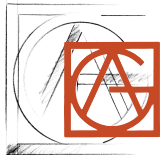


# **Foundation Grants to Arts and Culture, 2000**

**A One-year Snapshot  
and a Four-year Update**



**Grantmakers in the Arts**  
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# A One-year Snapshot

## Foundation Grants to Arts and Culture, 2000

Since the early 1990s, *Grantmakers in the Arts* has commissioned the Foundation Center to study trends in foundation giving to the arts. A ten-year benchmark study was completed in 1993 and updates were published in 1995 and 1998. In 2001, at the recommendation of its arts funding study advisors, GIA began to publish concise presentations of a few key findings in annual "snapshots" of foundation giving to arts and culture. Accompanying this year's Snapshot, we also include a brief two-page Update that examines the growth of foundation arts giving over four-years – 1996 to 2000. As with past studies, both the Snapshot and Update are produced in cooperation with the Foundation Center. In 2003, the Foundation Center will prepare, again in cooperation with GIA, *Arts Funding IV*, a more detailed review of changes in foundations' support of the arts through 2001.

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### Highlights

We offer these key findings from GIA's second snapshot of foundation giving to arts and culture. Most importantly the findings tell us about the *magnitude* of foundation giving in 2000 and its *distribution* 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 1,015 of the larger U.S. foundations.

**Grant funding for arts and culture increased.** From 1999 to 2000, grant dollars for arts and culture from reporting foundations increased by \$244.3 million, from \$1.55 billion to \$1.80 billion. This was an increase of 16 percent, representing an increase of 12 percent after inflation.

**The proportion of foundation grantmaking for arts and culture decreased.** The arts and culture share of total grant dollars from the 1,015 larger foundations was 12.0 percent in 2000, which was below the average for the past decade (13.2 percent). This share of grant dollars was also a decrease from 1999, when the arts and culture share was 13.4 percent. Increased funding by a few leading grantmakers in areas such as health, the environment, and education resulted in other fields, including arts and culture, receiving a smaller share of overall giving.

**Most larger foundations support arts and culture.** Nine of every ten of the larger 1,015 foundations (90 percent) made grants supporting the arts and culture in 2000.

**The number of arts and culture grants increased, with no change in median grant size.** The median arts and culture grant size – \$25,000 – did not change from 1999 to 2000, although the real value of the median grant decreased slightly due to inflation. The number of grants in the sample increased by 1,957, from 15,878 in 1999 to 17,835 in 2000. This means that 2000's increase in total grant dollars appears to have been used for grants of roughly the size typical of recent years. At the same time, substantially more organizations received arts grants than in the past.

**Performing arts and museums receive most arts and culture grant dollars.** Funding for the performing arts accounted for 32 percent of 2000 arts grant dollars from the 1,015 larger foundations. Funding for museums accounted for 29 percent of arts grant dollars. Over the past two decades, the performing arts and museums have consistently received the largest share of foundation arts and culture grant dollars, with the balance between the two fields shifting modestly 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 2000, special programs and projects received the largest share of arts and culture grant dollars – 38 percent. Approximately 32 percent of arts dollars were used for capital support, and 22 percent of arts grant dollars were used for general operating support, surpassing most other program areas.

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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 the data is the Foundation Center's *Foundation Giving Trends*, 2002 edition, and the Center's grants sample database. Each year the Center indexes the grants of \$10,000 or more awarded by a sample of over 1,000 larger U.S. foundations. The circa 2000 sample includes grants awarded by 1,015 foundations and reported to the Foundation Center between June 2000 and July 2001. Grants were awarded primarily in 2000. These grants represented more than half of total grant dollars awarded by the nearly 56,600 active U.S. independent, corporate, community, and grantmaking operating foundations that the Foundation Center tracks. For community foundations, only discretionary and donor-advised grants are included. Grants to individuals are not included.

It is important to keep in mind that the grantmaking examined here exists within a larger context that encompasses both the full range of arts financing beyond foundations (government, individual donors, and the business community) and the full range of arts activity beyond arts nonprofit organizations (individual artists, commercial arts enterprises, and informal or unincorporated activity).

## Dry-as-Dust Statistics or Conceptual Challenge?

*Editors of the Reader invited Ed Pauly and Jim Smith, two of GIA's arts funding study advisors, to respond to a few questions about this year's Snapshot.*

*What general trends do you see in this year's Snapshot?*

**Ed Pauly:** Perhaps it takes a peculiar mind to get really, deeply excited about numbers, but there's plenty of reason for excitement about GIA's latest Snapshot report on arts funding. One doesn't need to have spent three decades mulling over statistical tables (I am revealing my age and my hobbyhorse) to be pleasantly startled by the news about foundation funding for the arts in 2000.

Remarkable growth – really remarkable growth – is the single image that leaps from the Snapshot's pages. What do you call a year in which 1,000 large foundations boosted their arts support by more than \$244 million, up a whopping 16 percent from the previous year? Surely such a year represents the opposite of the old Culture Wars fear that funders would flee the arts, never to return. More arts organizations received foundation grants in 2000, and the number of grants rose by 2000 (two thousand!), up 12 percent in a single year! That's not chopped liver.

Extraordinary growth came on top of a large and solid base. In 2000, more than \$1.8 billion in foundation grants went to the arts. Perhaps we should worry if the gains in arts grantmaking were limited to a small number of high-rolling funders, but the truth is very different. Nine hundred of the thousand large foundations in the data sample made arts grants – and the share of dollars provided by the 25 largest arts funders has continued to decline, due to the growth in funding by hundreds of smaller foundations. Instead of providing more than 40 percent of total grant funding, their share fell below 35 percent – a healthy decentralizing of leadership.

