

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

## **Foundation Grants to Arts and Culture, 2017**

Reina Mukai

## **Public Funding for the Arts, 2019**

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# Foundation Grants to Arts and Culture in 2017

## A One-Year Snapshot

*Reina Mukai*

In 2017, giving by the approximately 86,000 active US foundations rose 12% to \$77.3 billion. Among one thousand of the largest US independent, corporate, community, and grantmaking operating foundations included in Candid's 2017 FC 1000 dataset, overall giving was up 8%, however, arts and culture funding declined 1%. Arts and culture remained among top foundation funding priorities, ranking fifth behind human services.

### Highlights

Candid offers these key findings from GIA's eighteenth snapshot of foundation giving to arts and culture. The definition of arts and culture used for this snapshot is based on Candid's Philanthropy Classification System,<sup>1</sup> and encompasses funding for the performing arts, museums, visual arts, multidisciplinary arts, humanities, historical activities, arts services, folk arts, public arts, and cultural awareness. These findings are based on analysis of two closely related datasets. The analysis of the distribution of 2017 arts and culture giving uses the latest FC 1000 dataset,<sup>2</sup> while the analysis of changes in foundation giving for the arts between 2016 and 2017 uses a matched set of foundations that are consistent between the FC 1000 for each of those two years.<sup>3</sup>

### Arts funding as a share of total dollars dipped slightly in 2017.

Among the one thousand largest foundations included in Candid's grants sample for 2017, arts giving totaled \$2.8 billion, or 8% of overall grant dollars. Compared to the previous year, share of dollars was down slightly and share of number of grants remained basically unchanged.

### Foundation funding for arts and culture was down in 2017.

Among a matched set of leading funders, arts funding declined 1% between 2016 and 2017 compared to an 8% increase in overall giving by these foundations.

### The size of the median arts grant was down.

The median arts and culture grant size — \$27,500 — decreased from \$28,600. This was below the

\$35,000 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 63% of total grant dollars for the arts in 2017, the same share from 2016.

### Relative to overall giving, a larger share of arts grant dollars provided general operating support.

In 2017, general operating support accounted for 26% of arts and culture grant dollars. The share is significantly higher than the 20% share awarded for general operating support for overall giving.

### Top arts funders accounted for a slightly smaller share of overall giving than in 2016.

The top twenty-five arts funders by giving amount provided 38% of total foundation arts dollars in 2017, down slightly from the 40% share reported

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**Overall giving was up 8%, however, arts and culture funding declined — down 1%. Nonetheless, arts and culture remained among top foundation funding priorities, ranking fifth following human services.**

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in 2016. The share of arts giving accounted for by the top funders has remained relatively consistent for the past decade.

The foundation grantmaking examined here represents only one source of arts financing. It does not 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.

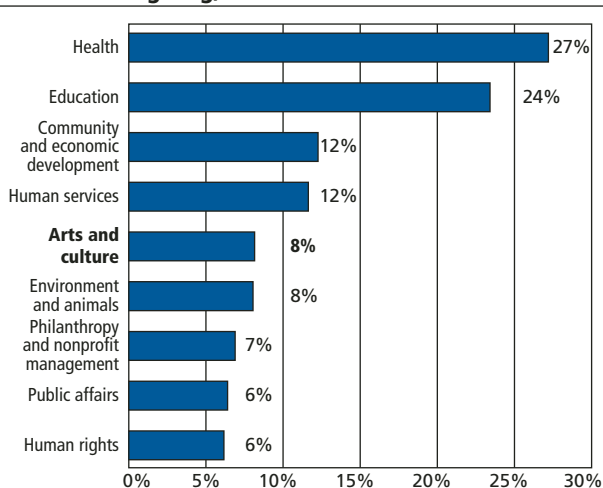
### Specific Findings

#### Overall foundation dollars for the arts.

The foundations included in Candid's 2017 FC 1000 dataset awarded 18,746 arts and culture grants totaling \$2.8 billion, or 8% of overall grant dollars, as shown in figure 1. Compared to the previous year, the share for arts dollars were down slightly (8% versus 9%), while the share of number of

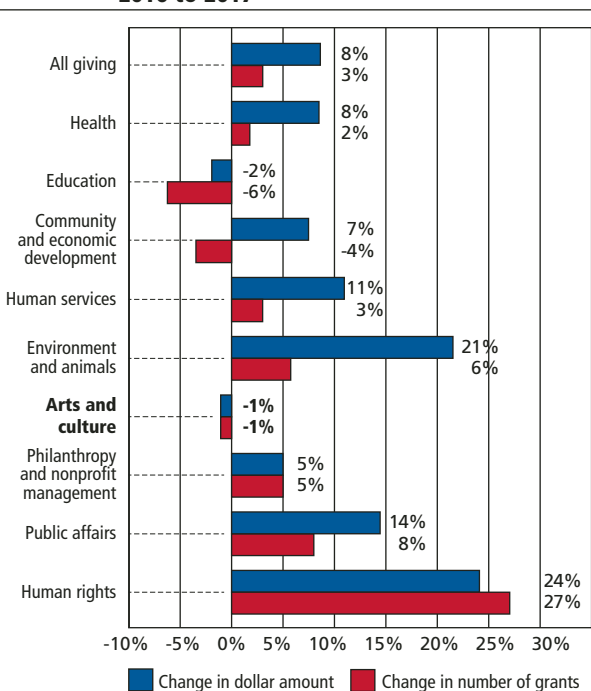
grants remained basically unchanged. Among a matched subset of 845 funders, grant dollars for the arts was down 1% between 2016 and 2017,

**FIGURE 1. Percentage of grant dollars by major field of giving, 2017**



Source: Candid, 2019. 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% of grant dollars. Grants may occasionally be for multiple issue areas and would thereby be counted more than once.

