



INSTITUTE of  
**Museum and Library**  
SERVICES



## Exhibiting Public Value: Government Funding for Museums in the United States

*December 2008*

## **INSTITUTE OF MUSEUM AND LIBRARY SERVICES**

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### **Cover Photos:**

*Left:* Students discuss artwork on a tour of the Norton Museum of Art in West Palm Beach, Florida. Courtesy of the Norton Museum of Art.

*Right:* An underwater viewing gallery at the John G. Shedd Aquarium in Chicago, Illinois. Photo by Brenna Hernandez. Courtesy of the John G. Shedd Aquarium.

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## DEAR COLLEAGUE



I am proud to present *Exhibiting Public Value: Government Funding for Museums in the United States*, the first-ever comprehensive examination of the ways in which government at all levels support the museum sector.

Since I was appointed Director of the Institute of Museum and Library Services in 2006, I have been encouraged to see the museum community's energetic efforts to examine what public funding strategies could most effectively increase the capacity of museums to serve society. Public funding helps museums deliver quality services that strengthen communities, families, individuals and the nation. This study documents the variety of methods by which the museum sector receives government support at the local, state and national levels.

The study also exposes gaps in the network of public support for the nation's rich and diverse museum sector. Government funding must be equitable and call museums to the highest standard of public service. I hope that this report sparks continued dialogue about how best to structure public funding to achieve such broad public policy goals as sustaining and preserving cultural heritage and advancing our nation's goals for education, life-long learning and civic engagement.

A handwritten signature in green ink that reads "Anne-Imelda M. Radice". The signature is fluid and cursive.

Dr. Anne-Imelda Radice  
Director, Institute of Museum and Library Services

## PREFACE

Museums provide the public with opportunities for lifelong learning and are vital stewards of our cultural heritage. This report proceeds from the premise that museums provide value to the American public. Museums are widely acknowledged as educational institutions that engage with schools, families, and communities; they connect the whole of society to the cultural, artistic, historical, natural, and scientific understandings that constitute our heritage; and they collect and conserve tangible objects—animate and inanimate—for the benefit of future generations.

The Museum Services Act provides the Institute of Museum and Library Services (IMLS) with a broad framework to achieve specific outcomes. As cited in the statute (20 U.S.C. §9171), federal funds allocated to IMLS are directed to museums for the following purposes:

1. to encourage and support museums in carrying out their public service role of connecting the whole of society to the cultural, artistic, historical, natural, and scientific understandings that constitute our heritage;
2. to encourage and support museums in carrying out their educational role as core providers of learning and in conjunction with schools, families, and communities;
3. to encourage leadership, innovation, and application of the most current technologies and practices to enhance museum services;
4. to assist, encourage, and support museums in carrying out their stewardship responsibilities to achieve the highest standards in conservation and care of the cultural, historic, natural, and scientific heritage of the United States to benefit future generations;
5. to assist, encourage, and support museums in achieving the highest standards of management and service to the public, and to ease the financial burden borne by museums as a result of their increasing use by the public; and
6. to support resource sharing and partnerships among libraries, schools, and other community organizations.

Sec. 9172 of the statute defines a museum as “a public or private nonprofit agency or institution organized on a permanent basis for essentially educational or aesthetic purposes, that utilizes a professional staff, owns or utilizes tangible objects, cares for the tangible objects, and exhibits the tangible objects to the public on a regular basis. Such term includes aquariums, arboretums, botanical gardens, art museums, children’s museums, general museums, historic houses and sites, history museums, nature centers, natural history and anthropology museums, planetariums, science and technology centers, specialized museums, and zoological parks.”

## ACKNOWLEDGMENTS

The authors would like to extend their gratitude to the many individuals and institutions who contributed to the study. More than 1,000 institutions from all six museum regions in the country responded to the Museum Public Finance Survey. This study would not have been possible without the significant time and effort of the museum professionals who represented their institutions in completing the survey and provided detailed financial accounts of their organizations.

Hundreds of individuals and a whole spectrum of federal, state, and local agencies as well as other organizations contributed to the analysis of this report. The National Endowment for the Arts (NEA), the National Endowment for the Humanities (NEH), the National Science Foundation (NSF), the National Assembly of State Arts Agencies, and Citizens Against Government Waste provided the data necessary for the account of federal museum funding. In addition, NEA, NEH, and NSF staff greatly informed the research process through interviews conducted with the research team. Several national museum associations also made key contributions to the analysis during research and data collection in the field. These associations include the American Association of Museums, the American Association for State and Local History, the Association of Art Museum Directors, the Association of Children's Museums, and the Association of Science-Technology Centers.

At the state and local levels, numerous agencies provided the administrative data for analysis, and more than 80 professionals from museums, state and local agencies, museum associations, foundations, and other organizations with key roles in the state and/or local museum sector provided hours of astute and informed commentary in field interviews and data collection for the eight case studies in Illinois, Maine, Massachusetts, Michigan, New Mexico, Pennsylvania, Virginia, and Washington. The input from these resources in the field provided a depth of insight crucial to the analysis of state-level cultural infrastructure and the museum sector.

The public hearings in California, Missouri, and Ohio owe their success to the panel members, IMLS Director Anne-Imelda Radice, and members of the National Museum and Library Services Board for their vital service and input in the conduct of the hearings. We are grateful to all those who participated in person and in writing for providing many perspectives from the museum sector and giving context to the data collected in this report. A complete list of interview subjects and public hearing participants is contained in appendixes E and F.



*Pictured: The Pratt Museum in Homer, Alaska.*



## Purpose of the Study

This study was developed in response to requests from several members of Congress and IMLS's interest in developing a stronger body of knowledge regarding the state of public support for the museum sector nationally. The intent of this study was to collect and provide as much detailed information as possible for the development of sound, evidence-based policy. The material presented herein does not endorse any particular public funding mechanism. Rather, this report is designed to enrich the policy discussion by providing new information about the state of government support for American museums.

Previous research on museum finance has emphasized the role of private and foundation philanthropy and, more recently, merchandising as critical to the financial survival of museums.<sup>1</sup> Though some studies have looked at the role public funds play in museum operations or private sector giving, they tend to focus narrowly on particular disciplines and their corresponding

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<sup>1</sup> DiMaggio, Paul (ed.). 1986. *Nonprofit Enterprise in the Arts: Studies in Mission and Constraint*. New York: Oxford University Press; Feldstein, Martin (ed.). 1991. *The Economics of Art Museums*. Chicago: University of Chicago Press.

## PURPOSE OF THE STUDY

museum types, such as the arts and art museums.<sup>2</sup> For more than a decade, the American Association of Museums (AAM) has examined the financial condition of museums of various types through surveys with museum administrators.<sup>3</sup> AAM collects data that are vital for understanding the overall financial health and operations of American museums, and it does collect information about the receipt of public dollars. However, AAM's study is not designed to provide a broad account of public investments at the federal, state, or local levels.

This study set out with the following goals in mind: to understand the range of public support for the museum sector in the United States and to examine the scale of federal support for the sector, the relative contribution of public dollars to museums, and how museum stakeholders view the role and importance of public support.

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<sup>2</sup> See Hughes, Patricia, and William Luksetich. 2004. "Nonprofit Arts Organizations: Do Funding Sources Influence Spending Patterns?" *Nonprofit and Voluntary Sector Quarterly* 33(2): 203–220; Alexander, Victoria D. 1999. "A Delicate Balance: Museums and the Market-place." *Museum International* 51(2): 29–34.

<sup>3</sup> Merritt, Elizabeth (ed). 2006. *Museum Financial Information*. Washington, DC: American Association of Museums.

*Pictured:* A family at “please touch” exhibit, Draper Museum of Natural History, Buffalo Bill Historical Center, Cody, Wyoming. Photo by Josh Boudreau.



## Executive Summary

This study provides the first major review of museum public finance in the United States. It explores public support from federal, state, and local government sources, focusing particular attention on levels of financial support and types of delivery mechanisms for public funding. The decentralized nature of public funding for museums in the United States required data collection from many different sources, using a variety of research methods. Data were collected from the administrative records of federal, state, and local government agencies; from national nongovernmental entities; from more than 1,000 museum survey respondents; and from more than 100 individuals through hearings and in-depth interviews across the country.

For the purposes of this study, museums are defined in accordance with the Museum Services Act, which defines a museum as “a public or private nonprofit agency or institution organized on a permanent basis for essentially educational or aesthetic purposes, that utilizes a professional staff, owns or utilizes tangible objects, cares for the tangible objects, and exhibits the tangible objects to the public on a regular basis. Such term includes aquariums, arboretums, botanical gardens, art muse-

## EXECUTIVE SUMMARY

ums, children’s museums, general museums, historic houses and sites, history museums, nature centers, natural history and anthropology museums, planetariums, science and technology centers, specialized museums, and zoological parks.” Below, we summarize themes that emerged from this analysis and discuss the relevance of this research to the conduct of potential federal-state museum funding partnerships.

### Overview of Museum Public Funding

The remarkable diversity of the U.S. museum sector is well known. Budgets, staffing, and other resource needs range dramatically across the sector, as do visitorship and the geographic reach of museum services. These differences exist within museum disciplines as well. Like the private sector, where businesses in the same service area can operate at dramatically different scales, museums within the same discipline may operate as small volunteer organizations in one community and multimillion dollar operations in the next.

This diversity in the museum sector is also reflected in the variability of museum revenue streams. Museum Public Finance Survey respondents reported a patchwork of financial support, with institutions of all types reporting different combinations of revenue from earned income, private donations, government contributions, and institutional investments. While the majority of museums in the sample reported receipt of public funds from at least one level of government—federal, state, or local—there was no consistent pattern of public support across the museum sector. In some museum types, more public support comes from one level of government. For example, on average, more than 50% of the public dollars reported by science and technology museums in the survey came from federal government sources. In contrast, local government dollars accounted for 76% of government support on average for zoos, aquariums, and zoological societies. For other museum types, public support was more broadly distributed across levels of government.

As a proportion of total revenue, government support to U.S. museums ranged between 7% and 33% by museum type. However, when government administered museums are removed from the analysis, the highest proportion of public support drops to 24%. A great deal of variation lies beneath this simple estimate. Because museums of different types have widely varied operating budgets, equivalent proportions represent radically different public dollar investments. For example, while science and technology centers and history museums reported similar proportions of their operating support coming from government sources, 30% and 32% respectively, the public dollar investment is quite different. For science and technology centers in the survey, the median public support was \$289,970. For history museums, the median support was \$32,182.

### Museum Public Funding at the Federal Level

Museums receive federal dollars through a wide variety of federal sources. This study provides a detailed look at direct support to museums from the Institute of Museum and Library Services (IMLS), the National Endowment for the Arts (NEA), the National Endowment for the Humanities (NEH), and the National Science Foundation (NSF), and from congressional earmarks from twelve

federal appropriation subcommittees over a seven-year period. In 2006, the last fiscal year examined for this study, federal support across the five sources amounted to slightly more than \$149 million. Of this FY 2006 total, 44% was made up of congressional earmarks to museums, 23% came from NSF, 21% came from IMLS and 8% and 4% came from NEH and NEA, respectively.

This review of federal-source dollars reveals a concentration of museum funding by discipline and geography. The disciplinary concentration is a function of museum grants flowing from federal agencies with discipline-specific legislated priorities such as NEA, NEH, and NSF. Discipline-focused grants result in a higher concentration of funds available for museum services that align with the specific disciplines that match federal agency priorities. In contrast, IMLS supports museums as a sector, regardless of discipline.

Geographic concentration of direct support to museums becomes evident when public finance is examined at the state level. Among the five federal sources examined, only IMLS provided direct support to museums in all 50 states in each fiscal year from FY 2000 to FY 2006. Among the competitive grant awards reviewed, more than 50% of the grants distributed during the seven years went to five states: California, New York, Massachusetts, Illinois, and Pennsylvania, all of which have large museum sectors. Earmarks were slightly less concentrated by state than are competitive grants. Over the six years reviewed for this study, from FY 2001 to FY 2006, 50% of the earmark dollars for museums went to nine states—Alabama, California, New York, Illinois, Iowa, Missouri, Ohio, Pennsylvania, and Virginia—and the District of Columbia.

While this study provides new details about federal-source dollars, much more information is needed to provide a full account of federal support to the museum sector. On the supply side, more information is needed about direct support to museums from federal government agencies beyond those included in this study. Federal dollars to museums flow through a variety of agencies across the federal government. It can be very difficult to track and analyze data from the possible range of agencies that fund museums because some agencies may not code grants to the sector as “museum grants.” The data obtained for this report identified museums only by name and location, limiting the kind of analysis that could be done. For the federal sources where data on direct funding to museums are available, more analysis is needed about the institutions that apply and receive support in order to assess which segments of the sector are most successful in securing federal dollars.

On the demand side, the lack of a definitive list of museums in the United States makes it difficult to assess how deeply federal-source dollars penetrate into the sector. While the diversity of U.S. museums is one of the great assets of the sector and provides for an incredibly broad range of services to the public, it also presents very real challenges to determining the number of museums in the nation. It can be difficult to provide standard definitions for organizations that collect, conserve, research, communicate, and exhibit such a wide range of the human experience. However, broad agreement is necessary to account for the scope of the sector and the range of museum services available in the United States. These basic statistics are needed for a more detailed assessment of how federal funding addresses the institutional needs of the museum sector.

## EXECUTIVE SUMMARY

### Museum Public Funding and Federal-State Partnership Models

This study examined three federal-state partnerships that support the cultural sector and identified among them a set of common mechanisms for distributing federal funds through the state-level partner. Each of the federal agencies allocates a base grant to the state partner and distributes any remaining funds by population and/or equal distribution among the states. All three models are designed to achieve some identified public purpose, each requires that federal dollars be matched in some proportion by state dollars or other nonfederal sources, and the grant's use is conditioned by the distinct purposes of each of the federal agencies. In addition, state-level partners are required to implement statewide planning and evaluations, and some models require a public involvement process. As is true of some direct federal support to museums, funding for museums delivered through current federal-state partnership programs is discipline based. Decentralized funding mechanisms in the cultural sector are seen as a way to increase citizen access to cultural programming and as a means for helping states cultivate and promote initiatives that marshal their unique assets to address locally defined priorities. At present there is no federal-state partnership with the goal of increasing the capacity for public service to the museum sector as a whole.

### Museum Public Funding at the State Level

Much like the decentralized nature of federal government support to museums, government support for museums at the state level flows through a variety of different agencies and funding mechanisms. However, the scope of these funding mechanisms and the available infrastructure to deliver museum support vary considerably among the eight states studied in this report. The review of cultural support systems in the eight states identified very different models for administering grants to museums. While some of the states provide support to public museums through a single agency, others provide support through multiple agencies for discipline-specific programs in the arts or humanities or for other targeted statewide initiatives.

Support mechanisms for museums at the state level vary, in part, because the perception of the public character of museums is very different from one place to the next. In some states, public support flows primarily to museums that are state owned and operated. As there are no standards or accepted guidelines to follow in defining which museums are (or should be) eligible for public support, state programs tend to target different institutions depending upon understandings of the sector's public value and mission as well as state-specific goals and priorities for the funding program. For example, public support initiatives in Illinois are available only to museums on public land, regardless of their governance structure.

State-level support for museums may also vary based upon the financial condition of the state. As with other cultural support programs, state funding can fluctuate radically from one year to the next depending upon fiscal conditions. While federal matching grants to states may provide leverage for state dollars, the extent to which this leverage can hold in times of considerable fiscal restraint is unclear.

The review of eight state case studies identified state-level financial support mechanisms for museums in all cases. However, few states have agencies that fund across the entire museum sector. State public cultural agencies tend to serve the arts, humanities, heritage, libraries, and archives as distinct constituencies. A review of state-level capacities did not provide uniform evidence that a federal-state funding partnership would galvanize support and administrative capacities at the state level. Although federal dollars may promote integration of the public cultural sector in some states, in others these federal dollars may prove a point of contention because they may challenge established agencies to develop new policies or to shift from discipline-focused practice in order to serve a broader cross section of museums.

### **Museum Public Funding at the Local Level**

The study found a variety of local government cultural funding mechanisms, the largest of which were driven by targeted tax initiatives. Although large local investments do not exist in every state, some provide support in excess of the amount distributed by federal agencies for the entire country. For example, in FY 2006, NEA distributed \$12.3 million through competitive grants programs to 149 museums across the country, while that same year, the Scientific and Cultural Facilities District distributed \$24.7 million to four museums and one performing arts center in Denver. Survey respondents and public hearing participants identified local government contributions as important to addressing needs such as capital projects and general operating support.

The review of local government funding also reveals concentrated investments that may affect the character of a federal-state partnership for museum support. Like federal funding, local government funding appears to cluster within certain museum types. Among Museum Public Finance Survey respondents, local government sources accounted for an average of 50% of the public support received by art museums; children's museums; arboretums and botanical gardens; and zoos, aquariums, and zoological societies. A question remains as to how the concentration of these local initiatives might affect the ways in which states administer federal-state partnership funding.

### **Future Considerations**

This report provides a great deal of new information about the magnitude of federal, state and local funding to museums and the varying methods for delivering financial support to museums at the state and local levels. While the analysis sheds new light on the current state of public finance and explores gaps in the distribution of public funding, more information will be needed to determine whether and how a new funding model, such as a population-based state grant, could make a significant impact in addressing any identified gaps in museum services. An assessment of the impact of new funding models will require additional discussion about the purpose of new funding strategies as well as more information about the size of the sector and the character of museum services to be delivered.

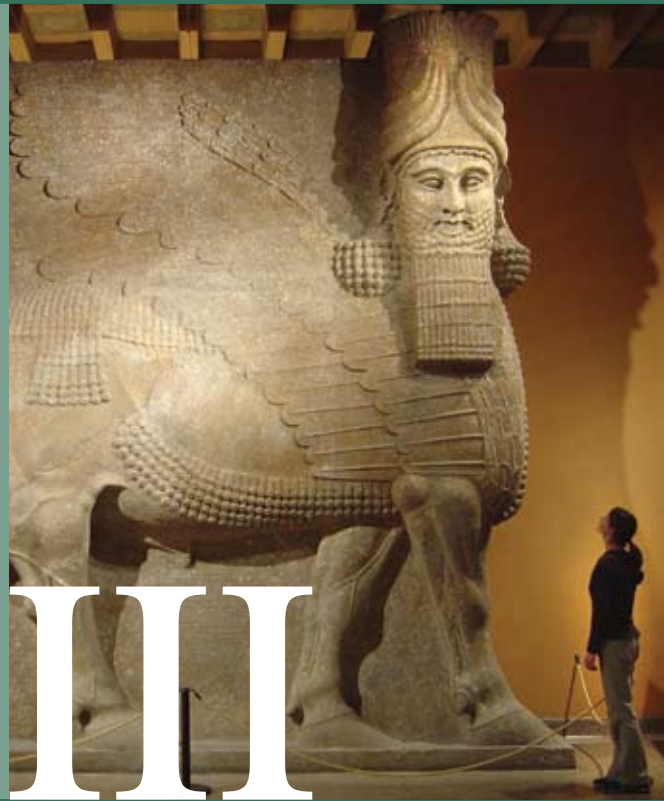
## **EXECUTIVE SUMMARY**

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In accordance with its congressional mandate, the Institute of Museum and Library Services is working to address the need for more data about the sector and developing a more robust museum research program in consultation with state, regional and national museum organizations and other relevant agencies and organizations. The agency is committed to working with Congress and the museum community on analysis of potential new funding models.



