

# Arts Council of Greater Lansing

## **NOTES TO CDP 2015**

Our budget is solid and stable due to healthy endowment accounts. It should be noted however that a stock market drop created a noteworthy reduction in the investment income usually attributed to a balanced budget for the Arts Council.

A word from our investment firm: *“In the third quarter of last year, investor uncertainty over the Fed raising interest rates, congressional gridlock over fiscal budget issues, central bank policy actions in China and the effect of monetary policy in Europe and Japan all led to a rise in market volatility. Global equities fell 9.5%, underperforming bonds as they erased their gains for the year. The S&P 500 was down 6.4%, declining 10% from its high to finish at 1920.”*

This market volatility coincided with our fiscal year-end, resulting in negative investment returns through that period. This is represented as a negative in our audit under “Revenues, Gains and Other Support”, and under line 17 on CDP report, “Investments – Unrealized Gains (Losses)”.

We did not sell and realize these losses, and consequently our portfolio has recovered nicely so far this year. We continue to work with our financial team (auditor, bookkeeper, finance/investment committee) to monitor our portfolio in accordance with our Investment Policy Statement, and to keep our investments allocated for long-term investment results. Value fluctuations, up and down, are inevitable.

As noted in our earned and contributed revenue (without the negative investment income,) we exceeded our annual expenses by over \$10,000.



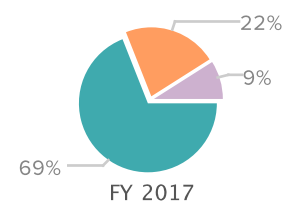
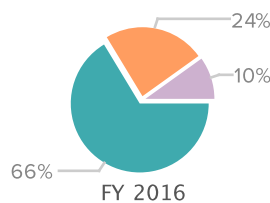
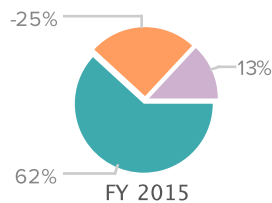
**Organization Information**

Organization name: Arts Council of Greater Lansing  
 City: Lansing Federal ID #: 382086424  
 State: MI Year organization founded: 1965  
 County: Ingham Organization type: 501(c)3 nonprofit organization  
 NISP Discipline: 14 - Multidisciplinary Fiscal year end date: 09-30  
 NISP Institution: 16 - Arts Council/Agency DUNS #: 849899802  
 NTEE: A26 - Arts & Humanities Councils & Agenc Full-time staff: 4  
 Applicant is audited or reviewed by an independent accounting firm. Paid FTEs: 4.3  
 A display value of -0% signifies a value of less than +/- 0.5%

Unrestricted Activity	FY 2015	FY 2016	% Change	FY 2017	% Change
<b>Unrestricted Operating Revenue</b>					
Earned Program	\$13,485	\$32,480	141%	\$64,980	100%
Earned Non-program	\$78,071	\$26,118	-67%	\$0	-100%
<b>Total Earned Revenue</b>	<b>\$91,556</b>	<b>\$58,598</b>	<b>-36%</b>	<b>\$64,980</b>	<b>11%</b>
Investment Revenue	-\$173,219	\$142,434	182%	\$159,471	12%
Contributed Revenue	\$430,316	\$402,201	-7%	\$509,674	27%
<b>Total Unrestricted Operating Revenue</b>	<b>\$348,653</b>	<b>\$603,233</b>	<b>73%</b>	<b>\$734,125</b>	<b>22%</b>
Less in-kind	(\$58,723)	(\$47,564)	-19%	(\$48,652)	2%
<b>Total Unrestricted Operating Revenue Less In-kind</b>	<b>\$289,930</b>	<b>\$555,669</b>	<b>92%</b>	<b>\$685,473</b>	<b>23%</b>
<b>Expenses by Functional Total</b>					
Program	\$338,844	\$459,586	36%	\$525,089	14%
Fundraising	\$51,420	\$59,258	15%	\$53,563	-10%
General & Administrative	\$119,926	\$92,638	-23%	\$85,475	-8%
<b>Total Operating Expenses</b>	<b>\$510,190</b>	<b>\$611,482</b>	<b>20%</b>	<b>\$664,127</b>	<b>9%</b>
Less in-kind	(\$58,723)	(\$47,564)	-19%	(\$48,652)	2%
<b>Total Operating Expenses Less In-kind</b>	<b>\$451,467</b>	<b>\$563,918</b>	<b>25%</b>	<b>\$615,475</b>	<b>9%</b>
Net Unrestricted Activity - Operating	-\$161,537	-\$8,249	95%	\$69,998	949%
Net Unrestricted Activity - Non-operating	\$0		n/a		n/a
<b>Total Net Unrestricted Activity</b>	<b>-\$161,537</b>	<b>-\$8,249</b>	<b>95%</b>	<b>\$69,998</b>	<b>949%</b>
Net Temporarily Restricted Activity	\$0	\$0	n/a		n/a
Net Permanently Restricted Activity	\$0	\$0	n/a		n/a
<b>Net Total Activity</b>	<b>-\$161,537</b>	<b>-\$8,249</b>	<b>95%</b>	<b>\$69,998</b>	<b>949%</b>