**FIGURE 2. Change in giving by major field of giving, 2016 to 2017**



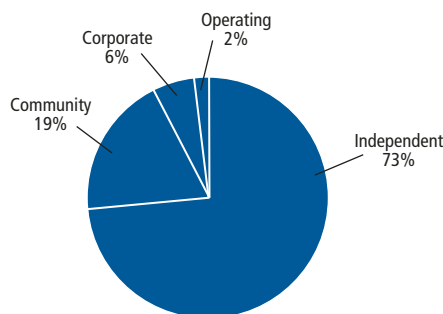
Source: Candid, 2019. Based on all grants of \$10,000 or more awarded by a matched sample of 845 of the largest foundations. Includes areas of giving representing at least 5% of grant dollars in 2017. Grants may occasionally be for multiple issue areas and would thereby be counted more than once.

compared to an 8% increase in grant dollars overall. Among the top-ranked subject areas by grant dollars, human rights, the environment and animals, and public affairs reported the fastest increases in dollars, as shown in 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 2017, twenty 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, Candid data in all fields have always

**FIGURE 3. Arts grant dollars by foundation type, 2017**

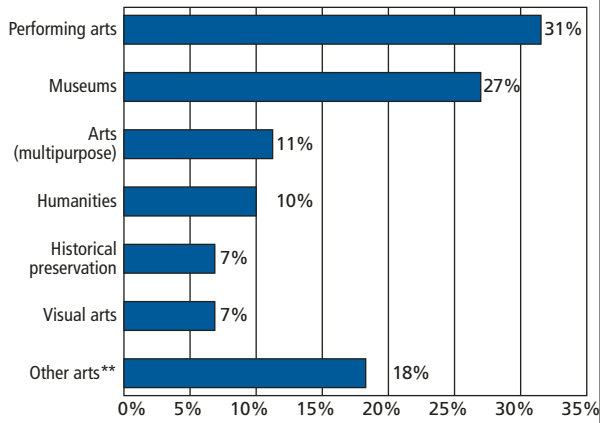


Source: Candid, 2019. Based on all grants of \$10,000 or more awarded by 1,000 of the largest foundations representing approximately half of total giving by all US foundations.

included them, providing consistency over time. (In addition, Candid provides statistics 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 roughly 8% of overall US private and community foundation giving, and these larger corporate foundations included in the 2017 grants sample provided 6% of grant dollars for the arts, as shown in figure 3. Actual grant dollars totaled \$157 million. By number, corporate foundations allocated 1,840 grants, or 10%, of the overall number of arts grants in 2017. Please note that these figures do not include direct corporate giving; the amount that corporations contribute to the arts is undoubtedly higher.

**FIGURE 4. Arts and culture, giving to subfields 2017**

Source: Candid, 2019. 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 issue areas and would thereby be counted twice. Includes giving for folk arts, public arts, and cultural awareness.

### Grants by Arts Subfield

Funding for performing arts accounted for one-third of all foundation art dollars in 2017, as shown in figure 4, surpassing the share reported for museums (27%). From the start of the 1980s until 1997, the performing arts 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). The shifts in share between these two fields of activity from year to year could be due to 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 2017, among a matched set of funders, performing arts grant dollars were down 5% compared to 2016, while the number of grants declined 2%. A total of 7,542 grants were awarded for the performing arts by foundations in the set — more than 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 \$116,000 versus \$217,000 in 2017). The largest share of giving to the performing arts supported theaters and performing arts centers. The largest performing arts grant in the latest sample was a \$59 million award from the Greater Kansas City Community Foundation to the Kauffman Center for the Performing Arts. Included within the performing arts is support for performing arts education, which totaled \$69.9 million in 2017.

#### Giving to museums.

In 2017, museums benefited from 3,461 grants totaling \$752 million awarded by the one thousand largest foundations included in the FC 1000 dataset. Nearly half of funding supported art museums. Among a matched set of funders, grant dollars allocated to museums were down 1% between 2016 and 2017, while the number of grants declined 2%. The largest museum grant in 2017 was a \$74.4 million grant from Margie & Robert E. Petersen Foundation to the Petersen Automotive Museum for the preservation of historical items.

#### Giving to the humanities.

In 2017, the humanities benefited from 1,353 grants totaling \$281.7 million awarded by the one thousand largest foundations included in the FC 1000 dataset.<sup>4</sup> Funding for this area accounted for 10% of arts grant dollars in 2017, up from the 8% share captured in 2016. Among a matched set of funders, grant dollars awarded for the humanities increased 7%, while the number of grants awarded declined 2%.

#### Giving to historic preservation.

Support for historic preservation declined 13% between 2016 and 2017 among a matched set of funders, while the number of grants awarded was up 10%.<sup>5</sup> Among the largest grants awarded for historic preservation in the latest year was a \$10.7 million grant from the Crawford Taylor Foundation to the Missouri Historical Society for the renovation of Soldiers Memorial in St. Louis. Overall, historic preservation benefited from 1,372 grants totaling \$194.3 million in 2017.

