

Grantmakers in the Arts
ANNUAL RESEARCH

Arts Funding Snapshot
(Reina Mukai)

&

Public Arts Funding
(Ryan Stubbs and
Patricia Mullaney-Loss)



Grantmakers in the Arts
Supporting a Creative America

Foundation Grants to Arts and Culture, 2016

A One-Year Snapshot

Reina Mukai

On February 1, 2019, Foundation Center and GuideStar joined forces to become Candid, a 501(c)3 organization. Learn more at Candid.org.

This year's snapshot of arts funding is the second that utilizes a broader approach to capturing information about arts funding. This broader approach looks at both the primary and secondary purposes of a grant, while prior analyses focused only on those grants identified as having a primary purpose of arts. For example, a grant awarded to a youth organization to develop leadership skills in adolescents through a local community theater program may be tagged with both an arts and youth development code. In previous years if this grant had been coded as having a primary focus of youth development, it would not have been included as an arts grant. With the new broader approach, this grant would be included in the arts analysis. Because the distinction between the primary and secondary purposes of a grant is in many cases arbitrary, this strategy ensures that all arts-related grants will be included in our analyses.

In 2016, giving by the approximately 86,000 active US foundations rose 10 percent to \$68.9 billion. Among 1,000 of the largest US independent, corporate, community, and grantmaking operations included in Foundation Center by Candid's 2016 FC 1000 data set, overall giving was up only 2 percent; however, arts and culture funding grew at a much faster rate (up 10 percent). Arts and culture remained among top foundation funding priorities, ranking fifth following human services. From 2011 to 2015, arts and culture ranked sixth among foundation funding priorities.

Highlights

Candid (formerly Foundation Center) offers these key findings from GIA's seventeenth snapshot of foundation giving to arts and culture. The definition of arts and culture used for this snapshot is based on Candid's (formerly Foundation Center) Philanthropy Classification System and encompasses funding for the performing arts, museums, visual arts, multidisciplinary arts, humanities, historical activities, arts services, folk arts, public arts, and cultural awareness. The findings in this snapshot are based on analysis of two closely related data

sets. The analysis of the distribution of 2016 arts and culture giving uses the latest FC 1000 data set,¹ while the analysis of changes in foundation giving for the arts between 2015 and 2016 uses a matched set of foundations that are consistent between the FC 1000 for each of those two years.²

Arts funding as a share of total dollars remained the same in 2016. Among the 1,000 largest foundations included in Candid's (formerly Foundation Center) grants sample for 2016, arts giving totaled \$3 billion, or 9 percent of overall grant dollars. Compared to the previous year, share of dollars and share of number of grants remained basically unchanged.

Foundation funding for arts and culture was up in 2016. Among a matched set of leading funders, arts funding increased 10 percent between 2015 and 2016 compared to a 2 percent increase in overall giving by these foundations.

The size of the median arts grant was down. The median arts and culture grant size — \$28,600 — decreased from \$30,000. This was below the \$33,500 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 percent of total grant dollars for the arts in 2016, up from 58 percent in 2015.

Relative to overall giving, a larger share of arts grant dollars provided operating support. In 2016, general operating support accounted for 26 percent of arts and culture grant dollars. The share is significantly higher than the 16 percent share awarded to general support for overall giving.

The share of funding by top arts funders increased. The top twenty-five arts funders by giving amount provided 40 percent of total foundation arts dollars in 2016, up slightly from the 37 percent share reported in 2015. The share of arts giving accounted for by the top funders has remained relatively consistent for the past decade.

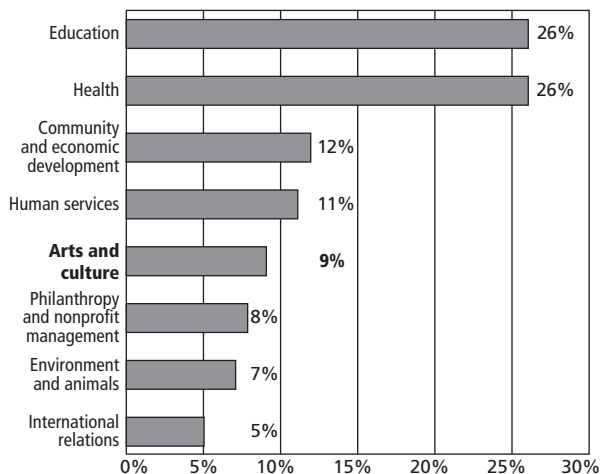
Please note: It is important to keep in mind that the foundation grantmaking examined here represents only one source of arts financing. It does not examine arts support from earned income, governments, individual donors, or the business community. This analysis also looks only at foundation arts support 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 (formerly

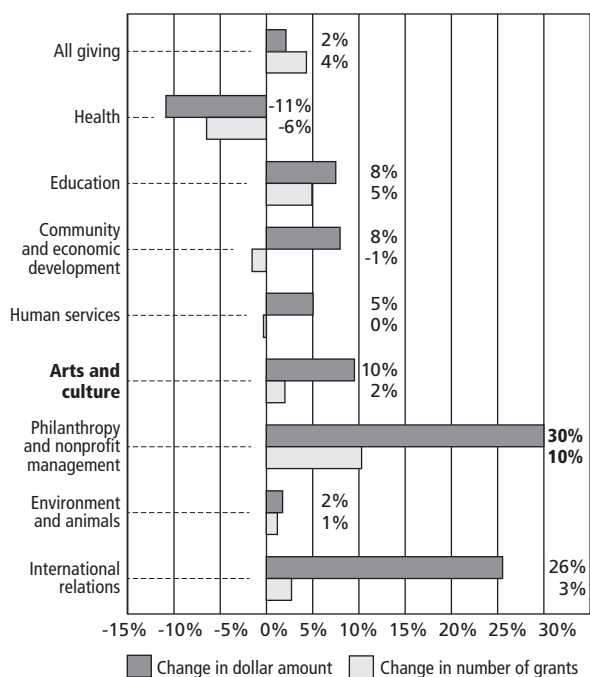
FIGURE 1. Percentage of grant dollars by major field of giving, 2016*



