

**NOTICE OF QUARTERLY MEETING
ALLAN HANCOCK COLLEGE FOUNDATION BOARD OF DIRECTORS**

Thursday, April 28, 2016
4-5:30 p.m.
Allan Hancock College, One Hancock Drive
Lompoc Valley Center – Room 5-117
Lompoc, CA 93436

AGENDA

	Page
1. CALL TO ORDER	
2. ROLL CALL	
3. PUBLIC COMMENT	
Public comment not pertaining to specific agenda items is welcome at this time. If you wish to speak to any item listed, please complete a <i>Request to Speak Card</i> available from the executive director. It is suggested that speakers limit themselves to 5 minutes.	
4. APPROVAL OF AGENDA	
4. A. Agenda for April 28, 2016	
ACTION – Motion____Second____Vote____ Abstentions____	
5. APPROVAL OF MINUTES	1-8
5. A. Minutes of February 11, 2016	
ACTION – Motion____Second____Vote____ Abstentions____	
6. WELCOME OF NEW EXECUTIVE DIRECTOR FOR COLLEGE ADANCEMENT	
6. A. Foundation Board President, Valerie Moya, will introduce new Executive Director for College Advancement, Susan Houghton.	
7. FINANCE COMMITTEE’S REPORT	9
The Finance Committee has reviewed the foundation’s financial reports and presents them for review and discussion by the board of directors.	
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7. C. Balance Sheet – 1/31/2016	12
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7. F. General Operations Budget – 1/31/2016	15
Motion to Accept All Financial Reports	
Action – Motion____Second____Vote____ Abstentions____	

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7. G. Report by Chair, Finance Committee	
A report to the Board of Directors on any actions or business conducted on behalf of the corporation.	
7. G.1. Independent Auditor's Report period ending June 30, 2015	
7. G.2. Update on 2016-17 Foundation general operating budget	
8. INFORMATION ITEMS	
8. A. Advancement Specialist	16
An update on the hiring of the Advancement Specialist.	
8. B. Committee Assignments for 2016	17-18
A review of committee assignments for directors for 2016.	
9. STANDING COMMITTEE REPORTS	19
A report to the Board of Directors on any actions or business conducted on behalf of the corporation.	
9. A. Nominations	
9. A.1. Director Resignation	
Action – Motion ___ Second ___ Vote ___ Abstentions ___	
9. A.2. Executive Committee <i>Member-at-Large</i> position	
9. B. Scholarship	
A report on the 2016 foundation scholarship program.	
10. AD HOC COMMITTEE REPORTS	20
10. A. President's Circle	
11. ORAL REPORTS	
11. A. Members of the Board of Directors	<i>General Announcements</i>
11. B. College Superintendent/President	<i>Dr. Kevin G. Walthers</i>
11. C. College Trustee	<i>Mr. Gregory A. Pensa</i>
11. D. PCPA Foundation Representative	<i>Mr. Jim Bray</i>
11. E. Faculty Representative	<i>Ms. Linda Metaxas</i>
11. F. Student Representative	<i>Ms. Kimberly Kallies</i>
11. G. Executive Director, College Advancement	<i>Ms. Susan Houghton</i>

12. NEW BUSINESS

13. DATE FOR NEXT QUARTERLY BOARD MEETING

The next quarterly board meeting is Thursday, July 28, 2016, from 4-5:30 p.m. on the Santa Maria campus.

14. ADJOURNMENT

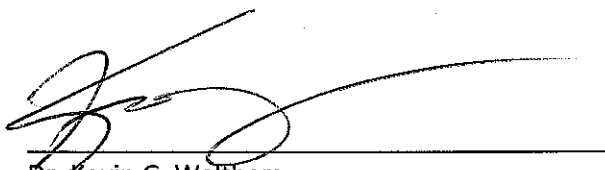
A motion to adjourn the quarterly meeting of the Allan Hancock College Foundation Board of Directors.

ACTION – Motion ___ Second ___ Vote ___ Abstentions ___

15. TOUR – Public Safety Training Complex

Directors will tour the facility following the quarterly board meeting.

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.



Dr. Kevin G. Walthers
Superintendent/President

ALLAN HANCOCK COLLEGE FOUNDATION
ANNUAL ORGANIZATIONAL MEETING OF THE BOARD
Minutes of February 11, 2016

The annual organizational meeting of the Allan Hancock College Foundation (AHCf) Board of Directors was held on Thursday, February 11, 2016, starting at 4:03 p.m. at Allan Hancock College, 800 S. College Dr., Room G106B, Santa Maria, CA 93454.

1. MEETING CALLED TO ORDER

Foundation President, Dr. Terry Dworaczyk, called the meeting to order at 4:03 p.m.

2. ROLL CALL

Directors Present: M. Black, J. Bray, E. Cora, L. V. Cox, T. Dworaczyk, J. Fields, J. Frost, H. Grennan, M. Juarez, R. Klug, D. Lahr, B. Manning, V. Moya, M. Nanning, K. Ostini, S. Orozco, G. Schrage, K. Walthers, R. Welt

Directors Absent: M. Carroll, J. Cerny, R. Coggin, J. Everett, B. Farias, P. Hesse, G. Johnson, T. Lopez, B. Lotwala, L. Metaxas, S. Moats, G. Pensa, G. Walker

Student Representative: Kimberly Kallies

Foundation Staff Present: M. Cox, A. Looyen, T. McCracken

Recorder: A. Looyen

3. PUBLIC COMMENT

None

4. APPROVAL OF AGENDA

President Dworaczyk asked members to review the agenda for the meeting of the Allan Hancock College Foundation Board of Directors noting that **13.A. Nominations** will follow **9.A. Recognition of Director Completing Third Three-Year Term** and called for a motion to approve the agenda as modified.

