



**NOTICE OF  
ANNUAL ORGANIZATIONAL  
MEETING  
of the  
ALLAN HANCOCK COLLEGE  
FOUNDATION  
BOARD OF DIRECTORS  
February 9, 2012  
4 p.m.**

# Agenda

Allan Hancock College  
800 South College Drive, Santa Maria  
Student Center Room 106B

## **OFFICERS**

Mario A. Juarez  
*President*

John Everett  
*Vice President*

Maggi Daane  
*Secretary*

Terry Dworaczyk, Ed.D.  
*Treasurer*

Joannie Jamieson  
*Past President*

## **COMMUNITY REPRESENTATIVES**

Sandy Carty

R. Bruce Coggin

Ernest DeGasparis

José Escobedo

Kate Ferguson

Judy Frost

Mary Harvey

Tom Lopez

John Martino

Patrick McDermott

Susan Moats

Mary K. Nanning

Patrick Sheehy

Dennis Shepard, M.D.

Roger Welt, Ed.D.

Jeff York

Hilda Zacarias

Leslie Meyers Zomalt, Ph.D.

## **COLLEGE TRUSTEE REPRESENTATIVES**

Larry Lahr

Greg Pensa

## **COLLEGE REPRESENTATIVES**

José M. Ortiz, Ed.D.

*Superintendent/President*

Elizabeth A. Miller, Ed.D.

*Assoc. Superintendent/Vice*

*President, Administrative*

*Services*

Karen Tait

*Faculty*

Melissa Schubert

*Student*

## **FOUNDATION STAFF**

Jeff Cotter

*Executive Director*

Marlyn Cox

Toni McCracken



**NOTICE OF ANNUAL ORGANIZATIONAL MEETING  
OF THE  
ALLAN HANCOCK COLLEGE FOUNDATION  
BOARD OF DIRECTORS**

Thursday, February 9, 2012 ~ 4 p.m.

Allan Hancock College – Santa Maria Campus  
800 South College Drive, Santa Maria, CA 93454  
Student Center – Building G – Room 106B

**Agenda**

- |   | <b>Page</b> |
|---|-------------|
| <b>1. CALL TO ORDER</b>   |             |
| <b>2. ROLL CALL</b>   |             |
| <b>3. PUBLIC COMMENT</b><br>Public comment not pertaining to specific agenda items is welcome at this time.<br>If you wish to speak to any item listed, please complete a <i>Request to Speak Card</i><br>available from the executive director. It is suggested that speakers limit<br>themselves to 5 minutes.              |             |
| <b>4. APPROVAL OF AGENDA</b>  |             |
| <b>4.A. Agenda for February 9, 2012</b><br>ACTION - Motion _____ Second _____ Vote _____  |             |
| <b>5. APPROVAL OF MINUTES</b>   |             |
| <b>5.A. Minutes of November 10, 2011</b><br>ACTION - Motion _____ Second _____ Vote _____   | <b>1-4</b>  |
| <b>6. NOMINATING COMMITTEE'S REPORT</b><br>As prescribed in the bylaws of the corporation, the Nominating Committee has<br>prepared a slate of officers for 2012-13, a recommendation to re-elect current<br>board members, a recommendation to nominate new board members, and to<br>accept the resignation of board member. | <b>5-6</b>  |
| <b>6.A. Election of Corporate Officers for 2012-13</b><br>ACTION - Motion _____ Second _____ Vote _____   |             |
| <b>6.B. Nomination of Current Board Members</b><br>ACTION - Motion _____ Second _____ Vote _____  |             |
| <b>6.C. Nomination of New Board Members</b><br>ACTION - Motion _____ Second _____ Vote _____  |             |
| <b>6.D. Resignation of Board Member</b><br>ACTION - Motion _____ Second _____ Vote _____  |             |

	Page
<b>7. INVESTMENT COMMITTEE'S REPORT</b>	
The Investment Committee has reviewed the foundation's financial reports and presents them for review and discussion by the board of directors.	
<b>7.A. Investment Committee Report to the Board</b>	7
A report from the Investment Committee of any actions or business they have conducted on behalf of the corporation since the last foundation board meeting.	
<b>7.B. Statement of Operations – 12/31/11</b>	9
<b>7.C. Balance Sheet – 12/31/11</b>	10
<b>7.D. Contributions Report – 12/31/11</b>	11
<b>7.E. Operating Budget – 12/31/11</b>	12
<b>7.F. Portfolio Summary – 12/31/11</b>	13-14
A recommendation to accept the financial statements as presented. <b>ACTION - Motion _____ Second _____ Vote _____</b>	
<b>7.G. Independent Auditor's Report</b>	15-30
The annual independent auditor's financial report and financial statements for the Allan Hancock College Foundation for the year ending June 30, 2011.	
<b>8. BOARD ITEMS</b>	
<b>8.A. Quarterly Meetings – Proposed Change</b>	31
A recommendation to change the regular quarterly meetings of the foundation. <b>ACTION - Motion _____ Second _____ Vote _____</b>	
<b>8.B. Meeting Calendar 2012-13</b>	32-33
A recommendation to approve the 2012 calendar for foundation board meetings, committee meetings, and special events. <b>ACTION - Motion _____ Second _____ Vote _____</b>	
<b>8.C. Community Volunteers – Role on Foundation Committees</b>	34
A recommendation to approve the designation of <i>Community Volunteers</i> and provide service on ad hoc and special committees. <b>ACTION - Motion _____ Second _____ Vote _____</b>	
<b>8.D. Board Orientation and Retreat</b>	35
The Executive Committee is recommending a combined orientation and retreat for new and current board members. <b>ACTION - Motion _____ Second _____ Vote _____</b>	

	<b>Page</b>
<b>8.E. Foundation Board Scholarship for 2012</b>	<b>36</b>
<p>Foundation board members for the last three years have provided an annual contribution towards a <i>Foundation Board Scholarship</i> awarded at the annual scholarship banquet.</p> <p><b>ACTION</b> - Motion _____ Second _____ Vote _____</p>	
<b>8.F. Corporate Resolution No. 2012-01</b>	<b>37-38</b>
<p>As part of its corporate business, the foundation's board of directors will annually consider a resolution for the authorization of savings, checking, and investment account signatures necessary to conduct its day-to-day business. This resolution is intended to be compliant with the policies of the Allan Hancock Joint Community College District.</p> <p><b>ACTION</b> - Motion _____ Second _____ Vote _____</p>	
<b>8.G. Director's Statement of Conduct, Commitment and Conflict of Interest</b>	<b>39-40</b>
<p>According to foundation's policy, each year at the annual corporate meeting, every director is asked to submit a completed and signed statement of conduct, commitment and conflict of interest.</p>	
<b>9. EXECUTIVE COMMITTEE'S REPORT</b>	
<b>9.A. College Trustee Appointments – 2012</b>	<b>41</b>
<p>A report to the board of the appointment by the college board of trustees of two members of that board to serve as directors of the Allan Hancock College Foundation for one year.</p>	
<b>9.B. Nomination Process for New Board Members</b>	<b>42</b>
<p>A report to the board on the change in timeline for nomination of new board members based on bylaw amendment change.</p>	
<b>10. COMMITTEE REPORTS</b>	
<b>10.A. Events – Maggi Daane, Chair</b>	<b>43</b>
<p>A report on the work by this committee.</p>	
<b>10.B. President's Circle – John Everett, Chair</b>	<b>44</b>
<p>A report on the progress of the 2011 annual campaign.</p>	
<b>10.C. Planned Giving Jeff Cotter, Chair</b>	<b>45</b>
<p>A report on the work by this committee.</p>	
<b>11. ORAL REPORTS</b>	
<b>11.A. Members of the Board of Directors</b>	<i>General Announcements</i>
<b>11.B. College Superintendent/President</b>	<i>Dr. José M. Ortiz</i>
<b>11.C. College Trustee</b>	<i>Mr. Gregory A. Pensa</i>
<b>11.D. PCPA Foundation Representative</b>	<i>Mrs. Judy Frost</i>
<b>11.E. Faculty Representative</b>	<i>Mrs. Karen Tait</i>

**11.F. Student Representative**

*Ms. Melissa Schubert*

**11.G. Executive Director**

*Mr. Jeff Cotter*

**12. OTHER BUSINESS**

**13. DATE FOR NEXT QUARTERLY BOARD MEETING**

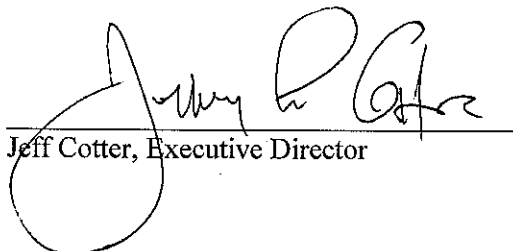
The next regular meeting is Thursday, April 26, 2012, 4 - 5:30 p.m. at the Santa Maria Campus, 800 South College Drive, in the Student Center Room 106-A.

**14. ADJOURNMENT**

**14.A. Adjournment**

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

**ACTION** - Motion \_\_\_\_\_ Second \_\_\_\_\_ Vote \_\_\_\_\_



Jeff Cotter, Executive Director

**ALLAN HANCOCK COLLEGE FOUNDATION**  
**QUARTERLY MEETING OF THE BOARD OF DIRECTORS**  
*Minutes of November 10, 2011*

A meeting of the Allan Hancock College Foundation Board of Directors was held on Thursday, November 10, 2011, in Building G – Student Center Room 106B at Allan Hancock College, 800 S. College Drive, Santa Maria, California.

**1. MEETING CALLED TO ORDER**

Foundation Board President Mario Juarez called the meeting to order at 4 p.m.

**2. ROLL CALL**

*Directors Present:* S. Carty, B. Coggin, M. Daane, E. DeGasparis, T. Dworaczyk, J. Everett, M. Harvey, J. Jamieson, M. Juarez, L. Lahr, E. Miller, J. Ortiz, M. Schubert, P. Sheehy, K. Tait, R. Welt, J. York, H. Zacarias, L. Zomalt

*Directors Absent:* J. Escobedo, K. Ferguson, J. Frost, T. Lopez, J. Martino, P. McDermott, S. Moats, M. Nanning, G. Pensa, D. Shepard

*Foundation Staff Present:* J. Cotter

*Recorder:* Leslie Zomalt was recorder for meeting because staff was setting up for *Annual President's Reception*.

