



Finance Committee Meeting
Wednesday, July 19, 2023 ❖ 2:00 – 3:30 PM
Allan Hancock College – Building B, Captain’s Room

AGENDA

	Page	Tentative Time
1. Call to Order		2:00 PM
2. Roll Call		2:01 PM
3. Public Comment		
<i>This section of the agenda is intended for members of the public to address the Executive Committee on items involving the Foundation that are being considered in Open Session. Please note that Directors are prohibited by the Brown Act from responding to comments made regarding topics not on the official agenda. If you wish to speak to any item listed, please complete a Request to Speak Card available from the Executive Director. It is suggested that speakers limit themselves to 5 minutes.</i>		
4. Approval of Agenda for July 19, 2023 (ACTION)	1-2	2:03 PM
5. Approval of Minutes for April 19, 2023 (ACTION)	3-4	2:05 PM
6. Review and Approval of Financial Statements (ACTION)	5	2:10 PM
6.A. Check Registers – 3/1/22 - 5/31/2023	6-14	
6.B. Contributions Report – 6/1/22 - 5/31/2023	15	
6.C. Statement of Operations – 5/31/2023	16	
6.D. Statement of Financial Position – 5/31/2023	17	
6.E. General Operations Budget - 5/31/2023	18	
7. Auditors 2021—2022 IRS Form 990 Report (ACTION)	19	2:30 PM
8. Investment Advisors Review (Information)	20-23	2:45 PM
9. Funding a 2-Year Promise (Information)	24	
10. Next Meeting – November 8, 2023, 2:00 – 3:30 p.m.		
11. Adjournment (ACTION)		3:30 PM

In compliance with the Americans with Disabilities Act, if you need assistance to participate in this meeting, please contact the Allan Hancock College Foundation office at (805) 925-2004. Please make requests 48 hours prior to the meeting in order to make reasonable arrangements to ensure accessibility to this meeting.



Finance Committee Meeting
Wednesday, July 19, 2023 ❖ 2:00 – 3:30 PM
Allan Hancock College – Building B, Captain's Room

A handwritten signature in blue ink, appearing to read "Jon Hooten".

Jon Hooten, Executive Director – College Advancement

Finance Committee Members:

Judy Frost, Chair
Lee-Volker Cox, Director
Maggi Daane, Director
J. Edwin Fields, Director
Mike Gibson, Director
Larry Lahr, Director
Keli Seyfert, AHC Director, Auxiliary Accounting
Dennis Curran, AHC Associate Superintendent/Vice President, Finance & Administration

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The mission of the Allan Hancock College Foundation is to operate for the advancement of education by raising funds and building community support to meet the needs of the college in the areas of scholarships, capital/infrastructure projects and program support.

**ALLAN HANCOCK COLLEGE FOUNDATION
FINANCE COMMITTEE MEETING
Minutes of April 19, 2023**

1. Call to Order

The meeting was called to order at 2:03 p.m. by Chair, Judy Frost.

2. Roll Call

Finance Committee Members Present: Maggi Daane, J. Edwin Fields, Judy Frost, Larry Lahr, Mike Gibson

Finance Committee Members Absent: Lee-Volker Cox

College Staff Present: Jon Hooten

College Staff Absent: Keli Seyfert, Eric Smith

Foundation Staff Present: Erinn Artrip

Recorder: Marisol Diaz

3. Public Comment

None

4. Approval of Agenda (ACTION)

J. Frost called for a motion to approve the April 19, 2023, Agenda.

MOTION: On a motion by M. Gibson seconded by L. Lahr, the Finance Committee voted to approve the agenda for April 19, 2023 and was approved by a unanimous vote.

5. Approval of Finance Committee Minutes – January 18, 2023 (ACTION)

J. Frost called for a motion to approve the January 18, 2023, minutes.

MOTION: On a motion by M. Daane, seconded by J. Fields, the Finance Committee voted to approve the minutes for January 18, 2023, and was approved on a roll call vote:

Ayes: M. Daane, J. Fields, J. Frost,

Noes: None

Abstentions: L. Lahr, M. Gibson

6. Review and Approval of Financial Statements (ACTION)

6.A. Check Registers – 12/1/2022-2/28/2023

6.B. Contributions Report – 12/1/2022-2/28/2023

6.C. Statement of Operations – 2/28/2023

6.D. Statement of Financial Position – 2/28/2023

6.E. General Operations Budget – 2/28/2023

The Finance Committee reviewed items 6.A. through 6.E. J. Frost inquired about an entry on the Check Register showing multiple payments to Elan Financial Services, Orfalea Foundation grant checks, and \$50,000 check for Title V HIS Grant. E. Artrip clarified that the credit card name recently changed to Elan Financial Services, Orfalea is the children's center at Hancock, and the \$50,000 check was from the annual draw down from the Title V grant

which was deposited into the Mechanics Bank account and the Foundation wrote a check to themselves to transfer the funds into the Morgan Stanley active assets account.

The contributions report through February 2023 reported \$853,044. J. Hooten shared that the Foundation is expecting its first disbursement from the Sue Sword estate and Hancock Honors sponsorships will likely be on the contributions report for fiscal year 2022-23.

MOTION: On a motion by L. Lahr, seconded by M. Gibson, the Finance Committee approved the financial statements, items 6.A. through 6.E., as presented and will be forwarded to the Executive Committee and the Board of Directors for approval.

7. Approval of Proposed 2023-2024 Operating and All Fund Budgets (ACTION)

Each year, the Finance Committee reviews and approves the Foundation's operating budget for the upcoming fiscal year. J. Hooten shared with the committee the two notable differences this year are COLA adjustments and moving brokerage fees and investment income/losses to the larger Foundation budget. Staff prepared budgets with three COLA adjustments for board consideration at 2%, 5%, and 8%.

L. Lahr asked what the Employer Matching of TSA expense is which E. Artrip clarified is the employer retirement match which is currently 12%.

J. Frost noticed the budgets are projecting less student assistance next year. E. Artrip mentioned that these values are estimates which were calculated by removing one-time expenses from previous years and taking the average of the constant charges.

MOTION: On a motion by M. Gibson, seconded by M. Daane, the Finance Committee approved moving brokerage fees and investment income/losses from the operating budget to the broader Foundation budget and recommended a 5% COLA increase and was approved by a unanimous vote and will be forwarded to the Executive Committee and the Board of Directors for approval.

8. Investment Advisors Review (Information)

The Finance Committee met with investment advisors from Morgan Stanley, Santa Barbara Foundation, Northern Trust, and Monarch Wealth Strategies on April 5, 2023. The companies presented annual performance and fees over the last three years.

The committee discussed combining accounts with the goal of decreasing investment fees.

