

Vital Signs Snapshots of Arts Funding

Grantmakers in the Arts, in partnership with the Foundation Center, has provided an annual snapshot of foundation arts funding since 2001. To draw a more complete picture, this year we also provide trend information about government arts funding.

Foundation Grants to Arts and Culture, 2006 A One-year Snapshot

Produced through a partnership of Grantmakers in the Arts and the Foundation Center

Public Funding for the Arts: 2008 Update

Provided by the National Assembly of State Arts Agencies



Grantmakers in the Arts
604 West Galer Street
Seattle, Washington 98119-3253

Foundation Grants to Arts and Culture, 2006

A One-year Snapshot

Steven Lawrence

Highlights

The Foundation Center offers these key findings from GIA's eighth snapshot of foundation giving to arts and culture. The definition of arts and culture used for this snapshot is based on the National Taxonomy of Exempt Entities and encompasses funding for the performing arts, museums, visual arts, multi-disciplinary arts, media and communications, humanities, and historical societies/historical preservation. Most importantly the findings tell us about the changes in foundation giving for the arts between 2005 and 2006 and the distribution of 2006 giving among arts and cultural institutions and fields of activity. They are based on arts grants of \$10,000 or more reported to the Foundation Center by 1,263 of the largest U.S. foundations, hereafter referred to as "the sample."¹ The Center has conducted annual examinations of the giving patterns of the nation's largest foundations for three decades.

Foundation funding for arts and culture grew strongly in 2006, although overall giving rose faster. Unadjusted grant dollars awarded for arts and culture by the 1,263 larger foundations in the sample increased by \$275.1 million, from \$2.05 billion in 2005 to \$2.33 billion in 2006.² This 13.4 percent gain, or 10 percent after inflation, followed a roughly 4 percent rise in unadjusted giving in 2005. Nonetheless, the latest year's growth fell below the 16.4 percent unadjusted increase in all funding reported for these foundations — the second consecutive year that arts giving grew more slowly. However, the growth in arts grant dollars was faster than for six of the nine other major funding areas.

The proportion of foundation grantmaking for arts and culture decreased slightly. The arts and culture share of total grant dollars from the 1,263 larger foundations in the sample was 12.2 percent in 2006, down slightly from 12.5 percent in 2005. This share of grant dollars was marginally less than the average share (12.7 percent) and the median share (12.5 percent) for the past decade. By region, the 2006 shares varied from 16.2 percent for foundations in the Northeast to 8.1 percent for grantmakers in the West.

Most larger foundations support arts and culture, while more than half show a strong commitment to the arts. More than four out of every five (81.2 percent) of the larger 1,263 foundations made grants supporting the arts and culture in 2006. Committed arts funders — i.e., those providing at least 10 percent of their 2006 giving for the arts — represented over half of sampled arts funders (55.4 percent).

The size of the median arts grant remained unchanged, while the number of arts and culture grants increased faster than the overall number of grants. The median arts and culture grant size — \$25,000 — did not change from 2005 to 2006, although the real value of the median grant decreased slightly due to inflation. This value also matched the median amount for all foundation grants in the latest year and has not changed since 1993. The number of arts grants in the sample increased by 1,397, from 18,698 in 2005 to 20,095 in 2006. This 7.5 percent increase slightly exceeded the 7.3 percent growth in the overall number of grants reported in the sample.

Large grants represent close to three-fifths of all grant dollars. Large arts grants of \$500,000 and more captured just over 58 percent of total grant dollars for the arts in the 2006 sample, up from roughly 55 percent in 2005. Nonetheless, they are concentrated in a relatively small share (3.9 percent) of the total number of grants.

Operating support accounted for a smaller share of arts funding than in the prior year. In 2006, general operating support accounted for 22.7 percent of arts and culture grant dollars, down from 26.9 percent in 2005. However, just 13 percent of arts grant dollars in 1989 provided operating support, and 2006 grant dollars for general operating support represented a higher percentage for arts and culture than for many other fields.

Top arts funders represented a larger share of overall giving. The top 25 arts funders by giving amount provided 36.7 percent of total foundation arts dollars in 2006, up from 34.3 percent in 2005. Nonetheless, the share of arts giving accounted for by the top funders has remained roughly consistent since the end of the 1990s. By comparison, the top 25 arts funders accounted for more than 50 percent of giving in the early 1980s.

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

Arts Grants Compared to All Grants in the Sample

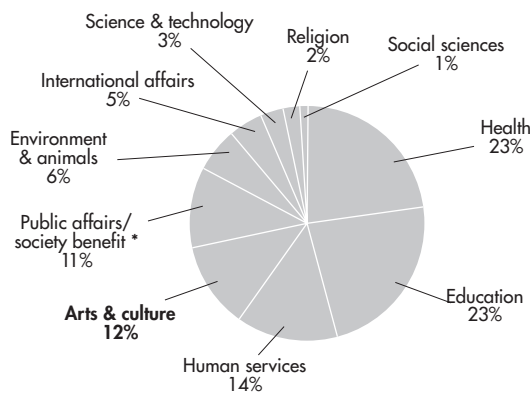
Overall foundation dollars for the arts. Unadjusted grant dollars for arts and culture from the 1,263 larger foundations in the Foundation Center's sample increased by \$275.1 million, from \$2.05 billion in 2005 to \$2.33 billion in 2006.³

Funding for arts and culture increased 13.4 percent before inflation between 2005 and 2006. (With an inflation rate of more than 3 percent, this reflected a real increase of 10 percent.) While this gain fell below the 16.4 percent increase in unadjusted funding reported for foundations in the sample overall, it surpassed six of the nine other major funding areas (figure 1).

The arts' share of all foundation grant dollars. In 2006, arts grant dollars represented 12.2 percent of all grant dollars in the Foundation Center sample (figure 2). This percentage was slightly lower than the arts' 2005 share and the 12.7 percent average share and 12.5 percent median share for the past decade (figure 3). From 1996 through 2006, the arts' share of all foundation grant dollars ranged from lows of 12 percent in 1996 and 2000 to a high of 14.8 percent in 1998.

