

# Vital Signs Snapshots of Arts Funding

Grantmakers in the Arts, in partnership with the Foundation Center, has provided an annual snapshot of foundation arts funding since 2001. This year, in an attempt to draw a more complete picture, we also provide trend information about government arts funding, an overview of all major sources of revenue for nonprofit arts and culture organizations, and a snapshot of support for individual artists.

## **Foundation Grants to Arts and Culture, 2002 A One-year Snapshot**

Produced through a partnership of Grantmakers in the Arts and the Foundation Center

## **Awards and Grants for Artists A Snapshot**

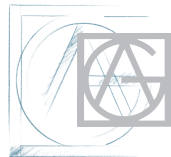
Produced by the Urban Institute from an analysis of the NYFA Source database, April 2004

## **Financing Nonprofit Arts Organizations An Overview of Revenue Streams, circa 2000**

Provided by the Foundation Center from *Arts Funding IV, 2003*

## **Government Funding for the Arts, 1992-2004**

Provided by the National Assembly of State Arts Agencies



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# Foundation Grants to Arts and Culture, 2002

## A One-year Snapshot

Loren Renz and Steven Lawrence

### Highlights

We offer these key findings from GIA's fourth snapshot of foundation giving to arts and culture. Most importantly the findings tell us about the *changes* in foundation giving for the arts between 2001 and 2002 and the *distribution* of 2002 giving among arts and cultural institutions and fields of activity. They are based on arts grants of \$10,000 or more reported to the Foundation Center by 1,005 of the largest U.S. foundations.

Consistent with all giving, grant funding for arts and culture decreased. From 2001 to 2002, grant dollars for arts and culture from reporting foundations decreased by 5 percent, or 6.5 percent after inflation. (Actual grant dollars decreased by \$102.2 million, from \$2.05 billion to \$1.95 billion.) This decline matched the 5 percent decrease in all funding reported for foundations, suggesting that foundations remain committed to the arts even in difficult economic times.

**The proportion of foundation grantmaking for arts and culture remained steady.** The arts and culture share of total grant dollars from the 1,005 larger foundations in the sample was 12.2 percent in 2002, unchanged from 2001. However, this share of grant dollars was slightly below the average for the past decade (12.9 percent).

**Most larger foundations support arts and culture.** Close to nine of every ten of the larger 1,005 foundations (87 percent) made grants supporting the arts and culture in 2002.

**The number of arts and culture grants increased modestly, with no change in median grant size.** The median arts and culture grant size – \$25,000 – did not change from 2001 to 2002, although the real value of the median grant decreased slightly due to inflation. The number of arts grants in the sample increased by a modest 262, from 18,412 in 2001 to 18,674 in 2002.

**Performing arts and museums receive most arts and culture grant dollars.** Funding for the performing arts accounted for 33 percent of 2002 arts grant dollars from the 1,005 larger foundations. Funding for museums accounted for 30 percent of arts grant dollars. Over the past two decades, the performing arts and museums have consistently received the largest shares of foundation arts and culture grant dollars, with the balance between the two fields showing modest shifts from year to year.

**Compared to grantmaking in other fields, arts and culture grants are more concentrated on capital projects and general operating support.** In 2002, capital projects represented 28 percent of arts and culture grant dollars, and general operating support accounted for 27 percent of arts grant dollars. These shares surpassed most other program areas. Approximately 36 percent of arts dollars were used for special projects and programming.

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### Source of the data

The original research upon which this report is based was conducted by the Foundation Center. Specifically, the source for data was the Foundation Center's *Foundation Giving Trends: Update on Funding Priorities* (2004) report and the grants sample database. The data for 2002 include grants of \$10,000 or more awarded by 1,005 of the largest U.S. foundations and reported to the Foundation Center between June 2002 and July 2003. Grants were awarded primarily in 2002. These grants represented more than half of total grant dollars awarded by the close to 65,000 active U.S. independent, corporate, community, and grantmaking operating foundations that the Foundation Center tracks. (The sample captures roughly half of all foundation giving

for arts and culture.) For community foundations, only discretionary and donor-advised grants were included. Grants to individuals were not included.

It is important to keep in mind that the foundation grantmaking examined here represents only one source of arts financing. (See "Financing Nonprofit Arts Organizations: An Overview of Revenue Streams," page 10.) It does not examine arts support by government, individual donors, and the business community. This analysis also looks only at foundation arts support for nonprofit organizations, and not for individual artists, commercial arts enterprises, and informal or unincorporated activities.

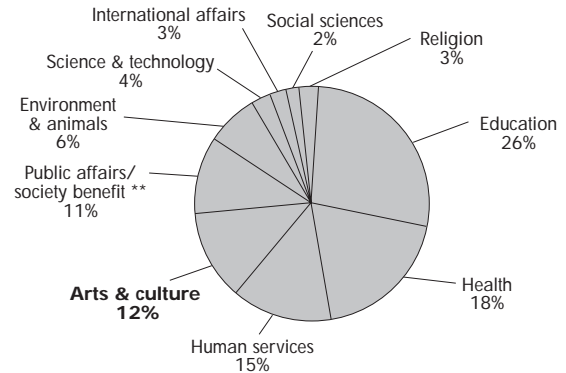
## Specific Findings

### Arts grants compared to all grants in the sample

**Overall foundation dollars for the arts.** Funding for arts and culture from foundations in the Foundation Center's sample decreased 5 percent between 2001 and 2002 (figure 1). (With an inflation rate of under 2 percent, this reflected a real decrease of 6.5 percent.) This decline matched the 5 percent decrease in all funding reported for foundations in the sample in the same period, suggesting that foundations remain committed to the arts even in difficult economic times. (Actual grant dollars decreased by \$102.2 million, from \$2.05 billion in 2001 to \$1.95 billion in 2002.<sup>1</sup>)

**The arts' share of all foundation grant dollars.** In 2002, arts grant dollars represented 12.2 percent of all grant dollars in the Foundation Center sample (figure 2). This percentage was

**FIGURE 2. Percent of grant dollars by major field of giving, 2002\***

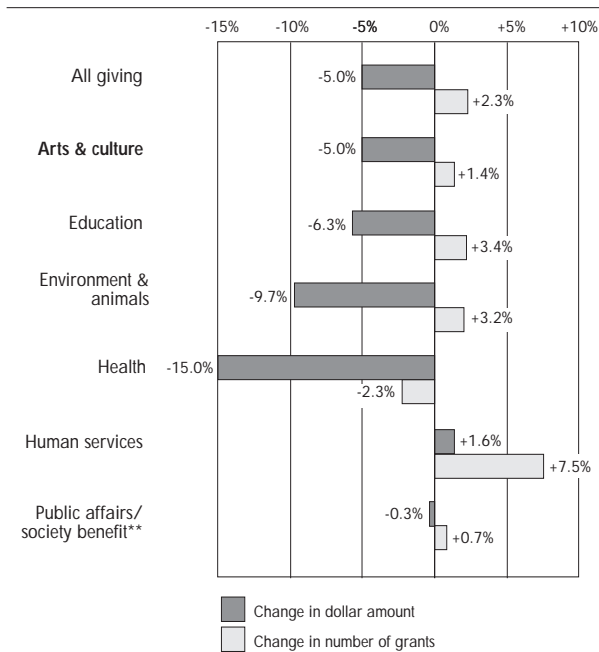


Source: The Foundation Center, 2004, based on a sample of 1,005 larger foundations.

\* Due to rounding, percentages may not equal 100.

\*\* Includes civil rights and social action, community improvement, philanthropy and voluntarism, and public affairs.

**FIGURE 1. Growth of giving by major field of giving, 2001 to 2002\***

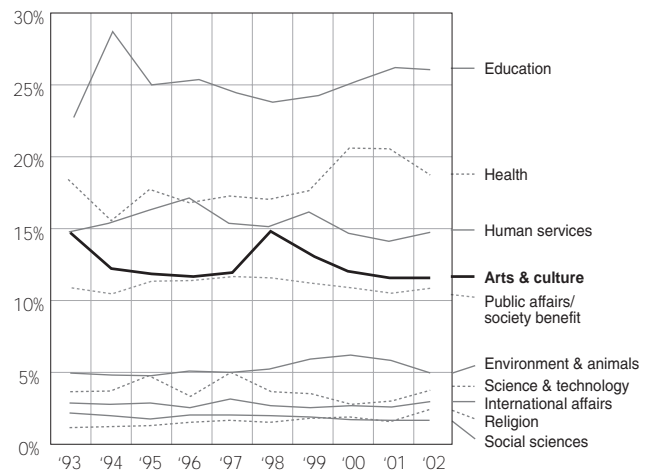


Source: The Foundation Center, *Foundation Giving Trends*, 2004. Based on a sample of 1,005 larger foundations.

\* Includes subject areas accounting for at least 6 percent of grant dollars or grants.

