



Annual Report 2018-2019

Preface

The preparation of this report was delayed by the COVID-19 crisis. The global pandemic prompted the suspension of the Fulbright program globally and caused many complexities for our organization and others. We address the resulting challenges for the future at the conclusion of this report. Despite these challenges, we are pleased to report on the continued vibrancy of our programs.

This year has been one of transitions and positive changes for the Fulbright Commission. These changes were made to ensure that all of our activities are aligned with our core mission, to make fiscally responsible management choices, to imbed good governance practices throughout the organization, and to best situate the organization for health and success in the long term.

- We awarded a new scholarship.
- We adopted the new Fulbright logo.
- We launched a new and engaging website and a robust social media strategy.
- We offered webinars.
- We transitioned to a new database and ensured that we comply with European data privacy regulations.
- We moved offices and in doing so reduced our operational overhead.
- We changed the legal structure of the organization to allow for better operations and changed our name.
- We strove to foster community and engage our alumni and supporters, partnering on public events demonstrating thought leadership and offering opportunities for meaningful connection.

Not all of these changes and transitions were easy, but they were all necessary. We have emerged from this leaner, smarter, better structured, and more committed than ever to promoting mutual understanding through educational exchange.

Introduction

The first bilateral agreement promoting educational exchange between the US and The Netherlands was signed and put into effect in 1949. The Netherlands America Commission for Educational Exchange (NACEE) was formed in 1972 as a successor to two separate entities: the US Educational Foundation in the Netherlands (active since 1949) and the Netherlands-America Institute (promoting educational exchanges with the US since 1946). From 1949 until 1972 the US government provided the major part of the support to the Fulbright Program and related activities, from 1972 onwards, the Dutch government supported the activities with a contribution of an approximately equal amount. The treaty provides that both governments should contribute 50% of the

Commission's operating costs. The US government covers the sizable administrative expenses for the Fulbright Program in the US.

In the period July 1, 2004 to July 1, 2019 the NACEE was operating under the name of "Fulbright Center." On July 1, 2019 the NACEE became the "Stichting Fulbright Commission the Netherlands." This transition improved the professionalism of our operations and being a stichting better enables us to work in a manner consistent with our mission. It is explained in more detail herein. For the sake of clarity, we will simply call the organization the Fulbright Commission or the Commission herein.

Period covered

This report covers the period October 1, 2018 until September 30, 2019.

Primary Objectives

The Fulbright Commission's primary objective remains the creation and administration of educational exchange programs in order to promote mutual understanding between Dutch and American citizens. The Commission strives to maintain the prestige of the Fulbright Program, to pursue opportunities to offer additional grants and develop programming consistent with its mission, and to reach out to underrepresented populations.

Fulbright Program

The Fulbright Commission administers the Fulbright Program from its office in Amsterdam. The program promotes mutual understanding between Dutch and American citizens. A measure of Fulbright's success in the Netherlands is the fact that many leaders in Dutch politics, journalism, education, science, and industry are program alumni. Similarly, many American alumni have achieved success either back in the United States or in the Netherlands. Since 1949, more than 4,750 American and Dutch citizens have been awarded Fulbright grants. The Fulbright Commission continues to work toward strengthening contacts with Dutch institutions of higher education and enhancing program support. The Commission also pursues opportunities to work with appropriate institutions on projects conducive to enhancing mutual understanding.

Meaningful engagement

The Fulbright Commission provides a high level of service to the recipients of Fulbright grants and tries to ensure that they have meaningful experiences and are able to fully engage both in their studies and with their local communities. This is crucial to the mission of promoting mutual understanding at the individual level. Participating in the Fulbright Program means much more than simply receiving grant funds in a bank account. Fulbright grantees are expected to act as ambassadors for their country and as such, they are given a great deal of support to facilitate this role. Dutch students receive support in the form of orientations and preparatory courses in the US. During their stay they are invited to regional conferences and events and can participate in seminars, conferences, and special social and cultural events organized by their host institutions. American students and scholars receive assistance in the form of orientations, mid- and

end-of-year evaluation sessions, and other events. They participate in social activities offered by the Fulbright Commission and the Netherlands Fulbright Alumni Association (NFAA). Both in the US and in Europe, grantees can take part in enrichment activities. In the Netherlands, Fulbright students may take part in a speakers program and are invited to high schools to speak about topics such as American politics, immigration, or diversity issues. The Fulbright Commission also offers similar enrichment opportunities to participants in its teacher programs.

