



**NOTICE OF
QUARTERLY MEETING
of the
ALLAN HANCOCK COLLEGE
FOUNDATION
BOARD OF DIRECTORS
November 10, 2011
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

Position Vacant

Student

**FOUNDATION
STAFF**

Jeff Cotter

Executive Director

Marlyn Cox

Toni McCracken

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

Thursday, November 10, 2011 ~ 4 p.m.

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

Agenda

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|--|-------------|
| 1. CALL TO ORDER | |
| 2. ROLL CALL | |
| 3. PUBLIC COMMENT
Public comment not pertaining to specific agenda items is welcome at this time.
If you wish to speak to any item listed, please complete a <i>Request to Speak Card</i>
available from the executive director. It is suggested that speakers limit
themselves to 5 minutes. | |
| 4. APPROVAL OF AGENDA | |
| 4.A. Agenda for November 10, 2011
ACTION - Motion _____ Second _____ Vote _____ | |
| 5. APPROVAL OF MINUTES | |
| 5.A. Minutes of August 11, 2011
ACTION - Motion _____ Second _____ Vote _____ | 1-5 |
| 6. STUDENT REPRESENTATIVE 2011-12 | 6 |
| 6.A. A recommendation to accept the nomination of Melissa Schubert as
the student representative to the Allan Hancock College Foundation Board of
Directors for 2011-12.
ACTION - Motion _____ Second _____ Vote _____ | |
| 7. INVESTMENT COMMITTEE'S REPORT
The Investment Committee has reviewed the foundation's financial reports and
presents them for review and discussion by the board of directors. | |
| 7.A. Investment Committee Report to the Board
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. | |
| 7.B. Statement of Operations – 9/30/11 | 7 |
| 7.C. Balance Sheet – 9/30/11 | 8 |
| 7.D. Contributions Report – 9/30/11 | 9 |

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7.E. Operating Budget – 9/30/11	10
7.F. Portfolio Summary – 9/30/11	11-12
A recommendation to accept the financial statements as presented.	
ACTION - Motion _____ Second _____ Vote _____	
8. BOARD ITEMS	
8.A. Foundation Bylaw Proposed Amendment Change	13
A recommendation to approve a change to the foundation bylaws, Article V, Section F.	
ACTION - Motion _____ Second _____ Vote _____	
8.B. Endowment Funding Proposed Policy Change and Endowment Funding 2011-2012	14-16
10.B.1. A recommendation to approve a change to the foundation's <i>Endowment Funding Policy</i> .	
ACTION - Motion _____ Second _____ Vote _____	
10.B.2. A recommendation to approve the endowment funding for 2011-12.	
ACTION - Motion _____ Second _____ Vote _____	
8.C. Endowment Agreement Policy Proposed Change	17-19
A recommendation to approve a change to the foundation's <i>Endowment Agreement Form</i> disclosing the 1.5% administrative fee.	
ACTION - Motion _____ Second _____ Vote _____	
9. EXECUTIVE COMMITTEE'S REPORT	
9.A. Executive Committee Report	20
A report from the Executive Committee of any actions or business they have conducted on behalf of the corporation since the last foundation board meeting.	
9.B. NCCCF Symposium Report	21
The Network for California Community College Foundations (NCCCF) held its annual symposium in Anaheim, October 12-14, 2011. Highlights of this year's symposium will be presented by the attendees.	
9.C. Year-End/Holiday Office Schedule	22
The year-end and office holiday schedule – November 2011 Through February 2012.	
10. COMMITTEE REPORTS	
10.A. President's Circle – John Everett, Chair	23
A report on the progress of the 2011 annual campaign.	
10.B. Planned Giving Jeff Cotter, Chair	24
A report on the work by this committee.	

10.C. Nominations – Leslie Zomalt, Chair
A report on the nomination process for new board members to the foundation.

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10.D. Major Gifts – Chair position vacant

11. ORAL REPORTS

11.A. Members of the Board of Directors *General Announcements*

11.B. College Superintendent/President *Dr. José M. Ortiz*

11.C. College Trustee *Mr. Gregory A. Pensa*

11.D. PCPA Foundation Representative *Mrs. Judy Frost*

11.E. Faculty Representative *Mrs. Karen Tait*

11.F. Student Representative *Ms. Melissa Schubert*

11.G. Executive Director *Mr. Jeff Cotter*

12. OTHER BUSINESS

13. DATE FOR NEXT QUARTERLY BOARD MEETING

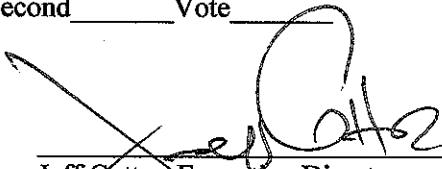
The next regular meeting is Thursday, February 9, 2012, 4 - 5:30 p.m. at the Santa Maria Campus, 800 South College Drive, in the Student Center Room 106-A.

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 August 11, 2011

A meeting of the Allan Hancock College Foundation Board of Directors was held on Thursday, August 11, 2011, in Rooms 1-202 and 1-203, at Lompoc Valley Center, One Hancock Drive, Lompoc, 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: M. Daane, T. Dworaczyk, J. Escobedo, J. Everett, J. Frost, M. Harvey, J. Jamieson, M. Juarez, T. Lopez, E. Miller, N. Nanning, J. Ortiz, G. Pensa, P. Sheehy, K. Tait, R. Welt, J. York, L. Zomalt

Directors Absent: S. Carty, R. Coggin, E. DeGasparis, K. Ferguson, L. Lahr, J. Martino, P. McDermott, S. Moats, D. Shepard, H. Zacarias

Foundation Staff Present: J. Cotter, M. Cox

Invited Guests: Bill Hockensmith, Director of the Allan Hancock College Bookstore and Rick Rantz, Dean of the Extended Campuses of Allan Hancock College

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/Zomalt) and passed by unanimous voice ballot to approve the August 11, 2011, agenda.

5. APPROVAL OF MINUTES

President Juarez asked members to review the minutes of the April 28, 2011, special meeting and called for a motion to approve.

MOTION: Moved/seconded (Harvey/Nanning) and passed by unanimous voice ballot to approve the April 28, 2011, special meeting minutes with the correction of Mrs. Mary Nanning and Ms. Hilda Zacarias were present at the April 28, 2011, meeting.

6. COLLEGE PRESENTATIONS

Lompoc Valley Center: At 4:05 p.m., Mr. Juarez adjourned the meeting for a campus tour given by Dean of Extended Campuses of Allan Hancock College, Rick Rantz. Mr. Rantz led the board in a tour of the campus' three main buildings. The campus provides student support services that include counseling, Extended Opportunity Programs and Services, Financial Aid, Health Services, Job Placement, Learning Assistance Program, Library Resources, Tutoring Assistance, and University Transfer Center. The campus offers seven degree programs.