\*\* Includes civil rights and social action, community improvement and development, philanthropy and voluntarism, and public affairs.

**FIGURE 3. Giving trends by major field of giving, 1993 - 2002**



Source: The Foundation Center, 2004, based on a sample of more than 1,005 larger foundations.

\* Includes civil rights and social action, community improvement and development, philanthropy and voluntarism, and public affairs.

Note: Disproportionately large gifts, usually made on a one-time basis, may distort long-term funding patterns in one or a few particular years.

<sup>1</sup> Of the \$2.05 billion supporting the arts in the 2002, foundations in the sample provided 123 grants totaling \$9,357,116 for arts and humanities library programs, and 59 grants totaling \$7,342,900 for international cultural exchange.

unchanged from the arts' 2001 share, although it fell below the nearly 13 percent average for the past decade (figure 3). From 1993 through 2002, the arts' share of all foundation grant dollars ranged from lows of 12 percent in 1995 and 2000 to highs of 14.8 percent in 1993 and 1998. By region, foundations in the Northeast provided the largest share of their overall 2002 giving for arts and culture (14 percent), followed by foundations in the Midwest (13.2 percent), South (10.6 percent), and West (10.1 percent) regions of the United States. Finally, it is worth noting that in the 2002 sample, more than 87 percent of all funders supported arts and culture – 879 of 1,005 foundations.

**Number of grants.** In terms of the *number* of foundation grants given rather than the total dollar amount, the arts' share of all foundation grants remained almost unchanged at 14.6 percent in 2002, compared to 14.7 percent in 2001 (figure 4). The actual number of grants increased by a modest 262, from 18,412 to 18,674.

**Median grant size.** The median grant amount for arts and culture in 2002 was \$25,000. This amount has remained unchanged since 1993. If this amount were adjusted for inflation, however, it would have lost value in real dollars. The figure also matched the median amount for all foundation grants in 2002. More study would be required to determine whether the unchanged median means that foundation arts grants simply are not keeping pace with inflation, or whether, in combination with the increased number of grants, it means that foundations are

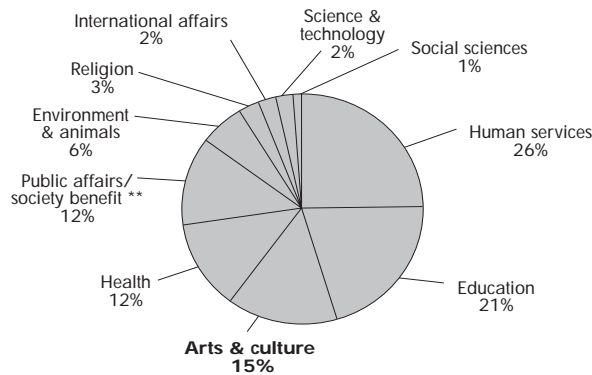
choosing to distribute funds more broadly to a larger number of recipients.

(The median – meaning that half of the grants are above and half are below the amount – is generally acknowledged to be a more representative measure of the typical grant than the mean or “average,” because the median is not influenced by extreme high or low amounts.)

### Grants by arts subfield

Funding for the performing arts accounted for one-third (33 percent) of all foundation arts dollars in 2002 (figure 5), and was a larger share than that for museums (30 percent). From the start of the 1980s until 1998, the performing arts consistently received more foundation support than museums. In the mid-1980s, the two fields did receive nearly equal shares of funding. But this lasted for a short period of time, and between the late-1980s and the mid-1990s the performing arts regained its earlier lead. In 1998, grant dollars to museums increased significantly, surpassing those going to performing arts. They achieved this larger share of support again in 1999 and 2001. The underlying reasons for the shifts in share between these two fields of activity are complex. More study would be needed to adequately understand the role played, for example, by the entry onto the scene of new and large arts funders, extraordinarily large grants, the contribution of valuable art collections, and new museum projects.

**FIGURE 4. Percent of number of grants by major fields of giving, 2002\***

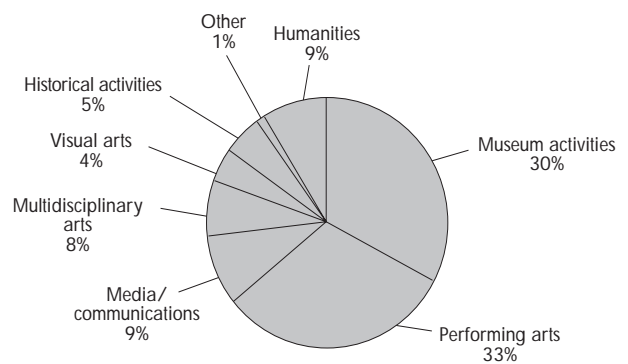


Source: The Foundation Center, 2004, based on a sample of 1,005 larger foundations.

\* Due to rounding, percentages may not equal 100.

\*\* Includes civil rights and social action, community improvement and development, philanthropy and voluntarism, and public affairs.

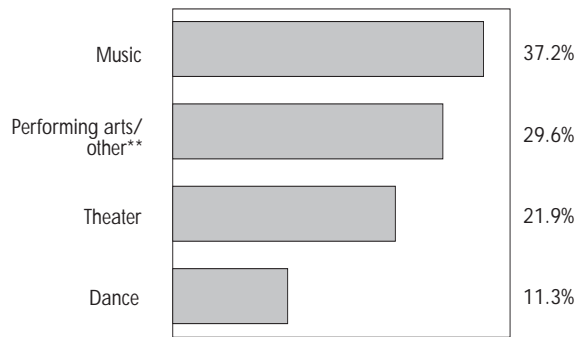
**FIGURE 5. Arts and culture, giving to subfields, 2002\***



Source: The Foundation Center, 2004, based on a sample of 1,005 larger foundations.

\* Due to rounding, percentages may not equal 100.

**FIGURE 6. Giving to performing arts, 2002\***



Source: The Foundation Center, 2004, based on a sample of 1,005 larger foundations.

\* Giving to performing arts constitutes 33 percent of all giving to the arts and culture subcategory.

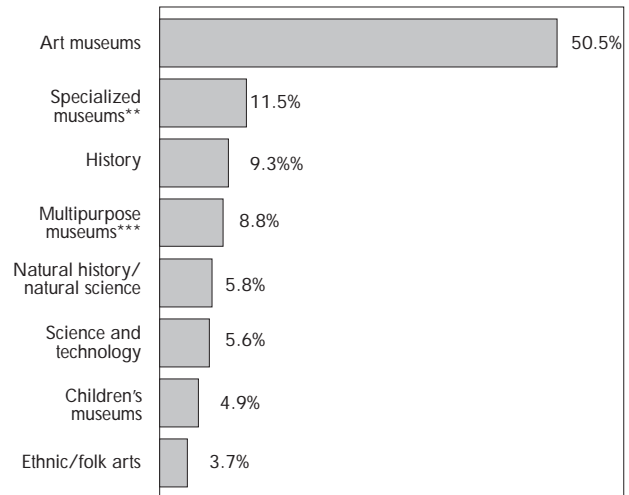
\*\* Performing arts/other includes performing arts centers, performing arts schools, and other multidisciplinary performing arts programs.

**Giving to performing arts.** In 2002, performing arts grant dollars increased by more than 9 percent (\$54.6 million), from \$587.4 million to \$642 million. The largest share of giving to the performing arts (figure 6) continued to go to music (including symphony orchestras and opera), performing arts centers, and theater. The performing arts received more arts funding than museums in 2002 based on both share of arts grant dollars (33.0 percent vs. 30.3 percent) and number of arts grants (42.0 percent vs. 20.5 percent). In general, the average performing arts grant tends to be smaller in size than the average museum grant. In 2002, 71 percent of all funders in the Foundation Center sample supported the performing arts.

**Giving to museums.** Grant dollars allocated to museums decreased by 13 percent between 2001 and 2002, from \$677.9 million to \$589.6 million. However, the *number* of grants was nearly unchanged. Among museum types (figure 7), the largest share of 2002 funding supported art museums (50.5 percent), and this share was up from the previous year. Other specialized museums,<sup>2</sup> history museums, and ethnic/folk arts museums also experienced increases in share in the latest year. In contrast, multipurpose museums<sup>3</sup>, natural history/natural science museums, science and technology museums, and children's museums received smaller shares of support. In the Foundation Center's 2002 sample, 70 percent of all funders supported museum activities.

**Giving to the humanities.** Funding for the humanities<sup>4</sup> totaled over 9 percent of arts grant dollars in 2002, compared to

**FIGURE 7. Giving to museums, 2002\***



Source: The Foundation Center, 2004, based on a sample of 1,005 larger foundations.

\* Giving to museums constitutes 30 percent of all giving to the arts and culture subcategory.

\*\* Includes maritime, sports, and hobby museums and other specialized museums.

