

GRANTMAKERS IN THE ARTS
ANNUAL ARTS FUNDING SNAPSHOT

**Foundation Grants to Arts
and Culture, 2019**
A One-Year Snapshot

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Grantmakers in the Arts
Supporting a Creative America

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A One-Year Snapshot

Reina Mukai

In 2019, giving by all active US private and community foundations rose approximately 10%.¹ Among the largest US independent, corporate, community, and grantmaking operating foundations included in Candid's 2019 Foundation 1000 data set, overall giving was up 7% among a matched set of funders, however, arts and culture funding was down 10%. Nevertheless, arts and culture remained among top foundation funding priorities.

Highlights

Candid offers these key findings from GIA's twentieth 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 and encompasses funding for the performing arts, museums, visual arts, multi-disciplinary 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 2019 arts and culture giving uses the latest Foundation 1000 dataset,² while the analysis of changes in foundation giving for the arts between 2018 and 2019 use a matched set of foundations that are consistent between the Foundation 1000 for each of those two years.³

Arts funding as a share of total dollars was down in 2019.

Among the 1,000 largest foundations included in Candid's grants sample for 2019, arts giving totaled \$2.5 billion, or 7% of overall grant dollars. Compared to the previous year, share of dollars was down and share of number of grants remained basically unchanged.

Foundation funding for arts and culture was down in 2019.

Among a matched set of leading funders, arts funding declined 10% between 2018 and 2019 compared to a 7% 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 \$28,150. This was below the

\$40,000 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 2019, down from 65% in 2018.

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

In 2019, general operating support accounted for 24% of arts and culture grant dollars. The share is higher than the 20% share awarded for general operating support for overall giving.

Top arts funders accounted for a smaller share of overall giving than in 2018.

The top twenty-five arts funders by giving amount provided 38% of total foundation arts dollars in 2019, down from the 42% share reported in 2018. The share of arts giving accounted for by the top funders has remained relatively 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 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

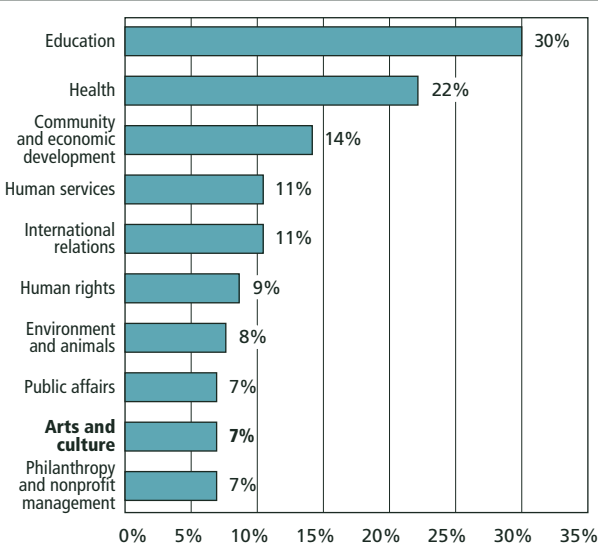
Overall foundation dollars for the arts.

The foundations included in Candid's 2019 Foundation 1000 data set awarded 15,984 arts and culture grants totaling \$2.5 billion, or 7% of overall grant dollars (figure 1). Compared to the previous year, the share for arts dollars was down (7% versus 9%), while the share of number of grants remained basically unchanged. Among a matched subset of 705 funders, grant dollars for the arts was down 10% between 2018 and 2019, compared to a 7% increase in grant dollars overall. Among the top-ranked subject areas by grant dollars, education, international relations, and human rights reported the fastest increases in dollars (figure 2).

The impact of exceptionally large grants.

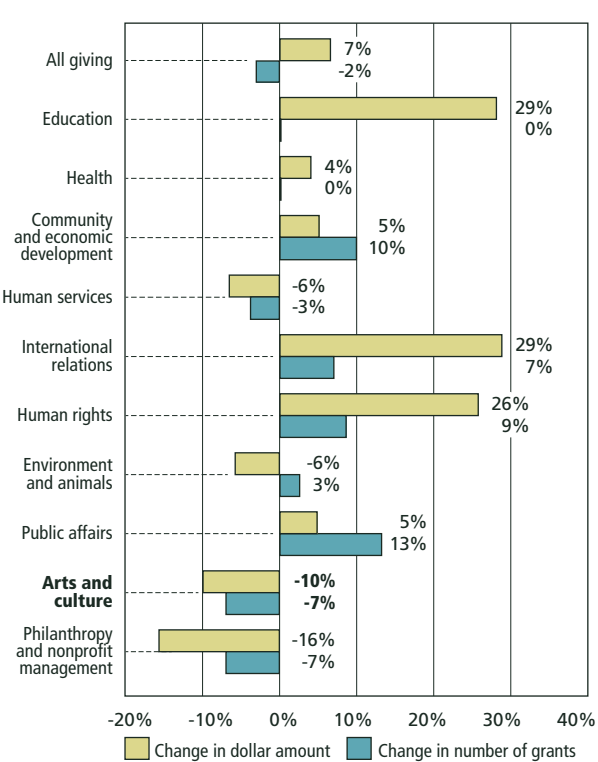
Every year and in all funding areas, a few very large grants can skew overall totals, creating distortions

FIGURE 1. Percentage of grant dollars by major field of giving, 2018



Source: Candid, 2021. 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 private and community 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, 2018 to 2019



Source: Candid, 2022. Based on all grants of \$10,000 or more awarded by a matched sample of 705 of the largest foundations. Includes areas of giving representing at least 5 percent of grant dollars in 2019. Grants may occasionally be for multiple issue areas and would thereby be counted more than once.

in long-term grantmaking trends. In 2019, 15 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 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.)

