



MISSION

The mission of Crafton Hills College is to advance the educational, career, and personal success of our diverse campus community through engagement and learning.

VISION

Crafton Hills College will be the college of choice for students who seek deep learning, personal growth, a supportive community, and a beautiful collegiate setting.

VALUES

Crafton Hills College values academic excellence, inclusiveness, creativity, and the advancement of each individual.

PRESIDENT'S MESSAGE



Hall (science building), Crafton Center (student services and administration), and renovated and modernized several of the original buildings while preserving their iconic architecture. Today, our College serves over 8,000 students each year with a capacity to serve 10,000.

This year the college has been working to develop a Comprehensive Master Plan through a series of collaborative discussions and workshops with faculty, students, staff, the community, and the governing board. These discussions have built upon the college's framework of integrated planning and informative data reservoirs, including program review, facilities planning, local employment trends, forecasted student enrollment, and the overall economic condition of the regional area. This work will guide us in the next decade as we enter an era of unprecedented growth and student success.

Ultimately, our vision is for Crafton Hills College to be a regional resource for life-transforming educational opportunities; we will be the statewide leader in transfer and completion rates, we will have a reputation for unparalleled expertise in and commitment to student services, employers will seek our graduates, and we will inspire economic, cultural, and civic development.

A handwritten signature in black ink that reads "Cheryl Marshall". The signature is written in a cursive, flowing style.

Cheryl Marshall, Ed.D.
President

Since its inception in fall 1972, Crafton Hills College has been committed to meeting the evolving educational needs of students and the local community. In its inaugural year, the College served approximately 1,000 students and included a library, laboratories, classrooms, gymnasium, student services, a dining hall, and a central campus quad, which still forms the center of the campus today. By 1980, the campus expanded to include the Performing Arts Center and the Occupational Education Building; by year 2000, the Student Services Building and Child Development Center were constructed. With the financial support of the community through the approval of the Measure P bond in 2002 and the Measure M bond in 2008, Crafton Hills College has replaced campus infrastructure, constructed a Learning Resource Center, Kinesiology Health and Aquatics Complex, Public Safety and Allied Health Building, Canyon

SNAPSHOT:

OUR STUDENTS IN 2016



5,811

STUDENTS

CHOSE CHC AND ENROLLED FOR THE FALL SEMESTER OF 2016



15,982

CLASS ENROLLMENTS

IN FALL 2016



34% OF CHC STUDENTS ATTEND FULL-TIME, TAKING 12 OR MORE UNITS PER SEMESTER

OVER 100 US VETERANS ARE ENROLLED AT CRAFTON HILLS!



CRAFTON'S DIVERSE STUDENT BODY IN 2016



54% FEMALE
46% MALE

AVERAGE AGE:
24

| | |
|------------------|-----|
| ASIAN | 5% |
| AFRICAN AMERICAN | 8% |
| HISPANIC | 46% |
| NATIVE AMERICAN | 1% |
| WHITE/CAUCASIAN | 39% |
| UNKNOWN | 1% |



969

DEGREES AND CERTIFICATES
EARNED IN 2015-2016

182 ASSOCIATES WITH TRANSFER
448 ASSOCIATES DEGREES
339 CERTIFICATES

53

UC Transfers

294

CSU Transfers

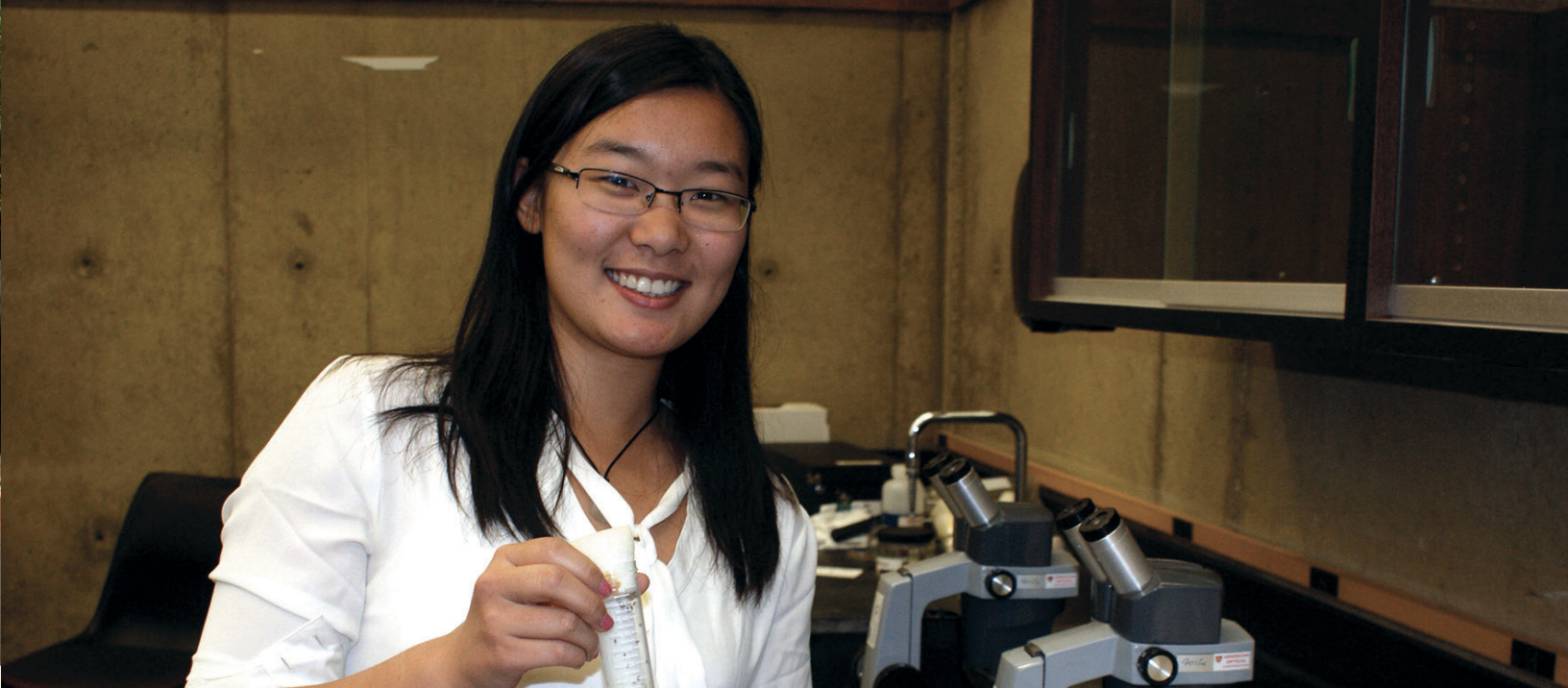


CHC FOUNDATION REACHES OUT TO RETIREES

The Crafton Hills College Foundation held its second annual retiree brunch on June 2nd. Some retirees came early to get a tour of the campus construction projects. Others joined the group later for a delicious meal and an opportunity to reminisce and share. Incom-

ing Student Senate President Aaron Burgess and Esmeralda Vasquez, student trustee, both spoke about their college aspirations and why Crafton is important to them. This event has proven to be a fun way to stay in touch with the Crafton family.





**“I WANT TO
THANK MY STEM
INSTRUCTOR,
DIANNE PURVES FOR
HELPING ME WRITE
MY APPLICATION,”
SAID GU. “SHE
REALLY BROUGHT
ME INTO THIS FIELD.
EVERYONE IN THE
STEM PROGRAM
WAS SO HELPFUL.”**

STEM STUDENT ACCEPTED AS FELLOW IN UCR SUMMER PROGRAM

As a young girl, Shenwen Gu had a puppy die because she did not vaccinate him. “At that time, I knew I wanted to learn everything about animals, so something like this would not happen again,” she said. Gu has since developed a clear path to becoming a veterinarian. Gu studied science at Crafton Hills College and was accepted as a fellow to UCR’s RE-ICE (Research Experiences in Integrated Computational Entomology) for a ten-week summer program.