#### Giving to multidisciplinary arts.

The share of arts giving for multidisciplinary arts went up to 11% in 2017 from 7% in 2016.<sup>6</sup> Grant dollars awarded for multidisciplinary arts also increased 16% between 2016 and 2017 among the matched set of funders. Among the various subcategories of multidisciplinary arts, arts education (excluding performing arts education) totaled \$81 million in the latest year.

#### Giving to the visual arts.

Among a matched set of funders, grant dollars for the visual arts and architecture increased slightly (by 1%) between 2016 and 2017, while the number of grants for the field was down 1%. The visual arts and architecture benefited from \$195 million in 2017, including an \$18.7 million general support grant from the John J. and Mary R. Schiff Foundation to Fotofocus, a Cincinnati-based nonprofit arts organization that supports

**TABLE 1. Distribution of grants by support strategy, 2017**

Support strategy	Dollar amount	%	No. of grants	%
<b>Capacity-building and technical assistance</b>	150,875,349	5.4	607	3.2
Capital and infrastructure	521,488,043	18.7	1,263	6.7
Building acquisitions	1,400,000	0.1	3	–
Building and renovations	217,048,764	7.8	307	1.6
Capital campaigns	92,078,873	3.3	218	1.2
Collections acquisitions	23,943,170	0.9	64	0.3
Collections management and preservation	91,379,827	3.3	41	0.2
Equipment	3,921,551	0.1	53	0.3
Facilities maintenance	39,089,957	1.4	14	0.1
Information technology	16,474,382	0.6	40	0.2
Land acquisitions	1,833,900	0.1	8	–
Rent	15,000	–	1	–
Other capital and infrastructure	86,410,708	3.1	551	2.9
<b>Financial sustainability</b>	235,786,718	8.5	918	4.9
Annual campaigns	8,713,800	0.3	79	0.4
Debt reduction	955,000	–	10	0.1
Earned income	454,000	–	7	–
Emergency funds	1,761,565	0.1	8	–
Endowments	95,041,039	3.4	74	0.4
Financial services	44,655,000	1.6	5	–
Fundraising	65,828,173	2.4	423	2.3
Sponsorships	482,200	–	13	0.1
Other financial sustainability	28,255,465	1.0	316	1.7
<b>General support</b>	<b>721,933,692</b>	<b>25.9</b>	<b>5,032</b>	<b>26.8</b>
<b>Individual development and student aid</b>	<b>81,285,332</b>	<b>2.9</b>	<b>596</b>	<b>3.2</b>
<b>Leadership and professional development</b>	<b>27,747,419</b>	<b>1.0</b>	<b>123</b>	<b>0.7</b>
<b>Network-building and collaboration</b>	<b>79,795,328</b>	<b>2.9</b>	<b>359</b>	<b>1.9</b>
<b>Participatory grantmaking</b>	<b>800,000</b>	<b>–</b>	<b>2</b>	<b>–</b>
<b>Policy, advocacy, and systems reform</b>	<b>80,712,934</b>	<b>2.9</b>	<b>296</b>	<b>1.6</b>
Advocacy	9,918,022	0.4	125	0.7
Coalition building	610,000	–	2	–
Equal access	14,407,113	0.5	111	0.6
Ethics and accountability	6,459,274	0.2	9	–
Grassroots organizing	2,808,336	0.1	8	–
Litigation	–	–	–	–
Public policy and systems reform	12,917,445	0.5	25	0.1
Other policy, advocacy, and systems reform	41,627,463	1.5	75	0.4
Publishing and productions	237,272,159	8.5	2129	11.4
<b>Product and service development</b>	<b>2,524,741</b>	<b>0.1</b>	<b>12</b>	<b>0.1</b>
<b>Program support</b>	<b>653,741,178</b>	<b>23.5</b>	<b>3,930</b>	<b>21.0</b>
<b>Public engagement and marketing</b>	<b>152,902,352</b>	<b>5.5</b>	<b>554</b>	<b>3.0</b>
<b>Research and evaluation</b>	<b>76,590,166</b>	<b>2.7</b>	<b>276</b>	<b>1.5</b>
<b>Other specified strategies</b>	<b>100,470,793</b>	<b>3.6</b>	<b>436</b>	<b>2.3</b>
<b>Not specified</b>	<b>556,108,597</b>	<b>20.0</b>	<b>5,608</b>	<b>29.9</b>
<b>Total</b>	<b>2,785,323,624</b>	<b>100.0</b>	<b>18,746</b>	<b>100.0</b>

Source: Candid, 2019. 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.

photography and lens-based art through exhibitions and public programming.

## 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 one-fifth of arts grant dollars in the 2017 Candid sample, the support strategy could not be identified. This means that modest differences in percentages may not be reliable.<sup>7</sup>

## The arts compared to other foundation fields of giving.

The three largest categories of support tracked by Candid are general operating support, program support, and capital support.

General operating support received the largest share of arts grants dollars in 2017 (26% of all arts funding). The shares of grant dollars and number of grants allocated for this support strategy in 2017 were higher for arts and culture (26% and 27%, respectively) than the overall share directed to general operating support by FC 1000 foundations, which accounted for roughly 20% of grant dollars and 22% of the number of grants.

Program support accounted for the second largest share of arts grant dollars in 2017 (24% 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.