J. Frost requested to continue this conversation at the July 19, 2023, meeting and asked staff to request additional information regarding long term returns and tiered fee schedules. J. Hooten suggested also including data for the cost of the second year of the Promise and scholarship totals.

9. Next Meeting – July 19, 2023, 2:00 – 3:30 p.m. in the Captain's Room.

10. Adjournment

MOTION: On a motion by L. Lahr, seconded by M. Daane, the Finance Committee approved the adjournment of the meeting at 2:52 p.m.

<p>To: Finance Committee</p>	<p>ACTION</p>
<p>From: Judy Frost, Chair Finance Committee</p>	<p>July 19, 2023</p>
<p>Subject: Review and Approval of Financial Statements</p>	

BACKGROUND

A review of the Allan Hancock College Foundation financial statements.

6.A. Check Registers	3/1/22 - 5/31/2023	6-14
6.B. Contributions Report	6/1/22 - 5/31/2023	15
6.C. Statement of Operations	5/31/2023	16
6.D. Statement of Financial Position	5/31/2023	17
6.E. General Operations Budget	5/31/2023	18

RECOMMENDATION

Staff recommend approval of the financial statements as submitted. Upon approval, the financial statements will be forwarded to the full board for review and approval.

Allan Hancock College
Check Register
Check Dates from 3/1/2023 to 3/31/2023
Bank Code: FN

Vendor Name	Description	Amount	Check
All American Screen Printing Inc	Sppls Ladies Jacket with Logo	\$94.61	
		\$94.61	FN 83001973
Angie Dunn Consulting	Consulting Blackbaud Tax Letters 020123	\$50.00	
		\$50.00	FN 83001974
Erinn Artrip	Petty Cash Fund 031323	\$100.00	
		\$100.00	FN 83001975
	Perry Cash Fund 031623	\$100.00	
		\$100.00	FN 83001976
Tyson Aye	RMB Fd Sppls Playoffs Team Dinner	\$586.38	
		\$586.38	FN 83001977
California Department Of Justice	2022 RRF1 Filing Fee	\$400.00	
		\$400.00	FN 83001978
Follett Heg - Ahc Bookstore	Sppls CME Nursing Bundle	\$5,671.31	
	Sppls BP Cuffs	\$478.50	
		\$6,149.81	FN 83001979
Susannah Kopecky	RMB Sppls Blind Date w/ Book Event 2023	\$800.00	
		\$800.00	FN 83001980
Office Depot	Sppls Fdtn Office	\$154.84	
		\$154.84	FN 83001981
Radisson Santa Maria	Facility Rental Concert Band 031323	\$800.00	
		\$800.00	FN 83001982
	Facility Rental Jazz Band 031623	\$800.00	
		\$800.00	FN 83001983
Santa Maria Breakfast Rotary Club	Monthly Dues/Fees KW Feb 2023	\$88.85	
	Support Feb 2023	\$50.00	
		\$138.85	FN 83001984
Andre Scott	RMB Fd Sppls Playoffs Team Dinner 022423	\$277.13	
		\$277.13	FN 83001985
The Shack of Lompoc, Inc.	Sppls CNA Tops	\$660.85	
	Sppls CNA Pants	\$452.05	
		\$1,112.90	FN 83001986
Kevin Walthers	RMB Fd Sppls Bus Mtg 021523	\$167.00	
	RMB Fd Sppls Bus Mtg 022123	\$133.35	
	RMB Fd Sppls Fine Arts Complex 022423	\$1,914.78	
		\$2,215.13	FN 83001987
AHC Campus Graphics	Fdtn Print - Envelopes	\$36.50	
	Fdtn Print - Letterhead	\$49.01	

Allan Hancock College
Check Register
Check Dates from 3/1/2023 to 3/31/2023
Bank Code: FN

Vendor Name	Description	Amount	Check
		\$85.51	FN 83001988
AHC District	Sppls Strawberry Bowl 2022	\$487.13	
	Fd Sppls Bus Mtg 122122	\$43.00	
	Fd Sppls Bus Mtg 113022	\$88.00	
	Fd Sppls Angel Tree Celeb 120822	\$193.69	
	Fd Sppls Bldg A Fire 121422	\$219.96	
	Fd Sppls Festivus Eve 122222	\$620.00	
	Fd Sppls Athl Rnd Table Mtg 103122	\$1,430.49	
	Sppls Angel Tree Event 12/07-08/22	\$1,288.21	
	Sppls Angel Tree Event 12/07-08/22	\$1,985.00	
		\$6,355.48	FN 83001989
AHC Viticulture & Enology Foundation	Sppls AHC Winery Outreach	\$251.22	
		\$251.22	FN 83001990
Follett Heg - Ahc Bookstore	Sppls BP Cuffs	\$1,196.25	
		\$1,196.25	FN 83001991
Jeffery Hall	RMB Sppls AHC Apparel	\$78.01	
		\$78.01	FN 83001992
Santa Maria Country Club	Course Fee Final Fore Golf Tmry 040323	\$9,000.00	
		\$9,000.00	FN 83001993
AHC District	Adlt Reentry Wm HndOff Grant Exps 2nd Qtr FY23	\$27,732.61	
		\$27,732.61	FN 83001994
Anthem Blue Cross	Dental/Vision/Life Ins Premium Apr 2023	\$1,209.74	
		\$1,209.74	FN 83001995
Credentia Nurse Aide LLC	CNA Students Skills and Written Exam	\$3,840.00	
		\$3,840.00	FN 83001996
Crossroads Self Storage, LLC	Storage Fees Hancock Film Collection Apr 2023	\$216.00	
		\$216.00	FN 83001997
Louie's Central Coast Movers And Laborers Inc	Deliver Harpsichord Music Dept	\$450.00	
		\$450.00	FN 83001998
Santa Barbara Foundation	HP End Investment 032123	\$56,505.22	
		\$56,505.22	FN 83001999
The Guardian Life Insurance Company of America	Dental, Vision, Life Ins Prem Apr 2023	\$366.95	
		\$366.95	FN 83002000
4imprint Inc.	Sppls Fringed Velour Spirit Towel	\$3,112.21	
	Sppls Campfire Enamel Metal Mug	\$5,214.78	
	Sppls Carabiner Lock Keychain	\$1,164.71	
	Set up charges	\$190.31	
	Freight	\$417.89	
		\$10,099.90	FN 83002001

Allan Hancock College
Check Register
 Check Dates from 3/1/2023 to 3/31/2023
 Bank Code: FN