That means arts funders are more diversified than ever, and consequently more able than ever to cope with the inevitable changes in priorities and local needs. When there are many sources of foundation funding for the arts, there is less reason to fear changes in direction by the few.

**Jim Smith:** As I read the 2000 Snapshot, I also look for something more than year-to-year comparisons. Reflecting on the entire series of arts funding studies, I see primarily a story of stability. The proportion of foundation funding for arts and culture hovers within a narrow band – 12 to 14 percent of all foundation funding – and the annual fluctuations are likely to be caused by large gifts for other purposes (resulting, for example, from the entry of new foundations devoted to environmental, public health, and a few other fields) rather than by factors directly related to arts philanthropy.

*Are there things in the Snapshot that worry you or, conversely, that point in favorable directions?*

**Jim Smith:** The fact that foundation giving to our field far exceeded inflation is a healthy sign. However, many of us are holding our collective breaths as we await the data for

2001. Next year's results will more fully reveal the impact of declines in the financial markets and the effects of September 11 on arts and cultural giving.

**Ed Pauly:** It is already clear that arts funding in 2001 and 2002 will differ from our experience in 2000, due to three events: the economic contraction that began in the spring of 2001 and is now ending; the terrorist attacks of September 11; and the budget cuts initiated by many state governments in 2002. The first two events will likely reduce the growth in foundation funding for the arts, but they will be balanced by other factors – the diversification of foundations' investments and the historic evidence that foundation grantmaking fluctuates less than the economy does; the large number and the regional diversification in foundations that fund the arts; and the fact that the estate plans that drive the creation of new foundations and the expansion of existing foundations were made years (and often decades) ago. No one can predict with certainty the level of arts grantmaking in 2002. At the same time, we should pay as much attention to the factors that may diversify, stabilize, and increase arts funding as we do to those that may reduce the growth.

*Both of you, a social scientist and a historian, seem to use data to ask further questions. What additional questions do the data raise in your minds?*

**Jim Smith:** Indeed, the data lead me to ponder other questions, especially about foundation practices. The median grant size has not kept pace with inflation, remaining unchanged since 1992. What impact is that having on grantees? We are also giving many more grants to many more organizations. What pressure is that placing on foundation program staff (whose ranks are probably not growing at a comparable rate) as they evaluate more proposals, interact with more grantees, and track the outcome of more projects?

**Ed Pauly:** I hope the Snapshot piques GIA members' interest in the reasons for the vigorous growth, and in the challenges and competing demands evidenced in the report. Numbers and research don't tell us what we should do. Instead, I believe they empower us to make smarter and more powerful decisions than we have made before. The Snapshot is part of a fascinating conversation for GIA, a conversation about the magnitude of our goals and our accomplishments. Perhaps we should think of the Snapshot as a powerful conceptual challenge – one that asks us to think about how well foundations' massive and growing contributions to the arts are being used.

### Study advisors

James A. Smith: *study chair; GIA board of directors; J. P. Getty Trust*

Kelly Barsdate: *National Assembly of State Arts Agencies*

Anne Focke: *Grantmakers in the Arts*

Cynthia A. Gehrig: *Jerome Foundation*

Marian A. Godfrey: *GIA board of directors; The Pew Charitable Trusts*

Steven Lawrence: *The Foundation Center*

Edward Pauly: *Wallace-Reader's Digest Fund*

Loren Renz: *The Foundation Center*

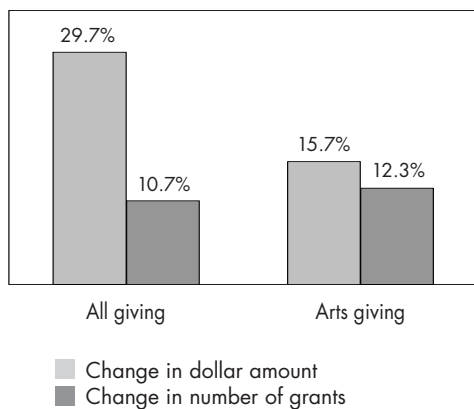
## Specific Findings

### 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 increased by \$244.3 million between 1999 and 2000, from \$1.55 billion to \$1.80 billion.<sup>1</sup> This represented an increase of close to 16 percent (figure 1). (With an inflation rate of over 3 percent, this reflected a real increase of 12 percent.) While this increase was significant, the size of the increase was well below the 30 percent growth in funding reported for foundations in the sample overall in the same period.

**The arts' share of all foundation grant dollars.** In 2000 arts grant dollars represented 12.0 percent of all grant dollars in the Foundation Center sample (figure 2). This percentage represented a decrease from the arts' 1999 share (13.4 percent) and fell below the 13.2 percent average for the past decade (figure 3). From 1991 through 2000, the arts' share of all foundation grant dollars ranged from lows of 12.0 percent in 1995 and 2000 to highs of 14.8 percent in 1993 and 1998. Increased funding by a few leading grantmakers – e.g., the Bill & Melinda Gates Foundation, the David and Lucile Packard Foundation, and the California Endowment – in areas such as health, the environment, and education resulted in decreased shares of overall giving for arts and culture, among other fields. Not surprising given the location of these large funders, foundations in the Western region of the U.S. provided the smallest share of their overall 2000 giving for arts and culture (7.4 percent), compared to the South (12.6 percent), Midwest (13.0 percent), and North-

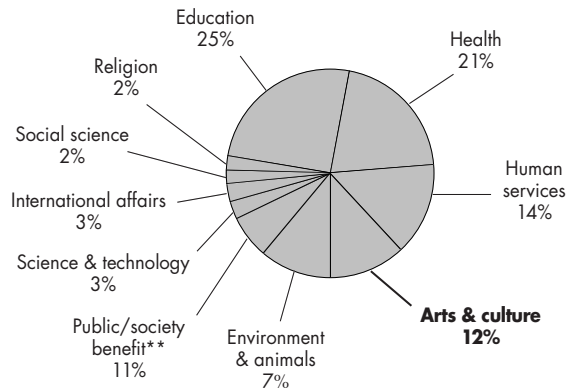
**FIGURE 1. Growth of arts & culture giving compared to all giving, 1999 to 2000**



Source: *Foundation Giving Trends*, 2002, based on a sample of 1,015 larger foundations.