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 (19%) than for grants overall (8%). Grants for capital support are larger on average than awards

**TABLE 2. Arts grants by grant size, 2017**

Grant range	No. of grants	%	Dollar amount	%
\$5 million and over	57	0.3	\$670,096,143	24.1
\$1 million – under \$5 million	439	2.3	731,115,048	26.2
\$500,000 – under \$1 million	553	2.9	354,167,167	12.7
\$100,000 – under \$500,000	3,261	17.4	622,304,373	22.3
\$50,000 – under \$100,000	2,879	15.4	178,128,681	6.4
\$25,000 – under \$50,000	4,100	21.9	126,293,836	4.5
\$10,000 – under \$25,000	7,457	39.8	103,218,376	3.7
<b>Total</b>	<b>18,746</b>	<b>100.0</b>	<b>\$2,785,323,624</b>	<b>100.0</b>

Source: Candid, 2019. 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.

**TABLE 3. Twenty-five largest arts, culture, and media funders, 2017**

Rank	Foundation		No. of arts State grants	Arts grant dollars	Total grant dollars	Arts as % of total dollars	Arts capital support dollars*	Arts other support dollars*
1.	The Andrew W. Mellon Foundation	NY	288	\$168,803,030	\$280,287,015	60.2	\$9,777,300	\$167,188,030
2.	Greater Kansas City Community Foundation	MO	121	88,521,183	221,119,333	40.0	77,773	3,908,557
3.	Margie & Robert E. Petersen Foundation	CA	3	75,299,425	103,114,425	73.0	74,391,600	907,825
4.	John D. and Catherine T. MacArthur Foundation	IL	42	61,680,000	432,940,573	14.2	500,000	61,680,000
5.	Bloomberg Family Foundation	NY	27	61,679,792	432,636,818	14.3	37,229,961	29,463,792
6.	Windgate Charitable Foundation	AR	132	49,649,311	88,607,884	56.0	17,997,377	31,206,303
7.	Ford Foundation	NY	144	48,595,749	648,219,065	7.5	1,000,000	47,595,749
8.	Lilly Endowment	IN	57	44,440,913	450,940,039	9.9	15,200,000	29,384,213
9.	136 Fund	NY	1	43,500,000	43,500,000	100.0	–	43,500,000
10.	Walton Family Foundation	AR	67	32,013,157	497,200,253	6.4	478,000	30,545,157
11.	Annenberg Foundation	PA	145	31,369,359	76,706,216	40.9	11,334,921	20,645,919
12.	The New York Community Trust	NY	381	31,206,040	204,227,030	15.3	6,097,640	23,468,310
13.	The Columbus Foundation	OH	293	28,579,138	144,869,670	19.7	59,533	25,902,526
14.	Community Foundation of Greater Memphis	TN	159	28,081,004	166,109,625	16.9	14,310,762	12,438,932
15.	Silicon Valley Community Foundation	CA	313	26,837,852	1,916,606,397	1.4	–	2,229,401
16.	The Chicago Community Trust	IL	282	25,915,205	295,060,196	8.8	20,000	2,121,558
17.	John Templeton Foundation	PA	50	25,470,459	126,987,131	20.1	–	18,243,286
18.	The Shubert Foundation	NY	501	25,405,000	26,745,000	95.0	–	25,240,000
19.	Moody Scholars Program The Moody Foundation	TX	12	25,220,000	76,635,424	32.9	23,400,000	24,320,000
20.	John S. and James L. Knight Foundation	FL	106	25,006,423	104,725,212	23.9	2,550,000	19,861,707
21.	The Freedom Forum	DC	1	24,363,267	31,221,707	78.0	–	24,363,267
22.	NoVo Foundation	NY	58	23,941,836	231,661,157	10.3	–	23,941,836
23.	The Brown Foundation	TX	172	23,499,885	58,353,827	40.3	14,323,030	19,741,515
24.	Boston Foundation	MA	195	22,682,674	116,014,403	19.6	20,000	1,012,071
25.	W.K. Kellogg Foundation	MI	39	21,162,976	388,451,224	5.4	900,000	20,763,976
	<b>Total</b>		<b>3,589</b>	<b>\$1,062,923,678</b>	<b>\$7,162,939,624</b>	<b>14.8</b>	<b>\$229,667,897</b>	<b>\$709,673,930</b>

Source: Candid, 2019. 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.

for program and general operating support, and exceptionally large capital grants can have a pronounced effect on the distribution of funding by support strategy.

#### 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 awarded to organizations by a sample of the top one thousand foundations by total giving. It is also important to note that about one-fifth 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 2017 was \$27,500, which was below the median amount for all foundation grants (\$35,000).<sup>8</sup> While this is the third consecutive year that the median arts grant amount has exceeded \$25,000,<sup>9</sup> more study would be required to determine whether this is a lasting upswing in the size of arts grants.

##### Small and mid-sized grants.

Roughly two-thirds (62%) of all arts grants in the 2017 sample, shown in table 2, were for amounts between \$10,000 and \$49,999, nearly unchanged from the 2016 share. The share of mid-sized arts grants (\$50,000 to \$499,999) also remained fairly consistent, accounting for about one-third of arts grants.

