FY05. Reviewing the ESSENCE students enrolled in Spring 2005, 57% enrolled at HCC immediately following graduation. Parents and relatives of high school students will be targeted for the ESSENCE program promotional pieces next year.

### ***Report from Special November 30<sup>th</sup> MACC Meeting for Trustee Chairs and Foundation Representation***

Chair Elliott and President Donat attended the second annual MACC Trustee Chairs / Foundation Presidents meeting on November 30, 2005. It was beneficial in that it provided insight into the challenges, issues, and initiatives facing all community colleges. Montgomery Community College made a nice presentation focusing on their fundraising efforts targeting alumni.

## **HCC's Financial Future**

### ***Projecting HCC's Future Financial Needs through FY12***

Vice President Barker discussed the College's financial projections. In discussing the assumptions made in predicating the projections, Ms. Barker said that the County allocation assumed a 15% increase in FY07 and FY08. The County allocation is currently 26 -27% of the operating budget. Continued enrollment growth drives the need for more funds, and the county has been very receptive to the College's requests. The State allocation for FY07 was based on

FY05 audited FTE. Vice President Barker said these financial projections did not factor in the loss of small college funding.

**Adjournment**

There being no further business or discussion, the joint meeting was adjourned at 1:40 PM.

Respectfully submitted,

Guy Altieri, Ed.D.  
President/Secretary

GA/bwr