MOTION: On a motion by Director Welt, seconded by Director Frost, the agenda was approved as modified on a roll-call vote as follows:

Ayes: Black, Bray, Cora, Cox, Dworaczyk, Fields, Frost, Grennan, Juarez, Klug, Lahr, Manning, Moya, Nanning, Ostini, Orozco, Schrage, Walthers, Welt

Noes: None

Abstentions: None

Concur: K. Kallies

5. APPROVAL OF MINUTES

Dr. Dworaczyk asked members to review the minutes of the October 22, 2015, quarterly board meeting. Staff noted an error with the minutes in the agenda packet with a repeated fourth page and a page of minutes missing from the agenda. The corrected minutes were distributed and reviewed by the committee. Dr. Dworaczyk called for a motion to approve.

MOTION: On a motion by Director Nanning, seconded by Director Manning, the minutes were approved as amended. Ayes: Black, Bray, Cora, Cox, Dworaczyk, Fields, Frost, Grennan, Juarez, Klug, Lahr, Manning, Moya, Nanning, Ostini, Orozco, Schragger, Walthers, Welt; Noes: None; Abstentions: None; Concur: K. Kallies

6. ELECTION OF OFFICERS

Dr. Dworaczyk reported that the Nominating Committee is recommending the following slate of officers for 2016: Valerie Moya – President, Bob Lotwala – Vice President, Georgia Schragger – Secretary, Guy R. Walker – Treasurer, and Terry Dworaczyk – Past President. In addition, Ken Ostini has agreed to a one-year term as Member-at-Large for the Executive Committee.

MOTION: On a motion by Director Schragger, seconded by Director Manning, the 2016 slate of officers was approved as presented. Ayes: Black, Bray, Cora, Cox, Dworaczyk, Fields, Frost, Grennan, Juarez, Klug, Lahr, Manning, Moya, Nanning, Ostini, Orozco, Schragger, Walthers, Welt; Noes: None; Abstentions: None; Concur: K. Kallies

7. PASSING OF GAVEL

Dr. Dworaczyk expressed his appreciation for Ms. Moya's devotion to Allan Hancock College. He mentioned that Ms. Moya is a faithful community member and AHCF board member since 2013, serving as vice president for the past two years. Ms. Moya thanked Dr. Dworaczyk for his time as president and accepted the gavel as the incoming president of the AHCF Board of Directors.

8. WELCOME OF NEW DIRECTORS

Ms. Moya's first order of business after becoming the new AHCF President was to welcome 5 new members to the board. Jim Fields of Lompoc, Lee-Volker Cox of Santa Maria, Sam Orozco of Santa Maria, Ed Cora of Guadalupe, and Mario Juarez of Santa Maria. Each new member gave a short introduction of themselves.

- Mr. Jim Fields is very happy to be part of the freshman class of 2016. He is semi-retired, but currently works as the Chairman/CEO of FG Wine Group and is President, Vista Hills Water Company. He has many years of experience in fund raising and community relations.
- Lee-Volker Cox is also semi-retired and was a Colonel in the United States Air Force for 25 years. He currently works for the University of La Verne as an instructor teaching graduate programs in leadership, program management, etc. He is also a motivational speaker, with a focus on independent defense, space operations and training professionals.
- Sam Orozco is originally from Guadalupe, but has lived in SLO County for many years, then returned to Santa Maria. He is also semi-retired, but his true passion is bringing back manufacturing jobs to Santa Maria: Dr. Orozco earned his D.P.A. from University of La Verne and has over thirty years of business performance improvement with a concentration in six sigma and lean manufacturing.
- Ed Cora is the foundation's representative from Guadalupe and is currently the Superintendent of the Guadalupe Union School District. He is originally from New York City, and has thirty-two years of educational experience, twenty one as an administrator. He has also taught in the Orcutt School District and both of his daughters attended Allan Hancock College.
- Mario Juarez is returning to the board since completing his third three-year term in 2012 and also served as board president for two terms. Mr. Juarez currently works as an attorney

at the Law Firm of Brenneman, Juarez & Adam. He is a lifelong resident of the Santa Maria Valley and is very active in the community.

9. RECOGNITION OF DIRECTOR COMPLETING THIRD THREE-YEAR TERM

Director Judy Frost completed her third three-year term and was recognized by Board President Moya, and Superintendent Walthers for her service. Dr. Walthers presented her with an engraved vase and Ms. Moya handed her flowers. Director Frost said she was happy to have this opportunity to serve on the board.

10. STANDING COMMITTEE REPORTS – NOMINATIONS

10. A. Director Resignations

Director Ostini reported that resignations were received from Directors Monica Beebe and Bob Poole. Mr. Ostini asked for a motion to accept the resignations.

MOTION: On a motion by Director Ostini, seconded by Director Manning, the resignations of Directors Monica Beebe and Bob Poole were approved with regrets. Ayes: Black, Bray, Cora, Cox, Dworaczyk, Fields, Frost, Grennan, Juarez, Klug, Lahr, Manning, Moya, Nanning, Ostini, Orozco, Schragar, Walthers, Welt; Noes: None; Abstentions: None; Concur: K. Kallies

10. B. Vacant Executive Committee Member At-Large Position

Director Ostini reported that an email was sent to the entire board and a few directors responded with interest to serve. The Nominations Committee will meet in March to discuss the names for the position then report to the Executive Committee at their March 22 meeting.

11. FINANCE COMMITTEE'S REPORT

The following financial statements were reviewed by Ms. Cox:

Summary of Portfolio Summary: Staff reviewed the Portfolio Summary dated 11/30/2015, which reflects \$2,514,406 in general operations, restricted and scholarship funds; \$7,552,809 invested in endowment funds, and \$12,695,603 of the Patricia J. Boyd Fund invested at Rabobank Wealth Management, Northern Trust and Morgan Stanley. Staff mentioned the net assets is \$22,764,858.

Statement of Operations: For the period ending 11/30/2015, the fund balance for the general operations fund was \$342,852; the restricted fund was \$2,437,699, the scholarship fund was \$318,094, the endowment balance was \$18,491,554, and the endowment revenue/expense was \$1,174,659. The total fund balance for the period was \$22,764,858.

