



MCACA Grants

Final Report Do's & Don'ts

Final Report Trouble Spots!

MCACA Staff want to increase our turn-around time when reviewing your final reports; however, we need your help to do this!



Last year, over 50% of the final reports turned in required some type of correction. This means that our turn-around time is greatly increased. Common trouble spots include:

- ✓ Revenue/Budget Itemizations that do not follow our format. Profit and Loss statements are not acceptable documentation.
- ✓ Revenue/Budget Itemizations that do not reflect the correct grant period. Example: An organizations financial information for the full year versus the grant's 9 month time period.
- ✓ Incorrectly categorized revenue and expense numbers. Please refer to the Budget definitions in your grant guidelines for the correct way to categorize your revenue and expense numbers. For example, ad's that are sold for performance programs are considered "other unearned income" NOT "earned income."
- ✓ Summary numbers that can't be confirmed by looking at your expense itemization. For example, if you indicate you paid \$15,000 to Michigan Artist's we need to be able to confirm this expense in your expense itemization.
- ✓ Inappropriate expenses included in the final report/expense itemization. Please refer to your grant guidelines for a list of expenses that grant funds can be used for. This may vary depending on the type of grant that you have.
- ✓ Operational Support Narratives do not represent the full 9 month grant period. Regardless if the grant was used for only one program, you must report on the entire 9 month period.

Sample Revenue Itemization

MCACA requires that you submit a full itemization of each statement number entered in the revenue and expenses section in your final report (Sections 7a and 7b).

ATTACHMENT #1, Page 1
"Your" Arts Organization Inc.

REVENUE --- Earned

Admissions	<u>Cash Revenue</u>
Ticket sales	
4 performances x 750 x \$5 per ticket	\$15,000
Contracted services	
7 school workshops - 7 x \$150 ea	\$1,050
2 school performances - 2 x \$350 ea	<u>\$700</u>
	\$1,750
Other / Memberships	
400 x \$15 per membership	\$6,000
80 x \$25 per membership	<u>\$2,000</u>
	\$8,000
Total Earned Revenue -----	<u>\$24,750</u>

REVENUE --- Unearned

Corporate Support	
The Alexander Corporation	\$2,000
15 businesses @ \$250	\$3,750
4 businesses @ \$1,000	<u>\$4,000</u>
	\$9,750
Other Private Support	
Millionaire Raffle	\$7,000
Charities of Our Town	<u>\$3,000</u>
	\$10,000
Total Unearned Revenue -----	<u>\$19,750</u>

MCACA Grant Received to Date -----	<u>\$9,000</u>
Grant Due -----	<u>\$2,000</u>
Total Cash Revenue -----	<u>\$55,500</u>

EXPENSES - IN-KIND

Administrative Employees:	
Executive Director - 5% of salary	\$1,250
Other fees/services (non-employee)	
7 school teachers - 7% of salary	
7 x \$2,450 =	\$17,150
Space Rental	
Allante Elementary Auditorium	
2 performances - 2 x \$800 =	\$1,600
Total In-Kind Expenses -----	<u>\$20,000</u>

Sample Expense Itemization

ATTACHMENT #1, Page 2
"Your" Arts Organization

<u>EXPENSES - CASH</u>	<u>Cash Expenses</u>	<u>MCACA Share</u>
Administrative Employees		
Executive Director - 20% of salary \$5,000	\$1,500	
Artistic Employees		
Grover Dance Company (5 dancers)		
4 performances -4 x \$5,550	\$22,200	\$5,000
2 performances -2 x \$1,300	<u>\$2,600</u>	\$1,300
	\$24,800	
Artistic Fees / Services non employee		
Robert Perry (dancer) Workshop – 2 x \$200	\$400	\$400
John Dubin (dancer) Lecture/Demo – 1 x \$200	\$200	\$200
Darla Heller (dancer) 2 In-service 2 x \$200	\$400	\$400
Carrey Cooper String Quartet (4 musicians)		
2 performances - 2 x \$800	\$1,600	\$500
The Mozart Symphony		
4 performances - 4 x \$2,500	<u>\$10,000</u>	\$1,700
	\$12,600	
Space Rental		
Hicks Theater-4 performance - 4 x \$1,050	\$4,200	
Marketing		
Newspaper Ad - 4 x \$180	\$720	
Newspaper Ad - 5 x \$200	\$1,000	
Newspaper Ad - 2 x \$780	\$1,560	
Posters - 50 x \$13	<u>\$650</u>	
	\$3,930	
Other Expenses		
Ticket Agent	\$500	
School Materials -Dance Dream booklets -245 x \$3	\$735	
School Materials -Teacher guide booklets -7 x \$5	\$35	
Royalties	\$2,450	
Millionaire raffle	\$1,000	
Corporate fundraising solicitation	<u>\$250</u>	
	\$4,970	
Total Cash Expenses	<u>\$55,500</u>	<u>\$11,000</u>

NOTES:

- ✓ Your total MCACA grant amount must equal total MCACA Share in the Expenses section.
- ✓ The numbers used in the Itemization samples are presented solely as examples of budget itemization format. These numbers are not to be used as recommendations of the Council of proper pay scales/expenses etc.