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 2006, 18 arts and culture grants totaled at least \$10 million, and instances where these grants had a notable impact on grantmaking patterns are identified in the following analyses. Yet despite the potential fluctuations caused by these exceptional grants, Foundation Center data in all fields have

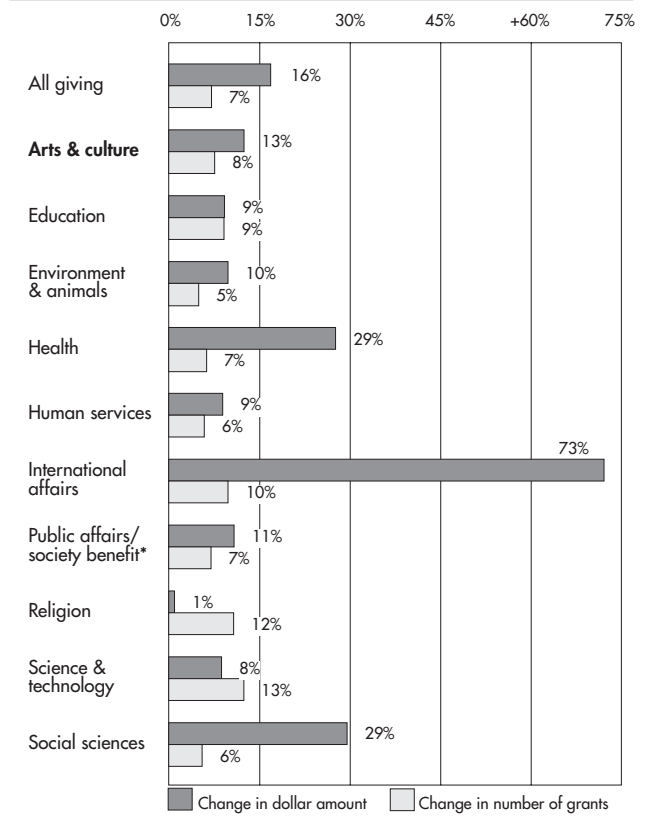
FIGURE 2. Percent of grant dollars by major field of giving, 2006*



Source: The Foundation Center, 2008, based on a sample of 1,263 larger foundations.

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

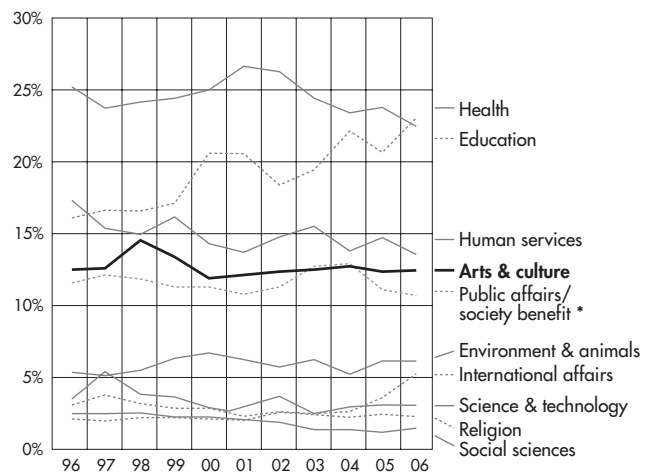
FIGURE 1. Growth of giving by major field of giving, 2005 to 2006*



Source: The Foundation Center, 2008, based on a sample of 1,263 larger foundations.

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

FIGURE 3. Giving trends by major field of giving, 1996 - 2006



Source: The Foundation Center, 2008, based on annual samples of more than 1,000 larger foundations.

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

Note: Disproportionately large gifts, usually made on a one-time basis, may distort long-term funding patterns in one or a few particular years.

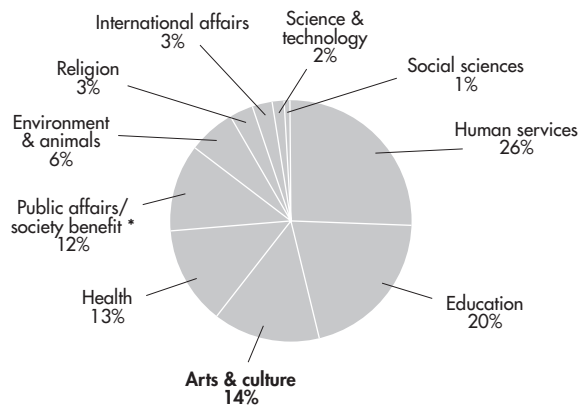
always included them, providing consistency over time. (In addition, the Foundation Center provides statistics based on share of number of grants, which are not skewed by exceptionally large grants.)

Arts funding by region. Foundations in the Northeast provided a larger share of their overall 2006 giving for arts and culture (16.2 percent) than did foundations in other regions. The Northeast was followed by the Midwest (13.0 percent), South (11.8 percent), and West (8.1 percent) regions of the United States. Nonetheless, between 2001 and 2006, giving for arts and culture grew slightly faster among foundations in the Midwest (up 22.8 percent) and West (up 22 percent), compared to those in the Northeast (up 20.3 percent). Foundations located in the South showed a far more modest rate of growth in arts and culture giving (up 3.9 percent).

Organizations in the Northeast and Midwest received the largest share of arts grant dollars out of overall giving (15.0 percent each), followed by those in the West (14.0 percent) and South (9.5 percent). In addition, 4.2 percent of grant dollars funding organizations located outside of the United States supported the arts. Interestingly, arts and culture giving to Western recipients rose at a much faster rate between 2001 and 2006 (up 47.3 percent) than did support for recipients in the Midwest (up 19 percent) and Northeast (up 15.3 percent). Over the same period, arts grant dollars for Southern recipients declined 6.5 percent.

Number of grants. In terms of the number of foundation grants given rather than the total dollar amount, the arts' share of all foundation grants was unchanged at 14.3 percent in 2006 (figure 4). The actual number of grants increased by 1,397, from 18,698 to 20,095 — the highest number of arts and culture grants tracked for a single year in the sample.

FIGURE 4. Percent of number of grants by major fields of giving, 2006*



Source: The Foundation Center, 2008, based on a sample of 1,263 larger foundations.

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

Share of foundations funding the arts. In the 2006 sample, about 81 percent of funders supported arts and culture — 1,025 of the 1,263 foundations. However, some of these foundations do not maintain a consistent commitment to the arts. Among sampled arts funders showing a stronger commitment to the arts, close to three-fifths (568) provided at least 10 percent of their 2006 grant dollars for the arts, while over one-fifth (220) gave 25 percent or more.