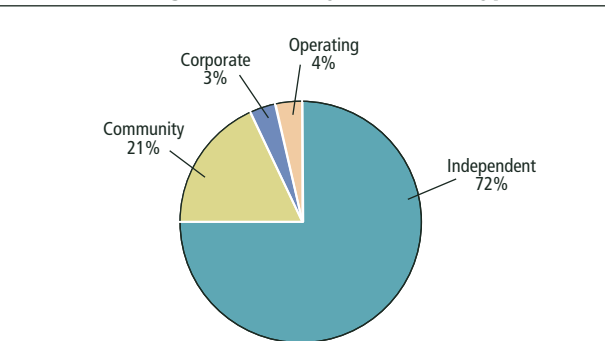
Corporate foundations represent an important source of support for arts and culture.

Corporate foundations account for roughly 6% of overall US private and community foundation giving, and these larger corporate foundations included in the 2019 grants sample provided 3% of grant dollars for the arts (figure 3). Actual grant dollars totaled \$85 million. By number, corporate foundations allocated 742 grants, or 3%, of the overall number of arts grants in 2019. 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

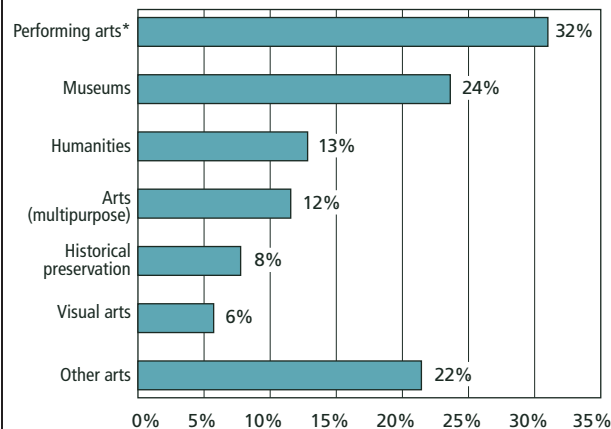
Funding for performing arts accounted for close to one-third of all foundation art dollars in 2019 (figure 4), surpassing the share reported for museums (24%). From the start of the 1980s until 1997, the performing arts have consistently received more foundation support than museums. However, museums surpassed the performing arts by share in the late 1990s to early 2000s and several times in recent years (2010, 2013, and 2014). The shifts in share between these two fields of activity from

FIGURE 3. Arts grant dollars by foundation type, 2019



Source: Candid, 2022. Based on all grants of \$10,000 or more awarded by 1,000 of the largest foundations representing approximately two-fifths of total giving by all U.S. private and community foundations.

FIGURE 4. Arts and culture, giving to subfields 2019



Source: Candid, 2022. Based on all grants of \$10,000 or more awarded by 1,000 of the largest foundations representing approximately two-fifths of total giving by all US private and community 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.

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 2019, among a matched set of funders, performing arts grant dollars was down 1% compared to 2018, while the number of grants declined 3%. A total of 6,598 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 \$122,000 versus \$219,000 in 2019). The largest share of giving to the performing arts supported theaters and performing arts centers. Among the largest performing arts grant in the latest sample was a \$55 million award from the Silicon Valley Community Foundation to the Philadelphia Orchestra Association. Included within the performing arts is support for performing arts education, which totaled \$40.6 million in 2019. (See “Giving to multidisciplinary arts” below for a figure on foundation grant dollars supporting other types of arts education.)

Giving to museums.

In 2019, museums benefited from 2,754 grants totaling \$604 million awarded by the 1,000 largest foundations included in the Foundation 1000 data set. More than half of funding supported art museums. Among a matched set of funders, grant dollars allocated to museums was down 20% between 2018 and 2019, while the number

of grants declined 4%. The largest museum grant in 2019 was a \$34.3 million grant from the Roy Lichtenstein Foundation to the Whitney Museum for donation of cash and artworks by Roy Lichtenstein for the museum's collection of his work.

Giving to the humanities.

In 2019, the humanities benefited from 1,593 grants totaling \$317 million awarded by the 1,000 largest foundations included in the Foundation 1000 data set.⁴ Funding for this area accounted for 13% of arts grant dollars in 2019, up from the 10% share captured in 2018. Among a matched set of funders, grant dollars awarded for the humanities increased 4%, while the number of grants awarded was down 2%.

Giving to multidisciplinary arts.

The share of arts giving for multidisciplinary arts went down to 12% in 2019 from 19% in 2018.⁵ Grant dollars awarded for multidisciplinary arts also declined 27% between 2018 and 2019 among the matched set of funders. Within multidisciplinary arts, arts services generally, defined as a provision of services to arts organizations, including facilities or touring assistance, accounts for more than half of funding. Among the various subcategories of multidisciplinary arts, arts education (excluding performing arts education) totaled \$89 million in the latest year.

Giving to historic preservation.

Support for historic preservation increased 35% between 2018 and 2019 among a matched set of funders, while the number of grants awarded was up 12%.⁶ Among the largest grants awarded for historic preservation in the latest year was a \$11.2 million grant from the Lilly Endowment to the National Trust for Historic Preservation for continued support for the National Fund for Sacred Places program. Overall, historic preservation benefited from 1,258 grants totaling \$199.8 million in 2019.

Giving to the visual arts.

The visual arts and architecture benefited from \$186 million in 2019 awarded by the 1,000 largest foundations included in the Foundation 1000 data set. Among a matched set of funders, grant dollars for the visual arts and architecture decreased 14% between 2018 and 2019, while the number of grants for the field remained basically unchanged.