*Pictured: A visitor gazes up at the Oriental Institute's colossal stone Lamassu (721–705 BC). Photo by Wendy Ennes, courtesy of the Oriental Institute Museum of the University of Chicago.*



## Research Method and Process: A Brief Overview

In spring 2007, IMLS entered into a cooperative agreement with the Urban Institute, a Washington, DC-based research organization, to examine the following questions:

- What mechanisms are currently used to deliver public funding from federal, state, county, and local governments to museums?
- For what purposes are public funds allocated to museums?
- How do delivery mechanisms impact the quality of museum services? Are there gaps?
- Would alternative funding models, such as a population-based state grant, make a significant impact in addressing any identified gaps in museum services?

With these questions guiding the data collection process, the Urban Institute conducted research by undertaking the following activities:

- collecting administrative data from the federal funding programs that provide the most opportunities for museums:

## RESEARCH METHOD AND PROCESS: A BRIEF OVERVIEW

IMLS, the National Science Foundation (NSF), the National Endowment for the Humanities (NEH), and the National Endowment for the Arts (NEA);

- collecting data from nonprofit entities that monitor congressional appropriations;
- implementing a nationally representative Web-based survey of museums, the Museum Public Finance Survey, that asked several questions regarding the sources and uses of public funds; and
- conducting eight state-specific case studies of museums and state agencies that fund museums.

In its analysis, the Urban Institute used categories of museum type that were identified in the Heritage Health Index<sup>4</sup>: art museums; arboretums and botanic gardens; children’s museums; history museums; historical societies; natural history and natural science museums; science and technology centers; zoos, aquariums, and zoological societies; and others (such as tribal, multi-disciplinary, transportation, or specialized museums).

This report draws heavily on the findings of the Urban Institute analysis provided by the research team headed by Carole Rosenstein and Carlos Manjarrez.

Knowing that the research undertaken by the Urban Institute would provide a wealth of data concerning federal programs and cultural infrastructure in selected states, IMLS gathered perspectives from knowledgeable people to provide a qualitative dimension to the study. To that end, IMLS convened public hearings in Ohio, Missouri, and California in March 2008 and received written comments from museum professionals, trustees, public officials, and the interested public on the means and uses of public dollars to support museums.

Finally, to address directly the question of alternative funding mechanisms, IMLS assembled a sample of 15 states and asked the two other cultural agencies with long-standing federal-state partnerships, the National Endowment for the Arts and the National Endowment for the Humanities, how museums were funded in those states. The examples provided by IMLS’s Grants to States program, NEA’s State Arts Agencies, and NEH’s State Humanities Councils show various ways of providing funds through federal-state partnerships.

Findings from the Urban Institute’s research efforts, together with data from federal-state partnerships and perspectives from museum-interested people, form the basis of this report.<sup>5</sup>

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<sup>4</sup> Heritage Preservation. 2005. *A Public Trust at Risk: The Heritage Health Index Report on the State of America’s Collections*. Washington, DC: The Institute of Museum and Library Services.

<sup>5</sup> Appendix A describes in greater detail the methodology used to produce this report.

*Pictured:* An American flag made in 1865, showing new repairs, is rolled for storage by Mary Williamson at the American Textile History Museum.



## Overview of the Museum Sector in the United States IV

This section provides background information on the U.S. museum sector, with a particular emphasis on conditions relevant for assessing the potential impact of alternative funding models such as a federal-state museum funding partnership. One of the challenges to this task is that the groups of institutions that make up “the sector” vary greatly in terms of mission, size, and operations, and they often defy simple attempts at categorization. Despite these differences, the services that museums provide to the public, whether in rural townships or major cities, form an essential part of the American cultural and educational landscape.

We begin by highlighting recent research on the social and economic impact of U.S. museums. This section is followed by an overview of the institutions that make up the museum sector, examining their geographic distribution, their principal governance structures, and their funding sources. A better understanding of these basic features of the American museum sector is essential for understanding the potential impact that new public funding mechanisms may have on museums and museum services.

## OVERVIEW OF THE MUSEUM SECTOR IN THE UNITED STATES

### Visitation and Use of American Museums

Recent statistical reports indicate that the museum sector attracts high numbers of attendees.<sup>6</sup> Among household surveys of Americans, the use of museums and museum services is widespread. In 2002, the National Science Foundation's *Science and Engineering Indicators*, a nationally representative phone survey, reported that 69% of adults surveyed visited a museum one or more times per year. The most recent household survey to report on museum attendance, *Interconnections: The IMLS National Study on the Use of Libraries, Museums, and the Internet*, estimated that in 2006, approximately 148 million U.S. adults, more than 63.2% of the adult population, visited a museum in the United States.<sup>7</sup>

Among the national museum associations in the United States, reports of attendance also demonstrate that museums consistently engage substantial audiences of national and international visitors. Triennial member surveys of the American Association of Museums, as well as member surveys conducted by the Association of Science Technology Centers, the Association of Children's Museums, and the Association of Zoos and Aquariums, indicate that museums in the United States likely receive several hundred million visitors per year. These associations also report that millions of schoolchildren use museums and museum services each year.

### Cultural Preservation and Education

America's museums are community leaders in cultural and historic preservation, research, and education. Museums provide important services to visitors in these three areas and others. Across the country, museums are key contributors to the development and implementation of new and existing methods to enhance conservation and preservation of cultural heritage. Museums are both critical stewards and trusted community resources.

The Heritage Health Index (HHI) conducted by Heritage Preservation and IMLS was the first comprehensive survey of the conditions and preservation needs of collections held in public trust by the nation's archives, historical societies, libraries, museums, scientific research collections, and

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<sup>6</sup> An important caveat to studies on museum visitation is the lack of a standard definition for what constitutes a museum visit. Attendance surveys vary greatly in methodology. Some counts may include any kind of entrance into the museum as a visit, some may include only transactions such as ticket purchases, and others may not distinguish between individual visitors and the number of visits. Attendance estimates from museums submitted across museum types are few, and most have very small sample sizes that are not representative of the museum universe. Comparisons of household surveys are likewise compromised by variations in sample design and survey methodology from one study to the next, but they are cited here as the most recent and representative general estimates of attendance across museum types.

<sup>7</sup> Griffiths, José-Marie, and Don King. 2008. *Interconnections: The IMLS National Study on the Use of Libraries, Museums, and the Internet*. Chapel Hill, NC: University of North Carolina Press. <http://interconnectionsreport.org/>. The figures provided here differ slightly from the first *Interconnections* report. These more conservative estimates adjust the sample based on a reanalysis of the survey data based on new weighting procedures that adjust for the effect of education. The differences in percentages between the NSF and IMLS estimates of museum attendance may simply reflect differences in sampling methodology and should not be taken as confirmed evidence of a decline in attendance.

archeological repositories.<sup>8</sup> The HHI emphasized the critical role of these institutions in the conservation and preservation of cultural heritage and identified baseline measures of the current conditions of artifact collections and the most urgent needs of institutions in charge of their survival. According to the HHI, these institutions hold 4.8 billion artifacts in public trust, of which museums hold 20%.<sup>9</sup> To ensure the preservation and conservation of such a magnitude of artifacts, the HHI made a series of recommendations regarding the critical importance of institutional policy for conservation and preservation as well as the role that all levels of government and the private sector should play in their survival. Taking these recommendations into account, these institutions and the public and private sectors that support them have vital roles in the research and development of conservation and preservation efforts to ensure the survival of cultural heritage collections in the public trust.

Furthermore, as centers of learning in communities, museum partnerships with schools provide valuable curriculum support to K–12 education, engaging children of all ages both within the museum and out in the community.<sup>10</sup> It is estimated that museums in the United States provide millions of instructional hours per year to students, through programming that spans the range of museum type, location, and student grade level. Museum education services are delivered in a variety of ways, including on- and off-site activities with museum staff, teachers, and students; pre- and post-visit lessons; and educational programs that support school curriculum standards and learning objectives.<sup>11</sup> Museum-school partnerships offer unique and exciting programs that extend beyond traditional curriculum and formal education models to create a collaborative network of learning approaches and environments that enhance K–12 education and set the foundation for lifelong learning habits.<sup>12</sup> In addition to transformative partnerships with schools, museums incorporate families, individuals, community groups, and others into their educational activities and outreach. Museum services address many stages of development in the lifelong learning process and

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<sup>8</sup> Heritage Preservation. 2005. *A Public Trust at Risk: The Heritage Health Index Report on the State of America's Collections*. Washington, DC: The Institute of Museum and Library Services.

<sup>9</sup> HHI distinguishes historical societies from other museum types. 2% of artifacts are held in trust by historical societies. HHI defines artifacts as rare books and manuscripts, photographs, documents, sound recordings, moving images, digital materials, art, historic and ethnographic objects, archeological artifacts, and natural science specimens.

<sup>10</sup> For a sampling of research on museum-school partnerships, see Rapp, Whitney H. 2005. "Inquiry-Based Environments for the Inclusion of Students With Exceptional Learning Needs." *Remedial and Special Education* 26(5): 297–310; Caniglia, Joanne. 2003. "Math in the City: Experiencing Mathematics Through Visiting Black Historic Sites." *Journal of Experiential Education* 26(2): 70–74; and Rahm, Irène. 2006. "A Look at Meaning Making in Science through School-Scientist-Museum Partnerships." *Canadian Journal of Science, Mathematics, and Technology Education* 6(1): 47–66.

<sup>11</sup> Hirzy, Ellen Cochran (ed). 1996. *True Needs, True Partners: Museums and Schools Transforming Education*. Washington, DC: The Institute of Museum and Library Services.

<sup>12</sup> Carlon, Neil. 2004. *Charting the Landscape, Mapping New Paths: Museums, Libraries, and K–12 Learning*. Washington, DC: The Institute of Museum and Library Services.

## OVERVIEW OF THE MUSEUM SECTOR IN THE UNITED STATES

encourage audiences of all ages to be actively engaged in educational programs and other museum activities both on site and elsewhere.<sup>13</sup>

### Financial Impact of the Sector

Evaluation of the impact of museums is a growing field of study. The economic contribution of museums to the community is one of many measures that informs an understanding of the public value of museum services. Impact studies for museums have primarily been conducted among individual institutions, though several notable studies have been conducted for museums at the regional and state levels.

One national-level study, which measured the impact of museums as part of the arts and cultural sector as a whole, was conducted by Americans for the Arts.<sup>14</sup> The *Arts and Economic Prosperity* report estimated the impact of the nonprofit arts sector at the national level. This study, which estimated that the nonprofit arts and culture sector generates \$166.2 billion each year, has spurred numerous studies of the economic impact of the arts and culture sector at the regional and local levels.

More recently, impact studies of the museum sector have begun to incorporate a broader set of social and economic measures. For example, the Center for Creative Community Development, which conducted an impact study of the Massachusetts Museum of Contemporary Art (MASS-MoCA) in North Adams, Massachusetts, evaluated a variety of socioeconomic measures in the two years following the museum's opening, including institutional spending, local and nonlocal visitor spending, increases in household incomes, and increases in employment in five different sectors of industry. In addition, because of heavy state investment in the new museum, the study examined the return on investment for the government in terms of indirect tax revenues. The study also evaluated changes in property values, neighborhood stability, commercial development, and hotel tax collections. This multifaceted view of the museum's economic impact revealed positive growth in all of the measures employed by the researchers and provided a detailed picture of the many ways in which a museum generates significant economic returns to a community.<sup>15</sup>

These are just some of the measures of the public value of museums in the United States, but this brief sampling demonstrates the significant role that museums play in their conservation and preservation efforts, research practices, contributions to youth and adult education, community participation, and economic impacts from the neighborhood to the nation.

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<sup>13</sup> For a comprehensive review of museum learning and its research and evaluation, see Dierking, Lynn D., Kirsten M. Ellenbogen, and John H. Falk (eds.). 2004. "In Principle, In Practice: Perspectives on a Decade of Museum Learning Research (1994–2004)." *Science Education* 88, Supplement 1.

<sup>14</sup> Americans for the Arts. 2007. *Arts and Economic Prosperity III*. Washington, DC: Americans for the Arts.

<sup>15</sup> Sheppard, Stephen C., Kay Oehler, Blair Benjamin, and Ari Kessler. 2006. *Culture and Revitalization: The Economic Effects of MassMoCA on its Community*. North Adams, MA: Center for Creative Community Development.

## Geographic Distribution of Museums in the United States

Table IV.1 offers one view of the distribution of museums across the United States. This table displays the 17,774 museums identified in a database collected by IMLS in 2002 by state and museum association region, with per capita distribution.<sup>16</sup> The range in the number of institutions across each region is quite large. More than 1,700 institutions were identified in the New England Museum Association region; the Association of Midwest Museums has just over 3,800 institutions. The counts for all other regions fall within this range.

The range in the number of institutions at the state level is also quite large, with some states having close to 10 times the number of institutions found in others. For example, five states in two museum association regions have more than 900 identified institutions each. Those states are California, Illinois, New York, Ohio, and Pennsylvania. At the other end of the distribution, eight states and the District of Columbia each have fewer than 150 identified institutions each.

Population totals and population estimates appear alongside the museum estimates to provide a basis of comparison for funding formulas based on population. One important fact arises from this comparison: There is no clear correlation between the number of museums in a state and the state's population. In other words, in a strict population-based formula, two states with the same population size may receive the same amount of federal support, but one could have considerably less to distribute per institution, depending upon the size of the state's museum sector.

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<sup>16</sup> The number of institutions represented in this table and in the map below is drawn solely from IMLS data. In the course of this study, a significantly larger list of museums was created by augmenting the IMLS data file with museum records provided by the American Association of Museums and the National Center for Charitable Statistics. However, systematic verification of this new, larger list of museums was beyond the scope of this study. Therefore, the figures reported in this study are based on the comprehensive list collected by IMLS in 2002. IMLS is currently working with stakeholders in the museum community to develop a comprehensive baseline of museums for future study.

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Table IV.1. Population and Number of Museums by State and Region, 2007

AAM Museum Region	State	Estimated Number of Museums	Population 2007	Museums per 100,000 Pop
New England Museum Association	Connecticut	354	3,502,309	10.1
	Maine	263	1,317,207	20.0
	Massachusetts	608	6,449,755	9.4
	New Hampshire	167	1,315,828	12.7
	Rhode Island	59	1,057,832	5.6
	Vermont	289	621,254	46.5
<b>Region Total</b>		<b>1,740</b>	<b>14,264,185</b>	<b>12.2</b>
Mid-Atlantic Museum Association	Delaware	86	864,764	9.9
	Maryland	360	5,618,344	6.4
	New Jersey	334	8,685,920	3.8
	New York	855	19,297,729	4.4
	Pennsylvania	1080	12,432,792	8.7
	District of Columbia	73	588,292	12.4
<b>Region Total</b>		<b>2,788</b>	<b>47,487,841</b>	<b>5.9</b>
Southeastern Museum Association	Alabama	284	4,627,851	6.1
	Arkansas	159	2,834,797	5.6
	Florida	477	18,251,243	2.6
	Georgia	330	9,544,750	3.5
	Kentucky	274	4,241,474	6.5
	Louisiana	215	4,293,204	5.0
	Mississippi	148	2,918,785	5.1
	North Carolina	371	9,061,032	4.1
	South Carolina	248	4,407,709	5.6
	Tennessee	169	6,156,719	2.7
	Virginia	655	7,712,091	8.5
	West Virginia	166	1,812,035	9.2
<b>Region Total</b>		<b>3,496</b>	<b>75,861,690</b>	<b>4.6</b>
Midwest Museum Association	Illinois	905	12,852,548	7.0
	Indiana	331	6,345,289	5.2
	Iowa	245	2,988,046	8.2
	Michigan	342	10,071,822	3.4
	Minnesota	282	5,197,621	5.4
	Missouri	355	5,878,415	6.0
	Ohio	903	11,466,917	7.9
	Wisconsin	477	5,601,640	8.5
<b>Region Total</b>		<b>3,840</b>	<b>60,402,298</b>	<b>6.4</b>



Table IV.1. Population and Number of Museums by State and Region, 2007 (continued)

AAM Museum Region	State	Estimated Number of Museums	Population 2007	Museums per 100,000 Pop
Mountain-Plains Museum Association	Colorado	320	4,861,515	6.6
	Kansas	261	2,775,997	9.4
	Montana	170	957,861	17.7
	Nebraska	299	1,774,571	16.8
	New Mexico	186	1,969,915	9.4
	North Dakota	170	639,715	26.6
	Oklahoma	467	3,617,316	12.9
	South Dakota	208	796,214	26.1
	Texas	631	23,904,380	2.6
	Wyoming	112	522,830	21.4
Region Total		2,824	41,820,314	6.8
Western Museums Association	Alaska	147	683,478	21.5
	Arizona	238	6,338,755	3.8
	California	1,344	36,553,215	3.7
	Hawaii	94	1,283,388	7.3
	Idaho	113	1,499,402	7.5
	Nevada	118	2,565,382	4.6
	Oregon	239	3,747,455	6.4
	Utah	172	2,645,330	6.5
	Washington	529	6,468,424	8.2
Region Total		2,994	61,784,829	4.8
Totals		17,744	301,621,157	5.9

Source: Museum estimates are based on a 2002 IMLS inventory. State population estimates are based on estimates provided by the Population Division, U.S. Census Bureau, December 27, 2007.