\*\*\* Includes museums such as the Smithsonian Institution and general purpose museum programs.

less than 7 percent in 2001. History/archeology and theology benefited from the largest increases in grant dollars in the latest year.<sup>5</sup>

**Giving to media and communications.** Support for media and communications<sup>6</sup> represented close to 9 percent of arts funding in 2002, up slightly from an 8 percent share in 2001. Six grants of at least \$2.5 million were made in the media and communications field in 2002, an increase from four in the previous year.

**Giving to other arts and culture subfields.** Among other arts and culture fields, the share of arts giving for multidisciplinary arts<sup>7</sup> remained nearly unchanged at 8 percent in 2002. However, grant dollars for "other" activities decreased by more than 12 percent, from \$175 million to \$153.2 million. Support for the visual arts and architecture declined from almost 7 percent of arts grant dollars in 2001 to less than 4 percent in the latest year. The number of grants also decreased slightly, from 805 to 787. Finally, support for historic preservation decreased from 6 percent of arts grant dollars to 5 percent between 2001 and 2002.

<sup>2</sup> Includes maritime, sports, and hobby museums and other specialized museums.

<sup>3</sup> Includes museums such as the Smithsonian Institution and general purpose museum programs.

<sup>4</sup> Includes support for archeology, art history, history, modern and classical languages, philosophy, ethics, theology, and comparative religion.

<sup>5</sup> For a detailed analysis of foundation humanities support, see L. Renz and S. Lawrence, *Foundation Funding for the Humanities*, New York: The Foundation Center, 2004.

<sup>6</sup> Includes support for production and dissemination in one or more media forms including film/video, television, radio, and print publishing; support also for journalism and communications centers.

<sup>7</sup> Includes support for multidisciplinary centers, ethnic/folk arts, arts education, and arts councils

## Grants by types of support

An important caveat to a report on the allocation of foundation dollars by specific types of support is that, for roughly 18 percent of all grant dollars in the 2002 Foundation Center sample, the type of support could not be identified. This means that modest differences in percentages – that is, variations under 10 percent – may not be reliable. (The grant records available to the Foundation Center often lack the information necessary to identify the type of support. For example, it is often the case that the only source of data on smaller foundations' grants is the 990-PF tax return, and this tends to be less complete than other forms of grant reporting.)

**The arts compared to other foundation fields of giving.** The three largest categories of support tracked by the Foundation Center are program support, capital support, and general operating support. See figure 8 for a comparison in these three categories of dollars going to arts and culture with grant dollars going to other major foundation subject areas.

Of the three main categories of support, special programs and projects received the largest share of arts and culture support (36 percent) in 2002. Program support also accounted for the largest share of funding in the other program areas.

Capital projects received the second largest share of arts and culture grant dollars (28 percent) in 2002, although this share was down substantially from 36 percent in 2001. Arts dollars allocated to capital support have fluctuated more than arts dollars to the other two primary categories of support: in 1986 the share allocated to capital was about 44 percent; in 1993 it was about 30 percent; and in 1999 it was about 41 percent. (In general, the share of capital support is highest in periods of strong foundation asset growth.)

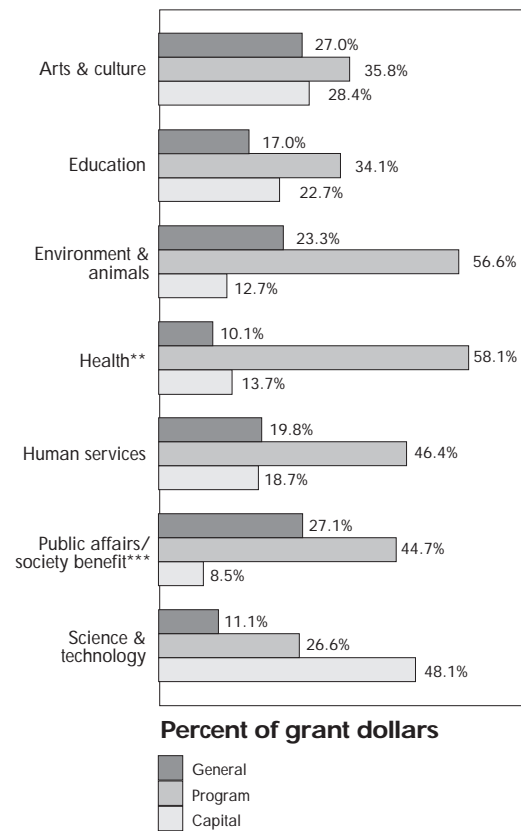
Grant dollars allocated for general operating support in 2002 were higher for arts and culture (27 percent) than for all but one other program area. This share was also up substantially from 21 percent in 2001. By comparison, grant dollars allocated to general operating support represented about 13 percent of arts funding in 1989.

**Arts grants by specific types of support.** Table 1 provides a breakdown of more specific types of support within the larger support categories and lists both the specific dollar value and number of grants made in each type. As with all data in the *Snapshot*, it is important to keep in mind that this table includes only grants of \$10,000 or more awarded to organizations by a sample of 1,005 larger foundations. It is also important to note that for 21 percent of the arts grant dollars in this sample, the type of support was not specified.

## Grants by grant size

**Small and mid-sized grants.** Close to two-thirds (65 percent) of all arts grants in the 2002 sample were for amounts between \$10,000 and \$49,999 (table 2), matching the 2001 share. The share of mid-sized arts grants (\$50,000 to \$499,999) also remained unchanged at 31 percent.

**FIGURE 8. General, program, and capital support grant dollars by major subject area, 2002\***



Source: The Foundation Center, 2004, based on a sample of 1,005 larger foundations.

\* Subject areas representing at least 3 percent of grant dollars.

\*\* Research support accounted for 31 percent of grant dollars in health.

\*\*\* Includes civil rights and social action, community improvement and development, philanthropy and voluntarism, and public affairs.

**Large grants.** The share of larger arts grants (\$500,000 and over) was nearly unchanged over the same period: larger grants represented almost 4 percent of the total number of arts grants in 2002. However, their share of total grant dollars decreased modestly from 54 percent in 2001 to 52 percent in 2002. Overall, foundations in the sample made seventy-six arts grants of at least \$2.5 million in 2002, down slightly from seventy-nine in 2001.

The largest arts and culture grant in the Foundation Center's 2002 sample was the Freedom Forum's \$26.4 million in continuing operating and capital support to the Freedom Forum Newseum. Following this award was the Righteous Persons Foundation's \$16.8 million operating support grant to the Survivors of the Shoah Visual History Foundation, which has created a multimedia, online archive of interviews with Holocaust survivors; and the Packard Humanities Institute's \$15 million grant to the Stanford Theater Foundation to purchase the Newhall property for the development of a new film archive.

**TABLE 1. Arts grants by types of support, 2002\***

Type of support	Dollar value of grants	%	No. of grants	%
<b>General support</b>	<b>\$524,919</b>	<b>27.0</b>	<b>5,913</b>	<b>31.7</b>
General Operating	430,617	22.1	4,950	26.5
Annual Campaigns	4,767	0.2	75	0.4
Income Development	33,203	1.7	449	2.4
Management Development	56,331	2.9	439	2.4
<b>Program support</b>	<b>696,167</b>	<b>35.8</b>	<b>7,336</b>	<b>39.3</b>
Program Development	440,037	22.6	4,135	22.1
Conferences/Seminars	17,139	0.9	307	1.6
Faculty/Staff Development	18,694	1.0	231	1.2
Professorships	9,476	0.5	19	0.1
Film/Video/Radio	17,041	0.9	181	1.0
Publication	18,758	1.0	203	1.1
Seed Money	10,590	0.5	108	0.6
Curriculum Development	17,235	0.9	161	0.9
Performance/Productions	48,290	2.5	955	5.1
Exhibitions	47,514	2.4	542	2.9
Collections Management/ Preservation	15,116	0.8	130	0.7
Commissioning New Works	6,320	0.3	148	0.8
Electronic Media/Online Services	29,955	1.5	216	1.2
<b>Capital support</b>	<b>552,611</b>	<b>28.4</b>	<b>1,998</b>	<b>10.7</b>
Capital Campaigns	69,126	3.6	355	1.9
Building/Renovation	262,059	13.5	938	5.0
Equipment	24,686	1.3	221	1.2
Computer Systems/Equipment	9,664	0.5	87	0.5
Land Acquisition	18,199	0.9	17	0.1
Endowments	119,587	6.1	279	1.5
Debt Reduction	4,877	0.3	23	0.1
Collections Acquisition	44,412	2.3	78	0.4
<b>Professional development</b>	<b>43,290</b>	<b>2.2</b>	<b>506</b>	<b>2.7</b>
Fellowships/Residencies	28,234	1.5	245	1.3
Internships	3,273	0.2	52	0.3
Scholarships	4,911	0.3	100	0.5
Awards/Prizes/Competitions	6,492	0.3	105	0.6
Unspecified	380	0.0	4	0.0
<b>Other Support</b>	<b>56,949</b>	<b>2.9</b>	<b>403</b>	<b>2.2</b>
Research	31,658	1.6	243	1.3
Technical Assistance	15,209	0.8	88	0.5
Emergency Funds	7,172	0.4	46	0.2
Program Evaluation	2,910	0.1	26	0.1
<b>Not specified</b>	<b>413,732</b>	<b>21.3</b>	<b>4,562</b>	<b>24.4</b>
<b>Qualifying Support Type**</b>				
Continuing	541,426	27.8	5,011	26.8
Matching or Challenge	64,001	3.3	212	1.1

Source: The Foundation Center, 2004, based on a sample of 1,005 larger foundations.