Mr. Rantz invited the board to attend the September 13 groundbreaking ceremony of the Allan Hancock College Public Safety Regional Training Center at the LVC. Funding for the center is made possible by the passing of Measure I in June 2006. The \$180 million general facilities bond is to improve Allan Hancock College. The impact on the public safety programs will be significant when this "state of the art" regional training facility opens. The \$38 million project includes facilities for law enforcement training, fire service training, emergency medical services training and environmental technology training.

Allan Hancock College Bookstore: At 4:40 p.m., Mr. Juarez reconvened the meeting and introduced the board to the Director of the Allan Hancock College Bookstore, Bill Hockensmith.

Mr. Hockensmith shared that textbooks have doubled the rate of inflation since 1986, causing 20% of today's college students not to buy textbooks. The 2010 national average shows students are spending on textbooks is \$667 per year. The AHC Bookstore rental book program started in 2008 and has grown significantly. The rental fee is 38% of a new textbook price or 50% of a used textbook. The program has become very popular with the students. With an inventory of 5,000 rentals, it is not enough to meet the demands of the program. Mr. Hockensmith would like to increase the textbook rental program inventory, and will match foundation donations one-to-one. Board members thanked Mr. Hockensmith for his presentation.

7. **INVESTMENT COMMITTEE'S REPORT**

Statement of Operations: For the period ending 5/31/2011. In reviewing the statement, Dr. Dworaczyk noted that the fund balance for the unrestricted fund was \$246,062; the temporarily restricted fund balance was \$957,052, and the endowment balance was \$5,586,556. The total fund balance for the period was \$6,789,670.

Balance Sheet: For the period ending 5/31/2011, it was noted that the total current assets, total current liabilities and net assets were \$6,789,670.

Contributions Report: For the period ending 6/30/2011, the total contributions were \$907,673. Mr. Dworaczyk noted that contributions on 6/30/2010, were \$941,725, and are slightly down compared to 6/30/2011.

Operating Budget: For the period ending 5/31/2011, in reviewing the operating budget statement, income for the year-to-date was \$194,417 with expenses \$179,121 and the fund balance was \$246,062.

Portfolio Summary: Dr. Dworaczyk reviewed the Portfolio Summary dated 6/30/2011, which reflects \$5,580,226 in endowment investments and \$1,162,295 invested in unrestricted and temporarily restricted investments.

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

8. **EXECUTIVE COMMITTEE REPORT**

8.A. Executive Committee Actions Taken: Since the last meeting of the foundation board, its Executive Committee has considered and taken action on the following:

- a. Committee Assignments – approved those board members who agreed to serve as chairs for committees this year.
- b. Annual President's Holiday Reception – approved to proceed with the planning of this annual reception, which follows the AHC Board of Directors quarterly meeting on Thursday, November 10, 2011.
- c. Approved the request by staff to change the date of the Allan Hancock College Foundation Board of Directors quarterly board meeting on May 10, 2012, to Thursday, April 26, 2012. This gives staff more time for the planning and organization of the annual scholarship awards banquet set for Thursday, May 24, 2012.

8.B. NCCCF 2011 Annual Symposium: The Network of California Community Colleges will hold their annual symposium on October 12-14, 2011. This year's location will be held at the Magic Kingdom –Disneyland's Paradise Pier Hotel in Anaheim, CA. There is funding in the current budget to send two representatives from the foundation. The committee encourages board member participation in this worthwhile event.

8.C. Joe White Memorial Dinner and Auction: The 10th Annual Joe White Memorial Dinner and Auction, sponsored by the Allan Hancock College Boosters, Inc. will be held on Saturday, August 20, 2011, at the Santa Maria Fairpark. Tickets are \$40 per person or Gold Sponsorships are available at \$1,000 per table and Silver Sponsorships are available at \$400 per table. Cocktails begin at 5:30 p.m.

followed by dinner at 7:07 p.m. All proceeds benefit the Allan Hancock College athletic department capital improvement projects.

8.D. Celebrate Philanthropy! Luncheon: The Allan Hancock College Foundation, the Marian Medical Center Foundation and the Santa Barbara Foundation are once again collaborating to bring together, remember and honor the tremendous accomplishments philanthropy has made in support of the local nonprofit sector. The fourth annual *Celebrate Philanthropy!* luncheon will take place on Thursday, November 3, 2011, at the Santa Maria Country Club. Nonprofit organizations across the Santa Maria Valley have submitted nominations for individuals, couples or families with proven records of exceptional generosity who, through direct financial support or service, has demonstrated outstanding civic and charitable work and whose generosity encourages others to become philanthropic leaders. The event is the culmination of this annual celebration with new honorees being recognized each year. A table will be reserved for foundation board members wishing to attend – ticket price will be \$25 per person.

8.E. Events Calendar – August 2011 through February 2012: A calendar update of all Allan Hancock College Foundation events, activities and meetings is been provided with today's meeting agenda.

9. COMMITTEE REPORTS

9.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, \$52,000 has been raised. The initial solicitation to renew members will be a letter from Dr. Ortiz. Mr. Cotter will be telephone contacting members who memberships have lapsed. A list of names of former board of directors, lapsed members, and business partner prospects was handed out. Mr. Everett asked that directors review the list, contact people they know or write a support letter inviting them to become members of the President's Circle.

9.B. Planned Giving Committee Report: The Hancock Endowment Fund was established in February 2011 when a longtime friend of the foundation gave a \$25,000 gift to the foundation for a permanent endowment to support the mission of Allan Hancock College. The Executive Committee approved at their June 28, 2011, meeting criteria for accepting gifts to this new endowment.

1. Gifts received by the foundation with no designation or are marked "where need is greatest" are placed in the unrestricted fund for the operations of the foundation.
2. A gift to the Hancock Fund endowment will be the result of a specific solicitation or designation by the donor.
3. Per the foundation's Investment Policy, the endowment is accessed a 1.5% administrative fee for the unrestricted fund which supports the operations of the foundation. This is the current policy for all foundation endowments.

MOTION: Moved/seconded (Dworaczyk/Nanning) and passed by unanimous voice ballot to approve the criteria and concept for the Hancock Endowment Fund.

9.C. Events Committee Report: Ms. Maggi Daane, chair of the Events Committee, reported that she met with Mr. Cotter and Mrs. McCracken. Discussion included the organization of upcoming foundation events. Ms. Daane reported it is the desire of the committee to call on board members to become involved in the planning and organization of events. She said the foundation will be hosting the Annual President's Holiday Reception on Thursday, November 10, 2011. Staff will move forward, in coordination with the Events Committee, in planning the event. Ms. Daane reported that Ms. McCracken will contact other community colleges for ideas in making the Annual Scholarship Banquet even better. Further, Ms. Daane reported the Events Committee members are discussing optional fundraising events and look forward to a fun year.