Vendor Name	Description	Amount	Check
Elan Financial Services	Fd Sppls Bus Mtg KW, GP, JP 022823	\$94.15	
	Bottled Water Svc Feb 2023	\$62.63	
	Fd Sppls Bus Mtg JH & Trustee 022423	\$35.44	
	Fd Sppls Bus Mtg JH & Brd Mmbr 030323	\$63.88	
	Bottled Water Svc Feb 2023	\$34.63	
	AHC Parking Permit T McKee	\$10.00	
	Constant Contact Monthly Svc Fee	\$118.75	
	Sppls Fdtn Events	\$191.34	
		\$610.82	FN 83002002
		Total: \$131,777.36	

Allan Hancock College
Check Register
Check Dates from 4/1/2023 to 4/30/2023
Bank Code: FN

Vendor Name	Description	Amount	Check
AHC District	FY23 Andrastek Fdtn Exps	\$4,519.69	
	Fdtn Banner Schols Feb 2023	\$2,200.00	
	RMB Sppls Athletics Video Equipt	\$76.72	
	RMB Sppls All Staff Day 012023	\$527.56	
	Mailroom Charges Oct-Feb 2023	\$362.16	
		\$7,686.13	FN 83002003
Cambridge Center For Behavioral Studies	Exhibitor Sponsor-Gold Level Autism Conf 042223	\$2,500.00	
		\$2,500.00	FN 83002004
Joanna Davis	RMB Sppls Angel Tree LVC 2022	\$83.81	
		\$83.81	FN 83002005
Office Depot	Sppls Fdtn Office	\$71.47	
		\$71.47	FN 83002006
PCPA	Madson-PCPA Annual Funding	\$3,550.00	
		\$3,550.00	FN 83002007
Adelina Pozos	RMB Dry Cleaning Fees	\$302.50	
		\$302.50	FN 83002008
Alexandra Reynolds	RMB Sppls Angel Tree 2022	\$101.22	
		\$101.22	FN 83002009
Rotary Club Of Lompoc	Dues and Membership Fees Jan-Mar 2023 - C Farley	\$260.00	
		\$260.00	FN 83002010
Santa Maria Breakfast Rotary Club	Dues & Fees Mar 2023 K Walthers	\$200.85	
		\$200.85	FN 83002011
Santa Ynez Valley People Helping People	Sponsor Polo-Believer of Dreams 041523	\$1,000.00	
		\$1,000.00	FN 83002012
4imprint Inc.	Sppls Spray Sunscreen	\$430.66	
	Sppls Black Loop Waffle Golf Towels	\$1,349.05	
	Sppls Allure Coffee Mugs	\$620.13	
	Set up charges	\$87.00	
	Freight	\$200.86	
		\$2,687.70	FN 83002013
AHC Viticulture & Enology Foundation	Spspl Sparkling Wine Ladies Get Loud Event 042723	\$349.74	
		\$349.74	FN 83002014
Anthem Blue Cross	Health Ins Prem May 2023	\$1,209.74	
		\$1,209.74	FN 83002015
Deanna Ayers	RMB Sppls Swim Team	\$110.94	
	RMB Fd Sppls Swim Team	\$227.00	
		\$337.94	FN 83002016

Allan Hancock College
Check Register
Check Dates from 4/1/2023 to 4/30/2023
Bank Code: FN

Vendor Name	Description	Amount	Check
Centricity	Sppls SkillsUSA Student Uniforms	\$546.00	
	Sppls SkillsUSA Student Uniforms	\$136.00	
		\$682.00	FN 83002017
Crossroads Self Storage, LLC	Storage Fees Hancock Film Collection May 2023	\$216.00	
		\$216.00	FN 83002018
Kim Ensing	RMB Fd Sppls Staff Mtg 031523	\$117.71	
		\$117.71	FN 83002019
	RMB Fd Sppls Bus Mtg 040423	\$221.23	
		\$221.23	FN 83002020
Point Of Action	Sppls SkillsUSA Advisors Jackets	\$570.94	
		\$570.94	FN 83002021
Santa Maria Country Club	#577352 & 577334 Titleist DT	\$32.63	
	#577334 Rental Clubs	\$50.00	
	#577352 & 577334 Titleist DT	\$8.16	
	#577714 Course Service/Course Fd Fee	\$600.00	
	#577714 Food Beverages	\$11,596.15	
		\$12,286.94	FN 83002022
Santa Ynez Valley Rotary Foundation	Ad 2023 4th of July Ad Book	\$1,100.00	
		\$1,100.00	FN 83002023
Standard Textile Co., Inc.	Sppls Cubicle Curtains	\$1,523.47	
	Sppls STC-2030 Spool Carriers	\$339.84	
		\$1,863.31	FN 83002024
Testa Catering	Scholarship Banquet Catering Deposit	\$483.83	
		\$483.83	FN 83002025
The Guardian Life Insurance Company of America	Dental/Vision/Life Ins May 2023	\$366.95	
		\$366.95	FN 83002026
The Rotary Club Of Santa Maria	Dues and Membership Fees B Curry Feb 2023	\$43.00	
		\$43.00	FN 83002027
AHC Campus Graphics	Print - Fdtn Branded TY Cards 022123	\$85.60	
	Print- Athl Golf Tny Final Fore Raffle Tkts	\$17.27	
	Print- Athl Golf Tny Final Fore GC Presqu'île	\$0.27	
	Print- Athl Golf Tny Gameday Cards	\$11.84	
	Print- Athl Golf Tny Hole Info Cards	\$6.58	
	Print- Athl Golf Tny Hole Sponsor Signs	\$141.20	
	Print- Athl Golf Tny Prize Pkg Desc	\$9.22	
	Print- Athl Golf Tny Sponsor Brd Lvs	\$34.02	
	Print- Athl Golf Tny Prize Donor Brd	\$20.01	
	Print- Athl Golf Tny Reg Brd	\$25.01	
	Print- Athl Golf Tny American Fildty GCs	\$0.65	
	Print- Athl Golf Tny Grapeline Cert	\$0.33	
	Print- Athl Golf Tny Final Fore Raffle Tkts	\$10.42	

Allan Hancock College
Check Register
 Check Dates from 4/1/2023 to 4/30/2023
 Bank Code: FN

Vendor Name	Description	Amount	Check
		\$362.42	FN 83002028
All American Screen Printing Inc	Logo Embroidery Trustees Shirts	\$50.00	
		\$50.00	FN 83002029
Sport & Cycle Team Athletics Inc	Sppls UA Ms Team Tech Polo	\$322.89	
	Sppls UA Ms Motivate Button-up Shirt	\$42.40	
	Shipping	\$21.15	
		\$386.44	FN 83002030
Swimoutlet.com	Sppls Custom Silicone Swim Caps	\$672.56	
	Shipping	\$105.97	
		\$778.53	FN 83002031
Jared Weiss	RMB Sppls Athl Rnd Table	\$11.34	
		\$11.34	FN 83002032
David Whitham	RMB Fd Sppls LE Grad	\$28.08	
		\$28.08	FN 83002033
		Total: \$39,909.82	

