

May 21, 2018

TO: Board of Directors

FROM: Heller An Shapiro

RE: FY18 Q2 Budget Report as of February 28, 2018

At the end of Q2, total income is \$394,721, which is 58% of budget.

Total expenses are \$320,093, which is 48% of budget.

Projections for the full year (FYE) show only confirmed revenue. Grants, events, and donations are not included if they are not confirmed. This shows that by August we still need to raise at least \$78,642 from new sources to balance the FY18 budget. However, adding the Corinna Higginson grant into the projections shows that by August we need to raise **\$73,642**.

As of today, the following grant funds were received in Q3. These are shown in the projections, but not the Q2 actuals.

Immanuel Presbyterian Church \$4,000

Masonic and Eastern Star Home of the District of Columbia Charities (MESH) \$5,000

Nora Roberts Foundation \$5,000

Abell Foundation \$20,000

Corrina Higginson \$5,000 (received 5/7/18, NOT SHOWN in projections)

Currently, the following grant proposals have been submitted. Because there is no guarantee this will come in, these funds are not shown in the budget.

Paul M. Angell \$15,000

The Jones Foundation \$10,000

Cafritz \$35,000

TOTAL: \$60,000

We also plan to bring in additional funding through a lapsed donor mailing.

We contracted with two new grant writers, enabling us to research and apply for additional grants.

New sources of revenue received:

Foundation Grants are at \$40,350. This is 46% of budget and 33% over FY17 actual.

Government Grants are at \$58,786. This is 76% of budget and just under FY17 actual.

Including grants already received in Q3, we are at \$170,495 in grant revenue. This is 51% more than FY17 actual and 3% more than FY16 actual.

Contracted Services Fees increased with the addition of classes for NCC, St. Mary's County and The Treatment and Learning Center's (TLC) summer camp. Revenue is at 55% of budget, while expenses are at 45%.

Decreases in Revenue:

Special events income (Gala) is at \$58,903, which is 61% of budget.

Reston Winter class, and January and May VA Super Social Saturday classes, were cancelled due to low enrollment. The spring Reston class is full.

Increases in Expenses:

We anticipate an increased expense for a new database, which may occur in Q4. We are submitting a proposal to the Philip L. Graham fund to cover this cost.

Conferences are at \$620, which is 155% of budget. Although it is unbudgeted, You are a Work of Art (YAWA) funding is available to cover this cost, related to a conference presentation made about the YAWA program.

Travel and Meeting expenses for Meetings: Board/Committee/Strategic Plan (\$932), which is 111% of the budget includes the cost of the Town Hall Meeting and Parent/Sibling Meet and Greet events. We completed the Meet and Greet events and will have two Town Hall meetings in August (Q4).

Travel and Meeting expenses for Registration Classes (\$680), which is 81% of budget, includes the cost of travel for Montgomery County teaching artists to travel to teach Virginia classes. The projections include travel to St. Mary's County.

Advertising/Marketing Costs are at \$2,385, which is 454% of budget. This covers a long-term investment in table covers, displays and a (very popular!) "selfie wall".

Other Expenses for Dues and Subscriptions (\$2,167), which is 117% of budget, includes dues for the Greater Bethesda Chamber of Commerce, and the Board Match 2018 event, both of which have been very useful so far. An additional fundraising conference for the Executive Director is budgeted in Q4.

