

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: 75%

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.

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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 25, 2017

## 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 (SFAC) and the City of Sitka represent a mutually beneficial partnership with a positive impact on both partners. SFAC is a driving educational and economic force in the Sitka community. Evidence of City support is a vital lever to bring outside money into our organization and community. Large funders look at City support when evaluating their contribution. During FY 17, SFAC leveraged the City's contribution of \$4,929 into over \$1.1 million of contributed funds. This year the benefit to our City is measured in over \$50,000 in direct sales tax (SFAC and Hames Center), over \$1.1 million in outside funding brought into Sitka through individual donors and grants, and over \$100,000 of indirect spending as the result of visitors brought into Sitka through campus activities. Additionally, over the last seven years, SFAC has spent over \$5 million on capital projects, directly benefiting our local businesses and contractors. Sitka Fine Arts Camp also provides employment to 14 full time staff and additional seasonal staff.

In addition to the financial benefits that our organization brings to the community, SFAC's mission contributes to the quality of life in Sitka and the education of its youth. 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 50 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 2017, our 42nd season, the Sitka Fine Arts Camp welcomed 951 students from around the world. They came together from 44 Alaskan communities, 25 states, and 3 countries, participating in a total of 19 camps and workshops over the course of the summer. 248 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 continue to provide financial aid making camp possible for all Sitka students. Last year, with a grant from the City of Sitka, we were able to provide full or partial scholarships to 14 Sitka students to attend our programs. 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 2017, 22% of our students received need-based financial aid amounting to over \$85,000 in distributed funds. 49% 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 former 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. Six students attended Camp in summer 2017 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."

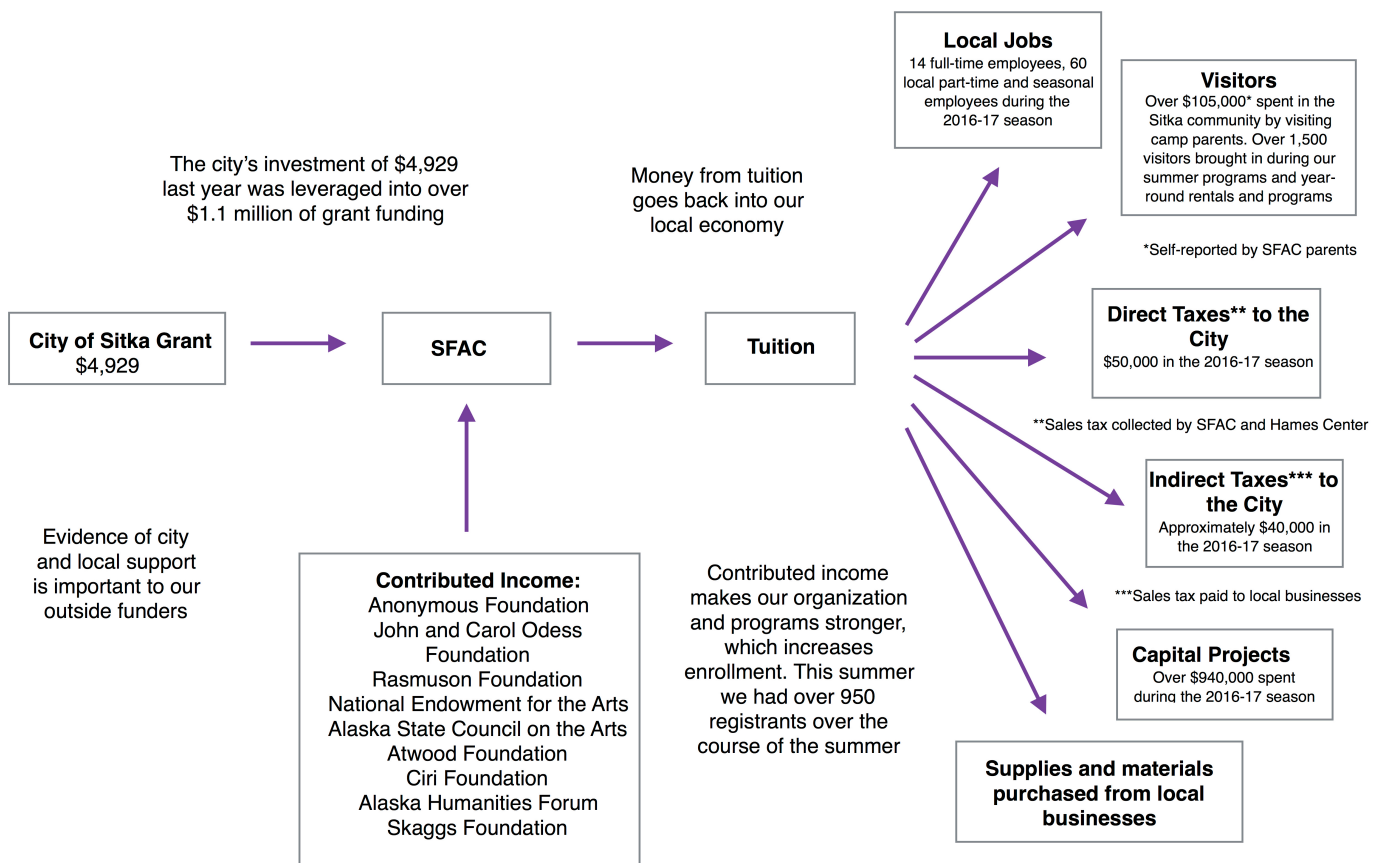
Sitka Fine Arts Camp staff evaluates our programs to ensure that students are gaining valuable knowledge and skills through participation in our Camps; we implement rigorous monitoring and evaluation procedures each summer. We use pre- and post-testing, classroom observations by a professional evaluator, 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 \$1.1 million 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, a state-of-the-art fitness facility, 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 seventeen years, Camp has successfully transformed itself from a virtually bankrupt camp serving 60 kids, to an organization with a three million dollar budget that manages and oversees a variety of programs including the Sitka Fine Arts Camp (this summer we offered 19 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.