Basic support from both governments

The Fulbright Commission receives structural financial support from the Bureau of Educational and Cultural Affairs of the US Department of State as well as from the Dutch Ministry of Education, Culture, and Science. The Educational Advising branch of the US Department of State provides a small amount of additional support. The legal basis for these subsidies is the Bilateral Agreement between the Dutch and American governments signed in October of 1972.

Substantial in-country support from the US government

At the request of Executive Directors of Fulbright Commissions, the Bureau for Educational and Cultural Affairs (ECA) has provided insight in the costs of the Fulbright Program incurred in the United States and funded by the US government. These costs include the administrative fees paid to the two cooperating agencies, namely the Institute of International Education in New York (IIE) and the Council for the International Exchange of Scholars in Washington D.C. (CIES), as well as the costs made for insurance, conferences, day-to-day support, evaluations, impact studies, and other expenses. The estimated costs for the Dutch grantees to the US and the US grantees to the Netherlands is nearly USD300,000 per year. This figure is not reflected in the Commission's financial report.

Close cooperation with the Netherland-America Foundation

Since 2001, the New York-based Netherland-America Foundation (NAF) and the Fulbright Commission have worked closely together in supporting a number of Fulbright grantees each year who receive hyphenated NAF-Fulbright grants. The organizations also collaborate on other programs. In 2018-2019, the NAF funded a total of four Dutch and eleven US students. The NAF-Fulbright grants are paid directly to the Dutch students in the US. The NAF organizes special enrichment activities for the Dutch grantees during their stay in the US and social events for its alumni both in the US and in the Netherlands.

Holland American Friendship Foundation

The Holland America Friendship Foundation, a private foundation in the Netherlands, has for many years provided financial support for Dutch graduate students receiving Fulbright grants. In 2018-2019, the HAFF instead provided support for the English Teaching Assistants program, enabling that program to get started in the Netherlands. The HAFF receives its income from a bi-annual fundraising dinner under the title 'Night of the Stars'. Traditionally, the stars were the Fulbright grantees. Although there has not been a HAFF gala for a few years, the support for the English Teaching Assistants program came from funds previously raised by the HAFF through the gala or through smaller events. The HAFF has committed to supporting this program for another year.

Ivy Circle

The Ivy Circle, an organization that strives to create and sustain an active community in the Netherlands of alumni of leading North American universities and business schools, provides one additional scholarship of EUR5000 to a Dutch Fulbright grantee.

Direct support from corporate sponsors

This year, Elsevier B.V. supported two Fulbright grants for Dutch PhD students to carry out research for their dissertations. Although we have other corporate sponsors including law firms, no suitable candidates were found for the grants they offered this year.

Small foundation support

The Fulbright Commission does not actively seek support from small foundations. However, if foundations wish to hyphenate their grants to students or researchers, the Commission is open to doing so on the condition that the grant is consistent with the mission and criteria of the Fulbright Program and the funder is willing to let the Commission manage the grant. Two hyphenated grants were offered in this year, namely the Fulbright-Tjallingh Roorda Foundation Grant that supports medical research and the Fulbright - New Netherlands Research Commission Grant, a research institution focused on Dutch-American history but these were not filled. These are highly specific grants and it is therefore challenging to find suitable candidates.

Sponsored grants

Dutch universities support the Fulbright Program by sponsoring one or more grants for international students via the Fulbright Program. Maastricht University was the first to do so in 2010. Other universities have followed suit. In 2018-2019, the following universities offered hyphenated grants: VU University Amsterdam (4 grants), Maastricht University (2 grants), Radboud University (1 grant), Technical University Delft's Faculty of Applied Sciences (2 grants of which, 1 for second year), TU Delft Industrial Design Engineering (1 grant) and Erasmus University Rotterdam (1). A special grant in this category was developed in cooperation with the Mauritshuis in The Hague and enabled a US painting restoration student to take courses at the University of Amsterdam's Restoration Department and practice her skills in the Mauritshuis, funded by the US based Friends of the Mauritshuis. A grant for this category was awarded in 2018-2019 for the second consecutive year.

