

June 17, 2019

**TO:** Board of Directors  
**FROM:** Heller An Shapiro  
**RE:** FY20 Budget Proposal

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**GOALS:**

- Continue to grow grant revenue
- Continue to grow individual donors/revenue
- Increase outreach to identify new families, students, contracting organizations
- Align staff skills/salaries with strategic goals

Total income increases by:

12% over FY19 projected

10% over FY18 actual

(FY20: \$727,082 over FY19 projected: \$649,662 or FY18 actual: \$662,569)

Note: FY18 income increased 14% over FY17 income.

Total expense increases by:

9% over FY19 projected

11% over FY18 actual

(FY20: \$726,227 over FY19 projected: \$668,105 or FY18 actual: \$652,450)

Note: FY18 expenses increased 2% over FY17 income.

**Revenue projections are based on:**

Corporate Donations/Gifts: 0% increase over FY19 projected as of Q3

(\$26,500 over \$26,500)

We have a confirmed FY19 Corporate donor at \$20,000 that will be received in Q4. This donor will give again in FY20.

Individual donations: 9% increase over FY19 projected as of Q3

(\$196,735 over \$181,237)

Increased donor relationship building and engagement planned.

Grants: 18% increase over FY19 projected as of Q3

(\$218,600 over \$186,000)

New grants received in FY19 are expected to be maintained or increased in FY20, however, to be safe, this total represents 92% of the anticipated grant revenue. Dominion Guild approved us for a \$10,000 grant in FY20. Cafritz Foundation is expected to approve a \$20,000 grant in FY19 Q4 and could return at that level or higher in FY20. Abell Foundation typically gives \$20,000 in even years. We were invited to apply for \$5,000 from the Jack R Anderson Foundation, with an expectation of annual gifts to follow.

Contracted Services: 12% increase over FY19 projected as of Q3  
(\$101,145 over \$90,375) This could increase if outreach identifies new partners and if day programs are successful.

Tuition (classes and Performing Companies): 10% increase over FY19 projected as of Q3  
(\$134,370 over \$122,400)  
GMU class is back to two semesters. Projections are based on 10 students per class. If more classes fill to 15, the revenue increases. This could also increase if day classes or other new classes are successful.

**Expense projections are based on:**

Subcontractor/Professional fees: 6% increase over FY19 projected as of Q3  
(\$218,107 over \$205,000)  
Includes additional funding for Outreach, Master Teachers, and Teaching Artist training  
(We will have to replace three Inclusive Theatre Company Directors this year.)

Personnel expenses: 9% increase over FY19 projected as of Q3  
(\$322,166 over \$294,920)  
Includes \$3,600 for matching medical insurance benefits for up to 4 employees (currently 2 are using it), replacing the Theatre and Events Manager and up to 3% raises on employee anniversary dates.

Production Expenses: 4% increase over FY19 projected as of Q3  
(\$57,025 over \$54,590)  
We include \$9,000 in rent for the Costume Shop, in case the landlord decides to bill us for it.

# ArtStream, Inc.

## Proposed Budget Overview

### Sept '19 - Aug '20

	Proposed FY Sep '19 - Aug '20	Current Year Actual Q3 (to 5.31.19)	Adopted FY Sep '18 - Aug '19
<b>Ordinary Income/Expense</b>			
<b>Income</b>			
Donated Income			
Corporate Donations/Gifts			
Matching Gifts	1,000	702	800
Service Organizations	500	400	800
Sponsorship- Special Event	9,000	9,000	12,000
Corporate Donations/Gifts - Other	16,000	1,161	21,800
Total Corporate Donations/Gifts	26,500	11,263	35,400
Gifts from Individuals			
Board (Direct Giving)	65,000	39,550	55,000
Campaigns	1,920	1,418	1,000
Concessions	1,475	954	1,725
In Honor - In Memory	8,080	13,475	16,000
Individuals Unrestricted	76,300	63,682	60,000
Scholarship Tickets	1,000	875	-
Sponsorship - Special Event	42,000	42,000	35,000
Gifts from Individuals - Other	960	-	-
Total Gifts from Individuals	196,735	161,954	168,725
Grants			
Foundation Grants	136,200	68,666	135,000
Government Grants	82,400	69,267	91,000
Total Grants	218,600	137,933	226,000
Donated Income - Other	-	-	-
Total Donated Income	441,835	311,150	430,125
Investment Income			
Interest Income	1,461	1,038	750
Total Investment Income	1,461	1,038	750
Program Generated Income			
Box Office Receipts	26,700	16,690	25,600