Grants by Support Strategy

An important caveat to report with regard to the allocation of foundation dollars by specific

TABLE 1. Distribution of grants by support strategy, 2019

Support strategy	Dollar amount	%	No. of grants	%
Capacity-building and				
Technical assistance	125,689,373	5.0	528	3.3
Capital and infrastructure	466,810,098	18.7	1,589	9.9
Building acquisitions	980,000	-	4	-
Building and renovations	159,925,840	6.4	448	2.8
Capital campaigns	115,866,568	4.6	232	1.5
Collections acquisitions	22,016,443	0.9	315	2.0
Collections management and preservation	82,078,498	3.3	57	0.4
Equipment	21,021,877	0.8	179	1.1
Facilities maintenance	6,421,344	0.3	15	0.1
Information technology	6,362,042	0.3	60	0.4
Land acquisitions	11,505,073	0.5	15	0.1
Rent	110,000	-	1	-
Other capital and infrastructure	69,613,432	2.8	364	2.3
Financial sustainability	111,382,246	4.5	567	3.5
Annual campaigns	10,768,268	0.4	92	0.6
Debt reduction	1,796,768	0.1	12	0.1
Earned income	285,000	-	5	-
Emergency funds	206,309	-	11	0.1
Endowments	56,935,092	2.3	86	0.5
Financial services	-	-	-	-
Fundraising	12,907,262	0.5	205	1.3
Sponsorships	2,976,054	0.1	35	0.2
Other financial sustainability	31,028,904	1.2	134	0.8
General support	603,240,305	24.2	4,053	25.4
Individual development and student aid	188,563,321	7.6	674	4.2
Leadership and professional development	64,948,377	2.6	314	2.0
Network-building				
And collaboration	73,869,726	3.0	310	1.9
Participatory grantmaking	-	-	-	-
Policy, advocacy, and systems reform	69,707,385	2.8	343	2.1
Advocacy	21,009,799	0.8	103	0.6
Coalition building	-	-	-	-
Equal access	31,686,091	1.3	213	1.3
Ethics and accountability	2,020,000	0.1	12	0.1
Grassroots organizing	7,479,800	0.3	13	0.1
Litigation	-	-	-	-
Public policy and systems reform	3,191,875	0.1	19	0.1
Other policy, advocacy, and systems reform	20,853,080	0.8	54	0.3
Publishing and productions	271,961,150	10.9	2257	14.1
Product and service development	12,268,367	0.5	25	0.2
Program support	760,058,569	30.5	4,893	30.6
Public engagement and marketing	90,624,984	3.6	592	3.7
Research and evaluation	84,352,648	3.4	255	1.6
Other specified strategies	77,547,760	3.1	175	1.1
Not specified	332,724,863	13.4	2,860	17.9
Total	2,492,313,920	100.0	15,984	100.0

Source: Candid, 2022. Based on all grants of \$10,000 or more awarded by 1,000 of the largest foundations representing approximately two-fifths of total giving by all US private and community foundations. Grants may occasionally be for multiple support strategies, e.g., for new works and for endowment, and would thereby be counted twice.

support strategy is that for roughly 15% of arts grant dollars in the 2019 Candid sample, the support strategy could not be identified. This means that modest differences in percentages may not be reliable. (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.)

The arts compared to other foundation fields of giving.

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

Program support accounted for the largest share of arts grant dollars in 2019 (31% of all arts funding). Special programs and projects typically receive one of the largest shares of arts and culture grant dollars and grants. 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 accounted for the second largest share of arts grants dollars in 2019 (24% of all arts funding). The shares of grant dollars and number of grants allocated for this support strategy in 2019 were higher for arts and culture (24% and 25%, respectively) than the overall share directed to general operating support by the Foundation 1000 foundations, which accounted for 20% of grant dollars and 22% 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 (19%) than for grants overall (7%). Grants for capital support are larger on average than awards

TABLE 2. Arts grants by grant size, 2019

Grant range	No. of grants	%	Dollar amount	%
\$5 million and over	52	0.3	491,260,112	19.7
\$1 million – under \$5 million	437	2.7	753,287,884	30.2
\$500,000 – under \$1 million	514	3.2	323,064,151	13.0
\$100,000 – under \$500,000	2,960	18.5	569,707,343	22.9
\$50,000 – under \$100,000	2,612	16.3	162,170,737	6.5
\$25,000 – under \$50,000	3,475	21.7	109,074,710	4.4
\$10,000 – under \$25,000	5,934	37.1	83,748,983	3.4
Total	15,984	100.0	2,492,313,920	100.0

Source: Candid, 2022. Based on all grants of \$10,000 or more awarded by 1,000 of the largest foundations representing approximately two-fifths of total giving by all US private and community foundations.

TABLE 3. Twenty-five largest arts and culture funders, 2019

Rank	Foundation	State	No. of arts 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	330	232,885,507	315,876,507	73.7	19,183,000	221,498,607
2.	Silicon Valley Community Foundation	CA	413	101,607,482	1,463,300,469	6.9	715,445	6,639,570
3.	Lilly Endowment Inc.	IN	54	54,710,380	523,557,349	10.4	24,865,000	39,440,880
4.	Ford Foundation	NY	249	53,189,617	566,364,005	9.4	753,675	53,189,617
5.	Roy Lichtenstein Foundation	NY	5	34,436,800	35,128,800	98.0	34,299,800	137,000
6.	Kinder Foundation	TX	34	30,117,009	48,701,461	61.8	28,991,109	22,438,168
7.	The Shubert Foundation, Inc.	NY	500	29,172,000	31,987,000	91.2	–	5,472,000
8.	The Sherwood Foundation	NE	73	28,979,577	217,585,390	13.3	11,890,583	25,453,114
9.	Shelby Cullom Davis Charitable Fund	DE	44	28,684,660	135,550,371	21.2	16,532,500	12,564,660
10.	The Chicago Community Trust	IL	270	27,572,436	322,818,393	8.5	1,314,500	25,149,182
11.	John S. and James L. Knight Foundation, Inc.	FL	104	26,975,469	107,895,097	25.0	3,956,250	24,124,719
12.	The William and Flora Hewlett Foundation	CA	147	26,055,611	451,731,772	5.8	3,610,000	23,590,611
13.	Community Foundation of Greater Greensboro, Inc	NC	21	25,987,266	39,044,786	66.6	–	1,528,736
14.	California Community Foundation	CA	230	23,839,165	191,780,237	12.4	8,970,302	22,711,167
15.	Bloomberg Philanthropies, Inc.	NY	16	22,740,100	1,621,409,605	1.4	2,500,000	22,740,100
16.	136 Fund	NY	3	22,250,000	60,277,659	36.9	–	22,250,000
17.	Walton Family Foundation	AR	36	21,380,330	479,193,050	4.5	3,248,592	17,364,204
18.	Doris Duke Charitable Foundation	NY	81	21,201,234	61,361,248	34.6	–	21,201,234
19.	The Kresge Foundation	MI	100	20,949,988	213,460,232	9.8	175,000	20,784,988
20.	Oregon Community Foundation	OR	372	20,837,936	111,310,037	18.7	11,994,708	10,136,036
21.	The Brown Foundation, Inc.	TX	167	20,761,173	69,541,989	29.9	9,941,000	14,736,125
22.	Community Foundation of Greater Memphis	TN	160	20,213,381	152,018,180	13.3	5,479,500	14,826,825
23.	New York Community Trust	NY	362	20,199,335	160,264,266	12.6	45,000	20,199,335
24.	Arison Arts Foundation	FL	33	19,485,288	20,090,288	97.0	–	19,485,288
25.	Annenberg Foundation	PA	163	19,309,472	69,120,018	27.9	1,201,651	18,257,435
	Total		3,967	953,541,216	7,469,368,209	12.8	189,667,615	685,919,601

