
AUXILIARY PROGRAMS CORPORATION



BOARD OF DIRECTORS

Kevin G. Walthers, Ph.D., President
Dennis Curran, Treasurer
Robert Curry, Ph.D., Secretary
Suzanne Levy, Ed.D.
Fred Patrick
Ora Shrecengost, Student

Agenda

Annual Meeting and Quarterly Regular Meeting
February 26, 2026
Captain's Room, B-102

Allan Hancock College
800 South College Drive, Santa Maria, CA 93454

	<u>Page</u>	<u>Est. Time</u>
<u>Annual Meeting</u>		
1. Call to Order		2 p.m.
2. <u>Information Items</u>		
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3. <u>Action Items</u>		
3.a. Election of Officers	4	
3.b. 2026 Meeting Dates	5	
<u>Regular Meeting</u>		
4. <u>Public Comment</u>		
<p>Public comments on an agenda item or another topic within the jurisdiction of the Board of Directors will be given in person during the meeting or submitted in writing at least 24 hours before the meeting via email to: melinda.martinez1@hancockcollege.edu. The leading speaker from the audience side on each side of the issue will be limited to five minutes. Additional speakers are limited to two minutes. Please submit an individual comment card for each item. Testimony on specific agenda items will be welcome during consideration of the item by the Board of Directors. When public testimony is completed regarding a specific agenda item, discussion is then confined to directors only. This practice is in accordance with laws governing Board of Directors public meetings.</p>		
5. <u>Action Items</u>		
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7. Oral Reports for Auxiliary Programs		
8. Adjournment		

In compliance with the Americans with Disabilities Act, if you need assistance to participate in this meeting, please contact the President's Office at 805-922-6966 ext. 3454 or email Melinda Martinez at melinda.martinez1@hancockcollege.edu. Please make requests 48 hours prior to the meeting in order to make reasonable arrangements to ensure accessibility to this meeting.



AUXILIARY PROGRAMS CORPORATION BOARD AGENDA ITEM

To: Board of Directors		Date: February 26, 2026
From: Kevin G. Walthers		
Subject: Appointment of Directors		
Reason for Board Consideration: INFORMATION	Item Number: 2.a.	Enclosures: Page 1 of 1

BACKGROUND

Article V, Section 4, "Selection and Tenure," of the Auxiliary Programs Corporation Bylaws designates the college superintendent/president and chief financial officer as ex-officio voting directors of the corporation. The other three directors shall be selected as follows: one (1) academic administrator appointed by the superintendent/president; one (1) regular faculty member nominated by the Academic Senate and appointed by the superintendent/president; and one (1) student member nominated by the Associated Student Body Government and appointed by the superintendent/ president. In addition, one (1) college trustee serves as a non-voting director.

- Per the bylaws, the superintendent/president will serve as an ex-officio voting director of the corporation.
- Per the bylaws, the chief financial officer will serve as an ex-officio voting director of the corporation.
- The superintendent/president reappoints Dr. Robert Curry, associate superintendent/vice president, Academic Affairs, to serve as the academic administrator for 2026.
- On a nomination from the Academic Senate, the superintendent/president reappoints Fred Patrick to serve as the faculty member for the remainder of the academic year 2025-26.
- On a nomination from the Associated Student Body Government, the superintendent/president reappoints Ora Shrecengost to serve as the student member for the remainder of the academic year 2025-26.
- At its December 16, 2025 meeting, the Allan Hancock College Board of Trustees reappointed Trustee Suzanne Levy to serve as the non-voting trustee director for 2026.

The current composition of the Auxiliary Programs Corporation Board of Directors is:

Kevin G. Walthers, Ph.D., superintendent/president
 Dennis Curran, associate superintendent/vice president, Finance and Administration
 Robert Curry, Ph.D., associate superintendent/vice president, Academic Affairs
 Suzanne Levy, Ed.D., trustee representative (non-voting)
 Fred Patrick, faculty representative
 Ora Shrecengost, student representative

Administrator Initiating Item: Kevin G. Walthers	Final Disposition:
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AUXILIARY PROGRAMS CORPORATION BOARD AGENDA ITEM

To: Board of Directors		Date: February 26, 2026
From: Kevin G. Walthers		
Subject: Election of Officers		
Reason for Board Consideration: ACTION	Item Number: 3.a.	Enclosures: Page 1 of 1

BACKGROUND

Officers of the Auxiliary Programs Corporation are elected each spring at the annual meeting of the board of directors. Article VII, Section 4, of the Auxiliary Programs Corporation Bylaws states: "The officers of the corporation shall be a President, a Treasurer, and a Secretary."

