

Michigan Drum Corps Scholarship Fund

Financial statements for the month of:

May 2024

(with summarized comparative information for the previous month)

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Introduction

May marked the eighth month of our fifth year of operations. The fund recorded \$2,716.80 in net losses for our annual scholarship disbursements totaling \$3,250.00 and our monthly Digital Ocean invoice exceeding \$540.40 in donations received. As of March 31st, the Jason Fritz Memorial Endowment has a \$1,137.32 spendable balance and a \$18,768.39 permanently restricted balance whose earnings will be used to support future scholarships. According to the Battle Creek Community Foundation fund portal, our earnings from January – March 2024 have resulted in our first net gains in excess of accumulated losses, investment management fees, and withdrawals for sponsorships totaling \$125.80. The board would like to note that previous concerns about market volatility and inflation led us to retain some restricted donations in the form of cash. The permanently restricted balance of the endowment will increase by an additional \$1,298.71 following a transfer to the Battle Creek Community Foundation. Recent market returns suggest that it would now be in the fund's best interest to invest these dollars and capitalize on investment returns.

Seven sponsorships were made during May following the Board's decision to disburse funds for the 2024 season. For the entire year, a total of \$3,250.00 was awarded to seven students marching with the Battalion, Seattle Cascades, Jersey Surf, Mandarins, Spartans, and Vessel. Of these students, two are drum majors that were recipients of the 2024 Jason Fritz Memorial Scholarships. Like the 2023 season, the total support requested during 2024 greatly exceeded the scholarship fund's entire net asset balance – and many students who applied for tuition assistance did not receive scholarships. The Fund's continued support of students is conditional on our ability to fundraise and secure a reliable donor base.

Financial Recap

Liquid assets on hand: \$116.15

Donations: 2 donations received in May. 7 donations received this fiscal year.

Disbursements: 7 program related disbursements made during May. 7 program related disbursements made this fiscal year.

Financial Narrative

Cash for the month decreased \$1,746.80 from April to May for our annual scholarship disbursements and monthly Digital Ocean invoice payment exceeding donations received. \$205 of the cash on hand is restricted to maintain minimum reserve requirements and \$1,348.71 is restricted for the Jason Fritz Memorial Endowment for donations to be transferred to BCCF.

Program related expenses increased \$3,250.00 during May. Administrative expenses are up \$16.80 for our monthly Digital Ocean website hosting fee and donation-related fees.

Restricted funds for the Jason Fritz Memorial Endowment are broken down as follows: \$20,067.10 is permanently restricted as the corpus of the endowment and \$187.32 remains invested as an operating spendable balance. Endowment earnings and losses are listed under the Investments category of the profit and loss statement. All unused funds at the end of the fiscal year are reinvested in the corpus of the endowment. All funds are managed in accordance with Generally Accepted Accounting Principles in the United States.

Michigan Drum Corps Scholarship Fund
Statement of Financial Position
As of May 31, 2024

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06/03/2024
Accrual Basis

	<u>May 2024</u>	<u>Apr 2024</u>
ASSETS		
Current Assets		
Cash		
Checking Account	1,578.86	3,325.66
Savings Account	91.00	91.00
Less: Reserve Requirements	(205.00)	(205.00)
Less: Restricted Funds for Endowment	(1,348.71)	(1,298.71)
Total Unrestricted Cash	116.15	1,912.95
Restricted Cash	1,553.71	1,503.71
Total Checking/Savings	1,669.86	3,416.66
Accounts Receivable		
Accounts Receivable	0.00	0.00
Pledges Receivable	0.00	0.00
Allowance for Uncollectibles	0.00	0.00
Total Accounts Receivable	0.00	0.00
Total Current Assets	1,669.86	3,416.66
Fixed Assets		
Property, Plant, & Equipment	0.00	0.00
Total Fixed Assets	0.00	0.00
Other Assets		
Marketable Securities	0.00	0.00
Prepaid Expenses	0.00	0.00
Other Assets	0.00	0.00
Jason Fritz Endowment - Spendable Balance	167.32	1,137.32
Jason Fritz Endowment - Restricted Balance	18,768.39	18,768.39
Total Other Assets	18,935.71	19,905.71
TOTAL ASSETS	<u><u>20,605.57</u></u>	<u><u>23,322.37</u></u>
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable	0.00	0.00
Total Accounts Payable	0.00	0.00
Other Current Liabilities		
Salaries and Wages Payable	0.00	0.00
Total Other Current Liabilities	0.00	0.00
Total Current Liabilities	0.00	0.00
Long Term Liabilities		
Notes Payable	0.00	0.00
Total Long Term Liabilities	0.00	0.00
Total Liabilities	0.00	0.00
Equity		
Unrestricted Net Assets	351.15	2,117.95
Donor Restricted Net Assets	20,254.42	21,204.42
Total Equity	20,605.57	23,322.37
TOTAL LIABILITIES & EQUITY	<u><u>20,605.57</u></u>	<u><u>23,322.37</u></u>