As a fellow, Gu attended a boot camp the first week where she learned the necessary skills to do research in the area of Computational Entomology. She then performed research

under the direction of a professor in a lab in the entomology, computer science, electrical engineering, statistics (or related) departments. Most weeks also featured special activities such as field trips, workshops about graduate school and career opportunities, and professional development workshops. Besides a stipend and room and board, Gu had an opportunity to work with world-class researchers in an exciting and emerging field.

“I want to thank my STEM instructor, Dianne Purves for helping me write my application,” said Gu. “She really brought me into this field. Everyone in the STEM program was so helpful.”



Steve Rush, CHC Veterans Representative; Michelle Riggs, Director of Resource Development; President Cheryl Marshall; Robert Visconti, SoCalGas; and Joe Cabrales, Dean of Student Development, pose in the area designated for the Veterans Resource Center.

SOCALGAS MAKES DONATION TO VETERANS RESOURCE CENTER

SoCalGas made a \$2,500 donation to the Veterans Resource Center fundraising program, spearheaded by the CHC Foundation.

The Veterans Resource Center will include a full-time Veterans Specialist dedicated to assisting veterans and their families; a part-time academic counselor; a space with computer and Internet access, a study area, and a student lounge.

Robert Visconti, SoCalGas Regional Manager, came to campus on Thursday, July 30 with the donation. He took a campus tour and met Steve Rush, CHC Vet Services representative, who provided more details about the planned center and how it will fully integrate all facets of veteran support services.

The CHC Foundation is aiming to raise \$300,000 to fund the Veterans Resource Center over a five year period.



RANCHO CUCAMONGA DONATES FIRE ENGINE

The Rancho Cucamonga Fire Protection District donated a 1992 fire engine to the CHC Fire Academy on Wednesday, August 26. Chief Mike Costello, a CHC Fire Academy 13 alumnus, brought the engine to the San Bernardino Regional Emergency Training Center that morning.

In the proposal to donate the engine to Crafton, Chief Costello commented that nearly 50% of the City's current safety personnel have graduated from a Fire Academy at a community college, and a majority of them attended Crafton Hills.

The 25 cadets in CHC Fire Academy 83 thanked Rancho

Cucamonga for the donation, as did Crafton Hills College administration. "I'm so pleased to be here for this special event," said Dr. Cheryl Marshall, president. "Our programs rely on these donations to help us provide the best training possible for our students."

June Yamamoto, dean of Career Education & Human Development, and Michelle Riggs, director of resource development, were also on the grounds to accept the donation and express their gratitude. "Our students learn so much from our simulation equipment," said Yamamoto. "The hands-on training is very valuable to them as they progress in their careers."

Pictured (l-r) Michelle Riggs, Director of Resource Development, Chief Mike Costello, Rancho Cucamonga Fire Protection District, June Yamamoto, Dean of Career Education & Human Development, Dr. Cheryl Marshall, CHC President, and Chief Mike Alder, CHC Fire Academy stand in front of the 1992 fire engine donated by Rancho Cucamonga to Crafton Hills College.



“PREPARING FIRST RESPONDERS” PROGRAM RECEIVES A \$10,000 GRANT FROM KAISER PERMANENTE

Kaiser Permanente is in the business of saving lives. So when they awarded \$10,000 to Crafton Hills College’s “Preparing First Responders Program,” they did so as an investment into the education and training of our community’s future First Responders who keep our citizens healthy, safe and secure.

Crafton prepares highly skilled firefighters, paramedics, EMT’s and respiratory therapists. The college offers degree, certificate, and transfer opportunities for these in-demand occupations that are vital to our community. Kaiser Permanente’s grant will be used to help purchase new state-of-the-art

training equipment for the College’s new Public Safety and Allied Health Building which was completed in October 2015.

“THE COLLEGE OFFERS DEGREE, CERTIFICATE, AND TRANSFER OPPORTUNITIES FOR THESE IN-DEMAND OCCUPATIONS THAT ARE VITAL TO OUR COMMUNITY.”



FIRE ACADEMY GRADUATES 83RD CLASS

Crafton graduated its 83rd Fire Academy Class on Wednesday, November 18, at 6 p.m. in the Performing Arts Center.

The 24 83rd Fire Academy graduates are Jesse Aramburo (Riverside), Tanner Baker (Beaumont), Oscar Bautista Moreno (Cedar Glen), Robert Camarena (Yucaipa), Joseph

Camarillo (Corona), Nick Carlson (Redlands), Zachary Cruz (San Bernardino), Kyle Darby (Highland), Marcus Davis (Grand Terrace), Jason Duran (Colton), Jovan Fierro (Highland), Ismael Gonzalez (Colton), Joseph Ico (Redlands), Trevon Morales (San Bernardino), Bryan Morgan (Ontario), Vincent Piccoli (Riverside), Gaurav Singh (Lake Forest), Jacob So-

kolowski (Montclair), Terrence Stone (Rialto), Anthony Vasquez (Ontario), Nicholas Vega (Fontana), Chad Whinery (Rancho Cucamonga), and Ryan Wood (Rancho Cucamonga).

Senator Mike Morrell (R-23rd District) and Supervisor James Ramos (Third District) attended the special event and extended their congratulations to the graduates.

“SENATOR MIKE MORRELL (R-23RD DISTRICT) AND SUPERVISOR JAMES RAMOS (THIRD DISTRICT) ATTENDED THE SPECIAL EVENT AND EXTENDED THEIR CONGRATULATIONS TO THE GRADUATES.”



3RD ANNUAL FAMILY FEST DRAWS A CROWD

Families from Yucaipa, Redlands, Beaumont, and beyond came to Crafton for the 3rd Annual Family Fest on Saturday, November 7. The Obsidian Dance Club entertained, kids saw career demonstrations from CPR, CIS, Fire/EMT and more. They had a chance to

create a postcard for a vet, get a close-up look of a fire engine, play with clay, and swim in the Olympic-size pool. Of course, there was also information on financial aid and college counseling, to accompany the experience of donning a cap and gown for a special “graduation”

photo. Our intent is for families to begin thinking about sending their child to college while they still have time to plan for it.





ASSEMBLYMAN CHAD MAYES TOURS THE CAMPUS

Assemblyman Chad Mayes (42nd District) toured Crafton Hills College on Tuesday, October 20 with President Cheryl Marshall and other key personnel.

“We’re always happy to share our success stories with our legislators,” said Marshall. “I was especially pleased to showcase our new facilities and cutting-edge instructional programs.”



**“WE’RE ALWAYS HAPPY TO SHARE
OUR SUCCESS STORIES WITH OUR
LEGISLATORS.”**

CRAFTON PARTICIPATES IN YUCAIPA CHRISTMAS PARADE

For the first time, Crafton was represented in the Yucaipa Christmas Parade on Saturday, December 12.

Dr. Marshall and Student Senate members sat on the float and gave out candy while the Obsidian Dance Club performed in the street behind them.

The crowd loved the candy and the music!



CHC GRADUATES 84TH CLASS OF PARAMEDICS

Crafton graduated its 84th Paramedic Class on Friday, December 11 at 6 p.m. in the Performing Arts Center. The 18 graduates completed the 10 month program, attending classes Monday - Thursday, and finishing 600 hours of field work.

EMERGENCY MEDICAL TECHNICIANS GRADUATE

There are more than 50 new emergency medical technicians who can perform basic life support in the pre-hospital setting because of Crafton. Many will take the next step of becoming a paramedic, mobile intensive nurse, or firefighter. The EMT Class of 2015 graduated on Friday, December 18-just in time to really enjoy the holidays.





**“THE CLASS OF 2015 WAS COMPRISED
OF STUDENTS FROM THROUGHOUT THE
INLAND EMPIRE.”**

RESPIRATORY THERAPY STUDENTS CELEBRATE COMPLETION

Seventeen respiratory therapy students completed their associate degrees in respiratory care and graduated on Thursday, December 17. The 18-month program is quite rigorous, with only a little more than 50% of students completing it.

