

ArtStream
Board of Director's Meeting
February 12, 2019
(rescheduled from January 14, 2019)

APPROVED MINUTES

ROLL CALL

Maggie Haslam conducted roll call. In attendance at the meeting: Eleanor Allen*; Pamela Brown*; Kristen Chou, Mike Cooper; Cameron Elliot; Adam Fine; Lisa Gaffney*; Maggie Haslam, Secretary; Sari Hornstein, Vice President; Karen Mitchell; Frank Myers, Chair; and Julie Reddig.

*Attended by phone

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

Not able to attend: Kirsten Davidson, client liaison; Paul Murray, Treasurer

MINUTES RATIFICATION

A motion was made to approve the minutes from the November 5, 2018 meeting. The motion carried without dissent.

INVESTMENT REVIEW

Alvin Carlos of District Capital reviewed ArtStream's investment portfolio as of February 6, 2019. In accordance with the Reserve Policy, ArtStream's reserves are invested in conservative, moderate and growth funds. The conservative funds are allocated as the Short-Term Reserve, which provides funds to support short-term cash flow needs due to fluctuations in monthly revenue and expense patterns. The Short-Term Reserve Fund should have maximum liquidity and be subject to minimal market risk. Some funds were sold to meet the Board-approved allocation for the Short-Term Reserve. The total is now up by 2%, inclusive of fees. Alvin estimates 5% increases per year moving forward.

Alvin briefly reviewed the 2018 investment strategy, noting that the stock market fluctuated as investors were afraid of the impact of the US-China trade war. There was also a steep drop in the week leading up to Christmas because of concern about interest rates going up too fast and the economy being choked off. News that there are no planned rate increases, and the scheduling of March 2019 China trade talks are bringing the market back up again.

An investment in Hedge Fund Strategies underperformed so it was sold. The funds were redistributed into the High Yield Bond where yields have been increasing. Bonds were down in December 2018, so it was a good time to purchase the High Yield Bond and these funds are now up 16.87%.

District Capital's advisor fees are 1%, and it is their policy to seek low-cost funds, such as US bonds with fees less than .1%, and low-fee index funds. The highest fee investment is the US and Global Stocks, with a fee close to 1%.

Lisa Gaffney asked about allocating too much to volatile bond prices. Alvin believes that right now the diversified bond funds in ArtStream's portfolio are not as risky as stocks. The currencies abroad are likely to appreciate versus the dollar and this will be a plus. Currently we are receiving a 6% return.

FY19 BUDGET UPDATE

As of FY19 Q1, gross revenue is \$340,790, which is 49% of the total year's budget (\$699,450). Total expenses are \$158,088 which is 23% of the total year's budget (\$699,450).

As of 2/6/19, there is \$191,755 in reserve funds invested with District Capital.

Grant funding is slowly increasing. The standard language is improving thanks to the marketing consultant and grant writers better defining our programs and results. So far in FY19 Q2, we received an additional \$23,500 in foundation grants, bringing the total revenue up to 55% of budget (\$387,340).

Heller An Shapiro is serving as a grant reviewer for Maryland State Arts Council (MSAC), which provides insight into how to make ArtStream's future applications even stronger.

Development Assistant Marilyn Brown is supporting individual donor appeals by researching donors, running reports on current donors, and cleaning up the database to make it more efficient. For example, she added a field to track how donors want to be listed in the annual impact report.

It is not clear how the changes in tax laws are impacting ArtStream. The Annual Appeal was down slightly and giving dropped off at the end of December. However, this could be a result of the August Board Match appeal, along with a successful Gala and Giving Tuesday.

New fundraising event plans include a first night raffle at performances, cultivation events for potential high donors during tech week, and a wine tasting event to be scheduled the week of June 24-28, 2019. Board members offered to write Tech Week invitation notes to their contacts.

Mike Cooper and Sari Hornstein shared how the Gaithersburg Inclusive Theatre Company Master Class was a great opportunity to show the impact of what we do. The importance of sharing hands-on activities like this can't be underestimated, especially for donors.