- 9.D. Nominations Committee Report:** Mrs. Leslie Zomalt, chair of the Nominations Committee, reported to the board that this is the time to be thinking of people to nominate to the foundation board. The goal is to present a list of nominees to the board in February 2012. In October 2011, the Nominations Committee will meet and review the nominees names. Mrs. Zomalt encouraged the board to contemplate people they would recommend.

10. BOARD ITEMS

10.A. Wine Gift Policy: The foundation annually solicits donations from local wineries, which allows the foundation to host successful fundraising and donor recognition events. Those wineries participating receive recognition in the foundation's even programs and newsletters, both at the time of an event and throughout the year. Staff is recommending the foundation board of directors adopt a *Wine Gift Policy* as follows:

The generous support of local vineyards and wineries over the years has it possible for Allan Hancock College Foundation to include fine wine for many successful fundraising and donor recognition events. These include the annual President's Holiday Reception, a number of smaller recognition events, and special functions hosted for our President's Circle donors, the keystone program of the foundation's fundraising plan.

With few exceptions, wines are donated to the foundation with the donor's understanding that they will serve to enhance the appeal and experience of the foundation's own fundraising events. For its part, the foundation makes a verbal and written commitment to the donor to honor donor intent. The foundation also makes a special effort to recognize the donor and provide events guests with a description of the wine donation at the event and in the event programs and newsletters, both at the time of the event and throughout the year.

With this understanding, the foundation looks forward to a continuing relationship of mutual trust and appreciation with all its wine donors.

MOTION: Moved/seconded (Daane/Frost) and passed by unanimous voice ballot to approve the *Wine Gift Policy*.

11. ORAL REPORTS

11.A. Members of the Board of Directors – Ms. Daane reported that she is part of the event planning committee for the CoastHills Community Foundation's Fifth Annual *Rancho Vino* to be held Saturday, September 24, 2011, at 1:00 pm. at the Monarch Club, Nipomo, and she has tickets available at \$50.00 each. She said that this year's event will benefit Mission Hope Cancer Center.

11.B. College Superintendent/President – Dr. Ortiz reported next on the Bond Measure Capital Construction projects is the Public Safety Complex and Childcare Center addition. The down economy has caused construction pricing bids to be down for the One Stop Student Services Center and the Public Safety Complex projects. The bid savings determined the Board approving reallocating the savings for Physical Education/Athletics Fields, Industrial Technology, and the Fine Arts Complex projects. The groundbreaking of the Public Safety Complex will be held on September 13.

Dr. Ortiz reported the Governor passed the state budget. The district has a tentative balanced budget adopted. The college establishing a balance budget came without layoffs and furloughs. The adopted budget had \$5.1 million of reductions. Dr. Ortiz stated state colleges can anticipate further cuts to education. He stated they have predicted the worse when preparing the budget for 2011-12 and have weathered the storm for now. The current fees are \$36 per unit and may increase to \$46 per unit in January 2012. The state budget has forced the college to cut FTES by approximately 1,000 resulting in 500 few sections for the school year.

- 11.C. College Trustee** – Mr. Pensa reported today the AHC Board of Trustees were together for a retreat to evaluate Dr. Ortiz’s performance. Mr. Pensa is pleased to report Dr. Ortiz’s contract has been extended through 2014.
- 11.D. PCPA Foundation Representative** - Mrs. Frost reported *My Fairytale*’s opening night celebration is Saturday, August 27, 2011, at the Hotel Corque, Solvang, and includes an opportunity to meet the creative team of *My Fairytale* – Stephen Schwartz, composer of *Wicked*, *Godspell* and *Enchanted*. *Caroline or Change* runs September 1 – 18, 2011, at the Marian Theater. For more information about dates and times for each performance see the website, www.pcpa.org.
- 11.E. Faculty Representative** – Mrs. Tait reported faculty will be back on campus the week of August 15th.
- 11.F. Student Representative** – Currently the position is vacant. Mr. Cotter is working with the coordinator of Student Activities to have a student in place at the November quarterly Board meeting.
- 11.G. Executive Director** – Mr. Cotter encouraged the board of Directors to attend All Staff Day on Friday, August 19 beginning at 8:30 a.m. Special speaker will be Niki Sandoval, Ph.D. of the Santa Ynez Band of Chumash Indians. A Santa Maria style BBQ will be held at 11:45 in Commons Area. Mrs. Jamieson commented that Ms. Sarah Teniente was an excellent student representative on the foundation board. She requested a letter of appreciation be mailed to her from the foundation office.
- 12. OTHER BUSINESS**
There was no other business brought before the board for discussion.
- 13. FOUNDATION CALENDAR HIGHLIGHTS**
Thursday, November 10, 2011 - 42nd Annual President’s Holiday Reception following the quarterly meeting – Allan Hancock College Santa Maria campus.
- 14. DATE FOR NEXT BOARD MEETING**
There will be a quarterly meeting of the Allan Hancock College Board of Directors on Thursday, November 10, 2011, at 4 p.m.
- 15. ADJOURNMENT**
MOTION: Moved/seconded (Daane/Everett) and passed by unanimous voice ballot to adjourn the meeting of the Allan Hancock College Foundation Board of Directors at 6:00 p.m.

Maggi Daane – Secretary
Allan Hancock College Foundation

Date

To: Board of Directors	ACTION
From: Executive Committee	November 10, 2011
Subject: Student Representative 2011-12	

BACKGROUND

According to the Bylaws of the corporation, "the Board of Directors shall have such Honorary Directors as...an Allan Hancock College student..." This representative serves as an ex officio, non-voting member of the Board. The Board has set out the following as expectations for the student representative:

- Contribute to the board diversity.
- Enrolled as a current student and an esteemed member of the campus community.
- Care about the role and future of the Allan Hancock College Foundation.
- Willing to serve a full term (one-year).
- Assist with foundation activities and events when able and appropriate.
- Attend regular board meetings.
- Assist in recruiting student volunteers for foundation events.

The Associated Student Body is recommending that Melissa Schubert be considered for the vacant position as Student Representative to the Board of Directors:

FISCAL IMPACT

None

RECOMMENDATION

It is the recommendation of the executive committee that the nomination of Melissa Schubert be accepted as the student representative to the foundation board of directors for the academic year 2011-12.