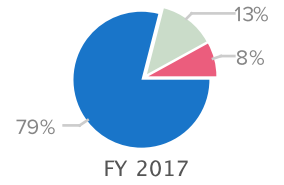
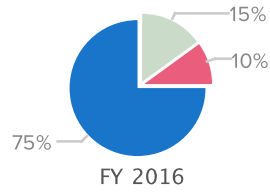
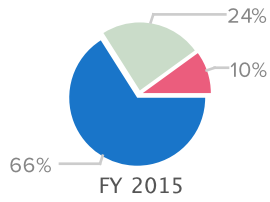
**Revenue by Source**

- Earned
- Investment
- Contributed



### Expenses by Functional Grouping

- Program
- General & Administrative
- Fundraising



## Revenue Details

	FY 2015	FY 2016	FY 2017	FY 2017	FY 2017	FY 2017
	Total	Total	Total	Unrestricted	Temporarily Restricted	Permanently Restricted
<b>Operating Revenue</b>						
<b>Earned - Program</b>						
Membership revenue	\$13,485	\$13,090	\$12,675	\$12,675		n/a
Tuitions and registration fees	\$0	\$19,390	\$0	\$0		n/a
Other program revenue	\$0	\$0	\$52,305	\$52,305		n/a
<b>Total earned - program</b>	<b>\$13,485</b>	<b>\$32,480</b>	<b>\$64,980</b>	<b>\$64,980</b>	<b>\$0</b>	<b>n/a</b>
<b>Earned - Non-program</b>						
Sponsorship revenue	\$0	\$26,101	\$0	\$0		n/a
Other earned revenue	\$78,071	\$17				n/a
<b>Total earned - non-program</b>	<b>\$78,071</b>	<b>\$26,118</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>n/a</b>
<b>Total earned revenue</b>	<b>\$91,556</b>	<b>\$58,598</b>	<b>\$64,980</b>	<b>\$64,980</b>		<b>n/a</b>
<b>Contributed</b>						
Trustee & board	\$14,500	\$14,500	\$15,000	\$15,000		
Individual	\$30,345	\$35,105	\$44,489	\$44,489		
Corporate	\$32,000	\$28,432	\$48,500	\$48,500		
Foundation	\$23,975	\$39,250	\$124,404	\$124,404		
City government	\$20,000	\$0	\$7,500	\$7,500		
County government	\$135,950	\$128,687	\$164,179	\$164,179		
State government	\$80,321	\$33,663	\$34,000	\$34,000		
In-kind operating contributions	\$58,723	\$47,564	\$48,652	\$48,652		
Other contributions	\$34,502	\$75,000	\$22,950	\$22,950		
Net assets released from restriction	\$0	\$0	\$0			
<b>Total contributed revenue</b>	<b>\$430,316</b>	<b>\$402,201</b>	<b>\$509,674</b>	<b>\$509,674</b>		
Operating investment revenue	-\$173,219	\$142,434	\$159,471	\$159,471		
<b>Total operating revenue</b>	<b>\$348,653</b>	<b>\$603,233</b>	<b>\$734,125</b>	<b>\$734,125</b>		
<b>Total operating revenue less in-kind</b>	<b>\$289,930</b>	<b>\$555,669</b>	<b>\$685,473</b>	<b>\$685,473</b>		
<b>Total non-operating revenue</b>	<b>\$0</b>					
<b>Total revenue</b>	<b>\$348,653</b>	<b>\$603,233</b>	<b>\$734,125</b>	<b>\$734,125</b>		
<b>Total revenue less in-kind</b>	<b>\$289,930</b>	<b>\$555,669</b>	<b>\$685,473</b>	<b>\$685,473</b>		