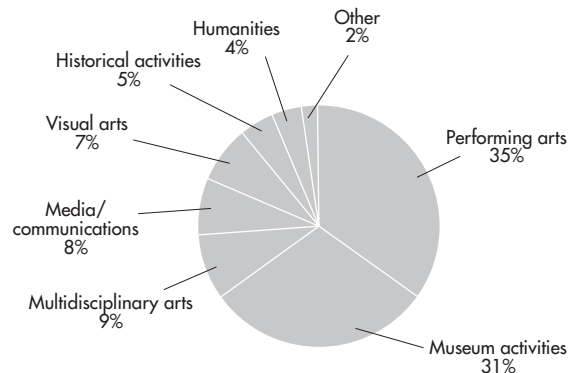
Grants by arts subfield

Funding for the performing arts accounted for over one-third (35 percent) of all foundation arts dollars in 2006 (figure 5), surpassing the share reported for museums (31 percent). From the start of the 1980s until 1998, the performing arts consistently received more foundation support than museums. However, museums have surpassed the performing arts by share in several recent years (1998, 1999, 2001, 2004, and 2005). More study would be needed to adequately understand the underlying reasons for the shifts in share between these two fields of activity, 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 2006, performing arts grant dollars increased by nearly 26 percent, from \$641.6 million to \$807.7 million. Contributing to the increase in giving was a \$50 million grant from the Donald W. Reynolds Foundation to the Las Vegas Performing Arts Center Foundation for the Fred W. and Mary B. Smith Center for the Performing Arts.

The largest share of giving to the performing arts (figure 6) supported the performing arts generally (including performing

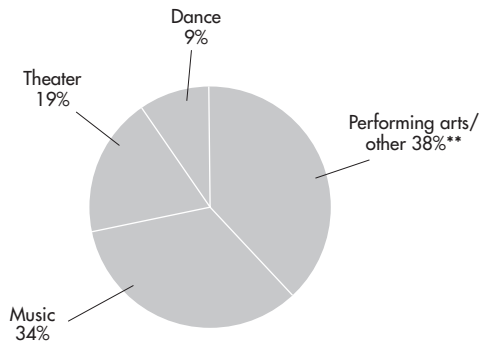
FIGURE 5. Arts and culture, giving to subfields, 2006



Source: The Foundation Center, 2008, based on a sample of 1,263 larger foundations.

* Includes giving for broad arts policy and education organizations (but not all policy or education-related arts giving), associations and administration, fundraising and management, and artists' services. Not included in the "Arts, Culture, and Humanities" area of the National Taxonomy of Exempt Entities is giving for arts and humanities library programs, which is included in the "Education" area of the taxonomy, and international cultural exchange, which is included in the "International" area.

FIGURE 6. Giving to performing arts, 2006*



Source: The Foundation Center, 2008, based on a sample of 1,263 larger foundations.

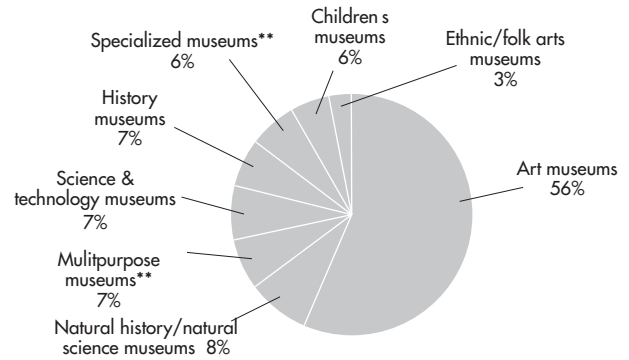
- * Giving to performing arts constitutes 35 percent of all giving to the arts and culture subcategory.
- ** Performing arts/other includes performing arts centers, performing arts schools, and other multidisciplinary performing arts programs.

arts centers and education), followed by music (including symphony orchestras and opera), theater, and dance. The performing arts received more funding than museums in 2006 based on share of arts grant dollars, as well as share of number of arts grants (41.1 percent vs. 20.9 percent). In general, the average performing arts grant tends to be smaller in size than the average museum grant. In 2006, 63 percent of all funders in the Foundation Center sample supported the performing arts.

Giving to museums. Grant dollars allocated to museums increased by 4.1 percent between 2005 and 2006, from \$682.7 million to \$710.9 million. The number of grants increased by 5.1 percent, from 3,994 to 4,196. Among museum types (figure 7), the largest share of 2006 funding supported art museums (56.4 percent), although this share was slightly lower than in the previous year (57.8 percent). Nonetheless, actual grant dollars for art museums rose between 2005 and 2006. Grant dollars also increased between 2005 and 2006 for multipurpose museums,⁴ children's museums and other specialized museums,⁵ ethnic/folk arts museums, marine/maritime museums, natural history/natural science museums, and sports/hobby museums. By comparison, grant dollars decreased for history museums and science and technology museums. In the Foundation Center's 2006 sample, 60 percent of all funders supported museum activities.

Giving to multidisciplinary arts. The share of arts giving for multidisciplinary arts⁶ remained nearly unchanged at 9.2 percent in 2006. Actual grant dollars for these activities rose 18.7 percent, from \$180.1 million to \$213.7 million. The number of multidisciplinary arts grants also increased, from 2,215 to 2,527. This growth followed two consecutive years of decreases in total grant dollars supporting multidisciplinary arts.

FIGURE 7. Giving to museums, 2006*



Source: The Foundation Center, 2008, based on a sample of 1,263 larger foundations.

- * Giving to museums constitutes 31 percent of all giving to the arts and culture subcategory.
- ** Includes museums such as the Smithsonian Institution and general purpose museum programs.
- *** Includes maritime, sports, and hobby museums and other specialized museums.

Giving to media and communications. Support for media and communications⁷ represented 7.6 percent of arts funding in 2006, up slightly from 7 percent in 2005. Actual grant dollars rose 11.8 percent, from \$157.9 million to \$176.5 million. Five grants of at least \$2.5 million were made in the media and communications field in 2006, down from ten in the previous year.

Giving to the visual arts. Support for the visual arts and architecture jumped 67.1 percent in the latest year, from \$100.3 million to \$167.6 million — the highest amount on record. This growth was almost entirely attributable to a \$60 million gift of contemporary drawings from the Judith Rothschild Foundation to New York's Museum of Modern Art.⁸

Giving to historic preservation. Support for historic preservation decreased by close to 13 percent in 2006, from \$128.4 million to \$112.1 million. By comparison, the number of historic preservation grants increased 4.2 percent, from 1,256 to 1,309. However, this total remained below the peak of 1,325 historic preservation grants reported in 2000.