Allan Hancock College Foundation

Statement of Operations

For the Period Ending 09/30/2011

	Unrestricted	Temporarily Restricted	Endowments	Total
REVENUE:				
Contributions	\$ 399	\$ 43,575	\$ 36,480	\$ 80,454
Contributions non-cash	0	0	0	-
Scholarship Contributions	0	45,407	0	45,407
Interest and Dividends	809	0	34,443	35,252
Gain/Loss on Sale of Investments	(10,264)	0	(8,717)	(18,981)
Change in Asset Portfolio	0	0	(612,859)	(612,859)
Miscellaneous	0	1,678	0	1,678
Transfers in	47,387	203,500	0	250,887
Total Revenue	38,331	294,160	(550,653)	(218,162)
EXPENSE:				
Salaries	25,728	0	0	25,728
Scholarships	0	105,959	0	105,959
Employee benefits	2,243	0	0	2,243
Supplies and materials	2,839	11,051	0	13,890
Contracted personal services	235	5,500	0	5,735
Travel and conference	702	0	0	702
Memberships and permits	450	0	0	450
Telephone	416	0	0	416
Contracts, leases and maint. agreements	0	125	0	125
Legal, audit, bad debt, miscellaneous	0	0	0	-
Postage and advertising	185	0	0	185
Bank, Brokerage, Interest and Cr Card Fees	946	0	12,400	13,346
Building and equipment purchases	0	1,635	0	0
Non cash contributions	0	0	0	-
Transfers out	100	242,841	35,387	278,328
Total Expenses	33,844	367,111	47,787	447,107
Net Revenue/Expense	\$ 4,487	\$ (72,951)	\$ (598,440)	\$ (665,269)
Beginning Fund Balance, July 1	239,263	963,863	5,508,601	6,711,727
Current Fund Balance	\$ 243,750	\$ 890,912	\$ 4,910,161	\$ 6,044,823

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 9/30/2011

ASSETS

<u>Current Assets</u>	
Cash on hand and equivalents	\$ 1,337,378
Investments	4,705,945
Accounts receivable	1,500
Accrued Interest Receivable	-
Total Current Assets	\$ 6,044,823

LIABILITIES AND NET ASSETS

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

<u>Net Assets</u>	
Unrestricted	243,750
Temporarily restricted	890,912
Endowments	4,910,161
Total Net Assets	\$ 6,044,823
Total Liabilities and Net Assets	\$ 6,044,823

**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										399
Restricted Funds	10,640	701	19,612										30,953
AHC Scholarship Funds	20,367	20,365	3,945										44,677
Endowments	700	20,000	15,000										35,700
President's Circle Annual Campaign	914	7,914	3,914										12,742
In-Kind Donations													-
MONTHLY TOTALS	32,711	49,045	42,715										
CURRENT YTD TOTALS	\$ 32,711	\$ 81,756	\$ 124,471	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 124,471

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	508,820	528,843	577,141	597,819	715,628	941,725
July 08-June 09	68,637	127,337	187,331	254,313	282,414	565,024	592,970	609,746	661,090	848,526	1,018,528	1,053,236
July 07-June 08	45,107	126,207	172,587	299,483	514,684	641,357	679,931	711,203	768,748	848,526	1,000,629	1,070,668
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	335,755	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	78,667	150,074	221,555	302,251	365,176	567,844	590,148	613,997	673,291	797,996	851,703	951,050
July 03-June 04	78,436	161,345	250,851	325,196	399,677	680,662	714,421	727,671	757,531	817,265	899,968	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	214,363	257,794	534,098	566,600	588,843	614,880	668,510	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:

9/30/2011

	2011-12 Approved Budget	2011-12 YTD Rev & Exp	2011-12 Percentage Budget
REVENUE			
Unrestricted - Contributions	5,120	299	6%
Unrestricted - Contributions non-cash			0%
Unrestricted - Interest	5,000	808	16%
Administration Fee - 1.5%	65,000	16,637	26%
Fundraising	46,500		0%
President's Circle	5,300		0%
Gain/Loss on Sale of Investments		(10,264)	0%
Change in Asset Portfolio			0%
Marian Hancock Trust	24,000	12,000	50%
F. Young Endowment Proceeds	37,500	18,750	50%
TOTAL REVENUE	\$ 188,420	\$ 38,230	20%

EXPENSES			
Executive Director	50,000		0%
Staff Salaries	96,578	24,128	25%
Staff Health/Welfare Benefits	6,400	1,600	25%
Staff Payroll Taxes/Insurance	9,607	2,242	23%
Sub Total Staff Salaries & Benefits	\$ 162,585	\$ 27,970	17%
Public Relations	100		0%
Operational Supplies	4,000	279	7%
Printing	4,650	2,003	43%
Food Supplies	2,200	215	10%
Consultants, Service Contracts	1,650	235	14%
Conference Expense	2,000	679	0%
Business Travel Expense	1,200	24	2%
Dues and Memberships	450	450	100%
Licenses, Permits, Filing Fees	170		0%
Telephone	1,725	416	24%
Maintenance Agreements	350	342	0%
Equipment Leases & Agreements	775		0%
Postage and Courier Services	3,865	185	5%
Advertising	500		0%
Bank Service Charges	1,000	946	95%
Equipment Purchase	1,200		0%
Non-cash contributions			0%
Sub Total Operating Expenses	\$ 25,835	\$ 5,773	22%
TOTAL OPERATING EXPENSES	\$ 188,420	\$ 33,743	18%

UNRESTRICTED FUND

Net Revenue/Expense	\$ (0)	\$ 4,487
Beginning Fund Balance, July 1	\$ 239,263	\$ 239,263
CURRENT FUND BALANCE	\$ 239,263	\$ 243,750