FISCAL IMPACT

None

RECOMMENDATION

Staff recommends the board of directors elect from among its members a president, treasurer, and secretary to serve a one-year term.

Administrator Initiating Item: Kevin G. Walthers	Final Disposition:
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AUXILIARY PROGRAMS CORPORATION BOARD AGENDA ITEM

To: Board of Directors		Date: February 26, 2026
From: Kevin G. Walthers		
Subject: 2026 Meeting Dates		
Reason for Board Consideration: ACTION	Item Number: 3.b.	Enclosures: Page 1 of 1

BACKGROUND

Section 3 of the Auxiliary Programs Corporation bylaws specify that “regular meetings of the board of directors shall be held at least quarterly.”

It is recommended that the board of directors meet at 3 p.m. on the following dates:

- May 12, 2026
- August 27, 2026
- November 18, 2026

FISCAL IMPACT

None

RECOMMENDATION

Staff recommends the board of directors hold its quarterly meetings at 3 p.m. on May 12, August 27, and November 18, 2026.

Administrator Initiating Item: Kevin G. Walthers	Final Disposition:
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AUXILIARY PROGRAMS CORPORATION BOARD OF DIRECTORS

MINUTES

Quarterly Regular Meeting

November 25, 2025

Captain's Room, B-102

1. Call to Order

Dr. Walthers called the meeting to order at 3:05 p.m. with the following directors present: Curran, Patrick, Shrecengost, Walthers

Directors Absent: Curry, Levy

Staff Members Present: Mark Booher, **Kim Ensing**, Jennifer Schwartz, Keli Seyfert

Note Taker: Espie Valenzuela

2. Public Comment

No public comment was made.

3. Action Items

3.a. Approval of Minutes from the August 28, 2025 Meeting

On a motion by Dennis Curran, seconded by Ora Shrecengost, the board voted to approve the minutes from the August 28, 2025 meeting. (Ayes: Curran, Patrick, Shrecengost, Walthers; Noes: None; Concur: None; Absent: Curry, Levy)

Suzanne Levy arrived at 3:06 p.m.

3.b. Acceptance of Cash Donations of \$500 or Greater to PCPA for the period of August 1, 2025 through October 31, 2025

On a motion by Ora Shrecengost, seconded by Dennis Curran, the board voted to approve donations to PCPA of \$500 or greater made during the period of August 1, 2025 through October 31, 2025 (Ayes: Curran, Patrick, Shrecengost, Walthers; Noes: None; Concur: Levy; Absent: Curry)

3.c. Acceptance of PCPA Public Relations/Advertising Report of Promotions and Sponsorships of \$500 or Greater for the period of August 1, 2025 through October 31, 2025

On a motion by Dennis Curran, seconded by Ora Shrecengost, the board voted to approve the acceptance of PCPA Public Relations/Advertising Report of Promotions and Sponsorships of \$500 or Greater for the period of August 1, 2025 through October 31, 2025 (Ayes: Curran, Patrick, Shrecengost, Walthers; Noes: None; Concur: Levy; Absent: Curry)

4. Information Items

4.a. Financial Report for Auxiliary Programs

Keli Seyfert reported Follett donated \$5,000 in gift card scholarships (\$4,400 was distributed to Basic Needs and \$600 to students in the CAN/TRIO program). She noted

Associated Student Body (ASB) has chartered 22 student clubs as of September 30, 2025. Ms. Seyfert reported Follett commissions are at \$95,000 and are used to support ASB.

Jennifer Schwartz stated there is \$1.6 million in revenue for PCPA. This amount includes preliminary ticket sales for *Frozen*.