**3. PUBLIC COMMENT**

None

**4. APPROVAL OF AGENDA**

President Juarez asked members to review the agenda for today's meeting of the Allan Hancock College Foundation Board of Directors and called for a motion to approve.

**MOTION:** Moved/seconded (Everett/Welt) and passed by unanimous voice ballot to approve the November 10, 2011, agenda.

**5. APPROVAL OF MINUTES**

President Juarez asked members to review the minutes of the August 11, 2011, regular meeting and called for a motion to approve.

**MOTION:** Moved/seconded (Dworaczyk/Harvey) and passed by unanimous voice ballot to approve the August 11, 2011, regular meeting minutes.

**6. STUDENT REPRESENTATIVE 2011-12**

Mr. Cotter introduced Ms. Melissa Schubert as the nominee for student representative for this academic year to the foundation board.

**MOTION:** Moved/seconded (York/Jamieson) and passed by unanimous voice ballot to accept the nomination of Ms. Melissa Schubert as the student representative for this academic year to the foundation board.

**7. INVESTMENT COMMITTEE'S REPORT**

Dr. Dworaczyk stated that the financial report through September showed a 10% decline in the foundation's portfolio value, while the general market declined 14%. Earnings improved in October. He also reported that the Investment Committee approved investing a \$100,000 certificate of deposit at CoastHills Federal Credit Union.

*Statement of Operations:* For the period ending 9/30/2011, Dr. Dworaczyk noted that the fund balance for the unrestricted fund was \$243,750; the temporarily restricted fund balance was \$890,912, and the endowment balance was \$4,910,161. The total fund balance for the period was \$6,044,823.

*Balance Sheet:* For the period ending 9/30/2011, in reviewing the statement it was noted that the total current assets, total current liabilities and net assets were \$6,044,823.

*Contributions Report:* For the period ending 9/30/2011, the total contributions were \$124,471.

*Operating Budget:* For the period ending 9/30/2011, in reviewing the operating budget statement, income for the year-to-date was \$38,230, with expenses \$33,743 and the fund balance was \$243,750.

*Portfolio Summary:* Dr. Dworaczyk reviewed the Portfolio Summary dated 9/30/2011, which reflects \$4,867,496 in endowment investments and \$1,177,327 invested in unrestricted and temporarily restricted investments.

**MOTION:** Moved/seconded (Harvey/Dworaczyk) and passed by unanimous voice ballot to accept the financial statements and reports as presented.

## 8. BOARD ITEMS

**8.A. Foundation Bylaw Proposed Amendment Change:** Mr. Juarez reported the proposed bylaw amendment to Article V, Section F – Directors is to clarify existing language. The proposed edits are as follows – changes are bolded and underlined.

### *Article V, Section F*

*F. Each of the persons selected for the Board of Directors pursuant to Paragraph V(C)(4) above shall be selected for an initial one ~~three~~-year term with the option of an additional approved two years, if approved by the Board of Directors, and the terms of one-third such persons shall expire each year. Upon completion of the term noted in the preceding sentence, said Board member may serve two additional three-year terms, if approved by the Board of Directors. No such person may serve as a Director for more than nine (9) consecutive years. The term of office of each Director shall expire automatically at the February meeting following his/her 9<sup>th</sup> consecutive year. A person whose term has expired will be eligible for reappointment to the Board of Directors after a minimum of one year has elapsed since the expiration.*

**MOTION:** Moved/seconded (Coggin/York) and passed by unanimous voice ballot to approve proposed change to the foundation bylaws, Article V, Section – Directors, as described above.

### **8.B. Endowment Funding Proposed Policy Change and Endowment Funding for 2011-2012:**

The proposal was made to move the date for determining the value of endowment funding from September 30 to June 30. The valuation date was last changed in 2005. Vice President Miller indicated that the June date is preferable for the college's year-end closing operations. She also recommended that the change should be consistent and not changed because of market conditions. Discussion followed about when and how donors are notified and if they are encouraged to make up the difference with a one-time gift, so that scholarships can be given. Ms. Zacarias suggested that this issue be reviewed every two years. Mr. Juarez suggested a note to the record about the importance of a serious review be made if future changes are proposed. Ms. Harvey asked if she should abstain because she has an endowment fund which could be impacted by this decision.

**MOTION:** Moved/seconded (Everett/Coggin) and passed with two abstentions, Ms. Harvey and Ms. Jamieson, by voice ballot to approve the proposed change in the foundation's *Endowment Funding Policy* of moving the date for determining the amount for endowment funding from September 30 to June 30 and to approve the endowment funding proposal for \$145,150 from the review date of June 30.

**8.C. Endowment Agreement Policy Proposed Change:** The Executive Committee is recommending there be disclosure of the 1.5% administrative fee charged to endowments held by the foundation. The foundation's Investment Policy does include this administrative fee language. Staff is recommending an update to the *Endowment Agreement Form* to include the 1.5% administrative fee.

**MOTION:** Moved/seconded (Welt/Coggin) and passed by unanimous voice ballot to approve the proposed change to the foundation's *Endowment Agreement Policy* to include the 1.5% administrative fee charged to endowments held by the foundation.

## 9. EXECUTIVE COMMITTEE REPORT

- 9.A. *Executive Committee Actions Taken:* Since the last meeting of the foundation board, its Executive Committee has considered and taken action on the following:
- End-of-Year Holiday Gathering -- approved hosting an end-of-year reception in early December for current foundation board members and spouses along with current college trustees and their spouses. A *Board Hospitality Fund* was created/approved at the August quarterly board meeting with directors providing \$100 each to help offset the cost of the event. With the hospitality fund in place, it was discussed whether some type of end-of-year event would be in order. There was general consensus that this would be a good idea but no action was taken.
- 9.B. *NCCCF 2011 Annual Symposium:* The Network of California Community Colleges held their annual symposium on October 12-14, 2011. A report on this was postponed due to the absence of Mr. Lopez who attended the event.
- 9.C. *Year-End/Holiday Office Schedule:* The foundation calendar for the months of November, December, January and February was shared with the board.

## 10. COMMITTEE REPORTS

- 10.A. *President's Circle Committee Report:* Mr. John Everett, chair of the Annual President's Circle Campaign committee, reported the goal is to raise \$90,000. To date, over \$75,000 has been raised.
- 10.B. *Planned Giving Committee Report:* As the end of the tax year approaches, Mr. Cotter encouraged board members to be aware of various ways that donations can be made to the foundation, including bequests and insurance. Directors were encouraged to pass this information on to friends of Allan Hancock College and clients. Ms. Harvey shared her positive experience with her donations of insurance policies.
- 10.C. *Nominating Committee Report:* Dr. Zomalt reported that the nomination process is moving along. Individuals have assignments to follow-up with nominees. The final list of nominees will be presented to the Executive Committee in January and to the full board in February.
- 10.D. *Major Gifts Committee Report:* There was no report.

## 11. ORAL REPORTS

- 11.A. **Members of the Board of Directors** – There was no report.
- 11.B. **College Superintendent/President** – Dr. Ortiz reported that the college's Hispanic Serving Institution status was renewed in September. Allan Hancock College has held this designation for approximately 10 years. A 25% minority enrollment is required. This opens several avenues for potential funding.
- He also reported on \$4.2 million new STEM funds which will support efforts in Science, Technology, Engineering and Math, particularly to coordinate with both high schools and transfer institutions to insure students are better prepared and have access to further education.
- Also, Dr. Ortiz reported in the current economic downturn, the state legislature has begun to question the mission of community colleges. There is a new focus on student success rather than on access. A task force has been set up to develop specific recommendation which can implement this approach including such items as individualized education plans, enforcement of course placement based on testing, scheduling of courses around student needs and strategic resource reallocation to meet these goals. The Task Force report is due in March 2012 and will be available on the Chancellor's website.



<b>To: Board of Directors</b>	<b>ACTION</b>
<b>From: Leslie Zomalt, Chair – Nominating Committee</b>	<b>February 9, 2012</b>
<b>Subject: Nominating Committee Report</b>	

**BACKGROUND**

In carrying out its primary responsibility on behalf of the board of directors, the nominating committee presents the following report:

- A. Eighteen nominations were submitted to the committee by board members for consideration. The committee contacted each nominee to determine their level of interest in serving on the foundation board.

The Nominating Committee is submitting the following names to the Executive Committee to review and consider as board members to the Allan Hancock College Foundation.

1. Gil Palacios – Architect, Santa Maria
  2. Bob Poole – Oil and Gas Company Representative, Nipomo
  3. Bob Manning – Retired and Former Chair, Lompoc Chamber of Commerce, Lompoc
  4. Georgia Schrager – Retired Teacher, Orcutt
  5. Doris Lahr – Community Volunteer, Orcutt
- B. That the following current director's terms of office are scheduled to expire following the annual meeting on February 9, 2012:
1. The first year of their initial three-year term: Sandy Carty, R. Bruce Coggin, Mary Nanning, Patrick Sheehy and Hilda Zacarias.
  2. The first three-year term: Kate Ferguson.
- C. The following members will have each served the maximum number of three concurrent terms (nine years) and will be leaving the board:
1. Ernie DeGasparis
  2. Joannie Jamieson
  3. Mario Juarez
- D. The following board member has submitted a letter of resignation: José Escobedo.
- E. That the following slate of names be recommended to serve as officers of the foundation for 2012: John Everett, President; Judy Frost, Vice President; Maggi Daane, Secretary; and Terry Dworaczyk, Treasurer.

