



Finance Committees

Wednesday, January 12, 2022 ❖ 2:00 – 3:30 PM

Allan Hancock College Foundation

Zoom Teleconference <https://hancockcollege.zoom.us/j/93680734480>

AGENDA

	Page	Tentative Time
1. Call to Order		2:00 PM
2. Roll Call		2:31 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 January 12, 2022 (ACTION)		2:35 PM
5. Approval of Minutes (ACTION)		
5.A. Finance Committee Minutes of October 13, 2021	1-2	2:36 PM
6. Review and Approval of Financial Statements (ACTION)	3	2:40 PM
6.A. Check Registers – 9/1/2021 – 11/30/2021	4-13	
6.B. Contributions Report – 7/1/2021 – 11/30/2021	14	
6.C. Statement of Operations – 11/30/2021	15	
6.D. Statement of Financial Position – 11/30/2021	16	
6.E. General Operations Budget – 11/30/2021	17	
7. Independent Auditor’s Report – June 30, 2021 and 2020 (ACTION)	18-43	2:50
8. Review and Consideration of Endowment Scholarship & Program Funding (ACTION)	44-48	3:10
9. Annual Review of Operating Budget Sustainability Plan (INFORMATION)	49-50	3:25
10. Other Business – Determine Date for Investment Managers Annual Review		3:28

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.

800 South College Drive, P.O. Box 5170, Santa Maria, CA 93456-5170 | www.ahcfoundation.org
805.925.2004 or 805.922.6966, ext. 3621 | fax 805.739.1064 | ahcfoundation@hancockcollege.edu

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.



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

Jon Hooten, Executive Director – College Advancement

Finance Committee Members:

Glenn Owen, Chair
Lee-Volker Cox, Director
Jim Fields, Director
Judy Frost, Director
Peggy Hesse, Director
Keli Seyfert, Director, Auxiliary Accounting
Eric Smith, AHC Vice President, Finance & Administration

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**ALLAN HANCOCK COLLEGE FOUNDATION
FINANCE COMMITTEE MEETING
Minutes of October 13, 2021**

A regular meeting of the Finance Committee was held on Wednesday, October 13, 2021, at 2:00 p.m. via Zoom teleconference. This meeting was held remotely in response to the COVID-19 pandemic, the Governor issued an Executive Order, modifying the Brown Act in order to facilitate essential public meetings being held through remote methods.

1. Call to Order

The meeting was called to order at 2:00 p.m. by Chair Glenn Owen.

2. Roll Call

Finance Committee Members Present: L.V. Cox, J. Frost, G. Owen, P. Hesse, E. Smith

Finance Committee Members Absent: J. Fields

College Staff Present: J. Hooten, K. Seyfert

Foundation Staff Present: M. Cox

3. Public Comment

None

4. Approval of Agenda (ACTION)

Chair Owen requested the committee review the meeting agenda and called for a motion to approve the agenda.

MOTION: On a motion by Director Hesse, seconded by Director Fields, the Finance Committee voted to approve the meeting agenda for October 13, 2021, was approved on a roll call vote as follows:

Ayes: L.V. Cox, J. Frost, P. Hesse, E. Smith

Noes: None:

Abstentions: G. Owen

5. Approval of Finance Committee Minutes – July 6, 2021 (ACTION)

Chair Owen called for a motion to approve the minutes.

MOTION: On a motion by Director Hesse, seconded by Director Frost, the Finance Committee voted to approve the minutes of the July 6, 2021 meeting as submitted.

6. Review and Approval of Financial Statements (ACTION)

Chair Owen presented the following financial statements to the committee:

6.A. *Check Registers* – 6/30/2021, 7/31/2021 and 8/31/2021

6.B. *Contributions Report* – 7/1/2020 through 6/30/2021 and 7/1/2021 through 8/31/2021

6.C. *Statement of Operations* – 6/30/2021 and 8/31/2021

6.D. *Statement of Financial Position* – 6/30/2021 and 8/31/2021

6.E. *General Operations Budget* – 6/30/2021 and 8/31/2021

6.F. *Financial Overview General Operations* – 6/30/2021

6.G. *Financial Overview Fdtn. – All Funds* – 6/30/2021

6.H. *Financial Overview Investments* – 6/30/2021

MOTION: On a motion by Director Smith, seconded by Director Cox, the Finance Committee approved the financial statements as presented, items 6.A. through 6.H., and will be forwarded to the Executive Committee and full board for approval.

7. Review and Consideration of Investment Policy Statement (ACTION)

The foundation's Investment Policy Statement provides guidance to as to how the funds of the foundation's shall be managed. The intent of the policy is to be sufficiently specific to be meaningful, yet flexible enough in changing market times. The Finance Committee reviews and updates the IPS annually.

Ms. Jennifer Murray, Financial Advisor, Morgan Stanley, joined the committee to explain MS's recommended changes. Ms. Murray explained the Foundation's MS investment is above \$10 million which requires an IPS broader range. The recommendation was to broaden the U.S equities range to *large cap* 10% to 50% maximum; *mid-cap* 0% to 20% maximum; *small cap* 0% to 15% maximum; *international equities* 10% to 50% maximum; *fixed income* 15% to 25%; and *other* 0% to 25% maximum. The *international equities* and *fixed income* low range was reduced to provide broader flexibility while keeping in compliance with the IPS. Ms. Murray basically recommended adding broader allocation flexibility to allow for additions of asset classes and funds over time while staying in compliance with the IPS.

Mr. Hooten stated a potential donor may donate a gift of cryptocurrency. Ms. Murray stated at this time Morgan Stanley does not receive cryptocurrency, but may in the future. The committee decided to delete item 4.2.14 *Cryptocurrency (can be individual cryptocurrency or held in funds)* from the IPS. give a provided a brief report to the committee of being approached by a potential donor that may donate approximately \$10,000 in cryptocurrency. A gift acceptance policy is being drafted and liquidated the cryptocurrency is being researched. The committee suggested the gift be liquidated before the Foundation accepts.

MOTION: On a motion by Director Smith, seconded by Director Hesse, the Finance Committee approved AHC Foundation Investment Policy Statement as submitted, and will be forwarded to the full board for approval.

Ms. Murray left the meeting at 2:28.

8. Auditor's 2019-2020 IRS Form 990 Report (ACTION)

As part of the foundation's annual audit, the accounting firm CWDL, Certified Public Accountants, prepares the *Internal Revenue Service's Form 990 – Return of Organization Exempt From Income Tax*. The public disclosure form was provided to the committee for review and approval.

MOTION: On a motion by Director Frost, seconded by Director Hesse, the Finance Committee approved *Internal Revenue Service's Form 990 – Return of Organization Exempt From Income Tax* as submitted, and will be forwarded to the full board for approval.

9. Discussion of Pursuing Investment Brokerage Analysis (INFORMATION)

At the Finance committee meeting held on Wednesday, March 31, the committee reviewed 2020 annual reports prepared by investment advisors. The advisors recommended providing an analysis of the multiple investment accounts and performance in an effort to prevent risk factor and reduce brokerage fees. Since the meeting, Director Smith shared the district has requested liquidating approximately \$15 million of the Boyd funds held at Northern Trust and Mechanics Bank Wealth Management to be used for the construction of the Fine Arts Complex. Chair Owen requested the request be shared with the full board.

10. General Operations Sustainability Plan (INFORMATION)

11. Other Business – Determine Date for Investment Managers Annual Review

The committee postponed scheduled a date until the January 2022 meeting.

The meeting was adjourned at 3:25 pm on a motion by Director Frost seconded by Director Smith.

To: Finance Committee	ACTION
From: Glenn Owen Chair, Finance Committee	January 12, 2022
Subject: Review and Approval of Financial Statements	

BACKGROUND

A review of the Allan Hancock College Foundation financial statements.

6.A. Check Registers	9/1/ 2021 – 11/30/2021	4 - 13
6.B. Contributions Report	7/1/2021 – 11/30/2021	14
6.C. Statement of Operations	11/30/2021	15
6.D. Statement of Financial Position	11/30/2021	16
6.E. General Operations Budget	11/30/2021	17

RECOMMENDATION

The Finance Committee recommends approval of the financial statements as submitted. Upon approval, the financial statements will be forwarded to the Executive Committee and full board for review and approval.

**Allan Hancock College
Check Register
Check Dates from 9/1/2021 to 9/30/2021
Bank Code: FN**

Vendor Name	Description	Amount	Check
AHC Campus Graphics	FY21 Scholarship Prog Bookmarks	\$23.07	
	FY21 Scholarship Program Table Tents	\$45.20	
		<u>\$68.27</u>	FN 83001416
Blackbaud Inc	FY22 Open PO RE NXT Success Svcs	\$675.00	
		<u>\$675.00</u>	FN 83001417
Cal Poly State University	Fall 2021 Schol B Betancourt	\$500.00	
		<u>\$500.00</u>	FN 83001418
	Fall 2021 Schol J Vasquez	\$1,000.00	
		<u>\$1,000.00</u>	FN 83001419
Fall 2021 Schol R White	\$750.00		
	<u>\$750.00</u>	FN 83001420	
Marlyn Cox	RMB Vision Exp 083121	\$95.02	
		<u>\$95.02</u>	FN 83001421
Angelica Eulloqui	RMB Sppls Wk of Discovery 2021	\$200.00	
		<u>\$200.00</u>	FN 83001422
Office Depot	FY22 Open PO office supplies	\$29.26	
	FY22 Open PO office supplies	\$95.27	
	FY22 Open PO office supplies	\$111.71	
	FY22 Open PO postage stamps	\$240.00	
		<u>\$476.24</u>	FN 83001423
Trevor Passage	RMB Sppls Banned Book Wk	\$394.75	
		<u>\$394.75</u>	FN 83001424
San Diego State University	Fall 2021 Schol R Avila	\$1,250.00	
		<u>\$1,250.00</u>	FN 83001425
U S Postal Service	FY22 Open PO Bs Reply Envelope postage	\$500.00	
		<u>\$500.00</u>	FN 83001426
Uc Santa Barbara	Fall 2021 Schol D Ruiz	\$1,000.00	
		<u>\$1,000.00</u>	FN 83001427
	Fall 2021 Schol B Shin	\$500.00	
		<u>\$500.00</u>	FN 83001428
Fall 2021 Schol C Stanley	\$2,000.00		
	<u>\$2,000.00</u>	FN 83001429	
AHC Campus Graphics	2021 Giving Guide Full Page Ad Design Only	\$84.00	
		<u>\$84.00</u>	FN 83001430
Santa Maria Valley Chamber of Commerce	2021 Annual Awards Gala	\$765.53	
		\$924.47	
		<u>\$1,690.00</u>	FN 83001431
Starry Sky Coffee Company	Fd Sppls 081621 1st Day of Class	\$730.55	
		<u>\$730.55</u>	FN 83001432

**Allan Hancock College
Check Register
Check Dates from 9/1/2021 to 9/30/2021
Bank Code: FN**

Vendor Name	Description	Amount	Check
The Shack of Lompoc, Inc.	Sppls CNA Student Uniforms Tops	\$554.30	
	Sppls CNA Student Uniforms Pants	\$423.80	
		\$978.10	FN 83001433
Tortilleria El Toro II, Inc.	Fd Sppls PCPA Event 090821	\$1,119.30	
	Fd Sppls PCPA Event 090821	\$341.21	
		\$1,460.51	FN 83001434
Santa Barbara Foundation	HP End Investment Walker 070121	\$98.50	
	HP End Investment Walker 070121	\$98.50	
	HP End Investment Dominguez 070621	\$172.38	
	HP End Investment Walthers 070621	\$344.75	
	HP End Investment ApparelNow Cntl Sales 071321	\$74.10	
	HP End Investment Levy 071421	\$985.00	
	HP End Investment Hesse 071521	\$98.50	
	HP End Investment Cox 072021	\$246.25	
	HP End Investment Walker 072321	\$98.50	
	HP End Investment Walker 072321	\$98.50	
	HP End Investment SM Rotary Fdtn 072321	\$985.00	
	HP End Investment Monarch Wealth Strategies 072721	\$985.00	
	HP End Investment Foxworthy Lewellen 072721	\$985.00	
	HP End Investment G Ehmen Trust 072721	\$4,195.11	
	HP End Investment Krouse 072721	\$49.25	
	HP End Investment PG&E Corp 072721	\$0.01	
	HP End Investment Dominguez 080221	\$172.37	
	HP End Investment Walthers 080221	\$344.75	
	HP End Investment Robertson 080221	\$24.62	
	HP End Investment Corr Fund frm Title V 080221	\$201.93	
	HP End Investment Hesse 081521	\$98.50	
	HP End Investment Gibson 081621	\$137.90	
	HP End Investment Manning 081621	\$98.50	
	HP End Investment Daane 081621	\$15.76	
	HP End Investment Gibson 081821	\$137.90	
	HP End Investment Manning 081821	\$98.50	
	HP End Investment Daane 081821	\$15.76	
	HP End Investment Walker 082421	\$98.50	
	HP End Investment Walker 082421	\$98.50	
	HP End Investment Walthers 090321	\$344.75	
	HP End Investment Dominguez 090321	\$172.37	
	HP End Investment Robertson 090321	\$24.63	
	HP End Investment Moreton 090321	\$4.92	
HP End Investment Miyahara 090321	\$49.25		
HP End Investment McNulty 090321	\$98.50		
HP End Investment Hooten 090321	\$98.50		
HP End Investment AHC Faculty Assoc 090321	\$985.00		
		\$12,835.76	FN 83001435
Blackbaud Inc	FY22 Open PO RE NXT Success Svcs	\$675.00	
		\$675.00	FN 83001436
Cal Poly State University	Fall 2021 Schol E Anderson	\$1,300.00	