5. Oral Reports for Auxiliary Programs

PCPA

Mark Booher reported that the instructional term is concluding and the students are doing well. He shared the Fall performance of *Every Brilliant Thing* closed successfully and provided an update about the school tour performances, where a total of 45 schools and more than 1,000 students attended the tour's final day at the Cal Poly Performing Arts Center on November 21.

Mr. Booher said Disney's *Frozen* is now in full production, with new technology integrated into the process, and tickets remain available through the box office. *Frozen* is scheduled to run this summer at the Solvang Festival Theater. He noted *El Ermitaño (The Hermit)*, a 60 minute Spanish-language play, will be performed December 12-13. Mr. Booher announced several new hires in the department and said PCPA is currently planning its 63rd season.

Jennifer Schwartz reported *Frozen* is at 93% of reaching its ticket sales goal.

ATHLETICS

Kim Ensing reported planning is in progress for the Final Fore Golf Tournament and the fall sports season has concluded. She shared cross country track had a great showing at the state meet and the women's golf team advanced to the state tournament, finishing as a top 10 team. Ms. Ensing said Athletics recently hosted the Annual Home Motors Men's Basketball Tournament and will host the Toys for Tots Women's Basketball Tournament in December.

ASBG

Ora Shrecengost reported a successful fall semester for ASBG. She announced the upcoming Thanksgiving holiday event for students, "Taste of Home", and said other successful events included the Makers Market, Alcohol Awareness Day, and Halloween costume party.

6. Adjournment

Dr. Walthers adjourned the meeting at 3:17 p.m.



AUXILIARY PROGRAMS CORPORATION BOARD AGENDA ITEM

To: Board of Directors	Date:	
From: Jennifer Schwartz	February 26, 2026	
Subject: Approval of Cash Donations of \$500 or Greater to Pacific Coast Performing Arts (PCPA) for the period of November 1, 2025, through January 31, 2026		
Reason for Board Consideration: ACTION	Item Number: 5.b.	Enclosures: Page 1 of 2

BACKGROUND

Following is a list of donations of \$500 or greater contributed to PCPA for the period of November 1, 2025, through January 31, 2026

Date	Donations \$500 or Greater	Amount
11/2/2025	Janet Ford	\$520
11/3/2025	David and Wanda Mills	\$100,000
11/4/2025	Lois and Sonny Brown	\$6,000
11/5/2025	David and Wanda Mills	\$5,000
11/6/2025	Ken Brown Wines - C/O: John Bailey	\$1,520
11/7/2025	Ian Jacobsen	\$1,000
11/20/2025	Sharon Kuhlenschmidt	\$1,000
11/21/2025	Beverly Tracy	\$25,000
11/21/2025	Jeff and Andi Portney	\$620
11/26/2025	McDonalds Restaurants - C/O: Pamela Macal	\$6,000
11/29/2025	Patrick Lind	\$500
11/29/2025	Ng and Ng Dental and Eye Care - C/O: Derek Ng	\$3,000
11/30/2025	Yes, and ... Dreamers Fund - C/O: Santa Ynez Valley Foundation	\$10,000
12/3/2025	Judy Frost	\$1,040
12/3/2025	Roz and John Phillips	\$1,000
12/4/2025	Brad and Jacquie Hinds	\$500
12/5/2025	Robin Palmerston	\$2,000
12/8/2025	Judge Jed Q. and Diane Beebe	\$1,000
12/8/2026	Joel McCormick	\$2,000
12/8/2026	Marcia Ibsen	\$3,000

(continued)

FISCAL IMPACT

None

RECOMMENDATION

Staff recommends the board of directors approve the cash donations of \$500 or greater to PCPA for the period of November 1, 2025, through January 31, 2026.

