

# Maine Compact for Higher Education

Board of Directors Meeting

11.29.07

FAME, Augusta

## Minutes

**Board members present:** Wendy Ault, Ron Bancroft, Alan Burton, Mary Cathcart, Joseph Foley, Joyce Hedlund, Michael Higgins, Martha Johnston, Susan Percy, Kent Peterson, Lynn Ploof-Davis, Colleen Quint, Rep. Christopher Rector, Senator Margaret Rotundo, Hank Schmelzer, Ted Scontras, George Spann, and Mila Tappan.

**Guests and Staff present:** Melanie Arsenault, Employer Initiative Program Coordinator for the Maine Development Foundation; Henry Bourgeois; Dianne Heino; and Larinda Meade, College Transitions Program Coordinator.

Joseph Foley, chair of the board, opened the meeting at 9:45 a.m.

**Minutes of the October 15, 2007 board meeting.** Mr. Foley asked the board members if they had any changes to the minutes of the last board meeting. No corrections were suggested. The board:

**Voted,** on a motion by Ms. Quint, seconded by Mr. Rector, to approve the minutes of the October 15, 2007 Board of Directors meeting. The vote was unanimous.

**Finance Committee Report.** Ms. Hedlund, Compact treasurer, presented the report of the Finance Committee, composed of her and Mr. Higgins. The Committee's report included a Statement of Activities and Projections for 2007 and 2008 Estimates, and notes explaining the Statement and Estimates. She highlighted the following points:

- a. Year-end 2007 projections of expenses and revenues indicate a positive balance; the specific figure will change as final costs and revenues are reported.
- b. The Compact currently has six contracts and agreements to achieve its program objectives.
- c. The 2008 revenue estimates are based on employers and foundations meeting their commitments of \$70,000, and raising \$44,585 in additional revenue.

Mr. Foley mentioned that the Executive Committee reviewed the executive director's compensation and will be making a modest adjustment that will have a small impact on the budget; they will meet with him after the board meeting.

After a brief discussion, the board:

**Voted,** on a motion by Ms. Quint, seconded by Mr. Peterson, to approve the 2008 Budget Estimate as recommended by the Finance Committee. The vote was unanimous.

Ms. Hedlund reported that the Finance Committee is recommending the engagement of Purdy Powers & Company as the Compact's auditors. She noted that this is the firm engaged by the Maine Development Foundation to perform their audit; the firm also prepared the Compact's 990's this year and is familiar with the Compact's finances. Mr. Bourgeois said that, with board approval, he would engage the firm to prepare a financial review, not a complete audit, at a cost to be negotiated of about \$1,500. He noted that a complete audit costs about \$5,000, and is unnecessary given the small size of the operation.

The board:

**Voted,** on a motion by Mr. Burton, seconded by Mr. Peterson, to engage Purdy Powers & Company to prepare the Compact's Financial Review and report to the Finance Committee and Board in the spring. The vote was unanimous.

**Nominating Committee Report.** Ms. Ploof Davis presented the report of the Nominating Committee, whose members (Ms. Ploof Davis, Betty Robinson and Laird Covey) were appointed by the Compact's board chair in October 2007. The Committee recommends several actions to the board.

1. **Members Whose Terms Expired:** The Committee nominates the following board members, whose terms have expired, to serve for a three-year term, beginning January 1, 2008:
  - a. Wendy Ault
  - b. Joseph Foley
  - c. Susan Gendron
  - d. Joyce Hedlund
  - e. Kent Peterson
  - f. Colleen Quint
  - g. Margaret Rotundo
  - h. Hank Schmelzer
  - i. John Witherspoon
  
2. **New Members:** The Committee nominates the following individuals to serve for a three-year term, beginning January 1, 2008:
  - a. Dan MacDonald, Adult Education Director, Caribou
  - b. Martha Johnston, Director of Education Products, Finance Authority of Maine
  - c. Melinda Shofner, Guidance Counselor, Traip Academy (Kittery)
  
3. **Officers:** The Committee nominates the following members to serve as the Compact's officers for 2008:
  - a. Joseph Foley, chair
  - b. Colleen Quint, vice chair
  - c. Joyce Hedlund, treasurer/secretary
  
4. **Ex. Committee:** The Committee nominates these members to serve on the Executive Committee for 2008 (note: officers also serve on the executive committee by virtue of their position):
  - a. Ron Bancroft
  - b. Mike Higgins
  - c. George Spann
  - d. Hank Schmelzer
  
5. **Resignation:** The Committee accepts the resignations of members and thanks them for their service:
  - a. Dana Dow
  - b. Bonnie Fortini
  - c. Greg Howat

**Next steps:** The Committee recommends that continued efforts be made to: (1) add members in the employer sector, particularly business people; (2) add a Legislator; and (3) prepare a succession plan for filling officer and executive committee member positions as may be necessary in the future. The Committee appointed Mr. Covey to meet soon with the executive committee to formulate a succession plan.