**FISCAL IMPACT**

None

*Continued on following page*

<b>To: Board of Directors</b>	<b>ACTION</b>
<b>From: Leslie Zomalt, Chair – Nominating Committee</b>	<b>February 9, 2012</b>
<b>Subject: Nominating Committee Report</b>	

*Continued from previous page*

**RECOMMENDATION**

Upon review and approval, a motion is required:

- A. **to approve the recommendation** for the 2012 slate of officers for the corporation: John Everett, President; Judy Frost, Vice President; Maggi Daane, Secretary; and Terry Dworaczyk, Treasurer;
- B. **to approve the recommendation** of Sandy Carty, R. Bruce Coggin, Patrick Sheehy and Hilda Zacarias to each serve year two and three of their first term as a member of the board of directors; **to approve the recommendation** of Kate Ferguson to serve a second three-year term as a member of the board of directors; **and to approve the recommendation** of inviting Mary K. Nanning to serve the second year of her first term, and per her request, that at the completion of the year, to share a conversation about continuing as a director;
- C. **to approve the nomination** of Gil Palacios, Bob Poole, Bob Manning, Georgia Schragger, and Doris Lahr to serve as new members of the Allan Hancock College Foundation Board of Directors;
- D. **to accept with regrets** the resignation of José Escobedo.

<b>To: Board of Directors</b>	<b>INFORMATION</b>
<b>From: Terry Dworaczyk, Chair – Investment Committee</b>	<b>February 9, 2012</b>
<b>Subject: Investment Committee Report</b>	

**BACKGROUND**

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

<b>To: Board of Directors</b>	<b>ACTION</b>
<b>From: Terry Dworaczyk, Chair – Investment Committee</b>	<b>February 9, 2012</b>
<b>Subject: Financial Statements Report</b>	

**BACKGROUND**

As provided to them, the Investment Committee has reviewed the foundation's financial statements, including its statement of operations and balance sheet, a contributions report, the operating budget, and portfolio summary. While these year-end statements are closed, there are outstanding invoices to pay from the foundation's restricted funds. In addition, there may be adjustments to these yearend statements by the foundation's auditors prior to the final audit report. The following reports are presented for review and discussion by the board of directors.

- Statement of Operations – 12/31/11
- Balance Sheet – 12/31/11
- Contributions Report – 12/31/11
- Operating Budget – 12/31/11
- Portfolio Summary – 12/31/11

**RECOMMENDATION**

Upon review and agreement, the Investment Committee recommends that the board accept the foundation's financial statements for the periods indicated, including its statement of operations and balance sheet, a contributions report, the operating budget, and summary of pooled investments as presented.

# Allan Hancock College Foundation

## Statement of Operations

For the Period Ending 12/31/2011

	Unrestricted	Temporarily Restricted	Endowments	Total
<b>REVENUE:</b>				
Contributions	\$ 3,206	\$ 83,740	\$ 42,657	\$ 129,603
Contributions non-cash	0	0	0	-
Scholarship Contributions	0	98,070	0	98,070
Interest and Dividends	7,347	0	87,505	94,852
Gain/Loss on Sale of Investments	4,929	0	(20,604)	(15,675)
Change in Asset Portfolio	0	0	(333,278)	(333,278)
Miscellaneous	0	6,844	0	6,844
Transfers in	72,388	214,840	0	287,228
Total Revenue	87,870	403,494	(223,720)	267,644
<b>EXPENSE:</b>				
Salaries	51,489	0	0	51,489
Scholarships	0	316,982	0	316,982
Employee benefits	4,486	0	0	4,486
Supplies and materials	5,858	24,885	0	30,743
Contracted personal services	200	9,545	0	9,745
Travel and conference	1,716	2,888	0	4,604
Memberships and permits	450	0	0	450
Telephone	840	0	0	840
Contracts, leases and maint. agreements	470	2,865	0	3,335
Legal, audit, bad debt, miscellaneous	0	0	0	-
Postage and advertising	1,210	0	0	1,210
Bank, Brokerage, Interest and Cr Card Fees	1,086	0	21,871	22,957
Building and equipment purchases	0	1,635	0	0
Non cash contributions	0	0	0	-
Transfers out	100	313,313	52,174	365,587
Total Expenses	67,905	672,113	74,045	812,428
Net Revenue/Expense	\$ 19,965	\$ (268,619)	\$ (297,765)	\$ (544,784)
Beginning Fund Balance, July 1	239,263	963,863	5,508,601	6,711,727
Current Fund Balance	\$ 259,228	\$ 695,244	\$ 5,210,836	\$ 6,165,308

**Unrestricted:** Unrestricted assets are those which the board has full discretion.

**Temporarily restricted:** Temporarily restricted assets are those which may be fully expended according to a designation or restriction placed upon them by the donor. Acceptance of the gift is acknowledgement that the designation/restriction would be followed.

**Endowments:** Endowment assets may be permanently restricted in which case the principal remains intact in perpetuity, with only the proceeds from the investment of principal being available for expenditure. They may also be held as quasi-endowment in which case the donor or the board of directors has designated that both the principal and proceeds can be expended.

**Allan Hancock College Foundation**  
**Balance Sheet**  
For the Period Ending 12/31/2011

**ASSETS**

<u>Current Assets</u>	
Cash on hand and equivalents	\$ 986,615
Investments	5,191,060
Accounts receivable	
Accrued Interest Receivable	-
<b>Total Current Assets</b>	<u><u>\$ 6,177,675</u></u>

**LIABILITIES AND NET ASSETS**

<u>Current Liabilities</u>	
Accounts Payable, Unrestricted	\$ -
Accounts Payable, Restricted	-
Due other funds	12,367
Accrued Liabilities	
<b>Total Current Liabilities</b>	<u><u>\$ 12,367</u></u>

<u>Net Assets</u>	
Unrestricted	259,228
Temporarily restricted	695,244
Endowments	5,210,836
<b>Total Net Assets</b>	<u><u>\$ 6,165,308</u></u>

<b>Total Liabilities and Net Assets</b>	<u><u>\$ 6,177,675</u></u>
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**Allan Hancock College Foundation**  
**Contributions**  
**July 1, 2011 through June 30, 2012**

Account	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Total
Unrestricted Funds	90	65	244	144	694	1,969							3,206
Restricted Funds	10,840	701	19,612	7,241	11,629	6,166							55,434
AHC Scholarship Funds	20,367	20,365	3,945	36,807	9,920	6,111							98,070
Endowments	700	20,000	15,780		125	6,050							42,655
President's Circle Annual Campaign	914	7,914	3,914	4,484	3,708	7,237							28,171
In-Kind Donations													
<b>MONTHLY TOTALS</b>	32,711	49,045	43,495	48,676	26,076	27,533							
<b>CURRENT YTD TOTALS</b>	\$ 32,711	\$ 81,756	\$ 124,471	\$ 173,147	\$ 199,223	\$ 226,756	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 226,756

**PRIOR YEARS**

July 10-June 11	33,237	119,259	168,275	240,841	262,359	389,282	474,512	520,734	559,245	610,414	862,539	907,673	
July 09-June 10	76,076	188,161	227,180	331,314	358,234	472,884	506,820	528,843	577,141	597,819	715,628	941,725	
July 08-June 09	68,637	127,337	187,331	254,313	282,414	565,024	592,970	609,746	661,090	848,526	1,018,528	1,053,236	
July 07-June 08	45,107	126,207	172,587	299,483	514,884	641,357	679,931	711,203	768,748	848,526	1,000,629	1,070,668	
July 06-June 07	99,807	202,598	246,726	330,210	419,424	807,361	847,622	898,492	925,869	1,036,458	1,075,487	1,098,427	
July 05-June 06	98,646	335,765	393,848	463,476	491,535	601,929	683,955	713,831	814,389	852,245	915,543	1,125,361	
July 04-June 05	78,867	150,074	221,555	302,251	365,176	567,844	590,148	613,997	673,291	797,996	851,703	951,050	
July 03-June 04	78,436	161,345	250,851	325,196	399,677	680,662	714,421	727,671	757,531	817,265	899,968	938,647	
July 02-June 03	75,261	121,934	191,280	359,263	392,300	693,094	740,946	754,027	788,449	914,786	962,885	1,940,867	
July 01-June 02	35,589	99,388	141,388	214,353	257,794	534,098	566,600	588,843	614,880	658,510	707,255	999,005	
July 00-June 01	38,133	205,903	276,175	344,333	350,114	452,155	471,942	486,122	509,716	545,162	584,728	626,975	

**NOTES:**

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

**ALLAN HANCOCK COLLEGE FOUNDATION**  
**Operating Budget**  
**July 1, 2011 - June 30, 2012**

Month Ending:  
12/31/2011

	2011-12 Approved Budget	2011-12 YTD Rev & Exp	2011-12 Percentage Budget
<b>REVENUE</b>			
Unrestricted - Contributions	5,120	3,206	63%
Unrestricted - Contributions non-cash			0%
Unrestricted - interest	5,000	1,232	25%
Administration Fee - 1.5%	65,000	33,425	51%
Fundraising	46,500	8,214	18%
President's Circle	5,300		0%
Consulting Group Advisor - Gain/Loss		4,929	0%
Consulting Group Advisor - Dividends		6,115	0%
Marian Hancock Trust	24,000	12,000	50%
F. Young Endowment Proceeds	37,500	18,750	50%
<b>TOTAL REVENUE</b>	<b>\$ 188,420</b>	<b>\$ 87,870</b>	<b>47%</b>
<b>EXPENSES</b>			
Executive Director	50,000		0%
Staff Salaries	96,578	48,290	50%
Staff Health/Welfare Benefits	6,400	3,200	50%
Staff Payroll Taxes/Insurance	9,607	4,486	47%
<b>Sub Total Staff Salaries &amp; Benefits</b>	<b>\$ 162,585</b>	<b>\$ 55,976</b>	<b>34%</b>
Public Relations	100		0%
Operational Supplies	4,000	1,554	39%
Printing	4,650	3,779	81%
Food Supplies	2,200	624	28%
Consultants, Service Contracts	1,650	670	41%
Conference Expense	2,000	1,692	0%
Business Travel Expense	1,200	24	2%
Dues and Memberships	450	450	100%
Licenses, Permits, Filing Fees	170		0%
Telephone	1,725	840	49%
Maintenance Agreements	350		0%
Equipment Leases & Agreements	775	407	53%
Postage and Courier Services	3,865	803	21%
Advertising	500		0%
Bank Service Charges	1,000	1,086	109%
Equipment Purchase	1,200		0%
Non-cash contributions			0%
<b>Sub Total Operating Expenses</b>	<b>\$ 25,835</b>	<b>\$ 11,929</b>	<b>46%</b>
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 188,420</b>	<b>\$ 67,905</b>	<b>36%</b>
<b>UNRESTRICTED FUND</b>			
<b>Net Revenue/Expense</b>	<b>\$ (0)</b>	<b>\$ 19,965</b>	
<b>Beginning Fund Balance, July 1</b>	<b>\$ 239,263</b>	<b>\$ 239,263</b>	
<b>CURRENT FUND BALANCE</b>	<b>\$ 239,263</b>	<b>\$ 259,228</b>	