Source: Candid, 2022. Based on all grants of \$10,000 or more awarded by 1,000 of the largest foundations representing approximately two-fifths of total giving by all US private and community 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 1,000 foundations by total giving. It is also important to note that about 15% 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 2019 was \$30,000 which was below the median amount for all foundation grants (\$40,000).⁷ This is the fifth consecutive year that the median arts grant amount has exceeded \$25,000.⁸

Small and midsized grants.

Roughly two-thirds (60%) of all arts grants in the 2019 sample were for amounts between \$10,000 and \$49,999 (table 2), nearly unchanged from the 2018 share. The share of midsized arts grants (\$50,000 to \$499,999) also remained consistent, accounting for one-third of arts grants.

Large grants.

The share of larger arts grants (\$500,000 and over) remained consistent at roughly 6% of the total

TABLE 4. Top thirty-five foundations by share of arts giving out of overall giving, 2019

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.	Jay I. Kislak Foundation, Inc.	FL	OP	1	19,152,961	19,152,961	100.0	19,152,961	-
2.	Fisher Art Investment Foundation	CA	IN	1	11,823,688	11,823,688	100.0	-	11,823,688
3.	The Andrew J. and Christine C. Hall Foundation, Inc.	FL	IN	2	9,411,788	9,411,788	100.0	-	-
4.	Colburn Foundation	CA	IN	36	6,869,990	6,869,990	100.0	-	6,869,990
5.	Rath Foundation, Inc.	WI	IN	2	399,436	399,436	100.0	-	399,436
6.	The Broad Art Foundation	CA	OP	7	12,476,268	12,516,268	99.7	-	12,476,268
7.	The Packard Humanities Institute	CA	OP	9	6,442,561	6,497,561	99.2	15,500	6,402,561
8.	The Walt and Lilly Disney Foundation	CA	IN	4	8,461,417	8,596,417	98.4	-	8,461,417
9.	Roy Lichtenstein Foundation	NY	OP	5	34,436,800	35,128,800	98.0	34,299,800	137,000
10.	Taubman Foundation for the Arts	VA	IN	2	12,001,395	12,269,197	97.8	-	12,001,395
11.	The Bill and Ann Ziff Foundation	NY	IN	11	7,056,338	7,231,338	97.6	-	7,056,338
12.	Terra Foundation for American Art	IL	IN	84	8,092,414	8,307,414	97.4	-	8,092,414
13.	Arison Arts Foundation	FL	IN	33	19,485,288	20,090,288	97.0	-	19,485,288
14.	Eugene V and Clare E Thaw Charitable Trust	NM	IN	9	8,568,750	8,860,250	96.7	3,955,000	5,618,750
15.	The SHS Foundation	NY	IN	61	5,645,000	5,850,000	96.5	555,000	5,545,000
16.	Lloyd Rigler Lawrence E. Deutsch Foundation	CA	IN	8	3,276,220	3,431,220	95.5	-	3,276,220
17.	J. Paul Getty Trust	CA	OP	89	10,708,264	11,270,164	95.0	5,403,000	10,240,264
18.	Patty and Jay Baker Foundation Inc	WI	IN	1	10,000,000	10,625,000	94.1	-	10,000,000
19.	The Shubert Foundation, Inc.	NY	IN	500	29,172,000	31,987,000	91.2	-	5,472,000
20.	Terasaki Family Foundation	CA	OP	6	6,842,247	7,601,242	90.0	-	6,842,247
21.	The Daniel and Estrellita Brodsky Family Foundation	NY	IN	9	1,955,500	2,202,760	88.8	-	228,000
22.	Dunard Fund USA, Ltd.	IL	CS	13	8,365,800	10,055,800	83.2	-	8,365,800
23.	Paul L. Wattis Foundation	CA	IN	6	305,000	380,000	80.3	-	305,000
24.	Robert E. and Jenny D. Kirkland Foundation	TN	IN	1	5,822,474	7,593,254	76.7	-	5,822,474
25.	The Christensen Fund	CA	IN	22	6,011,386	8,056,575	74.6	-	6,011,386
26.	The Andrew W. Mellon Foundation	NY	IN	330	232,885,507	315,876,507	73.7	19,183,000	221,498,607
27.	Millicent and Eugene Bell Foundation	MA	IN	4	330,128	457,128	72.2	-	72,500
28.	Gilder Foundation, Inc.	NY	IN	23	5,580,000	8,075,000	69.1	245,000	5,420,000
29.	Lisa and Douglas Goldman Fund	CA	IN	22	11,303,000	16,865,500	67.0	10,000,000	11,008,000
30.	Community Foundation of Greater Greensboro, Inc	NC	CM	21	25,987,266	39,044,786	66.6	-	1,528,736
31.	Bonfils-Stanton Foundation	CO	IN	40	1,523,000	2,310,500	65.9	-	1,423,000
32.	Calderwood Charitable Foundation	MA	IN	3	2,535,000	3,915,000	64.8	-	2,535,000
33.	Harold & Arlene Schnitzer CARE Foundation	OR	IN	20	1,285,876	2,063,226	62.3	242,618	921,949
34.	Kinder Foundation	TX	IN	34	30,117,009	48,701,461	61.8	28,991,109	22,438,168
35.	Acorn Foundation	MA	IN	8	4,156,970	6,848,581	60.7	25,000	4,131,970