The additional background checks for volunteers are being completed, with some volunteers personally paying for theirs. No problems have been uncovered.

WHISTLEBLOWER POLICY

Discussion focused on whether the policy on reporting Improprieties, Fraudulent or Dishonest Conduct should include contractors. Board members agreed that ArtStream would be better served by developing a code of conduct for contractors.

Heller An will send copies of current Teaching Artist and volunteer guidelines to Board members, in order to determine what is needed for a Code of Conduct.

A motion was made to approve the policy on reporting Improprieties, Fraudulent or Dishonest Conduct as proposed on 1/14/19. The motion carried without dissent.

RISK MANAGEMENT PRIORITIES

Board members agreed that participants are the number one risk management priority. Doreen Cronrath is getting a quote for an abuse and molestation insurance policy to be added. This will replace the umbrella policy, which is not necessary because the assets are limited.

The risk from volunteers or Teaching Artists driving ArtStreamers to or from classes should also be reviewed. CSAAC's transportation policy may provide a useful template.

A leak of information from the database is unlikely, since no financial data (credit cards or bank accounts) is kept there, or in the office.

Board members agreed to make a statement of values part of the FY20-22 Strategic Planning process.

We will continue working toward the Maryland Nonprofit Standards of Excellence certification. Many of the required policies are contained in the new Employee Handbook, which the Board expects to approve as soon as legal review is completed.

DASHBOARD FY19 Q1

Board members approved the new format. It is useful to visualize total students by program. The FY19 Grant total amount is currently at \$115,817, which is ahead of the total FY17 grants (\$112,836).

STRATEGIC PLAN PROGRESS REPORT

Lisa Gaffney led a discussion regarding the information that will be useful for the Board to have prior to the May 6, 2019 Strategic Planning retreat.

Board members agreed that surveys should be sent to current families and participants, Teaching Artists, and Board members. Information can also be gathered from peer organizations, disability service providers and performing arts organizations, such as Target, MOST, Imagination Stage, Roundhouse, Service Source, Project Search, SEEC, Bright Horizons, DC Coalition of Disability Service Providers, Best Buddies, Special Olympics, and MainStreet.

A guest speaker could kick off the Retreat with food for thought.

Possibilities for expanding current strategic priorities included exploration of leveraging ArtStream as the arts alternative to Best Buddies or Special Olympics, taking over the Young Playwrights competition from VSARTS, and marketing the pre-employment skills that ArtStream provides.

Outreach to new participants continues to be a critical goal. Is there a way to survey people who don't sign up for ArtStream to better understand how to attract new people? The free tickets for transitioning youth have already been used by nine people at the VA and MD Cabarets. One is now in the VA Cabaret. New digital flyers make it easier for families to invite people to shows.

Future outreach includes an ArtStream class in the community center at Main Street when it opens in Rockville Town Center in June 2021.

NEW BUSINESS

Steve Corn, a 65-year-old ArtStreamer passed away on February 9, 2019 after a long illness. We plan to dedicate a show in his memory and place a dedication in the Arlington Inclusive Theatre Company Stagebill. The VA Cabaret that he was a part of will also consider doing something in his honor at their May 20, 2019 performance. Heller An is working with the Cabaret Director to assist the actors in processing this loss. Board members suggested providing a grief counselor if needed.

Thanks to Adam Fine for reviewing and filing for our trademark renewal, and for recommendations to the Whistleblower Policy.

Board members received ArtStream note cards to use in their correspondence.

NEXT MEETING

The next meeting of the Board of Directors will be **Monday, March 11, 7-9 p.m.** in the ArtStream office.

The meeting was adjourned at 9:00 p.m.

Respectfully submitted,
Maggie Haslam

2019 MEETING DATES

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

Monday, March 11, 2019

**Board Strategic Planning Retreat
Monday, May 6, 2019, 4-9 p.m.**

Monday, June 17, 2019

Monday, September 16, 2019

Monday, November 4, 2019