**Allan Hancock College
Check Register
Check Dates from 9/1/2021 to 9/30/2021
Bank Code: FN**

Vendor Name	Description	Amount	Check
		\$1,300.00	FN 83001437
Cal Poly State University	Fall 2021 Schol I Fuentes-Mendoza	\$1,000.00	
		\$1,000.00	FN 83001438
	Fall 2021 Schol D Medina Vazquez	\$1,500.00	
	Fall 2021 Schol D Medina Vazquez	\$1,000.00	
		\$2,500.00	FN 83001439
	Fall 2021 Schol L Rowe	\$2,500.00	
		\$2,500.00	FN 83001440
Cardmember Service	Fd Sppls Office Coffee	\$21.99	
	Sppls Power Strip	\$20.67	
	Fd Sppls Staff Meeting 090321	\$75.67	
	Sppls Power Adapter	\$47.96	
	Constant Contact Monthly Fee	\$90.25	
	Fd Sppls 082721	\$33.86	
	Sppls Appreciation Baskets	\$150.00	
	Fd Sppls 083121	\$60.00	
	Sppls Appreciation Baskets	\$750.00	
	Sppls Appreciation Baskets	\$1,350.00	
	Fd Sppls 090921	\$110.00	
		\$2,710.40	FN 83001441
Crossroads Self Storage, LLC	Storage Fee Hancock Film Collection Oct 2021	\$197.00	
		\$197.00	FN 83001442
Pacific Coast Business Times	Advertising Full page 4 color ad - Giving Guide	\$1,250.00	
		\$1,250.00	FN 83001443
Sacramento State University	Fall 2021 Schol K Ortega	\$2,500.00	
		\$2,500.00	FN 83001444
Uc Santa Barbara	Fall 2021 Schol T Laine	\$3,000.00	
		\$3,000.00	FN 83001445
University Of Calif Los Angeles	Fall 2021 Schol D Estrada	\$500.00	
		\$500.00	FN 83001446
University Of Calif Riverside	Fall 2021 Schol L Simms	\$1,500.00	
		\$1,500.00	FN 83001447
Cardmember Service	Fd Sppls Office Coffee	\$21.99	
	Sppls Power Strip	\$20.67	
	Fd Sppls Staff Meeting 090321	\$75.67	
	Sppls Power Adapter	\$47.96	
	Constant Contact Monthly Fee	\$90.25	
	Fd Sppls 082721	\$33.86	
	Sppls Appreciation Baskets	\$150.00	
	Fd Sppls 083121	\$60.00	
	Sppls Appreciation Baskets	\$750.00	
	Sppls Appreciation Baskets	\$1,350.00	
	Fd Sppls 090921	\$110.00	
	Sppls Returned 081621	(\$172.89)	

**Allan Hancock College
Check Register
Check Dates from 9/1/2021 to 9/30/2021
Bank Code: FN**

Vendor Name	Description	Amount	Check
		\$2,537.51	FN 83001448
AHC Campus Graphics	2021 Fdtn Impact Report	\$3,896.95	
		\$3,896.95	FN 83001449
AHC District	Fdtn Banner Schols Aug 2021	\$241,925.00	
		\$241,925.00	FN 83001450
Allan Hancock College Boosters Inc	AHC Boosters Fundraiser Auction Item	\$700.00	
		\$700.00	FN 83001451
Cal Poly State University	Fall 2021 Schol W Hammell	\$1,000.00	
	Fall 2021 Schol W Hammell	\$2,000.00	
		\$3,000.00	FN 83001452
	Fall 2021 Schol H Hernandez Aguilar	\$1,200.00	
		\$1,200.00	FN 83001453
	Fall 2021 Schol A Ramirez	\$1,000.00	
		\$1,000.00	FN 83001454
Kim Ensing	RMB Fd Sppls NSBCART 092721	\$998.08	
		\$998.08	FN 83001455
Follett Heg - Ahc Bookstore	Certified Nursing student Mindtap books	\$3,849.75	
	Blood pressure kits	\$1,761.75	
		\$5,611.50	FN 83001456
Erin Gardner	RMB Mlg 081121 & 082721	\$97.55	
		\$97.55	FN 83001457
Tracy McKee	RMB Sppls Fdtn Office 092221	\$14.69	
		\$14.69	FN 83001458
The Rotary Club Of Santa Maria	Dues and Membership Fees BC Aug 2021	\$76.50	
		\$76.50	FN 83001459
University Of Calif Los Angeles	Fall 2021 Schol L Robledo	\$500.00	
	Fall 2021 Schol L Robledo	\$1,000.00	
	Fall 2021 Schol L Robledo	\$1,000.00	
		\$2,500.00	FN 83001460
		Total: \$310,378.38	

**Allan Hancock College
Check Register
Check Dates from 10/1/2021 to
10/31/2021**

Vendor Name	Description	Bank Code: FN	Amount	Check
AHC District	Chargeback Payroll Aug 2021		\$1,906.64	
	Chargeback Fd Sppls COVID Mtg 072321		\$209.45	
	Chargeback Fd Sppls Mtg 071321		\$43.13	
	Fdtn Student Emergency Funds Aug 2021		\$680.00	
			\$2,839.22	FN 83001461
AHC Viticulture & Enology Foundation	Wine Shipping Charges 071421		\$35.24	
			\$35.24	FN 83001462
All American Screen Printing Inc	Sppls Presidents Circle Lapel Pins		\$903.71	
			\$903.71	FN 83001463
Calif State Univ-Channel Islands	Fall 2021 Schol E DeJesus		\$750.00	
	Fall 2021 Schol E DeJesus		\$750.00	
	Fall 2021 Schol E DeJesus		\$550.00	
	Fall 2021 Schol E DeJesus		\$1,700.00	
			\$3,750.00	FN 83001464
Office Depot	Sppls Fdtn Office Supplies		\$133.75	
			\$133.75	FN 83001465
Santa Maria Breakfast Rotary Club	Monthly Dues & Fees KW Sept 2021		\$136.85	
			\$136.85	FN 83001466
Uc Santa Barbara	Fall 2021 Schol I Lillo		\$500.00	
			\$500.00	FN 83001467
	Fall 2021 Schol Y Vega Vazquez		\$500.00	
			\$1,350.00	
		\$1,850.00	FN 83001468	
VTC Enterprises	Impact Report mailing		\$1,277.75	
	Shipping Delivery Postage		\$717.54	
			\$1,995.29	FN 83001469
AHC - Registered Nursing Club	RN Class Donation		\$52.50	
			\$52.50	FN 83001470
AHC Campus Graphics	Print Invitations Pres Circle Event 102121		\$53.76	
			\$53.76	FN 83001471
Calif State Univ Fullerton	Fall 2021 Schol C Camarena		\$500.00	
			\$500.00	FN 83001472
Charcuter'Dee & Fromagerie	Fd Sppls Grazing Table PC Event 102121 Deposit		\$750.00	
			\$750.00	FN 83001473
PCPA	FY22 M Hancock Trust Qtrly Distribution		\$21,004.00	
			\$21,004.00	FN 83001474
Regional Testing Center	CNA Student Exams 10/28-29/21		\$2,900.00	
			\$2,900.00	FN 83001475

**Allan Hancock College
Check Register
Check Dates from 10/1/2021 to
10/31/2021**

Vendor Name	Description	Bank Code: FN	Amount	Check
San Diego State University	Fall 2021 Schol K Hernandez		\$1,000.00	
	Fall 2021 Schol K Hernandez		\$1,000.00	
			\$2,000.00	FN 83001476
Bright Event Rentals LLC	FineArts Complex PC Event 102121		\$836.12	
			\$836.12	FN 83001477
Cal Poly State University	F2021 Schol J. O'Connell		\$5,000.00	
			\$5,000.00	FN 83001478
Charcuter'Dee & Fromagerie	Grazing Table Prez Circle Event 102121		\$750.00	
			\$750.00	FN 83001479
University Of Calif Davis	F2021 Schol H Frazer		\$500.00	
			\$500.00	FN 83001480
AHC District	BIGE Grant Exps through093021		\$1,953.20	
	AHC Fdtn Schols Banner Sept 2021		\$9,730.00	
	Wk of Discover Exps P/R Sept 2021		\$695.16	
	Wk of Discover Exps P/R Sept 2021		\$1,982.65	
	Wk of Discover Exps P/R Sept 2021		\$200.36	
	Mesa/Stem Center Exps Sept 2021		\$2,122.81	
	Nursing Prog Exps Sept 2021		\$382.79	
	Nursing Prog Exps P/R Sept 2021		\$382.81	
	Fd Sppls Supvr/Conf Mtg 081221		\$50.00	
	Sppls Flower Arrangement 090321		\$85.66	
	Fd Sppls FoodShare Sept 2021		\$979.01	
	Fd Sppls All Staff Day 081321		\$18.00	
	Fdtn Student Emergency Funds Sept 2021		\$1,910.00	
	Orfelea Fdtn Child Ctr Grant Exps 093021		\$6,990.38	
		\$27,482.83	FN 83001481	
Cardmember Service	Fd Sppls Mtg 091521 JH, KBaleven		\$38.48	
	Fd Sppls Mtg 091721		\$35.25	
	PC Event 102121 Dep Rentals		\$1,060.00	
	Sppls Staff Bday		\$18.47	
	Fd Sppls 100121		\$31.26	
	Sppls Stdnt Ambassador Gifts		\$125.00	
	Sppls Surface Pro pen		\$86.99	
	Sppls PC Event 102121 Hard Hats		\$483.16	
	Constant Contact Monthly Fee		\$90.25	
	Sppls Wagon		\$65.24	
	Postage Committee Agenda Mailings		\$18.80	
	Fd Sppls Mtg KW & Cal Poly DF 091521		\$50.00	
	Fd Sppls Mtg KW & M Black 091621		\$57.00	
	Fd Sppls Supervisor/Confidential Mtg 091721		\$77.87	
	Fd Sppls BIGE Mtg 091721		\$389.32	
	Sppls Sympathy Bouquet H Zacarias 091721		\$117.44	
	Sppls Sympathy Bouquet M Q-Maltagliati 091721		\$76.65	
	Fd Sppls COVID Planning Summit 091621		\$58.71	
	Fd Sppls COVID Planning Summit 091621		\$344.20	
	Fd Sppls Mtg KW & Future Leaders 092021		\$40.00	
	Support S Lay Memorial Scholarship		\$1,030.00	
	Fd Sppls Mtg KW & CCLC 092221		\$160.00	

**Allan Hancock College
Check Register
Check Dates from 10/1/2021 to
10/31/2021**

Vendor Name	Description	Bank Code: FN	Amount	Check
Cardmember Service	Sppls Wheelhouse Sponsorship		\$337.35	
	SB Co Farm Bureau Auction Item - Luau		\$3,000.00	
	Fd Sppls Mtg KW, SL, GP 100621		\$56.19	
	Fd Sppls Mtg KW & H Edds 100521		\$55.00	
	Fd Sppls Mtg KW & LL 100721		\$51.85	
	Fd Sppls Supervisor/Confidential Mtg 101321		\$142.86	
	Fd Sppls Mtg KW & T Ortega 101221		\$51.00	
	Fd Sppls ACCT Conf 101421		\$460.00	
			<u>\$8,608.34</u>	FN 83001482
Crossroads Self Storage, LLC	Hancock Film Collection Storage Fee Nov 2021		\$197.00	
			<u>\$197.00</u>	FN 83001483
Tracy McKee	RMB Fd Sppls 082721 & 082021		\$18.52	
			<u>\$18.52</u>	FN 83001484
Santa Ynez Valley People Helping People	Sponsor Polo 21 Main Match		\$2,500.00	
			<u>\$2,500.00</u>	FN 83001485
Testa Catering	Fd Sppls K Adams Memorial Service 100521		\$1,277.60	
			<u>\$1,277.60</u>	FN 83001486
The Rotary Club Of Santa Maria	Dues and Membership Fees Sept 2021		\$53.00	
			<u>\$53.00</u>	FN 83001487
UMass Global	F2021 Schol T Judt		\$1,000.00	
			<u>\$1,000.00</u>	FN 83001488
			<u>Total: \$87,627.73</u>	