Source: Foundation Center by Candid, 2019. Based on all grants of \$10,000 or more awarded by 1,000 of the largest foundations representing approximately half of total giving by all US foundations. Includes areas of giving representing at least 5 percent 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, 2015 to 2016*



Source: Foundation Center by Candid, 2019. Based on all grants of \$10,000 or more awarded by a matched sample of 883 of the largest foundations. Includes areas of giving representing at least 5 percent of grant dollars in 2015.

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

Foundation Center) 2016 FC 1000 data set awarded 20,525 arts and culture grants, totaling just over \$3 billion, or 9 percent of overall grant dollars (figure 1). This share was consistent with 2015. Similarly, the share of number of arts grants remained nearly unchanged at 12 percent. Among a matched subset of 883 funders, grant dollars for the arts increased 10 percent between 2015 and 2016, compared to a 2 percent increase in grant dollars overall. Among the other top-ranked subject areas by grant dollars, only philanthropy and nonprofit management and international relations reported higher increases in dollars (figure 2).

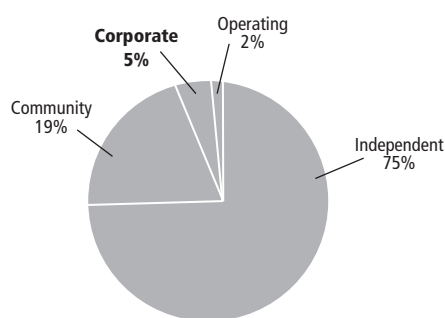
The impact of exceptionally large grants.

Every year and in all funding areas, a few very large grants can skew overall totals, creating distortions in long-term grantmaking trends. In 2016, twenty-one 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 (formerly Foundation Center) data in all fields have always included them, providing consistency over time. In addition, Candid (formerly Foundation Center) provides statistics based on share of number of grants, which are not skewed by exceptionally large grants.

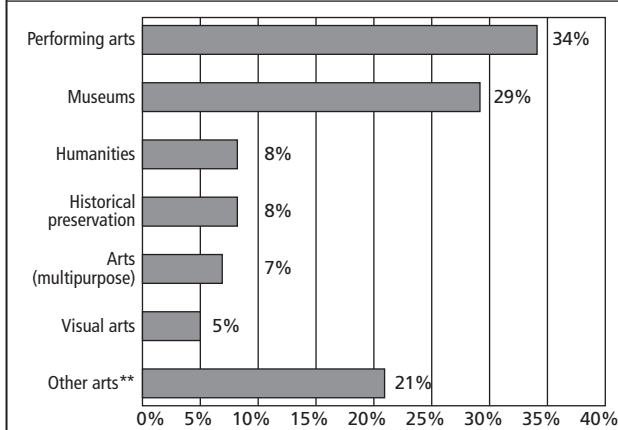
Corporate foundations represent an important source of support for arts and culture.

Corporate foundations account for roughly 7 percent of overall US private and community foundation giving, and these larger corporate foundations included in the 2016 grants sample provided 5 percent of grant dollars for the arts (figure 3). Actual grant dollars totaled \$140 million. By number,

FIGURE 3. Arts grant dollars by foundation type, 2016



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

FIGURE 4. Arts and culture, giving to subfields, 2016*

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

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

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

corporate foundations allocated 2,283 grants, or 11 percent, of the overall number of arts grants in 2016. Please note that these figures do not include direct corporate giving; the amount that corporations contribute to the arts is undoubtedly higher.

Grants by Arts Subfield

Funding for performing arts accounted for one-third of all foundation arts dollars in 2016 (figure 4), surpassing the share reported for museums, which was 29 percent). From the start of the 1980s until 1997, the performing arts have consistently received more foundation support than museums. However, museums surpassed the performing arts by share in the late 1990s to early 2000s and several times in recent years (2010, 2013, and 2014). More study would be needed to adequately understand the underlying reasons for the shifts in share between these two fields of activity. These reasons could include, for example, the entry onto the scene of new and large arts funders, extraordinarily large grants, the contribution of valuable art collections, and new capital projects at museums.

Giving to performing arts. In 2016, among a matched set of funders, performing arts grant dollars increased 15 percent compared to 2015, while the number of grants rose 3 percent. A total of 8,696 grants were awarded for the performing arts by foundations in the set — close to double the number reported for museums. In general, the average performing arts grant tends to be smaller in size than the average museum grant (around \$120,000 versus \$200,000 in 2016). The largest share of giving to the performing arts supported

theaters and performing arts centers. The largest performing arts grant in the latest sample was a \$36 million award from the Holland Foundation to the Omaha Performing Arts Society. Included within the performing arts is support for performing arts education, which totaled \$46.6 million in 2016. (See “Giving to multidisciplinary arts,” below, for a figure on foundation grant dollars supporting other types of arts education.)