**ALLAN HANCOCK COLLEGE FOUNDATION**  
 Portfolio Summary  
 January 1, 2011 thru December 31, 2011

<b>ENDOWMENT</b>	<b>Pool</b>	<b>Cost Basis</b>	<b>Beginning Market Value 01/01/11</b>	<b>Net Deps/Withdrawls</b>	<b>12/31/2011</b>	<b>Total Market Value Change YTD</b>
<b>Morgan Stanley Smith Barney</b>						
SPDR Gold Trust	A	\$ 59,471.21	\$ -	\$ 59,471.21	\$ 60,317.84	\$ 846.63
Blackrock, Inc.	A	\$ 450,378.26	\$ -	\$ 487,618.47	\$ 487,824.46	\$ 205.99
Matthews Asia Pacific Equity, Inc	A	\$ 32,036.86	\$ -	\$ 35,036.86	\$ 31,275.44	\$ (3,761.42)
Newgate Capital Management LLC	A	\$ 128,500.31	\$ -	\$ 138,500.31	\$ 121,817.45	\$ (16,682.86)
Pimco Emerging Markets Bond Fund	A	\$ 64,073.88	\$ -	\$ 69,073.88	\$ 66,143.31	\$ (2,930.57)
Pimco Real Return Fund	A	\$ 64,073.81	\$ -	\$ 74,073.81	\$ 61,342.71	\$ (12,731.10)
Loomis Sayles Investment	A	\$ 160,184.61	\$ -	\$ 170,184.61	\$ 156,160.91	\$ (14,023.70)
Metropolitan West	A	\$ 288,332.45	\$ -	\$ 298,332.45	\$ 294,632.70	\$ (3,699.75)
Renaissance Group LLC	A	\$ 180,239.73	\$ -	\$ 190,239.73	\$ 191,900.44	\$ 1,660.71
Global Currents Investment Management	A	\$ 185,475.05	\$ -	\$ 195,475.05	\$ 183,070.43	\$ (12,404.62)
Templeton Global Bond	A	\$ 64,057.87	\$ -	\$ 65,057.87	\$ 60,886.58	\$ (4,171.29)
Winslow/Mainstay Capital Management	A	\$ 270,540.47	\$ -	\$ 290,540.47	\$ 306,468.93	\$ 15,928.46
Roosevelt Investment Group, Inc	A	\$ 108,239.17	\$ -	\$ 128,171.17	\$ 121,924.28	\$ (6,246.89)
Eaton Vance Asset Management	A	\$ 284,063.85	\$ -	\$ 358,567.56	\$ 317,647.29	\$ (40,920.27)
Geneva Capital Management	A	\$ 153,680.01	\$ -	\$ 168,680.01	\$ 161,684.72	\$ (6,995.29)
Anchor Capital Advisors	A	\$ 145,805.30	\$ -	\$ 165,805.30	\$ 162,854.39	\$ (2,950.91)
Franklin Portfolio Advisors & Kayne Anderson Inv.	A	\$ 252,045.84	\$ -	\$ 262,045.84	\$ 263,964.61	\$ 1,918.77
Forward Uniplan Advisors	A	\$ 93,617.49	\$ -	\$ 98,617.49	\$ 98,897.33	\$ 279.84
Morgan Stanley Active Assets - Cash	A	\$ -	\$ (1,098.07)	\$ -	\$ -	\$ -
<b>Sub-Total</b>			<b>\$ (1,098.07)</b>	<b>\$ 3,255,492.09</b>	<b>\$ 3,148,813.82</b>	<b>\$ (106,678.27)</b>
<b>LPL Financial Services</b>						
Annaly Capital Management (NLY)	C	\$ 13,000.00	\$ 34,498.07	\$ -	\$ 37,574.76	\$ 3,076.69
Allianz Funds	A	\$ 92,111.70	\$ -	\$ 92,111.70	\$ 88,476.72	\$ (3,634.98)
Columbia Acorn	A	\$ 20,469.27	\$ -	\$ 21,594.88	\$ 19,345.36	\$ (2,249.52)
Columbia Funds	A	\$ 61,407.80	\$ -	\$ 69,992.28	\$ 59,824.25	\$ (10,168.03)
Ivy Funds	A	\$ 122,815.59	\$ -	\$ 122,815.59	\$ 91,702.30	\$ (31,113.29)
J P Morgan Trust	A	\$ 30,703.90	\$ -	\$ 30,703.90	\$ 28,243.65	\$ (2,460.25)
Legg Mason Captial Mgmt.	A	\$ 30,703.88	\$ -	\$ 62,165.00	\$ 57,886.87	\$ (4,278.13)
Legg Mason	A	\$ 27,844.78	\$ -	\$ 29,226.46	\$ 26,925.74	\$ (2,300.72)
Loomis Sayles Investment	A	\$ 51,173.16	\$ -	\$ 101,635.94	\$ 98,590.14	\$ (3,045.80)
Natixis Funds Trust	A	\$ 27,782.79	\$ -	\$ 27,782.79	\$ 29,796.70	\$ 2,013.91
J Hancock Classic Value	A	\$ 71,642.43	\$ -	\$ 38,786.54	\$ 37,738.71	\$ (1,047.83)
Nuveen Investment Trust	A	\$ 30,703.91	\$ -	\$ 30,703.91	\$ 29,866.19	\$ (837.72)
Oppenheimer Commodity	A	\$ 40,938.53	\$ (38,586.96)	\$ 40,938.53	\$ -	\$ (2,351.57)
Pioneer Global	A	\$ 143,284.86	\$ -	\$ 143,284.86	\$ 130,734.69	\$ (12,550.17)
Putnam Funds Trust Equity Spectrum Fund	A	\$ 30,703.88	\$ -	\$ 30,703.88	\$ 29,383.10	\$ (1,320.78)
Touchstone Instl Funds Trust	A	\$ 35,821.21	\$ -	\$ 90,456.83	\$ 88,344.79	\$ (2,112.04)
WT Mut Fd CRM Mid Cap Value Fund	A	\$ 30,887.88	\$ -	\$ 30,887.88	\$ 28,296.01	\$ (2,591.87)
Advisors Inner Circle Fund	A	\$ 56,290.49	\$ -	\$ 56,290.49	\$ 55,064.72	\$ (1,225.77)
Premier Money Market - 0.010%	A	\$ -	\$ 313,149.03	\$ (234,049.76)	\$ 33,195.74	\$ -
<b>Sub-Total</b>			<b>\$ 309,060.14</b>	<b>\$ 786,031.70</b>	<b>\$ 970,990.44</b>	<b>\$ (78,197.87)</b>
Osher Fund Endowment	A	\$ 100,000.00	\$ -	\$ 100,000.00	\$ 100,000.00	\$ -
<b>Vanguard</b>						
Vanguard 500 Index Fund (VFIAX)	B	\$ 127,284.21	\$ 138,442.10	\$ -	\$ 141,328.46	\$ 2,886.36
MSCI Emerging Markets Index Fund (EEM)	B	\$ 13,339.04	\$ 46,554.06	\$ -	\$ 37,809.08	\$ (8,744.98)
MSCI EAFE Index Fund (EFA)	B	\$ 41,251.16	\$ 67,989.08	\$ -	\$ 59,673.99	\$ (8,315.09)
Russell Midcap Value Index Fund (IWS)	B	\$ 20,068.55	\$ 32,059.18	\$ -	\$ 31,555.83	\$ (503.35)
Russell Midcap Growth Index Fund (IWP)	B	\$ 20,084.61	\$ 32,099.03	\$ -	\$ 31,494.85	\$ (604.18)
Cohen Steers Realty Majors Index (ICF)	B	\$ 5,014.51	\$ 5,712.24	\$ -	\$ 6,292.19	\$ 579.95
Russell 1000 Value Index Fund (IWD)	B	\$ 90,787.48	\$ 113,067.48	\$ -	\$ 113,179.61	\$ 112.13
Russell 2000 Value Index Fund (IWN)	B	\$ 20,316.01	\$ 29,242.21	\$ -	\$ 27,536.16	\$ (1,706.05)
Russell 2000 Growth Index Fund (IWG)	B	\$ 20,153.18	\$ 31,111.57	\$ -	\$ 30,183.83	\$ (927.74)
Dow Jones Real Estate Index Fund (IYR)	B	\$ 5,016.00	\$ 7,704.96	\$ -	\$ 8,125.81	\$ 420.85
PowerShares Exchange Dynamic Market (PWC)	B	\$ 49,974.30	\$ 54,147.58	\$ -	\$ 50,990.41	\$ (3,157.17)
PowerShares Exchange Dynamic Market (PWO)	B	\$ 14,998.50	\$ 15,936.00	\$ -	\$ 14,540.80	\$ (1,395.20)
Rydex S&P Equal Weight Index (RSP)	B	\$ 23,389.46	\$ 31,000.79	\$ -	\$ 30,789.58	\$ (211.21)
Bond Holdings (3 individual issues)	B	\$ 189,880.77	\$ 76,649.00	\$ -	\$ 80,052.30	\$ 3,403.30
Prime Money Market Fund - 0.05%	B	\$ -	\$ 166,376.56	\$ -	\$ 170,463.84	\$ 4,087.28
Vanguard Treasury Money Market - 0.02%	B	\$ -	\$ 170,040.70	\$ (100,000.00)	\$ 70,063.90	\$ 23.20
<b>Sub-Total</b>			<b>\$ 1,018,132.54</b>	<b>\$ (100,000.00)</b>	<b>\$ 904,080.64</b>	<b>\$ (14,051.90)</b>
Transfer to Operating Budget - Unrestricted			\$ (243,250.00)	\$ (37,500.00)	\$ (280,750.00)	\$ -
Adjusted Young endowment balance					\$ 616,499.10	\$ -
<b>TOTAL ENDOWMENTS</b>			<b>\$ 1,326,094.61</b>	<b>\$ 3,941,523.79</b>	<b>\$ 5,123,884.90</b>	<b>\$ (198,928.04)</b>