Source: Candid, 2022. Based on all grants of \$10,000 or more awarded by 1,000 of the largest foundations representing approximately two-fifths of total giving by all US private and community 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.

number of arts grants in 2019. Their share of total grant dollars remained roughly the same accounting for 63%. Overall, foundations in the sample made 134 arts grants of at least \$2.5 million in 2019, down from 158 grants in 2018.

In addition to the \$55 million award from the Silicon Valley Community Foundation to the

Philadelphia Orchestra Association noted earlier, examples of other especially large grants in 2019 include Community Foundation of Greater Greensboro's \$24.5 million grant to the City of Greensboro for the Steven Tanger Center for the Performing Arts; a \$19 million grant from Jay I. Kislak Foundation to University of Miami to enrich the University's permanent art collection; and a \$4.5 million

grant from The Andrew W. Mellon Foundation to the Academy of American Poets to support the continuation of the local poets laureate initiative.

The twenty-five largest arts funders.

The top twenty-five arts funders by giving amount provided 38% of the total arts dollars in Candid's 2019 sample (table 3), lower than the 42% share from 2018. Overall, the share of giving accounted for by the top twenty-five arts funders has fluctuated between roughly 30 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 smaller foundations from the sample (table 4). Among the top one hundred foundations ranked by share of arts giving out of total giving, just over half (51 funders) gave less than \$5 million in total arts grant dollars in 2019.

Giving for International Cultural Exchange

Grant dollars supporting international cultural exchange was down 52% between 2018 and 2019 among a matched subset of funders. In 2019, foundations awarded 84 grants related to international cultural exchange totaling \$7.1 million. Among the larger awards was a \$700K grant from the Andrew W. Mellon Foundation to Network of Ensemble Theaters to support the Network of Ensemble Theaters/Travel and Exchange Network.

Reina Mukai currently serves as manager on the Global Projects & Partnerships team at Candid (formerly Foundation Center and GuideStar). In this role, she works on a range of research and data-driven projects. Mukai has authored numerous reports on national, regional, and special-topic trends in the field of philanthropy, among them, Giving in Illinois, Arts Funding Snapshot: GIA's Annual Research on Support for Arts and Culture, and the Key Fact Sheet series. She also works with partners on custom data consulting services and research projects.

NOTES

1. This calculation is based only on foundations for which 2018 and 2019 tax filings were available at the time of publication.
2. Candid's 2019 Foundation 1000 set includes all 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 two-fifths of giving by all active US-based private and community 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 2018 and 2019 the composition of the Foundation 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 705 funders for which we had 2018 and 2019 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 multidisciplinary centers, arts councils, artist's services, arts administration, arts exchange, and arts education.
6. Includes support for archaeology, art history, modern and classical languages, philosophy, ethics, theology, and comparative religion.
7. 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.
8. Prior to 2015, the median amount had remained consistent at \$25,000 since the early 1990s.

Public Funding for the Arts 2021

Ryan Stubbs, Mohja Rhoads, and Nakyung Rhee

In the US, public funding for the arts derives from federal, state and local government sources. The National Endowment for the Arts (NEA) receives congressional allocations. State Arts Agencies (SAAs) receive legislative appropriations from states and Local Arts Agencies (LAAs) receive funds from local expenditures. Together, these agencies distribute grants and services to artists and cultural organizations across the nation.

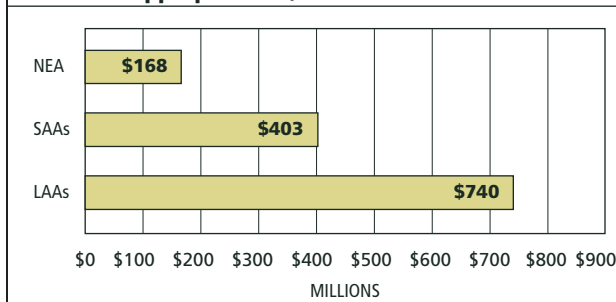
The arts, as many other industries, have been deeply impacted by the COVID-19 pandemic. Federal response in terms of the Coronavirus Aid, Relief and Economic Security (CARES) Act and the American Rescue Plan (ARP) Act have buffered some of these losses. The Fiscal Year 2021 report serves as a useful indicator of how public funding supported the arts during the pandemic and looks to how public support will continue into the future.

2021 Funding Levels

In fiscal year 2021, federal, state, and local funding for the arts totaled \$1.31 billion for an aggregate per capita investment of \$3.95. The FY2021 breakdowns are as follow:

- \$167.5 million in appropriations to the Arts Endowment, an increase of 3.2% from FY2020.
- \$402.8 million in legislative appropriations to state and jurisdictional arts agencies, a decrease of 17.8% from FY2020.¹
- \$740 million in funds allocated by municipal and county governments to local arts agencies, which decreased 6.2% from FY2020.

FIGURE 1. Federal, state, and local government appropriations, 2021



Trends over Time

Before the pandemic, aggregate public arts funding was surpassing the highest periods of the early 2000s. In nominal dollars (not adjusted for inflation), public funding increased by nearly 17% from 2000 to 2020.