Giving to museums. In 2016, museums benefited from 4,507 grants totaling \$880 million awarded by the 1,000 largest foundations included in the FC 1000 data set. Nearly half of funding supported art museums. Among a matched set of funders, grant dollars allocated to museums was up 13 percent between 2015 and 2016, while the number of grants increased 6 percent. The largest museum grant in 2016 was a \$30 million grant from Andrew W. Mellon Foundation to the National Gallery of Art to establish endowments on the occasion of the seventy-fifth anniversary of the gallery’s opening, with the intention of helping the gallery secure several of its most important programs in perpetuity and catalyzing major support from other donors.

Giving to the humanities. In 2016, the humanities benefited from 1,016 grants totaling \$246 million awarded by the 1,000 largest foundations included in the FC 1000 data set.³ Funding for this area accounted for 8 percent of arts grant dollars in 2016, up slightly from the 7 percent share captured in 2015. Among a matched set of funders, grant dollars awarded for the humanities increased 34 percent, while the number of grants awarded was up 10 percent.

Giving to historic preservation. Support for historic preservation increased 45 percent between 2015 and 2016 among a matched set of funders, while the number of grants awarded held steady.⁴ Among the largest grants awarded for historic preservation in the latest year was a \$9.2 million grant from the Alphawood Foundation to the Unity Temple Restoration Foundation for the restoration of Frank Lloyd Wright’s Unity Temple. Overall, historic preservation benefited from 1,485 grants totaling \$240.8 million in 2016.

Giving to multidisciplinary arts. The share of arts giving for multidisciplinary arts fell to 7 percent in 2016 from 9 percent in 2015.⁵ Grant dollars awarded for multidisciplinary arts also declined 12 percent between 2015 and 2016 among the matched set of funders. Among the various subcategories of multidisciplinary arts, arts education

TABLE 1. Distribution of grants by support strategy, 2016*

Support strategy	Dollar amount	%	No. of grants	%
Capacity-building and technical assistance	153,322,768	5.1	568	2.8
Capital and infrastructure	392,704,171	13.1	1,037	5.1
Building acquisitions	5,062,500	0.2	2	–
Building and renovations	127,065,611	4.2	205	1.0
Capital campaigns	79,762,898	2.7	149	0.7
Collections acquisitions	14,895,133	0.5	13	0.1
Collections management and preservation	21,645,584	0.7	40	0.2
Equipment	9,006,984	0.3	53	0.3
Facilities maintenance	2,750,000	0.1	4	–
Information technology	4,689,000	0.2	31	0.2
Land acquisitions	3,250,000	0.1	3	–
Rent	–	–	–	–
Other capital and infrastructure	138,551,903	4.6	556	2.7
Financial sustainability	273,023,908	9.1	792	3.9
Annual campaigns	4,762,410	0.2	60	0.3
Debt reduction	12,285,843	0.4	11	0.1
Earned income	1,750,000	0.1	2	–
Emergency funds	2,316,667	0.1	5	–
Endowments	139,767,412	4.7	64	0.3
Financial services	15,000	–	1	–
Fundraising	105,004,118	3.5	433	2.1
Sponsorships	615,450	–	4	–
Other financial sustainability	59,948,758	2.0	229	1.1
General support	769,562,168	25.6	5,105	24.9
Individual development and student aid	110,384,381	3.7	543	2.6
Leadership and professional Development	40,571,367	1.4	138	0.7
Network-building and collaboration	65,395,738	2.2	315	1.5
Policy, advocacy, and systems reform	45,449,277	1.5	239	1.2
Advocacy	21,817,549	0.7	139	0.7
Coalition building	215,000	–	3	–
Equal access	13,837,479	0.5	71	0.3
Ethics and accountability	159,800	–	3	–
Grassroots organizing	5,400,469	0.2	20	0.1
Litigation	375,000	–	1	–
Public policy and systems reform	11,722,677	0.4	52	0.3
Other policy, advocacy, and systems reform	21,917,100	0.7	102	0.5
Publishing and productions	275,030,872	9.2	1609	7.8
Product and service development	238,500	–	5	–
Program support	814,638,333	27.1	5,603	27.3
Public engagement and marketing	123,458,464	4.1	447	2.2
Research and evaluation	73,465,010	2.4	214	1.0
Other specified strategies	97,895,973	3.3	521	2.5
Not specified	736,568,060	24.5	6,974	34.0
Total	3,003,305,217	100.0	20,525	100.0

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

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

TABLE 2. Arts grants by grant size, 2016

Grant range	No. of grants	%	Dollar amount	%
\$5 million and over	58	0.3	\$752,767,135	25.1
\$1 million – under \$5 million	478	2.3	798,319,787	26.6
\$500,000 – under \$1 million	530	2.6	332,602,221	11.1
\$100,000 – under \$500,000	3,534	17.2	661,063,860	22.0
\$50,000 – under \$100,000	3,333	16.2	206,159,305	6.9
\$25,000 – under \$50,000	4,536	22.1	139,548,569	4.6
\$10,000 – under \$25,000	8,056	39.2	112,844,340	3.8
Total	20,525	100.0	\$3,003,305,217	100.0

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

(excluding performing arts education) totaled \$225 million in the latest year.

Giving to the visual arts. Among a matched set of funders, grant dollars for the visual arts and architecture decreased 13 percent between 2015 and 2016, while the number of grants for the field was up 6 percent. The visual arts and architecture benefited from \$160 million in 2016, including a \$5.8 million grant from the Moody Foundation to Rice University for assistance with the construction of a new Center for the Arts — a performance, classroom, and exhibition space — that will advance cross-university collaboration and innovative research in the visual and performing arts.