Allan Hancock College
Check Register
Check Dates from 5/1/2023 to 5/31/2023
Bank Code: FN

Vendor Name	Description	Amount	Check
Elan Financial Services	Fd Sppls Bus Mtg 031423	\$204.00	
	Fd Sppls Student Services Teams 032323	\$42.80	
	Fd Sppls Sprvsr/Conf 033023	\$179.44	
	Fd Sppls Bus Mtg 033123	\$90.00	
	Santa Maria Inn-Planning Retreat Reception	\$116.00	
	Fd Sppls Bus Mtg 032323	\$105.91	
	Water Delivery Svc Fee March 2023	\$62.31	
	Fd Sppls Bus Mtg 040623	\$156.20	
	SB County Education dinner event 042723	\$65.00	
	Fd Sppls Bus Mtg 041123	\$45.24	
	Fd Sppls Bus Mtg 041223	\$50.72	
	Sppls Table Covers	\$19.58	
	Fd Sppls Bus Mtg 032323	\$37.48	
	Constant Contact Monthly Fee	\$118.75	
	Fd Sppls Bus Mtg Schol Committee	\$149.85	
		\$1,443.28	FN 83002034
Jazz Mafia	Music Perf Hancock Honors Sept 9 2023 Deposit	\$5,000.00	
		\$5,000.00	FN 83002035
Testa Catering	Scholarship Banquet Catering -Deposit	\$7,291.69	
		\$7,291.69	FN 83002036
AHC District	BIGE Grant Exps FY23 3rd Qtr	\$4,000.00	
	Wells Fargo VRC Grant Exps FY23 3rd Qtr	\$20.01	
	Banner Schols March 2023	\$1,000.00	
	Orfelea Fdtn Grant Exps Jan-Apr 2023	\$935.00	
		\$5,955.01	FN 83002037
Erinn Artrip	Petty Cash Fund Concert Band Rest 052223	\$100.00	
	Petty Cash Fund Jazz Ensemble Rest 051923	\$100.00	
		\$200.00	FN 83002038
Michael Ashmore	RMB Fd Sppls Swim Team 0420223 & 042223	\$1,109.62	
		\$1,109.62	FN 83002039
Kim Ensing	RMB Fd Sppls NSBCART 050123	\$1,062.18	
		\$1,062.18	FN 83002040
Office Depot	Sppls Fdtn Office	\$43.75	
	Sppls Fdtn Office	\$101.26	
		\$145.01	FN 83002041
Santa Barbara Foundation	HP End Investment 042823	\$65,994.53	
		\$65,994.53	FN 83002042
Santa Maria Breakfast Rotary Club	Monthly Dues/Fees KW Apr 2023	\$356.35	
		\$356.35	FN 83002043
The Rotary Club Of Santa Maria	Dues/Membership Fees BC Mar 2023	\$53.00	
		\$53.00	FN 83002044

Allan Hancock College
Check Register
Check Dates from 5/1/2023 to 5/31/2023
Bank Code: FN

Vendor Name	Description	Amount	Check
U S Postal Service	FY23 Open PO Bulk Mailing Account	\$290.00	
		\$290.00	FN 83002045
AHC District	HP NRT 2023 Spring	\$3,009.00	
		\$3,009.00	FN 83002046
	WoodClaeyssens LE Grant Exps 043023	\$2,227.10	
	Fdtn Banner Schols Apr 2023	\$500.00	
		\$2,727.10	FN 83002047
All American Screen Printing Inc	Sppls Trustee polos with logo	\$32.63	
		\$32.63	FN 83002048
Michael Ashmore	RMB Fd Sppls Swim Team Playoffs 050323	\$772.54	
		\$772.54	FN 83002049
Blackbaud Inc	RE NXT Pro PAE 053019-052921	(\$11,760.00)	
	NXT Implementation 7/24-30/22	\$100.00	
	RE NXT Implementation TM	\$50.00	
	RE NXT Implementation TM 090422 091022	\$300.00	
	RE NXT Implementation TM	\$150.00	
	RE Award Mgmt Comm Coll Connect 04/2023-04/2024	\$11,056.01	
	FY23 RE NXT Success Svcs	\$24,228.03	
		\$24,124.04	FN 83002050
Ana Gonzalez	RMB Sppls 043023 & 050223	\$15.83	
	RMB Fd Sppls 050423	\$40.00	
		\$55.83	FN 83002051
Scia Maumausolo	RMB Fd Sppls Sbl Team Playoffs 050423	\$479.55	
		\$479.55	FN 83002052
PCPA	Encore Event Reception Pres Circle Members 042923	\$807.48	
		\$807.48	FN 83002053
Radisson Santa Maria	Student Athletes Year End Banquet	\$11,688.45	
	Projector-screen	\$100.00	
		\$11,788.45	FN 83002054
Testa Catering	Catering Hancock Honors Event 050323	\$660.92	
		\$660.92	FN 83002055
Jared Weiss	RMB Sppls Athl Rnd Table 050123	\$11.44	
		\$11.44	FN 83002056
Kenna Wolter	RMB Fd Sppls Trck/Fld Team Playoffs 050423	\$485.06	
		\$485.06	FN 83002057
A-Town AV, Inc.	AV Rental Equip Schol Banquets 05/24-25/23	\$1,275.00	
		\$1,275.00	FN 83002058
AHC Campus Graphics	Print Empl Giving Campaign Posters	\$37.40	
	Print Scholarship Prog Donor Envs	\$27.30	
	Print Scholarship Prog Donor Invites	\$34.10	

Allan Hancock College
Check Register
Check Dates from 5/1/2023 to 5/31/2023
Bank Code: FN

