

Arts Funding Snapshot: GIA's Annual Research on Support for Arts and Culture

Foundation Grants to Arts and Culture, 2015: A One-year Snapshot

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Public Funding for the Arts, 2017

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Beginning with this snapshot of arts funding, Foundation Center's annual analyses of arts and culture grantmaking will adopt a broader approach to capturing information about arts funding. While previous analyses focused only on those grants identified as having a primary purpose of arts, the new strategy looks at both the primary and secondary purposes of a grant. For example, a grant awarded to a youth organization to develop leadership skills in adolescents through a local community theater program may be tagged with both an arts and youth development code. In previous years if this grant had been coded as having a primary focus of youth development, it would not have been included as an arts grant. Now, with the new strategy this grant would be included in the arts analysis. Because the distinction between the primary and secondary purposes of a grant is in many cases arbitrary, this strategy will ensure that all arts-related grants will be included in our analyses going forward. Also please note that for consistency, any comparisons between 2014 and 2015 giving use this new approach.

In 2015, giving by the approximately 86,000 active US foundations rose 5 percent to \$62.8 billion. Among 1,000 of the largest US independent, corporate, community, and grantmaking operations included in Foundation Center's 2015 FC 1000 data set, however, arts and culture funding remained stagnant; it also did not keep pace with the rise in overall foundation giving in the sample (up 3 percent). Actual grant dollars for arts-related activities in 2015 were higher compared to the previous year; however, arts and culture continued to rank sixth among foundations' funding priorities. The share of overall support targeting arts and culture has been ranked sixth among foundation priorities since 2011, using the new approach to capture information about arts funding.

Highlights

Foundation Center offers these key findings from GIA's sixteenth snapshot of foundation giving to arts and culture. The definition of arts and culture used for this snapshot is based on Foundation Center's Philanthropy Classification System and encompasses funding for the performing arts, museums,

visual arts, multidisciplinary arts, humanities, historical activities, arts services, folk arts, public arts, and cultural awareness. The findings in this snapshot are based on analysis of two closely related data sets. The analysis of the distribution of 2015 arts and culture giving uses the latest FC 1000 dataset,¹ while the analysis of changes in foundation giving for the arts between 2014 and 2015 use a matched set of foundations that are consistent between the FC 1000 for each of those two years.²

Arts funding as a share of total dollars remained the same in 2015. Among the 1,000 largest foundations included in Foundation Center's grants sample for 2015, arts giving totaled \$2.6 billion, or 9 percent of overall grant dollars. Compared to the previous year, share of dollars and share of number of grants remained basically unchanged.

Foundation funding for arts and culture was stagnant in 2015. Among a matched set of leading funders, arts funding as a share of overall giving did not change between 2014 and 2015, lagging behind a 3 percent increase in overall giving by these foundations.

The size of the median arts grant was up. The median arts and culture grant size — \$30,000 — increased from \$25,000. However this was still below the \$33,600 median amount for all foundation grants in the latest year.

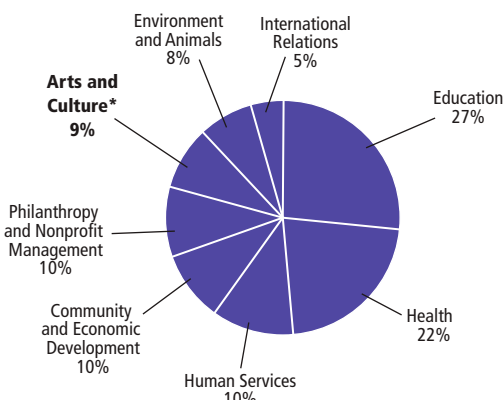
Large grants account for more than half of arts grant dollars. Large arts grants of \$500,000 and more captured 58 percent of total grant dollars for the arts in 2015, down from 61 percent in 2014.

Relative to most other fields, a larger share of arts grant dollars provided operating support. In 2015, general operating support accounted for 20 percent of arts and culture grant dollars. The share is lower than the 23 percent for general operating support reported for arts grants dollars in 2014; however, the share is higher than the 16 percent share awarded to general support for overall giving.

The share of funding by top arts funders remains steady. The top twenty-five arts funders by giving amount provided 37 percent of total foundation arts dollars in 2015, consistent with 2014. The share of arts giving accounted for by the top funders has remained consistent for the past decade.

Please note: It is important to keep in mind that the foundation grantmaking examined here represents only one source of arts financing. It does not

FIGURE 1. Percentage of grant dollars by major field of giving, 2015*



Source: Foundation Center, 2017. Based on all grants of \$10,000 or more awarded by 1,000 of the largest foundations representing approximately half of total giving by all US foundations. Includes areas of giving representing at least 5 percent of grant dollars.

* Grants may occasionally be for multiple issue areas and would thereby be counted more than once.

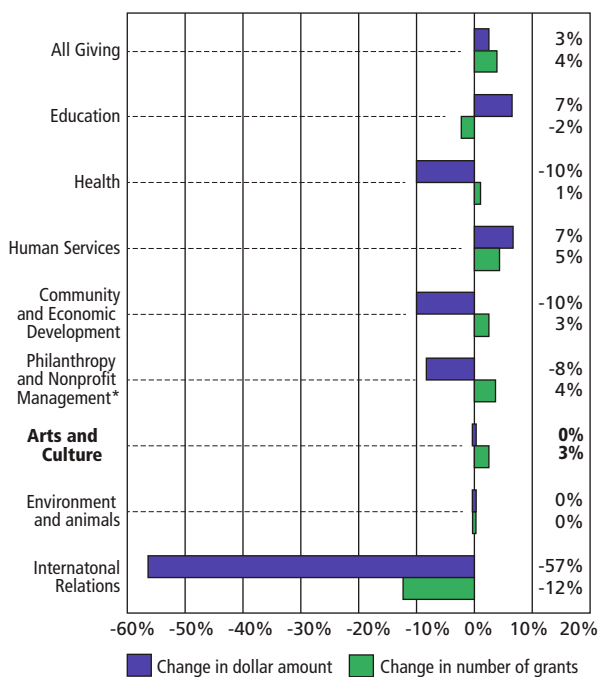
examine arts support from earned income, governments, individual donors, or the business community. This analysis also looks only at foundation arts support for nonprofit organizations, and not for individual artists, commercial arts enterprises, or informal and unincorporated activities.

Specific Findings

Overall foundation dollars for the arts. The foundations included in Foundation Center's 2015 FC 1000 data set awarded 19,638 arts and culture grants totaling just over \$2.5 billion, or 9 percent of overall grant dollars (figure 1). This share was consistent with 2014. Similarly, the share of number of arts grants remained nearly unchanged at 12.4 percent. Among a matched subset of 892 funders, grant dollars for the arts did not change between 2014 and 2015, compared to a 3 percent increase in grant dollars overall. Among the other top-ranked subject areas by grant dollars, only education and human services reported an increase (figure 2).