Balance Sheet: For the period ending 11/30/2015, in reviewing the statement it was noted that the total current assets were \$22,762,817, total current receivables were \$6,496, total liabilities were \$4,456, and total liabilities and fund balance were \$22,769,314.

Contributions Report: For the period ending 11/30/2015, the total contributions were \$1,224,332. Staff mentioned the increase in giving is due to the \$785,000 Orfalea Foundation grant.

President's Circle Budget: Staff reviewed the President's Circle budget for the period ending 11/30/2015, reflects an opening balance of \$100,575, total year-to-date income of \$20,495, the expenses of \$10,899, and net revenue/expense \$110,171.

General Operations Budget: For the period ending 11/30/2015, in reviewing the general operations budget statement, income for the year-to-date was \$105,711, with expenses of \$73,009 and the fund balance was \$342,852.

MOTION: On a motion by Director Ostini, seconded by Director Nanning, the financial statements were approved as submitted. Ayes: Black, Bray, Cora, Cox, Dworaczyk, Fields, Frost, Grennan, Juarez, Klug, Lahr, Manning, Moya, Nanning, Ostini, Orozco, Schrager, Walthers, Welt; Noes: None; Abstentions: None; Concur: K. Kallies

Report by Chair, Finance Committee:

Ms. Cox reported on behalf of Director Walker, Chair of Finance Committee, who was unable to attend.

- The foundation was awarded a \$785,000 grant from the Orfalea Foundation. The grant will support the AHC Early Childhood Studies & Children's Center Lab School. Specifically, the grant will support the ECS Teacher Mentor Program, ECS Community Accreditation Support, Community Noncredit Parenting Classes, Professional Development, Preschool Nutrition Course, and Outdoor Classroom Enhancements. The duration of the grant is 60 months, beginning December 1, 2015.
- A grant was received from the Wells Fargo Foundation in the \$5,000 in support of the AHC Veteran Success Center.
- The Towbes Foundation provided \$5,000 for the STEM Endowment which will be federally matched.
- The foundation received a \$25,000 estate contribution from the Art Mendez Trust. The late Mr. Mendez established the *Art Mendez Fire Academy Scholarship Endowment* in 2004 and passed away in December 2014.
- A new endowment has been created for the *Karisa Bennett Memorial Scholarship*. Karisa was the wife of college trustee Tim Bennett and was tragically killed in an automobile accident in October 2015. Contributions to the endowment are \$16,122 which includes \$5,000 from the President's Circle fund.
- As a result of the foundation's year-end appeal mailing in November 2015, the foundation received \$11,743.35 in contributions. Cost of the mailing was \$1,138.20.
- The transfer of funds held in Vanguard to the new Northern Trust investment has been finalized.

12. ACTION ITEMS

12. A. Corporate Resolution No. 2016-01 Authorization of Savings, Checking, and Investment

Account Signatures: As part of its corporate business, the foundation's board of directors annually considers a resolution for the authorization of savings, checking, and investment account signatures necessary to conduct its day-to-day business. AHC Foundation Corporate Resolution 2016-01 is intended to be compliant with the District's Authorized Signature Forms for the 2016 Calendar Year and Resolution 14-27, Delegation of Governing Board Powers and Duties.

MOTION: On a motion by Director Bray, seconded by Director Klug, the Corporate Resolution No. 2016-01 Authorization of Savings, Checking, and Investment Account Signatures was approved as submitted. Ayes: Black, Bray, Cora, Cox, Dworaczyk, Fields, Frost, Grennan, Juarez, Klug, Lahr, Manning, Moya, Nanning, Ostini, Orozco, Schragger, Walthers, Welt; Noes: None; Abstentions: None; Concur: Kallies

12. B. Meeting & Event Calendar For 2016/17: Ms. Moya reviewed the AHCF proposed meeting/event calendar for 2016/17.

MOTION: On a motion by Director Lahr, seconded by Director Ostini, the 2016/17 AHCF meeting/event calendar was approved as submitted. Ayes: Black, Bray, Cora, Cox, Dworaczyk, Fields, Frost, Grennan, Juarez, Klug, Lahr, Manning, Moya, Nanning, Ostini, Orozco, Schragger, Walthers, Welt; Noes: None; Abstentions: None; Concur: K. Kallies

12. C. Foundation Board Scholarship For 2016: Ms. Moya reported that for the last 7 years the foundation directors have provided a contribution of \$25 or more to award an *Allan Hancock College Foundation Board of Directors Scholarship* at the annual scholarship banquet. The Executive Committee is recommending that directors participate once again by providing a gift of \$25 or more per director for this scholarship award. In order for a named scholarship to be presented, there must be a total of \$500 contributed towards this effort. The award for last year was \$1,250 contributed by 20 directors. Mr. Fields challenged the newest directors to double their donation to \$50 and he will match what the "freshman class" contributes.

MOTION: On a motion by Director Fields, seconded by Director Cora, there was approval to provide an *Allan Hancock College Foundation Board of Directors Scholarship* this year with a gift of \$25+ by those directors choosing to participate. Ayes: Black, Bray, Cora, Cox, Dworaczyk, Fields, Frost, Grennan, Juarez, Klug, Lahr, Manning, Moya, Nanning, Ostini, Orozco, Schragger, Walthers, Welt; Noes: None; Abstentions: None; Concur: K. Kallies

12. D. New Position – Advancement Specialist: Dr. Walthers reported that in fall 2014, Allan Hancock College was awarded a 5-year Hispanic Serving Institutions grant (Title V) from the U.S. Department of Education. The grant focuses on two major activities, one of which is to implement structural changes to coordinate, align, and integrate the college's multiple resource development components. This "capacity development" grant provides an opportunity to restructure units into a coordinated College Advancement program and to add an Advancement Specialist to assist with development activities. This position will be incrementally institutionalized with district funds over the remaining four years of the grant's project period. Beginning in 2019, this position will be institutionalized as a foundation position. It is anticipated that the return on investment will outweigh the cost of the position. The advancement specialist will have responsibility to fundraise gifts of \$5,000 to \$25,000 and will report to the Executive Director of College Advancement. Dr. Walthers reported that this position will always be a college expense, and not an expense to the foundation.