<sup>1</sup> In addition, foundations in the sample provided 124 grants totaling \$20,950,721 for arts and humanities library programs, and 65 grants totaling \$5,601,431 for international cultural exchange.

**FIGURE 2. Percent of grant dollars by major fields of giving, 2000\***

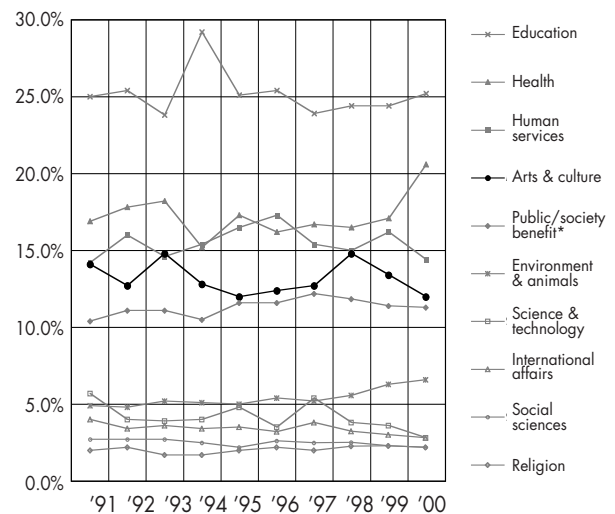


Source: *Foundation Giving Trends*, 2002, based on a sample of 1,015 larger foundations.

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

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

**FIGURE 3. Giving trends by major fields of giving, 1991 to 2000**



Source: *Foundation Giving Trends*, 2002, based on annual samples of more than 1,000 larger foundations.

\*Includes civil rights and social action, community improvement, 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.

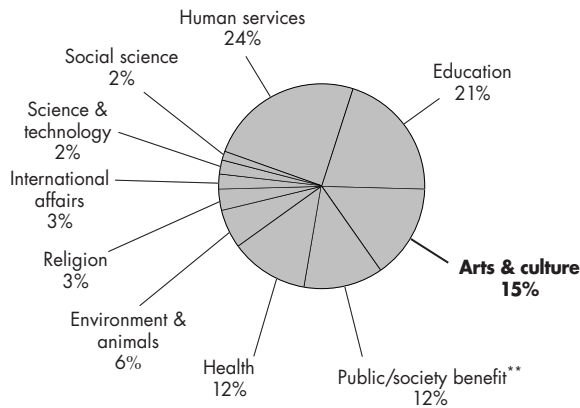
east (14.7 percent). Still, it is worth noting that in the 2000 sample, 90 percent of all funders supported arts and culture – 909 of 1,015 foundations.

**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 increased slightly between 1999 and 2000, from 14.7 percent to 14.9 percent (figure 4). The actual number of grants increased by 1,957, from 15,878 in 1999 to 17,835.

**Median grant size.** The median grant amount in the arts in 2000 was \$25,000. This amount was the same in 1992, 1996, and 1999. If this amount were adjusted for inflation, however, it would have lost value in real dollars. The median amount for all foundation grants in 2000 was slightly larger, at \$28,000. 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.)

**FIGURE 4. Percent of number of grants by major fields of giving, 2000\***



Source: *Foundation Giving Trends*, 2002, based on a sample of 1,015 larger foundations.

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

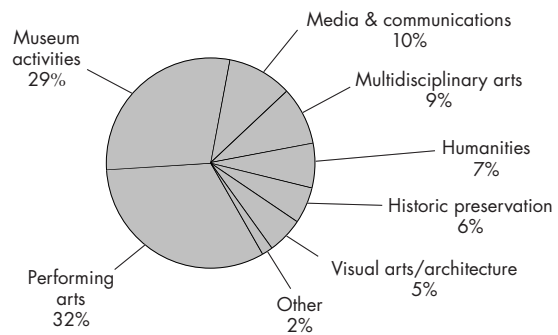
\*\*Includes civil rights and social action, community improvement, philanthropy and voluntarism, and public affairs.

## Grants by arts subfield

Funding for the performing arts accounted for close to one-third (32 percent) of all foundation arts dollars in 2000 (figure 5), and was a somewhat larger share than that for museums (29 percent). Through most of the last two decades, more foundation support has gone to performing arts than to museums. In the mid-1980s, funding to museums increased, and nearly equal shares of arts funding were awarded in each of the two fields. 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 again increased significantly, this time surpassing those going to performing arts, and they retained this larger share in 1999. In 2000, however, the performing arts regained its larger share of support. 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 extraordinarily large grants.

**Giving to performing arts.** In 2000, performing arts grant dollars increased by 22 percent, from \$476.4 million to \$579.1 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. In addition to receiving a larger share of arts funding dollars, the performing arts also received a larger share of grants (6.1 percent) than did museums (3.2 percent), with performing arts grants tending to be smaller in size than the average museum grant. In 2000, 73 percent of all funders in the Foundation Center sample supported the performing arts.