Vendor Name	Description	Amount	Check
		\$98.80	FN 83002059
AHC Viticulture & Enology Foundation	Sppls Wine Hancock Honors Event 050323	\$174.88	
		\$174.88	FN 83002060
Anthem Blue Cross	Health Insurance June 2023	\$1,209.74	
		\$1,209.74	FN 83002061
Crossroads Self Storage, LLC	Storage Fees Hancock Film Collection June 2023	\$216.00	
		\$216.00	FN 83002062
Greg Pensa	RMB Fd Sppls CCLC Conf 050523	\$340.61	
		\$340.61	FN 83002063
Testa Catering	Rental Equip Hancock Honors Event 050323	\$314.02	
		\$314.02	FN 83002064
The Guardian Life Insurance Company of America	Dental/Vision/Life Ins Prem June 23	\$366.95	
		\$366.95	FN 83002065
AHC Campus Graphics	Hancock Honors Event Save The Date Postcards	\$262.99	
	Hancock Honors Event Sponsorship Menu	\$54.45	
	Hancock Honors Event Digital Invites 050323	\$168.00	
	Hancock Honors Event Pyramid Table Toppers	\$18.23	
	Hancock Honors Event Directional Signs	\$144.55	
		\$648.22	FN 83002066
Lisa Gutierrez	Rmb Sppls CSEA BBQ 051823	\$75.35	
		\$75.35	FN 83002067
Kathleen Johnson	RMB Fd Sppls Advisory Board Mtg 050523	\$142.27	
	RMB Sppls Dental Asst Prog Grad	\$163.46	
	RMB Sppls Faculty Recognition	\$46.98	
		\$352.71	FN 83002068
The Rotary Club Of Santa Maria	Dues/Membership Fees BC April 2023	\$63.00	
		\$63.00	FN 83002069
		Total: \$138,989.99	

Allan Hancock College Foundation
Contributions
July 1, 2022 through June 30, 2023

Account	(Unreconciled)												Total
	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	
General Operations	\$ 7,618	\$ -	\$ 570	\$ 7,578	\$ 535	\$ 270	\$ 7,579	\$ 35	\$ 370	\$ 6,275	\$ -	\$ 63	\$ 30,893
Other Local Income	\$ -	\$ -	\$ 3,800	\$ -	\$ 2,107	\$ 2,729	\$ -	\$ 47	\$ 9,819	\$ 11,110	\$ 2,372	\$ 150	\$ 32,134
President's Circle	\$ 6,277	\$ 7,106	\$ 14,859	\$ 5,106	\$ 3,357	\$ 15,942	\$ 3,022	\$ 1,442	\$ 6,692	\$ 3,342	\$ 1,090	\$ 3,921	\$ 72,156
Restricted	\$ 2,630	\$ 20,254	\$ 871	\$ 1,069	\$ 14,569	\$ 26,825	\$ 30,926	\$ 8,984	\$ 59,114	\$ 21,137	\$ 12,029	\$ 13,360	\$ 211,768
Scholarships	\$ 26,631	\$ 16,217	\$ 24,101	\$ 29,321	\$ 18,031	\$ 78,174	\$ 46,294	\$ 5,911	\$ 36,227	\$ 61,662	\$ 19,665	\$ 31,387	\$ 393,621
Hancock Promise	\$ 6,661	\$ 14,280	\$ 98,771	\$ 59,905	\$ 52,065	\$ 61,297	\$ 22,736	\$ 21,554	\$ 13,231	\$ 53,135	\$ 622	\$ 2,381	\$ 406,638
Title V - Hancock Promise	\$ -	\$ -	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,000
Endowments	\$ -	\$ -	\$ -	\$ 4,000	\$ 100	\$ 18,888	\$ -	\$ 2,000	\$ 5,500	\$ 5,000	\$ -	\$ 250	\$ 35,738
MONTHLY TOTALS	\$ 49,817	\$ 57,857	\$ 142,972	\$ 156,979	\$ 90,764	\$ 204,125	\$ 110,557	\$ 39,973	\$ 130,953	\$ 161,661	\$ 35,778	\$ 51,512	\$ 1,232,948
CURRENT YTD TOTALS	\$ 49,817	\$ 107,674	\$ 250,646	\$ 407,625	\$ 498,389	\$ 702,514	\$ 813,071	\$ 853,044	\$ 983,997	\$ 1,145,658	\$ 1,181,436	\$ 1,232,948	\$ 1,232,948

PRIOR YEARS CONTRIBUTIONS

July 2021 - June 2022	1,754,527
July 2020 - June 2021	1,912,505
July 2019 - June 2020	3,661,328
July 2018 - June 2019	1,646,016
July 2017 - June 2018	2,547,577
July 2016 - June 2017	1,167,156
July 2015 - June 2016	1,766,065
July 2014 - June 2015	1,354,736
July 2013 - June 2014	4,230,595
July 2012 - June 2013	11,662,226
July 2011 - June 2012	774,867
July 2010 - June 2011	907,673
July 2009 - June 2010	941,725
July 2008 - June 2009	1,053,236
July 2007 - June 2008	1,070,668
July 2006 - June 2007	1,098,427

NOTES:

a) Report does not include investment portfolio activity.

**ALLAN HANCOCK COLLEGE FOUNDATION
STATEMENT OF OPERATIONS
FOR THE PERIOD ENDING 05/31/2023**

	Cash Admin	General Operations	Restricted	Scholar- ships	Endowment Principal	Endowment Rev/Exp	Total
REVENUES:							
Contributions, Gifts, Grants & Endwmnts	0	30,830	670,900	362,235	85,488	0	1,149,452
Non Cash Contribution	0	0	1,239	0	0	0	1,239
Sales and Commission	0	0	770	0	0	0	770
Interest and Investment Income	0	22,453	2,004	0	0	401,239	425,696
Realized Gain/Loss on Invest	0	17,265	0	0	0	15,541	32,807
Unrealized Gain/Loss on Invest	0	(18,832)	0	0	0	764,572	745,740
Other Local Revenues	0	1,209	28,685	2,089	0	0	31,984
Total Revenues	0	52,926	703,598	364,324	85,488	1,181,353	2,387,687
EXPENSES:							
Non Bargaining Unit	0	233,295	0	0	0	0	233,295
Benefits	0	38,798	0	0	0	0	38,798
Public Relations/Recognitions	0	280	0	0	0	0	280
Office/Operational Supplies	0	2,136	34,510	0	0	0	36,645
In Kind Supply Expense	0	0	770	0	0	0	770
Non Instr Printing	0	6,290	1,424	0	0	0	7,714
Food - Business Meetings/Events	0	5,398	56,550	0	0	0	61,948
Indep Contractor (Individuals)	0	50	17,768	0	0	0	17,818
Service Contracts (Businesses)	0	3,503	29,001	0	0	0	32,504
Travel - All Travel Costs	0	5,475	0	0	0	0	5,475
District Community Activities	0	0	2,500	0	0	0	2,500
Foundation Community Activities	0	8,050	4,116	0	0	0	12,166
Dues & Memberships	0	1,660	3,683	0	0	0	5,343
Non-Tech Licenses, Permits, Fees	0	834	4,537	0	0	0	5,371
Software License/Subscription Agrmt	0	18,932	5,837	0	0	0	24,770
Laundry/Dry Cleaning	0	0	905	0	0	0	905
Film/Media Rental	0	0	1,275	0	0	0	1,275
Facility Rental	0	0	4,000	0	0	0	4,000
Equipment Rental	0	0	10,047	0	0	0	10,047
District/College Support	0	0	142,951	0	0	0	142,951
Postage/Express Services	0	5,226	156	0	0	0	5,382
Advertising/Sponsorships	0	4,945	0	0	0	0	4,945
Bank Service Charges	0	1,316	1,442	0	0	0	2,758
Investment Brokerage Fees	0	3,235	0	0	0	167,084	170,318
PCPA Support	0	0	3,550	68,204	0	0	71,754
Equipment	0	1,649	1,863	0	0	0	3,512
Equipment-In Kind	0	0	1,239	0	0	0	1,239
Student Assistance	0	0	8,574	0	0	0	8,574
Scholarships	0	0	12,608	566,341	0	0	578,948
Total Expenses	0	341,073	349,306	634,544	0	167,084	1,492,006
Net Income (Loss)	0	(288,147)	354,292	(270,221)	85,488	1,014,269	895,681
OTHER FINANCING SOURCES/OUTGO:							
Intrafund Transfer-In	0	167,039	214,781	221,016	1,484,693	51,957	2,139,486
Intrafund Transfers-Out	0	167,031	1,158,639	900	350,000	462,916	2,139,486
Other Transfer-In	0	310,752	0	0	0	0	310,752
Net Transfers	0	310,759	(943,858)	220,116	1,134,693	(410,959)	310,752
Net Inc/Dec in Fund Bal	0	22,612	(589,566)	(50,104)	1,220,181	603,310	1,206,432
FUND BALANCE:							
Fund Equity, July 1	0	608,677	2,535,706	813,716	14,510,273	1,548,516	20,016,888
Current Balance	0	631,289	1,946,140	763,612	15,730,454	2,151,826	21,223,321