**TABLE 4. Top thirty-five foundations by share of arts giving out of overall giving, 2017**

Rank	Foundation	State	Foundation type*	No. of arts grants	Arts grant dollars	Total grant dollars	Arts as % of total dollars	Arts capital support dollars**	Arts other types of support dollars**
1.	136 Fund	NY	CS	1	\$43,500,000	\$43,500,000	100.0	–	\$43,500,000
2.	The Nasher Foundation	TX	OP	1	5,200,000	5,200,000	100.0	–	–
3.	Johnson Art and Education Foundation	NJ	IN	2	2,272,534	2,272,534	100.0	–	2,272,534
4.	The Smart Family Foundation	NY	IN	1	71,151	71,151	100.0	–	71,151
5.	Jerome Foundation Inc.	MN	IN	73	3,542,320	3,586,720	98.8	–	3,500,320
6.	The Walt and Lilly Disney Foundation	CA	IN	6	9,280,565	9,465,565	98.0	–	8,890,565
7.	The SHS Foundation	NY	IN	46	5,695,000	5,830,000	97.7	–	835,000
8.	Howard Gilman Foundation	NY	IN	185	20,440,000	20,940,000	97.6	6,670,000	19,490,000
9.	The Shubert Foundation, Inc.	NY	IN	501	25,405,000	26,745,000	95.0	–	25,240,000
10.	Bonfils-Stanton Foundation	CO	IN	50	2,920,000	3,083,724	94.7	560,000	2,570,000
11.	Lloyd Rigler Lawrence E. Deutsch Foundation	CA	IN	9	6,357,420	6,730,980	94.5	–	–
12.	The Florence Gould Foundation	NY	IN	26	9,229,849	10,012,116	92.2	7,235,000	7,844,849
13.	Colburn Foundation	CA	IN	51	5,900,000	6,427,000	91.8	–	55,000
14.	Dunard Fund USA	IL	CS	16	9,798,276	10,711,500	91.5	–	9,788,276
15.	The Phileology Foundation	TX	IN	1	14,013,959	15,513,959	90.3	–	14,013,959
16.	Arison Arts Foundation	FL	IN	22	18,310,289	21,145,289	86.6	–	18,310,289
17.	David H. Koch Charitable Foundation	KS	IN	2	15,295,000	17,695,500	86.4	15,000,000	295,000
18.	The Daniel and Estrellita Brodsky Family Foundation	NY	IN	11	2,553,000	2,983,580	85.6	–	132,000
19.	The Harriet F. Dickenson Foundation	IL	IN	2	1,275,000	1,513,000	84.3	–	1,275,000
20.	J. Paul Getty Trust	CA	OP	110	10,378,145	12,340,573	84.1	275,968	10,353,145
21.	The Packard Humanities Institute	CA	OP	20	8,254,947	9,848,747	83.8	866,146	7,388,801
22.	The Andy Warhol Foundation for the Visual Arts	NY	IN	125	8,666,318	10,591,418	81.8	–	7,628,818
23.	The Lee and Juliet Folger Fund	VA	IN	9	7,955,600	9,790,600	81.3	7,905,600	40,000
24.	The Monteforte Foundation	NY	IN	14	7,490,000	9,487,000	79.0	–	7,465,000
25.	The Freedom Forum	DC	OP	1	24,363,267	31,221,707	78.0	–	24,363,267
26.	The Kovner Foundation	FL	IN	20	21,124,393	27,896,467	75.7	–	330,000
27.	Harold & Arlene Schnitzer CARE Foundation	OR	IN	31	1,796,204	2,436,317	73.7	587,704	1,548,704
28.	Terra Foundation for American Art	IL	IN	42	7,697,608	10,516,328	73.2	–	5,213,595
29.	Margie & Robert E. Petersen Foundation	CA	IN	3	75,299,425	103,114,425	73.0	74,391,600	907,825
30.	Ann and Gordon Getty Foundation	CA	IN	77	6,220,000	8,667,000	71.8	–	63,500
31.	The Frist Foundation	TN	IN	15	8,090,000	11,684,580	69.2	2,940,000	5,160,000
32.	John J. and Mary R. Schiff Foundation	OH	IN	13	20,865,500	32,030,500	65.1	–	20,865,500
33.	Alphawood Foundation	IL	IN	100	9,680,773	15,276,086	63.4	75,000	9,605,773
34.	Daniel and Joanna S. Rose Fund	NJ	IN	10	401,190	634,485	63.2	–	321,190
35.	Samuel H. Kress Foundation	NY	IN	47	1,896,057	3,018,917	62.8	–	279,750

Source: Candid, 2019. 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.

### Large grants.

The share of larger arts grants (\$500,000 and over) remained consistent, between 5 and 6% of the total number of arts grants in 2017. Their share of total grant dollars remained the same, accounting for 63%. Overall, foundations in the sample made 126 arts grants of at least \$2.5 million in 2017, down from 141 grants in 2016.

In addition to the \$59 million award from the Greater Kansas City Community Foundation to the Kauffman Center for the Performing Arts, examples of especially large grants in 2017 include the Lilly Endowment's \$10 million grant to the International African American Museum; an \$8.9 million grant from the Wallace Foundation to the Boys and Girls Clubs of America to support Wave II of the Youth Arts Initiative, which helps low-income, urban

youth engage in high-quality arts education programs in pilot Boys & Girls Clubs sites; and a \$5.8 million award from the Alphawood Foundation to University of London to support the Southeast Asian art academic program.

### **The twenty-five largest arts funders.**

Table 3 shows that the top twenty-five arts funders by giving amount provided 38% of the total arts dollars in Candid's 2017 sample, below the 40% share from 2016. Overall, the share of giving accounted for by the top twenty-five arts funders has fluctuated between 33% and 40% 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, represented in table 4. Among the top one hundred foundations ranked by share of arts giving out of total giving, about half (forty-six) gave less than \$5 million in total arts grant dollars in 2017.