The Class of 2015 was comprised of students from throughout the Inland Empire, including Yucaipa, San Bernardino, Highland, Moreno Valley and Running Springs.



BUILDING BETTER BEGINNINGS

A ribbon cutting and grand opening celebration was held on Friday, Feb. 5 for the Public Safety & Allied Health (PSAH) building, Canyon Hall, and Craffton Center. Well over 100 people, including community members, government representatives, alumni and edu-

cation officials, attended the special event.

A highlight of the afternoon was the naming of the Stanley Krasovec Simulation Lab in PSAH. Krasovec named the College as a benefactor after positive encounters with paramedics who

had graduated from Craffton Hills College. He was so impressed with them, he left one third of his estate to the College. Visitors could take tours of the buildings before the ribbon cutting. The event ended with refreshments and unveiling of the engraved bricks in the Craffton Center patio.







CHC THREE PEAKS TRIATHLON SPURS ENGAGEMENT

A challenging course was designed for the second Three Peaks Triathlon, held on Saturday, April 16. The triathlon consisted of a run through campus, flipping tires, and a swim in the 50 meter pool. The individual event began at 8 a.m. and the team challenge followed at 9:30 a.m. Medals were awarded to the top

3 placers for men's individual, women's individual and team.

"It was another successful Three Peaks Challenge," said Bryan Reece, vice president of instruction. "These challenges encourage student engagement with the College, which we know improves their success on campus."



"THESE CHALLENGES ENCOURAGE STUDENT ENGAGEMENT WITH THE COLLEGE, WHICH WE KNOW IMPROVES THEIR SUCCESS ON CAMPUS."



Retirees: Barbara Williams,
 Kris Acquistapace, Jane
 Beitscher, Laura Record,
 Liane Jimenez
 Not pictured: Laura
 Winningham

RETIREMENT CELEBRATION REPRESENTS 155+ YEARS

Over 155 years of experience left campus at the end of June, and will be sorely missed. The six employees who represent that experience were lauded at a retirement celebration on April 19.

Beitscher (25 years), and Laura Winningham (33 years), join Classified staff members Liana Jimenez (13 years), Laura Record (30+ years), and Barbara Williams (35 years) in transitioning to a life of personal development.

Faculty members Kris Acquistapace (19 years), Jane

Congratulations ladies!

“OVER 155 YEARS OF EXPERIENCE LEFT CAMPUS AT THE END OF JUNE, AND WILL BE SORELY MISSED.”



LIVE FROM CRAFTON...IT'S SATURDAY NIGHT!

The CHC Foundation hosted its annual gala on Saturday, March 19 raising over \$85,000 for student support and College programs. The evening was filled with entertainment, including visits from Jane Curtin and Roseanne Roseannadanna for “Weekend

Update,” an opening monologue by Bryan Reece, Hanz & Franz, and even the Spartan cheerleaders! And the Coneheads participated in Family Feud.

The real highlight of the evening though was recognizing the

2016 Alumna Lea Deesing, and receiving “big checks” from Kitchell/BRj and San Manuel Band of Mission Indians. For the first time, the Foundation was able to have the event on campus, in the new Crafton Center.







RECIPIENT OF PRESIDENT'S AWARD FOR OUTSTANDING SERVICE & SCHOLARSHIP IS ALSO COMMENCEMENT STUDENT SPEAKER

When he enrolled at Crafton Hills College, Wes Stevens wanted to have the quintessential college experience. He was able to have it — all while balancing life as a husband and father of three children.

The 35-year-old Yucaipa resident served as a tour guide for prospective students, president of the Alpha Gamma Sigma Honor Society, secretary of the Geology Club, a volunteer for numerous events, and a strong voice on the Inter Club Council. A mining engineering major, Stevens earned statewide recognition from the Honors Transfer Council of California for his

research on the need to mine asteroids, and his abstract was published in the corresponding publication.

“I wanted to have the college experience I missed out on,” he said. “I started joining clubs, and helping out at events. I wasn’t aware of just how much there was to offer at a community college, and I got way more out of it than I thought I would.”

He credits his wife, Tracy, and children Rhys, 8, Evan, 6, and Gwen, 3, with keeping him going all the way to graduation.

“I would not have been able to accomplish all of this with-

out my family’s support, or the support services at Crafton,” he said. “My son hates that he can’t complain about homework at all, because I’ve been doing it for hours. At the same time, seeing me going back to school gives them a good role model, and I feel it’s a good example for them.”

Stevens enrolled in Crafton in January 2014, after earning his GED. He was on welfare and having a difficult time finding employment, and decided it was time to go back to school. His father enjoys prospecting and panning for gold as a hobby, and Stevens also got into it, so much so that it turned into a



“bit of an obsession,” he said. It made sense for him to turn his hobby into a course of study, and he took advantage of the different programs and extra-curricular activities.

“The geology field courses were my favorite, with Prof. Hughes,” he said. “We would go on three or four day trips to national parks, Death Valley, Joshua Tree, and study geology there for the weekend. I did every trip they offered.”

After having to give a speech in the quad as part of the Honors program, Stevens discovered that he doesn’t mind public speaking. When it came time for graduation speaker auditions, he decided to try out, and was ultimately selected.

He received another honor, this

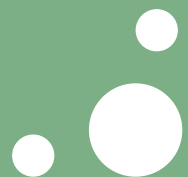
time at the Scholars Convocation. After meeting with President Cheryl Marshall, he was chosen as the recipient of the President’s Award for Outstanding Service.

“Wes really epitomized outstanding service to the campus,” Marshall said. “He was involved in numerous clubs and groups, often in leadership roles. Several faculty and managers said that they had Wes on speed dial because he was dependable and always willing to help.”

He is already looking ahead to the next stop in his educational journey, and is planning to attend the University of Nevada, Reno. In 10 years he hopes to be working for Planetary Resources, an asteroid mining company, or own a goldmine.

For now, he’s thrilled with everything he’s done over the past two-and-a-half years.

“I’m proud of coming back to school at this age, and being able to accomplish as much as I was able to accomplish,” he said. “For me, it’s a very tremendous personal accomplishment that I’ve done all this.”



\$120,000+ IN SCHOLARSHIPS AWARDED; \$25,000 FOR STEM

Crafton awarded over \$120,000 in scholarships to continuing and graduating students on Friday, May 20. More than 100 students received scholarships, including 25 STEM students who will receive \$1,000 scholarships as part of a Southern California Edison grant to CHC.

Students must apply for most of the scholarships, which are privately funded through the CHC Foundation, and are awarded on merit. Other scholars are selected by faculty and staff for their exemplary studies and service to the college.

Before the ceremony, donors to the CHC Foundation were invited to a reception to be thanked for their commitment to our students.



“MORE THAN 100 STUDENTS RECEIVED SCHOLARSHIPS, INCLUDING 25 STEM STUDENTS WHO WILL RECEIVE \$1,000 SCHOLARSHIPS AS PART OF A SOUTHERN CALIFORNIA EDISON GRANT TO CHC. ”

84TH FIRE ACADEMY AND EMT CLASS OF 2016 GRADUATE

Fourteen cadets from throughout the Inland Empire graduated from the 84th Fire Academy on Wednesday, May 4 in the Performing Arts Center. Representing weeks of focused work and physical training, the cadets are now eligible for Firefighter I Certification.

The Emergency Medical Technician Class of 2016 graduated on Thursday, May 26. One student was the recipient of a new \$500 scholarship in memory of Dr. Charles K.C. Kean.



BETTY BYRON AND DANIEL BAHNER IMMORTALIZED AT CRAFTON

Crafton recognized two former employees at a Naming Ceremony on Thursday, May 26 in the Learning Resources Center.

