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Development of a Plan to Establish a Foundation
at Randolph Technical Institute

LARRY K. LINKER

A MAJOR APPLIED RESEARCH PROJECT
PRESENTED IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR
THE DEGREE OF DOCTOR OF EDUCATION

NOVA UNIVERSITY

1979

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Abstract of a Major Applied Research Project Presented to Nova University
in Partial Fulfillment of the Requirements for the Degree of Doctor of
Education

DEVELOPMENT OF A PLAN TO ESTABLISH A FOUNDATION
AT RANDOLPH TECHNICAL INSTITUTE

By

Larry K. Linker

Since opening to serve students in the fall of 1962, Randolph Technical Institute has experienced growth in student enrollment, tax funds for operation, and construction of buildings. The Institute has made little effort to secure nontax revenues to meet the needs for which tax dollars are not available or cannot be used. The need for nontax revenues is increasing with each year of operation; therefore, ways had to be found to increase income from donations or private sources. Recognizing this need, the Board of Trustees expressed an interest in establishing a foundation to pursue nontax revenues as part of the resource development program.

The purpose of this study was to develop a plan to establish a foundation at Randolph Technical Institute. The methodology was determined in order to acquire data necessary for the development of a plan. Thirteen structured interviews were completed at community colleges and universities to determine characteristics of a successful foundation. The results of a previous research project were thoroughly evaluated and critiqued by selected persons. As a result of these procedures, A Plan To Establish A Foundation At Randolph Technical Institute was developed.

The first part of the Plan contains Articles of Incorporation and Bylaws. These operational policies are necessary in the establishment of a foundation. The second part of the Plan contains pertinent operational guidelines. These guidelines are based on activities that tend to make a foundation successful. The overall purpose of the Plan was to provide the Board of Trustees with adequate information to develop and establish a foundation at Randolph Technical Institute.

It was concluded in the study that there are several implications of change that should have long-lasting effect on Randolph Technical Institute if a foundation is established: (1) the Institute would have a formalized organization with the sole purpose of obtaining income from nontax revenues; (2) income from donations and private sources should definitely increase; (3) an informed and involved citizenry is always beneficial to community colleges and technical institutes.

The Plan to establish a foundation at Randolph Technical Institute will be recommended to the Board of Trustees for consideration and adoption. Should the Board of Trustees approve the Plan and establish a foundation at the Institute, then this study will have served a significant purpose in the development of Randolph Technical Institute.

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Chapter 1

INTRODUCTION

North Carolina has a comprehensive community college system based on the philosophy of the "open door" institution. Educational opportunities are available in the areas of college parallel work, technical and vocational training, and general adult education. The history of the community college system in North Carolina dates back to 1952 when Allan S. Hurlburt made a study concerning the needs for community colleges in North Carolina. In 1957, the North Carolina Legislature passed the Community College Act. The community college movement took several avenues of development with the establishment of industrial education centers proving to be the most significant. Then, in 1963, the North Carolina Department of Community Colleges System was approved and is the comprehensive community college system in existence today. Fifty-seven community colleges and technical institutes now comprise the system with Randolph Technical Institute being one of these institutions.

Background and Significance

Since opening to serve students in 1962 as an Industrial Education Center, Randolph Technical Institute has experienced growth in student enrollment. The enrollment for 1962-1963 yielded 75 full-time equivalency students and has experienced growth to over 1,303 full-time equivalency students in 1977-1978. The number of programs offered at the Institute has grown from five curriculum programs in the fall of 1962 to twenty-one

curriculum programs in the fall of 1978 plus a multitude of community service programs. The growth pattern in student enrollment for Randolph Technical Institute for the last ten years is shown in Table 1. Enrollment is shown in full-time equivalency students and unduplicated head count.

Table 1
Student Enrollment: 1968-1978
Randolph Technical Institute

Academic Year	Full-Time Equivalent		Unduplicated Head Count	
	Curriculum	Continuing Education	Curriculum	Continuing Education
1968-1969	249	212	356	2,775
1969-1970	275	268	327	3,516
1970-1971	372	319	552	3,678
1971-1972	381	439	597	4,868
1972-1973	362	519	554	5,458
1973-1974	462	652	825	4,828
1974-1975	559	720	984	6,397
1975-1976	650	695	1,080	7,079
1976-1977	629	545	1,050	6,038
1977-1978	707	596	1,104	5,946

In support of the growth in student enrollment over the years, Randolph Technical Institute has been fortunate to obtain adequate tax dollars for operation. The State budget primarily provides funds for salaries, supplies, travel, and equipment. The State budget of tax dol-

lars has shown consistent growth to support the needs of students, faculty, and staff. The County budget, which comes from local tax dollars, is used primarily for building operation. Custodial salaries, heat, water, electricity, supplies and equipment needed for operation of buildings are the more important budget items. The funding pattern of State and County tax dollars is shown in Table 2.

Table 2
Income from State and County
Tax Dollars: 1968-1978
Randolph Technical Institute

Academic Year	State Budget	County Budget
1968-1969	308,317.55	40,115.50
1969-1970	456,225.00	43,515.00
1970-1971	581,131.20	47,612.50
1971-1972	649,592.02	60,218.00
1972-1973	740,420.00	65,868.00
1973-1974	1,038,228.93	90,893.00
1974-1975	1,186,424.00	99,479.00
1975-1976	1,236,134.00	109,910.00
1976-1977	1,278,581.40	125,500.00
1977-1978	1,424,387.38	142,025.00

Another important area in the development of an institution is providing adequate facilities to accompany student enrollment growth. Construction of facilities at Randolph Technical Institute has been a critical problem. The original building contained approximately 33,000

square feet and was first occupied in 1962. Not until 1968 was an addition constructed which added 10,000 square feet of space. In 1972 an addition of 16,000 square feet alleviated some problems, but the lack of space continued to be a significant problem for the Institute. Adequate parking was necessary which also put a strain on the construction dollar. The Board of Trustees and Administration were not successful in obtaining adequate tax dollars to meet construction needs. In 1977 a group of concerned citizens influenced the Randolph County Commissioners to appropriate 275,000 dollars in construction funds. While this was a progressive step forward, it was not adequate to construct needed facilities. In the spring of 1978 a bond referendum was scheduled which would provide 2.5 million dollars for Randolph Technical Institute. Utilizing community support, the bond referendum passed. Randolph Technical Institute is now in a construction program which will cost over three million dollars and will more than double the amount of available floor space. The erratic funding pattern for construction is shown in Table 3.

Table 3

Construction Funding: 1968-1978
Randolph Technical Institute

Academic Year	State	County	Bonds
1968-1969	286,256.00		
1969-1970			
1970-1971			
1971-1972			
1972-1973	329,855.00	76,000.00	
1973-1974			
1974-1975			
1975-1976			
1976-1977	100,990.00		
1977-1978	282,899.00	275,000.00	2,500,000.00

In the past sixteen years of operation, it is evident that Randolph Technical Institute has grown in student enrollment, tax funds for operation, and construction of buildings. In fact, most of the Institute's efforts were devoted to constructing and equipping buildings, recruiting and employing staff, designing instructional programs, recruiting students, and developing appropriate plans for fiscal management of tax revenues from State and County governments. To support these accomplishments, the Institute has relied almost totally on income comprised of tax revenues from State and County governments. The Institute has made little effort to secure nontax revenues to meet needs for which tax dollars cannot be used. The income from donations or private sources is shown in Table 4.

Table 4

Income from Private Sources: 1968-1978
Randolph Technical Institute

Academic Year	Donations
1968-1969	3,228.19
1969-1970	1,251.00
1970-1971	782.50
1971-1972	359.33
1972-1973	455.50
1973-1974	1,350.00
1974-1975	1,903.00
1975-1976	2,260.84
1976-1977	1,170.25
1977-1978	1,460.00

The need for nontax revenues is increasing with each year of operation; however, as shown in Table 4, these funds are not increasing. As student enrollment increases, the need for providing financial assistance to students grows accordingly. Nontax revenues are needed to provide scholarships and student work aid. Most governmental student aid programs require local institutional funds on a matching basis, and the trend is toward requiring even more institutional funds. For example, in past years the Vocational Work Study Program required 20 percent local funds; it now requires 50 percent. While Randolph Technical Institute's primary need for nontax revenues is in the area of financial assistance to students, there are other areas of need that are equally worthy.

Randolph Technical Institute receives State funds based on formula budgeting. Funds are actually earned on the prior year's enrollment. Nontax revenues can be used as "seed money" to initiate new programs and innovative ideas that eventually become self-supporting. Nontax revenues can also broaden faculty improvement programs and support construction needs. Many federal grants or private foundation gifts require matching funds for which tax revenues cannot be used. Tax dollars normally support the basic instructional program and related services, but, increasingly, private funds are needed to provide the margin of excellence that the community expects from Randolph Technical Institute. Therefore, ways must be found to increase the income from donations or private sources.

The Bylaws of Randolph Technical Institute charge the Board of Trustees with the responsibility of developing the Institute in accordance with the provisions of the law and standards of the North Carolina State Board of Education.¹ The Board of Trustees shall:

¹Randolph Technical Institute, Bylaws of the Board of Trustees (Asheboro, North Carolina: Randolph Technical Institute, 1978), p. 1.

. . . receive and accept private donations, gifts, bequests to the Institute, and apply the proceeds for the purpose and upon the terms which the donor may prescribe and which are consistent with the provisions of State law and regulations of the State Board of Education.²

The North Carolina State Board of Education, which accredits institutions within the Department of Community Colleges, states that institutions should take full advantage of all potential funds available to an institution.³ One of the evaluative criteria for accreditation states, "There is a planned program of seeking nontax funds for institutional development including scholarships, faculty improvement, student aid, and capital outlay."⁴

The Standards of The College Delegate Assembly of the Southern Association of Colleges and Schools also points out the need for programs in development and fund raising.⁵ The achievement of financial goals will depend on a sound plan for executing the program of institutional advancement.

John H. Blackmon states that one of the responsibilities of the trustees is to determine the methods of financing the operation of an institution.⁶ The financial management and the development of an institution are primary responsibilities of trustees. Methods of securing non-

²Randolph Technical Institute, op. cit., p. 7.

³Department of Community Colleges, Standards and Evaluative Criteria (Raleigh, North Carolina: Department of Community Colleges, 1975), p. 23.

⁴Ibid.

⁵Southern Association of Colleges and Schools, Standards of The College Delegate Assembly (Atlanta, Georgia: Southern Association of Colleges and Schools, 1976), p. 6.

⁶John H. Blackmon, Trustee Responsibilities for Community Colleges & Technical Institutes of the North Carolina Community Colleges System, rev. ed. by Kaye Hollowell (Raleigh, N. C.: State Board of Education, 1976), p. 30.

tax revenues are certainly considered to be a major responsibility of trustees with assistance and guidance from administration.

Chapter 115A of the General Statutes of North Carolina, Section 115A-25, grants the boards of trustees authority to appropriate nontax revenues for the financial support of an institution.⁷ Section 115A-40 states:

The board of trustees, on behalf of said school, shall have the right to accept and administer any and all gifts and donations from the United States government or from any other source which may be useful in carrying on the affairs of said school.⁸

Even though the literature clearly outlines the responsibility and authority of a board of trustees, Randolph Technical Institute has not made an organized effort to secure nontax revenues. Recognizing the need, the Board of Trustees of Randolph Technical Institute has decided to pursue the establishment of a foundation as a vehicle to solicit nontax funds.

The Resource Development Committee of the Board of Trustees was charged with the responsibility of investigating the establishment of a foundation. The responsibility to develop a proposed policy including articles of incorporation and bylaws was delegated to Larry K. Linker, Executive Vice-President for Administrative Services and ex officio member of the Committee. Supportive statements to this fact may be found in Appendix A.

Articles of incorporation and bylaws have been developed as a result of a previous research project that was planned as a preliminary

⁷North Carolina, Public School Laws of North Carolina, Community Colleges, Technical Institutes, and Industrial Education Centers, General Statutes, Chapter 115A (Raleigh, 1975), p. 18.

⁸Ibid., p. 24.

investigation for the Major Applied Research Project. The proposed articles of incorporation and bylaws for a foundation at Randolph Technical Institute may be found in Appendix B.

Therefore, the purpose of this study was to develop a total plan to establish a foundation at Randolph Technical Institute. This plan is twofold. The first part of the plan includes operational policies which are articles of incorporation and bylaws. The second part of the plan concentrates on operational guidelines based on characteristics of successful foundations in other institutions. The plan will be presented to the Board of Trustees for consideration and adoption.

Research Questions

The development of a plan to establish a foundation at Randolph Technical Institute involved two critical issues. First, foundation policies have been developed as a result of a previous research project. These proposed policies included articles of incorporation and bylaws. The basic research question answered by this investigation was--are these policies appropriate and adequate to establish a successful foundation at Randolph Technical Institute? Articles of incorporation must meet legal requirements to qualify as a tax exempt corporation. Bylaws vary dependent upon the foundation and its purposes or goals. These policies had to be determined as appropriate and adequate for the establishment of a successful foundation.

Second, operational guidelines were developed based on the characteristics of successful foundations in other institutions. The basic research question answered in this issue was--what are the characteristics of a successful foundation? The establishment of a foundation is somewhat

mechanical in nature; however, the operation should be clearly patterned after the characteristics of a successful foundation in a similar institution. Extensive research was required to determine the characteristics of a successful foundation.

Information gained from the study of these two issues provided the necessary data to develop a plan to establish a foundation at Randolph Technical Institute. This plan will be presented to the Board of Trustees for consideration and adoption.

Definition of Terms

Several terms are used in the study that are general in nature. The following definitions of terms should clarify their intended meaning for purposes of this study:

plan: an orderly arrangement of operational policies and operational guidelines.

foundation: an organization to secure nontax funds in support of an educational institution.

operational policies: policies to include articles of incorporation and bylaws for a foundation.

operational guidelines: those activities which tend to make a foundation successful.

successful: success in obtaining financial support.

Assumptions and Limitations

A limitation of this study was that the majority of the research information was acquired from foundations and personnel within the North Carolina Department of Community Colleges System and the North Carolina University System. It was an assumption that a thorough review of pertinent literature broadened the scope and helped offset this limitation.

Chapter 2

REVIEW OF RELATED LITERATURE

Previous references to the literature in this study have been used to establish the need and validity of a foundation. Since most of the individual and original research information was secured from foundations and personnel within the North Carolina Department of Community Colleges System and the North Carolina University System, the review of literature in this Chapter was used to broaden the scope of the study. As a result, helpful data were obtained from beyond the boundaries of North Carolina.

Kenneth B. Woodbury, Jr., appropriately describes a community college foundation. He states:

The primary purpose of establishing a community college foundation is to provide an effective vehicle for local solicitation of funds to help support programs and facilities at the college not adequately funded elsewhere. The dependency of the community college upon tax support at the local, county, and state levels does not preclude the possibility of seeking private support. It is easier to approach a prospective donor with a project that has been endorsed by community leaders who make up the foundation board.⁹

Woodbury also claims that there are other advantages to a foundation. It can lease, own, and operate college facilities so that profits go to the foundation to be managed and disbursed in ways otherwise not possible; it can own and lease land to a college if this would be beneficial; it can act as a federal or other foundation agent recipient when

⁹Kenneth B. Woodbury, Jr., "Community College Foundation," Community and Junior College Journal, Vol. 43, No. 4, Dec.-Jan., 1973, p. 16.

a college is ineligible to serve as a primary grantee; it can hold funds for state matching monies and hold funds from one fiscal year to another. A major advantage is a broadened base of local support for the college by recruitment of leading members of the community for the effort.¹⁰

Fred H. Bremer and Floyd S. Elkins state, "One of the tests of public acceptance of an institution of higher education is the amount of financial support it receives from private sources."¹¹ The authors describe the situation that many public junior colleges receive no financial support except through tax dollars. They suggest that verbal support of education is popular, but the essential test of conviction is action in the form of financial aid or constructive behavior by individuals and groups. Bremer and Elkins project the continuing and expanding interest in community colleges and state, ". . . they will undoubtedly be the recipients of even larger gifts for educational purposes."¹²

Michael F. Luck states that educational foundations for raising and allocating private funds have a legitimate place in the community college.¹³ Luck states that the primary importance of operating a fund-raising program through a foundation is to enable a college to chart its growth, to anticipate emergencies, and to meet the legitimate considered needs of all parts of the institution.

¹⁰Woodbury, loc. cit.

¹¹Fred H. Bremer and Floyd S. Elkins, "Private Financial Support of Public Community Colleges," *Junior College Journal*, Vol. 36, No. 1 (September, 1965; ERIC Document ED 011 764, May, 1978), p. 16.

¹²Ibid., p. 19.

¹³Michael F. Luck, "Educational Foundations--Alternative Development Strategies: Insurance for a Solvent Community College System," a paper presented at the Annual Convention of the American Association of Community and Junior Colleges, Denver, Colorado, April 17-20, 1977 (ERIC Document ED 142 269, May, 1978), p. 7.

W. Harvey Sharron states that community colleges must look increasingly toward the federal and private areas for fiscal resources because of state and local regressions in funding education.¹⁴ Sharron advocates that the establishment of a foundation at the community college level can reap many dollars in revenue to assist with needs for which tax revenues cannot be obtained.

Lowell H. Brammer believes that institutions can obtain income from nontax revenues. He states that work, work, and more work is the secret of successful fund-raising. If some money can be added to that work, and some talent added to the money, then an institution has the ingredients for fund-raising.¹⁵ Brammer is an advocate of the "Annual Fund" as a key means of obtaining income from sources other than governmental tax funds.

William G. Kelley states that nontax funds can be obtained from other foundations if properly pursued.¹⁶ Kelley suggests that foundation grants seem to go toward challenging programs rather than current operating needs and building programs. Among the first things one will want to research about a foundation will be: (1) How foundations conduct their business; (2) For what they give money; (3) How much they give;

¹⁴W. Harvey Sharron, "External Funding: Federal and Private," a speech given before the Sixth Annual Conference for Community College Presidents held at Charlotte, N. C. and sponsored by the University of North Carolina, Charlotte, and the State Board of Education, July 25-28, 1971 (ERIC Document ED 060 834, May, 1978), p. 13.

¹⁵Lowell H. Brammer, "How to Implement Annual Giving for the Small College, Philosophy--Dynamics," paper presented at the Annual Summer Workshop of Council for the Advancement of Small Colleges, Santa Fe, New Mexico, August 5-8, 1968 (ERIC Document ED 024 123, May, 1978), p. 10.

¹⁶William G. Kelley, "Private Finances for Public Junior Colleges; Introductory Ideas," seminar paper (1968; ERIC Document ED 031 217, May, 1978), p. 24.

(4) Where they give it; (5) Where to begin in making a presentation.

These questions must be answered before approaching any foundation for support.

The Community Health Foundation offers helpful information regarding fund-raising. The Foundation states that an institution must thoroughly analyze itself before going public with its needs. An institution must prepare a case statement specifying its goals, past accomplishments, distinctive mission, and future opportunities. The case statement is a concise set of persuading concepts designed to motivate people to do something on behalf of the institution.¹⁷ This information should prove helpful in obtaining nontax funds from the local community as well as other sources.

Patrick J. Montana stresses the importance of marketing in non-profit organizations such as an institutional foundation. Montana states that the growth of nonprofit organizations and public service institutions in recent years has been astounding; yet, the evidence of satisfactory performance in the nonprofit field is not impressive. The nonprofit sector must become more marketing conscious and must devise a sound marketing plan. One of the most frequently heard comments has to do with the "uniqueness myth" propagated by many of the nonprofit organizations. It takes the form of: "We don't make a profit--we're different from business," or "We don't have the same type of accountability." Montana believes that the uniqueness myth can be used in a positive sense in determining which kinds of marketing techniques are applicable and which can be used successfully.¹⁸

¹⁷ Illinois, Community Health Foundation, Fund Raising (Evanston, 1976; ERIC Document ED 145 889, May, 1978), p. 27.

¹⁸ Patrick J. Montana, Marketing in Nonprofit Organizations (New York: AMACOM, A Division of American Management Associations, 1978), p. 2.

David H. Ponitz states that the time may be ripe to initiate a community college foundation in the community which will encourage that local resources be funneled into the community operation.¹⁹ More than ever before, people appreciate what education can do for an individual, a family, and the total community. In the coming years, it will be the community college movement that will best meet the challenge of the times; therefore, community college foundations will benefit financially from community support.

Change and innovation are needed in every aspect of life, and education is no exception. William C. Archie states that institutions--not private foundations--must come up with innovative ideas in order to have continued financial support.²⁰ Foundations are insisting that the programs they support be relevant to the needs of society, which means that the foundations are relevant to the students. Archie states that foundation trustees easily tire of engaging in the problems of yesterday and are seeking to support those things which will indeed lead to some kind of effective change.²¹ Institutional foundations must be aware of this direction in order to secure funds.

Lawrence Kramer states his views of the future of foundations. He believes that many changes are taking place as a result of the Tax Reform Act of 1969. Kramer says:

¹⁹American Association of Junior Colleges, "The Foundation and the Junior College," a report of a workshop for Junior College Institutional Teams, New York City, May 9-11, 1965 (Washington, D. C. 1965; ERIC Document ED 014 976, May, 1978), p. 98.

²⁰William C. Archie, "Foundations and Higher Education: Innovation and Redirection," a paper presented at the American Association for Higher Education's 24th National Conference on Higher Education, Chicago, Ill., March 2-5, 1969 (ERIC Document ED 027 848, November, 1978), p. 1.

²¹Ibid., p. 5.