Increase in grant level for Dutch students

The grant level for Dutch students was the same for over ten years. During that time, the costs of study in the US increased, diminishing the relative value of these grants. In the last few years, the Commission also noted a decline in the number of Dutch applicants and found that this might have been caused by the lower value of the grant, among other factors. The Board of the Commission decided last year to increase the grant level from USD12,500 to USD25,000, and for this year they increased it to USD35,000. This increase was partially made possible by a one-time allotment of USD720,000 from the Department of State specifically given for this purpose. All sponsors were then asked to increase their grant levels accordingly. This has resulted in some changes. The Netherlands America Foundation (NAF), for example, has raised the size of its stipends, but will provide fewer grants. The NAF raised the size of its stipends to USD25,000 for this year and the Commission is providing an additional USD10,000 per grantee so that the amount of the NAF grants is consistent with the other grants.

One of the Dutch students who benefitted from this new scholarship is Dirck de Kleer. Originally from Rotterdam, Dirck initially struggled in his academic career. He applied

for the Fulbright scholarship because he was “convinced that the breadth and depth of knowledge acquisition at a world-class American university” would be beneficial. He also believed that extensive time in the United States would allow him “to get to know the United States on a deeper and more meaningful level” so that he could challenge stereotypes. Dirck is currently in his second year of a master’s program at Duke University, so certainly achieved his goal of attending a world-class university. He finds the most meaningful aspect of his Fulbright experience has been establishing a network of strong and lasting friendships in the United States. “Anchored in a celebration of our differences as well as similarities, I truly believe this network epitomizes the friendly and cooperative ties different nations and cultures should strive for,” says Dirck. He finds that his Fulbright experience has increased his intellectual confidence, noting “I engage more frequently in challenging or controversial discussions and am better aware of the contributions I can make to (public) debates.” He has also been professionally and academically inspired and plans to return to the Netherlands to pursue a PhD.



Fulbright Teacher Programs

The Bureau for Educational and Cultural Affairs of the United States Department of State funds the Fulbright Distinguished Awards in Teaching Program, which provides US primary and high school teachers the opportunity to conduct research in the Netherlands while being hosted by Dutch educational institutions. During the period that this report covers, the Commission welcomed four American grantees to the Netherlands in January 2019 and arranged for four other grantees to start their grant in The Netherlands in January 2020.

Since academic year 2017-2018, the Commission has offered the Fulbright English Teaching Assistants Program in the Netherlands. This program enables US students to gain teaching experience while at the same time offering support to schools in teaching

English. The English Teaching Assistants (ETA) program launched in the Netherlands in academic year 2017-2018 with eight ETAs spread throughout the country. The ETA program has required the continuing expenditure of Fulbright Commission funds because it was launched without fully secured funding. However, the program has been well-received and has expanded. The program grew to fourteen ETAs this year and sixteen will attend in 2019-2020. Participating schools include primary schools, vocational schools, and others. A unique component to our program is that the ETAs conduct research on an aspect of the Dutch education system in addition to undertaking their teaching responsibilities.



The ETA program is special in that it is not only a meaningful experience for the grantee, but also for whole school communities. The ETAs interact with students, fellow teachers, administrators, sometimes parents or families. One of the Fulbright ETAs from this year, Mohammed Jagana from Seattle, Washington, applied to the program because he was “eager to explore the intriguing aspects of the Netherlands’ educational structure and how it compared to the system in the U.S. – focusing on the ways in which the Dutch system provides support to its students to ensure better overall academic experiences.” Mohammed taught at a vocational school and feels that the relationships he established with his students and co-teachers are ones he will “forever cherish” and he remains in touch with many of them. Now at Harvard Law School, Mohammed believes his Fulbright ETA experience has illuminated for him the value of cross-cultural understanding and engagement. According to Mohammed, “From developing lessons plans that incorporated aspects of the intersectional identities that make-up the U.S. and the Netherlands to engaging in powerful discussion about the pros and cons of the respective nations, my Fulbright experience evolved into a deeper understanding of myself, excitement to learn more about others, and furthered my aspirations to improve the systems I will come into contact with as an advocate by

broadening the opportunities made available to the most marginalized and disenfranchised.”