### **2016-17 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  
Jerry Lewanski  
Martha Pearson  
Marya Pillifant  
James Poulson

**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 Humanities Forum: \$6,000  
Alaska State Council on the Arts: \$17,500  
Atwood Foundation: \$15,000  
Ciri Foundation: \$11,000  
City of Sitka: \$4,929  
Anonymous Foundation: \$1,007,500  
National Endowment for the Arts: \$50,000  
Rasmuson Foundation: \$18,000  
Sitka Charitable Trust: \$9,750  
State of Alaska: \$16,667  
The Skaggs Foundation: \$15,000  
White Elephant: \$5,000

	<b>FY 17 Budget (FY 16: 10/1/16-9/30/17)</b>	<b>FY 17 Actuals as of July 2017 (FY 16: 10/1/16-9/30/17)</b>	<b>FY 18 Budget (FY 17: 10/1/17-9/30/18)</b>
<b><u>Support</u></b>			
<b>Grants and Corporate Contributions</b>	1,407,547	1,279,752	950,000
<b>Individual Contributions</b>	214,191	203,413	200,000
<b><u>Revenue</u></b>			
<b>Tuition</b>	728,326	714,449	730,000
<b>Rental Income</b>	398,603	506,329	400,000
<b>Contracts</b>	109,692	78,520	109,692
<b>Ticket and Concession Sales</b>	80,410	71,511	60,000
<b>Hames Center</b>	427,980	334,295	425,000
<b>Interest Income</b>	4,000	389	1,000
<b>Total Support and Revenue</b>	<b>3,370,749</b>	<b>3,188,658</b>	<b>2,875,692</b>
	<b>FY 17 Budget (FY 16: 10/1/16-9/30/17)</b>	<b>FY 17 Actuals as of July 2017 (FY 16: 10/1/16-9/30/17)</b>	<b>FY 18 Budget (FY 17: 10/1/17-9/30/18)</b>
<b><u>Expenses</u></b>			
<b>Salaries &amp; Wages</b>	997,497	797,510	985,792
<b>Payroll Taxes and Benefits</b>	180,833	144,324	150,000
<b>Travel</b>	48,220	45,293	50,000
<b>Rent Expense</b>	9,130	5,375	5,000
<b>Utilities</b>	154,509	144,259	165,000
<b>Heating Oil/Propane</b>	46,999	38,877	45,000
<b>Telephone/Internet</b>	8,586	7,495	8,500
<b>Office Supplies</b>	25,615	22,393	25,000
<b>Art Supplies</b>	50,396	40,516	50,000
<b>Food Supplies</b>	120,214	94,313	120,000
<b>Postage &amp; Shipping</b>	2,620	2,316	2500
<b>Concession Supplies</b>	13,950	14,308	14,000