**ALLAN HANCOCK COLLEGE FOUNDATION**  
Portfolio Summary  
January 1, 2011 thru December 31, 2011

UNRESTRICTED and RESTRICTED	TEMPORARILY	Beginning	Net	Ending
		Market Value 01/01/11	Deps/Withdrawls	Market Value Current Period
Morgan Stanley Smith Barney, Act.Assts. - Cash, 0.15%		\$ 698,927.00	\$ (400,000.00)	\$ 221,423.06
Morgan Stanley Smith Barney, Consulting Group Advisor Inv.		\$ -	\$ 500,000.00	\$ 510,195.95
Rabobank - Checking		\$ 27,345.37	\$ -	\$ 15,581.03
Rabobank - Credit Card		\$ 11,005.47	\$ -	\$ 2,451.62
Heritage Oaks Bank - CD, .80%, 12/07/2011		\$ 100,000.00	\$ (100,803.19)	\$ -
Pacific Western Bk - CD, .45%, 02/24/12		\$ 100,854.66	\$ -	\$ 101,365.89
Santa Barbara Bank & Trust - CD, .70%, 01/14/2012		\$ 101,826.83	\$ -	\$ 102,653.32
Coast Hills Federal Cr. Union -CD, .50%, 12/21/2012		\$ -	\$ 100,000.00	\$ 100,013.70
Coast Hills Federal Cr. Union, Shares account		\$ 5.00	\$ -	\$ 5.00
Cash on Hand		\$ 100.00	\$ -	\$ 100.00
<b>TOTAL UNRESTRICTED &amp; TEMPORARILY REST.</b>		<b>\$ 1,040,064.33</b>	<b>\$ 99,196.81</b>	<b>\$ 1,053,789.57</b>
Transfer from Vanguard to Operating Budget - Unrestricted		\$ (243,250.00)	\$ (37,500.00)	\$ (280,750.00)
<b>TOTAL ASSETS</b>		<b>\$ 2,366,158.94</b>		<b>\$ 6,177,674.47</b>

INVESTMENT POOL A Allocation Summary	Target	Allocation Current Period	Market Value Current Period
<b>Equity</b>			
Lg. Cap Value & Growth-Winslow/Mainstay Cap Mgmt, Allianz Fd.	35.00%	23.20%	\$ 970,351.64
Eaton Vance Asst. Mgmt, Touchstone Instl Fd.			
Mid Cap Value/Growth-Geneva Cap Mgmt,Anchor,Putnam,WT Mut Fd	8.00%	8.44%	\$ 352,835.12
SmallCapValue/Growth-Franklin Kyn, Columbia Acom, Nuveen Inv	7.00%	7.49%	\$ 313,176.16
All Cap - Roosevelt	5.00%	2.92%	\$ 121,924.28
Int'l: Matt Asia,Newgate, Cap. Mgt.,Renaiss.,Global, Ivy Fund	10.00%	14.82%	\$ 619,766.06
<b>Equity Sub-Total</b>	<b>65.00%</b>	<b>56.86%</b>	<b>\$ 2,378,053.26</b>
<b>Fixed Income</b>			
Pimco Mkt. Bond,Pimco Real Return Fd, Templeton		4.50%	\$ 188,372.60
Loomis Sayles Investment		6.09%	\$ 254,751.05
Core Fixed - Blackrock, Inc. & Metropolitan West		18.71%	\$ 782,457.16
Govt. & Agency Bonds & Mutual Funds		6.84%	\$ 286,184.52
<b>Fixed Income Sub-Total</b>	<b>35.00%</b>	<b>36.15%</b>	<b>\$ 1,511,765.33</b>
<b>Other Assets</b>			
Gold Trust Commodities - Precious Metals		1.44%	\$ 60,317.84
Forward Uniplan Advisors, Inc. - Real Estate		2.36%	\$ 98,897.33
Morgan Stanley Active Assets - Cash		0.00%	\$ -
LPL Premier Money Market		0.79%	\$ 33,195.74
Osher Fund Endowment		2.39%	\$ 100,000.00
<b>Other Assets Sub-Total</b>		<b>6.99%</b>	<b>\$ 292,410.91</b>
<b>TOTAL POOL "A" ALLOCATION</b>	<b>100.00%</b>	<b>100.00%</b>	<b>\$ 4,182,229.50</b>

INVESTMENT POOL B Allocation Summary	Target	Allocation Current Period	Market Value Current Period
<b>Equity</b>			
Large Cap Value - IWD		12.52%	\$ 113,179.61
Large Cap Growth - VG 500 Index		15.63%	\$ 141,328.46
Large Cap Blend - PWC & RSP		9.05%	\$ 81,779.99
Mid Cap - IWS, IWP & PWO		8.58%	\$ 77,591.48
Small Cap - IWN & IWO		6.38%	\$ 57,719.99
International - EFA & EEM		10.78%	\$ 97,483.07
Real Estate - IYR & ICF		1.59%	\$ 14,418.00
<b>Equity Sub-Total</b>	<b>65.00%</b>	<b>64.54%</b>	<b>\$ 583,500.60</b>
<b>Fixed Income</b>			
Fixed Income - Bond Holdings		8.85%	\$ 80,052.30
<b>Fixed Income Sub-Total</b>	<b>35.00%</b>	<b>8.85%</b>	<b>\$ 80,052.30</b>
<b>Other Assets</b>			
Money Market - Cash		26.60%	\$ 240,527.74
<b>Other Assets Sub-Total</b>		<b>26.60%</b>	<b>\$ 240,527.74</b>
<b>TOTAL POOL "B" ALLOCATION</b>		<b>100.00%</b>	<b>\$ 904,080.64</b>

INVESTMENT POOL C Allocation Summary	Target	Allocation Current Period	Market Value Current Period
Real Estate - Annaly Mortgage Mgmt	100.00%	100.00%	\$ 37,574.76
<b>TOTAL POOL "C" ALLOCATION</b>	<b>100.00%</b>	<b>100.00%</b>	<b>\$ 37,574.76</b>

<b>TOTAL POOLS A, B, &amp; C</b>			<b>\$ 5,123,884.90</b>
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<b>To: Board of Directors</b>	<b>INFORMATION</b>
<b>From: Terry Dworaczyk, Chair – Investment Committee</b>	
<b>Subject: Independent Auditor’s Report</b>	
<b>February 9, 2012</b>	

**BACKGROUND**

As has been the practice of this foundation, its annual independent audit is performed as a part of the college’s annual audit in accordance with the standards and procedures developed by the California Community College Board of Governors and the State of California Department of Finance. The audit for the year ending June 30, 2011, was performed by representatives from the audit firm Glenn, Burdette, Phillips & Bryson. As part of that complete report, final acceptance was given by the college trustee’s at their January 17, 2012, meeting. A copy of the report is included with this agenda packet and has been placed in the public documents binder at the foundation’s office.

In addition to this public report, it has been the practice of the auditors to present a separate management letter(s) to the Board of Directors of the Allan Hancock College Foundation. If the auditors do present a management letter(s), that will be provided to all members at the meeting.

**FISCAL IMPACT**

None

**RECOMMENDATION**

No action is required.

**Allan Hancock College Foundation**

**Financial Statements**

**Year Ended June 30, 2011**

**Allan Hancock College Foundation  
Financial Statements  
Year Ended June 30, 2011**

**Table of Contents**

	<b>Page</b>
Independent Auditors' Report	3
Statement of Financial Position	4
Statement of Activities and Changes in Net Assets	5
Statement of Cash Flows	6
Notes to the Financial Statements	7-15



**GLENN BURDETTE**  
CERTIFIED PUBLIC ACCOUNTANTS

### Independent Auditors' Report

The Board of Directors  
Allan Hancock College Foundation  
800 South College Drive  
Santa Maria, California

We have audited the accompanying statement of financial position of Allan Hancock College Foundation, a discretely presented component unit of Allan Hancock Joint Community College District, as of June 30, 2011, and the related statements of activities and changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of Allan Hancock College Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Allan Hancock College Foundation as of June 30, 2011, and the results of its operations and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

*GLENN BURDETTE*

Glenn Burdette  
Certified Public Accountants  
San Luis Obispo, California

December 13, 2011

**Allan Hancock College Foundation**  
**Statement of Financial Position**  
**June 30, 2011**

**Assets**

**Current assets:**

Cash and cash equivalents	\$	587,404
Short-term investments		720,812
Accounts receivable		92
Due from other funds		1,664
Total current assets		1,309,972

**Noncurrent assets:**

Restricted cash and cash equivalents		970,570
Long-term investments		4,464,155
Total noncurrent assets		5,434,725

Total assets		\$ 6,744,697
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**Liabilities and Net Assets**

**Current liabilities:**

Accounts payable		\$ 1,319
Due to other funds		31,651
Total current liabilities		32,970

**Net assets:**

Unrestricted		955,243
Temporarily restricted		2,158,932
Permanently restricted		3,597,552
Total net assets		6,711,727

Total liabilities and net assets		\$ 6,744,697
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*The accompanying notes are an integral part of these financial statements.*

**Allan Hancock College Foundation**  
**Statement of Activities and Changes in Net Assets**  
**Year Ended June 30, 2011**

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
<b>Revenues:</b>				
Donations	\$ 11,399	\$ 765,812	\$ 66,865	\$ 844,076
Miscellaneous income		18,034		18,034
Total revenues	<u>11,399</u>	<u>783,846</u>	<u>66,865</u>	<u>862,110</u>
<b>Net assets released from restrictions</b>	<u>455,856</u>	<u>(455,856)</u>		
<b>Expenses:</b>				
Program:				
Scholarships	519,451			519,451
Administration:				
Salaries	152,019			152,019
Employee benefits	9,249			9,249
Bank and brokerage charges	38,601			38,601
Travel and conference	4,663			4,663
Memberships and permits	870			870
Postage and advertising	3,648			3,648
Telephone	1,670			1,670
Contracts and leases	4,520			4,520
Credit card discount fees	838			838
Contracted personnel services	14,530			14,530
Supplies	54,695			54,695
Miscellaneous	2,631			2,631
Total expenses	<u>807,385</u>			<u>807,385</u>
<b>Other income and expense:</b>				
Interest and dividends	84,104	43,798		127,902
Net realized and unrealized gains and losses on investments	510,078	281,465		791,543
Transfers to/from AHJCCD	184,790	(190,317)		(5,527)
Other transfers		64,749	(64,749)	-
Total other income and expense	<u>778,972</u>	<u>199,695</u>	<u>(64,749)</u>	<u>913,918</u>
<b>Changes in net assets</b>	438,842	527,685	2,116	968,643
<b>Net assets - beginning of year</b>	<u>516,401</u>	<u>1,631,247</u>	<u>3,595,436</u>	<u>5,743,084</u>
<b>Net assets - end of year</b>	<u>\$ 955,243</u>	<u>\$ 2,158,932</u>	<u>\$ 3,597,552</u>	<u>\$ 6,711,727</u>