The Betty Byron Memorial Atrium was named for Byron who served as the librarian at Crafton Hills College from 1975-2005. She retired shortly before her death in February 2005. During her tenure, Byron served in many other capacities that directly impacted the growth and development of the College:

- Taught classes in philosophy, logic and ethics
- Served as the college's part-time webmaster
- Created an online library connecting to Native American links nationwide
- Established an intern program where CHC students in the Computer Information Science program created websites for Yucaipa elementary schools
- Launched the "college begins in Kindergarten" project

"Betty loved books, students and people. She was a defender of the underdog and fought discrimination of all kinds," said Laura Winningham, a former colleague of Byron's in the library and the Betty Byron Memorial Atrium benefactor.

The Dr. Daniel Bahner Center for Innovative Teaching & Learning and Student Scholarship recognizes Bahner, a 25 year employee of Crafton Hills College who passed away in December 2015. Bahner served not only as a member of the faculty in the English department but also in many other capacities that directly affected the growth and development of the College:

- Chair of the English Department
- President of the Academic Senate
- Co-Founder of the Honors Program
- Developer of Supplemental Instruction and Learning Communities
- Director with the Crafton Hills College Foundation

The Academic Senate recognized Bahner as "a change agent who challenged us to become better educators while showing his care and compassion for us as individuals."

Naming rights can be bestowed with a \$25,000 gift to the CHC Foundation. Funds have been raised accordingly for both Byron and Bahner.

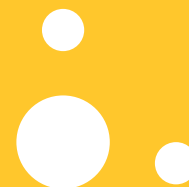
DR. DANIEL BAHNER
CENTER FOR INNOVATIVE
TEACHING & LEARNING



BETTY BYRON
MEMORIAL ATRIUM



Top photo: Nancy Bahner poses with her granddaughter, Kaelan Goodman, in front of the newly installed memorial for her late husband, Daniel. Bottom photo: Laura Winningham stands in the newly dedicated Betty Byron Memorial Atrium.





COLLEGE LOGO WINS FIRST PLACE AWARD

The Community College Public Relations Organization (CCPRO) recognized Crafton Hills College with a first place award for its new logo at the Annual Conference in Santa Rosa on April 14.

The logo was entered in the “Before and After” category, the judges said the logo had a clean design, was professional, and there was a “vast improvement to the overall look/impression of the new logo.”



#CHC2016

Crafton held its 44th Annual Commencement on Friday, May 27 in the CHC Quad. Here's a break-down of the graduates:

- Eligible graduates for 2015-2016 Commencement: 629
- Number of Associate Degrees: 630
- Number of Associate Degrees for Transfer (Included above): 182
- Number of Certificates: 339
- Total Awards: 969
- Average Age of Graduates: 26
- Oldest Graduates (2): 54
- Youngest Graduate (1): 18
- Number of Veterans: 20
- Gender: 57% Female & 42% Male
- Ethnicity: 46% Caucasian, 39% Hispanic/Latino, 8% African-American, 5% Asian
- Number of 4.0 – Highest Honors: 6
- Number of 3.50-3.99 – Honors: 138 (22% of graduates)

Most Popular Program Awards:

- AA, Social Science: 132
- AS, Multiple Sciences: 93
- AS, Health Sciences: 72
- AS-T, Business Administration: 60





2015 - 2016
PRESIDENT'S CIRCLE
MEMBERS

MICHAEL & CARLA ALDER
DON & CAROL AVERILL
DAVID AVILA & ELLEN
BENEFIEL
BRUCE & ELIZABETH BARON
RAY & MARGIE CASEY
CHUCK & KARLA CHRISTIE
GORDON & SARA CLOPINE
LARRY & LINDA COOK
CHERYL COX
DONNA FERRACONE
BENJAMIN GAMBOA &
BENJAMIN MUDGETT
KITCHELL CORP.
BILL & GLORIA HARRISON
DONNA HOFFMANN
SAM IRWIN
BRJ & ASSOCIATES
GLEN & CLARISSE KUCK
STEVE & REBECCA MARLATT
PATRICK & CHERYL
MARSHALL
BRANDON & JULIE MCKEE
RICK & AMY MINJARES
HARVEY RICKETTS & BETTY
JO WOOD
WILLIAM & LINDA NASSAR
PMSM ARCHITECTS
BRYAN & KATHI REECE
SAM & MICHELLE RIGGS
SO CAL GAS
STEINBERG ARCHITECTS
MICHAEL & AMY STRONG
ROBERT VISCONTI
JUNE YAMAMOTO

JOIN A RESPECTED FAMILY
OF COMMUNITY AND
COLLEGE LEADERS



CRAFTON HILLS COLLEGE PRESIDENT'S CIRCLE

Support Crafton Through Annual Leadership Giving

The President's Circle at Crafton Hills College is a select community of friends of the college who support our mission and vision through annual gifts of \$1,000 or more. This dynamic group of alumni and friends plays a vital role in supporting the college, giving the President the flexibility to embrace new ideas and emerging opportunities while meeting the evolving needs of Crafton Hills College.

Members who designate \$1,000 or more toward President's Circle make it possible for the college to:

- **Strengthen and enhance student learning opportunities**
- **Support innovative and promising projects with college faculty**
- **Fund and support the President's vision for the future of the college**

All President's Circle members receive:

- **Invitations to exclusive President's Circle events throughout the year.**
- **Prominent acknowledgement and listing as a President's Circle member in all appropriate publications.**

**For more information, please contact Michelle Riggs
at 909.389.3391 or mriggs@craftonhills.edu**

PRESIDENT'S MESSAGE



The Crafton Hills College Foundation Board of Directors has spent a lot of time and energy this last year updating our planning documents to more clearly articulate our goals and ensure that our efforts focus on our mission of “enhancing education excellence” at the College. We believe it is an important part of our fiduciary responsibility to ensure funds raised on behalf of the students at Crafton are utilized in a fashion most beneficial to those students and their pursuit of self-improvement educational goals. Speaking of fiduciary responsibility, I’m pleased to say we have had a very successful fundraising year. Our Gala raised over \$85,000 and we received grants in excess of \$163,000 to help fund student scholarships and student employment. We also raised funds to support the emergency textbook loan program, the

Veteran’s Resource Center, our First Responder training programs, and support student engagement, recognition and outreach efforts.

On behalf of the Foundation, I want to thank all the donors and organizations who made our programs viable. I also need to recognize the efforts of our Staff and the Foundation Board of Directors for the countless hours of work they put in to pursue prospective sources for funding and develop relationships between the College and the surrounding communities.

The success of the Crafton Hills College Foundation, as reflected in the growth of our endowment, is directly attributable to all these people.

Thank you all for your support.

A handwritten signature in blue ink, appearing to be 'S. Irwin'.

Sam Irwin
President, CHC Foundation

2015-2016 BOARD OF DIRECTORS

EXECUTIVE COMMITTEE

SAM IRWIN
PRESIDENT

DANIEL BAHNER
VICE PRESIDENT

WILLIAM NASSAR
VICE PRESIDENT

CHERYL MARSHALL
SECRETARY

MIKE STRONG
CHIEF FINANCIAL OFFICER

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OLGA FORESTER

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AMY MINJARES

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LILLIAN VASQUEZ

ROBERT VISCONTI

BETTY JO WOOD

APPOINTED FOUNDATION DIRECTORS

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PRESIDENT, ACADEMIC SENATE

MICHELLE TINOCO
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AARON BURGESS
PRESIDENT, STUDENT SENATE

2015 - 2016 DONOR HONOR ROLL

\$100,000 and above

San Manuel Band of Mission Indians

\$10,000 - \$29,999

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Elaine Rosen
Southern California Edison
The Community Foundation

\$5,000 - \$9,999

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\$2,500 - \$4,999

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Kiwans Club of Yucaipa Valley
Alaina Mathews
Kevin Newland
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Diane Pfahler
James Ramos
Laura Winningham
Yucaipa Valley Gem & Mineral Society

