

ArtStream
Board of Director's Meeting
January 22, 2018

MINUTES

ROLL CALL

Maggie Haslam conducted roll call. In attendance at the meeting: Eleanor Allen (by phone); Lina Aybinder, (Outgoing Treasurer); Pamela Brown; Kristen Chou; Kirsten Davidson, Client Liaison; Adam Fine; Sari Hornstein, Vice President; Karen Mitchell; and Frank Myers, Chair.

ArtStream staff in attendance: Doreen Cronrath, Director of Finance and Administration; and Heller An Shapiro, Executive Director.

Not able to attend: Paul Murray, Treasurer

MINUTES RATIFICATION

A motion was made to approve the minutes from the November 16, 2017 meeting as written. The motion carried without dissent.

WELCOME TO CLIENT LIAISON KIRSTEN DAVIDSON

Frank Myers welcomed Kirsten Davidson to the Board. The Client Liaison is an important role to keep the board grounded in what's going on in the ArtStream community. Frank encouraged Kirsten to comment on any subject, and let the Board know what she thinks will be a benefit to the actors' community.

FAREWELL TO TREASURER LINA AYBINDER

Frank Myers presented Lina Aybinder with a plaque in recognition of her generosity, guidance, and financial know-how. Lina served two terms on the Board, from 2012-2018. Lina supported ArtStream throughout her board service, as vice chair, chair, and treasurer; helped to select the new auditors; and chaired the Gala.

REVIEW OF FY17 AUDIT

Jennifer Estrada and Scott Rodgville from Gorfine Schiller Gardyn (GSG) reviewed the SAS 114 and the audit. GSG audits about 150 nonprofits annually. Although first year audits can be very challenging, no significant difficulties were encountered during the audit. There were no disagreements with management or unidentified amounts. The process went very well because Doreen Cronrath was prepared and very easy to work with.

The Schedule of Functional Expenses is very carefully reviewed because of the sensitivity and importance to nonprofits. In FY17, 86% of ArtStream's expenses were program expenses.

ArtStream received an unmodified opinion, which is the highest level of assurance auditors can give. The highest expense increase was in salaries (\$33,000). In the past few years, net income has been around \$2,000, but in FY17 ArtStream had a net loss of \$57,000.

The auditors noted that the Financial Accounting Standards Board (FASB) will change the statements in FY19, including a new note disclosure on liquidity. For example, the Schedule of Functional Expenses will become the Statement of Functional Expense and move to the front of the audit. Organizations will have to explain how they plan to manages resources to cover general expenditures within one year of the balance sheet date.

FY18 Q1 FINANCIAL REPORT/620 PERSHING SUMMARY

Heller An Shapiro reported that in the first quarter of FY18, total income is \$273,216, which is 40% of budget. Total expenses are \$111,853, which is 24% of budget.

Projections for the full year show only confirmed revenue. Expected grants, events, and donations are not included if they are not confirmed. The goal is to allow board and staff to review a realistic budget that can be carefully tracked so that ArtStream does not have another deficit year. The Dashboard shows that FY16 revenue was unusually high. The FY17 budget was based on FY16 numbers, which means revenue expectations may be too high. ArtStream does show steady revenue growth of 15% from FY14 to FY17.

At least \$120,260 still needs to be raised to balance the FY18 budget. Currently, grant proposals or Letters of Inquiry to grantors for \$84,000 have been submitted. The Paul M. Angell Family Foundation accepted a Letter of Inquiry for a \$15,000 proposal. A proposal will also go to the Cafritz Foundation. These would be new sources of funding. Development goals include developing new partnerships for contract classes, reaching out to individual donors, expanding peer-to-peer fundraising and other social media fundraising, and adding an additional fundraising event if it will attract a new audience. A 5%-10% increase in the number of donors is a reasonable goal based on past years.