Other Fulbright programs

We sometimes welcome grantees who are recipients of other Fulbright grants, most often participants in the Fulbright Schuman or Fulbright-Hays programs. The Fulbright Schuman program, administered by the Fulbright Commission in Brussels, was developed in the 1990s and provides grants for citizens of EU member states to conduct research in the United States and American citizens to conduct research in the European Union. The Fulbright-Hays program, administered by the U.S. Department of Education, awards grants to individual U.S. K – 14 pre-teachers, teachers and administrators, pre-doctoral students and postdoctoral faculty, as well as to U.S. institutions and organizations. Although the Fulbright Commission does not administer these programs, should grantees of these programs be in the Netherlands, we welcome them and include them in our programming and provide local support as needed.

Fulbright Program Alumni

The Netherlands Fulbright Alumni Association (NFAA) is based in the Netherlands organizes events for alumni, such as a Thanksgiving dinner and various smaller meetings and gatherings. The association functions independently from the Fulbright Commission. The Commission provides financial and logistical support for certain activities of the NFAA. Fulbright alumni are welcome as members of the Ivy Circle, an organization in the Netherlands for alumni of prominent US universities that provides some financial support to Fulbright Commission programs, and can fully participate in Ivy Circle events and activities.

Fulbright Association

US-based alumni of the Fulbright Program may become members of the Fulbright Association, a national organization based in Washington, D.C. This organization carries out important lobbying work to help protect the Fulbright Program from budget cuts and to strengthen the program in the United States.

Other Activities

Educational Advising

The Fulbright Commission has developed into a national center of expertise regarding American higher education. It adheres to the high quality and ethical standards of EducationUSA, a network of 430 advising centers in 178 countries, supported by the US Department of State. These standards require that the Commission provide objective, impartial, and complete information in an accessible way. We recently eliminated fees for our advising services and we are proud to offer advice and resources to any Dutch student interested in studying in the United States. Our new website was crucial to this shift by providing comprehensive information online. Students can start there and follow up as needed. In addition to the online resources, we regularly communicate with those seeking advice via email or telephone – answering questions, providing feedback on application essays, addressing concerns, or otherwise engaging on a number of other subjects. We have offered our first webinars this year and intend to expand our virtual offerings moving forward. The Commission offers expertise on subjects including admission tests, visas, financing, suitable placement at US colleges and universities, health insurance, and recruiting Dutch students, and collaboration between Dutch and American higher education institutions. Representatives from US colleges and universities regularly visit the

Commission. The advisers also trained a volunteer corps to visit high schools and assist the staff during large events and to host the Commission's information sessions.

We have recently sought to foster a greater sense of community among the volunteer corps. We have included volunteers in Commission events and hosted social gatherings for them. We also sought their input when possible both because it can be strategically useful but also because it bonds them to our organization. For example, when we were redesigning our posters and flyers, we convened a focus group of volunteers to help us brainstorm about what would be meaningful and effective. Some volunteers also contributed to developing our new website and social media strategy. Over the summer we loosened certain restrictions on volunteer credentials, nearly doubling our number of volunteers to around 15, but increased the training provided to them.

During the year, the Commission organized a total of 13 regional information sessions and two webinars, which attracted 1,486 visitors. Staff and volunteers were present at educational fairs organized by high schools and universities and reached out to 1,639 visitors. We also participated a fair with approximately 7000 visitors and our presentations were among the most highly attended. The Ivy Circle together with the Fulbright Commission, organized a college fair in Amstelveen. This event, Amsterdam College Night, has become an important source of information for prospective students and their parents. A total of 40 US fee paying colleges were present and 271 students and parents from 48 high schools visited the fair. From the proceeds, EUR5000 in scholarship funding will be awarded to a Dutch student or students who will pursue their undergraduate degrees in the United States.



