

Michigan Drum Corps Scholarship Fund

Financial statements for the month of:

March 2023

(with summarized comparative information for the previous month)

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Introduction

March marks the sixth month of our fourth year of operations. The fund recorded \$7.20 in net losses for our monthly Digital Ocean invoice exceeding \$0 in donations received. The Jason Fritz Memorial Endowment has a \$500 spendable balance and a \$14,066.77 permanently restricted balance whose investment earnings will be used to support future scholarships. We have not yet received the quarterly investment statements for January – March and updated investment information will be provided when those updates have been provided. Through December, our investment returns to date totaled -11.21%. Anticipating that end-of-year market volatility and inflation could lead to further losses throughout 2023, we have retained some restricted donations in the form of cash to avoid subjecting those donations to market losses. Potential avenues for supporting 2023 Fritz Memorial scholarship disbursements may include utilizing some of this cash on hand for active scholarships, though that would require the explicit approval of donors. Decisions on our strategy will need to be made soon.

No sponsorships were made during March based on the fund's current operating plan to review and disburse all sponsorships during May unless a student contacts us expressing financial need for an expedited disbursement. In line with that exception window, one tuition sponsorship towards the Bluecoats was approved on January 30th and was paid during February. To date, we have supported two students this fiscal year and have received applications from forty-eight students.

To date, the total support requested solely from the general scholarship program is 5.6 times greater than the total value of the scholarship fund's net assets – including endowed assets that cannot be used for general scholarships. After removing already-processed applications and removing ineligible applicants, the total amount of tuition support requested equals \$104,225. The Board must consider revising applications and adjusting how funds are awarded going forward as we do not have the resources required to support the stated need of applications we have received over in recent months.

Financial Recap

Liquid assets on hand: \$1,926.99

Donations: 0 donations received in March. 8 donations received this fiscal year.

Disbursements: 0 program related disbursements made during March. 2 program related disbursements made this fiscal year.

Financial Narrative

Cash for the month is \$7.20 lower than February our monthly Digital Ocean invoice payment. \$205 of the cash on hand is restricted to maintain minimum reserve requirements and \$1,798.71 is restricted for the Jason Fritz Memorial Endowment for donations to be transferred to BCCF.

Program related expenses did not change during March. Administrative expenses are up \$7.20 for our monthly Digital Ocean invoice.

Restricted funds for the Jason Fritz Memorial Endowment are broken down as follows: \$16,365.19 is permanently restricted as the corpus of the endowment and \$500 remains invested as an opening spendable balance. Endowment earnings and losses are listed under the Investments category of the profit and loss statement with a -11.21% investment return through December based on our most recent quarterly 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 March 31, 2023

1:02 AM
04/25/2023
Accrual Basis

	<u>Mar 2023</u>	<u>Feb 2023</u>
ASSETS		
Current Assets		
Cash		
Checking Account	3,839.70	3,846.90
Savings Account	91.00	91.00
Less: Reserve Requirements	(205.00)	(205.00)
Less: Restricted Funds for Endowment	(1,798.71)	(1,798.71)
Total Unrestricted Cash	1,926.99	1,934.19
Restricted Cash	2,003.71	2,003.71
Total Checking/Savings	3,930.70	3,937.90
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	3,930.70	3,937.90
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	500.00	500.00
Jason Fritz Endowment - Restricted Balance	14,066.77	14,066.77
Total Other Assets	14,566.77	14,566.77
TOTAL ASSETS	18,497.47	18,504.67
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	1,632.28	1,639.48
Donor Restricted Net Assets	16,865.19	16,865.19
Total Equity	18,497.47	18,504.67
TOTAL LIABILITIES & EQUITY	18,497.47	18,504.67

Michigan Drum Corps Scholarship Fund
Statement of Activities
March 2023

1:02 AM
04/25/2023
Accrual Basis

	Mar 2023	Feb 2023	Year to Date
Ordinary Income/Expense			
Income			
Contributions			
Individual Contributions	0.00	14.63	4,599.82
Corporate Contributions	0.00	0.00	101.07
Gifts in Kind	0.00	0.00	0.00
Total Contributions	0.00	14.63	4,700.89
Major Gifts	0.00	0.00	0.00
Investments			
Interest Income	0.00	0.00	0.00
Investments	0.00	0.00	911.91
Other Income	0.00	0.00	0.00
Total Investments	0.00	0.00	911.91
Other Income	0.00	0.00	0.00
Total Income	0.00	14.63	5,612.80
Expense			
Program Expenses			
Auditions & Camp Fees	0.00	0.00	100.00
Member Tuition	0.00	0.00	450.00
Other Program Expenses	0.00	0.00	0.00
Total Program Expenses	0.00	0.00	550.00
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	43.20
Fundraising Expenses	0.00	0.00	0.00
Bank Fees	0.00	0.00	41.11
Paypal Fees	0.00	0.00	33.93
Investment Fees	0.00	0.00	52.34
Total Administrative Expenses	7.20	7.20	170.58
Total Expenses	7.20	7.20	720.58
Net Income	-7.20	7.43	4,892.22

Michigan Drum Corps Scholarship Fund
Statement of Changes in Net Assets
As of March 31, 2023

1:02 AM
04/25/2023
Accrual Basis

	Mar 2023	Feb 2023	Year to Date
Total Unrestricted Revenues	0.00	14.63	-105.41
Net Assets Released from Restriction	0.00	500.00	500.00
Total Unrestricted Expenses and Losses	-7.20	-7.20	-425.48
Increase in Unrestricted Net Assets	-7.20	507.43	-30.89
Donor Restricted Net Assets	0.00	0.00	0.00
Temporarily Restricted Net Assets	500.00	500.00	500.00
Contributions	0.00	0.00	0.00
Net Assets Released from Restriction	0.00	-500.00	-500.00
Increase in Temporarily Restricted Net Assets	0.00	-500.00	-500.00
Permanently Restricted Net Assets	0.00	0.00	0.00
Contributions	0.00	0.00	5,718.21
Total Restricted Expenses and Losses	0.00	0.00	-295.10
Increase in Permanently Restricted Net Assets	0.00	0.00	5,423.11
Change in Net Assets	-7.20	7.43	4,892.22
Beginning Net Assets:	18,504.67	18,497.24	13,605.25
Ending Net Assets:	18,497.47	18,504.67	18,497.47

Michigan Drum Corps Scholarship Fund
Statement of Cash Flows
March 2023

1:02 AM

04/25/2023

Accrual Basis

	<u>Mar 23</u>	<u>Oct '22 - Mar 23</u>
OPERATING ACTIVITIES		
Net Income	-7.20	4,892.22
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	0.00
Salaries and Wages Payable	0.00	0.00
Net cash provided by Operating Activities	<u>-7.20</u>	<u>4,892.22</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	0.00
Jason Fritz Endowment - Restricted Balance	0.00	-2,859.57
Net cash provided by Investing Activities	<u>0.00</u>	<u>-2,859.57</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>2,032.65</u>
Cash at beginning of period	3,937.90	1,898.05
Cash at end of period	<u><u>3,930.70</u></u>	<u><u>3,930.70</u></u>