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Finance Committee Meeting

Wednesday, October 16, 2019 ❖ 1:00 – 3:00 PM

Allan Hancock College – Building B, Captain’s Room
800 South College Drive, Santa Maria, CA 93454

Teleconference:
4327 Meridian Ave. N, Seattle, WA

AGENDA

	Page	Tentative Time
1. Call to Order		1:00
2. Roll Call		
3. Public Comment		
<i>This section of the agenda is intended for members of the public to address the Finance 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 October 16, 2019 (ACTION)		1:03
5. Approval of Minutes (ACTION)		
5.A. Minutes of July 10, 2019	1 - 3	1:08
6. Review and Approval of Financial Statements (ACTION)		1:30
6.A. Check Registers – 5/31/2019 – 6/30/2019	4 - 11	
6.B. Contributions Report – 7/1/2018 – 6/30/2019	12	
6.C. Statement of Operations – 6/30/2019	13	
6.D. Statement of Financial Position – 6/30/2019	14	
6.E. General Operations Budget – 6/30/2019	15	
6.F. Financial Overview General Operations – 6/30/2019	16	
6.G. Financial Overview Foundation – 6/30/2019	17	
6.H. Financial Overview Investments – 6/30/2019	18	
7. Endowment Challenge Title III Grant & Review of Endowments (ACTION)	19 – 20	1:50
8. Sustainability Plan Update (INFORMATION)	21	2:05
9. Discussion of Return by Investment Advisors (INFORMATION)	22	2:20
10. Discussion of the Need for Multiple Investment Advisors (INFORMATION)	23	2:40

800 South College Drive, P.O. Box 5170, Santa Maria, CA 93456-5170 | www.ahcfoundation.org
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The mission of the Allan Hancock College Foundation is to operate for the advancement of education by raising funds and building community support to meet the needs of the college in the areas of scholarships, capital/infrastructure projects and program support.



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- | | | |
|---|----|------|
| 11. Discussion of Continuing Investment Advisors Annual Review (INFORMATION) | 24 | 2:45 |
| 12. Other Business | | 3:00 |
| 13. Next Meeting – Wednesday, January 8, 2020, 1:00 – 3:00 PM, Building B, Captain's Room | | |
| 14. Adjournment of Finance Committee Meeting (ACTION) | | |

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.

A handwritten signature in cursive script that reads "Jon Hooten".

Jon Hooten, Executive Director *m*
Allan Hancock College – College Advancement

Finance Committee Members:

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

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**ALLAN HANCOCK COLLEGE FOUNDATION
FINANCE COMMITTEE MEETING
Minutes of July 10, 2019**

A regular meeting of the Finance Committee was held on Wednesday, July 10, 2019, at 1:00 PM at Allan Hancock College, 800 South College Drive, Bldg. B – Captain’s Room, Santa Maria, California.

Call to Order

The meeting was called to order at 1:00 PM by Committee Chair Glenn Owen.

Roll Call

Finance Committee members present: J. Fields, J. Frost, P. Hesse G. Owen, E. Smith

Finance Committee members absent: L. V. Cox

College Staff present: J. Hooten, K. Seyfert

Foundation Staff present: M. Cox

Public Comment

There were no requests from the public to address this meeting.

Approval of Agenda

Chair Owen asked the committee to review the agenda for today’s meeting and called for a motion to approve the agenda.

MOTION: On a motion by Director Smith, seconded by Director Frost, the agenda was approved as submitted.

Chair Owen welcomed and introduced Director Jim Fields to the Finance Committee as a new committee member.

Approval of Minutes

Minutes of January 16, 2019

Chair Owen asked the committee to review the minutes of January 16, 2019, and called for a motion to approve.

MOTION: On a motion by Director Frost, seconded by Director Hesse, the minutes of January 9, 2019 were approved. Director Fields abstained.

Minutes of April 10, 2019

Chair Owen asked the committee to review the minutes of April 10, 2019, and called for a motion to approve.

MOTION: On a motion by Director Smith, seconded by Director Frost, the minutes of April 10, 2019 were approved. Director Fields abstained.

Review and Approval of Financial Statements

Chair Owen presented the following financial statements to the committee:

Check Registers – 3/31/2019, 4/30/2019

Contributions Report – For the period of 7/31/2018 through 4/30/2019, the total contributions were \$1,362,597. The committee requested staff provide details for the \$123,600 endowment gifts during the month of April 2019.

Banner Finance Statement of Operations: For the period ending 4/30/2019, the fund balance for the period was \$27,264,020.

Banner Finance Statement of Financial Position: For the period ending 4/30/2019, the total liabilities and fund balance were \$27,269,942.

Banner Finance Foundation General Operations: The budget dated 4/30/2019, the revenue for the fiscal year as \$328,768; the expenses as \$292,114; the ending fund balance as \$36,654. Noted was the Revenue Account 898200 – *Intrafund Transfer-In* with a year to date total of \$164,180 which is made up of the Administration Fee from endowments @ 1.5%, amount \$72,706; President's Circle Campaign @ 15%, amount \$4,122; Young Endowment Proceeds, amount \$87,190; and Hancock Promise @ 1.5%, amount \$162.

Financial Overview: The Financial Overview budget dated 4/30/2019, reported total contributions and support as \$1,362,597; total expenditures as \$1,398,818; and total liabilities and net assets balance as \$27,269,942. Director Smith requested the AHC Financial Overview – District be changed to AHC Financial Overview – Foundation. For the board, staff requested to provide detail explanation of over budget items.

Financial Overview – Cash & Investments: The statement of financial position as of 4/30/2019 has a cash balance of \$1,250,388, investment balance of \$25,161,901, total assets are \$27,269,942.

MOTION: On a motion by Director Smith, seconded by Director Frost, the Finance Committee approved the financial statements as submitted. Director Fields abstained.

Review and Approval Investment Policy (ACTION)

The purpose of the Foundation's Investment Policy Statement is to provide guidance to all related parties as to how the funds of the Foundation shall be managed.

At the Finance Committee meeting held on April 10, 2019, the committee requested staff request a further explanation the recommendations from Mr. Louis Piscane, Northern Trust and Mr. Todd McGinley, Rabobank Wealth Management.

Mr. Piscane recommended changing the Investment Policy Statement using an optimal asset allocation based on a capitalization global market close to 50% US stocks – 50% international. The result would be the same expected return with lower expected risk by having a larger allocation to international stock and smaller allocation to US.

Mr. Todd McGinley recommended allowing high yield funds—not individual bonds. Individual bonds require extensive research and broad diversification. Another advantage is high yield bonds pay a higher rate of interest because they are lower-rated. Mr. McGinley's responsibility is to evaluate favorable high-yield bonds.

The committee recommended changing page 29 of the Investment Policy Statement, Asset Class International Equities target from a minimum 5% - maximum 15% to minimum 15% to 50% maximum.

MOTION: On a motion by Director Frost, seconded by Director Smith, the Finance Committee approved a change to the Foundation's Investment Policy Statement, page 29, Asset Class International Equities target investment range from minimum 5% - maximum 15% to minimum 15% to 50% maximum. Director Fields abstained.

Other Business (INFORMATION)

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. Specifically, the committee requested the report reflect how long the Young and Hansen quasi-endowments can support the operations of the Foundation. Staff provided the committee with the Foundation's General Operations Sustainability Plan beginning with fiscal year's 2018-2019 through 2025-2026. The report includes an approved 2019-20 budget of \$386,420 and incremental increases of 5% each fiscal year through 2025-2026. The projected increase to the Northern Trust – Young Endowment and Morgan Stanley – Hansen Memorial endowment investments is 5% each fiscal year. Based on the drawdowns to meet the operation's revenue need, the Northern Trust – Young Endowment would end during fiscal year 2024-2025; the Hansen Memorial Endowment would end fiscal year 2021-2022.

Director Smith reported the construction of Fine Arts Complex will begin in late Spring 2020. The construction duration will be approximately 24 months. Funding for the project will be from Bond Measure I and matched with state funding. The Patricia Boyd fund will be considered as last-in funding. At this time, Director Smith recommends alerting Northern Trust's and Rabobank Wealth Management's advisors when the funds will be needed and change the investment from long term to a shorter term investment. The committee recommended Director Smith contact the investment advisors with the new time horizon.

Mr. Hooten reported the Hancock Promise committee has updated the strategy of the campaign for 2019-2020. In celebration of the Hancock's centennial, a Centennial Circle campaign has been implemented where 100 people will be asked to donate \$10,000 each with a \$1,000,000 goal. The start of the centennial will begin in August 2020 and will conclude with a Spring 2021 gala celebration. Mr. Mike Gibson and Dr. Kevin Walthers, will support and assist with the campaign.