There will be more money to grant; clearer, more rational grant-making philosophies; more staff for you to work with; more willingness to change; longer term grants; a greater sense of responsibility on the part of the foundation for grantee survival; greater openness about foundation activities; and more evaluation of grantees and grant makers. This means that grant applicants of the future who can convince a foundation that what they want to do is worth doing and can be done best with foundation support, and will demonstrate the social value of foundation philanthropy, will get a very attentive hearing.²²

George Traicoff offers an interesting philosophy in obtaining financial support: promise more than anyone else does and then deliver more than promised. Traicoff states:

I sincerely believe that this is the only viable, acceptable philosophy that an institution can have if it genuinely seeks to solve community educational problems and wishes special financial support for these programs.²³

Julian H. Levi and Sheldon E. Steinbach state that the contributions of private donors are essential to the financial health of all public and private colleges and universities in this country.²⁴ Their study shows an increase in contributions from businesses, religious denominations, foundations, and other sources, but voluntary support from individual donors has declined. This characteristic of fund-raising must be taken into account at the institutional level in the planning of fund-raising activities.

²²Lawrence Kramer, "The Future of Foundations," College and University Journal, Vol. 13, No. 2 (March, 1974; ERIC Document EJ 094 765, November, 1978), p. 14.

²³George Traicoff, Obtaining Financial Support for Community Services Programs (Washington, D. C.: American Association of Junior Colleges, 1969; ERIC Document ED 032 052, November, 1978), p. 8.

²⁴Julian H. Levi and Sheldon E. Steinbach, An Analysis of Voluntary Support of American Colleges and Universities, 1973-74: Patterns of Giving to Higher Education III (Washington, D. C.: American Council on Education, 1974; ERIC Document ED 129 151, November, 1978), p. 1.

While it is evident that private foundations provide many dollars in nontax revenues to an institution, certain precautions should be taken.

David M. Thompson states:

Be sure that survival of your organization is not dependent solely upon foundation support. Foundations are not required to support your organization. Their support must be merited, sought, earned, then won. Be prepared to earn their support.²⁵

L. Robert Oaks is a believer in the kind of public relations and internal relations that provide support to the goals and objectives of nonprofit organizations. He believes that communication by objective organizes the public relations and internal relation functions as an essential part of the management process. It makes certain that every communication effort is directed toward the purpose of the organization as a whole. It avoids wasted effort on peripheral matters and concentrates on those which have higher priority. It also can make the difference between uncertainty and clarity in management decision-making.

Under Oaks' system, communication does the following things:

1. Provides input from the community for defining long-range objectives.
2. Obtains facts needed for determining intermediate goals.
3. Defines work segments for accomplishment of goals.
4. Monitors progress.
5. Promotes programs and measures their success.²⁶

In conjunction with proper communication, Oaks advocates that the image of an institution is extremely important to a foundation or any nonprofit organization. He suggests several steps for building an institutional image. To create a favorable public image of itself, Oaks states that an institution should:

²⁵David M. Thompson, Approaching Foundations Thoughtfully (1976; ERIC Document ED 124 000, November, 1978), p. 4.

²⁶L. Robert Oaks, APR, Communication By Objective (South Plainfield, N. J.: Groupwork Today, Inc., 1977), p. 2.

1. Adopt clearly-defined purposes, stated in writing and approved by the governing board.
2. Agree on specific long- and short-range objectives for achieving those purposes.
3. Plan, at executive level in consultation with staff, a strategy for reaching the objectives.
4. Establish deadlines for reporting progress and any difficulties encountered.
5. Determine channels for clearing program announcements and other communication, for reporting statistics and their evaluation.
6. Provide methods of keeping board members informed of progress between meetings.
7. Execute communication actions for building understanding of problems and points of view and support for programs with both interested groups and general public.
8. Time communication efforts from center outward--beginning with those who are directly responsible for carrying out programs and including others in accordance with their interest and need to know.
9. Break down each communication effort into individual tasks, assigning to each its time frame, essential personnel and money resources, choosing media, methods and message content.
10. Assign measurable target results to every communication task. These should be determined by proper goals and reasonable expectations. They will later serve for evaluation.
11. Build feedback into every communication program, or arrange for other means of testing public reactions.
12. Assign monitoring responsibilities to determine whether targets are being met as the program proceeds.
13. Adjust or augment original communication plans as need is determined. Correct misimpressions or deviations from objectives before a wrong image becomes fixed in people's minds.²⁷

Such organization of effort will present an image of an institution that knows what it wants to accomplish and how to accomplish it. This can be extremely beneficial to an institution that is establishing a foundation to seek nontax revenues.

Bernard P. Taylor explains the psychology of fund-raising as well as sound processes for securing monies needed for ongoing operations and capital purposes. He advocates that an institutional foundation can secure funding in support of quality services and at the same time develop friends in the process. Taylor recommends that the institutional founda-

²⁷Oaks, op. cit., pp. 28-29.

tion establish a case as a basic appeal for financial support. The case is an organized statement of essential facts which support an appeal for funds, and it is an affirmation of the reasons why a cause deserves support. Taylor states that no two cases are alike, but many have been found to be convincing and productive based on the following guidelines:

1. The case must be humanitarian and wide in scope.
2. The case must be timely, practical, and sound, i.e., valid.
3. The case must demonstrate the institution's competence.
4. The case should give the specific accomplishments of the institution.
5. The case advances a plan.
6. The case must state specific objectives in terms of need.
7. The case indicates who may be expected to give and suggests the method.²⁸

Taylor also offers some very helpful guidelines for the person charged with the responsibility of seeking funds for the foundation. Although the person will rely on his or her own judgment, as to the method of approach, the following general suggestions could be helpful:

1. Use the telephone only to make the appointment; the initial visit should be a personal one.
2. Two people are more effective than one. The volunteer should feel free to call upon the president, a trustee, or another member of the committee to accompany him or her on the call. (Warning--three is a crowd.)
3. Review and select in advance the methods of presenting "the story," together with appropriate literature to leave with the prospect.
4. Plan the conference in advance and hold a practice interview if possible.
5. Set a definite target to be accomplished by the meeting, such as a request to submit a personal presentation, a scheduled meeting with others, lunch with the president, a trip to the institution, etc.
6. In presenting the case for the institution, show how it is contributing to the solution of the universal problems of human welfare and education.
7. Use the case brochure. Talk it through--just in event the prospect does not get an opportunity to read it.
8. Endeavor to indicate how the donor can carry out his or her own desires through the institution and its objectives.

²⁸ Bernard P. Taylor, Guide To Successful Fund Raising For Authentic Charitable Purposes (South Plainfield, N. J.: Groupwork Today, Inc., 1976), p. 19.

9. Pursue the case for the institution and the objectives of the campaign, but let the prospect bring up the subject of his or her part in it.

10. Do not do a "snow job" on the prospect. Give him or her an opportunity to ask questions and expand on his or her interests. Find out what additional information he or she would like to have.

11. Take sufficient time to make an adequate presentation, but leave promptly after the point of the interview has been made. Socialize at a later time.²⁹

Obtaining funds from large foundations can also be a source of funds for an institutional foundation. Taylor states that by providing accurate answers to the following questions, an institution can make some advance preparation in contacting the foundation for support:

1. Do the stated purposes of the institution correspond generally with those of the foundation?
2. Is the institution already working in an area similar to that in which the foundation is interested?
3. Can the institution demonstrate dependable and efficient management as supported by:
 - A. Annual progress reports showing positive achievements?
 - B. Financial reports prepared and submitted by reputable outside auditors?
4. Does the institution have the personnel, both in number and quality to execute a program or project supported by the foundation?
5. Is the institution prepared to assign sufficient time, personnel, and facilities to accomplish the program or project on an allotted schedule?
6. Will the foundation grant involve new and larger commitments for the institution?
7. Is the institution prepared to invest matching funds in the project or program?
8. Is the institution prepared to submit a comprehensive budget describing how the grant is to be expended?
9. Will the institution corroborate by submitting special additional information, essential to the final evaluation of the proposal?³⁰

A dissertation abstract search yielded one study relevant to this investigation. A study by Michael F. Luck certainly contributes to the literature in an area where very little research has been performed. The primary purpose of Luck's study was to determine the characteristics of

²⁹Taylor, op. cit., pp. 68-69.

³⁰Taylor, op. cit., p. 113.

foundations and fund-raising in the United States. His findings and conclusions can certainly contribute to this investigation. A summary of Luck's principal findings are:

1. Most public comprehensive community colleges that participate in fund-raising utilize direct mail as a form of solicitation.

2. Most public comprehensive community colleges do not perform telephone campaigns as a method of fund-raising.

3. Over half of the public comprehensive community colleges utilize personal solicitation as a method of fund-raising.

4. Almost all of the public comprehensive community colleges have at least 1 to 3 members on their fund-raising staff (part- or full-time, including secretaries).

5. The most frequent amount of dollar support received by public comprehensive community colleges from non-alumni individuals in 1973 was less than \$1,000.

6. The most frequent amount of dollar support received by public comprehensive community colleges from corporations and businesses during 1973 was less than \$2,500.

7. The most frequent size of the largest gift ever received by public comprehensive community colleges was less than \$5,000.

8. The most frequent amount of dollar support received by public comprehensive community colleges from general welfare foundations during 1973 was less than \$5,000.

9. The most frequent amount of dollar support received by public comprehensive community colleges from bequests during 1973 was less than \$5,000.

10. The most frequent amount of dollar support received by public comprehensive community colleges from annuities, life contracts, or insurance during 1973 was less than \$10,000.

11. The most frequent amount of dollar support received by public comprehensive community colleges from parents of current students during 1973 was less than \$500.

12. The most frequent amount of dollar support received by public comprehensive community colleges from matching gifts during 1973 was less than \$1,000.

13. Very few public comprehensive community colleges have ever used professional fund-raising counsel, or paid a fee for a program planned by such an agency.

14. Three-quarters of the public comprehensive community colleges are not satisfied with their present fund-raising efforts.

15. Fewer than half of the public comprehensive community colleges have foundations.

16. The most frequent age of foundations in public comprehensive community colleges is 1 to 5 years.

17. Most public comprehensive community colleges do not have full-time officials in charge of their foundations.

18. Almost all public comprehensive community colleges with foundations have boards to control the work of the foundation.

19. The most frequent number of members on foundation boards in public comprehensive community colleges is 9 to 12.

20. Over half of the public comprehensive community colleges do not have membership subcommittees of their foundation boards that nominate new members.

21. Almost three-quarters of the public comprehensive community colleges have college faculty or staff representation on their foundation boards.

22. The most frequent value of non-monetary gifts received by public comprehensive community colleges during 1973 was less than \$2,500.

23. The most frequent term of office for foundation board members in public comprehensive community colleges is 3 years.

24. Most public comprehensive community colleges provide staggered terms of office for foundation board members.

25. Almost all public comprehensive community colleges with foundations maintain separate accounting procedures for the college and for the foundation.

26. The most frequent amount of total assets in public comprehensive community college foundations is less than \$10,000.

27. Three-quarters of the public comprehensive community colleges with foundations utilize their own personalized foundation stationery, pledge cards, brochures, and promotional materials.

28. The group in public comprehensive community colleges that most frequently appointed the first foundation board members was the trustees of the college.

29. The most frequent percentage of alumni responding with money to fund-raising solicitation by public comprehensive community colleges is 1% to 3%.³¹

As a result of these findings, Luck came to certain conclusions that should give direction to establishing a foundation. These conclusions are:

1. Public comprehensive community colleges should consider spending more money in their yearly fund-raising efforts.

2. Those public comprehensive community colleges which do not already do so should consider informing their alumni about their alma mater through periodic communiques.

3. Public comprehensive community colleges should consider utilizing their college trustees in all fund-raising activities.

4. More public comprehensive community colleges should consider active fund-raising.

5. The number of public comprehensive community colleges with annual funds is increasing.

6. The number of public comprehensive community colleges with alumni associations is increasing.

³¹Michael F. Luck, "The Characteristics of Foundations and Fund-Raising in Public Comprehensive Two-Year Colleges" (Ph.D. dissertation, Southern Illinois University at Carbondale, 1974), pp. 149-160.

7. The number of public comprehensive community colleges with full- or part-time individuals assigned to fund-raising is increasing.

8. Most public comprehensive community colleges with foundations do not fully utilize the potential of their foundations.

9. Most public comprehensive community colleges with foundations focus the purposes of their foundations too narrowly.³²

It was also interesting to find a recommendation by Luck for additional research to which this investigation was directed. Luck states, "More research should be performed on the establishment and use of community college foundations."³³ Even though this investigation is directed toward establishing a foundation at Randolph Technical Institute, it should be beneficial to the many two-year public institutions that have not developed foundations to date.

³²Luck, op. cit., pp. 161-165.

³³Luck, op. cit., p. 169.

Chapter 3

PROCEDURES AND METHODOLOGY

The development of a plan to establish a foundation at Randolph Technical Institute was twofold; therefore, the methodology that was used employed several procedures to obtain the needed information. In undertaking this study, a survey of available literature was made to obtain as much additional information as possible regarding the stated problem.

The first part of the plan includes operational policies which are articles of incorporation and bylaws. These policies were developed as a result of a previous research project which was planned as a preliminary investigation to this study. They may be found in Appendix B. The proposed articles of incorporation and bylaws were developed by utilizing a questionnaire designed to obtain such information. A copy of the questionnaire may be found in Appendix C. This instrument was mailed to the Chief Business Official at each of the fifty-six institutions in the North Carolina Department of Community Colleges System to determine which institutions have a foundation and to secure information regarding operational policies. A summary of the questionnaire results may be found in Appendix D.

The proposed articles of incorporation and bylaws had not been evaluated or recommended to the Board of Trustees; therefore, as a part of this study, the proposed articles of incorporation and bylaws were mailed to Thad Eure, Secretary of State, Raleigh, North Carolina, for his evaluation and approval. A copy of the letter requesting his assistance and the reply from his office may be found in Appendix E.

In addition, the proposed articles of incorporation and bylaws were mailed to three Resource Development Officers in the North Carolina Department of Community Colleges System to be evaluated in terms of being adequate and appropriate to establish a successful foundation. A sample copy of the letter requesting an evaluation or critique and the reply received may be found in Appendix F. The three persons were selected with the assistance of Robert E. Strother, Special Assistant to the President of the North Carolina Department of Community Colleges System. Strother has extensive experience in working with resource development and foundations and has assisted several institutions within the North Carolina Department of Community Colleges System in establishing foundations.

The three Resource Development Officers who were selected are as follows: James H. Young, Director of Institutional Development, Pitt Technical Institute; Harriette Crump, Director of Institutional Development, Halifax Community College; Jay M. Meyers, Director of Resource Development, Central Piedmont Community College. Each person agreed by telephone conversation to provide assistance to the study. A letter outlining the specific assistance that was requested by telephone was mailed to each of the Resource Development Officers. A sample copy of this letter and their letters of acceptance may be found in Appendix G.

The President of Randolph Technical Institute and members of the Resource Development Committee of the Board of Trustees were also asked to critique the proposed articles of incorporation and bylaws. Supportive statements to this fact may be found in Appendix H. With the assistance of the Secretary of State, three Resource Development Officers, the President of the Institute, and the Resource Development Committee, information was obtained to finalize operational policies that will lead to the establish-

ment of a successful foundation. Also, the first part of the plan should be acceptable to the entire Board of Trustees as a result of thorough evaluation and critique.

For the second part of the plan, an interview technique was employed to determine operational guidelines based on characteristics of successful foundations. A total of fifteen structured interviews were planned. Ten presidents or their designee(s) from the North Carolina Department of Community Colleges System were interviewed. They were selected on the basis of their institutions' being the most successful in terms of revenues received by their foundation annually. This selection was derived from information found in Appendix D. The first nine institutions were easily selected based on their reported amounts of revenue received annually; however, the tenth institution had to be randomly selected since four institutions reported identical revenues. A list of the institutions interviewed and their reported revenues may be found in Appendix I. The institutions were first contacted by telephone to ask for assistance and to arrange an interview appointment with the appropriate person. Each of the ten institutions agreed to an interview, and a letter was mailed confirming the appointment. A sample copy of these letters may be found in Appendix J.

The persons interviewed from each institution are as follows:

H. B. Monroe, President, Anson Technical Institute; Powell Majors, Executive Director of Foundations and Jay Meyers, Director of Resource Development, Central Piedmont Community College; Roger M. Daughtry, Business Manager, Coastal Carolina Community College; Grady E. Love, President, Davidson County Community College; John Price, President, McDowell Technical Institute; Raymond Stone, President, Sandhills Community College; Jack Ervin,

Director of Development, Southeastern Community College; Sheridan Smith, Administrative Assistant to the President, Southwestern Technical Institute; Clyde Johnson, Business Manager, Surry Community College; Conrad Shaw, Vice-President for Administrative Services, Wilkes Community College. Immediately following each interview, a letter of appreciation was mailed to each person. A sample copy of these letters may be found in Appendix K.

In addition to these interviews, five development or foundation officers within the North Carolina University System were to be interviewed. The selection was based on recommendations from the office of William C. Friday, President of General Administration with The University of North Carolina Board of Governors. Friday's assistance was requested by letter asking for his recommendations. A copy of the letter(s) may be found in Appendix L along with the reply from Friday's office. Only three persons were recommended in the reply; therefore, three persons were interviewed. Those persons interviewed were as follows: Rudolph Pate, Vice-Chancellor for Foundations and University Relations, North Carolina State University; Charles M. Shaffer, Director of Development Office, The University of North Carolina at Chapel Hill; William M. Britt, Vice-Chancellor for Development, The University of North Carolina at Charlotte. Upon completion of the interviews, each person was mailed a letter of appreciation as shown in the Appendix K.

The purpose of the thirteen interviews was to obtain data which would identify the characteristics of a successful foundation. A proposed questionnaire was developed to use as a guide to assure consistency with each interview. A copy of the proposed questionnaire was mailed to the three Resource Development Officers for their critique. Each Officer was asked to complete the proposed questionnaire as a test run and to make

suggestions for improvement of the instrument. This request and replies received may be found in Appendix F. Their comments and suggestions were used as validation of the questionnaire. A copy of the proposed questionnaire and the revised questionnaire may be found in Appendix M.

The interviews were open-ended with each person being asked to add relevant information. The interviews were tape-recorded to accurately document the information provided. Then, to ascertain accuracy of information, each person was mailed a written report summarizing the data collected from his interview. Each person was given the opportunity to add or delete information. A sample copy of the letter and the summary of data collected from each institution may be found in Appendix N.

The second part of the plan--operational guidelines--was developed by utilizing the data collected from the interviews and from the review of pertinent literature. The data base was analyzed and organized into a meaningful approach to operational guidelines for a successful foundation. An outline format with narrative explanation was used to condense information for the plan.

A draft copy of the second part of the plan was then mailed to the three Resource Development Officers; M. H. Branson, who is President of Randolph Technical Institute; and members of the Resource Development Committee of the Board of Trustees for their critique and suggestions. A sample copy of the letter(s) requesting assistance may be found in Appendix O. Their recommendations and suggestions were incorporated into the final plan.

The foregoing methodology and procedures used in this study have called for thorough monitoring and evaluation of the data collected. However, the final product, which is a plan to establish a foundation at Ran-

dolph Technical Institute, must have a plan for evaluation. This evaluation process is discussed in Chapter 5 of this study.

Chapter 4

FINDINGS

The findings of this study proved to be both interesting and informative. The amount of literature that was available and pertinent to this study was somewhat limited but proved to be an asset to the study. The article by Kenneth B. Woodbury, Jr. proved to be most informative in describing and defining a foundation. The article was useful as a hand-out to the Resource Development Committee of the Board of Trustees in providing a basic orientation to foundations in a community college environment. Also, the study by Michael F. Luck was a helpful reference with the Board of Trustees and with the thirteen persons selected for the structured interviews. The study was national in scope but provided much information and guidance that could be incorporated into a plan to establish a foundation at Randolph Technical Institute. Since most of the individual and original research information was secured from foundations and personnel within the North Carolina Department of Community Colleges System and the North Carolina University System, the literature was found to be helpful in broadening the scope of the study.

The first part of the plan to establish a foundation at Randolph Technical Institute includes operational policies which are articles of incorporation and bylaws. These proposed policies were developed as a result of a previous research project which was planned as a preliminary investigation to this study. Since the proposed articles of incorporation and bylaws had not been evaluated or recommended to the Board of Trustees,

the primary purpose of the study was to finalize policies for presentation to the Board of Trustees. Therefore, in this study, the operational policies were to be evaluated and critiqued by several reliable sources.

The proposed policies were first reviewed by Thad Eure, Secretary of the State of North Carolina. Eure's office made several corrections to Article IV of the articles of incorporation. These corrections dealt mainly with adding a few words and detailing names and addresses of the original directors and incorporators. With these corrections made, the policies were found to be acceptable. The letter describing the evaluation by Eure's office may be found in Appendix E.

In addition, the proposed policies were evaluated by three Resource Development Officers in the North Carolina Department of Community Colleges System. One of the Resource Development Officers stated that the articles of incorporation were sound and that the bylaws were appropriate and in good order. Another stated that the policies were entirely adequate and appropriate to the establishment of a successful foundation. However, one of the Resource Development Officers questioned the treasurer of the Institute also serving as treasurer of the foundation. He also questioned the need to countersign checks in payment of expenses. These suggestions were based on the premise that a foundation should work at arm's length from the college, and these points would tend to preclude this. However, after careful consideration, these suggested changes were not incorporated into the policies. The decision was based on a review of policies from approximately twenty other community college foundations. More specific comments by the three Resource Development Officers may be found in Appendix G.

The President of Randolph Technical Institute and members of the Resource Development Committee of the Board of Trustees were also asked to critique the proposed articles of incorporation and bylaws. The President pointed out several areas within the bylaws that could be clarified with a change in word usage. He also suggested date changes in the articles of incorporation from 1978 to 1979 in order to keep the forms current. The majority of these suggestions were accepted and are reflected in the final policies.

The critique by members of the Resource Development Committee prompted several questions. However, most of the questions were a matter of interpretation. Following a discussion, the members of the Resource Development Committee found the proposed policies quite appropriate to present to the full Board of Trustees.