\* Dollar figures in thousands; grants may occasionally be for multiple types of support, e.g., for new works and for endowment, and would thereby be counted twice.

\*\* Qualifying types of support are tracked in addition to basic types of support, e.g., a challenge grant for construction, and are thereby represented separately.

**TABLE 2. Arts grants by grant size, 2002  
(dollar amount in thousands)**

Grant Range	No. of grants	%	Dollar amount	%
\$5 million and over	30	0.1	244,355	12.6
\$1 million-under \$5 million	322	1.7	539,809	27.7
\$500,000-under \$1 million	385	2.1	234,897	12.1
\$100,000-under \$500,000	2,857	15.3	513,801	26.4
\$50,000-under \$100,000	2,897	15.5	174,885	9.0
\$25,000-under \$50,000	4,373	23.4	131,636	6.8
\$10,000-under \$25,000	7,810	41.8	106,403	5.5
<b>Total</b>	<b>18,674</b>	<b>100.0</b>	<b>\$1,945,786</b>	<b>100.0</b>

Source: The Foundation Center, 2004, based on a sample of 1,005 larger foundations.

**TABLE 3. 25 largest arts, culture, and media funders, 2002**

Rank	Foundation	State	Total grant dollars*	Arts as % of total dollars	No. of grants
1.	Lilly Endowment	IN	\$100,027,555	15.5	132
2.	Andrew W. Mellon Foundation	NY	85,866,350	38.4	220
3.	Annenberg Foundation	PA	49,949,160	14.2	58
4.	Ford Foundation	NY	42,248,592	8.1	250
5.	Packard Humanities Institute	CA	29,986,966	89.9	34
6.	Freedom Forum	VA	27,607,360	66.3	27
7.	Kresge Foundation	MI	24,525,000	23.3	36
8.	Pew Charitable Trusts	PA	21,908,000	13.4	25
9.	Regenstein Foundation	IL	21,000,000	40.0	3
10.	Brown Foundation	TX	19,433,720	25.0	91
11.	Righteous Persons Foundation	CA	17,650,387	84.2	12
12.	Skirball Foundation	NY	17,437,000	78.6	20
13.	Bill & Melinda Gates Foundation	WA	16,804,560	1.7	17
14.	William and Flora Hewlett Foundation	CA	15,726,500	9.7	102
15.	Christensen Fund	CA	15,605,766	83.0	18
16.	Starr Foundation	NY	15,426,500	7.7	100
17.	Horace W. Goldsmith Foundation	NY	15,335,000	39.3	107
18.	Doris Duke Charitable Foundation	NY	15,227,000	37.3	14
19.	Rockefeller Foundation	NY	14,800,460	12.2	176
20.	William Penn Foundation	PA	14,204,008	25.0	71
21.	New York Community Trust	NY	14,030,054	13.5	315
22.	J. Paul Getty Trust	CA	13,769,176	94.6	124
23.	John D. and Catherine T. MacArthur Foundation	IL	13,735,000	8.7	56
24.	Hall Family Foundation	MO	13,642,500	38.6	16
25.	John S. and James L. Knight Foundation	FL	13,438,300	24.5	44
<b>Total</b>			<b>\$649,384,914</b>		<b>2,068</b>

Source: The Foundation Center, 2004, based on a sample of 1,005 larger foundations.

\* Figures based on grants awarded of \$10,000 or more, excluding grants paid directly to individuals.

**The 25 largest arts funders.** The top twenty-five arts funders by giving amount provided 33 percent of the total arts dollars in the Foundation Center's sample (table 3). While this is a significant share, in the early 1980s the top twenty-five arts funders accounted for more than half of the grant dollars in the sample. Their share has declined since then – down to about 41 percent in 1989, 1993, and 1998 and 34 percent in 1995. This suggests that the base of large arts funders has grown and means that support for the arts is less concentrated among a small number of foundations than in earlier years.

**Top foundations by share of arts giving out of overall giving.** Of the foundations that committed large percentages of their grant dollars to arts and culture, many are smaller foundations (table 4). Among the top 100 foundations ranked by share of arts grant dollars out of total giving, fifty-six foundations gave less than \$5 million in total arts grant dollars in 2002

**TABLE 4. Top 35 foundations by share of arts giving out of overall giving, 2002**

Rank	Foundation	State	Fdn. type*	Total grant dollars	Arts grant dollars	Arts as % of total dollars	No. of arts grants
1.	Colburn Music Fund	CA	IN	\$8,129,076	\$8,129,076	100.0	1
2.	Kohler Foundation	WI	IN	3,116,937	3,104,637	99.6	3
3.	Allen Foundation for the Arts	WA	IN	7,514,167	7,364,167	98.0	85
4.	Jerome Foundation	MN	IN	2,957,527	2,899,441	98.0	104
5.	Overture Foundation	WI	IN	5,266,375	5,164,343	98.1	11
6.	Helen F. Whitaker Fund	PA	IN	6,459,052	6,297,052	97.5	42
7.	J. Paul Getty Trust	CA	OP	14,548,332	13,769,176	94.6	124
8.	Robert Lehman Foundation	NY	IN	5,420,184	5,120,184	94.5	22
9.	Shubert Foundation	NY	IN	12,957,500	12,270,000	94.7	273
10.	Andy Warhol Foundation for Visual Arts	NY	IN	3,703,600	3,467,000	93.6	79
11.	Colburn Foundation	CA	IN	7,159,000	6,639,000	92.7	23
12.	Samuel H. Kress Foundation	NY	IN	4,162,500	3,868,000	92.9	124
13.	Packard Humanities Institute	CA	OP	33,363,802	29,986,966	89.9	34
14.	William S. Paley Foundation	NY	IN	3,786,548	3,313,548	87.5	6
15.	Florence Gould Foundation	NY	IN	6,402,899	5,527,191	86.3	111
16.	Muriel McBrien Kauffman Foundation	MO	IN	9,883,888	8,544,638	86.5	78
17.	Peter Norton Family Foundation	CA	IN	4,214,992	3,629,992	86.1	42
18.	Walt and Lilly Disney Foundation	CA	IN	9,744,500	8,294,500	85.1	3
19.	Righteous Persons Foundation	CA	IN	20,968,887	17,650,387	84.2	12
20.	Jon and Mary Shirley Foundation	WA	IN	3,394,500	2,874,500	84.7	27
21.	Alex and Marie Manoogian Foundation	MI	IN	1,709,600	1,431,600	83.7	3
22.	Christensen Fund	CA	IN	18,810,614	15,605,766	83.0	18
23.	Chauncey and Marion Deering McCormick Foundation	IL	IN	6,256,760	5,160,000	82.5	9
24.	Wood-Rill Foundation	MN	IN	4,802,146	3,866,396	80.5	7
25.	Ball Brothers Foundation	IN	IN	4,388,285	3,471,435	79.1	4
26.	Anna Maria & Stephen Kellen Foundation	NY	IN	4,526,143	3,577,193	79.0	16
27.	McConnell Foundation	CA	IN	8,400,890	6,696,124	79.7	10
28.	Agnes Gund Foundation	OH	IN	4,362,049	3,421,949	78.5	51
29.	Skirball Foundation	NY	IN	22,178,661	17,437,000	78.6	20
30.	Perry and Nancy Lee Bass Corporation	TX	IN	11,699,000	9,014,000	77.1	3
31.	Wortham Foundation	TX	IN	11,935,500	9,300,500	77.9	40
32.	Frist Foundation	TN	IN	9,647,029	7,371,450	76.4	21
33.	Ann and Gordon Getty Foundation	CA	IN	8,841,723	6,783,379	76.7	121
34.	Gladys Kriebel Delmas Foundation	NY	IN	2,595,000	1,909,000	73.6	69
35.	Gilder Foundation	NY	IN	8,456,204	6,243,567	73.8	13

Source: The Foundation Center, 2004, based on a sample of 1,005 larger foundations.