The impact of exceptionally large grants. Every year and in all funding areas, a few very large grants can skew overall totals, creating distortions in long-term grantmaking trends. In 2015, sixteen arts and culture grants provided at least \$10 million, and instances where these grants had a notable impact on grantmaking patterns are identified throughout this analysis. Yet despite the potential fluctuations caused by these exceptional grants, Foundation Center data in all fields have always included them, providing consistency over time. (In addition, Foundation Center provides statistics

FIGURE 2. Change in giving by major field of giving, 2014 to 2015*



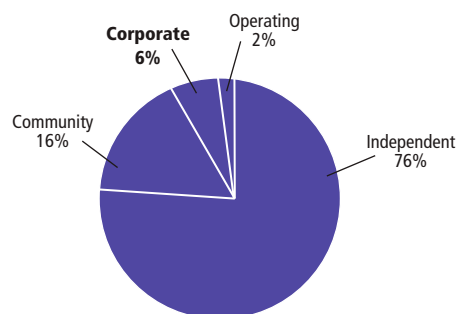
Source: Foundation Center, 2017. Based on all grants of \$10,000 or more awarded by a matched sample of 892 of the largest foundations. Includes areas of giving representing at least 5 percent of grant dollars in 2015.

* Grants may occasionally be for multiple issue areas and would thereby be counted more than once.

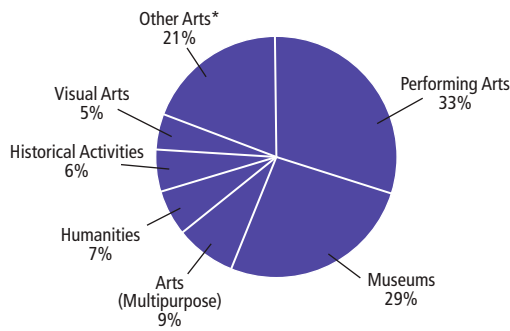
based on share of number of grants, which are not skewed by exceptionally large grants.)

Corporate foundations represent an important source of support for arts and culture. Corporate foundations account for 8 percent of US private and community foundations, and the larger corporate foundations included in the 2015 grants sample provided 6 percent of grant dollars for the arts (figure 3). Actual grant dollars totaled \$160.4 million. By number, corporate foundations

FIGURE 3. Arts grant dollars by foundation type, 2015



Source: Foundation Center, 2017. Based on all grants of \$10,000 or more awarded by 1,000 of the largest foundations representing approximately half of total giving by all US foundations.

FIGURE 4. Arts and culture, giving to subfields, 2015**

Source: Foundation Center, 2017. Based on all grants of \$10,000 or more awarded by 1,000 of the largest foundations representing approximately half of total giving by all US foundations.

* Includes giving for folk arts, public arts, and cultural awareness.

** Grants may occasionally be for multiple issue areas and would thereby be counted twice.

allocated 2,704 grants, or 14 percent, of the overall number of arts grants in 2015. Please note that these figures do not include direct corporate giving; the amount that corporations contribute to the arts is undoubtedly higher.

Grants by Arts Subfield

Funding for performing arts accounted for one-third of all foundation art dollars in 2015 (figure 4), surpassing the share reported for museums (29 percent). From the start of the 1980s until 1997, the performing arts have consistently received more foundation support than museums. However, museums surpassed the performing arts by share in the late 1990s to early 2000s and several times in recent years (2010, 2013, and 2014). More study would be needed to adequately understand the underlying reasons for the shifts in share between these two fields of activity. These reasons could include, for example, the entry onto the scene of new and large arts funders, extraordinarily large grants, the contribution of valuable art collections, and new capital projects at museums.

Giving to performing arts. In 2015, among a matched set of funders, performing arts grant dollars increased 8 percent compared to 2014, while the number of grants rose 7 percent. A total of 8,315 grants were awarded for the performing arts by foundations in the set — close to double the number reported for museums. In general, the average performing arts grant tends to be smaller in size than the average museum grant (around \$100,000 versus \$170,000). The largest share of giving to the performing arts supported theaters and performing arts centers. One of the largest performing arts grant in the latest sample was a \$10 million award from the Minneapolis Foundation

to Yale University to renovate its School of Music's Hendrie Hall/Adams Center. Included within the performing arts is support for performing arts education, which totaled \$99.2 million in 2015. (See "Giving to multidisciplinary arts" below for a figure on foundation grant dollars supporting other types of arts education.)

Giving to museums. In 2015, museums benefited from 4,183 grants totaling nearly \$740 million awarded by the 1,000 largest foundations included in the FC 1000 data set. Nearly half of funding supported art museums. Among a matched set of funders, grant dollars allocated to museums dropped 31 percent between 2014 and 2015, while the number of grants was down 32 percent. This was in large part due to a significant number of grants, some of them exceptionally large, awarded in 2014 for the "Grand Bargain," which would enable the Detroit Institute of Arts to hold its collections for the public in perpetuity.

Giving to the humanities. In 2015, the humanities benefited from 848 grants totaling \$172.2 million awarded by the 1,000 largest foundations included in the FC 1000 data set.³ Funding for this area accounted for 7 percent of arts grant dollars in 2015, down slightly from the 8 percent share captured in 2014. Among a matched set of funders, grant dollars awarded for the humanities declined 4 percent, while the number of grants awarded was down 14 percent.

Giving to multidisciplinary arts. The share of arts giving for multidisciplinary arts rose to 9 percent in 2015 from 8 percent in 2014.⁴ Grant dollars awarded for multidisciplinary arts also increased 6 percent between 2014 and 2015 among the matched set of funders. Among the various subcategories of multidisciplinary arts, arts education (excluding performing arts education) totaled \$110.2 million in the latest year.

Giving to the visual arts. Among a matched set of funders, grant dollars for the visual arts and architecture decreased 34 percent between 2014 and 2015, while the number of grants for the field declined 29 percent. The visual arts and architecture benefited from \$137.3 million in 2015, including a \$1.8 million grant from the Andrew W. Mellon Foundation to the Cleveland Museum of Art to support residences for conservators of Chinese painting and to endow the position of a Chinese painting conservator.

Giving to historic preservation. Support for historic preservation increased 2 percent between

2014 and 2015 among a matched set of funders, while the number of grants awarded held steady.⁵ Overall, historic preservation benefited from 1,459 grants totaling \$154.2 million in 2015.