Fiscal year 2020 serves as a funding milestone before the pandemic hit since most authorizing timeframes were taking place in calendar year 2019. Appropriations for this year hit an all-time high for states arts agencies and the NEA saw a modest increase while local arts agency expenditures declined. State and federal arts budgets were less affected by mid-year fiscal changes brought about by the pandemic when compared to local arts agencies. A majority of local arts agencies budgeted an increase in expenditures for their FY2020, however, as a result of COVID-19, 62% experienced a decline in expenditures.²

The weight of the COVID-19 pandemic is reflected in fiscal year 2021. In 2020, general fund revenue declined for the first time since the Great Recession resulting in mid-year budget cuts that continued into 2021. As such, SAA appropriations decreased almost 18% for FY2021. Local Arts Agency expenditures continued to decline in FY2021 and NEA allocations saw a steady increase due to the stability of federal funding.

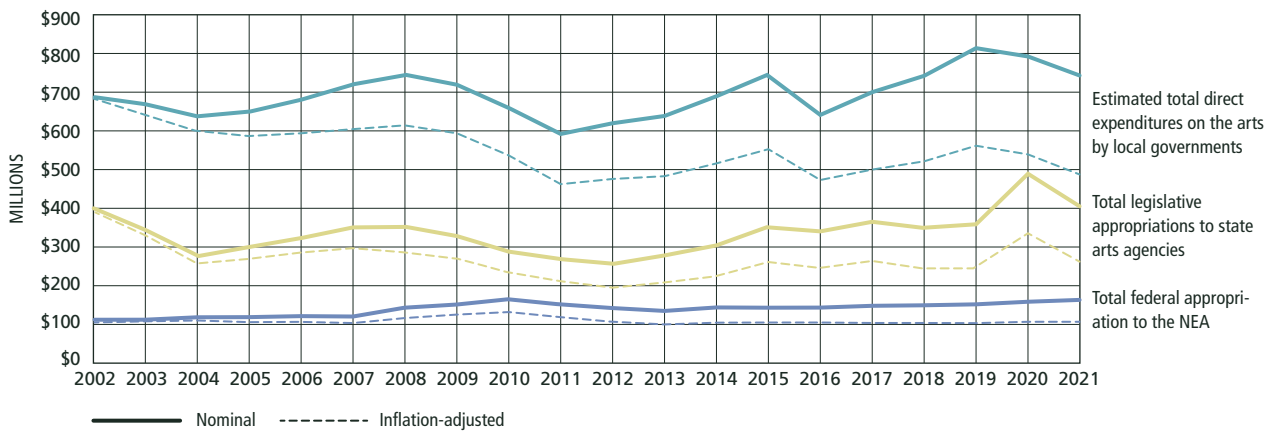
Along with these decreases, public funding for the arts has not kept pace with inflation. When adjusting for inflation, total public funding decreased by 31% from 2001 to 2021. This amounts to a decrease of 41% for SAA appropriations and a 30% decrease for LAA funding.

Contrarily, federal funds have increased by 4.5%.

Serving a Growing Population

Measuring per capita public funding (funding by number of people) reveals if funding is increasing to meet growing populations. This is an important yardstick given that funds originate from all taxpayers. Combined federal, state, and local arts funding yielded a per capita investment of \$3.95 per person in 2021, a decrease of 10% from 2020. This per capita figure disaggregates to a federal investment of \$0.50, a state investment of \$1.21, and a local investment of \$2.23. When taking inflation into consideration, total per capita appropriation falls even lower to \$2.57 in 2021. This analysis shows that the decreasing value of the dollar, coupled with an increasing population, increases the strain on public arts funding.

FIGURE 2. Federal, state, and local government arts funding, nominal and inflation-adjusted dollars, 2002–2021



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 2001.

Looking Forward and the Implications of COVID-19

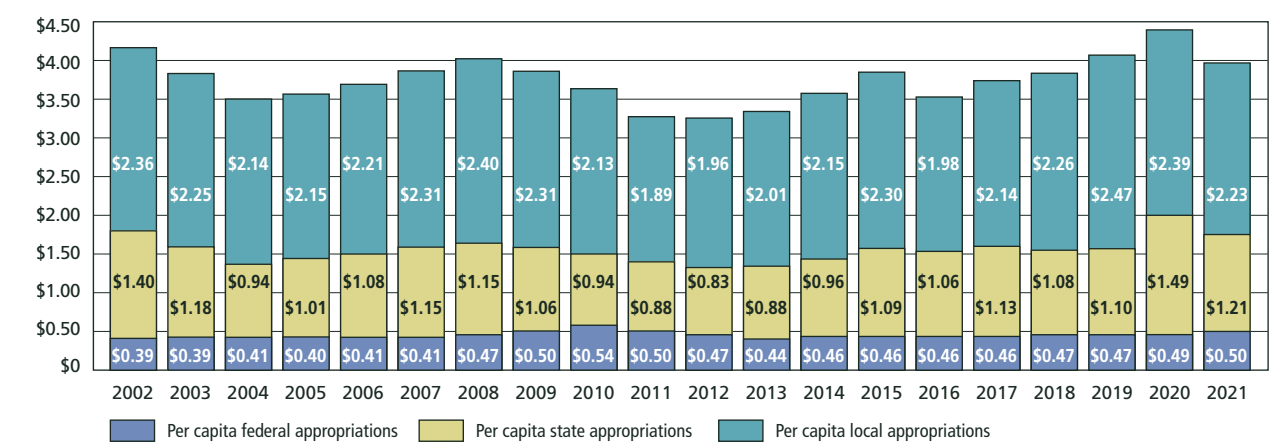
Fiscal Year 2021 is an anomaly on a variety of levels. Prior to the COVID-19 pandemic, the majority of states were seeing positive revenue increases and forecasting the increase to continue. The COVID-19 pandemic drastically changed this course. As most of the US went into lockdown, many states and local governments saw revenue decreases resulting in budget cuts and reduced spending for the arts. Because much of the arts are in-person experiences, the arts have been uniquely affected, and continue to be affected by the pandemic.

