



**NOTICE OF  
QUARTERLY MEETING**

**ALLAN HANCOCK COLLEGE FOUNDATION  
BOARD OF DIRECTORS  
Thursday, April 25, 2019  
4—6 p.m.**

# Agenda

Allan Hancock College, Lompoc Valley Center  
Building 1, Room 202  
1 Hancock Drive, Lompoc, CA 93436

*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.*

**OFFICERS**

Lee-Volker Cox, Ed.D.  
*President*  
Guy R. Walker  
*Vice President*  
Mary Nanning  
*Secretary*  
Glenn Owen  
*Treasurer*

**DIRECTORS**

James H. Bray  
Frank Campo  
Michael J. Carroll  
Maggi Daane  
James E. Fields  
Judy Frost  
Tim Harrington  
Margaret S. Hesse  
Debra Hood  
George Johnson  
Mario Juarez, Esq.  
Robert B. Klug  
Doris T. Lahr  
Robert Manning  
Sam Orozco, D.P.A.  
Ken Ostini  
Rick Rust  
Cynthia Schur  
Dan Stevens

**EMERITUS DIRECTORS**

Michael L. Gibson  
Ronald L. Thatcher

**COLLEGE TRUSTEE  
REPRESENTATIVES**

Jeffery Hall  
Gregory A. Pensa

**COLLEGE  
REPRESENTATIVES**

Kevin G. Walthers, Ph.D.  
*Superintendent/President*  
Eric D. Smith  
*Associate Superintendent/ Vice President,  
Finance and Administration*  
Jon Hooten, Ph.D.  
*Executive Director,  
College Advancement*  
Christopher Diaz  
*Faculty*  
Frankie Maldonado  
*Student*

**FOUNDATION STAFF**

Marlyn Cox  
Natalie Rucobo  
Marguerite Moreton  
June Aiello

Notice of Quarterly Meeting  
Allan Hancock College Foundation Board of Directors  
Thursday, April 25, 2019  
4:00 – 6:00 p.m.

Allan Hancock College, Lompoc Valley Center, Building 1, Room 202, 1 Hancock Drive, Lompoc, CA 93436

AGENDA

	Page	Time
1) Call to order		4:00 PM
2) Roll Call		4:01 PM
3) Public Comment		4:02 PM
<i>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 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 April 25, 2018 (ACTION)		4:05 PM
5) Approval of Minutes of the January 24, 2019 Quarterly Board Meeting (ACTION)	1-5	4:08 PM
6) Recognize the Outgoing Student Representative (Information) The Board of Directors recognizes and thanks Mr. Frankie Maldonado for his service and commitment to the AHC Foundation Board of Directors.	6	4:09 PM
7) 2019-2020 Fiscal Year Calendar- Meetings (ACTION) The foundation staff has created the 2019-2020 calendar of meetings for approval.	7-8	4:11 PM
8) Finance Committee		
8. A. Review of AHC General Operations Financial Overview (ACTION) An overview of the AHC General Operations Financial Overview for the period ending February 28, 2019.	9-10	4:13 PM
8. B. Review of AHC District Operations Financial Overview (ACTION) An overview of the AHC District Operations Financial Overview for the period ending February 28, 2019.	11-12	4:17 PM
8. C. Review of AHC Financial Overview- Investments (ACTION) A review of the investments of the AHC Foundation.	13-14	4:22 PM
8. D. 2019- 2020 Proposed Operating Budget for the AHC Foundation (ACTION) The Foundation's 2019-2020 operating budget is presented for review and approval.	15-17	4:27 PM

- |   |   |
|---|---|
| <p>8. E. 2019-2020 Proposed AHC Foundation Budget for District (ACTION)<br/>                 The Foundation's district budget is presented for review and approval.</p>   | <p>18-20 4:32 PM</p>  |
| <p>9) Governance &amp; Nominations Committee (ACTION)<br/>                 9. A. New Board Member Approval (ACTION)<br/>                 The Executive Committee recommends the approval of Ms. Judith Dale as a member of the Board of Directors.</p> <p>9. B. 2019-2020 Officers Panel (Information)<br/>                 Information will be provided about the 2019-2020 officers panel.</p> <p>9. C. Committee Membership (Information)<br/>                 Director J. Frost has joined the Governance and Nominations Committee.</p>  | <p>21 4:37 PM</p>   |
| <p>10) Committee Reports<br/>                 10. A. Hancock Promise (Information)<br/>                 Recent updates within the Hancock Promise Campaign will be presented.</p> <p>10. B. Community Ambassador (Information)<br/>                 An update regarding the current class of ambassadors, as well as the next application process.</p> <p>10. C. President's Circle (Information)<br/>                 An update on the Dance Spectrum reception, as well as the upcoming April 27 Encore Circle/ President's Circle PCPA event.</p> <p>10. D. Scholarship (Information)<br/>                 An update on the work of the scholarship selection committee and the annual scholarship awards banquet.</p> | <p>22 4:43 PM</p> <p>23 4:46 PM</p> <p>24 4:49 PM</p> <p>25 4:52 PM</p>   |
| <p>11) Oral Reports</p> <p>11. A. Members of the Board of Directors</p> <p>11. B. College Superintendent/President</p> <p>11. C. College Trustee</p> <p>11. D. PCPA Foundation Representative</p> <p>11. E. Faculty Representative</p> <p>11. F. Student Representative</p> <p>11. G. Executive Director, College Advancement</p>   | <p>4:55 PM</p> <p>General Announcements</p> <p>Dr. Kevin G. Walthers</p> <p>Trustee Jeffery Hall</p> <p>Mr. Jim Bray</p> <p>Mr. Christopher Diaz</p> <p>Mr. Frankie Maldonado</p> <p>Dr. Jon Hooten</p> |
| <p>12) Next Meeting<br/>                 The next meeting of the board is the Annual Organizational Meeting, and will be held Thursday, July 25, 2019, starting at 4 p.m. on the Santa Maria Campus.</p>  | <p>5:15 PM</p>  |

