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NOTES: NORTHWEST MICHIGAN ARTS & CULTURE NETWORK 2021 SMU/DATA ARTS FUNDERS REPORT

1) 2019 “Stub Year” CDP: The 2019 CDP column reflects variances compared to 2020 and 2021 due to the timing of the Network’s 501c3 and prior fiscal structure.

Northwest Michigan Arts & Culture Network was originally formed in 2015 under fiscal sponsorship and incubation of Networks Northwest (former Northwest Michigan Council of Governments). 501c3 was obtained 12/14/2018. Since the Network’s fiscal year runs 10/1 - 9/30, the 2019 CDP reflects Network Northwest’s partial year fiscal sponsorship (10/1/2018 - 12/13/2018) plus the Northwest Michigan Arts & Culture Network’s “stub year” as a 501c3 (12/14/2018 - 9/30/2019). Reports for 2020 and 2021 reflect a normal 12-month cycle as a 501c3. All data aligns with 990s filed for each year by the Network’s CPA firm.

Addressing what may appear odd but is due to the 2018-19 transition:

- Personnel costs. 2019 reflected Network Northwest staff stipend for 10/1-12/13/2018, not our arts network staff. The Northwest Michigan Arts & Culture Network has no W-2 employees, instead engaging independent contractors and volunteers for executive management, administrative support, IT, and related services while the organization builds capacity. 2019 professional fees were high due to legal and CPA services for the 501c3 transition.
- Functional operating expenses shifted with higher personnel costs directed to programming, per CPA guidance and 990 reporting.
- Funds for regranting were held by others in 2019, shifting to the Network in 2020 and 2021.
- CDP did not migrate 2019 balance sheet data into the new 2020 platform because expenses were less than \$50,000. (*per DataArts, 5/2020*).

2) Moving forward, the Network’s CDP data will continue to reflect a normal 12-month cycle. This funders report (2021, 2020, 2019) will be the last reflecting a fragmented year.

Organization Information

Organization name: Northwest Michigan Arts & Culture Network
 City: Traverse City Year organization founded: 2015
 State: MI Organization type: 501(c)3 nonprofit organization
 County: Grand Traverse DUNS #: 117050008
 Federal ID #: 831282144 Full-time staff: 0
 NISP Discipline: 14 - Multidisciplinary Board Members: 16
 NISP Institution: 17 - Arts Service Organization Fiscal year end date: 09-30
 NTEE: A90 - Arts Services

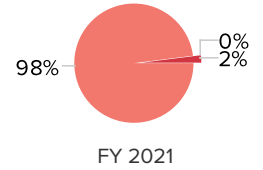
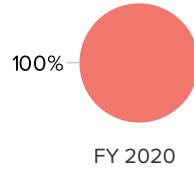
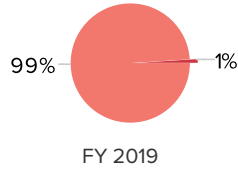
Applicant is not audited or reviewed by an independent accounting firm.

Financial Summary

Unrestricted Activity	FY 2019	FY 2020	% Change	FY 2021	% Change
Unrestricted operating revenue					
Earned program	\$1,000		-100%	\$1,820	n/a
Earned non-program			n/a	\$0	n/a
Total earned revenue	\$1,000		-100%	\$1,820	n/a
Investment revenue			n/a	\$0	n/a
Contributed revenue	\$66,275	\$78,294	18%	\$87,003	11%
Total unrestricted operating revenue	\$67,275	\$78,294	16%	\$88,823	13%
Less in-kind	\$12,150	\$17,740	46%	\$23,000	30%
Unrestricted operating revenue less in-kind	\$55,125	\$60,554	10%	\$65,823	9%
Operating expenses					
Program	\$37,021	\$102,623	177%	\$127,984	25%
Management & general	\$22,212	\$10,229	-54%	\$7,850	-23%
Fundraising	\$2,468	\$412	-83%	\$2,281	454%
Total operating expenses	\$61,701	\$113,264	84%	\$138,115	22%
Less in-kind	\$12,150	\$17,740	46%	\$23,000	30%
Unrestricted operating expenses less in-kind	\$49,551	\$95,524	93%	\$115,115	21%
Unrestricted change in net assets - operating	\$5,574	-\$34,970	-727%	-\$49,292	-41%
Unrestricted change in net assets	\$5,574	-\$34,970	-727%	-\$49,292	-41%
Restricted change in net assets		\$41,937	n/a	\$68,322	63%
Total change in net assets	\$5,574	\$6,967	25%	\$19,030	173%