**Allan Hancock College
Check Register
Check Dates from 11/1/2021 to
11/30/2021**

Vendor Name	Description	Bank Code: FN	Amount	Check
AHC Campus Graphics	Print Fall 2021 HP Solicitation Mailer		\$1,272.47	
	Scholarship Prog Banner Update		\$30.00	
	Print Save The Dates PC Event 102121		\$24.72	
	Print Fdtn Board Bk Oct 2021		\$58.98	
			<u>\$1,386.17</u>	FN 83001489
Erin Gardner	RMB Sppls Fdtn Office		\$9.41	
			<u>\$9.41</u>	FN 83001490
Natalie Rucobo	RMB Mlg102621		\$82.43	
			<u>\$82.43</u>	FN 83001491
UC Regents	Fall 2021 Schol A Bautista		\$500.00	
			<u>\$500.00</u>	FN 83001492
AHC Campus Graphics	2021-22 Fdtn New Years Card		\$35.36	
	Scholarship Program Posters		\$35.20	
			<u>\$70.56</u>	FN 83001493
Cal Poly State University	Fall 2021 Schol D Maldonado		\$1,400.00	
			<u>\$1,400.00</u>	FN 83001494
	Fall 2021 Schol M De Jesus Gutierrez-Martinez		\$1,450.00	
			<u>\$1,450.00</u>	FN 83001495
	Fall 2021 Schol A Guerrero Tejada		\$2,500.00	
			<u>\$2,500.00</u>	FN 83001496
Office Depot	Sppls Fdtn Office Supplies		\$176.05	
			<u>\$176.05</u>	FN 83001497
Natalie Rucobo	RMB Mlg 110121		\$28.34	
			<u>\$28.34</u>	FN 83001498
Santa Maria Breakfast Rotary Club	Monthly Dues & Fees KW Oct 2021		\$333.35	
			<u>\$333.35</u>	FN 83001499
AHC District	Fdtn Banner Schols Oct 2021		\$6,800.00	
			<u>\$6,800.00</u>	FN 83001500
Santa Barbara Foundation	HP End Investment Sherry 091521		\$2,364.00	
	HP End Investment Hesse 091521		\$98.50	
	HP End Investment Gibson 091521		\$137.90	
	HP End Investment Manning 091521		\$98.50	
	HP End Investment Daane 091521		\$15.76	
	HP End Investment Nash 092121		\$98.50	
	HP End Investment Raytheon Tech 093021		\$197.00	
	HP End Investment Walker 093021		\$98.50	
	HP End Investment Walker 093021		\$98.50	
	HP End Investment Bertell 100121		\$985.00	
	HP End Investment Telleria 100121		\$1,970.00	
	HP End Investment Carson 100521		\$98.50	
	HP End Investment Walthers 101121		\$344.75	
	HP End Investment Dominguez 101121		\$172.38	
	HP End Investment Robertson 101121		\$24.63	

**Allan Hancock College
Check Register
Check Dates from 11/1/2021 to
11/30/2021**

Vendor Name	Description	Bank Code: FN	Amount	Check
Santa Barbara Foundation	HP End Investment Moreton 101121		\$4.93	
	HP End Investment Miyahara 101121		\$49.25	
	HP End Investment Hooten 101121		\$98.50	
	HP End Investment McNulty 101121		\$98.50	
	HP End Investment Rabska 101221		\$985.00	
	HP End Investment Van Natta 101221		\$98.50	
	HP End Investment Kliesch 101521		\$49.25	
	HP End Investment Hill 101521		\$98.50	
	HP End Investment Hesse 101521		\$98.50	
	HP End Investment Daane 101521		\$15.76	
	HP End Investment Gibson 101521		\$137.90	
	HP End Investment Manning 101521		\$98.50	
	HP End Investment Johnson 101921		\$4,925.00	
	HP End Investment Beck 102021		\$49.25	
	HP End Investment Dugan Thrpy & Ftnss 102021		\$98.50	
	HP End Investment Emergency Physicians 102021		\$98.50	
	HP End Investment Jordan 102121		\$4,925.00	
	HP End Investment Eames 102121		\$4,925.00	
	HP End Investment Pacific Coast Cabinets 102121		\$98.50	
	HP End Investment AMG & Assoc 102121		\$985.00	
	HP End Investment New York Life 102721		\$98.50	
	HP End Investment Walker 102721		\$98.50	
	HP End Investment Stillwell 102821		\$985.00	
	HP End Investment Walthers 102921		\$344.75	
	HP End Investment Dominguez 102921		\$172.37	
	HP End Investment Robertson 102921		\$24.62	
	HP End Investment McNulty 102921		\$98.50	
	HP End Investment Miyahara 102921		\$49.25	
	HP End Investment Moreton 102921		\$4.92	
	HP End Investment Hooten 102921		\$98.50	
	HP End Investment Alvarado 110321		\$98.50	
	HP End Investment Grogan 110521		\$985.00	
				\$27,798.67
VTC Enterprises	Year end appeal mailing to vendors		\$27.93	
	Shipping postage		\$58.23	
	Year End Donor Appeal SM, SY and Lompoc areas		\$1,060.96	
	Shipping and postage		\$281.09	
			\$1,428.21	FN 83001502
4imprint Inc.	MESA STEM Open House LED Mini Flashlights		\$779.80	
			\$779.80	FN 83001503
AHC District	Adlt Reentry Warm HandOff Grand Exps Q1		\$8,934.19	
			\$8,934.19	FN 83001504
Cardmember Service	Fd Sppls ACCT Conf Luncheon 101521		\$200.00	
	Fd Sppls Bus Mtg 102521 KW JHarmon		\$55.00	
	Fd Sppls Cabinet Team & Insttl Research 110221		\$222.33	
	Fd Sppls Admin Team 110221		\$23.40	
	Fd Sppls Bus Mtg 110421		\$229.33	
	Fd Sppls Stdt Thanksgiving GCs		\$2,382.00	
	Fd Sppls Bus Mtg 111021 KW & SFunkhauser		\$40.00	

**Allan Hancock College
Check Register
Check Dates from 11/1/2021 to
11/30/2021**

Vendor Name	Description	Bank Code: FN	Amount	Check
Cardmember Service	Fd Sppls Supvr/Conf Mtg 111021		\$87.37	
	Sppls Ice Bucket		\$27.18	
	SB Fdtn Celebrate Philanthropy Event 110421		\$350.00	
	Fd Sppls Bus Luncheon JH & L Strong		\$52.18	
	Sppls PC Event 102221		\$94.59	
	Sppls AHC Fdtn Office		\$50.67	
	Sppls PC Event 102221		\$54.26	
	Constant Contact Monthly Fee		\$90.25	
	AHC Fdtn Greeting Cards		\$4.99	
	Purchase Error By Tracy		\$27.53	
	Dry Cleaning Table Clothes		\$99.65	
	Fd Sppls Staff Mtg 110421		\$32.73	
			<u>\$4,123.46</u>	FN 83001505
Crossroads Self Storage, LLC	Storage Fees Hancock Film Collection Dec 2021		\$197.00	
			<u>\$197.00</u>	FN 83001506
Miguel Gutierrez	RMB Sppls Dia De Los Muertos 11/01-02/21		\$366.82	
			<u>\$366.82</u>	FN 83001507
Tracy McKee	RMB Postage Board Member Binders		\$27.07	
	RMB Fd Sppls Office Coffee Water		\$3.27	
	RMB Mlg 10/06/21 - 11/05/21		\$21.50	
			<u>\$51.84</u>	FN 83001508
Spencer's Fresh Markets	Fd Sppls Stdg Thanksgiving Baskets		\$4,622.44	
			<u>\$4,622.44</u>	FN 83001509
AHC Campus Graphics	Fdtn Print - Yr End Promise Solicitation Postcard		\$312.65	
	Print Name Tag EJ Flores		\$5.00	
	Print Pres Circle Event		\$24.86	
	SM Times Ad Design Only		\$84.00	
	Print Name Tag S Popkin		\$5.00	
	AHC Fdtn Print Letterhead		\$81.00	
	HP End Update Design Only		\$5.88	
			<u>\$518.39</u>	FN 83001510
AHC District	Mailroom Charges July-Oct 2021		\$776.69	
			<u>\$776.69</u>	FN 83001511
Lucienne Allen	Speaker AHC Art Gallery Event 110421		\$200.00	
			<u>\$200.00</u>	FN 83001512
The Rotary Club Of Santa Maria	Dues and Membership Fees BC Oct 2021		\$53.00	
			<u>\$53.00</u>	FN 83001513
			<u>Total: \$64,586.82</u>	

Allan Hancock College Foundation
Contributions
July 1, 2021 through June 30, 2022

Account	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Total
General Operations	\$ 7,037	\$ 137	\$ 272	\$ 7,372	\$ 2,636								\$ 17,454
Other Local Income	\$ -	\$ 30	\$ 7,695	\$ 3,457	\$ 30								\$ 11,212
President's Circle	\$ 6,139	3,443	\$ 2,775	\$ 3,885	\$ 2,025								\$ 18,266
Restricted	\$ 1,858	\$ 3,962	\$ 1,312	\$ 2,390	\$ 17,175								\$ 26,697
Scholarships	\$ 37,802	\$ 16,810	\$ 18,146	\$ 28,643	\$ 43,081								\$ 144,482
Hancock Promise	\$ 9,074	\$ 786	\$ 4,415	\$ 17,856	\$ 12,348								\$ 44,479
Title V - Hancock Promise	\$ 230												\$ 230
Endowments				\$ 54,000	\$ 125								\$ 54,125
MONTHLY TOTALS	\$ 62,140	\$ 25,168	\$ 34,615	\$ 117,603	\$ 77,420	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 316,945
CURRENT YTD TOTALS	\$ 62,140	\$ 87,307	\$ 121,922	\$ 239,525	\$ 316,945	\$ 316,945	\$ 316,945	\$ 316,945	\$ 316,945	\$ 316,945	\$ -	\$ -	\$ 316,945

PRIOR YEARS CONTRIBUTIONS

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 15	1,354,736
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.
- b) Report does not include outstanding pledges.

**ALLAN HANCOCK COLLEGE FOUNDATION
STATEMENT OF OPERATIONS
FOR THE PERIOD ENDING 11/30/2021**

	Cash Admin	General Operations	Restricted	Scholar- ships	Endowment Principal	Endowment Rev/Exp	Total
REVENUES:							
Contributions,Gifts,Grants&Endw mnts	0	17,454	89,442	144,482	54,355	0	305,733
Interest and Investment Income	0	6,539	8	0	0	220,687	227,234
Realized Gain/Loss on Invest	0	2,553	0	0	0	3,016,758	3,019,311
Unrealized Gain/Loss on Invest	0	5,082	0	0	0	(2,899,865)	(2,894,783)
Other Local Revenues	0	61	3,457	7,695	0	0	11,212
Total Revenues	0	31,688	92,907	152,177	54,355	337,579	668,706
EXPENSES:							
Non Bargaining Unit	0	107,481	0	0	0	0	107,481
Benefits	0	9,633	0	0	0	0	9,633
Office/Operational Supplies	0	1,219	18,763	0	0	0	19,981
Non Instr Printing	0	6,037	720	0	0	0	6,757
Food - Business Meetings/Events	0	572	8,458	0	0	0	9,030
Indep Contractor (Individuals)	0	0	200	0	0	0	200
Service Contracts (Businesses)	0	1,247	0	0	0	0	1,247
Travel - All Travel Costs	0	319	0	0	0	0	319
Foundation Community Activities	0	4,350	2,390	0	0	0	6,740
Dues & Memberships	0	2,748	1,136	0	0	0	3,883
Non-Tech Licenses,Permits,Fees	0	425	21,416	0	0	0	21,841
Software Maintenance Agreement	0	7,948	2,025	0	0	0	9,973
Equipment Rental	0	0	1,896	0	0	0	1,896
District/College Support	0	0	46,527	0	10,294,701	5,086,376	15,427,604
Postage/Express Services	0	5,065	0	0	0	0	5,065
Advertising	0	1,250	0	0	0	0	1,250
Bank Service Charges	0	519	294	0	0	0	813
Investment Brokerage Fees	0	1,630	0	0	0	123,024	124,654
PCPA Support	0	0	0	42,008	0	0	42,008
Equipment	0	0	1,648	0	0	0	1,648
Student Assistance	0	0	4,690	0	0	0	4,690
Scholarships	0	0	0	486,837	0	0	486,837
Total Expenses	0	150,442	110,162	528,845	10,294,701	5,209,400	16,293,550
Net Income (Loss)	0	(118,754)	(17,255)	(376,668)	(10,240,346)	(4,871,821)	(15,624,843)
OTHER FINANCING SOURCES/OUTGO:							
Intrafund Transfer-In	0	57,278	19,960	5,660	248,480	0	331,377
Intrafund Transfers-Out	0	0	253,556	21,162	0	56,659	331,377
Other Transfer-In	0	155,415	0	0	0	0	155,415
Net Transfers	0	212,693	(233,596)	(15,502)	248,480	(56,659)	155,415
Net Inc/Dec in Fund Bal	0	93,939	(250,852)	(392,170)	(9,991,866)	(4,928,480)	(15,469,428)
FUND BALANCE:							
Fund Equity, July 1	0	596,043	2,090,702	790,712	24,089,018	9,877,791	37,444,267
Current Balance	0	689,983	1,839,851	398,542	14,097,152	4,949,312	21,974,839