### **Giving for International Cultural Exchange**

Grant dollars supporting international cultural exchange was down 30% between 2016 and 2017 among a matched subset of funders. In 2017, foundations awarded 100 grants related to international cultural exchange totaling \$16.3 million. Among the larger awards was a \$1.7 million grant from the Andrew W. Mellon Foundation to the British Museum to support further development of Researchspace, a collaborative online environment for arts and cultural heritage research and knowledge exchange.

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#### **NOTES**

1. See <https://taxonomy.candid.org/subjects>
2. Candid's 2017 FC 1000 set includes all of the grants of \$10,000 or more reported by one thousand 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.
3. Between 2016 and 2017 the composition of the FC 1000 has changed, which could distort year-to-year fluctuations in grant dollars targeting specific issue areas. To account for these potential distortions year to year, Candid has analyzed changes in giving based on a subset of 845 funders for which we had 2016 and 2017 data.
4. Included within the humanities is funding for art history, history and archaeology, classical and foreign languages, linguistics, literature, philosophy, and theology.
5. Includes support for archaeology, art history, modern and classical languages, philosophy, ethics, theology, and comparative religion.
6. Includes support for multidisciplinary centers, arts councils, artist's services, arts administration, arts exchange, and arts education.
7. The grant records available to Candid 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.
8. 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.
9. Prior to 2015, the median amount had remained consistent at \$25,000 since the early 1990s.



# Public Funding for Arts and Culture in 2019

Ryan Stubbs and Patricia Mullaney-Loss

Public funding for the arts in the United States comes from federal, state, and local governments. 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 provide useful indicators of public support for the arts and culture. Together, these agencies and organizations distribute grants and services to artists and cultural organizations across the nation.

## 2019 Funding Levels

In Fiscal Year 2019, federal, state, and local public funding for the arts totaled \$1.39 billion, for a total per capita investment of \$4.19. Comprising this total were:

- \$155 million in appropriations to the NEA, an increase of 1.4% from FY2018.
- \$370.5 million in legislative appropriations to state and jurisdictional arts agencies, an increase of 3.6% from FY2018.
- \$860.0 million in funds allocated by municipal and county governments to local arts agencies,<sup>1</sup> which remained flat from FY2018.

## Trends Over Time

In nominal dollars (not adjusted for inflation), public funding for the arts increased by almost 20% over the past 20 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 last year. Federal funding for the NEA has displayed incremental growth after sustaining cuts during the last recession.

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 18% over the past 20 years. In constant dollar terms, state arts agency appropriations decreased by 35%, local funding contracted by 12%, and federal funds have increased by 9%.

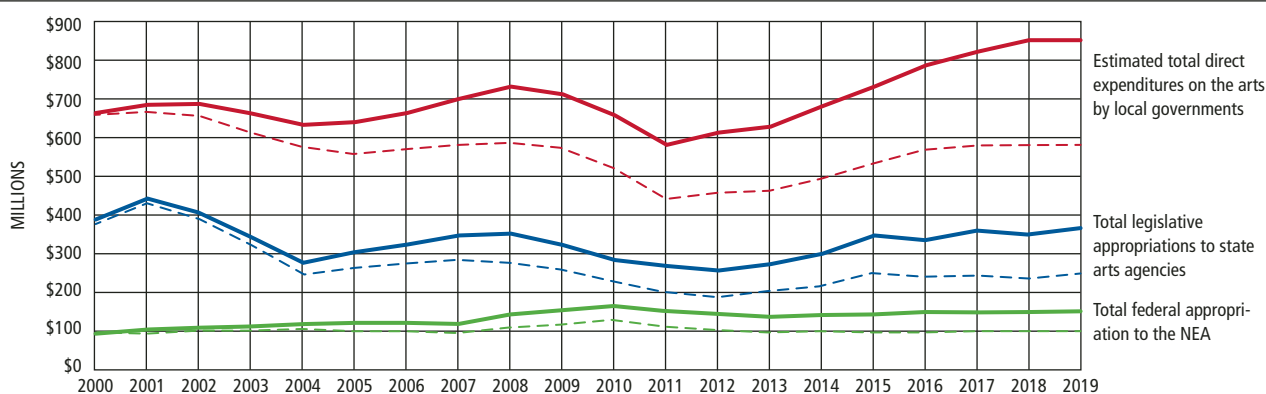
## Serving a Growing Population

Measuring public funding relative to total population provides an important yardstick, considering that these funds originate from all taxpayers and are meant to benefit all residents. As populations grow, public arts agencies need to serve more people. Combined, federal, state, and local arts funding yielded a per capita investment of \$4.19 in 2019. Federal, state, and local funding contribute \$0.47, \$1.12, and \$2.60 respectively. Combined per capita appropriations have been increasing since 2012, but are still below nominal 2001 levels. When taking inflation into consideration, total per capita appropriation equaled \$2.87 in 2019. This analysis shows that the value of the dollar, combined with a growing population, increases the strain on public arts funding.