**ALLAN HANCOCK COLLEGE FOUNDATION
STATEMENT OF FINANCIAL POSITION
FOR THE PERIOD ENDING 05/31/2023**

	Cash Admin	General Operations	Restricted	Scholar- ships	Endowment Principal	Endowment Rev/Exp	Total
ASSETS:							
Claim on Cash	(9,988,102)	603,518	1,882,887	769,120	4,580,750	2,151,826	0
AHC Fdtn Mechanics Bank Checking	381,135	0	0	0	0	0	381,135
AHC Fdtn MS Active Assets MM	301,678	0	0	0	0	0	301,678
MS Select UMA Boyd 3740 Inv Cash	0	0	0	0	134,621	0	134,621
MS Select UMA Unrestr 2948 Inv Cash	42,854	0	0	0	0	0	42,854
Monarch With Strategies Pooled Cash	7,540	0	0	0	0	0	7,540
Monarch With Strategies Lahr Cash	0	0	0	0	186	0	186
Northern Trust Young Cash	0	0	0	0	84,069	0	84,069
MS Select UMA Pooled 1441 Inv Cash	315,501	0	0	0	0	0	315,501
MorgStnly Title V HSI HP 8826 Cash	0	0	0	0	3,090	0	3,090
Pledge Receivable - Current	0	0	9,840	0	0	0	9,840
Pledge Receivable - Non Current	0	0	55,310	0	0	0	55,310
Discount on Pledge Receivable	0	0	(1,898)	0	0	0	(1,898)
Accrued Interest Receivable	0	0	0	0	342	0	342
Due From Other Funds	0	6,928	0	0	0	0	6,928
Prepaid Items	0	20,973	0	0	0	0	20,973
MS Select UMA Boyd 3740 Inv Cost	0	0	0	0	2,148,498	0	2,148,498
MS Select UMA Unrestr 2948 Inv Cost	382,778	0	0	0	0	0	382,778
Monarch With Strategies Pooled Cost	1,883,534	0	0	0	0	0	1,883,534
Monarch With Strategies Lahr Cost	0	0	0	0	57,160	0	57,160
Northern Trust Young Cost	0	0	0	0	1,303,948	0	1,303,948
MS Select UMA Pooled 1441 Inv Cost	5,915,646	0	0	0	0	0	5,915,646
Interest in CA Comm Colleges Cost	0	0	0	0	146,689	0	146,689
SB Fdtn Hancock Promise Cost	0	0	0	0	6,324,356	0	6,324,356
MorgStnly Title V HSI HP 8826 Cost	0	0	0	0	403,428	0	403,428
MS Select UMA Boyd 3740 Inv FMV Adj	0	0	0	0	241,180	0	241,180
MS Select UMA Unrestr 2948 FMV Adj	46,084	0	0	0	0	0	46,084
Monarch With Strtgs Pooled FMV Adj	10,451	0	0	0	0	0	10,451
Monarch With Strtgs Lahr FMV Adj	0	0	0	0	630	0	630
Northern Trust Young FMV Adj	0	0	0	0	267,880	0	267,880
MS Select UMA Pooled 1441 FMV Adj	700,901	0	0	0	0	0	700,901
SB Fdtn Hancock Promise FMV Adj	0	0	0	0	70,215	0	70,215
MrgStnly Title V HSI HP 8826 FMV Adj	0	0	0	0	(36,589)	0	(36,589)
Total Assets	0	631,419	1,946,140	769,120	15,730,454	2,151,826	21,228,959
LIABILITIES:							
Sales Tax Payable	0	130	0	0	0	0	130
Due To/From Interchart Scholarshi	0	0	0	5,508	0	0	5,508
Total Liabilities	0	130	0	5,508	0	0	5,638
FUND BALANCE:							
Fund Equity FYB	0	608,677	2,535,706	813,716	14,510,273	1,548,516	20,016,888
Current Income/Loss	0	22,612	(589,566)	(50,104)	1,220,181	603,310	1,206,432
Total Fund Balance	0	631,289	1,946,140	763,612	15,730,454	2,151,826	21,223,320
Total Liabilities & Fund Balance	0	631,419	1,946,140	769,120	15,730,454	2,151,826	21,228,958

Query View Budget Status by Account
 Fiscal period start date 07/01/2022
 Fiscal period end date 06/30/2023
 As of Date 05/31/2023

Chart of Accounts 3
 Fund 831001 & 831002
 Organization AFN
 Account All
 Program 709001