Revenue Definitions



- **Revenue**: Includes all earned and unearned revenue for the project.
- **Applicant Cash**: Funds from the applicant's resources allocated to this project.
- **Corporate Support**: Cash support derived from contributions given for this activity [other than this grant award] by businesses, corporations and corporate foundations, or a proportionate share of such contributions allocated to this activity.
- **Federal Support**: Cash support derived from grants or appropriations given for this activity [other than this grant award] by agencies of the federal government, or a proportionate share of such grants or appropriation allocated to the activity.
- **Foundation Support**: Cash support derived from grants given for this activity [other than this grant award] by private foundations, or a proportionate share of such grants allocated to this activity.
- **Government Support**: Cash support derived from grants or appropriations given for this activity [other than this grant award] by agencies of the city, county, in-state regional and other local government agencies, or a proportionate share of such grants or appropriations allocated to the activity.
- **In-Kind**: In-kind items utilize the same definitions as cash categories to reflect the value of fees and services which are provided to the applicant by volunteers or outside parties at no cash cost to applicant.
- **Other Private Support**: Cash support derived from cash donations given for this activity or a proportionate share of general donation allocated to this activity. Do not include corporate, foundation or government contributions and grants. Include gross proceeds from fundraising events.
- **Other Unearned**: Revenue derived from sources other than those listed above. Include catalog, sales, advertising space in programs, gift shop income, concessions, parking, investment income, etc.



MCACA Funding

Check your grant guidelines for appropriate use of MCACA funding, it varies somewhat depending on the type of grant you have. As a general rule, funding can be used for:

- Salaries, wages, honoraria, artist fee's & residencies, internships
- Marketing expenses
- Supplies, including performance or other production costs
- Administrative fees, professional development or training fees, excluding travel expenses
- Equipment and space rental
- Technology costs, excluding permanent structural or other permanent capital improvements
- Costs related to market research, visitor studies, strategic planning
- Recording costs

MCACA Funding



As a general rule, MCACA funding can't be used for:

- Costs associated with the start-up of a new organization
- Costs incurred prior to the grant starting date
- Indirect costs for the handling/management of grant funds and fundraising
- Purchase awards, cash prizes, scholarships, contributions or donations
- Historical projects without a clear cultural focus
- Payments to endowments
- Existing deficits, licensing fees, fines, contingencies, penalties, interest or litigation costs
- Creation of textbooks/classroom materials
- College or university faculty exhibitions or performances
- Internal programs at colleges or universities
- Commissioning of their faculty by colleges or universities
- Scholarly or academic research, tuition, or activities, which generate academic credit or formal study toward an academic or professional degree
- Capital improvements, new construction, renovation or permanent equipment items
- Out-of-state travel

Again, please check your grant guidelines for appropriate use of MCACA funding as it may vary depending on the type of grant you have.

Participation Summary Numbers

Use the project's ACTUAL information such as numbers of people involved and benefitting from the project. Remember if you are completing a Capital Improvement Final Report the summary numbers should reflect the number of workers in the artist boxes.

- ✓ **Michigan Artists Participating** - Enter the number of Michigan artists involved as providers of art, artistic or cultural services.
- ✓ **Amount Paid to Michigan Artists** - Enter the amount paid to Michigan artists involved as providers of art, artistic or cultural services.
- ✓ **Artists Participating** - Enter the total number of artists involved as providers of art, artistic or cultural services (this total number should include Michigan artists).
- ✓ **Amount Paid to Artists** - Enter the total amount to be paid to artists involved as providers of art, artistic or cultural services (this total should include the amount paid to Michigan artists).
- ✓ **Individuals Benefitting** - Count direct project participants, service providers and any staff, board members or other partners directly involved with the grant activity. Do not use the total number of individuals served by all programs of the organization receiving the grant award. Figures should encompass only those individuals directly affected by or involved in the funded activity, and should include the totals from the Artists Participating and Youth Benefitting fields. Include actual audience numbers based on paid/free admissions or seats filled. Avoid inflated numbers, and do not double-count repeat attendees.
- ✓ **Youth Benefitting** - Enter the total number of children and youth (including students, participants, and audience members) who will directly benefit. This figure should reflect a portion of the total number reported in Individuals Benefitting.
- ✓ **New Hires** - Enter the number of individuals who will be hired and employed by the applicant organization, during the grant period, to implement the project / activity. Include full and part-time staff. Do not include contract workers.
- ✓ **Employees** - Enter the number of individuals who are employed by the applicant organization, during the grant period, to implement the project / activity. Include full and part-time staff. Do not include contract workers.

Final Report Do's

- **Review your grant guidelines for budget definitions and instructions.** Revenues and expenses need to be organized and reported in specific categories in order to conform to NEA reporting requirements.
- **Review your grant guidelines for appropriate use of MCACA grant funds.** There are certain expenses that you cannot use your grant funds for. This varies depending on the type of grant you have. (Example – Capital Expenses)
- **Review the instructions and sample documents in your final report guidelines for creating your revenue and expense itemization.** If you follow the sample itemization format, it will be easy for you to fill out the financial information on-line, it will also help us to review your financials quickly when we review your final report.

Questions?



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