\$1,000 - \$2,499

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Harvey Ricketts & Betty Jo Wood
Sam & Michelle Riggs
Rotary Club of Yucaipa
Steinberg Architects
Michael & Amy Strong
June Yamamoto
Yucaipa Valley Chamber of Commerce

\$500 - \$999

Tasha Barnett
Harriet Blume
Kelly Boebinger
Catholic Charities of San Bernardino
Mike & Sherri Costello
Lawrence & Brooke Duncan
P. Maryetta Ferre
GM Business Interiors
Luis & Patricia Gomez
Jason & Cyndi Gundersen
Marie Gurrola
David Hart
HMC Architects
Richard Hughes
Glen & Clarisse Kuck
Millennium Restaurant Concepts
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Mariana Moreno
Christopher & Dana Palmer
Cara Peck
Redlands Professional Firefighters
Redlands Sunrise Rotary
Agustin Rios
Daniel Sullivan
Michael Tulisiak
Walmart Stores, Inc.
Jill Wieseler
Keith Wisegarver & Lillian Vasquez
Daniel Word
Keith & Sheri Wurtz

\$250 - \$499

A.B. Fitness
Tom Anderson
Autism Society Inland Empire
Daniel & Nancy Bahner
Mark Bartel
Christine Blake
Brickley Environmental
Tom Bryant
Lisa Carter-Davis

Ryan Cheng
Kirsten Colvey
Robert Crise
East Valley Assn. of Realtors
Christine Eaton
Michael Eaton
Rachel Eaton
Richard Eaton
Leland Finkelstein
Benjamin Gamboa & Benjamin Mudgett
Tina Gimple
Tracy Gray
Rick Groff
Angela Guy
Lawrence Hill
Colleen Hinds
Rhonda Jaquess
Keenan & Associates
Gregory Kieseletter
Peter & Sue Ellen King
Marina Kozanova
Leighton Consulting, Inc.
Amy Liu
Sue Martinez
Colleen Meland
Matthew Mireles
Rashid Mosavin
Mountain Top Communication Services, LLC
Morgan Pechatsko
Brittnee Quintanar
Bonnie Race
Rancho Cucamonga Professional
Firefighters Assn.
Dennis Stevens
Michael & Cassandra Smith
Sunshine Photography
Anne Viricel
W & M Carter Corp., DBA Country Furniture
Deborah Wasbotten
Sherri Wilson
Richard Yzaguirre

\$100 - \$249

1-800-Got-Junk
7-11
A&I Reprographics
AAALR - Atkinson, Andelson, Loya
Albrektsen & Schumate LLP
Asmarina Foods
David Bednarz
Michael Bedoya
Kiyana Bell
Ann Boatman
Judy Cannon
Mary Caporale
Lois Carson
Heather Chittenden
City of Yucaipa
Lou'Rie Cummings
Cut Above Construction
Maria Davila
Troy Dial

2015 - 2016 DONOR HONOR ROLL

DKC Architects
Gerald Doyle
Empire Disposal, LLC
Jim & Olga Forester
Keith Gillmore
Richard Hogrefe
James Holbrook
Stephen Houser
John Jacquess
Leigh Anne Jones
Joel Lamore
Elizabeth Langenfeld
Matthew Lee
Lynn Lowe
Robert McAtee
Denis Moon
Alisa Moore
Joseph Morin
Fred Neuman
Nutrishop Yucaipa
Thomas O'Brien
Omnitrans
Dora Ordonez
Dasa & Ericka Paddock
Queen Bean Caffe
RC Gladwell Advertising &
Graphic Design, Inc.
Redlands Ford
Scott Rippy
Kristi Rodriguez
Randy Rousseau
Steven Rush
San Bernardino Community College District
San Bernardino Valley College Foundation
Roger & Ann Schmidt
Lisa Shimeld
Don & Joanne Singer
Mark Snowwhite
Juanita Sousa
Michelle Southworth
The Original Taco Girls
Michelle Tinoco
Randal Tosten
Sam Truong
Robert Visconti
Kathryn Wilson
Ellen Wood
Yucaipa Swim Team
Karla Zaragoza

Up to \$99

Matthew Adams
Darvel Allred
Julia Arias
Ron Arnott
Maureen Arstill
Eric & Carrie Audet
Teresa Avila
Mary Barger
John Brennan
Robert Brown

Jose Cabrales
Jeff & Jim Catalon
Marion Conley
Linda De Baun
Mohara Devi
Paul Drasil
Nicholas Farano
Fiesta Village
Josh & Melissa Fisher
Kimberly Foreman
Kristin Garcia
Grateful Garden
Baretta Hagen
Cynthia Hamlett
Martin Hartmann
Diane Hull
Brent & Sherry Hunter
Mathew Isaac
Kelli Jaynes
Jeffery Alan Krug
Deneatrice Lewis
Richard Lopez
Abbey Lunt
Mark McConnell
Meridyth McLaren
Meriah Moffat
Suzanne Moore
Deborah Nolte
Dawn Nygard
Kevin Okamura
Ryan Ortiz
Lauretta Pacheco
Joan-Marie Patsky
Carol Pister
Joanna Prologo
Dianne Purves
Ralph Rabago
Gilbert Ramos
Emily Reynolds
Lisa Richter
Marita Rutledge
Elizabeth Samaniego
Ann Sandez
Hannah Sandy
Barry Santley
Christopher Sleeper
Barbara Smith
Giovanni Sosa
Cynthia St. Jean
Sheryl Sterry
Ginger Sutphin
Cynthia Tinoco
Dorothy Turley
Kim Walker
Codette Wallace
Carl Wilson

Gifts in Kind

21 Sushi House
Aaron Brothers

AJ Barille's Chicago Pizza
American Road Trip
Amy Minjares
Angus McCurdy's
Anthony's Pizza
Audet Construction
Bill & Gloria Harrison
Calimesa Country Club
Cheryl Cox
Chili's
Clarkie's Diner
Codette Wallace
Dairy Queen
Denise Hoyt
Disneyland
Donna Ferracone
Donna Hoffmann
Fiesta Village
Harvey Ricketts
Hickory Ranch
Home Blinds
Jake's Italian Bistro
Jose's Restaurant
Kafe Royale
Klingbail Chiropractic
KVCR
Las Fuentes
Lillian Vasquez
Mars Carpets
Mill Creek
Oil Can Henry's
Pizza Chalet
Queen Bean
Robert Visconti
Sam Irwin
Sherri Wilson
Tang's Chinese Restaurant
Thai Chili
Toro Bowl
Tukwet Canyon Golf Club
Victor's Restaurant & Bar
Wendy Ingram
William Nassar
Yucaipa Valley Chamber of Commerce
Yucaipa Valley Golf Club

We make every effort to recognize all our generous contributions in an accurate and timely manner. However, it is possible that some names have been inadvertently omitted or incorrectly published. If you noticed a mistake, please accept our apology and feel free to bring it to our attention by calling 909.389.3391 so we can correct our records. Thank you!