**ArtStream, Inc.**  
**Proposed Budget Overview**  
**Sept '19 - Aug '20**

	Proposed FY Sep '19 - Aug '20	Current Year Actual Q3 (to 5.31.19)	Adopted FY Sep '18 - Aug '19
<b>Contracted Services</b>			
Classes	90,045	68,525	83,000
Workshops	11,100	6,855	4,000
Contracted Services - Other	-	-	-
<b>Total Contracted Services</b>	<b>101,145</b>	<b>75,380</b>	<b>87,000</b>
Convenience Fees	-	1,262	1,000
<b>Merchandise</b>			
ArtStream for Life Handbook	70	100	110
Car Magnets	160	100	100
Cross-stitch	190	70	130
Notecards	160	65	80
<i>The Colorful Adventures</i> (current yr)	-	50	355
Reusable Shopping Bag	160	42	-
Tote Bags	36	144	-
Water Bottle	200	150	-
<b>Total Merchandise</b>	<b>976</b>	<b>721</b>	<b>775</b>
Program ads	4,970	3,411	4,700
<b>Tuition</b>			
Classes	56,645	43,100	55,000
Companies	77,725	70,501	78,250
<b>Total Tuition</b>	<b>134,370</b>	<b>113,601</b>	<b>133,250</b>
<b>Total Program Generated Income</b>	<b>268,161</b>	<b>211,065</b>	<b>252,325</b>
<b>Special Events</b>			
Silent Auction / Raffle	3,000	5,487	4,500
<b>Ticket Sales</b>			
ArtStreamer	2,500	2,400	
At Door	-	300	
Companion	750	675	
Pre-sale	9,375	7,625	
<b>Total Ticket Sales</b>	<b>12,625</b>	<b>11,000</b>	<b>10,750</b>
<b>Total Special Events</b>	<b>15,625</b>	<b>16,487</b>	<b>15,250</b>
<b>Total Income</b>	<b>727,082</b>	<b>539,740</b>	<b>699,450</b>
<b>Gross Profit</b>	<b>727,082</b>		<b>699,450</b>

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**Sept '19 - Aug '20**

<b>Expense</b>	<b>Proposed FY Sep '19 - Aug '20</b>	<b>Current Year Actual Q3 (to 5.31.19)</b>	<b>Adopted FY Sep '18 - Aug '19</b>
<b>Administrative Expenses</b>			
Advertising		320	225
<b>Bank Service Charge</b>			
Bank Maintenance Fees	240	198	240
CC Processing Fees	-	1,599	1,300
Total Bank Service Charge	240	1,797	1,540
Dues & Subscriptions	4,500	2,742	4,225
Equipment		11,651	1,000
Equipment Lease	2,200	1,712	2,160
<b>Insurance</b>			
Director & Officers Ins.	840	451	1,300
Liability Insurance	2,040	647	3,400
Umbrella	1,765	955	2,600
Worker's Compensation	9,000	3,332	10,000
Total Insurance	13,645	5,385	17,300
Licenses and Permits	3,320	4,268	2,800
Meeting Expense	1,010	1,525	950
Office rent	38,440	27,055	37,950
Office supplies	3,030	2,129	2,830
Postage and Delivery	2,500	2,199	2,980
Telephone	1,950	1,551	1,920
Staff and Volunteer Recognition	750	61	200
Total Administrative Expenses	71,585	62,395	76,080
Computer Software/Applications	1,650	704	2,500
<b>Conference</b>			
Registration	300	52	600
Total Conference	300	52	600
<b>Fees</b>			
Ticket Processing Fees	50	26	-
Total Fees	50	26	-