**FIGURE 5. Arts and culture, giving to subfields, 2000\***

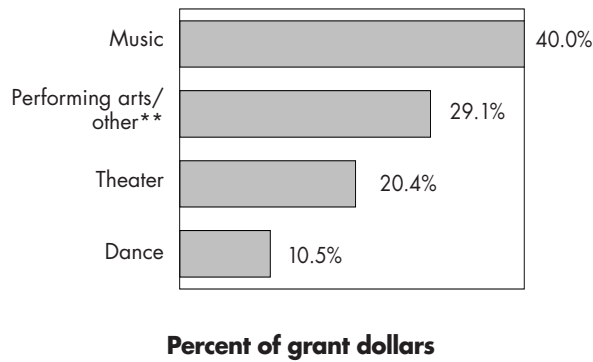


**Percent of grant dollars**

Source: *Foundation Giving Trends*, 2002, based on a sample of 1,015 larger foundations.

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

**FIGURE 6. Giving to performing arts, 2000\***



Source: *Foundation Giving Trends*, 2002, based on a sample of 1,015 larger foundations.

\*Giving to performing arts constitutes 32 percent of all giving to the arts and culture subcategory.

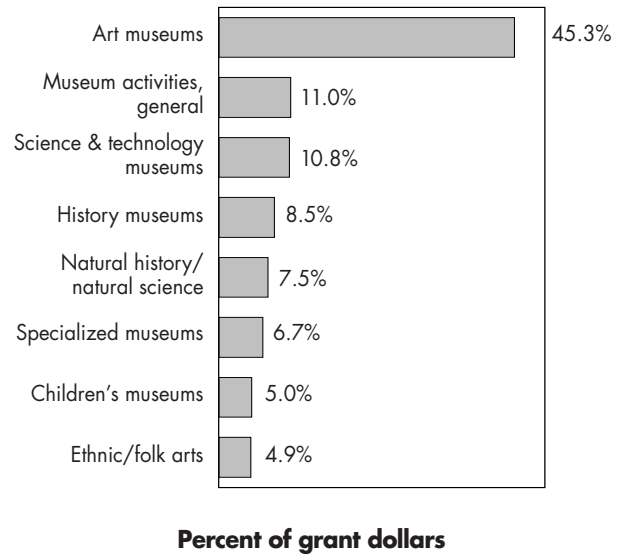
\*\*Performing arts/other includes performing arts centers, performing arts schools, and other multidisciplinary performing arts programs.

**Giving to museums.** Grant dollars allocated to museums decreased by 1 percent between 1999 and 2000, from \$528.6 million to \$523.4 million. However, the number of grants increased by 9 percent. Among museum types (figure 7), the largest share of 2000 funding supported art museums (45 percent), and this share was almost unchanged from the previous year. General museum activity,<sup>2</sup> science & technology museums, and children's museums all received modest increases in support, while ethnic/folk arts museums realized a much more substantial increase in share. In the Foundation Center's 2000 sample, 71 percent of all funders supported museum activities.

**Giving to media and communications.** Support for media and communications<sup>3</sup> represented 10 percent of arts funding in 2000, an increase over its 8 percent share in 1999. Six grants of at least \$2.5 million were made in the media and communications field in 2000, down from seven in the previous year, yet double the number reported in 1998.

**Giving to other arts and culture subfields.** Among other arts and culture fields, funding for the humanities, including literature, received 7 percent of arts and culture dollars in 2000, increasing from 5 percent in 1999. Actual grant dollars increased by 52 percent. The share of giving for the visual arts and architecture increased to over 5 percent in 2000 from less than 4 percent in the prior year. Grant dollars for visual arts and architecture increased by 65 percent, while the *number* of grants grew by 33 percent.

**FIGURE 7. Giving to museums, 2000\***



Source: *Foundation Giving Trends*, 2002, based on a sample of 1,015 larger foundations.

\*Giving to museums constitutes 29 percent of all giving to the arts and culture subcategory.

### 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 close to 17 percent of all grant dollars in the 2000 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.

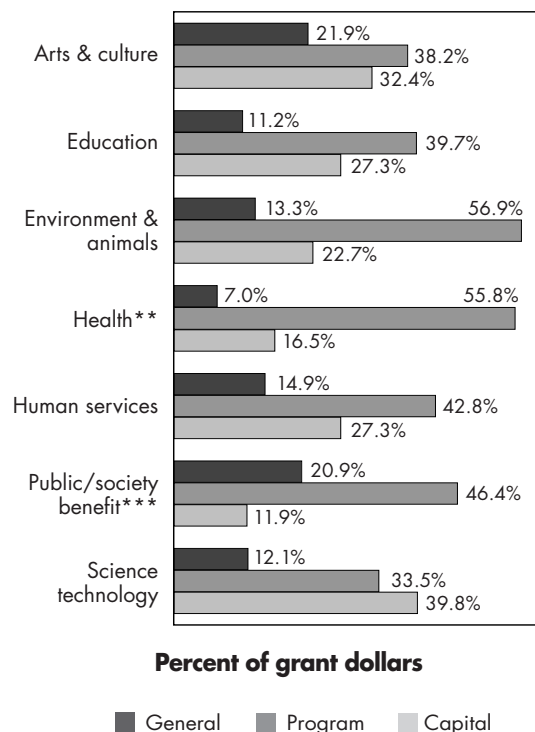
Of the three main categories of support, funding for special programs and projects received the largest share of arts and culture support (38 percent), similar to most other major program areas (education, environment, health, human services, public/society benefit). Still, compared

<sup>2</sup> Includes general museum support that encompasses arts and sciences but is not elsewhere classified.

<sup>3</sup> Includes support for production and dissemination in one or more media forms including film/video, television, radio, and print publishing.



**FIGURE 8. General, program, and capital support grant dollars by major subject area, 2000\***



Source: *Foundation Giving Trends*, 2002, based on a sample of 1,015 larger foundations.

\*Subject areas representing at least 2.8 percent of grant dollars.

\*\*Research support accounted for 27 percent of grant dollars in health.

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

with the other top program areas, program support was a smaller share of arts and culture grant dollars.