Giving to the humanities. Funding for the humanities⁹ totaled less than 4 percent of arts grant dollars in 2006, down from 5 percent in 2005 and 6 percent in 2004 and 2003. Actual humanities grant dollars decreased by 9.6 percent in the latest year. The number of humanities grants also declined by 3.5 percent, from 810 to 782.¹⁰

Grants by types of support

An important caveat to a report on the allocation of foundation dollars by specific types of support is that, for roughly 22 percent of arts grant dollars in the 2006 Foundation Center sample, the type of support could not be identified. This means that modest differences in percentages — that is, variations under 10 percent — may not be reliable. (The grant records available to the Foundation Center often lack the information necessary to identify the type of support. For example, it is often the case that the only source of data for this sample on foundations' grants is the 990-PF tax return, and this tends to be less complete than other forms of grant reporting.)

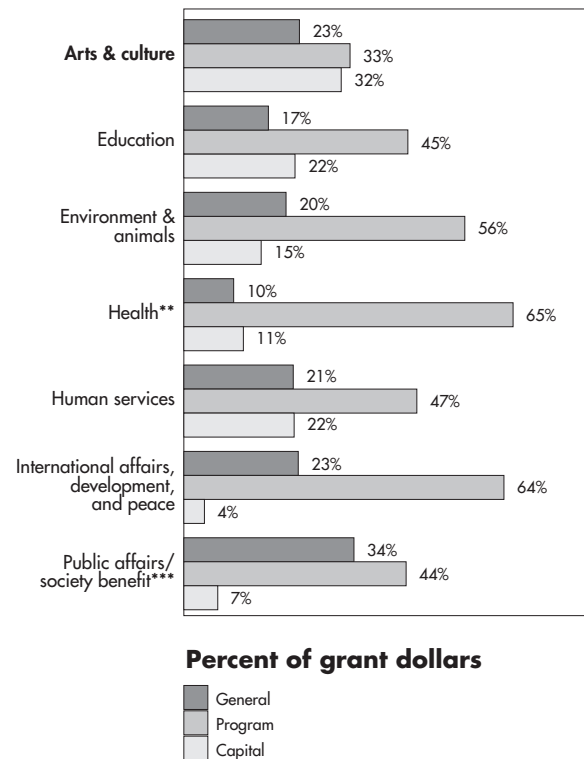
The arts compared to other foundation fields of giving. The three largest categories of support tracked by the Foundation Center are program support, capital support, and general operating support. See figure 8 for a comparison in these three categories of dollars going to arts and culture with grant dollars going to other major foundation subject areas.

Of the three main categories of support, special programs and projects typically receive the largest share of arts and culture grant dollars and grants. In fact, the same is true in most of the major fields, such as health and education, where program support consistently accounts for the largest share of funding. In 2006, program support represented 32.9 percent of arts and culture grant dollars and 36.1 percent of the number of grants.

Capital support accounted for the second largest share of arts grant dollars in 2006 (31.5 percent), after representing the largest shares in 2004 and 2005. 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 type of support. In fact, arts dollars allocated to capital support have fluctuated more than arts dollars to the other two primary categories of support: in 1986 the share allocated to capital was about 44 percent; in 1993 it was about 30 percent; and in 1999 it was about 41 percent. (In general, the share of capital support is highest in periods of strong foundation asset growth.)

Grant dollars allocated for general operating support in 2006 were higher for arts and culture (22.7 percent) than for many other fields. Nonetheless, this share was down from the nearly 27 percent share reported in 2005. The share of number of operating support grants also decreased between 2005 and 2006, although the reduction was far more modest (from 33.3 percent to 32 percent.) Despite the smaller share of arts giving targeting operating support in 2006, the portion of grant dollars allocated to this type of support has grown markedly in the last roughly seventeen years; operating support represented only 13 percent of arts funding in 1989.

FIGURE 8. General, program, and capital support grant dollars by major subject area, 2006*



Source: The Foundation Center, 2008, based on a sample of 1,263 larger foundations.

* Includes subject areas accounting for at least 5 percent of grant dollars.

** Research support accounted for 19.1 percent of grant dollars in Health.

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

Arts grants by specific types of support. Table 1 provides a breakdown of more specific types of support within the larger support categories and lists both the specific dollar value and number of grants made in each type. As with all data in the Snapshot, it is important to keep in mind that this table includes only grants of \$10,000 or more awarded to organizations by a sample of 1,263 larger foundations. It is also important to note that for nearly 22 percent of the arts grant dollars in this sample, the type of support was not specified.

TABLE 1. Arts grants by types of support, 2006*

Type of support	Dollar value of grants	%	No. of grants	%
General support	\$527,761	22.7	6,424	32.0
General Operating	433,744	18.6	5,332	26.5
Annual Campaigns	6,251	0.3	136	0.7
Income Development	49,029	2.1	515	2.6
Management Development	38,737	1.7	441	2.2
Program support	765,961	32.9	7,246	36.1
Program Development	459,948	19.7	4,466	22.2
Conferences/Seminars	15,887	0.7	228	1.1
Faculty/Staff Development	19,660	0.8	228	1.1
Professorships	11,379	0.5	20	0.1
Film/Video/Radio	30,662	1.3	242	1.2
Publication	17,675	0.8	185	0.9
Seed Money	15,409	0.7	52	0.3
Curriculum Development	21,108	0.9	138	0.7
Performance/Productions	47,578	2	728	3.6
Exhibitions	59,582	2.6	542	2.7
Collections Management/Preservation	15,148	0.7	136	0.7
Commissioning New Works	8,434	0.4	88	0.4
Electronic Media/Online Services	43,490	1.9	193	1.0
Capital support	733,436	31.5	2,155	10.7
Capital Campaigns	170,798	7.3	420	2.1
Building/Renovation	283,184	12.2	1,057	5.3
Equipment	12,782	0.5	226	1.1
Computer Systems/Equipment	11,370	0.5	140	0.7
Land Acquisition	2,680	0.1	16	0.1
Endowments	127,064	5.5	185	0.9
Debt Reduction	1,583	0.1	17	0.1
Collections Acquisition	123,976	5.3	94	0.5
Professional development	69,908	2.9	522	2.6
Fellowships/Residencies	30,448	1.3	207	1.0
Internships	5,110	0.2	51	0.3
Scholarships	12,301	0.5	116	0.6
Awards/Prizes/Competitions	21,051	0.9	126	0.6
Unspecified	997	0	22	0.1
Other Support	43,539	1.9	362	1.7
Research	29,321	1.3	206	1.0
Technical Assistance	11,510	0.5	126	0.6
Emergency Funds	665	0	8	0.0
Program Evaluation	2,043	0.1	22	0.1
Not specified	510,173	21.9	5,358	26.7
Qualifying Support Type**				
Continuing	665,018	28.5	5,683	28.3
Matching or Challenge	99,411	4.3	194	1.0

Source: The Foundation Center, 2008, based on a sample of 1,263 larger foundations.