Date	Donations \$500 or Greater	Amount
12/16/2025	Richard Collett	\$500
12/17/2025	John and Sharon Henning	\$1,000
12/19/2025	Dr. José and Carmen Ortiz	\$500
12/21/2025	Ms. Paula Brose	\$500
12/21/2025	Jerry and Charlene Sullivan	\$1,560
12/23/2025	Dr. Amerian Sones and Lawrence Wolinsky	\$1,000
12/23/2025	Alan Hitt and Kathleen Campbell	\$1,000
12/24/2025	Olsen's Bakery/Red Viking C/O: Bent Olsen	\$520
12/26/2025	William and Karen Steves	\$5,000
12/28/2025	Amy Siroky and Wayne Ginter	\$1,000
12/29/2025	Edwin and Caroline Woods	\$1,040
12/29/2025	Deborah Adam	\$1,000
12/29/2025	Madeleine Shaw	\$1,000
12/30/2025	Nelson and Naomi Yamagata	\$500
12/30/2025	Sharon Voigt Damerell	\$500
12/31/2025	Dr. Ann Foxworthy Lewellen	\$1,040
12/31/2025	Aimee Windmiller-Wood	\$500
12/31/2025	Dennis Curran	\$500
1/13/2026	Rotary Club of Santa Maria, Breakfast - C/O:	\$500
1/14/2026	Wood-Claeyssens Foundation	\$10,000
1/20/2026	Bill and Norma Hollowell	\$500
GRAND TOTAL		\$200,360



AUXILIARY PROGRAMS CORPORATION BOARD AGENDA ITEM

To: Board of Directors		Date: February 26, 2026
From: Jennifer Schwartz		
Subject: Acceptance of Pacific Coast Performing Arts (PCPA) Public Relations/Advertising Report of Promotions, Sponsorships, and In-kind Donations of \$500 or Greater for the period of November 1, 2025 through January 31, 2026		
Reason for Board Consideration: ACTION	Item Number: 5.c.	Enclosures: Page 1 of 1

BACKGROUND

Following is an update of promotions, sponsorships, and in-kind donations of \$500 or greater for the period of November 1, 2025, through January 31, 2026.

Promotions and Sponsorships of \$500 or Greater	Vendor Trade/ In-Kind Services	Cash Sponsor	PCPA Trade
Noozhawk	\$500		
KCOY	\$2,500		
KCBX	\$1,140		
Sun/New Times	\$2,187		
TOTAL	\$6,327		

FISCAL IMPACT

None

RECOMMENDATION

Staff recommends the board of directors accept PCPA's promotions, sponsorships, and in-kind donations of \$500 or greater for the period of November 1, 2025 through January 31, 2026.

Administrator Initiating Item: Jennifer Schwartz	Final Disposition:
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AUXILIARY PROGRAMS CORPORATION BOARD AGENDA ITEM

To: Board of Directors		Date: February 26, 2026
From: Dennis Curran		
Subject: Financial Report for Auxiliary Programs		
Reason for Board Consideration: INFORMATION	Item Number: 6.a.	Enclosures: Page 1 of 3

BACKGROUND

Attached are copies of financial statements for the following funds:

- Associated Student Body Trust Fund
- PCPA Special Revenue Fund

The statements reflect financial data as of December 31, 2025.

Allan Hancock College
PCPA Fund

Income Statement by Fund
For Period Ending 12/31/2025

	<u>Actual</u>
REVENUES	
Local Revenues	\$ 2,459,757
Total REVENUES	<u>2,459,757</u>
EXPENDITURES	
Classified Salaries	1,819,634
Employee Benefits	417,908
Supplies and Materials	358,741
Other Operating Exp. and Services	608,327
Capital Outlay	31,147
Total EXPENDITURES	<u>3,235,757</u>
Excess of Revenues Over/ (Under) Expenditures	(776,000)
OTHER FINANCING SOURCES (USES)	
Other Financing Sources	270,000
Total OTHER FINANCING SOURCES (USES)	<u>270,000</u>
OPERATING TRANSFERS OUT	
Other Outgo	710,094
Total OPERATING TRANSFERS OUT	<u>710,094</u>
Excess of Revenues and Other Financing Sources Over/(Under) Expenditures and Other Uses	(1,216,094)
FUND BALANCE	
Fund balance, July 1	<u>4,008,884</u>
Current Balance	<u>\$ 2,792,790</u>

**Associated Students Trust Fund
Income Statement by Fund Type
For Period Ending 12/31/2025**

REVENUES

Athletic Entry Fees	5,950
Interest and Investment Income	10,012
Non Cash Contribution	5,000
Sales and Commission	46,089
Single Tickets	16,528
Total REVENUES	83,579