Grants by Support Strategy

An important caveat to report with regard to the allocation of foundation dollars by specific support strategy is that for roughly 31 percent of arts grant dollars in the 2015 Foundation Center sample, the support strategy could not be identified. This means that modest differences in percentages may not be reliable. (The grant records available to Foundation Center often lack the information necessary to identify the support strategy. For example, it is often the case that the only source of data on 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 Foundation Center are program support, general operating support, and capital support.

Program support accounted for the largest share of arts grant dollars in 2015 (22 percent of all arts funding). Special programs and projects typically receive one of the largest shares of arts and culture grant dollars and grants. In fact, the same is true in most of the major fields, such as health and education, where program support consistently accounts for one of the largest shares of funding.

General operating support received the second largest share of arts grants dollars. The shares of grant dollars and number of grants allocated for this support strategy in 2015 were higher for arts and culture (20 percent and 25 percent, respectively) than the overall share directed to operating support by FC 1000 foundations, which accounted for roughly 16 percent of grant dollars and 20 percent of the number of grants.

Capital support accounted for the third largest share of arts grant dollars. Similar to general support, the share of grant dollars allocated for this type of support was also higher for arts and culture (13 percent) than for grants overall (6 percent). Grants for capital support are larger on average than awards for program and general operating support, and exceptionally large capital grants can have a pronounced effect on the distribution of funding by support strategy.

TABLE 1. Distribution of grants by support strategy, 2015*

Support Strategy	Dollar Amount	%	No. of Grants	%
Capacity-Building and Technical Assistance	85,888,314	3.4	552	2.8
Capital and Infrastructure	329,624,291	13.0	989	5.0
Building Acquisitions	1,207,500	-	6	-
Building and Renovations	88,613,880	3.5	243	1.2
Capital Campaigns	57,472,027	2.3	159	0.8
Collections Acquisitions	1,375,650	0.1	8	-
Collections Management and Preservation	21,959,395	0.9	39	0.2
Equipment	6,122,131	0.2	57	0.3
Facilities Maintenance	2,070,744	0.1	5	-
Information Technology	2,777,020	0.1	28	0.1
Land Acquisitions	6,275,000	0.2	4	-
Rent	40,000	-	1	-
Other Capital and Infrastructure	159,402,005	6.3	461	2.3
Financial Sustainability	248,851,348	9.8	727	3.7
Annual Campaigns	3,584,732	0.1	38	0.2
Debt Reduction	10,400,700	0.4	5	-
Earned Income	-	-	-	-
Emergency Funds	284,394	-	4	-
Endowments	120,545,267	4.7	75	0.4
Financial Services	146,000	-	2	-
Fundraising	50,016,702	2.0	427	2.2
Sponsorships	681,469	-	15	0.1
Other Financial Sustainability	66,574,084	2.6	168	0.9
General Support	509,882,288	20.1	4,896	24.9
Individual Development and Student Aid	85,899,212	3.4	464	2.4
Leadership and Professional Development	28,890,820	1.1	144	0.7
Network-building and Collaboration	48,324,847	1.9	255	1.3
Policy, Advocacy, and Systems Reform	23,918,035	0.9	201	1.0
Advocacy	7,414,201	0.3	103	0.5
Coalition Building	1,051,000	-	4	-
Equal Access	788,265	-	20	0.1
Ethics and Accountability	1,576,718	0.1	5	-
Grassroots Organizing	2,842,581	0.1	12	0.1
Litigation	200,000	-	1	-
Public Policy and Systems Reform	4,969,167	0.2	13	0.1
Other Policy, Advocacy, and Systems Reform	8,734,133	0.3	65	0.3
Publishing and Productions	122,822,868	4.8	950	4.8
Product and Service Development	2,720,000	0.1	12	0.1
Program Development	534,187,277	21.0	4,424	22.5
Public Engagement and Marketing	38,039,494	1.5	305	1.6
Research and Evaluation	66,556,188	2.6	170	0.9
Other Specified Strategies	56,318,504	2.2	533	2.7
Not Specified	776,374,267	30.6	7,195	36.6
Total	2,537,835,770	100.0	19,638	100.0

Source: Foundation Center, 2017. Based on all grants of \$10,000 or more awarded by 1,000 of the largest foundations representing approximately half of total giving by all US foundations.

* Grants may occasionally be for multiple support strategies, e.g., for new works and for endowment, and would thereby be counted twice.

Arts grants by specific types of support. Table 1 provides a breakdown of more specific support strategies within the larger support categories and lists both the specific dollar value and number of grants made in each type. As for all data in the “snapshot,” it is important to keep in mind that this table includes only grants of \$10,000 or more

TABLE 2. Arts grants by grant size, 2015

Grant range	No. of grants	%	Dollar amount	%
\$5 million and over	54	0.3	\$462,893,609	18.2
\$1 million – under \$5 million	397	2.0	670,260,376	26.4
\$500,000 – under \$1 million	533	2.7	339,879,333	13.4
\$100,000 – under \$500,000	3,483	17.7	627,870,955	24.7
\$50,000 – under \$100,000	3,178	16.2	196,032,752	7.7
\$25,000 – under \$50,000	4,465	22.7	136,703,847	5.4
\$10,000 – under \$25,000	7,528	38.3	104,194,898	4.1
Total	19,638	100.0	\$2,537,835,770	100.0

Source: Foundation Center, 2017. Based on all grants of \$10,000 or more awarded by 1,000 of the largest foundations representing approximately half of total giving by all US foundations.

awarded to organizations by a sample of the top 1,000 foundations by total giving. It is also important to note that approximately 31 percent of the arts grant dollars in this sample did not have a specified support strategy.

Grants by Grant Size

Median grant size. The median or “typical” grant amount for arts and culture in 2015 was \$30,000, which was below the median amount for all foundation grants (\$33,600).⁶ The median amount for arts and culture had remained consistent at \$25,000 since the early 1990s, and this is the first year we have seen an increase in the median grant amount in recent years. More study would be required to determine whether this year’s increase is an isolated occurrence or whether there is an upswing in the size of arts grants.

