

ArtStream
Board of Director's Meeting
November 9, 2020

DRAFT MINUTES

ROLL CALL

In attendance at the meeting: Eleanor Allen; John Bogasky, client liaison; Kristen Chou; Mike Cooper, Chair; Cameron Elliot; Lisa Gaffney, Vice President; Maggie Haslam, Secretary; Sari Hornstein; Molly Myers, Treasurer; Julie Reddig; Irene Stephens; Jonathan Tepper; and Delia Zielinski.

ArtStream staff in attendance: Heller An Shapiro, Executive Director; and Lynn Taylor Moore, Director of Finance and Administration

Not Able to Attend: Paul Murray; Sonia Trask

MINUTES RATIFICATION

A motion was made to approve the minutes from the September 21, 2020 meeting with an amendment to the following sentence on page 4: *The title of the policy will be revised to "ArtStream Communications Policy for Board and Staff" to clarify to whom the policy applies* ~~to~~. The motion carried without dissent.

FY21 SEPTEMBER BUDGET UPDATE

Lynn Taylor Moore presented the FY21 budget from September 1-30, 2020. The program budgets allow for assessment of revenue and expense by program.

FY20 ended with total revenue of \$972,312 and total expense of \$654,861. Final reconciliation of the bottom line will occur during the audit, including the addition of unused vacation time and the payroll tax escrow account. The auditors expect to finish by the end of November 2020.

Using the online-only budget, at the end of September 2020, total income is \$129,141, which is 19% of the annual budget. Total expenses are \$51,135, which is 8% of the annual budget.

As of September 30, 2020, cash in the checking/savings accounts totals \$303,597. Invested funds total \$184,549. Total assets are \$650,775.30 compared to \$436,263 in FY20Q1.

Emergency funding grants from Maryland state, Montgomery County, the Mid-Atlantic Regional Arts Fund, and the Arts Forward Fund are largely allocated to staff and Teaching Artist salaries, along with \$3,900 to scholarships and \$20,000 to develop a new evaluation process. Lynn allocates the grant funding to each line item and carefully tracks it to be sure we spend the funding on the right items.

Heller An Shapiro noted that there is currently a 36% increase in requests for scholarships. A new scholarship request form was created. Families request the scholarship and then receive an approval document. In general, the families who requested financial assistance or used the installment plan in the past are requesting the same this year, although we are providing more full scholarships instead of partial ones.

In addition, families are now billed in monthly installments for the Inclusive Theatre Companies and bi-weekly for the Cabaret. We hope it will be easier for families to manage bi-weekly/monthly payments rather than 2-3 larger payments. Invoices are sent automatically through the new registration software program. Lynn is managing cash flow by program and does not foresee cash flow issues at this time.

Grant revenue can be amended to include \$10,000 from the Milton and Dorothy Sarnoff Raymond Foundation and \$5,000 from the Jack R. Anderson Foundation, bringing the total grant revenue to \$222,747, with a remaining deficit of \$34,971. Grants will show on the balance sheet as deferred revenue until they are spent. ArtStream now has a separate grants liability account at Capital Bank of Maryland, so that grant funds can be transferred into the operating account as the funds are spent.

The response to the annual direct mail holiday appeal will provide a better sense of how much money will come in from individual donors this year and whether additional revenue will be needed to replace individual gifts.

PROGRAM ENROLLMENT REPORT

Compared to FY20Q1, as of October 31, 2020, student enrollment is equal or higher except in the contract classes. Heller An reported that CSAAC is signed on to restart classes in November 2020 which will bring student enrollment up. However, CSAAC is scheduling month-to-month instead of an annual contract as in the past.

A Teaching Artist Task Force will be created to help fulfill ArtStream's mission by reviewing current programs and those of similar organizations in order to recommend program format and curriculum design improvements, new topics, or new models to better serve more people with IDD, reduce barriers to participation, and increase diversity. The Task Force will also assess what parts of online programming might continue after the pandemic ends, especially for people with transportation or tech challenges.

Board members discussed whether the presidential election would impact funding availability. The first vaccine is showing promising results that may allow for a return to in-person classes in the spring. It is likely that the community centers and other classroom rental spaces will accommodate previous users first.