EXPENDITURES

Bad Debt Expense	16,457
District/College Support	2,850
Dues & Memberships	4,480
Entertainment/Special Events	2,107
Field Trips	152,383
Food - Business Meetings/Events	7,221
Game Personnel (Athletic Events)	70,805
Non Instr Printing	759
Non-Tech Licenses,Permits,Fees	1,500
Office/Operational Supplies	2,572
Service Contracts (Businesses)	9,007
Travel - All Travel Costs	3,570
Total EXPENDITURES	273,711

Excess of Revenues Over

(Under) Expenditures (190,132)

OTHER FINANCING SOURCES(USES)

Interfund Transfer-In District	401,680
Intrafund Transfer-In	70,205
Total OTHER FINANCING	471,885

OPERATING TRANSFERS OUT

In-Kind Student Assistance	5,000
Intrafund Transfers-Out	70,205
Total OPERATING TRANSFERS OUT	75,205

Excess of Revenues and Other

Financing Sources Over/(Under) 206,548

FUND BALANCE:

Fund Balance, July 1	311,174
Current Balance	517,721



AUXILIARY PROGRAMS CORPORATION BOARD AGENDA ITEM

To: Board of Directors		Date: February 26, 2026
From: Dennis Curran		
Subject: Audit Report for the Pacific Coast Performing Arts (PCPA), Fiscal Year 2025		
Reason for Board Consideration: INFORMATION	Item Number: 6.b.	Enclosures: Page 1 of 21

BACKGROUND

Attached is the final audit report for PCPA, fiscal year 2025.

Administrator Initiating Item: Dennis Curran	Final Disposition:
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See what's possible.

PACIFIC CONSERVATORY OF THE PERFORMING ARTS
A FUND OF ALLAN HANCOCK
JOINT COMMUNITY COLLEGE DISTRICT

AUDIT REPORT

JUNE 30, 2025 AND 2024

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Pacific Conservatory of the Performing Arts
Santa Maria, California

Report on Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of Pacific Conservatory of the Performing Arts ("PCPA"), a fund of Allan Hancock Joint Community College District (the "District"), as of and for the years ended June 30, 2025 and 2024, and the related notes to financial statements, which collectively comprise PCPA's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of PCPA, as of June 30, 2025 and 2024, and the changes to its fund balance for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of PCPA and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in Note 2, the financial statements of PCPA are intended to present the financial position and the changes in financial position attributable to the transactions of that Fund. They do not purport to, and do not, present fairly the financial position of the District as of June 30, 2025 and 2024, and the changes in its financial position for the years then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about PCPA's ability to continue as a going concern for one year beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements. In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the PCPA's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the PCPA's ability to continue as a going concern for a reasonable period.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the unaudited supplementary information section but does not include the basic financial statements and our auditors' report thereon. Our opinion on the basic financial statements do not cover the other information and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on other work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 17, 2025, on our consideration of PCPA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of PCPA's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering PCPA's internal control over financial reporting and compliance.

CWDL, Certified Public Accountants

San Diego, California
November 17, 2025

FINANCIAL STATEMENTS

	2025	2024
ASSETS		
Cash and cash equivalents	\$ 4,476,597	\$ 4,543,210
Accounts receivable	3,000	49,429
Prepaid expenses	340,680	229,797
Total Assets	\$ 4,820,277	\$ 4,822,436
LIABILITIES		
Accounts payable	\$ 82,373	\$ 151,758
Accrued payroll and benefits	41,628	37,681
Unearned revenue	687,392	603,766
Total Liabilities	811,393	793,205
FUND BALANCE		
Nonspendable for prepaid expenditure	340,680	229,797
Unassigned	3,668,204	3,799,434
Total Fund Balance	4,008,884	4,029,231
Total Liabilities and Fund Balance	\$ 4,820,277	\$ 4,822,436

REVENUES

Ticket sales	\$ 1,730,520
Donations	1,094,858
Other local revenues	<u>390,052</u>
Total Revenues	<u>3,215,430</u>

EXPENDITURES

Classified salaries	3,269,910
Employee benefits	803,281
Scholarships	1,010,520
Supplies and materials	289,415
Other operating expenditures and services	932,183
Capital outlay	<u>30,478</u>
Total Expenditures	<u>6,335,787</u>
EXCESS/(DEFICIENCY) OF REVENUES OVER/(UNDER) EXPENDITURES	<u>(3,120,357)</u>