## Expense Details

	FY 2015 Total	FY 2016 Total	% Change	FY 2017 Total	% Change	FY 2017 Program	FY 2017 Fundraising	FY 2017 General & Administrative
Personnel expenses - Operating								
W2 employees (salaries, payroll taxes and fringe benefits)	\$190,014	\$201,009	6%	\$191,936	-5%	\$115,162	\$28,790	\$47,984
Independent contractors	\$0	\$14,583	n/a	\$10,417	-29%	\$0	\$10,417	\$0
Professional fees	\$431	\$11,861	2,652%	\$9,015	-24%	\$4,958	\$451	\$3,606
Total personnel expenses - Operating	\$190,445	\$227,453	19%	\$211,368	-7%	\$120,120	\$39,658	\$51,590
Non-personnel expenses - Operating								
Advertising and promotion	\$9,864	\$15,822	60%	\$10,522	-33%	\$5,261	\$526	\$4,735
Conferences and meetings	\$3,011	\$52,091	1,630%	\$84,227	62%	\$75,397	\$4,862	\$3,968
Dues and subscriptions	\$4,593	\$0	-100%	\$0	n/a			
Grant awards and similar amounts paid	\$149,907	\$197,641	32%	\$250,803	27%	\$250,803	\$0	
Insurance	\$3,697	\$1,352	-63%	\$807	-40%	\$202	\$0	\$605
Occupancy costs	\$20,265	\$19,097	-6%	\$18,970	-1%	\$11,382	\$948	\$6,640
Office and administration	\$25,059	\$24,497	-2%	\$30,559	25%	\$18,334	\$1,529	\$10,696
Printing, postage and shipping	\$2,511	\$0	-100%	\$0	n/a			
Travel	\$5,989	\$1,197	-80%	\$4,806	302%	\$2,884	\$240	\$1,682
Other operating expenses	\$89,367	\$67,190	-25%	\$48,652	-28%	\$39,852	\$5,800	\$3,000
Depreciation	\$5,482	\$5,142	-6%	\$3,413	-34%	\$854	\$0	\$2,559
Total non-personnel expenses - Operating	\$319,745	\$384,029	20%	\$452,759	18%	\$404,969	\$13,905	\$33,885
Total operating expenses	\$510,190	\$611,482	20%	\$664,127	9%	\$525,089	\$53,563	\$85,475
Non-operating personnel expenses	\$0	\$0	n/a	\$0	n/a			
Non-operating non-personnel expenses	\$0	\$0	n/a	\$0	n/a			
Total expenses	\$510,190	\$611,482	20%	\$664,127	9%	\$525,089	\$53,563	\$85,475
Total expenses less in-kind	\$451,467	\$563,918	25%	\$615,475	9%			
Total expenses less depreciation	\$504,708	\$606,340	20%	\$660,714	9%			
Total expenses less in-kind and depreciation	\$445,985	\$558,776	25%	\$612,062	10%			