MOTION: On a motion by Director Juarez, seconded by Director Orozco, the new foundation Advancement Specialist position was approved as submitted. Ayes: Black, Bray, Cora, Cox, Dworaczyk, Fields, Frost, Grennan, Juarez, Klug, Lahr, Manning, Moya, Nanning, Ostini, Orozco, Schragger, Walthers, Welt; Noes: None; Abstentions: None; Concur: Kallies

13. INFORMATION ITEMS

13. A. College Trustee Appointments for 2016: Ms. Moya reported that at the December 2015 annual organizational meeting of the Allan Hancock College Board of Trustees, Greg Pensa (primary) and Hilda Zacarias (alternate) were once again appointed to serve on the foundation board as trustee representatives for 2016.

13. B. Committee Assignments for 2016: Ms. Moya reported that committee assignments are reviewed and updated at the annual organizational meeting of the board of directors. It is the recommendation of the Nominations Committee to have directors continue his or her current committee assignment for 2016 with the hiring of the new Executive Director for College Advancement. New directors will review and provide staff with the committee they wish to serve on for 2016.

13. C. Executive Director of College Advancement: Dr. Walthers reported that the position has been removed from the college's human resources website and is now closed to any new applications. The hiring process has begun and there is a hiring committee which includes Terry Dworaczyk and Toni McCracken. Interviews are scheduled for February 23-24, 2016, with a recommendation to the college trustees at their March 9, 2016, meeting.

13. D. Foundation Director / PCPA Liaison Appointment: Ms. Moya reported that foundation director, Judy Frost, has served as the liaison between the AHC Foundation and the PCPA Foundation during her service on this board. Director James Bray has agreed to serve as the AHC Foundation's liaison to the PCPA Foundation.

13. E. Director's Conflict of Interest Policy and Disclosure Form: Ms. Moya reported that annually according to board policy, foundation directors and staff submit a signed "Statement of Conduct, Commitment, and Conflict of Interest" form to the foundation office. The document will be on file and available to public inspection upon request. The document was handed out to each director present.

14. STANDING COMMITTEE REPORTS

14. B. Scholarship: Mrs. McCracken reported that scholarships are doing very well this year. She asked everyone to please mark their calendar for the scholarship banquet on Thursday, May 26, 2016, from 6 – 7:30. Mrs. McCracken stated that the application process is online and the deadline for submitting applications was February 2, 2016. Applicants identified for scholarships will receive an invitation through the mail and RSVP's are online for the banquet. Scholarship funding for this year is approximately \$533,000 thanks to the generosity of the local community. The scholarship review team has already started to read, rank and identify applicants for donor awards. There are a total of 217 scholarship opportunities for 2016. Mrs. McCracken reported that there are 20 new scholarships for this year and 1 new endowment.

15. AD HOC COMMITTEE REPORTS

15. A. President's Circle – Ms. Moya reported that there will be a performance of *The Pirates of Penzance* for President's Circle and Encore Circle on February 13, 2016, at PCPA's Marian Theater.

16. ORAL REPORTS

16. A. Members of the Board: None

16. B. College Superintendent/President: Dr. Walthers reported that President's Circle membership is down. The President's Circle is a financial commitment of \$1,000 or more a year that helps fund the needs of students and also adds value to Allan Hancock College's educational programs. Some of these items include; community outreach, buying food for an event for students, professional development, supporting educational field trips, and the student food bank. Dr. Walthers also provided everyone with a handout titled "New External Funding Approaches \$12 Million since summer 2013. This memo talks about the amount of funding that the foundation and the college has received since summer of 2013." The foundation has received \$4.7 million in donations and the college has received \$7 million in new grants from federal, state and private agencies. Some of the organizations that have given are; CoastHills Community Foundation, G. Haas Foundation, PG&E, Orfalea Foundation, Heritage Oaks Bank, California Community College Chancellor's Office, and the National Institutes of General Medical Science. This report does not include funding that PCPA or AHC Boosters Club has raised. Dr. Walthers stated that the consultants for college advancement will be coming back to help integrate all auxiliary groups so we are not "stepping on each other's toes" regarding fund raising and asking the same donors.

16. C. College Trustee: None

16. D. PCPA Foundation Representative: Director Bray reported that the grand opening of *The Pirates of Penzance* will be Thursday, February 11 and reminded the board of the President's Circle and Encore Circle's event on Saturday, February 13, 2016, at the Marian Theater. Ms. Frost also announced the hiring of the new PCPA Managing Director, Jennifer Schwartz.

16. E. Faculty Representative: Ms. Metaxas stated that the semester has started smoothly for faculty. The college is in the process of hiring an unprecedented amount of instructors and counselors. There will be 13 instructor positions and 4 counseling positions. This was due to retirements from previous faculty and also hitting a bottleneck in the curriculum. Ms. Metaxas also reported that she is part of the scholarship review committee and is excited to start reviewing student's applications.

16. F. Student Representative: Ms. Kallies reported that there has been the highest amount of returning ASBG students on record. She also reported that Student Health Services and ASBG organized an event called *Love Carefully Day* on February 9th in recognition of Valentine's Day. The event included students signing a *Love Carefully Pledge*, taking a relationship quiz, and playing *Love Carefully Jeopardy*. The next day started Bow-Wow week of orientation which began on February 10th. All the AHC clubs and services were out so that students had an opportunity to see what was available to them. Then there was a student vs. staff basketball game played at half time of the AHC Women's basketball game on February 11. Superintendent/President Walthers and VP of Student Services Nohemy Ornelas represented the staff, the game was 6 minutes long and the students won, 2-0. Ms. Kallies also mentioned that twice a month Hancock teams up with the Santa Barbara County Food Bank to distribute food to students in need. The program is called "Food Share Because We Care" and it is the 1st and 3rd Thursday of the month. They held an event on February 4th and provided samples and recipes to help students know what to do with all the healthy fruits and vegetables that are given to them.

17. OTHER BUSINESS

Ms. McCracken mentioned Ms. Looyzen's increase in hours starting in January and appreciates her help with the daily activities of the foundation. Mr. Black recognized Mrs. Cox for her outstanding

work on the financials for the foundation. Mrs. Cox in turn thanked Mr. Black for his help in being the financial liaison to Dr. Walthers.

18. DATE FOR NEXT BOARD MEETING

The next regular meeting of the Allan Hancock College Board of Directors will be held on Thursday, April 28, 2016, at the Lompoc Valley Center Public Safety Training Complex.

19. ADJOURNMENT

MOTION: On a motion by Director Frost, seconded by Director Klug, the meeting was adjourned at 5:30 p.m. Ayes: Black, Bray, Cora, Cox, Dworaczyk, Fields, Frost, Grennan, Juarez, Klug, Lahr, Manning, Moya, Nanning, Ostini, Orozco, Schragger, Walthers, Welt; Noes: None; Abstentions: None; Concur: Kallies

To: Board of Directors	ACTION April 28, 2016
From: Guy Walker, Chair Finance Committee	
Subject: Finance Committee Report	

BACKGROUND

A report to the board on any actions or business conducted on behalf of the corporation.

Financial reports:

- 7.A. Summary of Portfolio Allocation, period ending 1/31/2016
- 7.B. Statement of Operations, period ending 1/31/2016
- 7.C. Balance Sheet, period ending 1/31/2016
- 7.D. Contributions Report, period ending 1/31/2016
- 7.E. President's Circle Budget, period ending 1/31/2016
- 7.F. General Operations Budget 1/31/2016
- 7.G. Report by Chair, Finance Committee
 - 7.G.1. Independent Auditor's Report – period ending June 30, 2015
Copies are available for review upon request.
 - 7.G.2. Update on 2016-17 Foundation general operating budget

FISCAL IMPACT

None

RECOMMENDATION

Upon review and agreement, a motion is needed to approve the financial statements as submitted to the Allan Hancock College Foundation Board of Directors.

ALLAN HANCOCK COLLEGE FOUNDATION
 Summary of Portfolio Allocation
 January 1, 2016 - January 31, 2016

GENERAL OPERATIONS, RESTRICTED and SCHOLARSHIPS	Beginning Market Value 01/01/16	Ending Market Value 1/31/2016
Morgan Stanley Active Assets-Cash, .020%	\$ 1,752,193.12	\$ 1,752,207.40
Morgan Stanley, Consulting Group Advisor	620,369.96	608,647.98
Rabobank - Checking	228,622.00	269,832.16
Rabobank - Credit Card	4,562.00	5,325.95
Cash on Hand	100.00	100.00
Sub-Total	\$ 2,605,847.08	\$ 2,636,113.49

ENDOWMENTS	Investment Basis	Beginning Market Value 01/01/16	Ending Market Value 1/31/2016	Total Market Value Change YTD
Morgan Stanley	\$ 2,984,748.17	\$ 4,602,649.04	\$ 4,430,525.65	\$ (172,123.39)
LPL Financial	854,408.37	1,372,806.17	1,277,292.85	(95,513.32)
Osher-Bartleson Fund Endowment	100,000.00	121,311.98	121,311.98	-
Northern Trust (Young Quasi Endowment)		1,269,301.53	1,215,136.45	(54,165.08)
LPL Financial	13,000.00	41,210.46	42,771.04	1,560.58
Sub-Total	\$ 3,952,156.54	\$ 7,407,279.18	\$ 7,087,037.97	\$ (320,241.21)

PATRICIA J. BOYD FUND				
Rabobank Wealth Management	\$ 4,000,000.00	\$ 4,040,918.50	\$ 3,891,555.85	\$ (149,362.65)
Northern Trust	6,000,000.00	6,025,590.79	5,753,459.92	(272,130.87)
Morgan Stanley	2,115,776.55	2,400,719.97	2,317,557.98	(83,161.99)
Sub-Total	\$ 12,115,776.55	\$ 12,467,229.26	\$ 11,962,573.75	\$ (504,655.51)
		\$ 22,480,355.52		

Total General Opr, Restricted, Scholarships & Endowments	\$ 21,685,725.21
Accounts Receivable	1,541.00
Total Assets	\$ 21,687,266.21
Total Liabilities - Accounts Payable	(2,645.00)
Net Assets	\$ 21,684,621.21

Investment Allocation Summary - Endowments	Target	Allocation Current Period
Morgan Stanley		
Stocks, ETFs, CEFs, Mutual Funds	65%	62.57%
Fixed Income	35%	33.84%
Bonds		
Cash		3.59%
		100.00%

LPL Financial		
Stocks, ETFs, CEFs, Mutual Funds	65%	61.53%
Fixed Income	35%	31.72%
Bonds		
Cash		6.75%
		100.00%

Northern Trust		
Stocks, ETFs, CEFs, Mutual Funds	65%	67.10%
Fixed Income	35%	30.20%
Bonds		
Cash		2.70%
		100.00%

Consolidated Summary of Allocation - Endowments	Target	Allocation Current Period
Stocks, ETFs, CEFs, Mutual Funds	65%	63.73%
Fixed Income	35%	31.92%
Bonds		0.00%
Cash		4.35%
		100.00%

Investment Allocation Summary - Patricia J. Boyd	Target	Allocation Current Period
Rabobank Wealth Mgmt - P.J. Boyd Fund		
Stocks,ETFs,CEFs, Mutual Fds.	65%	56.65%
Fixed Income	35%	41.74%
Bonds		
Cash		1.61%
		100.00%

Northern Trust - P. J. Boyd Fund		
Stocks,ETFs,CEFs, Mutual Fds.	65%	66.40%
Fixed Income	35%	31.50%
Bonds		
Cash		2.10%
		100.00%

Morgan Stanley - P. J. Boyd Fund		
Stocks,ETFs,CEFs, Mutual Fds.	65%	64.36%
Fixed Income	35%	35.08%
Bonds		
Cash		0.56%
		100.00%

Consolidated Summary of Allocation - Boyd	Target	Allocation Current Period
Stocks,ETFs,CEFs, Mutual Fds.	65%	62.47%
Fixed Income	35%	36.11%
Bonds		0.00%
Cash		1.42%
		100.00%

ALLAN HANCOCK COLLEGE FOUNDATION
STATEMENT OF OPERATIONS BY SUBFUND
FOR THE PERIOD ENDING 01/31/2016

	Cash Admin	Rounded to the Nearest General Operations	Restricted	Dollar Scholar- ships	Endowment Principal	Endowment Rev/Exp	Total
REVENUE:							
Contributions	0	16,114	1,001,287	218,310	212,358	0	1,448,068
Contributions non-cash	0	0	0	0	0	0	0
Interest and dividends	0	13,777	0	0	0	343,370	357,147
Gain/Loss on sale of investments	0	0	0	0	0	601,392	601,392
Change in asset portfolio	0	-37,597	0	0	0	-2,599,535	-2,637,132
Royal/Other/Bad Debt Recov.	0	0	6,715	740	0	0	7,455
Total revenue	0	-7,706	1,008,002	219,050	212,358	-1,654,773	-223,070
EXPENDITURES:							
Scholarships	0	0	0	628,826	0	0	628,826
Student Assistance	0	0	17,668	0	0	0	17,668
District/College Support	0	0	39,866	0	0	0	39,866
Salaries	0	78,198	0	0	0	0	78,198
Employee benefits	0	7,967	0	0	0	0	7,967
Supplies and materials	0	5,608	36,982	0	0	0	42,590
Contracted personal services	0	0	5,435	0	0	0	5,435
Travel and conference	0	2,266	15,734	0	0	0	18,001
Memberships and permits	0	0	0	0	0	0	0
Technology Services	0	0	0	0	0	0	0
Telephone	0	383	0	0	0	0	383
Contracts and leases	0	2,289	400	0	0	0	2,689
Postage and advertising	0	353	14,817	0	0	0	15,170
Bank/brokerage charges	0	2,427	0	-3	0	99,204	101,629
Miscellaneous expense	0	0	1,303	0	0	0	1,302
Building and equipment	0	0	0	0	0	0	0
Credit Card Disc. Fees	0	601	0	0	0	0	601
Total expenditures	0	100,092	132,204	628,823	0	99,204	960,324
Net income(loss)	0	-107,799	875,798	-409,774	212,358	-1,753,977	-1,183,394
OTHER FINANCING SOURCES/OUTGO:							
Transfers in	0	141,464	30,318	230,284	21,569	0	423,636
Transfers out	0	0	44,932	66,584	2,451	365,655	479,622
Net transfers	0	141,464	-14,614	163,700	19,118	-365,655	-55,986
Net inc/dec in fund bal	0	33,666	861,184	-246,073	231,476	-2,119,632	-1,239,380
FUND BALANCE:							
Fund equity, July 1	0	310,150	1,655,466	829,521	18,332,451	1,796,413	22,924,001
Current balance	0	343,816	2,516,650	583,448	18,563,927	-323,219	21,684,621

ALLAN HANCOCK COLLEGE FOUNDATION
BALANCE SHEET BY SUBFUND
FOR PERIOD ENDED 01/31/2016

	Cash Admin	Rounded to the Nearest General Operations	Restricted	Dollar Scholar- ships	Endowment Principal	Endowment Rev/Exp	Total
ASSETS							
Cash and securities							
Claim on Cash	-8,354,650	343,816	2,519,294	583,448	5,231,311	-323,219	0
Claim on Cash-Treasury	0	0	0	0	0	0	0
Checking	2,032,757	0	0	0	0	0	2,032,757
Credit Card	5,326	0	0	0	0	0	5,326
Cash on hand	100	0	0	0	0	0	100
Investment cash	241,171	0	0	0	308,407	0	549,578
Investment securities	5,969,378	0	0	0	14,364,057	0	20,333,435
FMV increase/decrease	105,917	0	0	0	-1,341,389	0	-1,235,472
Total cash & securities	0	343,816	2,519,294	583,448	18,562,386	-323,219	21,685,724
Receivables							
Due from other funds	0	0	0	0	0	0	0
Accrued interest receivable	0	0	0	0	1,541	0	1,541
Payroll taxes receivable	0	0	0	0	0	0	0
Total receivables	0	0	0	0	1,541	0	1,541
Total assets	0	343,816	2,519,294	583,448	18,563,927	-323,219	21,687,265
LIABILITIES							
Accounts payable	0	0	0	0	0	0	0
Payroll taxes payable	0	0	0	0	0	0	0
Due other funds	0	0	2,645	0	0	0	2,645
Total liabilities	0	0	2,645	0	0	0	2,645
FUND BALANCE							
Fund equity FYB	0	310,150	1,655,466	829,521	18,332,451	1,796,413	22,924,001
Current income/loss	0	33,666	861,184	-246,073	231,476	-2,119,632	-1,239,380
Total fund balance	0	343,816	2,516,650	583,448	18,563,927	-323,219	21,684,621
Total liab & fund balance	0	343,816	2,519,294	583,448	18,563,927	-323,219	21,687,265

**Allan Hancock College Foundation
Contributions & Fundraising
July 1, 2015 through June 30, 2016**

Account	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Total
General Operations	563	128	129	1,150	2,454	11,691	1,150	203	690				17,007
Restricted	33,699	37,415	31,265	10,035	794,586	57,150		7,581	12,988				984,709
Fundraising & Ticket Sales			1,739										1,739
Scholarships	30,767	15,918	21,920	40,916	35,910	12,030	69,899	16,511	42,495				286,366
Endowments	60,442	10,698	1,590	32,648	41,025	39,930	26,025	5,090	2,490				219,938
Patricia J. Boyd Fund													
President's Circle	1,042	6,526	2,142	8,842	2,142	9,342	3,975	1,373	5,358				40,543
MONTHLY TOTALS	125,940	71,118	58,784	92,371	876,118	130,144	101,049	30,758	64,021				1,550,303
CURRENT YTD TOTALS	\$ 125,940	\$ 197,059	\$ 255,843	\$ 348,214	\$ 1,224,332	\$ 1,354,475	\$ 1,455,524	\$ 1,485,282	\$ 1,550,303				\$ 1,550,303

PRIOR YEARS

July 14-June 15	45,690	178,133	249,585	292,461	330,643	501,257	595,898	673,291	776,779	861,833	907,511	1,354,736
July 12-June 13	28,055	61,970	356,466	422,405	509,789	610,027	852,388	1,116,792	1,218,417	11,580,468	11,637,422	11,662,226
July 11-June 12	33,575	85,689	131,502	181,446	214,460	242,187	327,473	580,070	629,195	667,556	694,581	774,867
July 10-June 11	33,237	119,259	168,275	240,841	262,359	388,282	474,512	520,734	559,245	610,414	862,539	907,673
July 09-June 10	76,076	188,161	227,180	331,314	358,234	472,884	506,820	528,843	577,141	597,819	715,628	941,725
July 08-June 09	68,637	127,337	187,331	254,313	282,414	565,024	592,970	609,746	661,090	848,526	1,018,528	1,053,236
July 07-June 08	45,107	126,207	172,587	299,483	514,684	641,357	679,931	711,203	768,748	848,526	1,000,629	1,070,868
July 06-June 07	99,807	202,598	246,726	330,210	419,424	807,361	847,622	898,492	925,869	1,036,458	1,075,487	1,098,427
July 05-June 06	98,646	335,755	393,848	463,476	491,535	601,929	683,955	713,831	814,389	852,245	915,543	1,125,367
July 04-June 05	78,667	150,074	221,555	302,251	365,176	567,844	590,148	613,997	673,291	797,996	851,703	951,050
July 03-June 04	78,436	161,345	250,851	325,196	399,677	680,662	714,421	727,671	757,531	817,265	899,968	936,647
July 02-June 03	75,261	121,934	191,280	359,263	392,300	693,094	740,946	754,027	788,449	914,786	962,885	1,940,867

NOTES:
a) Report does not include investment portfolio activity.
b) Report does not include outstanding pledges.

To: Board of Directors	ACTION
From: Mr. Guy Walker, Treasurer	
Subject: President's Circle 2015-16 Budget for period ending January 31, 2016	

BACKGROUND

Staff will report on the *President's Circle* budget for the period ending January 31, 2016.

INCOME	2015-16 Budget	2015-16 Actual
Opening Balance, 7/1/2015		100,575
Contributions	75,000	33,812
Young Endowment Pledge	100,000	
TOTAL INCOME	\$ 175,000	\$ 134,387
EXPENSES		
Foundation operating budget	11,250	4,448
Transfers to District	160,250	2,074
Transfer to Scholarships		5,250
Supplies & Advertising	500	1,095
Food Supplies	2,500	3,946
Public Relations/Recognition		
Printing	250	532
Postage/Courier/Credit Card Fees	250	953
TOTAL EXPENSES	175,000	18,299
NET REVENUE/EXPENSE	\$.00	\$ 116,087

Committed/Designated Projects: Dean's Awards - \$1,500; Life Science Lab Assistant - \$8,650; Support for CARE – Foster Youth Program - \$4,368.

ALLAN HANCOCK COLLEGE FOUNDATION
General Operations Budget
July 1, 2015 - June 30, 2016

1/31/2016

	2015-16 Approved Budget	2015-16 Actual Rev & Exp	2015-16 Percentage Budget
REVENUE			
General Operations - Contributions	15,000	16,115	107%
General Operations - Interest	20,000	13,777	69%
Administration Fee - 1.5%	100,000	50,220	50%
President's Circle Campaign	11,250	4,448	40%
Consulting Group Advisor - Realized Gain/Loss			
Consulting Group Advisor - Unrealized Gain/Loss	30,000	(37,597)	-125%
Marian Hancock Trust	30,000	30,000	100%
F. Young Endowment Proceeds	50,000	50,000	100%
Madson Endowment Proceeds	5,000	6,796	136%
TOTAL GENERAL OPERATIONS REVENUE	261,250	133,758	51%
EXPENSES			
Executive Director	44,795	-	0%
Staff Salaries	137,678	73,765	54%
Staff Health/Welfare Benefits	7,600	4,433	58%
Staff Payroll Taxes/Insurance	14,546	7,967	55%
Sub Total Staff Salaries & Benefits	204,619	86,165	42%
Public Relations	500		0%
Operational Supplies	5,000	1,541	31%
Printing	5,000	3,096	62%
Food Supplies	5,000	971	19%
Consultants, Service Contracts	4,200	1,425	34%
Conference Expense	1,800	2,266	126%
Business Travel Expense	750		0%
Dues and Memberships	1,750	-	0%
Licenses, Permits, Filing Fees	225	-	0%
Telephone	700	383	55%
Maintenance Agreements	9,000	409	5%
Equipment Leases & Agreements	500	455	91%
Postage and Courier Services	3,250	353	11%
Advertising	1,500	-	0%
Bank Service Charges & Brokerage Fees	3,850	3,028	79%
Equipment & Computer Software	1,000	-	0%
Scholarship Funding			
Annual Scholarship Banquet	4,500	-	0%
TOTAL Sub Total Operating Expenses	48,525	13,927	29%
TOTAL GENERAL OPERATING EXPENSES	253,144	100,092	
Net Revenue/Expense	8,106	33,666	
Beginning Fund Balance, July 1, 2015	310,150	310,150	
CURRENT FUND BALANCE	318,256	343,816	

To: Board of Directors	INFORMATION
From: Dr. Kevin G. Walthers Superintendent/President	April 28, 2016
Subject: Advancement Specialist	

BACKGROUND

In fall 2014, Allan Hancock College was awarded a 5-year Hispanic Serving Institutions grant (Title V) from the U.S. Department of Education. The grant focuses on two major activities, one of which is to implement structural changes to coordinate, align, and integrate the college's multiple resource development components. This "capacity development" grant provides an opportunity to restructure units into a coordinated College Advancement program and to add an Advancement Specialist to assist with development activities. This position will be incrementally institutionalized with district funds over the remaining four years of the grant's project period. Beginning in 2019, this position will be institutionalized as a foundation position. It is anticipated that the return on investment will outweigh the cost of the position.

FISCAL IMPACT

There will be no fiscal impact to the foundation as the position will be an expense of the district after becoming institutionalized as a foundation position beginning in 2019.

To: Board of Directors	INFORMATION
From: Valerie Moya Foundation Board President	April 28, 2016
Subject: Committees and Assignments for 2016	

BACKGROUND

Committee assignments are confirmed for this year, and included is the current mission for each committee. However, the Executive Committee at its June meeting will be reviewing the number of standing and ad hoc committees, the goals of each committee, and the frequency of how often each meets. We will be asking the board for input on that process.

EXECUTIVE

President	<u>Valerie Moya</u>
V.P.	Bob Lotwala
Treasurer	Guy Walker
Secretary	Georgia Schrager

Past-Pres
at large Terry Dworaczyk, Ed.D.
at large Ken Ostini
at large Bob Manning
College Rep. Kevin Walthers
Trustee Rep. Greg Pensa

Staff: Susan, Annie

SCHOLARSHIP

Bob Manning
Doris Lahr
Georgia Schrager
Peggy Hesse
Mike Carroll
Mario Juarez
Staff: Toni

PRESIDENT'S CIRCLE *Chair Pending*

Jim Bray
George Johnson
John Everett
Sam Orozco
Jim Fields
Georgia Schrager
Staff: Susan

EVENTS

BoD Annual Party
Staff: All Staff

FINANCE

Guy Walker
Bob Lotwala
Peggy Hesse
George Johnson
Michael Black
Lee-Volker Cox
Staff: Susan, Marlyn

NOMINATIONS

Ken Ostini
Mary K. Nanning
Brenda Farias, *Associate Director*
Henry Grennan
Rob Klug
Staff: Susan, Annie

PLANNED GIVING

Guy Walker
Bruce Coggin
Dr. Roger Welt
Doris Lahr
Staff: Susan

Directors Pending

Tom Lopez
Susan Moats

Foundation Committees

The foundation has two types of committees: Standing Committees, which are defined in the bylaws of the corporation and subject to public meeting law (Brown Act), and Ad Hoc, which are formed to meet the needs of the foundation and support its mission statement. Generally, committees meet monthly and report quarterly to the Executive Committee. Below is a list of all committees along with a "job description" for each. The bylaws state that at least three regular board members must attend a committee meeting, and each committee shall have a chair.

Standing:

1. Executive

The Executive Committee has the authority of the board of directors for the day-to-day management of the corporation as prescribed by the bylaws or as directed by the board of directors. The committee includes the elected officers of the corporation, a trustee appointee, the Superintendent/President, and two at-large members of the board of directors. The committee meets monthly or as necessary.

2. Finance

The Investment Committee makes recommendations to the Executive Committee about the Foundation's financial activities including investments, allocations of earnings, budgets, and fiscal policy. The committee monitors the foundation's financial activities, policies, and procedures and reports to each regular board meeting the income, expenses and investments of the corporation. The committee is chaired by the elected treasurer of the corporation. Membership includes the college's Associate Superintendent/Vice President, Finance and Administration, and other voluntary members from the board and/or community.

3. Nominating

The Nominating Committee seeks out, screens, and proposes new directors and officers to be nominated for election to the board. Generally at the final board meeting of the calendar year, the committee recommends the slate of officers for board consideration. In addition, the committee recommends the re-nomination of current board members at any regularly scheduled meeting of the Foundation's board of directors.

4. Scholarship

The Scholarship Committee oversees and advises the board on the foundation's annual scholarship program including appeals, waiver requests, the annual banquet, and the web-based application procedures.

Ad Hoc – (Originally based on the AHC 2009-2013 Strategic Plan, several committees have undergone changes to both title and job description based on the needs of the foundation.)

1. The President's Circle

The President's Circle Committee sets the goal and plans the annual campaign for the President's Circle. It sets the fundraising goal, writes and monitors the annual cultivation plan, sets the campaign time frame, conducts donor searches, schedules direct mail contact pieces and appeals and year-end mail appeals, schedules fundraising events, alumni outreach, and funding for special projects.

2. Major Gifts

The Major Gifts Committee identifies memorial naming opportunities for current and future college facilities and updates naming opportunity brochures.

3. Planned Giving

The Planned Giving Committee develops a marketing plan for deferred gifts and oversees the acquisition of planned gifts, including appreciated real estate and insurance gifts. The committee also organizes and publicizes one annual planned giving workshop for donor prospects and professional advisors.

To: Board of Directors	ACTION
From: Ken Ostini, Chair of Nominating Committee Toni McCracken, Scholarship Program Coordinator	April 28, 2016
Subject: Standing Committee Reports: Nominations and Scholarship	

BACKGROUND

A report to the Board of Directors on any actions or business conducted on behalf of the corporation.

9.A. Nominations**Action Item**

- 9.A.1. Director Resignation – Jay Cerny

Information Item

- 9.A.2. Executive Committee *Member-at-Large* position, Bob Manning

9.B. Scholarship

- A report to the board on the scholarship program for 2016.

FISCAL IMPACT

None

RECOMMENDATION – Action Item 9.A.1.

Upon review and approval, a motion is needed to accept, with regrets, the resignation of Director Jay Cerny.

To: Board of Directors	INFORMATION
From: Valerie Moya Foundation Board President	April 28, 2016
Subject: Ad Hoc Committee Report: President's Circle	

BACKGROUND

A report to the Board of Directors on any actions or business conducted on behalf of the corporation.

10.A. President's Circle