Account Expenses	Account Title	Adopted Budget	Adjusted Budget	Year to Date	Available Balance
214000	Non Bargaining Unit	271,477	263,662	233,295	30,367
332000	Classified Non Instr FICA-Soc Scrt	16,832	16,832	14,477	2,355
336000	Classified Non-Instr FICA-Medicare	3,936	3,936	3,386	550
342000	Classified Non Instr Health & Wlfr	64,610	44,459	14,431	29,048
352000	Classified Non-Instr SUI	1,736	2,299	1,879	420
352500	Classified ETT-Foundation	28	41	39	1
362000	Classified Non Instr Workers Comp	2,264	2,264	1,947	317
395100	Employer Matching of TSA	0	3,000	2,639	967
451500	Public Relations/Recognitions	0	280	280	0
452000	Office/Operational Supplies	5,000	4,480	2,136	504
454000	Non Instr Printing	10,000	9,762	6,290	2,602
471000	Food - Business Meetings/Events	4,000	6,000	5,398	551
511000	Indep Contractor (Individuals)	0	50	50	0
511200	Service Contracts (Businesses)	3,500	3,800	3,503	468
521000	Travel - All Travel Costs	6,500	6,258	5,475	2
522000	On-Site-Prof. Develop/Webinars	1,000	1,000	0	1,000
522400	Foundation Community Activities	13,302	11,060	8,050	2,885
531000	Dues & Memberships	2,750	2,618	1,660	958
532000	Non-Tech Licenses,Permits,Fees	2,550	2,550	834	1,716
532200	Software License/Subscription Agrmt	28,000	39,906	18,932	20,974
566000	Software Maintenance Agreement	0	0	0	0
587000	Postage/Express Services	7,500	7,144	5,226	199
588000	Advertising/Sponsorships	4,000	4,945	4,945	0
589200	Bank Service Charges	4,000	4,000	1,316	2,682
589500	Investment Brokerage Fees	5,000	5,000	3,235	1,765
641000	Equipment	500	1,659	1,649	10
721500	Intrafund Transfers-Out	30,000	41,481	167,031	(125,550)
Revenue					
882000	Contributions,Gifts,Grants&Endwmnts	40,000	40,000	30,830	9,170
886000	Interest and Investment Income	0	0	20,887	(20,887)
889000	Other Local Revenues	100	100	1,209	(1,109)
898200	Intrafund Transfer-In	131,250	131,250	167,039	(35,789)
898300	Other Transfer-In	317,135	317,135	310,752	6,383
Revenue Total		488,485	488,485	530,716	(42,231)
Expenditure Total		488,485	488,485	508,104	(25,211)
Report Total (of all records)		0	0	22,612	(17,020)

<u>Intra Fund Transfers-Out</u>	<u>Budget</u>	<u>Actual</u>
Gen Fund Unrestr. to Underwater End.	0	125,550
WineMakers Dinner	0	11,481
Scholarship Banquet support	30,000	30,000
	<u>30,000</u>	<u>167,031</u>

<u>Intra Fund Transfers-In</u>	<u>Budget</u>	<u>Actual</u>
Administration Fee @ 1.5%	113,000	101,009
President's Circle Fee @ 15%	8,250	0
Unrestricted End. Proceeds-Madsen	5,000	0
Hancock Promise Gift Fee @ 1.5%	5,000	17,280
Unrestricted Endowment	0	48,750
Other Transfer-In (District support)	83,580	77,197
Other Transfer-In (District support)	233,555	233,555
	<u>448,385</u>	<u>477,791</u>

To: Finance Committee	ACTION
From: Jon Hooten Executive Director, College Advancement	July 19, 2022
Subject: Auditor's 2021-2022 IRS Form 990 Report	

BACKGROUND

As a part of the foundation's annual audit, representatives from CWDL, Certified Public Accountants, prepare the Internal Revenue Service's Form 990. The firm has provided the foundation with the filed *Form 990 – Return of Organization Exempt from Income Tax* form for the committee's review and approval. The form will be included as a PDF packet emailed to the committee. A hardcopy will not be included in the mailed packet.

RECOMMENDATION

Staff recommend approval of the IRS Form 990 as submitted. Upon approval, the IRS Form 990 will be forwarded to the Executive Committee and the quarterly board meeting for review and approval.

To: Finance Committee	INFORMATION
From: Judy Frost, Chair Finance Committee	July 19, 2023
Subject: Investment Advisors Review	

BACKGROUND

The committee requested two areas of related analysis regarding our brokerage accounts.

1. The first is an “apples-to-apples” comparison of management fees relative to performance. The attached report shows compiled data from the previous two fiscal years, which include a typical year of steady growth and the volatile environment of last year.
2. The second is a comparison of fee tiers for each manager and the break points for each relative to total holdings.

Allan Hancock College Foundation
Investment Management Fees & Performance Comparison

	Total Fees	Rate of Return (Net of fees)	Tiers	Benchmark Rate
<u>Santa Barbara Foundation</u>				
<i>Calendar year 2021</i>	0.90%	9.50%	1.0% on the first \$3 million	
<i>Calendar year 2022</i>	0.88%	-15.78%	.75% on amounts over \$3 million	
May 31, 2023 Balance: \$6,394,571			.50% on amounts over \$5 million	
			Negotiable on amounts over \$10 million	
			Investment fee is .36% annually	
<u>Monarch Wealth Strategies</u>				
<u>Charles Schwab Investments</u>				
<i>Calendar year 2021</i>	1.155%	11.16%	1.155% on the first \$500,000	1.95%
<i>Calendar year 2022</i>	1.155%	-13.16%	1.155% - \$500,001-\$1,000,000	1.45%
May 31, 2023 Pooled Balance: \$1,901,525			1.155% - \$1,000,001-\$2,000,000	0.95%
May 31, 2023 Lahr Balance: \$57,976			.75% - \$2,000,001-\$4,000,000	
			.55% - \$4,000,001-\$10,000,000	
			.45% - \$10,000,001 - \$15,000,000	
			.35% on amounts over \$15,000,001	
			<i>Negotiable on lowering fee even more with considerable contribution to the funds</i>	
			<i>We are grandfathered into the lower flat rate of 1.155% on both accounts</i>	
<u>Northern Trust</u>				
<i>Calendar year 2021</i>	0.70%	17.40%	.80% on the first \$5 million	1.00%
<i>Calendar year 2022</i>	0.70%	-13.40%	.48% next \$5 million	0.60%
May 31, 2023 Balance: \$1,656,238			.44% next \$15 million	0.55%
			.40% next \$50 million	0.50%
			.32% next \$50 million	0.40%
			.24% over \$125 million	0.30%
			<i>(we receive a 20% discount-reflected above)</i>	
<u>Morgan Stanley</u>				
<i>Blended Rate for all accts Calendar year 2021</i>	0.80%	11.24%	1.25% - on the first \$99,000	1.50%
<i>Blended Rate for all accts Calendar year 2022</i>	0.66%	-14.16%	1.20% - \$100,000-\$249,999	1.40%
<i>Endowment Acct: Calendar year 2021</i>	1.07%	10.71%	1.10%- \$250,000-\$499,999	1.30%
<i>Endowment Acct: Calendar year 2022</i>	0.72%	-15.76%	.90% - \$500,000-\$999,999	1.25%
May 31, 2023 Balance: \$6,932,048			.75% - \$1,000,000-\$1,999,999	1.10%
<i>Boyd Fund: Calendar year 2021</i>	0.90%	12.72%	.65% - \$2,000,000-\$4,999,999	1.00%
<i>Boyd Fund: Calendar year 2022</i>	0.57%	-15.42%	.40% - \$5,000,000-\$9,999,999	0.90%
May 31, 2023 Balance: \$2,524,299			.35% - \$10,000,000 and above	0.75%
<i>Reserve Acct: Calendar year 2021</i>	0.67%	13.06%	<i>(we receive the maximum discount allowable)</i>	
<i>Reserve Acct: Calendar year 2022</i>	0.51%	-9.04%		
May 31, 2023 Balance: \$471,715				
<i>Title V: Calendar year 2021</i>	0.55%	8.47%		
<i>Title V: Calendar year 2022</i>	0.57%	-16.42%		
May 31, 2023 Balance: \$369,930				