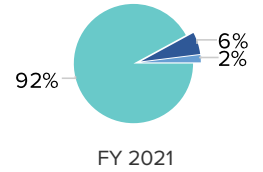
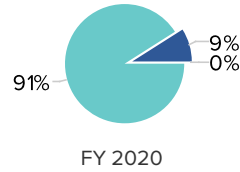
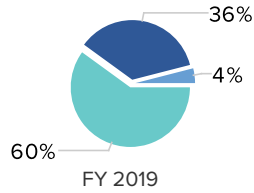
Unrestricted Operating Revenue by Source

- Earned
- Investment
- Contributed



Operating Expenses by Functional Grouping

- Program
- Management & General
- Fundraising



Revenue Details

Operating Revenue	FY 2019	FY 2020	FY 2021	FY 2021	FY 2021
Earned - Program	Total	Total	Total	Unrestricted	Restricted
Subscriptions			\$0	\$0	
Membership fees - individuals			\$420	\$420	\$0
Membership fees - organizations			\$1,300	\$1,300	
Ticket sales & admissions			\$0	\$0	
Education revenue			\$0	\$0	
Publication sales			\$0	\$0	
Gallery sales			\$0	\$0	
Contracted services & touring fees			\$100	\$100	
Royalty & reproduction revenue			\$0	\$0	
Earned - program not listed above	\$1,000		\$0	\$0	
Total earned - program	\$1,000		\$1,820	\$1,820	
Earned - Non-program					
Rental revenue			\$0	\$0	
Sponsorship revenue			\$0	\$0	
Attendee-generated revenue not listed above			\$0	\$0	
Earned non-program not listed above			\$0	\$0	
Total earned - non-program			\$0	\$0	
Total earned revenue	\$1,000		\$1,820	\$1,820	

Northwest Michigan Arts & Culture Network

	FY 2019	FY 2020	FY 2021	FY 2021	FY 2021
Contributed	Total	Total	Total	Unrestricted	Restricted
Trustee & board	\$3,500	\$480	\$1,440	\$1,440	\$0
Individual	\$0	\$13,649	\$21,463	\$21,463	\$0
Corporate	\$0	\$0	\$0	\$0	\$0
Foundation	\$23,375	\$29,425	\$20,000	\$10,000	\$10,000
State government	\$13,500	\$58,937	\$86,581	\$31,100	\$55,481
In-kind operating contributions	\$12,150	\$17,740	\$25,841	\$23,000	\$2,841
Special fundraising events			\$0	\$0	\$0
Contributions not listed above	\$13,750	\$0	\$0	\$0	\$0
Net assets released from restriction	\$0	\$0	\$0	\$0	\$0
Total contributed revenue	\$66,275	\$120,231	\$155,325	\$87,003	\$68,322
Operating investment revenue	\$0	\$0	\$0	\$0	\$0
Total operating revenue	\$67,275	\$120,231	\$157,145	\$88,823	\$68,322
Total operating revenue less operating in-kind	\$55,125	\$102,491	\$131,304	\$65,823	\$65,481
Total revenue	\$67,275	\$120,231	\$157,145	\$88,823	\$68,322
Total revenue less in-kind	\$55,125	\$102,491	\$131,304	\$65,823	\$65,481

Revenue Narrative

FY 2019	n/a
FY 2020	FY20 marked first full year the Network handled regrant funds for MCACA. During prior year, regrant funds were received and dispursed from prior fiduciary Rotary Charities but under the management of the Network. Moving forward all regranting funds and grants for services will continue to be handled only by the Network and reflected financially on the Network's 990 & CDP.
FY 2021	Earned revenue reflects new membership effort with very low "pandemic pricing" Primary increases due to additional grant awards and contributions during FY21