With the critique of the Secretary of State, three Resource Development Officers, the President of the Institute, and the Resource Development Committee, information was obtained to finalize operational policies that will lead to the establishment of a successful foundation. As a result of thorough evaluation and critique, the proposed articles of incorporation and bylaws were revised accordingly and appear in final form in the Plan To Establish A Foundation At Randolph Technical Institute. The Plan may be found in Appendix P.

For the second part of the plan, an interview technique was employed to determine operational guidelines based on characteristics of successful foundations. The interviews required more time and effort than was anticipated--ten days and approximately two thousand miles of travel with two nights of out-of-town lodging. However, the knowledge gained from the visits to thirteen institutional foundations was well worth

the time and expense. A complete summary of the data collected from each institution may be found in Appendix N. However, since these findings are reported on an individual basis by institutions, it appears appropriate to summarize the findings at all institutions into one composite analysis. In making this summary, more emphasis was placed on data collected from institutions within the North Carolina Community Colleges System since the information appears to be much more relevant to the problem being studied.

Questions from the Interview Questionnaire on Characteristics of Successful Foundations are listed below in numerical order. A narrative response is given to each question based on conclusions drawn from the summary data of each institutional interview.

1. How long has your institution had a foundation?

The average community college foundation has been actively operating for 6-7 years. The oldest foundation was established in 1966 (13 years) and the newest in 1977 (2 years).

2. Who governs your foundation, and how are these persons selected?

In all the institutions interviewed, the foundations are governed by a Board of Directors. The original Board of Directors was appointed by the institution's Board of Trustees. In five cases the Directors are still appointed by the Trustees, and in five cases the Directors elect the new Directors. Six institutions are required to have members of the Board of Trustees on the Board of Directors. In three of these six institutions, the Trustees form a majority of the Directors. The actual average size of the Boards of Directors of these ten foundations is 17 members; however, most of the larger Boards are considered to be too large by the development personnel. The general consensus is that a Board of 12-15 Directors works best.

3. In your opinion, what is the specific role of your foundation?

A general statement of all the foundations' roles would identify the foundation as a vehicle of funds able to do things that the institution cannot do with other funds. The institutions utilize this role of the foundation in various ways.

Six of the institutions are aiming to increase their endowments, with four of these institutions naming this as the only role of their foundation. This role is viewed as a way of preparing for a future where government funds will not be adequate to support the institution.

The other institutions use their foundations as a tool to finance projects that the institution needs but cannot finance from governmental sources. Many of these are building projects that will have an effect of long-lasting benefits for the institution. Thus, to an extent, these foundations are used as a hedge against a future where costs are much higher than at present.

Also, half of the foundations interviewed award financial aid to students. Much of this aid comes from designated gifts to the foundation that must be used for scholarships.

4. Do you consider your foundation successful in terms of the amount of money raised? What other measures do you use to judge success?

In general, these foundations have been successful in terms of the amount of money raised, though almost all of the development personnel felt that more hard work could provide greater results. Another measure of success was the degree of the institution's involvement with the industries and individuals that the foundation could engender. The general opinion was that the success of any foundation is not measured solely in terms of funds raised but also in terms of the extent to which these funds are applied to meeting the objectives of the foundation.

5. Identify five (5) characteristics that you consider make your foundation successful.

The most commonly cited characteristic of a successful foundation is a good Board of Directors who are sincerely interested in the institution and its philosophies and are willing to work hard. Also frequently cited is the necessity for the President of the institution to be a strong supporter of the foundation, either in terms of soliciting donors or performing a strong public relations function. Having a Board of Directors who reflect the community in which the institution operates was another common characteristic.

A final characteristic often implied, if not mentioned directly, was the value of stressing the permanence of a gift to the foundation. Whether the gift is perpetuated in an endowment or in "bricks and mortar," the appeal of leaving more than a memory is successful.

6. Do you advertise or promote your foundation? If so, what techniques do you use?

With one notable exception of Southeastern Community College, the foundations are promoted very little. Most have the attitude that the institution--not the foundation--should be promoted, and all seem to act within this philosophy. When unusually large gifts are received, most of the foundations have gone no farther than merely using personal contacts and occasional newspaper publicity for promotion.

7. Do you utilize a speakers bureau to promote your foundation? If so, who comprises the bureau?

None of the foundations utilizes a speakers bureau per se. Most of them have a Director of the foundation or the President of the institution to address civic groups as the occasion arises.

8. Do you emphasize an annual fund-raising drive or is fund-raising a continuous process throughout the year?

Only two foundations emphasize their fund-raising as an Annual Fund Drive. The remaining consider their fund-raising to be a continuous activity throughout the year. However, many of the foundations operate to some extent on an Annual Fund Drive concept by having specific goals within a specific time period. There is some sentiment that an Annual Fund Drive increases the interest and participation of the Board of Directors and, at the same time, generates good publicity for both the foundation and the institution. It is very possible that more institutions will adopt the Annual Fund Drive.

9. Identify your most successful fund-raising techniques.

The most successful fund-raising technique is the personal contact made by Directors and President of the institution. These people can contact individuals, area industries that may benefit from school training programs, or civic groups. A good foundation can raise large amounts of support by skillfully matching Directors with donors, thus creating a peer relationship and a situation where gifts can be directly solicited.

10. Do you identify and/or publicize ways in which funds will be spent?

The manner in which funds will be spent is publicized to some extent by most all foundations; however, the identification is general rather than specific. Almost all of the foundations contribute some financial aid, much of which comes through designated gifts for scholarships, and this application is publicized. However, when funds are used to increase the endowment, some mention is made but not highly publicized since this is not as concrete an application as scholarship aid. When a foundation is

raising funds for a special project, such as a "bricks and mortar" project, it is heavily publicized with funds solicited in a special campaign to finance the project.

11. Is your foundation and its activities aimed at certain clientele? If so, what type of clientele?

Most of the foundations direct their solicitations at certain clientele. These clientele are the entity of the institution's community who have the resources and the desire to support the foundation. In the communities that are lightly industrialized, this entity is wealthy individuals, while in other communities it is industries that benefit from the institution's training programs. Civic groups are also called upon to some extent. One of the foundations was unique in that it makes application to many private foundations for grants.

12. Are students involved in the support of your foundation? If so, are they primarily former, present, curriculum or non-curriculum, day or evening students?

Only two foundations reported success in involving students for support. One foundation uses student labor to build most of its projects and recognizes their contribution with a dinner. Another foundation asks for contributions from the Continuing Education students who feel that the course(s) they are taking is worth more than the \$5 fee. None of the foundations reported any success in attempting to create an alumni organization or use alumni for fund-raising efforts.

13. Do you have conflict between your Board of Trustees and your foundation Directors? If so, in what way?

None of the foundations reported any conflicts between its Board of Directors and the institution's Board of Trustees.

14. Identify the five (5) most important and/or lucrative activities in your foundation's "program of work."

The most lucrative general activity is the personal contact made by the Directors of the foundation and the President of the institution. The most lucrative special activity is the building of a house by the institution's construction program, using materials purchased by the foundation. When the house is sold by the foundation, the profit goes to the foundation to be used as desired. All were pleased with the result of this activity because it provided an excellent live project for the students and, also, because it was profitable for the foundation.

15. In your opinion, what specifically would make your foundation more successful?

Greater success of all the foundations was perceived possible by greater work for the foundation. For some, this means a stronger commitment to the foundation by the Directors and, subsequently, more contacts by them. For others, this means the employment of a full-time Resource Development Officer who can devote large amounts of time to the foundation. The general opinion was that their foundation would be more successful if it could generate a more sustained continuous fund-raising effort.

16. Given the opportunity to establish your foundation once again, what changes would you make?

Although most foundations were satisfied with their origin and wished to make no great changes, a few minor changes were desirable. The most frequently mentioned change was the elimination of most, or all, of the institution's Board of Trustees members from the foundation's Board of Directors. This was not due to a dislike of the Trustees but a feeling that the Trustees could not devote the necessary time as Directors, and, consequently, the foundation was unable to fully use its capabilities.

Another expressed change was to lower the number of Directors to a more accessible size and carefully select the Directors to insure getting committed workers. In conjunction with this, two suggestions were made: (1) the bylaws should contain some mechanism for removing Directors who missed several meetings; (2) the Directors should live within the institution's service area. Another change often suggested was the wish that a full-time Resource Development Officer had been employed sooner in order to give the foundation a stronger beginning.

From the foregoing composite of data collected from the interviews and information gained from studying the literature, a practical set of operational guidelines to establish a foundation at Randolph Technical Institute have been developed. Operational guidelines are those activities that tend to make a foundation successful. No attempt was made to make the list comprehensive and detailed. Only those key points were selected that would relate to a board of trustees' action in establishing a foundation. The general intent was to provide adequate information for a board of trustees to adopt the concept of establishing a foundation and to pursue the idea of making the foundation operational. From that point, it would be the responsibility of institutional administration to provide leadership to the directors of the foundation. Operational guidelines may be found in the second part of A Plan To Establish A Foundation at Randolph Technical Institute as shown in Appendix P.

Chapter 5

SUMMARY AND CONCLUSIONS

Randolph Technical Institute is growing in student enrollment, State and County budgets, and facilities. The need for securing nontax revenues is evident, and the Institute does not have an organization or planned program for securing income from donations or private sources.

Therefore, the purpose of this study was to develop a plan to establish a foundation at Randolph Technical Institute. The methodology employed and the results achieved yielded a two-part plan to accomplish this purpose. The first part of the plan contains Articles of Incorporation and Bylaws. These operational policies were developed after thorough study and evaluation. They will provide adequate direction to the establishment of a successful foundation. The second part of the plan contains pertinent operational guidelines. They are based on activities which tend to make a community college foundation successful. The guidelines were designed to give the Board of Trustees direction in establishing a foundation which will become successful. These operational guidelines are based on information gained from successful community college foundations and from information contained in the literature.

A Plan To Establish A Foundation At Randolph Technical Institute is the product of a rather in-depth research project regarding the establishment of a foundation. It will first be presented to the Resource Development Committee of the Board of Trustees, who have been involved in this study, for final review and discussion. It is anticipated that the

Plan will be presented to the full Board of Trustees in October, 1979, for consideration and adoption.

If the Plan is approved by the Board of Trustees and a foundation is established at Randolph Technical Institute, there are several implications of change that should have long-lasting effect on the Institute:

(1) the Institute will have a formalized organization with the sole purpose of obtaining income from nontax revenues; (2) income from donations and private sources should definitely increase; (3) an informed and involved citizenry is always beneficial to the needs of community colleges and technical institutes.

The primary purpose of this study was to overcome a problem at Randolph Technical Institute; however, the study should be significant to other institutions in the North Carolina Department of Community Colleges System. Over twenty of these institutions do not have foundations; several more institutions have foundations that are either inactive or are not considered to be successful. This study could serve as a guide for establishing or improving foundations for these institutions. Investigation also shows that very little research has been made in the area of establishing foundations; therefore, this study could be of assistance to institutions in other states as well as North Carolina.

This study also prompted several recommendations for additional research. Since community college foundations are relatively new in development and do differ in many aspects from university foundations, it is obvious that additional studies should be made. It is recommended that: (1) research be made on the art of fund-raising in the community college foundation; (2) more research be made on how to more effectively involve the alumni of the community colleges; (3) research be made on broadening

the use of foundation funds. The literature reflected very little information in these areas. The budget crunch facing institutions today is forcing resource development persons to explore more different ways of obtaining revenues for their institutions. The entire area of philanthropy as related to community colleges must be explored to the fullest extent in order to overcome the lack of adequate tax funding.

This study would not be complete without some plan of evaluation. Even though the methodology used in the study called for constant evaluation of the Plan during the developmental process, the most important evaluation is yet to come. A short-term evaluation will be the decision of the Board of Trustees in considering the plan to establish a foundation. If approved by the Board, the Plan will have achieved the first level of success. The long-range evaluation will be the measure of success of the foundation once it is established and becomes operational. Most authorities agree that it will take two years or more to properly evaluate the success of a community college foundation. The most effective community college foundations use twelve months for development and organization. The first year of foundation development should be devoted to public relations with little emphasis on fund-raising since a college foundation is constructed upon the goodwill of the community and its volunteers. Usually the fund-raising campaigns begin during the second year of operation.

Since the long-term evaluation of this study will be determined over the next several years, a recommendation will be made to the Board of Trustees that the Resource Development Committee of the Board monitor the progress of the foundation and report accordingly. As a result, a constant evaluation process will be established to measure success of the foundation.

This study has been both challenging and rewarding to the investigator. It required much more time and effort than was anticipated. However, the structured interview visits to college foundations and the research of literature have provided a base of knowledge that would improve any administrator in a community college. The study proved to be very appropriate for the "Nova process" of selecting a recognized and conceptualized problem that needs to be overcome. It is hoped that Randolph Technical Institute will take another progressive step forward as a result of this investigation.

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APPENDIX A

MINUTES OF THE RESOURCE DEVELOPMENT COMMITTEE MEETING
HELD APRIL 27, 1978

Randolph Technical Institute
Asheboro, North Carolina

Resource Development Committee Meeting

April 27, 1978

Members Present:

J. D. Ross, Jr., Chairman
Wallace Garner
Bill J. Lawrence
Grady Lawson
J. W. Plummer, Ex-Officio
M. H. Branson, Ex-Officio
Larry K. Linker, Ex-Officio

The Resource Development Committee held its first official meeting following the regular Board meeting. Chairman Ross called the meeting to order at approximately 9:00 p.m. and stated that he had discussed with members of the administrative staff the possibility of establishing a foundation at Randolph Technical Institute.

Mr. Linker was asked to inform the Committee of the primary purposes of a foundation and how it could benefit the Institute. Following a general discussion, the Committee unanimously agreed to pursue the establishment of a foundation. Mr. Linker was asked to research the development of a proposed Board of Trustees policy to include articles of incorporation and bylaws. President Branson spoke in favor of establishing a foundation but requested that Mr. Linker be given ample time due to the workload of the present construction program.

Chairman Ross thanked the Committee members for their presence and stated that another meeting would be called when information was available for study and review.

There being no further business, the meeting adjourned at 9:30 p.m.

Respectfully submitted,

Pat Hamilton

Pat Hamilton
Randolph Technical Institute

APPENDIX B
PROPOSED ARTICLES OF INCORPORATION
AND BYLAWS

PROPOSED
ARTICLES OF INCORPORATION
of
RANDOLPH TECHNICAL INSTITUTE FOUNDATION, INC.
A Non-Profit Corporation

WE, THE UNDERSIGNED natural persons of the age of twenty-one years or more, acting as the incorporators for the purpose of creating a non-profit corporation under the laws of the State of North Carolina, as contained in Chapter 55A of the General Statutes of North Carolina, entitled "Non-Profit Corporation Act," and the several amendments thereto, do hereby set forth the following Articles of Incorporation.

ARTICLE I

Name, Duration

- A. The name of the corporation is Randolph Technical Institute Foundation, Inc.
- B. The period of duration of the corporation shall be perpetual.
- C. The address and initial registered office of the corporation shall be as follows:
- Randolph Technical Institute
629 Industrial Park Avenue
P. O. Box 1009
Asheboro, Randolph County, North Carolina 27203
- D. The name and title of the initial registered agent of the corporation at the above address is Larry K. Linker, Executive Vice-President.

ARTICLE II

Purpose

A. The purposes for which the corporation is organized are to aid, strengthen and further in every proper and useful way the work and services of Randolph Technical Institute, and to develop and utilize the ties of interest, sympathy, and affection existing between the institution and its alumni and friends throughout the State and the Nation.

B. The corporation is organized and shall be operated exclusively for the educational purposes set forth in the preceding paragraph, and in furtherance thereof it is authorized to accept, hold, administer, invest, and disburse such funds and properties of any kind or character as may from time to time be given to it by persons or corporations, absolutely or in trust, as the case may be, and in general do all things that may appear necessary and useful in accomplishing these purposes. All of the assets and earnings of the corporation shall be used exclusively for educational purposes as hereinabove set forth, including the payment of expenses necessarily incident thereto, and no part of such assets shall inure to the benefit of any employee, officer, or member of the corporation or any other individual, except in payment of reasonable compensation for services actually rendered or expenses necessarily incurred.

C. In the event of dissolution all remaining assets of the corporation shall be transferred to the Board of Trustees of Randolph Technical Institute, or its successor.

ARTICLE III

Membership

The membership of the corporation shall be composed of fifteen (15) members. The initial membership of the corporation shall be deter-

mined as hereinafter set forth. Thereafter the members of the corporation shall fill vacancies occurring in the membership for any reason. Provided, the membership of the corporation shall at all times include the following:

- (1) The President of Randolph Technical Institute;
- (2) The Chief Fiscal Officer of Randolph Technical Institute;
- (3) The Chairman of the Board of Trustees of Randolph Technical Institute;
- (4) Chairman of the Resource Development Committee of the Board of Trustees at Randolph Technical Institute;
- (5) The President of the corporation.

In addition to the persons designated in Sections (1) through (4) above, the initial membership of the corporation shall be composed of eleven (11) members who shall be designated by the Board of Trustees of Randolph Technical Institute. One of such members shall be elected by the membership to serve as President of the corporation.

ARTICLE IV

Initial Directors

The number of members constituting the initial Board of Directors shall be five (5) and the names and addresses of the persons who are to serve as Directors until the first meeting of the corporation or until their successors are elected and qualified are:

1. Mr. M. H. Branson
Randolph Technical Institute
Asheboro, North Carolina
2. Larry K. Linker
Randolph Technical Institute
Asheboro, North Carolina
3. Mr. J. W. Plummer
Asheboro, North Carolina

4. Mr. J. D. Ross, Jr.
Asheboro, North Carolina
5. Citizen of Randolph County who will be appointed
by the Board of Trustees of Randolph Technical
Institute

ARTICLE V

Powers

In addition to the powers granted corporations under the laws of the State of North Carolina, the corporation shall have full power and authority to, and it shall be its duty to, hold and apply the corpus and income of any donation, grant, devise or bequest, or any part thereof, in such manner as may have been stipulated or provided in the instrument creating such donation, grant, devise or bequest. Unless otherwise specifically provided in such instrument, the corporation shall have authority to sell, mortgage, pledge, lease or exchange all or any part of the real or personal property or funds of the corporation, at such prices and upon such terms and conditions as it may deem best, and may invest and reinvest its funds in any such loans or securities, or in any such real or personal property, as it may deem suitable for the investment of trust funds, although such investments are not approved as investments for trustees under the laws of North Carolina.

The corporation shall have full power and authority to purchase, lease, accept as gift, bequest or devise, or otherwise acquire, any real or personal property to be held, administered or used in any way whatsoever for the benefit of Randolph Technical Institute or to assist the institution in the fulfillment of its educational purposes; and to that end the corporation shall have the full power and authority to hold, own, control, handle, administer, or operate any such real or personal property,

including the operation of any business connected with or incident to the ownership or control of such property, and to sell, lease, pledge, mortgage, exchange, or otherwise dispose of any such property at such prices and upon such terms and conditions as it may deem best.

ARTICLE VI

Conduct of Affairs

The affairs and business of the corporation shall be conducted by a Board of Directors which shall consist of the membership of the corporation. The initial Board of Directors shall conduct the affairs and business of the corporation until such time as ten (10) members of the corporation have been designated, at which time the rights, powers, duties and obligations of the initial Board shall terminate and it shall cease to exist.

IN TESTIMONY WHEREOF, we have hereunto set our hands, this

_____ day of _____, 1978 A.D.

- 1. _____
- 2. _____
- 3. _____
- 4. _____
- 5. _____

STATE OF NORTH CAROLINA

COUNTY OF RANDOLPH

This is to certify that on the _____ day of _____, 1978 A.D., before me, a Notary Public in and for the above named County and State, personally appeared M. H. Branson, Larry K. Linker, J. W. Plummer, J. D. Ross, Jr., and _____ who, I am satisfied, are the persons named in and who executed the foregoing Articles of Incorporation, and I, having first made known to them the contents thereof, they did each acknowledge that they signed and delivered the same as their voluntary act and deed for the uses and purposes therein expressed.

In testimony whereof, I have hereunto set my hand and official seal, this the _____ day of _____, 1978 A.D.

 Notary Public

My Commission Expires: _____

BYLAWS

RANDOLPH TECHNICAL INSTITUTE FOUNDATION, INC.

P. O. Box 1009
Asheboro, North Carolina 27203

PREAMBLE

In order to more effectively accomplish, promote, and perpetuate the policies, goals, and ideals of Randolph Technical Institute and through such action to broaden the base of equitable and accessible educational opportunity to the people of Randolph County and surrounding areas, the Randolph Technical Institute Foundation, Inc. has been established and duly chartered by the State of North Carolina.

Such Foundation shall exist for those purposes as prescribed in its Articles of Incorporation and shall conduct its affairs within the framework of the ensuing set of Bylaws.

BYLAWS
RANDOLPH TECHNICAL INSTITUTE EDUCATIONAL FOUNDATION, INC.
(A Non-profit Corporation)

ARTICLE I

BOARD OF DIRECTORS

SECTION 1. The members of the Board of Directors of this Corporation shall be selected and the size of the Board of Directors shall be determined in accordance with Articles III and IV of the Corporation's Articles of Incorporation.

ARTICLE II

MEETINGS OF DIRECTORS

SECTION 1. The annual meeting of the Board of Directors of the Corporation shall be held at the office of the Corporation or at such other place as the President of the Corporation may designate on the first Thursday in February of each year. Special meetings may be held as determined from time to time by the Directors and may be called by the President of the Corporation at any time. A special meeting shall be called by the President of the Corporation upon the request of any three directors. If, for any reason, the annual meeting of the Board of Directors shall not be held on the day hereinbefore designated, such meeting may be called and held as a special meeting, and the same proceedings may be had thereat as at an annual meeting.