**ALLAN HANCOCK COLLEGE FOUNDATION
STATEMENT OF FINANCIAL POSITION
FOR THE PERIOD ENDING 11/30/2021**

	Cash Admin	General Operations	Restricted	Scholar- ships	Endowment Principal	Endowment Rev/Exp	Total
ASSETS:							
Claim on Cash	(10,855,627)	683,500	1,462,305	398,724	3,361,787	4,949,312	0
AHC Fdtn Mechanics Bank Checking	293,653	0	0	0	0	0	293,653
AHC Fdtn MS Active Assets MM	116,297	0	0	0	0	0	116,297
MS Select UMA Boyd 3740 Inv Cash	0	0	0	0	152,613	0	152,613
MS Select UMA Unrestr 2948 Inv Cash	18,077	0	0	0	0	0	18,077
Monarch With Strategies Pooled Cash	16,895	0	0	0	0	0	16,895
Monarch With Strategies Lahr Cash	0	0	0	0	218	0	218
Northern Trust Boyd Cash	0	0	0	0	(4,767)	0	(4,767)
Northern Trust Young Cash	0	0	0	0	27,497	0	27,497
MS Select UMA Pooled 1441 Inv Cash	276,136	0	0	0	0	0	276,136
MorgStnly Title V HSI HP 8826 Cash	0	0	0	0	3,210	0	3,210
Pledge Receivable - Current	0	0	227,390	0	0	0	227,390
Pledge Receivable - Non Current	0	0	160,689	0	0	0	160,689
Discount on Pledge Receivable	0	0	(11,303)	0	0	0	(11,303)
Due From Other Funds	0	6,483	0	0	0	0	6,483
Inventory	0	0	770	0	0	0	770
MS Select UMA Boyd 3740 Inv Cost	0	0	0	0	2,240,081	0	2,240,081
MS Select UMA Unrestr 2948 Inv Cost	493,828	0	0	0	0	0	493,828
Monarch With Strategies Pooled Cost	1,619,037	0	0	0	0	0	1,619,037
Monarch With Strategies Lahr Cost	0	0	0	0	59,289	0	59,289
Northern Trust Young Cost	0	0	0	0	1,274,671	0	1,274,671
MS Select UMA Pooled 1441 Inv Cost	5,597,903	0	0	0	0	0	5,597,903
Interest in CA Comm Colleges Cost	0	0	0	0	176,495	0	176,495
SB Fdtn Hancock Promise Cost	0	0	0	0	4,417,375	0	4,417,375
MorgStnly Title V HSI HP 8826 Cost	0	0	0	0	349,202	0	349,202
MS Select UMA Boyd 3740 Inv FMV Adj	0	0	0	0	688,938	0	688,938
MS Select UMA Unrestr 2948 FMV Adj	145,508	0	0	0	0	0	145,508
Monarch With Strtgs Pooled FMV Adj	432,117	0	0	0	0	0	432,117
Monarch With Strtgs Lahr FMV Adj	0	0	0	0	11,014	0	11,014
Northern Trust Young FMV Adj	0	0	0	0	525,181	0	525,181
MS Select UMA Pooled 1441 FMV Adj	1,846,177	0	0	0	0	0	1,846,177
SB Fdtn Hancock Promise FMV Adj	0	0	0	0	810,548	0	810,548
MrgStnly Title V HSI HP 8826 FMV Adj	0	0	0	0	3,801	0	3,801
Total Assets	0	689,983	1,839,851	398,724	14,097,152	4,949,312	21,975,020
LIABILITIES:							
Sales Tax Payable	0	0	0	0	0	0	0
Due To/From Interchart Scholarshi	0	0	0	182	0	0	182
Total Liabilities	0	0	0	182	0	0	182
FUND BALANCE:							
Fund Equity FYB	0	596,043	2,090,702	790,712	24,089,018	9,877,791	37,444,267
Current Income/Loss	0	93,939	(250,852)	(392,170)	(9,991,866)	(4,928,480)	(15,469,428)
Total Fund Balance	0	689,982	1,839,850	398,542	14,097,152	4,949,311	21,974,839
Total Liabilities & Fund Balance	0	689,982	1,839,850	398,724	14,097,152	4,949,311	21,975,021

**Allan Hancock College Foundation
Foundation General Operations**

Query View Budget Quick Query
 Fiscal period start 07/01/2021
 Fiscal period end 06/30/2022
 As of Date 11/30/2021
 Chart of Accounts 3
 Fund 831001 and 831002
 Organization AFN
 Account All
 Program 709001

Account	Account Title	Adopted Budget	Adjusted Budget	Year to Date	Available Balance
Expenses					
214000	Non Bargaining Unit	\$ 265,000	\$ -	\$ 107,481	\$ 157,519
332000	Classified Non Instr FICA-Soc Scrt	\$ 16,000	\$ -	\$ 6,664	\$ 9,336
336000	Classified Non-Instr FICA-Medicare	\$ 3,800	\$ -	\$ 1,558	\$ 2,242
342000	Classified Non Instr Health & Wlfr	\$ 1,200	\$ -	\$ 600	\$ 600
352000	Classified Non-Instr SU	\$ 1,700	\$ -	\$ -	\$ 1,700
352500	Classified ETT-Foundation	\$ 50	\$ -	\$ -	\$ 50
362000	Classified Non Instr Workers Comp	\$ 2,100	\$ -	\$ 810	\$ 1,290
451500	Public Relations/Recognitions	\$ 500	\$ -	\$ -	\$ 500
452000	Office/Operational Supplies	\$ 7,000	\$ -	\$ 1,219	\$ 5,781
454000	Non Instr Printing	\$ 8,000	\$ -	\$ 6,037	\$ 1,963
471000	Food - Business Meetings/Events	\$ 6,000	\$ -	\$ 572	\$ 5,428
511000	Indep Contractor (Individuals)	\$ 2,500	\$ -	\$ -	\$ 2,500
511200	Service Contracts (Businesses)	\$ 3,500	\$ -	\$ 1,247	\$ 2,253
521000	Travel - All Travel Costs	\$ 6,500	\$ -	\$ 319	\$ 6,181
522000	On-Site-Prof. Develop/Webinars	\$ 2,000	\$ -	\$ -	\$ 2,000
522400	Foundation Community Activities	\$ 15,500	\$ -	\$ 4,350	\$ 11,150
531000	Dues & Memberships	\$ 2,500	\$ -	\$ 2,748	\$ (248)
532000	Non-Tech Licenses,Permits,Fees	\$ 1,500	\$ -	\$ 425	\$ 1,075
566000	Software Maintenance Agreement	\$ 15,000	\$ -	\$ 7,948	\$ 7,052
569000	Equipment Rental	\$ 1,000	\$ -	\$ -	\$ 1,000
587000	Postage/Express Services	\$ 3,500	\$ -	\$ 5,065	\$ (1,565)
588000	Advertising	\$ 2,000	\$ -	\$ 1,250	\$ 750
589200	Bank Service Charges	\$ 4,000	\$ -	\$ 519	\$ 3,481
589500	Investment Brokerage Fees	\$ 5,000	\$ -	\$ 1,630	\$ 3,370
641000	Equipment	\$ 1,500	\$ -	\$ -	\$ 1,500
721500	Intrafund Transfers-Out	\$ 12,000	\$ -	\$ -	\$ 12,000
Revenue					
882000	Contributions,Gifts,Grants&Endowments	\$ 42,500	\$ -	\$ 17,454	\$ 25,046
886000	Interest and Investment Income	\$ 21,000	\$ -	\$ 6,539	\$ 14,461
887000	Realized Gain/Loss on Investment	\$ -	\$ -	\$ 7,635	\$ (7,635)
889000	Other Local Revenues	\$ 140	\$ -	\$ 61	\$ 79
898200	Intrafund Transfer-In	\$ 124,350	\$ -	\$ 57,278	\$ 67,072
898300	Other Transfer In	\$ 201,360	\$ -	\$ 155,415	\$ 45,945
				\$ -	\$ -
Revenue Total		\$ 389,350	\$ -	\$ 244,382	\$ 144,968
Expenditure Total		\$ 389,350	\$ -	\$ 150,442	\$ 238,908
Report Total (of all records)		\$ -	\$ -	\$ 93,940	\$ (93,940)

<u>Intra Fund Transfers-Out</u>	<u>Budget</u>	<u>Actual</u>
Raiser's Edge donor database	\$ 12,000	\$ -
	<u>\$ 12,000</u>	<u>\$ -</u>

<u>Intra Fund Transfers-In</u>	<u>Budget</u>	<u>Actual</u>
Administration Fee @ 1.5%	\$ 95,000	\$ 56,659
President's Circle Fee @ 15%	\$ 7,500	\$ -
Unrestricted Endowment Proceeds	\$ 5,000	\$ -
Hancock Promise Gift Fee @ 1.5%	\$ 7,500	\$ 619
Hansen Unrestricted Endowment	\$ 9,350	\$ -
Other Transfer-In (District Support)	\$ 78,360	\$ 32,415
Other Transfer-In (District Support)	\$ 123,000	\$ 123,000
	<u>\$ 325,710</u>	<u>\$ 212,693</u>

To: Executive and Finance Committees	ACTION
From: Jon Hooten Executive Director, College Advancement	January 12, 2022
Subject: Independent Auditor's Report for Fiscal Years Ended June 30, 2021 and 2020	

BACKGROUND

The practice of the foundation is an annual independent audit performed as a part of the college's annual audit in accordance with the standards and procedures developed by the California Community College Board of Governors and the State of California Department of Finance. The audit for the fiscal years ended June 30, 2021 and 2020, was performed by representatives from the CWDL, Certified Public Accounts. A copy of the independent auditors' report and audit are attached for the committee's review and approval.

RECOMMENDATION

The Finance Committee recommends approval of the Independent Auditor's Report for the Allan Hancock College Foundation for the fiscal years ended June 30, 2021 and 2020. Upon approval, the audit will be forwarded to the Executive Committee and full board for review and approval.



See what's possible.

ALLAN HANCOCK FOUNDATION
(A NONPROFIT ORGANIZATION)

FINANCIAL STATEMENTS

Fiscal Years Ended June 30, 2021 and 2020

**ALLAN HANCOCK COLLEGE FOUNDATION
(A NONPROFIT ORGANIZATION)
TABLE OF CONTENTS
JUNE 30, 2021**

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Allan Hancock College Foundation
Santa Maria, California

Report on the Financial Statements

We have audited the accompanying financial statements of the Allan Hancock College Foundation (the Foundation) (a California nonprofit corporation), which comprise the statements of financial position as of June 30, 2021 and 2020, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Allan Hancock College Foundation as of June 30, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the Foundation has adopted the provisions of Financial Accounting Standards Board Accounting Standards Update No. 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made Accordingly* all contributions received have been reviewed and adjusted accordingly to adopt this standard. Our opinion is not modified with respect to this matter.