ArtStream, Inc.
Actuals to YE Projections (at 50% of Yr)
FYE 8.31.2018

	ACTUAL TO 02.28.18	FYE '18 PROJECTED	ANNUAL BDGT FYE '18	YTD TO BUDGET	FYE '18	PROJECTED FYE '18 VARIANCE	PRIOR YR (FYE '17) ACTUAL
Ordinary Income/Expense							
Income							
Contracted Services Fees	\$ 50,364	\$ 97,698	\$ 96,390	52%	101%	\$ 65,980	
Registration (Tuition Classes)	\$ 32,320	\$ 49,045	\$ 66,975	48%	73%	\$ 55,389	
ITC Income							
ITC Tuition (includes Cabaret)	\$ 64,450	\$ 65,150	\$ 67,750	95%	96%	\$ 61,750	
ITC Box Office	\$ 100	\$ 21,000	\$ 24,200	0%	87%	\$ 21,634	
ITC Ad Sales	\$ 1,765	\$ 4,000	\$ 3,930	45%	102%	\$ 4,560	
ITC Merchandise Sales	\$ 30	\$ 1,700	\$ 1,955	2%	87%	\$ 1,925	
ITC Concessions (Donations)	\$ -	\$ 1,650	\$ 1,650	0%	100%	\$ 1,638	
ITC Other Income	\$ -	\$ -	\$ -				
Total ITC Income	\$ 66,345	\$ 93,500	\$ 99,485	67%	94%	\$ 91,507	
Special Events Income	\$ 58,903	\$ 61,000	\$ 96,745	61%	63%	\$ 99,743	
Allies in The Arts/Nurses YAWA Grants	\$ 35,000	\$ 35,000	\$ 30,000	117%	117%	\$ 22,500	
Foundation Grants	\$ 40,350	\$ 78,000	\$ 87,850	46%	89%	\$ 30,400	
Government Grants	\$ 58,786	\$ 73,665	\$ 77,100	76%	96%	\$ 59,936	
Gifts Individuals (other than Direct Appeals/Spec Events)	\$ 7,065	\$ 15,000	\$ -	0%	0%	\$ 41,072	
Corporate and Matching	\$ 440	\$ 22,500	\$ 22,500	2%	100%	\$ 50,562	
Service Organizations	\$ -	\$ -	\$ -				
Direct Appeals (newsletters, annual appeal, peer-to-peer)	\$ 44,208	\$ 48,000	\$ 99,300	45%	48%	\$ 41,157	
In-kind Donations (Gala)		\$ 900	\$ -	0%	0%	\$ 6,976	
In-kind Services (Gala + audit)		\$ 50	\$ -	0%	0%	\$ 5,850	
Credit Card Convenience Fees	\$ 311	\$ 850	\$ -	0%	0%	\$ 936	
Interest Income	\$ 629	\$ 750	\$ 600	105%	125%	\$ 348	
Investment Income - Other	\$ -						
TOTAL INCOME	\$ 394,721	\$ 575,958	\$ 676,945	58%	85%	\$ 557,144	

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FYE 8.31.2018

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Expense							
Contracted Service Expenses							
Professional Services							
Teaching Artists (Contracted Svcs-partner orgs)	\$ 32,634	\$ 64,385	\$ 66,899	49%	96%	\$ 47,863	
TAs (Registration - tuition classes) incl TA trainings	\$ 11,510	\$ 19,000	\$ 21,174	54%	90%	\$ 22,648	
Teaching Artists (WRNMMC Allies/Nurses YAWA)	\$ 10,040	\$ 25,000	\$ 25,450	39%	98%	\$ 27,038	
Art and Drama Supplies							
WRNMMC Allies and Nurses YAWA	\$ 1,618	\$ 12,000	\$ 5,000	32%	240%	\$ 3,674	
Registration (Tuition Classes)	\$ -	\$ -	\$ -			\$ -	
Background Checks and CPR Training	\$ 396	\$ 800	\$ 1,000	40%	80%	\$ 938	
Acc'ting & Legal/Design/Grant Writing/Curricula	\$ 9,810	\$ 14,000	\$ 27,300	36%	51%	\$ 29,930	
Web Hosting / Management / Support / E-mail	\$ 333	\$ 600	\$ 470	71%	128%	\$ 650	
IT Consulting / Support	\$ -	\$ 350	\$ -			\$ 4,130	
Total Contracted Services Expense	\$ 66,341	\$ 136,135	\$ 147,293	45%	92%	\$ 136,871	
Scholarships Awarded	\$ 3,992	\$ 9,000	\$ 9,090	44%	99%	\$ 6,980	
ITC Expenses (other than Facilities/Equipment)							
Professional Services (Theatre personnel)	\$ 26,394	\$ 62,000	\$ 58,550	45%	106%	\$ 55,666	
Printing / Merchandise	\$ 1,632	\$ 3,800	\$ 3,397	48%	112%	\$ 6,380	
Lighting, Recording, Set, Sound	\$ 166	\$ 1,050	\$ 1,050	16%	100%	\$ 612	
Sign Interpreters	\$ -	\$ 1,210	\$ 1,210	0%	100%	\$ 1,181	
Travel (mileage) / Concessions Expense / Sales Tax	\$ 356	\$ 2,115	\$ 2,115	17%	100%	\$ 1,734	
Salaries and Related Employee Expenses							
Payroll (1 - 3% merit on anniversary)	\$ 124,784	\$ 276,860	\$ 270,190	46%	102%	\$ 259,381	
Empl Benefits, Emp'er PR Taxes, PR Processing Fees	\$ 13,856	\$ 28,800	\$ 28,685	48%	100%	\$ 22,131	
Professional Development	\$ 119	\$ 300	\$ 1,000	12%	30%	\$ 1,183	