SECTION 2. At any meeting of the Board of Directors, a majority of the membership of the Board of Directors shall constitute a quorum.

SECTION 3. Notice of annual and special meetings by the Board of Directors shall be given to each Director personally by mail to his last known address at least ten (10) days prior to the time of the meeting.

ARTICLE III

POWERS AND DUTIES OF DIRECTORS

SECTION 1. The business, property and affairs of this Corporation shall be managed by the Board of Directors.

SECTION 2. The Board of Directors shall have full power and authority to alter or amend the Articles of Incorporation of this Corporation, and shall likewise have full power and authority to make, alter, amend or repeal any and all Bylaws of the Corporation.

SECTION 3. The Board of Directors at the annual meeting shall elect by ballot a President, a Vice-President, and a Secretary who does not have to be a Director. The Chief Business Officer of Randolph Technical Institute shall serve as Treasurer. The President, the Vice-President, and the Secretary shall hold office for one year and until their successors are elected and qualified. All vacancies among the officers of the Corporation shall be filled as soon as practicable by the Board of Directors at any regular or special meeting of the Board of Directors.

SECTION 4. The Board of Directors may appoint and employ agents, employees or representatives as in the judgment of the Directors shall be necessary to carry on the work of the Corporation, prescribe the duties of such officers, agents and employees, fix their compensation, and may dismiss any appointive officer, agent, or employee without previous notice.

SECTION 5. There shall be an Executive Committee composed of three members, one of whom shall be the President of the Foundation serving as President of the Executive Committee, the other two may be either Directors or officers of the Foundation. The term of office for members of the Executive Committee shall be one year.

SECTION 6. The Board of Directors may require any officer, agent or employee to file with the Corporation a satisfactory bond conditioned for the faithful performance of his or its duties.

SECTION 7. In addition to the Executive Committee, other standing or temporary committees may be appointed by the Board of Directors from time to time, and the Board of Directors may invest such committees with such power as it may see fit, subject to such conditions as may be prescribed by the Board. All committees so appointed shall keep regular minutes of the transactions of their meetings and shall cause them to be recorded in Books kept for the purpose in the office of the Corporation, and shall report the same to the Board of Directors at its next meeting.

SECTION 8. The affirmative vote of the majority of a quorum of the Board of Directors shall be necessary and sufficient at any meeting to authorize any action of the Directors. Written records setting forth all action taken at any meeting of the Directors and the voting thereon shall be kept in a permanent Minute Book of the Directors.

ARTICLE IV

POWERS AND DUTIES OF OFFICERS AND AGENTS

SECTION 1. The President of the Corporation shall preside over all meetings of the Board of Directors, and shall be an ex officio member of all standing committees. He shall have the general management and supervision of all the affairs and business of the Corporation, shall see that all orders and resolutions of the Board are carried into effect and shall execute all deeds, contracts, agreements, transfers and such other instruments as may be ordered by the Board of Directors.

SECTION 2. In the event of the absence, inability or death of the President of the Corporation, the Vice-President shall have all the powers, and perform all of the duties, of the Chairman until the vacancy is filled.

SECTION 3. The Secretary shall preserve in Books of the Corporation true minutes of the proceedings of all meetings of the Board of Directors. He shall be the custodian of the common seal of the Corporation and shall attest the same when affixed by order of the Board of Directors. He shall perform such other duties as may be delegated to him by the Board of Directors or by the Executive Committee.

SECTION 4. The Treasurer shall collect, receive and hold the money of the Corporation, and shall have custody of all funds, securities and properties of the Corporation and shall keep in Books belonging to the Corporation full and accurate accounts of all receipts and disbursements; he shall deposit all monies, securities and other valuable effects in the name of the Corporation in such depositories as may be designated for that purpose by the Board of Directors. He shall disburse the funds of the Corporation as he may be ordered by the Board of Directors, and shall render to the President and Directors at the regular meetings of the Board, and whenever requested by them, an account of all his transactions as Treasurer and of the financial condition of the Corporation. He shall make such new investments, or alter such investments as the Board of Directors or the Executive Committee may by lawful order direct.

SECTION 5. The Executive Committee shall have and exercise the authority of the Board of Directors and the management of the business of the Corporation between the meetings of the Board of Directors, including the power to authorize the making and altering of investments; provided, however, that the said Executive Committee shall have no power to elect officers, or to alter or amend the Certificate of Incorporation or the Bylaws of this Corporation, or to authorize or direct the disbursement of any funds except for the purpose of deferring necessary expenses of the Corporation or for investment purposes.

ARTICLE V

ELECTIONS

SECTION 1. Members shall be elected by the Randolph Technical Institute Board of Trustees, but special elections for filling vacancies occurring among the Directors or officers may be held at special meetings of the Board of Directors. Elections of Directors and officers shall be by ballot at the annual meeting of the Randolph Technical Institute Board of Trustees. With respect to election of Directors, Article III and IV of the Corporation's Articles of Incorporation shall be complied with.

ARTICLE VI

GIFTS AND DONATIONS

SECTION 1. Any person making gifts to the Randolph Technical Institute Educational Foundation, Inc., may designate the object or objects for which the gift shall be administered and distributed, which shall be known as a designated gift, or any person may make his gift to the Foundation without designation, specification, condition or limitation, which shall be known as an undesignated gift.

SECTION 2. In the case of designated gifts, the Corporation shall follow the directions, specifications, terms and conditions of the instrument of gift; provided, however, that if any object or purpose for which any gift is made fails or becomes impossible of performance, or if it is unanimous opinion of all the Directors of this Corporation that any object or purpose for which any gift or donation is made has ceased to be beneficial and to the best interest of the Randolph Technical Institute Educational Foundation, Inc., then, and in either event, such gift or donation shall cease to be held and administered for such specific, designated purpose, and shall thereafter be held and administered by the Corporation for a kindred purpose or as an undesignated gift or donation.

SECTION 3. Undesignated gifts made to the Corporation may be added to and merged with other undesignated gifts held by the Corporation, and the funds and properties so merged may be held and administered by the Corporation as a single trust estate; or if the Board of Directors of the Corporation deem best or the gift or donation so specifies any undesignated gift may be held and administered by the Corporation as a separate trust estate. The income from all undesignated gifts shall be used by the Corporation for the benefit of the Randolph Technical Institute Educational Foundation, Inc., in furtherance of such of the objects and purposes specified in Article II of the Articles of Incorporation, Inc., as may be selected and decided upon by the Board of Directors; provided, however, that the Corporation in its discretion may retain and accumulate any portion or all of the income from undesignated gifts for such time and in such manner as it may deem best, and thereafter may use and dispose of all or any part of such accumulated income for the benefit of the said Randolph Technical Institute Educational Foundation, Inc., as aforesaid, or may convert all or any part of such accumulated income into principle funds in the same manner as if such accumulated income had been given to the Corporation as an undesignated gift.

ARTICLE VII

MANAGEMENT OF FUNDS

SECTION 1. All necessary operating expenses of the Corporation shall be paid out of income from the property donated to and held by the Corporation, including property donated to and held by the Corporation for specific

designated purposes, and no part of the operating expenses of the Corporation shall be paid out of principal of funds and properties held by it; provided, however, that if any gift or donation is made to the Corporation, for the specific purpose of defraying its operating expenses and such gift or donation authorizes the Corporation to use a part or all of the principal or donation for this purpose, the Corporation may use the principal, to the extent authorized in the gift or donation for the purpose of defraying necessary operating expenses.

SECTION 2. No part of the principal of any gift or donation shall ever be consumed or expended by the Corporation unless such use of principal is specifically authorized by the gift or donation, and then principal may be consumed or expended by the Corporation only to the extent specifically authorized by such gift or donation; provided, however, that this shall not be construed to prevent the Corporation from selling, transferring or conveying any property for the purpose of the investment.

SECTION 3. Necessary operating expenses in excess of \$200 may be made only upon the written order of the Executive Committee. Checks drawn upon the Corporation shall be signed by the Treasurer and countersigned by either the President or Vice-President of the Corporation.

SECTION 4. No loan of any funds of the Corporation for the purpose of investment shall ever be made to any Director of the Corporation, or to any member of the immediate family of the Director, or to any business or corporation which is owned or controlled by a Director of this Corporation or a member of his immediate family, or to any business or corporation in which a Director of this Corporation or his immediate family is substantially interested financially; and no distribution of corporate funds, whether in the form of gifts, loan, donation or scholarship to any student of Randolph Technical Institute shall ever be made to any Director of this Corporation or to any member of the immediate family of any Director.

SECTION 5. The fiscal year of the Corporation shall begin on the 1st day of January in each year, unless otherwise provided by the Board of Directors.

ARTICLE VIII

AUDITS

SECTION 1. The Books of the Corporation and of its fiscal agent may be audited annually as directed by the Board of Directors.

ARTICLE IX

AMENDMENTS

SECTION 1. Amendments to the Articles of Incorporation or to these Bylaws can be made by the Board of Directors in regular meeting assembled,

either annual or special, and if special, then the purpose of the meeting with the proposed amendment or amendments must be stated in the call; provided, however, the vote of a majority of the Directors in office shall be required to amend the Articles of Incorporation.

APPENDIX C

QUESTIONNAIRE ON FOUNDATIONS TO
CHIEF BUSINESS OFFICIALS

RANDOLPH TECHNICAL INSTITUTE
BOX 1009 ASHEBORO, NORTH CAROLINA 27203 PHONE 919-629-1471

TRUSTEES
J. W. PLUMMER
CHAIRMAN
J. A. JOHNSON, JR.
VICE CHAIRMAN
EDDIE G. ALLEN
ROBERT E. BEANE
JAMES L. COBLE
MRS. MARTHA L. COMER
WALLACE GARNER
GRADY LAWSON
TYLER R. LISK
MRS. W. FRANK REDDING, JR.
J. D. ROSS, JR.
ERRY W. TILLMAN

June 15, 1978

To: Chief Business Officials
N. C. Technical Institutes and Community Colleges

From: Larry K. Linker
Executive Vice President

Subject: Request for Information

Our Board of Trustees has asked that I correspond with a dependable person in each institution who might provide us with some assistance. Of course, my selection was to contact the Chief Business Officials.

We are interested in broadening our area of Resource Development to include the establishment of a foundation at Randolph Technical Institute. I have been instructed to develop a proposed Board of Trustees policy to govern a foundation and articles of incorporation.

Would you please take a few minutes to answer the enclosed questionnaire? Your prompt reply will certainly be appreciated in that I need this information prior to our Board Meeting on June 27, 1978. A self-addressed, stamped envelope is enclosed for your convenience.

Thank you for your time and consideration of this request.

LKL:pjh

Enclosures (2)

APPENDIX D

SUMMARY OF QUESTIONNAIRE ON FOUNDATIONS
TO CHIEF BUSINESS OFFICIALS

SUMMARY
QUESTIONNAIRE ON FOUNDATIONS

Institution (Alphabetically Arranged)	Established Foundation ?	Board Policy ?	Foundation Incorporated ?	Approximate Amount Received Annually	Information Received ?
1	Yes	No	Yes	35,000	Yes
2	Yes	Yes	Yes	10,000	No
3	Yes	Yes	Yes	Just Began	Yes
4	Yes	Yes	Yes	3,000	Yes
5	No Reply				
6	No Reply				
7	Yes	Yes	Yes	Inactive	Yes
8	No Reply				
9	No				
10	Yes	No	Yes	Inactive	Yes
11	Yes	Yes	Yes	85,000	No
12	No				
13	Yes	Yes	Yes	30,000	Yes
14	No				
15	No				
16	Yes	Yes	Yes	100,000	Yes
17	No Reply				
18	No				
19	Yes	Yes	Yes		Yes
20	Yes	Yes	Yes	Inactive	Yes
21	No Reply				

Institution (Alphabetically Arranged)	Established Foundation ?	Board Policy ?	Foundation Incorporated ?	Approximate Amount Received Annually	Information Received ?
22	Yes	No	Yes	400	No
23	Yes	Yes	Yes	5,000	Yes
24	Yes	Yes	Yes	10,000	No
25	No				
26	Yes	No	Yes	Inactive	Yes
27	No				
28	Yes	No	Yes	5,000	Yes
29	Yes	Yes	Yes	Inactive	No
30	No Reply				
31	Yes	No	Yes	10,000	Yes
32	Yes	No	Yes	Varies	No
33	Yes	Yes	Yes	Just Began	Yes
34	No				
35	No				
36	No				
37	Yes	Yes	Yes	10,000	No
38	No				
39	Yes	Yes	Yes	Inactive	Yes
40	No				
41	Yes	No	Yes	2,000	No
42	No Reply				
43	No				
44	Yes	Yes	Yes	140,000	No

Institution (Alphabetically Arranged)	Established Foundation ?	Board Policy ?	Foundation Incorporated ?	Approximate Amount Received Annually	Information Received ?
45	Yes	Yes	Yes	30,000	No
46	Yes	Yes	Yes	25,000	Yes
47	No Reply				
48	Yes	Yes	Yes	15,000	No
49	No				
50	No Reply				
51	Yes	Yes	Yes	Just Began	No
52	No Reply				
53	No				
54	Yes	No	Yes	Inactive	No
55	Yes	No	Yes	21,000	Yes
56	No				

APPENDIX E

LETTER REQUESTING ASSISTANCE FROM
THAD EURE, SECRETARY OF STATE

RANDOLPH TECHNICAL INSTITUTE

BOX 1009

ASHEBORO, NORTH CAROLINA 27203

PHONE 919-629-1471

H. BRANSON
PRESIDENT

December 19, 1978

TRUSTEES
W. PLUMMER
CHAIRMAN
DIE G. ALLEN
VICE-CHAIRMAN

FRANK AUMAN
ROBERT E. BEANE
MRS. MARTHA L. COMER
WALLACE GARNER
WILL J. LAWRENCE
FRANK R. LAWSON
WYLER R. LISK
MRS. W. FRANK REDDING, JR.
D. ROSS, JR.
ERRY W. TILLMAN

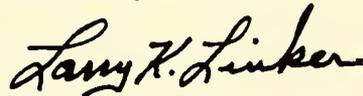
Mr. Thad Eure
Secretary of State
Capitol Building
Raleigh, North Carolina 27611

Dear Mr. Eure:

As per our telephone conversation of this date, I am enclosing copies of the Articles of Incorporation and Bylaws for your review and suggestions. I am in the process of developing plans to establish a foundation at Randolph Technical Institute at the request of several members of our Board of Trustees.

Any comments, suggestions, and direction of procedures to follow will certainly be appreciated. Thank you in advance for your time and consideration of this request.

Sincerely,



Larry K. Linker
Executive Vice President

LKL:phh

Enclosure



State of North Carolina
Department of the Secretary of State
Raleigh 27603

THE ADMINISTRATION BUILDING
OFFICES

CLYDE SMITH
DEPUTY SECRETARY OF STATE

JACK STYLES
CORPORATIONS ATTORNEY

WM. W. COPPEDGE
SECURITIES DEPUTY

CHARLES W. MOORE
DEPUTY UCC FILING OFFICER

JOHN L. CHENEY, JR.
DIRECTOR OF PUBLICATIONS

SUSAN LOBINGER
NOTARY PUBLIC OFFICER

THAD EURE
SECRETARY OF STATE

December 21, 1978

Mr. Larry K. Linker
Randolph Technical Institute
PO Box 1009
Asheboro, NC 27203

Dear Mr. Linker:

RE: RANDOLPH TECHNICAL INSTITUTE FOUNDATION, INC.

Mr. Eure has asked me to respond to your letter of December 17, 1978, regarding RANDOLPH TECHNICAL INSTITUTE FOUNDATION, INC. I have marked the necessary corrections in red on your draft of articles of incorporation and it is enclosed along with the bylaws. You need not resubmit the bylaws as they are not filed in this office.

If you will make the suggested corrections and submit one executed original and one conformed copy of the articles along with tax and filing fee of \$20.00, we will proceed with filing. Please let me know if I can provide further information.

Very truly yours,

A handwritten signature in cursive script that reads "Jack Styles".

JACK STYLES
CORPORATIONS ATTORNEY

JS:CR
Enc.

APPENDIX F

LETTER TO RESOURCE DEVELOPMENT OFFICERS REQUESTING CRITIQUE
OF PROPOSED ARTICLES OF INCORPORATION AND BYLAWS

PIRTI PIRTI PIRTI PIRTI PIRTI

RANDOLPH TECHNICAL INSTITUTE

BOX 1009 ASHEBORO, NORTH CAROLINA 27203 PHONE 919-629-1471

M. H. BRANSON
PRESIDENT

December 19, 1978

TRUSTEES
J. W. PLUMMER
CHAIRMAN
EDDIE G. ALLEN
VICE-CHAIRMAN

FRANK AUMAN
ROBERT E. BEANE
MRS. MARTHA L. COMER
WALLACE GARNER
BILL J. LAWRENCE
BRADY LAWSON
TYLER R. LISK
MRS. W. FRANK REDDING, JR.
I. D. ROSS, JR.
JERRY W. TILLMAN

Dr. James H. Young
Director of Institutional Development
Pitt Technical Institute
P. O. Box 7007
Greenville, North Carolina 27834

Dear Dr. Young:

The time is here when I need your help. I am enclosing the entire copy of my MARP Proposal in case you want to review my study in total. The specific areas in which I am requesting your critique are found on pages 14, 15, and 16. I have underlined the sections for your convenience. You may respond in letter form or simply remove the sections from the Proposal and write your comments directly on the pages. Specifically, I need:

- (1) An evaluation and critique of Articles of Incorporation and Bylaws in terms of being adequate operational policies for a successful foundation.
- (2) An evaluation and critique of the Questionnaire to determine characteristics of a successful foundation. This instrument is a key in obtaining data on characteristics of successful foundations and, in my opinion, needs much improvement. Please contribute all that you can.

May I thank you in advance for your time and efforts in this endeavor. If you have questions on any item, please call me collect at 919-629-1471.

Sincerely,



Larry K. Linker
Executive Vice President

LKL:phh

Enclosure



Halifax Community College

P. O. DRAWER 809—TELEPHONE 536-4152

WELDON, NORTH CAROLINA 27890

January 19, 1979

Larry K. Linker
 Randolph Technical Institute
 Box 1009
 Asheboro, N. C. 27203

Dear Larry:

Overall, I like your questionnaire. It's easy to see, through your questions, the types of information you feel you need, and from my experience you're right on target. (I don't know if that makes sense, but, for example, question number three recognizes that a foundation can be deemed successful in ways other than the amount of money it raises.)

You may be leaving questions four and fourteen open-ended purposely, but I would be inclined to specify whether I meant in terms of organization, or outcomes, or whatever.

Question thirteen is a bit vague to me and makes assumptions about how a foundation operates, which may not be widely applicable.

I would prefer to know, regarding question eight, if the foundation and its activities were aimed at a certain clientele - individuals or business, professionals or working folks, etc., - and if that clientele were successfully being tapped.

Question three leaves me hanging. If I had a no answer returned, I would want to know if it were termed successful by other measures. Likewise question twelve. A yes answer would beg the question of how.

The scribbling on the questionnaire is just that, scribbling, and should be taken with a grain of salt.

Good luck and keep in touch.

Sincerely,

Harriette Crump
 Director of Institutional Development

HC/jpc



Halifax Community College

P. O. DRAWER 809—TELEPHONE 536-4152

WELDON, NORTH CAROLINA 27890

January 23, 1979

Mr. Larry Linker
Executive Vice-President
Randolph Technical Institute
P. O. Box 1009
Asheboro, North Carolina 27203

Dear Mr. Linker:

I have examined the proposed Articles of Incorporation and Bylaws of the Randolph Technical Institute Educational Foundation Inc. and find them, in my judgement, entirely adequate and appropriate to the establishment of a successful foundation.

If I can be of further assistance, please let me know.

Sincerely,

A handwritten signature in cursive script that reads 'A. Crump'.

Harriette Crump, Director
Institutional Development

cpw

CENTRAL PIEDMONT COMMUNITY COLLEGE

Elizabeth Avenue at Kings Drive/P.O. Box 4009/Charlotte, North Carolina 28204

Telephone Area Code 704/373-6633

March 9, 1979

Mr. Larry K. Linker
Executive Vice President
Randolph Technical Institute
Box 1009
Asheboro, North Carolina 27203

Dear Larry:

I have reviewed your MARP Proposal and have also received comments from Mr. R. Powell Majors who has had the responsibility for Central Piedmont Community Foundation, Inc. over these past several years.

In Item (1) of your letter of December 19, 1978, regarding the By-laws, we feel that:

- (1) We would not want the Treasurer of the Institution, Section 4 of Article IV, to be the Treasurer of the Foundation. We would like to see the Foundation work at arms' length from the College. A common Treasurer would tend to preclude this.
- (2) Two signatures on checks over \$200 is not necessary. Mr. Majors is bonded as the R. T. I. man or person should be and writes and signs all checks. This enables him to handle agency funds, i. e., items in and out, that would get bogged down in the state red tape if through the College books.

In Item (2) you have covered extensively everything that should aid all institutional presidents in responding to your

Mr. Larry K. Linker
Page Two
March 9, 1979

study. I also think your questions should be most helpful in assisting those institutions in a self-study of what they should be doing.

I have been honored in the small part I have played in this most worthwhile endeavor of yours. I, too, have learned a great deal from being involved.

The best of luck to you always and let's have a drink soon to Dr. Larry K. Linker.

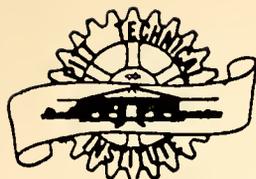
With kindest regards,



Jay M. Meyers, Director
Resource Development

JMM:dfh

Pitt Technical Institute



P. O. Drawer 7007
Highway 11, South
Greenville, North Carolina 27834
Telephone: 756-3130

Office of Institutional Development

January 30, 1979

Mr. Larry Linker
Randolph Technical Institute
P.O. Box 1009
Asheboro, North Carolina 27203

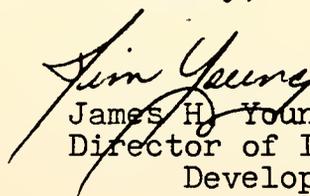
Dear Larry:

In response to your research proposal I am forwarding the following comments. Your Articles of Incorporation appear to be sound. Just to make sure, you should have them checked by an attorney. Also, your By-laws appear appropriate and in good order.