Small and midsized grants. Roughly two-thirds (61 percent) of all arts grants in the 2015 sample were for amounts between \$10,000 and \$49,999

TABLE 3. Twenty-five largest arts, culture, and media funders, 2015

Rank	Foundation	State	Number of arts grants	Arts grant dollars	Total grant dollars	Arts as percent of total dollars	Arts capital support dollars*	Arts other support dollars*
1.	Andrew W. Mellon Foundation	NY	289	\$199,600,354	\$297,916,513	67.0	\$22,299,500	\$192,304,854
2.	Lilly Endowment	IN	47	91,076,036	604,359,799	15.1	23,524,040	90,069,496
3.	Ford Foundation	NY	269	83,202,267	593,314,285	14.0	3,100,000	46,024,133
4.	Samuel & Jean Frankel Foundation	MI	3	51,316,705	125,255,802	41.0	–	100,000
5.	Windgate Charitable Foundation	AR	194	42,578,026	85,303,141	49.9	12,349,584	28,255,448
6.	Robert W. Woodruff Foundation	GA	5	37,905,237	145,788,758	26.0	37,905,237	20,855,237
7.	Minneapolis Foundation	MN	55	36,266,573	74,711,707	48.5	65,074	34,948,588
8.	John S. and James L. Knight Foundation	FL	107	33,137,600	152,174,618	21.8	7,525,000	12,972,000
9.	Moody Foundation	TX	11	27,102,859	63,102,131	43.0	1,697,628	18,834,638
10.	Freedom Forum	DC	2	26,169,933	26,169,933	100.0	–	26,169,933
11.	Shubert Foundation	NY	464	25,955,000	27,650,000	93.9	–	21,850,000
12.	Brown Foundation	TX	179	25,286,932	61,348,640	41.2	2,233,100	14,617,082
13.	Shelby Cullom Davis Charitable Fund	DE	8	23,733,333	108,570,049	21.9	17,000,000	550,000
14.	Doris Duke Charitable Foundation	NY	92	22,847,239	70,943,848	32.2	10,000	19,411,771
15.	Hess Foundation	NJ	53	21,820,165	75,808,665	28.8	–	16,469,225
16.	Annenberg Foundation	CA	98	21,715,978	48,559,507	44.7	221,947	6,559,023
17.	Walton Family Foundation	AR	59	20,945,147	351,865,505	6.0	–	16,918,395
18.	Silicon Valley Community Foundation	CA	293	20,709,467	823,303,453	2.5	1,205,875	3,822,538
19.	San Francisco Foundation	CA	157	18,092,382	117,943,946	15.3	215,000	6,884,938
20.	William and Flora Hewlett Foundation	CA	94	17,934,800	408,622,930	4.4	1,700,000	16,389,800
21.	Ahmanson Foundation	CA	59	17,652,520	52,048,020	33.9	–	45,000
22.	Wallace Foundation	NY	40	17,394,708	53,129,784	32.7	–	2,596,500
23.	John Templeton Foundation	PA	51	16,943,959	167,644,375	10.1	–	8,555,380
24.	Community Foundation for Greater Atlanta	GA	232	16,943,924	125,277,885	13.5	10,000	1,127,682
25.	Oregon Community Foundation	OR	167	16,884,536	81,059,123	20.8	–	957,908
Total			3,028	\$933,215,680	\$4,741,872,417	19.7	\$131,061,985	\$607,289,569

Source: Foundation Center, 2017. Based on all grants of \$10,000 or more awarded by 1,000 of the largest foundations representing approximately half of total giving by all US foundations.

* Grants may provide capital support and other types of support. In these cases, grants would be counted in both totals. Figures include only grants that could be coded as providing specific types of support.

(table 2), nearly unchanged from the 2014 share. The share of midsized arts grants (\$50,000 to \$499,999) also remained fairly consistent, accounting for about one-third of arts grants.

Large grants. The share of large arts grants (\$500,000 and over) increased slightly from 4 percent of the total number of arts grants in 2014 to 5 percent in 2015. Their share of total grant dollars remained consistent at 58 percent. Overall, foundations in the sample made 125 arts grants of at least \$2.5 million in 2015, up from 120 grants in 2014.

In addition to a \$10 million award from the Minneapolis Foundation to Yale University for performing arts, noted earlier, examples of other especially large grants in 2015 include Robert W. Woodruff Foundation's \$21 million award to the Robert W. Woodruff Arts Center for capital improvements and their endowment; Shelby Cullom Davis Charitable Fund's \$15 million grant to the California-based Sonoma Academy to support a new theater and/or its Grange building program; and a \$10 million grant to the Smithsonian National Museum of African American History and Culture from The Andrew W.

TABLE 4. Top thirty-five foundations by share of arts giving out of overall giving, 2015

Rank	Foundation	State	Fdn type*	Number of arts grants	Arts grant dollars	Total grant dollars	Arts as percent of total dollars	Arts capital support dollars**	Arts other types of support dollars**
1.	Freedom Forum	DC	OP	2	\$26,169,933	\$26,169,933	100.0	-	\$26,169,933
2.	David H. Koch Charitable Foundation	KS	IN	1	10,000,000	10,000,000	100.0	\$10,000,000	-
3.	Ann and Gordon Getty Foundation	CA	IN	211	8,424,000	8,424,000	100.0	-	8,370,000
4.	SHS Foundation	NY	IN	45	5,809,098	5,809,098	100.0	-	1,675,798
5.	Johnson Art and Education Foundation	NJ	IN	2	3,975,607	3,975,607	100.0	2,075,607	3,975,607
6.	Dunard Fund USA, Ltd.	IL	CS	6	7,164,600	7,174,600	99.9	-	7,164,600
7.	Lloyd Rigler Lawrence E. Deutsch Foundation	CA	IN	16	9,175,500	9,219,760	99.5	-	4,245,000
8.	Jerome Foundation	MN	IN	74	2,929,647	2,986,147	98.1	-	2,929,647
9.	Colburn Foundation	CA	IN	43	5,970,000	6,175,000	96.7	10,000	210,000
10.	Muriel McBrien Kauffman Foundation	MO	IN	82	9,428,895	9,913,895	95.1	950,000	5,427,500
11.	Howard Gilman Foundation	NY	IN	118	12,165,000	12,930,000	94.1	-	445,000
12.	Shubert Foundation	NY	IN	464	25,955,000	27,650,000	93.9	-	21,850,000
13.	Andy Warhol Foundation for Visual Arts	NY	IN	132	10,150,221	11,174,721	90.8	75,000	8,353,696
14.	Packard Humanities Institute	CA	OP	10	7,778,181	8,678,181	89.6	4,600,000	2,480,500
15.	Burnett Foundation	TX	IN	14	9,758,800	12,352,976	79.0	-	9,758,800
16.	Sue and Edgar Wachenheim Foundation	NY	IN	17	10,036,500	12,726,500	78.9	-	10,036,500
17.	Kovner Foundation	FL	IN	11	15,008,425	20,329,891	73.8	-	315,000
18.	Herb Alpert Foundation	CA	IN	39	4,379,047	6,028,662	72.6	-	1,127,800
19.	Wortham Foundation	TX	IN	36	7,062,493	9,832,493	71.8	-	3,439,160
20.	James F. & Marion L. Miller Foundation	OR	IN	75	11,144,011	15,933,404	69.9	55,000	6,263,011
21.	J. Paul Getty Trust	CA	OP	50	5,016,033	7,230,023	69.4	-	3,946,533
22.	Andrew W. Mellon Foundation	NY	IN	289	199,600,354	297,916,513	67.0	22,299,500	192,304,854
23.	Elizabeth Morse Genius Charitable Trust	IL	IN	11	961,667	1,501,667	64.0	-	150,000
24.	Harold & Arlene Schnitzer CARE Foundation	OR	IN	24	1,759,150	2,823,283	62.3	-	280,000
25.	Alex and Marie Manoogian Foundation	MI	IN	2	800,000	1,375,200	58.2	-	800,000
26.	Gilder Foundation	NY	IN	34	4,881,000	8,516,000	57.3	-	-
27.	Joseph & Sylvia Slifka Foundation	NY	IN	17	4,350,000	7,772,950	56.0	-	4,350,000
28.	Fan Fox and Leslie R. Samuels Foundation	NY	IN	119	4,289,000	7,652,429	56.0	-	1,224,000
29.	Avenir Foundation	CO	IN	11	10,820,000	19,370,000	55.9	6,600,000	4,220,000
30.	Robert H. Smith Family Foundation	VA	IN	19	4,291,795	7,822,130	54.9	-	-
31.	Willard and Pat Walker Charitable Foundation	AR	IN	9	1,845,000	3,385,000	54.5	260,000	1,585,000
32.	Geraldine R. Dodge Foundation	NJ	IN	137	5,706,800	10,669,300	53.5	30,000	5,706,800
33.	Chartwell Charitable Foundation	CA	IN	23	3,010,000	5,985,000	50.3	-	1,400,000
34.	Windgate Charitable Foundation	AR	IN	194	42,578,026	85,303,141	49.9	12,349,584	28,255,448
35.	Florence Gould Foundation	NY	IN	37	3,765,033	7,558,710	49.8	-	3,089,825

Source: Foundation Center, 2017. Based on all grants of \$10,000 or more awarded by 1,000 of the largest foundations representing approximately half of total giving by all US foundations.

* IN = Independent; OP = Operating; CS = Corporate

** Grants may provide capital support and other types of support. In these cases, grants would be counted in both totals. Figures include only grants that could be coded as providing specific types of support.

Mellon Foundation to establish endowments supporting the museum's directorship and curatorial research centers.

The twenty-five largest arts funders. The top twenty-five arts funders by giving amount provided 37 percent of the total arts dollars in Foundation Center's 2015 sample (table 3), consistent with 2014. Overall, the share of giving accounted for by the top twenty-five arts funders has fluctuated between 33 and 39 percent since the end of the 1990s.

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 the smaller foundations in the sample (table 4). Among the top one hundred foundations ranked by share of arts giving out of total giving, about half (fifty-two) gave less than \$5 million in total arts grant dollars in 2015.

Giving for International Cultural Exchange

Grant dollars supporting international cultural exchange increased 37 percent between 2014 and 2015 among a matched subset of funders. In 2015, foundations awarded 100 grants related to international cultural exchange totaling \$13.8 million. Among the largest awards was a \$750,000 general operating support grant from Foundation to Promote Open Society to Arab Fund for Art and Culture (AFAC) in Beirut, Lebanon. AFAC funds individuals and organizations in cinema, performing arts, literature, music, and visual arts across the Arab world and globally.

Reina Mukai is Foundation Center's knowledge services manager.

NOTES

1. Foundation Center's 2015 FC 1000 set includes all of the grants of \$10,000 or more reported by 1,000 of the largest US independent, corporate, community, and grantmaking operating foundations by total giving. For community foundations, the set includes only discretionary grants and donor-advised grants (when provided by the funder). The set excludes grants to individuals. This set accounts for approximately half of giving by all of the roughly 86,000 active US grantmaking foundations. Grant amounts may represent the full authorized amount of the grant or the amount paid in that year, depending on the information made available by each foundation.
2. Between 2014 and 2015 the composition of the FC1000 changed, which could distort year-to-year fluctuations in grant dollars targeting specific issue areas. To account for these potential distortions year to year, Foundation Center has analyzed changes in giving based on a subset of 892 funders for which we had 2014 and 2015 data.
3. Included within the humanities is funding for art history, history and archaeology, classical and foreign languages, linguistics, literature, philosophy, and theology.
4. Included in multidisciplinary arts is funding for multidisciplinary centers, arts councils, artists' services, arts administration, arts exchange, and arts education.
5. Included in historic preservation is funding for projects to acquire, protect, and maintain for the enjoyment and edification of current and future generations buildings, structures, objects, sites, or entire districts that have historical, architectural, archaeological, or cultural significance.
6. 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.

Public Funding for the Arts, 2017

Ryan Stubbs

Public investments in the arts are citizen-driven and beholden to the public interest. They support inclusive experiences and contribute to a robust democratic discourse in American society.

Direct public funding for the arts is understood by tracking congressional allocations to the National Endowment for the Arts (NEA), legislative appropriations to state arts agencies, and local government funds going to local arts agencies. These entities distribute public grants and services to artists, creatives, and cultural organizations across the nation.

2017 Funding Levels

The federal government, states, and localities appropriated a combined \$1.32 billion to the arts in FY2017, for a total per capita investment of \$4.05. Comprising this total were

- \$149.9 million in appropriations to the NEA, an increase of 1.32 percent from FY2016;
- \$341.4 million in legislative appropriations to state and jurisdictional arts agencies, an increase of 0.15 percent from FY2016; and
- \$827.0 million in funds allocated by local governments to local arts agencies,¹ an increase of 4 percent from FY2016.

Trends over Time

In nominal dollars (not adjusted for inflation), public funding for the arts increased by 31 percent over the past twenty years. State and local funding

patterns correlate with periods of economic growth and recession. State arts agency aggregate appropriations reached a high point in 2001, while local funding reported a historical high point this year. Federal funding for the NEA has displayed incremental growth after sustaining large cuts in the mid-1990s.

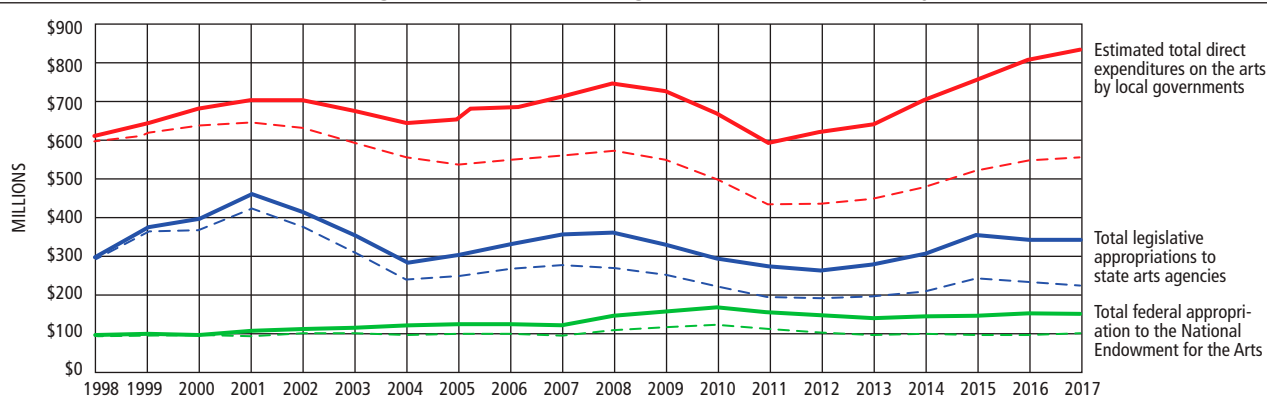
Despite these nominal dollar increases, public funding for the arts has not kept pace with inflation. When adjusting for inflation, total public funding decreased by 12.8 percent over the past 20 years. In constant dollar terms, state arts agency appropriations decreased by 25 percent, local funding contracted by 9 percent, and federal funds have remained essentially flat, increasing by 1.7 percent.

In March 2017, the White House budget recommended the elimination of all funding for the NEA and other federal cultural agencies beginning in fiscal year 2018. Such a shift would cause damaging ripple effects across the arts ecosystem. However, the White House cannot enact budgets unilaterally; Congress holds the ultimate authority for appropriations. As of this writing, the federal budget for fiscal year 2018 has not been resolved, but actions to date by both the House and Senate reflect a strong interest in continuing federal support for the NEA in 2018.

Implications for Grantmaking and Policy

Public arts appropriations (and, by extension, available grant dollars) rise and fall in accordance with government fiscal conditions, particularly revenue projections. For example, trends in state arts agency (SAA) grantmaking track closely with appropriations to state arts agencies over time.² When SAA appropriations declined by 26 percent during the

FIGURE 1. Federal, state, and local government arts funding, nominal and inflation-adjusted dollars, 1998–2017



Inflation-adjusted figures are represented by corresponding lines below each source. Inflation adjustments are calculated using Bureau of Labor Statistics Consumer Price Index (CPI) figures with a base year of 1998.

Great Recession between 2008 and 2012, SAA grant outlays declined by a nearly identical 27 percent.

An amalgamation of public policies and philanthropic practices influence grantmaking in the arts. This amalgamation allows for a variety of funding types and opportunities available from different types of grantmakers. Influence comes from policymakers and national service organizations, but the system is responsive to constituencies, stakeholders, and organizational needs. The confluence of efforts to bring the arts into the lives of as many individuals as possible is not always clean, but data indicate that government and private funders are filling roles and responding to public needs.

Private funders contribute the largest amount of dollars to artists and cultural organizations in the United States. In 2014, foundation funding for the largest 1,000 foundations totaled approximately \$2 billion dollars and 16,545 arts and culture grants. The Foundation Center estimates that there are approximately 87,000 total active foundations in the United States, which gave a total of \$60.2 billion in 2014. Out of the 1,000 largest foundations, 8 percent of all dollars went to arts and culture. Information about a sample of the largest foundations cannot be applied to all foundations, but total foundation giving to the arts is larger than this sample. In practice, these privately generated dollars are spread out among a large number of individual foundations with their own initiatives and agendas.

In the public sector, grantmaking policies are independently set at the national, regional, state, and local levels. The NEA has the power to allocate funds going to local projects and organizations, but the NEA does not set the policies and practices of state and local arts agencies. Nevertheless, the NEA plays a strong leadership role in influencing cultural policies throughout the United States. For example, more states are aware of and are actively pursuing arts and military strategies because of the NEA's

Creative Forces program.³ The NEA catalyzes cross-sector work, creative aging programs, creative place-making, and field research. Additionally, 40 percent of the NEA's program budget goes directly to state arts agencies, which engage in periodic strategic planning to better serve all populations, especially underserved communities. State arts agencies in turn fund local governments and provide much-needed operating support to nonprofit arts organizations. The NEA's power to leverage state and local funds and its leadership role in the field go far beyond the agency's very modest appropriation.

Local governments spend the most dollars on arts and culture when compared to states and the NEA, but local arts agencies are less likely to focus their services on grantmaking. According to the 2015 local arts agency census from Americans for the Arts, 53 percent of local arts agencies provide direct community investment in local artists or arts organizations. Larger percentages of local arts agencies support direct culture programming, such as public art and festivals, as well as service provision, such as arts marketing. Ninety-two percent of local arts agencies that are involved in grantmaking support cultural and artistic programming, and 49 percent provide operating support.

Comparative Data between Sectors

With this amalgamation of grantmaking policies and agendas, it is difficult to match up comparative data across sectors. For example, there are not standardized data collection practices across local arts agencies. However, using published data from state arts agencies, the NEA, and the 1,000 largest foundations, we can approximate relative investments for a handful of categories.

Foundations and state arts agencies make significant grant investments in operating support. Foundations spend approximately 26 percent of their grant dollars on operating support. In terms of the percentage of dollars invested, state arts agencies make the

FIGURE 2. Comparative grantmaking statistics by selected award types

	National Endowment for the Arts		State Arts Agencies		Foundation Center 1000	
	Dollars	Awards	Dollars	Awards	Dollars	Awards
Operating support	N/A	N/A	\$116,850,958	5,161	\$511,205,262	4,819
Museums	\$4,072,299	125	\$26,514,058	1,101	\$720,000,000	3,700
Performance	\$8,253,734	350	\$23,578,253	4,283	\$680,000,000	7,272
Capital and infrastructure	N/A	N/A	\$2,478,264	113	\$364,973,678	1,038
Arts education	\$5,778,966	192	\$79,190,870	9,710	\$118,000,000	N/A
Individual artists and fellowships	\$1,250,000	50	\$7,370,485	2,191	N/A	N/A

Sources: GIA Reader 28, No. 1 (Winter 2017); Foundation Center Sample, 2014; NEA arts.gov grants search, FY2016; excludes partnership awards to state arts agencies and regional arts organizations; SAA Final Descriptive Report records, FY2016.

Note: Foundation Center Sample excludes grants of less than \$10,000.

largest commitment to operational support. Forty-eight percent of state arts agency grant dollars and 25.3 percent of all state arts agency awards went to operational support in fiscal year 2016.

The NEA invests over \$50 million dollars in state arts agencies and regional art organizations. These dollars are not operating support for individual arts organizations, but they help enable state arts agencies and local arts agencies to make investments in operating support.

Outside of operating support, it is possible to compare a few other grant categories and activity types. Foundations, states, and the NEA all make investments in museums, the performing arts, and arts education. A key contrast between public and private sectors is investment in capital

construction and physical infrastructure. The NEA does not provide funding for capital construction, and relatively few state arts agencies make grants for facilities. Foundations bear the load for funding physical cultural infrastructure in the United States. Another challenging topic for grantmakers is investment in individual artists and fellowships.⁴ The NEA makes investments in individual artists through National Heritage Fellows, Jazz Masters, and Literature Fellowships. Additionally, NEA funds support state arts agencies, many of which devote large portions of their grants to individual artists.⁵ In fiscal year 2016, state arts agencies made 2,191 awards to individual artists. When compared to other types of applicants, awards to individual artists were the second most frequent type of award made by state arts agencies.

FIGURE 3. State arts agency grants by type of activity, fiscal year 2016

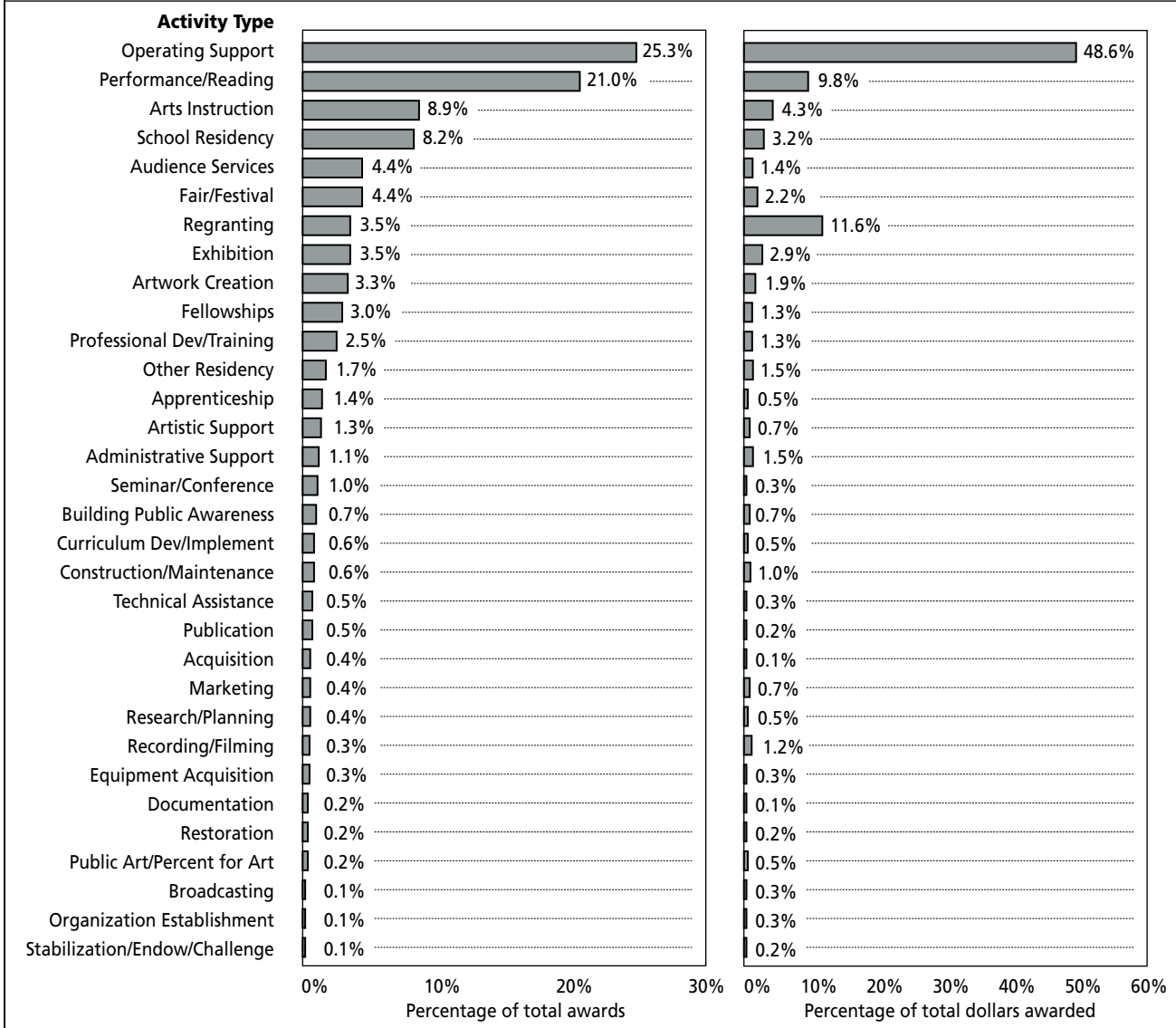
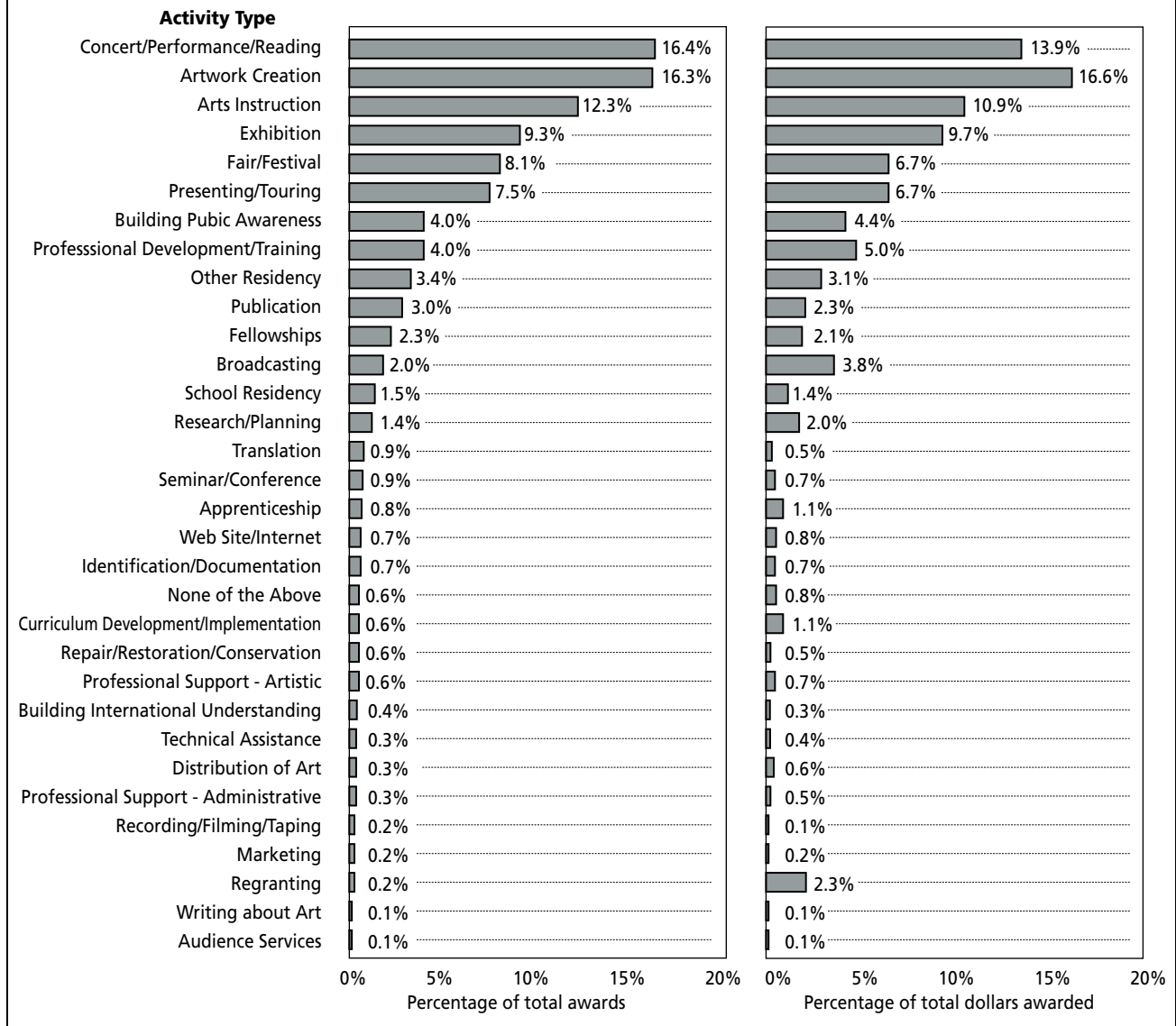