OTHER FINANCING SOURCES/(USES)

Contributions received through Allan Hancock College Foundation	90,691
Support from Allan Hancock Joint Community College District	<u>3,009,319</u>
Net Other Financing Sources/(Uses)	<u>3,100,010</u>

Net Change in Fund Balance	(20,347)
Fund Balance - Beginning of Year	<u>4,029,231</u>
Fund Balance - End of Year	<u>\$ 4,008,884</u>

REVENUES

Ticket sales	\$ 1,689,764
Donations	913,041
Other local revenues	264,935
Total Revenues	<u>2,867,740</u>

EXPENDITURES

Classified salaries	2,898,819
Employee benefits	703,483
Scholarships	971,075
Supplies and materials	286,892
Other operating expenditures and services	793,234
Capital outlay	62,651
Total Expenditures	<u>5,716,154</u>
EXCESS/(DEFICIENCY) OF REVENUES OVER/(UNDER) EXPENDITURES	<u>(2,848,414)</u>

OTHER FINANCING SOURCES/(USES)

Contributions received through Allan Hancock College Foundation	87,685
Support from Allan Hancock Joint Community College District	3,009,684
Net Other Financing Sources/(Uses)	<u>3,097,369</u>

Net Change in Fund Balance	248,955
Fund Balance - Beginning of Year	<u>3,780,276</u>
Fund Balance - End of Year	<u>\$ 4,029,231</u>

NOTE 1 – NATURE OF BUSINESS

Pacific Conservatory of the Performing Arts ("PCPA") is part of Allan Hancock College Auxiliary Programs Corporation (the "Corporation"), which is an auxiliary operation of the Allan Hancock Joint Community College District (the "District"). PCPA was organized with the purpose of providing benefits to the educational programs and services for the District through professional theatre productions and training students in acting and technical careers.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**Reporting Entity**

In evaluating how to define PCPA for financial reporting purposes, the management of the 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 and Governmental Accounting Standards Board (GASB) Statement No. 14, amended by GASB Statements No. 39 and No. 61. One of the basic criteria for including a potential component unit is whether the nature and significance of the relationship between the reporting entity and the component unit are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. PCPA is a fund within the Corporation, which is a component unit of the District. Therefore, PCPA is accounted for as a fund of the District. These financial statements present only PCPA and are not intended to present fairly the financial position and changes in financial position of the District in conformity with accounting principles generally accepted in the United States of America.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditures during the reporting period. Accordingly, actual results could differ from those estimates.

Basis of Presentation

The accompanying financial statements are accounted for using a flow of current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures, and changes in fund balance reports on the sources (revenues and other financing sources) and uses (expenditures and other financing uses) of current financial resources.

Under this basis, revenues are recognized in the accounting period in which they become measurable and available. "Available" means the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued**Accounts Receivable**

Accounts receivable at June 30, 2025 and 2024, were \$3,000 and \$49,429, respectively, consist of amounts due from box office sales and miscellaneous receivables. PCPA does not record an allowance for uncollectible accounts because management believes any amounts would be immaterial. When receivables are determined to be uncollectible, a direct write off is recorded.

Prepaid Expenses

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid expenses in the financial statements. Prepaid expenses at June 30, 2025 and 2024, were \$340,680 and \$229,797, respectively, consist of expenses incurred for productions scheduled subsequent to year-end.

Accounts Payable

Accounts payable at June 30, 2025 and 2024, were \$82,373 and \$151,758, respectively, represents amounts owed to vendors.

Unearned Revenue

Unearned revenue as at June 30, 2025 and 2024, was \$687,392 and \$603,766, respectively, which includes amounts collected by PCPA as of June 30, 2025, but have not yet earned, such as prepaid theater tickets and contract sales.