I have made a few suggestions as to how you might wish to modify your interview questionnaire to make it more specific. Increased specificity should help you secure answers which are more consistent and more readily comparable. I hope you find these suggestions useful.

I look forward to hearing from you further on this project, and especially look forward to seeing your final product. I am sorry I have not responded sooner and will try to be more prompt in the future. Good Luck!

Sincerely,


James H. Young
Director of Institutional
Development

Enclosure

APPENDIX G

LETTER TO RESOURCE DEVELOPMENT OFFICERS OUTLINING
THE REQUESTED ASSISTANCE

RANDOLPH TECHNICAL INSTITUTE

BOX 1009 ASHEBORO, NORTH CAROLINA 27203 PHONE 919-629-1471

- L. BRANSON
SIDENT
- STEES
- Y. PLUMMER
- IRMAN
- IE G. ALLEN
E-CHAIRMAN
- ANK AUMAN
- BERT E. BEANE
- S. MARTHA L. COMER
- LLACE GARNER
- L J. LAWRENCE
- ADY LAWSON
- ER R. LISK
- S. W. FRANK REDDING, JR.
- . ROSS, JR.
- RY W. TILLMAN

November 22, 1978

Ms. Harriette Crump
 Director of Institutional Development
 Halifax Community College
 P. O. Drawer 809
 Weldon, North Carolina 27890

Dear Ms. Crump:

I enjoyed talking with you by telephone recently, and I certainly appreciate your willingness to assist me in my graduate studies. As I discussed with you, my objective is to develop a plan to establish a foundation at Randolph Technical Institute. I need your help primarily in three areas:

- (1) Critique of the Articles of Incorporation and Bylaws to determine adequacy and appropriateness in establishing a successful foundation.
- (2) Critique of the Interview Questionnaire to be used in collecting data on the characteristics of a successful foundation.
- (3) Review of the proposed final plan in order to make suggestions and recommendations.

Detailed information on each of the above areas will be mailed to you at a later date. Again, may I say "thank you" for your support.

Sincerely,

Larry
 Larry K. Linker
 Executive Vice President

LKL:phh



Halifax Community College

P. O. DRAWER 809—TELEPHONE 536-4152

WELDON, NORTH CAROLINA 27890

November 27, 1978

Mr. Larry K. Linker
Executive Vice President
Randolph Technical Institute
P. O. Box 1009
Asheboro, N. C. 27203

Dear Mr. Linker:

In response to your request, I will be glad to serve as an evaluator of your plan to establish an institutional foundation. I understand that I will review and critique pertinent materials as they are developed.

Sincerely,

HALIFAX COMMUNITY COLLEGE

A handwritten signature in cursive script that reads 'Harriette Crump'.

Harriette Crump, Director
Institutional Development

HC/jpc

83

CENTRAL PIEDMONT COMMUNITY COLLEGE

Elizabeth Avenue at Kings Drive/P.O. Box 4009/Charlotte, North Carolina 28204

Telephone Area Code 704/373-6633

November 30, 1978

Mr. Larry K. Linker
Executive Vice-President
Randolph Technical Institute
Box 1009
Asheboro, NC 27203

Dear Larry:

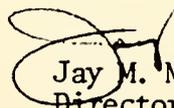
Congratulations on your decision to concentrate on establishing a foundation at Randolph Technical Institute for your MARP proposal with Nova University. I am honored that I have been recommended by Robert E. Strother, Special Assistant to the President of the North Carolina Department of Community Colleges System and selected by you in your letter dated November 16 to review your study.

We have so many benefits from our CPCC Foundation for all our employees such as additional insurance coverage that we could not otherwise possibly afford. Powell Majors is the Director. We work very closely with each other in a cooperative effort. An example of this was our recent bond drive for additional parking spaces. All funds for bumper stickers, advertisements, etc. came from the Foundation. Therefore, no tax dollars were involved. 1.7million dollars was approved overwhelmingly with 70% voting in favor.

In closing, let me say you have my full support for the specific three areas in which you have requested assistance. Also, please do not hesitate to call on me at any time you may believe I can be of help. There is no doubt in my mind that CPCC will benefit greatly from your endeavor.

I am looking forward to your first visit with us.

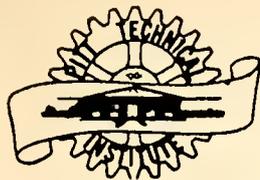
Cordially,



Jay M. Meyers
Director, Resource Development

JMM/tr

Pitt Technical Institute



P. O. Drawer 7007
Highway 11, South
Greenville, North Carolina 27834
Telephone: 756-3130

Office of Institutional Development

November 29, 1978

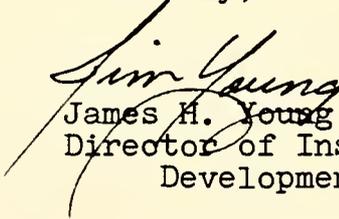
Mr. Larry K. Linker
Executive Vice-President
Randolph Technical Institute
P.O. Box 1009
Asheboro, North Carolina 27203

Dear Larry,

This letter represents formal notification of my willingness to assist you in your graduate studies by carrying out the activities enumerated in your letter of November 22, 1978.

I look forward to helping you in this endeavor, and hope that my assistance will prove worthwhile.

Sincerely,


James H. Young
Director of Institutional
Development

APPENDIX H

MINUTES OF THE RESOURCE DEVELOPMENT COMMITTEE MEETING
HELD APRIL 26, 1979

Randolph Technical Institute
Asheboro, North Carolina

Resource Development Committee Meeting

April 26, 1979

Members Present:

J. D. Ross, Jr., Chairman
Wallace Garner
Bill J. Lawrence
M. H. Branson, Ex-Officio
Larry K. Linker, Ex-Officio

Members Absent:

Grady Lawson
J. W. Plummer, Ex-Officio

The Resource Development Committee met prior to the regularly scheduled Board meeting on April 26, 1979. Chairman Ross called the meeting to order at 6:45 p.m. and recognized Mr. Linker to present several items of business to the Committee.

Mr. Linker distributed copies of all recommendations and suggestions regarding resource development that had resulted from the institutional self-study and the State and SACS Accreditation Team visits. (Copy attached to the Secretary's minutes as Attachment 1) Mr. Linker suggested that this information become the goals and objectives of the Resource Development Committee.

Mr. Linker then distributed copies of an article by Kenneth B. Woodbury, Jr. titled "Community College Foundation." (Copy attached to the Secretary's minutes as Attachment 2) Mr. Linker requested that each Committee member read the article at their convenience in order to obtain a better understanding of a community college foundation.

Copies of proposed Articles of Incorporation and Bylaws to establish a foundation at Randolph Technical Institute were distributed by Mr. Linker. (Copy attached to the Secretary's minutes as Attachment 3) After giving some explanation, he asked each member to study the material and critique the policies in terms of being applicable to RTI. The Committee members agreed to return their critique by May 4, 1979.

Mr. Linker stated that he had completed visits to 13 institutional foundations and was in the process of developing operational guidelines for a foundation based on the characteristics of successful college foundations. Upon completion of these guidelines, Mr. Linker will mail copies to each member for critique and evaluation.

Resource Development Committee MeetingApril 26, 1979

Page 2

Following much discussion, the Committee members agreed to schedule a more lengthy meeting at a later date in order to discuss the total plan of establishing a foundation at Randolph Technical Institute. The Committee tentatively set the October, 1979, Board meeting as the time to present the plan to the full Board of Trustees with hopes of having a foundation fully operational at RTI in the 1980 calendar year.

There being no further business, the meeting adjourned at 7:30 p.m.

Respectfully submitted,

Pat Hamilton

Pat Hamilton
Randolph Technical Institute

APPENDIX I

LIST OF INSTITUTIONS INTERVIEWED
AND THEIR REPORTED REVENUES

INSTITUTIONS INTERVIEWED ON FOUNDATIONS
AND THEIR REPORTED REVENUES

Sandhills Community College	\$ 140,000
Davidson County Community College	100,000
Central Piedmont Community College	85,000
Anson Technical Institute	35,000
Coastal Carolina Community College	30,000
Southeastern Community College	30,000
Southwestern Technical Institute	25,000
Wilkes Community College	21,000
Surry Community College	15,000
*McDowell Technical Institute	10,000

*Institution for Position #10 was randomly selected from a hat since four (4) institutions tied in the reported amounts of revenue.

APPENDIX J

LETTER TO INSTITUTIONS CONFIRMING INTERVIEW APPOINTMENT
ON FOUNDATIONS

RANDOLPH TECHNICAL INSTITUTE

BOX 1009

ASHEBORO, NORTH CAROLINA 27203

PHONE 919-629-1471

H. BRANSON
PRESIDENT

RUSTEES
W. PLUMMER
CHAIRMAN
DODIE G. ALLEN
VICE-CHAIRMAN

FRANK AUMAN
ROBERT E. BEANE
MRS. MARTHA L. COMER
WALLACE GARNER
WILL J. LAWRENCE
RUDY LAWSON
WYLER R. LISK
MRS. W. FRANK REDDING, JR.
D. ROSS, JR.
ERRY W. TILLMAN

March 16, 1979

Mr. Roger Daughtry, Business Manager
Coastal Carolina Community College
444 Western Boulevard
Jacksonville, North Carolina 28540

Dear Roger:

In acknowledgment of our telephone conversation yesterday, I look forward to meeting with you next Friday, March 23, at 9:00 a.m. I feel sure that you will be able to provide helpful information that will assist us in establishing a foundation at Randolph Tech. For your convenience, I am enclosing a copy of the questions that I would like to discuss with you in our meeting.

Thank you in advance for your time and cooperation in this endeavor.

Sincerely,



Larry K. Linker
Executive Vice President

LKL:pjh

Enclosure

APPENDIX K

LETTER OF APPRECIATION TO INSTITUTIONS
INTERVIEWED ON FOUNDATIONS

RANDOLPH TECHNICAL INSTITUTE

BOX 1009

ASHEBORO, NORTH CAROLINA 27203

PHONE 919-629-1471

H. BRANSON
PRESIDENT

TRUSTEES
W. PLUMMER
CHAIRMAN
DIE G. ALLEN
VICE-CHAIRMAN

FRANK AUMAN
BERT E. BEANE
MRS. MARTHA L. COMER
ALLACE GARNER
L. J. LAWRENCE
LADY LAWSON
WALTER R. LISK
S. W. FRANK REDDING, JR.
D. ROSS, JR.
LARRY W. TILLMAN

March 19, 1979

Dr. Conrad Shaw
Vice President for Administrative Services
Wilkes Community College
P. O. Drawer 120
Wilkesboro, North Carolina 28697

Dear Dr. Shaw:

May I take this means of communication to express my sincere appreciation for your hospitality and time given to me in my recent visit to your institution. I am sure that the information you provided will be of help to me and Randolph Tech. I plan to send you a summary of our conversation in the near future.

Again, thank you for your help. If I can ever be of assistance to you, please don't hesitate to call.

Sincerely,



Larry K. Linker
Executive Vice President

LKL:phh

APPENDIX L

LETTER(S) REQUESTING ASSISTANCE FROM
WILLIAM C. FRIDAY, PRESIDENT OF GENERAL ADMINISTRATION,
THE UNIVERSITY OF NORTH CAROLINA BOARD OF GOVERNORS

RANDOLPH TECHNICAL INSTITUTE

BOX 1009

ASHEBORO, NORTH CAROLINA 27203

PHONE 919-629-1471

H. BRANSON
PRESIDENT

J. STEES
V. PLUMMER
CHAIRMAN
DIE G. ALLEN
VICE-CHAIRMAN

HANK AUMAN
BERT E. BEANE
S. MARTHA L. COMER
WALLACE GARNER
L. J. LAWRENCE
LADY LAWSON
CLERK R. LISK
S. W. FRANK REDDING, JR.
D. ROSS, JR.
MIRY W. TILLMAN

December 19, 1978

Dr. William C. Friday
President of General Administration
The University of North Carolina Board of Governors
University of North Carolina
910 Raleigh Road
Chapel Hill, North Carolina 27514

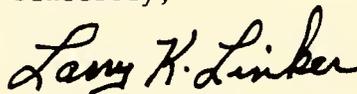
Dear Dr. Friday:

Randolph Technical Institute is planning to establish a foundation for purposes of securing nontax revenues. We want to plan our foundation on the basis of successful characteristics of other foundations.

We plan to talk with several officials in the North Carolina Department of Community Colleges System but would also like to talk with officials within the University of North Carolina System. Would you please recommend five (5) persons within the University System that you feel have successful foundations in terms of revenues received?

Thank you in advance for your time and consideration of this request.

Sincerely,



Larry K. Linker
Executive Vice President

LKL:phh

RTI RANDOLPH TECHNICAL INSTITUTE RTI

BOX 1009 ASHEBORO, NORTH CAROLINA 27203 PHONE 919-629-1471

- H. BRANSON
ESIDENT
- USTEES
- V. PLUMMER
AIRMAN
- DIE G. ALLEN
E-CHAIRMAN
- ANK AUMAN
- BERT E. BEANE
- S. MARTHA L. COMER
- ALLACE GARNER
- L. J. LAWRENCE
- ADY LAWSON
- LER R. LISK
- S. W. FRANK REDDING, JR.
- D. ROSS, JR.
- ARRY W. TILLMAN

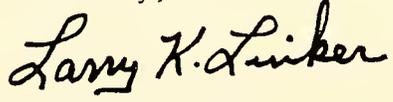
January 12, 1979

Dr. William C. Friday
 President of General Administration
 The University of North Carolina Board of Governors
 University of North Carolina
 910 Raleigh Road
 Chapel Hill, North Carolina 27514

Dear Dr. Friday:

On December 19, 1978, I wrote you a letter requesting information that should be beneficial to Randolph Technical Institute. To date I have not received a reply; therefore, I assume the letter was lost or misplaced in transit. I am enclosing a copy of the letter and would very much appreciate a reply from you or one of your associates.

Thank you for your time and consideration of this request.

Sincerely,

 Larry K. Linker
 Executive Vice President

LKL:phh

Enclosure

THE UNIVERSITY OF NORTH CAROLINA

General Administration

P. O. BOX 2688
CHAPEL HILL 27514

L. FELIX JOYNER
Vice Presidents — Finance

TELEPHONE: (919) 933-6981

January 23, 1979

Mr. Larry K. Linker
Executive Vice President
Randolph Technical Institute
Box 1009
Asheboro, North Carolina 27203

Dear Mr. Linker:

This is in response to your letters of December 19
and January 12 to President Friday.

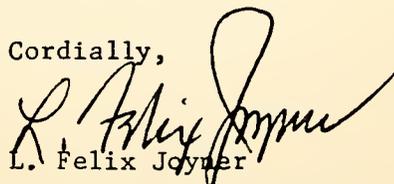
I suggest that you might usefully discuss your plans
for establishing a foundation for Randolph Technical Institute
with:

Mr. Rudolph Pate
Vice Chancellor for Foundations
and University Relations
North Carolina State University
P. O. Box 5067
Raleigh, North Carolina 27607

Mr. Charles M. Shaffer
Director, Development Office
The University of North Carolina
at Chapel Hill
203 Steele Building
Chapel Hill, North Carolina 27514

Mr. William M. Britt
Vice Chancellor for Development
The University of North Carolina
at Charlotte
UNC-C Station
Charlotte, North Carolina 28223

Cordially,



L. Felix Joyner

APPENDIX M

PROPOSED QUESTIONNAIRE AND REVISED QUESTIONNAIRE
FOR INTERVIEWS ON FOUNDATIONS

PROPOSED
INTERVIEW QUESTIONNAIRE ON CHARACTERISTICS
OF SUCCESSFUL FOUNDATIONS

1. How long has your institution had a foundation?
2. Who governs your foundation, and how are these persons selected?
3. Do you consider your foundation successful in terms of the amount of money raised annually?
4. Identify five (5) characteristics that you consider make your foundation successful.
5. What techniques do you utilize in advertising or promoting your foundation?
6. Do you emphasize an annual fund-raising drive or is fund-raising a continuous process throughout the year?
7. Do you identify and publicize ways in which funds will be spent?
8. What types of clientele better support your foundation?
9. Are students utilized in the support of your foundation?
10. Do you utilize a speakers bureau to promote your foundation?
Who comprises the bureau?
11. In your opinion, what is the specific role of your foundation?
12. Do you have conflict between your Board of Trustees and your foundation Directors?
13. Identify the five (5) most important activities in your foundation's "program of work."
14. What specifically would make your foundation more successful?
15. Given the opportunity to establish your foundation once again, what changes would you make?

REVISED
INTERVIEW QUESTIONNAIRE ON CHARACTERISTICS
OF SUCCESSFUL FOUNDATIONS

1. How long has your institution had a foundation?
2. Who governs your foundation, and how are these persons selected?
3. In your opinion, what is the specific role of your foundation?
4. Do you consider your foundation successful in terms of the amount of money raised? What other measures do you use to judge success?
5. Identify five (5) characteristics that you consider make your foundation successful.
6. Do you advertise or promote your foundation? If so, what techniques do you use?
7. Do you utilize a speakers bureau to promote your foundation? If so, who comprises the bureau?
8. Do you emphasize an annual fund-raising drive or is fund-raising a continuous process throughout the year?
9. Identify your most successful fund-raising techniques.
10. Do you identify and/or publicize ways in which funds will be spent?
11. Is your foundation and its activities aimed at certain clientele? If so, what type of clientele?
12. Are students involved in the support of your foundation? If so, are they primarily former, present, curriculum or non-curriculum, day or evening students?
13. Do you have conflict between your Board of Trustees and your foundation Directors? If so, in what way?
14. Identify the five (5) most important and/or lucrative activities in your foundation's "program of work."
15. In your opinion, what specifically would make your foundation more successful?
16. Given the opportunity to establish your foundation once again, what changes would you make?

APPENDIX N

LETTER TO INSTITUTIONS SUMMARIZING DATA
COLLECTED FROM INTERVIEW

RANDOLPH TECHNICAL INSTITUTE

BOX 1009

ASHEBORO, NORTH CAROLINA 27203

PHONE 919-629-1471

I. BRANSON
 PRESIDENT

V. PLUMMER
 VICE PRESIDENT

DIE G. ALLEN
 VICE-CHAIRMAN

ANK AUMAN
BERT E. BEANE
S. MARTHA L. COMER

LLACE GARNER

L. J. LAWRENCE

ADY LAWSON

LER R. LISK

S. W. FRANK REDDING, JR.

I. ROSS, JR.

RY W. TILLMAN

April 27, 1979

Dr. Grady E. Love, President
 Davidson County Community College
 P. O. Box 1287
 Lexington, North Carolina 27292

Dear Dr. Love:

During my recent visit to your institution, I stated that I would send you a written report summarizing the data collected from our interview regarding foundations. Therefore, will you please review the enclosed report to ascertain accuracy. Please feel free to add or delete information.

Since I plan to utilize this information in developing a plan to establish a foundation at Randolph Technical Institute, it is important that I have documented correct information. Please call me collect at 919-629-1471 should changes be necessary. If I do not hear from you by May 4, 1979, I will assume the data is correctly documented.

Thank you again for your assistance in this study. Please feel free to contact me if I can ever be of help to you.

Sincerely,



Larry K. Linker
 Executive Vice President

LKL:pjh

Enclosure

INTERVIEW

Dr. H. B. Monroe
Citizens for Anson Tech, Inc.
Anson Technical Institute
Ansonville, NC
March 8, 1979

Answers to Questions:

1. Four (4) years, January, 1975.
2. The Foundation has a Board of Directors. The Board may name members as it desires. Any member may be removed by a majority vote. There are seven (7) members.
3. The role of the foundation is to pay for items that Anson Tech needs and cannot afford, or purchase, with school money. These items are then given to the school. The foundation also initiates the purchase, and subsequent donation, of items it wishes to give the school without a request from the school.
4. The Foundation has been successful enough to raise the money needed to donate the items it wishes to donate.
5. Among the characteristics listed are: (1) having as members of the Board of Directors people who want to give money, or people who know people who want to give money, and who are interested in Anson Tech; (2) utilizing the system of having the foundation only give items, never money, to the school; (3) not allowing the foundation to be controlled by the Anson Tech Board of Trustees; (4) hard work by the Directors of the foundation and the President of the Institute.
6. The only type of advertising is the appeal to area interests to match funds, such as the scholarship funds donated by the Women's Garden Club. There is no real advertising such as brochures or radio commercials.
7. There is no speaker's bureau.
8. There are no annual fund-raising drives.
9. The most successful fund-raising technique is "having the right people and having them interested."
10. The foundation spends all its funds to purchase the items for the school so the school itself has no reason to identify how the funds will be spent. The school just suggests to the foundation items which the foundation can purchase as it wishes, or the foundation spends its funds as it wishes.
11. Foundation activities are aimed at the few people who have the resources and the interest to support the foundation.
12. Students are not involved in foundation support.
13. There are no conflicts between the school's Board of Trustees and the foundation's Board of Directors. They have no relationship at all and no contact.

Dr. H. B. Monroe
Citizens for Anson Tech, Inc.
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14. Important and/or lucrative foundation activities include: (1) financing the building of two (2) houses by a CETA program for female carpenters and the subsequent sale of these houses; (2) getting local building supply outfits to give building materials such as bricks for the chapel; (3) getting interested people to give specific items to the school in lieu of financial contributions.
15. More hard work would make the foundation more successful.
16. No changes seem to need to be made. The foundation is operating as intended.