* Dollar figures in thousands; grants may occasionally be for multiple types of support, e.g., for new works and for endowment, and would thereby be counted twice.

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

TABLE 2. Arts grants by grant size, 2006 (dollar amount in thousands)

Grant range	No. of grants	%	Dollar amount	%
\$5 million and over	46	0.2	\$521,321	22.3
\$1 million-under \$5 million	375	1.9	611,775	26.3
\$500,000-under \$1 million	368	1.8	222,650	9.6
\$100,000-under \$500,000	2,965	14.8	532,044	22.8
\$50,000-under \$100,000	3,061	15.2	184,421	7.9
\$25,000-under \$50,000	4,656	23.2	140,582	6.0
\$10,000-under \$25,000	8,624	42.9	116,915	5.0
Total	20,095	100.0	\$2,329,708	100.0

Source: The Foundation Center, 2008, based on a sample of 1,263 larger foundations.

Grants by grant size

Median grant size. The median or “typical” grant amount¹¹ for arts and culture in 2006 was \$25,000, which matched the median amount for all foundation grants. This amount has remained unchanged since 1993. If this amount were adjusted for inflation, however, it would have lost value in real dollars. More study would be required to determine whether the unchanged median means that foundation arts grants simply are not keeping pace with inflation, or whether, in combination with the increased number of grants, it means that foundations are choosing to distribute funds more broadly to a larger number of recipients.

Small and mid-sized grants. Two-thirds (66.1 percent) of all arts grants in the 2006 sample were for amounts between \$10,000 and \$49,999 (table 2), slightly more than the 2005 share. By comparison, the share of mid-sized arts grants (\$50,000 to \$499,999) decreased slightly to 30 percent.

Large grants. The share of larger arts grants (\$500,000 and over) remained nearly unchanged over the same period: larger grants represented 3.9 percent of the total number of arts grants in 2006, compared to 3.8 percent in 2005. However, their share of total grant dollars increased from 54.9 percent to 58.2 percent. Overall, foundations in the sample made 103 arts grants of at least \$2.5 million in 2006, up from 97 in 2005 and 71 in 2004.

In addition to the \$61.4 million grant from the Judith Rothschild Foundation to the Museum of Modern Art and the \$50 million grant from the Donald W. Reynolds Foundation to the Las Vegas Performing Arts Foundation, examples of other especially large 2006 grants included a \$22.3 million continuing support award from the Freedom Forum to the Freedom Forum Newseum, a \$15 million grant from the Annenberg Foundation to the Philadelphia Orchestra Association for its Fund for Technology, and the Starr Foundation’s \$15 million award to Lincoln Center for the Performing Arts for the renovation of the Alice Tully Performance Space.

TABLE 3. 25 largest arts, culture, and media funders, 2006

Rank	Foundation	State	Arts grant dollars*	Total grant dollars*	Arts as % of total dollars	No. of arts grants
1.	Annenberg Foundation	PA	\$103,169,227	\$260,142,580	39.7	156
2.	Andrew W. Mellon Foundation	NY	65,919,800	213,632,275	30.9	147
3.	Judith Rothschild Foundation	NY	60,614,009	60,726,560	99.8	25
4.	Donald W. Reynolds Foundation	NV	58,362,197	106,261,197	54.9	19
5.	Ford Foundation	NY	52,237,296	528,772,750	9.9	235
6.	William and Flora Hewlett Foundation	CA	46,090,500	275,230,237	16.7	121
7.	Starr Foundation	NY	41,010,000	410,119,724	10.0	68
8.	Overture Foundation	WI	37,647,722	37,647,722	100.0	30
9.	Greater Kansas City Community Foundation	MO	35,809,383	94,881,565	37.7	57
10.	Kresge Foundation	MI	30,703,600	129,073,614	23.8	40
11.	Brown Foundation	TX	27,689,183	89,731,460	30.9	105
12.	John S. and James L. Knight Foundation	FL	26,359,552	71,283,802	37.0	39
13.	Freedom Forum	VA	24,656,590	25,319,090	97.4	6
14.	Walton Family Foundation	AR	23,855,206	143,549,663	16.6	20
15.	Hansjoerg Wyss Foundation	PA	21,874,558	22,810,144	95.9	3
16.	New York Community Trust	NY	21,776,250	116,203,767	18.7	402
17.	James Irvine Foundation	CA	21,695,000	65,293,500	33.2	102
18.	Doris Duke Charitable Foundation	NY	21,595,810	70,232,437	30.7	22
19.	Howard Gilman Foundation	NY	21,379,705	23,289,705	91.8	11
20.	Skirball Foundation	NY	20,565,726	43,261,726	47.5	26
21.	Eli & Edythe L. Broad Foundation	CA	20,334,200	37,080,020	54.8	15
22.	Wallace Foundation	NY	18,923,000	76,612,600	24.7	18
23.	Ford Motor Company Fund	MI	18,119,335	72,195,215	25.1	129
24.	Richard and Rhoda Goldman Fund	CA	17,515,000	55,903,600	31.3	42
25.	Robert W. Woodruff Foundation	GA	16,025,000	100,309,712	16.0	6
Total			\$853,927,849	\$3,129,564,665	27.3	1,844

Source: The Foundation Center, 2008, based on a sample of 1,263 larger foundations.

* Figures based on grants awarded of \$10,000 or more, excluding grants paid directly to individuals.

The 25 largest arts funders. The top 25 arts funders by giving amount provided close to 37 percent of the total arts dollars in the Foundation Center's 2006 sample (table 3), up from 34.3 percent in 2005. Overall, the share of giving accounted for by the top 25 arts funders has remained fairly consistent at between 33 and 39 percent since the end of the 1990s. While the share recorded for the latest year remains substantial, in the early 1980s the top 25 arts funders accounted for more than half of the grant dollars in the sample. This suggests that the base of large arts funders has widened since that time, making arts funding less concentrated among a small number of foundations.