Heller An noted that staff are exploring drive-in movie theatre space to show the performing company videos before a live audience. John Bogasky and Steve Deming

(ArtStream volunteer) organized drive-in movies at their pool this summer and may be able to assist.

RESERVE POLICY REVIEW

Mike Cooper stated that the Board's previous discussions of 'rainy day funds' related to COVID-19 risks resulted in a review of the current reserve policy. ArtStream's September 2020 Balance Sheet shows \$149,369.33 in its operating account at Capital Bank and \$154,227.31 in two Capital One Bank accounts. Because we have cash on hand coming into FY21 thanks to generous donors and emergency grants, we're now in a position to create a reserve fund that will be available if needed.

A motion was made to create a Reserve Policy Task Force to examine and provide recommendations regarding ArtStream's Investment Policy and Reserve Policies. The Reserve Policy Task Force will report to the Board at the January 11, 2020 Board meeting with its recommendations, or if it is not yet ready to make its recommendations, with a status report. The Task Force will be chaired by the Treasurer. The Board Chair, Vice President, and Jonathan Tepper and Sonia Trask volunteered to join this Task Force. The motion carried without dissent.

The Task Force shall make recommendations to the Board regarding uses for the reserve fund, such as resource shortfall, defining a crisis situation, investment for new initiatives, how and why the reserve would be accessed and repaid, and whether to create an endowment fund to grow the asset base to generate income.

Molly Myers stated the purpose of the reserve fund is to build and maintain a level of net assets for growth and income. Board members discussed guidance from AICPA and other organizations that recommend holding 3-6 months of expenses in the reserve fund. Current salaries come to \$78,000 for three months. Following the Task Force's recommendations, the reserve fund will be maintained in a separate account and show on the balance sheet.

Based on the Reserve policy strategy recommended, the Task Force shall meet with the District Capital Investment Advisor to review ArtStream's current investments and make recommendations regarding an investment policy and how the investments will be monitored.

OFFICE LOCATION UPDATE

Board members agreed to continue exploring a shared office space arrangement with Special Olympics Maryland (SOMD). Both organizations have similar but noncompeting missions and share some participants and volunteers. Both organizations have the same requirements for flexible space that offers segregated storage space (separately insured) and shared office space.

SOMD would be the prime tenant. An agreement will be completed prior to renting the space.

FY21 BOARD MEETING DATES FOR APPROVAL

A motion was made to approve the following dates for FY21 Board meetings. The motion carried without dissent. Monday, January 11, 7-9 p.m.; Monday, March 22, 7-9 p.m.; Monday, June 28, 7-9 p.m.; Monday, September 20, 7-9 p.m.; and Monday, November 15, 7-9 p.m. Meetings will be held on Zoom until further notice.

FY20-22 STRATEGIC PLAN PROGRESS REPORT

We continue to make progress on the Standards for Excellence, with 145/155 standards completed, including the new Communications Policy for Board and Staff. The Treatment and Learning Centers and Kennedy Center VSArts have expressed interest in an ArtStream special education teacher training.

Delia Zielinski is attending the “Metrics, Outcomes and Responsible Evaluation (MORE) training along with Heller An, Communications Manager Abby Madden, and Programs Manager Lyndsey Medlin. This gives us a head start on designing the new outcome evaluation process.

The Outreach Committee composed of parents, Teaching Artists, and Board member Irene Stephens is identifying new outreach targets. Thanks to Irene for opening communication with the DC Public Libraries.

NEW BUSINESS

Sari Hornstein recommended the World Stage class sharing scheduled for November 10, 2020. She has been watching classes as her son participates in them and is very impressed. It is a wonderful program in partnership with Reaction Theatre Makers in the UK.

NEXT MEETING

The next meeting of the Board of Directors will be **Monday, January 11, 7-9 p.m.**

The meeting was adjourned at 8:52 p.m.

Respectfully submitted,
Maggie Haslam

2020 MEETING DATES

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

Monday, January 11, 2021

Monday, March 22, 2021

Monday, June 28, 2021

Monday, September 20, 2021

Monday, November 15, 2021