INTERVIEW

Mr. Powell Majors, Executive Director of the Foundation
Mr. Jay Meyers, Director of Resource Development
Central Piedmont Community College Foundation, Inc.
Central Piedmont Community College
Charlotte, NC
March 29, 1979

Answers to Questions:

1. The Foundation was started in latter part of 1966.
2. The Foundation has a Board of Directors appointed by the College's Board of Trustees. The number of Directors is flexible but is currently 18 of which 3 are also Trustees.
3. The Foundation's basic role is to provide a vehicle to do things that the College cannot do with other funds. This is accomplished in several areas: (1) an endowment is being built up; (2) the Foundation purchases property that the College needs, then holds this property until sufficient bonds have been approved to allow the College to purchase the land; (3) the Foundation provides support for campaigns such as bond elections by supplying items such as bumper stickers, brochures, and flyers; (4) Financial Aid is provided for students, both in the form of scholarships and by providing funds for matching grants such as Work-Study and the Student Nurse Loan Program; (5) several types of fringe benefits are provided for faculty and staff including: (a) a \$5,000 life insurance policy on all full-time employees with additional coverage on department heads and vice-presidents; (b) a supplement to defray the cost of hospitalization insurance for dependents; (c) a discretionary fund for the President; (d) a house for the President; (e) cars for vice-presidents.
4. The Foundation is very successful, having raised \$129,000 last year.
5. The Foundation is successful because it has a diligent Executive Director who knows the proper contacts to make with corporate personnel in the Charlotte area.
6. The Foundation's Annual Report and an explanatory brochure are mailed to 2,000 people.
7. There is no speakers bureau.
8. Fund-raising is a continual process throughout the year.
9. The most successful fund-raising technique is contact of corporate donors by Mr. Majors.
10. If funds are solicited for scholarship purposes, this is publicized. Other funds are used as previously stated and donors know of these uses.
11. Almost all donations are from Charlotte corporations and businesses.

Mr. Powell Majors, Executive Director of the Foundation
Mr. Jay Meyers, Director of Resource Development
Central Piedmont Community College Foundation, Inc.
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12. Students are not involved in support of the Foundation.
13. There is no conflict between the Boards.
14. Other than the efforts of Mr. Majors, lucrative activities include:
(1) inviting a group of people to tour the campus and have lunch at the College, giving them the opportunity to familiarize themselves with the opportunities available; (2) acquiring donated cars, letting the Auto Body program remove the dents and paint the cars, then selling the cars with funds going to the Foundation.
15. It would be nice to increase the size of the permanent endowment.
16. If the Foundation could be started over, one change would be welcomed. When potential donors were first solicited, they should have been asked for larger donations than they were. Because the original requests were low, it has taken the Foundation a long time to get them to as large an amount as they should be.

INTERVIEW

Mr. Roger Daughtry
Coastal Carolina Community College Foundation, Inc.
Coastal Carolina Community College
Jacksonville, NC
March 23, 1979

Answers to Questions:

1. The Foundation was incorporated on September 23, 1970, but really became active in 1973.
2. The Foundation's Board of Directors has 24 members who are appointed by the College's Board of Trustees for one-year terms. One Director is also a Trustee, but this is not a requirement.
3. The specific role of the Foundation is to create an endowment that will be able to aid the school in the future by such projects as student scholarships and chairs of distinction for faculty. The Foundation is not spending any money now but aiming all of its income for the endowment.
4. If you raise a nickel, you are "successful," but on a scale the success of this Foundation would probably be considered "good to fair." The passage of a \$4 million bond referendum in 1974 kindered early growth of the Foundation, but impetus is beginning to build now.
5. Characteristics that make this Foundation successful include: (1) the Directors all make solicitations of a specified number of potential donors each year; (2) among the Directors are several lawyers who are in a position to know of people who have an inclination to make a donation; (3) the President of the College takes an enthusiastic active role in the fund-raising activities of the Foundation.
6. The only form of promotion of the Foundation is the personal contacts of Directors and the President of the College.
7. The Foundation does not have a speaker's bureau, though the College does.
8. Fund-raising is an ongoing activity with no emphasis on an annual fund type of activity.
9. The most successful fund-raising technique is the personal contact made with potential donors by Directors and the President of the College.
10. Funds donated for a specific purpose, such as a scholarship, are used only for that purpose. All other funds are placed in the endowment, and donors are informed of this. There is no attempt to publicize how these funds are spent unless a donor asks.
11. This Foundation aims at a broader clientele than many, partially due to the few wealthy citizens of the area. Consequently, there is more appeal made to givers of smaller amounts. Approximately 60% to 65% of the donors give less than \$150 annually, creating greater community participation in the Foundation.

Mr. Roger Daughtry
Coastal Carolina Community College Foundation, Inc.
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12. Students and alumni have not been involved in the support of the Foundation.

13. There has been no conflict between the Foundation's Board of Directors and the College's Board of Trustees.

14. The Foundation's most lucrative activity is the contact made by the Directors and the President of the College. The Foundation has no other fund-raising activities per se.

15. The Foundation will become more successful when a full-time Resource Development Officer is hired. A person devoting their entire job to the Foundation will make a big difference.

16. The only change that would be made would be the hiring of a full-time person to operate the Foundation as quickly as possible after the establishment of the Foundation.

INTERVIEW

Dr. Grady Love
Davidson County Community College Foundation, Inc.
Davidson County Community College
Lexington, NC
March 7, 1979

Answers to Questions:

1. Foundation has existed for ten (10) years (since September, 1968).
2. The Foundation is governed by a Board of Directors appointed by the Board of Trustees of Davidson County Community College. Initially the Board of Directors had nine (9) members, but this has now been expanded to fifteen (15) members. Directors have a three (3) year term.
3. The Foundation is used as a vehicle through which funds can be endowed to provide aid to the school in the future. Funds for current operation of the school are sufficient. The Foundation is being used to create a large enough endowment to protect the school if a crunch comes in ten (10) or twenty (20) years.
4. The Foundation has been fairly successful in raising money, but a lack of action by the Board of Directors has hindered somewhat.
5. Characteristics of the Foundation's success include: (1) the energetic leadership of the President of the Community College in contacting individuals, industries, and banks to solicit gifts; (2) the endowment orientation of the Foundation.
6. Promotion of the Foundation is through personal contact, principally by Dr. Love. Local industries were contacted in a successful attempt to double the size of the endowment.
7. No speakers bureau is utilized.
8. There is no annual fund-raising drive as such, but the Foundation does annually raise funds to assist the intercollegiate athletic program. There is also going to be a special drive to raise matching funds to finance purchase of a computer.
9. The most successful fund-raising technique is Dr. Love's contacting the sources for money.
10. Except for the athletic fund drive and special situations such as the computer purchase, the funds raised by the Foundation are for the endowment. Therefore, the manner in which the funds will be spent is unpublicized. In situations where individuals or industries give endowed funds to specifically establish a scholarship, of course the way in which the funds will be spent is known.
11. Foundation activities are aimed at individuals known to have the resources to help the school, and local industries and banks that might be interested in supporting the school.

Dr. Grady Love
Davidson County Community College Foundation, Inc.
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12. Students and alumni have not been involved in the Foundation support.
13. There have been no conflicts.
14. Lucrative Foundation activities include: (1) getting individuals to endow memorial scholarships; (2) getting local industries to contribute to increase the size of the endowment; (3) endowing a lecture series to provide funds to bring a famous speaker to the campus for a day every year; (4) annually raising funds to help the athletic program.
15. The Foundation would be more successful if the Board of Directors showed more initiative in contacting potential contributors and took a stronger support and interest in getting donations to the Foundation.
16. The changes would revolve around the composition of the Board of Directors. Finding a chairman who had the community-standing and the desire to spearhead the Foundation would be the greatest help. Also, the school would push the Board of Directors more. Dr. Love feels that one reason the Directors have not worked too hard is because they have not been asked to work any harder.

Additional Comments:

Much of the money that Dr. Love raises, especially large gifts for such projects as new buildings, is not placed through the Foundation but, rather, is placed under the control of the school's Board of Trustees for their disposition.

INTERVIEW

Mr. John A. Price
McDowell Technical Institute Foundation, Inc.
McDowell Technical Institute
Marion, NC
March 13, 1979

Answers to Questions:

1. The Foundation was established in 1977.
2. The Board of Directors has 9 members, 5 of which are members of the Board of Trustees and 4 are appointed by the Board of Trustees.
3. The Foundation's role is to be a reserve for future needs. At this time, it provides some scholarship money, but nothing else.
4. The Foundation has been inactive except for one fund-raising activity, but this activity raised a good amount of money.
5. The Foundation is inactive at this time.
6. There is no promotion of the Foundation at present. The printing of brochures by the Institute's Commercial Graphics program for distribution has been considered.
7. There is no speakers bureau.
8. There is no annual fund drive.
9. The only technique has been the building of a house through the Institute's Light-Construction program and its sale by the Foundation.
10. Funds are currently used only for scholarships.
11. The Foundation is inactive at this time. When it is revitalized, initial activity will be directed toward those "legitimizers" in the community whose support would make the Foundation legitimate to the community.
12. Students are not involved in supporting the Foundation.
13. There is no conflict between the Board of Directors and the Board of Trustees.
14. The only activity has been the construction and sale of the house.
15. The Foundation needs to become active to be successful.
16. The Foundation has existed for such a short period of time that a need for changes has not arisen.

INTERVIEW SUMMARY

Dr. Raymond A. Stone
Sandhills Community College
Carthage, NC
March 12, 1979

Answers to Questions:

1. The Foundation is approximately 10 years old.
2. A Board of Directors governs the Foundation. The maximum membership is 23, of whom 12 are the College's Board of Trustees. The Board of Trustees appoints the other 11 Directors for 6-year terms.
3. The Foundation's specific role is two-fold. The Foundation administers endowed funds and gifts of real property, the proceeds from which are used for College projects and awards. The Foundation also is used to raise large amounts of money for specific projects as they arise.
4. The Foundation has been successful in raising money (\$6-\$7 million thus far) and has also been successful in getting many individuals to support the College through contact with the Annual Fund.
5. Characteristics that make the Foundation successful include: (1) making sure that the Foundation membership reflects the character of the community; (2) having contact with those individuals who have the means and desire to give to the College significant amounts of money, either as an annual gift or for specific projects; (3) utilizing previous donors as the solicitation list to get the Annual Fund off the ground; (4) using the Foundation as the tool to receive non-cash gifts to the College and converting them to the form that can most benefit the College.
6. The only form of promotion used by the Foundation is the publicizing of large gifts through the local newspaper.
7. No speaker's bureau is used to promote the Foundation, but the College does have a speaker's bureau to address local civic groups.
8. An Annual Fund was conducted for the first time this year. Prior to this fund-raising had been an intermittent activity.
9. The most successful fund-raising technique is knowing, and properly approaching, the individuals who have the inclination to contribute. One technique used to finance a specific project involved convincing one person to contribute half of the necessary money. Dr. Stone then contacted ten (10) other people, pointed out that one (1) person had given a certain amount and told them that certainly they could give 1/10th of that amount. Twelve people were contacted, and the money was raised.
Two sources are used to create the mailing list for the Annual Fund. All previous contributors who have given sporadically, and not in large amounts, are contacted. All adult students enrolled in Continuing Education classes are contacted. They are told that obviously the course they are taking is worth more than the \$5 they paid to take it. The Annual Fund provides the perfect vehicle to "salve the conscience."

Dr. Raymond A. Stone
Sandhills Community College
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10. When funds are for a special project, such as capital construction, their use is identified. If funds are given for a designated purpose, they are used for that purpose. Other funds merely go into the endowment without being designated.

11. Foundation activities are aimed at the entire Sandhills community. At the same time, the Annual Fund is aimed at former contributors and adult students with the idea that the College is building a base of support, not a large amount of money.

12. Only adult Continuing Education students, as mentioned, are used.

13. There is no conflict between the Trustees and the Directors, as over half of the Directors are Trustees.

14. Lucrative activities include: (1) getting large donations for specific projects; (2) giving many student scholarships and scholastic awards, and several faculty awards, from the proceeds from endowed funds and using these activities as a way of attracting further contributions to the endowment.

15. In an attempt to make the Foundation more successful, Dr. Stone hopes to use some Foundation income, not over \$25,000, as "seed money" to raise money. This money would pay for mailings, to make more contacts, and possibly hire someone part-time to make contacts in a structured manner. The aim is a more sustained continuous effort on the part of the Foundation.

16. The only change would be the consideration of including fewer Trustees on the Board of Directors. This is not because of a wish to limit the Trustees' control, but rather this would give the opportunity to involve more people outside the College. This increased involvement would eventually lead to increased contributions.

INTERVIEW

Mr. Jack Ervin
Southeastern Community College Foundation
Southeastern Community College
Whiteville, NC
March 22, 1979

Answers to Questions:

1. The Foundation has been in existence since 1969, but was not active until 1973.
2. The Foundation has 22 members of its Board of Directors. Twelve are Trustees and 10 are not. Originally the Trustees appointed all members, but now the Board of Directors appoints the new directors.
3. The Foundation's role is to raise funds for the school and, as a public relations medium, to create support for the school. Most of the funds are used for scholarship aid.
4. The Foundation is successful to an extent, but the need to raise more money always exists. Mr. Ervin would like to see more deferred giving and a stronger attempt to increase the endowment.
5. The characteristic that makes the Foundation successful is hard work and persistence by the Directors in contacting potential donors and getting a donation. The Board of Directors considers itself a soliciting organization and acts accordingly.
6. The Foundation is advertised and promoted heavily:
 - (1) A direct mail campaign is directed at small donors with three letters between September and Christmas.
 - (2) Larger donors are invited to several dinners a year, usually in connection with a fine arts event of some type, where the atmosphere is completely social with no overt campaigning for the Foundation.
 - (3) Mr. Ervin writes a column titled "Tax Facts" for the local newspaper.
 - (4) The Foundation advertises in the newspaper, alerting people to the opportunity to give memorial gifts to the Foundation in memory of people.
 - (5) The Foundation checks local newspapers for announcements of promotions, people moving to the area, significant birthdays, and other joyous occasions. The appropriate congratulatory/welcoming letter is sent to these people from the Foundation.
 - (6) Whenever possible, Foundation Directors are encouraged to speak to civic groups.
 - (7) The Dinner Theater event (which will be explained in detail in Question 9) is also excellent promotion.
 - (8) For gifts of \$25 or more, a Certificate of Appreciation is personally delivered to the donor and placed on a wall in their office, if possible. When a donor's gifts equal \$500 or more, a plaque is presented in some way.
7. The College has a speakers bureau, which the Foundation can utilize as desired. Mr. Ervin tries to speak to all local civic clubs at least once every 2 years.

Mr. Jack Ervin
Southeastern Community College Foundation
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8. The Annual Fund has a kickoff date, but the fund-raising continues throughout the year.

9. In addition to the advertising and promotion mentioned in Question 6, these activities are also conducted by the Foundation:

- (1) The Annual Fund is a highly organized event. The Directors are divided into several teams. Each team is given a goal. Then, each member of the team is given a goal to raise. This leads to a goal for the entire Annual Fund. A list of previous donors is compiled. The Directors meet to decide who should contact which donors, and how much they should ask for a donation, which is the basis for the goals given to Directors. Finally, after the campaign is complete, the entire operation is recapped to make improvements for the next Annual Fund Drive.
 - (2) While the direct mail campaign itself is not a lucrative activity, it does get people into a habit of giving. As this habit is reinforced, the possibility exists of an eventual large gift.
 - (3) The memorial giving program is successful. When a memorial donation is made, the family of the person being remembered is sent a notice of the gift and the donor is thanked.
 - (4) The Dinner Theater is extremely successful. The first weekend of April has been established as the date annually. A theater group is brought to the school and an accompanying dinner is planned. The entire evening is planned as an honor to a locally well-known person and is done as a "roast." Tickets are sold at \$25 each, most of which is deductible to the purchaser. Packets containing tickets, response cards, and information about the Foundation are mailed to potential purchasers (previous attendees, past donors, influential or prominent community people, etc.) ahead of the event.
 - (5) A Director, who is associated with a local bank, donated a painting to the College. The Foundation has 500 prints of the painting made and sells them for \$25 each. Advertisements are inserted in this bank's monthly statements and placed in a state-wide banker's magazine. This is a way of exposing the school to new people and providing donors something for their money.
 - (6) An activity that will be begun in the spring involves graduation pictures. The Foundation will photograph each graduate receiving a diploma and try to sell the pictures to the graduate's parents.
 - (7) The Foundation supplied the funds to buy materials to build a house. The house was built on school grounds by students in the appropriate programs. The house will be auctioned, sold to the highest bidder, and moved off campus by the purchaser. Proceeds will go to the Foundation. The supplier of the materials gave the Foundation an excellent price, providing himself a tax write-off and more profit for the Foundation.
10. The application of funds is publicized, especially those submitted to generate matching financial aid funds. A persuasive agreement for local merchants is the fact that \$1 of donated aid generates \$6-9 in matching funds. 95% of this money is spent in the community; thereby, more than offsetting the cost of the initial donation.

Mr. Jack Ervin
Southeastern Community College Foundation
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11. The Foundation's activities are aimed at those individuals in the area who can make sizeable contributions. There is little industry in the area, so these people are the best source of funds. 80% of the funds come from 20% of the people.

12. Students are not involved in the Foundation at this time. Attempts have been made at an alumni organization, but its initial emphasis would be more public relations oriented. Any fund-raising capabilities would be in the future.

13. There has been no conflict between the Boards. The Board of Trustees did have the majority of seats on the Board of Directors until recently.

14. Of the programs in Question 9, the most lucrative are:

- (1) Annual Fund
- (2) Dinner Theater
- (3) Memorial giving program
- (4) House construction

15. Further success by the Foundation could be achieved by more involvement of the Directors in the processes of the Foundation. If an emphasis could be placed on more deferred giving, a service would be done.

16. The only change would be in the membership of Trustees on the Board of Directors. No more than 4 Trustees should be on the Board of Directors and their appointment should be for a limited term. The experience has been that Trustees tend to become bored and cease to work very hard for the Foundation when working for their entire 8-year term.

Additional information:

The President of the College has a big role in the Foundation as a public relations man for it, but he does not solicit as the Directors do.

INTERVIEW

Mr. Sheridan Smith
Southwestern Technical Institute Foundation, Inc.
Southwestern Technical Institute
Sylva, NC
March 13, 1979

Answers to Questions:

1. The Foundation was set up in 1973.
2. The Board of Directors has 25 members. They are voted upon by Life Members and Sustaining Members with 1/3 being elected every 2 years. An individual Life Member has given \$1,000 and a corporate Life Member has given \$2,500. An individual Sustaining Member gives \$25 a year, and a corporate Sustaining Member gives \$500 a year.
3. The specific role of the Foundation is the betterment of the community by providing better training for the students. Anything that helps a student get a better education is a valid consideration. This involves both specific projects and financial aid.
4. Success is not only measured in terms of funds raised, but also in terms of the extent to which these funds are applied to meeting the objectives of the Foundation.
5. Characteristics of a successful foundation include: (1) the attitude of the Directors must be to help the student by hard work on the students' behalf; (2) the Directors must be interested in and supportive of the philosophy of the Institute; (3) membership of the Board of Directors must be representative of all segments of the local service area.
6. The Foundation is not promoted, but rather the Institute is promoted.
7. There is no organized speakers bureau.
8. There is no Annual Fund Drive.
9. The most successful fund-raising techniques are: (1) hard work by Directors; (2) using the Directors to contact members of private foundations to whom proposals have been submitted in an attempt to get complete consideration for the proposals; (3) profiling and securing prior to requesting donations to be certain that the appeal will not be counterproductive; (4) giving businesses the alternative of contributing materials from their inventory instead of cash, if this is a benefit for the business.
10. The manner in which funds will be spent is always publicized so that donors will know how their gifts will benefit the community.
11. The Foundation mainly is aimed at other private foundations, but what local businesses there are also receive attention.

Mr. Sheridan Smith
Southwestern Technical Institute Foundation, Inc.
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12. Students are involved to the extent that they contribute most of the labor necessary to make projects a success. In return, the Foundation gives them a dinner and a certificate of participation in appreciation of their support.

13. There is no conflict between the Boards as they are completely separate.

14. The most lucrative activity is approaching private foundations for money for specific proposals.

15. Success of the Foundation would be enhanced by decreasing the size of the Board of Directors and making all Directors be residents of the area instead of being spread all over the South as they are now.

16. Changes that would be made if starting once again involve the makeup of the Board of Directors. The number of Directors should be 12-15, and they should all be elected every 2 years. There should be no members of the Board of Trustees on the Board of Directors, as this is asking too much of one person. A bylaw should be written calling for the removal of any Director who misses 3 meetings to keep uninterested people off the Board.

INTERVIEW SUMMARY

Mr. Clyde Johnson
Surry Community College Foundation, Inc.
Surry Community College
Dobson, NC
March 14, 1979

Answers to Questions:

1. The Foundation was established in October, 1966.
2. The Board of Directors has 9 members who serve staggered 3-year terms. Two of these Directors must be members of the College's Board of Trustees. New Directors are nominated by the Board of Directors and are elected by the Board of Trustees.
3. The Foundation's role is to help provide student aid by using interest income from the endowment along with specific grants and donations. The Foundation also pays \$50 a semester to defray tuition expenses for any faculty member taking courses at an accredited institution.
4. The Foundation has been successful, especially in view of the lack of aggressive promotion.
5. The characteristic that makes the Foundation successful is the choice of a good group of Directors. Having a good group of Directors has meant a good relationship with local industry.
6. The Foundation had some brochures printed at one time, but most promotion is through personal contact.
7. There is no formal speakers bureau.
8. Fund-raising is a continual process with no special period set aside for emphasizing a fund drive.
9. The most successful fund-raising technique is contact with local industries and civic organizations.
10. Funds raised for scholarship purposes are publicized as such.
11. The principal clientele at whom the Foundation is aimed are industries that have the means to contribute and civic organizations that can utilize the support of a group of members to give a meaningful donation.
12. Students as a group are not involved in supporting the Foundation although some scholarship winners have made contributions after graduating.
13. There is no conflict between the Boards.
14. The lucrative activity is contact with local industry and civic organizations.

