

HCC FOUNDATION
Budget/Finance/Audit/Investment Committee
February 3, 2005 Meeting Notes

In attendance: Chuck Peterson, Chair; Ross Elsberry, Dr. Gary Goff, Rudy Jordan, Josette Bulnes and Adrienne Garcia.

Unable to attend: Jennifer Closshey, John Sheppard, Tony Cooper and Nancy Watkins

Chuck called the meeting to order at 4:10 PM. Tom Tagliarini and Margaret Barone of SunTrust presented a review of portfolio performance for 2004 (10.36% earnings) and projected earnings in the high single-digits for 2005.

Those present reviewed the current allocation guideline ranges in the Investment Policy and recommend changing the upper range for fixed income securities from 20% to 35% in order to provide more flexibility. Also, they suggest adding to the Communications section – “#6 Notify Executive Director or Committee Chair when current allocation makes a material (5%) change.”

The committee approved the endowed funds earnings 5% payout for 2005-2006 based on current year earnings. The total earnings payout will be \$66,217 which includes paying out \$32,356 in earnings this year on the Dr. Philip Benjamin AITF balance and 6 months of earnings on the Sinnott Challenge donations.

Chuck reviewed the December financial statements and indicated we are above budget for Donations and during January received a major gift from Plant City for \$250,000 for Trinkle Center technology enhancements, Pepin Endowment Fund \$20,500, as well as the quarterly payment for state match, \$178,000.

Adrienne updated the Committee on Bruce Szabo's and HCC's accounting services. Both are adequately serving the Foundation, however Bruce raised his rates to \$375/month for 2005 and HCC's system has difficulty producing reports which are simple to read. She and Josette have researched Blackbaud's Financial Edge package and recommend consideration of purchasing it. Costs are \$6000 - \$7000 and more for training and implementation. The committee agreed to recommend purchase to the Board at its next meeting.

The Pirate Fest concession is estimated to net over \$5,000. We are waiting for final bills on a few items.

Chuck, Adrienne and Gary reviewed the HCC and Foundation processes for creating next year's budget. The Scholarship Committee has estimated we will award \$125K next year, including our partnership with Hillsborough Education Foundation for \$40K next year. Adrienne reported she is currently working on two campaigns: Trinkle Technology Enhancements at Plant City Campus for \$700,000; and South Shore Campus Performing Arts Center for \$8M. The campaigns demonstrate a Foundation shift from scholarship solicitations to the pursuit of capital funds. She is requesting an additional staff position for next year to handle events, mail appeals and other annual solicitations; so she has more time to devote to soliciting major gifts. Dr. Stephenson has requested the Foundation cover 50% of the cost which for salary and benefits is estimated at \$46K. The Committee agreed and will recommend to the Foundation Board.

Those present agreed Gary Goff should be a second signer on our checks over \$1000. His name will be added as a signer at Bank of America.

Gary was asked to work with Adrienne to purchase a new server when the lease expires on the 3-year old one we currently utilize.

The meeting was adjourned at 6 PM.