ALLAN HANCOCK COLLEGE FOUNDATION

Portfolio Summary

January 1, 2011 thru December 31, 2011

ENDOWMENT		Pool	Cost Basis	Beginning Market Value 01/01/11	Net Deps/Withdrawls	9/30/2011	Total Market Value Change YTD
Morgan Stanley Smith Barney							
SPDR Gold Trust	A	\$	59,471.21	\$ -	\$ 59,471.21	\$ 54,224.00	\$ (5,247.21)
Blackrock, Inc.	A	\$	450,378.26	\$ -	\$ 477,618.47	\$ 468,629.47	\$ (8,989.00)
Matthews Asia Pacific Equity, Inc	A	\$	32,036.86	\$ -	\$ 32,036.86	\$ 28,587.27	\$ (3,449.59)
Newgate Capital Management LLC	A	\$	128,500.31	\$ -	\$ 128,500.31	\$ 118,893.28	\$ (9,607.03)
Pimco Emerging Markets Bond Fund	A	\$	64,073.88	\$ -	\$ 64,073.88	\$ 63,847.89	\$ (225.99)
Pimco Real Return Fund	A	\$	64,073.81	\$ -	\$ 64,073.81	\$ 61,077.02	\$ (2,996.79)
Loomis Sayles Investment	A	\$	160,184.61	\$ -	\$ 160,184.61	\$ 154,620.25	\$ (5,564.36)
Metropolitan West	A	\$	288,332.45	\$ -	\$ 288,332.45	\$ 281,922.00	\$ (6,410.45)
Renaissance Group LLC	A	\$	180,239.73	\$ -	\$ 180,239.73	\$ 171,918.64	\$ (8,321.09)
Global Currents Investment Management	A	\$	185,475.05	\$ -	\$ 185,475.05	\$ 174,049.36	\$ (11,425.69)
Templeton Global Bond	A	\$	64,057.87	\$ -	\$ 64,057.87	\$ 59,268.58	\$ (4,789.29)
Winslow/Mainstay Capital Management	A	\$	270,540.47	\$ -	\$ 270,540.47	\$ 268,836.47	\$ (1,704.00)
Roosevelt Investment Group, Inc	A	\$	108,171.17	\$ -	\$ 108,171.17	\$ 106,115.17	\$ (2,056.00)
Eaton Vance Asset Management	A	\$	284,063.85	\$ -	\$ 338,567.56	\$ 327,784.85	\$ (10,782.71)
Geneva Capital Management	A	\$	153,680.01	\$ -	\$ 153,680.01	\$ 151,108.49	\$ (2,571.52)
Anchor Capital Advisors	A	\$	145,805.30	\$ -	\$ 145,805.30	\$ 142,205.75	\$ (3,599.55)
Franklin Portfolio Advisors & Kayne Anderson Inv.	A	\$	252,045.84	\$ -	\$ 252,045.84	\$ 245,141.84	\$ (6,904.00)
Forward Uniplan Advisors	A	\$	93,617.49	\$ -	\$ 93,617.49	\$ 88,743.71	\$ (4,873.78)
Morgan Stanley Active Assets - Cash	A	\$	-	\$ (1,098.07)	\$ -	\$ 53,394.93	\$ (1,098.07)
Sub-Total				\$ (1,098.07)	\$ 3,066,492.09	\$ 3,020,368.97	\$ (99,518.05)
LPL Financial Services							
Annaly Capital Management (NLY)	C	\$	13,000.00	\$ 34,498.07	\$ -	\$ 36,782.10	\$ 2,284.03
Allianz Funds	A	\$	92,111.70	\$ -	\$ 92,111.70	\$ 78,405.88	\$ (13,705.82)
Columbia Acorn	A	\$	20,469.27	\$ -	\$ 20,469.27	\$ 16,095.33	\$ (4,373.94)
Columbia Funds	A	\$	61,407.80	\$ -	\$ 61,407.80	\$ 43,078.30	\$ (18,329.50)
Ivy Funds	A	\$	122,815.59	\$ -	\$ 122,815.59	\$ 80,081.04	\$ (42,734.55)
J P Morgan Trust	A	\$	30,703.90	\$ -	\$ 30,703.90	\$ 25,629.23	\$ (5,074.67)
Legg Mason Capital Mgmt.	A	\$	30,703.88	\$ -	\$ 62,165.00	\$ 52,123.26	\$ (10,041.74)
Legg Mason	A	\$	27,844.78	\$ -	\$ 27,844.78	\$ 24,449.72	\$ (3,395.06)
Loomis Sayles Investment	A	\$	51,173.16	\$ -	\$ 101,635.94	\$ 96,173.42	\$ (5,462.52)
Natixis Funds Trust	A	\$	27,782.79	\$ -	\$ 27,782.79	\$ 26,853.25	\$ (929.54)
Nuveen Municipal Trust Bond Fund	A	\$	71,642.43	\$ (75,498.03)	\$ 71,642.43	\$ -	\$ 3,855.60
Nuveen Investment Trust	A	\$	30,703.91	\$ -	\$ 30,703.91	\$ 25,325.56	\$ (5,378.35)
Oppenheimer Commodity	A	\$	40,938.53	\$ -	\$ 40,938.53	\$ 35,166.51	\$ (5,772.02)
Pioneer Global	A	\$	143,284.86	\$ -	\$ 143,284.86	\$ 126,253.87	\$ (17,030.99)
Putnam Funds Trust Equity Spectrum Fund	A	\$	30,703.88	\$ -	\$ 30,703.88	\$ 26,436.33	\$ (4,267.55)
Touchstone Instl Funds Trust	A	\$	35,821.21	\$ -	\$ 90,456.83	\$ 81,995.41	\$ (8,461.42)
WT Mut Fd CRM Mid Cap Value Fund	A	\$	30,887.88	\$ -	\$ 30,887.88	\$ 24,105.41	\$ (6,782.47)
Advisors Inner Circle Fund	A	\$	56,290.49	\$ -	\$ 56,290.49	\$ 50,868.87	\$ (5,421.62)
Premier Money Market - 0.010%	A	\$	-	\$ 313,149.03	\$ (234,049.76)	\$ 53,394.93	\$ (234,049.76)
Sub-Total				\$ 272,149.07	\$ 807,795.82	\$ 903,218.42	\$ (151,022.13)
Osher Fund Endowment	A	\$	100,000.00	\$ -	\$ 100,000.00	\$ 100,000.00	\$ -
Vanguard							
Vanguard 500 Index Fund (VFIAX)	B	\$	127,284.21	\$ 138,442.10	\$ -	\$ 126,390.24	\$ (12,051.86)
MSCI Emerging Markets Index Fund (EEM)	B	\$	13,339.04	\$ 46,554.06	\$ -	\$ 34,654.77	\$ (11,899.29)
MSCI EAFE Index Fund (EFA)	B	\$	41,251.16	\$ 67,989.08	\$ -	\$ 56,898.29	\$ (11,090.79)
Russell Midcap Value Index Fund (IWS)	B	\$	20,068.55	\$ 32,059.18	\$ -	\$ 27,852.15	\$ (4,207.03)
Russell Midcap Growth Index Fund (IWP)	B	\$	20,084.61	\$ 32,099.03	\$ -	\$ 28,313.29	\$ (3,785.74)
Cohen Steers Realty Majors Index (ICF)	B	\$	5,014.51	\$ 5,712.24	\$ -	\$ 5,453.11	\$ (259.13)
Russell 1000 Value Index Fund (IWD)	B	\$	90,787.48	\$ 113,067.48	\$ -	\$ 100,192.40	\$ (12,875.08)
Russell 2000 Value Index Fund (IWN)	B	\$	20,316.01	\$ 29,242.21	\$ -	\$ 23,768.89	\$ (5,473.32)
Russell 2000 Growth Index Fund (IWO)	B	\$	20,153.18	\$ 31,111.57	\$ -	\$ 26,257.75	\$ (4,853.82)
Dow Jones Real Estate Index Fund (IYR)	B	\$	5,016.00	\$ 7,704.96	\$ -	\$ 7,159.29	\$ (545.67)
PowerShares Exchange Dynamic Market (PWC)	B	\$	49,974.30	\$ 54,147.58	\$ -	\$ 45,587.17	\$ (8,560.41)
PowerShares Exchange Dynamic Market (PWO)	B	\$	14,998.50	\$ 15,936.00	\$ -	\$ 13,526.40	\$ (2,409.60)
Rydex S&P Equal Weight Index (RSP)	B	\$	23,389.46	\$ 31,000.79	\$ -	\$ 27,433.05	\$ (3,567.74)
Bond Holdings (3 individual issues)	B	\$	189,880.77	\$ 76,649.00	\$ -	\$ 79,918.40	\$ 3,269.40
Prime Money Market Fund - 0.05%	B	\$	-	\$ 166,376.56	\$ -	\$ 170,441.18	\$ 4,064.62
Vanguard Treasury Money Market - 0.02%	B	\$	-	\$ 170,040.70	\$ (100,000.00)	\$ 70,062.12	\$ 21.42
Sub-Total				\$ 1,018,132.54	\$ (100,000.00)	\$ 843,908.50	\$ (74,224.04)
Transfer to Operating Budget - Unrestricted				\$ (243,250.00)	\$ (37,500.00)	\$ (280,750.00)	\$ (280,750.00)
Adjusted Young endowment balance						\$ 616,499.10	\$ 616,499.10
TOTAL ENDOWMENTS				\$ 1,289,183.54	\$ 3,774,287.91	\$ 4,867,495.89	\$ (324,764.22)