Expense Details

	FY 2019 Total	FY 2020 Total	% Change	FY 2021 Total	% Change	FY 2021 Program	FY 2021 General & Administrative	FY 2021 Fundraising
Personnel expenses - Operating								
W2 employees (salaries, payroll taxes and fringe benefits)	\$1,000	\$0	-100%	\$0	n/a	\$0	\$0	\$0
Independent contractors	\$35,589	\$45,263	27%	\$69,603	54%	\$61,603	\$6,000	\$2,000
Professional fees	\$4,500	\$1,715	-62%	\$2,268	32%	\$1,815	\$340	\$113
Total personnel expenses - Operating	\$41,089	\$46,978	14%	\$71,871	53%	\$63,418	\$6,340	\$2,113
Non-personnel expenses - Operating								
Occupancy costs	\$3,450	\$17,000	393%	\$6,000	-65%	\$5,000	\$1,000	\$0
Non-personnel expenses not listed above	\$17,162	\$49,286	187%	\$60,244	22%	\$59,566	\$510	\$168
Total non-personnel expenses - Operating	\$20,612	\$66,286	222%	\$66,244	-0%	\$64,566	\$1,510	\$168
Total operating expenses	\$61,701	\$113,264	84%	\$138,115	22%	\$127,984	\$7,850	\$2,281
Total expenses	\$61,701	\$113,264	84%	\$138,115	22%			
Total expenses less in-kind	\$49,551	\$95,524	93%	\$112,274	18%			
Total expenses less depreciation	\$61,701	\$113,264	84%	\$138,115	22%			
Total expenses less in-kind and depreciation	\$49,551	\$95,524	93%	\$112,274	18%			

Expense Narrative

FY 2019	n/a
FY 2020	n/a
FY 2021	The Network received increased funds for regranting which resulted in correlating increased grant expense; increased use of digital delivery of programming, social media, marketing communications. All services, including executive management are provided by independent contractors.

Balance Sheet

Assets	FY 2019	FY 2020	% Change	FY 2021	% Change
Current assets					
Cash and cash equivalents		\$28,743	n/a	\$47,418	65%
Receivables		\$2,875	n/a	\$4,500	57%
Investments - current		\$0	n/a	\$0	n/a
Prepaid expenses & other		\$0	n/a	\$0	n/a
Total current assets		\$31,618	n/a	\$51,918	64%
Long-term/non-current assets					
Investments - non current		\$0	n/a	\$0	n/a
Fixed assets (net of accumulated depreciation)		\$0	n/a	\$0	n/a
Non-current assets not listed above		\$74,500	n/a	\$84,750	14%
Total long-term/non-current assets		\$74,500	n/a	\$84,750	14%
Total assets		\$106,118	n/a	\$136,668	29%
Liabilities & Net Assets					
	FY 2019	FY 2020	% Change	FY 2021	% Change
Current liabilities					
Accounts payable and accrued expenses		\$0	n/a	\$0	n/a
Deferred revenue		\$0	n/a	\$0	n/a
Loans - current		\$0	n/a	\$0	n/a
Additional current liabilities not listed above		\$0	n/a	\$0	n/a
Total current liabilities		\$0	n/a	\$0	n/a
Long-term/non-current liabilities					
Long-term/non-current loans		\$0	n/a	\$0	n/a
Additional long-term/non-current liabilities not listed above		\$44,000	n/a	\$44,000	0%
Total long-term/non-current liabilities		\$44,000	n/a	\$44,000	0%
Total liabilities		\$44,000	n/a	\$44,000	0%
Total net assets		\$62,118	n/a	\$92,668	49%
Total liabilities & net assets		\$106,118	n/a	\$136,668	29%

Balance Sheet Narrative

FY 2019	n/a
FY 2020	n/a
FY 2021	<ul style="list-style-type: none"> - Current assets reflect 990 reporting - Non-current assets reflect grants approved for subsequent fiscal year (reported in similarly in prior years' CDPs) - Non-current liabilities reflect portion of non-current assets restricted for regranting in subsequent fiscal year (reported similarly in prior years' CDPs) - No fixed assets. During FY21 and prior, Network relied on in-kind office/programming space and contractual venue fees.