13) Presentation- Public Safety Complex

5:17 PM

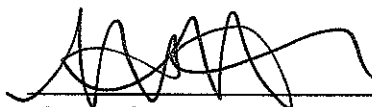
Mitch McCann, Interim Associate Dean of Public Safety, will present an update on the Lompoc Valley Center academic programs and public safety programs.

14) Adjournment (ACTION)

6:00 PM

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

*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.*



---

Marguerite P. Moreton  
Operations Specialist  
Allan Hancock College Foundation

---

ALLAN HANCOCK COLLEGE FOUNDATION  
QUARTERLY MEETING OF THE BOARD  
Minutes of January 24, 2019

**1. Call to Order**

Foundation President, Lee-Volker Cox, called the meeting to order at 4:00 p.m.

**2. Roll Call**

*Directors Present:* J. Bray, M. Carroll, L.V. Cox, J. Fields, P. Hesse, D. Hood, M. Juarez, R. Klug, R. Manning, M. Nanning, K. Ostini, G. Owen, E. Smith, G. Walker

*Directors Absent:* M. Daane, J. Frost, T. Harrington, G. Johnson, S. Orozco, R. Rust, C. Schur, D. Stevens, K. Walthers, R. Welt

*College Representatives:* J. Hooten

*Faculty Representative:* C. Diaz

*Student Representative:* Absent

*Foundation Staff:* M. Cox, N. Rucobo, M. Moreton, J. Aiello

*Guests:* Susan Appel on behalf of Dan Stevens, Rick Rantz arrived at 5:35 p.m.

*Recorder:* M. Moreton

**3. Public Comment**

None

Trustee Jeffery Hall arrived at 4:05 p.m.

**4. Approval of Agenda – January 24, 2019**

Motion: On a motion by Director Ostini, seconded by Director Bray, the agenda was approved was approved on a voice vote with one abstention, G. Walker.

**5. Approval of Minutes – October 25, 2018**

President Cox called for a motion to approve the minutes of the October 25, 2018, Board of Directors quarterly meeting.

Motion: On a motion by Director Nanning, and seconded by Director Ostini, the October 25, 2018 quarterly meeting minutes were approved by unanimous voice vote.

**6. Welcome Remarks By Executive Director and Board President**

President Cox welcomed the board and asked that the directors sign the Conflict of Interest Statement as well as fill out the Board Demographics survey that have been passed around as handouts. Dr. Hooten welcomed June Aiello, who has joined the AHC Foundation staff as the Major Gifts Officer. President Cox and Dr. Hooten thanked Dr. Roger Welt for his nine years of service on the AHC Foundation Board of Directors.

**7. College Trustee Appointments for 2019**

Dr. Hooten announces that Trustee Jeffery Hall has been appointed as the Trustee representative to the Foundation board. Trustee Gregory Pensa will serve as the alternate. Dr. Hooten also congratulated Trustee Hall on his nomination for the Lompoc Valley Peace Prize for his efforts in promoting the Hancock Promise.

**8. Finance Committee**

**A. Endowment Scholarships and Program Funding 2019-2020**

Director Owen reported that the Executive Committee recommends the approval of the 2019-2020 endowment funding proposal of 3% based on the review date of November 30, 2018. Those endowments that do not fund the minimum scholarship requirement will fund between \$250 and \$500.

Motion: On a motion by Director Owen, seconded by Director Bray, funding at 3% on each endowment was approved by unanimous voice vote.

**B. Independent Auditor's Report Period Ending June 30, 2018**

The independent auditor's report for the period ending June 30, 2018 was presented by the Director Owen and the Executive Committee for approval. The report came back clean.

Motion: On a motion by Director Owen, seconded by Director Bray, the auditor's report was accepted as submitted by unanimous voice vote.

**Greg Pensa, Frankie Maldonado and Frank Campo arrived at 4:13 p.m.**

**C. Auditor's Draft IRS Form 990 Period Ending June 30, 2018**

The Draft 990 form was presented for approval by the Foundation Board.

Motion: On a motion by Director Ostini, seconded by Director Klug, the Draft 990 was approved by a unanimous voice vote.

**D. Board Financial Overview**

Director Owen presented to the board a new outlay of financial statements that will allow for an easier view of recent actions. The Banner Finance financial statements will remain available during meetings and upon request. The first two pages, AHC Foundation Financial Overview (29-30) were reviewed first. Director Owen points out the significant unrealized holding losses. These represent the value of stocks, which have declined. Thus far, we have spent about 41% of what was budgeted for the year, which is right on target. \$750,000 of unrealized holding gains were budgeted for this year, which were not realized

**Dr. Walthers arrived at 4:20 p.m.**

Motion: On a motion by Director Owen, seconded by Director Manning, the Statement Activities and Financial Overview was approved by a unanimous voice vote.

The Financial Overview of Investments (pg. 31) and Summary of Investment Gains, Losses, Interest and Dividends (Handout) for the last 5 years were reviewed next.

