

City and Borough of Sitka

ANNUAL GRANTS FROM GENERAL FUND

SUMMARY SHEET

Name of Organization: Alaska Arts Southeast, Inc. dba Sitka Fine Arts Camp

Alaska State Business License Number (if applicable): 953581

Name of Contact Person: Roger Schmidt

Phone: 907-747-3085 Email: rschmidt@fineartscamp.org

Mailing address: 110 College Drive, Suite 111, Sitka, AK 99835

Grant Category (check either annual or special emergency grant, and check type of services for annual grant):

- ☐ Annual Grant:
 - ☐ Human Services or
 - ☐ Cultural and Educational Services
 - ☐ Community Development
- ☐ Special Emergency Grant

Dollars Requested: \$7,500

Match Dollars Committed: \$30,000 Percentage: 25%

Sources of Matched Dollars: Grants, contributions, and earned income

Brief Description of the Purpose of the Grant: The purpose of this grant is to provide

need-based financial aid for Sitka students to attend our programs.

I, Roger Schmidt, do hereby certify that all information provided for this grant application is accurate and complete to the best of my knowledge.

Name: Roger Schmidt

Title: Executive Director

Date: August 26, 2016

PROJECT OVERVIEW

Sitka Fine Arts Camp is seeking an annual Cultural and Educational Services Grant, which will provide need-based financial aid for Sitka students to attend our summer programs.

Our financial aid program directly targets high-risk students in the Sitka community who need highly engaging, healthy, and meaningful educational experiences in order to succeed. Evaluations have consistently shown that students who attend our programs see enormous growth, increased self-confidence, and improved performance in school. We believe that the arts are the fastest and most effective way to make better citizens and we hope to provide access to our programs for any student in the Sitka community who wishes to attend.

Sitka Fine Arts Camp is a driving educational and economic force in the Sitka community. This year the benefit to our City is measured in \$19,405 in direct sales tax, almost \$1,000,000 in outside funding brought into Sitka through individual donors and grants, and thousands of dollars of indirect spending as the result of visitors brought into Sitka through campus activities. Sitka Fine Arts Camp also provides employment to 17 full time staff and another 159 part-time and seasonal employees.

Sitka Fine Arts Camp is a multi-disciplinary arts camp that offers high-quality arts education to students of all ages. During the summer, we provide over 140 classes in the disciplines of dance, theater, creative writing, Alaska Native Arts, visual arts, and music. The Camp has a huge impact on its students. In the words of one camper: "Camp...is a training ground for better community members. It's this support in growth. I come back to camp because this is where I feel supported as my own human."

Our classes are taught by over 40 nationally recognized teaching artists from around the country and Alaska. Many of the faculty, staff, and counselors are from Alaska, allowing students to be exposed to and build ties with local artists from around the state and from their own community. With national and state recognition including the 2015 Governor's Award of Arts Organization of the Year Award, and a 2007 Coming Up Taller Award from the White House, the Camp demonstrates that it is an exemplary summer program in the arts.

During Summer 2016, our 41st season, the Sitka Fine Arts Camp welcomed 907 students from around the world. They came together from 43 Alaskan communities, 29 states, and 5 countries, participating in a total of 16 camps and workshops over the course of the summer. 263 of our students came from the Sitka community (20% of the students in the Sitka School District). The Camp is proud of its role in developing community among Alaska's youth by bringing together students from all over Alaska.

With funds from the City of Sitka, Sitka Fine Arts Camp will provide increased financial aid for Sitka students. We are committed to making attendance at the Camp an option for Sitka families regardless of means; it is our goal to ensure that no student is prevented from attending the Sitka Fine Arts Camp by financial obstacles. In the summer of 2016, 19% of our students received need-based financial aid amounting to over \$82,648 in distributed funds. 35% of these funds went to Sitka students. Tuition covers approximately half the total costs associated with our summer programs. Donations, grants, and in-kind support help to subsidize the other half.

EXPECTED OUTCOMES

The best measure of success for our financial aid program is the impact that Camp has on the lives of students who would otherwise be unable to attend. An interview with Brandon Haskins, the Program Coordinator for the Family Center at Sitka Counseling and Prevention Services, showed how much impact our programs have on the lives of students. SFAC and SCPS partner together each summer to offer scholarships to at-risk students. Twelve students attended Camp in summer 2016 on these full scholarships. Mr. Haskins noted that the Camp environment helped his students increase social interactions, handle difficult situations, think creatively, and problem-solve. He stated, "My kids, they don't experience respect on a daily basis...to see the smiles on their faces and to see them engage with peers in a way I've never seen them do is so heartwarming. Here, they've felt respected, they've felt heard."