\*IN = Independent; OP = Operating



# Awards and Grants for Artists: A Snapshot

Maria-Rosario Jackson and Daniel Swenson

For too long, we have lacked an adequate understanding both of the various roles that artists can and do play in society – as creators of artistic work and as teachers, contributors to the economy, catalysts for civic engagement, and community leaders – and also of the structure of support that enables them to do their work. While there has been considerable research on arts organizations and institutions and on their audiences, there has been comparatively little research about artists. There has been no systematic analysis of how artists contribute to society, no comprehensive lens for understanding the scope and shape of the structures that support them, and no comprehensive repositories of information about the state of such supports. *Investing in Creativity: A Study of the Support Structure for U.S. Artists*, a research initiative carried out by the Urban Institute (2000-2003) has begun to address these critical information needs.<sup>1</sup> The study took an environmental approach to understanding support for artists and identifies the main characteristics of a place that affects artists' abilities to pursue their careers. A principal product of the research is a framework for analysis and action that delineates six key interrelated dimensions of support:

- **validation:** the ascription of value to what artists do;
- **demand/markets:** society's appetite for artists and their work, and the mechanisms that translate this appetite into financial compensation;
- **material supports:** employment, insurance and similar benefits, awards and grants, space, equipment, and materials;
- **training and professional development:** both conventional and life-long training opportunities;
- **communities and networks:** inward connections to the cultural sector and outward connections to people not primarily in the cultural sector; and
- **information:** data sources about artists and for artists.

This snapshot focuses on awards and grants, one piece of the whole picture and an important dimension of both material supports needed and of validation for artists.

## Awards and Grants for Artists

For many artists, awards and grants are essential supports. They enable artists to make art and they offer important validation that can be critical to launching and advancing careers. However, until now there has been no way to answer basic questions such as: Who supports artists directly with awards? How many awards are available to artists? What is their monetary value? What do such awards provide in addition to cash value? Over time, are awards increasing or decreasing in number or in dollar value? Are there significant differences by artistic discipline, geography, or specific population?

NYFA Source, created by the Urban Institute and the New York Foundation for the Arts as part of the *Investing in Creativity* study, represents a major step toward filling this information gap. NYFA Source is a comprehensive, national database of awards, services, and publications available for artists.<sup>2</sup> It was designed with the input of artists, arts administrators, and researchers, and it provides a practical resource for artists and others to learn about available awards and services. It also serves as a research database to help us understand the landscape of awards available to artists and the changing contours in that landscape over time. NYFA Source is currently live online at <<http://www.nyfa.org>>

NYFA Source represents a significant step forward, but the tool is new. Although continually being improved, the database has two limitations that need to be kept in mind. First, despite the fact that NYFA Source is set up to catch many kinds of data, information gaps still exist. In particular, budgetary information and demographic characteristics of applicants and recipients have yet to be submitted by many of the reporting organizations. Second, because it is so new, the database cannot yet render trend information. In the future, as it is updated and missing information is provided, users will be able to identify important characteristics of funding and analyze trends.

What follows are highlights of the Urban Institute's initial analysis of the NYFA Source database as of April 2004.

## Type of Award Program

NYFA Source now includes 2,630 award programs.<sup>3</sup> Award programs in the database are defined as formal, ongoing programs specifically for individual artists. All awards included are made through a competitive application or selection process. NYFA Source does not include grants to nonprofit organizations.<sup>4</sup> The vast majority of the awards are cash grant programs (1,802), followed by residencies (458), apprenticeships (151), honorary prizes (150), equipment access programs (38), and space programs (24).

### Type of award program

Type of award total	Number of	Percentage of programs
Cash grants	1,802	68
Residencies	458	17
Apprenticeships	151	6
Honorary prizes	150	6
Equipment access	38	1
Space programs	24	1
Other	7	
<b>TOTAL</b>	<b>2,630</b>	

## Type of Granting Organization

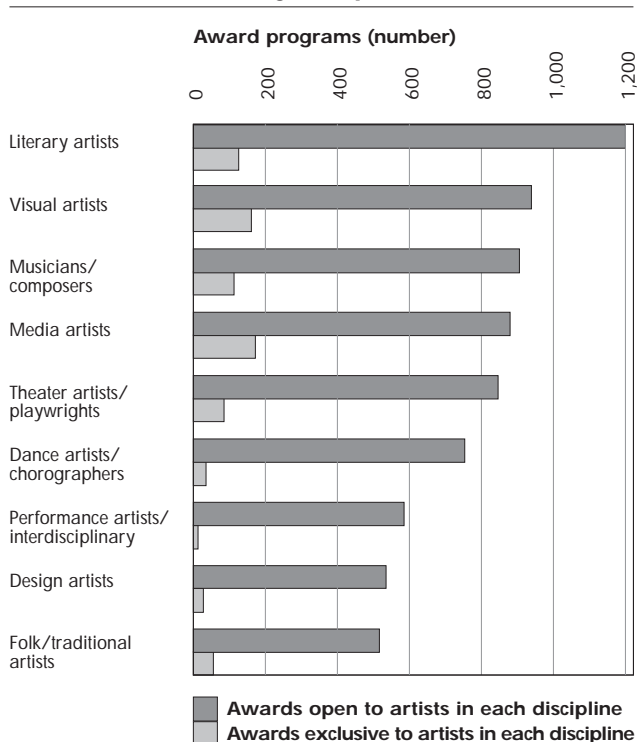
The 2,630 award programs in the database are administered by 1,609 organizations. The large majority of these (83 percent) are nonprofit organizations, followed by government agencies (13 percent). For-profit organizations account for a very small proportion (3 percent) of the total. The remainder are administered by unincorporated entities or individuals.

### Type of granting organization

Type of organization	Number of orgs	Percentage of total
Nonprofits	1,357	83
Government agencies	183	13
For-profits	53	3
Unincorporated organizations or individuals	16	1
<b>TOTAL</b>	<b>1,609</b>	

Of the 1,357 nonprofit organizations administering awards, foundations number 261 and, although they constitute the largest group, they account for only 19 percent of the nonprofit total. Arts service organizations (212 organizations) and nonprofit local arts agencies<sup>5</sup> (124 organizations) round out the top three types of nonprofit organizations administering awards. Not surprisingly, local and state arts agencies make up the bulk of the 183 public agencies administering awards. Of these governmental funders, local arts agencies account for 42 percent and state arts agencies for 29 percent.<sup>6</sup>

### Number of awards by discipline



## Differences in Opportunities for Awards by Discipline

The large majority of award programs are open to artists in multiple disciplines. Even so, significant differences exist in the number of opportunities for artists working in different disciplines. For example, literary artists are eligible for 1,166 award programs, visual artists for 955 programs, choreographers for 570, and folk/traditional artists for only 354.<sup>7</sup> Just 31 percent of award programs are targeted to a specific discipline, but here, too, significant differences exist. For awards that are targeted to a specific discipline only, media artists are eligible for the most discipline-specific awards (172), dancers for only twenty-four, and performance artists only one.<sup>8</sup>

## Distribution of Award Opportunities by Geographic Area and Other Characteristics

Our analysis of NYFA Source data reveals that the majority (68 percent) of awards are open nationally or internationally. The remaining third are about evenly split between a) those restricted to a state or set of states, and b) those restricted to a county, city/town, or neighborhood.<sup>9</sup>

Our field research – interviews and focus groups with artists, funders, arts administrators, and others – suggests that national and international award programs are often highly competitive and that many artists prefer to apply for locally-focused or state-specific awards, especially in early and mid-career stages. Programs closer to home are perceived as less competitive and more accessible.

Nationwide, Minnesota, with 31, has the most state-specific awards – that is, awards open to all artists residing in Minnesota, but not open to residents of any other state. New York, Massachusetts, California, and Texas follow with 25, 22, 19, and 16 respectively. Forty states offer six or fewer such awards. Of these forty states, half offer three or fewer.

### Top states by number of awards

Minnesota	31
New York	25
Massachusetts	22
California	19
Texas	16
North Carolina	13
Washington	12
Ohio	11
New Hampshire, New Jersey, and Oklahoma	10
Florida and Kentucky	9
Idaho and Illinois	7

These differences are important, but an accurate comparison of support levels must also account for the value of available awards (monetary and otherwise), the number and characteristics of artists, and the number of award applicants and recipients in each place. These data are not currently available.

With regard to other characteristics that might be used to target awards, we found that 24 percent of all awards is targeted explicitly to one or more career stage(s): 17 percent of all awards is targeted to emerging artists, less than 7 percent of the total to mid-career artists, and 5 percent to elder artists. Only about 7 percent of awards is restricted to particular demographic (race, gender) or special-interest groups.