## OVERVIEW OF THE MUSEUM SECTOR IN THE UNITED STATES

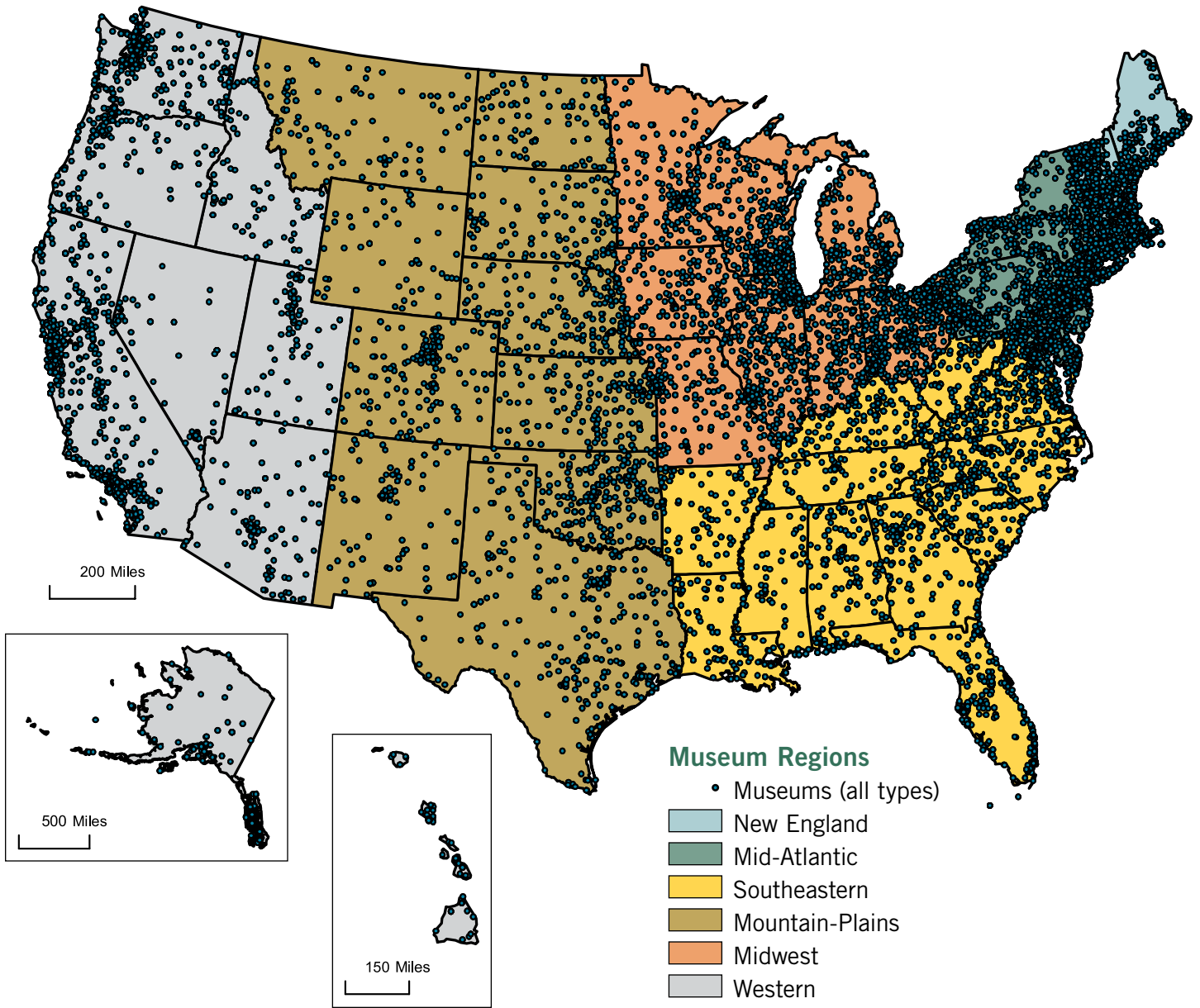
While the three states with more than 900 museums each are among the most populous in the nation, other states with large populations, such as Florida, Michigan, and Georgia, rank far below these states in terms of the total number of institutions. Similarly, states with small populations, such as Vermont, Maine, and Nebraska, do not necessarily rank at the bottom in terms of number of institutions. The variation in the size of the museum sector relative to the state populations means that a strictly population-based funding formula would not provide equitable funding from a per-institution standpoint. This issue is discussed in more detail in the summary of this section.

Figure IV.1 displays the number of museums from Table IV.1 in the form of a U.S. map.<sup>17</sup> Though population centers are not directly identified on the map, it is clear from the clustering of institutions in the eastern part of the United States and in areas of the Midwest and the West that the spatial distribution of museums is highly correlated with population density and with certain features of the physical landscape. In the Southeast, museums cluster along the Atlantic coast and the Gulf of Mexico. Florida displays this pattern quite clearly, as museums cluster around the perimeter of the entire peninsula. The Mississippi River provides another example, as museums cluster on both sides of the river in Arkansas, Tennessee, Mississippi, and Louisiana.


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<sup>17</sup> Because many of the museum address fields in the listings were post office boxes rather than a physical street address, the Urban Institute team geo-coded institutions at the ZIP code level. As a result, each point on the map identifies a coordinate within a ZIP code boundary, not the specific longitude and latitude coordinate of an actual street address. However, in most national, regional, and state-level maps, ZIP code-level coordinates produce a display that is very similar to maps with street-level coordinates. Readers should note that 12% of the institutions could not be geo-coded at the ZIP code level and are not represented in the national or regional maps below.

Figure IV.1. U.S. Map of Museums



Sources: Combined museum listing from Institute of Museum and Library Services, American Association of Museums and National Center for Charitable Statistics. U.S. Census Bureau population estimates provided by DataPlace.

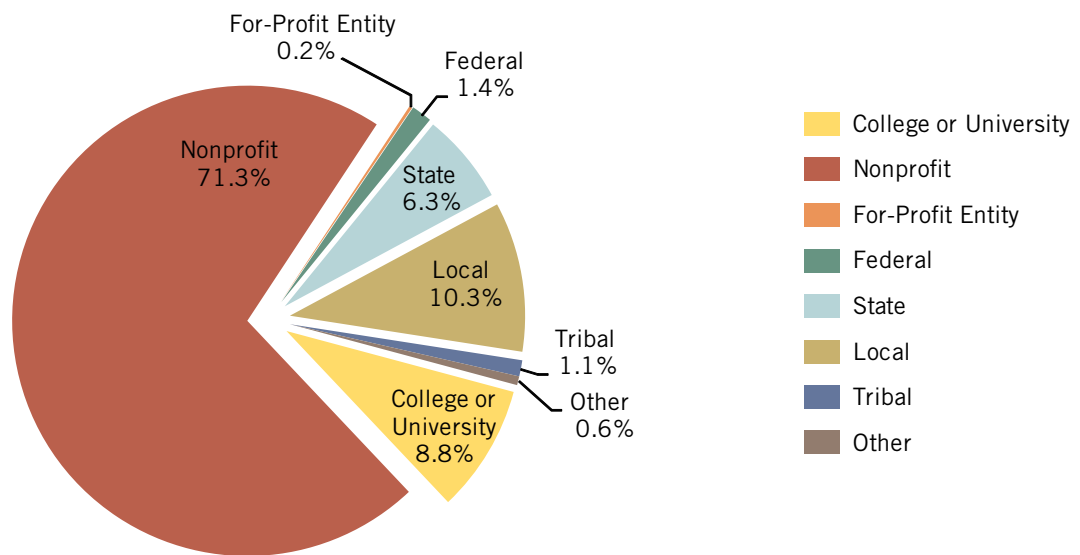
 The Urban Institute  
 Prepared by: Justin Resnick  
 February 26, 2008

# OVERVIEW OF THE MUSEUM SECTOR IN THE UNITED STATES

## Museums Institutional Profile

The Museum Public Finance Survey (MPFS), which gathered responses from more than 1,000 separate institutions, asked museum professionals a broad range of questions regarding their governance structure as well as the sources of their income and the uses of dollars received. The governance structures described by respondents to the survey are comparable to the breakdown found in previous studies.<sup>18</sup> Slightly more than 70% of museums in the United States are private nonprofit entities; the rest are publicly owned and managed by various forms of government, including state departments of natural resources, departments of education, public universities, and city and county governments.

Figure IV.2. Governance Structure of Museums in the United States



Source: Urban Institute analysis of IMLS Museum Public Finance Survey, 2008

<sup>18</sup> The HHI identified a nonprofit museum sector of 69%, and the AAM 2006 Museum Financial Information study found that 72% of the respondents were nonprofit entities. The MPFS finding of 71.3% is within the margin of error of both studies.

## Median Income and Expenses

In Table IV.2, the MPFS identified a range in median operating income from \$153,630 for historical societies to more than \$5.8 million for zoos, aquariums, and zoological societies. Within the museum types, there was no significant difference in median income and expenditures across the country.<sup>19</sup>

Table IV.2. Median Income and Expenditures for Museum Sample, FY 2006

Museum Type	Median Operating Income	Median Expenditures	Total Operating Revenue	N
Art Museums	\$1,233,924	\$1,270,000	\$931,088,782.60	132
Children's Museums	\$1,154,321	\$1,175,716	\$97,564,196.97	41
History Museums	\$230,000	\$228,000	\$328,133,515.10	252
Natural History and Natural Science Museums	\$1,327,608	\$1,210,410	\$115,686,204.80	43
Science and Technology Museums	\$2,218,977	\$2,637,462	\$269,970,751.37	41
Historical Societies	\$153,630	\$149,610	\$174,731,270.00	135
Arboretums and Botanical Gardens	\$906,561	\$975,319	\$169,982,649.00	29
Zoos, Aquariums and Zoological Societies	\$5,861,302	\$4,639,000	\$692,925,446.36	42
Hybrid and Other	\$620,500	\$589,903	\$49,678,098.60	52
Total				767

Source: Urban Institute analysis, IMLS Museum Public Finance Survey, 2008.

## Revenue Sources: Private, Earned, Investment, Government

Income and expenditure reports provide invaluable information about the basic operating costs across the American museum sector. However, relatively little is known about the mix of revenue sources that make up these budgets. In the MPFS, both nonprofit and government-managed museums were asked to report the source of their support across four possible categories: private donations, earned income, institutional investments, and government contributions. Respondents were asked to report the amount each source contributed to their total operating revenue. These figures were then used to calculate the overall contribution that museums of different types reported receiving from each of the four sources. The results of this tabulation are listed in Table IV.3.

As Table IV.3 shows, institutions of different types report significant variation. Focusing on the last column, readers will note that the average government contribution ranged from 7% for children's museums to 33% for history museums. In the cases of history museums, science and technology museums, and zoos, aquariums, and zoological societies, government support exceeded private support. Six of the nine types of museums listed earned income as the single largest source of support.

<sup>19</sup> For a description of the research method regarding the assignment of museum types, see appendix A. Museum types for MPFS are drawn from categories used by the HHI.

## OVERVIEW OF THE MUSEUM SECTOR IN THE UNITED STATES

Table IV.3. Sources of Support for All Museums in Sample, by Type, FY 2006

Museum Type	Source of Support				N
	Private	Earned	Investment	Government	
Art Museums	23.3%	46.1%	17.5%	13.1%	129
Children's Museums	24.4%	48.1%	20.5%	6.9%	41
History Museums	32.9%	21.6%	13.2%	33.2%	235
Natural History and Natural Science	29.5%	41.6%	5.7%	23.6%	39
Science and Technology Museums	22.8%	42.8%	4.0%	30.4%	41
Historical Societies	32.2%	21.5%	24.7%	21.6%	132
Arboretums and Botanical Gardens	34.1%	28.9%	13.7%	23.3%	29
Zoos, Aquariums and Zoological Societies	17.4%	60.3%	4.2%	18.1%	39
Hybrid and Other	27.2%	38.5%	9.6%	27.5%	48
Overall	24.4%	43.7%	12.2%	19.7%	733

Source: Urban Institute analysis, IMLS Museum Public Finance Survey, 2008.

Table IV.4 selects out nonprofit museums by type to examine how this large class of museums (more than 70% of the total) differs in terms of revenue sources.<sup>20</sup> In all cases but one, removing public museums from the pool resulted in a significant drop in the proportion of government contributions. Across museum types, history, natural history, and hybrid or general museums saw the largest drop when public museums were removed from the analysis, suggesting higher rates of public sector governance across these museum types. The single exception was among children's museums, because 40 of the 41 institutions that broke out their operating support were nonprofit entities.

<sup>20</sup> There were too few respondents across museum types that were government-managed museums to report the same data for reliable estimates of government-managed museums alone.

Table IV.4. Sources of Support for Nonprofit Museums in Sample, FY 2006

Museum Type	Source of Support				N
	Private	Earned	Investment	Government	
Art Museums	23.0%	48.1%	18.5%	10.4%	101
Children's Museums	24.6%	47.8%	20.7%	6.9%	40
History Museums	46.0%	23.5%	21.4%	10.3%	174
Natural History and Natural Science Museums	38.0%	41.6%	6.6%	13.9%	25
Science and Technology Museums	23.8%	47.2%	4.7%	24.4%	33
Historical Societies	33.9%	22.1%	26.8%	17.3%	120
Arboretums and Botanical Gardens	34.4%	29.0%	13.7%	22.9%	24
Zoos, Aquariums and Zoological Societies	17.6%	61.9%	4.4%	16.1%	31
Hybrid and Other	32.0%	48.1%	10.2%	9.7%	31
Total					579

Source: Urban Institute analysis, IMLS Museum Public Finance Survey, 2008.

Though the proportions listed in Table IV.4 outline the relative contribution from each source, readers should note that the widely varying operating budget sizes across museum types mean that the proportions listed in this table represent very different dollar amounts. To provide a sense of the amount of money these figures represent, Table IV.5 shows the median revenue for all museums that listed revenue by source.<sup>21</sup>

Table IV.5. Median Operating Income by Source and Type of Institution, All Museums in Sample, FY 2006

Museum Type	Source of Support				N
	Private	Earned	Investment	Government	
Art Museums	\$429,775	\$190,393	\$56,250	\$144,802	129
Children's Museums	\$357,550	\$490,345	\$600	\$50,000	41
History Museums	\$46,187	\$26,120	\$695	\$32,182	235
Natural History and Natural Science Museums	\$110,309	\$408,321	\$4,500	\$86,465	39
Science and Technology Museums	\$350,000	\$898,911	\$12,602	\$289,970	41
Historical Societies	\$32,727	\$23,000	\$3,023	\$7,751	132
Arboretums and Botanical Gardens	\$251,355	\$253,226	\$14,128	\$130,000	29
Zoos, Aquariums and Zoological Societies	\$437,706	\$2,686,310	\$15,277	\$911,480	39
Hybrid and Other	\$59,171	\$48,267	\$1,000	\$36,737	48
Total					733

Source: Urban Institute analysis, IMLS Museum Public Finance Survey, 2008.

<sup>21</sup> In the sample there were no statistically significant differences in the relative size of operating budgets between government-managed and nonprofit museums. Therefore, Table IV.5 lists the median revenue by source for all museums, government-managed and nonprofit.

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A comparison of Table IV.5 to the proportional estimates in Table IV.3 provides a fuller picture of the nature of public support across different institution types. In some cases, a relatively small proportion of operating budget can amount to a significant public expenditure based on the overall size of the subsector. In other cases, a relatively large proportion of public money (compared to other sources of revenue) may amount to a smaller public expenditure for a given segment of the museum community.

Two museum subsectors illustrate this point clearly. While the estimated government support amounted to a relatively small proportion of the overall budget for zoos, aquariums, and zoological societies (18.1%), median support from government sources is the highest of any museum type (\$911,480). The opposite scenario is seen with history museums. History museums reported the highest proportional public contribution of any museum type (33%). However, the median government support among these institutions is just over \$32,000.

### Section Summary

In this section, we have reviewed some basic features of the museum sector, including governance structure, budget size, sources of financial support, and geographic distribution. The many institutions that make up this diverse sector preserve cultural heritage and provide educational resources and opportunities to communities across the country in great number and variety. The sector's diversity is reflected not only in its substantive areas of expertise but also in the characteristics of the organizations themselves.

These institutions vary dramatically in size, spatial distribution and, importantly for this study, sources of financial support. U.S. museums report a diversified funding base. Many of the institutions in the MPFS sample identified support from private donors, earned revenue, investment income *and* from government. Indeed, eight of the nine museum types in the study reported double-digit percentages of revenue from private, earned revenue, and government sources.

In terms of public dollars, the average government support for museums of different types ranged from 7% to 33% of the total operating budget, with the majority of the institutions reporting that 20% to 30% of their total operating budget comes from government support. Of course, the same proportion of public support for different types of museums does not mean that the dollar investments are similar. Because the cost of doing business varies so dramatically from one museum type to the next, these estimates represent dramatically different dollar values. Two museum types illustrate this point clearly. As a percentage of the total operating expenditure, the average public sector support for zoos, aquariums, and zoological societies and historical societies is quite similar (18% for zoos and 21% for historical societies). However, in dollar terms the level of public support for these very different types of institutions is dramatically different. Among zoos, aquariums, and zoological societies in the sample, the median public support level is \$911,480. Among historical societies, the median public support level is \$7,751.

This comparison of proportional government investment in museums to the public dollar investment raises an important question regarding the operation of federal-state partnership models. If



a goal of a new funding model is to achieve greater equity in the distribution of federal dollars to museums, then the basis for this distribution requires greater definition. One perspective would be that equity is achieved when the proportion of government support is comparable across museums of different types. An alternative interpretation might be that equity corresponds, in some manner, to a comparable dollar amount invested across museums of varying types. However, each of these scenarios relies heavily on the assumption that the measure of equity is dependent upon the institutional outcomes.

Of course, a federal-state partnership may address other public policy objectives that might be considered institutionally neutral, such as promoting museum service and access to particular segments of the U.S. population, irrespective of museum type, subject discipline, or delivery mechanism. The IMLS mission as cited in the Museum Services Act (20 U.S.C. §9171) reflects such institutionally neutral objectives. IMLS is directed to encourage and support museums in their public service, education, leadership, stewardship, management, resource sharing, and partnership. In other words, IMLS directs its funding to museums to encourage capacity building for the sector as a whole and to encourage the delivery of museum services to the whole of society. In this model, equity is based on access to museum services and the institutional capacity to deliver them across the entire sector, which is an important public policy objective to consider in shaping a federal-state partnership model for museums.

Another issue raised by the data in this section, and which is relevant to the discussion of a population-based funding model, is the fact that the number of museums varies dramatically among states. There is no clear correlation between the number of museums in a state and that state's population size. This fact would likely have implications for the conduct of a federal-state museum funding partnership depending upon the ways these programs are managed at the state level. For example, two states with identical populations could have significantly more (or less) money to distribute *per institution* if their museum sectors vary substantially in number.



*Pictured:* At the hearing in Kansas City, Barbara L. Peterson, President of the Black Archives of Mid-America, spoke before a panel that included Dr. Radice and Dr. Colgan.