CWDL, Certified Public Accountants

CWDL
San Diego, California
November 17, 2021

FINANCIAL STATEMENTS

**ALLAN HANCOCK COLLEGE FOUNDATION
(A NONPROFIT ORGANIZATION)
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2021 AND JUNE 30, 2020**

	2021	2020
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 511,578	\$ 238,377
Investments - current	1,913,408	2,103,872
Accounts receivable	135,220	12,259
Accounts receivable - related party	6,167	17,636
Unconditional promises to give	350	204,228
Prepaid expense	29,007	22,962
Inventory	770	1,780
Total current assets	<u>2,596,500</u>	<u>2,601,114</u>
Noncurrent assets:		
Investments - noncurrent	34,405,350	26,757,459
Beneficial interest in assets held by the Foundation for California Community Colleges	176,495	145,588
Unconditional promises to give - net of amortized discount	398,610	593,725
Total noncurrent assets	<u>34,980,455</u>	<u>27,496,772</u>
Total assets	<u>\$ 37,576,955</u>	<u>\$ 30,097,886</u>
LIABILITIES		
Current liabilities:		
Accounts payable	\$ 1,493	\$ 3,203
Accounts payable - related party	131,196	77,717
Grant liability	-	12,998
Total current liabilities	<u>132,689</u>	<u>93,918</u>
NET ASSETS		
Net assets without donor restrictions	2,358,147	1,447,975
Net assets with donor restrictions	35,086,119	28,555,993
Total net assets	<u>37,444,266</u>	<u>30,003,968</u>
Total liabilities and net assets	<u>\$ 37,576,955</u>	<u>\$ 30,097,886</u>

See accompanying notes to the financial statements

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**ALLAN HANCOCK COLLEGE FOUNDATION
(A NONPROFIT ORGANIZATION)
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
JUNE 30, 2021**

Year Ended June 30, 2021	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total
SUPPORT AND REVENUE			
Contributions	\$ 203,437	\$ 1,708,977	\$ 1,912,414
In-kind contributions	91	1,385	1,476
Net assets released from restriction	1,137,542	(1,137,542)	-
Total Support and Revenue	1,341,070	572,820	1,913,890
EXPENSES			
Program	1,182,406	-	1,182,406
Management and general	156,341	-	156,341
Total Expenses	1,338,747	-	1,338,747
Other Income			
Net realized gain (loss) on investments	63,092	1,055,849	1,118,941
Net unrealized gain (loss) on investments	591,661	4,461,848	5,053,509
Interest and dividends, net of fees	43,858	439,609	483,467
Subtotal Investment Income	698,611	5,957,306	6,655,917
PPP Loan Forgiveness	12,998	-	12,998
Other transfers-In	196,240	-	196,240
Total Other Income	907,849	5,957,306	6,865,155
Change in Net Assets	910,172	6,530,126	7,440,298
Net Assets - Beginning of Year	1,447,975	28,555,993	30,003,968
Net Assets - End of Year	\$ 2,358,147	\$ 35,086,119	\$ 37,444,266

See accompanying notes to the financial statements

**ALLAN HANCOCK COLLEGE FOUNDATION
(A NONPROFIT ORGANIZATION)
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
JUNE 30, 2020**

Year Ended June 30, 2020	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total
SUPPORT AND REVENUE			
Contributions	\$ 237,426	\$ 3,422,222	\$ 3,659,648
In-kind contributions	736	1,829	2,565
Net assets released from restriction	1,291,143	(1,291,143)	-
Total Support and Revenue	1,529,305	2,132,908	3,662,213
EXPENSES			
Program	1,189,536	-	1,189,536
Management and general	179,973	-	179,973
Total Expenses	1,369,509	-	1,369,509
Other Income			
Net realized gain (loss) on investments	6,029	178,496	184,525
Net unrealized gain (loss) on investments	(90,834)	(373,398)	(464,232)
Interest and dividends, net of fees	48,357	379,834	428,191
Subtotal Investment Income	(36,448)	184,932	148,484
Reimbursement to foundation	127,061	-	127,061
PPP Loan Forgiveness	48,752	-	48,752
Other transfers-in	52,850	-	52,850
Total Other Income	192,215	184,932	377,147
Change in Net Assets	352,011	2,317,840	2,669,851
Net Assets - Beginning of Year	1,095,964	26,238,153	27,334,117
Net Assets - End of Year	\$ 1,447,975	\$ 28,555,993	\$ 30,003,968

See accompanying notes to the financial statements

**ALLAN HANCOCK COLLEGE FOUNDATION
(A NONPROFIT ORGANIZATION)
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2021**

Year Ended June 30, 2021	Program	Management and General	Total
Scholarships	\$ 478,789	\$ -	\$ 478,789
Student assistance	22,927	-	22,927
Allan Hancock College support	336,928	-	336,928
PCPA/PCPA Foundation/Viticulture and Enology Foundation support	89,840	-	89,840
Salaries	155,967	102,772	258,739
Employee benefits	15,002	9,732	24,734
Supplies and materials	35,207	9,370	44,577
Contracted personal services	4,804	1,500	6,304
Travel and conferences	11,195	4,778	15,973
Memberships and permits	29,182	12,459	41,641
Postage	53	4,433	4,486
Advertising	-	1,440	1,440
Bank and brokerage charges	-	4,377	4,377
Miscellaneous expense	-	5,480	5,480
Building and equipment	2,512	-	2,512
Total	\$ 1,182,406	\$ 156,341	\$ 1,338,747

See accompanying notes to the financial statements

**ALLAN HANCOCK COLLEGE FOUNDATION
(A NONPROFIT ORGANIZATION)
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2020**

Year Ended June 30, 2020	Program	Management and General	Total
Scholarships	\$ 536,599	\$ -	\$ 536,599
Student assistance	59,055	-	59,055
Allan Hancock College support	116,703	-	116,703
PCPA/PCPA Foundation/Viticulture and Enology Foundation support	216,445	-	216,445
Salaries	125,286	122,631	247,917
Employee benefits	11,089	11,045	22,134
Supplies and materials	62,989	12,233	75,222
Contracted personal services	3,375	250	3,625
Travel and conferences	19,937	12,353	32,290
Memberships and permits	27,538	11,494	39,032
Postage	2,889	2,832	5,721
Advertising	4,240	4,130	8,370
Bank and brokerage charges	2,437	1,873	4,310
Building and equipment	954	1,132	2,086
Total	\$ 1,189,536	\$ 179,973	\$ 1,369,509

See accompanying notes to the financial statements

**ALLAN HANCOCK COLLEGE FOUNDATION
(A NONPROFIT ORGANIZATION)
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2021 AND JUNE 30, 2020**

Year Ended June 30,	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 7,440,298	\$ 2,669,851
Reconciliation to net cash provided (used) by operating activities:		
Net unrealized (gain) loss on investments	(5,053,509)	464,232
Net realized gain on investments	(1,118,941)	(184,525)
Change in beneficial interest in assets held by the Foundation for California Community Colleges	(30,907)	6,336
In kind contribution related to inventory	1,010	800
Effect on changes in:		
Unconditional promises to give	398,993	(161,934)
Accounts receivable	(111,492)	2,863
Prepaid expenses	(6,045)	(22,962)
Accounts payable	51,769	(496,583)
Net Cash Provided by Operating Activities	1,571,176	2,278,078
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments	(12,856,392)	(10,753,650)
Proceeds from sale of investments	11,269,049	9,035,971
Other proceeds from investing activities	111,902	-
Net cash used in investing activities	(1,475,441)	(1,717,679)
CASH FLOWS FROM FINANCING ACTIVITIES		
PPP loan proceeds	(12,998)	12,998
Net cash provided/(used) in financing activities	(12,998)	12,998
Net Increase in Cash and Cash Equivalents	82,737	573,397
Cash and Cash Equivalents - Beginning of Year	2,342,249	1,768,852
Cash and Cash Equivalents - End of Year	\$ 2,424,986	\$ 2,342,249

See accompanying notes to the financial statements

**ALLAN HANCOCK COLLEGE FOUNDATION
(A NONPROFIT ORGANIZATION)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND JUNE 30, 2020**

NOTE 1 – ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Organization

The Allan Hancock College Foundation (the Foundation) (a California nonprofit corporation) was incorporated in the State of California in 1977 as a nonprofit public benefit corporation. The Foundation was organized with the purpose of providing benefits to the educational programs and services of the Allan Hancock Joint Community College District (the District) and Allan Hancock College (the College).

Financial Statement Presentation

The accompanying financial statements are presented in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958-210-50. Under ASC 958-210-50, the Foundation is required to report information regarding its financial position and activities according to two classes of net assets: without donor restrictions and with donor restrictions. In addition, the Foundation is required to present a statement of cash flows. The Foundation does not use fund accounting. Revenues and expenses are recorded when incurred in accordance with the accrual basis of accounting.

The Foundation and the College are financially interrelated organizations as defined by Transfers of Assets to a Nonprofit or Charitable Trust that Holds Contributions for Others. The Foundation reflects contributions received for the benefit of the College as revenue in its financial statements. The expenses related to these contributions are accounted for under program and supporting services.

Net Asset Accounting

To ensure observance of limitations and restrictions placed on the use of resources available to the Foundation, the accounts of the Foundation are maintained in accordance with the principles of net asset accounting. This is the procedure by which resources for various purposes are classified for accounting and reporting purposes into net asset types established according to their nature and purpose. Separate accounts are maintained for each net asset type; however, in the accompanying financial statements, net asset types that have similar characteristics have been combined into groups as follows:

Net Assets Without Donor Restrictions - Net assets available for general use and not subject to donor restrictions. Net assets without donor restrictions represents all resources over which the Board of Directors has discretionary control for use in operating the Foundation.

Net Assets With Donor Restrictions - Net assets that are contributions and endowment investment earnings subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other restrictions are perpetual in nature, where the donor or grantor stipulates that resources be maintained in perpetuity. The Foundation reports contributions restricted by donors as increases in net assets with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends, or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

**ALLAN HANCOCK COLLEGE FOUNDATION
(A NONPROFIT ORGANIZATION)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND JUNE 30, 2020**

NOTE 1 – ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Support and Expenses

Contributions are measured at their fair value at the date of contribution and are reported as an increase in net assets. The Foundation reports gifts of cash or other assets in the category designated by the donor. The Foundation reports gifts of goods and equipment as net assets without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Absent explicit donor stipulation about where the contributions are to be spent, the Foundation reports these contributions as net assets without donor restrictions.

Donated Goods and Services

A substantial number of volunteers have donated their time and experience to the Foundation's program services and fundraising campaigns during the year. However, these donated services are not reflected in the financial statements because the recognition criteria were not met.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities, at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Classification of Current and Noncurrent Assets and Liabilities

The Foundation considers assets and liabilities that can reasonably be expected, as part of its normal operations, to be converted to cash or liquidated within twelve months of the statement of financial position date to be current. All other assets and liabilities are considered noncurrent.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash held in checking and money market accounts with original maturities of less than 90 days. The Foundation maintains cash balances in financial institutions which are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. In addition, the Foundation also maintains cash balances with Securities Investor Protection Corporation (SIPC) brokerage firms which are insured up to \$250,000. At June 30, 2021 and 2020, the Foundation had cash balances held in financial institutions in excess of FDIC in the amount of \$261,578 and \$0, respectively.

Accounts Receivable

Accounts receivable consists primarily of interest and vendor receivables. Management has deemed all amounts as collectible; therefore, no allowance for doubtful accounts is considered necessary.

**ALLAN HANCOCK COLLEGE FOUNDATION
(A NONPROFIT ORGANIZATION)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND JUNE 30, 2020**

NOTE 1 – ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Promises to Give

Contributions are recognized when the donor makes a promise to give to the Foundation that is, in substance, unconditional. Donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at fair value, which is measured as the present value of their future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. Conditional promises to give are not included as support until the conditions are substantially met.

The Foundation uses the allowance method to determine uncollectible unconditional promises to give. The allowance is based on prior years' experience and management's analysis of specific promises made. Management has determined all amounts to be collectible.

Beneficial Interest in Assets held by Community Foundation

During 2008, the Foundation established an endowment fund that is perpetual in nature (the Fund) under a community foundation's (the CF) Osher Endowment Scholarship program and named the Foundation as a beneficiary. Variance power was granted to the CF which allows the CF to modify any condition or restriction on its distributions for any specified charitable purpose or to any specified organization if, in the sole judgment of the CF's Board of Directors, such restriction or condition becomes unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the community. The Fund is held and invested by the CF for the Foundation's benefit and is reported at fair value in the statement of financial position, with distributions and changes in fair value recognized in the statement of activities.

Inventory

Inventory is valued at the lower of cost or net realizable value. The cost of the inventory is equal to the fair value of the donated textbooks when the in-kind contribution was received.

Investments

Investment purchases are recorded at cost, or if donated, at fair value on the date of donation. Thereafter, investments are reported at their fair values in the statement of financial position. Net investment income is reported in the statement of activities and consists of interest and dividend income net of investment expenses and realized and unrealized capital gains and losses.

Advertising Costs

Advertising costs are expensed as incurred. Advertising expense for the year ended June 30, 2021 and 2020 was \$1,440 and \$8,370, respectively.

**ALLAN HANCOCK COLLEGE FOUNDATION
(A NONPROFIT ORGANIZATION)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND JUNE 30, 2020**

NOTE 1 – ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes

The Foundation is a charitable, not-for-profit, tax-exempt organization qualified under provisions of Section 501(c)(3) of the Internal Revenue Code and corresponding California provisions. Accordingly, no provision for income taxes has been provided in the financial statements. The Foundation has also been classified as an entity that is not a private foundation within the meaning of Section 509(a) and qualifies for deductible contributions as provided in Section 170(b)(A)(vi). The Foundation annually files information returns, Forms 990, 199, and RRF-1, with the appropriate agencies. There was no unrelated business activity income. The Foundation has adopted FASB ASC Topic 740 that clarifies the accounting for uncertainty in tax positions taken, or expected to be taken, on a tax return and provides that the tax effects from an uncertain tax position can be recognized in the financial statements only if, based on its merits, the position is more likely than not to be sustained on audit by the taxing authorities. Management believes that all tax positions taken to date are highly certain and, accordingly, no accounting adjustment has been made to the financial statements. The Foundation's Federal informational tax returns for the years ended June 30, 2018, 2019, and 2020 are open to audit by the Federal authorities. California State informational returns for the years ended June 30, 2018, 2019, and 2020, are open to audit by State authorities.

Allocation of Functional Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries and wages, and benefits, which are allocated based on the employee's position within the Foundation.