Top foundations by share of arts giving out of overall giving. Of the foundations that committed large percentages of their grant dollars to arts and culture, many are the smaller foundations in the sample (table 4). Among the top 100 foundations ranked by share of arts giving out of total giving, 62 foundations gave less than \$5 million in total arts grant dollars in 2006. This number would be greater if grants of less than \$10,000 were included, because some arts funders will either primarily or exclusively award arts grants of less than \$10,000 each.

Arts giving by the 25 largest funders overall.

Among the 25 largest foundations by overall giving in the sample, only one made no grants for arts and culture in 2006 (table 5). Nonetheless, levels of arts funding varied widely, with 11 foundations allocating at least 10 percent of their overall giving for the arts, while six provided 1 percent or less.

Support for International Cultural Exchange

Grantmakers included in Foundation Center's 2006 grants sample provided 51 grants totaling \$18,299,783 with a primary purpose of international cultural exchange. If grants with a secondary purpose of international cultural exchange are included, the figures rise to 315 grants totaling \$41,459,651. Beyond these summary statistics, the Robert Sterling Clark Foundation has commissioned a detailed report examining support for cultural diplomacy in the post-9/11 context, which will be published in Fall 2008.

Steven Lawrence is the Foundation Center's senior director of research.

TABLE 4. Top 35 foundations by share of arts giving out of overall giving, 2006

Rank	Foundation	State	Fdn. type*	Total grant dollars*	Arts grant dollars*	Arts as % of total dollars	Number of arts grants
1.	Overture Foundation	WI	IN	\$37,647,722	\$37,647,722	100.0	30
2.	Brookfield Arts Foundation	MA	OP	15,452,036	15,452,036	100.0	1
3.	Stockman Family Foundation Trust	NM	IN	892,763	892,763	100.0	13
4.	Judith Rothschild Foundation	NY	OP	60,726,560	60,614,009	99.8	25
5.	Crawford Taylor Foundation	MO	IN	7,220,955	7,136,955	98.8	2
6.	Freedom Forum	VA	OP	25,319,090	24,656,590	97.4	6
7.	Andy Warhol Foundation for Visual Arts	NY	IN	8,936,280	8,655,000	96.9	81
8.	W. Paul & Lucille Caudill Little Foundation	KY	IN	1,705,188	1,643,524	96.4	11
9.	Howard R. & Joy M. Berlin Foundation	AZ	IN	1,105,965	1,065,770	96.4	1
10.	Hansjoerg Wyss Foundation	PA	IN	22,810,144	21,874,558	95.9	3
11.	Shubert Foundation	NY	IN	15,054,900	14,372,400	95.5	298
12.	Walt and Lilly Disney Foundation	CA	IN	10,695,000	9,885,000	92.4	4
13.	Packard Humanities Institute	CA	OP	12,755,608	11,730,906	92.0	30
14.	Howard Gilman Foundation	NY	IN	23,289,705	21,379,705	91.8	11
15.	Riley Foundation	MS	IN	3,886,192	3,477,405	89.5	4
16.	Cudahy Foundation	WI	IN	4,484,405	3,910,000	87.2	6
17.	Muriel McBrien Kauffman Foundation	MO	IN	9,007,392	7,800,642	86.6	83
18.	Simpson PSB Fund	CA	CS	16,017,964	13,536,464	84.5	12
19.	Burnett Foundation	TX	IN	11,050,671	9,093,772	82.3	12
20.	Edward C. Johnson Fund	MA	IN	17,604,772	14,386,091	81.7	29
21.	Anna Maria & Stephen Kellen Foundation	NY	IN	7,833,526	6,369,816	81.3	15
22.	Harman Family Foundation	DC	IN	3,778,530	3,009,180	79.6	16
23.	Sutherland Foundation	KY	IN	2,257,705	1,752,805	77.6	10
24.	Richard H. Driehaus Foundation	IL	IN	3,421,714	2,653,414	77.5	84
25.	Richard & Jane Manoogian Foundation	MI	IN	7,476,020	5,740,270	76.8	9
26.	Gertrude C. Ford Foundation	MS	IN	2,488,707	1,881,507	75.6	9
27.	Mary Flagler Cary Charitable Trust	NY	IN	3,951,000	2,961,000	74.9	57
28.	Zodiac Fund	NJ	IN	6,801,823	5,013,513	73.7	8
29.	Trust for Mutual Understanding	NY	IN	3,526,300	2,564,300	72.7	81
30.	Lannan Foundation	NM	IN	15,505,262	11,219,946	72.4	64
31.	Florence Gould Foundation	NY	IN	6,760,349	4,848,391	71.7	80
32.	Tanner Charitable Trust	UT	IN	1,616,945	1,150,000	71.1	8
33.	Ann and Gordon Getty Foundation	CA	IN	10,127,935	7,028,935	69.4	135
34.	John R. & Georgene M. Tozzi Foundation	WY	IN	1,812,500	1,248,500	68.9	4
35.	Holland Foundation	NE	IN	4,440,658	3,027,500	68.2	17

Source: The Foundation Center, 2008, based on a sample of 1,263 larger foundations.

IN = Independent; OP = Operating; CS = Corporate

* Figures based on grants awarded of \$10,000 or more, excluding grants paid directly to individuals.

Footnotes

1. Source of the data. The original research upon which this report is based was conducted by the Foundation Center. Specifically, the source for data was the *Foundation Center's Foundation Giving Trends: Update on Funding Priorities (2008)* report and the grants sample database. The data for 2006 include all grants of \$10,000 or more awarded by 1,263 of the largest U.S. foundations and reported to the Foundation Center between June 2006 and July 2007. Grants were awarded primarily in 2006. These grants represented half of total grant dollars awarded by the more than 72,000 active U.S. independent, corporate, and community foundations that the Foundation Center tracks. (The sample captures roughly half of all foundation giving for arts and culture.) For community foundations, only discretionary and donor-advised grants were included. Grants to individuals were not included.

2. "Unadjusted grant dollars" refers to the value of giving before inflation is taken into account. Adjusting for inflation allows for more accurate comparisons of changes in giving, as inflation-adjusted figures reflect actual buying power at different points in time.

3. In addition to the more than \$2.3 billion supporting the arts in 2006, foundations in the sample provided 105 grants totaling \$16,235,304 for arts and humanities library programs, and 51 grants totaling \$18,299,783 for international cultural exchange. (For more details, see "Support for International Cultural Exchange" on page 12.)