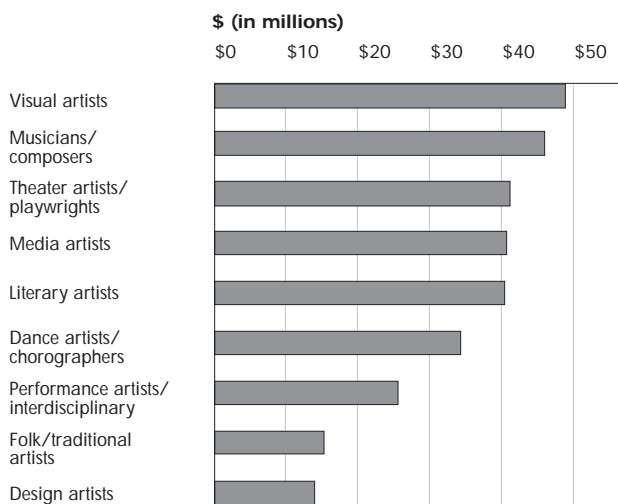
## Monetary Value of Awards

The number of awards available is not the end of the award story. What these awards represent in monetary value is also important. Our current data on the monetary value of awards are imprecise for two main reasons. First, often it is not possible for reporting organizations to quantify the value of “in-kind” awards such as residencies, equipment-access programs, and space programs. Second, some reporting organizations simply have not provided financial data on their cash grant programs.

NYFA Source currently contains information on the *total amount of money awarded* for 63 percent of all cash grant programs in the database. It also contains information about the *standard size of award* for 47 percent of the cash grant programs.

Having consulted with experts in the philanthropic community, we are confident that our financial data includes most of the largest and best-known awards. However, a large number of granting organizations have not yet reported this financial information. Based on the data we have, we know that more than \$90 million is available in cash grants to artists each year and that the distribution of this money varies by artistic discipline.<sup>10</sup> While artists in some disciplines have many opportunities to ap-

### Monetary value of awards by discipline



Note: Many award programs are open to multiple disciplines. The numbers in this chart represent money *available* to each discipline, not exclusive to each discipline. As such, the numbers add up to more than the \$90 million reported as available to artists (based on 63 percent of cash grant programs reporting total amount of money awarded).

ply for awards, the total dollars in these disciplines is not necessarily greater. For example, literary artists have the most opportunities (1,166) to apply for awards, but visual artists have access to a larger pool of funds. Both the opportunity to apply for awards and the money available are lowest for folk/traditional and design artists.

While knowing differences by discipline is valuable, the efficiency of distribution is impossible to judge. Inherent difficulties in identifying and surveying artists mean we have only rough information about how many professional artists there are in each discipline, or how many reside in each state. And we have almost no information on the extent to which artists in each discipline rely on award programs. Moreover, this is further complicated by our having only partial information from award granting organizations about the number of applicants *and* recipients of awards. Previous research by others suggests that fewer than 20 percent of artists receive a grant in a given year.<sup>11</sup> Our field work indicates that awards constitute an important element of support for many artists, but that many suspect the current distribution of awards is inequitable by geography, race/ethnicity, gender, aesthetic, and other dimensions. As gaps in NYFA Source data are filled and our knowledge of artists grows, we hope to be able to assess the validity of this perception.

## Award Value

Artists value a variety of award characteristics – flexibility, monetary value, duration, and comprehensiveness of support. What’s meant by “comprehensive” can include the responsiveness of the funder or bundling other material resources (such as space and marketing help) with the primary award.

Indeed, many award programs bundle additional material supports with the award. That is, in addition to the primary purpose of the award, the artist receives supplementary material resources. For example, a residency program might also offer a stipend; or, a cash grant might also offer technical assistance or an exhibition opportunity.

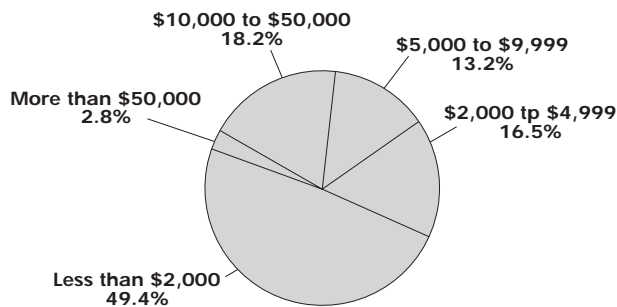
Some types of awards are more likely to bundle additional support than others. Residency programs are most likely. This is not surprising if we consider that residencies are programs in which the principal benefit is an opportunity to live and/or work in a place other than where an artist customarily lives or works. It is common, for example, for residencies to include housing, board, travel, materials, facilities access, a living stipend, or exhibition/performance opportunities. Other types of support that often are bundled are mentorship, documentation, publication, insurance, and professional contacts/referrals. Cash grants and honorary prizes are least likely to bundle other kinds support with the award.

### Frequency of bundling for each award type

Residencies	87%
Apprenticeships	85%
Space programs	79%
Equipment access	68%
Cash Grants	30%
Honorary prizes	21%

According to our field research in the *Investing in Creativity* study, artists value fellowships and other forms of unrestricted money the most, because of their flexibility. Artists also, hardly surprisingly, find large awards (more than \$20,000) more helpful than smaller ones (less than \$10,000) – although unrestricted use compensates to some extent for lower monetary value.

### Distribution of award value



Note: Based on 47 percent of cash grants reporting standard award size

Based on the 47 percent of cash grant programs that provided information about standard awards, we report that half of the standard cash grants are less than \$2,000, two-thirds are less than \$5,000, and more than three-fourths of cash grants are less than \$10,000. With only 47 percent of granting organizations reporting, these figures should not be interpreted as representative of all cash grants in the database.

### Access to Awards

In our interviews, many artists told us that they do not participate in the awards system. Some artists were not very aware of the availability of awards, other artists preferred to participate solely in the commercial or informal markets, and a few artists excluded themselves from the award process because they perceived others to have greater need. But many of the artists we spoke to simply felt that the award system did not suit them. Many said they decided not to apply because they felt that the application process was too cumbersome, the chances of being selected were too low, the small monetary amount of awards were not worth the effort, or some combination of the three. Others felt excluded from the system because of their demographic or artistic characteristics. We heard repeatedly from artists of color that they believe that long-standing racial prejudice persists and negatively influences their ability to get resources. Many white artists, in contradiction, felt they were being excluded in favor of minority artists. Artists working in emerging forms, such as new media/new technologies, and artists working in folk/traditional/ethnic forms thought they were being excluded because their work did not fit into conventionally recognized artistic categories and/or was not appreciated or even understood. Recent graduates from non-elite schools thought awards went mostly to established artists or recent graduates from elite institutions. Also, many artists perceived barriers based on geography – with

artists in big cities on the coasts having a better chance than artists elsewhere. We do not have sufficient data about characteristics of applicants or award recipients, so it is difficult to assess the validity of these perceptions.

### Twenty-five largest awards

Name of award	Amount	Procedure
MacArthur Fellows Program	\$500,000	Nomination
The Aga Khan Award for Architecture	\$500,000	Nomination
Lannan Prize for Cultural Freedom	\$350,000	Nomination
Mildred and Harold Strauss Livings	\$250,000	Nomination
The Heinz Awards	\$250,000	Nomination
Onassis International Prize for Culture	\$250,000	Nomination
Dorothy and Lillian Gish Prize	\$250,000	Nomination
Charles Ives Living Award	\$225,000	Nomination
Grawemeyer Award for Music Composition	\$200,000	Nomination
Wallace Stevens Award	\$150,000	Nomination
Praemium Imperiale Awards	\$116,921	Nomination
International IMPAC Dublin Literary Awards	\$115,155	Nomination
Individual Artist Project Support Program	\$115,000	Open application
Marian Anderson Award	\$100,000	Nomination
Pritzker Architecture Prize	\$100,000	Nomination
Kingsley Tufts Poetry Award	\$100,000	Open application
Michael Ludwig Nemmers Prize	\$100,000	Nomination
Kleban Award for Musical Theater	\$100,000	Open application
Bucksbaum Award	\$100,000	Nomination
Ruth Lilly Poetry Prize	\$100,000	Nomination
Frederick Burkhardt Residential Fellowships for Recently Tenured Scholars	\$65,000	Open application
Hasselblad Foundation International Award in Photography	\$63,661	Nomination
PEN/Robert Bingham Fellowships for Writers	\$60,000	Nomination
Community Fellowships Program	\$51,750	Open application
Perrier Bubbling Under Award for First-time Film Directors	\$50,000	Nomination

Also among respondents was a perception that many awards – or at least the “better” awards – are by nomination only and not open to application. It is true that several high profile and high-monetary value awards are by nomination only. In fact, of the twenty-four programs that reported an average award of over \$50,000, nineteen are by nomination only; only five are open to application. All twelve awards in excess of \$115,000 are by nomination only. However, the vast majority of award programs (80 percent) are open to application. Relatively few are awarded by nomination (15 percent), and only 4 percent require an incorporated nonprofit 501(c)(3) fiscal sponsor.

Probably the strongest perceived barrier to emerge from our interviews was grantwriting. Many respondents felt that grantwriting is a skill that is independent of artistic ability – and that grant recipients are usually the best grant writers, not the best artists. Both funders and artists saw lack of grantwriting skills as a significant obstacle.