*The accompanying notes are an integral part of these financial statements.*

**Allan Hancock College Foundation**  
**Statement of Cash Flows**  
**Year Ended June 30, 2011**

<b>Cash flows from operating activities:</b>	
Change in net assets	\$ 968,643
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Net realized and unrealized gains and losses on investments	(791,543)
Changes in operating assets and liabilities:	
Accounts receivable	118
Due from other funds	1,509
Accounts payable	(682)
Due to other funds	(50,400)
Net cash provided by operating activities	<u>127,645</u>
 <b>Cash flows from investing activities:</b>	
Proceeds from sale of investments	4,864,468
Purchase of investments	(5,064,124)
Net cash used in investing activities	<u>(199,656)</u>
 Net decrease in cash	 (72,011)
 <b>Cash and cash equivalents - beginning of year</b>	 <u>659,415</u>
 <b>Cash and cash equivalents - end of year</b>	 <u>\$ 587,404</u>

*The accompanying notes are an integral part of these financial statements.*

**Allan Hancock College Foundation**  
**Notes to the Financial Statements**  
**June 30, 2011**

**Note 1: Organization**

The Allan Hancock College Foundation (the Foundation) is a nonprofit organization with the purpose of providing benefits to the educational programs and services of the Allan Hancock Joint Community College District (the District).

**Note 2: Summary of Significant Accounting Policies**

**Reporting Entity**

In evaluating how to define the Foundation for financial reporting purposes, the management of Allan Hancock Joint Community College District considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in accounting principles generally accepted in the United States of America (GAAP) and Government Accounting Standards Board (GASB) Statement No. 14. The basic, but not the only, criterion for including a potential component unit within the reporting entity is the Board of Trustee's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations and accountability for fiscal matters.

**Basis of Accounting**

The financial statements are on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America which requires that revenues be recorded when earned and expenses be recorded when incurred. Foundation resources are accounted for by the use of separate funds so that visibility and control are maintained for the benefit of the Foundation. Funds that have similar objectives and characteristics have been combined based on net assets restriction categories in the accompanying financial statements.

**Financial Statement Presentation**

Under Non-for-Profit Entities, Presentation of Financial Statements Subtopic of Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC), the Foundation is required to classify its financial position and activities for accounting and reporting purposes into three classes of net assets according to externally (donor) imposed restrictions: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

In accordance with Non-for-Profit Entities, Revenue Recognition Subtopic of FASB ASC, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence of nature of any donor restrictions. As the Foundation incurs expenses that meet the restricted purposes, net assets are released from restriction. When restrictions are met in the same reporting period as the restricted contributions are received, the amounts are shown as unrestricted. The accumulated net investment income of the Trust is temporarily restricted until disbursed to the Foundation to support the educational programs and services of the District.

**Allan Hancock College Foundation**

**Notes to the Financial Statements**

**June 30, 2011**

**Page 2**

**Note 2: Summary of Significant Accounting Policies (Continued)**

**Income Taxes**

The Foundation is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation.

Income Taxes Topic of FASB Accounting Standards Codification requires, among other things, the recognition and measurement of tax positions based on a "more likely than not" (likelihood greater than 50%) approach. As of June 30, 2011, the Foundation did not maintain any tax positions that did not meet the "more likely than not" threshold. However, tax returns remain subject to examination by the Internal Revenue Service for fiscal years ending on or after June 30, 2008, and by the California Franchise Tax Board for fiscal years ending on or after June 30, 2007. As noted above, the Foundation does not currently pay income taxes. However, the Foundation remains subject to taxes on any net income that is derived from a trade or business, regularly carried on, and unrelated to its exempt purpose. No income taxes have been recorded in the accompanying financial statements since management believes the Organization has no taxable unrelated business income.

**Classification of Current and Noncurrent Assets and Liabilities**

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

**Fair Value Measurements**

The Foundation records its financial assets and liabilities at fair value. If available, quoted market prices are used to value investments. If quoted prices in an active market are not available, the investments are reported at estimated fair value. Many factors are considered in arriving at fair value. For example, corporate bonds could be valued based on yields currently available on comparable securities of issuers with similar credit ratings.

Fair Value Measurements and Disclosures Topic of FASB Accounting Standards Codification (the "Topic"), establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuations techniques used to measure fair value. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (an exit price) in an orderly transaction between market participants at the reporting date. The Topic also establishes a three-tier hierarchy as follows, which prioritizes the inputs used in the valuation methodologies in measuring fair value.

**Level 1:** Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

**Note 2: Summary of Significant Accounting Policies (Continued)**

*Level 2:* Inputs to the valuation methodology include:

- Quoted prices for similar assets and liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

*Level 3:* Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's and liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value:

*Common stocks, corporate bonds, and U.S. governmental securities:* Valued at the closing price reported on the active market on which the individual securities are tested.

*Mutual funds:* Valued at the net asset value ("NAV") of shares held by the Foundation at year-end.

In September 2009, FASB issued an amendment "*Investments in Certain Entities That Calculate Net Asset Value per Share (or its Equivalent)*" (ASU 2009-12), which provides guidance on how entities should estimate fair value on certain alternative investments. The fair value of investments within the scope of this guidance can now be determined using net asset value ("NAV") per share as a practical expedient, when the fair value is not readily determinable, unless it is probable the investment will be sold at something other than NAV. It also requires disclosures of certain attributes by major category of alternative investments, regardless of whether the practical expedient was used. This amendment was effective for periods after December 15, 2009, with early adoption permitted. Adoption of this guidance had no impact on the financial statements of the Foundation.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Foundation believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

**Allan Hancock College Foundation**

**Notes to the Financial Statements**

**June 30, 2011**

**Page 4**

**Note 2: Summary of Significant Accounting Policies (Continued)**

The following sets forth by level, within the fair value hierarchy, the Foundation's assets at fair value as of June 30, 2011:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Equity securities:				
Mutual funds:				
Large cap growth	\$ 94,215	\$	\$	\$ 94,215
Large cap value	91,920			91,920
Small cap growth	20,688			20,688
Small cap value	30,874			30,874
Mid cap stocks	59,524			59,524
International real estate equity	30,207			30,207
International equity	149,577			149,577
Large cap stock	30,420			30,420
Equity cap stock	29,807			29,807
Multi sector bonds	51,165			51,165
Commodity fund	39,977			39,977
Global bonds	205,071			205,071
Mid cap value	62,273			62,273
Closed end preferred stock	5,581			5,581
US Treasury bonds	64,572			64,572
Emerging market bonds	64,940			64,940
Municipal bonds	73,944			73,944
Corporate bonds	161,221			161,221
Intermediate term bonds	502,579			502,579
Corporate stock	2,699,260			2,699,260
Pooled equity fund - FCC - Osher		100,000		100,000
Debt securities:				
Money market mutual funds	481,888			481,888
Corporate bond	10,646			10,646
Government bonds:				
Federal	72,690			72,690
Treasury	150,945			150,945
Municipal	79,116			79,116
	<u>\$ 5,263,100</u>	<u>\$ 100,000</u>	<u>\$ -</u>	<u>\$ 5,363,100</u>

**Investments**

The Foundation initially records marketable securities at acquisition cost if purchased and subsequently carries them at fair value. Donated investments are reported at fair value at the date of gift. Realized gains and losses on

**Allan Hancock College Foundation**

**Notes to the Financial Statements**

**June 30, 2011**

**Page 5**

**Note 2: Summary of Significant Accounting Procedures (Continued)**

dispositions are based on the net proceeds and the adjusted carrying value of the securities sold. Unrealized gains and losses represent the net change in fair value of the securities and are recorded as an increase or decrease to net assets.

**Endowment Investments**

*Funds with Deficiencies:*

From time to time, the fair value of assets associated with the individual donor-restricted endowment funds may fall below the level that the donor or the Uniform Prudent Management of Institutional Funds Act (UPMIFA) required the Foundation to retain as a fund of perpetual duration ("below water endowments"). In accordance with accounting principles generally accepted in the United States of America, deficiencies of this nature that are reported in unrestricted net assets were \$9,461 as of June 30, 2011. These deficiencies resulted from unfavorable market fluctuations that occurred shortly after the investment of new permanently restricted contributions and continued appropriation for certain programs that was deemed prudent by the Board of Directors.

*Return Objectives and Risk Parameters:*

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

*Strategies Employed for Achieving Objectives:*

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

*Spending Policy and How the Investment Objectives Relate to Spending Policy:*

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

**Allan Hancock College Foundation**

**Notes to the Financial Statements**

**June 30, 2011**

**Page 6**

**Note 2: Summary of Significant Accounting Procedures (Continued)**

**Statement of Cash Flows**

For the purposes of the statement of cash flows, the Foundation considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

**Custodial Credit Risk – Cash Deposits**

Custodial credit risk is the risk that in the event of a bank failure, the Foundation's deposits may not be returned to it. The Foundation does not have a formal policy for custodial credit risk in addition to the California Government Code collateral requirements. Cash balances held in banks are insured up to \$250,000 by the Federal Depository Insurance Corporation. At June 30, 2011, the Foundation had cash deposits in excess of federally insured amounts of \$815,722.

**Estimates**

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported. Accordingly, actual results could differ from those estimates.

**Subsequent Events**

Events subsequent events to June 30, 2011 have been evaluated through December 13, 2011 which is the date the financial statements were available to be issued. Management did not identify any subsequent events that required disclosure.