Grants by Support Strategy

An important caveat to report with regard to the allocation of foundation dollars by specific support strategy is that for roughly a quarter of arts grant dollars in the 2016 Candid (formerly Foundation Center) sample, the support strategy could not be identified. This means that modest differences in percentages may not be reliable. (The grant records available to Candid (formerly Foundation Center) often lack the information necessary to identify the support strategy. For example, it is often the case that the only source of data on grants is the 990-PF tax return, and this tends to be less complete than other forms of grant reporting.)

The arts compared to other foundation fields of giving. The three largest categories of support tracked by Candid (formerly Foundation Center) are program support, general operating support, and capital support.

Program support accounted for the largest share of arts grant dollars in 2016, at 27 percent of all arts funding. Special programs and projects typically receive one of the largest shares of arts and culture grants and grant dollars. In fact, the same is

true in most of the major fields, such as health and education, where program support consistently accounts for one of the largest shares of funding.

General operating support received the second largest share of arts grants dollars. The shares of grant dollars and number of grants allocated for this support strategy in 2016 were higher for arts and culture — 26 percent and 25 percent, respectively — than the overall share directed to operating support by FC 1000 foundations, which accounted for roughly 16 percent of grant dollars and 20 percent of the number of grants.

Capital support accounted for the third largest share of arts grant dollars. Similar to general support, the share of grant dollars allocated for this type of support was also higher for arts and culture (13 percent) than for grants overall (7 percent). Grants for capital support are larger on average than awards for program and general operating

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

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 a quarter 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 2016 was \$28,600, which was below the median amount

TABLE 3. Twenty-five largest arts, culture, and media funders, 2016

Rank	Foundation	State	Number of arts grants	Arts grant dollars	Total grant dollars	Arts as percent of total dollars	Arts capital support dollars*	Arts other support dollars*
1.	The Andrew W. Mellon Foundation	NY	267	\$208,595,850	\$285,451,300	73.1	\$16,779,100	\$205,556,350
2.	Samuel & Jean Frankel Foundation	MI	4	161,963,059	166,148,059	97.5	–	161,463,059
3.	Bloomberg Philanthropies	NY	549	89,983,764	691,304,252	13.0	2,700,000	65,291,060
4.	The Columbus Foundation and Affiliated Organizations	OH	376	71,090,820	281,293,401	25.3	79,124	50,254,100
5.	Lilly Endowment Inc.	IN	69	62,098,680	500,818,994	12.4	6,399,800	53,902,258
6.	Ford Foundation	NY	126	53,118,242	526,043,084	10.1	2,100,000	52,118,242
7.	Greater Kansas City Community Foundation	MO	84	51,871,124	195,866,218	26.5	–	2,384,481
8.	Silicon Valley Community Foundation	CA	309	49,363,497	1,357,397,640	3.6	265,000	27,226,383
9.	The Holland Foundation	NE	15	41,810,847	63,926,761	65.4	–	41,540,150
10.	The Crawford Taylor Foundation	MO	14	40,743,510	46,938,760	86.8	–	9,003,510
11.	The Moody Foundation	TX	14	35,189,478	69,055,429	51.0	33,890,978	1,123,500
12.	The William Penn Foundation	PA	62	31,066,450	206,885,592	15.0	7,919,000	29,658,950
13.	The Chicago Community Trust	IL	375	27,078,633	212,695,792	12.7	1,792,000	12,934,368
14.	The Brown Foundation, Inc.	TX	178	25,959,500	62,723,518	41.4	16,668,000	24,033,000
15.	The Freedom Forum, Inc.	DC	2	24,107,950	24,107,950	100.0	–	24,107,950
16.	The Shubert Foundation, Inc.	NY	472	23,965,000	25,440,000	94.2	–	23,460,000
17.	Kinder Foundation	TX	19	23,741,277	39,307,034	60.4	19,816,340	1,285,699
18.	The San Francisco Foundation	CA	169	23,248,213	129,977,462	17.9	1,888,000	11,478,202
19.	Doris Duke Charitable Foundation	NY	72	22,240,281	78,594,881	28.3	–	13,396,593
20.	Walton Family Foundation	AR	60	21,903,846	440,054,621	5.0	–	6,519,126
21.	The Wallace Foundation	NY	82	21,213,188	116,289,024	18.2	–	12,332,484
22.	The William and Flora Hewlett Foundation	CA	111	20,698,370	362,823,345	5.7	2,075,000	19,485,000
23.	John Templeton Foundation	PA	49	19,803,279	149,949,450	13.2	–	13,051,100
24.	Avenir Foundation, Inc.	CO	9	19,261,284	48,578,238	39.7	–	19,261,284
25.	Robert W. Woodruff Foundation	GA	4	18,394,763	141,741,856	13.0	18,394,763	16,144,763
	Total		3,491	\$1,188,510,905	\$6,223,412,661	19.1	\$130,767,105	\$897,011,612

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

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

TABLE 4. Top thirty-five foundations by share of arts giving out of overall giving, 2016