Balance Sheet Metrics

	FY 2019	FY 2020	% Change	FY 2021	% Change
Months of operating cash -- Total		3.04	n/a	4.12	35%
Working capital -- Total		\$31,618	n/a	\$51,918	64%
Current ratio -- Total			n/a		n/a
Net assets as a % of total expenses		55%	n/a	67%	22%
Fixed assets (net)		\$0	n/a	\$0	n/a
Condition of fixed assets		NaN		NaN	
Leverage -- Total		0%	n/a	0%	n/a
Total debt		\$0	n/a	\$0	n/a
Debt service impact		0%	n/a	0%	n/a

Months of operating cash (Cash & Cash Equivalents/(Total Expense/12)) indicates the number of months an organization can operate at current average monthly expense levels with existing unrestricted cash and cash equivalents.

Working capital (Current Assets minus Current Liabilities) consists of the resources available for operations. This calculation of working capital 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. A ratio of 1.0 indicates that current assets are equal to current liabilities. A ratio of around 1.5 is a more comfortable position, allowing for more cushion against uncollected receivables or timing discrepancies between expected receipts and disbursements. Ideally this number should approach 2 which indicates ample short-term liquidity to obviate the need to borrow or sell assets.

Net assets as % of total expenses measures the net worth of an organization in relationship to its operating size. It is calculated as total net assets divided by total expenses. If the trend is level or increasing, then total net assets are keeping pace with growth in operating expenses.

Condition of fixed assets indicates the potential need for replacement or repair of fixed assets (such as buildings, furniture, office equipment, sets and props). This is especially significant for organizations that own a building or carry a long-term lease. Accumulated depreciation of less than 50% of the total value of fixed assets indicates a stock of relatively new assets. A high percentage (>80%) of accumulated depreciation could indicate aging infrastructure and need for funding the replacement or repair of fixed assets in the near future.

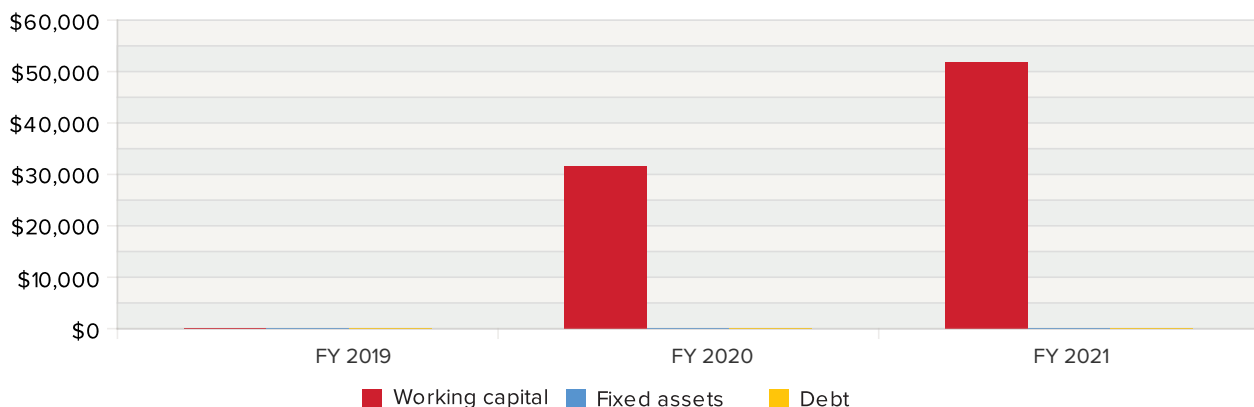
Leverage ratio (Total Debt divided by Total Assets) measures what proportion of your assets are supported by debt. A number in excess of 50% may indicate liquidity problems, or reduced capacity for future borrowing.