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	Depos/Withdrawls	Market Value Current Period
Morgan Stanley Smith Barney, Act.Assts. - Cash, 0.15%		\$ 698,927.00	\$ (400,000.00)	\$ 353,013.00
Morgan Stanley Smith Barney, Consulting Group Advisor Inv.		\$ -	\$ 500,000.00	\$ 489,021.49
Rabobank - Checking		\$ 27,345.37	\$ -	\$ 28,240.37
Rabobank - Credit Card		\$ 11,005.47	\$ -	\$ 2,654.97
Heritage Oaks Bank - CD, .80%, 12/07/2011		\$ 100,000.00	\$ -	\$ 100,605.04
Pacific Western Bk - CD, .45%, 02/24/12		\$ 100,854.66	\$ -	\$ 101,214.42
Santa Barbara Bank & Trust - CD, .70%, 01/14/12		\$ 101,826.83	\$ -	\$ 102,472.42
Coast Hills Federal Cr. Union, Shares account		\$ 5.00	\$ -	\$ 5.00
Cash on Hand		\$ 100.00	\$ -	\$ 100.00
TOTAL UNRESTRICTED & TEMPORARILY REST.		\$ 1,040,064.33	\$ 100,000.00	\$ 1,177,326.71
Transfer from Vanguard to Operating Budget - Unrestricted		\$ (243,250.00)	\$ (37,500.00)	\$ (280,750.00)
TOTAL ASSETS		\$ 2,329,247.87		\$ 6,044,822.60

INVESTMENT POOL A Allocation Summary	Target	Allocation Current Period	Market Value Current Period
Equity			
Lg. Cap Value & Growth-Winstow/Mainstay Cap Mgmt, Allianz Fd.	35.00%	22.86%	\$ 911,260.01
Eaton Vance Asst. Mgmt, Touchstone Instl Fd.			
Mid Cap Value/Growth-Geneva Cap Mgmt, Anchor, Putnam, WT Mut Fd	8.00%	7.96%	\$ 317,419.65
Small Cap Value/Growth-Franklin Kyn, Columbia Acom, Nuveen Inv	7.00%	7.19%	\$ 286,562.73
All Cap - Roosevelt	5.00%	2.66%	\$ 106,115.17
Int'l: Matt Asia, Newgate, Cap. Mgt., Renais., Global, Ivy Fund	10.00%	14.39%	\$ 573,529.59
Equity Sub-Total	65.00%	55.05%	\$ 2,194,887.15
Fixed Income			
Pimco Mkt. Bond, Pimco Real Return Fd, Templeton		4.62%	\$ 184,193.49
Loomis Sayles Investment		6.29%	\$ 250,793.67
Core Fixed - Blackrock, Inc. & Metropolitan West		18.83%	\$ 750,551.47
Govt. & Agency Bonds & Mutual Funds		6.44%	\$ 256,621.94
Fixed Income Sub-Total	35.00%	36.17%	\$ 1,442,160.57
Other Assets			
Gold Trust Commodities - Precious Metals		1.36%	\$ 54,224.00
Forward Uniplan Advisors, Inc. - Real Estate		2.23%	\$ 88,743.71
Morgan Stanley Active Assets - Cash		1.34%	\$ 53,394.93
LPL Premier Money Market		1.34%	\$ 53,394.93
Osher Fund Endowment		2.51%	\$ 100,000.00
Other Assets Sub-Total		8.77%	\$ 349,757.57
TOTAL POOL "A" ALLOCATION	100.00%	100.00%	\$ 3,986,805.29

INVESTMENT POOL B Allocation Summary	Target	Allocation Current Period	Market Value Current Period
Equity			
Large Cap Value - IWD		11.87%	\$ 100,192.40
Large Cap Growth - VG 500 Index		14.98%	\$ 126,390.24
Large Cap Blend - PWC & RSP		8.65%	\$ 73,020.22
Mid Cap - IWS, IWP & PWO		8.26%	\$ 69,691.84
Small Cap - IWN & IWO		5.93%	\$ 50,026.64
International - EFA & EEM		10.85%	\$ 91,553.06
Real Estate - IYR & ICF		1.49%	\$ 12,612.40
Equity Sub-Total	65.00%	62.03%	\$ 523,486.80
Fixed Income			
Fixed Income - Bond Holdings		9.47%	\$ 79,918.40
Fixed Income Sub-Total	35.00%	9.47%	\$ 79,918.40
Other Assets			
Money Market - Cash		28.50%	\$ 240,503.30
Other Assets Sub-Total		28.50%	\$ 240,503.30
TOTAL POOL "B" ALLOCATION		100.00%	\$ 843,908.50

INVESTMENT POOL C Allocation Summary	Target	Allocation Current Period	Market Value Current Period
Real Estate - Annaly Mortgage Mgmt	100.00%	100.00%	\$ 36,782.10
TOTAL POOL "C" ALLOCATION			\$ 36,782.10

TOTAL POOLS A, B, & C			\$ 4,867,495.89
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To: Board of Directors	ACTION
From: Executive Committee	November 10, 2011
Subject: Foundation Bylaws Proposed Amendment Change	

BACKGROUND

The bylaws of this corporation provide for directors under Article V. The Executive Committee is recommending clarification of terms for board of directors.

An excerpt from the current bylaws follows:

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 a three-year term, and the terms of one-third such persons shall expire each year. 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 9th 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.

Recommendation is to approve the changes as proposed below:

Proposed edit – 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 9th 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.*

FISCAL IMPACT

None

RECOMMENDATION

Upon review and agreement, it is recommended that the board approve the proposed amendment change to the Allan Hancock College Foundation Bylaws.

