



**Executive Committee
Monday, October 9, 2017
11:00 a.m. EST/10:00 a.m. CST/9:00 a.m. MST/8:00 a.m. PST**

Webinar link: <https://cc.readytalk.com/r/obfd6c9fkqqd&eom>

U.S. & Canada: 866.740.1260
Access Code: 7312994

Members

Kevin Goodno, Chair; John Mazziotta, MD; Gordon Smith, MD;
Robert Griggs, MD, Ralph Jozefowicz, MD

Staff

Jane Ransom, ED; Natalie Baumgartner; Tim Engel, CFO

AGENDA ITEM

PRESENTED BY

Approve minutes from June 1, 2017

Kevin Goodno

2018 budget recommendation

Jane Ransom
&
Tim Engel


Board discussion on ABF progress toward independence

Jane Ransom

Adjourn



Memorandum

TO: Board of Directors
FROM: Jane Ransom, Executive Director 
DATE: October 6, 2017
SUBJECT: **2018 Budget Recommendation**

The 2018 budget recommendation is for a \$4.2 million budget to support the continued growth of the Foundation while awarding more than \$2 million for brain disease research. The Foundation's biggest challenge will continue to be raising unrestricted dollars to cover operations.

In 2018 revenue from the Academy will decline by \$370,000 from 2017,¹ which will substantially increase our need for unrestricted revenue. The 2018 budget carries greater risk than the 2017 budget. But considered risk-taking is required for the Foundation to grow and achieve self-sufficiency, as is our mandate.

The American Brain Foundation will enjoy some favorable conditions as it enters 2018. We have built momentum with notable fundraising breakthroughs, launching the crowdfunding site, and more engaging presentation of the Foundation in our marketing. We will have a growing and vibrant board of directors and greater staff capacity than in 2017.

The Foundation is on track to finish 2017 with a surplus due to expense management efforts, and so will have some funds to fall back upon if necessary. We also have unrestricted invested assets of approximately \$2 million.

Research & Crowdfunding

In 2018 we will grow the two areas of research funding which are fundamental to our strategic plan plan—i.e., the crowdfunding initiative and Clinical Research Training Scholarships. We will also continue to fund AAN scientific awards, such as Potamkin, Essey, and others, as well as funding several non-scientific awards. The budget forecasts total grants and awards at \$2,070,109.

Public Engagement

¹ The Academy grant for general support will decline from \$950,000 to \$750,000. Also, 2017 the Foundation exhausted the final \$170,000 of the Academy's matching grant.

Building the crowdfunding site is central to the marketing plan to be implemented in 2018. Three crowdfunding campaigns, linked to specific brain disease awareness months, will develop our crowdfunding audience. Staffing and professional services being added to support these campaigns and other marketing and communications include:

- Part time marketing specialist on staff
- Marketing firm on project basis
- Video/graphics expertise to develop web content

Philanthropy

The fundraising plan will have two areas of focus—external (the public) and internal (AAN members). Growing major giving will be essential. Encouraging \$1,000 annual donors to step up to the Rowland Circle \$2,500 level will be an on-going campaign. Geographically, we will target most major giving efforts on the east and west coasts. The budget includes funds for receptions with current and prospective major donors, and for vigorous travel for fundraising purposes. The travel budget will also support fundraising visits with private foundations.

The Foundation will begin a planned giving initiative, with the unroll of new information on our website and direct mailings.

In 2018 we will seek to transform our relationships with nonprofit funding partners, from being almost strictly transactional into more dynamic fundraising partnerships. The 2018 budget allows for more travel for in-person meetings with partners, conference presentations, and materials on our crowdfunding and CRTS programs.

We will build on the success of our 2017 Commitment to Cures event, with an expanded event in 2018; and we'll continue to produce a special event in Minnesota (Standing Strong). The annual campaign will include three direct mail solicitations, the employee giving campaign, membership contributions, and website contributions. New for 2018 will be a special fundraising initiative targeting two segments of the AAN membership, to be selected.

Thriving Partnership

2017 has been a positive year for ABF/AAN collaboration around research and conferences. In 2018, we will work toward closer collaboration with the AAN in the areas of marketing & communications, fundraising, and publications.

The budget includes a fee of approximately \$300,000 to the AAN for space, IT, HR, and financial services.

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The Bottom Line

- 2018 Revenue - Unrestricted
 - We need to raise \$2,084,491 in revenue to cover operations
 - Of that, \$788,750 is committed
 - Therefore, we still need to raise \$1,295,741 to meet 2018 operations expenses.

- 2018 Revenue - Restricted

- We need to raise \$2,104,109 in revenue to cover grants and awards
- Of that, \$1,874,109 is committed
- Therefore, we still need to raise \$230,000 to cover 2018 grants and awards
- Overall:
 - Total budget of \$4,188,600
 - 64% committed
 - \$1,525,741 to be raised

**American Brain Foundation
2018 Proposed Operating Budget**

	2018 Budget	Long Range 2018 Budget	2017 Budget
REVENUE			
Grants & Gifts	\$ 675,741	\$ 2,576,167	\$ 1,050,000
Released from Restrictions	3,499,109	1,848,502	3,008,668
Interest Income	13,000		11,500
Other Revenue	750		500
Total Support and Revenue	4,188,600	4,424,669	4,070,668
EXPENSES			
Salaries & Benefits	884,980	831,770	813,776
General Office	175,264	47,799	169,265
Software	80,239	100,786	95,000
Professional	255,454	798,414	460,442
Meeting/Travel Related	351,538	360,807	310,530
Grants/Awards	2,070,109	1,842,765	1,718,668
Contingency		200,000	200,000
Depreciation/Miscellaneous	42,996	46,429	37,503
Management Fee	327,276	195,899	261,732
Total Expenses	4,187,856	4,424,669	4,066,916
CHANGE IN NET ASSETS	\$ 744	-	\$ 3,752