



## THE UNITED PERFORMING ARTS FUND

### **Review of components of allocation formula**

#### **CONTINUING SUPPORT**

- Sustaining – 40% of allocable funds allocated to all member groups based on a prorata share of their prior year's allocation.
- Cornerstone – 20% of allocable funds allocated to the six Cornerstone member groups based on a prorata share of their prior year's allocation.

#### **ORGANIZATIONAL PERFORMANCE**

- Performance Revenue – 8% of remaining allocable funds allocated prorata basis based on the groups' performance revenues. Includes Performance Revenue, Student Performance Revenue, Contracted Services, Tour Income, Tuition income, Studio admission and Production related rental income (e.g. rental of props, sets and costumes). The following have been excluded from Performance Revenue: Education/outreach income, all "other" income categories. These categories of revenue have been excluded because they are either measured in other categories (such as Management Excellence or Education) or are not central to the organization's core mission (for example rent or concessions sales).
- Donor Income – 7% of remaining allocable funds allocated prorata based on the groups' contributed revenues. Includes Contributions and Donations, special event income (net of expenses), donations from auxiliary groups and net assets released from restrictions. This category also includes a measure of endowment funds. Endowment funds are calculated as cash and investments net of debt, payables and deferred income. The net result attempts to quantify not only endowment but cash reserves as well. The formula includes 7% of the calculated endowment funds as part of donor income. The UPAF allocation and donated services are excluded from donor income.
- Education – 2% of remaining allocable funds. Determined by committee. The committee evaluated the group's education programming on the following criteria:
  - A. Recognition and excellence of the programs
  - B. There is a comprehensive strategic plan for education
  - C. They have an effective way to measure the impact of their effort
  - D. Interactive learning programs outweigh presentation learning programs
  - E. Effective collaboration with other presenters and recipients
  - F. There is an ongoing presence with the clients

- G. The reach is broad and accessible for the under served and for the at risk children
  - H. Creativity and innovation of programs
  - I. Length of time that the program(s) have been in existence
- Management Excellence – 8% of remaining allocable funds. Determined by committee. The committee evaluated the groups in four categories:
    - A. Finance (stability, cash flow, trends, positive net assets)
    - B. Administration (long range plan, effective budgeting, professional staff)
    - C. Artistic (artistic plan consistent with mission)
    - D. Outreach (audience development, reaching community)
  - Intangible – 3% of remaining allocable funds are available for making adjustments for unintended or unexpected results of the formula.

### **CAMPAIGN PARTICIPATION**

- Board Giving – 6% of remaining allocable dollars. The pool of funds available is designed to provide a 1 to 1 return on group board contributions to the UPAF campaign. Designed to credit gifts received prior to a deadline more heavily than late gifts. The dollars are actually allocated on a pro-rata basis of total board giving by all of the groups.
- Solicitation – 6% of remaining allocable dollars. The pool of funds available is designed to provide a 30% to 40% return on the dollars each group is credited with raising for the UPAF campaign (not including the leadership dollars identified above). The dollars are allocated on a pro-rata basis of the total solicitation credited to each group.

### **OTHER**

- Dollars “taken off the top”
  - Affiliate funds (funding to non member groups)
  - Campaign support activities (specific activities performed by the groups that assist in the campaign – particularly employee giving performances)
  - Campaign incentive awards for reaching/exceeding goal and for number of prospects solicited by their group