Motion: On a motion by Director Owen, seconded by Director Manning, the Statement Activities and Financial Overview was approved by a unanimous voice vote.

Director Owen reported that the investment managers were asked to present to the Finance Committee on the Foundation's investments. The meeting was productive. Advisors were told to follow the investment policy of the Foundation and there is no need to confer with the Foundation before making decisions. All investment advisors stated that December market conditions dropped further.

**E. Hancock Promise Gift Fee**

Director Owen presented that the Executive Committee recommends the establishment of a 1.5% one-time gift fee on all gifts to the Hancock Promise to offset administrative costs. The 1.5% was decided after a review of similar institutions in the state and other organizations in Santa Barbara County. Promotional materials will be reviewed and will represent the fee. The 1.5%, one-time gift fee will support the operating budget.

Motion: On a motion by Director Owen, seconded by Director Hall, the one-time, 1.5% gift fee on incoming Hancock Promise gifts was approved by a unanimous voice vote.

**Frankie Maldonado departed at 5:00 p.m.**

**9. 2019 Goals**

Dr. Hooten presented on the goals of the Foundation staff for the upcoming year. In the upcoming year, the goals are set as 1) Assessing and revising the campaign strategy for the Hancock Promise, 2) Increase the number of participation in Employee Giving 3) Create and begin implementation of a strategic 3-year alumni engagement plan and 4) Launch centennial planning for fall 2020.

**Lauren Milbourne arrived at 5:20 p.m.**

**10. Committees and Chairs for 2019**

Dr. Hooten presented the list of committees and committee chairs as they stand. A request was made for more Directors to join the Governance and Nominations committee, as well as the President's Circle. An email will be sent out to directors requesting volunteers.

Motion: On a motion by Director Campo, seconded by Director Juarez, the list committees and committee chairs was approved by a unanimous voice vote.

### 11. Annual End of Year Appeal

Staff reported on the success of the annual end of year appeal. Based on the new format, as well as the direction toward the Hancock Promise, there was a significantly higher return on the 2018 appeal than those that were seen in 2016 and 2017.

### 12. Committee Reports

12. A. *Governance and Nominations* – The acceptance of the resignations of Georgia Schragger and Rebecca Alarcio are recommended.

Motion: On a motion by Director Walker, seconded by Director Hall, the resignations of Director R. Alarcio and Director G. Schragger were accepted with regrets, and the end-of-term limit for outgoing Director R. Welt was accepted with regret on a unanimous voice vote.

12. B. *Hancock Promise Committee* – Dr. Hooten reported that a campaign strategy will be assessed and revised for the Hancock Promise Campaign during the month of January. The question was raised about how to address questions from the community about the value of the Hancock Promise program since Governor Newsome recently announced a statewide Promise program. Dr. Walthers stated that the money that comes in will not be enough to cover the funds necessary for the Promise program. Further, the state California Promise Grant takes the place of the BOG Program.

12. C. *Community Ambassadors Committee* – Director Carroll reported that second class of Community Ambassadors are an engaged and enthusiastic group. The next session will be held on January 25, 2019, on the Lompoc Valley Campus at the Public Safety Complex.

12. D. *President's Circle* – The President's Circle Committee will be hosting a reception for President's Circle members and AHC dance program alumni and March 16. The PCPA/ Encore Circle event will be rescheduled for fall.

12. E. *Scholarship Committee* – Over 650 applications have been initiated. The scholarship committee will begin working in the last week of January.

### 13. Oral Reports

13. A. *Members of the Board of Directors* – No Report

13. B. *College Superintendent/President Dr. Kevin G. Walthers* – Dr. Walthers introduced Lauren Milbourne, new Director of Public Affairs. Ms. Milbourne earned a Bachelor of Science degree from California Polytechnic State University, San Luis Obispo. She has been the Media Relations Coordinator at Cuesta College from 2013 to present.



Dr. Walthers reported the Measure I bond values have changed from 3 percent to 4.5 percent providing more bond capacity than six months ago. The increase allows for issuing additional bonds, which is essentially similar to refinancing the bond, and can fund the Fine Arts Complex. Along with Measure I bonds, \$10 million funded from the Foundation *Patty Boyd Fund*, the college needs an additional \$14 million.

13. C. *College Trustee- Trustee Jeffery Hall* – Members of the board of trustees are headed to Sacramento to meet with lawmakers and lobby for the needs of the college.

**Rob Klug Departed at 5:40 p.m.**

13. D. *PCPA Foundation Representative- Director Jim Bray* –PCPA Foundation is looking at great revenue calculated off of the last 12 quarters. A credit card donation button has been added to the PCPA website.

13. E. *Faculty Representative- Mr. Christopher Diaz* – Things are going well.

13. F. *Student Representative- Mr. Frankie Maldonado* –Departed at 5:00 p.m.

13. G. *Executive Director, College Advancement- Dr. Jon Hooten* –Dr. Hooten introduced Mr. Eric Smith, the new Vice President of Finance and Administration Allan Hancock College.

**14. Presentation by Rick Rantz, Dean, Extended Campus**

President Cox called for the presentation to be given after the meeting was officially adjourned.

**15. Adjournment**

President Cox called for a motion to adjourn the quarterly board meeting to the presentation by Dean Rantz. The meeting adjourned at 6:10 p.m.

Motion: On a motion by Director Walker, seconded by Director Juarez, the board of directors was adjourned at 5:45 p.m. on a unanimous voice vote.