**Note 3: Cash and Investments**

The Foundation's cash and cash equivalents are considered to be cash on hand, demand deposits with banks, and short-term investments with an original maturity of three months or less from the date of acquisition.

A portion of cash and cash equivalents were restricted according to donor stipulations under terms of endowment agreements, scholarships and various campus organizations. At June 30, 2011, restricted cash and cash equivalents was \$970,570.

**Allan Hancock College Foundation**  
**Notes to the Financial Statements**  
**June 30, 2011**  
**Page 7**

**Note 3: Cash and Investments (Continued)**

At June 30, 2011, investments held by the Foundation were as follows:

	<b>Fair Value</b>		
	<u>Current</u>	<u>Noncurrent</u>	<u>Total</u>
Mutual funds	\$	\$ 1,768,555	\$ 1,768,555
Certificates of deposit		303,755	303,755
Assets held in FCCC - Osher		100,000	100,000
U.S. Treasury notes and bonds	79,116	223,635	302,751
Corporate stocks	641,696	2,057,564	2,699,260
Corporate bonds		10,646	10,646
<b>Total</b>	<u>\$ 720,812</u>	<u>\$ 4,464,155</u>	<u>\$ 5,184,967</u>

**Note 4: Assets Held in FCCC - Osher**

During 2011, the Foundation invested \$100,000 in the California Community Colleges Endowment Challenge managed by the Foundation for California Community Colleges (FCCC). Under the terms of the Endowment Agreement, the funds invested in the Endowment remain the Foundation's permanently restricted assets. Earnings on the Foundation's investment will be distributed as scholarship funds to the Foundation for distribution to Allan Hancock College students.

**Note 5: Restrictions and Limitations on Net Asset Balances**

At June 30, 2011, temporary restricted net assets consisted of the following:

Scholarships	\$ 334,447
Endowment spending reserves	301,111
Title III	750,000
Endowments	143,963
Various campus trusts and organizations	629,411
<b>Total</b>	<u>\$ 2,158,932</u>

At June 30, 2011, permanently restricted net assets consisted of the following:

Endowment Funds	<u>\$ 3,597,552</u>
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**Allan Hancock College Foundation**

**Notes to the Financial Statements**

**June 30, 2011**

**Page 8**

**Note 6: Net Assets Released from Restrictions**

The sources of net assets released from temporary donor restrictions by incurring expenses satisfying the restricted purposes were as follows for the year ended June 30, 2011:

Salaries and benefits	\$	420
Supplies and materials		36,684
Administration		56,869
Scholarships		<u>361,883</u>
Total	\$	<u>455,856</u>

These assets were all reclassified to unrestricted net assets for the purpose stated.

**Note 7: Endowment Activity**

The Foundation's endowment consists of 90 individual funds established for a variety of purposes. Its endowment includes both donor-restricted endowment funds and funds designated by the Board of Directors to function as endowments. As required by GAAP, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

**Interpretation of Relevant Law**

The Board of Directors of the Foundation has interpreted UPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditures by the Foundation in a manner consistent with the standard of prudence prescribed by UPMIFA.

Allan Hancock College Foundation

Notes to the Financial Statements

June 30, 2011

Page 9

**Note 7: Endowment Activity (Continued)**

In accordance with UPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- (1) The duration and preservation of the fund
- (2) The purposes of the organization and the donor-restricted endowment fund
- (3) General economic conditions
- (4) The possible effect of inflation and deflation
- (5) The expected total return from income and the appreciation of investments
- (6) Other resources of the organization
- (7) The investment policies of the organization.

As of June 30, 2011, endowment net assets were comprised of the following:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Donor-restricted endowment funds	\$ (9,461)	\$ 1,195,074	\$ 3,597,552	\$ 4,783,165
Board-designated endowment funds	725,438			725,438
<b>Total endowment funds</b>	<u>\$ 715,977</u>	<u>\$ 1,195,074</u>	<u>\$ 3,597,552</u>	<u>\$ 5,508,603</u>

The following was the activity and changes in endowment net assets for the year ended June 30, 2011:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
<b>Endowment net assets - beginning of year</b>	\$ 285,634	\$ 841,952	\$ 3,595,436	\$ 4,723,022
Investment return:				
Investment income net of fees	79,373	43,798		123,171
Net appreciation (realized and unrealized)	510,078	281,465		791,543
Total investment return	589,451	325,263		914,714
Contributions			66,865	66,865
Appropriation of endowment assets for expenditure	(159,108)	(36,890)		(195,998)
Other changes and net transfers		64,749	(64,749)	-
<b>Endowment net assets - end of year</b>	<u>\$ 715,977</u>	<u>\$ 1,195,074</u>	<u>\$ 3,597,552</u>	<u>\$ 5,508,603</u>

<b>To: Board of Directors</b>	<b>ACTION</b>
<b>From: Executive Committee</b>	
<b>Subject: Quarterly Meetings – Proposed Change</b>	
<b>February 9, 2012</b>	

**BACKGROUND**

The bylaws for the foundation state the annual meeting of the Corporation shall be held during the second week of February of each year and regular meetings of the board held quarterly at the time and place designated by the board.

The committee is recommending that the full board consider changing the regular quarterly meetings from the second Thursday of May, August and November to the fourth Thursday of April, July and October. This change would allow new board members and the slate of officers beginning their service at the start of the new calendar year. Further, by having a quarterly meeting in April rather than May allows staff the time necessary for the preparation of the annual scholarship banquet held the fourth Thursday in May. The board took action at its August 2011 quarterly board meeting to move the May 2012 quarterly meeting to April 26, 2012.

There would be no change to the annual meeting of the Corporation held during the second week of February.

**FISCAL IMPACT**

None

**RECOMMENDATION**

Upon review and agreement, a motion is required for approval to change the regular quarterly meetings.

<b>To: Board of Directors</b>	<b>ACTION</b>
<b>From: Executive Committee</b>	
<b>Subject: Meeting Calendar 2012-13</b>	
<b>February 9, 2012</b>	

**BACKGROUND**

A proposed schedule of meeting dates for 2012 is provided that includes the Investment Committee, Executive Committee, quarterly board meetings, and the annual scholarship awards banquet. Note that the Investment and Executive committees will continue to meet on the fourth Tuesday of the month, with an exception. The exception is that these committees will meet the second Tuesday of the month for those months that a quarterly board meeting is scheduled.

Proposed calendar follows on the next page.

**FISCAL IMPACT**

None

**RECOMMENDATION**

Upon review and agreement, a motion is required to adopt the meeting calendar for 2012/13.

<b>To: Board of Directors</b>	<b>ACTION</b>
<b>From: Executive Committee</b>	
<b>Subject: Foundation Meeting Calendar 2012</b>	

**February 9, 2012**

Continued from previous page:

<u>MEETING</u>	<u>DATE</u>	<u>TIME</u>	<u>LOCATION</u>
<b>Board of Directors</b>	<b>February 9, 2012</b>	<b>4-5:30 p.m.</b>	<b>SM Campus – Student Center</b>
Investment Committee	February 28, 2012	4 p.m.	Foundation Office
Executive Committee	February 28, 2012	4:45 p.m.	Foundation Office
Investment Committee	March 27, 2012	4 p.m.	Foundation Office
Executive Committee	March 27, 2012	4:45 p.m.	Foundation Office
Investment Committee	April 10, 2012	4 p.m.	Foundation Office
Executive Committee	April 10, 2012	4:45 p.m.	Foundation Office
<b>Board of Directors</b>	<b>April 26, 2012</b>	<b>4-5:30 p.m.</b>	<b>SM Campus - Student Center</b>
Invest/Exec Committees	May	No Meetings	
<b>Scholarship Banquet</b>	<b>May 24, 2012</b>	<b>6–8 p.m.</b>	<b>Joe White Gymnasium</b>
Investment Committee	June 26, 2012	4 p.m.	Foundation Office
Executive Committee	June 26, 2012	4:45 p.m.	Foundation Office
Investment Committee	July 10, 2012	4 p.m.	Foundation Office
Executive Committee	July 10, 2012	4:45 p.m.	Foundation Office
<b>Board of Directors</b>	<b>July 26, 2012</b>	<b>4-5:30 p.m.</b>	<b>SM Campus - Student Center</b>
Investment Committee	August 28, 2012	4 p.m.	Foundation Office
Executive Committee	August 28, 2012	4:45 p.m.	Foundation Office
Investment Committee	September 25, 2012	4 p.m.	Foundation Office
Executive Committee	September 25, 2012	4:45 p.m.	Foundation Office
Investment Committee	October 9, 2012	4 p.m.	Foundation Office
Executive Committee	October 9, 2012	4:45 p.m.	Foundation Office
<b>Board of Directors</b>	<b>October 25, 2012</b>	<b>4-5:30 p.m.</b>	<b>SM Campus - Student Center</b>
Investment Committee	November 27, 2012	4 p.m.	Foundation Office
Executive Committee	November 27, 2012	4:45 p.m.	Foundation Office
Invest/Exec Committees	December	No Meetings	
Investment Committee	January 22, 2013	4 p.m.	Foundation Office
Executive Committee	January 22, 2013	4:45 p.m.	Foundation Office
<b>Board of Directors</b>	<b>February 14, 2013</b>	<b>4-5:30 p.m.</b>	<b>SM Campus - Student Center</b>

<b>To: Board of Directors</b>	<b>ACTION</b>
<b>From: Executive Committee</b>	
<b>Subject: Community Volunteers – Role on Foundation Committees</b>	

**February 9, 2012**

### **BACKGROUND**

Currently, only members of the foundation board of directors serve on standing and/or special committees as outlined in the bylaws of the corporation. The Executive Committee agreed that the expertise of community volunteers to serve in an advisory role would benefit the foundation. Further, it would also serve as cultivation of potential new board members. The committee is recommending that community members participate with the following stipulations: that they serve only on ad hoc or special committee (no standing committees as stated in the foundation bylaws), their attendance at meetings shall not be counted toward the quorum requirements for meetings of Directors, and they shall not be entitled to vote at such meetings.

### **FISCAL IMPACT**

None at this time.