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Actuals to YE Projections (at 50% of Yr)
FYE 8.31.2018

	ACTUAL TO 02.28.18	FYE '18 PROJECTED	ANNUAL BDGT FYE '18	YTD TO BUDGET	FYE '18	PROJECTED FYE '18 VARIANCE	PRIOR YR (FYE '17) ACTUAL
Facilities and Equipment Expense							
Office Rent	\$ 21,045	\$ 41,445	\$ 46,600	45%	89%	\$ 32,708	
Contracts / leasing / purchases	\$ 1,238	\$ 2,400	\$ 2,660	47%	90%	\$ 1,869	
Classroom Rentals	\$ 1,435	\$ 4,000	\$ 5,522	26%	72%	\$ 2,919	
ITC Rehearsal / Performance / Storage Rentals	\$ 15,820	\$ 32,000	\$ 36,630	43%	87%	\$ 29,265	
ITC Costumes / Props / Truck Rental	\$ 1,561	\$ 5,000	\$ 5,950	26%	84%	\$ 3,342	
Total Facilities and Equipment Expense	\$ 41,099	\$ 84,845	\$ 97,362	42%	87%	\$ 70,103	
Office Expenses							
Supplies / Software	\$ 1,337	\$ 2,000	\$ 3,415	39%	59%	\$ 1,981	
Telephone	\$ 1,124	\$ 2,000	\$ 1,200	94%	167%	\$ 1,281	
Postage and Shipping	\$ 705	\$ 1,200	\$ 1,050	67%	114%	\$ 1,751	
Printing and Copying	\$ 1,568	\$ 1,800	\$ 3,345	47%	54%	\$ 4,282	
Licenses and Permits	\$ 1,582	\$ 1,800	\$ 3,900	41%	46%	\$ 2,715	
Conference(s)	\$ 620	\$ 1,750	\$ 400	155%	438%	\$ 1,363	
Volunteer Recognition	\$ 48	\$ 75	\$ 450	11%	17%	\$ 223	
Total Office Expense	\$ 6,984	\$ 10,625	\$ 13,760	51%	77%	\$ 13,596	
Travel and Meeting Expenses							
Staff Travel (non-program)	\$ 8	\$ 150	\$ 648	1%	23%	\$ 332	
Meetings: Board / Committee / Strategic Plan	\$ 932	\$ 950	\$ 840	111%	113%	\$ 987	
Contracted Services Travel	\$ 25	\$ 250	\$ 509	5%	49%	\$ 296	
Registration Classes / Programs other than ITCs	\$ 680	\$ 800	\$ 837	81%	96%	\$ 496	
Total Travel and Meetings Expense (other than ITCs)	\$ 1,645	\$ 2,150	\$ 2,834	58%	76%	\$ 2,111	
Fundraising Expenses							
Special Events	\$ 14,414	\$ 15,200	\$ 16,740	86%	91%	\$ 22,772	
Direct Mail	\$ 2,840	\$ 3,200	\$ 5,645	50%	57%	\$ 2,508	
Total Fundraising Expenses	\$ 17,254	\$ 18,400	\$ 22,385	77%	82%	\$ 25,280	

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Actuals to YE Projections (at 50% of Yr)
FYE 8.31.2018