Our interviews suggest that incorporation as a 501(c)(3) organization was seen as important by some artists because many more grants are available to organizations than are available to individuals.<sup>12</sup> We found that from funders' perspectives nonprofit organizations and individual artists generally are viewed as very distinct, and grant programs are almost always targeted to one or the other. For many artists, however, the dichotomy between an individual artist and a small nonprofit is a distinction without much difference. For example, a small nonprofit dance company with largely volunteer performers hardly differs from a similarly-small group of dancers without organizational structure – except for the administrative work required to become a 501(c)(3) nonprofit. For some artists, the effort required to become and maintain a nonprofit organization was worthwhile, for others not.

## Conclusion

NYFA Source is an important resource to help the grantmaking field to assess and monitor how it supports artists through awards. We have outlined the main contours of the current landscape with the level of information we have available. The information presented answers some questions, but raises others. It also brings into relief the need to support and improve NYFA Source as a tool as well as the need to cultivate a cadre of leaders who can use the information to serve artists, the specific communities in which they work, and our society, which they are helping to shape.

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*Maria-Rosario Jackson, Ph.D., is a senior research associate in the Metropolitan Housing and Communities Center and director of the Culture, Creativity, and Communities Program at the Urban Institute. She was principal investigator on Investing in Creativity: A Study of the Support Structure for U.S. Artists. Daniel Swenson is a research associate at the Urban Institute and was on the Investing in Creativity research team. The authors would like to thank Chris Hayes, research associate at the Urban Institute, for his assistance with this research.*

*This article draws heavily from the full report, Investing in Creativity: A Study of the Support Structure for U.S. Artists, Urban Institute 2003.*

## Notes

<sup>1</sup> *Investing in Creativity: A Study of the Support Structure for U.S. Artists* was a research initiative carried out by the Urban Institute 2000-2003 with the support of thirty-eight funders around the country. Major components of the study include case studies of support for artists based on interviews and focus group discussions in nine U.S. cities and on interviews with artists and others in rural areas; the collection and analysis of information about awards and grants through the NYFA Source database; and national and local polls on public attitudes towards artists. In the study, artists are defined as adults who have received training in an artistic discipline/tradition, define themselves professionally as artists, and attempt to derive income from work in which they use their expert vocational skills in visual, literary, performing, and media arts. The main focus was on artists working primarily in the formal nonprofit sector, but the study also addressed artists working in commercial and public sectors, and in informal contexts. For more information or a copy of the full report, visit [www.usartistsreport.org](http://www.usartistsreport.org).

<sup>2</sup> Information on awards was collected systematically for research purposes by NYFA in collaboration with the Urban Institute.

<sup>3</sup> All NYFA Source statistics presented here are based on a version of the database archived April 2004. Information includes organizational data primarily from fiscal years 2001 and 2002, with some from 2003. A previous version of some of the statistics presented in this article appears in the comprehensive report, *Investing in Creativity: A Study of the Support Structure for U.S. Artists*, Urban Institute 2003. Data in that report was generated from a version of the NYFA Source database archived as part of the *Investing in Creativity* study. While these organizations are an essential part of the support structure for artists, information about funding for them is not systematically tracked.

<sup>4</sup> Exceptions are grants that are designed for and awarded to artists, but that require fiscal sponsorship by a nonprofit organization. Artist-focused nonprofit organizations provide important resources (in-kind as well as financial) to artists, according to field work conducted as part of the *Investing in Creativity* study. While these organizations are an essential part of the support structure for artists, information about funding for them is not systematically tracked.

<sup>5</sup> Local arts agencies can be either nonprofit organizations or government agencies.

<sup>6</sup> We cannot yet provide trend information about awards and grants, but it is important to note that in initial efforts to update NYFA Source we have identified 36 programs that have been temporarily "suspended" or identified as operating on a more limited basis in some cases as a result of budgetary concerns of the sponsoring organization. These programs are still included in the totals listed here.

<sup>7</sup> These totals include award programs that explicitly state being open to the disciplines reported here. Within these totals some programs explicitly list more than one discipline served, and other programs serve a particular discipline exclusively.

<sup>8</sup> In a national opinion poll about attitudes towards artists that was part of the *Investing in Creativity* study, we asked whether people seek out the work of artists in specific disciplines. Three of the disciplines most sought out by the public – music, film/video, and literature – match three of the top four in both award opportunities and discipline-specific awards. Music, film/video, and literature are the disciplines with extensive means for mass reproduction and dissemination, which may make these fields more accessible.

The small number of awards available in the folk/traditional art category poses an important challenge. Folk art is a recognized, though debated, field of artistic work. But it often functions as a catch-all category in which program administrators lump the applications of new immigrant and rural artists – because often their work does not fit neatly into other recognized categories. As evinced in demographic trends throughout the United States, new immigrants are both very diverse and a growing part of this country's cultural life. As such, the potentially small number of award opportunities available to immigrant artists through the folk/traditional art category is an increasing problem as is finding other ways of integrating and validating new art forms into award structures.

<sup>9</sup> Due to the complex and idiosyncratic ways that awards can be restricted by neighborhood, city, and county, it is not possible to accurately assess in aggregate the distribution of locally-focused awards.

<sup>10</sup> Earlier analysis of NYFA Source data indicated \$91 million available in cash grants, based on financial data reported as of June 2003. The drop from \$91 million to \$90 million as of April 2004 is probably due to decreases in the amount of funding received by award programs as well as to the loss of some programs.

<sup>11</sup> See Joan Jeffri, 1997, *Information on Artists II, Studies One and Two*, New York: Columbia University, Research Center for Arts and Culture. It is important to note that this survey population, derived from organizational membership lists, may overlap with our primary focus on artists in the *Investing in Creativity* study, but it is not the same.

<sup>12</sup> The Foundation Center reports that in 2002, nine of every ten of the larger 1,005 foundations (87 percent) made grants supporting arts and culture. See "A One-year Snapshot," page 11, in this issue of the *Reader*. Our work indicates that the vast majority of grants made are to organizations rather than individuals.

# Awards and Grants for Artists: From Research to Action

Holly Sidford

The NYFA Source database and the Urban Institute's *Investing in Creativity* report are powerful tools that can help funders and others to think more strategically, improve their services, and increase the impact of their work for artists. The data raises questions for us collectively and individually, but also suggests opportunities to act. What follows is one person's reactions to the data, and some suggestions about how we can use this information to improve conditions for artists overall.

## 1. Are we satisfied with the picture?

Our system supports hundreds of distinct award programs for artists – more than 2,600 – but the vast majority of individual awards to artists – 66 percent – are very small (\$5,000 or less). We offer more than 1,100 funding opportunities to literary artists but fewer than 580 to dance artists and only 354 to folk artists (a catch-all category for a wide variety of forms, including much work outside the Western European tradition). Our system tolerates huge variation in the number of awards restricted to artists living in different states – thirty-one in Minnesota, for example, compared to seven in Illinois and one in Missouri. Most of our award programs help artists make or present work, but relatively few address both “supply” and “demand” by bundling cash grants with marketing, distribution, presentation, technical assistance, or other services that greatly magnify the value of the grant.

Is this the profile we want: Where a huge administrative effort goes into providing artists with important recognition but very small grants? Where enormous discrepancies exist in the opportunities for artists in different disciplines and different locations? Where we aren't maximizing our cash investment or our belief in artists by boosting their ability to reach audiences, expand their markets, and connect with other resources?

I think we can do better, and there are national and state-level conversations to be had about improving this picture: About raising the level of awards. About increasing the number of awards in certain disciplines. About expanding resources for artists in every state, but especially in those with large populations of artists and relatively few funding opportunities. About attaching services to our grants so that artists are helped not just by money but by moral and technical support as well.

## 2. Can we better align the picture with artists' needs?

Artists of all kinds need access to space and appropriate equipment, yet in the whole country we offer only thirty-eight equipment programs and twenty-four space programs. Emerging artists have different needs than mid-career artists, and well-established artists have different needs again. Yet 76 percent of our awards are not targeted to specific career stage. Many artists are frustrated by the competitiveness of national and international programs, preferring locally-focused or state-specific programs because they are more accessible. Furthermore, there is great disparity in the number of awards targeted to specific dis-

ciplines (172 programs for media artists, for example, compared to 24 for dancers). Yet only 32 percent of our programs are locally-focused or state-specific; only 24 percent are targeted to career stage and only 32 percent are focused on one artistic discipline. Thus we force thousands of artists to compete unsuccessfully – and repeatedly – with others who are not really their peers.

Every program can examine itself in light of these questions. Is my program truly aligned with the needs of the artists I am trying to serve? If I brought greater focus and clarity to my program – by targeting a career stage, one or two artistic disciplines, or a geographic area – would I simplify it for artists and improve my impact? Ought some of my resources go to address the larger environment – such as availability of space, equipment, insurance, and training? Are there opportunities to work collaboratively with other funders on these questions?