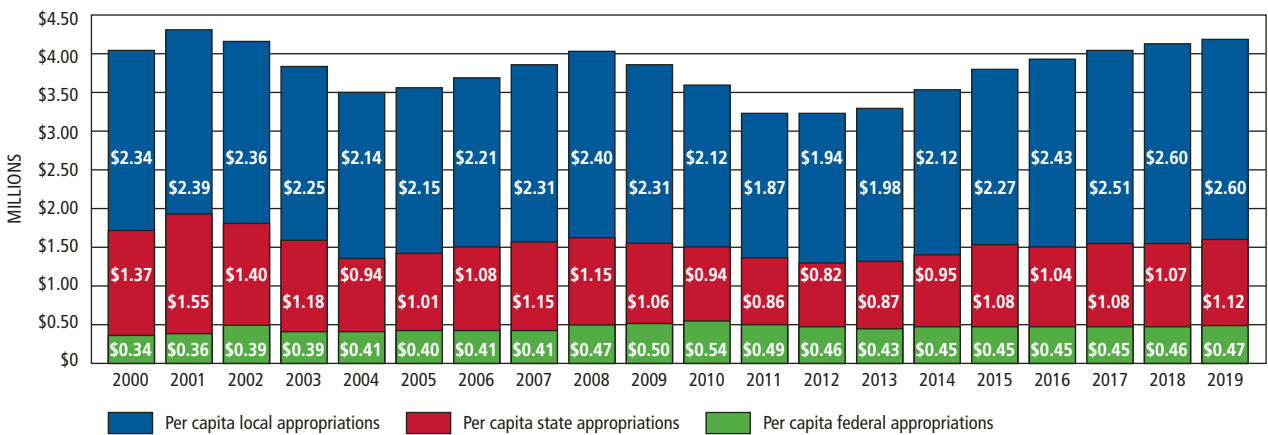
## Looking Ahead

Most states are experiencing an increase in total appropriations for the arts. Based on preliminary estimates for the year ahead, state arts funding is projected to reach its highest level in the last

**FIGURE 1. Federal, state, and local government arts funding, nominal and inflation-adjusted dollars, 2000–2019**



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 2000.

**FIGURE 2. Federal, state and local government per capita appropriations, 2000-2019**

Per capita appropriations from federal, state, and local government for the past 20 years showing consistently the largest proportion of funding coming from local government and the smallest proportion of funding coming from the federal government, per capita.

twenty years in FY2020. However, appropriations to state arts agencies are constantly in flux, and mid-year changes are likely to occur.<sup>2</sup> Also, not every state has seen this magnitude of increase. Seventeen states will likely experience flat or decreased funding for the arts in FY2020. Additionally, twenty-eight states are still expected to invest less than \$1.00 per capita for the arts.<sup>3</sup>

Congress has yet to pass a federal budget for FY2020 as of this writing. For the third year in a row, the President recommended a complete elimination of the NEA for next year. However, the NEA continues to receive broad support in Congress from elected officials across the political spectrum, and both chambers have recommended increases for the agency for FY2020. Until Congress enacts the spending package for the Department of the Interior — the budget bill in which the NEA is placed — continuing resolutions have kept funding for the agency at FY2019 levels.

The outlook for local arts funding is harder to project. Although local arts funding is riding at an all-time high, its growth has stalled in recent years, which mirrors the bleak budget conditions reported by many cities and counties. Overall, cities' revenue growth slowed down in 2018, and almost two thirds of large cities are projecting recessions as early as next year.<sup>4</sup> Given this context, it will be important to monitor whether local spending on the arts may experience slower growth, if not outright declines, over the next few years.

### Implications for Grantmaking

As seen currently at the local level, appropriated funds to the arts and culture at all levels of

government ebb and flow as fiscal conditions shift. Grantmaking is directly affected by the fluctuation of appropriations. By extension, organizations and individuals who receive grants and other forms of support from government agencies are indirectly affected by revenue growth and fiscal stability — or the reverse.

Direct federal grants from the NEA totaled 2,239 and \$59.3 million in FY2018. Another \$50.7 million from the NEA, or about 40% of the Endowment's appropriated budget, was awarded to state and regional agencies for further grantmaking and related services. State arts agencies, using a combination of state and federal funds, awarded 23,118 grants and \$315.1 million in award dollars in FY2018.

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 2018 local arts agency census from Americans for the Arts, 59% of local arts agencies operate direct grantmaking programs.<sup>6</sup> Larger percentages of local arts agencies support direct culture programming (85%) and manage cultural facilities (63%). 53% of local arts agencies also provide non-grant contracts to individual artists, while one third provide non-grant contracts to organizations.

### Grantmaking Across Sectors

The diverse roles of public and private grantmaking entities allow for a multiplicity of funding priorities and agendas. There is no exact alignment when comparing grantmaking data across public and private sectors. Additionally, local arts agencies do not

employ standard data collection consistently across the county. However, using published data from state arts agencies, the NEA, and Candid's 2017 data on the one thousand largest foundations, there are a handful of categories for which we can approximate relative investments.