Fund Balance

Fund balance for governmental funds is reported in classifications that comprise a hierarchy based on the extent to which PCPA and the District are bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Fund balance is reported in five components in accordance with GASB Statement No. 54 – nonspendable, restricted, committed, assigned, and unassigned. The District has not formally adopted a spending policy regarding the order in which restricted, committed, assigned, and unassigned fund balances are spent when more than one amount is available for a specific purpose. The components applicable to PCPA as of June 30, 2025 and 2024, are as follows:

Nonspendable – This component includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Unassigned – This classification represents amounts that have not been restricted, committed or assigned to a specific purpose.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued**Cash and Cash Equivalents – Concentrations***Credit Risk*

Cash and cash equivalents of PCPA consist of cash on hand and demand deposits with financial institutions. The Federal Deposit Insurance Corporation (FDIC) insures accounts at each institution up to \$250,000. These balances are collateralized with securities held by the pledging financial institution in the District's name.

NOTE 3 – RELATED PARTY TRANSACTIONS

The District provided a total of \$3,009,319 and \$3,009,684 in support to the PCPA for the years ended June 30, 2025 and 2024, respectively. The Allan Hancock College Foundation (the "Foundation") provided a total of \$90,691 and \$87,685 in support to the PCPA for the years ended June 30, 2025 and 2024, respectively. These amounts are reflected as interfund transfers within the District's financials.

NOTE 4 – SUBSEQUENT EVENTS

PCPA evaluated all events or transactions that occurred from June 30, 2025 to November 17, 2025, the date the financial statements were available to be issued. PCPA concluded that no subsequent events have occurred that would require recognition or disclosure in the financial statements.

**UNAUDITED SUPPLEMENTARY
INFORMATION**

	<u>2025</u>	<u>2024</u>
Production	\$ 3,430,090	\$ 3,207,855
Scholarships	1,010,520	971,074
Marketing	659,449	540,945
Administration	488,249	451,726
Box office	337,586	297,195
Development	215,745	122,190
Outreach	149,344	85,342
Conservatory	27,047	23,638
Concessions	17,757	16,189
Total	<u>\$ 6,335,787</u>	<u>\$ 5,716,154</u>

**OTHER INDEPENDENT AUDITORS'
REPORT**

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of Directors
Pacific Conservatory of the Performing Arts
Santa Maria, California

We have audited, in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Pacific Conservatory of the Performing Arts (PCPA), a fund of Allan Hancock Joint Community College District (the "District"), as of and for the year ended June 30, 2025, and the related notes to financial statements, which collectively comprise the PCPA's basic financial statements, and have issued our report thereon dated November 17, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered PCPA's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of PCPA's internal control. Accordingly, we do not express an opinion on the effectiveness of PCPA's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses or significant deficiencies. However, material weaknesses or significant deficiencies may exist that have not been identified.

Emphasis of Matter

As discussed in Note 2, the financial statements present only the PCPA, and do not purport to, and do not, present fairly the financial position of the District as of June 30, 2025, the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether PCPA's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of PCPA's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering PCPA's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

CWDL, Certified Public Accountants

San Diego, California
November 17, 2025

Type of auditors' report issued:	<u>Unmodified</u>
Is a going concern emphasis-of-matter paragraph included in the auditors' report?	<u>No</u>
Internal control over financial reporting:	
Material weaknesses identified?	<u>No</u>
Significant deficiencies identified not considered to be material weaknesses?	<u>None Reported</u>
Non-compliance material to financial statements noted?	<u>No</u>

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the financial statements that are required to be reported in accordance with *Government Auditing Standards*.

There were no financial statement findings or questioned costs identified during 2024-25.

There were no findings and questioned costs identified during 2023-24.



AUXILIARY PROGRAMS CORPORATION BOARD AGENDA ITEM

To: Board of Directors		Date: February 26, 2026
From: Kevin G. Walthers		
Subject: Auxiliary Programs Corporation Meeting Prep		
Reason for Board Consideration: INFORMATION	Item Number: 6.c.	Enclosures: Page 1 of 1

Background

The meeting materials for the Auxiliary Programs Corporation Board of Directors meeting have previously been prepared by staff in the Office of the Superintendent/President. Effective 2026, the meeting materials will be prepared under the supervision of the Associate Superintendent/Vice President, Finance and Administration by staff in the Administrative Services department.

Administrator Initiating Item:

Kevin G. Walthers

Final Disposition: