

Michigan Drum Corps Scholarship Fund

Financial statements for the month of:

August 2024

(with summarized comparative information for the previous month)

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Introduction

August marked the eleventh month of our fifth year of operations. The fund recorded \$7.20 in net losses for our monthly Digital Ocean invoice. As of June 30th, the Jason Fritz Memorial Endowment has a \$167.32 spendable balance and a \$18,998.02 permanently restricted balance whose earnings will be used to support future scholarships. According to the Battle Creek Community Foundation fund portal, our earnings from April – June 2024 resulted in a \$229.63 net gain in excess of investment management fees. 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 \$1,348.71 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.

For the 2024 season, 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.

The Board would like to note that while the Fund's current liquid asset position is less than \$100, we are not concerned with the ability to cover our administrative expenses going forward. The fund is operated exclusively by volunteers and all administrative expenses are easily covered by marginal donations – all of which has been covered by members of the Board during our five years of existence. Our greater focus will be on raising funds to support students during the 2025 drum corps season, and members of the Board have been tasked by the Chair to identify fundraising opportunities to be initiated in the last quarter of 2024.

Financial Recap

Liquid assets on hand: \$94.55.

Donations: 0 donations received in August. 7 donations received this fiscal year.

Disbursements: 0 program related disbursements made during August. 7 program related disbursements made this fiscal year.

Financial Narrative

Cash for the month decreased \$7.20 from July to August for our monthly Digital Ocean invoice payment. \$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 did not change during August. Administrative expenses are up \$7.20 for our monthly Digital Ocean website hosting fee.

Restricted funds for the Jason Fritz Memorial Endowment are broken down as follows: \$20,296.73 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 August 31, 2024

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Accrual Basis

	<u>Aug 2024</u>	<u>Jul 2024</u>
ASSETS		
Current Assets		
Cash		
Checking Account	1,557.26	1,564.46
Savings Account	91.00	91.00
Less: Reserve Requirements	(205.00)	(205.00)
Less: Restricted Funds for Endowment	(1,348.71)	(1,348.71)
Total Unrestricted Cash	94.55	101.75
Restricted Cash	1,553.71	1,553.71
Total Checking/Savings	1,648.26	1,655.46
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	1,648.26	1,655.46
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	167.32
Jason Fritz Endowment - Restricted Balance	18,998.02	18,998.02
Total Other Assets	19,165.34	19,165.34
TOTAL ASSETS	<u>20,813.60</u>	<u>20,820.80</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	329.55	336.75
Donor Restricted Net Assets	20,484.05	20,484.05
Total Equity	20,813.60	20,820.80
TOTAL LIABILITIES & EQUITY	<u>20,813.60</u>	<u>20,820.80</u>

Michigan Drum Corps Scholarship Fund
Statement of Activities
August 2024

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Accrual Basis

	<u>Aug 2024</u>	<u>Jul 2024</u>	<u>Year to Date</u>
Ordinary Income/Expense			
Income			
Contributions			
Individual Contributions	0.00	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>0.00</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	1,570.24
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>2,591.57</u>
Other Income	0.00	0.00	0.00
Total Income	<u>0.00</u>	<u>0.00</u>	<u>6,518.89</u>
Expense			
Program Expenses			
Auditions & Camp Fees	0.00	0.00	0.00
Member Tuition	0.00	0.00	3,250.00
Other Program Expenses	0.00	0.00	0.00
Total Program Expenses	<u>0.00</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	84.00
Fundraising Expenses	0.00	0.00	0.00
Bank Fees	0.00	0.00	11.88
Paypal Fees	0.00	0.00	2.48
Investment Fees	0.00	0.00	209.14
Total Administrative Expenses	<u>7.20</u>	<u>7.20</u>	<u>307.50</u>
Total Expenses	<u>7.20</u>	<u>7.20</u>	<u>3,557.50</u>
Net Income	<u><u>-7.20</u></u>	<u><u>-7.20</u></u>	<u><u>2,961.39</u></u>

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

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Accrual Basis

	Aug 2024	Jul 2024	Year to Date
Total Unrestricted Revenues	0.00	0.00	1,300.00
Net Assets Released from Restriction	0.00	0.00	0.00
Total Unrestricted Expenses and Losses	-7.20	-7.20	-2,348.36
Increase in Unrestricted Net Assets	-7.20	-7.20	-1,048.36
Donor Restricted Net Assets	0.00	0.00	0.00
Temporarily Restricted Net Assets	187.32	187.32	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	20,296.73	20,296.73	20,296.73
Contributions	0.00	0.00	5,218.89
Total Restricted Expenses and Losses	0.00	0.00	-1,209.14
Increase in Permanently Restricted Net Assets	0.00	0.00	4,009.75
Change in Net Assets	-7.20	-7.20	2,961.39
Beginning Net Assets:	20,820.80	20,828.00	17,852.21
Ending Net Assets:	20,813.60	20,820.80	20,813.60

Michigan Drum Corps Scholarship Fund
Statement of Cash Flows
August 2024

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09/11/2024

Accrual Basis

	<u>Aug 24</u>	<u>Oct '23 - Aug 24</u>
OPERATING ACTIVITIES		
Net Income	-7.20	2,961.39
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>-7.20</u>	<u>2,933.38</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	0.00	892.68
Jason Fritz Endowment - Restricted Balance	0.00	-4,882.43
Net cash provided by Investing Activities	<u>0.00</u>	<u>-3,989.75</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>-7.20</u>	<u>-1,056.37</u>
Cash at beginning of period	1,655.46	2,704.63
Cash at end of period	<u><u>1,648.26</u></u>	<u><u>1,648.26</u></u>