## 3. Will we face our changing demographics and technological advancements?

Our country is changing, and artistic practice reflects that fact. Artistic forms are proliferating with the influence of new immigrant populations, different technologies, and generational shifts in interests, techniques, and forms. Is our artists' support system keeping pace with the changes? Are we welcoming new and different voices into our system by creating new categories and engaging reviewers who understand this work? Or are we lumping everything that is new, strange, or hard to categorize into catch-all forms like folk arts and media arts? Can we honestly engage artists in conversations about how our programs could better serve them, and can we re-design our programs to better reflect evolutions in demographics, technology, and artistic process?

## 4. Can we improve the information infrastructure?

The NYFA Source database is robust, with information about more than 2,600 award programs. But we still lack complete information on all these programs, and holes in the database make definitive analysis impossible. Only 63 percent of the award programs have reported total amounts of money granted, for example, and while we know that that portion of the universe adds up to about \$90 million in annual awards for artists, we still don't know how much money is in the system overall. Relatively few programs have shared information about their applicant and recipient pools, making it impossible for us to know anything definitive about who all these programs are actually serving. Because everyone will benefit from a complete database, it is everyone's responsibility to share as much information as they can. Without full cooperation, we are limiting our ability to understand the strengths – and the weaknesses – of our current system.

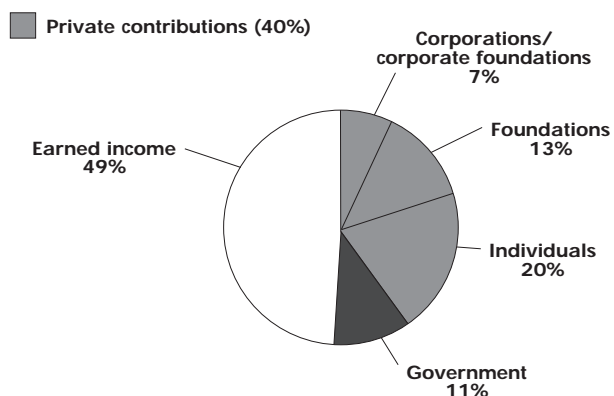
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# Financing Nonprofit Arts Organizations: An Overview of Revenue Streams

Nonprofit arts and culture organizations in the U.S. derive their income from an interdependent funding framework made up of three major sources: earned income, private contributions, and government grants. The following comparisons of income sources are based on preliminary IRS data from the National Center for Charitable Statistics and estimated foundation and corporate data from the Foundation Center and Business Committee for the Arts.

- Earned income, including investment income, accounted for approximately half of the overall revenue of the nearly 24,000 nonprofit arts groups that filed tax returns
- Private sector contributions from individuals, foundations, and corporations accounted for two-fifths of revenue
- Federal, state, and local government sources provide the remaining one-ninth
- Foundation arts giving (excluding corporate foundations) comprised one-third of all private contributions and about one-eighth of total nonprofit arts revenue

**Sources of nonprofit arts and culture organization revenue (circa 2000)**



Source: The Foundation Center, *Arts Funding IV*, 2003.

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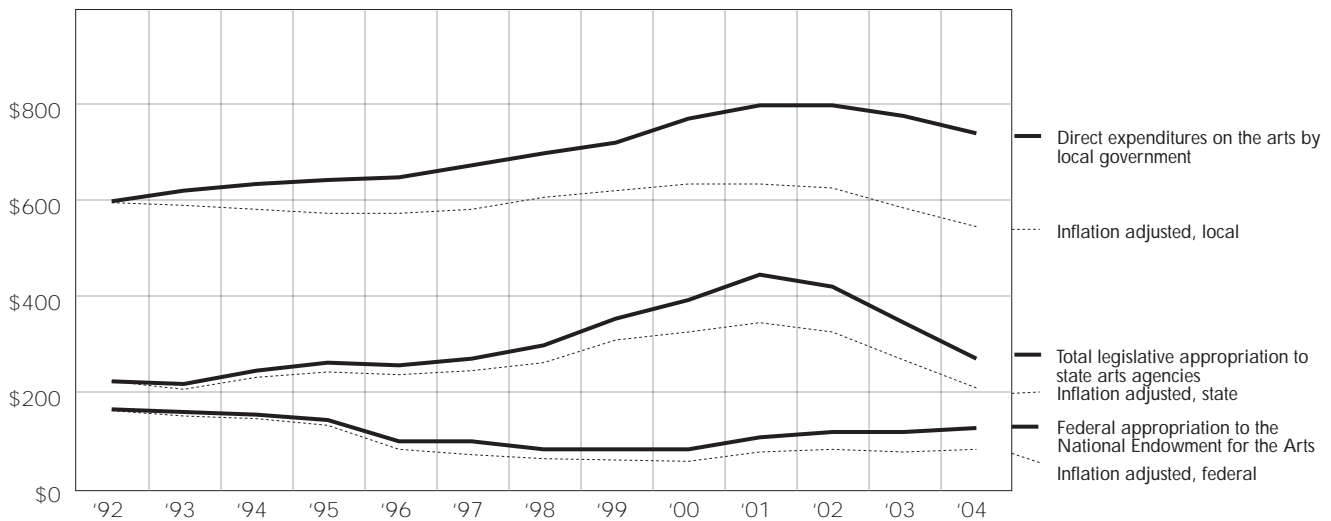
ways to complement cash grants with other services to assist artists' work. We need to collaborate more effectively – at local, state, and national levels – to improve the entire environment for artists. And we need to work more collaboratively to strengthen what we have labored hard to establish, modifying it to create a more equitable system. The Urban Institute research and the NYFA Source database give us wonderful new tools to re-engage these important questions and to re-imagine our support system for artists in the light of twenty-first century realities.

*Holly Sidford is the founding president of Leveraging Investments in Creativity (LINC), a ten-year national initiative to enhance artists' ability to make work, build social capital, and connect with the communities around them.*



# Government Funding for the Arts

Kelly Barsdate, National Assembly of State Arts Agencies



The Foundation Center's *Arts Funding IV* analysis indicates that government support represents about 11 percent of total revenue reported by nonprofit arts organizations. Through a distribution pattern reaching nearly every county and congressional district in the United States, public dollars are granted to artists, arts organizations, schools, and community venues. Although the government supports arts facilities, events, and organizations through many different mechanisms, three key funding indicators are Congressional appropriations to the National Endowment for the Arts, legislative appropriations to the nation's state arts agencies, and estimates of direct funding for the arts by county and municipal governments. These three funding streams currently provide a combined \$1.13 billion support for the arts.

The decade of the 1990s saw significant growth in funding for the arts at the state and local levels, followed by declines over the last three years. Local government support grew by nearly \$200 million between 1992 and 2001 before losing \$60 million between 2002 and 2004. Although 23 percent higher in nomi-

nal terms than it was in 1992, local arts funding has sustained a net loss of 8 percent when inflation and the purchasing power of arts dollars are taken into account. State funding saw a decade of even steeper growth (more than doubling during the 1990s) before losing \$174 million between 2002 and 2004. In nominal terms, state funding currently exceeds 1992 levels by 2 percent, but is down by 5 percent in constant dollar terms. Appropriations to the National Endowment for the Arts have increased moderately in the last two years, but have not yet recovered from the 40 percent reductions enacted between 1992 and 1996. Just as foundation spending on the arts is affected by the health and stability of asset portfolios, public arts funding is greatly influenced by changes in government revenues and the inexorably increasing costs of education, health care, and corrections, which constrict the availability of discretionary funds for other areas, including the arts.

*Kelly J. Barsdate is director of policy, research, and evaluation at the National Assembly of State Arts Agencies (NASAA). She manages the fiscal reporting, grantmaking studies, policy analysis, survey research, and technical assistance initiatives that serve the nation's fifty-six state and jurisdictional arts funders.*

Source: National Assembly of State Arts Agencies (NASAA), drawing from data provided by the National Endowment for the Arts, Americans for the Arts, and NASAA's *State Arts Agency Legislative Appropriations Survey 2004*. Constant dol-





# Grantmakers in the Arts

## Who we are

Grantmakers in the Arts works within philanthropy to improve society's health by strengthening the role of arts and culture. It is a membership organization whose trade is discourse on ideas about arts philanthropy within a diverse community of grantmakers. GIA maintains a lightweight infrastructure that supports its members' work together. Members include private, community, corporate, and family foundations, as well as regranteeing organizations whose primary purpose is arts grantmaking, public sector grantmakers, and individual donors who give through eligible organizations.

## GIA's primary goals are to:

- Improve and strengthen arts philanthropy beyond GIA's membership
- Support individual grantmakers and deepen their involvement with each other

## What we do

- Produce the annual GIA conference.
- Publish *Grantmakers in the Arts Reader* three times per year featuring articles on topics of interest to arts grantmakers, summaries of recently published reports and studies, and regional and interest-specific reports by arts grantmakers.
- Commission research and other publications.
- Facilitate communication among GIA members through events at other gatherings of grantmakers such as Council on Foundations conferences, informal publications, and electronic resources.

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