Miscellaneous Supplies	665	6,706	5,000
Maintenance Supplies	1835	2,242	2,000
Custodial Supplies	9,850	12,262	15,000
Gas	3,000	2,860	3,000
Maintenance & Repairs	79,364	52,084	80,000
Vehicle Maintenance	8,073	6,408	6,500
Equipment Purchases	14,100	14,748	10,000
Capital Construction	1,099,963	1,041,487	732,500
Artist Stipends	41,400	33,396	35,000
Professional Services	141,728	115,337	140,000
Sitka Fellow and Americorps Volunteer Stipends	29,400	21,500	0
Education and Outreach Expenses for MAC Grant	56,996	33,207	57,000
Insurance	114,200	81,208	85,000
Licenses & Dues	385	1,525	500
Advertising	12,575	6,710	12,000
Property Taxes	9,492	6,585	10,000
Bank Fees	31,080	22,522	30,000
Miscellaneous Expense	26,766	26,006	1,000
Admin Charge	20,400	0	20,400
Interest Expense	10,908	7,666	10,000
<b>Total Expenses</b>	<b>3,370,749</b>	<b>2,851,438</b>	<b>2,875,692</b>

### **List of Grants Pending and Received:**

#### **FY17:**

Alaska Humanities Forum: \$6,000 (received)  
Alaska State Council on the Arts: \$17,500 (received)  
Anonymous Foundation: \$1,007,500 (received)  
Atwood Foundation: \$15,000 (received)  
Ciri Foundation: \$11,000 (received)  
City of Sitka: \$4,929 (received)  
First National Bank Alaska: \$10,000 (pending)  
National Endowment for the Arts: \$50,000 (received)  
Rasmuson Foundation: \$18,000 (received)  
Sitka Charitable Trust: \$9,750 (received)  
State of Alaska: \$16,667 (received)  
The Skaggs Foundation: \$15,000 (received)  
White Elephant: \$5,000 (received)

#### **FY18:**

Alaska State Council on the Arts: \$17,900 (received)  
Alaska State Council on the Arts: \$9,000 (pending)  
Anonymous Foundation: \$732,500 (received)  
Anonymous Foundation: \$166,666 (pending)  
Atwood Foundation: \$15,000 (pending)  
City of Sitka: \$7,500 (pending)  
Crossett Fund: \$20,000 (pending)  
Murdock Charitable Trust: \$125,000 (pending)  
National Endowment for the Arts: \$75,000 (pending)  
The Skaggs Foundation: \$15,000 (pending)  
State of Alaska: \$16,667 (pending)

**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:**

[REDACTED]

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.  
[REDACTED]

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.

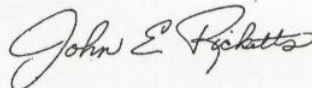
The law requires you to make your organization's annual return available for public inspection without charge for three years after the due date of the return. If your organization had a copy of its application for recognition of exemption on July 15, 1987, it is also required to make available for public 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,



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

Alaska Business License # [REDACTED]

**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

March 21, 2017 through December 31, 2018  
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.

Chris Hladick

Organization Name: Alaska Arts Southeast, Inc.

**CBS Liabilities Form**

- Property Tax

  
Hannah Nelson, Tax Accountant

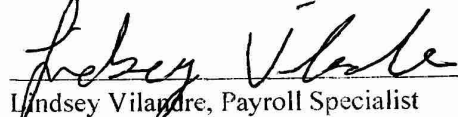
747-1853

- Sales Tax

  
Hillary Nutting, Accounting Clerk

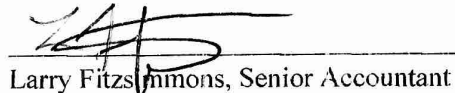
747-1840

- Municipal Leases

  
Lindsey Vilandre, Payroll Specialist

747-1825

- Loan/Promissory Note

  
Larry Fitzsimmons, Senior Accountant

747-1801

- Utilities

  
Diana Spiegle, 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.