Federal support through the CARES and ARP Acts have been an important bandage that federal and state governments are using to address artistic

communities in need. The CARES Act, passed in March 2020, included \$75 million in funds distributed through the National Endowment for the Arts. Passed in March of 2021, the ARP Act included \$135 million in funding to be distributed through the NEA. By law, 40% of these dollars were allocated to state arts agencies and regional arts organizations, which are regrating them through state level arts relief programs.

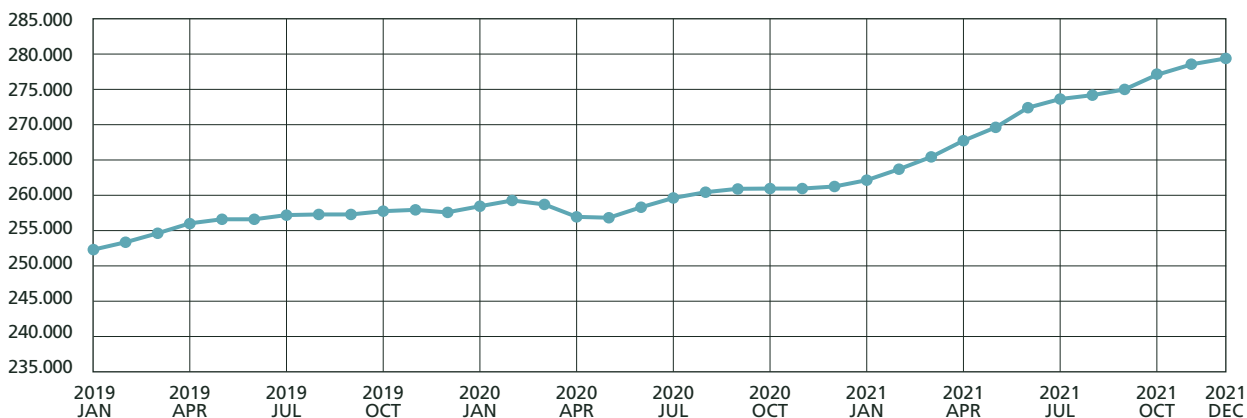
Apart from these Arts Endowment funds, the ARP Act included an additional \$350 billion in aid to states and localities. A growing number of state and local governments are electing to use a portions of these dollars as relief funding for art organizations and artists. At the time of this publication, 29 states and 3 jurisdictions are in the process of tapping into this aid for the cultural sector.

FIGURE 3. Federal, state, and local government per capita appropriations, 2002-2021



Note: Totals vary from 2020 report due to updates in Americans for the Arts methodologies and the 2020 SAA fall revenue survey.

FIGURE 4. Consumer Price Index for All Urban Consumers (CPI-U), not seasonally adjusted 2019-2021



While economic uncertainty continues into 2022, favorable fiscal circumstances including the influx of cash from the federal CARES and ARP Acts, have led to increased state arts agency revenues, similar to and exceeding in some cases, pre-pandemic levels.

Data collected for state arts agencies through revenue surveys shows that most SAAs will see a 61% increase in appropriations in fiscal year 2022, even when not including line item funding or other state ARP allocations to arts and culture. For example, the California Arts Council received more than \$100 million in one-time funding to be allocated over three-years for creative workforce and youth development programs. South Carolina, Connecticut and New Jersey, also received increased general appropriations and/or non-recurring additional funding which brought their appropriations to all-time highs.³

At the time of publication, NEA FY2022 appropriations have not been decided. The House and Senate have both put forward proposals to significantly increase funding for the National Endowment for the Arts (showing continued support of the federal-state partnership). Those increases will not be realized until Congress passes the FY2022 budget bill. In December 2021, congress passed a continuing resolution that extends current federal funding until February 18, 2022. In the meantime, while resolutions are in place, the Endowment will continue to operate under its existing funding level of \$167.5 million.

Fiscal Year 2022 local arts agency revenues have not yet been released, but known NEA investments in local arts agencies are a positive sign. On November 18, 2021, the NEA announced that over \$20 million in ARP funds will be allotted to 66 LAAs for subgranting.⁴

Relief funding and the reopening of the economy have helped state and local budgets in the near term, however, sustained growth for public funding for the arts will depend on multiple factors — and perhaps most importantly, whether or not state and local budgets can continue to grow in the absence of federal relief. Thus far, several states have forecasted increases in revenue on par with 2021 and 2022.^{5,6,7} These increases should be understood in the context of rising inflation. Inflation has increased disproportionately in 2021 as high consumer demand was not met due to broken supply chains arising from the pandemic. 2021 saw a 7% increase in inflation, the highest increase since 1982.⁸ Revenue increases will be dampened by inflation.

Implications for Grant Making

During the pandemic, agencies at all levels of government have had to modify existing grant programs or quickly create new grants to serve organizations and individuals in crisis. Universally, SAAs allowed for flexibility in the administration of grant funds yielding a range of strategies to serve constituents in need. Examples of adaptations included: allowing grantees to utilize project support for operating support; allowing for proposed programming to switch from in-person to online activities; extending deadlines over a longer period; and reducing matching requirements. At the federal level, the NEA allowed for flexibilities such as deadline extension and reasonable programmatic adjustments. Such modifications enabled dollars to go to more programs in need. Anecdotal narratives show that CARES Act funding was instrumental in keeping arts organizations afloat and providing art to communities in need.

Before the pandemic, direct federal grants from the National Endowment for the Arts totaled

2,384 and \$58.8 million in fiscal year 2020. Another \$105,483,450 million from the Endowment, or about 40% of the Endowment's appropriation, was awarded to state and regional agencies for further grantmaking and related services. This figure includes CARES Act funding.