## V Public Hearings: Perspectives from the Museum Sector

To provide some context to the financial data presented in this report, IMLS reasoned that public perspectives were a critical part of the analysis. If indeed there are gaps in adequate and fair funding for museums across the country, people who work in the museum sector, as well as community members, would understand the issues and have useful perspectives that would inform the report.

To that end, in March 2008, IMLS convened public hearings in Columbus, Ohio; Kansas City, Missouri; and Oakland, California. At these three sites, a total of 28 invited speakers delivered remarks to a panel consisting of IMLS Director Anne-Imelda Radice and members of the National Museum and Library Services Board.<sup>22</sup> These speakers came from many positions in the museum sector. Most were museum directors, some museum funders, some museum trustees, others museum association executives, and a few were museum advocates, active in their communities. Each participant delivered a 10-minute statement

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<sup>22</sup> A complete list of public hearing participants is in appendix F. Further references to the comments provided at these hearings, if not apparent in the text, will be noted by date: March 10, 2008 (Columbus, Ohio); March 12, 2008 (Kansas City, Missouri); and March 14, 2008 (Oakland, California).

## PUBLIC HEARINGS: PERSPECTIVES FROM THE MUSEUM SECTOR

reflecting his or her perspective about the best public funding mechanisms to support museums. All had been asked to focus their remarks on the most effective, most accessible, and most fair channels of public funding.

The hearings were open to the public, and at each site, a number of people came to listen to the comments. After prepared remarks were heard, members of the audience had the opportunity to submit comments. At each venue, federal and state elected officials either had statements read into the record or appeared in person to speak. Twenty people from various organizations offered comments on the remarks that they had heard or offered points related to their own experiences and circumstances.<sup>23</sup>

In addition to the public hearings, IMLS issued a broad appeal to the public in general, soliciting written comments from those unable to attend the hearings but who wanted to provide their perspectives for consideration. IMLS received 32 letters in response to this call. Comments came from individuals as well as organizations.<sup>24</sup>

Several themes emerged from the hearings and written comments:

### Importance of Peer Review and the Grant Application Process

Among the public hearings participants there was near universal support for the peer review system at the federal level and within other funding bodies. Museum professionals, association executives, grant writers, grantees—all commented on the value of peer review. The peer review system is a time-honored process widely used across the federal government and elsewhere in the museum funding community. In federal grant-making agencies, it has become a highly developed practice to evaluate the merits of grant applications by seeking the judgment of experts in the field. At the federal level, these expert reviewers, who have vast experience in the sector, are recruited from across the country to evaluate proposals for the use of federal funds. Mindful of the goals and criteria of the grant program, these experts study a group of proposals and, in most cases, meet in Washington, DC, to discuss the relative merits of the applications. They advise the funding agency on the design and substance of the proposals as well as the potential effectiveness of the use of public funds. The agency head makes the final decision. Agency staff notify unsuccessful applicants of the strengths and weaknesses of their proposals, and often unsuccessful applicants are encouraged to submit a revised plan. As one speaker summed up the process, “The best get funded. The rest get advice.”<sup>25</sup>

Moreover, several speakers stated that the grant application process itself and the resultant competitive grant (should it be awarded) raise the quality of museum services appreciably. The time and energy invested in constructing an application demand that the institution focus on its strategic goals and assess its capacity. Patricia Murphy, executive director, Oberlin Heritage Center, described the process in Columbus:

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<sup>23</sup> Transcripts of the hearings are available on the IMLS Web site: [www.imls.gov](http://www.imls.gov).

<sup>24</sup> Written comments are available from IMLS by request.

<sup>25</sup> Marc Wilson, March 12, 2008.

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Preparing the grant application for the Museums for America [program in IMLS] was a daunting, demanding, and rigorous experience, but I also found it to be quite worthwhile in that it demanded that we thoughtfully present our funding needs in relation to our organization's institutional priorities and plans. Our Museums for America Grant not only helped us to become a stronger organization, both program-matically and organizationally, but it also helped us to become a better resource for other small museums and historical societies in our region.<sup>26</sup>

Furthermore, speakers noted that federal grant categories themselves are constructed to raise the quality of museum services. Federal agencies make grant opportunities available by carefully assessing the needs of the museum sector and in response to national priorities. The IMLS grant guidelines follow closely the mandates that Congress placed on the agency to enable museums to carry out their educational and public service roles. NEH encourages applicants to respond to the national needs for preservation of, interpretation of, and access to their collections and other humanities-related projects. Deborah Schwartz, president, Brooklyn Historical Society, praised the “exemplary role” of IMLS and NEH in “identifying the needs of the field, and then in formulating dynamic, well articulated priorities for categories of grant making.” She commented:

IMLS and NEH's funding guidelines are detailed and rigorous. The guidelines are intelligent in design so as to compel organizations to fully assess proposed programs in order to ensure that the programs' outcomes align with the organization's mission statement and long-term goals. Without fail, the results of this rigorous examination process yield more focused programming that better serves an organization's objectives and allows us to serve our public responsibly and efficiently.<sup>27</sup>

A final argument that was consistently made in support of peer-reviewed competitive awards is that a federal award leverages local funding support. Federal dollars attract more dollars and thereby expand museum services. Receiving a peer-reviewed competitive grant elevates the visibility of the organization and serves to assist in fund-raising. The publicity that accompanies a federal grant draws attention to the excellence of the organization; it is, as a few mentioned, the “Good Housekeeping Seal of Approval.” Lori Fogarty, director of the Oakland Museum of California, made this point about receiving an IMLS grant:

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<sup>26</sup> Patricia Murphy is executive director of Oberlin Heritage Center, Oberlin, Ohio, as well as vice president of the Ohio Association of Historical Societies and Museums.

<sup>27</sup> Written comments provided March 3, 2008.

A grant from this national organization, as recommended through a rigorous peer panel review process, indicates that our projects have met the highest standards in the field, adhere to criteria of quality and professionalism as established by our colleagues, and serve as true models, thereby helping to leverage private funding.

David Chesebrough, president and chief executive officer (CEO) of COSI (Center of Science and Industry) in Columbus, Ohio, succinctly addressed how the grant category, specifically the Museums for America (MFA) competition in IMLS, the process of writing the application, and the requirement for connections with the community increase the quality of museum services:

[W]riting Museums for America grant proposals ... forces discipline internally in an organization. ... Since it is evaluated based on an institution's strategic direction, it encourages a museum's staff and board to be clear and articulate about its strategic direction. It encourages the museum to employ community input so that the museum is serving its community, not just itself. ... The MFA process also encourages partnerships. ... Partnerships are another way in which a museum connects to its community and leverages the federal dollars of an IMLS grant.

### Matching Funds

The funding mechanism employed at the federal level is predominantly direct grants for projects awarded through a peer review evaluation system. But for some of these grants, the federal agency requires a matching component. Speakers were less enthusiastic about this type of grant. If the program requires the grantee to raise private money to match the federal award, the museum must find third-party resources, such as a donor particularly interested in the project. The participants who spoke about matching felt that this situation disengages the museum from pursuing its own goals and objectives and forces it to package a program compatible with its ability to provide cost-sharing.<sup>28</sup>

Julie Henahan, executive director of the Ohio Arts Council, which provides sustainability grants to art museums in Ohio, weighed in on this subject with an important distinction. Requiring matching funds for projects may compromise the intent of the project, but requiring matching funds for general operating support at the state and local levels may be less likely to affect programmatic intents of institutions and instead help leverage other sources of funding. Alicia Oddi, grants and services director, Greater Columbus Arts Council (GCAC), agreed, saying that GCAC's philosophy

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<sup>28</sup> It should be noted that IMLS requirements for grants with a matching component can include goods, services, and in-kind contributions, as well as third-party donations of cash.

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regarding matching funds has evolved over the years and that “organizations that receive operating support from us should have a well-rounded revenue stream.” But GCAC has relaxed the matching requirement for projects, moving away from one-to-one cash matches to accepting in-kind contributions for the matching requirement.

### Public Funding Patchwork at the State and Local Levels

There is no consistent model for how state and local governments channel public money to museums. For example, Pennsylvania created the Pennsylvania Historical and Museum Commission (PHMC) to preserve the state’s historic heritage. According to Executive Director Barbara Franco, PHMC manages a \$5.535 million annual grant program that is 75% funded from an allocation from the Pennsylvania General Assembly with the balance from a fund created from a 1% realty transfer tax. Grants from the legislative allocation go mostly (71%) for general operating support to eligible organizations; grants from the transfer tax go mainly for capital projects.<sup>29</sup>

As another example, Missouri has levied a nonresident Athletes and Entertainers Withholding Tax to support its cultural organizations. In FY 2005, this device produced almost \$21 million, 60% of which went to the Missouri Arts Council and 10% to each of the following organizations: Missouri Humanities Council, Missouri State Library, Missouri Public Television Broadcasting Corporation, and Missouri Historic Preservation. According to Gregory Glore, a museum advocate speaking in Kansas City, this tax served to elevate Missouri’s position from 49th in total spending on the arts in 2005 to 14th in 2008.

A survey conducted by the California Association of Museums (CAM) in 2006 provided a more detailed funding picture for museums in that state. Among the points of information provided by William Moreno, a member of the board of directors for CAM, were the following:

- California museums, on average, receive the highest percentage of their revenue from private sources, at 39.9%—more than twice the average percentage received from all government sources combined.
- In 2006, fewer than one-fifth of California museums, 16.8%, received funding from the federal government in their most recently completed fiscal year.
- Local government provides the largest percentage of public funding for California museums, with 45.1% of museums indicating that they receive funds from local public sources.
- In 2006, the following were the median percentages of a museum’s operating budget from government sources: 2.4% from the federal government, 3% from the state government, and 10.3% from local government.<sup>30</sup>

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<sup>29</sup> Written comments dated March 10, 2008.

<sup>30</sup> March 14, 2008. William Moreno is executive director of the Claremont Museum of Art in Claremont, California.

The few museums that have a dedicated revenue stream coming from property taxes or sales taxes count themselves extremely fortunate. In explaining how Kansas City, Missouri, supports museums, Christopher Leitch expressed deep gratitude for the funding structure his museum enjoys. The Kansas City Museum at Corinthian Hall, where he is director, is supported in the main by a dedicated property tax. Other museums partially funded by the city receive their funding through line items in the parks budget, which receives an allocation from the general fund. And being supported from the general fund, as speaker after speaker identified, means that museums must compete with other pressures on the state and local budget, including health care, transportation, and social services.

Museums that enjoy a dedicated public revenue stream are able to plan that their basic operating needs will be addressed and are left to seek money from elsewhere for programming support. Museums that begin each fiscal year without the promise of funds to cover operating costs labor to find money to remain in business. When state budgets and local economies are strapped for revenues, museums are sometimes encouraged to devise self-sufficiency plans, but as Mindi Love, director of the Johnson County Museum in Shawnee, Kansas, points out, “The cost to operate a museum and serve our visitors is far higher per person than the revenues generated by most museums. The median cost of serving one museum visitor is \$23, compared to the median revenue earned of \$6 per visitor.”<sup>31</sup>

### Needs of Small to Midsize Museums

Many participants felt that museums with large budgets and a sizeable visitorship are consistently more competitive in receiving federal grants. As important as federal awards are to the museums that receive them, many participants felt that these awards are mostly earned by museums with the resources to have grant writers on staff, knowledgeable trustees to assist them in defining their strategic direction, and the capacity and experience to administer federal funds. Marc Wilson, director of the Nelson-Atkins Museum of Art in Kansas City, Missouri, commented on how the peer review system on the federal level favors large institutions:

The peer review system encourages and rewards excellence in the name of maximizing public benefits and ensuring the most effective, efficient use of public funding. ... But smaller institutions especially have a hard time competing because they do not often have the same levels of capacity, of expertise, and even of outlook. It is not that their missions and goals are not valuable. They are. They have a more difficult time being successful in a system that favors excellence of performance criteria and accountability to use taxpayers' monies efficiently.

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<sup>31</sup> March 12, 2008. Ms. Love cited research conducted by the American Association of Museums.

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For some small to midsize museums, the accountability requirements connected with receiving federal funds make applying for them unattractive. Kate Viens, executive director of the New England Museum Association, cited the example of a group of museums in southern Maine. This group seeks to raise the standard of conservation for museum objects within its region, but at the outset decided not to apply for federal funding because “they consider the application and reporting requirements to be too onerous.”<sup>32</sup>

Several participants spoke to small and midsize museums’ need for basic stabilization support. It was often said that the current federal competitive grant system ensures that large museums thrive and that small museums continue to struggle to exist. As one speaker pointed out, “Over time the rich get richer, and the smaller organizations are always in bootstrap mode.”<sup>33</sup>

Mindi Love, director of the Johnson County Museum, spoke to the number of small museums in the sector: “Today’s museums are largely small and largely rural. History museums and historical societies make up the largest percentage (67%) of all museums, which number approximately 17,500. Of those, about 35% are accessible to the public at no cost, according to information gathered by the largest museum service organization, the American Association of Museums. Of the 65% that do charge an admission fee, 60% offer free days and virtually all (98%) offer discounted admissions.”<sup>34</sup>

As executive director of the Mid-America Arts Alliance, Mary Kennedy McCabe is close to small communities and their museums in the middle of America: specifically, in Arkansas, Kansas, Missouri, Nebraska, Oklahoma, and Texas. She offered statistics that underscore the needs of small museums:

- 50% of all Missouri museums report having no full-time paid staff;
- 61% of all museums in Oklahoma operate with less than \$100,000 annually, and 37% operate with \$25,000 or less;
- 75% of Texas’s small and midsize museums have not received any training in the past three years in board management, fund-raising, or administration/finance;
- 76% of Kansas museums spend less than \$1,000 in total annually to train all of their staff, trustees, and volunteers combined;

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<sup>32</sup> March 12, 2008.

<sup>33</sup> Richard Winefield, March 14, 2008. IMLS funds more museums in every state than do the other three federal agencies. (See Table IV.3.) Furthermore, IMLS sponsors funding opportunities that specifically invite small to midsize museums; for example, the Bank of America/IMLS American Heritage Preservation Program is tailored to small and midsize museums, archives, and libraries.

<sup>34</sup> March 12, 2008.



- 70% of Arkansas museums cite “lack of funding” as the primary obstacle to pursuing staff and volunteer training;
- 71% of Nebraska museums are located in communities with a population of 10,000 or less.<sup>35</sup>

### Funding Mechanisms for Small and Midsize Museums

As broad as the consensus was among the hearing participants about the needs of small to midsize museums, there was wide disparity about how to address those needs. The idea most frequently mentioned was to establish within IMLS a funding mechanism that mirrors the federal-state partnership funding models designed for our nation’s libraries.<sup>36</sup> Speakers at each site spoke directly in favor of federal formula funding for museums, often identifying themselves as members of the Federal Formula Grant Coalition. The Federal Formula Grant Coalition, made up of more than 56 local, state, regional, and national associations, proposes an increase in museum funding through IMLS, specifically dedicated to a state-based program and not to replace any existing IMLS programs or any other federal or state programs.

The Coalition conducted a survey early in 2008 to investigate the readiness of the states to administer federal funds on the basis of population. Of the 48 known state museum associations, 31 responded to the survey, which found that:

- At least 12 states already have a state agency or commission that administers grants for museums.
- These grants are all awarded through a competitive process.
- Half of these states provide general operating support for the museums.

Also, the Coalition’s survey found that state competitive grant programs for museums fund a variety of programs or services: for example, 83.3% of the grant programs fund exhibits, 66.7% support education programs and collections/conservation, and 58.3% fund capital projects.

Those who identified the need for federal formula funding gave several arguments in support of a state-based program. In California, Phil Kohlmetz talked about its potential for efficiency (“most of the administration will take place at the state and not the federal level”) and effectiveness (“each state will be able to decide how best to use the funds. . . it will be a new, sorely needed source of support for the stewards of America’s culture”). In Ohio, Bill Laidlaw explained that formula funding would be successful, saying that “mechanisms can be set up in each state, perhaps using existing organizations, to receive and disburse funds, to organize and prioritize planning, to raise levels of achievement and to evaluate results.” In Missouri, Mary Kennedy McCabe stated that “a major boost in the museum funding that is on par with public libraries is long overdue.”

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<sup>35</sup> March 12, 2008.

<sup>36</sup> See section IX for a description of the Library Grants to States program.

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IMLS also received written comments in favor of federal formula funding for museums. Anne Ackerson, director, Museum Association of New York, pointed to New York's system of chartering museums according to a set of recently upgraded standards. Writing specifically about New York's situation, she contended that—

Federal support of museum general operations, preferably as formula grants, recognizes and supports the educational contributions these institutions make to Preschool–16 students and their teachers (annually 6.6 million school children), and to scholars, to lifelong learners, and casual visitors totaling more than 50 million people every year.

Supporting the concept of formula funds for museum services, Ralph Lewin, executive director of the California Council for the Humanities, suggested that rather than a state government agency, the state entity charged with administering museum services should be a nonprofit organization, much like the NEH-sponsored state humanities councils. He explained, “In establishing these nonprofit museum organizations, you would also be creating strong, independent advocates for museums in each state. The establishment of these nonprofit museum organizations would not be an easy task, but it would be easier than creating a new state agency in each state.”

Some speakers expressed skepticism about federal-state partnership funding models. David Chesebrough, president and CEO of COSI in Columbus, worried about whether federal dollars would be well used in a state-based program, thinking that merit may give way to the impulse to spread money broadly: “There are many museums, often small, but not always, that are unable, unwilling, or unskilled in creating value for their communities with the federal investment.”

Dennis Bartels, executive director of the Exploratorium in San Francisco, cited the example of the Eisenhower program authorized in 1998, which distributed 85% of a \$200 million program by means of formula grants to school districts for the purpose of improving science and math education. The remaining 15% was reserved for competitive grants. When the Government Accounting Office evaluated the program, only the programs supported by competitive grants “showed clear and substantially positive differences for the teachers and kids.”

### Mechanisms That Encourage Collaboration

Other ideas about aiding small and midsize museums abounded. Among them were for federal granting agencies to sort applications by institution size and type.<sup>37</sup> Another was a fast-track program with simplified application processes and reporting. Another was to encourage a collaboration component to the use of funds awarded through competitive grants. Marc Wilson, director of the

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<sup>37</sup> The IMLS Museums for America grant program arranges its competitive grant process so that museums of similar type and budget size are grouped together.

Nelson-Atkins Museum of Art in Kansas City, saw an exciting possibility for large museums. Calling America's large museums "centers of excellence and capability" making up the "most remarkable museum system in the world," he observed that the system has nonetheless fallen short:

[I]n my view, we have failed to employ these centers of capability to serve as agents of improvement for smaller institutions that reside in the service regions of the large institutions. I, for one, would be eager and pleased to redirect a share of the expertise, the intelligence, and the passion of the large, highly capable staff of my museum into a program intended to transfer knowledge and best practices to smaller institutions. ... This is not a one-way street, an avenue of condescension running from large to small. It is a two-way street occupied by professionals who share common goals and passions that unite us regardless of institutional size or scope. Harness that passion and we can do wonders.