4. Includes museums such as the Smithsonian Institution and general-purpose museum programs.

5. Includes maritime, sports, and hobby museums and specialized museums.

6. Includes support for multidisciplinary centers, ethnic/folk arts, arts education, and arts councils. For a detailed analysis of foundation funding for arts education, see L. Renz and J. Atienza, *Foundation Funding for Arts Education*, New York: Foundation Center, 2005.

TABLE 5. 25 largest funders with share of arts giving out of overall giving, 2006

Rank	Foundation	State	Total grant dollars*	Arts grant dollars*	Arts as % of total dollars	Number of arts grants
1.	Bill & Melinda Gates Foundation	WA	\$2,515,233,488	\$10,560,000	0.4	10
2.	Ford Foundation	NY	528,772,750	52,237,296	9.9	235
3.	Starr Foundation	NY	410,119,724	41,010,000	10.0	68
4.	Robert Wood Johnson Foundation	NJ	352,511,480	150,000	0.0	2
5.	Lilly Endowment	IN	305,820,175	10,348,250	3.4	26
6.	W. K. Kellogg Foundation	MI	284,640,461	5,636,365	2.0	28
7.	William and Flora Hewlett Foundation	CA	275,230,237	46,090,500	16.7	121
8.	Annenberg Foundation	PA	260,142,580	103,169,227	39.7	156
9.	Gordon and Betty Moore Foundation	CA	216,706,598	2,526,850	1.2	8
10.	Andrew W. Mellon Foundation	NY	213,632,275	65,919,800	30.9	147
11.	John D. and Catherine T. MacArthur Foundation	IL	186,020,570	12,042,000	6.5	28
12.	David and Lucile Packard Foundation	CA	183,259,909	5,953,856	3.2	79
13.	Walton Family Foundation	AR	143,549,663	23,855,206	16.6	20
14.	Rockefeller Foundation	NY	139,365,601	4,888,412	3.5	13
15.	Kresge Foundation	MI	129,073,614	30,703,600	23.8	40
16.	Duke Endowment	NC	128,477,099	370,000	0.3	1
17.	California Endowment	CA	121,892,437	150,270	0.1	6
18.	New York Community Trust	NY	116,203,767	21,776,250	18.7	402
19.	Donald W. Reynolds Foundation	NV	106,261,197	58,362,197	54.9	19
20.	Annie E. Casey Foundation	MD	103,347,751	176,735	0.2	10
21.	Robert W. Woodruff Foundation	GA	100,309,712	16,025,000	16.0	6
22.	Susan Thompson Buffett Foundation	NE	100,059,506	0	0.0	0
23.	Charles Stewart Mott Foundation	MI	99,303,874	4,003,043	4.0	14
24.	Bank of America Charitable Foundation	NC	98,702,354	14,789,906	15.0	378
25.	Greater Kansas City Community Foundation	MO	94,881,565	35,809,383	37.7	57

Source: The Foundation Center, 2008, based on a sample of 1,263 larger foundations.

* Figures based on grants awarded of \$10,000 or more, excluding grants paid directly to individuals.

7. Includes support for production and dissemination of one or more media forms including film/video, television, radio, and print publishing; support also for journalism and communications centers.

8. Grants in the form of artwork given are coded for the type of art given, if this information is available.

9. Includes support for archeology, art history, modern and classical languages, philosophy, ethics, theology, and comparative religion.

10. For a detailed analysis of foundation humanities support, see L. Renz and S. Lawrence, *Foundation Funding for the Humanities*, New York: Foundation Center, 2004.

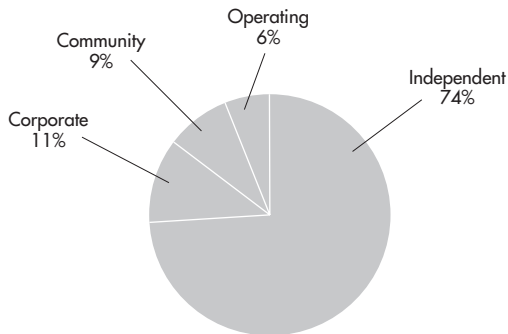
11. The median — meaning that half of the grants are above and half are below the amount — is generally acknowledged to be a more representative measure of the typical grant than the mean or “average,” because the median is not influenced by extreme high or low amounts.

Corporate Foundation Giving for Arts and Culture

The following analyses are based on arts grants of \$10,000 or more reported to the Foundation Center by 200 of the largest U.S. corporate foundations. Findings do not reflect direct corporate giving, which accounts for the majority of charitable contributions by U.S. corporations.

Corporate foundations represent an important source of support for arts and culture. While corporate foundations account for less than 4 percent of U.S. private and community foundations, the larger corporate foundations included in the 2006 grants sample provided close to 11 percent of grant dollars for the arts (figure C1). Actual grant dollars totaled \$247.1 million. By number, corporate foundations allocated 4,364 grants, or close to 22 percent of the overall number of arts grants in 2006. The median corporate foundation arts grant equaled \$20,000, less than the \$25,000 median amount reported for foundation arts funding overall.

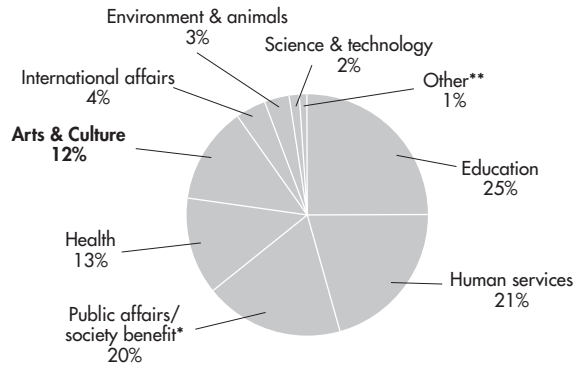
FIGURE C1. Arts grant dollars by foundation type, 2006



Source: The Foundation Center, 2008, based on a sample of 1,263 larger foundations, including 200 larger corporate foundations.

Compared to a decade ago, corporate foundations have reduced the share of their overall giving targeting the arts. In 2006, corporate foundations provided 12.4 percent of their grant dollars for arts and culture (figure C2), down from 14.2 percent in 1996. However, the decrease in share was not a consistent trend throughout this period. In fact, corporate foundations increased the share of their giving supporting the arts steadily in the late 1990s, reaching 15.3 percent in 2000. The share then declined to a low of 11.4 percent in 2005. Over the entire period, corporate foundation giving for arts and culture represented an average of 13.5 percent of their total giving.