Capital projects received the second largest share of arts and culture support (32 percent). Only in science and technology was a larger share directed to capital projects (40 percent). 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 1992 it was about 30 percent; and in 1999 it was about 41 percent.

Grant dollars allocated for general operating support in 2000 were higher for arts and culture (22 percent) than for any other program area. Moreover, general operating support is rising in the arts. In 1983, grant dollars allocated to general operating support represented about 20 percent of all arts funding. This share dropped to about 13 percent in 1989, before rising again in the late 1990s. In 1999, the share was 18 percent.

**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 1,015 larger foundations. It is also important to note that for 22 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.** Almost two-thirds (66 percent) of all arts grants in the sample were for amounts between \$10,000 and \$49,999 (table 2). This was a modest decrease from 1996 (69 percent) and contrasts with growth in the number of mid-sized grants (\$50,000 to \$499,999), which increased from 28 percent in 1996 to 31 percent in 2000.

**Large grants.** The share of larger arts grants (\$500,000 and over) increased slightly over the same period: larger grants represented 4 percent of the total number of arts grants in 2000, increasing by almost one full percentage point since 1996. Their share of total grant dollars also increased from 41 percent in 1996 to nearly 51 percent in 2000. Overall, foundations in the sample made 66 arts grants of at least \$2.5 million in 2000, up from 25 in 1996.

The largest arts and culture grant in the Foundation Center's 2000 sample of all foundation grants was the Skirball Foundation's (NY) \$13.6 million grant to the Skirball Cultural Center at Hebrew Union College-Jewish Institute of Religion for operating support. (By comparison, the largest arts and culture grant reported in 1999 was the Andy Warhol Foundation for the Visual Arts' (NY) \$62.4 million award to the Pittsburgh-based Andy Warhol Museum.) The other largest grants in 2000 were the Freedom Forum's (VA) \$13.4 million in continuing operating support for the Freedom Forum Newseum, and the Donald W. Reynolds Foundation's (NV) \$10.5 million in capital support for a visual arts center at the Nevada Museum of Art.

**The 25 largest arts funders.** The top twenty-five arts funders provided 35 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, and their share has declined steadily since then – down to about 41 percent in 1989 and 1992, and down again to 39 percent in 1996. This means that support for the arts involves a wide range of foundations and is considerably less concentrated among a small number of foundations than in previous years.

**Table 1. Arts grants by types of support, 2000\***

Type of support	Dollar value of grants	%	No. of grants	%
<b>General support</b>	<b>\$394,410</b>	<b>21.9</b>	<b>4,292</b>	<b>24.1</b>
General operating	296,094	16.5	3,516	19.7
Annual campaigns	2,923	0.2	58	0.3
Income development	72,577	4.0	401	2.2
Management development	22,817	1.3	317	1.8
<b>Program support</b>	<b>687,779</b>	<b>38.2</b>	<b>6,196</b>	<b>34.7</b>
Program development	322,153	17.9	3,335	18.7
Conferences/seminars	21,651	1.2	262	1.5
Faculty/staff development	52,263	2.9	194	1.1
Professorships	14,008	0.8	32	0.2
Film/video/radio	25,768	1.4	201	1.1
Publication	31,766	1.8	208	1.2
Seed money	13,313	0.7	78	0.4
Curriculum development	19,365	1.1	278	1.6
Performance/productions	55,771	3.1	689	3.9
Exhibitions	59,621	3.3	522	2.9
Collections management/preservation	36,321	2.0	127	0.7
Commissioning new works	16,742	0.9	143	0.8
Electronic media/online services	19,036	1.1	127	0.7
<b>Capital support</b>	<b>583,096</b>	<b>32.4</b>	<b>2,287</b>	<b>12.8</b>
Capital campaigns	123,270	6.9	413	2.3
Building/renovation	278,712	15.5	1,161	6.5
Equipment	21,930	1.2	223	1.3
Computer systems/equipment	9,364	0.5	118	0.7
Land acquisition	3,518	0.2	23	0.1
Endowments	125,028	7.0	266	1.5
Debt reduction	1,304	0.1	20	0.1
Collections acquisition	19,971	1.1	63	0.4
<b>Professional development</b>	<b>70,775</b>	<b>3.9</b>	<b>529</b>	<b>3.0</b>
Fellowships/residencies	52,975	2.9	265	1.5
Internships	2,727	0.2	61	0.3
Scholarships	6,267	0.3	98	0.5
Awards/prizes/competitions	8,126	0.5	89	0.5
Unspecified	681	0.0	16	0.1
<b>Other support</b>	<b>52,430</b>	<b>2.9</b>	<b>403</b>	<b>2.3</b>
Research	37,706	2.1	278	1.6
Technical assistance	11,846	0.7	92	0.5
Emergency funds	476	0.0	7	0.0
Program evaluation	2,402	0.1	26	0.1
<b>Not specified</b>	<b>390,478</b>	<b>21.7</b>	<b>5,836</b>	<b>32.7</b>
<b>Qualifying support type**</b>				
Continuing	526,808	29.3	4,858	27.2
Matching or challenge	132,162	7.3	295	1.7

Source: The Foundation Center, 2002, based on a sample of 1,015 larger foundations.

\*Dollar figures in thousands; grants may occasionally be for multiple types of support, i. e., for program and for research, and would therefore be counted more than once.

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

**TABLE 2. Arts grants by grant size, 2000 (dollar amount in thousands)**

Grant range	No. of grants	%	Dollar amount	%
\$5 million and over	22	0.1	\$153,976	8.6
\$1 million - under \$5 million	350	2.0	553,318	30.8
\$500,000 - under \$1 million	334	1.9	203,862	11.3
\$100,000 - under \$500,000	2,679	15.0	489,781	27.2
\$50,000 - under \$100,000	2,774	15.6	166,561	9.3
\$25,000 - under \$50,000	4,259	23.9	129,558	7.2
\$10,000 - under \$25,000	7,417	41.6	101,559	5.6
<b>Total</b>	<b>17,835</b>	<b>100.0</b>	<b>\$1,798,615</b>	<b>100.0</b>

Source: The Foundation Center, 2002, based on a sample of 1,015 larger foundations.