Bill Laidlaw, executive director of the Ohio Historical Society, also took up the need for collaboration. Consistent with his support for the Coalition's efforts, he expressed the need for "collective improvement" of American museums. He observed, "We must work together to improve our professional skills. From art museums and botanical gardens to zoos, we must do a better job of planning for our future and helping each other strengthen our ability to perform our functions. Collaboration, not competition, must be the dominant model in the future if we are all to succeed."

Many speakers cautioned against pitting museums against one another to struggle for the few federal dollars available. A few had concerns about state-administered population-based formula funds, worrying that IMLS could not reasonably expect an increase in funding at the level that would support such a model and keep intact its national competitive grant program. As Ford Bell, president of the American Association of Museums, pointed out, "The idea of a funding stream administered by the states has much merit; however, is not practical if the amount to be distributed is not far higher than current levels."<sup>38</sup> Richard Winefield, executive director of the Bay Area Discovery Museum, also mulled over the amount of money it would take to mount a state-based program for museum services and thought that the most prudent idea was to continue to make competitive grants but to reenergize efforts to engage small museums. "It's important that marquee museums continue to thrive, and equally important that smaller museums continue to exist."<sup>39</sup>

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<sup>38</sup> Written comments dated March 21, 2008.

<sup>39</sup> March 14, 2008.

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### Other Points/Opinions

*Earmarks.* In Kansas City, one speaker whose museum had just received an earmark gave a passionate defense of the practice. On the same panel, another speaker, who expressed profound respect for the earmark-receiving museum, nonetheless cautioned against the practice. Earmarks, in his view, have the capacity to disconnect the award of taxpayers' money from merit.

*Measures of Effective Funding.* Citing the societal benefits of museums in Columbus, John Frazer, director of public research and evaluation at the Wildlife Conservation Society, gave compelling statistics and examples of how zoos and aquariums engage families, are trusted sources of environmental information, and help people develop stronger relationships with nature. As such, public funds are most effectively used to advance museums, and IMLS should “measure its funding effectiveness through contributions to knowledge and professional advancement across the industry.” He added, “There is an urgent need for IMLS to produce and disseminate information to local, state, and federal governments about the social benefits that flow from having a well-supported, publicly financed museum sector across the nation.”

Michael Bauman, executive director of the Missouri Humanities Council, suggested that the quality of the visitor's experience should be the measure of excellence, saying, “Collections, by themselves, do not engage our interest and help us think more widely, more deeply, more critically. People do that. To improve America's museums, we have to do everything we can to bring the visitor's experience to the forefront of our ideology.”<sup>40</sup>

### Ways to Gain Community Support

Some participants spoke enthusiastically of their success in gaining community donations. For example, Kansas City has initiated a metropolitan-wide workplace giving campaign, similar to United Way, to support nonprofit arts organizations. The National Underground Railroad Freedom Center in Cincinnati has undertaken a national campaign to encourage 50,000 donors to contribute a minimum of \$20 each. The resulting goal of \$1 million is being used to form a bedrock of private support for the museum and its services.

### Eligibility to Apply for Other Federal-Funded Education Programs

In Oakland, Dennis Bartels called attention to the fact that museums, many of which actually operate after-school programs, are not eligible to apply for federal funding under the guidelines promulgated by the U.S. Department of Education. More than 25 years ago, the Mott Foundation mounted a program to provide funds to community-based organizations to provide after-school learning. When the Department of Education took over the administration of the program, only schools became eligible for after-school funding.<sup>41</sup>

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<sup>40</sup> Written comments dated March 10, 2008.

<sup>41</sup> At present, museums are eligible for some Department of Education grant programs.

## Section Summary

Throughout these hearings, the public weighed in on funding challenges and mechanisms for museums, highlighting the strengths and benefits of the competitive grants process, characterizing the landscape of state and local support for museums, and identifying the challenges that small and midsize museums face and the potential for museums of all sizes to be more integrated as a sector. Participants also contributed their views on how museum funding could be affected by new federal-state partnerships and on how existing mechanisms could encourage more collaboration in the field.

Two themes emerged from the spoken and written comments that can inform thinking and planning for a potential federal-state partnership in support of museums. The most prominent theme was the value of the competitive grant process, particularly the peer review process and the effect not only of the actual awards but of the grant application process in increasing the quality of museum services. Competitive grants programs at the federal level were cited as mechanisms that directly respond to national priorities and the needs of the nation's museums, raising the quality of service by the museum sector and leveraging other sources of support in the community.

The second theme was the consensus among participants about the needs of small to midsize museums, as well as the need for greater collaboration among museums of all sizes. However, there was disparity over how best to address these needs and the potential implications of a federal-state partnership for the museum sector. Throughout these hearings, a lack of consensus emerged about whether a formal federal-state partnership would be the best way to channel federal dollars to museums, given *current* levels of agency funding. A strong and well-organized group of advocates have argued for this model. But there are other, opposing voices within the museum community. It is vital for policymakers in such situations to consider solid, reliable evidence that can inform decisions about how best to direct federal dollars in ways that both build museum capacities and increase the reach of museum services. The following sections of this report mark an important step toward providing such evidence.



*Pictured:* The National Museum of Women in the Arts in Washington, DC.

# VI Public Funding Sources and the Flow of Public Dollars to Museums in the U.S.

This section defines a variety of mechanisms and purposes for public support for museums and discusses some of the ways these funds are distributed through various levels of government. It concludes with data from the section of the MPFS that reports on government contributions by source and type, as well survey items that ask respondents to report on the availability of state and local support.

## **Overview of the Public Funding Process**

The most common source of public support for American museums, most of which are nonprofit entities, comes in the form of forgone taxes from 501(c)(3) organizations and their donors.<sup>42</sup> Federal, state, and local authorities do not tax revenues generated from activities that are directly related to the missions of nonprofit museums. Consequently, qualified museums can use substantially more of their revenues than commercial ventures can. Also, qualified private donors receive a tax deduction and are thereby encouraged to contribute to museums. This public

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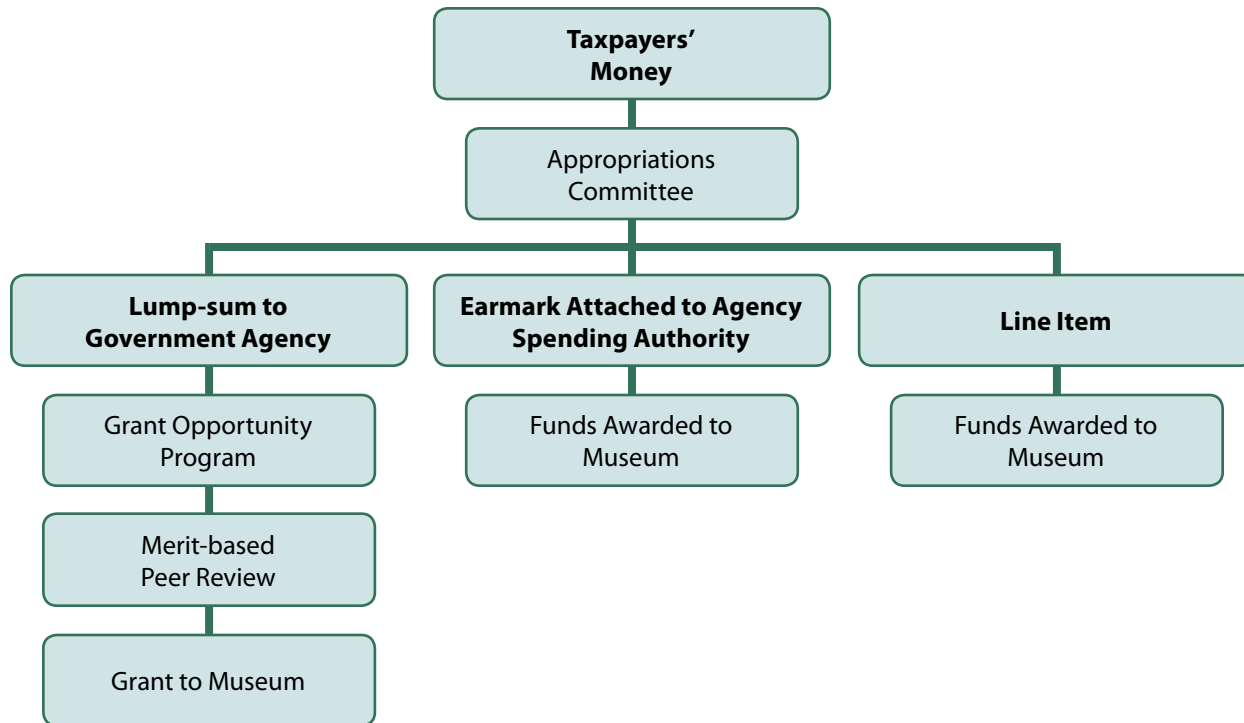
<sup>42</sup> Schuster, J. Mark. 1998. "Neither Public nor Private: The Hybridization of Museums." *Journal of Cultural Economics* 22(2-3): 127-150.

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support in the form of forgone taxes allows museums to use revenues from memberships and general donations more fully.<sup>43</sup>

Direct financial support for American museums comes through a wide variety of mechanisms. Figure VI.1 depicts three major pathways through which public dollars flow to individual museums: lump-sum appropriations, earmarks, and line items.

Figure VI.1. Basic Flow of Public Money to Museums



Lump-sum appropriations to government agencies, which are provided through the federal, state, or local appropriations system, support the missions of the agencies and leave decisions regarding grant programs to the agency leaders. The agencies may allocate these funds to other government or nonprofit entities. Once allocated, these funds are typically distributed through competitive grant programs. These programs, also known as grant opportunity programs, provide public funds to museums on the federal, state, and local levels. Competitive grants are typically awarded through a peer review process. Experts in the field, serving on peer review panels, provide the agency head with recommendations about which activities to fund. Ultimately, the decision about which projects to fund rests with the head of the agency.

<sup>43</sup> Revenue generated from regularly occurring trade or business that is not substantially related to the exempt purposes of a museum could be subject to Unrelated Business Income Tax. [www.irs.gov/pub/irs-pdf/p598.pdf](http://www.irs.gov/pub/irs-pdf/p598.pdf).

## **PUBLIC FUNDING SOURCES AND THE FLOW OF PUBLIC DOLLARS TO MUSEUMS IN THE U.S.**

Earmarks attached to the spending authority legislation of departments and agencies are consistent with the authorizing statute of those government entities. That is, when earmarks are attached to federal grant-making agencies, such as IMLS, the appropriating body directs that money be given to specific museums for programs that fall within the mission of the agency. Earmarks do not employ a formal peer review.

Line items are specific funding directives in an appropriations bill. More common in state, county, or city budgets than in federal budgets, line items may direct funding to a specific museum or to a nonprofit group that will support museum activities. Line items are recurring, dedicated funding allocations within an appropriations bill.

Though most museums are eligible to receive monies through one or more of these public funding pathways, the amount of public money that makes its way to museums varies considerably by museum type and by level of government. The section below provides information from Internal Revenue Service (IRS) administrative data (Form 990) and the MPFS and details the manner and type of support museums receive from varying levels of government.

### **Government Revenue Sources: Federal, State, Local**

Most institutions report some form of government support. Table VI.1, which presents data from the MPFS, lists the percentage of respondents in a given category that cite some form of government support. Across most museum types, more than 50% of the respondent institutions reported some form of financial support from at least one level of government.

However, when looking at specific sources of support, differences in government support become more pronounced for some museum types. Among the MPFS respondents, science and technology museums were much more likely to report support from federal sources than any other type of museum. Museums in the “hybrid and other” category, which include general museums and culturally specific institutions, were more likely to report state support than local or federal support, and historical societies were much more likely to report local support than federal or state support. Other types of institutions reported a relatively high likelihood of government support across federal, state, and local sources. For example, more than 50% of the children’s museums and arboretums and botanical gardens that responded to the survey reported support from federal, state, and local sources.



Table VI.1. Museums Reporting Government Contributions by Source and Type

Museum Type	Source of Support					N
	Some Federal Support	Some State Support	Some Local Support	Some Tribal Support	Some Government Support (any source)	
Art Museums	41.7%	72.2%	52.2%	5.2%	62.5%	129
Children's Museums	51.6%	74.2%	80.6%	0.0%	64.6%	41
History Museums	30.4%	50.3%	68.1%	0.5%	59.1%	235
Natural History and Natural Science Museums	36.4%	63.6%	69.7%	3.0%	60.0%	39
Science and Technology Museums	62.9%	48.6%	38.9%	0.0%	72.9%	41
Historical Societies	21.2%	44.7%	71.8%	1.2%	47.2%	132
Arboretums and Botanical Gardens	52.6%	63.2%	57.9%	0.0%	55.9%	29
Zoos, Aquariums and Zoological Societies	18.9%	22.6%	20.8%	0.0%	69.8%	39
Hybrid and Other	30.6%	63.9%	41.7%	11.1%	42.9%	48
Overall						733

Source: Urban Institute analysis, IMLS Museum Public Finance Survey, 2008.

Table VI.1 does not convey the relative contributions made by different levels of government. Table VI.2 compares the investment made by each level of government as a percentage of all government dollars received. This estimate was done only for museums that reported receiving some public money.

Breaking out support by level of government highlights pronounced differences in the amount of financial support that was received. Some of these distributions are consistent with the results of Table VI.1, which identified the likelihood of receipt, while others are not. For example, science and technology museums, which reported a greater likelihood of receipt of federal support than other government support, reported that half of their public money comes from federal sources. Historical societies, on the other hand, were more likely to report receipt of local government dollars than any other source. But, in the aggregate, federal sources of support amount to almost half of historical societies' government source dollars.<sup>44</sup> Local government dollars make up more than 50% of the public money reported by art museums, children's museums, arboretums and botanical gardens, and zoos, aquariums, and zoological societies in the sample. Across all museum types except for science and technology museums and historical societies, state and local dollars account for more than 80% of the government support reported.

<sup>44</sup> Although both science and technology museums and historical societies reported high rates of federal support compared to other government support, readers should note that underlying dollar amounts (reported in Table IV.6) are very different. For science and technology museums, the median government support amount was \$289,970 for FY 2006. For historical societies, the median government support amount was \$7,751.

# PUBLIC FUNDING SOURCES AND THE FLOW OF PUBLIC DOLLARS TO MUSEUMS IN THE U.S.

Table VI.2. Percentage of Government Revenue by Type and Source, FY 2006

Museum Type	Source of Support				N
	Federal	State	Local	Tribal	
Art Museums	16.4%	30.1%	52.5%	1.0%	115
Children's Museums	17.8%	24.4%	57.8%	0.0%	31
History Museums	18.4%	43.0%	38.5%	0.0%	191
Natural History and Natural Science Museums	18.2%	42.4%	39.4%	0.1%	33
Science and Technology Museums	52.0%	21.8%	26.1%	0.0%	35
Historical Societies	45.7%	26.8%	27.4%	0.0%	85
Arboretums and Botanical Gardens	18.7%	12.5%	68.9%	0.0%	19
Zoos, Aquariums and Zoological Societies	8.5%	15.0%	76.4%	0.1%	37
Hybrid and Other	6.8%	67.8%	23.8%	1.5%	36
Total					582

Source: Urban Institute analysis, IMLS Museum Public Finance Survey, 2008.

## Perceptions, Competition, and Uses of Public Support

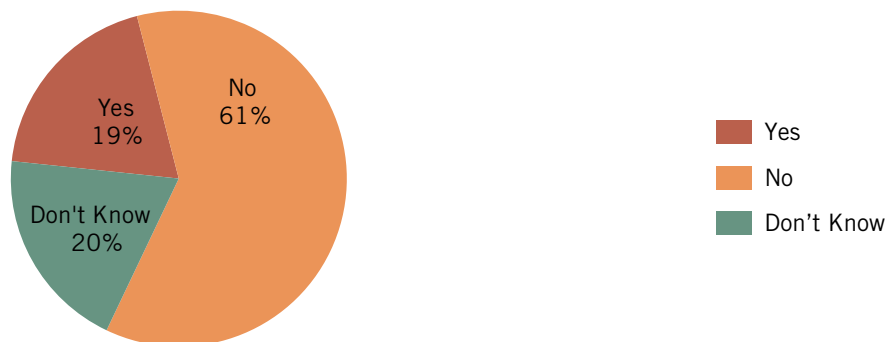
To better understand the reach of public dollars to museums, the MPFS asked respondents about their perceptions, attempts to secure, and uses of federal, state, and local support.

### Federal Support

Among the MPFS respondents, 71% reported that they had applied for federal grants, 19% said they had not applied for federal grants, and 9% said that they did not know if their institution had ever applied for federal grants through a competitive process. Among the respondents that applied for federal grants, 85% reported having been successful in securing this type of support in the past three years.

The study also explored whether museums had sought congressional earmarks. Figure VI.2 shows the responses. Among institutions that did seek earmark support, 49% sought earmarks for capital construction or renovation, 21% for educational programs, 13% for outreach, 11% for conservation of collections, and 6% for other purposes.

Figure VI.2. Museums Seeking Federal Earmarks



Source: Urban Institute analysis, IMLS Museum Public Finance Survey, 2008.

The MPFS found significant differences in the types of museums that reported applying for federal earmarks. Table VI.3 lists the different types of institutions seeking federal earmark support. Science and technology centers are much more likely than any other type of institution to seek such support.

Table VI.3. Museums Seeking Federal Earmarks by Type

Museum Type	Yes	No	Don't Know	Total
Art Museums	12.3%	60.0%	27.7%	130
Children's Museums	23.7%	55.3%	21.1%	38
History Museums	19.0%	63.3%	17.7%	237
Natural History and Natural Science Museums	20.5%	61.4%	18.2%	44
Science and Technology Museums	53.7%	34.1%	12.2%	41
Historical Societies	10.9%	65.9%	23.3%	129
Arboretums and Botanical Gardens	25.0%	64.3%	10.7%	28
Zoos Aquariums and Zoological Societies	26.8%	58.5%	14.6%	41
Hybrid and Other	19.2%	67.3%	13.5%	52
Total				740

Source: Urban Institute analysis, IMLS Museum Public Finance Survey, 2008.