<b>To:</b> Board of Directors	<b>INFORMATION</b>
<b>From:</b> Dr. Lee-Volker Cox Foundation Board President	<b>April 25, 2019</b>
<b>Subject:</b> Recognize the Outgoing Student Representatives	

**BACKGROUND**

The Board of Directors will recognize Mr. Frankie Maldonado, Student Representative, for his service on the Foundation board.

<b>To:</b> Board of Directors	<b>ACTION</b>  <b>April 25, 2019</b>
<b>From:</b> Dr. Lee-Volker Cox Foundation Board President	
<b>Subject:</b> 2019-2020 Proposed Calendar	

**BACKGROUND**

The 2019-2020 calendar for Foundation meetings presented for review and approval by the board of directors. The calendar of events will be presented at the July Annual Organizational Meeting.

**FISCAL IMPACT**

None

**RECOMMENDATION**

The Executive Committee recommends approval of the 2019-2020 calendar as presented.

**Meeting and Events - July 2019 to July 2020**

Meeting or Event	Day	Date	Time	Location
Finance Committee	W	7/10/2019	1:00-3:00 PM	Captain's Room- Bldg B
Executive Committee	W	7/10/2019	4:00- 6:00 PM	Captain's Room- Bldg B
<b>Board of Director's Annual Organizational Meeting</b>	Th	7/25/2019	4:00 - 6:00 PM	Boardroom - Bldg B
Finance Committee	W	10/9/2019	1:00- 3:00 PM	Captain's Room- Bldg B
Executive Committee	W	10/9/2019	4:00 - 6:00 PM	Captain's Room - Bldg B
<b>Board of Director's Quarterly Meeting</b>	Th	10/24/2019	4:00 - 6:00 PM	Boardroom - Bldg B
Finance Committee	W	1/8/2020	1:00- 3:00 PM	Boardroom- Bldg B
Executive Committee	W	1/8/2020	4:00 - 6:00 PM	Captain's Room - Bldg B
<b>Board of Director's Quarterly Meeting</b>	Th	01/23/2020	4:00 - 6:00 PM	Boardroom - Bldg B
Finance Committee	W	4/8/2020	1:00 - 3:00 PM	Captain's Room - Bldg B
Executive Committee	W	4/8/2020	4:00 - 6:00 PM	Captain's Room - Bldg B
<b>Board of Director's Quarterly Meeting</b>	Th	4/23/2020	4:00 - 6:00 PM	Lompoc Valley Center- Room TBD
Scholarship Annual Event	Th	5/21/2020	TBD	Joe White Gymnasium
Finance Committee	W	7/8/2020	1:00- 3:00 PM	Captain's Room- Bldg B
Executive Committee	W	7/8/2020	4:00- 6:00 PM	Captain's Room- Bldg B
<b>Board of Director's Annual Organizational Meeting</b>	Th	7/23/2020	4:00 - 6:00 PM	Boardroom -- Bldg B

800 South College Drive, P.O. Box 5170, Santa Maria, CA 93456-5170 | [www.ahcfoundation.org](http://www.ahcfoundation.org)  
805.925.2004 or 805.922.6966 ext. 3621 | [ahcfoundation@hancockcollege.edu](mailto:ahcfoundation@hancockcollege.edu)

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

<b>To: Board of Directors</b>	<b>ACTION</b>
<b>From: Glenn Owen, Chair Finance Committee</b>	<b>April 25, 2019</b>
<b>Subject: Review and Approval of AHC General Operations Financial Overview</b>	

**BACKGROUND**

The Executive Committee has approved for the full board the review of the AHC General Operations Financial Overview for approval.

**RECOMMENDATION**

The Executive Committee has approved the AHC General Operations Financial Overview for review and approval by the Board of Directors.

## AHC Foundation General Operations Financial Overview

Statement of Activity	Actual as of 2/28/2019	% of Budget	Budget 2018-19
<b>Support and revenue</b>			
Unrestricted contributions	43,207	58%	75,000
Title 5 support	49,768	80%	62,018
Transfers in:			
Admin fee	57,527	61%	94,750
President's Circle Fee	4,122	27%	15,000
Other			3,000
Promise fee 1.5%	20		
Hansen Proceeds			
Young Proceeds	87,190	100%	87,190
	148,859	74%	199,940
Other	425		
<b>Total support and revenue</b>	242,259	72%	336,958
Expenditures - See below	(241,500)	64%	(376,958)
Other Income:			
Net realized gain	85,637		-
Net unrealized gain (loss)	(78,065)	-520%	15,000
Interest and dividends	18,277	73%	25,000
<b>Total other income</b>	25,849	65%	40,000
Change in net assets	26,608		-
<b>Net assets, beginning</b>	140,801		140,801
<b>Net assets, end</b>	167,409		140,801

Expenditures	Actual as of 2/28/2019	% of Budget	Budget 2018-19
Advertising and postage	3,310	37%	8,900
Bank and brokerage charges	11,579	80%	14,400
Building and equipment	975	98%	1,000
Community activities	19,186	91%	21,000
Contracted personal services	3,911	23%	16,650
Contracts and leases	473	86%	550
Employee benefits	16,682	70%	23,760
Food	4,103	82%	5,000
Memberships and permits	-	0%	2,500
Miscellaneous expense	99	9%	1,075
Salaries	175,795	77%	228,923
Scholarship banquet support	-	0%	20,000
Software maintenance agreement			-
Supplies and materials	4,671	35%	13,500
Telephone	398	57%	700
Title III funding	-	0%	13,500
Travel and conference	318	6%	5,500
<b>Total expenditures</b>	241,500	64%	376,958