Campus Scholarship Program

The Campus Scholarship Program targets Dutch senior students at VWO or HAVO-schools to enable them to study at an American liberal arts college by arranging a placement and a sizable reduction of the costs. These are not placements for degree-granting programs, but for a year of study in the US. Although private exchange

organizations offer similar programs, what distinguishes the Fulbright Commission from all other programs is that the Commission does not accept fees from host institutions to generate placements, so that it can offer participants a choice of universities suited to the needs and preferences of the students. The high level of service to both students and parents is another distinguishing feature of this program, much valued by the families. The program has a number of prominent alumni, ranging from writers and journalists to CEOs and politicians. The costs of this program are covered by income received from participation fees. In 2018-2019, 38 students participated in the program. This is an increase of two compared to the previous year.

Liz Henriks, who comes from a village near Nijmegen is an alum of the Campus Scholarship Program (CSP) from a few years ago and one of our volunteers. She loves sharing her experience with other Dutch students and this year even created a [video](#) about her experience. She chose to participate in CSP because of the “unique opportunity” it provided. Liz found connecting with American classmates and roommates and having authentic exposure to American culture deeply meaningful. After “obtaining a first-hand look at the American culture and understanding it so much better” during her year in Michigan, Liz left with “friends for life” with whom she remains in touch. Some have already visited her in the Netherlands.

Liz also found that her CSP year inspired “immense” personal growth, something we often hear from the participants in this program. She describes her transformative growth as follows: *I went from living at home with my parents to moving all the way across the ocean to live by myself in a country where they did not even speak my native language. Despite this being scary at the beginning, this large step out of my comfort zone has brought so much on a personal level; becoming more independent, socially skilled and of course academically challenged by the unique combination of courses in addition to improved English language skills. Moreover, it has influenced my professional growth since studying in the US allowed me to pick courses that I would have never been able to combine in the Netherlands. This broad variance of courses allowed me to discover what I really liked and what I found less interesting. Although I already had a vague idea of what study program I wanted to enroll in upon my return from the US, the courses there definitely helped me confirm my choice since I found out that I am broadly interested in the fields of Business and Management to Political Science and International Relations. In addition to the content of my interests, my Fulbright experience has also given me the strength to believe in myself and my capacities. I have now done several extracurricular things such as an internship, a summer school, a board year and even taught a bachelor course and public speaking trainings. These are things that I never deemed possible but after my year in the US I really felt like the sky is the limit. And cheesy as it may sound; never let anyone turn your sky into a ceiling!*

KHMW Eizenga Program

In September 2018, we launched a new scholarship program, the KHMW Eizenga program. Made possible by a bequest from Professor Wietze Eizenga (1922-2017) to the Koninklijke Hollandse Maatschappij der Wetenschappen (KHMW), this program provides scholarships of \$50,000 to Dutch nationals for one academic year of study in the United States for an MBA or graduate level studies in economics. The Fulbright Commission handles program management on behalf of the KHMW. We awarded the first scholarships this year. Two students received KHMW Eizenga scholarships to study in the United States during academical year 2019-2020. One student is pursuing an MBA at Harvard and the other is studying economics at NYU.

Intensive Summer Program

The Fulbright Commission has participated in an intensive summer program called the Study of the US Institute for European Student Leaders since 2006. This program is sponsored by the Department of State and open to participants from 26 European countries. A total of four Dutch students participated in 2019 three different programs. One program was offered in the field of youth, education, and closing skills gap, one in the field of civic engagement and the third in the field of social entrepreneurship.

Community Engagement – Partnership with the John Adams Institute

In order to better foster community and connect with our alumni and other supporters through public engagement and thoughtful programming, we established a partnership with the John Adams Institute (JAI). JAI provides an independent podium for American culture in the Netherlands. It brings the best and the brightest of American thinking from the fields of literature, politics, history, technology and the arts. On October 18, 2018, we co-hosted the inaugural annual lecture with JAI, *The U.S. Midterm Elections: What's at Stake?*, bringing Pulitzer Prize-winning journalist Jonathan Capehart to Amsterdam. Capehart is a contributor to MSNBC, host of "America on the Line" on New York Public Radio (WNYC) and a member of The Washington Post editorial board, where he writes about politics and social issues. He discussed the US mid-term elections which will be crucial in shaping the American political landscape for the next two years and beyond. It was a lively evening with one of Washington's insiders about why the November vote was shaping up to be a battle for the future of the country. The second lecture took place just after the time period covered in this report and featured Jill Lepore of Harvard and the *New Yorker*.