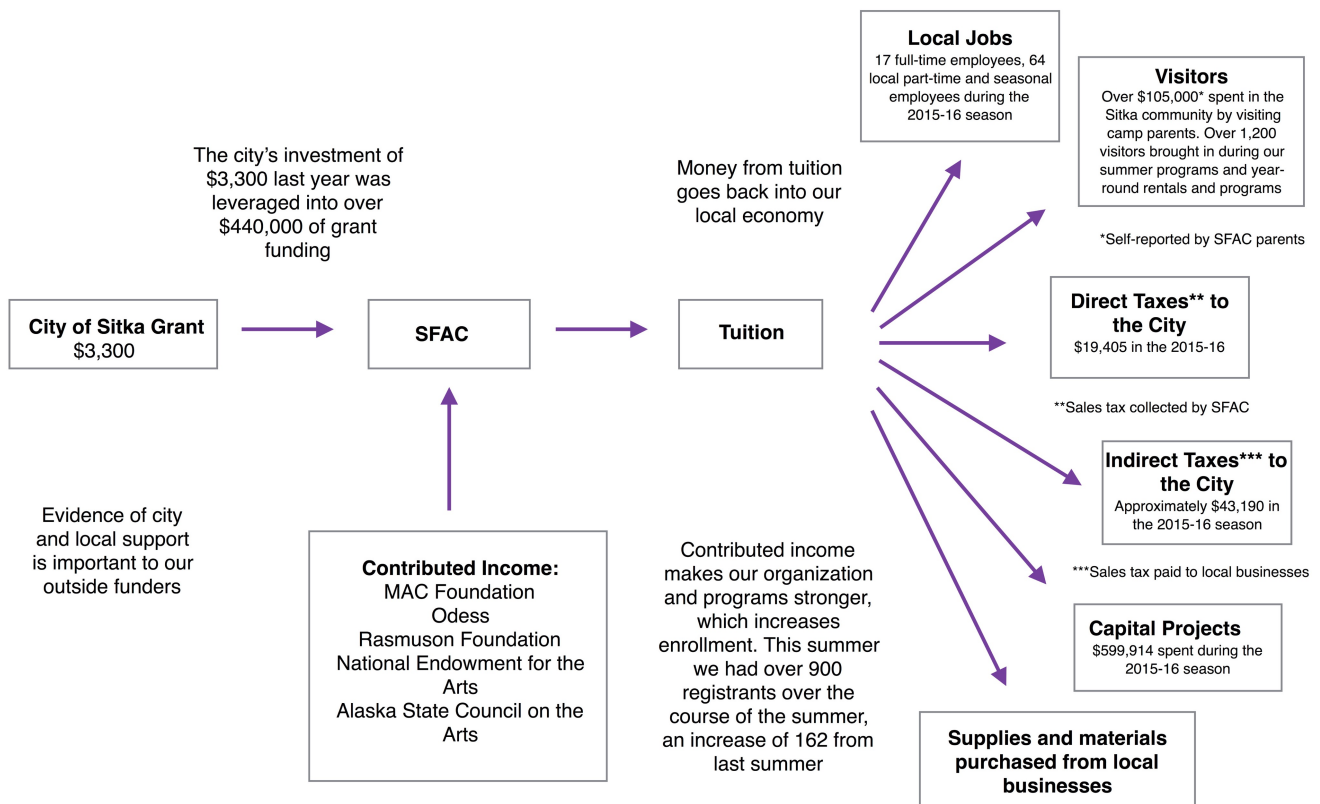
Sitka Fine Arts Camp staff evaluates our programs to ensure that students are gaining valuable knowledge and skills through participation in our Camps; we implement rigorous monitoring and evaluation procedures each summer. We use pre- and post-testing, classroom observations by a professional evaluator, and focus-discussions with students and faculty that measure the impact of our programs. We also measure what happens after Camp. Teachers and parents both provide feedback about student growth observed post-camp. Both sources indicate that the skills learned at Camp last into the next school year. Many of our students and faculty return to Camp on a multi year basis, which allows our staff to confirm artistic development and social maturation in the students firsthand.