Rank	Foundation	State	Fdn type*	Number of arts grants	Arts grant dollars	Total grant dollars	Arts as percent of total dollars	Arts capital support dollars**	Arts other types of support dollars**
1.	The Freedom Forum, Inc.	DC	OP	2	\$24,107,950	\$24,107,950	100.0	–	\$24,107,950
2.	David H. Koch Charitable Foundation	KS	IN	1	10,000,000	10,000,000	100.0	\$10,000,000	–
3.	The Carmel Hill Fund	NY	IN	19	6,724,927	6,724,927	100.0	–	6,724,927
4.	Johnson Art and Education Foundation	NJ	IN	2	5,833,006	5,833,006	100.0	–	5,833,006
5.	Bernard Osher Foundation	CA	IN	5	4,811,649	4,811,649	100.0	–	4,811,649
6.	The SHS Foundation	NY	IN	44	6,132,166	6,257,166	98.0	–	1,972,166
7.	Samuel & Jean Frankel Foundation	MI	IN	4	161,963,059	166,148,059	97.5	–	161,463,059
8.	Jerome Foundation Inc.	MN	IN	68	2,819,496	2,890,596	97.5	–	2,819,496
9.	Colburn Foundation	CA	IN	58	6,264,500	6,514,500	96.2	10,000	1,067,000
10.	The Shubert Foundation, Inc.	NY	IN	472	23,965,000	25,440,000	94.2	–	23,460,000
11.	The Walt and Lilly Disney Foundation	CA	IN	2	7,653,544	8,138,544	94.0	–	–
12.	Lloyd Rigler Lawrence E. Deutsch Foundation	CA	IN	15	6,315,000	6,894,560	91.6	–	335,000
13.	Howard Gilman Foundation, Inc.	NY	IN	152	10,955,000	11,970,000	91.5	–	2,350,000
14.	The Crawford Taylor Foundation	MO	IN	14	40,743,510	46,938,760	86.8	–	9,003,510
15.	The Phileology Foundation	TX	IN	1	10,998,408	13,020,408	84.5	–	–
16.	Dunard Fund USA, Ltd.	IL	CS	10	6,938,290	8,389,400	82.7	–	6,938,290
17.	Muriel McBrien Kauffman Foundation	MO	IN	77	8,637,762	10,490,262	82.3	1,070,000	5,616,780
18.	Millicent and Eugene Bell Foundation	MA	IN	1	3,500,000	4,372,000	80.1	–	3,500,000
19.	J Paul Getty Trust	CA	OP	120	10,820,954	13,549,762	79.9	–	9,493,712
20.	Gilder Foundation, Inc.	NY	IN	29	16,625,000	21,131,000	78.7	–	20,000
21.	The Andy Warhol Foundation for the Visual Arts	NY	IN	137	9,714,889	12,350,994	78.7	100,000	8,217,389
22.	Arison Arts Foundation	FL	IN	14	6,193,879	7,948,879	77.9	–	6,193,879
23.	Willard and Pat Walker Charitable Foundation, Inc.	AR	IN	12	2,114,000	2,781,210	76.0	700,000	1,614,000
24.	The Andrew W. Mellon Foundation	NY	IN	267	208,595,850	285,451,300	73.1	16,779,100	205,556,350
25.	The Packard Humanities Institute	CA	OP	14	7,583,212	10,731,112	70.7	262,600	7,288,612
26.	The Kovner Foundation	FL	IN	10	9,381,081	13,572,671	69.1	–	1,725,000
27.	Harold & Arlene Schnitzer CARE Foundation	OR	IN	28	2,188,000	3,170,800	69.0	200,000	780,000
28.	Daniel and Pamella DeVos Foundation	MI	IN	12	7,233,000	10,894,500	66.4	–	7,233,000
29.	The Holland Foundation	NE	IN	15	41,810,847	63,926,761	65.4	–	41,540,150
30.	Alphawood Foundation	IL	IN	113	16,439,194	25,541,117	64.4	9,759,400	16,064,794
31.	Wilf Family Foundation	NJ	IN	3	820,000	1,275,000	64.3	–	–
32.	The Maxine and Jack Zarrow Family Foundation	OK	IN	6	5,150,000	8,075,055	63.8	5,000,000	5,060,000
33.	Carl and Ruth Shapiro Family Foundation	MA	IN	4	5,100,500	8,090,500	63.0	1,600,000	1,630,500
34.	The Lee and Juliet Folger Fund	VA	IN	8	5,460,000	8,762,000	62.3	5,335,000	125,000
35.	Champagne Family Charitable Trust	IN	IN	1	60,000	98,500	60.9	–	60,000

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

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

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

for all foundation grants (\$33,500).⁶ Prior to last year, when the median amount for the arts was \$30,000, the median amount had remained consistent at \$25,000 since the early 1990s. While this is the second year in a row that the median arts grant amount has exceeded \$25,000, more study would be required to determine whether this is a lasting upswing in the size of arts grants.

Small and midsized grants. Roughly two-thirds, or 61 percent, of all arts grants in the 2016 sample

were for amounts between \$10,000 and \$49,999, nearly unchanged from the 2015 share (table 2). The share of midsized arts grants — \$50,000 to \$499,999 — also remained fairly consistent, accounting for about one-third of arts grants.

Large grants. The share of larger arts grants — \$500,000 and over — remained consistent at 5 percent of the total number of arts grants in 2016. Their share of total grant dollars increased

to 63 percent, compared to 58 percent in 2015. Overall, foundations in the sample made 141 arts grants of at least \$2.5 million in 2016, up from 125 grants in 2015.