Mr. Hooten provided an update on the status of the U.S. Department of Education Challenge Title III 20-year grant. The last financial report has been submitted in September 2018 to the U.S. Department of Education. Staff has been in communication with grant manager in Washington, DC. The last communication was a request that all investment statements be provided since the inception of the grant. Director Frost requested that Director Smith become involved by contacting the grant manager or reaching out to other California community colleges that was also awarded the grant for advice and input on how to be released from the grant.

Next Finance Committee Meeting

The next scheduled meeting of the Finance Committee is Wednesday, October 9, 2019, at 1:00 PM, in the Captain's Room located in Building B at the Allan Hancock College Campus in Santa Maria.

Adjournment

With no further business to bring before the Finance Committee, the meeting was adjourned at 2:59 PM.

MOTION: On a motion by Director Frost, seconded by Director Hesse, the meeting was adjourned at 2:59 PM.

To: Finance Committee	ACTION
From: Glenn Owen, Chair Finance Committee	October 16, 2019
Subject: Review and Approval of Financial Statements	

BACKGROUND

A review of the Allan Hancock College Foundation financial statements.

6.A. Check Registers	5/1/2019 – 6/30/2019	Page 5 -11
6.B. Contributions Report	7/1/2018 – 6/30/2019	Page 12
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RECOMMENDATION

The Finance Committee recommends approval of the financial statements as submitted. If approved, the financial statements will be forwarded to the Executive Committee and full board for review and approval at the annual organizational meeting scheduled on October 24, 2019.

**Allan Hancock College
Check Register
Check Dates from 5/1/2019 to 5/31/2019
Bank Code: FN**

Vendor Name	Description	Amount	Check
AHC Campus Graphics	AHC Fdtn Board Books	\$72.48	
	FY19 Scholarship Donor Printed Invitations	\$38.72	
	FY19 Scholarship Stdtd Awardee Invitations	\$74.98	
	FY19 AHC Fdtn Comm News	\$2.22	
		\$188.40	FN 83000468
Ferrabie Aiello	RMB Travel Mileage 04/18-26/19	\$129.40	
		\$129.40	FN 83000469
Benedetti & Associates, CPA, Inc.	Filing 461 Fees	\$22.80	
		\$22.80	FN 83000470
Big Red Marketing	Schl Banquet Event Planning 052319 April	\$2,000.00	
		\$2,000.00	FN 83000471
Council For Advancement & Support Of Education	Reg Fee Donor Relations Conf June2019 JH JA	\$1,000.00	
		\$1,000.00	FN 83000472
Office Depot	AHC Fdtn Fd Sppls Waters	\$23.97	
	Finance Charges 042319	\$4.87	
	\$28.84	FN 83000473	
Panera Bread	Fd Sppls Student Success Summit 042619	\$1,059.00	
	Fd Sppls Upgrade fees & Sodas	\$267.49	
	\$1,326.49	FN 83000474	
Santa Maria Police Council	Sponsor Golf Tournament Dinner JA 061019	\$100.00	
		\$100.00	FN 83000475
Santa Maria Valley Chamber of Commerce	Bus. & Ed. Partnerships Luncheon JH JA 050819	\$50.00	
		\$50.00	FN 83000476
Testa Catering	Fd Sppls Student Success Summit 042619	\$1,007.84	
		\$1,007.84	FN 83000477
AHC District	Fdtn Scholarships March 2019	\$550.00	
		\$550.00	FN 83000478
David Alm	Pianist AHC Chorus Concert 050919	\$500.00	
		\$500.00	FN 83000479
David Becker	Videographer Chorus Concert 050919	\$800.00	
		\$800.00	FN 83000480
Blue Flower Arts, LLC	Natl Poetry Month speaker J F Herrera 041219	\$5,000.00	
		\$5,000.00	FN 83000481
Bright Event Rentals LLC	Deposit Rentals Scholarship Banquet 052119	\$2,138.81	
		\$2,138.81	FN 83000482
Cambridge Center For Behavioral Studies	Prof Develop Autism Conference 042619	\$2,025.00	
		\$2,025.00	FN 83000483

**Allan Hancock College
Check Register
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Bank Code: FN**

Vendor Name	Description	Amount	Check
Council For Advancement & Support Of Education	Donor Relations Conference	\$1,000.00	
		\$1,000.00	FN 83000484
Kathleen Johnson	RMB Sppls Staff Mtg 050119	\$45.83	
		\$45.83	FN 83000485
Orcutt Bakery	Fd Sppls Retirement & Recognition Event 051619	\$299.00	
		\$299.00	FN 83000486
Diana Perez	RMB Sppls Plaques	\$174.00	
		\$174.00	FN 83000487
Santa Maria Valley Chamber of Commerce	Fdtns Partnerships Honorees Rabobank 050819	\$50.00	
		\$50.00	FN 83000488
AHC District	RMB Sppls Chancellor's Visit 110718	\$81.17	
	RMB Sppls Holiday Celebration 120618	\$36.71	
	RMB Sppls Admin Retreat 121918	\$5.98	
	RMB Sppls Admin Retreat 121918	\$31.56	
	RMB Fd Sppls Thanksgiving Stdt Athletes 112918	\$174.25	
	RMB Fd Sppls Open Hour Social 112118	\$52.97	
	RMB Sppls Chancellor's Visit 110718	\$9.49	
	RMB Sppls Chancellor's Visit 110718	\$19.40	
	RMB Sppls Pres' Roundtable 103118	\$29.78	
	RMB Sppls Chancellor's Visit 110718	\$43.96	
		\$485.27	FN 83000489
Bright Event Rentals LLC	Rentals Scholarship Banquet 052219	\$2,938.56	
		\$2,938.56	FN 83000490
PCPA	President Circle Encore Event Reception 050819	\$1,153.60	
		\$1,153.60	FN 83000491
Santa Barbara Foundation	HP End Investment C Anders Mar 14	\$98.50	
	HP End Investment Manning Mar 14	\$98.50	
	HP End Investment G Owen Transfer	\$200.00	
	HP End Investment Miyahara Mar 18	\$49.25	
	HP End Investment MMoreton Mar 18	\$24.63	
	HP End Investment A Hancock Mar 21	\$98.50	
	HP End Investment JE Frost 122819	\$1,200.00	
	HP End Investment G Owen Apr 1	\$98.50	
	HP End Investment MMoreton Apr 1	\$24.63	
	HP End Investment E Murray Apr 9	\$465.66	
	HP End Investment R Mahon Apr 9	\$49.25	
	HP End Investment L Miyahara Apr 9	\$49.25	
	HP End Investment J Aiello Apr 15	\$98.50	
	HP End Investment M Moreton Apr 15	\$24.63	
	HP End Investment C Anders Apr 14	\$98.50	
	HP End Investment B Manning Apr 14	\$98.50	
	HP End Investment M Moreton Apr 30	\$24.63	
	HP End Investment G Owen Apr 30	\$98.50	
	HP End Investment R Klug May 1	\$17.73	
	HP End Investment Lompoç Rotary Club May 1	\$985.00	

**Allan Hancock College
Check Register
Check Dates from 5/1/2019 to 5/31/2019
Bank Code: FN**

Vendor Name	Description	Amount	Check
Santa Barbara Foundation	HP End Investment R Mahon May 9	\$49.25	
	HP End Investment L McNulty May 9	\$98.50	
	HP End Investment L Miyahara May 9	\$49.25	
	HP End Investment Melfred Borzall May 14	\$2,364.00	
	HP End Investment C Anders May 14	\$98.50	
	HP End Investment B Manning May 14	\$98.50	
	HP End Investment M Lau May 17	\$49.25	
	HP End Investment J Dale May 17	\$197.00	
	HP End Investment J Aiello May 17	\$98.50	
	HP End Investment M Moreton May 17	\$24.63	
		<u>\$7,030.04</u>	FN 83000492
Testa Catering	Fd Sppls AIM Ceremony 2019 043019	\$696.55	
	Fd Sppls AIM Ceremony 2019 Operation fee	\$69.65	
		<u>\$766.20</u>	FN 83000493
Testa's Campus Cuisine	Fd Sppls Community Ambassador Meeting 110618	\$98.01	
		\$98.01	FN 83000494
The Westin	CASE Conference Ldg 06/03-05/19 J Aiello	\$562.71	
	CASE Conference Ldg 06/03-05/19 J Hooten	\$562.71	
		<u>\$1,125.42</u>	FN 83000495
AHC District	RMB Dist Sppls Staff Apprec	\$500.00	
	RMB Dist Sppls PCPA Stdtd Recognition	\$200.00	
	RMB Dist Fd Sppls Custodians All Staff Day 011819	\$75.02	
	RMB Dist Sppls Custodians All Staff Day 011819	\$180.23	
	RMB Dist Fd Sppls Admin Retreat 121918	\$136.80	
	RMB Dist Fd Sppls Cabinet Mtg 121818	\$200.00	
	RMB Dist Fd Sppls SH & TMcC Rtrmnt 121218	\$235.92	
	RMB Dist Fd Sppls LVC Holiday Celebration 120518	\$80.00	
	RMB Dist Fd Sppls Bus Mtg 120418 KW BC RM	\$179.00	
	RMB Dist Trvl SHoughton 02/02-06/19	\$1,319.20	
	RMB Dist Sppls PCPA Tkts 121918	\$92.00	
	RMB Dist Sppls PCPA Tkts 121918	\$322.00	
			<u>\$3,520.17</u>
Ferrabie Aiello	Trvl & Per Diem CASE Conf 06/02-06/19	\$215.74	
		\$215.74	FN 83000497
Friends of the Santa Maria Public Library	2019 Basket Auction Proceeds	\$332.00	
		\$332.00	FN 83000498
Jon Hooten	Trvl & Per Diems CASE Conf 06/02-06/19	\$645.60	
		\$645.60	FN 83000499
Horseshoe Southern Indiana	Ldg SkillsUSA Natl Conf 06/24-28/19	\$1,181.04	
		\$1,181.04	FN 83000500
Jay Cee Trophy	AHC Film Video Filmfest Awards	\$231.34	
		\$231.34	FN 83000501

Allan Hancock College
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 Bank Code: FN

Vendor Name	Description	Amount	Check
Ann Lucas	Fd Sppls Year End AHC Chorus Reception 051419	\$142.36	
	Sppls Year End AHC Chorus Reception 051419	\$38.77	
		<u>\$181.13</u>	FN 83000502
Skills Usa California	SkillsUSA Conf Fee 06/24-28/19 TLamica & ISerrano	\$550.00	
		<u>\$550.00</u>	FN 83000503
Testa Catering	Fd Sppls Retirement & Recognition Event 051619	\$2,508.86	
		<u>\$2,508.86</u>	FN 83000504
West Covina Wholesale Nursery LLC	Sppls Schol Banquet and Grad Stage Plants	\$1,384.33	
		<u>\$1,384.33</u>	FN 83000505
		<u>Total: \$42,783.72</u>	

Allan Hancock College
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Vendor Name	Description	Amount	Check
AHC District	Fdtn Scholarships April 2019	\$5,364.76	
		<u>\$5,364.76</u>	FN 83000506
Big Red Marketing	Schl Banquet Event 052319 May Retainer	\$2,000.00	
		<u>\$2,000.00</u>	FN 83000507
Cardmember Service	Sppls FNS 050319	\$18.82	
	Sppls Fdtn Office Sppls	\$32.61	
	Hancock Film Collection Release Producers Film Ctr	\$829.50	
	Hancock Film Collection Storage Fees	\$190.39	
	Conf Reg Blackbaud AcademicWorks NR 10/15-17/19	\$950.00	
	Constant Contact Monthly Fees	\$76.71	
	Sppls Lipper International Book	\$25.07	
	Postage USPS Maddux mailing	\$7.35	
	Fd Sppls Cmmnty Ambassador 051019	\$166.38	
	Fd Sppls Fdtn Office Waters	\$6.19	
	Fd Sppls Cmmnty Ambassadors 051019	\$2.99	
	Fd Sppls Institutional Grants Mtg 050919	\$37.54	
	Sppls DriPrinting Svcs alumni bumper stickers	\$232.69	
	Fd Sppls Fdtn Staff Mtg 051319	\$44.29	
	Fd Sppls Fdtn Office	\$17.06	
		<u>\$2,637.59</u>	FN 83000508
Jill Cralley	RMB Sppls Med Asst Prog Cert 052119	\$138.25	
		<u>\$138.25</u>	FN 83000509
Grand Performance Music	Pro Sound Equipmnt Schl Banquet	\$850.00	
		<u>\$850.00</u>	FN 83000510
Thomas Lamica	RMB Airfare SkillsUSA 06/24-28/19 TL & ISV	\$1,047.98	
		<u>\$1,047.98</u>	FN 83000511
Santa Ynez Valley Foundation	SY Valley Rotary Sponsorship HP Ad	\$520.00	
	Hancock Promise Advertisement	\$580.00	
		<u>\$1,100.00</u>	FN 83000512
Mission Uniform Service	Scholarship banquet linen rental	\$414.00	
		<u>\$414.00</u>	FN 83000513
Office Depot	Sppls Fdtn Office	\$32.60	
	Sppls Fdtn Office	\$69.25	
	Sppls Fdtn Office Waters	\$38.94	
	Sppls Fdtn Office	\$107.98	
	Sppls Fdtn Office	\$761.24	
		<u>\$1,010.01</u>	FN 83000514
Santa Maria Breakfast Rotary Club	Monthly Dues & Fees KW Apr-May 2019	\$305.20	
		<u>\$305.20</u>	FN 83000515
AHC Campus Graphics	FY19 Schol Save the Date EVite Design Only	\$42.41	
	FY19 Schol Program Booklet	\$1,331.40	
	FY19 Schol Donor EVite Design Only	\$63.00	
	Fdtn Office Community Ambssdr Brochure	\$15.60	
	Fdtn Office Letterhead	\$24.40	

**Allan Hancock College
Check Register
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Vendor Name	Description	Amount	Check
AHC Campus Graphics	Fdtn Board Member Name Tag	\$5.00	
	Fdtn Office Name Tag MM	\$5.00	
	Fdtn SYV Rotary Ad Design Only	\$126.00	
	Fdtn Promise Mounted Postes	\$41.00	
	Fdtn Office Name Tag NR	\$5.00	
		\$1,658.81	FN 83000516
Benevolent & Protective Order Of The Elks #1538	Fd Sppls Scholarship Banquet 052319	\$10,085.47	
		\$10,085.47	FN 83000517
Blackbaud Inc	Raisers Edge Advanced Wealth Analytics	\$5,880.00	
	Deceased and Address Accelerator RE NXT	\$1,200.00	
	RE NXT Learn Everything 053019-052920	\$1,497.60	
	RE NXT Pro PAE offer 053019-052920	\$12,451.26	
	Project Management 30 FPE	\$2,100.00	
	RE7 NXT Implementation Add On FPE	\$210.00	
		\$23,338.86	FN 83000518
Crossroads Self Storage, LLC	Hancock Film Collection Storage May 2019	\$125.39	
		\$125.39	FN 83000519
Thomas Lamica	SkillsUSA Per Diem & Travel TL IVS 06/23-28/19	\$1,224.89	
		\$1,224.89	FN 83000520
Santa Barbara Foundation	HP End Investment Solvang Rotary Club 052919	\$985.00	
	HP End Investment Glenn Owen 053019	\$98.50	
	HP End Investment Rabobank NA 061119	\$197,000.00	
	HP End Investment M Moreton 053119	\$24.63	
	HP End Investment R Mahon 062319	\$49.25	
	HP End Investment LeeAnn McNulty 061219	\$98.50	
	HP End Investment L Miyahara 061219	\$49.25	
		\$198,305.13	FN 83000521
Testa Catering	Fd Sppls Faculty Commencement Luncheon 052419	\$559.25	
		\$559.25	FN 83000522
AHC Campus Graphics	Scho Banquet 2019 Table Numbers	\$23.90	
	Schol Banquet 2019 Student Evite Design Only	\$63.00	
	Schol Banquet 2019 Donor Envelopes	\$73.01	
	Schol Banquet Student Envelopes	\$129.60	
	Schol Banquet Certificate Template	\$52.54	
	Schol Banquet Name Tags	\$8.13	
	Schol Banquet Stdnt & Guest Name Tags	\$15.72	
	Schol Banquet Table Ticket, Numbers, Info	\$34.93	
	Scholar Banquet Photo Frames	\$32.60	
	Schol Banquet Food Signs	\$60.20	
	Schol Banquet Bumper Stickers	\$385.00	
	Schol Banquet 2019 Program Booklet	\$285.30	
			\$1,163.93
AHC District	RMB Sppls Marian Medical Event 111418	\$1,145.49	
	RMB Sppls Pres' Leadership Academy	\$500.00	

**Allan Hancock College
Check Register
Check Dates from 6/1/2019 to 6/30/2019
Bank Code: FN**

Vendor Name	Description	Amount	Check
		\$1,645.49	FN 83000524
AHC Foundation	Deposit to Active Assets 062519	\$350,000.00	
		\$350,000.00	FN 83000525
American Business Machines	Fdtn Office Canon Copies 04/01-06/30/19	\$27.93	
		\$27.93	FN 83000526
Big Red Marketing	Schol Banquet Event Planning June Retainer	\$2,000.00	
	Schol Banquet Billable Expenses	\$372.73	
		\$2,372.73	FN 83000527
Marguerite Moreton	RMB Fd Sppls Mtg w/ GWalker 061719	\$39.91	
	RMB Mlg 11/16/18 - 05/17/19	\$112.58	
		\$152.49	FN 83000528
PCPA	Perlman Playwright Endmnt Proceeds	\$3,500.00	
	Madson PCPA Endmnt Proceeds	\$3,200.00	
		\$6,700.00	FN 83000529
PCPA Foundation	W Conrad PCPA Endowment Proceeds	\$700.00	
	PCPA Sch Fd Nonfed T3 and T3 Endmnt Proceeds	\$2,200.00	
	Sesto-Severo Nonfed T3 and T3 Endmnt Proceeds	\$500.00	
		\$3,400.00	FN 83000530
Natalie Rucobo	RMB Mlg 11/08/18 - 06/09/19	\$149.40	
		\$149.40	FN 83000531
		Total: \$615,777.56	

**Allan Hancock College Foundation
Contributions
July 1, 2018 through June 30, 2019**

Account	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Total
General Operations	\$ 6,228	\$ 20	\$ 7,927	\$ 6,692	\$ 785	\$ 15,178	\$ 6,238	\$ 140	\$ 1,640	\$ 19,322	\$ 135	\$ 320	\$ 64,624
Non Cash Contribution												\$ 2,580	\$ 2,580
Other Local Income	\$ 75	\$ -	\$ 325	\$ 25	\$ 3,863	\$ 129	\$ 46		\$ 1,000	\$ 2,252	\$ 9,255		\$ 16,970
District Grant Contributions	\$ 5,651	\$ 7,927	\$ -	\$ 3,234	\$ 12,375	\$ 9,309	\$ 5,676	\$ 5,596	\$ 5,549	\$ 5,548	\$ 5,549	\$ 5,549	\$ 71,963
President's Circle	\$ 5,264	10,998	\$ 1,320	\$ 2,521	\$ 3,354	\$ 2,373	\$ 3,455	\$ 6,362	\$ 2,925	\$ 4,434	\$ 3,112	\$ 3,372	\$ 49,491
Restricted	\$ 6,566	\$ 15,081	\$ 3,283	\$ 55,736	\$ 10,720	\$ 53,384	\$ 13,041	\$ 33,173	\$ 11,816	\$ 8,865	\$ 61,497	\$ 3,750	\$ 276,912
Scholarships	\$ 48,085	\$ 28,308	\$ 9,250	\$ 25,273	\$ 5,863	\$ 45,146	\$ 41,083	\$ 39,711	\$ 41,029	\$ 48,931	\$ 76,189	\$ 20,666	\$ 429,533
Hancock Promise	\$ 16,000	\$ 3,700	\$ 125	\$ 19,275	\$ 19,200	\$ 192,744	\$ 8,225	\$ 53,762	\$ 21,759	\$ 80,023	\$ 4,015	\$ 5,275	\$ 424,104
Endowments	\$ -	\$ 3,000	\$ 3,979	\$ 100	\$ 5,050	\$ 31,986	\$ 2,000	\$ 13,345	\$ 55,458	\$ 123,600	\$ 60,000	\$ 11,321	\$ 309,839
MONTHLY TOTALS	\$ 87,869	\$ 69,033	\$ 26,208	\$ 112,857	\$ 61,210	\$ 350,249	\$ 79,764	\$ 152,089	\$ 141,176	\$ 247,975	\$ 359,580	\$ 58,005	
CURRENT YTD TOTALS	\$ 87,869	\$ 156,902	\$ 183,110	\$ 295,967	\$ 357,177	\$ 707,426	\$ 787,190	\$ 939,279	\$ 1,080,455	\$ 1,328,430	\$ 1,688,010	\$ 1,746,016	\$ 1,646,016

PRIOR YEARS CONTRIBUTIONS

July 17 - June 18	2,547,577
July 16 - June 17	1,167,156
July 15 - June 16	1,766,065
July 14 - June 15	1,354,736
July 12 - June 13	11,662,226
July 11 - June 12	774,867
July 10 - June 11	907,673
July 09 - June 10	941,725
July 08 - June 09	1,053,236
July 07 - June 08	1,070,668
July 06 - June 07	1,098,427
July 05 - June 06	1,125,361
July 04 - June 05	951,050

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 06/30/2019

	Cash Admin	General Operations	Restricted	Scholar- ships	Endowment Principal	Endowment Rev/Exp	Total
REVENUES:							
Contributions,Gifts,Grants&Endwmnts	0	64,624	750,507	429,533	309,839	0	1,554,503
Non Cash Contribution	0	0	2,580	0	0	0	2,580
District/Grant Contribution	0	71,963	0	0	0	0	71,963
Interest and Investment Income	0	24,623	154	0	0	777,031	801,808
Realized Gain/Loss on Invest	0	85,518	0	0	0	499,761	585,279
Unrealized Gain/Loss on Invest	0	(58,889)	0	0	0	15,091	(43,799)
Other Local Revenues	0	425	16,545	0	0	0	16,970
Total Revenues	0	188,264	769,786	429,533	309,839	1,291,883	2,989,304
EXPENSES:							
Non Bargaining Unit	0	254,896	0	0	0	0	254,896
Benefits	0	23,426	0	0	0	0	23,426
Public Relations/Recognitions	0	680	165	0	0	0	845
Office/Operational Supplies	0	5,917	40,187	0	0	0	46,104
Non Instr Printing	0	1,980	6,948	0	0	0	8,928
Contest Prizes	0	0	1,400	0	0	0	1,400
Food - Business Meetings/Events	0	5,590	57,640	0	0	0	63,230
Indep Contractor (Individuals)	0	500	8,808	0	0	0	9,308
Service Contracts (Businesses)	0	4,558	10,373	0	0	0	14,931
Travel - All Travel Costs	0	4,084	17,077	0	0	0	21,161
On-Site-Prof. Develop/Webinars	0	0	84	0	0	0	84
Foundation Community Activities	0	21,431	51,877	0	39,708	0	113,017
Dues & Memberships	0	0	2,621	0	0	0	2,621
Non-Tech Licenses,Permits,Fees	0	516	2,472	0	0	0	2,988
Software/Technology Licenses	0	0	23,339	0	0	0	23,339
Insurance	0	0	195	0	0	0	195
Telephone	0	491	0	0	0	0	491
Facility Rental	0	0	933	0	0	0	933
Equipment Rental	0	678	4,692	0	0	0	5,370
Fngprnt/Bckgrnd/Psy Tst/Poly	0	99	0	0	0	0	99
District/College Support	0	0	342,431	0	0	0	342,431
Postage/Express Services	0	1,799	1,018	0	0	0	2,817
Freight	0	0	15	0	0	0	15
Advertising	0	2,317	8,265	0	0	0	10,582
Bank Service Charges	0	893	499	0	0	0	1,392
Merchant Fees	0	0	22	0	0	0	22
Investment Brokerage Fees	0	13,684	0	0	0	182,737	196,422
PCPA Support	0	0	6,700	74,648	0	0	81,348
PCPA Foundation Support	0	0	3,400	0	0	0	3,400
Vit & Enology Foundation Support	0	0	26,576	10,000	0	0	36,576
Equipment	0	773	575	0	0	0	1,348
Student Assistance	0	0	6,200	0	0	0	6,200
Scholarships	0	0	46,453	490,470	0	0	536,923
Total Expenses	0	344,312	670,965	575,118	39,708	182,737	1,812,841
Net Income (Loss)	0	(156,048)	98,821	(145,585)	270,130	1,109,146	1,176,463
OTHER FINANCING SOURCES/OUTGO:							
Intrafund Transfer-In	0	205,797	478,849	158,730	465,507	66,754	1,375,637
Intrafund Transfers-Out	0	35,454	548,173	21,524	329,534	440,952	1,375,637
Net Transfers	0	170,342	(69,324)	137,206	135,973	(374,198)	0
Net Inc/Dec in Fund Bal	0	14,294	29,497	(8,379)	406,104	734,948	1,176,463
FUND BALANCE:							
Fund Equity, July 1	0	140,801	1,764,750	708,033	20,168,127	3,345,584	26,127,295
Current Balance	0	155,095	1,794,246	699,654	20,574,231	4,080,531	27,303,757

ALLAN HANCOCK COLLEGE FOUNDATION
STATEMENT OF FINANCIAL POSITION
FOR THE PERIOD ENDING 06/30/2019

	Cash Admin	General Operations	Restricted	Scholar- ships	Endowment Principal	Endowment Rev/Exp	Total
ASSETS:							
Claim on Cash	(9,629,975)	147,168	2,329,083	707,534	2,365,659	4,080,531	0
AHC Fdtn Rabo Checking	532,151	0	0	0	0	0	532,151
AHC Fdtn MS Active Assets MM	507,440	0	0	0	0	0	507,440
Cash on Hand	100	0	0	0	0	0	100
MS Select UMA Boyd 3740 Inv Cash	0	0	0	0	123,280	0	123,280
MS Select UMA Unrestr 2948 Inv Cash	17,322	0	0	0	0	0	17,322
Monarch With Strategies Pooled Cash	22,069	0	0	0	0	0	22,069
Monarch With Strategies Lahr Cash	0	0	0	0	927	0	927
Northern Trust Boyd Cash	0	0	0	0	174,990	0	174,990
Northern Trust Young Cash	0	0	0	0	31,696	0	31,696
Rabobank With Mgmt Boyd Cash	0	0	0	0	171,723	0	171,723
MS Select UMA Pooled 1441 Inv Cash	187,154	0	0	0	0	0	187,154
Accounts Receivable	0	28	2,710	0	0	0	2,738
Pledge Receivable - Current	0	0	0	0	833	0	833
Pledge Receivable - Non Current	0	0	25,000	0	629,267	0	654,267
Discount on Pledge Receivable	0	0	(728)	0	(18,352)	0	(19,081)
Accrued Interest Receivable	0	0	0	0	16,897	0	16,897
Due From Other Funds	0	11,097	2,026	0	0	0	13,123
Inventory	0	0	2,580	0	0	0	2,580
MS Select UMA Boyd 3740 Inv Cost	0	0	0	0	2,100,627	0	2,100,627
MS Select UMA Unrestr 2948 Inv Cost	454,577	0	0	0	0	0	454,577
Monarch With Strategies Pooled Cost	1,554,347	0	0	0	0	0	1,554,347
Monarch With Strategies Lahr Cost	0	0	0	0	63,201	0	63,201
Northern Trust Boyd Cost	0	0	0	0	6,625,357	0	6,625,357
Northern Trust Young Cost	0	0	0	0	1,184,741	0	1,184,741
Rabobank With Mgmt Boyd Cost	0	0	0	0	4,415,960	0	4,415,960
MS Select UMA Pooled 1441 Inv Cost	5,256,166	0	0	0	0	0	5,256,166
Interest in CA Comm Colleges Cost	0	0	0	0	121,564	0	121,564
SB Fdtn Hancock Promise Cost	0	0	0	0	886,431	0	886,431
MS Select UMA Boyd 3740 Inv FMV Adj	0	0	0	0	142,661	0	142,661
MS Select UMA Unrestr 2948 FMV Adj	69,415	0	0	0	0	0	69,415
Monarch With Strtgs Pooled FMV Adj	143,607	0	0	0	0	0	143,607
Monarch With Strtgs Lahr FMV Adj	0	0	0	0	2,783	0	2,783
Northern Trust Boyd FMV Adj	0	0	0	0	866,253	0	866,253
Northern Trust Young FMV Adj	0	0	0	0	174,363	0	174,363
Rabobank With Mgmt Boyd FMV Adj	0	0	0	0	449,290	0	449,290
MS Select UMA Pooled 1441 FMV Adj	885,627	0	0	0	0	0	885,627
SB Fdtn Hancock Promise FMV Adj	0	0	0	0	44,081	0	44,081
Total Assets	0	158,294	2,360,670	707,534	20,574,231	4,080,531	27,881,260
LIABILITIES:							
Accounts Payable	0	3,172	566,424	7,880	0	0	577,476
Sales Tax Payable	0	27	0	0	0	0	27
Total Liabilities	0	3,199	566,424	7,880	0	0	577,503
FUND BALANCE:							
Fund Equity FYB	0	140,801	1,764,750	708,033	20,168,127	3,345,584	26,127,293
Current Income/Loss	0	14,294	29,497	(8,379)	406,104	734,948	1,176,463
Total Fund Balance	0	155,095	1,794,247	699,654	20,574,231	4,080,532	27,303,756
Total Liabilities & Fund Balance	0	158,294	2,360,671	707,534	20,574,231	4,080,532	27,881,259

Allan Hancock College Foundation
General Operations Budget
FY19, As of Date 6/30/2019

3 Allan Hancock College Fdtn. Chart of Accounts
831001 and 831002 Fdtn General Operations Fund

Account Title	Adjusted Budget	Year to Date	Available Balance	FY 2019-20 Budget
Non Bargaining Unit	\$ 254,923	\$ 254,896	27 \$	249,993
Classified Non Instr FICA-Soc Scrt	\$ 15,843	\$ 15,804	39 \$	15,500
Classified Non-Instr FICA-Medicare	\$ 3,719	\$ 3,696	23 \$	2,809
Classified Non Instr Health & Wlfr	\$ 1,200	\$ 676	524 \$	1,200
Classified Non-Instr SUI	\$ 980	\$ 978	2 \$	672
Classified ETT-Foundation	\$ 43	\$ 42	1 \$	28
Classified Non Instr Workers Comp	\$ 2,875	\$ 2,230	645 \$	219
Public Relations/Recognitions	\$ 500	\$ 680	-180 \$	500
Office/Operational Supplies	\$ 6,000	\$ 5,917	83 \$	6,000
Non Instr Printing	\$ 7,500	\$ 1,980	5,520 \$	6,500
Contest Prizes	\$ -	\$ -	0 \$	-
Food - Business Meetings/Events	\$ 6,500	\$ 5,590	910 \$	6,000
Indep Contractor (Individuals)	\$ 1,025	\$ 500	525 \$	2,500
Service Contracts (Businesses)	\$ 4,650	\$ 4,558	92 \$	3,500
Travel - All Travel Costs	\$ 5,500	\$ 4,084	1,416 \$	6,000
On-Site-Prof. Develop/Webinars	\$ -	\$ -	0 \$	500
Foundation Community Activities	\$ 21,000	\$ 21,431	-431 \$	15,000
Dues & Memberships	\$ 2,500	\$ -	2,500 \$	2,500
Non-Tech Licenses,Permits,Fees	\$ 550	\$ 516	34 \$	550
Telephone	\$ 700	\$ 491	209 \$	-
Software Maintenance Agreement	\$ -	\$ -	0 \$	10,000
Equipment Rental	\$ 850	\$ 678	172 \$	850
Fngrprnt/Bckgrnd/Psy Tst/Poly	\$ 100	\$ 99	1 \$	100
Postage/Express Services	\$ 3,600	\$ 1,799	1,801 \$	2,500
Advertising	\$ 3,600	\$ 2,317	1,283 \$	4,000
Bank Service Charges	\$ 1,400	\$ 893	507 \$	1,500
Investment Brokerage Fees	\$ 13,000	\$ 13,684	-684 \$	13,000
Equipment	\$ 1,000	\$ 773	227 \$	1,000
*Intrafund Transfers-Out	\$ 33,500	\$ 35,454	-1,954 \$	33,500
			0	
Contributions,Gifts,Grants&Endwmnt	\$ 75,000	\$ 64,624	-10,376 \$	39,750
District/Grant Contribution	\$ 62,018	\$ 71,962	9,944 \$	65,611
Interest and Investment Income	\$ 25,000	\$ 24,623	-377 \$	25,000
Realized Gain/Loss on Investment	\$ 15,000	\$ 85,518	70,518 \$	-
Unrealized Gain/Loss on Invest	\$ -	\$ (58,889)	-58,889 \$	-
Other Local Revenues	\$ -	\$ 425	425 \$	425
*Intrafund Transfer-In	\$ 199,940	\$ 205,797	5,857 \$	255,634
	\$ 376,958	\$ 394,060	17,102 \$	386,420
	\$ 393,058	\$ 379,766	\$ 13,292	\$ 386,420
Report Total (of all records)	\$ (16,100)	\$ 14,294	\$ 2,850	(0)
*Intrafund FY19 Transfer-out			*Intrafund FY20 Transfer-out	
May 2019 Scholarship Banquet	\$ 18,604		May 2019 Sch Banquet	\$ 20,000
Title III Scholarship & Prgrm	\$ 16,850		Title III Scholarship & Prgrm	\$ 13,500
	\$ 35,454			\$ 33,500
*Intrafund FY20Transfer-in:			*Intrafund FY20Transfer-in:	
Administration Fee @ 1.5%	\$ 87,895		Administration Fee @ 1.5%	\$ 81,634
President's Circle @ 15%	\$ 7,360		President's Circle @ 15%	\$ 15,000
Young Unrestricted End.	\$ 87,190		Young Unrestricted End.	\$ 50,000
Unrest End. Proceeds	\$ 3,650		Unrest End. Proceeds	\$ 3,000
Hancock Promise 1.5%	\$ 3,602		Hancock Promise 1.5%	\$ 7,500
Hansen Unrestricted End.	\$ 16,100		Hansen Unrestricted End.	\$ 98,500
	\$ 205,797			\$ 255,634

AHC Financial Overview - General Operations

Statement of Activity	Actual as of 6/30/2019	% of Budget	Budget 2018-19
Support and revenue			
Unrestricted contributions	64,624	86%	75,000
Title 5 support	71,963	116%	62,018
Transfers in:	-	-	-
Admin fee @ 1.5%	87,895	93%	94,750
President's Circle Fee @1%	7,360	49%	15,000
Other	3,650	122%	3,000
Promise fee 1.5%	3,602		-
Hansen Proceeds	16,100		-
Young Proceeds	87,190	100%	87,190
Net transfers in	205,797	103%	199,940
Other	424		-
Total support and revenue	342,808	102%	336,958
Expenditures - See below	(379,766)	101%	(376,958)
Other Income:			
Net realized gain	85,518		-
Net unrealized gain (loss)	(58,889)		15,000
Interest and dividends	24,623	98%	25,000
Total other income	51,252	128%	40,000
Change in net assets	14,294		-
Net assets, beginning	140,801		140,801
Net assets, end	155,095		140,801

Statement of Financial Position	Actual as of 6/30/2019
Assets	
Current Assets	
Cash	147,168
Accounts receivable	29
Due from other funds	11,097
Total current assets	158,294
Pledges receivable - non current	
Investments	
Total assets	158,294
Liabilities and Net assets	
Current liabilities	3,199
Net Assets	155,095
Total liabilities and net assets	158,294

Expenditures	Actual as of 6/30/2019	% of Budget	Budget 2018-19
Advertising and postage	4,796	54%	8,900
Bank and brokerage charges	14,577	101%	14,400
Building and equipment	1,451	145%	1,000
Community activities	21,431	102%	21,000
Contracted personal services	500	3%	16,650
Contracts and leases	4,558	829%	550
Employee benefits	23,426	99%	23,760
Food	5,590	112%	5,000
Memberships and permits	516	21%	2,500
Miscellaneous expense	2,079	193%	1,075
Salaries and benefits	254,896	111%	228,923
Scholarship banquet support	18,604	93%	20,000
Supplies and materials	5,917	44%	13,500
Telephone	491	70%	700
Title III funding	16,850	125%	13,500
Travel and conference	4,084	74%	5,500
Total expenditures	379,766	101%	376,958

AHC Financial Overview - Foundation

Statement of Activity	Actual as of 6/30/2019
Support and revenue	
Unrestricted contributions	1,557,083
Title 5 support	71,963
Other	16,970
Total support and revenue	1,646,016
Expenditures - See below	(1,812,841)
Other Income:	
Net realized gain	585,279
Net unrealized gain (loss)	(43,799)
Interest and dividends	801,808
Total other income	1,343,288
Change in net assets	1,176,463
Net assets, beginning	26,127,293
Net assets, end	27,303,756

Statement of Financial Position	Actual as of 6/30/2019
Assets	
Current Assets	
Cash	1,768,852
Pledges receivable - current	833
Other assets	35,340
Total current assets	1,805,025
Pledges receivable - non current	635,176
Investments	25,441,059
Total assets	27,881,260
Liabilities and Net assets	
Current liabilities	577,504
Net Assets	27,303,756
Total liabilities and net assets	27,881,260

	Actual as of 6/30/2019
Expenditures	
Advertising and postage	15,660
Bank and brokerage charges	197,814
Building and equipment	7,651
Community activities	113,017
Contest prizes	
Contracted personal services	9,308
Contracts and leases	14,931
District College Support	342,431
Employee benefits	23,426
Food	63,230
Memberships and permits	5,609
Miscellaneous expense	313
PCPA support	84,748
Salaries	254,896
Scholarships	536,923
Software maintenance	23,339
Student Assistance	6,200
Supplies and materials	55,033
Telephone	491
Title III funding	
Travel and conference	21,245
Viticulture support	36,576
Total expenditures	1,812,841

AHC Foundation Financial Overview - Investments
July 1, 2018 - June 30, 2019

Cash & Investments	7/1/2018	Deposits	Interest & Dividends	Withdrawals	Brokerage Fees	Realized Gain/(Loss)	Unrealized Gain/(Loss)	6/30/2019
General Operations, Restricted, and Scholarships	\$ 1,031,038	\$ 3,313,164	\$ 17,868	\$ (2,811,819)	\$ (2,772)	\$ 85,620	\$ (52,115)	\$ 1,580,984
Endowments								
Morgan Stanley - UMA Active Assets	\$ 6,216,427	\$ -	\$ 151,798	\$ (264,000)	\$ (59,576)	\$ 140,649	\$ 143,649	\$ 6,328,947
Morgan Stanley - Boyd Music Program	\$ 2,305,446	\$ -	\$ 115,497	\$ (92,500)	\$ (14,071)	\$ (39,879)	\$ 92,073	\$ 2,366,565
Monarch Wealth Strategies - LPL	\$ 1,643,232	\$ -	\$ 67,144	\$ -	\$ (16,882)	\$ 155,843	\$ (129,313)	\$ 1,720,024
Monarch Wealth Strategies - LPL - Lahr	\$ 63,490	\$ -	\$ 3,471	\$ -	\$ (865)	\$ 1,288	\$ (473)	\$ 66,911
Osher-Bartleson	\$ 121,564	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 121,564
Northern Trust - Young	\$ 1,453,787	\$ 819	\$ 35,774	\$ (87,190)	\$ (8,321)	\$ 44,937	\$ (48,961)	\$ 1,390,845
Santa Barbara Foundation - Hancock Promise	\$ 425,622	\$ 460,610	\$ 9,692	\$ 15,023	\$ (7,197)	\$ (897)	\$ 27,653	\$ 930,507
Rabobank Wealth Mgmt. - Boyd	\$ 4,777,850	\$ -	\$ 183,605	\$ -	\$ (42,814)	\$ 70,706	\$ 47,626	\$ 5,036,971
Northern Trust - Boyd	\$ 7,508,920	\$ -	\$ 197,689	\$ -	\$ (40,954)	\$ 147,145	\$ (145,952)	\$ 7,666,848
Total	\$ 25,547,376	\$ 3,774,593	\$ 782,538	\$ (3,240,486)	\$ (193,452)	\$ 605,412	\$ (65,813)	\$ 27,210,165
Statement of Financial Position								
Cash								\$ 1,768,852
Investments								\$ 25,441,059
Subtotal Cash + Investments								\$ 27,209,911
Receivables & Other								\$ 671,349
Total assets								\$ 27,881,260

To: Finance Committee	ACTION
From: Jon Hooten Executive Director, College Advancement	
Subject: Endowment Challenge Title III Grant & Review of Endowments	October 16, 2019

BACKGROUND

Staff received the attached letter dated October 3, 2019, from Dr. James E. Laws, Jr., Division Director, of the U.S. Department of Education, stating the Foundation has been released from the U.S. Department of Education Challenge Title III Grant as of September 30, 2018. The letter is included for the committee's review.

Included is a spreadsheet listing each Title III and NonFed Title III endowments along with their value as of June 30, 2019.

The committee will approve processing payment to the Pacific Conservatory Performing Arts (PCPA) Foundation for the following Title III endowments: *PCPA Forever! Scholarship Endowment, Sesto/Severo Endowment, and Walter Conrad - PCPA Endowment*. Further, the Committee will approve transferring the endowments designated for scholarships and AHC programs to the "Nonfed Title III" endowment funds, and determine the outcome of endowments without "donor fund agreements".

RECOMMENDATION

The Executive Director recommends the Finance Committee approves processing payment to the Pacific Conservatory Performing Arts (PCPA) Foundation for the Title III endowments designated for PCPA Foundation, transferring the endowments for scholarships and AHC programs to the "NonFed Title III" endowment funds, and approve the outcome of endowments without "donor fund agreements".



UNITED STATES DEPARTMENT OF EDUCATION
OFFICE OF POSTSECONDARY EDUCATION

October 3, 2019

Dr. Michael Black
Vice President
Allan Hancock College Foundation
936 South College Drive
P.O. Box 5170
Santa Maria, CA 93456-5170

PR Award Number: P031G950152

Dear Dr. Black:

We are pleased to make available to Allan Hancock College Foundation the combined Federal and university matching share of the ~~the Endowment Activity program fund~~. Under the terms of the ~~Endowment Activity award~~, the twenty-year investment period was completed on September 30, 2018. This release totals amount \$1,810,961 and includes the \$750,000 corpus established in 1998 plus \$1,060,961 in earned income reported as of September 30, 2018. These funds may be used for any educational purpose including strengthening your capability to meet financial goals for the university and increase student access to quality higher education.

If you have any questions regarding the release of the endowment fund, please feel free to contact Beverly Baker, Endowment Activity program coordinator at (202) 453-6162.

Sincerely,



James E. Laws, Jr., Ed.D.
Director, Strengthening Institutions
Division Acting Director, Institutional Program
Development Division

Cc: Marlyn Cox
Jon Hooten

400 MARYLAND AVE., S.W., WASHINGTON, DC 20202
www.ed.gov

**Allan Hancock College Foundation
U.S. Dept. of Education's Endowment Challenge Title
III Grant**

2 to 1 match with the Federal grant providing \$500,000; AHCF raised over \$250,000.

Endowment Name	Total Title III Principal and Proceeds 6/30/2019	Total Nonfed Title III Principal & Proceeds 6/30/2019	Total Title III/Nonfed Principal & Proceeds 6/30/2019	Donor Fund Agreement Intent
PCPA Forever! Sch Fund	\$ 60,868.28	\$ 19,690.29	\$ 80,558.57	Agreement w/PCPA Foundation- PCPA Fdtn. receives at end of 20-yr. term
Sesto/Severo End.	\$ 20,265.17	\$ 6,085.91	\$ 26,351.08	Agreement w/PCPA Fdtn. - PCPA Fdtn. receives at end of 20-yr. term
Conrad, Walter - PCPA	\$ 20,858.54	\$ 6,776.84	\$ 27,635.38	Agreement w/PCPA Fdtn. - PCPA Fdtn. receives at end of 20-yr. term
Adams, Charles Family	\$ 20,482.47	\$ 7,276.87	\$ 27,759.34	Donor fund agreement - Scholarships
AHC Dance Program	\$ 20,375.98	\$ 6,478.16	\$ 26,854.14	Donor fund agreement - Scholarships
AHC Math Science	\$ 30,959.80	\$ 9,695.80	\$ 40,655.60	Donor fund agreement - Scholarships
AHC Fire Technology	\$ 21,417.09	\$ 6,737.35	\$ 28,154.44	Donor fund agreement - Program
AHC Political Science	\$ 20,537.97	\$ 6,408.32	\$ 26,946.29	Donor fund agreement - Program
Coe, Robert M.	\$ 20,478.35	\$ 6,563.06	\$ 27,041.41	Donor fund agreement - Scholarships
Bartleson Family Trust	\$ 104,099.98	\$ 259,097.74	\$ 363,197.72	Donor fund agreement - Scholarships
Johnson, Blaine Meml.	\$ 106,146.30	\$ 34,464.64	\$ 140,610.94	Donor fund agreement - Scholarships
Karns, May Nuss Meml	\$ 22,730.52	\$ 6,391.82	\$ 29,122.34	Donor fund agreement - Scholarships
Madsen, Margaret	\$ 31,836.52	\$ 10,551.23	\$ 42,387.75	Donor fund agreement - Scholarships
Malvarose, Ruth	\$ 20,410.41	\$ 6,761.76	\$ 27,172.17	Donor fund agreement - Scholarships
Pearson, Lea	\$ 51,446.44	\$ 16,273.76	\$ 67,720.20	Donor fund agreement - Scholarships
Robertson, Jack Dr.	\$ 20,586.31	\$ 6,102.50	\$ 26,688.81	Donor fund agreement - Scholarships
Roby, Lionel Memorial	\$ 20,680.51	\$ 7,128.52	\$ 27,809.03	Donor fund agreement - Scholarships
Ryan Memorial	\$ 21,588.47	\$ 133.92	\$ 21,722.39	Donor fund agreement - Scholarships
SM Rotary - Breakfast	\$ 20,452.36	\$ 12,538.88	\$ 32,991.24	Donor fund agreement - Scholarships
Smith, Mark & Dorothy	\$ 102,680.62	\$ 59,375.54	\$ 162,056.16	Donor fund agreement - Scholarships
Snelling Memorial Sch.	\$ 40,806.25	\$ 10,988.70	\$ 51,794.95	Donor fund agreement - Scholarships
Truitt, Driscoll & Alberta	\$ 20,749.14	\$ 6,247.10	\$ 26,996.24	Donor fund agreement - Scholarships
Urbach-Sjovold Family	\$ 23,572.80	\$ 7,787.81	\$ 31,360.61	Donor fund agreement - Scholarships
Watts, Tim Memorial	\$ 24,980.53	\$ 7,654.51	\$ 32,635.04	Donor fund agreement - Scholarships
Smith, Wm. Leland	\$ 20,495.30	\$ 6,485.14	\$ 26,980.44	Donor fund agreement - Scholarships
Westerfield, A&K	\$ 39,469.68	\$ 21,080.52	\$ 60,550.20	Donor fund agreement - Scholarships
Williams, Merrell	\$ 20,296.11	\$ 39,482.07	\$ 59,778.18	Donor fund agreement - Scholarships
Bank of Santa Maria	\$ 20,937.56	\$ 7,245.92	\$ 28,183.48	A donor fund agreement was not provided.
T3 Technology	\$ 10,277.98	\$ 5,521.48	\$ 15,799.46	A donor fund agreement was not provided.
T3 Unrestricted	\$ 58,218.80	\$ 19,021.43	\$ 77,240.23	A donor fund agreement was not provided.
T3 Prog Enhancement	\$ 63.51	\$ 41.37	\$ 104.88	A donor fund agreement was not provided.
TOTALS	\$ 1,038,769.75	\$ 626,088.96	\$ 1,664,858.71	

To: Finance Committee	INFORMATION
From: Jon Hooten Executive Director, College Advancement	October 16, 2019
Subject: Sustainability Plan Update	

Overview

At the Finance Committee meeting held on July 10, 2019, the Finance Committee raised appropriate concern about the financial sustainability of the Foundation's operating budget. At issue is the amount of annual drawdowns from unrestricted quasi-endowment reserves to balance the budget each year. The Committee requested the staff conduct an analysis and projection of the Foundation's financial position and produce a recommendation to reduce dependence on reserves.

At the end of fiscal year 2018-19, the Young endowment balance was \$771,981 and the Hansen endowment was at \$168,888. A staff analysis of how long these funds would last assumes:

- a) an average 5% annual growth in those funds
- b) an annual increase in the operating budget (mostly due to staff COLAs and salary step increases)
- c) a strategy to draw down Hansen at a quicker rate than Young to allow for greater compounded growth in the larger fund.

With these assumptions in place, we project that the two endowments will be zeroed out in a seven-year (fiscal year 2025-26) timeframe. The projection is attached for review.

New Considerations

Increased District Support to the Foundation: The 2019-20 Allan Hancock College annual budget, approved by the Trustees during their September 2019 meeting, includes \$123,000 for direct operational support to the AHC Foundation. The district's multi-year budget plan includes a line item for this amount for the next three years, totaling \$369,000 in support to the Foundation. An MOU is being drafted to detail the arrangement.

Title III: The Foundation recently received notification from Washington, D.C. releasing the Foundation from the federal Title III grant. The general operations has budgeted approximately \$21,500 for Title III endowment funding and brokerage fees expenses—a significant savings to the budget. Additionally, approximately \$105,529 in endowments related to the Title III grant that do not have fund agreements will be available for operations, with an estimated draw of about \$5,000 per year in proceeds.

Technology Endowment: Another endowment currently valuing approximately \$107,863 intended for technology is also being reallocated for the Foundation's operational use, adding another approximately \$5,000 in estimated proceeds for technology expenses in the operating budget.

Recommended Actions:

1. **Allocate new districts funds to operations:** This influx of cash will significantly decrease the funds needed from Young/Hansen endowments this year and will likely limit drawing down the Young and Hansen endowments for the next three years. This year's draw is budgeted at \$20,925. The next two years projection drawdowns are \$17,750 and \$31,487. The district funds will allow the Young and Hansen endowments to regain some value in coming years while pushing the current seven-year projection on those funds to a minimum of ten years.
2. **Develop Annual Fund Infrastructure:** A positive outgrowth of the Hancock Promise campaign will be the opportunity to establish an annual giving program for unrestricted operations once the campaign is completed. The foundation has not sustained a strategy for aggressively soliciting unrestricted operating dollars through an annual fund campaign. Once the Hancock Promise campaign has completed, the donor base will be sufficiently expanded and the infrastructure (database, solicitation funnels, branding/communications) will be in place to transition Hancock Promise campaign donors into annual fund donors for unrestricted foundation operations. A \$100,000 annual fund goal should not be unreasonable in three to five years.
3. **Staffing:** Conversations are on-going with the district about the Foundation's staffing needs relative to the college's needs.

Allan Hancock College Foundation
General Operations Sustainability Plan

Unrestricted Revenue	Actual 2018-2019 6/30/2019	Approved Budget 2019-2020	Projected 2020-2021	Projected 2021-2022	Projected 2022-2023	Projected 2023-2024	Projected 2024-2025	Projected 2025-2026
General Operations Unrestricted Contributions	\$ 64,624	\$ 39,750	\$ 45,750	\$ 45,350	\$ 47,850	\$ 50,250	\$ 52,800	\$ 67,308
District Support	\$ 71,962	\$ 65,611	\$ 68,892	\$ 72,336	\$ 75,953	\$ 79,751	\$ 83,738	\$ 87,925
District 3-year operational support		\$ 123,000	\$ 123,000	\$ 123,000				
Interest	\$ 24,623	\$ 25,000	\$ 26,250	\$ 27,563	\$ 28,941	\$ 30,388	\$ 31,907	\$ 33,502
Consulting Group Advisor - Unrealized Gain/Loss	\$ 26,629	\$ -			\$ -	\$ -	\$ -	\$ -
Administration Fee 1.5%	\$ 87,895	\$ 81,634	\$ 85,716	\$ 90,001	\$ 94,502	\$ 99,227	\$ 104,188	\$ 109,397
President's Circle 15% fee	\$ 7,360	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000
F. Young Endowment Proceeds	\$ 87,190	\$ -	\$ -	\$ -	\$ 39,960	\$ 175,353	\$ 185,333	\$ 193,980
Hansen Unrestricted Endowment Proceeds	\$ 16,100	\$ 20,925	\$ 17,734	\$ 31,458	\$ 123,360	\$ -	\$ -	\$ -
Other Local Income	\$ 425	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Hancock Promise 1.5% fee	\$ 3,602	\$ 7,500	\$ 15,000	\$ 12,500	\$ 12,500	\$ 10,000	\$ 10,000	
Unrestricted Endowment Proceeds	\$ 3,650	\$ 8,000	\$ 8,400	\$ 8,820	\$ 9,261	\$ 9,724	\$ 10,210	\$ 10,721
Total Unrestricted Revenue	\$ 394,060	\$ 386,420	\$ 405,741	\$ 426,028	\$ 447,326	\$ 469,692	\$ 493,176	\$ 517,834

General Operations Expenses

Total General Operating Expenses	\$ 379,766	\$ 386,420	\$ 405,741	\$ 426,028	\$ 447,326	\$ 469,692	\$ 493,176	\$ 517,834
Beginning Fund Balance	\$ 140,801	\$ 155,095	\$ 155,095	\$ 155,095	\$ 155,095	\$ 155,095	\$ 155,095	\$ 155,095
Increase/Decrease in Fund Balance	\$ 155,095	\$ 155,095	\$ 155,095	\$ 155,095	\$ 155,095	\$ 155,095	\$ 155,095	\$ 155,095

Unrestricted Quasi Endowments

<i>Northern Trust, F. Young Endowment, balance</i>	\$ 859,171	\$ 717,935	\$ 753,832	\$ 791,524	\$ 831,100	\$ 832,695	\$ 698,977	\$ 549,465
Projected 5% market increase		\$ 35,897	\$ 37,692	\$ 39,576	\$ 41,555	\$ 41,635	\$ 35,821	\$ 28,345
Drawdown	\$ (87,190)	\$ -	\$ -	\$ -	\$ (39,960)	\$ (175,353)	\$ (185,333)	\$ (193,980)
Balance	\$ 771,981	\$ 753,832	\$ 791,524	\$ 831,100	\$ 832,695	\$ 698,977	\$ 549,465	\$ 383,830
<i>Hansen Memorial Endowment, beginning balance</i>	\$ 256,213	\$ 168,888	\$ 156,407	\$ 146,493	\$ 123,360	\$ -	\$ -	\$ -
Projected 5% market increase		\$ 8,444	\$ 7,820	\$ 7,325	\$ -	\$ -	\$ -	\$ -
Drawdown	\$ (87,325)	\$ (20,925)	\$ (17,734)	\$ (31,458)	\$ (123,360)	\$ -	\$ -	\$ -
Balance	\$ 168,888	\$ 156,407	\$ 146,493	\$ 122,360	\$ -	\$ -	\$ -	\$ -
Endowment balance	\$ 940,869	\$ 910,239	\$ 938,017	\$ 953,460	\$ 832,695	\$ 698,977	\$ 549,465	\$ 61,055

1. The projected assumption is a 5% increase in revenue/expenses for each fiscal year. Majority of anticipated expense increase is to salary/benefits COLA and step increases.
2. The administrative fee has increased assuming endowments will grow.
3. The President's Circle annual campaign goal is 100 members @ \$1,000 = \$100,000. The fee is 15%.
4. Unrestricted projected contributions are based on continuing year-end appeal mailings and developing an annual giving program.
5. The projected contributions for fiscal year 2019-20 decreased to focus on the Hancock Promise campaign.

To: Finance Committee	INFORMATION
From: Glenn Owen, Chair Finance Committee	October 16, 2019
Subject: Discussion of Return by Investment Advisors	

BACKGROUND

The committee will discuss investment returns for fiscal year 2018-2019.

<p>To: Finance Committee</p>	<p>INFORMATION</p>
<p>From: Glenn Owen, Chair Finance Committee</p>	<p>October 16, 2019</p>
<p>Subject: Discussion of Multiple Investment Advisors</p>	

BACKGROUND

The Foundation presently holds investments at five different investment firms. The investments include:

1. Morgan Stanley UMA - *holds Foundation endowments.*
2. Morgan Stanley (Boyd) - *holds the \$2 million endowment in support of the AHC Music Program.*
3. Morgan Stanley Select UMA – *All proceeds posts to the Foundation’s operating budget.*
4. Monarch Wealth Strategies LPL - *holds Foundation endowments.*
5. Monarch Wealth Strategies LPL - *proceeds designated for Industrial Technology scholarships. Funds donated by Mr. Don Lahr with stipulation to be invested at LPL.*
6. Northern Trust (Florence Young) *unrestricted quasi endowment. All proceeds posts to the Foundation’s operating budget.*
7. Santa Barbara Foundation – *Hancock Promise endowment.*
8. Rabobank Wealth Management (Boyd) – *quasi endowment for AHC Fine Arts Complex*
9. Northern Trust (Boyd) - *quasi endowment for AHC Fine Arts Complex*

The committee will discuss the rationale of having multiple investment advisors.

To: Finance Committee	DISCUSSION
From: Glenn Owen, Chair Finance Committee	October 16, 2019
Subject: Discussion of Continuing Investment Advisors Annual Review	

BACKGROUND

Annually the investment advisors are invited to give a 30-minute presentation that includes questions prepared by the Finance Committee. The presentation includes an investment update and may include recommendations. The committee will discuss rather or not an annual review will continue.