Board Members of the Fulbright Commission

The Fulbright Commission has an impressive board comprised of both American and Dutch nationals. During the period this report covers, the board met four times and established a number of sub-committees, including an audit committee, an HR committee, a marketing and positioning committee, and an alumni engagement committee. The board was also actively engaged with the governance issues tackled during this year. There was also therefore a temporary governance committee to look at the board structure itself.

As noted in the previous report, the executive director and the board have been working closely together on a number of consequential governance matters to ensure that the commission is properly operating consistent with modern and appropriate standards. To this end, and in response to the work and recommendations of the governance committee, the board also introduced term limits for board members and developed a timeline for when board long-serving board members would depart so as not to have too many departures at one time.

Towards the end of the period that this grant covers, the board decided we had sufficiently addressed some of the challenges facing the commission and were well-positioned to recruit new board members for vacancies. That process commenced in late 2019 and the new board members will be presented in the next report.

Dr. Anton Pijpers (Chair), President, Utrecht University

Ms. Jill Adler J.D., East-West Parliamentary Practice Project

Mr. Jan Petit (Treasurer), director of ProFonte, a philanthropy consultancy company

Mr. Adrian Pratt, Deputy Public Affairs Attaché, US Embassy (until April 30, 2019)
Mr. Omar Cardenty, Deputy Public Affairs Attaché, US Embassy (from May 1, 2019)
Dr. Paul Broholm, Director, InsingerGilissen Bank
Dr. Jan Willem Gunning, Emeritus Professor of Economics, VU University
Dr. James Kennedy, Dean of Utrecht University College
Ms. Hollis Kurman, Chairperson Ivy Circle NL, Writer, Supervisory Board Member, Save the Children NL
Dr. Ruth Oldenziel, Professor TU Eindhoven (until July 1, 2019)

Staff

The Fulbright Commission has a highly qualified staff of seven people as of September, 2019.

Ms. Mattie Bekink – Executive Director
Mr. Maarten Berkelaar – Program Assistant
Ms. Rose Bishop - Program Manager, Teacher Programs
Ms. Marion Haring – Financial Administrator
Ms. Manon Kolsteren – Campus Scholarship Program Manager and Educational Adviser
Ms. Linda Pietersen – Fulbright Program Manager
Ms. Melanie Strating – Program Assistant

Organizational changes in 2018-2019 and their financial consequences

There were a number of changes in financial year 2018-2019 with financial consequences. These initiatives were undertaken in order to make the organization sustainable for years to come. Good governance was a touchstone and priority throughout this process. Best positioning the Commission for the future has resulted in a number of actions and expenses which are detailed here. These changes caused increased costs and contributed to the negative result for this year. The vast majority of these costs, however, are one-off and will contribute to future savings. They are therefore best viewed as strategic investments in the future of the Fulbright Commission.

Transition to a new legal structure

When NACEE was established, the treaty provided that it must be a legal entity under Dutch law, without providing specifics. Until this year, NACEE existed as a *rechtspersoon sui generis*, an extremely unusual legal entity, and it was not registered with the Dutch Chamber of Commerce, the Kamer van Koophandel or KvK. An earlier opinion provided by the KvK noted that NACEE was not obligated to be registered. Not being registered with the KvK, however, was increasingly presenting operational challenges and was an obstacle to truly professional operations.

Stichting Fulbright Center was established on March 10, 2017 to support NACEE and also partially in order to get around the challenge of not having a KvK number. This led to confusion: third parties could not locate NACEE or Fulbright Center as an entity and therefore used the Stichting Fulbright Center.

After consulting with the KvK, rather than seek to register NACEE with the KvK, we decided to change the legal structure of NACEE itself. This was a rather complicated process because there was no legal precedent in the Netherlands for changing the form

of a *rechtspersoon sui generis* to a stichting – a foundation. Essentially, the Stichting Fulbright Center absorbed the NACEE. At the same time, we elected to change the name of the stichting and the organization to best reflect who we are, be closer to our original name, and to be more consistent with other Fulbright commissions. The articles of association for the new entity incorporated by reference the terms of the treaty as much as possible and both governments approved this transition. This process required extensive documentation but ultimately resulted in the establishment of Stichting Fulbright Commission the Netherlands on July 1, 2019. All assets and liabilities of NACEE were transferred as of that date.