Allan Hancock College Foundation
Investment Management Fees & Performance Comparison

	<u>Total Fees</u>	<u>Rate of Return (Net of fees)</u>
<u>Santa Barbara Foundation</u>		
<i>Calendar year 2021</i>	0.90%	9.50%
<i>Calendar year 2022</i>	0.88%	-15.78%
<u>Monarch Wealth Strategies</u>		
<u>Charles Schwab Investments</u>		
<i>Calendar year 2021</i>	1.155%	11.16%
<i>Calendar year 2022</i>	1.155%	-13.16%
<u>Northern Trust</u>		
<i>Calendar year 2021</i>	0.70%	17.40%
<i>Calendar year 2022</i>	0.70%	-13.40%
<u>Morgan Stanley</u>		
<i>Blended Rate for all accts Calendar year 2021</i>	0.80%	11.24%
<i>Blended Rate for all accts Calendar year 2022</i>	0.66%	-14.16%
<i>Endowment Acct: Calendar year 2021</i>	1.07%	10.71%
<i>Endowment Acct: Calendar year 2022</i>	0.72%	-15.76%
<i>Boyd Fund: Calendar year 2021</i>	0.90%	12.72%
<i>Boyd Fund: Calendar year 2022</i>	0.57%	-15.42%
<i>Reserve Acct: Calendar year 2021</i>	0.67%	13.06%
<i>Reserve Acct: Calendar year 2022</i>	0.51%	-9.04%
<i>Title V: Calendar year 2021</i>	0.55%	8.47%
<i>Title V: Calendar year 2022</i>	0.57%	-16.42%

**Allan Hancock College Foundation
Investment Management Fee Tier Comparison**

	Tiers	Benchmark Rate
<u>Santa Barbara Foundation</u> May 31, 2023 Balance: \$6,394,571	1.0% on the first \$3 million	
	.75% on amounts over \$3 million	
	.50% on amounts over \$5 million	
	Negotiable on amounts over \$10 million	
	Investment fee is .36% annually	
<u>Monarch Wealth Strategies</u> <u>Charles Schwab Investments</u> May 31, 2023 Pooled Balance: \$1,901,525 May 31, 2023 Lahr Balance: \$57,976	1.155% on the first \$500,000	1.95%
	1.155% - \$500,001-\$1,000,000	1.45%
	1.155% - \$1,000,001-\$2,000,000	0.95%
	.75% - \$2,000,001-\$4,000,000	
	.55% - \$4,000,001-\$10,000,000	
	.45% - \$10,000,001 - \$15,000,000	
	.35% on amounts over \$15,000,001	
	<i>Negotiable on lowering fee even more with considerable contribution to the funds</i>	
<i>We are grandfathered into the lower flat rate of 1.155% on both accounts</i>		
<u>Northern Trust</u> May 31, 2023 Balance: \$1,656,238	.80% on the first \$5 million	1.00%
	.48% next \$5 million	0.60%
	.44% next \$15 million	0.55%
	.40% next \$50 million	0.50%
	.32% next \$50 million	0.40%
	.24% over \$125 million	0.30%
	<i>(we receive a 20% discount-reflected above)</i>	
<u>Morgan Stanley</u> May 31, 2023 Endowment Balance: \$6,932,048 May 31, 2023 Boyd Fund Balance: \$2,524,299 May 31, 2023 Reserve Acct Balance: \$471,715 May 31, 2023 Title V Balance: \$369,930	1.25% - on the first \$99,000	1.50%
	1.20% - \$100,000-\$249,999	1.40%
	1.10%- \$250,000-\$499,999	1.30%
	.90% - \$500,000-\$999,999	1.25%
	.75% - \$1,000,000-\$1,999,999	1.10%
	.65% - \$2,000,000-\$4,999,999	1.00%
	.40% - \$5,000,000-\$9,999,999	0.90%
	.35% - \$10,000,000 and above	0.75%
<i>(we receive the maximum discount allowable)</i>		

To: Finance Committee	INFORMATION
From: Jon Hooten, Executive Director AHC Foundation	July 19, 2023
Subject: Funding a 2-Year Promise	

BACKGROUND

At the conclusion of the Hancock Promise campaign, the college intends to expand the Promise to cover two years of tuition and fees to rising high school seniors from schools in our district. Auxiliary Accounting has produced a model for the anticipated expenses initially associated with this expansion of services.

Promise Fund. The campaign currently stands at \$7.5 million toward the \$10 million goal. Currently, the Foundation has \$6.4 million in cash at the Santa Barbara Foundation with the balance comprised of committed funds.

We expect to secure two additional commitments this summer: the first disbursement from a matured bequest estimated at 675k is expected to arrive in July. We are also solidifying an agreement for a bequest of \$1 million with a possible naming opportunity on campus. These two gifts will push the campaign total to \$9.1 million and \$7.4 million in cash-on-hand.

Expanding the Promise. The one-year Promise program is currently funded almost entirely by state funds (formerly the BOG waiver, now the “California Promise”), with additional support from the Foundation’s “working fund” for students who do not qualify for state assistance. In FY22-23, the total cost of the Promise program was \$385,105. First-year enrollment is projected to increase by 18% in Fall 2023 and cost approximately \$450,000.

“California Promise” grants will not cover second year costs, which will require support from the Foundation’s Promise Fund. Currently, roughly 75% of first-year freshmen persist from one year to the next, which can be used as a baseline for projection of estimated costs. As such, we estimate roughly \$335k is needed to launch the two-year Promise program.

With a conservative estimate of at least \$7.5 million in the Promise fund by F24, a 4.5% draw will be \$337,000 which we project will nearly cover the cost for the second year of Promise students. The launch would not likely happen until at least FY24 or FY25, which will allow time for the fund to continue to grow and receive additional contributions.