	ACTUAL TO 02.28.18	FYE '18 PROJECTED	ANNUAL BDGT FYE '18	YTD FYE '18 TO BUDGET	PROJECTED FYE '18 VARIANCE	PRIOR YR (FYE '17) ACTUAL
Other Expenses						
Advertising / Marketing Costs	\$ 2,385	\$ 2,500	\$ 525	454%	476%	\$ 6,398
Interest / Fines / Penalties	\$ -	\$ -	\$ -			\$ 1,350
Insurance	\$ 10,574	\$ 12,000	\$ 10,600	100%	113%	\$ 22,030
Bank Service Charges	\$ 345	\$ 900	\$ 1,560	22%	58%	\$ 1,568
In Kind Expense		\$ 950				\$ -
Dues and Subscriptions	\$ 2,167	\$ 2,170	\$ 1,850	117%	117%	\$ 1,420
Total Other Expenses	\$ 15,471	\$ 18,520	\$ 14,535	106%	127%	\$ 32,766
Depreciation Expense						
Total Expenses	\$ 320,093	\$ 654,600	\$ 671,341	48%	98%	\$ 634,241
Net Ordinary Income	\$ 74,628	\$ (78,642)	\$ 5,604			\$ (77,097)
Other Income/Expense						
Other Income						
Gain or Loss on Mutual Funds						\$ 22,602
Net Other Income						\$ 22,602
Net Income						\$ (54,495)













ArtStream, Inc.
Balance Sheet
As of February 28, 2018

	Feb 28, 18
ASSETS	
Current Assets	
Checking/Savings	
Capital Bank - 3911	23,354
Capital Bank - 4518 MMF	51,493
Folio Investments, Inc.	188,000
PayPal Account	176
Total Checking/Savings	263,023
Accounts Receivable	
Accounts Receivable	36,874
Total Accounts Receivable	36,874
Other Current Assets	
Prepaid Expenses	798
Undeposited Funds	40
Total Other Current Assets	838
Total Current Assets	300,735
Fixed Assets	
Accum. Depreciation - Computer	-8,125
Accum. Depreciation Furniture	-3,272
Computer Equip.	9,009
Furniture and Equipment	10,343
Total Fixed Assets	7,954
Other Assets	
Deposits Payable	14,031
Security Deposits	1,005
Total Other Assets	15,036
TOTAL ASSETS	323,725
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	17,160
Total Accounts Payable	17,160

ArtStream, Inc.
Balance Sheet
As of February 28, 2018

	Feb 28, 18
Credit Cards	
Capital Bank MasterCard	8,266
Total Credit Cards	8,266
Other Current Liabilities	
Deferred Income	1,170
Payroll Liabilities	
401(k) contributions	-314
Accrued Salaries	908
Accrued P/R Taxes	-1,642
Employee Dental Ins Deductible	-46
Employee Health Ins Deductions	-663
Employee Vision Ins Deductions	-19
Total Payroll Liabilities	-1,777
Total Other Current Liabilities	-607
Total Current Liabilities	24,820
Total Liabilities	24,820
Equity	
Retained Earnings	224,277
Net Income	74,628
Total Equity	298,905
TOTAL LIABILITIES & EQUITY	323,725

District Capital Invested Funds: ArtStream as of 5/2/18

	Current Market Value	Previous Close	Change		YTD Return	% of Total Assets
Total Value (RG9898500F)	\$187,916.19	\$188,232.34	(\$316.15)		-0.10%	100.00%
Folios	\$185,761.71	\$186,077.86	(\$316.15)			98.85%
Alternative MultiStrategy	\$10,382.32	\$10,382.32	\$0.00		-4.09%	5.53%
GEQ - ETF	\$40,438.31	\$40,632.24	(\$193.92)		-0.24%	21.52%
Global Active Value	\$9,556.06	\$9,556.06	\$0.00		-1.96%	5.09%
Global Bonds GIM	\$56,042.87	\$56,173.41	(\$130.53)		1.28%	29.82%
Global Bonds TTRZX	\$18,904.08	\$18,904.08	\$0.00		2.53%	10.06%
Green Stocks	\$10,048.32	\$10,048.32	\$0.00		-0.07%	5.35%
US Core Bond	\$8,631.20	\$8,629.55	\$1.64		-2.78%	4.59%
US Short Duration Fixed	\$12,986.21	\$12,979.55	\$6.66		-0.83%	6.91%
US TIPS 8 YR	\$18,772.33	\$18,772.33	\$0.00		-1.29%	9.99%
Non-folio Holdings	\$0.00	N/A	N/A		0.00%	0.00%
Cash	\$2,154.48	\$2,154.48	\$0.00			1.15%

	Current Market Value	Previous Close	Change		YTD Return	% of Total Assets
Settled Cash	\$2,509.87	\$2,509.87	\$0.00	▬		
Pending Cash	(\$355.39)	(\$355.39)	\$0.00	▬		
Total Returns Since Inception (06/30/2017): 0.72%						