Fixed assets (net) is the value of all land, buildings, equipment, leasehold improvements and other property and equipment owned by the organization. It is calculated net of accumulated depreciation to reflect the reduction in the value of an asset as it ages and is used.

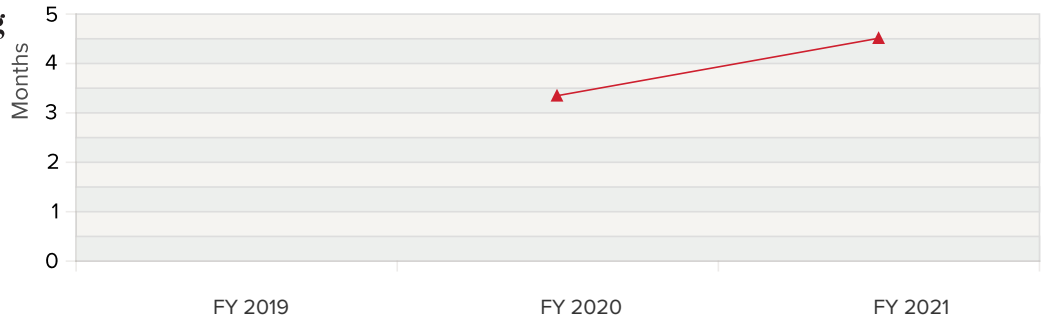
Total debt consists of all short and long-term contractual obligations of the organization, including lines of credit, loans, notes, bonds, and capital leases.

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. The higher the percentage, the more the organization has to dedicate its resources to debt repayment rather than programming and other operating expenses.

Components of Net Assets



Months of Working Capital



Attendance

	FY 2019	FY 2020	% Change	FY 2021	% Change
Total attendance					
Paid	80		-100%	0	n/a
Free	1,350	180	-87%	1,750	872%
Total	1,430	180	-87%	1,750	872%
In-person attendance					
Paid	80		-100%	0	n/a
Free	400	80	-80%	500	525%
Total	480	80	-83%	500	525%
Digital attendance					
Paid			n/a	0	n/a
Free	950	100	-89%	1,250	1,150%
Total	950	100	-89%	1,250	1,150%
In-person attendees 18 and under	14	0	-100%	50	n/a
Programs in schools	FY 2019	FY 2020	% Change	FY 2021	% Change
Children served in schools			n/a	0	n/a
Hours of instruction			n/a	0	n/a

Workforce

	FY 2019	FY 2020	% Change	FY 2021	% Change
Number of People					
Volunteers	10	30	200%	10	-67%
Independent contractors	5	6	20%	6	0%
Interns and apprentices		0	n/a	0	n/a
Total positions	15	36	140%	16	-56%

Visual & Performing Artists

	FY 2019	FY 2020	% Change	FY 2021	% Change
Number of visual & performing artists		1	n/a	3	200%
Payments to artists & performers		\$0	n/a	\$0	n/a

Covid-19 Impact

	FY 2019	FY 2020	FY 2021
Due to COVID-19 crisis restrictions on in-person gatherings and/or stay-at-home orders mandated by government health guidelines, how was staffing affected at your organization:			
Number of employees laid off		0	0
Number of employees furloughed		0	0
Of those furloughed or laid off employees, how many (if any) have been brought back?		0	0

Mission and Constituency

Mission statement

The mission of the Northwest Michigan Arts & Culture Network is to harness the collective power of the region's creative sector to cultivate vibrant communities by strengthening the ecosystem that supports arts and culture.

The network serves Michigan's Antrim, Benzie, Charlevoix, Emmet, Grand Traverse, Kalkaska, Leelanau, Manistee, Missaukee and Wexford counties.

Mission demographics

This organization's mission is not rooted in an explicitly identified ethnic, cultural or other demographic voice.

Racial/ethnic group

Additional group (please state)

Gender

Additional group (please state)

Sexual orientation

Additional group (please state)

Age group

Additional group (please state)

Disability

Additional characteristics

If the fields above are blank, this organization does not serve that demographic specifically.

Audience

The organization does not seek to primarily serve a specific audience.