In turn, state arts agencies work in partnership and provide funding and services with many local government arts agencies. State arts agencies invest almost \$37 million in local arts agencies. These grants help them secure additional public and private dollars at the local level.⁹ A large portion of state arts agency grants to local agencies (31%) is for operating support — flexible dollars that can be used to support community arts activities and operations in accordance with local needs and circumstances. In addition to funding performances, exhibitions and other programs, some SAAs also fund decentralized grantmaking through local arts agencies.

Local governments invest more dollars on arts and culture when compared to states and the National Endowment for the Arts, but local arts agencies are less likely to focus their services on grantmaking. According to the 2019 local arts agency census from Americans for the Arts, 58% of local arts agencies operate direct grantmaking programs.¹⁰ Larger percentages of local arts agencies support direct culture programming (84%) and manage cultural facilities (62%). 28% also provide non-grant contracts to organizations.

Grantmaking across Sectors

Grantmaking across public and private sectors provide funding for a diverse array of programs, organizations, and services. However, there is not an exact alignment when comparing grantmaking data across these sectors. Local arts agencies, for instance, do not currently use a standard data collection process across the nation. While imperfect, we can loosely compare grantmaking size and distribution, and specific grant categories. To understand relative investments across public and private funders using published data from state arts agencies, the National Endowment for the Arts and Candid's 2018 data on the 1000 largest foundations.

Like per capita calculations, analyzing the number of awards and the size of awards proves useful when assessing how public funds serve the entire population. The distribution of grants from publicly funded art agencies reflect the priority of reaching more communities across the country. In order to reach more constituents 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. With CARES Act funding, the 2020 median award amount from the National Endowment for the Arts is \$25,000 and 51% of all Endowment grants are less than \$25,000 in size. Subtracting CARES Act funding, the 2020 median award from the NEA was \$20,000 and 51% are less than \$20,000 in size. In contrast, the 1,000 largest foundation award higher levels of grant dollars, 92% of which are above \$50,000.

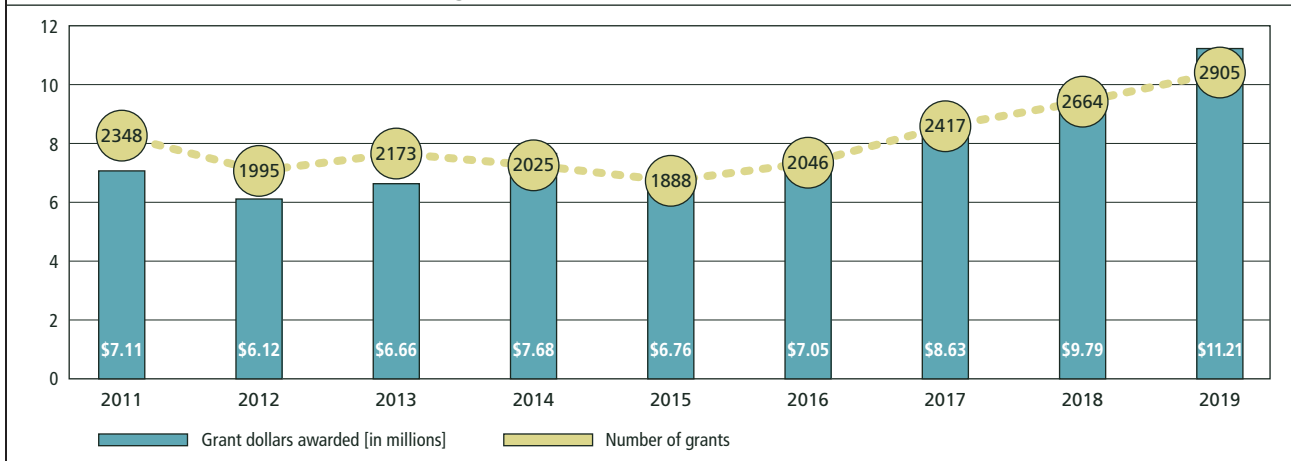
Another important point of comparison is the types of support strategies employed by public and private funders. Foundations and state arts agencies make significant grant investments in operating support. Foundations spent approximately 25% of their arts and culture grant dollars on operating support in 2018. In terms of the percentage of dollars invested, both foundations and state arts agencies make the largest commitment to operational support. 40% of state arts agency grant dollars and 25% of all state arts agency awards went to operational supporting fiscal year 2019.

The Arts Endowment's statute prohibits the agency from awarding operating support grants. The National Endowment for the Arts 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 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 National Endowment for the Arts 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 National Endowment for the Arts 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, with roughly 14% of foundation grant dollars going to capital and infrastructure.

Another challenging topic for grantmakers is investment in individual artists and fellowships.¹¹ At the local level, 39% of awards go to individual artists, and 42% of local arts agencies provide non-grant contracts to individual artists.¹² Many state arts agencies also devote a portion of their grants

FIGURE 5. Individual Artists Grant Making Trend, 2011-2019



to individual artists . In FY2019, state arts agencies made 2,905 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. The Arts Endowment makes a few selected 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. Private foundations also fund individuals, but comparison data is not available.

Private and public funders fulfill different roles within the arts and cultural ecosystem and the importance of these varied roles is apparent during a crisis. Federal support as administered through state and local governments was crucial in maintaining cultural institutions, communities and artists in the early stages of the pandemic. Private and public arts funders collaborated in relief efforts to respond as quickly and as equitably as possible. As arts funders navigate what is to come in 2022 and beyond, the need for government as a purveyor of support to cultural institutions, communities and artists — along with a robust private sector — is more apparent than ever.

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Nakyung Rhee is a research associate at the National Assembly of State Arts Agencies.

NOTES

1. Americans for the Arts, Local Arts Agency Dashboard <https://www.americansforthearts.org/by-program/networks-and-councils/local-arts-network/facts-and-figures/profile-of-local-arts-agencies/local-arts-agency-dashboard> note. 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.
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