On December 1, 2017, the final rent payment on the former ArtStream office at 620 Pershing Drive, Silver Spring, MD, was completed. The total cost to get out of that lease was **\$7,128** (\$2,500 in August, \$1,432 monthly from September through December, minus the \$1,100 deposit.) An anonymous \$2,500 donation was received to cover the cost of the August rent. (Under the original lease, ArtStream owed \$25,000 from August 2017-May 2018.) Moving costs of \$950 were paid in FY17. An additional \$1,000 in moving expenses was incurred in FY18.

YOU ARE A WORK OF ART/ALLIES IN THE ARTS

ArtStream took on the Allies in the Arts (Allies) program in 2010, and You are a Work of Art (YAWA) in 2013. A request by Walter Reed National Military Medical Center for an additional \$17,000 program in the Psychiatric Unit is pending.

ArtStream covered expenses, over and above grant funding, of \$48,832 from 2015-2017. (-16,484 in 2015, -\$1,932 in 2016, and -\$25,416 in 2017).

Grant proposals for the Psychiatric unit program were sent to the following new Foundations this fiscal year: AMC Lifting Lives Foundation, Frank S. Nicoll, Jr. and Joanne M. Nicoll Foundation, Inc., and Bristol-Myers Squibb Foundation. AMC Lifting Lives did not approve funding. The other two are still in process.

Currently, ArtStream is diverting attention and funds to these programs, and away from the core mission of providing performing arts programming for people with IDD.

Board members agree that this is a valuable program supporting injured servicemembers. Discussion of possible new YAWA funding sources included new grants, hospitals and nursing schools or nursing associations. New Allies funding might come from new grants, veterans' groups, corporations, or credit unions. Articles for newsletters, blogs, or social media might develop interest and/or funding. Judy Rollins might be able to research and write additional grants.

In preparation for continued discussion at the March 12, 2018 Board meeting, Heller An Shapiro will meet with Judy Rollins to discuss:

1. Funding concerns (review 2014-2017 cost analysis)
2. ArtStream's intention to consider maintaining the program only if it is fully funded with minimal impact on staff time focused on the core mission
3. Options to find a good home for the program and ensure a smooth transition

GALA SURVEY RESULTS

Board members reviewed the Gala survey results and discussed options for moving the Gala to a Saturday in the Fall. In addition to doubling the cost, most venues, including the Bethesda Ballroom, are already fully booked on Fridays and Saturdays, September – November. Sites in Virginia were briefly discussed.

The Board decided to investigate the availability of Sunday evenings at the Bethesda Ballroom for September-November 2018. Heller An Shapiro will check dates and report back to the Board.

DASHBOARD UPDATE

The total number of Teaching Artists increased by 41%, and the number of Teaching Artists in Virginia increased by 26% from FY16 to FY17. This also addresses an "obstacle to overcome" in the 2017-2019 Strategic Plan.

STRATEGIC PLAN PROGRESS REPORT

Progress toward goals is proceeding rapidly. Changes to the plan include the decision to let the Cabaret performers emcee the February show, rather than seeking a professional performer. An "obstacle to overcome" was teacher turnover in the Inclusive Theatre Companies. This was effectively managed and all positions are filled.

NEW BUSINESS

ArtStream will be the “cause” at the February 2, 2018, Network for a Cause event in Gaithersburg, MD. Heller An Shapiro and Sari Hornstein will attend. Maggie Haslam agreed to serve as back up for Sari.

Paul Murray plans to provide recommended amounts to meet the Reserve Policy guidelines at the March 22, 2018 meeting.

Heller An was invited to serve on an NEA Cross-Sector Arts Partnership grant review panel, Feb 27, 2018. This should provide insight into the grant review process and build ArtStream’s network.

NEXT MEETING

The next meeting of the Board of Directors will be **Monday, March 12, 2018, 7-9 p.m.** in the ArtStream office.

The meeting was adjourned at 9:15 p.m.

Respectfully submitted,
Maggie Haslam

2018 MEETING DATES

All meetings are scheduled from 7-9 p.m.

Monday, March 12, 2018

Monday, May 21, 2018

Monday, July 23, 2018

Monday, September 17, 2018

Monday, November 5, 2018