Statement of Financial Position	2/28/2019
<b>Assets</b>	
Current Assets	
Cash	161,011
Pledges receivable - current	
Other assets	6,404
<b>Total current assets</b>	167,415
Pledges receivable - non current	
Investments	
<b>Total assets</b>	167,415
<b>Liabilities and Net assets</b>	
Current liabilities	6
<b>Net Assets</b>	167,409
<b>Total liabilities and net assets</b>	167,415

<b>To: Board of Directors</b>	<b>ACTION</b>
<b>From: Glenn Owen, Chair Finance Committee</b>	<b>April 25, 2019</b>
<b>Subject: Review and Approval of AHC District Operations Financial Overview</b>	

**BACKGROUND**

The Executive committee has approved for the full board the review of the AHC District Operations Financial Overview for approval.

**RECOMMENDATION**

The Executive Committee has approved the AHC District Operations Financial Overview for review and approval by the Board of Directors.

## AHC District Operations Financial Overview

Statement of Activity	Actual as of 2/28/2019	% of Budget	Budget 2018-19
Support and revenue			
Unrestricted contributions	961,667	64%	1,505,000
Title 5 support	49,768	80%	62,018
Other	4,463	22%	20,000
Total support and revenue	1,015,898	64%	1,587,018
Expenditures - See below	(1,278,392)	56%	(2,268,858)
Other Income:			
Net realized gain	536,260		350,000
Net unrealized gain (loss)	(776,892)		750,000
Interest and dividends	570,975		700,000
Total other income	330,343	-	1,800,000
Change in net assets	(948,049)		1,118,160
Net assets, beginning	26,127,293		26,127,293
Net assets, end	25,179,244		27,245,453

Expenditures	Actual as of 2/28/2019	% of Budget	Budget 2018-19
Advertising and postage	12,481	29%	43,200
Bank and brokerage charges	136,561	94%	145,500
Building and equipment	2,091	31%	6,850
Community activities	108,103	n/a	21,000
Contest prizes	700		
Contracted personal services	2,860	24%	11,925
Contracts and leases	3,411	89%	3,850
District College Support	148,479	20%	750,000
Employee benefits	16,682	70%	23,760
Food	34,946	175%	20,000
Memberships and permits	3,100	78%	4,000
Miscellaneous expense	100		100
PCPA support	55,986	76%	74,000
Salaries	175,795	77%	228,923
Scholarships	495,781	61%	815,000
Software maintenance			500
Student Assistance	6,200	41%	15,000
Supplies and materials	35,822	80%	44,500
Telephone	398	53%	750
Travel and conference	2,320	4%	60,000
Viticulture support	36,576		
<b>Total expenditures</b>	<b>1,278,392</b>	<b>56%</b>	<b>2,268,858</b>

Statement of Financial Position	2/28/2019
<b>Assets</b>	
Current Assets	
Cash	886,982
Pledges receivable - current	237,833
Other assets	10,097
Total current assets	1,134,912
Pledges receivable - non current	638,963
Investments	24,451,317
<b>Total assets</b>	<b>26,225,192</b>
<b>Liabilities and Net assets</b>	
Current liabilities	30,050
Net Assets	26,195,142
<b>Total liabilities and net assets</b>	<b>26,225,192</b>



<b>To: Board of Directors</b>	<b>ACTION</b>
<b>From: Glenn Owen, Chair Finance Committee</b>	<b>April 25, 2019</b>
<b>Subject: Review of AHC Foundation Financial Overview- Investments</b>	

**BACKGROUND**

The Executive committee has approved for the full board the review of the AHC Foundation Financial Overview- Investments for approval.

**RECOMMENDATION**

The Executive Committee has approved the AHC Foundation Financial Overview- Investments for review and approval by the Board of Directors.

**AHC Foundation Financial Overview - Investments**  
**July 1, 2018 - February 28, 2019**

	7/1/2018	Deposits	Interest & Dividends	Withdrawals	Brokerage Fees	Realized Gain/(Loss)	Unrealized Gain/(Loss)	2/28/2019
<b>Cash &amp; Investments</b>								
General Operations, Restricted, and Scholarships	\$ 1,031,038	\$ 1,733,512	\$ 11,469	\$ (1,951,202)	\$ (2,292)	\$ 85,627	\$ (71,179)	\$ 836,973
<b>Endowments</b>								
Morgan Stanley - U/M/A Active Assets	\$ 6,216,427	\$ -	\$ 98,603	\$ (264,000)	\$ (44,191)	\$ 100,294	\$ (52,137)	\$ 6,054,996
Morgan Stanley - Boyd Music Program	\$ 2,305,446	\$ -	\$ 95,625	\$ (92,500)	\$ (9,426)	\$ (46,773)	\$ 6,879	\$ 2,259,250
Monarch Wealth Strategies - LPL	\$ 1,643,232	\$ -	\$ 53,447	\$ -	\$ (12,418)	\$ 148,641	\$ (188,643)	\$ 1,644,259
Monarch Wealth Strategies - LPL - Lahr	\$ 63,490	\$ -	\$ 2,752	\$ -	\$ (675)	\$ 953	\$ (2,604)	\$ 63,916
Other-Bartleson	\$ 121,564	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 121,564
Northern Trust - Young	\$ 1,453,787	\$ -	\$ 23,684	\$ (87,190)	\$ (5,493)	\$ 44,937	\$ (77,208)	\$ 1,352,517
Santa Barbara Foundation - Hancock Promise	\$ 425,622	\$ 243,474	\$ 6,354	\$ 15,737	\$ (5,110)	\$ (1,050)	\$ (4,855)	\$ 680,173
Rabobank Wealth Mgmt. - Boyd	\$ 4,777,850	\$ -	\$ 150,908	\$ -	\$ (28,352)	\$ 59,764	\$ (88,140)	\$ 4,872,028
Northern Trust - Boyd	\$ 7,508,920	\$ -	\$ 126,178	\$ -	\$ (29,031)	\$ 147,145	\$ (300,366)	\$ 7,452,846
<b>Total</b>	<b>\$ 25,547,376</b>	<b>\$ 1,976,986</b>	<b>\$ 569,020</b>	<b>\$ (2,379,155)</b>	<b>\$ (136,988)</b>	<b>\$ 539,538</b>	<b>\$ (778,253)</b>	<b>\$ 25,338,521</b>