Management Fee

Endowments received by the Foundation are subject to a 1.5 percent annual administrative fee of the value of the endowed asset. The fee will come from the interest earned off the endowment. The Foundation also assesses a 1.5 percent gift fee on Hancock Promise gifts. Revenues received from management fees are used by the Foundation on further advancement efforts on behalf of the Allan Hancock College.

**ALLAN HANCOCK COLLEGE FOUNDATION
(A NONPROFIT ORGANIZATION)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND JUNE 30, 2020**

NOTE 1 – ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Change in Accounting Principle

In June 2018, FASB issued ASU 2018-08, *Not-for-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made* (ASU 2018-08). ASU 2018-08 clarifies how a not-for-profit entity determines whether a resource provider is participating in an exchange transaction or a contribution, helps an entity to evaluate whether contributions are considered conditional or unconditional by stating that a conditional contribution must have (1) a barrier that must be overcome and (2) a right of return or release of obligation, and modifies the simultaneous release option currently in GAAP, which allows a not-for-profit entity to recognize a restricted contribution directly in unrestricted net assets/net assets without donor restrictions if the restriction is met in the same period that revenue is recognized. Accounting for contributions is an issue primarily for not-for-profit entities because contributions are a significant source of revenue. However, the amendments in the ASU 2018-08 apply to all organizations that receive or make contributions of cash and other assets, including business enterprises. The amendments do not apply to transfers of assets from governments to businesses. For contributions received, ASU 2018-08 will be effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2019. For contributions made, ASU 2018-08 will be effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2020.

The Foundation has implemented the provisions of this ASU as of June 30, 2021, because management believes it improves the Foundation's financial reporting.

New Accounting Pronouncements

In February 2016, FASB issued ASU 2016-02, *Leases* (ASU 2016-02). ASU 2016-02 requires a lessee to recognize a lease asset representing its right to use the underlying asset for the lease term, and a lease liability for the payments to be made to lessor, on its statement of financial position for all operating leases greater than 12 months. ASU 2016-02 will be effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2020. Although the full impact of ASU 2016-02 on the Foundation's financial statements has not yet been determined, the future adoption of this guidance will require the Foundation to record assets and liabilities on its statement of financial position relating to facility and other leases currently being accounted for as operating leases.

**ALLAN HANCOCK COLLEGE FOUNDATION
(A NONPROFIT ORGANIZATION)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND JUNE 30, 2020**

NOTE 2 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

Financial assets available for general expenditures, that is, without donor or other restrictions limiting their use, within one year of the Statement of Financial Position date, comprise the following:

	2021	2020
Financial assets, at year-end:		
Cash and cash equivalents	\$ 511,578	\$ 238,377
Investments - current	1,913,408	2,103,872
Accounts receivable	135,220	12,259
Investments - noncurrent	34,405,350	26,757,459
Beneficial interest in assets held by the Foundation for California Community Colleges	176,495	145,588
Total financial assets, at year-end	<u>\$ 37,142,051</u>	<u>\$ 29,257,555</u>
Restrictions for specific purposes:		
Donor designated	<u>\$ 35,086,119</u>	<u>\$ 28,555,993</u>
Total contractual or donor-imposed restrictions	35,086,119	28,555,993
Financial assets available to meet cash needs for general expenditure within one year	<u>\$ 2,055,932</u>	<u>\$ 701,562</u>

Liquidity Management

To manage liquidity, the Foundation structures its financial assets to be available as its general expenditures, liabilities and other obligations come due. District staff on behalf of the Foundation management monitor daily cash balances.

NOTE 3 – ACCOUNTS RECEIVABLE

Accounts receivable at June 30, 2021 and 2020, represent amounts owed to the Foundation as follows:

	2021	2020
Accrued interest	\$ 7,576	\$ 12,259
Other receivables	127,644	-
Total	<u>\$ 135,220</u>	<u>\$ 12,259</u>

**ALLAN HANCOCK COLLEGE FOUNDATION
(A NONPROFIT ORGANIZATION)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND JUNE 30, 2020**

NOTE 4 – UNCONDITIONAL PROMISES TO GIVE

As of June 30, 2021 and 2020, the Foundation's unconditional promises to give are estimated to be collected as follows:

For the Year Ended June 30,	2021	2020
Due within one year	\$ 350	\$ 204,228
Due within one to five years	410,579	593,725
	<u>410,929</u>	<u>797,953</u>
Less discount (3% rate used for 2021 and 2020 respectively) to net present value	(11,969)	(23,241)
Total	<u>\$ 398,960</u>	<u>\$ 774,712</u>

During the current fiscal year, management monitored and reviewed the uncollectible pledges. The uncollectible pledge write-off was \$25,000. The discount rate used was three percent for 2021 and 2020, respectively. At June 30, 2021 and 2020, one donor accounted for 88% and 73% of total unconditional promises to give, respectively

NOTE 5 – INVESTMENTS

Investments are presented at fair value in the financial statements and are composed of the following at June 30, 2021 and 2020:

Year Ended June 30, 2021	Adjusted Cost	Fair Market Value	Unrealized Gain
Investments - current and noncurrent	\$ 31,265,249	\$ 36,318,758	\$ 5,053,509
Beneficial interest in assets held by the Foundation for California Community Colleges	176,495	176,495	-
Total	<u>\$ 31,441,744</u>	<u>\$ 36,495,253</u>	<u>\$ 5,053,509</u>

Year Ended June 30, 2020	Adjusted Cost	Fair Market Value	Unrealized Loss
Investments - current and noncurrent	\$ 29,325,563	\$ 28,861,331	\$ (464,232)
Beneficial interest in assets held by the Foundation for California Community Colleges	145,588	145,588	-
Total	<u>\$ 29,471,151</u>	<u>\$ 29,006,919</u>	<u>\$ (464,232)</u>

**ALLAN HANCOCK COLLEGE FOUNDATION
(A NONPROFIT ORGANIZATION)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND JUNE 30, 2020**

NOTE 5 – INVESTMENTS (Continued)

Investment activity for the year ended June 30, 2021 and 2020:

Year Ended June 30, 2021	Without Donor Restrictions	With Donor Restricted	Total
Net realized gain on investments	\$ 63,092	\$ 1,055,849	\$ 1,118,941
Net unrealized gain (loss) on investments	591,661	4,461,848	5,053,509
Interest and dividends	47,384	706,860	754,244
Total Investment Income	702,137	6,224,557	6,926,694
Investment expenses	(3,526)	(267,251)	(270,777)
Total Investment Income, Net of Expenses	\$ 698,611	\$ 5,957,306	\$ 6,655,917

Year Ended June 30, 2020	Without Donor Restrictions	With Donor Restricted	Total
Net realized gain on investments	\$ 6,029	\$ 178,496	\$ 184,525
Net unrealized gain (loss) on investments	(90,834)	(373,398)	(464,232)
Interest and dividends	62,621	589,112	651,733
Total Investment Income	(22,184)	394,210	372,026
Investment expenses	(14,264)	(209,278)	(223,542)
Total Investment Income, Net of Expenses	\$ (36,448)	\$ 184,932	\$ 148,484

NOTE 6 – MARKET VALUE OF FINANCIAL ASSETS AND LIABILITIES

The Foundation determines the fair market values of certain financial instruments based on the fair value hierarchy established in U.S. GAAP under FASB ASC Topic 820, *Fair Value Measurements and Disclosures*. U.S. GAAP requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value and describes three levels of inputs that may be used to measure fair value.

The following provides a summary of the hierarchical levels used to measure fair value:

Level I - Quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date.

Level II - Observable inputs other than Level I prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

**ALLAN HANCOCK COLLEGE FOUNDATION
(A NONPROFIT ORGANIZATION)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND JUNE 30, 2020**

NOTE 6 – MARKET VALUE OF FINANCIAL ASSETS AND LIABILITIES (Continued)

Level III - Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. Level III assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgment or estimation.

The Foundation uses net asset value (NAV) per share, or its equivalent, such as member units or an ownership interest in partners' capital, as a practical expedient to estimate the fair value of alternatives, private equity investments and real estate limited partnership investments, which do not have readily determinable fair values. Investments that are measured at fair value using NAV per share as a practical expedient are not classified in the fair value hierarchy.

The fair value of the beneficial interest in assets held by the Foundation for California Community Colleges is based on the fair value of fund investments as reported by the Foundation. These are considered to be Level 3 measurements.

Year Ended June 30, 2021	Level 1	Level 2	Level 3	Investments Measured at NAV	Total
Assets					
Common stock	\$ 19,216,107	\$ -	\$ -	\$ -	\$ 19,216,107
Corporate bonds and notes	4,733,763	-	-	-	4,733,763
U.S. Government securities	723,325	-	-	-	723,325
Exchange traded funds	1,488,712	-	-	-	1,488,712
Commodities	-	-	-	1,223,799	1,223,799
Real estate	-	-	-	494,510	494,510
Mutual funds	6,525,133	-	-	-	6,525,133
Beneficial Interest in assets held by the Foundation for California Community Colleges	-	-	176,495	-	176,495
Total investment securities	\$ 32,687,041	\$ -	\$ 176,495	\$ 1,718,309	\$ 34,581,845

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NOTE 6 – MARKET VALUE OF FINANCIAL ASSETS AND LIABILITIES (Continued)

Year Ended June 30, 2020	Level 1	Level 2	Level 3	Investments Measured at NAV	Total
Assets					
Common stock	\$ 14,273,070	\$ -	\$ -	\$ -	\$ 14,273,070
Corporate bonds and notes	4,142,293	-	-	-	4,142,293
U.S. Government securities	613,703	-	-	-	613,703
Exchange traded funds	433,026	-	-	-	433,026
Commodities	-	-	-	902,646	902,646
Real estate	-	-	-	503,070	503,070
Mutual funds	5,889,651	-	-	-	5,889,651
Beneficial Interest in assets held by the Foundation for California Community Colleges	-	-	145,588	-	145,588
Total investment securities	\$ 25,351,743	\$ -	\$ 145,588	\$ 1,405,716	\$ 26,903,047

NOTE 7 – BENEFICIAL INTEREST IN ASSETS HELD BY THE FOUNDATION FOR CALIFORNIA COMMUNITY COLLEGES-OSHER ENDOWMENT SCHOLARSHIP

The Foundation participated in the Foundation for California Community Colleges (FCCC) Osher Scholarship Challenge. This program challenged community colleges and their related foundations to raise additional contributions to be designated as part of a permanent endowment for the FCCC's Osher Scholarship Endowment. Foundations participating in this challenge campaign are guaranteed scholarship monies for qualifying students of the community college district. At June 30, 2021 and 2020, \$176,495 and \$145,588, respectively, is held as net assets with donor restrictions and is held with the FCCC. A total of \$22,800 was received from the FCCC for use towards qualifying student scholarships, \$7,600 of which related to this beneficial interest. The Foundation receives no additional interest or dividends on the balance held at FCCC and does not participate in the investment management of the funds. All donations to the FCCC Osher Scholarship Endowment must be left in the fund permanently and cannot be returned or used for other purposes.

NOTE 8 – ACCOUNTS PAYABLE

Accounts payable at June 30, 2021 and 2020, represent amounts owed by the Foundation as follows:

For the Year Ended June 30,	2021	2020
Vendor payables	132,475	\$ 80,873
Sales tax payables	214	47
Total Payables	\$ 132,689	\$ 80,920

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NOTE 9 – RESTRICTIONS ON NET ASSETS

Donor-restricted net assets with time and/or purpose restrictions consist of the following at June 30, 2021 and 2020:

For the Year Ended June 30,	2021	2020
Various donor restricted funds related to educational programs	\$ 10,950,078	\$ 16,298,770
Scholarships	1,509,657	1,140,181
Endowments - accumulated and unspent earnings	9,269,700	3,701,424
Total	\$ 21,729,435	\$ 21,140,375

Donor-restricted net assets with perpetual restrictions consist of the following at June 30, 2021 and 2020:

For the Year Ended June 30,	2021	2020
Osher endowment	\$ 176,495	\$ 145,588
Endowments related to scholarships	13,180,189	7,270,030
Total	\$ 13,356,684	\$ 7,415,618

NOTE 10 - ENDOWMENTS

The Foundation's endowment consists of 112 individual funds established for a variety of purposes. Its endowment includes both donor-restricted endowment funds that the Foundation must hold in perpetuity, or for a donor-specified period, as well as funds designated by the Board of Directors to function as endowments (funds designated). As required by GAAP, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions. Funds designated consist of non-endowed, donor-restricted gifts that are unable to be spent in the near term and have been designated by the Board of Directors to be treated as endowments.

Interpretation of Relevant Law

The Board of Directors of the Foundation has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation retains in perpetuity (a) original value of initial and subsequent gift amounts (including promises to give net of discount and allowance for doubtful accounts donated to the endowment and (b) any accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added. Donor-restricted amounts not retained in perpetuity are subject to appropriation for expenditure in a manner consistent with the standard of prudence prescribed by UPMIFA.