**TABLE 3. 25 largest arts, culture, and media funders, 2000\***

Rank	Foundation	State	Total grant dollars	No. of grants
1.	Ford Foundation	NY	\$80,336,303	243
2.	Andrew W. Mellon Foundation	NY	57,423,650	101
3.	Lilly Endowment	IN	56,774,736	71
4.	John S. and James L. Knight Foundation	FL	51,600,870	160
5.	Doris Duke Charitable Foundation	NY	39,030,000	26
6.	Pew Charitable Trusts	PA	31,256,000	43
7.	Kresge Foundation	MI	29,175,000	46
8.	Freedom Forum	VA	23,778,378	46
9.	Hall Family Foundation	MO	20,326,325	22
10.	Robert R. McCormick Tribune Foundation	IL	19,671,718	108
11.	Donald W. Reynolds Foundation	NV	19,048,408	18
12.	Rockefeller Foundation	NY	18,827,321	188
13.	Wallace-Reader's Digest Funds	NY	18,292,585	22
14.	Brown Foundation	TX	18,046,600	101
15.	David and Lucile Packard Foundation	CA	17,067,536	207
16.	Charles Stewart Mott Foundation	MI	16,210,000	11
17.	Skirball Foundation	NY	16,032,400	19
18.	The William and Flora Hewlett Foundation	CA	15,904,000	94
19.	Horace W. Goldsmith Foundation	NY	15,440,000	120
20.	The Annenberg Foundation	PA	13,961,979	28
21.	SBC Foundation	TX	12,407,000	169
22.	The Burnett Foundation	TX	12,122,938	18
23.	The James Irvine Foundation	CA	11,940,000	47
24.	The William Penn Foundation	PA	11,734,887	61
25.	Amon G. Carter Foundation	TX	10,851,177	11
<b>Total</b>			<b>\$637,259,811</b>	<b>1,980</b>

Source: The Foundation Center, 2002, based on a sample of 1,015 larger foundations.



**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. Among the top 100 founda-

tions ranked by share of arts grant dollars out of total giving, 72 foundations gave less than \$5 million in total arts grant dollars in 2000.

**TABLE 4. Top 35 foundations by share of arts giving out of overall giving, 2000**

Rank	Foundation	State	Fdn. type*	Total grant dollars	Arts grant dollars	Arts as % of total dollars	Number of grants
1.	The Helen F. Whitaker Fund	PA	IN	\$2,782,356	\$2,782,356	100.0	30
2.	Autry Foundation	CA	IN	3,316,622	3,296,622	99.4	1
3.	Enid and Crosby Kemper Foundation	MO	IN	1,616,941	1,599,441	98.9	6
4.	The Institute for Aegean Prehistory	NY	OP	667,079	657,079	98.5	7
5.	Allen Foundation for the Arts	WA	IN	8,676,167	8,541,167	98.4	54
6.	The Andy Warhol Foundation for the Visual Arts	NY	IN	3,465,000	3,360,000	97.0	57
7.	The Shubert Foundation, Inc.	NY	IN	10,787,500	10,302,500	95.5	248
8.	Jerome Foundation	MN	IN	3,167,021	2,996,496	94.6	117
9.	Muriel McBrien Kauffman Foundation	MO	IN	6,966,718	6,521,718	93.6	65
10.	Eugene V. & Clare E. Thaw Charitable Trust	NM	IN	6,716,016	5,932,016	88.3	35
11.	The Ralphs-Food 4 Less Foundation	CA	CS	7,586,159	6,580,000	86.7	8
12.	Robert Lehman Foundation, Inc.	NY	IN	3,702,113	3,104,613	83.9	18
13.	Skirball Foundation	NY	IN	19,376,988	16,032,400	82.7	19
14.	Samuel H. Kress Foundation	NY	IN	4,440,500	3,587,500	80.8	126
15.	Janet A. Hooker Charitable Trust	PA	IN	4,065,000	3,178,000	78.2	10
16.	William S. Paley Foundation, Inc.	NY	IN	5,238,000	4,073,000	77.8	5
17.	Ball Brothers Foundation	IN	IN	4,492,995	3,477,995	77.4	7
18.	Freedom Forum, Inc.	VA	OP	31,042,489	23,778,378	76.6	46
19.	The McConnell Foundation	CA	IN	7,509,719	5,741,979	76.5	5
20.	The Burnett Foundation	TX	IN	15,949,768	12,122,938	76.0	18
21.	The Clowes Fund, Inc.	IN	IN	6,991,294	5,296,000	75.8	26
22.	J. Roderick MacArthur Foundation	IL	IN	4,544,295	3,425,000	75.4	6
23.	The Walt and Lilly Disney Foundation	CA	IN	3,050,000	2,250,000	73.8	2
24.	The Gladys Krieble Delmas Foundation	NY	IN	2,612,547	1,912,750	73.2	53
25.	Benson and Edith Ford Fund	MI	IN	1,890,833	1,353,333	71.6	5
26.	The Frist Foundation	TN	IN	8,835,650	6,282,900	71.1	24
27.	Susan and Elihu Rose Foundation, Inc.	NY	IN	2,050,460	1,428,750	69.7	29
28.	J. Paul Getty Trust	CA	OP	14,363,624	9,911,661	69.0	116
29.	The Ann and Gordon Getty Foundation	CA	IN	7,220,183	4,955,631	68.6	111
30.	The Harold & Mimi Steinberg Charitable Trust	NY	IN	2,601,666	1,783,000	68.5	36
31.	The Agnes Gund Foundation	OH	IN	5,616,301	3,776,001	67.2	39
32.	Amon G. Carter Foundation	TX	IN	16,220,901	10,851,177	66.9	11
33.	The Trust for Mutual Understanding	NY	IN	3,594,564	2,364,164	65.8	85
34.	Peter Norton Family Foundation	CA	IN	2,171,873	1,428,613	65.8	24
35.	The Wortham Foundation	TX	IN	11,102,000	7,260,000	65.4	31

Source: The Foundation Center, 2002, based on a sample of 1,015 larger foundations.