2015-2016 AUDIT REPORT

L. Ray Ashworth

CERTIFIED PUBLIC ACCOUNTANT

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Crafton Hills College Foundation
Yucaipa, CA

I have audited the accompanying financial statements of Crafton Hills College Foundation, which comprise the statement of financial position as of June 30, 2016, and the related statement of activities and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion

2015-2016 AUDIT REPORT

on the effectiveness of the entity's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Crafton Hills College Foundation, as of June 30, 2016, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

L. Ray Ashworth

CERTIFIED PUBLIC ACCOUNTANT

Redlands, California

January 31, 2017

1101 Orange St • Redlands, CA 92373
(909) 307-0880 FAX (909) 307-5378

2015-2016 AUDIT REPORT

CRAFTON HILLS COLLEGE FOUNDATION
STATEMENT OF FINANCIAL POSITION
June 30, 2016

| | UNRESTRICTED | TEMPORARILY RESTRICTED | PERMANENTLY RESTRICTED | TOTAL |
|------------------------------------|-------------------|---------------------------|---------------------------|--------------------|
| ASSETS | | | | |
| CURRENT ASSETS | | | | |
| Cash and cash equivalents | \$ - | \$ 276,493 | \$ 77,040 | \$ 353,533 |
| Pledges receivable, net | 7,896 | 802 | 83,802 | 92,500 |
| Investments | 15,375 | 1,429,116 | - | 1,444,491 |
| Total Current Assets | 23,271 | 1,706,411 | 160,842 | 1,890,524 |
| NON-CURRENT ASSETS | | | | |
| Charitable gift annuities | - | 35,761 | - | 35,761 |
| Pledges receivable, long-term, net | - | - | 33,000 | 33,000 |
| Community Foundation | 100,200 | - | - | 100,200 |
| Art work | 243,000 | 100,200 | - | 343,200 |
| Total Non-Current Assets | 343,200 | 135,961 | 33,000 | 512,161 |
| TOTAL ASSETS | \$ 366,471 | \$ 1,842,372 | \$ 193,842 | \$2,402,685 |
| LIABILITIES AND NET ASSETS | | | | |
| NET ASSETS | | | | |
| Unrestricted | \$ 366,471 | \$ - | \$ - | \$ 366,471 |
| Temporarily restricted | - | 1,842,372 | - | 1,842,372 |
| Permanently restricted | - | - | 193,842 | 193,842 |
| Total Net Assets | 366,471 | 1,842,372 | 193,842 | 2,402,685 |
| LIABILITIES AND NET ASSETS | \$ 366,471 | \$ 1,842,372 | \$ 193,842 | \$2,402,685 |

2015-2016 AUDIT REPORT

CRAFTON HILLS COLLEGE FOUNDATION
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2016

| | UNRESTRICTED | TEMPORARILY RESTRICTED | PERMANENTLY RESTRICTED | TOTAL |
|--|-------------------|---------------------------|---------------------------|---------------------|
| SUPPORT AND REVENUE | | | | |
| Contributions | \$ 81,332 | \$ 150,682 | \$ 146,229 | \$ 378,243 |
| Grants | - | 163,500 | - | 163,500 |
| Fundraising | 56,533 | 2,983 | - | 59,516 |
| Interest and dividends | 1,450 | - | 29 | 1,479 |
| Donated services revenue | 97,426 | - | - | 97,426 |
| Unrealized gain on investments | 6,829 | - | - | 6,829 |
| Unrealized gain from investment in Community Foundation | 1,801 | - | - | 1,801 |
| Change in value of charitable gift annuities | 1,252 | - | - | 1,252 |
| Other income | 665 | - | - | 665 |
| Net assets released form restrictions | 714,974 | (714,974) | - | - |
| Total Support and Revenue | 962,262 | (397,809) | 146,258 | 710,711 |
| OPERATING EXPENSES | | | | |
| Programs | | | | |
| Scholarships | 97,147 | - | 400 | 97,547 |
| Academic support and other | 361,041 | - | - | 361,041 |
| Total Program Expenses | 458,188 | - | 400 | 458,588 |
| Support Services | | | | |
| General and Administrative | 110,414 | - | 64 | 110,478 |
| Fundraising | 20,786 | - | - | 20,786 |
| Total Support Services | 131,200 | - | 64 | 131,264 |
| Total Operating Expenses | 589,388 | - | 464 | 589,852 |
| Change in Net Assets | 372,874 | (397,809) | 145,794 | 120,859 |
| Transfer of Net Assets | (126,470) | 122,446 | 4,024 | - |
| Net Assets - Beginning | 120,067 | 2,117,735 | 44,024 | 2,281,826 |
| Net Assets - Ending | \$ 366,471 | \$ 1,842,372 | \$ 193,842 | \$ 2,402,685 |

2015-2016 AUDIT REPORT

CRAFTON HILLS COLLEGE FOUNDATION STATEMENT OF FUNCTIONAL EXPENSES FOR THE YEAR ENDED JUNE 30, 2016

| | PROGRAMS | | | SUPPORT SERVICES | | |
|----------------------------|------------------|-------------------------------|-------------------|-------------------------------|------------------|-------------------|
| | SCHOLARSHIPS | ACADEMIC SUPPORT AND OTHER | TOTAL | GENERAL AND ADMINISTRATIVE | FUNDRAISING | TOTAL |
| Scholarship awards | \$ 88,722 | \$ - | \$ 88,722 | \$ - | \$ - | \$ 88,722 |
| Materials and Supplies | - | 31,173 | 31,173 | - | 369 | 31,542 |
| Employment | - | 130,000 | 130,000 | - | - | 130,000 |
| Food | - | 31,830 | 31,830 | - | 8,749 | 40,579 |
| Conferences and meetings | - | 1,846 | 1,846 | - | 45 | 1,891 |
| Marketing and promotion | - | 5,867 | 5,867 | - | - | 5,867 |
| Banking services | - | - | - | 18,990 | - | 18,990 |
| Donated services | 8,825 | 78,622 | 87,447 | 6,135 | 3,844 | 97,426 |
| Professional fees | - | - | - | 73,056 | - | 73,056 |
| Philanthropic service fee | - | - | - | 2,303 | - | 2,303 |
| Investment consulting fee | - | - | - | 33 | - | 33 |
| Cultivation expenses | - | - | - | 6,261 | - | 6,261 |
| Travel | - | 5,639 | 5,639 | - | - | 5,639 |
| Equipment and computers | - | 23,130 | 23,130 | - | - | 23,130 |
| Classes | - | 10,130 | 10,130 | - | - | 10,130 |
| Rent | - | 425 | 425 | - | - | 425 |
| Other | - | 42,379 | 42,379 | 3,700 | 7,779 | 53,858 |
| Total Program Costs | \$ 97,547 | \$ 361,041 | \$ 458,588 | \$ 110,478 | \$ 20,786 | \$ 589,852 |

2015-2016 AUDIT REPORT

CRAFTON HILLS COLLEGE FOUNDATION STATEMENTS OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2016

CASH FLOWS FROM OPERATING ACTIVITIES

| | |
|--|------------------|
| Change in net assets | \$120,859 |
| Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities: | |
| Depreciation | - |
| Permanently restricted contributions | (146,229) |
| Unrealized gain on investments | (6,829) |
| Effects of changes in operating assets and liabilities: | |
| Pledges receivable, net | (125,500) |
| Net cash provided by (used in) operating activities | <u>(157,699)</u> |

CASH FLOWS FROM INVESTING ACTIVITIES

| | |
|--|------------------|
| Increase in Investments | (103,895) |
| Increase in Investment in Community Foundation | (100,200) |
| Increase in Charitable gift annuities | (1,252) |
| Net cash used by investing activities | <u>(205,347)</u> |

CASH FLOWS FROM FINANCING ACTIVITIES

| | |
|---------------------------------------|----------------|
| Permanently restricted contributions | 146,229 |
| Net cash used by financing activities | <u>146,229</u> |

NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (216,817)

CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR 570,350

CASH AND CASH EQUIVALENTS, END OF YEAR \$353,533

Cash paid for interest was \$ 0 and In-kind donations was \$ 97,426.

2015-2016 AUDIT REPORT

CRAFTON HILLS COLLEGE FOUNDATION NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED

JUNE 30, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

GENERAL

Crafton Hills College Foundation (the Organization) is an independent nonprofit corporation whose mission is to promote gifts for the support and enhancement of quality education at Crafton Hills College (The District). The Organization's programs include scholarships and other student awards, academic support, and the acquisition of instructional equipment and improvements to facilities for both vocational and academic enrichment.

SOURCES OF FUNDING

The Organization receives support from contributions and revenues generated by investments, grants, and campus activities.

BASIS OF ACCOUNTING

The Organization maintains its accounting records on the accrual basis of accounting whereby revenues are recorded when earned and expenses are recorded when the obligation is incurred.

