

**HALIFAX COMMUNITY COLLEGE
FOUNDATION, INC.**

Regulations and Procedures

Manual

Last Update: February 3, 2009

1. OPERATING AGREEMENT

An Agreement between Halifax Community College and Halifax Community College Foundation, Inc.

Whereas Halifax Community College Foundation, Inc. was organized and incorporated in 1991 for the sole purpose of generating, receiving, holding, investing, managing and allocating funds for the benefit and advancement of Halifax Community College; and

Whereas Halifax Community College Foundation, Inc. is an independent 501 © (3) non profit corporation established pursuant to the provisions of Section 55A-36 and 37.1 of the Non-profit Corporation Act; and

Whereas Halifax Community College is an institution of postsecondary education created pursuant to Chapter 115 D of the General Statutes of North Carolina; and

Whereas Halifax Community College has the authority to enter into such contracts as the Board of Trustees deems essential for College purposes; and

Whereas both parties desire to formalize their relationship to achieve an agreement on their respective roles in the advocacy for support from the private sector;

Now, therefore, in consideration of the mutual covenants, promises, and agreements contained herein, Halifax Community College Foundation, Inc. and Halifax Community College agree as follows:

1.0 RESPONSIBILITIES OF THE COLLEGE

- 1.1 The College shall share annually with the Foundation its strategic plan, institutional priorities, projects and resource requirements so that the Foundation may represent the direction and needs of the College to donor prospects and align its programs and campaigns consistent with the strategic objectives of the College.
- 1.2 The College shall promptly alert the Foundation to prospective gifts so that each opportunity for enhancing gift potential and donor relations can be fully utilized.
- 1.3 In consideration of the Foundation's services and contributions to the College, the College agrees to retain and fund experienced personnel for the Foundation Office. The employees shall be considered employees of the College and subject to all rights and responsibilities of other College employees.

- 1.4 The College agrees to make available at no cost to the Foundation office space, utilities, technology support services, hardware, software and other appropriate office equipment required to support Foundation services.
- 1.5 The College agrees to provide at no cost to the Foundation access to other services provided by the College that include printing, audio-visual, duplicating, public relations, event scheduling and related facilities.
- 1.6 The College shall cooperate with the Foundation in the development of the Foundation's fund raising programs and campaigns as is necessary for their successful conduct.
- 1.7 College officials represented on the Foundation Board include the President of the College and the Executive Director of the Foundation, serving as ex-officio members with voting rights. (*Halifax Community College Foundation Bylaws, Article III, Section 3(a) and Section 4(b).*) The President of the College also serves in the capacity of Secretary of the Board of Directors of the Foundation. (*Halifax Community College Foundation Bylaws, Article III, Section 3(a).*)
- 1.8 The College Board of Trustees shall be represented on the Board of Directors of the Foundation by the Chair of the Board of Trustees and one trustee at-large nominated by the Chair of the Board and approved by the board. Both trustees serve ex-officio during their respective terms of office with voting rights. They agree to attend the meetings of the Foundation Board, and to regularly report the action of the meetings to the Board of Trustees. (*Halifax Community College Foundation Bylaws, Article xx, Section x.*)
- 1.9 The College's authorized agent for purposes of administration of this agreement is the Executive Director of the Foundation.
- 1.10 The College shall provide names and addresses of alumni from its database for use in providing affinity programs or other services and for solicitation, unless an alumnus indicates an "opt-out."
- 1.11 The College designates the Foundation Office as the entity for the development of any alumni programs.
- 1.12 The College shall provide names and addresses of College Staff and Faculty for purposes of solicitation for the Foundation only.

2.0 RESPONSIBILITIES OF THE FOUNDATION

- 2.1 The Foundation shall raise, invest and endow funds given to support the mission of the College and for specific College purposes in accordance with the laws of the State of North Carolina and all applicable federal laws. Such funds collected shall be used solely for instructional, student and institutional programs as presently defined by the Articles of Incorporation of Halifax Community College Foundation *Halifax Community College Articles of Incorporation Article III Section A*).
- 2.2 The Foundation shall solicit gifts in the name of the Foundation on behalf of the College. Correspondence, solicitations, activities, and advertisements concerning the Foundation shall be clearly discernible as being from the Foundation.
- 2.3 The Foundation shall conduct its activities in such a manner to maintain its status as a tax-exempt charitable organization under state and federal laws.
- 2.4 The Foundation shall plan all fund raising activities and the promotion and sponsoring of programs in support of the College in a manner consistent with the mission of purpose of the College and in close cooperation with the President of the College.
- 2.5 The Foundation will assume financial responsibility for its operating costs, including the cost of the audit, supplies, postage, telephone, fund raising costs, projects and donor recognition programs.
- 2.6 The Foundation's Executive Director agrees to notify and coordinate with the College President and the Chairman of the Board of Directors of the Foundation requests for substantial disbursements and expenditures from the Halifax Community College Foundation for the benefit of the College subsequent to final approval by the Foundation Board. The expenditure of restricted funds will be in accordance with the mutually agreed upon restrictions placed on the gift by the donor in consultation with professional staff.
- 2.7 The Foundation shall notify the College President and the Board of Trustees of potential real estate and estate gifts that contain unusual terms or restrictive conditions that subject them to the approval of the Board of Trustees.
- 2.8 The Foundation shall hold, invest, manage and allocate funds and property received in the name of the Foundation, and such endowments received in the name of the College and transferred to the Foundation to be managed

on its behalf (unless stipulated otherwise by the donor) according to their terms. Such endowments shall be separately accounted for and the income reported annually.