**State and Local Support**

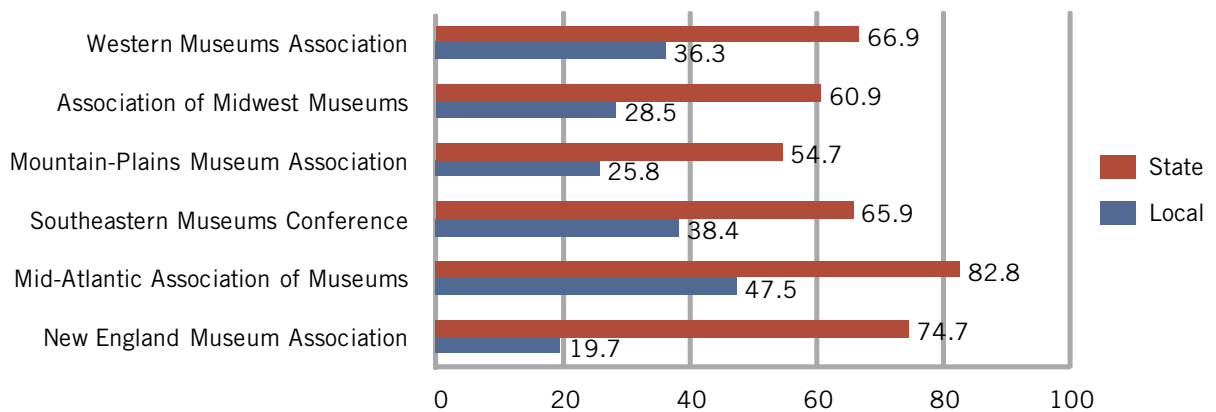
The MPFS asked respondents a series of questions about the *perception* of the availability of state and local dollars for museums. Figure VI.3 lists results from two separate questions. The survey asked respondents whether their local government provided direct financial support to museums through a competitive grant process. It also asked whether their state governments provided direct financial support to museums via a competitive grant process. It is important to note that respondents were not asked if their museum had received direct financial support from state or local government, but whether such support was *available*.

There was little variance in the responses by museum type; however, we did find significant differences in the responses by region. Figure VI.3 displays the responses to both questions by the six museum association regions.<sup>45</sup> The red bars represent the percentage of respondents who answered “Yes” to the question about the availability of state competitive support to museums. The blue bars represent the percentage of respondents who answered “Yes” to the question about the availability of local competitive support to museums. Across all six regions, respondents were much more likely to report the availability of direct financial support to museums from state government than from local government.

<sup>45</sup> Museum regions are those designated by the American Association of Museums. See appendix B for the lists of states comprising each region.

## PUBLIC FUNDING SOURCES AND THE FLOW OF PUBLIC DOLLARS TO MUSEUMS IN THE U.S.

Figure VI.3. Competitive Grants Available at State and Local Levels



Source: Urban Institute analysis, IMLS Museum Public Finance Survey, 2008.

In some regions, the availability of state support by means of competitive grants was twice that reported for local government. The New England Museum Association service area stands out as the region with the greatest reported difference in the availability of competitive grants, with 75% of the region's respondents reporting that state-level monies were available and only 20% reporting that local competitive grant monies were available.

On the question of availability, the survey also asked respondents to report whether or not their institution had applied for these grants. Among respondents reporting the availability of local-level competitive grant money, 83% in all regions reported applying for this support in the last three years. Among respondents who reported the availability of state-level competitive grant money, 78% reported applying for this support in the last three years.

The MPFS also asked respondents to identify whether earmarks from the state legislature were available to museums in their states. These responses were aggregated at the regional level, and the results are shown in Table VI.4. Only in one region, the Southeastern Museum Conference, did the majority of respondents say that state-level earmarks were an option open to museums in their states. Across the other five regions, the most common response to this question was "Don't Know."

Table VI.4. Are State Earmarks an Option for Museums in Your State?

Museum Region	Yes	No	Don't Know	Total
New England Museum Association	41.1%	16.4%	42.5%	73
Mid-Atlantic Association of Museums	38.1%	15.9%	46.0%	113
Southeastern Museum Conference	55.1%	19.7%	29.5%	132
Mountain-Plains Museums Association	16.5%	33.0%	50.4%	115
Association of Midwest Museums	28.8%	25.6%	45.6%	160
Western Museums Association	23.3%	23.3%	53.3%	150
All Regions	32.3%	22.9%	44.8%	743

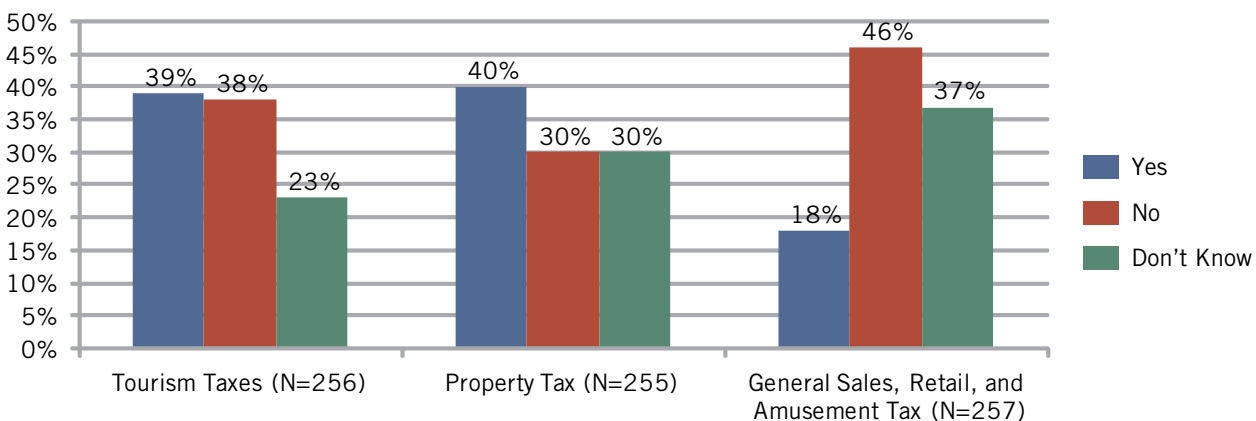
Source: Urban Institute analysis, IMLS Museum Public Finance Survey, 2008.

### Availability of In-Kind and Dedicated Tax Support

Apart from competitive grants, all respondents were asked whether they received in-kind support from state or local governments. In-kind support is the donation of equipment, services, supplies, or other property distinct from monetary donations. Across all respondents, only 8% reported receipt of in-kind support from state government. However, 30% of the respondents reported receipt of in-kind support from local government. Respondents were asked to provide monetary estimates of the in-kind support, but most reported that the value of the support had not been assessed.

Respondents were also asked whether tourism, property, and sales taxes (including general sales, retail, and amusement taxes) were dedicated to support museums. Among the three taxing options, property taxes (40%) and tourism taxes (39%) were the most likely to be used for museum support. Sales taxes were mentioned by 18% of respondents. However, for each question, a significant number of respondents were not sure whether local tax dollars were used to support area museums (Figure VI.4).

Figure VI.4. Taxes Used for Museum Support



Source: Urban Institute analysis, IMLS Museum Public Finance Survey, 2008.

# PUBLIC FUNDING SOURCES AND THE FLOW OF PUBLIC DOLLARS TO MUSEUMS IN THE U.S.

## Uses for State and Local Support

The MPFS asked respondents to select the most important use from a list of purposes for state and local funds for museums. For the overwhelming majority of respondents, the most important purpose for funds from both sources was general operating support. Program support was listed as the second most important purpose, followed by support for capital improvements and renovations. Table VI.5 indicates the ranking of importance for each type of support and the number of respondents who selected them as most important.

*Table VI.5. Most Important Purpose for State and Local Source Funds for Museums*

Most Important Purpose for Funds for Museums	State Funds (Frequency)	Local Funds (Frequency)
General operating support	283	182
Program support (collections care, exhibits, research, educational programming)	117	36
Funds for capital improvements/expenditures or new construction	83	29
Unrestricted funds	4	4
Restricted funds for management and general expenses (administrative, maintenance, other)	1	0
Salary	1	0

Source: Urban Institute analysis, IMLS Museum Public Finance Survey, 2008.

## Section Summary

This section highlights the important yet understudied fact that public finance of U.S. museums comes through a wide variety of mechanisms, through varying levels of government, and in very different amounts. The majority of institutional respondents reported receipt of public funds in some form or other. Across the museum types, science and technology museums were the most likely to report receipt of government support, followed by zoos, aquariums, and zoological societies. Historical societies and hybrid institutions were among the least likely types to report government support. Respondents reported the availability of a wide variety of public finance mechanisms at different levels of government. Given this diverse funding base, an important consideration for a new federal-state partnership is how federal dollars might complement or leverage state dollars, as well as their relationship to the broader funding base of museums, which includes local public funding and private and earned income support.

Survey respondents reported the availability of state and local competitive grants in all regions of the country, although responses suggest that state competitive grants are almost twice as likely to be available as local competitive grants. There was a wide range in the availability of state budget earmarks, from 16% of the respondents reporting their availability in the Mountain-Plains states to more than 55% in the Southern Museum Conference. Two out of five survey respondents reported local government availability of tourism and property taxes, and one in five reported the availability of general sales, retail, and amusement taxes for museums.

This section showed that different types of museums reported receipt of support from different levels of government; the dollar amounts received by institutional respondents highlight the fact that some government sources account for a much greater share of their public dollars than others. Federal sources provide greater proportional shares of government support to science and technology museums and to historical societies than state or local sources. In turn, local sources provide greater proportional shares of government support to art museums, children's museums, arboretums/botanical gardens, and zoos. State governments do not appear to provide greater proportional shares of support to specific museum types to the degree that federal and local sources do.

Examining the proportional distribution of government dollars is a useful way of looking at the relative contribution of federal, state, and local support by museum type, but here again it is important to ask what these contributions represent in dollar terms. For most museum types that have resource-intensive collections and operations, such as science and technology museums and zoos, aquariums, and zoological societies, one level of government tended to dominate the public investment. For example, in the case of science and technology museums, federal dollars accounted for more than half of the government money received. For zoos, aquariums, and zoological societies, local government dollars accounted for close to 70% of the government money received. In short, different levels of government tend to concentrate museum funding by museum type.



*Pictured: A volunteer leads a group of students on a tour of the Japanese American National Museum in Los Angeles, California. Photo by Don Farber.*

## VII Public Funding for Museums at the Federal Level

This section reviews administrative data from four federal agencies and data drawn from passed and signed congressional appropriation bills to describe the distribution of federal competitive grants and earmarks to museums across the United States. The funding sources listed below do not account for all of the direct federal contributions to museums. However, they do represent the largest sources of direct federal support to museums.

### **Federal Grant Opportunity Programs**

IMLS, NEA, NEH, and NSF are the four grant-making agencies that provide most of the federal competitive awards to museums in the United States. Each agency has a distinctive role in providing support to museums that is defined by the mission of the agency. As their titles indicate, NSF, NEH, and NEA strive to support programmatic efforts to improve understanding of sciences, humanities, and arts, respectively. As a result, competitive grants from these agencies tend to support a narrower segment of the museum sector. An examination of FY 2006 giving for the three agencies illustrates this point. Of the 34 NSF museum grantees in FY 2006, 65% were either natural history/natural science museums or science and technology centers. Similarly, 64%



## PUBLIC FUNDING FOR MUSEUMS AT THE FEDERAL LEVEL

of NEA's 149 museum grantees in FY 2006 were art museums, and 49% of NEH's 164 museum grantees in FY 2006 were history museums or historical societies.<sup>46</sup> IMLS, which does not have a disciplinary focus, provides competitive grant support to many different museum types.

Apart from differences in disciplinary focus, there are significant differences in the number of awards made annually, the amount of money distributed, and the distribution of awards across the United States.<sup>47</sup> Between FY 2000 and FY 2006, these four federal agencies awarded 5,619 direct grants to museums, amounting to more than \$628 million.<sup>48</sup> More than three-quarters of this amount came from IMLS and NSF, which provided 32% and 46%, respectively, of the total federal dollars distributed over the study period. NEA accounted for 5% and NEH accounted for 17% of the direct competitive museum grants distributed by the four agencies during the study period (see Table VII.2).

### Distribution of Federal Competitive Grant Funds According to Regions

A review of federal grants from FY 2000 to FY 2006 highlights major differences in the distribution of these dollars across the agencies and the states. This is illustrated for one year in Table VII.1. Among the four granting agencies, NSF provided the largest amount of support to museums for FY 2006—more than \$34 million. NSF is followed by IMLS with more than \$31.5 million, NEH with \$12.3 million, and NEA with \$5.4 million.

Most of the competitive federal money distributed to museums in FY 2006 (78%) came from NSF and IMLS. Listed alongside each agency's distribution is the percentage distributed to each museum region. As Table VII.1 shows, the distributions vary widely; however, a few patterns emerge. The Mid-Atlantic region garnered more support than any other region. Two regions (Mid-Atlantic and Western Museum Association regions) received more than 50% of the NSF support. The New England Museum Association and the Association of Midwest Museums regions had 50% of the NEH support in FY 2006.

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<sup>46</sup> Because the administrative data files for the three agencies did not include a classification for the type of museum, each record had to be postcoded by hand based on the name of the institution. This type of coding did not result in a 100% match. For NSF, 17% of the museums could not be classified by name alone. For NEA, 23% of the museums could not be identified by name, and for NEH, the figure was 34%. These percentages also include museums that could be classified as tribal museums, hybrid museums, or specialized museums based on MPFS categorization.

<sup>47</sup> Appendix C presents tables for each agency that provide a year-by-year breakdown of funding to states between FY 2000 and FY 2006 and the distribution of funds per 1,000 residents.

<sup>48</sup> In several tables that represent dollar amounts of awards over multiple years, the award amounts are adjusted for inflation and set to 2006 dollars for comparative purposes. Notes at the bottom of the tables indicate when this occurs.

## PUBLIC FUNDING FOR MUSEUMS AT THE FEDERAL LEVEL

Table VII.1. Federal Grant Funding to Museums from IMLS, NSF, NEA, and NEH by Museum Association Region, FY 2006

	Distribution of Grants/Earmarks to Museums by Identified Source											
	IMLS		NSF		NEA		NEH		Earmarks		Total All Federal Sources	
	2006 \$	%	2006 \$	%	2006 \$	%	2006 \$	%	2006 \$	%	2006 \$	%
New England Museum Association	4,000,796	13	5,739,344	17	811,500	15	3,751,923	30	6,850,000	10	21,153,563	14
Mid-Atlantic Association of Museums	9,105,491	29	8,893,737	26	1,804,700	33	2,216,529	18	6,635,000	10	28,655,457	19
Southeastern Museum Conference	4,334,272	14	2,076,488	6	713,000	13	2,128,745	17	16,945,000	26	26,197,505	18
Mountain-Plains Museums Association	3,103,635	10	2,977,097	9	427,000	8	1,143,556	9	7,660,000	12	15,311,288	10
Association of Midwest Museums	6,650,012	21	4,109,781	12	893,250	16	2,521,493	20	15,950,000	24	30,124,536	20
Western Museums Association	4,311,214	14	10,351,507	30	825,000	15	573,577	5	11,600,000	18	27,661,298	19
Total United States	31,505,420	100	34,147,954	100	5,474,450	100	12,335,823	100	65,640,000	100	149,103,647	100

Source: Federal support from agencies is based on Urban Institute analysis of administrative data obtained from IMLS, NSF, NEA, NEH, 2008. Earmark/allocation reports are based on Urban Institute analysis of data obtained from the Citizens Against Government Waste, 2008.

Note: All amounts are expressed in 2006 dollars.

### Distribution of Federal Competitive Grant Funds by State

Table VII.2 depicts the four agencies' funding from FY 2000 to FY 2006. IMLS and NEH were the only agencies that provided grants to museums in all 50 states and the District of Columbia. During that period, museums in 3 states did not receive NEA support and museums in 22 states did not receive NSF support.<sup>49</sup> An examination of the cumulative support amounts across all four agencies reveals that support tends to be concentrated among states with the largest populations and largest museum sectors. Five states (California, New York, Massachusetts, Illinois, and Pennsylvania) received more than 50% of all the competitive grant dollars awarded by the four agencies over these seven years. Based on state-level estimates for museums provided earlier in this report, these five states account for 28% of the identified museums in the United States.

<sup>49</sup> The tables reporting state-level distribution of NEA grants report direct grants from the agency to museums. NEA gives grant to all 50 states through its grants to State Arts Agencies.

New York, California, Massachusetts, and Illinois received the most money from IMLS over the seven years, with cumulative grant totals ranging from \$13.2 million in Illinois to \$25.4 million in New York. The states that received the least financial support from IMLS over these years were North Dakota and Idaho, which received \$230,570 and \$305,485, respectively.

The full range of total grant funding to museums from NEH over the same period runs from cumulative seven-year grant totals of \$18,339 in South Carolina to \$15,592,743 in New York. From 2000 to 2006, NSF distributed competitive grants to museums in 28 states, ranging from a cumulative total of \$33,538 in Maine to \$82,561,632 in California. Over the same period, NEA distributed competitive grants to museums in all states except Arkansas, Kansas, and Oregon, with cumulative seven-year totals ranging from \$11,383 in South Dakota and West Virginia to \$7,109,939 in New York.