The costs incurred making this change were not insubstantial. The fees for the lawyers and notaries are accounted for in the financial statements under the item “miscellaneous” in administrative expenses. These are of course one-off expenses.

VAT

In December 2018 the tax authorities informed us that a number of our activities were subject to VAT as of January 1, 2019. As a result of this, we discontinued a number of those activities or ceased charging fees for them.

Termination of activities

A number of activities not at the heart of our mission were terminated this year. At the start of the year, we decided to no longer offer individual advising as a fee-based service and to instead make all of our information available free of charge. We have robust materials on the website and our individual advising services are now offered without a fee. We also ceased to serve as an administrative hub for the EducationUSA LLM Tour.

The termination of these activities had implications for the personnel as positions were eliminated and employees were made redundant. Steadily increasing salary costs, static government contributions, and decreasing income from activities that needed to be eliminated had already been contributing to the losses of the last two financial years.

The financial consequences of the discontinuation of these activities can be found in the “loss of relevant income (third party income for other Programs)” and in the decreased allocation of salary costs in the “on-charged staff expenses to Programs” in administrative expenses. As with the previous year, the continued salary payments and severance payment to the dismissed employee contributed to the high salary costs. As a result of these changes we now have a more efficient organization.

Compensation structure

In the previous financial year, we transitioned to a new compensation structure relating to employee pension premiums. By the next financial year, all employees will pay the same 7% in pension premiums. Also, changes were made to ensure that employees all enjoy the same benefits.

Move to a new office

The rental contract for our previous office terminated in April 2019. We decided to move to an office located on the Nieuwezijds Voorburgwal in Amsterdam. As a result, our annual housing costs are now substantially lower. Our new office is much smaller but is still walking distance from Amsterdam’s Central Station and in fact even closer.

Improving outreach – new website, social media strategy, database

We prioritized improving our outreach this year. We paid for multiple databases and our main one had been due for an upgrade or replacement for years. This year, we transitioned to only one database built to serve our needs, but incurred costs in doing so. These costs were unavoidable as a properly functioning database is vital to our operations and to securely storing data. We also engaged a GDPR lawyer to ensure we are compliant with European privacy regulations related to personal data. This lawyer's fees are also accounted for in the financial statements under the item "miscellaneous" in administrative expenses. The fees associated with constructing the new database are accounted for in the item "automation" in administrative expenses.

During the reporting period, we launched a new website that better meets students where they are. It shares the personal narratives and experiences that make our programs compelling, inspires instead of merely informing, and is visually stimulating and interactive. It is also easier to navigate and user-friendly, including on mobile devices. Finally, it contains far more detailed information. Most of the costs involved in developing the website were covered by End of Year funds provided by ECA.

We also developed an engaging social media strategy and increased our digital presence and outreach. We invested in webinar software and offered our first virtual events. We also invested in a collaboration software program this year. Recognizing that being a small team makes us vulnerable, this software allows us to share all the relevant information about our roles, work, and programs in a single, secure location. In this manner, we can better cover for one another in the case of absence or emergency and more easily onboard and orient new employees.

Income and expenses

	2015-2016	2016-2017	2017-2018	2018-2019
<i>Income</i>				
US government contribution	€ 292.603	€ 338.021	€ 285.594	€ 343.152
Dutch government contribution	€ 368.000	€ 368.000	€ 402.471	€ 506.794
Third party income	€ 616.633 +	€ 961.718 +	€ 1.007.386 +	€ 1.070.330 +
Total income	€ 1.277.236	€ 1.667.739	€ 1.695.451	€ 1.920.275
<i>Expenses</i>				
Fulbright grants	€ 413.816	€ 698.467	€ 791.293	€ 989.426
Operational expenses	€ 793.305	€ 992.992	€ 982.035	€ 1.097.687
Exchange loss/(profit)	€ (4.680) +	€ 19.162 +	€ (33.093) +	€ (54.717) +
Total expenses	€ 1.202.441	€ 1.710.620	€ 1.740.235	€ 2.032.397
<i>Result for the year</i>	€ 74.795	€ (42.882)	€ (44.783)	€ (112.121)
<i>Total equity</i>	€ 842.679	€ 799.797	€ 755.015	€ 642.893