In addition to the \$36 million award from the Holland Foundation to the Omaha Performing Arts Society noted earlier, examples of other especially large grants in 2016 include Crawford Taylor Foundation's \$30 million award to the Saint Louis Symphony Orchestra, David H. Koch Charitable Foundation's \$10 million grant to the City Center of Music and Drama for Renovation of New York State Theater Building, and a \$6 million grant to the Gilder Lehrman Institute of American History from the Rockefeller Foundation toward the costs of expanding its Hamilton Education Program to provide subsidized tickets to the show *Hamilton* for underprivileged high school students, and to distribute accompanying educational materials that integrate theatrical performance and the study of American history.

The twenty-five largest arts funders. The top twenty-five arts funders by giving amount provided 40 percent of the total arts dollars in Candid's (formerly Foundation Center) 2016 sample, above the 37 percent share from 2015 (table 3). Overall, the share of giving accounted for by the top twenty-five arts funders has fluctuated between 33 and 40 percent since the end of the 1990s.

Top foundations by share of arts giving out of overall giving. Of the foundations that committed large percentages of their grant dollars to arts and culture, many are the smaller foundations in the sample (table 4). Among the top one hundred foundations ranked by share of arts giving out of total giving, about half (fifty-two) gave less than \$5 million in total arts grant dollars in 2016.

Giving for International Cultural Exchange

Grant dollars supporting international cultural exchange increased 42 percent between 2015

and 2016 among a matched subset of funders. In 2016, foundations awarded 118 grants related to international cultural exchange totaling \$20.2 million. The largest award was a \$3 million grant from the Ford Foundation to the Belgium-based Culture Resource to provide general support to promote artistic creativity in the Arab region, build the capacity of nascent and emerging cultural institutions, and enhance the organization's growth.

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NOTES

1. Foundation Center by Candid's 2016 FC 1000 set includes all of the grants of \$10,000 or more reported by 1,000 of the largest US independent, corporate, community, and grantmaking operating foundations by total giving. For community foundations, the set includes only discretionary grants and donor-advised grants (when provided by the funder). The set excludes grants to individuals. This set accounts for approximately half of giving by all of the roughly 86,000 active US grantmaking foundations. Grant amounts may represent the full authorized amount of the grant or the amount paid in that year, depending on the information made available by each foundation.
2. Between 2015 and 2016, the composition of the FC1000 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 (formerly Foundation Center) has analyzed changes in giving based on a subset of 883 funders for which we had 2015 and 2016 data.
3. Included within the humanities is funding for art history, history and archaeology, classical and foreign languages, linguistics, literature, philosophy, and theology.
4. Included within historic preservation is support for archaeology, art history, modern and classical languages, philosophy, ethics, theology, and comparative religion.
5. Included within multidisciplinary arts is support for multidisciplinary centers, arts councils, artist's services, arts administration, arts exchange, and arts education.
6. The median — meaning that half of the grants are above, and half are below the amount — is generally acknowledged to be a more representative measure of the typical grant than the mean, or "average," because the median is not influenced by extreme high or low amounts.

Public Funding for the Arts, 2018

Ryan Stubbs and Patricia Mullaney-Loss

Direct public funding for the arts is best understood by tracking congressional allocations to the National Endowment for the Arts (NEA), legislative appropriations to state arts agencies, and local government funds going to local arts agencies. These entities distribute public grants and services to artists, creatives, and cultural organizations across the nation. Federal, state, and local public funding for the arts totaled \$1.37 billion in FY2018.

2018 Funding Levels

The federal government, states, and localities appropriated a combined \$1.37 billion to the arts in FY2018, for a total per capita investment of \$4.18. Comprising this total were

- \$152.8 million in appropriations to the NEA, an increase of 2 percent from FY2017;
- \$355.2 million in legislative appropriations to state and jurisdictional arts agencies, an increase of 0.1 percent from FY2017; and
- \$860.0 million in funds allocated by local governments to local arts agencies,¹ an increase of 4 percent from FY2017.

Trends over Time

In nominal dollars (not adjusted for inflation), public funding for the arts increased by 24 percent over the past twenty years. State and local funding patterns correlate with periods of economic growth and recession. State arts agency aggregate appropriations reached a high point in 2001, while

local funding reported a historical high point this year. Federal funding for the NEA has displayed incremental growth after sustaining large cuts in the mid-1990s.

Despite these nominal dollar increases, public funding for the arts has not kept pace with inflation. When adjusting for inflation, total public funding decreased by 16.1 percent over the past twenty years. In constant dollar terms, state arts agency appropriations decreased by 35 percent, local funding contracted by 8.4 percent, and federal funds increased by 5.4 percent (figure 1).