*Table VII.2. Federal Grant Funding to Museums from IMLS, NSF, NEA, and NEH by State, FY 2000–2006*

	IMLS	NSF	NEA	NEH	Total Across Four Agencies
	Total 2000–06	Total 2000–06	Total 2000–06	Total 2000–06	Total 2000–06
Alabama	1,142,473	141,869	521,594	352,214	2,158,150
Alaska	1,624,800	1,919,189	46,435	1,829,923	5,420,346
Arizona	3,715,776	0	216,921	1,424,750	5,357,446
Arkansas	621,455	0	0	71,684	693,139
California	15,679,429	82,561,632	4,209,933	10,166,693	112,617,687
Colorado	4,950,773	2,453,389	330,467	942,203	8,676,832
Connecticut	5,339,894	1,949,192	592,348	3,219,892	11,101,326
Delaware	820,271	544,310	216,652	906,558	2,487,790
District of Columbia	5,296,898	0	1,115,284	3,031,612	9,443,794
Florida	6,450,864	7,842,543	302,145	2,598,796	17,194,347
Georgia	1,757,673	0	1,314,114	1,363,480	4,435,268
Hawaii	659,431	1,922,293	93,380	351,332	3,026,436
Idaho	305,485	0	60,306	32,552	398,344
Illinois	13,299,258	16,348,063	2,306,368	3,974,727	35,928,416
Indiana	2,055,619	1,343,081	82,298	959,830	4,440,827
Iowa	2,080,381	0	306,561	1,005,405	3,392,347
Kansas	1,897,198	0	0	62,428	1,959,626
Kentucky	2,370,180	2,126,934	183,085	153,849	4,834,049
Louisiana	2,501,804	0	168,018	592,575	3,262,396
Maine	4,265,581	33,538	166,889	2,585,170	7,051,178
Maryland	3,257,595	3,387,163	437,424	2,924,086	10,006,268
Massachusetts	15,411,838	26,505,013	2,175,235	7,222,587	51,314,673
Michigan	6,205,450	0	936,560	3,418,255	10,560,265
Minnesota	4,331,881	17,642,016	178,838	2,697,849	24,850,584

## PUBLIC FUNDING FOR MUSEUMS AT THE FEDERAL LEVEL

Table VII.2. Federal Grant Funding to Museums from IMLS, NSF, NEA, and NEH by State, FY 2000–2006 (continued)

	IMLS	NSF	NEA	NEH	Total Across Four Agencies
	Total 2000–06	Total 2000–06	Total 2000–06	Total 2000–06	Total 2000–06
Mississippi	504,182	0	156,089	1,206,809	1,867,080
Missouri	3,993,170	2,889,818	712,796	4,175,213	11,770,997
Montana	1,762,548	0	201,383	297,697	2,261,628
Nebraska	1,876,733	0	20,995	608,212	2,505,939
Nevada	735,595	0	53,085	61,075	849,755
New Hampshire	1,553,243	824,780	49,171	1,112,923	3,540,117
New Jersey	1,355,000	2,162,953	460,576	749,525	4,728,053
New Mexico	3,178,852	742,108	528,706	2,819,292	7,268,959
New York	25,431,901	47,476,779	7,109,939	15,592,743	95,611,362
North Carolina	4,890,456	2,725,137	700,882	1,592,222	9,908,698
North Dakota	230,570	0	203,450	53,740	487,761
Ohio	5,461,685	2,738,807	884,629	2,614,034	11,699,156
Oklahoma	1,904,863	0	303,737	554,648	2,763,247
Oregon	2,029,196	6,666,751	0	96,396	8,792,342
Pennsylvania	10,474,319	17,327,026	2,083,777	5,317,059	35,202,181
Rhode Island	718,433	0	26,264	630,605	1,375,302
South Carolina	1,401,435	0	39,973	18,339	1,459,748
South Dakota	808,234	0	11,383	71,938	891,555
Tennessee	3,989,249	0	532,604	356,024	4,877,878
Texas	6,543,668	8,741,114	1,555,500	2,477,307	19,317,589
Utah	2,324,967	0	26,296	35,025	2,386,287
Vermont	2,010,912	4,523,074	22,056	1,153,724	7,709,765
Virginia	4,903,352	24,378,909	202,366	5,286,085	34,770,712
Washington	4,813,912	417,305	852,671	1,308,515	7,392,403
West Virginia	695,677	0	11,383	25,962	733,022
Wisconsin	4,404,882	965,592	195,633	1,247,538	6,813,645
Wyoming	1,072,514	0	89,864	104,620	1,266,997
U.S. Total	205,111,551	289,300,379	32,996,063	101,455,723	628,863,716

Source: Urban Institute analysis of data provided by IMLS, NSF, NEA, NEH and Citizens Against Government Waste, 2008.

Note: All amounts are expressed in constant 2006 dollars.

## Federal Earmarks

Congressional earmarks are another important source of federal funds for museums.<sup>50</sup> Table VII.3 provides summaries by state of identified earmarks for more than 1,212 museums between FY 2001 and FY 2006.<sup>51</sup> Note that the earmarks identified in Table VII.3 and Figures VII.1 and VII.2 cover funds allocated to all types of museums, including government-managed and nonprofit museums, federal and military museums, and university-based museums and centers.

Table VII.3. Earmarks to Museums by State, FY 2001–2006

	Total Earmarks (\$ 2006)						Total 2001-06
	2001	2002	2003	2004	2005	2006	
Alabama	597,628	4,902,724	3,944,348	1,120,593	2,076,903	3,600,000	16,242,196
Alaska	1,707,510	4,762,646	2,191,304	2,241,186	5,082,839	0	15,985,485
Arizona	227,668	56,031	0	1,040,551	849,290	0	2,173,540
Arkansas	0	0	0	80,042	358,194	0	438,236
California	7,884,142	7,765,914	6,347,113	7,031,987	5,065,548	7,700,000	41,794,705
Colorado	341,502	840,467	986,087	4,268,925	258,065	250,000	6,945,046
Connecticut	828,711	1,193,463	838,174	202,774	1,858,065	4,700,000	9,621,187
Delaware	0	0	197,217	0	0	0	197,217
District of Columbia	6,830,040	4,773,852	6,847,826	4,546,406	7,458,065	1,470,000	31,926,188
Florida	1,074,593	1,149,759	1,265,478	3,068,290	5,398,710	1,300,000	13,256,830
Georgia	1,792,885	1,277,510	3,438,704	346,850	3,655,226	675,000	11,186,175
Hawaii	3,585,771	3,193,774	876,522	853,785	516,129	0	9,025,981
Idaho	0	840,467	0	1,227,316	258,065	0	2,325,847
Illinois	5,099,763	1,456,809	2,651,478	3,601,906	8,237,419	2,880,000	23,927,376
Indiana	0	112,062	0	640,339	103,226	2,580,000	3,435,627

<sup>50</sup> The earmarks data for this report were drawn from earmarks identified from signed and passed congressional appropriation bills collected by the nonprofit organization, Citizens Against Government Waste (CAGW). To flag congressional earmarks consistently, CAGW established seven criteria. To be counted as an earmark, appropriations must satisfy at least one of the following criteria: (1) requested by only one chamber of Congress; (2) not specifically authorized; (3) not competitively awarded; (4) not requested by the president; (5) greatly exceed the president's budget request or the previous year's funding; (6) not the subject of congressional hearings; (7) serve only a local or special interest. By comparison, the Office of Management and Budget (OMB) defines earmarks as funds provided by Congress for projects or programs where the congressional direction (in bill or report language) circumvents executive branch merit-based or competitive allocation processes, specifies the location or recipient, or otherwise curtails the ability of the executive branch to manage critical aspects of the funds allocation process. OMB did not start collecting data on earmarks until FY 2006, making the CAGW data the only consistent source of information for the period covered in this report. The Urban Institute compared the OMB and CAGW data for the one year in which the two sources overlapped (FY 2006) and found the dollar figures to be comparable within 2 percentage points, with the CAGW database providing the slightly lower estimate.

<sup>51</sup> Earmark data were not available for FY 2000. Therefore, the total amount of federal-level support for museums identified in this report is from earmarks from FY 2001–2006 and competitive grants from IMLS, NEA, NEH and NSF from FY 2000–2006.

## PUBLIC FUNDING FOR MUSEUMS AT THE FEDERAL LEVEL

Table VII.3. Earmarks to Museums by State, FY 2001–2006 (continued)

	Total Earmarks (\$ 2006)						Total 2001–06
	2001	2002	2003	2004	2005	2006	
Iowa	2,276,680	3,025,681	4,683,913	3,255,056	3,210,323	365,000	16,816,652
Kansas	1,081,423	0	310,617	186,765	412,903	0	1,991,709
Kentucky	1,928,348	1,372,763	0	1,227,316	11,489,032	0	16,017,459
Louisiana	284,585	560,311	547,826	0	1,135,484	500,000	3,028,206
Maine	398,419	2,801,556	1,512,000	0	100,129	400,000	5,212,104
Maryland	701,217	0	5,752,174	1,464,241	877,419	200,000	8,995,052
Massachusetts	2,514,593	1,372,763	1,764,000	1,067,231	1,858,065	250,000	8,826,651
Michigan	1,377,391	952,529	221,870	2,134,463	1,465,548	1,850,000	8,001,801
Minnesota	581,692	0	1,698,261	133,404	428,387	250,000	3,091,744
Mississippi	1,400,158	1,428,794	273,913	2,881,525	3,716,129	2,950,000	12,650,519
Missouri	8,935,968	560,311	4,355,217	982,920	1,496,774	6,950,000	23,281,191
Montana	0	392,218	0	1,334,039	1,290,323	450,000	3,466,580
Nebraska	0	0	0	0	1,147,871	5,240,000	6,387,871
Nevada	0	0	383,478	160,085	206,452	0	750,015
New Hampshire	341,502	0	0	26,681	2,012,903	1,500,000	3,881,086
New Jersey	3,606,261	0	0	0	1,823,742	340,000	5,770,003
New Mexico	227,668	0	1,062,783	346,850	0	200,000	1,837,301
New York	6,740,111	16,181,790	8,268,065	4,161,135	7,059,871	2,825,000	45,235,972
North Carolina	942,545	560,311	769,696	1,387,401	837,419	2,030,000	6,527,372
North Dakota	227,668	336,187	273,913	0	0	0	837,768
Ohio	397,281	3,397,728	3,670,435	3,308,417	5,410,065	1,075,000	17,258,925
Oklahoma	0	0	1,725,652	747,062	2,683,871	420,000	5,576,585
Oregon	170,751	1,512,840	378,000	1,173,954	333,161	400,000	3,968,707
Pennsylvania	5,778,213	3,440,311	4,545,313	4,028,798	4,797,677	1,800,000	24,390,313
Rhode Island	1,309,091	1,120,623	443,739	586,977	51,613	0	3,512,043
South Carolina	2,561,265	381,012	0	533,616	258,065	200,000	3,933,957
South Dakota	0	336,187	2,958,261	2,134,463	1,703,226	200,000	7,332,136
Tennessee	1,878,261	952,529	368,687	3,335,098	2,519,742	300,000	9,354,317
Texas	2,112,759	1,949,883	1,695,522	426,893	619,355	550,000	7,354,411
Utah	1,707,510	0	0	240,127	77,419	1,800,000	3,825,056
Vermont	2,561,265	3,434,708	0	0	0	0	5,995,973
Virginia	2,922,119	4,263,969	5,216,400	3,612,578	3,664,516	1,250,000	20,929,582
Washington	2,447,431	1,008,560	843,104	907,147	3,169,032	1,700,000	10,075,274
West Virginia	1,821,344	5,821,634	0	106,723	4,129,032	4,140,000	16,018,734
Wisconsin	569,170	1,232,685	0	373,531	154,839	0	2,330,224
Wyoming	0	0	0	0	325,161	350,000	675,161
U.S. Total	91,195,826	90,723,362	83,307,091	72,802,253	112,415,484	65,640,000	516,084,016

Source: Urban Institute analysis of Citizens Against Government Waste data, 2008.

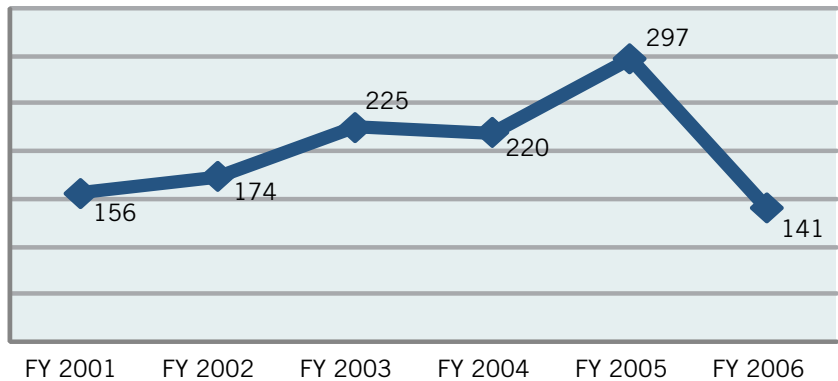
Note: All amounts are expressed in constant 2006 dollars.

There is considerable unevenness in the amount of earmarked funding to museums in most states over the six-year period. For example, seven states and the District of Columbia received more than \$1 million each in all six years. Some states (Delaware, Nebraska, and Wyoming) received earmarks in only one year.

There is also significant variation in the amount of earmark money that is distributed to a given state over time. The presence of one or two major earmarks in a given year may result in a significantly larger amount of money compared to previous or later years. For example, Ohio received a total of \$17.2 million over the six years, but the dollar amounts in individual years ranged from \$397,281 to \$5.4 million.

Over the six years reviewed for this study, 1,214 earmarks were distributed to museums through 12 federal appropriation subcommittees (see appendix G). The median size of award for the six years was \$250,000, while the full range extended from \$50,000 to \$5 million. The number of earmarks to museums rose steadily from 2001 to 2005 (see Figure VII.1) and then fell to the lowest level of all six years in 2006. In 2005, the year with the highest number and dollar amount of federal earmarks to museums, the total number of museum earmarks was just over 2% of the total number of federal earmarks awarded, according to the data collected by CAGW. As a proportion of dollars distributed through earmarks, the \$112 million in earmarks to museums in 2005 represents 0.4% of all earmark monies distributed in that fiscal year.

Figure VII.1. Number of Earmarks to Museums by Budget Year, FY 2001–2006

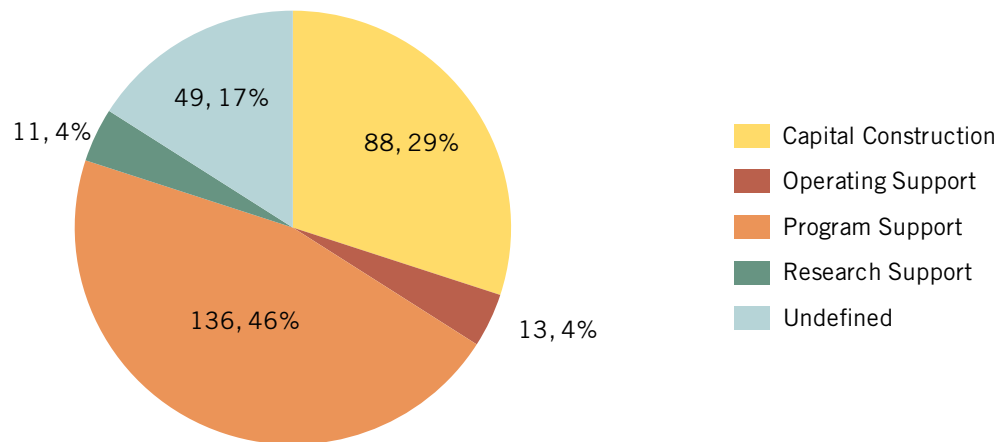


Source: Urban Institute analysis of Citizens Against Government Waste data, 2008.

## PUBLIC FUNDING FOR MUSEUMS AT THE FEDERAL LEVEL

Although detailed descriptions are not available for many of the earmarks in the CAGW data, a review of the earmarks with project descriptions indicates that the largest share of museum earmarks were for program support (46%), followed by capital construction (29%), and then operating support (4%) and research (4%). Many earmarks could not be identified (17%) from the information available (see Figure VII.2).<sup>52</sup> The types of earmarks specified in Figure VII.2 were the result of Urban Institute analysis of earmark data.<sup>53</sup>

Figure VII.2. Types of Federal Earmarks to Museums, FY 2005. Total = 296 earmarks



Source: Urban Institute analysis of Citizens Against Government Waste data, 2008.

Table VII.4 details museum funding from IMLS, NSF, NEH, NEA, and federal earmarks, by state. The states most successful in receiving federal money, from both competitive grant programs and earmarks, are again California and New York. The next two most successful states lag far behind. The third most successful state (Massachusetts), as well as the fourth (Illinois), received less than half as many federal dollars as either California or New York.<sup>54</sup>

<sup>52</sup> Earmarks for FY 2005 were coded for this analysis because this was the last year of available data that contained earmarks distributed through the Labor, Health and Human Services, and Education appropriation. A significant percentage (17%) of earmarks could not be categorized because of insufficient descriptive information and should be taken into account when comparing the distribution of earmark purposes.

<sup>53</sup> Capital construction includes earmarks for expansion, construction, renovation, restoration, and updates to and repairs of facilities. Earmarks for traffic and transportation infrastructure were also classified as capital construction. Program support includes earmarks for conservation and assessment projects, preservation, digitization, education, community outreach, and exhibition and earmarks designated to projects. Operations support includes earmarks for equipment, wages, training, technological infrastructure, and maintenance. Research support includes earmarks for research projects and studies. Undefined includes all earmarks for which only the name of the museum receiving the earmark is known and no other information is available.

<sup>54</sup> For further comparison, appendix C, Table AC.10 shows per capita funding from all federal sources by state for the years 2000–2006.