FIGURE C2. Percent of corporate foundation grant dollars by major field of giving, 2006

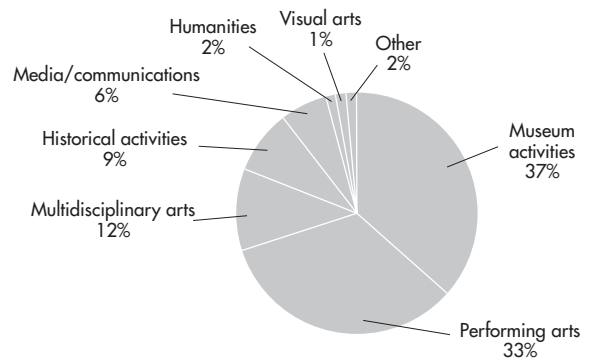


Source: The Foundation Center, 2008, based on a sample of 200 larger corporate foundations.

- * Includes civil rights and social action, community improvement, philanthropy and voluntarism, and public affairs.
- ** Includes religion and the social sciences.

Museum activities benefited from the largest share of corporate foundation giving. Reversing the overall pattern of arts and culture giving in 2006, corporate foundations provided a larger share of their grant dollars for museums (37 percent) than the performing arts (32.5 percent). They also directed bigger shares of their giving for multidisciplinary arts and historical activities than all private and community foundations, while providing smaller shares for media and communications, the humanities, and the visual arts (figure C3).

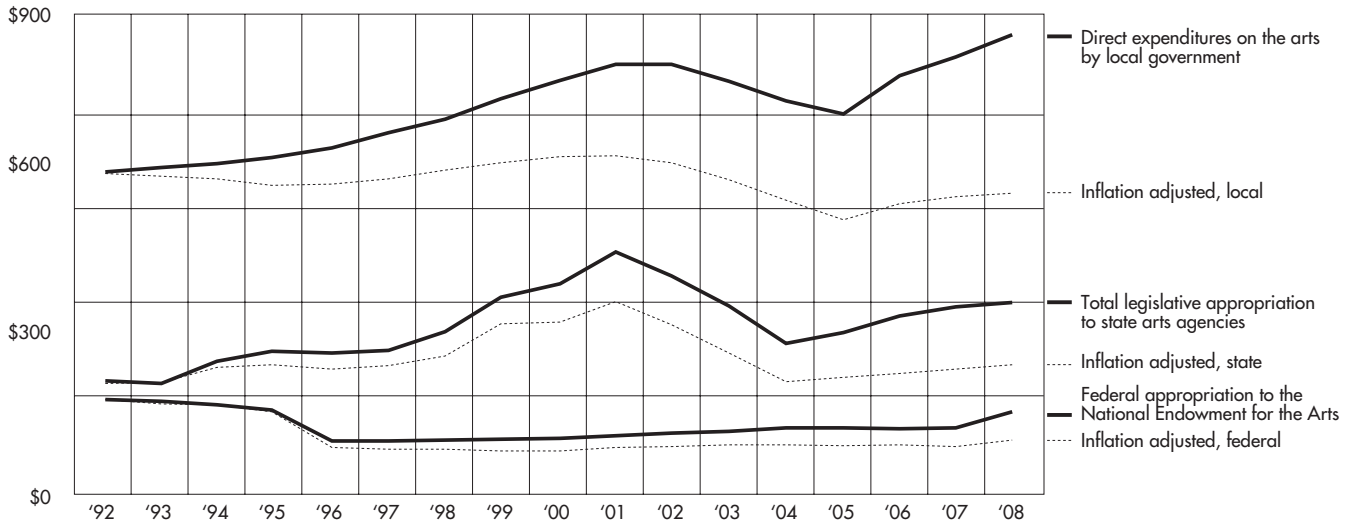
FIGURE C3. Arts and culture, corporate foundation giving to subfields, 2006



Source: The Foundation Center, 2008, based on a sample of 200 larger corporate foundations.

Public Funding for the Arts: 2008 Update

Kelly Barsdate



Current Funding: The three primary sources of government support for the arts in the United States are federal appropriations to the National Endowment for the Arts, legislative appropriations to the nation's state arts agencies, and direct expenditures on the arts through county and municipal governments. In 2008 state appropriations and local expenditures experienced modest growth (3% and 5%, respectively) while appropriations to the National Endowment for the Arts grew by 16%. Combined, these three public funding streams account for \$1.4 billion in arts support, about \$4.52 per capita. Public sector grantmakers use these funds to support a wide array of arts activities, artistic disciplines, public participation initiatives and institutional grantees to encourage community creativity and make the arts highly accessible to the public.

Trends Over Time: Congressional funding for the National Endowment for the Arts increased by \$20 million in 2008 — the largest increase in nearly 30 years. The current funding level of \$145 million, however, is still lower than the 1992 appropriation of \$176 million. State and local spending on the arts is recovering after sharp contractions in the economy forced government funding cutbacks across many policy areas between 2001 and 2004. Although the long-term growth in total public funding is a notable achievement in a competitive fiscal environment, government arts support at all three levels has been challenged to keep pace with the costs of living and doing business. Despite recent increases, only state arts agency appropriations currently exceed 1992 funding levels when adjusted for inflation.

Outlook: Although lawmakers braced for slowed revenue growth in 2008, many revenue projections did not anticipate the U.S. housing market slump, which forced many governments to decrease spending projections mid-year. There are also long-term concerns about tax structures and the inexorable escalation of health care, retirement and education costs. Combined, these trends suggest that all discretionary public spending — arts or otherwise — will remain squeezed in the years ahead. Public sector grantmakers continue to underscore the need for vigorous advocacy from citizens, the cultural community and private sector leaders. All of these voices are needed to help elected officials understand support of the arts as sound public policy that returns multiple benefits to our cities and towns, our states and our nation.

Source: Angela Han, director of research, National Assembly of State Arts Agencies (NASAA). This profile draws on local spending estimates from Americans for the Arts, NASAA's Legislative Appropriations Annual Survey, Fiscal Year 2008 survey, and information from the National Endowment for the Arts. Constant dollar adjustments for inflation are calculated using Bureau of Labor Statistics Consumer Price Index (CPI) figures with a base year of 1992, the year of highest federal funding for the National Endowment for the Arts. Per capita calculation is based on July 1, 2007, population estimates from the U.S. Census Bureau.