Michigan Drum Corps Scholarship Fund
Statement of Activities
 May 2024

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 Accrual Basis

	<u>May 2024</u>	<u>Apr 2024</u>	<u>Year to Date</u>
Ordinary Income/Expense			
Income			
Contributions			
Individual Contributions	550.00	0.00	3,927.32
Corporate Contributions	0.00	0.00	0.00
Gifts in Kind	0.00	0.00	0.00
Total Contributions	<u>550.00</u>	<u>0.00</u>	<u>3,927.32</u>
Major Gifts	0.00	0.00	0.00
Investments			
Interest Income	0.00	0.00	1,301.81
Investments	0.00	0.00	1,021.33
Other Income	0.00	0.00	0.00
Total Investments	<u>0.00</u>	<u>0.00</u>	<u>2,323.14</u>
Other Income	0.00	0.00	0.00
Total Income	<u>550.00</u>	<u>0.00</u>	<u>6,250.46</u>
Expense			
Program Expenses			
Auditions & Camp Fees	0.00	0.00	0.00
Member Tuition	3,250.00	0.00	3,250.00
Other Program Expenses	0.00	0.00	0.00
Total Program Expenses	<u>3,250.00</u>	<u>0.00</u>	<u>3,250.00</u>
Administrative Expenses			
Supplies	0.00	0.00	0.00
Postage	0.00	0.00	0.00
Travel	0.00	0.00	0.00
Registration Fees	0.00	0.00	0.00
Software Purchases	0.00	0.00	0.00
Other Expenses	0.00	0.00	0.00
Contract Services	0.00	0.00	0.00
Website Expenses	7.20	7.20	62.40
Fundraising Expenses	0.00	0.00	0.00
Bank Fees	9.60	0.00	11.88
Paypal Fees	0.00	0.00	2.48
Investment Fees	0.00	0.00	170.34
Total Administrative Expenses	<u>16.80</u>	<u>7.20</u>	<u>247.10</u>
Total Expenses	<u>3,266.80</u>	<u>7.20</u>	<u>3,497.10</u>
Net Income	<u><u>-2,716.80</u></u>	<u><u>-7.20</u></u>	<u><u>2,753.36</u></u>

Michigan Drum Corps Scholarship Fund
Statement of Changes in Net Assets
As of May 31, 2024

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Accrual Basis

	May 2024	Apr 2024	Year to Date
Total Unrestricted Revenues	500.00	0.00	1,300.00
Net Assets Released from Restriction	0.00	0.00	0.00
Total Unrestricted Expenses and Losses	-2,266.80	-7.20	-2,326.76
Increase in Unrestricted Net Assets	-1,766.80	-7.20	-1,026.76
Donor Restricted Net Assets	0.00	0.00	0.00
Temporarily Restricted Net Assets	187.32	1,137.32	187.32
Contributions	0.00	0.00	0.00
Net Assets Released from Restriction	0.00	0.00	0.00
Increase in Temporarily Restricted Net Assets	0.00	0.00	0.00
Permanently Restricted Net Assets	20,067.10	20,067.10	20,067.10
Contributions	50.00	0.00	4,950.46
Total Restricted Expenses and Losses	-1,000.00	0.00	-1,170.34
Increase in Permanently Restricted Net Assets	-950.00	0.00	3,780.12
Change in Net Assets	-2,716.80	-7.20	2,753.36
Beginning Net Assets:	23,322.37	23,329.57	17,852.21
Ending Net Assets:	20,605.57	23,322.37	20,605.57

Michigan Drum Corps Scholarship Fund
Statement of Cash Flows
May 2024

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06/03/2024

Accrual Basis

	<u>May 24</u>	<u>Oct '23 - May 24</u>
OPERATING ACTIVITIES		
Net Income	-2,716.80	2,753.36
Adjustments to reconcile Net Income to net cash provided by operations:		
Accounts Receivable	0.00	0.00
Pledges Receivable	0.00	0.00
Allowance for Uncollectibles	0.00	0.00
Prepaid Expenses	0.00	0.00
Accounts Payable	0.00	-28.01
Salaries and Wages Payable	0.00	0.00
Net cash provided by Operating Activities	<u>-2,716.80</u>	<u>2,725.35</u>
INVESTING ACTIVITIES		
Property, Plant, & Equipment	0.00	0.00
Securities	0.00	0.00
Other Assets	0.00	0.00
Security Deposits	0.00	0.00
Jason Fritz Endowment - Spendable Balance	970.00	892.68
Jason Fritz Endowment - Restricted Balance	0.00	-4,652.80
Net cash provided by Investing Activities	<u>970.00</u>	<u>-3,760.12</u>
FINANCING ACTIVITIES		
Other Liabilities	0.00	0.00
Unrestricted Net Assets	0.00	0.00
Donor Restricted Net Assets	0.00	0.00
Net cash provided by Financing Activities	<u>0.00</u>	<u>0.00</u>
Net cash increase (decrease) for period	<u>-1,746.80</u>	<u>-1,034.77</u>
Cash at beginning of period	<u>3,416.66</u>	<u>2,704.63</u>
Cash at end of period	<u><u>1,669.86</u></u>	<u><u>1,669.86</u></u>