Mr. Clyde Johnson
Surry Community College Foundation, Inc.
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15. More work would make the Foundation more successful.

16. There are no changes that would have to be made, but expansion of the Board of Directors to 12 members might be considered.

INTERVIEW

Dr. Conrad Shaw
Wilkes Community College Endowment Corporation
Wilkes Community College
Wilkesboro, NC
March 14, 1978

Answers to Questions:

1. The Foundation was started in 1970 but was inactive until 1977.
2. The Board of Directors consists of 15 persons selected by the Directors. The President of the College and the Chairman of the Board of Trustees occupy seats on the Board of Directors.
3. The role of the Foundation is to support the College by raising money for specific projects.
4. The Foundation has been successful in raising money. Another measure of success is the increasing involvement, and interest, in College activities which many large donors, especially business, evidence.
5. Characteristics that make the Foundation successful include: (1) Excellent leadership of Foundation officers and dynamic attitude of the President of the Board; (2) Strong support for the Foundation from the President of the College; (3) There are "legs on the organization," the Directors are willing to get out and knock on doors.
6. There is little promotion of the Foundation, but more is contemplated.
7. There is no speakers bureau for the Foundation.
8. An Annual Fund is conducted between July and October.
9. The most successful fund-raising technique is individual contact by the Directors.
10. The way funds will be spent is designated since usually funds are raised for specific projects.
11. Clientele are pre-selected on their ability to make contributions, especially larger businesses.
12. Students are not utilized in Foundation activities.
13. There is no conflict between the Boards.
14. Lucrative activities for the Foundation are: (1) raising money for specific building projects, such as steps connecting the new buildings to the old campus; (2) building a house with the school's Construction Technology Program and selling it through the Foundation.
15. The way to create more success is to widen the scope of contacts made by Directors.

Dr. Conrad Shaw
Wilkes Community College Endowment Corporation
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16. Changes that would be made if starting over are: (1) that the head of the Foundation be enthusiastic, willing to work, and able to understand the Foundation's purposes; (2) regularly scheduled meetings of the Board of Directors, probably on a quarterly basis, be held to provide a forum for reporting to the Directors.

INTERVIEW SUMMARY

Mr. Rudolph Pate, Vice Chancellor for Foundations and University Relations
 Mr. John Kanipe, Assistant Vice Chancellor for Foundations and Development
 North Carolina State University
 Raleigh, NC
 March 28, 1979

North Carolina State University has 13 Foundations for various schools of the University. Other fund-raising organizations are the Endowment Board, which was a by-product of the 1971 legislation creating the 16-campus University of North Carolina; the Alumni Association, which operates the Loyalty Fund; and the Student Aid Association, which is commonly known as the "Wolfpack Club." With the exception of the Wolfpack Club which coordinates its activities with the others, all of these groups report to Mr. Pate. All organizations are grouped under the Development Council, which acts as an umbrella. The Presidents of all of the organizations are members of this Council. The following chart gives basic information about N. C. State's fund-raising organizations:

<u>Name of Foundation & Date Started</u>	<u>School Served</u>	<u>No. of Directors</u>
N. C. State University Foundation (1942)	Entire University	24
N. C. Textile Foundation (1943)	School of Textiles	74
N. C. Agricultural Foundation (1945)	Agriculture School	112
N. C. Dairy Foundation (1945)	Dairy Science	56
N. C. Engineering Foundation (1945)	School of Engineering School of Physical Sciences School of Mathematical Sciences	59
N. C. Design Foundation (1950)	School of Design	39
Pulp and Paper Foundation (1952)	School of Forest Resources	17
N. C. Forestry Foundation (1958)	School of Forestry	13
N. C. 4-H Development Fund (1960)	4-H Program	52
N. C. State University Education Foundation (1973)	School of Education	40
N. C. Humanities Foundation (1974)	School of Humanities and Social Sciences	40
N. C. Tobacco Foundation (1976)	School of Agriculture and Life Sciences	42
N. C. Veterinary Science Foundation (1978)	School of Veterinary Science	40
N. C. State University Alumni Assoc. (1951)	Entire University	21
N. C. State University Student Aid Association (1952)	Athletic Program	20

Since the inception of the North Carolina State University Foundation in 1942, a total of \$50,752,393.87 has been raised by these organizations. All of these support their particular field by granting scholarships, professorships, and fellowships while helping in the construction of physical facilities that are not being supported by government funds. Recent buildings include laboratories for the Schools of Agriculture and Forestry.

Mr. Rudolph Pate, Vice Chancellor for Foundations and University Relations
Mr. John Kanipe, Assistant Vice Chancellor for Foundations and Development
North Carolina State University
March 28, 1979
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The most important factor in raising this type of support is people. The members of the Board of Directors of any foundation must be a combination of people who have the prestige to give credibility to the endeavor and people who are willing to make the personal contacts necessary to sustain the endeavor. A good idea is to name graduates of a school to the Board of Directors of that school's foundation. These people can see the importance of continuing the program that guided them and will work hard to seek support. A rule of thumb used at N. C. State is that a Director must possess 2 of the 3 W's--"Work, Wisdom, Wealth." Which 2 of the 3 is irrelevant; as long as the potential Director possesses 2, he should make a good member of the Board.

INTERVIEW SUMMARY

Mr. Charles M. Shaffer
Director of Development Office
University of North Carolina at Chapel Hill
Chapel Hill, NC
March 27, 1979

The Development Program was established in 1952. Its purpose is to coordinate the activities of the various foundations that serve UNC in order to prevent conflict and duplication of effort.

The first foundation at UNC was the Educational Foundation. After President Graham announced the intention to de-emphasize athletics in 1939, the Educational Foundation was established to provide athletic grants-in-aid to offset the cutting of UNC support. Today the Foundation gives its money to the University's Scholarship Committee. The Committee then awards grants-in-aid.

After World War II, the Business Foundation was established to benefit the School of Business Administration. The initial funds were raised from North Carolina corporate donors. In 1957 a "Second Campaign" was conducted quite successfully. In the 1970's, a "Program for the Seventies" has succeeded, making the Business Foundation the largest and most successful in terms of money raised of all foundations at UNC.

The Medical Foundation was created in the late 1940's to serve as a base of support for the accomplishments of the "Good Health Program," including the expansion of the Medical School program to 4 years and the support of a hospital that could sustain the program. The Foundation's success is evident from the quality of the program. Today Foundation funds go for research departments, scholarships, professorships, and supplements.

With the success of these initial foundations, several other foundations have come into existence at UNC over the years. These include the Pharmaceutical Research Foundation for the School of Pharmacy, the Dental Foundation for the Dental School, the Law Foundation for the Law School, the School of Journalism Foundation for the School of Journalism, and the Public Health Funds, Inc. for the School of Public Health. The two most recent foundations are the Arts and Sciences Foundation and the University of North Carolina at Chapel Hill Institutional Development Fund established in December, 1976, to raise funds to increase the endowment of the University.

Two annual fund drives, which are not incorporated, also are conducted. The Alumni Annual Giving Campaign is conducted through the Development Program and is aimed at all UNC alumni. The Friends of the Library Campaign ask for annual dues payments from members.

The size and composition of the Boards of Directors of the various foundations differ. Both the Business Foundation and the Medical Foundation have about 60 Directors, most of whom are donors and all of whom are workers for the foundations. The newest foundations have much smaller Boards. The Arts and Sciences Foundation has 9 Directors while the Development Fund has 15 Directors. These Boards are more administratively oriented than donor oriented.

Mr. Charles M. Shaffer
Director of Development Office
University of North Carolina at Chapel Hill
March 27, 1979
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Each foundation conducts its own annual solicitation. Consequently a potential donor who has several ties with UNC (for example: a UNC graduate who also graduated from the Law School and is a supporter of the Library and UNC athletics) will be solicited by several foundations. The Development Program favors this approach rather than a consolidation of all annual drives into one request. The opinion is that donors are more likely to respond to several different solicitations with gifts that are larger than one blanket contribution would be.

Many donors are UNC alumni, but many solid supporters are not. Naturally the athletic program draws significant non-alumni contributions to the Educational Foundation, but the Business Foundation is another one that draws support throughout the state from non-alumni who value the existence of a good Business School to supply good employees. To some extent, all the foundations receive non-alumni support from professionals in that field for the same reason.

In a public institution, a foundation's Board of Directors should be separate from the Board of Trustees as the objectives of the Boards are different. At a school like UNC, the Trustees are political appointments while the foundations need Directors that can raise money for that foundation. To keep the foundations from interfering in school operations, the Board of Trustees have regulations to control the foundations. Thus far, any conflicts have been amicably handled.

What would you do to start a successful foundation at a technical institute or community college?

The school's administration needs to make specific decisions concerning the role of the foundation and the specific tasks the foundation will accomplish. These tasks should be listed in a brochure. Local businesses and professional people who profit from the school would be approached with this brochure and asked to become charter members of the foundation. The benefit to these businesses and people from increased support of the school should be made quite evident. Consultation with charter members should produce a list of goals within specific time periods for the foundation to follow.

An influential person is needed to head the Board of Directors. For this position the influence of a person should take precedence over the hard-working commitment of other less-influential Directors. The proper person as head of the Board of Directors can contact potential donors as a peer and have access to many of the peer-level trade-offs others would find unavailable. Such a person can create regional pride and support for the institution solely by the connection of their name to the institution.

The size of the Board of Directors is important, especially at the start. Too large a Board is unwieldy. Once a large Board exists, the ability to make it smaller is hampered by the difficulty of removing Directors and the resulting injured feelings. The by-laws should state a definite term of office for all Directors and whether succession to another term is permitted. The idea of non-succession should be seriously considered. This provides a good way of removing non-participating Directors without insult. Good Directors will not forget the foundation in a year off the Board, and they can be reappointed after a year.

Mr. Charles M. Shaffer
Director of Development Office
University of North Carolina at Chapel Hill
March 27, 1979
Page 3

Finally, some kind of activity such as an Annual Fund Drive is necessary to keep the Directors active. If the Directors feel that they are an active part of the foundation, and consequently of the institution, their enthusiasm and support is greatly increased.

Dr. William M. Britt, Vice Chancellor for Development
University of North Carolina at Charlotte
Charlotte, NC
March 29, 1979

UNC-Charlotte differs from the other branches of UNC in that it has only one Foundation. The Foundation was started in 1960 while the institution was a 2-year college called Charlotte College. The sole purpose of the Foundation was, and is, to "enhance educational efforts of Charlotte College (now UNC-Charlotte)." The Foundation only grants money to UNC-Charlotte, not other foundations or individuals.

The Foundation started slowly. The only large gift was a piece of property in Burlington which was leased to Celanese. A portion of the income was restricted to support a "Celanese Professorship," and the remainder was restricted.

The Foundation came to life in 1967 after a new Chancellor was installed. The "Patrons of Excellence" program began, patterned after a successful program at the Chancellor's previous school. A donor becomes a "Patron of Excellence" of UNC-Charlotte upon giving \$10,000 or more. This can be done either as a single gift or \$1,000 a year for 10 years. The program began with 100 Charter members and has since acquired 100 more members. An endowment of \$2.7 million has been created.

The Foundation is guided by a 25-member Board of Directors with the Chancellor being an ex-officio member. The Directors are from the UNC-Charlotte area, and are chosen to represent areas where large numbers of UNC-C graduates live. Projects for the Foundation's consideration are presented by the Chancellor. Most of the unrestricted money goes to faculty development. This includes small grants to faculty to start research programs, salary supplements and awards to outstanding teachers, graduate assistantships, and grants for Study-Abroad programs. The only Foundation expenses are the salary of one secretary and the rental of an office in downtown Charlotte.

The Board of Directors is used extensively to raise funds. Mr. Britt often makes initial contact with potential donors, but the real request comes from Directors and the Chancellor. A Director making a visit is well-briefed prior to visiting and is usually accompanied by Mr. Britt or the Chancellor, as circumstances indicate. An attempt is made to approach potential donors with a Director who can function as a peer in order to make the solicitation more comfortable. Fund-raising is a continual campaign. Smaller gifts are welcomed, but donors are urged to become Patrons of Excellence.

There are several key points to raising funds. The Chancellor is heavily involved. A commitment to the concept by him is necessary, as he can have access to functions where funds can be raised. The Board of Directors must also be committed. Fund-raising is made a success by a lot of well-prepared people knocking on a lot of doors. These people must know what they are talking about, know how much is needed, and know how they can tie the interests of the potential donor to the interests of the Foundation. Careful planning, a realistic approach, absolute integrity, and some success can keep volunteers enthusiastically supporting the Foundation and make any foundation successful.

APPENDIX O

LETTER REQUESTING ASSISTANCE ON OPERATIONAL GUIDELINES

RTI RANDOLPH TECHNICAL INSTITUTE

BOX 1009

ASHEBORO, NORTH CAROLINA 27203

PHONE 919-629-1471

M. H. BRANSON
PRESIDENT

TRUSTEES
J. W. PLUMMER
CHAIRMAN
EDDIE G. ALLEN
VICE-CHAIRMAN

FRANK AUMAN
ROBERT E. BEANE
MRS. MARTHA L. COMER
WALLACE GARNER
BILL J. LAWRENCE
BRADY LAWSON
TYLER R. LISK
MRS. W. FRANK REDDING, JR.
J. D. ROSS, JR.
JERRY W. TILLMAN

To: Resource Development Committee:

J. D. Ross, Jr., Chairman
Wallace Garner
Bill J. Lawrence
Grady Lawson
J. W. Plummer, Ex-Officio
M. H. Branson, Ex-Officio

From: Larry K. Linker *L.K.L.*

Date: May 25, 1979

Subject: Critique and Evaluation of Operational Guidelines

As stated in the minutes of our Committee meeting held April 26, 1979, I promised to forward to you a copy of the Operational Guidelines for establishment of a foundation at Randolph Technical Institute as soon as they were completed. These Guidelines, coupled with the previously developed Articles of Incorporation and Bylaws, will complete our plan to establish a foundation.

Would you please review the enclosed Operational Guidelines and give me your critique and evaluation. Please feel free to make written comments or call me by telephone with your suggestions.

Once the plan is in final form, Mr. Ross has agreed to have a meeting at which time we can discuss the entire plan to establish a foundation. Thank you in advance for your help and cooperation.

Enclosure

RANDOLPH TECHNICAL INSTITUTE

BOX 1009

ASHEBORO, NORTH CAROLINA 27203

PHONE 919-629-1471

L.H. BRANSON
RESIDENT

RUSTEES
L.W. PLUMMER
CHAIRMAN
ODDIE G. ALLEN
VICE-CHAIRMAN

FRANK AUMAN
ROBERT E. BEANE
MRS. MARTHA L. COMER
WALLACE GARNER
WILL J. LAWRENCE
RADY LAWSON
WYLER R. LISK
MRS. W. FRANK REDDING, JR.
W. D. ROSS, JR.
ERRY W. TILLMAN

To: Resource Development Officers:
Harriette Crump
Jay M. Meyers
James H. Young

From: Larry K. Linker *L.K.L.*
Executive Vice President

Date: May 25, 1979

Subject: Critique and Evaluation of Operational Guidelines

I sincerely hope this will be the last time that I will ask for your time and assistance in my graduate studies. However, I would like your reaction to the Operational Guidelines that have been developed as part of my plan to establish a foundation at Randolph Technical Institute.

Please feel free to make written comments or call me collect at 919-629-1471. Upon completion of my studies, I will furnish you with a copy of the entire plan or, if you would like, I will send you a copy of the entire study after completion.

Thank you again for your cooperation and assistance. It was good to see you at the NCRD Regional Meeting in Charlotte. I sincerely hope the program on foundations by Ed Duffy and myself was acceptable in a well-planned meeting.

Enclosure

APPENDIX P

A PLAN TO ESTABLISH A FOUNDATION AT
RANDOLPH TECHNICAL INSTITUTE

A PLAN TO ESTABLISH A FOUNDATION AT
RANDOLPH TECHNICAL INSTITUTE

by

Larry K. Linker
Executive Vice President

June, 1979

INTRODUCTION

The purpose of this plan is to provide the Board of Trustees with adequate information to develop and establish a foundation at Randolph Technical Institute. A foundation is an organization to secure non-tax funds in support of the Institute as a part of the total resource development program. Certain policies had to be developed in order to initiate a foundation. Articles of incorporation and bylaws are considered essential to the developmental process. Part I of this plan contains Articles of Incorporation and Bylaws that were developed after thorough study and evaluation. They will provide adequate direction to the establishment of a successful foundation.

Part II of this plan contains pertinent operational guidelines. They are based on activities which tend to make a community college foundation successful. The guidelines were designed to give the Board of Trustees direction in establishing a foundation which will become successful. The operational guidelines are based on information gained from successful community college foundations and from information contained in the literature.

A Plan To Establish A Foundation At Randolph Technical Institute is a brief report or the product of a rather in-depth research project regarding the establishment of a foundation. For Trustees or others who would like to study the establishment of a foundation in-depth, a copy of a Major Applied Research Project report is available in the office of the Executive Vice President.

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ARTICLES OF INCORPORATION
of
RANDOLPH TECHNICAL INSTITUTE FOUNDATION, INC.
A Non-Profit Corporation

WE, THE UNDERSIGNED natural persons of the age of twenty-one years or more, acting as the incorporators for the purpose of creating a non-profit corporation under the laws of the State of North Carolina, as contained in Chapter 55A of the General Statutes of North Carolina, entitled "Non-Profit Corporation Act," and the several amendments thereto, do hereby set forth the following Articles of Incorporation.

ARTICLE I

Name, Duration

- A. The name of the corporation is Randolph Technical Institute Foundation, Inc.
- B. The period of duration of the corporation shall be perpetual.
- C. The address and initial registered office of the corporation shall be as follows:

Randolph Technical Institute
629 Industrial Park Avenue
P. O. Box 1009
Asheboro, Randolph County, North Carolina 27203

- D. The name and title of the initial registered agent of the corporation at the above address is Larry K. Linker, Executive Vice-President.

ARTICLE II

Purpose

A. The purposes for which the corporation is organized are to aid, strengthen and further in every proper and useful way the work and services of Randolph Technical Institute, and to develop and utilize the ties of interest, sympathy, and affection existing between the institution and its alumni and friends throughout the State and the Nation.

B. The corporation is organized and shall be operated exclusively for the educational purposes set forth in the preceding paragraph, and in furtherance thereof it is authorized to accept, hold, administer, invest, and disburse such funds and properties of any kind or character as may from time to time be given to it by persons or corporations, absolutely or in trust, as the case may be, and in general do all things that may appear necessary and useful in accomplishing these purposes. All of the assets and earnings of the corporation shall be used exclusively for educational purposes as hereinabove set forth, including the payment of expenses necessarily incident thereto, and no part of such assets shall inure to the benefit of any employee, officer, or member of the corporation or any other individual, except in payment of reasonable compensation for services actually rendered or expenses necessarily incurred.

C. In the event of dissolution all remaining assets of the corporation shall be transferred to the Board of Trustees of Randolph Technical Institute, or its successor.

ARTICLE III

Membership

The membership of the corporation shall be composed of fifteen (15) members. The initial membership of the corporation shall be deter-

mined as hereinafter set forth. Thereafter the members of the corporation shall fill vacancies occurring in the membership for any reason. Provided, the membership of the corporation shall at all times include the following:

- (1) The President of Randolph Technical Institute;
- (2) The Chief Fiscal Officer of Randolph Technical Institute;
- (3) The Chairman of the Board of Trustees of Randolph Technical Institute;
- (4) Chairman of the Resource Development Committee of the Board of Trustees at Randolph Technical Institute;
- (5) The President of the corporation.

In addition to the persons designated in Sections (1) through (4) above, the initial membership of the corporation shall be composed of eleven (11) members who shall be designated by the Board of Trustees of Randolph Technical Institute. One of such members shall be elected by the membership to serve as President of the corporation.

ARTICLE IV

Initial Directors

The number of members constituting the initial Board of Directors shall be five (5) and the names and addresses of the persons who are to serve as Directors until the first meeting of the corporation or until their successors are elected and qualified are:

1. Mr. M. H. Branson
Randolph Technical Institute
Asheboro, North Carolina
2. Mr. Larry K. Linker
Randolph Technical Institute
Asheboro, North Carolina
3. Mr. J. W. Plummer
Asheboro, North Carolina

4. Mr. J. D. Ross, Jr.
Asheboro, North Carolina
5. Citizen of Randolph County who will be appointed
by the Board of Trustees of Randolph Technical
Institute

ARTICLE V

Powers

In addition to the powers granted corporations under the laws of the State of North Carolina, the corporation shall have full power and authority to, and it shall be its duty to, hold and apply the corpus and income of any donation, grant, devise or bequest, or any part thereof, in such manner as may have been stipulated or provided in the instrument creating such donation, grant, devise or bequest. Unless otherwise specifically provided in such instrument, the corporation shall have authority to sell, mortgage, pledge, lease or exchange all or any part of the real or personal property or funds of the corporation, at such prices and upon such terms and conditions as it may deem best, and may invest and reinvest its funds in any such loans or securities, or in any such real or personal property, as it may deem suitable for the investment of trust funds, although such investments are not approved as investments for trustees under the laws of North Carolina.

The corporation shall have full power and authority to purchase, lease, accept as gift, bequest or devise, or otherwise acquire, any real or personal property to be held, administered or used in any way whatsoever for the benefit of Randolph Technical Institute or to assist the institution in the fulfillment of its educational purposes; and to that end the corporation shall have the full power and authority to hold, own, control, handle, administer, or operate any such real or personal property,

including the operation of any business connected with or incident to the ownership or control of such property, and to sell, lease, pledge, mortgage, exchange, or otherwise dispose of any such property at such prices and upon such terms and conditions as it may deem best.