To: Board of Directors	ACTION
From: Executive Committee	November 10, 2011
Subject: Endowment Funding Policy Change and 2011-12 Endowment Funding	

BACKGROUND

According to the foundation's **current** approved *Endowment Funding Policy*, the review date of September 30 shall be used each fiscal year to determine the fund balance available for the funding of each endowment. However, at the Investment Committee's meeting on October 4, 2011, there was discussion and a recommendation to change the review date in the foundation's *Endowment Funding Policy* from September 30 to June 30 due to a decline of the stock market since June 30, 2011, and to conform to the District's and Foundation's fiscal year. The Executive and Investment Committees recommend approval of this action. A copy of the current policy with the proposed change follows on the next two pages.

Review date of September 30 – current policy

The process begins with a review of each endowment value and application of the approved funding policy formula. In keeping with policy, the board's Investment Committee reviewed the endowment proceed spreadsheets. The committee accepted the staff recommendation to:

1. Fund 3 out of 53 regular endowments for \$6,800
2. Fund 1 out of 31 Title III endowments for \$500
3. Fund 4 out of 5 quasi endowments for \$6,050

The total funding with a September 30 review date is \$13,350.

Review date of June 30 – proposed changed to current policy

The process begins with a review of each endowment value and application of the approved funding policy formula. In keeping with policy, the board's Investment Committee reviewed the endowment proceed spreadsheets. The committee accepted the staff recommendation to:

1. Fund 41 out of 53 regular endowments for \$112,000
2. Fund 19 out of 31 Title III endowments for \$27,100
3. Fund 4 out of 5 quasi endowments for \$6,250

The total funding with a June 30 review date is \$145,350.

FISCAL IMPACT**Review date of September 30**

If approved, a total of \$13,350 will be transferred from endowment proceeds/principal to fund endowed scholarship awards/programs in 2012.

Review date of June 30

If approved, a total of \$145,350 will be transferred from endowment proceeds/principal to fund endowed scholarship awards/programs in 2012.

RECOMMENDATION – Two action items

1. Upon review and agreement, it is recommended that the board approve the proposed change of the review date from September 30 to June 30.
2. Upon review and agreement, it is recommended that the board approve the endowment funding proposal for \$145,350 from the review date of June 30.



Endowment Funding Policy

Background

The underlying rationale and purpose for establishing this endowment funding policy is to enhance the ability of the Allan Hancock College Foundation to fund endowment activities (i.e. scholarships, college programs, and foundation operations.) The response by the foundation's board of directors has been to 1) design a more effective investment portfolio which optimizes earnings and minimizes risk through a well structured and diverse combination of fund types and 2) design a policy of giving from the endowment portfolio which will, over the long run, stabilize and "smooth out" the funds which can be made available to fund endowment activities.

Regular Endowment Funds (Permanent Endowment)

It shall be the policy of the foundation to annually fund its endowment commitment at a rate based on the following table:

Endowment Value at Review Date	Endowment Commitment
Endowment Value < Corpus Value	Zero
Endowment Value is between 100% and 129% of Corpus Value	5% of the endowment value reduced, if necessary, so that endowment value after funding does not fall below corpus value.
Endowment Value is above 129% of Corpus Value	An amount, to be determined by the foundation board, which can exceed 5%, but will in no event cause the endowment value after funding to fall below 124% of the corpus value.

Examples of the above:

Endowment Value = 103% of Corpus Value => Endowment Commitment would be 3%.

Endowment Value = 110% of Corpus Value => Endowment Commitment would be 5%.

Endowment Value = 135% of Corpus Value => Endowment Commitment could be between 5% and 11% as set at the discretion of the foundation board.

It is recognized that the endowment value may be below corpus value and donations may need to be secured to fund endowment activities outside of the endowment until market conditions improve to a point that the endowment value once again exceeds corpus value.

Title III Endowment Funds (Term Endowment)

The policy on these funds shall be identical to the above regular endowment funds with the additional caveat that the endowment commitment (expressed as a percentage of the endowment fund) can not exceed fifty percent (50%) of the aggregate Title III endowment fund income as determined during that fiscal year. This term endowment restriction expires twenty years after inception of original investment date.

**Allan Hancock College Foundation
Endowment Funding Policy
Page 2 of 2**

Policy Exceptions

1. Providing funding for endowment activities which exceed the above guidelines shall only be made in response to unusual circumstances and requires a 2/3 majority vote of the foundation's board of directors.
2. The foundation reserves the right to fund any portion or all of the annual endowment commitment from non-endowment funds at their discretion should the endowment value fall below corpus value.

Key Terminology

The following are key terms which relate to this endowment policy:

- Corpus Value:** The original amount of funding contributed by foundation donors to the endowment.
- Endowment Value:** The current market value of the endowment as of the review date, reduced by the 1.5% management fee paid to the foundation.
- Review Date:** The review date shall mean as of ~~September 30~~ **June 30** of the year in which endowment funding is to be awarded.
- Endowment Commitment:** The dollar amount of funding to be provided from the endowment portfolio based on this policy.
- Title III Funds:** The foundation was designated in January 1999, by Allan Hancock College, as the recipient of the proceeds of a successful Endowment Challenge Grant under the Endowment Challenge Grant Program authorized by Title III of the Higher Education Act of 1965. All proceeds of this grant (\$500,000), local match of \$250,000, and income are subject to a twenty-year term restriction during which no part of the fund corpus can be withdrawn and/or spent, and not more than fifty percent (50%) of the aggregate endowment fund income can be withdrawn or expended.
- Permanent Endowment:** Funds where the principal remains intact and in perpetuity, with only a portion of the proceeds from investment of the principal being available for expenditure, with the option of reinvesting it into the principal.
- Term Endowment:** Funds which donors or the foundation/college have stipulated shall be released from endowment status, or from specified restrictions, upon the occurrence of a specific event or time, (i.e. a building fund, Title III Endowment Challenge Grant).
- Quasi Endowment:** Funds specified by donor for specific purpose, allowing use of the funds up to the whole amount of the gift. The intention is to invest and manage like a permanent endowment with the ability to use up to all of the income and principal when need is evident.

To: Board of Directors	ACTION
From: Executive Committee	November 10, 2011
Subject: Endowment Agreement Policy Proposed Change	

BACKGROUND

At the August 4 Executive Committee meeting, the committee recommended 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.

Refer to *Endowment Agreement Form* on the next two pages, Section 3.3 – proposed edits are bolded and underlined.

FISCAL IMPACT

Unknown at this time

RECOMMENDATION

Upon review and agreement, it is recommended that the board approve the proposed change to the foundation's *Endowment Agreement Policy*.

Endowment Agreement

This agreement is made this _____ day of _____, 201____
by and among _____ (“Donor” or “Transfer
Authority”), and the Allan Hancock College Foundation (“Foundation”), a California
public charitable and educational nonprofit corporation, establishing an endowment to be
held, managed and used by the Foundation for the benefit of the Allan Hancock Joint
Community College District (College).