## Balance Sheet

Assets	FY 2015	FY 2016	% Change	FY 2017	% Change
Current assets					
Cash	\$84,839	\$122,714	45%	\$69,308	-44%
Receivables	\$76,788	\$143,344	87%	\$163,910	14%
Investments	\$613,017	\$26,000	-96%	\$26,000	0%
Prepaid expenses & other	\$21,394	\$21,104	-1%	\$20,409	-3%
<b>Total current assets</b>	<b>\$796,038</b>	<b>\$313,162</b>	<b>-61%</b>	<b>\$279,627</b>	<b>-11%</b>
Non-current investments					
Fixed assets (net)	\$53,481	\$48,341	-10%	\$44,928	-7%
Other non-current assets	\$0	\$0	n/a	\$0	n/a
<b>Total non-current assets</b>	<b>\$974,475</b>	<b>\$1,631,873</b>	<b>67%</b>	<b>\$1,720,656</b>	<b>5%</b>
<b>Total assets</b>	<b>\$1,770,513</b>	<b>\$1,945,035</b>	<b>10%</b>	<b>\$2,000,283</b>	<b>3%</b>
Liabilities & Net Assets	FY 2015	FY 2016	% Change	FY 2017	% Change
Liabilities					
Accounts payable & other	\$40,442	\$204,853	407%	\$165,928	-19%
Loans & other debt			n/a	\$0	n/a
Deferred revenue	\$15,510	\$33,870	118%	\$27,045	-20%
<b>Total current liabilities</b>	<b>\$55,952</b>	<b>\$238,723</b>	<b>327%</b>	<b>\$192,973</b>	<b>-19%</b>
Non-current liabilities	\$0	\$0	n/a	\$0	n/a
<b>Total liabilities</b>	<b>\$55,952</b>	<b>\$238,723</b>	<b>327%</b>	<b>\$192,973</b>	<b>-19%</b>
Net assets					
Unrestricted	\$293,567	\$1,706,312	481%	\$1,776,310	4%
Temporarily restricted	\$500,000		-100%	\$31,000	n/a
Permanently restricted	\$920,994		-100%		n/a
<b>Total net assets</b>	<b>\$1,714,561</b>	<b>\$1,706,312</b>	<b>-0%</b>	<b>\$1,807,310</b>	<b>6%</b>
<b>Total liabilities &amp; net assets</b>	<b>\$1,770,513</b>	<b>\$1,945,035</b>	<b>10%</b>	<b>\$2,000,283</b>	<b>3%</b>

**Balance Sheet Metrics**

	FY 2015	FY 2016	FY 2017
Months of Operating Cash -- Unrestricted	2	2	1
Total working capital -- Unrestricted	\$240,086	\$74,439	\$55,654
Current Ratio	14.23	1.31	1.45
Debt Service Impact	0%	0%	0%
Unrestricted Net Assets Net of Property, Plant and Equipment	\$240,086	\$1,657,971	\$1,731,382
Operating Margin	-46%	-1%	10%
Depreciation as a % of Fixed Assets	52%	n/a	n/a
Leverage Ratio	0%		

Months of Operating Cash -- Unrestricted represents the number of months an organization can operate at current average monthly expense levels with existing unrestricted cash and cash equivalents.  $Cash + Cash\ Equivalents / (Total\ Expense / 12)$ . The ratio is calculated using unrestricted numbers only.

Total working capital -- Unrestricted consists of the resources available for operations, and in this report is calculated as unrestricted current assets minus unrestricted current liabilities. This is a conservative calculation of working capital and may differ from your internal calculations. Adequate working capital provides financial strength and flexibility to your organization, the ability to meet obligations as they come due, and the ability to take more risks, knowing there is a cushion to fall back on.

Current Ratio (Current Assets divided by Current Liabilities) determines the organization's ability to pay current debt using current assets. The higher the ratio, the more capable the organization is of paying its obligations. The ratio is calculated using unrestricted numbers only.

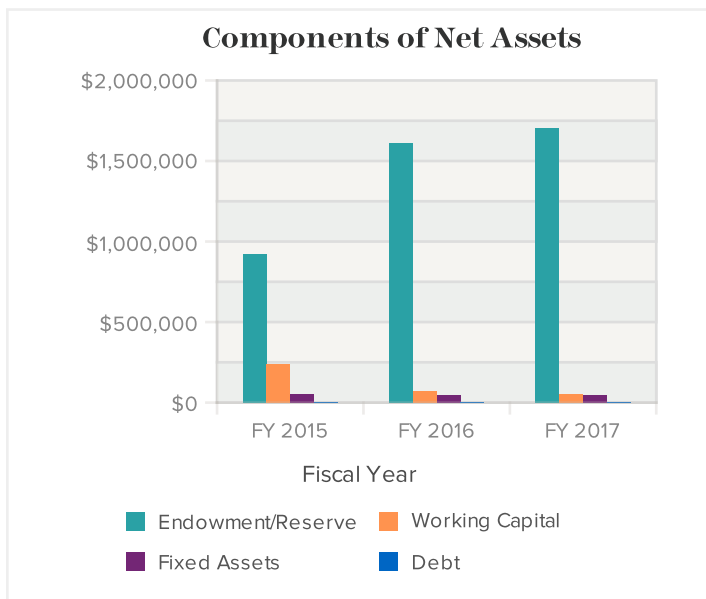
Debt Service Impact (Total Debt Service including principal and interest divided by Total Expense) calculates the % of an organization's total expenses applied to the total debt-service burden, e.g. a mortgage). This measure can help understand the portion of the book value of an organization's fixed assets that they truly own free and clear of related obligations and depreciated value. It is calculated as  $Unrestricted\ Net\ Assets - (Net\ Fixed\ Assets - Mortgage\ Debt)$ .