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	Proposed FY Sep '19 - Aug '20	Current Year Actual Q3 (to 5.31.19)	Adopted FY Sep '18 - Aug '19
<b>Marketing</b>			
Ad Placement	200	380	1,000
design services	-	42	5,000
email service	850	683	135
Merchandise Expense / Festivals	-	2,470	200
Photos	70	52	-
Web hosting and maintenance	250	234	565
<b>Total Marketing</b>	<b>1,370</b>	<b>3,861</b>	<b>6,900</b>
<b>P-Subcontractor Fees - Direct</b>			
Administrative	-	775	-
WRNMMC	-	3,390	-
Classes - Registration	19,051	11,849	19,755
Contracted Services	61,106	41,480	57,550
ITCs	69,550	55,670	73,800
Master Teachers	8,000	1,060	5,000
Outreach	3,250	-	-
TAs Trainings	5,550	1,520	3,300
<b>Total P-Subcontractor Fees - Direct</b>	<b>166,507</b>	<b>115,744</b>	<b>164,955</b>
<b>Personnel Expenses</b>			
<b>Employee Benefits (Fringes)</b>			
AD&D Ins	20	16	30
Life Insurance	370	238	426
Medical Insurance	5,400	1,537	3,600
Short-term Disability	1,120	847	1,300
<b>Total Employee Benefits (Fringes)</b>	<b>6,910</b>	<b>2,638</b>	<b>5,356</b>
<b>Employer Taxes</b>			
FICA Med	4,200	2,801	4,036
FICA SS	17,955	11,978	17,256
FUTA	-	-	-
MD Suta	1,165	(230)	1,110
<b>Total Employer Taxes</b>	<b>23,320</b>	<b>14,549</b>	<b>22,402</b>
Insurance Services Fees	-	-	150
Payroll Processing Fee	1,790	1,542	1,650
Retirement Services Fees	600	450	1,000
Salaries	289,546	193,186	278,380
<b>Total Personnel Expenses</b>	<b>322,166</b>	<b>212,365</b>	<b>308,938</b>

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	Proposed FY Sep '19 - Aug '20	Current Year Actual Q3 (to 5.31.19)	Adopted FY Sep '18 - Aug '19
<b>Printing</b>			
ArtStream for Life Handbook	-	-	-
Flyers / Brochures	3,000	2,602	1,850
Fundraising-Invitations	300	261	350
Impact Report	550	521	700
Letterhead-Envelopes	2,500	1,986	1,600
Newsletters	3,200	1,351	2,625
Posters and Signs	170	127	240
programs	4,850	2,563	6,000
Scripts and Handbooks	180	178	450
<b>Total Printing</b>	<b>14,750</b>	<b>9,589</b>	<b>13,815</b>
Professional Development	250	220	500
<b>Professional Fees</b>			
Acc'ting and Legal	6,500	6,200	6,000
Design-Communications-Photograp	32,850	28,952	
Grant Writing	6,000	2,520	6,000
Tech Consulting	3,000	5,153	900
<b>Total Professional Fees</b>	<b>48,350</b>	<b>42,825</b>	<b>12,900</b>
<b>Program-Related Expenses</b>			
Art and Drama Supplies	950	-	7,200
Background Checks & CPR	2,150	1,469	1,200
Concessions Expense	540	371	600
<b>Occupancy</b>			
class occupancy	9,570	4,652	12,130
performance occupancy	23,910	9,969	23,840
rehearsal occupancy	16,695	10,371	16,267
storage occupancy	9,000	-	9,000
<b>Total Occupancy</b>	<b>59,175</b>	<b>24,992</b>	<b>61,237</b>