Section 1: Donor Commitment

1. The Donor has made a _____ (contribution, transfer) to the
Foundation of _____ (amount/market value).
 - 1.1. Additional contributions to this endowment may be made by the Donor and/or
Foundation. Such additions shall be consistent with this agreement and not
contain any conflicting restriction or conditions.

Section 2: Endowment Purpose

2. The intent of the Donor in making this commitment is for the Foundation to establish
and administer an endowment fund, which shall be a restricted fund subject to all
provisions of this Agreement and known as the _____

 - 2.1. All provisions (by Donor, Foundation, or College) shall be listed in detail and
appended to this agreement as “Appendix A, Endowment Purpose.”
 - 2.2. Final approval and adoption of all provisions shall be the responsibility of the
Foundation Board of Directors.

Section 3: Endowment Administration

3. The Foundation shall account separately for the endowment, which shall consist of a
principal, revenue, and spending account.
 - 3.1. The annual distribution available for spending shall be determined by the
endowment funding guidelines established by the Foundation’s Board of
Directors, and in accordance with state law, including the California Uniform
Prudent Management of Institutional Funds Act (“UPMIFA”), and generally
accepted accounting practices.
 - 3.2. Foundation shall invest endowment assets as an institutional fund under UPMIFA
with the goal of optimizing yield and maintaining the spending power of the
endowment assets. The Endowment’s assets shall be subject to the investment
policies of Foundation relating to endowments, and shall be managed in a manner
that is consistent with these requirements. Foundation shall exercise exclusive
authority over management of the Endowment, including the pooling of the

Endowment for investment and payout purposes, and accounting for endowment assets under generally accepted accounting principles.

3.3. Foundation shall be entitled to reasonable ~~compensation~~ administrative fees to help assist for defray the cost of endowment administration and fundraising activities, including reimbursement for actual expenses incurred on the Endowment's behalf. This amount shall be 1.5% of current market value and shall be reviewed and determined from time to time in the sole discretion of the Foundation.

3.4. This agreement shall be construed in accordance with and be governed by the laws of the State of California. The Parties agree that in the event of any litigation between them arising from or related to this Agreement, the exclusive venue of such litigation shall be the State of California, Superior Court of the County of Santa Barbara, Santa Maria Branch, Cook Division.

3.5. This agreement does not constitute legal, financial and or tax advice to the donor or transfer authority. Further, the Allan Hancock College Foundation advises all parties to consult with their own legal and or financial advisor.

Section 4: Alternative Use of Endowment Distributions

4. If in the judgment of the Foundation Board of Directors it becomes impossible or impracticable to use the endowment's income for the purposes described in this agreement, the income may be used in a manner that the Board of Directors, in consultation with the administration of the Allan Hancock Joint Community College District, determines will best accomplish the original intent as described in "Appendix A, Endowment Purpose." If this unlikely situation occurs during the lifetime of the Donor or a designee, the Foundation will contact and confer to determine your preferences.

Section 5: Approved

DONOR

(Donor or Transfer Authority)

ALLAN HANCOCK COLLEGE FOUNDATION

(Executive Director, Allan Hancock College Foundation)

To: Board of Directors	INFORMATION
From: Executive Committee	November 10, 2011
Subject: Executive Committee Report	

BACKGROUND

As provided within the Bylaws of the Allan Hancock College Foundation, the Executive Committee of the corporation has limited authority to take action on behalf of the entire board. It also provides that any action taken by this committee shall be reported to the full board at the next scheduled meeting. 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. Staff will pursue possible dates and locations to report at quarterly board meeting. A *Board Hospitality Fund* was created/approved at the August quarterly board meeting with directors providing \$100 each. This fund will cover the costs of the event.

To: Board of Directors	INFORMATION
From: Jeff Cotter and Tom Lopez	November 10, 2011
Subject: NCCCF Symposium Report	

BACKGROUND

The Network of California Community College Foundations (NCCCF) held its annual symposium at the Magic Kingdom-Disney's Paradise Pier Hotel, October 12-14, 2011. Representing the foundation were Jeff Cotter and Tom Lopez. The attendees will present highlights of this year's symposium.

To: Board of Directors	INFORMATION
From: Executive Committee	November 10, 2011
Subject: Yearend and Holiday Office Schedule	

BACKGROUND

The following is a calendar update of all Allan Hancock College Foundation events, activities and meetings for the months of November, December, January and February. Also, the executive director sets an operations schedule for the year-end holiday period. While the college may be closed during these periods, it is imperative, given the nature of individuals to make year-end gifts during the closing days of December, that the foundation maintains regular business hours. Every effort is made to publicize these hours of holiday operations to the campus and the community.

November 3, 2011

Celebrate Philanthropy! Luncheon

November 10, 2011

Quarterly Board Meeting – 4 p.m.

Annual President's Holiday Reception – 5:30 p.m.

November 29, 2011

Investment Committee Meeting, 4 p.m.

Executive Committee Meeting, 4:45 p.m.

December 26 and 27, 2011 – College/Foundation Closed

Christmas Holidays

December 28, 29, and 30, 2011

Office open – 8 a.m. to 5 p.m.

January 2 and 3, 2012 – College/Foundation Closed

Winter Holiday and New Year's Day

Tuesday, January 24, 2012

Investment Committee Meeting, 4 p.m.

Executive Committee Meeting, 4:45 p.m.

Thursday, February 9, 2012

Annual Organizational Foundation Board Meeting, 4 p.m.

To: Board of Directors	INFORMATION
From: John Everett, Chair	
Subject: President's Circle Committee Report	

November 10, 2011

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 Campaign 2011-12, as of September 30, 2011.

INCOME	Budget	Actual
Opening Balance, 7/1/2011		83,798
Contributions	82,227	50,247
Accounts Receivable - Pledges	7,773	
Young Endowment Pledge	100,000	
TOTAL INCOME	\$ 190,000	\$ 134,045

EXPENSES	Budget	2011-12 Actual
Project Expenses		
Foundation operating budget	\$ 13,500	
Transfers to District	173,000	
Campaign Expenses		
Supplies, Equipment, Advertising	500	
Public Relations/Recognition	2,000	
Printing	500	
Postage/Courier/Credit Card Fees	500	
TOTAL EXPENSES	190,000	
NET REVENUE/EXPENSE	\$ 190,000	\$ 126,045

To: Board of Directors	INFORMATION
From: Jeff Cotter	November 10, 2011
Subject: Planned Giving Committee Report	

BACKGROUND

A report on the topics being discussed by this committee.

To: Board of Directors	INFORMATION
From: Leslie Zomalt, Chair	November 10, 2011
Subject: Nominations Committee Report	

BACKGROUND

A report on the nominations of potential board members and the work of this committee.