BASIS OF PRESENTATION

The Organization reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Unrestricted – these generally result from revenues generated by receiving unrestricted contributions, providing services, and receiving interest from investments less expenses incurred in providing program related services, raising contributions, and performing administrative functions.

Temporarily Restricted – The Organization reports gifts of cash and other assets as temporarily restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is when a stipulated time restriction ends or the purpose of the restriction is accomplished, temporarily restricted assets are classified to unrestricted net assets and reported in the statement of activities as net assets released from program or capital restrictions.

Permanently Restricted – These net assets are received from donors who stipulate that resources are to be maintained permanently, but permits the Organization to expend all of the income (or other economic benefits) derived from the donated assets.

PROPERTY AND EQUIPMENT

Property and equipment are recorded at cost if purchased, or at fair value at the date of donation. Donor restricted property and equipment whose restrictions are met in the same period are labeled as unrestricted donations. Property and equipment is capitalized if the cost of an asset is greater than, or equal to, \$2,500 and the useful life is greater than one year. Depreciation is calculated using the straight-line method over five to fifteen years.

**CRAFTON HILLS COLLEGE FOUNDATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED**

JUNE 30, 2016

USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

CONTRIBUTIONS

Contributions received are recorded as increases in unrestricted, temporarily restricted, or permanently restricted net assets depending on the existence and/or nature of any donor restrictions. Donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets, depending on the nature of the restrictions. When restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

PLEDGES RECEIVABLE

The Organization uses the allowance method to determine uncollectable promises receivable. The allowance is based upon management's analysis of past promises made and collected. Management has determined that all of the pledges receivable are collectable and therefore no allowance for uncollectable pledges receivable is necessary.

INCOME TAX STATUS

The Organization is exempt from income tax status under Internal Revenue Code Section 501(c)(3) and California Revenue Code Section 23701d. The Organization is not considered a private foundation under Section 509(a) of the Internal Revenue Code.

In accordance with accounting standards, which provides accounting and disclosure guidance about uncertain tax positions taken by a foundation, Management believes that all of the positions taken by the Organization in its federal and state income tax returns are more likely than not to be sustained upon examination. The Organization files returns in the U.S. Federal jurisdiction and the State of California. The Organization's federal income tax returns for the tax years 2012 and beyond remains subject to examination by the Internal Revenue Service. The Organization's California income tax returns for 2011 and beyond remain subject to examination by the Franchise Tax Board.

CASH AND CASH EQUIVALENTS

For purposes of the statements of cash flows, the Organization considers all highly liquid investments with an original maturity date of less than 90 days to be cash.

CONCENTRATION OF CREDIT RISK

The Organization has cash in financial institutions which are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 at each institution for the interest bearing accounts or the Securities Investor Protection Corporation (SIPC) up to \$500,000 at each institution. At various times throughout the year, the Organization may have cash balances at financial institutions on a periodic basis and does not believe this concentration of cash results in a high level of risk for the Organization. At year end, the Organization had investment funds in excess of the SIPC limit of \$ 944,491.

2015-2016 AUDIT REPORT

CRAFTON HILLS COLLEGE FOUNDATION NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED

JUNE 30, 2016

CONTRIBUTED GOODS AND SERVICES

Contributions of donated non-cash assets are recorded at fair value in the period received. Contributions of donated services that create or enhance non-financial assets, or services that require specialized skills, are provided by individuals possessing those skills, and would typically be purchased if not provided through donation, are recorded at fair value in the period received.

FUNCTIONAL ALLOCATION OF EXPENSES

Costs of providing the Organization's programs and activities are presented in the statement of functional expenses. The Organization classifies portions to general and administrative and fundraising based on the costs associated with the respective categories.

Investments are recorded at fair market value. Both unrealized gains and losses from the fluctuation of market value and realized gains and losses from the sale of investments are reflected in the statement of activities.

DISCLOSURES ABOUT FAIR VALUE OF ASSETS AND LIABILITIES

The Organization adopted the standard for Fair Value Measurements. The accounting principle for fair value measurements defines fair value, establishes a framework for measuring fair value and expands disclosure about fair value measurements.

The following provides a summary of the hierarchical levels used to measure fair value:

Level 1: Quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. Level 1 assets and liabilities may include debt and equity securities that are traded in an active exchange market and that are highly liquid and are actively traded in over-the-counter markets.

Level 2: Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3: Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgment or estimation.

The general rule for acceptable investments for the aggregated endowment funds (federal and non-federal) are savings accounts or in low-risk securities in which a regulated insurance company may invest under the law of the State in which the institution is located. This typically includes savings accounts such as a federally insured bank savings account, a comparable

**CRAFTON HILLS COLLEGE FOUNDATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED**

JUNE 30, 2016

interest bearing account offered by a bank, or a money market fund. "Low-risk securities" includes certificates of deposits, mutual funds, stocks, or bonds.

Income from the endowment may be spent for costs necessary to operate the Organization, including general operating and maintenance costs, costs to administer and manage the endowment fund, and costs associated with buying and selling securities, such as stockbroker commissions and fees to "load" mutual funds. Income from the endowment cannot be spent for a school or department of divinity or any religious worship or sectarian activity, an activity that is inconsistent with a State plan for desegregation application to the grantee, or an activity that is inconsistent with a State plan applicable to the grantee.

2. COMMUNITY FOUNDATION

The Organization has transferred assets to the Community Foundation (the Foundation) which is holding them as an agency fund (Fund) for the benefit of the Organization. The Organization has granted the Foundation variance power which gives the Foundation's Board of Trustees the power to use the Fund for other purposes in certain circumstances. The Fund is subject to the Foundation's investment and spending policies which currently result in a distribution to the Organization of 4 percent of the fund balance per year. The Organization reports the fair value of the Fund (the Beneficial Interest in Assets Held at the Foundation) in the statement of financial position as Community Foundation and reports distributions received as investment income. Changes in the value of the Fund are reported as gains or losses in the statement of activities.

3. RELATED PARTY TRANSACTIONS

The Organization provides various levels of monetary support and service to the District. The transactions are recorded within the financial statements as distributions, student programs, and scholarship expense. The District provides office space and other support to the Organization. The value of this support has been calculated and is reflected within these financial statements. (See note 6).

4. TITLE V FUNDS RESTRICTED FUNDS

The Organization has elected to restrict Title V funds as a temporary endowment for a period of 20 years. The restriction was placed on the amount of \$58,000 which will be released on August 18, 2029.

5. CHARITABLE GIFT ANNUITIES

The Organization is the beneficiary of two irrevocable split-interest agreements. Both of these agreements are charitable gift annuities whereby the Community College League of California is the third-party trustee. Per the agreements the donors are also the annuitant, and upon termination the Organization is entitled to the residuum value of the annuity. For reporting purposes, the Organization's source for measuring the fair value of these annuities is statements received from the Community College League of California's trust company, whereby the value of donated assets are reduced by the present value of expected future cash payments to the annuitants. Accordingly, this is considered a Level II fair value measurement.

2015-2016 AUDIT REPORT

CRAFTON HILLS COLLEGE FOUNDATION NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED

JUNE 30, 2016

6. DONATED SERVICES

The activities carried on by the Organization are conducted by employees of the San Bernardino Community College District using the physical resources of Crafton Hills College. Costs incurred by the district on behalf of the Organization include wages and occupancy expenses. The estimated amount of donated services rendered to the Foundation for the year ended June 30, 2016 was \$ 97,426.

7. TEMPORARILY AND PERMANENTLY RESTRICTED NET ASSETS

Crafton Hills College Foundation Board of Directors has interpreted UPMIFA, in accordance with California state law, as requiring the preservation of the fair value of the original gift as of the date of the donor-restricted endowment funds, unless there are explicit donor stipulations to the contrary. Accordingly, the Organization classifies the original value of the gifts made to such endowment as permanently restricted.

Crafton Hills College Foundation's investment policy stipulates that a prudent portion of monies are to be placed in interest-bearing accounts, to maximize the potential earnings on the gifts. The unappropriated investment earnings on permanently and temporarily restricted net assets are classified as temporarily restricted net assets until the funds are released from their temporarily restricted purpose.