- 2.9 When a question arises as to the acceptability of an offered gift, the Foundation's Executive Director will confer with the College President before directing a response to the donor. The Foundation and/or the College President have the right to refuse any contribution, donation or gift which comes from a source or with an intention that, in the determination of the Foundation Board and College President, is not in concert with the College's mission or its inherent legal, moral or ethical standards.
- 2.10 The Foundation shall have in place appropriate accounting and gift management systems to ensure that financial and donor transactions are routinely maintained in accordance with generally accepted business and accounting practices.
- 2.11 The Foundation shall have an annual audit of its financial transactions by a certified public account qualified in the audit of non-profit organizations.
- 2.12 The books, records, documents, procedures and practices of the Foundation relevant to or affecting this agreement shall be subject to the inspection of the College President and the Chairman of the Foundation Board at reasonable times.
- 2.13 The Foundation's Executive Director shall provide a copy of the audit and the annual report to the Board of Directors of the Foundation and the College President outlining gift income, expenditures, investments and the general fiscal operations of the Foundation.
- 2.14 The Foundation's Executive Committee and the College President shall consult with each other before submitting any changes in the nature, scope or purpose of the Foundation as stated in the Articles of Incorporation to the full board for approval.
- 2.15 The Foundation shall be responsible for establishing various alumni programs including a database of clean alumni records, an alumni web presence and an alumni service program, etc.
- 2.16 The Foundation may use the alumni database for solicitations unless an alumnus indicates an "opt-out."
- 2.17 The Foundation acknowledges that the alumni database is

the College's proprietary information and can only be used for purposes outlined in this agreement.

- 2.18 The Foundation is expressly prohibited from supplying or selling the alumni list to another entity, except for purposes of assuring correct addresses or potential for gifting to the Foundation.
- 2.19 The Foundation shall conduct a Staff/Faculty Campaign. The Foundation acknowledges that those names and address are proprietary to the College and may not be supplied or sold to another entity.

3.0 RELATIONSHIP BETWEEN THE COLLEGE AND THE FOUNDATION

- 3.1 The College acknowledges and accepts the separate and independent nature of the Foundation and the Foundation acknowledges and accepts the separate and independent nature of the College. Each agrees to cooperate with the other in the advancement, achievement and support of the educational and service programs of the College.
- 3.2 The Foundation shall be solely responsible for the satisfaction of its own obligations, debts, liabilities and judgments. The Foundation shall not use funds belonging to the College and managed by the Foundation on its behalf for the satisfaction of any such obligation, debt, liability or judgment.
- 3.3 The Foundation shall indemnify the College, its governing board, officers, employees, agents, and students in their official and personal capacities, from and against any and all claims, damages, liabilities, injuries, expenses, demands, and judgments, including court costs and attorney fees, arising out of the Foundation's performance of this agreement or arising out of service of any such person or persons at the Foundation's request or on its behalf.
- 3.4 The College shall maintain at all times a policy or policies of insurance for the benefit of the Foundation Board of Directors and employees. This paragraph (3.4) shall survive the termination of this agreement.

4.0 TERM

This agreement is automatically renewable annually unless either the College or the Foundation gives notice within 30 days of the close of the Foundation's fiscal year that a necessity exists for review and amendment. In any event, the agreement is subject to a

formal review by the parties at a three-year interval following the last date of review or change.

This agreement may be terminated by either the College or the Foundation upon written notice of at least 90 days in advance.

5.0 GOVERNING LAW

This agreement shall be construed under and governed by the laws of the State of North Carolina.

6.0 MISCELLANEOUS PROVISIONS

This agreement constitutes the entire agreement between the parties. Modifications, amendments or additions to this agreement, in order to be effective, must be in writing and signed by both parties. Inaction or failure to demand strict performance of the terms hereof shall not be deemed a waiver of any provision of this agreement. The contracting parties represent that each has the authority to execute this agreement, to enter into the transactions contemplated by this agreement and to perform its obligations under this agreement.

IN WITNESS WHEREOF, the undersigned parties through their authorized representative have executed this agreement.

Halifax Community College

Halifax Community
College Foundation, Inc.

By _____
(Signature)

By _____
(Signature)

Dr. Ervin V. Griffin, Sr.
President, Halifax Community College

Mr. Charles McElheney
Chairman, Board of Directors

(Date)

(Date)

7.0 MISSION STATEMENT

The Halifax Community College Foundation, Inc. is a 501(c)(3) organization established for the purpose of receiving gifts of cash, securities, or property to provide scholarship assistance for students at Halifax Community College and to support programs and services of the College.

8.0 HISTORY

The Halifax Community College Foundation, Inc. was established on April 7, 1976. The leadership of the college determined that new sources of funding would be necessary to enable the college to carry out its planned programs and to assist students who were ineligible for traditional financial aid. The leadership also recognized that local private funding sources were not fully utilized by the college. As a result, the leadership sought to establish a 501(c)(3) foundation as an explicit vehicle for raising tax-deductible funds from the private sector. Members of the original board of directors were:

Harry Branch	Matt R. Johnston
A.C. Coefield	L.W. Locke
Jasper Eley	M.C. Newsome, III
Ferd L. Harrison	Watson N. Sherrod
Ann R. Hawfield	Phillip W. Taylor
Grover Howell	Frankie F. Young

In June 1977, the Foundation received IRS classification as a 501(c)(3) tax-exempt organization. Earliest financial statements indicate that the 1978-79 fund balance was \$13,854.78. Within ten years that amount quadrupled, and in the next decade the fund balance tripled to reach \$286,340.00.

The Foundation conducts an annual Campus Fund Drive and a community fund drive to solicit support. Public relations efforts have increased the visibility of the Foundation in the community that has resulted in a wider base of support from private dollars for the Foundation. The following tables illustrate the growth of the Foundation.

9.0 Mutual Relationship with Halifax Community College

The Halifax Community College Foundation, Inc. has a mutual relationship with Halifax Community College. According to the Articles of Incorporation, the following relationship exists:

- The Board of Trustees of Halifax Community College shall have the sole power and authority to elect the persons to serve on the corporation's Board of Directors;
- Any person who is a director of this corporation and a trustee of the College who for any reason is no longer a trustee of the College shall automatically no longer be a member of the Board of Directors of this corporation.
- Vacancies in the Board of Directors shall be filled by appointment made by the Board of Trustees of Halifax Community College.

Furthermore, the Halifax Community College Foundation, Inc. benefits the College in that all funds are used for programs and services benefiting the College and its students.

10.0 Foundation Activities

Initially the Foundation supported student scholarships, faculty development, and special events for the college. In 1988, the directors decided to redirect the efforts of the Foundation to support student scholarships exclusively. As a result, the Foundation has implemented an active program in scholarship recruitment from individuals, businesses, and organizations within the community. In 1999, the directors agreed that the Foundation would provide the College president with a discretionary fund to be used to support incidental expenses that are not allowable from state and local funds.

11.0 Benefit of Foundation Activities to College

Halifax Community College's mission statement and institutional goals have one theme—workforce preparation. One of the greatest barriers to students who want to continue their education and prepare for the workforce is the cost of attending HCC. Although the tuition is modest in comparison to many four-year colleges, it still presents a challenge to many area citizens.

The Halifax Community College Foundation scholarship program directly supports the mission of the College by providing greater access for students who want to continue their education. Without Foundation scholarships, many students would be unable to continue their education.

Furthermore the scholarship program supports economic development in the Roanoke Valley by enabling students to raise their workforce skills and thus qualify for better jobs. Most of our graduates remain in the area, become gainfully employed, and contribute to the tax base of the area. The following tables illustrate activities of the Foundation.

11.1 Campus Fund Drive

<u>FALL</u>	<u>GIFTS</u>	<u>CHANGE</u>	<u>DONORS</u>	<u>FALL</u>	<u>GIFTS</u>	<u>CHANGE</u>	<u>DONORS</u>
1990	\$4,305		85	1999	10,433	+30%	89
1991	5,239	+22%	86	2000	11,594	+11%	80
1992	6,880	+31%	81	2001	11,079	-4%	97
1993	8,589	+25%	70	2002	10,024	-10%	
1994	8,006	- 7%	76	2003	11,534	+15%	89
1995	8,486	+ 6%	83	2004	14,052	+22%	86
1996	6,092	-28%	77	2005	5,388	-161%	77
1997	7,279	+20%	77	2006	12,360	+129%	88
1998	8,038	+10%	80	2007	15,584	+26.6%	139

11.2 Overall Gifts to Foundation

<u>YEAR</u>	<u>DOLLARS</u>	<u>CHANGE</u>	<u>YEAR</u>	<u>DOLLARS</u>	<u>CHANGE</u>
1978-79	\$10,504.00		1995-96	65,355.10	+ 47%
1982-83	10,128.00		1996-97	51,419.95	- 21%
1983-84	41,148.00	+307%	1997-98	71,082.62	+ 38%
1984-85	31,322.00	- 24%	1998-99	98,846.58	+ 39%
1985-86	36,313.00	+ 16%	1999-00	58,519.76	- 41%
1986-87	19,161.00	- 47%	2000-01	66,542.88	+ 14%
1987-88	21,624.70	+ 13%	2001-02	55,594.51	- 16%
1988-89	11,715.40	- 46%	2002-03	52,894.90	- 5%
1989-90	25,479.24	+ 118%	2003-04	61,595.45	+16%
1990-91	24,694.00	- 3%	2004-05	71,215.50	+15%
1991-92	26,113.31	+ 6%	2005-06	48,503.08	-30%
1992-93	31,836.68	+ 22%	2006-07	93,589.37	+93%
1993-94	24,035.27	- 25%	2007-08	70,981.05	-24%
1994-95	44,323.02	+ 84%			

11.3 Foundation Assets

<u>YEAR</u>	<u>DOLLARS</u>	<u>CHANGE</u>	<u>YEAR</u>	<u>DOLLARS</u>	<u>CHANGE</u>
1978-79	\$13,854.78		1997-98	348,143.38	+ 22%
1982-83	22,446.91	+ 62%	1998-99	421,007.19	+ 21%
1985-86	61,081.95	+172%	1999-00	473,860.73	+13%
1986-87	72,222.79	+ 18%	2000-01	514,859.64	+9%
1989-90	91,892.35	+ 27%	2001-02	551,854.04	+ 7%
1990-91	108,268.91	+ 18%	2002-03	586,596.27	+ 6%
1991-92	118,361.63	+ 9%	2003-04	616,252.65	+ 5%
1992-93	114,052.13	- 4%	2004-05	626,590.45	+1.6%

1993-94	154,078.19	+ 35%	2005-06	631,555.55	+1%
1994-95	182,538.27	+ 19%	2006-07	698,620.47	+10.6%
1995-96	233,316.45	+ 28%	2007-08	747,450.88	+7%
1996-97	286,340.41	+ 23%			

11.4 Investments

<u>YEAR</u>	<u>INVESTED FUNDS</u>	<u>YEAR</u>	<u>INVESTED FUNDS</u>
1984-1985	\$ 30,814.42	1997-1998	\$ 285,000.00
1985-1986	\$ 30,814.42	1998-1999	\$ 316,539.97
1987-1988	\$ 33,761.60	1999-2000	\$ 380,000.00
1988-1989	\$ 60,000.00	2000-2001	\$ 443,000.00
1989-1990	\$ 65,525.00	2001-2002	\$ 490,452.44
1990-1991	\$ 85,525.00	2002-2003	\$ 442,834.39
1991-1992	\$ 85,525.00	2003-2004	\$ 527,989.12
1992-1993	\$ 125,525.00	2004-2005	\$ 542,718.00
1993-1994	\$ 125,525.00	2005-2006	\$570,292.63
1994-1995	\$ 150,000.00	2006-2007	\$616,717.87
1995-1996	\$ 183,960.00	2007-2008	\$642,610.66
1996-1997	\$ 195,000.00		

11.5 Foundation Scholarship Awards

<u>YEAR</u>	<u>DOLLARS</u>	<u>PERCENT CHANGE</u>	<u>SCHOLARSHIPS</u>	<u>STUDENTS</u>
1978-79	0			
1982-83	100.00			
1983-84	7,765.00			
1985-86	10,064.17	+ 30%		
1986-87	14,971.78	+ 49%		
1987-88	25,592.82	+71%		
1988-89	17,326.94	- 33%		
1989-90	13,025.00	- 25%		
1990-91	6,925.00	- 47%		
1991-92	9,650.00	+ 39%		
1992-93	10,775.00	+ 12%		
1993-94	8,585.85	- 20%		
1994-95	12,042.55	+ 40%		
1995-96	17,276.35	+ 43%	49	50
1996-97	23,375.00	+ 35%	52	54
1997-98	26,042.80	+ 11%	47	53
1998-99	32,050.00	+ 23%	60	70
1999-00	35,114.00	+ 10%	63	69

2000-01	33,800.00	- 4%	62	66
2001-02	37,285.00	+ 10%	67	68
2002-03	41,110.00	+ 10%	72	86
2003-04	43,935.00	+ 6.5%	165	136
2004-05	79,016.00		131	109
2005-06	91,104.00		159	106
2006-07	83,860.00		166	80
2007-08	86,670.00		155	104

11.6 Scholarships and Year Established

YEAR ESTABLISHED	SCHOLARSHIP
1978	HCC Foundation Scholarships
1983	Clellie M. Taylor Memorial Scholarship
1985	Frances Cecil Gunn Memorial Scholarship
1988	Roanoke Rapids Hospital Alumni/District 17 NC Nurses Scholarship Phillip W. Taylor Scholarship Roanoke Lumber Company Scholarship
1989	Georgia-Pacific Scholarship Heilig-Meyers Scholarship Margaret Gunn Taylor Memorial Scholarship The WestPoint Stevens Company Scholarship
1990	The Enfield Chamber of Commerce Scholarship International Paper Corporation Scholarships
1991	John W. Manning Memorial Scholarship Raybon Bone Scholarship
1992	Interior Design Award Julia Stanley-Elizabeth Hitchings Memorial Scholarship
1993	Harry Branch Scholarship Marshall Grant-Goldie Shaw Scholarship HCC Association of Educational Office Professionals Scholarship
1994	Edgar Loy Hutchinson Memorial Scholarship
1995	Roanoke Valley Energy Facility Scholarship Roanoke Valley Home Builders Scholarship Sandra Ward Memorial Scholarship W.B. Hux Memorial Scholarship New Dixie Oil Corporation Scholarship Halifax Co. Juvenile Court Counselors Scholarship Roanoke Rapids Rotary Club Scholarship Roanoke Rapids Lions Club Scholarship HCC Associate Degree Nursing Alumni Scholarship Peggy V. Babb Memorial Scholarship

YEAR ESTABLISHED

SCHOLARSHIP

	W. J. Overton Memorial Scholarship Sara Crawley Boseman Memorial Scholarship
1996	Newsom Oil Company Coastal Lumber Company Scholarship Benny Strickland Memorial Scholarship HCC Education Scholarship Roanoke Valley Chamber of Commerce Scholarship Araminta Pierce Blowe Scholarship Rose and Louis Kittner Memorial Scholarship HCC Criminal Justice Alumni Association Scholarship James Tillery Pope Memorial Scholarship Fannye Marks-Marcella and Bob Liverman Scholarship Roanoke Rapids Board of Realtors/Multiple Listing Service Scholarship Sandra R. Tart Memorial Scholarship Judson Middleton Memorial Scholarship Fraternal Order of Eagles Scholarship F.K. Taylor-Fraternal Order of Eagles Scholarship Yolanda Denise Powell Memorial Scholarship
1997	Ruth Elliott Oakes Nursing Scholarship HenryMollieLouise Farber Memorial Scholarship Robert B. Metcalfe Memorial Scholarship Harry, Evelyn, and Josephine Fried Scholarship
1998	Earl Houston Fuller Memorial Scholarship Marcella Marks Liverman Memorial Scholarship Oscar Luther Scarbrough, Jr. Memorial Scholarship Howerton Gowen Memorial Scholarship Rightmyer Machine Rentals Construction Scholarship Brandi Noel Ogburn Memorial Scholarship
1999	Connie Wardsworth Memorial Scholarship Charles Preston McElheney Family Scholarship Rightmyer Machine Rentals Scholarship (additional award) Eugene C. Shell Memorial Scholarship
2000	Margaret and Linwood Nixon, Sr. Nursing Scholarship Shirley R. Garner Memorial Nursing Scholarship Magnolia Gardens Health Care Scholarship Wilkie Real Estate, Inc. Alice J. Lewter Memorial Scholarship Pete Kasper Memorial Scholarship
2001-02	Barbara M. Pepper Memorial Scholarship Halifax Electric Membership Corporation Scholarship Libby Grant Scholarship 911 Scholarship Vivian Staley Scholarship Evelyn Freid Memorial Scholarship Lake Gaston Computer Club T. Mason and Vivian C. Woodruff Memorial Scholarship Nikki Batten Memorial Nursing Scholarship
2002-03	Joy Daniels-Lewis Memorial Nursing Scholarship

YEAR ESTABLISHED	SCHOLARSHIP
	Myra Jessup Robertson Nursing Scholarship Jerry Painter Memorial Scholarship Roanoke Electric Cooperative Scholarship Stray Cats Hot Rod Association Automotive Scholarship Gloria Maxwell Memorial Scholarship New Republic Savings Bank Scholarship HCC Dental Hygiene Scholarship
2003-04	Hoffman-Arthur Dental Hygiene Scholarship
2004-05	Damian S. Hawkins Memorial Award NEH Dental Society Dental Hygiene Award
2005-06	Lillie J. Solomon Scholarship Roanoke Rapids Jaycees Endowment
2006-07	Elizabeth Marie Nielsen Schuelke Memorial Scholarship HCC Student Services Award Dr. Laura Walton Buffaloe Scholarship Presidential Initiatives Robert L. Armstrong Memorial Scholarship
2007-08	New Life Scholarship Boyce Alston Memorial Scholarship Homewood Scholarship WEZU Community Radio Emery W. Doughtie Memorial Scholarship Phi Theta Kappa Honor Society Scholarship Bernice Hatchell Hobday Memorial Nursing Scholarship

12.0 HCC Foundation, Inc. Personnel

Personnel who manage the day-to-day operations of the HCC Foundation, Inc. are the following:

Executive Director
Treasurer – President of the College
Administrative Assistant to the Director
College Accountant

13.0 Management of Cash Receipts

Upon receipt of checks and cash, a donation slip is filled out by the administrative assistant. This donation slip requires a second signature by another HCC employee to verify monies received. In the case of cash, the donor is requested to sign the donation slip to verify the amount received. After reviewing all donations and making appropriate notations for deposit to specific accounts, gifts are receipted within Foundation software. Each gift is recorded so that each donor's giving history can be tracked. This record includes the following:

- Donor's name
- Address
- Receipt number
- Amount of gift or pledge
- Date of gift
- Designation of gift if any is given
- Fiscal year of gift

The administrative assistant forwards monies received to the college accountant. The administrative assistant maintains copies of receipt and checks received in the Foundation office. The college accountant then credits the donations to the appropriate account funds. The college accountant is responsible to maintain Foundation accounts and provide periodic reports on a regular basis. An Excel spreadsheet is used to enable the college accountant to keep an accurate, easily accessible record of the exact balance of each annual, endowed, and growth account.

After the donation has been deposited in the checking account, the college accountant updates the account register and checkbook. At the end of each month, the bank statement is reconciled with the account register and checkbook. Interest income and service charges are posted to the general ledger.

The administrative assistant forwards the receipt and a written acknowledgement of the gift to the donor. If the gift was made in honor of or in memory of an individual, the appropriate acknowledgements are also sent to the honoree or the family of the deceased.

14.0 Cash Disbursements

Checks for operating expenses and scholarships are authorized by the executive director either by memorandum or by purchase order. Checks are written by the accounting technician from the Foundation checkbook and are debited from the appropriate scholarship account or the general account. Checks written on the HCC Foundation, Inc. account require signatures by two of the four designees authorized to sign checks. These designees are:

- President of the College (treasurer of the Foundation)
- Executive director of the Foundation
- Chairman of the Foundation
- Controller

Disbursements are recorded in a log of expenditures. The log contains the check number, the payee, the check amount, date of the check, and the purpose.

15.0 Procedures for Accounting

15.1 Invested Accounts

- A. **Quasi-Endowed Accounts:** The principal in all quasi-endowed accounts shall be invested and used to generate interest which will support account scholarships. Gifts to these scholarships and interest earned will be received in the scholarship companion cash account. Scholarship gifts will be transferred to the cash account in the general fund. The amount of the gift will be credited to the scholarship principal and debited from the invested general restricted account. Board approval of these transfers will be recorded in the minutes of the quarterly meetings.
- B. **Growth Accounts:** When donors give gifts that are designated for a named scholarship that exceed the value of the scholarship annually, these scholarships may be designated as “growth accounts”. At the end of each fiscal year, funds in excess of the scholarship’s annual award may be transferred to the general cash account, credited to the invested building scholarship principal, and debited from the invested general restricted account. Board approval of these transfers will be recorded in the minutes of the quarterly meetings. Scholarships from growth accounts may be awarded from gifts and interest credited to the account.
- C. **General Restricted Fund:** The balance of the invested funds is the general restricted fund. This account has the following purposes:
1. Receive credit for all increases in the investment account;
 2. Receive debits for transfers to the quasi-endowed and growth accounts;
 3. Receive debits for annuity losses when financial statements are issued.

15.2 Cash Accounts

- A. **Quasi-Endowed Cash Accounts:** Each quasi-endowed account also has a cash account. This cash account serves the following purposes:
1. Receive monthly interest prorated to the account.
 2. Receive gifts to the quasi-endowed account which are then transferred to the general fund cash account.
 3. Is debited for scholarships paid from the account.
Because all gifts are transferred to the cash account and credited to the quasi-endowed account, all scholarships are paid from the interest that the account earns.
- B. **Growth Cash Accounts:** Each growth account also has a cash account. This account receives monthly interest prorated to the account, receives gifts to the growth account and is debited for scholarships paid from the account. At the end of each fiscal year, the balance in the account in excess of the amount needed to fund a scholarship is transferred to the general cash account and is credited to the building fund invested account so that interest will be prorated on this balance.

C. **Annual Scholarship Accounts:** Annual Scholarships are named scholarships in which the donor gives an annual gift to be used in its entirety as a scholarship award based upon established criteria. These accounts do not earn interest. If an account has a balance at the end of the year because the entire scholarship was not awarded, the Foundation Directors may choose to move the balance into the general cash account or bring the balance forward to the next fiscal year.

D. **General Cash Account:** The general cash account serves the following purposes:

1. Receives all undesignated gifts to the Foundation;
2. Receives transfers of all gifts from the quasi-endowed cash accounts which are credited to the quasi-endowed invested accounts;
3. Receives transfers at the end of the fiscal year from the growth cash accounts which are credited to the growth invested accounts;
4. Receives interest earned by the general fund invested account;
5. Receives any miscellaneous income to the Foundation;
6. Is debited for all general scholarship expenditures;
7. Is debited for all operational expenditures;
8. Is debited for all new investment purchases;
9. Is debited for all miscellaneous expenditures;
10. Is debited at the end of each fiscal year for any negative balances that quasi-endowed or building scholarship cash accounts may have incurred.

15.3 Flow Chart of Designated Gifts to Quasi-Endowed Accounts

- Gifts received and credited in the designated cash account.
- At the end of each month, the gifts are moved from the quasi-endowed cash account to the general fund cash account;
- At the end of each month, the gifts are credited to the invested quasi-endowed accounts;
- At the end of each month, the gifts are debited from the general fund invested account.

16.0 Investment Guidelines

These guidelines are established to serve as a framework within which to manage the Halifax Community College Foundation, Inc. portfolio of investments. The Board of Directors charges the Investment Committee and the Officers of the Halifax Community College Foundation, Inc. to see that these guidelines are followed in the investment practices of the Corporation. The guidelines may be reviewed as necessary by the Investment Committee of the Board and changes recommended as warranted.

Nothing in these guidelines shall supersede the By-Laws of the Corporation, but shall give direction to all charged with the effective management of the investments of the Halifax Community College Foundation, Inc.

16.1 Responsibility Defined

The Board of Directors assigns to the treasurer of the Corporation and his staff the day-to-day responsibilities for management of investments. The Board also designates the Investment Committee of the Board to act with officers and staff in making investment decisions.

Since the Board of Directors has primary fiduciary responsibility, the final decision in regard to regulations rests with the Board.

16.2 Endowment and Quasi-Endowment Funds

The treasurer of the Halifax Community College Foundation, Inc. is authorized by the Board of Directors to invest funds of the Corporation as specified below:

- Funds will be invested only in the following:
 - Direct obligations of the United States and its agencies.
 - Equity securities listed on the New York Stock Exchange, the American Stock Exchange, or National Association of Securities Dealers Automated Quotations (NASDAQ).
 - Certificates of Deposit and savings accounts to maximum insured amounts in any one account.
 - Money Market funds.
 - Mutual funds or common funds.
 - Federally insured single unit mortgage certificates.
 - Corporate bonds assigned investment grade rating of at least A by Moody's or Standard and Poor's.

- At least seventy-five percent of the invested funds will be in secure products with a rating of "A" or higher;

- All other purchases will require approval by the Board of Directors.

17.0 Fund Raising

All fund raising conducted by the Halifax Community College Foundation, Inc. is related to the purpose of the College. Each year the college conducts a community fund drive and a campus fund drive for the sole purpose of generating support for student scholarships. In the community fund drive direct mail is used to solicit support from individuals, businesses and organizations. The campus fund drive is conducted in the fall of the year to generate support from all faculty and staff for the scholarship program.

Each year the Roanoke Valley Chamber of Commerce and Halifax Community College co-sponsor a Spelling Bee to raise funds for a special scholarship for former GED students.

Most of the major scholarship gifts to the Foundation are the result of publicity of existing scholarships. Each fall the Foundation hosts a Scholarship Awards Ceremony on campus. At this event scholarship donors present the recipients with a certificate recognizing their award. Photographs of donors and recipients are made and are released to the media throughout the year. In addition the Public Information Officer publishes a bulk mail-out featuring the scholarship program. This publicity is an encouragement to other potential donors to consider establishing a scholarship.

Fund raising activities are incorporated into the planning process. The HCC Foundation, Inc. has established the following goals and means of assessment:

GOAL	ASSESSMENT
1. To provide scholarship support at increased levels each year.	Contributions to the HCC Foundation will increase by 20% each year.
2. To maintain a scholarship endowment fund that increases in value yearly.	The HCC Foundation invested funds account will increase in value annually.

In the past decade, the Foundation has met the first goal each year. Contributions for the last two years have increased 38% and 39% respectively. The complete history of Foundation gifts is included in these records.

The second goal has also been met in the past decade. The table of Foundation investments included in these records illustrates that the investment accounts have increased in value annually.

17.1 Fundraising Procedures

The following principles are followed for reporting gifts to the Halifax Community College Foundation, Inc.:

1. Only gifts and pledges actually received or committed during the specific period of time identified in a fund raising campaign should be counted in the campaign total.
2. Gifts and pledges may be counted to only one campaign.
3. The value of any canceled or unfulfilled pledges must be subtracted from the campaign total when it is determined that the gift will not be realized.

When fund raising campaign reports are developed, the following results will be included:

1. The total of outright gifts and pledges received at their face value and payable within the campaign period.
2. The total deferred commitments reported at face value that will be received at an undetermined time in the future.
3. The total of deferred commitments discounted to the present value that will be received at an undetermined time in the future.

Outright gifts will be reported only when assets are transferred irrevocably to the Foundation. Deferred gifts will be reported only when assets are transferred or when a legally binding deferred pledge agreement or other irrevocable document is consummated with the institution.

17.2 Pledges

1. Oral pledges will not be reported in campaign totals.
2. Pledges of cash should be written and should contain a specific dollar amount that will be paid according to a specific schedule. The pledge payment period should not exceed five years.

17.3 Standards for Reporting Gifts of Pledges

CASH

Cash will be reported at full value as of the date received.

MARKETABLE SECURITIES

Marketable securities will be counted at the average of the high and low quoted selling prices on the date the donor relinquished dominion and control of the assets in favor of the Foundation.

CLOSELY HELD STOCK

Gifts of closely held stock exceeding \$10,000 in value will be reported at the fair market value placed on them by a qualified independent appraiser as required by the IRS for valuing

gifts of non-publicly traded stock. Gifts of \$10,000 or less may be valued at the per-share cash purchase price of the most recent transaction.

GIFTS OF PROPERTY

Gifts of real and personal property for which donors qualify for a charitable deduction will be counted at their full fair-market value. Gifts in kind, such as equipment and software, will be counted at their educational discount value, which, for purposes of these standards of reporting, shall be deemed to be fair-market value.

CHARITABLE REMAINDER TRUSTS

Gifts made to establish charitable remainder trusts where the remainder is not subject to change or revocation and contributions to pooled income funds will be credited to the “future commitments” section of a campaign total at both the discounted present value of the remainder interest allowable as a deduction by the IRS Code.

CHARITABLE GIFT ANNUITIES

Gifts made in exchange for an annuity are technically outright gifts subject to a condition that the Foundation pays an annuity for life. Because the Foundation receives less than the entire amount transferred—only the excess of the gifted value over the cost to the Foundation of producing the annuity—gift annuities should be reported in the same two sections as gifts of charitable remainder trusts and pooled-income funds.

REMAINDER INTEREST IN A RESIDENCE OR A FARM

A gift of a remainder interest in a personal residence or farm should be credited in the “future commitments” section of a campaign at both the remainder value recognized as an allowable deduction by the IRS and at the face value.

LIFE INSURANCE

If gifts of life insurance are included in a campaign, the institution should be made the owner and irrevocable beneficiary of the policies, with the exception of realized death benefits.

18.0 Scholarship Procedures

Scholarship application forms are distributed and received through the financial aid office. Scholarship availability is promoted by posters displayed on campus, news releases sent to local newspapers, and memoranda to faculty. In addition, the director of financial aid encourages students who do not qualify for grants and other forms of financial aid to apply for scholarships.

Each semester one or more deadlines are set for receiving applications. On the day after the deadline, all applications are forwarded to the Department of Institutional Advancement office. All completed applications are entered into a database of applicants maintained by the executive director and the administrative assistant. The Foundation reserves the right to

reject incomplete applications. Transcript information on each applicant is secured from the registrar's office, and is added to the applicant's file.

Lists of applicants who meet qualifications for specific scholarships are prepared. The lists are generally ranked by GPA, hours completed, and/or high school class rank. The following are viewed by the Scholarship Committee:

- Computer generated lists of applicants in various categories
- Application forms complete with recommendations, applicant statements and applicable scoring sheets
- List of scholarships available
- Criteria for available scholarships

The Scholarship Committee begins selections of recipients of the largest awards first, and after all recipients are selected, the selections are submitted to the executive director in writing.

The executive director reviews the eligibility of each recipient to verify that the recipient meets the scholarship criteria. Once the eligibility is confirmed, the executive director with the assistance of the administrative assistant sends correspondence to the recipients that will include:

- A letter of notification and congratulations
- An information sheet about the award that details the responsibilities of the recipient. These responsibilities may include maintaining a specified GPA, maintaining full-time enrollment, enrollment in a designated program, and limitations on other financial aid.
- It is the responsibility of the recipient to write the donor a letter of thanks. These are brought to the Department of Institutional Advancement on the day that checks are picked up. Photos are also taken in the fall (for the Scholarship Awards Ceremony program booklet)
- A biographical sketch of the family/individual that a named scholarship honors or memorializes
- Information about the Scholarship Awards Ceremony (Fall only)

The executive director also informs the scholarship donor who the recipient is.

The executive director sends a memo to the accounting technician listing the recipients of the various scholarships and authorizing scholarship checks to be written. The accounting technician writes the checks, secures appropriate signatures and forwards the checks to the Department of Institutional Advancement for disbursement.

Recipients present verification of enrollment and identification to the administrative assistant and/or HCC representative who disburse the scholarship checks. If any recipients fail to enroll or to meet minimum enrollment requirements, their checks are returned to the

executive director who authorizes the accounting technician to void the checks. Scholarships in such cases are awarded to alternate recipients.

Recipients who receive awards that are made in separate payments for fall and spring semesters must have their eligibility reconfirmed before the second payment is made. The executive director verifies GPA and minimum scholarship criteria before requesting scholarship checks for the spring semester.

19.0 Board of Directors (3 year-terms)

<u>Board Member</u>	<u>Relationship</u>	<u>Appointment Date</u>	<u>Term Expires</u>
Charles, McElheneey	Chair	July 1, 2000	June 30, 2009
Emery Doughtie	Vice Chair	July 1, 2007	June 30, 2010
*Dr. Ervin Griffin, Sr.	Secretary/Treasurer		Permanent
Dr. Stanley Edwards	Chair, Board of Trustees		Permanent
Martha Alford	Member	July 1, 2008	June 30, 2011
Reginald Baird	Member	July 1, 2001	June 30, 2010
Bryant Brooks	Member	July 1, 2008	June 30, 2011
Helen Brown	Member	July 1, 2004	June 30, 2010
M. E. Gilstrap	Member	July 1, 1995	June 30, 2010
Marshall Grant	Member	July 1, 1996	June 30, 2011
David King	Member	July 1, 1996	June 30, 2011
Steve Medlin	Member	July 1, 2000	June 30, 2009
Hubert D. Pope	Member	July 1, 2004	June 30, 2010
Alex Thannikkary	Member	July 1, 2004	June 30, 2010
Clark Young	Member	July 1, 2000	June 30, 2009

*Ex-officio

20.0 Philanthropy at Halifax Community College

Halifax Community College (hereafter referred to as “HCC”) Trustees and President, as well as the Directors of the Halifax Community College Foundation, seek private funds to enhance the College’s ability to meet the higher education needs of its community, particularly toward a level of excellence that would otherwise not be possible given state funding levels and restraints on student tuition and fees. To that end, the College seeks to provide appropriate recognition to donors for their generosity. Although such recognition may take many forms (thank you letters, press conferences, etc.), this policy seeks to establish guidelines for the naming of facilities and programs as donor recognition.

21.0 Naming Policy

21.1 Purpose

This policy serves as a guideline for the Halifax Community College Trustees, the President, the Directors of the HCC Foundation (hereafter referred to as “the Foundation”), and other staff, volunteers, and outside advisors who assist in the solicitation of gifts. It is established to assure an appropriate reflection of the history of the College as well as consistency, fairness, fitting recognition and good value in exchange for the honor or privilege of name association with a program, fund, or physical aspect of the College. As gifts can encourage others to give or do the opposite, this policy is intended only as a guide and allows for flexibility on a case-by-case basis.

21.2 Naming Tributes

Two circumstances generally give rise to a naming tribute:

1. Naming in Recognition of Distinguished Service may honor a gift of time or talent that has had a significant positive impact on the College over an extended period of years. Such honor will typically be recommended no less than five years following the end of the individual’s service to the College. The President of the College, or a committee appointed by the President, is charged with determining whether the person proposed is worthy of the honor, as well as the degree of internal and external

support for the proposed naming, prior to submitting to the Board of Trustees for approval.

2. A gift of monetary value appropriate to the facility, program or fund being named. Such gifts must comprise a substantial portion of the cost (“substantial” meaning 51% of the cost, or a contribution, while not a majority, is integral to project completion).

21.3 Donors

Donors to be honored with naming opportunities may reflect individuals, families, organizations, foundations or corporations.

21.4 Endowments for Programs and Scholarships

Endowed funds established for a variety of purposes may also bear the donor’s or designee’s name. These funds are generally coordinated by the Foundation in accordance with their Investment and Gift Acceptance policies. Endowment minimums are established by the Foundation and are regularly reviewed for currency and appropriateness.

21.5 Physical Property

Sponsorship of physical property on campus through monetary gifts may occur:

1. To pay for all or part of a new campus facility or improvement;
2. In conjunction with fundraising efforts on the part of the College or the Foundation.

Giving levels for the naming of physical property should be established through consultation among the College Trustees, Foundation Directors, and President. Some general guidelines include:

1. New construction, buildings or improvements may be named for a donor who has made a substantial monetary gift toward the cost of the project.

2. For existing buildings and facilities, dollar amounts will be established for a selected number of naming opportunities based on institutional priorities set by the President and the College Board of Trustees.
3. Giving levels may be established with either fixed or minimum dollar amounts for sponsorship of other physical property on campus. Such property may include but is not limited to pavers, benches, planters, fountains, gardens, equipment, musical instruments, meeting rooms, lounges, theaters, artwork, recreational facilities, and outdoor plazas. Amounts for these naming opportunities will be set and adjusted periodically by the President in consultation with the Trustees and the Executive Committee of the Foundation.

21.6 Rights and Responsibilities

The College President, in consultation with the donor, Foundation, or other appropriate parties shall make decisions related to naming, memorial and tribute gifts, including but not limited to the following:

1. Public announcements: the right to determine content, timing, location and frequency of any announcements associated with the gift.
2. Physical markers: the right to approve the color, design, and size of any physical marker that provides information about the designee or donor and/or the nature of the gift or honor.
3. Care and maintenance: the right and responsibility to determine and carry out the exact nature of any ongoing care and maintenance of any memorial or tribute gifts or their physical markers.

21.7 General Provisions

1. Naming recognition should enhance the reputation and prestige of the College and the donor.
2. Where a building or part has been named, the College will continue to use the name so long as the building, part or facility remains in use and serves its original function, unless otherwise stipulated at the time of gift acceptance. When the use of a building, room, or facility is changed such that it must be demolished, substantially

renovated or rebuilt, the College may retain the use of the name or name another comparable room or facility.

3. It is the responsibility of individuals negotiating on behalf of the College to advise potential benefactors that their gift may be recognized by naming, subject to approvals and decisions being consistent with this policy.
4. Commitments made prior to adoption of this policy shall be honored.

21.8 Final Authority

The final authority for any naming, memorial or tribute decision rests with the President and the College Board of Trustees. The guidelines set forth in this policy statement are not to be deemed all-inclusive. The College President and/or the College Board of Trustees reserve the right to consider any and all factors regarding the privilege of name association with the program, fund, or physical aspect of Halifax Community College as particular acts and circumstances warrant.

21.9 Guidelines for Naming Based on Monetary Contributions

Facility Commemoration Opportunities	Gift Minimums and Ranges
New building	Generally 51% of cost of construction
Existing building	\$500,000 minimum
Classroom or laboratory	\$25,000 to \$100,000; a range of options is available
Entrance hall, portico, lobby	\$25,000 to \$100,000; a range of options is available
Recreational facility	\$20,000 to \$250,000 a range of options is available
Conference Room	\$15,000 to \$50,000
Bookstore, Art Gallery	\$25,000 to \$100,000; several options are available
Fountain, bell tower, other architectural features	\$15,000 to \$200,000; a range of options is available

This list will be reviewed for currency periodically.