STATEMENT OF NEED

This project aligns directly with the Culture and Educational Services funding category because it increases access to high quality arts education for Sitka students of lesser economic status.

This project will directly address needs within the Sitka School District and the Sitka community. Sitka School District and School Board Strategic Planning documents identify the need for Sitka students to have quality educational experiences at all levels. Culturally diverse opportunities are cited. Reference is also made to healthy after school activities. SFAC meets these objectives with high quality and diverse arts educational experiences that allow students to participate at every grade level. SFAC adds to the diversity and quality of education available to the young people in our community. 20% of Sitka School District students participated in our Camps this summer. In addition to our summer programming, SFAC provides artist-in-the-schools programs during the school year, which further increases the impact of this funding.

And finally, the Camp leverages economic goals described in City and SEDA planning documents, by providing an economic return to Sitka through another type of "business", thus contributing to Sitka's diverse and vital local economy. Local wages, revenue from out of town Camp fees, and the City sales tax revenue from Camp visitors contribute to overall community health. Support from the Sitka City and Borough Annual Grants program is important for our organization. Financial support from the City demonstrates to other grantors the importance the City places on having the Sitka Fine Arts Camp in our community. We received over \$440,000 in outside grants this year from federal, state, and private foundation support. These grants all require documentation showing local support. The City's contribution is an Important indicator of local support for the Camp's programs and mission.



In addition to economic benefits, the social benefits that our campus and program bring to the Sitka community include high-quality educational opportunities for youth and adults, year-round visitors to the Sitka community, and professional performing artists as part of our Performing Arts Series. All of these opportunities increase residents' quality of life and keeps people in Sitka.

ORGANIZATIONAL CAPACITY

The Sitka Fine Arts Camp has a great track record of city, state, and national recognition for its work. In the last sixteen years, Camp has successfully transformed itself from a virtually bankrupt camp serving 60 kids, to an organization with a two million dollar budget that manages and oversees a variety of programs including the Sitka Fine Arts Camp (this summer we offered 16 camps and workshops), the Artists in the Schools program, management of the Sitka Performing Arts Center, the Hames Center, and a Performing Arts Series. In addition, our organization has developed strong partnerships and working relationships with many other organizations in our community, especially with the Sitka School District. These partnerships have allowed us to expand our reach and impact more students within the Sitka community.

Community Support: Since January 2011: Over 1000 individual volunteers, over 40,000 volunteer hours, over three million dollars raised in individual and business donations. Our organization is fortunate to have amazing community support that has attracted national coverage amongst national funders like ArtPlace America and the National Endowment for the Arts. Our financial aid program for students of need is currently supported by individual donors, arts councils, businesses, and organizations all over Alaska including the Coast Guard Spouse's and Women's Association, the Greater Sitka Legacy Fund, ALPS Credit Union, the White Elephant, the Atwood Foundation, the Sitka Rotary Club, Juneau Arts and Humanities Council, Ocean Wave Quilters, Sitka Charitable Trust, the Ketchikan Arts and Humanities Council, and Sitka Counseling and Prevention Services.

2015 Board of Directors

Sitka Fine Arts Camp has a highly engaged board:

Sam Skaggs, President
Mollie Kabler, Vice President
Sue Litman, Treasurer
Mary Goddard, Secretary
Wendy Alderson
Kristine Fulton
Martha Pearson
Marya Pillifant
James Poulson
Heather Powell

Board Emeritus (retired from board but still active in our organization): Lauren Allen, Peter Apathy, Thor Christianson, Karen Grussendorf, Mary Hames, Kathryn Snelling

Itemized list of major grantors this year:

Alaska State Council on the Arts: \$26,125
Atwood Foundation: \$10,000
City of Sitka: \$3,300
Crossett Fund: \$10,000
Margaret A Cargill Foundation: \$275,000
National Endowment for the Arts: \$50,000
Sitka Charitable Trust: \$9,117
The Skaggs Foundation: \$15,000
White Elephant: \$5,000