\*IN = independent; CS = corporate; OP = operating

# A Four-year Update

## Arts Funding 1996-2000

Loren Renz

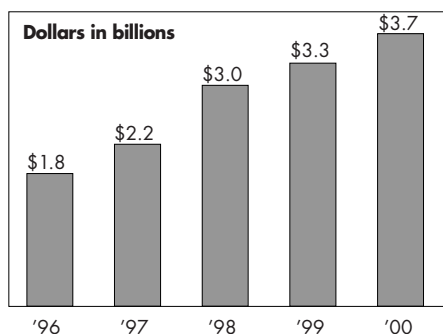
This Update provides a brief examination of the growth of foundation arts giving from 1996 to 2000. The summary is drawn from a 2002 *Arts Funding Update* published by the Foundation Center as part of its June 2002 "arts month." Also during June, GIA was pleased to be featured by the Center as an "NPO Spotlight" organization.

### Estimated arts and culture funding, 1996-2000

The nation's nearly 56,600 grantmaking foundations provided an estimated \$3.69 billion for arts, culture, media, and the humanities in 2000, more than double the \$1.83 billion estimated for 1996.<sup>1</sup> This robust growth in arts funding narrowly surpassed strong overall gains in foundation giving in the second half of the 1990s (101.8 percent in the arts vs. 99.2 percent overall). Adjusted for inflation, arts giving climbed 83.0 percent during this period, or 16.3 percent per year.

A booming economy and record growth in the stock market through the first half of 2000 greatly enhanced foundation capacity, contributing to a sharp rise in giving to nonprofits across disciplines. A surge in the creation of new foundations in the late 1990s also fueled growth in giving. The arts and humanities fields specifically benefited from a doubling and even tripling of funding from prominent grantmakers with a tradition of strong support, such as the Ford, Andrew W. Mellon, John S. and James L. Knight, and David and Lucile Packard foundations; a significant infusion of grants from major new donors, especially the New York-based Doris Duke Charitable Foundation; and consistently high levels of arts giving by small- to medium-sized foundations.

**FIGURE 1. Estimated arts and culture giving by all U.S. foundations doubled between 1996 and 2000\***



Source: The Foundation Center, *Arts Funding Update*, 2002.

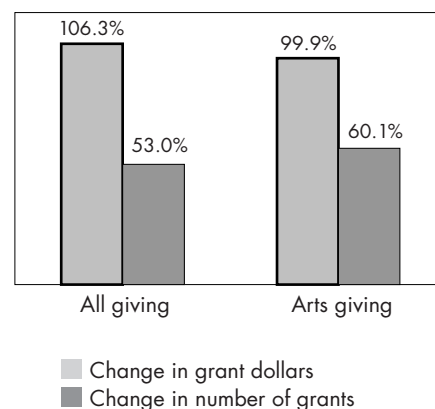
\*All figures based on unadjusted dollars.

Between 1995 and 1998, foundations' share of all private giving to arts and culture climbed from less than 30 to approximately 35 percent. (Comparable IRS data on sources of income were unavailable for 1996 and after 1998.) Still, individuals remained by far the largest source of private contributions, while corporations ranked third, after foundations. Together, all private arts giving in 1998 (\$7.66 billion) represented 40 percent of the total revenues of arts and culture organizations (\$19.4 billion), up from 37 percent in 1995. Foundations' share of total arts revenue rose to one-seventh in 1998, up from one-ninth in 1995.<sup>2</sup>

### Arts funding trends through 2000

The following analysis shifts from using estimates of total foundation arts giving to examining arts funding trends based on actual grant records of \$10,000 or more reported by an annual sample of just over 1,000 larger foundations.

**FIGURE 2. Among larger foundations, grant dollars for arts and culture grew more slowly than overall giving between 1996 and 2000, while the number of grants grew at a faster rate.**



Source: The Foundation Center, *Arts Funding Update*, 2002. Based on grants of \$10,000 and over awarded by a sample of 1,010 larger foundations for 1996 and 1,015 larger foundations for 2000. All figures based on unadjusted dollars.

<sup>1</sup> Estimates are based on a weighted percentage of arts giving of a sample of foundations as a proportion of total giving reported by all foundations. In the weighted sample, the largest foundations allocated approximately 10 percent of their grant dollars to the arts; smaller foundations allocated more than 15 percent.

U.S. foundations have a long history of providing strong support for the arts field. Since the mid-1980s, arts and culture has invariably ranked fourth among funding priorities, following education, health, and human services. Yet, among the nation's largest foundations, the priority given the arts has decreased slightly, from a 13-15 percent share of funding dollars in the 1980s, to an average 12-13 percent share over the past half decade. Among smaller foundations in the sample, however, the share remains above 15 percent.

In 2000, funders in the Foundation Center's grants sample gave 12.0 percent of their grant dollars and 14.9 percent of their grants for arts and culture. In terms of actual dollars, foundations awarded nearly \$1.8 billion for the arts in 2000, or double the \$899.9 million they gave in 1996. Over the same four-year period, these funders increased the number of arts grants to 17,835, up by three-fifths (60.1 percent) from 11,137 grants. By comparison, in the late 1990s dollars given across all fields by sampled foundations grew slightly faster than arts giving did (106.3 percent vs. 99.9 percent). However, the reverse was true for the arts by number of grants, and the arts' share of the number of grants inched up steadily, from 14.2 percent in 1996 to 14.9 percent in 2000.