The general rule for acceptable investments for the aggregated endowment funds (federal and non-federal) are savings accounts or low-risk securities in which a regulated insurance company may invest under the law of the State in which the institution is located. This typically includes savings accounts such as a federally insured bank savings accounts, a comparable interest bearing account offered by a bank, or a money market fund. "Low-risk securities" includes certificates of deposit, mutual funds, stocks, or bonds.

Income from the endowment may be spent for costs necessary to operate the Organization, including general operating and maintenance costs, costs to administer and manage the endowment fund, and costs associated with buying and selling securities, such as stockbroker commissions and fees to "load" mutual funds. Income from the endowment cannot be spent for a school or department of divinity or any religious worship or sectarian activity, an activity that is inconsistent with a State plan for desegregation application to the grantee, or an activity that is inconsistent with a State plan applicable to the grantee.

2015-2016 AUDIT REPORT

CRAFTON HILLS COLLEGE FOUNDATION NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED

JUNE 30, 2016

TEMPORARILY AND PERMANENTLY RESTRICTED NET ASSETS (CONTINUED)

The details of Temporarily and Permanently restricted net assets as of June 30, 2016 are as follows:

| | Temporarily Restricted | Permanently Restricted | Total |
|--|---------------------------|---------------------------|-------------|
| Endowment net assets beginning of year | \$ 2,117,735 | \$ 44,024 | \$2,161,759 |
| Contributions | 153,665 | 146,228 | 299,893 |
| Grants | 163,500 | 30 | 163,530 |
| Appropriation of endowment assets | (714,974) | (464) | (715,438) |
| Fund Transfers | 122,446 | 4,024 | 126,470 |
| Total | \$ 1,842,372 | \$ 193,842 | \$2,036,214 |

8 ARTWORK

The Foundation's artwork is comprised of:

| | Fair Value |
|---------------------|------------|
| Gach | \$ 302,300 |
| Peelle | 36,000 |
| DeGrazia | 4,500 |
| Lithographic Prints | 400 |
| Total | \$ 343,200 |

The Foundation received both the Gach and Peelle artwork as contributions. The contributors required that the Foundation maintain custody of the contributed artwork for three years from the date of donation. On November 28, 2015 and December 14, 2015 the Gach and Peelle artwork respectively, was released from all holding requirements made by the contributors. The Organization now holds legal title to the artwork and any proceeds are unrestricted as to its use.

9 COMMITMENTS

The Organization has entered into an operating lease agreement for office equipment.

Total minimum lease payment commitments under the lease agreement are as follows:

| <u>Years ending June 30</u> | |
|-----------------------------|---------------|
| | 2017 \$ 3,060 |
| | 2018 \$ 3,060 |
| Total | \$ 6,120 |

2015-2016 AUDIT REPORT

CRAFTON HILLS COLLEGE FOUNDATION NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED

JUNE 30, 2016

10 INVESTMENTS

| | Level 1 | Level 2 | Level 3 | Total |
|-----------------------|--------------|------------|---------|--------------|
| Merrill Lynch | | | | |
| Investment cash | \$ 41,025 | \$ - | \$ - | \$ 41,025 |
| Equities | 756,228 | - | - | 756,228 |
| Mutual Funds | 372,338 | - | - | 372,338 |
| Government Securities | 160,243 | - | - | 160,243 |
| Corporate Bonds | 114,657 | - | - | 114,657 |
| | | | | - |
| U.S. Savings Bonds | 31,020 | - | - | 31,020 |
| Community Foundation | - | 100,200 | - | 100,200 |
| Total Investments | \$ 1,475,511 | \$ 100,200 | \$ - | \$ 1,575,711 |

See Note 1 for a description of the three levels of inputs that may be used to measure fair value.

The following table presents further detail for investments at year end:

| | Adjusted Cost | Fair value | Unrealized Gain |
|----------------------|------------------|--------------|--------------------|
| Merrill Lynch | \$ 1,343,427 | \$ 1,444,491 | \$ 101,064 |
| U.S. Savings Bonds | 14,792 | 31,020 | 16,228 |
| Community Foundation | 100,000 | 100,200 | 200 |
| Total Investments | \$ 1,458,219 | \$ 1,575,711 | \$ 117,492 |

Community Foundation

| | |
|--------------------------|------------|
| Balance at July 1, 2015 | \$ - |
| Investments | 100,000 |
| Income and gains | 2,535 |
| Losses and fees | (2,335) |
| Balance at June 30, 2016 | \$ 100,200 |

11 SUBSEQUENT EVENTS

Management has evaluated subsequent events through January 31, 2017, the date on which the financial statements were available to be issued and concluded that no subsequent events have occurred that would require recognition in the financial statements or disclosure in the notes to the financial statements.

CRAFTON HILLS COLLEGE ADMINISTRATION

| | |
|------------------------------------|---|
| Cheryl Marshall, Ed.D. | President |
| Bryan Reece, Ph.D. | Interim, Vice President, Instruction |
| Rebecca Warren-Marlatt, Ed.D. | Vice President, Student Services |
| Michael Strong, B.S. | Vice President, Administrative Services |
| Joe Cabrales, M.A. | Dean, Student Services/Student Support |
| Kirsten Colvey, M.S. | Dean, Student Services/Student Success |
| Richard Hogrefe, M.A. | Dean, Social Information & Natural Sciences |
| Mark Snowwhite, M.A. | Interim Dean, Letters, Arts & Mathematics |
| Keith Wurtz, Ph.D. | Dean, Research Planning & Institutional Effectiveness |
| June C. Yamamoto, M.A. | Dean, Career and Human Development |
| Wayne Bogh, M.B.A. | Director, Technology Services |
| Gloriann Chavez, A.A. | Director, Bookstore |
| Rejoice Chavira, Ed.D. | Director, EOPS/CARE/CalWORKs |
| Larry Cook | Director, Facilities |
| Donna Hoffmann, M.A. | Director, Marketing & Public Relations |
| John Muskavitch, B.S. | Director, Financial Aid |
| Ericka Paddock, Ed.D. | Director, Student Life |
| Michelle Riggs, M.A. | Director, Community Relations & Resource Development |
| Deborah Wasbotten, M.A. | Director, Child Development Center |
| Heather Chittenden, M.B.A. | Aquatics Director |
| Jeremy Crooks, A.A. | Supervisor, Custodial |

SAN BERNARDINO COMMUNITY COLLEGE DISTRICT ADMINISTRATION

| | |
|------------------------------|--|
| Bruce Baron, M.S. Ed. | Chancellor |
| Jose Torres, M.P.A. | Vice Chancellor, Fiscal Services |
| Lisa Norman, Ed.D. | Vice Chancellor, Human Resources & Employee Relations |
| Steven Sutorus, M.B.A. | Manager, Fiscal Services |
| Alfredo Cruz | General Manager, KVCR-TV/FM |
| Glen Kuck, Ed.D. | Associate Vice Chancellor, Technology & Educational Support Services |
| Matthew K. Isaac, Ph.D. | Associate Vice Chancellor, Economic Development & Corporate Training |
| Larry Strong | Director, Fiscal Services |
| Pierre Galvez, A.A. | Chief of Police |
| Erika Almaraz | Interim Internal Auditor |

SBCCD BOARD OF TRUSTEES

| | |
|-----------------------------------|----------------------|
| John Longville | President |
| Joseph Williams, B.A. | Vice President |
| Gloria Macías Harrison, M.A. | Clerk |
| Donna Ferracone, M.A. | Trustee |
| Donald L. Singer, Ph.D. | Trustee |
| Anne L. Viricel, Ph.D. | Trustee |
| Nickolas W. Zombos, M.S. | Trustee |
| Esmeralda Vazquez | CHC Student Trustee |
| Thomas Robles | SBVC Student Trustee |

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