	FY 16 Budget (FY 16: 10/1/15-9/30/16)	FY 16 Actuals (FY 16: 10/1/15-9/30/16)	FY 17 Budget (FY 17: 10/1/16-9/30/17)
<u>Support</u>			
Grants and Corporate Contributions	412,764	446,128	335,361
Individual Contributions	416,647	489,180	156,000
<u>Revenue</u>			
Tuition	711,565	692,849	712,000
Rental Income	464,863	447,236	420,000
Contracts	106,976	112,398	104,693
Ticket and Concession Sales	77,688	86,963	60,000
Equipment Rental	1697	1,009	1500
Interest Income	0	16,696	0
Total Support and Revenue	2,192,200	2,292,459	1,789,554
	FY 16 Budget (FY 16: 10/1/15-9/30/16)	FY 16 Actuals (FY 16: 10/1/15-9/30/16)	FY 17 Budget (FY 17: 10/1/16-9/30/17)
<u>Expenses</u>			
Salaries & Wages	834,742	722,621	800,000
Payroll Taxes and Benefits	149,197	125,954	140,104
Travel	56,718	46,061	55,000
Rent Expense	5,032	4,168	5,000
Utilities	117,313	106,437	118,000
Heating Oil/Propane	51,599	33,873	45,000
Telephone/Internet	9,085	4,861	6,000
Office Supplies	24,583	16,712	25,000
Art Supplies	50,375	48,442	45,000
Food Supplies	83,450	116,734	120,000
Postage & Shipping	1,731	2,367	2500
Concession Supplies	13,297	9,671	11,000

Miscellaneous Supplies	5,589	2,761	5500
Maintenance Supplies	11,675	2,017	12,000
Custodial Supplies	9,305	5,886	9,000
Gas	3,420	2,681	3500
Maintenance & Repairs	40,406	47,309	45,000
Vehicle Maintenance	3,595	6,540	7,000
Equipment Purchases	16,890	45,203	15,000
Capital Construction	472,497	599,914	25,000
Artist Stipends	44,984	35,214	45,000
Professional Services	80,324	58,597	65,650
Sitka Fellow Volunteer Stipends	5,400	8,050	10,800
Insurance	60,000	77,535	80,000
Licenses & Dues	1,082	385	1,000
Advertising	13,176	13,879	15,000
Property Taxes	9,264	9320	10,000
Bank Fees	19,011	15,951	20,000
Miscellaneous Expense	35,174	17004	35,000
Interest Expense	12,636	9957	12,500
Total Expenses	2,242,200*	2,196,104	1,789,554

*\$50,000 variance in FY16 budget due to \$50,000 surplus from FY15 that was carried over to FY16

List of Grants (Received and Pending):

FY 16:

Alaska State Council on the Arts - \$26,125 (received)
Atwood Foundation - \$10,000 (received)
City of Sitka - \$3,300 (received)
Crossett Fund - \$10,000 (received)
Margaret A Cargill Foundation - \$275,000 (received)
National Endowment for the Arts - \$50,000 (received)
Sitka Charitable Trust: \$9,117 (received)
The Skaggs Foundation: \$15,000 (received)
White Elephant: \$5,000 (received)

FY 17:

City of Sitka - \$7,500 (pending)
Margaret A Cargill Foundation - \$275,000 (received)
National Endowment for the Arts - \$75,000 (pending)
National Endowment for the Arts - \$50,000 (received)
Rasmuson Foundation - \$25,000 (pending)
The Skaggs Foundation: \$15,000 (pending)

Alaska Business License #

953581

Alaska Department of Commerce, Community, and Economic Development

Division of Corporations, Business and Professional Licensing

P.O. Box 110806, Juneau, Alaska 99811-0806

This is to certify that

ALASKA ARTS SOUTHEAST, INC.

PO BOX 3086 SITKA AK 99835

owned by

ALASKA ARTS SOUTHEAST, INC.

is licensed by the department to conduct business for the period

October 23, 2014 through December 31, 2016
for the following line of business:

53 - Real Estate, Rental and Leasing



This license shall not be taken as permission to do business in the state without having complied with the other requirements of the laws of the State or of the United States.

This license must be posted in a conspicuous place at the business location.
It is not transferable or assignable.

Susan K. Bell
Commissioner

Internal Revenue Service

Department of the Treasury

**P. O. Box 2508
Cincinnati, OH 45201**

Date: October 17, 2001

Person to Contact:

Jackie Johnson 31-07453
Customer Service Specialist

Toll Free Telephone Number:

8:00 a.m. to 9:30 p.m. EST

877-829-5500

Fax Number:

513-263-3756

Federal Identification Number:

██████████

Alaska Arts Southeast, Inc.
P. O. Box 3086
Sitka, AK 99835-3086

Dear Sir or Madam:

This letter is in response to your request for a copy of your organization's determination letter. This letter will take the place of the copy you requested.