**Statement of Financial Position**

Cash	\$ 886,982
Investments	\$ 24,451,317
Subtotal Cash + Investments	\$ 25,338,299
Receivables & Other	\$ 886,894
<b>Total assets</b>	<b>\$ 26,225,193</b>

<b>To: Board of Directors</b>	<b>ACTION</b>
<b>From: Glenn Owen Chair, Finance Committee</b>	<b>April 25, 2019</b>
<b>Subject: 2019-2020 Proposed Operating Budget for the AHC Foundation</b>	

### **BACKGROUND**

Each year the Finance Committee reviews and approves a proposed operating budget for the upcoming fiscal period. Staff develops the preliminary budget which includes the current year's approved budget and a proposed budget for the upcoming fiscal period using projections for both revenue and expense.

### **EXPENSES**

**Bank and Brokerage charges:** The \$13,000 budget is for brokerage fees assessed to the Title III endowments. The Foundation has not been released from the Title III grant.

**Foundation Community Activities:** The expense budget's purpose is for attending community activities such as fundraising events. The decision was made to decrease the number of events attended, as a cost savings to the budget.

**Independent Contractor – Individuals:** During fiscal year 2018-19, an independent contractor was hired with responsibility of fundraising for the Hancock Promise. The Title V grant reimbursed the Foundation for the contractor's fees and a Major Gifts Officer has since been hired to fill the position of Toni McCracken. The budget for fiscal year 2019-20 has been reduced accordingly.

**Staff salaries/Employee Benefits & Payroll Taxes:** The budgeted amount of \$249,993 provides a 1% COLA for staff, step increases for two positions, and longevity for one position.

**Intrafund Transfers-Out:** – No changes to the \$33,500 budget. Budget is for \$13,500 Title III endowment funding for scholarships and programs until the Title III guidelines are met and \$20,000 for the annual scholarship banquet

**Software Maintenance Agreement:** AcademicWorks is the Foundation's scholarship management software -- the platform is used for AHC students applying for scholarships, the award process and managing the scholarship program. During fiscal 2018-19, funds for the maintenance agreement were not budgeted assuming the expense would qualify as a Title V expense. This year the Foundation has budgeted for the expense.

**Telephone:** No funds were budgeted since The FAX line was recently been disconnected. If needed, staff can access other Faxes in the building.

### **REVENUE**

**District/Grant Contribution** – In Fall 2014, Allan Hancock College was awarded a 5-year Hispanic Serving Institutions --Title V grant from the U.S. Department of Education. The grant provided funding for the Foundation's Advancement Specialist position. Ms. Natalie Rucobo was hired as

Advancement Specialist in July 2016. The grant's 20-year term ends on September 30, 2019. The district has permanently institutionalized the position as a Foundation employee. The amount budgeted covers N. Rucobo's salary and benefits.

**Interest and Investment Income** – Budgeted \$25,000 for interest/dividends earned on the unrestricted investment held at Morgan Stanley Select UMA - Consulting Group Advisor.

**FISCAL IMPACT**

The foundation's operating budget is a function of the unrestricted assets of the corporation. The proposed 2019-20 operating budget is being presented today for review, discussion and approval.

**RECOMMENDATION**

The Executive Committee has approved the proposed 2019-20 operating budget for review, discussion and approval by the Board of Directors.

## 2019-2020 Proposed Operating Budget for the AHC Foundation

Statement of Activity	Budget 2018-19	Budget 2019-20
Support and revenue		
Unrestricted contributions	75,000	39,750
Title 5 support	62,018	65,611
Transfers in:		
Admin fee	94,750	81,634
President's Circle Fee	15,000	15,000
Other	3,000	3,000
Promise fee 1.5%		7,500
Hansen Proceeds		98,500
Young Proceeds	87,190	50,000
	<u>199,940</u>	<u>255,634</u>
Other		425
Total support and revenue	<u>336,958</u>	<u>361,420</u>
Expenditures - See below	(376,958)	(386,420)
Other Income:		
Net realized gain	-	-
Net unrealized gain (loss)	15,000	-
Interest and dividends	25,000	25,000
Total other income	<u>40,000</u>	<u>25,000</u>
Change in net assets	-	-
Net assets, beginning	<u>140,801</u>	<u>140,801</u>
Net assets, end	<u><u>140,801</u></u>	<u><u>140,801</u></u>
	Budget 2018-19	Budget 2019-20
<b>Expenditures</b>		
Advertising and postage	8,900	6,600
Bank and brokerage charges	14,400	14,500
Building and equipment	1,000	1,000
Community activities	21,000	15,000
Contracted personal services	16,650	6,000
Contracts and leases	550	550
Employee benefits	23,760	20,428
Food	5,000	6,000
Memberships and permits	2,500	2,500
Miscellaneous expense	1,075	1,349
Salaries	228,923	249,993
Scholarship banquet support	20,000	20,000
Software maintenance agreement	-	10,000
Supplies and materials	13,500	12,500
Telephone	700	-
Title III funding	13,500	13,500
Travel and conference	5,500	6,500
<b>Total expenditures</b>	<u><u>376,958</u></u>	<u><u>386,420</u></u>

<b>To: Board of Directors</b>	<b>ACTION</b>
<b>From: Glenn Owen, Chair Finance Committee</b>	
<b>Subject: Approval of 2019-20 Foundation Budget for District</b>	

**BACKGROUND**

Each year the foundation submits a budget to the district that includes all of the foundations funds—operation, restricted, scholarship and endowment funds—and support to the college. The 2019-20 Foundation district budget is presented for review and approval. Below is a description of budget items that were increased.

**EXPENSES**

**Brokerage Fees:** The \$13,000 budget is for brokerage fees assessed to the Title III endowments. To date, the Foundation has not been released from the Title III grant. An increase to the budget reflects being possibly under budget during fiscal year 2018-19.

**Community Activities:** The expense budget's purpose is for attending community activities such as fundraising events. The budget was decreased by limiting the number of events attended, as a cost savings to the operations budget and increase to restricted funds.

**District/College Support:** The foundation holds grants supporting district programs. The district pays the grant expenses throughout the year. At year-end, the district provides invoices to the foundation and will be expensed as district/college support.

**Food – Business Meetings/Events:** An increase of \$1,000 to the budget to accommodate extra reception planned.

**Intrafund Transfers-Out:** No changes to the \$33,500 budget. Budget is for \$13,500 Title III endowment funding for scholarships and programs until the Title III guidelines are met and \$20,000 for the annual scholarship banquet.

**Software Maintenance Agreement:** AcademicWorks is the Foundation's scholarship management software -- the platform is for AHC students applying for scholarships, the award process and managing the scholarship program.

**Staff salaries/Employee Benefits & Payroll Taxes:** The budgeted amount of \$249,993 provides a 1% COLA for staff, step increases for two positions, and longevity for one position.

**REVENUE**

**District/Grant Contribution** -- In Fall 2014, Allan Hancock College was awarded a 5-year Hispanic Serving Institutions --Title V grant from the U.S. Department of Education. The grant provided funding for the Foundation's Advancement Specialist position. Ms. Natalie Rucobo was hired as Advancement Specialist in July 2016. The grant's 20-year term ends on September 30, 2019. The district has permanently institutionalized the position as a Foundation employee. The amount budgeted covers Ms. Rucobo's salary and benefits.

**Interest and Investment Income** – Budgeted \$25,000 for interest/dividends earned on the unrestricted investment held at Morgan Stanley Select UMA - Consulting Group Advisor. The budgeted \$675,000 is a conservative budget based on fiscal year 2018-19 interest and investment income – as of February 28, 2019 the income is \$570,975.

**RECOMMENDATION**

The Executive and Finance Committees recommend approval of the 2019-2020 Foundation district budget as submitted.

## 2019-2020 Proposed AHC Foundation Budget for District

Statement of Activity	Budget 2018-19	Budget 2019-20
Support and revenue		
Unrestricted contributions	1,505,000	1,350,000
Title 5 support	62,018	65,611
Other	20,000	5,925
Total support and revenue	1,587,018	1,421,536
Expenditures - See below	(2,268,858)	(2,121,521)
Other Income:		
Net realized gain	350,000	-
Net unrealized gain (loss)	750,000	-
Interest and dividends	700,000	700,000
Total other income	1,800,000	700,000
Change in net assets	1,118,160	15
Net assets, beginning	26,127,293	27,245,453
Net assets, end	27,245,453	27,245,468
	Budget	Budget
<b>Expenditures</b>	<b>2018-19</b>	<b>2019-20</b>
Advertising and postage	43,200	15,500
Bank and brokerage charges	145,500	180,000
Building and equipment	6,850	8,700
Community activities	21,000	40,000
Contest prizes		1,000
Contracted personal services	11,925	5,000
Contracts and leases	3,850	8,500
District College Support	750,000	675,000
Employee benefits	23,760	20,428
Food	20,000	21,000
Memberships and permits	4,000	5,850
Miscellaneous expense	100	100
PCPA support	74,000	75,000
Salaries	228,923	249,993
Scholarships	815,000	750,000
Software maintenance	500	10,000
Student Assistance	15,000	12,500
Supplies and materials	44,500	31,950
Telephone	750	-
Travel and conference	60,000	11,000
Viticulture support		
<b>Total expenditures</b>	<b>2,268,858</b>	<b>2,121,521</b>



<b>To: Board of Directors</b>	<b>ACTION</b>
<b>From: Mario Juarez, Chair Governance and Nominations Committee</b>	<b>April 25, 2019</b>
<b>Subject: Governance and Nominations Committee Report</b>	

**BACKGROUND****9. A. New Board Member Approval (ACTION)**

The Executive Committee has approved Ms. Judith Dale to be reviewed by the Board of Directors as a member of the AHCF Board of Directors.

**9. B. Committee Membership (Information)**

Director Frost has joined the Governance and Nominations Committee. The committee membership now consists of Director Juarez as chair, Director Ostini and Director Frost. The committee is open to new members.

**9. C. 2019-2020 Officers Panel (Information)**

As has been in previous years, executive committee members have been asked if they would like to consider serving for the next year. All officers have said that they would like to continue in their roll. Suggested officers for 2019-2020 are below. Formal approval will be sought at the July Annual Organizational Meeting.

President – Lee-Volker Cox  
 Vice President – Guy Walker  
 Secretary – Mary Nanning  
 Treasurer – Glenn Owen  
 Member-at-Large #1 – Bob Manning  
 Member-at-Large #2 – Jim Bray

**RECOMMENDATION**

The Governance and Nominations Committee recommends:

- Approval of Ms. Judith Dale to the Board of Directors
- Discussion of the suggested 2019-2020 panel of officers will take place at the April 25 board meeting, for approval to be requested at the July 25 Annual Organizational Meeting.

<b>To: Board of Directors</b>	<b>Information</b>
<b>From: Jon Hooten Executive Director, AHC Foundation</b>	<b>April 25, 2019</b>
<b>Subject: Hancock Promise Committee Update</b>	

### Overview

The AHC Foundation has launched a new fundraising model. On Thursday, March 28, 2019, from 11:05 AM to 12:05 PM, one of the foundational elements of our new donor engagement model, the Promise Tour, was launched. Eight guests, including our first Promise Tour Host, Guy Walker, were taken through a carefully timed, 3-stop tour of our mission centered work. Informal feedback about the tour was positive and formal feedback is being gathered.

### Campaign Review

Campaign status was reviewed and updated. Work is underway to streamline the Promise messaging. Themed multiple platform communications are being designed to further engage current donors and reach more prospects with a unified Hancock Promise Brand. Discussion is underway to explore how the Promise might be expanded both to better encompass student need and appeal to untapped market segments. Specific, mission focused changes to be considered and presented for inclusion.

### Campaign Strategy Review

The following Thursday Promise Tour dates are set:

1. May 2, 2019/Thursday
2. May 9, 2019/Thursday
3. May 16, 2019/Thursday
4. June 13, 2019/Thursday
5. June 20, 2019/Thursday
6. June 27, 2019/Thursday
7. July 11, 2019/Thursday
8. July 18, 2019/Thursday
9. July 25, 2019/Thursday

The Tours start at 11:00 AM promptly and end no later than 12 o'clock noon. Each of the available dates needs a Promise Host who is willing to invite ten to fifteen guests, using the format we have developed. This is a foundational element of both our prospect cultivation process and our donor re-engagement process. **We are actively seeking Promise Tour Hosts and will be approaching board members to serve in this capacity. Hosting a Promise Tour is a volunteer commitment with a detailed "job description" that includes a limited time commitment, concise instructions, with support tools and extensive staff support.** Work is being done to development additional tour stops, which will allow additional Promise Tours on another day of the week.

Work is underway to discuss ways in which the reach of the current steering committee model might be adapted to a more classic campaign committee model to extend our reach. A list of names of potential new committee members, representative of all geographic areas served, and key market segment influencers, is currently being developed for consideration.

<b>To: Board of Directors</b>	<b>Information</b>
<b>From: Michael Carroll Chair, Community Ambassador's Committee</b>	<b>April 25, 2019</b>
<b>Subject: Community Ambassador's Committee Update</b>	

**BACKGROUND**

The second class of Community Ambassadors will have their final meeting on May 10, 2019. This meeting is focused on the Viticulture/Enology program and PCPA. This is traditionally one of the most popular events. Please let Natalie know if you would like to attend.

Applications are now open to the 2019-2020 class of ambassadors. The deadline to apply is June 30, 2019. Please refer any potential community leaders and/or business executives to the AHC Foundation website.

<b>To: Board of Directors</b>	<b>Information</b>
<b>From: Maggi Daane Chair, President's Circle Committee</b>	<b>April 25, 2019</b>
<b>Subject: President's Circle Committee Update</b>	

### **BACKGROUND**

The President's Circle hosted a reception on March 16, 2019, in honor of the 50<sup>th</sup> Anniversary of the Allan Hancock College Dance Program. The event was attended by 147 guests. These guests were primarily alumni, faculty and staff of the dance department, as well as eight members of the President's Circle. The event went from 5:30- 7:00pm. Wine, cheese and deserts were served and the event was a success. The cost was split with the Dance department, leading the final amount charged to President's Circle at under \$1,000.

The committee also made the decision to host the annual Encore Circle/ President's Circle event with PCPA again this year. The event will be held on April 27, from 5:30- 7:00 PM for the appetizers reception, with a desert reception held at intermission. This year's show is A Gentleman's Guide to Love and Murder. Thus far there has been a fantastic response to the event, as there traditionally has been. The staff of the PCPA are taking the lead on planning the event.

The next President's Circle event will be planned for the fall of 2019. Members will continue to be updated about events around campus including lectures, art openings and more.

<b>To: Board of Directors</b>	<b>Information</b>
<b>From: Bob Manning Chair, Scholarship Committee</b>	<b>April 25, 2019</b>
<b>Subject: Scholarship Committee Update</b>	

**BACKGROUND**

The Scholarship Working Team Committee worked very hard this year, reviewing over 600 applications and awarding almost \$480,000. The Committee's last meeting was held on April 5<sup>th</sup>. The committee is now focusing on the annual Scholarship Banquet. Similar to last year, the event is being planned and coordinated with the support of Big Red Marketing.

Please save-the-date for May 23, 2019 from 6-8pm in the Joe White Gymnasium.