The boom in the stock market through early 2000 and the explosion of growth in new foundations resulted in marked changes among the nation's top arts funders. In the latest year, the Ford Foundation (NY) surpassed all other foundations in the amount of its arts giving. Ranked eighth in 1996, Ford gave \$80.3 million for arts and culture in 2000, up from \$19.4 million in the mid-1990s. (The number of Ford's arts grants also jumped to 243, up from 68 in 1996.) Similarly, the Andrew W. Mellon Foundation (NY) climbed from ninth- to second-place rank, awarding \$57.4 million for the arts in 2000, nearly three times its giving level in 1996. In addition, two of the top 15 arts funders in 2000 were either newly created or recently endowed. These included the fifth-ranked Doris Duke Charitable Foundation (established in 1996), which gave out \$39.0 million for the performing arts in 2000; and the eleventh-ranked, Nevada-based Donald W. Reynolds Foundation (established in 1954 and fully endowed in 1995), which awarded \$19.0 million for arts and journalism projects.

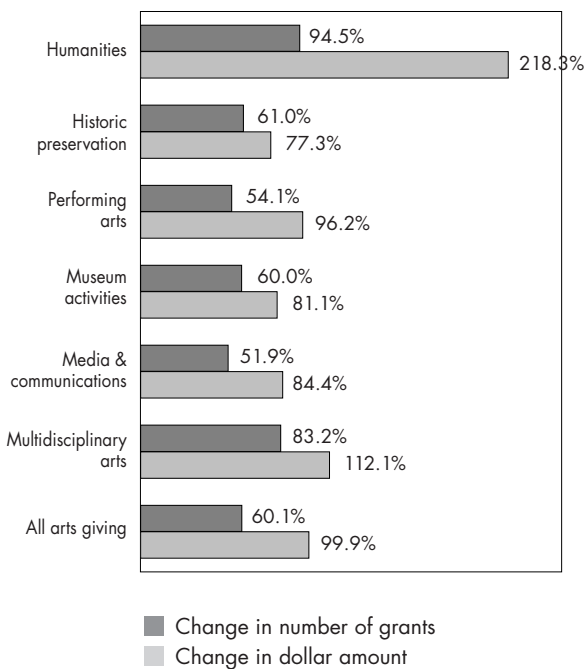
Finally, while the top foundations accounted for a large share of overall arts giving, the arts field enjoyed exceptionally broad support, with nine out of ten foundations in the sample awarding arts grants in 2000.

**Giving by arts field.** Nearly every area of the arts experienced exceptional growth in funding between 1996 and 2000. Still, it bears noting that during a time when all arts funding doubled, fields and disciplines receiving small shares of arts funding benefited from the strongest growth. For example, grant dollars for the visual arts and architecture rose more than three and two-thirds times (268.0 percent); funding for the humanities more than tripled (up 218.3 percent);

and support for multidisciplinary arts programs more than doubled (up 112.1 percent). By comparison, among the larger and best-funded arts fields, giving for the performing arts nearly doubled (up 96.2 percent), and support for museum activities increased by four-fifths (81.1 percent). In absolute terms, funding grew by \$284 million for the performing arts and by \$234 million for museum activities.

**Giving by types of support.** Since 1996, the distribution of arts funds by major types of support has remained fairly steady. Among minor changes noted, the shares of grant dollars for project support, research, and technical assistance have all increased, while the proportions allocated for professional development and general support have decreased slightly. Nevertheless, within the general support category, funding has risen sharply for income development. In addition, the share of number of grants allocated for general support has remained steady at one-in-four.

**FIGURE 3. Foundation grant dollars and grants increased fastest for humanities and multidisciplinary arts between 1996 and 2000\***



Source: The Foundation Center, *Arts Funding Update, 2002*. Based on grants of \$10,000 and over awarded by a sample of 1,010 larger foundations for 1996 and 1,015 larger foundations for 2000. All figures based on unadjusted dollars.

\* Includes subcategories accounting for at least 7 percent of arts and culture grant dollars or grants in 2000.

<sup>2</sup> 1998 figures for arts organizations' sources of revenue (including all private support) were drawn from INDEPENDENT SECTOR/The Urban Institute's *New Nonprofit Almanac and Desk Reference* (2002), tables 5.7 and 5.12; 1995 figures were cited in *Arts Funding, Third Edition*. For comparative purposes, estimated foundation giving has been adjusted to exclude arts grants to non-arts organizations and grants awarded to non U.S. arts groups.



## Grantmakers in the Arts

### Who we are

Established in 1985, Grantmakers in the Arts (GIA) is a nonprofit membership organization comprised of private foundations, family foundations, community foundations, corporate foundations, corporate giving programs, and nonprofit organizations that make arts grants. GIA welcomes public sector grantmakers as affiliate members. Over 1200 individuals – both trustee and staff – participate in GIA, representing over 300 organizations.

### Purpose

- Strengthen the field of private sector arts grantmaking by improving communication, information exchange, and peer learning within the field as a whole.
- Increase the presence of arts philanthropy within the broader foundation and policy making communities, thereby promoting more meaningful support of arts and culture.
- Support individual arts grantmakers in increasing their effectiveness and their capacity to meet their objectives.

### What we do

- Produce the annual GIA conference.
- Publish the Grantmakers in the Arts *Reader* three times a year featuring articles on topics of interest to arts grantmakers, a summary of recently published reports and studies, book reviews, and regional and interest-specific reports on arts grantmaking.
- Commission research and other publications.
- Facilitate communication among GIA members.

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