Our records indicate that a determination letter issued in August 1975 granted your organization exemption from federal income tax under section 501(c)(3) of the Internal Revenue Code. That letter is still in effect.

Based on information subsequently submitted, we classified your organization as one that is not a private foundation within the meaning of section 509(a) of the Code because it is an organization described in sections 509(a)(1) and 170(b)(1)(A)(vi).

This classification was based on the assumption that your organization's operations would continue as stated in the application. If your organization's sources of support, or its character, method of operations, or purposes have changed, please let us know so we can consider the effect of the change on the exempt status and foundation status of your organization.

Your organization is required to file Form 990, Return of Organization Exempt from Income Tax, only if its gross receipts each year are normally more than \$25,000. If a return is required, it must be filed by the 15th day of the fifth month after the end of the organization's annual accounting period. The law imposes a penalty of \$20 a day, up to a maximum of \$10,000, when a return is filed late, unless there is reasonable cause for the delay.

All exempt organizations (unless specifically excluded) are liable for taxes under the Federal Insurance Contributions Act (social security taxes) on remuneration of \$100 or more paid to each employee during a calendar year. Your organization is not liable for the tax imposed under the Federal Unemployment Tax Act (FUTA).

Organizations that are not private foundations are not subject to the excise taxes under Chapter 42 of the Code. However, these organizations are not automatically exempt from other federal excise taxes.

Donors may deduct contributions to your organization as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to your organization or for its use are deductible for federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

Alaska Arts Southeast, Inc.
23-7240278

Your organization is not required to file federal income tax returns unless it is subject to the tax on unrelated business income under section 511 of the Code. If your organization is subject to this tax, it must file an income tax return on the Form 990-T, Exempt Organization Business Income Tax Return. In this letter, we are not determining whether any of your organization's present or proposed activities are unrelated trade or business as defined in section 513 of the Code.

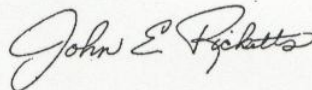
The law requires you to make your organization's annual return available for public inspection without charge for three years after the due date of the return. If your organization had a copy of its application for recognition of exemption on July 15, 1987, it is also required to make available for public inspection a copy of the exemption application, any supporting documents and the exemption letter to any individual who requests such documents in person or in writing. You can charge only a reasonable fee for reproduction and actual postage costs for the copied materials. The law does not require you to provide copies of public inspection documents that are widely available, such as by posting them on the Internet (World Wide Web). You may be liable for a penalty of \$20 a day for each day you do not make these documents available for public inspection (up to a maximum of \$10,000 in the case of an annual return).

Because this letter could help resolve any questions about your organization's exempt status and foundation status, you should keep it with the organization's permanent records.

If you have any questions, please call us at the telephone number shown in the heading of this letter.

This letter affirms your organization's exempt status.

Sincerely,

A handwritten signature in cursive script that reads "John E. Ricketts".

John E. Ricketts, Director, TE/GE
Customer Account Services

Alaska Arts Southeast, Inc.

CBS Liabilities Form

- Property Tax



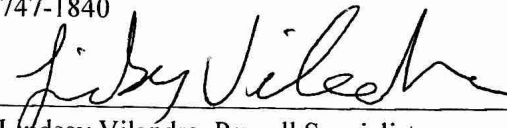
Hannah Nelson, Tax Accountant - *Kristy Crews*
747-1853

- Sales Tax



Kristy Crews, Accounting/Sales Tax Clerk
747-1840

- Municipal Leases



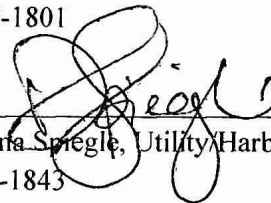
Lindsey Vilandre, Payroll Specialist
747-1825

- Loan/Promissory Note



Larry Fitzsimmons, Senior Accountant
747-1801

- Utilities



Diana Spiegler, Utility/Harbor Billing Clerk
747-1843

Please have CBS Departments sign off that your organization is current on all CBS liabilities.

This form must be completed and submitted with your Non-Profit Grant Application.