Racial/ethnic group

Additional group (please state)

Gender

Additional group (please state)

Sexual orientation

Additional group (please state)

Age group

Additional group (please state)

Disability

Additional characteristics

Additional group (please state)

Community type served

Rural

If the fields above are blank, this organization does not serve that demographic specifically.

Program Activity

In-person activity	FY 2019		FY 2020		FY 2021	
	Distinct offerings	# of times offered	Distinct offerings	# of times offered	Distinct offerings	# of times offered
Productions (self-produced)						
Productions (presented)						
Classes/assemblies/other programs in schools						
Classes/workshops (outside of schools)	0	0	0	0	0	0
Field trips/school visits						
Guided tours						
Lectures						
Permanent exhibitions			0		0	
Temporary exhibitions			0		0	
Traveling exhibitions (hosted)			0		0	
Films screened						
Festivals/conferences	0		0		0	
Readings/workshops (developing works)						
Community programs (not included above)					4	4
Additional programs not listed above	10	39	4	8	0	0

NOTE: Data entered prior to 2021 combines information about physical and digital programs. It has been included in the physical program lines.

Program Activity

Digital activity	FY 2019			FY 2020			FY 2021		
	Distinct offerings	# times digitally offered	On-demand	Distinct offerings	# times digitally offered	On-demand	Distinct offerings	# times digitally offered	On-demand
Productions (self-produced)									
Productions (presented)									
Classes/assemblies/other programs in schools									
Classes/workshops (outside of schools)							20	20	2
Field trips/school visits									
Guided tours									
Lectures									
Permanent exhibitions									0
Temporary exhibitions									0
Traveling exhibitions (hosted)									0
Films screened									
Broadcast productions				5	5	5			
Festivals/conferences							1	78	7
Readings/workshops (developing works)									
Community programs (not included above)							1	1	
Additional programs not listed above				26	26	1	27	27	2

NOTE: Data entered prior to 2021 combines information about physical and digital programs. It has been included in the physical program lines.

Digital activity financials	FY 2019		FY 2020		FY 2021	
	Total	Associated with digital program delivery	Total	Associated with digital program delivery	Total	Associated with digital program delivery
Earned revenue	\$1,000				\$1,820	\$1,810
Contributed revenue	\$66,275		\$120,231		\$155,325	\$30,000
Operating expense	\$61,701		\$113,264	\$15,000	\$138,115	\$21,742

Program Activity

	FY 2019	FY 2020	% Change	FY 2021	% Change
Fiscally sponsored projects		0	n/a	0	n/a
Amount distributed to fiscally sponsored projects		\$0	n/a	\$0	n/a
Residencies		0	n/a	0	n/a
Scholarships awarded		0	n/a	0	n/a
Amount awarded in scholarships		\$0	n/a	\$0	n/a
Other grants awarded		19	n/a	23	21%
Amount awarded in grants		\$40,693	n/a	\$55,481	36%
Public art installations		0	n/a	0	n/a
Works commissioned		0	n/a	0	n/a
Films produced		0	n/a	0	n/a
World premieres		0	n/a	0	n/a
National premieres		0	n/a	0	n/a
Local/regional premieres		0	n/a	0	n/a
Published works (physical)	0	0	n/a	0	n/a
Published works (digital)			n/a	0	n/a
Private lessons (in-person)		0	n/a	0	n/a
Private lessons (digital)			n/a	0	n/a
Competitions		0	n/a	0	n/a
Open rehearsals		0	n/a	0	n/a

NOTE: Data entered prior to 2021 combines information about physical and digital programs. It has been included in the physical program lines.

Program Activity Narrative

FY 2019	n/a
FY 2020	n/a
FY 2021	The Network is a regional arts services agency and not a presenting organization. Primary programs are directed at supporting arts and cultural organizations and individual creatives with focus on connecting, communication, professional development, advocacy, regranting, PR and resources that support capacity building utilizing a collective impact approach. The pandemic forced much of our work online and through individual consults (250+ hours) during this fiscal year. Please also note that our official membership program was just launched in FY21. Member # based on FY21 990, renewal stats N/A, so percent was based on initial renewals after year end.