After a brief discussion, the board:

**Voted,** on a motion by Mr. Peterson, seconded by Senator Rotundo, to approve the recommendations of the Nominating Committee as presented. The vote was unanimous.

**Many Flags/One Campus.** Mr. Foley asked Mr. Rector to describe the Many Flags initiative. Mr. Rector explained the concept, summarized below, which evolved over the last four years.

*Many Flags/One Campus* is a unique technical and higher education concept for the Midcoast and its Island communities that promotes efficiency by combining into one virtual presence and physical location the programs, degrees, students, faculty, staff, classrooms, labs, technology infrastructure and administrative functions from the following institutions that provide vocational/technical training, associate degrees, baccalaureate degrees and graduate degrees: the Midcoast School of Technology; Kennebec Valley Community College; University of Maine Orono – Hutchinson Center; the University College at Thomaston; and a Marine Systems Center of Excellence in cooperation with the Maine Community College System and private marine trade training resources in Maine. In addition, this robust learning environment will be an exceptional campus location for a high performing regional Midcoast High School, with a focus on integrated applied learning, career and technical education, and early college/dual enrollment opportunities.

Board members were impressed with the plan and at Mr. Rector's urging:

**Voted**, on a motion by Mr. Burton seconded by Ms. Quint, to endorse the Many Flags/One Campus concept. In brief discussion, the board members clarified that this was a vote in support of the concept and collaboration, not a vote in support of any specific Legislative proposals. The vote was unanimous.

**Program Updates** were presented by: Ms. Quint (Early College and Kickstart); Mr. Bourgeois (Scholarship and Leadership); Ms. Hedlund (MCCS's *EarlyCollegeforME* program); Ms. Meade (College Transitions); and Ms. Arsenault (Employer Initiative).

Compact members supported the idea of approaching the Legislature again this session to request financial aid for needy students. They argued that, although state government financial resources are constrained, it is very important to keep the issue of financial need in front of the policy makers. Mr. Bourgeois indicated that he would meet with Ms. Johnston and Ms. Tappan soon to prepare a strategy for the next session.

**New Opportunity**. Mr. Foley described a new opportunity facing the Compact. He has been in contact with a major, statewide foundation that is planning to launch an unprecedented college grant program that will provide tuition seed money to all infants born in the state. He explained that he was not at liberty at this time to disclose the name of the Foundation, and asked the members to keep this in confidence until the formal announcement later this month.

This Foundation plans to provide a \$500 grant to be invested in a FAME 529 NextGen account opened for each newborn Maine resident, with registration eligible through the child's first birthday. Working in partnership with FAME and Maine hospitals, the first phase will be a model program launched in January at one hospital; depending on development of the model, the Foundation expects to roll out the program statewide to all newborn children by January 2009.

It is estimated that in 18 years this \$500 grant, without any additional contribution, would grow to \$1,400. However, the Foundation hopes and expects that the families of these young people will contribute more funds, no matter how modest, to make the most of the gift's potential. There were 14,152 births in Maine in 2006.

This Foundation will establish a new Scholarship Foundation to receive and disburse the funds, and contract with FAME and hospitals to deliver the program. The Compact has been asked to administer this new Scholarship Foundation, and collaborate with FAME and others to evaluate performance, engage in research, develop appropriate messaging, and apply for and administer grants. The Executive Committee met this morning to review the details of the request, and is recommending that the board of directors express the following commitment:

The Compact's Board of Directors expresses a sincere and enthusiastic intent to participate in the proposed 529 program, and authorizes the Executive Committee and executive director to analyze the details of the program and bring a recommendation to the full board telephonically for a vote of approval, or by other means as allowed under the Compact's bylaws.

After a brief discussion, the board:

**Voted**, on a motion by Mr. Scontras, seconded by Mr. Bancroft, to endorse the above statement of intent to participate in the program. The vote was unanimous.

Mr. Foley thanked the board and committees for their hard work, and adjourned the meeting at 11:45 a.m.

Respectfully submitted:

Henry Bourgeois,  
Compact Executive Director  
December 5, 2007