ARTICLE VI

Conduct of Affairs

The affairs and business of the corporation shall be conducted by a Board of Directors which shall consist of the membership of the corporation. The initial Board of Directors shall conduct the affairs and business of the corporation until such time as ten (10) members of the corporation have been designated, at which time the rights, powers, duties and obligations of the initial Board shall terminate and it shall cease to exist.

IN TESTIMONY WHEREOF, we have hereunto set our hands, this

_____ day of _____, 1979 A.D.

- 1. _____
- 2. _____
- 3. _____
- 4. _____
- 5. _____

STATE OF NORTH CAROLINA

COUNTY OF RANDOLPH

This is to certify that on the _____ day of _____, 1979 A.D., before me, a Notary Public in and for the above named County and State, personally appeared M. H. Branson, Larry K. Linker, J. W. Plummer, J. D. Ross, Jr., and _____ who, I am satisfied, are the persons named in and who executed the foregoing Articles of Incorporation, and I, having first made known to them the contents thereof, they did each acknowledge that they signed and delivered the same as their voluntary act and deed for the uses and purposes therein expressed.

In testimony whereof, I have hereunto set my hand and official seal, this the _____ day of _____, 1979 A.D.

Notary Public

My Commission Expires: _____

BYLAWS

RANDOLPH TECHNICAL INSTITUTE FOUNDATION, INC.

P. O. Box 1009
Asheboro, North Carolina 27203

PREAMBLE

In order to more effectively accomplish, promote, and perpetuate the policies, goals, and ideals of Randolph Technical Institute and through such action to broaden the base of equitable and accessible educational opportunity to the people of Randolph County and surrounding areas, the Randolph Technical Institute Foundation, Inc. has been established and duly chartered by the State of North Carolina.

Such Foundation shall exist for those purposes as prescribed in its Articles of Incorporation and shall conduct its affairs within the framework of the ensuing set of Bylaws.

BYLAWS
RANDOLPH TECHNICAL INSTITUTE FOUNDATION, INC.
(A Non-profit Corporation)

ARTICLE I

BOARD OF DIRECTORS

SECTION 1. The members of the Board of Directors of this Corporation shall be selected and the size of the Board of Directors shall be determined in accordance with Articles III and IV of the Corporation's Articles of Incorporation.

ARTICLE II

MEETINGS OF DIRECTORS

SECTION 1. The annual meeting of the Board of Directors of the Corporation shall be held at the office of the Corporation or at such other place as the President of the Corporation may designate on the last Thursday in February of each year. Special meetings may be held as determined from time to time by the Directors and may be called by the President of the Corporation at any time. A special meeting shall be called by the President of the Corporation upon the request of any three directors. If, for any reason, the annual meeting of the Board of Directors shall not be held on the day hereinbefore designated, such meeting may be called and held at a special meeting, and the same proceedings may be had thereat as at an annual meeting.

SECTION 2. At any meeting of the Board of Directors, a majority of the membership of the Board of Directors shall constitute a quorum.

SECTION 3. Notice of annual and special meetings by the Board of Directors shall be given to each Director personally by mail to his last known address at least ten (10) days prior to the time of the meeting.

ARTICLE III

POWERS AND DUTIES OF DIRECTORS

SECTION 1. The business, property and affairs of this Corporation shall be managed by the Board of Directors.

SECTION 2. The Board of Directors shall have full power and authority to alter or amend the Articles of Incorporation of this Corporation, and shall likewise have full power and authority to make, alter, amend or repeal any and all Bylaws of the Corporation.

SECTION 3. The Board of Directors at the annual meeting shall elect by ballot a President, a Vice-President, and a Secretary who does not have to be a Director. The Chief Fiscal Officer of Randolph Technical Institute shall serve as Treasurer. The President, the Vice-President, and the Secretary shall hold office for one year and until their successors are elected and qualified. All vacancies among the officers of the Corporation shall be filled as soon as practicable by the Board of Directors at any regular or special meeting of the Board of Directors.

SECTION 4. The Board of Directors may appoint and employ agents, employees or representatives as in the judgment of the Directors shall be necessary to carry on the work of the Corporation, prescribe the duties of such officers, agents and employees, fix their compensation, and may dismiss any appointive officer, agent, or employee without previous notice.

SECTION 5. There shall be an Executive Committee composed of three members, one of whom shall be the President of the Foundation serving as President of the Executive Committee, the other two may be either Directors or officers of the Foundation. The term of office for members of the Executive Committee shall be one year.

SECTION 6. The Board of Directors may require any officer, agent or employee to file with the Corporation a satisfactory bond conditioned for the faithful performance of his or its duties.

SECTION 7. In addition to the Executive Committee, other standing or temporary committees may be appointed by the Board of Directors from time to time, and the Board of Directors may invest such committees with such power as it may see fit, subject to such conditions as may be prescribed by the Board. All committees so appointed shall keep regular minutes of the transactions of their meetings and shall cause them to be recorded in Books kept for the purpose in the office of the Corporation, and shall report the same to the Board of Directors at its next meeting.

SECTION 8. The affirmative vote of the majority of a quorum of the Board of Directors shall be necessary and sufficient at any meeting to authorize any action of the Directors. Written records setting forth all action taken at any meeting of the Directors and the voting thereon shall be kept in a permanent Minute Book of the Directors.

ARTICLE IV

POWERS AND DUTIES OF OFFICERS AND AGENTS

SECTION 1. The President of the Corporation shall preside over all meetings of the Board of Directors, and shall be an ex officio member of all standing committees. He shall have the general management and supervision of all the affairs and business of the Corporation, shall see that all orders and resolutions of the Board are carried into effect and shall execute all deeds, contracts, agreements, transfers and such other instruments as may be ordered by the Board of Directors.

SECTION 2. In the event of the absence, inability or death of the President of the Corporation, the Vice-President shall have all the powers and perform all of the duties, of the Chairman until the vacancy is filled.

SECTION 3. The Secretary shall preserve in Books of the Corporation true minutes of the proceedings of all meetings of the Board of Directors. He shall be the custodian of the common seal of the Corporation and shall attest the same when affixed by order of the Board of Directors. He shall perform such other duties as may be delegated to him by the Board of Directors or by the Executive Committee.

SECTION 4. The Treasurer shall collect, receive and hold the money of the Corporation, and shall have custody of all funds, securities and properties of the Corporation and shall keep in Books belonging to the Corporation full and accurate accounts of all receipts and disbursements; he shall deposit all monies, securities and other valuable effects in the name of the Corporation in such depositories as may be designated for that purpose by the Board of Directors. He shall disburse the funds of the Corporation as he may be ordered by the Board of Directors, and shall render to the President and Directors at the regular meetings of the Board, and whenever requested by them, an account of all his transactions as Treasurer and of the financial condition of the Corporation. He shall make such new investments, or alter such investments as the Board of Directors or the Executive Committee may by lawful order direct.

SECTION 5. The Executive Committee shall have and exercise the authority of the Board of Directors and the management of the business of the Corporation between the meetings of the Board of Directors, including the power to authorize the making and altering of investments; provided, however, that the said Executive Committee shall have no power to elect officers, or to alter or amend the Certificate of Incorporation or the Bylaws of this Corporation, or to authorize or direct the disbursement of any funds except for the purpose of deferring necessary expenses of the Corporation or for investment purposes.

ARTICLE V

ELECTIONS

SECTION 1. Members shall be elected by the Randolph Technical Institute Board of Trustees, but special elections for filling vacancies occurring among the Directors or officers may be held at special meetings of the Board of Directors. Elections of Directors and officers shall be by ballot at the January meeting of the Randolph Technical Institute Board of Trustees. With respect to election of Directors, Article III and IV of the Corporation's Articles of Incorporation shall be complied with.

ARTICLE VI

GIFTS AND DONATIONS

SECTION 1. Any person making gifts to the Randolph Technical Institute Foundation, Inc., may designate the object or objects for which the gift shall be administered and distributed, which shall be known as a designated gift, or any person may make his gift to the Foundation without designation, specification, condition or limitation, which shall be known as an undesignated gift.

SECTION 2. In the case of designated gifts, the Corporation shall follow the directions, specifications, terms and conditions of the instrument of gift; provided, however, that if any object or purpose for which any gift is made fails or becomes impossible of performance, or if it is unanimous opinion of all the Directors of this Corporation that any object or purpose for which any gift or donation is made has ceased to be beneficial and to the best interest of the Randolph Technical Institute Foundation, Inc., then, and in either event, such gift or donation shall cease to be held and administered for such specific, designated purpose, and shall thereafter be held and administered by the Corporation for a kindred purpose or as an undesignated gift or donation.

SECTION 3. Undesignated gifts made to the Corporation may be added to and merged with other undesignated gifts held by the Corporation, and the funds and properties so merged may be held and administered by the Corporation as a single trust estate; or if the Board of Directors of the Corporation deem best or the gift or donation so specifies any undesignated gift may be held and administered by the Corporation as a separate trust estate. The income from all undesignated gifts shall be used by the Corporation for the benefit of the Randolph Technical Institute Foundation, Inc., in furtherance of such of the objects and purposes specified in Article II of the Articles of Incorporation, Inc., as may be selected and decided upon by the Board of Directors; provided, however, that the Corporation in its discretion may retain and accumulate any portion or all of the income from undesignated gifts for such time and in such manner as it may deem best, and thereafter may use and dispose of all or any part of such accumulated income for the benefit of the said Randolph Technical Institute Foundation, Inc., as aforesaid, or may convert all or any part of such accumulated income into principal funds in the same manner as if such accumulated income had been given to the Corporation as an undesignated gift.

ARTICLE VII

MANAGEMENT OF FUNDS

SECTION 1. All necessary operating expenses of the Corporation shall be paid out of income from the property donated to and held by the Corporation, including property donated to and held by the Corporation for specific

designated purposes, and no part of the operating expenses of the Corporation shall be paid out of principal of funds and properties held by it; provided, however, that if any gift or donation is made to the Corporation, for the specific purpose of defraying its operating expenses and such gift or donation authorizes the Corporation to use a part or all of the principal or donation for this purpose, the Corporation may use the principal, to the extent authorized in the gift or donation for the purpose of defraying necessary operating expenses.

SECTION 2. No part of the principal of any gift or donation shall ever be consumed or expended by the Corporation unless such use of principal is specifically authorized by the gift or donation, and then principal may be consumed or expended by the Corporation only to the extent specifically authorized by such gift or donation; provided, however, that this shall not be construed to prevent the Corporation from selling, transferring or conveying any property for the purpose of the investment.

SECTION 3. Necessary operating expenses in excess of \$200 may be made only upon the written order of the Executive Committee. Checks drawn upon the Corporation shall be signed by the Treasurer and countersigned by either the President or Vice-President of the Corporation.

SECTION 4. No loan of any funds of the Corporation for the purpose of investment shall ever be made to any Director of the Corporation, or to any member of the immediate family of the Director, or to any business or corporation which is owned or controlled by a Director of this Corporation or a member of his immediate family, or to any business or corporation in which a Director of this Corporation or his immediate family is substantially interested financially; and no distribution of corporate funds, whether in the form of gifts, loan, donation or scholarship to any student of Randolph Technical Institute shall ever be made to any Director of this Corporation or to any member of the immediate family of any Director.

SECTION 5. The fiscal year of the Corporation shall begin on the 1st day of January in each year, unless otherwise provided by the Board of Directors.

ARTICLE VIII

AUDITS

SECTION 1. The Books of the Corporation and of its fiscal agent may be audited annually as directed by the Board of Directors.

ARTICLE IX

AMENDMENTS

SECTION 1. Amendments to the Articles of Incorporation or to these Bylaws can be made by the Board of Directors in regular meeting assembled,

either annual or special, and if special, then the purpose of the meeting with the proposed amendment or amendments must be stated in the call; provided, however, the vote of a majority of the Directors in office shall be required to amend the Articles of Incorporation.

OPERATIONAL GUIDELINES

Operational Guidelines are the activities or directions that tend to make a foundation successful. These Guidelines have been developed to assist the Board of Trustees and the Administration in establishing a successful foundation. They are presented in outline format with a narrative explanation to assist in interpretation.

1. The Board of Trustees is charged with the responsibility of total resource development and a foundation can be a vehicle to accomplish part of this responsibility.

The primary purpose of a community college foundation is to provide an alternate vehicle for contributions of funds to support activities and programs at the institution that are not being funded through traditional resources. A secondary purpose of establishing a foundation is public relations. The involvement and input from the community tends to strengthen the entire program of the institution. Even though the Department of Community Colleges System is primarily dependent upon tax support from State and County levels, it does not preclude the possibility of private support. A foundation can provide that "margin of excellence" that the institution should strive to achieve. Approximately fifty to sixty per cent of the institutions within the Department of Community Colleges System now have a foundation.

2. The President of the Institute and other selected top administrators should be actively involved with the foundation.

By virtue of the position, the Chief Administrative Officer must be in active support of the foundation. Some Presidents become active

fund-raisers while others choose more of a public relations role. Regardless of the direction, the Board of Trustees should encourage and recognize the role of the President with the foundation as being part of the job requirements. Other top administrators of the institution should have their responsibilities to the foundation clearly determined by either the President or the Board of Trustees.

3. A foundation should be controlled by a Board of Directors separate and apart from the Board of Trustees.

The community college foundation should be formed and organized at what is commonly referred to as "an arm's length relationship" with the institution. It is formed as a non-profit organization under the Internal Revenue Service Code 501-C(3) and has an adopted set of bylaws for governance. The role of the Directors is to promote the activities of the foundation. The Board of Trustees is concerned with the policy-making procedures for the institution. Both the Trustees of the institution and the Directors of the foundation have specific duties to perform. When these duties are adequately defined, there is no conflict between the two groups.

4. The size of the Board of Directors for a community college foundation should be twelve to fifteen in number.

A community college foundation can be effectively managed with twelve to fifteen members. Large institutions may require more Directors but usually incur difficulty in attempting to get a majority present at meetings. While the number of Directors on the Board is not nearly as important as the type of individuals, the Board should be manageable and of an appropriate size that relates to the community base.

5. The proper selection and composition of the Board of Directors is critical to the success of a foundation.

One of the most important elements in establishing a foundation is to secure the appropriate persons for the Board of Directors. It is important to have positive, influential people who either have money or have access to money and have credibility in the community. The Directors must lend their personal prestige to the college operations and activities. An authority at one institutional foundation stated that a rule of thumb is that a potential Director must possess 2 of the 3 W's-- "Work, Wisdom, and Wealth." Which 2 of the 3 is irrelevant; as long as the potential Director possesses 2, he should make a good member of the Board. It is also important that a Director not have inherent conflicts of interest with other fund-raising activities.

The composition of the Board of Directors is also an important factor. Normally, the Chairman of the Board of Trustees and one additional member of the Board of Trustees should be appointed to the Board of Directors in order to provide continuity and liaison between the foundation's Board of Directors and the institution's Board of Trustees. The President and one other top administrator, such as the Resource Development Officer, should hold office for as long as they continue their professional positions at the institution. The remainder of the Board should be community personnel, and that should not involve more than two people from each business segment of the community. It is also of importance to select persons from both the formal and informal power structure of the community.

6. The foundation's Board of Directors should have a sound organizational structure.

Any organization needs a defined structure in order to be effective. The Board of Directors of a foundation usually elects a President, Vice-President, Secretary, and Treasurer. The bylaws of the foundation should define the role and responsibilities of each officer. It has also been found that an executive committee of the Board of Directors can be extremely beneficial in carrying out assigned responsibilities. These responsibilities should be clearly defined in the bylaws. The utilization of an executive committee can prevent the need for frequent meetings of the Board of Directors.

7. The purpose of the foundation should be clearly defined and the foundation activities must be properly planned.

A common pitfall of the community college foundation is having vague and unclear statements of purpose. Each Director must have an understanding of the role of the foundation and what it should accomplish. Activities should be planned on an annual basis and specific goals and objectives should be established. Only through a sound and properly organized "program of work" can a community college foundation be successful.

8. Clientele for donations must be selected after careful study.

Pre-selection of prospective donors is imperative. Supporters of community college foundations vary from community to community. Some of the foundations rely on wealthy individuals while others contact businesses, industries, and large corporations. The community college foundation differs tremendously from its university counterpart in that alumni have proven to be very small contributors. Personal contact is considered the most effective means of obtaining donations. Therefore, clientele should be carefully selected and the "right person" assigned to make the contact for a donation.

9. Community college foundations must establish a budget for operation.

Studies show that it is necessary for community college foundations to spend money in order to raise money. In fact, one study reveals that the foundation that spends the most money also raises the most money. The primary purpose of a community college foundation is to raise money for the college. However, it must be accepted that the foundation itself must have adequate operational funds in order to become successful in the fund-raising activities.

10. The development and organization of a community college foundation require time if the foundation is to be a success.

The development and organization of a community college foundation require time and hard work. The type of support that an institution must have in order to advance with such an activity cannot be achieved with sporadic planning and attention. A successful foundation requires the full support of the Board of Directors and institutional personnel who are involved. Patience and sound planning in the developmental process will have long-lasting effects of a successful community college foundation.

As previously stated, operational guidelines are activities or directions that tend to make a foundation successful. The foregoing list of guidelines is not comprehensive but, rather, are key points determined by research to assist the Board of Trustees at Randolph Technical Institute in establishing a foundation.

W. Harvey Sharron, Jr., Dean of Development at Sante Fe Community College in Florida, is a consultant on foundations and has assisted many community colleges in developing and organizing their foundations. This Plan will conclude with a list of "Do's" and "Don'ts" written by Sharron

to assist in the development and organization of a community college foundation. Sharron states:

After a careful examination of more than thirty-six (36) successful multi-campus and single-campus community college foundations, there are some generalizations that can be stated simply as "do's" and "don'ts". The most effective community college foundations would enumerate the following as "DO'S":

1. The foundation's approach and style should be low-key;
2. The board of directors should utilize personal contacts (rather than letter or telephone) with potential donors;
3. The board of directors should serve as a "committee of the whole" in all fund-raising activities;
4. Each member director should be assigned to contact a minimum of ten to twelve potential donors or friends for most campaigns;
5. Most fund-raising campaigns should be well planned with a minimum lead time of six months;
6. All board of directors' meetings should deal with substantive items and policy decision rather than just administrative detail which can be handled by the executive committee;
7. In approaching donors--either individuals or businesses--always ask for amounts of \$1,000, \$500, or \$250.
8. The board of directors should always have both male and female members;
9. All foundation activities should be specific rather than general in nature; people and corporations give money to specific causes;
10. The foundation's initial activities should be realistic and goals or activities desired should be attainable especially for the first two years. (For example, a new board should attempt a major project of \$50,000 or more very reluctantly as its first project);
11. The first activities of the board should be people-oriented: student scholarships, student financial aid matching monies, faculty merit awards, faculty appreciation luncheons or parties, community appreciation days, library books or special collections, cultural programs such as art festivals, performing arts series, and art galleries;
12. The college and/or foundation should utilize the services of an outside consultant who is expert in the development of community college foundations rather than university or hospital foundation personnel.

Some of the major problems that have resulted in the community college foundation's failure and inactivity can be classified as "DON'TS":

1. Political figures on the city, county, state or national level should not be appointed to the board of directors;
2. The business officer of the institution should not be appointed to the board;
3. Faculty members and/or students should not be members of the board of directors. (They may serve on advisory committees to the board especially in academic personnel, equipment, special projects, and alumni matters.);

4. No more than two lawyers should be appointed to the board;
5. Only one or two of the bank and financial institutions' presidents should be appointed to the board;
6. Do not ask the foundation to begin a \$500,000 or one million dollar campaign as its first project;
7. A capital campaign is not recommended in the developing first three years of the foundation's existence;
8. Do not ask the foundation to support an athletic scholarship or activity program as its initial activity or within the first two years;
9. Do not accept all gifts immediately; cash, yes, but real property should be thoroughly investigated;
10. Do not ever place an appraised or otherwise value on any gift. (Have a qualified professional do this if necessary.);
11. The president of the institution should not have signature authority for writing checks or disbursing funds;
12. Do not ignore other universities or colleges in the area; they are not competition. If such institutions have a good history, then the potential donors and the community have been educated that it is proper, essential, and good to contribute time and money in behalf of the community college that serves them;
13. Do not invest foundation funds in the stock market but in U.S. Treasury notes, certificates of deposit, and local long-term savings accounts. Be conservative and maintain the principal and assets and spend the earnings;
14. Do not use consultants to assist in the fund-raising activities on the local level.¹

¹W. Harvey Sharron, Jr., The Development and Organization of the Community College Foundation, Resource Paper No. 18 (Washington, D.C.: National Council for Resource Development, 1978), pp. 6-8.

MARP SIGNATURE PAGE

I certify that I have read and am willing to sponsor this Major Applied Research Project submitted by LARRY K. LINKER. In my opinion it conforms to acceptable standards and is fully adequate in scope and quality as a Major Applied Research Project for the degree of Doctor of Education at Nova University.

6-17-79

(Date)

Arden L. Pratt

Dr. Arden L. Pratt
MARP Advisor

I certify that I have read this Major Applied Research Project and in my opinion it conforms to acceptable standards for a Major Applied Research Project for the degree of Doctor of Education at Nova University.

6-24-79

(Date)

Leland R. Cooper

Dr. Leland R. Cooper
Cluster Coordinator

This Major Applied Research Project was submitted to the Central Staff of the Nova University Ed.D. Program for Community College Faculty and is acceptable as partial fulfillment of the requirements for the degree of Doctor of Education.

7/25/79

(Date)

Eugene E. DuBois

Dr. Eugene E. DuBois
Central Staff Committee Member

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