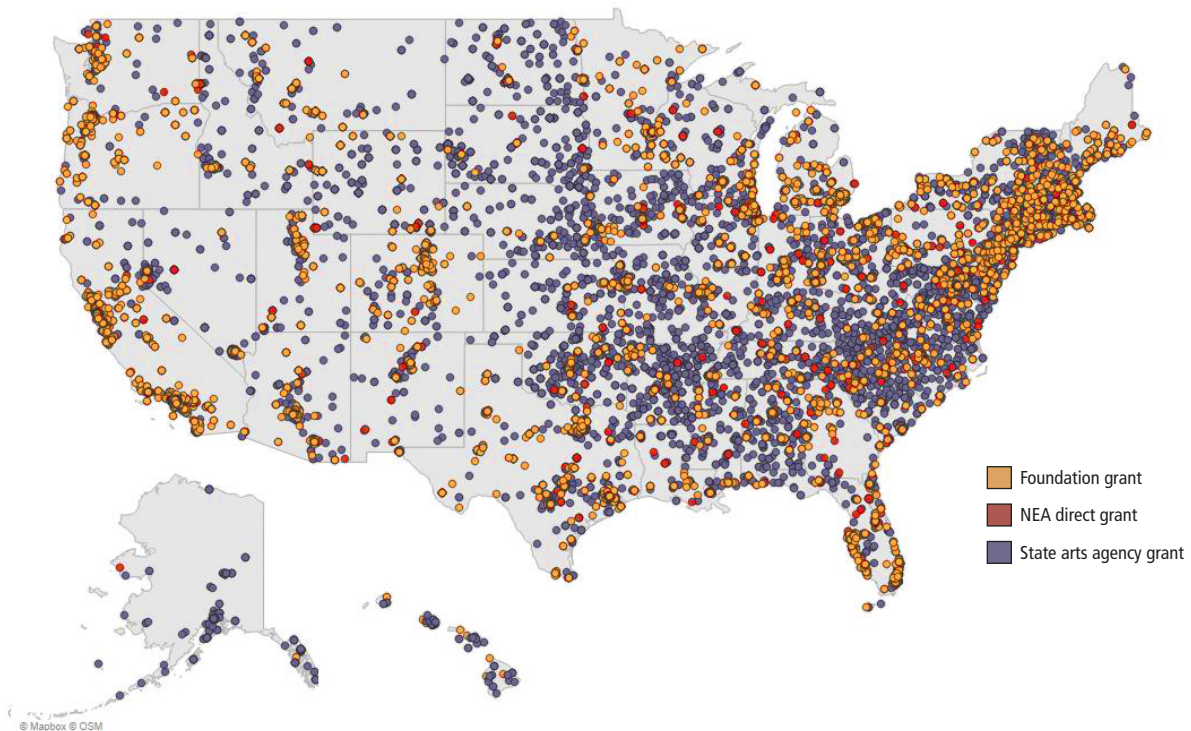
Foundations and state arts agencies make significant grant investments in operating support. Foundations spent approximately 26% of their arts and culture grant dollars on operating support in 2017. In terms of the percentage of dollars invested, both foundations and state arts agencies make the largest commitment to operational support. 37% of state arts agency grant dollars and 24% of all state arts agency awards went to operational support in FY2018. The NEA's statute prohibits the agency from awarding operating support grants.

The NEA invests over \$50 million dollars in state arts agencies and regional arts 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 by increasing the total dollars agencies have available for grants and services.

Outside of operating support, it is possible to compare a few other grant categories and activity types. Foundations, state arts agencies, and the NEA all make investments in museums 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.<sup>6</sup> The NEA makes a few select investments in individual artists through National Heritage Fellows, Jazz Masters, and Literature Fellowships, but otherwise is statutorily restricted from awarding grant funds to individual artists. Many state arts agencies devote a portion of their grants to individual artists.<sup>7</sup> In FY2018, state arts agencies made 2,647 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. Private

**FIGURE 3. Grantmaking by funder type and geographic distribution**



The geographic dispersion of funds by funder type. Considering the top one thousand foundations, the National Endowment for the Arts, and state arts agencies across the country, the geographic reach of state arts agency grants reach more rural areas.

foundations also fund individuals, but comparison data is not available.

### **Grantmaking by Award Size and Geographic Distribution**

Like per capita calculations, analyzing award sizes and geographic distribution proves useful when assessing how public funds serve the entire population. The distribution of grants from publicly funded art agencies reflects the priority of geographic diversity. In order to cover more ground with the amount of appropriations a public entity receives, many of these grants will be small in size. To illustrate this, state arts agencies have a median award value of \$5,000. Although the median award amount from the NEA is \$20,000, 57% of all their awarded grants are less than \$25,000 in size. In contrast, the one thousand largest foundations award higher levels of grant dollars, the majority of which are above \$25,000.

When taking a closer look at the geographic dispersion of funds, variation in grant size allows for broader distribution of grants to all corners of the United States. More than 90% of the country's landmass is considered rural, but only 18% of the population lives within those areas. Per the median grant sizes discussed above, smaller state arts agency grants means a broader distribution of funds to smaller organizations. When mapping grants from the top one thousand foundations, the NEA, and state arts agencies across the country, the geographic reach of state arts agency grants cover more rural areas.

State arts agencies award 21% of their grants — and 17% of grant dollars — to rural areas. At the federal level, over 11% of the NEA's grant-funded activities took place in non-metropolitan areas of the country in 2017.<sup>8</sup> In contrast, a US Department of Agriculture analysis found that only 5.5% of large foundations' domestic grant dollars went to rural areas.<sup>9</sup> Private foundation dollars to arts and culture do not reach 65% of US counties, whereas awards from the NEA reach 779 more counties than the top one thousand private foundations.<sup>10</sup>

Government support at the federal, state, and local levels is important for attaining access to arts and

culture across a nation with 3.8 million square miles of land — though the cultural ecosystem requires both public and private support to thrive.<sup>11</sup> While the private sector provides the lion's share of support, public funds support different grantmaking patterns to meet the needs of their constituencies and public mandates.

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#### **NOTES**

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