In accordance with UPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the various funds, (2) the purposes of the donor-restricted endowment funds, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of the Foundation, and (7) the Foundation's investment policies.

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NOTE 10 – ENDOWMENTS (Continued)

As of June 30, 2021 and 2020, endowment net assets were composed of the following:

	Without Donor Restrictions	With Donor Restricted	Total Net Endowment Funds
Year Ending June 30, 2021			
Endowment funds	\$ 1,762,103	\$ 32,204,706	\$ 33,966,809
Year Ending June 30, 2020			
Endowment funds	\$ 1,058,804	\$ 25,125,317	\$ 26,184,121

Changes in endowment net assets for the year ended June 30, 2021 and 2020 are as follows:

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total
Year Ended June 30, 2021			
Endowment net assets, beginning of year	\$ 1,058,804	\$ 25,125,317	\$ 26,184,121
Investment income, net of fees	734,565	1,003,867	1,738,432
Management services fees	(15,739)	(251,511)	(267,250)
Contributions	-	1,338,673	1,338,673
Amounts appropriated for expenditures	(15,527)	(529,337)	(544,864)
Other Changes	-	5,517,697	5,517,697
Endowment net assets, end of year	\$ 1,762,103	\$ 32,204,706	\$ 33,966,809
Year Ended June 30, 2020			
Endowment net assets, beginning of year	\$ 940,869	\$ 23,713,893	\$ 24,654,762
Investment income, net of fees	(40,370)	214,491	174,121
Management services fees	(2,746)	(104,057)	(106,803)
Contributions	172,322	260,596	432,918
Amounts appropriated for expenditures	(11,271)	(339,201)	(350,472)
Other Changes	-	1,379,595	1,379,595
Endowment net assets, end of year	\$ 1,058,804	\$ 25,125,317	\$ 26,184,121

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NOTE 10 – ENDOWMENTS (Continued)

Funds With Deficiencies

From time to time, the fair value of assets associated with the individual donor-restricted endowment funds may fall below the level that the donor of the UPMIFA required the Foundation to retain as a fund of perpetual duration ("below water endowments"). In accordance with accounting principles generally accepted in the United States of America, there were no deficiencies of this nature reported as of June 30, 2021.

Return Objectives and Risk Parameters

The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include donor-specified as well as board-designated funds. Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to produce results that exceed the price and yield results of indices of similar style funds (e.g. Standard and Poor's 500, Russell 3000, etc.) and/or comparable benchmarks.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Foundation targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Spending Policy and How the Investment Objectives Relate to Spending Policy

The Foundation has an endowment funding policy that establishes the procedure to set the annual distribution amount for each endowment fund. The policy takes into consideration the Foundation's long-term investment objectives and specifies that if the endowment value is between 100 percent and 129 percent of its corpus value, up to 5 percent of the value may be spent. If the endowment value is less than its corpus value, no distribution may be made for that year. If the endowment value is above 129 percent of its corpus value, the Board may take action to approve a distribution in excess of 5 percent, but not to cause the endowment value to fall below 124 percent of the corpus value. In addition, this policy provides that a donor or the Foundation Board may designate an endowment as a quasi-endowment so that all of the income and corpus can be spent to fulfill the purpose of the endowment.

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NOTE 11 - RELATED PARTY TRANSACTIONS

Allan Hancock Joint Community College District

Allan Hancock Joint Community College District (the District) charges administrative services to the Foundation. Grant distributions and the Hancock Promise are paid by the District and reimbursed by the Foundation. Accordingly, at June 30, 2021 and 2020, the Foundation owed the District \$131,196 and \$74,317 for all services, respectively. The Foundation bills the District for salaries and benefits for foundation staff that also work on behalf of the District. Accordingly, at June 30, 2021 and 2020, the District owed the Foundation \$6,167 and \$17,636 for all services, respectively.

NOTE 12 - SUBSEQUENT EVENTS

The Foundation's management has evaluated events or transactions from June 30, 2021 through November 17, 2021, which is the date the financial statements were available to be issued. Management has determined that there were no subsequent events or transactions that require additional disclosure in the Foundation's financial statements.

To: Finance Committee	ACTION
From: Jon Hooten Executive Director, College Advancement	January 12, 2022
Subject: Review & Consideration of Endowment Scholarship & Program Funding 2021 - 2022	

BACKGROUND

According to the Foundation's Endowment Funding Policy, Foundation staff determines the endowment funding with the review date of September 30. That process begins with a review of each endowment value and application of the approved funding policy formula.

In keeping with the endowment funding policy, the Finance Committee will review the attached scholarship and program endowments funding report at the meeting. Staff recommends funding at 5% across the board.

RECOMMENDATION

Staff recommends the Finance Committee approves the 2021-22 endowment funding proposal with the review date of September 30, 2021. Upon approval, the recommendation will be forwarded to the Executive Committee full board for review and approval.

FUND_TITLE	Funding							Endowment Sch. Funding Recommendation	Endowment Program Funding Recommendation	Endowment Funding Recommendation
	9/30/2021 Corpus	3% of 12Q Avg Value	Endowment Value	4% of 12Q Avg Value	Endowment Value	5% of 12Q Avg Value	Endowment Value			
J M Davis Meml Endowment Principal	90,196.26	3,278	1.32	4,371	1.31	5,464	1.29	5,500		5,500
R H Tesene Endowment Principal	26,000.00	964	1.34	1,285	1.33	1,606	1.32	1,600		1,600
Acquistapace RE Meml Sch Princ	21,000.00	744	1.28	992	1.27	1,240	1.25	1,250		1,250
Adam Wm C End Principal	270,000.00	9,744	1.30	12,992	1.29	16,240	1.28	16,250		16,250
Adams C NonFed Title III Principal	20,292.25	661	1.54	882	1.53	1,102	1.52	1,100		1,100
Ames Ana Endowment Principal	10,000.00	355	1.28	473	1.26	591	1.25	550		550
Atkinson Justin Hum Sch Princ	55,519.93	1,999	1.32	2,665	1.31	3,331	1.30	3,300		3,300
AHC Dance NonFed Title III Princ	20,243.23	640	1.51	853	1.50	1,067	1.49		1,050	1,050
AHC Math Sci NonFed Title III Princ	30,695.60	961	1.50	1,282	1.49	1,602	1.48		1,600	1,600
AHC Music Boyd Prgm Principal	2,000,000.00	78,105	1.47	104,140	1.46	130,176	1.44		130,000	130,000
AHC Fire Tch NonFed Title III Princ	21,336.03	671	1.50	894	1.49	1,118	1.48		1,150	1,150
AHC Pol Sci NonFed Title III Princ	20,457.30	656	1.55	874	1.54	1,093	1.53		1,100	1,100
Andrastek Nursing Endow Principal	381,000.00	11,874	1.18	15,832	1.17	19,790	1.16	19,750		19,750
Coe Robert NonFed Title III Princ	20,311.76	637	1.49	850	1.48	1,062	1.47	1,050		1,050
Baker Fmly Nursing Prg End Princ	12,354.01	424	1.25	566	1.24	707	1.23		700	700
Beck B&G Meml Schl End Princ	10,000.00	363	1.31	484	1.30	606	1.29	600		600
Bennett K Meml Sch End Princ	22,527.80	822	1.31	1,096	1.30	1,370	1.29	1,350		1,350
Bennett R Meml Sch End Princ	74,439.68	2,366	1.26	3,154	1.24	3,943	1.23	3,950		3,950
Bartleson Fml NF Title III Princ	293,934.21	10,318	1.40	13,757	1.39	17,197	1.38	17,200		17,200
Bonaccorsi Meml Sch End Principal	60,700.00	1,942	1.26	2,589	1.25	3,236	1.24	3,200		3,200
Braman Nancy Meml End Principal	5,000.00	186	1.35	249	1.33	311	1.32	300		300
Brunello, Fidenzo Edu Sch Principal	10,000.00	321	1.19	428	1.18	535	1.17	500		500
Cracker Barrel Schol End Principal	10,000.00	329	1.16	439	1.15	548	1.14	500		500
Dana S Meml Sch End Principal	16,120.00	575	1.29	767	1.28	958	1.27	950		950
DeGasparis Fam Sch End Principal	52,878.05	1,844	1.27	2,459	1.26	3,074	1.25	3,050		3,050
Dority Lola A End Principal	150,000.00	5,399	1.30	7,199	1.29	8,998	1.28		9,000	9,000
Dugger J Nursing Sch End Princ	31,850.00	1,108	1.29	1,478	1.27	1,847	1.26	1,850		1,850
Foxworthy Ann Sch End Principal	13,350.00	478	1.29	637	1.28	796	1.27	800		800
Dunn Memorial Sch End Principal	21,848.19	776	1.28	1,034	1.26	1,293	1.25	1,250		1,250
Enos Family Schol End Principal	100,000.00	3,238	1.07	4,317	1.06	5,396	1.04	4,000		4,000
Hancock Tech Fund Principal	95,392.37	3,290	1.22	4,387	1.20	5,483	1.19		5,450	5,450
Hancock Marian Mem End Principal	101,945.00	3,589	1.27	4,786	1.26	5,982	1.25	6,000		6,000
Hansen Meml End Principal	155,175.31	5,467	1.19	7,290	1.18	9,112	1.17		9,000	9,000
Hansen Engineering End Principal	220,000.00	7,941	1.30	10,588	1.29	13,235	1.28	13,200		13,200
Harelson Don&Gwen Meml Principal	10,000.00	369	1.34	492	1.33	615	1.31		600	600

FUND_TITLE	9/30/2021 Corpus	3% of 12Q Avg Value	Endowment Value	4% of 12Q Avg Value	Endowment Value	5% of 12Q Avg Value	Endowment Value	Endowment Sch. Funding Recommendation	Endowment Program Funding Recommendation	Endowment Funding Recommendation
Hartman L Sch Meml End Princ	45,579.77	1,694	1.35	2,258	1.34	2,823	1.33	2,800		2,800
Harvey Ed Sch End Principal	82,839.80	2,999	1.31	3,999	1.29	4,999	1.28	5,000		5,000
Heaton Katherine End Principal	6,618.17	245	1.36	327	1.35	408	1.34	400		400
Herrera Fidel Sch End Principal	10,500.00	375	1.29	500	1.27	625	1.26	625		625
Holdsambeck Franzman Svc Principal	37,000.00	1,357	1.33	1,810	1.32	2,262	1.31		2,250	2,250
Hoogs Meml Sch Endw Principal	15,447.74	494	1.04	659	1.03	824	1.02	-		-
Howard Family End Principal	20,000.00	744	1.35	992	1.34	1,240	1.33	1,250		1,250
Hunter T Heaney Meml End Principal	10,725.00	350	1.20	466	1.19	583	1.18	575		575
Isaacson B Mml Sch Principal	44,582.96	1,503	1.25	2,004	1.24	2,505	1.22	2,500		2,500
John Kerr Meml Veteran's Sch Princ	20,000.00	663	1.10	884	1.09	1,105	1.08	1,000		1,000
Johnson Family Sch End Principal	15,000.00	537	1.37	716	1.36	895	1.35	-		-
Kanton Meml Sch End Principal	14,000.00	488	1.26	651	1.25	813	1.24	800		800
Lipscomb Sch End Principal	100,000.00	3,651	1.32	4,869	1.31	6,086	1.30	6,100		6,100
Lmpc Knights of Pythias End Princ	10,000.00	362	1.30	482	1.29	603	1.28	600		600
Knotts Fred & Joie End Principal	64,129.82	2,376	1.34	3,167	1.32	3,959	1.31	4,000		4,000
Lahr Family Sch End Principal	37,750.00	1,000	1.22	1,333	1.22	1,667	1.21	1,700		1,700
Don Lahr Ind Weld Sch End Principal	31,626.97	1,703	1.87	2,271	1.85	2,838	1.84	2,800		2,800
Johnson B NonFed Title III Princ	105,354.01	3,319	1.50	4,425	1.49	5,531	1.48	5,500		5,500
Karns Msy N NonFed Title III Princ	22,469.19	680	1.46	907	1.45	1,134	1.44	1,100		1,100
Lancaster Depuy Sch End Principal	10,000.00	343	1.23	457	1.22	571	1.21	575		575
M W Likes Endowment Principal	18,379.13	676	1.33	902	1.32	1,127	1.31	1,150		1,150
Madsen Margaret T Meml Princ	2,000.00	77	1.42	103	1.41	128	1.40	150		150
Madsen Marg NonFed Title III Princ	31,499.21	1,003	1.51	1,338	1.50	1,672	1.49	1,650		1,650
Madson Unrst End Principal	96,322.24	3,437	1.29	4,582	1.28	5,728	1.27	5,750		5,750
Madson PCPA End Principal	96,322.25	3,505	1.32	4,673	1.31	5,841	1.30		5,800	5,800
Malvarose Ruth Meml End Princ	20,542.07	640	1.48	854	1.47	1,067	1.46	1,075		1,075
Mainini T P End Principal	15,500.00	563	1.31	750	1.29	938	1.28	950		950
Marine Cpl Allen Meml Sch Principal	31,350.00	1,145	1.33	1,526	1.32	1,908	1.30	1,900		1,900
Melby Fml Mem Schol End Principal	25,889.50	947	1.32	1,263	1.31	1,579	1.29	1,550		1,550
A Melsheimer End Principal	67,675.00	1,771	1.18	2,361	1.17	2,951	1.16	2,500		2,500
Nightingale Music Sch End Principal	10,000.00	394	1.42	526	1.41	657	1.40	650		650
Mendez A Fire Acad Sch End Princ	22,770.96	797	1.24	1,062	1.23	1,328	1.21	1,300		1,300
Nolan William Memorial Principal	15,000.00	541	1.30	721	1.29	902	1.28	900		900
ONeill Edwin Law End Principal	263,719.12	10,635	1.51	14,180	1.49	17,724	1.48	17,750		17,750
PCPA R Perlman Plywrt End Princ	100,000.00	3,732	1.35	4,976	1.34	6,220	1.33		6,250	6,250
Pearson L NonFed Title III Princ	51,012.22	1,612	1.51	2,150	1.50	2,687	1.49	2,700		2,700