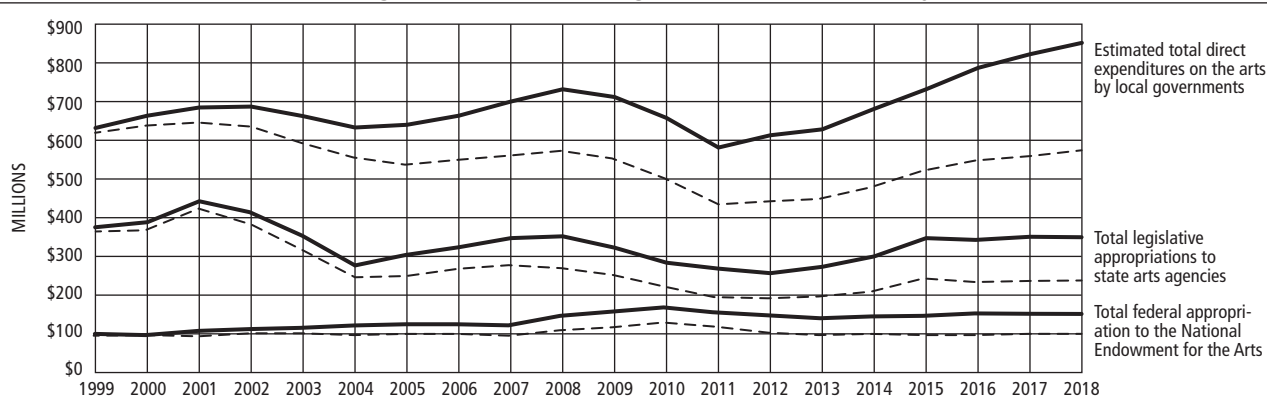
Looking Ahead

Preliminary data on FY2019 appropriations to state arts agencies indicate that funding will increase by 2 percent. Appropriations to state arts agencies are constantly in flux, as midyear changes will occur. However, these figures suggest this will be the fifth year in a row funding has remained relatively flat at the state level, even with states seeing robust aggregate growth in general fund revenues.²

As of this writing, Congress has not passed a federal budget for FY2019. Continuing resolutions have kept funding for the NEA at FY2018 levels until Congress enacts the spending package for the Department of the Interior, the budget bill in which the NEA is placed.

Although the NEA and many other federal agencies are affected by political stalemates (a notable example of which was the recent thirty-five-day partial government shutdown in early 2019), the NEA has earned broad support in Congress, from elected officials across the political spectrum. Both the House and Senate approved a \$2 million dollar increase for the agency for FY2019, which would

FIGURE 1. Federal, state, and local government arts funding, nominal and inflation-adjusted dollars, 1999–2018



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 1999.

TABLE 1. Comparative grantmaking statistics by selected award types

	Foundation Center by Candid 1000		National Endowment for the Arts		State Arts Agencies	
	Dollars	Awards	Dollars	Awards	Dollars	Awards
Operating support	\$509,882,288	4,896	N/A	N/A	\$124,710,034	5,712
Museums	\$740,000,000	4,183	\$3,927,064	127	\$31,934,712	1,268
Capital and infrastructure	\$329,624,291	989	N/A	N/A	\$3,524,147	183
Arts education	\$110,200,000	N/A	\$5,688,955	192	\$79,190,870	9,710
Individual artists and fellowships	N/A	N/A	\$1,600,000	74	\$8,426,931	2,402

Source: GIA Reader, vol. 29, no. 1, Winter 2018. Foundation Center by Candid Sample, 2015, excludes grants of less than \$10,000; NEA arts.gov grants search, FY2017, excludes partnership awards to state arts agencies and regional arts organizations; SAA Final Descriptive Report records, FY2017.

raise the agency's appropriation to \$155 million. However, this increase will not be realized unless the president and the new Congress can pass a new budget for the remainder of FY2019.

Local government revenues are estimated based on past and current data collection efforts by Americans for the Arts. If the rate of increase of local government funding estimates continues to stay on pace, local funding will reach close to \$900 million in FY2019. Budget conditions of cities and counties remain relatively robust at this time, but fiscal analysts observe that municipal budgets may be approaching structural limits of expansion.³ So it will be important to monitor whether local spending on the arts may experience slower growth over the long term.

Implications for Grantmaking

Appropriations to state and local arts agencies — and, by extension, available grant dollars — rise and fall in accordance with government fiscal conditions, particularly revenue projections. For example, trends in state arts agency grantmaking track closely with appropriations to state arts agencies over time.⁴ When state arts agency appropriations declined by 26 percent during the Great Recession between 2008 and 2012, state arts agency grant outlays declined by a nearly identical 27 percent.

Direct federal grants from the NEA totaled 2,422 and \$65.8 million in FY2017. Another \$51 million from the NEA, or about 40 percent of NEA's appropriation, was awarded to state and regional agencies for further grantmaking and related activities. State arts agencies in turn awarded 21,296 grants and \$282.9 million in award dollars in FY2017, and regional arts organizations also made 1,226 awards, totaling \$16.2 million.

Local governments spend the most dollars on arts and culture when compared to states and the NEA,

but local arts agencies are less likely to focus their services on grantmaking. According to the 2015 local arts agency census from Americans for the Arts, 53 percent of local arts agencies provide direct community investment in local artists or arts organizations. Larger percentages of local arts agencies support direct culture programming, such as public art and festivals, as well as service provision such as arts marketing. Of the local arts agencies that are involved in grantmaking, 92 percent do so for cultural and artistic programming, and 49 percent provide operating support.

Private funders contribute the largest amount of dollars to artists and cultural organizations in the United States. In 2015, foundation funding for the largest 1,000 foundations totaled approximately \$2.5 billion dollars and 19,635 arts and culture grants. Candid (formerly Foundation Center) estimates indicated that US foundation giving overall increased by 5 percent in 2015; 86,000 active foundations gave a total of \$62.8 billion in 2015. However, giving from the largest 1,000 foundations to arts and culture remained stagnant, accounting for 9 percent of all funding.

With this amalgamation of grantmaking policies and agendas, it is difficult to find comparative data across public and private sectors. Standardized data collection practices are not employed at the local arts agency level. However, using published data from state arts agencies, the NEA, and the 1,000 largest foundations, there are a handful of categories for which we can approximate relative investments.