General comments on the financial results

Apart from the government contributions, the Commission has two other main sources of income named "third party income," i.e. contributions from sponsors such as

friendship organizations like the NAF and the HAFF and universities, income received for non-Fulbright programs, and contributions. The general government contributions have remained stable compared to the year before and third-party income has increased. The increase of US and Dutch government contributions as shown in the figures above is a result of spending additional funds for grantees.

In October 2016, the US government provided an additional USD720,000 stipulating that the funds be put towards increasing the size of the Fulbright grants over three years. This was a one-time allotment from the US side. In 2018 we learned that the Ministry of Education, Culture, and Science would provide a one-time contribution of EUR100.000 in matching funds and that the Ministry of Foreign Affairs would provide EUR600.000 in matching funds. These contributions more than match the US government funding. The funding from the Ministry of Foreign Affairs was received within the period that this report covers and is reflected herein. The funding from the Ministry of Education, Culture, and Science was received in the previous book year. Of the Dutch and US government extra funds, approximately EUR173,145 has been spent in 2018-2019.

This year the stipend provided to Dutch students was increased to the level of USD35,000, this is USD10,000 higher than last academic year. These increases were made possible by the extra funding from the US and Dutch governments. There have also been modest increases to the grant amounts given to US students in the Netherlands. The Commission intends that these stipends will remain at these higher levels moving forward.

The level of the equity would allow the Commission to fulfill its obligations should the government funding be discontinued. These obligations would include operational expenses and contacts, salaries and severance in the event of a closure of the Commission, and related expenses.

Financial year 2018-2019 closed with a loss. As explained in the section “Organizational changes in 2018-2019 and their financial consequences,” the expenses that caused this loss were related to organizational transitions and were primarily one-off expenses. The chart below provides further details on these costs.

One-off expenses 2018/2019

Lawyer and notary fees	50.000
Salary costs dismissed employees (non-active periods)	55.000
Severance payment	38.000
Database	16.000
Equipment for the new office	10.000
Total	One-off expenses 169.000

Special situation after the year's close – COVID-19

At the time of the publication of this report, we are dealing with the consequences of the COVID 19 global pandemic. The department of State suspended all Fulbright programs globally on March 12, 2020. A mandatory departure was in place for U.S.

grantees in the Netherlands and they were required to leave the country. The U.S. Department of State also mandated that we pay grantees their stipends in full through June 2020, cover travel expenses, and provide additional compensation to them. Whether and how much of our incurred costs will be reimbursed by the U.S. Department of State is still uncertain. We elected to offer support to our Dutch grantees in the U.S. when needed. The COVID crisis has caused additional uncertainty for the upcoming academic year.

We incurred unanticipated COVID-related expenses of approximately € 115.000. This includes the support we provided to students, the refunds we had to issue to the ETA host schools.

The Department of State has announced that most Fulbright programs will not be permitted to commence until January 1, 2021. Only degree-seeking students will be permitted to commence their Fulbright programs in the autumn if the universities are open and the travel advisories permit them to do so. Both American and Dutch research students and scholars, Dutch promovendi, and American ETAs will only be able to start their programs in January 2021. As a result of this, two ETA host schools who were to host three ETAs dropped out of the Fulbright program for academic year 2019 – 2020, but indicated that they will return in 2020 – 2021. The Mauritshuis has also withdrawn its grantee from the program for this year so that the student, who is technically a researcher, can start his work in September should that be possible. So far the contributions of the sponsors remains stable. The risk assessment and the travel advisory level for the Netherlands, and all country, is out of our control and determined by the Department of State.

Despite the immediate challenges posed by COVID-19, we remain optimistic about the future of our programs and perhaps their heightened relevance. With the transitions of this year we are also better positioned to rise to challenges and offer meaningful opportunities in the spirit of promoting mutual understanding to Dutch and American students, scholars, teachers, and communities.