FUND_TITLE	9/30/2021 Corpus	3% of 12Q Avg Value	Endowment Value	4% of 12Q Avg Value	Endowment Value	5% of 12Q Avg Value	Endowment Value	Endowment Sch. Funding Recommendation	Endowment Program Funding Recommendation	Endowment Funding Recommendation
Penelope L Hartnell Sch End Princ	10,000.00	312	1.00	415	0.99	519	0.98	-		-
Perlman Biology Sch End Princ	50,000.00	1,839	1.33	2,452	1.32	3,065	1.31	3,050		3,050
Perlman AJ Sch End Principal	20,000.00	719	1.30	958	1.28	1,198	1.27	1,200		1,200
Robertson Dr NonFed Title III Princ	20,389.70	629	1.48	839	1.47	1,048	1.46	1,050		1,050
Rick Family Memorial End Princ	473,500.00	17,060	1.30	22,747	1.29	28,434	1.28	28,500		28,500
Reiwald Brian Mrl Sch End Principal	24,361.84	897	1.34	1,196	1.32	1,495	1.31	1,500		1,500
Reiwald Larry Mrl Sch End Principal	24,361.84	895	1.33	1,193	1.32	1,492	1.31	1,500		1,500
Robinson Glenn H End Principal	100,000.00	3,612	1.30	4,816	1.29	6,020	1.28	6,000		6,000
Roby Lionel NonFed Title III Princ	20,293.90	667	1.56	889	1.55	1,112	1.54	1,100		1,100
Ryan Eugene Nonfed Title III Princ	16,295.39	450	1.40	600	1.39	750	1.38	750		750
Rudy Smithers Meml Sch End Princ	25,470.56	858	1.20	1,144	1.19	1,430	1.18	1,450		1,450
Semelsberger Roth Fdtn End Princ	97,355.32	4,079	1.52	5,438	1.50	6,798	1.49	6,800		6,800
SM Brkfst Rotary NF Title III Princ	25,277.72	831	1.49	1,107	1.48	1,384	1.46	1,400		1,400
Smith D & M NonFed Title III Princ	122,260.75	4,018	1.49	5,357	1.48	6,697	1.46	6,700		6,700
Severson Jan Endowment Principal	50,018.50	1,965	1.41	2,620	1.40	3,275	1.39	3,300		3,300
Snelling C NonFed Title III Princ	40,383.93	1,217	1.46	1,623	1.45	2,028	1.44	2,050		2,050
Simko John Mem End Principal	12,000.00	436	1.31	582	1.30	727	1.29	750		750
Sjovold, M. Unrestr End Principal	296,580.47	9,756	1.22	13,008	1.21	16,259	1.20	16,250		16,250
Sladek Phyllis Mem End Principal	20,821.00	633	1.27	843	1.26	1,054	1.25	1,050		1,050
Smith Wm L NonFed Title III Princ	20,289.03	642	1.52	856	1.50	1,070	1.49	1,050		1,050
Susan Farley Meml Sch End Princ	16,050.00	414	1.18	552	1.17	689	1.16	650		650
Teal Mml Nursing End Principal	28,508.00	674	1.14	899	1.14	1,123	1.13	1,000		1,000
Telleria Henry & Mary End Principal	62,803.51	2,126	1.27	2,834	1.26	3,543	1.25	3,550		3,550
Title V Dev HSI-HancockPromise Prnc	300,000.00	7,181	0.99	9,575	0.99	11,969	0.98	-		-
Tri-Co Train Ofc End Principal	11,200.00	401	1.29	535	1.28	669	1.27	700		700
Truit D & A NF Title III Princ	20,337.95	637	1.50	850	1.49	1,062	1.48	1,050		1,050
Twitchell Blockman End Principal	20,000.00	723	1.30	964	1.29	1,205	1.28	1,200		1,200
Urbach-Sjovold Sch End Principal	118,147.62	4,255	1.31	5,673	1.30	7,091	1.29	7,100		7,100
Urbach-Sjovold NF Title III Princ	23,321.11	748	1.53	998	1.52	1,247	1.51	1,250		1,250
Watts Tim Meml NF Title III Princ	25,242.34	796	1.52	1,061	1.51	1,327	1.50	1,350		1,350
Westerfield AM KH Meml End Princ	81,115.30	2,008	1.44	2,678	1.44	3,347	1.43	3,350		3,350
Westerfield E W Meml End Princ	30,000.00	1,101	1.33	1,468	1.32	1,834	1.31	1,850		1,850
Westerfield Arthur H Meml End Princ	17,025.00	564	1.21	752	1.20	940	1.18	900		900
Williams Corey Sch End Principal	10,040.00	365	1.32	487	1.30	609	1.29	600		600
Williams Merrell NF Title III Princ	50,323.92	1,660	1.34	2,213	1.33	2,766	1.32	2,750		2,750
Yanagibashi Kay Endow Principal	56,931.18	2,044	1.30	2,725	1.29	3,407	1.27	3,400		3,400

FUND_TITLE	9/30/2021 Corpus	3% of 12Q Avg Value	Endowm ent Value	4% of 12Q Avg Value	Endowm ent Value	5% of 12Q Avg Value	Endowm ent Value	Endowment Sch. Funding Recommendatio n	Endowment Program Funding Recommendati on	Endowment Funding Recommendati on	
Young F Endowment Principal	702,255.77	25,651	1.63	34,202	1.62	42,752	1.61		42,750	42,750	
STEM Fed Grnt Endowment Principal	450,000.00	17,648	1.50	23,531	1.49	29,413	1.47		29,400	29,400	
	339,302		1.34	452,402		1.33	565,503		\$ 302,500	\$ 246,100	\$ 548,600

To: Finance Committee	INFORMATION
From: Jon Hooten Executive Director, College Advancement	January 12, 2022
Subject: Annual Review of General Operating Budget Sustainability Plan	

BACKGROUND

At the Finance Committee meeting held on April 10, 2019, the committee requested staff prepare a 5-year sustainability plan for the Foundation's operating budget. Each year the committee reviews the plan which is attached. The plan has been updated through fiscal year 2021-2022.

Allan Hancock College Foundation
General Operations Sustainability Plan

Unrestricted Revenue	Actual 2018-2019	Actual 2019-2020	Actual 2020-2021	Approved Budget 2021-2022	Projected 2022-2023	Projected 2023-2024	Projected 2024-2025	Projected 2025-2026
General Operations Unrestricted Contributions	\$ 64,624	\$ 65,104	\$ 79,178	\$ 42,500	\$ 44,625	\$ 46,856	\$ 49,199	\$ 51,659
PPP Loan Forgiveness Income	\$ -	\$ 48,752	\$ 12,998	\$ -	\$ -	\$ -	\$ -	\$ -
Other Transfer In (District support)	\$ 71,962	\$ 56,911	\$ 73,240	\$ 78,360	\$ 82,278	\$ 86,392	\$ 90,711	\$ 95,247
Other Transfer In (District Operational 3-year support)	\$ -	\$ 123,000	\$ 123,000	\$ 123,000	\$ -	\$ -	\$ -	\$ -
Interest and Investment Income	\$ 24,623	\$ 25,498	\$ 18,907	\$ 21,000	\$ 22,050	\$ 23,153	\$ 24,310	\$ 25,526
Other Local Income	\$ 425	\$ 736	\$ 91	\$ 140	\$ -	\$ -	\$ -	\$ -
Consulting Group Advisor - Unrealized Gain/Loss	\$ 26,629	\$ (18,299)	\$ 88,664	\$ -	\$ -	\$ -	\$ -	\$ -
Administration Fee 1.5%	\$ 87,895	\$ 106,803	\$ 124,997	\$ 95,000	\$ 99,750	\$ 104,738	\$ 109,974	\$ 115,473
Hancock Promise 1.5% fee	\$ 3,602	\$ 31,891	\$ 19,516	\$ 7,500	\$ 7,875	\$ 8,269	\$ 8,682	\$ -
President's Circle 15% fee	\$ 7,360	\$ 5,527	\$ 7,660	\$ 7,500	\$ 7,875	\$ 8,269	\$ 8,682	\$ 15,000
F. Young Endowment Proceeds	\$ 87,190	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Hansen Unrestricted Endowment Proceeds	\$ 16,100	\$ 11,271	\$ 7,631	\$ 9,350	\$ 139,115	\$ 67,909	\$ -	\$ -
M. Sjovald Memorial Endowment Proceeds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 78,158	\$ 153,369	\$ 164,271
Title III Unrestricted Endowment Transfers	\$ -	\$ 121,736	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted Endowment Proceeds	\$ 3,650	\$ 3,400	\$ 6,100	\$ 5,000	\$ 5,250	\$ 5,513	\$ 5,788	\$ 6,078
Total Unrestricted Revenue	\$ 394,060	\$ 582,330	\$ 561,982	\$ 389,350	\$ 408,818	\$ 429,255	\$ 450,717	\$ 473,253
General Operations Expenses								
Total General Operating Expenses	\$ 379,766	\$ 348,254	\$ 355,110	\$ 389,350	\$ 408,818	\$ 429,255	\$ 450,717	\$ 473,253
Beginning Fund Balance, July 1	\$ 140,801	\$ 155,095	\$ 389,171	\$ 596,043	\$ 596,043	\$ 596,043	\$ 596,044	\$ 596,043
Ending Fund Balance, June 30	\$ 155,095	\$ 389,171	\$ 596,043	\$ 596,043	\$ 596,043	\$ 596,044	\$ 596,043	\$ 596,044
Unrestricted Quasi Endowments								
<i>Northern Trust, F. Young Endowment, balance</i>	\$ 859,171	\$ 722,878	\$ 1,190,222	\$ 1,190,222	\$ 1,249,733	\$ 1,312,219	\$ 1,377,830	\$ 1,447,594
Projected 5% market increase		\$ -	\$ -	\$ 59,511	\$ 62,487	\$ 65,611	\$ 69,764	\$ 73,252
Drawdown	\$ (87,190)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Balance	\$ 771,981	\$ 722,878	\$ 1,190,222	\$ 1,249,733	\$ 1,312,219	\$ 1,377,830	\$ 1,447,594	\$ 1,520,846
<i>Hansen Memorial Endowment, beginning balance</i>	\$ 234,828	\$ 160,233	\$ 148,962	\$ 193,749	\$ 194,086	\$ 64,676	\$ 0	\$ 0
Projected 5% market increase			\$ 52,418	\$ 9,687	\$ 9,704	\$ 3,234	\$ 0	\$ 0
Drawdown	\$ (64,773)	\$ (11,271)	\$ (7,631)	\$ (9,350)	\$ (139,115)	\$ (67,909)	\$ -	\$ -
Balance	\$ 170,055	\$ 148,962	\$ 193,749	\$ 194,086	\$ 64,676	\$ 0	\$ 0	\$ 0
<i>M. Sjovald Memorial End., beginning balance</i>	\$ -	\$ 175,694	\$ 378,132	\$ 378,132	\$ 397,039	\$ 416,891	\$ 359,578	\$ 224,187
Projected 5% market increase			\$ -	\$ 18,907	\$ 19,852	\$ 20,845	\$ 17,979	\$ 11,209
Drawdown	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (78,158)	\$ (153,369)	\$ (164,271)
Balance	\$ -	\$ 175,694	\$ 378,132	\$ 397,039	\$ 416,891	\$ 359,578	\$ 224,187	\$ 71,126
Unrestricted Quasi Endowment Balance, June 30	\$ 942,036	\$ 1,047,533	\$ 1,762,103	\$ 1,840,858	\$ 1,793,786	\$ 1,737,408	\$ 1,671,782	\$ 1,591,972

* The projected assumption is a 5% increase in revenue and expenses for projected fiscal-year budgets.

Updated: 8/17/2021