Foundations and state arts agencies make significant grant investments in operating support. Foundations spend approximately 20 percent of their arts and culture grant dollars on operating support. In terms of the percentage of dollars invested, state arts agencies make the largest commitment

TABLE 2. Grant distribution by size of award and grantor

Grant range	Foundation Center by Candid 1000		National Endowment for the Arts		State Arts Agencies	
	Number of grants	Percent of total grants	Number of grants	Percent of total grants	Number of grants	Percent of total grants
\$5 million and over	54	0.3%	0	0.0%	0	0.0%
\$1 million – under \$5 million	397	2.0%	1	0.0%	11	0.1%
\$500,000 – under \$1 million	533	2.7%	0	0.0%	25	0.1%
\$100,000 – under \$500,000	3,483	17.7%	63	2.6%	260	1.2%
\$50,000 – under \$500,000	3,178	16.2%	252	10.4%	693	3.3%
\$25,000 – under \$50,000	4,465	22.7%	707	29.2%	1,353	6.4%
\$10,000 – under \$25,000	7,528	38.3%	1,387	57.3%	4,086	19.2%
Below \$10,000	N/A	N/A	12	0.5%	14,867	69.8%

Source: GIA Reader, vol. 29, no. 1, Winter 2018. Foundation Center by Candid Sample, 2015, excludes grants of less than \$10,000; NEA arts.gov grants search, FY2017, excludes partnership awards to state arts agencies and regional arts organizations; SAA Final Descriptive Report records, FY2017.

to operational support. Forty-four percent of state arts agency grant dollars and 25.7 percent of all state arts agency awards went to operational support in FY2017.

The NEA invests over \$51 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 (table 1).

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

Twenty-one percent of state arts agency grantees report serving individuals below the poverty line.

infrastructure. The NEA does not provide funding for capital construction, and relatively few state arts agencies make grants for facilities. Foundations bear the load for funding physical cultural infrastructure in the United States. Another challenging topic for grantmakers is investment in individual artists and fellowships.⁵ The NEA 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. Many state arts agencies devote a portion of their grants to individual artists.⁶ In FY2017, state arts agencies made 2,402 awards to individual artists. When compared to other types of applicants, awards to individual artists were the second most frequent type of award made by state arts agencies. Private foundations also fund individuals, but comparison data are not available.

Grantmaking by Award Size and Distribution

The distribution patterns of government arts grants reflect a priority public sector objective of attaining maximum geographic coverage. Given the modest appropriations described above, this often necessitates the mechanism of awarding many grants that are small in size. To illustrate this, state arts agencies have a median award value of \$4,550. Although the median NEA award amount is \$20,000, 58 percent of all NEA grants are less than \$25,000 in size (table 2).

When considering reach to rural communities, a US Department of Agriculture report found that 5.5 percent of large foundations' grant dollars go to rural areas. Although the latest Giving USA 2018 report suggests that some foundations are increasing their focus on rural development, significant funding gaps remain, especially for rural areas in the South.⁷ Comparatively, 14 percent of state arts funding and 13 percent of NEA funding goes to rural communities, which is consistent with the percentage of the US population residing in these areas.

Funding economically disadvantaged communities is another important aspect of grantmaking equity. The majority of state arts agency awards also go to counties with higher levels of residents living

below the poverty line, and 21 percent of state arts agency grantees directly serve individuals below the poverty line. The NEA reports that 40 percent of their supported activities go to high-poverty neighborhoods.⁸

State arts agency awards and grant dollars also serve populations of color at rates comparable to or higher than population statistics: 21 percent of grant recipients report serving African American populations, and 19 percent of recipients report serving Latinx populations. Seventy-four percent of awards and 81 percent of grant dollars go to counties in which people of color make up more than a

Fourteen percent of state arts agency grant dollars support programs for people in poverty.

fifth of the population. These figures do not suggest that public funders are achieving perfectly equitable funding patterns, but these nationally aggregated figures give us some indication that state arts agencies grant patterns generally follow race population patterns. This type of information provides an indication of how state arts agencies work toward equitable grantmaking practices; however, more research on individual programs, awards, and local communities benefiting is necessary to fully describe equitable grantmaking practices.

Complementary Roles

These data on awards and grant dollars begin to suggest a varied landscape of cultural support in the United States. Public and private institutions at every level operate independently according

Seventy-four percent of state arts agency awards and 81 percent of grant dollars go to counties in which people of color make up more than a fifth of the population.

to the needs of their constituencies, stakeholders, and partners. The cultural ecosystem requires both

public and private support to thrive.⁹ While the private sector provides the lion's share of support, government funds are modest but important, achieving wide geographic access to cultural experiences and embedding the arts into many functions of state government.

Data limitations hinder our ability to fully compare public and private grantmaking patterns; however, our analysis indicates that different segments of the funding ecosystem fill complementary roles. Observable convergences in grantmaking patterns — such as program support and arts education — reflect the high priorities that constituents ascribe to these forms of assistance. Divergences in grantmaking patterns — such as individual artist support, operating support, and facility construction — indicate that each sector is playing to its unique strengths and limitations.

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NOTES

This profile draws on local spending estimates from Americans for the Arts, the National Assembly of State Arts Agencies' legislative appropriations surveys of the nation's state and jurisdictional arts agencies, and appropriations data from the National Endowment for the Arts. As of this writing, the most recent data available about federal and local funding for the arts are from FY2018. In FY2018 and FY2019 data for state arts agencies are available from www.nasaa-arts.org. Constant dollar adjustments for inflation are calculated using Bureau of Labor Statistics Consumer Price Index (CPI) figures with a base year of 1999. Per capita calculations are based on national population estimates from the US Census Bureau.

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