Unrestricted Net Assets Net of Property, Plant and Equipment (Unrestricted Net Assets - (Net Fixed Assets - Mortgage Debt)) shows what the organization's unrestricted net assets would be if they did not own any property, or have any debts associated with that property. Because this calculation is based on unrestricted values for net assets and fixed assets, if an organization fills out a single column balance sheet and does not separate fixed assets into restricted and unrestricted categories, this value will be blank.

Operating Margin (Change in Net Assets divided by Total Unrestricted Operating Revenue) is a measurement of the organizations efficiency in operating, highlighting the amount of an organization's surplus or deficit.

Depreciation as a % of Fixed Assets indicates the potential need for replacement or repair of fixed assets (such as buildings, furniture, office equipment, sets and props); especially significant for organizations that own a building or carry a long-term lease.

Leverage Ratio (Total Debt divided by Total Unrestricted and Temporarily Restricted Assets) is a measurement of a company's efficiency in operating.



## Attendance

In-person Participation	FY 2015	FY 2016	% Change	FY 2017	% Change
In-person participation - paid	756	650	-14%	650	0%
In-person participation - free	1,352	15,600	1,054%	16,900	8%
<b>Total in-person participation</b>	<b>2,108</b>	<b>16,250</b>	<b>671%</b>	<b>17,550</b>	<b>8%</b>

Types of In-person Attendance	FY 2015	FY 2016	% Change	FY 2017	% Change
Registrants for classes/workshops		750	n/a	750	0%
Festival attendees		15,000	n/a	15,000	0%
<b>Total in-person participation</b>	<b>2,108</b>	<b>16,250</b>	<b>671%</b>	<b>17,550</b>	<b>8%</b>

Attendance Ages	FY 2015	FY 2016	% Change	FY 2017	% Change
Children (18 and under)	1,000	3,000	200%	3,000	0%
Children served in schools		1,100	n/a	1,500	36%
Seniors		4,000	n/a	3,650	-9%
Adults		9,250	n/a	10,900	18%

Other Participation	FY 2015	FY 2016	% Change	FY 2017	% Change
Grant applicants		250	n/a	250	0%
Grant recipients		100	n/a	100	0%
Consulting/fee-for-service clients		200	n/a	200	0%
People engaged in advocacy		650	n/a	700	8%

## Staffing

Staff & Non-Staff Statistics	FY 2015	FY 2016	% Change	FY 2017	% Change
Full-time permanent employees	3	3	0%	4	33%
Part-time permanent employees	4	3	-25%	2	-33%
Part-time permanent employees - FTEs	2	0.02	-99%	0.3	1,400%
Number of full-time volunteers	0	25	n/a	30	20%
Number of part-time or one-time volunteers	150	0	-100%	20	n/a
Part-time or one-time volunteers - FTEs	10	0	-100%	0.02	n/a
Independent contractors	2	1	-50%	2	100%
Number of interns and apprentices	4	4	0%	4	0%
Artistic Staff & Non-Staff Statistics	FY 2015	FY 2016	% Change	FY 2017	% Change

This organization has not provided data on artistic staff. This may be because the organization does not hire artistic staff or the organization's annual expenses are under \$50,000, and they are therefore only required to complete the short form of the DataArts Survey.



## Program Activity

	FY 2015	FY 2016	% Change	FY 2017	% Change
Temporary exhibits	12	12	0%	12	0%
Distinct classes/workshops	18	10	-44%	10	0%
Total classes/class sessions	0	1	n/a	1	0%
Programs offered in schools	0	14	n/a	14	0%
Hours of programming in schools		500	n/a	500	0%
Number of schools served		11	n/a	11	0%
Artists placed in schools		8	n/a	8	0%
Fairs/festivals/parades		5	n/a	6	20%
Distinct other programs	10		-100%		n/a
Other programs occurrences	10		-100%		n/a