### **RECOMMENDATION**

Upon review and agreement, a motion is required to approve the designation of *Community Volunteers* to serve on foundation ad hoc and special committees only, with their attendance at meetings not being counted toward the quorum requirements for meetings of Directors and they shall not be entitled to vote at such meetings.

<b>To: Board of Directors</b>	<b>ACTION</b>
<b>From: Executive Committee</b>	<b>February 9, 2012</b>
<b>Subject: Board Orientation and Retreat</b>	

**BACKGROUND**

In the past, the foundation board has convened on an annual basis for a half day planning retreat to review and update its strategic plan. The Executive Committee is recommending a *Board Orientation and Retreat* for both new and existing board members. This will replace the *Strategic Planning Retreat* discussed at earlier meetings. In order to make the best use of board members time, the retreat is planned for Wednesday, March 7 from 2:30 p.m. to 7:30 p.m. at a venue off-campus to include a light buffet dinner. More information about the details of the retreat will be shared with board members at the annual meeting.

**FISCAL IMPACT**

The cost of dinner to be determined depending on the venue for the orientation/retreat.

**RECOMMENDATION**

Upon review and agreement, a motion is required for approval of a board orientation and retreat for foundation board members.

<b>To: Board of Directors</b>	<b>ACTION</b>
<b>From: Executive Committee</b>	<b>February 9, 2012</b>
<b>Subject: Foundation Board Scholarship 2012</b>	

**BACKGROUND**

For the last three years foundation board members have provided individual contributions of \$25 or more in order to award a *Foundation Board Scholarship* at the annual scholarship banquet. The Executive Committee is recommending that board members participate once again by providing a gift of \$25 or more for this scholarship award. In order for a named scholarship to be presented, there must be a total of \$500 contributed towards this effort. Last year a total of \$1,225 was contributed by 20 board members. At the meeting board members will discuss whether to continue this award for 2012.

**FISCAL IMPACT**

None at this time

**RECOMMENDATION**

A recommendation will be made following a discussion by the full board.

<b>To: Board of Directors</b>	<b>ACTION</b>
<b>From: Executive Committee</b>	<b>February 9, 2012</b>
<b>Subject: Corporate Resolution No. 2012-01</b>	

**BACKGROUND**

As part of its corporate business, the foundation's board of directors will annually consider a resolution for the authorization of savings, checking, and investment account signatures necessary to conduct its day-to-day business. This resolution is intended to be compliant with Resolution 04-51, Delegation of Governing Board Powers and Duties; and Resolution 04-52, Approving District Personnel to Act as District Agents and for the Release of Warrant passed by the Board of Trustees of the Allan Hancock Joint Community College District.

**FISCAL IMPACT**

None

**RECOMMENDATION**

It is recommended to approve Resolution No. 2012-01, Authorization of Savings, Checking, and Investment Account Signatures.

**RESOLUTION NO. 12-01**

**A RESOLUTION OF THE ALLAN HANCOCK COLLEGE FOUNDATION**

**BOARD OF DIRECTORS**

**AUTHORIZATION OF SAVINGS, CHECKING AND**

**INVESTMENT ACCOUNTS SIGNATURES**

WHEREAS, the establishment of various commercial savings, checking and investment accounts is necessary for the conduct of foundation business; and

WHEREAS, appropriate foundation personnel must be authorized signatories for the accounts;

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Allan Hancock College Foundation hereby authorizes the following individuals as signatories for the Allan Hancock College Foundation savings, checking, and investment accounts.

Any two of the following:

\_\_\_\_\_ José M. Ortiz, Ed.D.  
*Ex Officio* Foundation Director  
Allan Hancock College Superintendent/President

\_\_\_\_\_ Elizabeth A. Miller, Ed.D.  
*Ex Officio* Foundation Director  
Allan Hancock College Vice President, Administrative Services

\_\_\_\_\_ Richard Carmody  
Allan Hancock College Director, Business Services

PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF THE ALLAN HANCOCK COLLEGE FOUNDATION this 9<sup>th</sup> day of February, 2012.

\_\_\_\_\_  
Maggi Daane, Secretary to the Board of Directors

<b>To: Board of Directors</b>	<b>INFORMATION</b>
<b>From: Jeff Cotter</b>	
<b>Subject: Statement of Conduct, Commitment and Conflict of Interest</b>	
<b>February 9, 2012</b>	

**BACKGROUND**

According to board policy, annually each foundation board member and staff will submit a signed "Statement of Conduct, Commitment, and Conflict of Interest" to the board secretary that will be on file and maintained as one of the documents open to public inspection in the foundation office. A copy of that document will be made available to every member at its annual meeting for this purpose.

**FISCAL IMPACT**

None

# Allan Hancock College Foundation

## Statement of Conduct, Commitment, and Conflict of Interest

*As elected directors, appointees, officers, and staff of the Allan Hancock College Foundation, we represent a corporate body whose actions are in the interest of the public and thus have a clear obligation to conduct all affairs of the corporation in a manner consistent with this concept. The following statements, while not an exhaustive list of the standards, care, and practice in which this foundation should engage, shall serve as a guide upon which I will conduct myself in dealing with the matters before this corporation.*

**I AGREE:**

1. To represent the foundation and perform such duties in good faith and in a manner believed to be in the best interest of the foundation with such care as would be exercised by ordinary prudent persons in a like position.
2. Carefully prepare for, attend and actively participate in board and committee meetings, using reasonable effort to ascertain all relevant facts and to develop a rational basis for believing every decision made by the board was done so in the best interest of the foundation.
3. Vote according to my conviction, avoiding a rubber-stamp syndrome. I will challenge the judgment of others when necessary, yet be willing to support the majority decision.
4. To refuse gifts, gratuities, favors or services of any kind from any person, firm or corporation doing business or seeking to do business with the foundation when it might be inferred that the purpose was to influence my objectivity.
5. To avoid the appearance of or actual taking of the opportunity for self-dealing. I will not allow the foundation to enter into transactions with entities in which I or certain directors have an interest if the transaction is deemed not to be in the best interests of the foundation.
6. To disclose in full to the Board of Directors any personal situation or position which would conflict, or might reasonably be supposed to conflict with my performance of corporate duties and responsibilities. Disclosure of a private or proprietary nature should be made to the board president who may report only to the Executive Committee of the Board.
7. To maintain the confidential nature of donor and donor prospect relationships and not divulge to others such confidential information or use such for personal or business gain or profit or to divulge such information to other non-profit organizations with which I may be involved.
8. To abide by and uphold the bylaws, articles of incorporation, policies and procedures of the foundation.
9. To be reasonable, honest, involved, and informed.

**I have read this Statement of Conduct, Commitment, and Conflict of Interest for the Allan Hancock College Foundation and set forth my signature below to declare that I agree to abide by and uphold these statements to the best of my ability. I wish to disclose to the Board of Directors the following personal, professional, and business relationships which might cause me to not perform my duties as required, and in which case I shall excuse myself from participating in any deliberation or decision process:**

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**Print Name** \_\_\_\_\_

**Signature** \_\_\_\_\_

**Date** \_\_\_\_\_

**Recorded by** \_\_\_\_\_

Secretary, Allan Hancock College Foundation Board of Directors

<b>To: Board of Directors</b>	<b>INFORMATION</b>
<b>From: Executive Committee</b>	<b>February 9, 2012</b>
<b>Subject: College Trustee Appointments 2012</b>	

**BACKGROUND**

At the December 2011 annual organizational meeting of the Allan Hancock College Board of Trustees, Greg Pensa (primary) and Larry Lahr (alternate) were appointed to serve on the foundation board as trustee representatives for 2012.

<b>To: Board of Directors</b>	<b>INFORMATION</b>
<b>From: Executive Committee</b>	
<b>Subject: Nomination Process – New Board Members</b>	
<b>February 9, 2012</b>	

**BACKGROUND**

The Nominating Committee currently begins their work in summer to start soliciting new board members to the foundation and to start discussions for officers for the next calendar year. This process will now begin in April so that nominations of new board members and the slate of officers may be presented to the full board at the fall quarterly board meeting. This will allow service to begin immediately with the start of a new calendar year and prior to the board's annual organizational meeting in February.

<b>To: Board of Directors</b>	<b>INFORMATION</b>
<b>From: Maggi Daane, Chair – Events Committee</b>	<b>February 9, 2012</b>
<b>Subject: Events Committee Report</b>	

**BACKGROUND**

A report on actions taken and topics being discussed by this committee.

<b>To: Board of Directors</b>	<b>INFORMATION</b>  <b>February 9, 2012</b>
<b>From: John Everett, Chair</b>	
<b>Subject: Annual President's Circle Campaign Update</b>	

**BACKGROUND**

Mr. Everett will report on the status of the 2011-12 *Annual President's Circle Campaign*.

The following is a budget report for the Annual President's Circle Campaign 2011-12, as of December 31, 2011.

INCOME	Budget	Actual
Opening Balance, 7/1/2011		85,786
Contributions	90,000	65,676
Young Endowment Pledge	100,000	
<b>TOTAL INCOME</b>	<b>\$ 190,000</b>	<b>\$ 151,462</b>

EXPENSES	Budget	2011-12 Actual
<b>Project Expenses</b>		
Foundation operating budget	\$ 13,500	8,214
Transfers to District	173,000	22,914
<b>Campaign Expenses</b>		
Supplies, Food, Equip., Advertising	500	1,590
Public Relations/Recognition	2,000	
Printing	500	108
Postage/Courier/Credit Card Fees	500	
<b>TOTAL EXPENSES</b>	<b>190,000</b>	<b>32,826</b>
<b>NET REVENUE/EXPENSE</b>	<b>\$ 190,000</b>	<b>\$ 118,636</b>

**November and December renewing members:**

Mrs. Mary Braun  
CoastHills Federal Credit Union  
Mr. and Mrs. Tony Cossa  
Mr. and Mrs. Ron Thatcher  
Mrs. Marjorie Martin  
Mr. and Mrs. Patrick Sheehy  
Ms. Kathleen Telleria  
Dr. and Mrs. Robert Ibsen

<b>To: Board of Directors</b>	<b>INFORMATION</b>
<b>From: Jeff Cotter, Chair – Planned Giving Committee</b>	<b>February 9, 2012</b>
<b>Subject: Planned Giving Committee Report</b>	

**BACKGROUND**

A report on the topics being discussed by this committee.