FIGURE 4. National Endowment for the Arts grants by type of activity, fiscal year 2016

Grantmaking by Size of Award

The distribution patterns of government arts grants reflect another public sector objective of attaining maximum geographic coverage. Given the modest appropriations described above, this often necessitates the mechanism of awarding many grants that are small in size. An illustration of this is that state arts agencies have a median award value of \$4,400. Although the median NEA award amount is \$20,000, 58 percent of all NEA grants are less than \$25,000 in size.

Complementary Roles

The cultural ecosystem requires both public and private support to thrive.⁶ Government funds are modest but important, achieving wide geographic access to cultural experiences and embedding the

arts into many functions of state government (especially education and community development). This public function is paramount in communities that lack the wealth needed to capitalize major philanthropic efforts. Private grantmakers likewise have areas of special expertise: they can take greater risks and have the ability to define their own accountability standards, whereas public funders have such standards defined by legislative bodies. Through collaboration, research, and a desire to do good, foundations often have the freedom to pursue innovative projects or to test the potential of new ideas or new practices by doing “deep work” in a smaller number of communities.

Data limitations hinder our ability to fully compare public and private grantmaking patterns. However,

FIGURE 5. Grant distribution by size of award and grantor

Size of award	Number of foundation grants	Number of NEA grants	Number of SAA grants
>\$5 million	43	–	–
\$1–\$5 million	306	1	6
\$500,000–\$999,999	358	–	24
\$100,000–\$499,999	2,599	39	223
\$50,000–\$99,999	2,649	241	603
\$25,000–\$49,999	3,824	718	1,202
\$10,000–\$24,999	6,766	1,375	3,716
Under \$10,000	n/a	2	15,222
Total arts grants	18,303	2,376	20,996
Median award \$ amount	\$25,000	\$20,000	\$4,400

Sources: GIA Reader 28, No. 1 (Winter 2017); Foundation Center Sample, 2014; NEA arts.gov grants search, FY2016; excludes partnership awards to state arts agencies and regional arts organizations; SAA Final Descriptive Report records, FY2016.

Note: Foundation Center Sample excludes grants of less than \$10,000.

our analysis indicates that different segments of the arts ecosystem fill complementary roles. Observable convergences in grantmaking patterns (such as program support and arts education) reflect the high priorities that constituents ascribe to these forms of assistance. Divergences in grantmaking patterns (such as individual artist support, operating support, and facility construction) indicate that each sector is playing to its unique strengths and limitations.

To sustain and improve this balance, foundations, public agencies, and their grantees need to be effective advocates for the value of the arts in our society. Every US resident is a stakeholder in the arts, and in a representative democracy, government must be a stakeholder as well.

Ryan Stubbs, research director, National Assembly of State Arts Agencies (NASAA)

NOTES

This profile draws on local spending estimates from Americans for the Arts; National Assembly of State Arts Agencies' legislative appropriations surveys of the nation's state and jurisdictional arts agencies; and appropriations data from the National Endowment for the Arts. As of this writing, the most recent data available about federal and local funding for the arts are from fiscal year 2017. Fiscal year 2017 and 2018 data for state arts agencies are available from www.nasaa-arts.org. Constant dollar adjustments for inflation are calculated using Bureau of Labor Statistics Consumer Price Index (CPI) figures with a base year of 1998. Per capita calculations are based on national population estimates from the US Census Bureau.

1. Americans for the Arts substantially changed the methodology for collecting local arts agency investments through the local arts agency census in 2016. Annual estimates are used prior to 2011 and after 2016.
2. NASAA, State Arts Agency Grant-Making Statistics, 2017, <http://www.nasaa-arts.org/Research/Grant-Making/index.php>.
3. NASAA, State Arts & Military Initiatives, https://nasaa-arts.org/nasaa_research/stateartsandmilitaryinitiativesstrategysampler/; Creative Forces, NEA Military Healing Network, <https://www.arts.gov/partnerships/creative-forces>.
4. Grantmakers in the Arts, Support for Individual Artists, <http://www.giarts.org/support-individual-artists>.
5. NASAA, State Arts Agency Support for Individual Artists Fact Sheet, https://nasaa-arts.org/nasaa_research/indivartistgrantmakingfactsheet0316/.
6. Pam Breau, "Better Together: Public and Private Funding for the Arts," Andrew W. Mellon Foundation, <https://mellon.org/resources/shared-experiences-blog/better-together-public-and-private-funding-arts/>.