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	Proposed FY Sep '19 - Aug '20	Current Year Actual Q3 (to 5.31.19)	Adopted FY Sep '18 - Aug '19
<b>Production Expense</b>			
Costumes	2,770	2,566	2,000
Lighting	150	32	150
Lobby displays	-	15	-
Props	300	21	300
Set	900	1,065	900
Sign interpreters	2,000	721	1,200
Sound/Recording	500	1,240	300
Truck Rental	800	640	640
<b>Total Production Expense</b>	<b>7,420</b>	<b>6,300</b>	<b>6,490</b>
<b>Tuition Assistance</b>			
Shared Horizons	2,000	1,980	2,000
Trawick Scholarship	6,000	4,513	5,050
Tuition Assistance - Other	1,025	405	1,000
<b>Total Tuition Assistance</b>	<b>9,025</b>	<b>6,898</b>	<b>8,050</b>
<b>Total Program-Related Expenses</b>	<b>79,260</b>	<b>40,030</b>	<b>84,777</b>
Sales tax	60		
<b>Special Events Expenses</b>			
Catering	14,000	13,426	12,000
Decor	150	21	200
Facility-Venue Rental	2,000	1,500	1,500
Speaker-Entertainment	800	578	700
<b>Total Special Events Expenses</b>	<b>16,950</b>	<b>15,525</b>	<b>14,400</b>
<b>Travel Expense-Mileage/Parking</b>			
Direct Program Travel Expense	2,679	933	2,100
Gen'l Admin Travel Expense	300	284	300
<b>Total Travel Expense-Mileage/Parking</b>	<b>2,979</b>	<b>1,217</b>	<b>2,400</b>
<b>Total Expense</b>	<b>726,227</b>	<b>504,553</b>	<b>688,975</b>
Net Ordinary Income	855	35,187	10,475
Bad Debt		945	
<b>Net Income</b>	<b>855</b>	<b>34,242</b>	<b>10,475</b>



ArtStream FY19 Fundraising Strategy

AS OF: 5/30/19

pending

Grant	Restricted?	Amount Received FY18	Projected FY19	Amount Received FY19	Projected FY20
MSAC	gen operating	\$38,770	\$40,000	\$39,152	\$39,152
AHCMC	gen operating	\$20,005	\$30,115	\$30,115	\$30,115
NEA Challenge America	ITC	\$10,000	end of 3-year grant		
NEA ArtWorks	ITC		\$10,000	\$10,000	\$10,000
Montgomery County w/TLC	teen workplace		\$1,000	\$1,000	\$1,000
<b>Foundation</b>					
Corina Higginson		\$5,000	\$5,000		\$5,000
Max and Victoria Dreyfus		\$3,500	\$3,500		\$3,500
Lorraine S. Dreyfuss		\$1,000			
Morris and Gwendolyn Cafritz	gen operating		\$20,000	\$20,000	\$20,000
Nora Roberts		\$5,000	\$5,000		\$5,000
Paul M. Angell	ITC		\$15,000	\$15,000	\$15,000
Dominion Guild	VA ITC/Cabaret		\$10,000		\$10,000
Philip Graham	Tech		\$27,000		\$18,000
Kelley Cares	VA ITC	\$4,300	\$4,500	\$4,500	\$4,500
Porto	VA	\$4,000	\$4,000	\$5,000	\$5,000
Safeway	gen operating	\$5,000	\$5,000	\$6,500	\$6,500
Campbell Family Foundation	gen operating	\$5,000	\$5,000	\$5,000	\$5,000
Milton and Dorothy Sarnoff Raymond Foundation	gen operating	\$5,000	\$5,000		
Jacquemin Family Foundation	gen operating	\$1,000	\$1,000		
Jockey Hollow Family Foundation	gen operating	\$4,000	\$4,000	\$4,000	\$4,000
Shared Horizons	scholarships	\$2,000	\$2,000	\$2,000	\$2,000
Dimick		\$3,000	\$3,000	\$3,000	\$3,000
MESH	gen operating	\$5,000	\$10,000	\$5,000	\$5,000
Clark-Winchcole		\$5,000	\$5,000	\$10,000	\$10,000
William S. Abell		\$20,000	only given in even years	\$5,000	\$20,000
Trawick Foundation	scholarships	\$5,050	\$5,050	\$6,000	\$6,000
Immanuel Presbyterian Church	VA ITC	\$1,360	\$1,500	\$1,210	\$1,210
<u>two new grants</u>					
<u>Jack R. Anderson Foundation</u>	ITC		\$5,000	\$5,000	\$5,000
<u>Amica Foundation</u>	gen operating			\$550	
<u>Brown Advisory</u>	gen operating			\$1,000	\$1,000
<u>Greater Kansas Community Fdtn</u>	gen operating			\$3,000	
<b>TOTAL</b>					
		\$152,985	\$226,665	\$182,027	\$234,977