Table VII.4. Museum Funding from IMLS, NSF, NEH, NEA, and Earmarks: FY 2000–2006, by State

	Total (\$ 2006)							Total 2000–06*
	2000*	2001	2002	2003	2004	2005	2006	
AL	380,675	796,496	5,181,731	4,336,219	1,412,815	2,202,999	4,089,412	18,400,347
AK	531,105	1,811,913	5,625,432	3,204,397	2,813,749	6,321,702	1,097,533	21,405,831
AZ	725,830	1,672,104	515,498	807,599	1,332,516	2,055,949	421,490	7,530,986
AR	136,553	98,055	154,357	65,979	223,531	372,681	80,219	1,131,375
CA	12,395,872	26,734,786	20,090,563	21,726,760	24,641,779	28,303,076	20,519,556	154,412,392
CO	633,028	1,831,526	1,868,126	1,483,338	6,285,168	1,876,405	1,644,288	15,621,878
CT	780,321	2,240,258	2,131,378	1,979,779	4,164,091	2,938,693	6,487,993	20,722,513
DE	149,074	489,891	250,564	431,862	804,391	138,472	420,752	2,685,008
DC	783,790	8,318,484	5,579,715	7,638,181	5,110,479	9,149,216	4,790,117	41,369,982
FL	2,020,099	2,355,761	2,768,556	4,666,503	6,396,178	9,101,357	3,142,722	30,451,177
GA	428,020	2,182,389	1,645,499	3,720,927	1,386,774	4,038,338	2,219,497	15,621,443
HI	279,026	4,103,677	3,622,321	1,222,992	1,748,600	1,030,316	45,485	12,052,417
ID	31,962	88,846	885,941	101,029	1,273,052	281,110	62,251	2,724,191
IL	5,360,722	8,707,843	6,160,431	8,743,450	8,330,124	15,040,551	7,512,671	59,855,792
IN	1,605,516	222,696	344,567	602,056	1,406,782	444,191	3,250,647	7,876,454
IA	753,223	2,701,324	3,489,513	4,841,562	3,936,803	3,639,991	846,583	20,208,999
KS	176,426	1,354,403	577,043	362,345	727,383	434,508	319,226	3,951,335
KY	330,958	2,897,560	2,108,660	146,928	3,177,370	11,705,032	485,000	20,851,507
LA	229,727	527,822	951,812	1,349,492	926,976	1,162,694	1,142,080	6,290,603
ME	277,297	1,197,218	4,269,741	2,813,057	1,563,123	413,993	1,728,853	12,263,283
MD	2,815,372	1,663,380	1,169,499	7,316,307	3,651,224	1,562,104	823,435	19,001,320
MA	4,990,345	8,649,800	6,493,839	8,580,873	9,955,298	11,567,202	9,903,968	60,141,324
MI	1,213,342	2,556,073	2,279,638	2,188,794	3,806,671	3,064,309	3,453,240	18,562,066
MN	4,707,623	3,874,776	3,947,985	3,759,168	4,242,690	4,956,830	2,453,256	27,942,328
MS	149,461	1,930,875	1,749,146	284,064	3,217,209	3,747,278	3,439,564	14,517,599
MO	524,282	10,316,092	1,460,857	7,525,324	3,305,948	3,286,564	8,633,122	35,052,188
MT	382,725	361,447	717,873	165,880	1,929,777	1,341,924	828,582	5,728,208
NE	282,673	462,517	323,519	624,571	166,214	1,575,945	5,458,371	8,893,810
NV	343,407	22,342	45,833	553,025	169,732	455,429	10,000	1,599,769
NH	1,291,435	777,935	999,787	223,589	340,352	2,210,041	1,578,065	7,421,203
NJ	107,828	4,051,117	374,334	1,445,461	1,052,638	2,201,786	1,264,892	10,498,056
NM	536,615	1,746,626	1,859,690	1,929,859	1,040,083	416,499	1,576,888	9,106,259
NY	8,894,556	21,033,066	29,383,981	22,430,286	17,586,960	25,907,436	15,611,050	140,847,334
NC	1,428,788	2,137,036	2,027,760	2,094,008	3,659,251	2,184,838	2,904,389	16,436,071
ND	49,572	317,403	444,211	328,429	101,738	59,174	25,000	1,325,529

## PUBLIC FUNDING FOR MUSEUMS AT THE FEDERAL LEVEL

Table VII.4. Museum Funding from IMLS, NSF, NEH, NEA, and Earmarks: FY 2000–2006, by State (continued)

	Total (\$ 2006)							Total 2000–06*
	2000*	2001	2002	2003	2004	2005	2006	
OH	2,204,060	2,495,075	5,885,577	4,509,722	5,203,724	6,195,361	2,464,561	28,958,080
OK	269,837	710,534	515,611	1,955,095	1,096,737	3,259,741	532,278	8,339,832
OR	244,544	1,234,167	4,285,264	3,430,662	2,455,284	659,516	451,613	12,761,049
PA	4,316,215	11,408,730	7,852,203	10,387,680	8,768,932	11,113,524	5,745,211	59,592,495
RI	759,646	1,322,034	1,422,558	480,399	789,355	79,494	33,860	4,887,345
SC	417,399	2,705,851	536,801	116,977	663,176	485,703	467,797	5,393,704
SD	58,155	155,446	524,409	2,965,158	2,314,841	1,781,698	423,985	8,223,692
TN	738,043	2,428,255	1,193,939	916,179	4,588,171	3,753,472	614,135	14,232,195
TX	1,282,136	5,150,860	4,903,736	4,887,087	3,946,202	2,668,916	3,833,064	26,672,001
UT	348,965	1,727,966	331,582	196,756	651,428	433,519	2,521,127	6,211,344
VT	1,707,155	3,213,288	4,461,639	317,053	869,980	1,715,799	1,420,824	13,705,738
VA	5,189,514	11,545,442	11,079,601	9,704,070	7,509,438	7,433,068	3,239,161	55,700,294
WA	941,821	3,989,116	1,740,803	1,973,927	2,147,319	4,142,449	2,532,243	17,467,677
WV	40,402	1,838,129	5,860,894	92,327	141,627	4,404,847	4,373,529	16,751,756
WI	717,204	2,228,933	2,266,550	731,706	1,107,779	581,241	1,510,456	9,143,869
WY	155,067	59,967	52,232	253,057	335,161	417,068	669,606	1,942,158
U.S. Total	75,117,410	182,447,327	174,412,798	172,611,949	174,476,622	214,314,052	149,103,647	1,142,483,806

Sources: National Science Foundation, National Endowment for the Humanities, National Endowment for the Arts, Institute of Museum and Library Services, and Urban Institute analysis of Citizens Against Government Waste data, 2008.

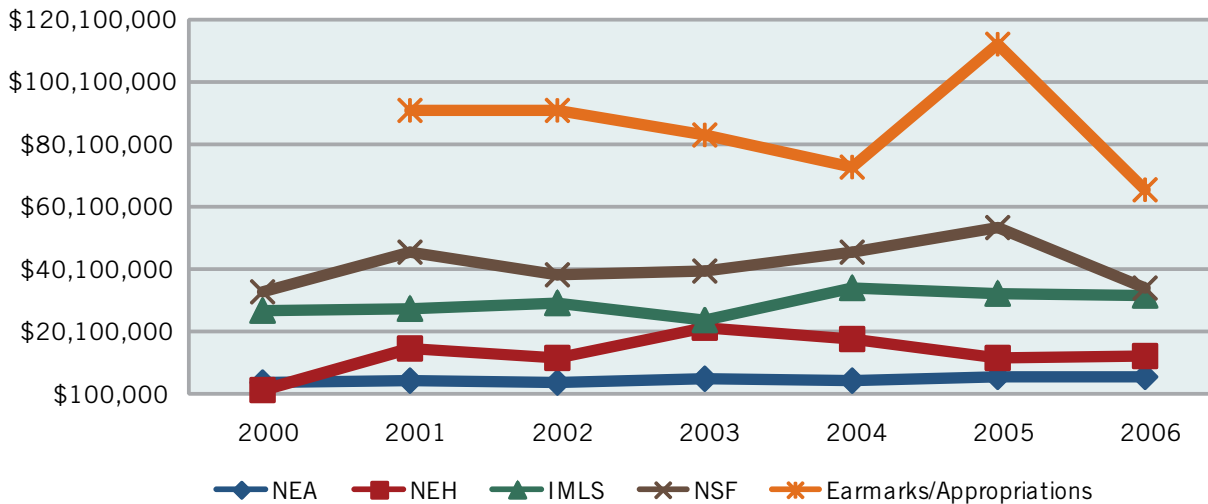
\* No data on federal earmarks to museums were available for 2000. Data for 2000 reflect only NSF, NEA, NEH, and IMLS grants.

Figure VII.3 compares the total distribution of funds to museums over time across IMLS, NSF, NEH, NEA, and earmarks. The chart highlights the considerable gap between the amounts distributed in competitive grants and the amounts distributed by means of earmarks. For several years, dollars distributed through the earmark process approach the amounts allocated from the four granting agencies combined. The total distribution of dollars from the five federal sources over these years amounts to more than \$1.2 billion.<sup>55</sup> Museum support from the four granting agencies remained fairly consistent over time, until 2005. NSF support was steady at around \$40 million

<sup>55</sup> The drop in FY 2006 dollars is due to the absence of earmarks accompanying the FY 2006 Labor, Health and Human Services, and Education appropriations bill.

over the seven years. IMLS support increased slightly, settling at \$31.5 million in 2006. NEH support for museums hovered just above \$10 million, and NEA funds were among the most stable, albeit the lowest of the agencies, remaining around \$5 million.

Figure VII.4. Federal Grants and Earmarks to Museums, FY 2000–2006, in Constant 2006 \$



Source: Urban Institute analysis of data provided by IMLS, NSF, NEA, NEH and Citizens Against Government Waste, 2008.

### Section Summary

Given the extremely wide range of substantive expertise in the sector, it is not surprising that U.S. museums partner with many different federal agencies. While it is important for museums to have a variety of access points into the federal government, the diffuse nature of the support presents significant challenges to a full accounting of the federal government’s contribution to U.S. museums. The federal-source dollars reported here are not exhaustive; however, it is reasonable to assume that the sources identified for this report represent the largest group of direct federal support to U.S. museums.

Although the data presented here may not cover all direct federal dollars distributed to museums, important conclusions can be drawn from these data. First, direct federal support to museums appears to be larger than previously reported.<sup>56</sup> Across the five federal sources examined for this study, direct support to museums between FY 2001 and FY 2006 averaged just under \$200

<sup>56</sup> The American Association of Museums estimated federal support for museums in FY 2006 at approximately \$135 million (excluding State Arts Agency grants to museums). Its report does not include earmark data. See American Association of Museums, March 2007, “Federal Support for Museums FY 2004–FY 2008.” Available at [www.aam-us.org/getinvolved/advocate/ffc/upload/Chart\\_Federal\\_Support\\_for\\_Museums\\_FY\\_2004\\_FY\\_2008.pdf](http://www.aam-us.org/getinvolved/advocate/ffc/upload/Chart_Federal_Support_for_Museums_FY_2004_FY_2008.pdf).

## **PUBLIC FUNDING FOR MUSEUMS AT THE FEDERAL LEVEL**

million a year. In FY 2006, direct competitive grant funds to museums from the four agencies amounted to more than \$83 million. In the same year, \$65 million was distributed to museums in the form of congressional earmarks. Second, because a major portion of this direct federal support is provided for advances in certain disciplines, the pool of federal money may be significantly smaller for some types of institutions than others. Third, the distribution of competitive grants and earmarks across the states suggests that federal dollars may be concentrated among certain states. Across the competitive grant programs reviewed for this report, five states received slightly more than 50% of all funds awarded.

*Pictured:* The Rotunda entrance of the Birmingham Civil Rights Institute in Birmingham, Alabama.

# Federal-State Partnerships in the Cultural Sector: IMLS, NEA and NEH and the Role of State-Level Intermediaries



To investigate the potential effectiveness of a program that would provide museum services by means of grants to states, IMLS examined the current federal-state partnerships in the NEA, NEH, and IMLS grants to states programs. This section provides a broad overview of federal-state partnership funding mechanisms that deliver support to cultural organizations and programs within the states.

NEA and NEH have channeled funds to state organizations from very early in their operational history. Indeed, the National Foundation on the Arts and the Humanities Act of 1965, which created the two endowments, emphasizes the importance of support from nonfederal sources with federal support in a complementary position. For example, in the “Declaration of Findings and Purposes” of the Act (20 U.S.C. §951), Congress finds and declares that “[t]he encouragement and support of national progress and scholarship in the humanities and the arts, while primarily a matter for private and local initiative, are also appropriate matters of concern to the Federal Government.” Another finding and purpose declares that “[i]t is necessary and appropriate for the Federal Government to complement, assist,

## FEDERAL-STATE PARTNERSHIPS IN THE CULTURAL SECTOR

and add to programs for the advancement of the humanities and the arts by local, state, regional, and private agencies and their organizations.”

The Museum and Library Services Act (MLSA) of 1996 established the Institute of Museum and Library Services within the National Foundation on the Arts and the Humanities. The Library Services and Technology Act (LSTA), a subtitle of MLSA, directed IMLS to support library services and technology through state-based programs under LSTA to sharpen the focus on these goals: to adapt new technologies to identify, preserve, and share library and information resources across institutional, local, and State boundaries; to ensure that all Americans have access to the information superhighway; and to extend outreach to those for whom library service requires extra effort or special materials (such as new readers, the geographically isolated, children in poverty, or people with disabilities).

### State Arts Agencies

NEA supports a cohort of State Arts Agencies (SAAs), which, in turn, support arts programs and organizations within the states. By law, NEA allocates 40% of its annual grants budget to the SAAs and regional arts organizations. These SAAs are entities of state government, and their administrative staffs are state employees. Of the 56 SAAs (50 states and six U.S. jurisdictions), 55 are situated in the executive branch.<sup>57</sup> To receive funding from NEA, the SAA becomes party to a State Partnership Agreement that specifies the use of the funds. NEA identifies seven standards of accountability for which SAAs are responsible as funding recipients: inclusive planning, responsive plans, evaluation of performance in relation to plans, fair decision-making, reporting on funded activities and leadership in arts education, access to artistic excellence, and partnerships for the arts.<sup>58</sup> A State Partnership Agreement award must be matched 1:1 by the state. NEA awards a \$200,000 base grant to each SAA, and additional funds are awarded based on formula and equal-share apportionment. In FY 2006, the total allocation to the state partnership program was \$40.6 million.

To better understand the federal-state partnerships supported by NEA, IMLS asked the National Assembly of State Arts Agencies to provide data regarding museum-funding mechanisms that 15 SAAs use (Table VIII.1).<sup>59</sup> SAAs distribute funds for the purpose of enhancing access to

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<sup>57</sup> The National Assembly of State Arts Agencies reports that 6 SAAs are within the governor's or secretary of state's office; 23 are independent state agencies, reporting to the governor; 26 are within a larger division of state government; and one, Vermont's, is a nonprofit organization that complies with state government regulations.

<sup>58</sup> Accountability standards as outlined in NEA description of State Partnership Grants. [www.nea.gov/grants/apply/Partnership/states.html](http://www.nea.gov/grants/apply/Partnership/states.html).

<sup>59</sup> IMLS staff selected the 15 states to comprise the sample. The first requirement was geographic distribution to account for regional differences. Next, based on staff experience with grantees and potential grantees, states were included because IMLS had awarded either a large number or a small number of grants to the state. Thus, the states in the sample represent a range of success in receiving IMLS awards. IMLS is grateful for the professional courtesy of the staffs of NEH and the National Assembly of State Arts Agencies in assembling the data regarding the State Humanities Councils and State Arts Agencies support for museums.

the arts, without regard to museum type. SAAs conduct peer review evaluations and provide funds to museums for a variety of activities, including general operating support.

Each state's SAA determines its individual priorities and allocates funds accordingly. For example, in 2006, the Pennsylvania Council on the Arts made 26 museum awards for a total of \$1,512,191, of which awards for general operating support comprised 45%. Exhibit awards made up 36%, and the balance was for other activities, such as audience services and performances.

*Table VIII.1. State Arts Agency Grants to Museums in 15 Selected States, FY 2006*

SAA	Dollars to Museums	Median Museum Grant	General Operating Support Awards	GOS as % of Museum Grant \$	Exhibition Awards	Exhibits as % of Museum Grant \$	All Other Museum Grants	All Other %	No. of Museum Grants
AZ	\$434,366	\$5,000	\$359,168	83%	\$3,500	1%	\$71,698	17%	29
HI	\$61,217	\$7,129	\$0	0%	\$19,121	31%	\$42,096	69%	6
ME	\$15,000	\$15,000	\$0	0%	\$0	0%	\$15,000	100%	1
MI	\$3,881,650	\$33,550	\$0	0%	\$1,732,100	45%	\$2,149,550	55%	23
MS	\$363,125	\$6,612	\$31,500	9%	\$65,200	18%	\$266,425	73%	15
MO	\$156,974	\$4,072	\$0	0%	\$149,952	96%	\$7,022	4%	10
NE	\$124,811	\$2,664	\$96,907	78%	\$12,718	10%	\$15,186	12%	15
ND	\$59,519	\$3,000	\$13,350	22%	\$44,777	75%	\$1,392	2%	10
OH	\$1,364,176	\$16,653	\$1,296,232	95%	\$17,279	1%	\$50,665	4%	23
PA	\$1,512,191	\$37,691	\$681,707	45%	\$543,450	36%	\$287,034	19%	26
SC	\$86,005	\$7,037	\$78,815	92%	\$1,000	1%	\$6,190	7%	10
TX	\$341,098	\$2,294	\$29,092	9%	\$56,804	17%	\$255,202	75%	95
UT	\$74,800	\$2,750	\$57,000	76%	\$6,300	8%	\$11,500	15%	11
VA	\$173,379	\$500	\$158,000	91%	\$6,400	4%	\$8,979	5%	24
WA	\$170,564	\$10,543	\$134,564	79%	\$1,000	1%	\$35,000	21%	14
Total	\$8,818,875		\$2,936,335		\$2,659,601		\$3,222,939		312

Source: National Assembly of State Arts Agencies (NASAA) from Final Descriptive Report (FDR) data submitted annually to NASAA and the NEA, 2008.

Data reflect most current grant data available from each state (2005 or 2006).

### State Humanities Councils

NEH distributes its federal-state partnership funds through the State Humanities Councils, which are private nonprofit organizations as opposed to the state agencies that are the partners with NEA and IMLS. The councils are made up of between 15 and 20 volunteers, one-fourth of whom are appointed by the governor. All humanities councils operate under a 501(c)(3) status. By law, at least 20% of NEH's program funds must be allocated to the federal-state partnership program. The minimum award is \$200,000, and the rest of the allocation is distributed by equal share and by a formula. Individual councils may also apply to other divisions within NEH. The award from NEH must be matched 1:1, but goods and services may be counted toward the matching requirement. In FY 2006, the total allocation to NEH's federal-state partnership program was \$38.446 million.

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Humanities Councils do not provide general operating support to museums; instead, they encourage museums to expand and enhance public understanding and appreciation for the humanities by means of exhibits and public programming. Study and appreciation of humanities may include, for example, exhibits and programs focusing on state and local history. Like State Arts Agencies, State Humanities Councils conduct peer review evaluations.

The study team asked the Division of Federal-State Partnerships within NEH to provide data on the grants that State Humanities Councils award to support museums in the states. NEH provided information for the same 15 states in the sample for SAAs (see Tables VIII.2 and VIII.3). Table VIII.2 reflects State Humanities Council awards made to museums in the 15-state sample, by category of purpose. Almost three-fourths of the support was devoted to exhibits and public programming. The other categories of support fall far behind, but in general are the same categories that NEH emphasizes: materials for exhibits and programming, care of collections, and professional development.

*Table VIII.2. State Humanities Council Grants to Museums in 15 States, FY 2006*

Project	Amount	%
Exhibits	\$332,968	39%
Public Programming	\$291,398	35%
Materials	\$145,954	17%
Care of Collections	\$40,690	5%
Professional Development	\$30,525	4%
Total	\$841,535	100%

Source: National Endowment for the Humanities, 2008.

Humanities Council awards to museums are on average smaller than those provided by State Arts Agencies and than most federal competitive grant awards. In Table VIII.3, to use Pennsylvania again for comparison, the Pennsylvania Humanities Council made 35 awards to 32 museums for a total of \$106,847. The average amount of museum award from the Pennsylvania Humanities Council was \$3,053. The North Dakota Humanities Council gave out three awards to three separate museums for a total of \$22,100, with an average award to each museum of \$7,367. Like the SAAs, the Humanities Councils decide their individual strategies for funding after assessing needs within their states.



Table VIII.3. State Humanities Council Grants to Museums in 15 Selected States, FY 2006

State	Dollars to Museums	Average \$ per Grant	Number of Museums Receiving \$	Average \$ per Museum	No. of Museum Grants
Arizona	52,020	4,335	11	4,729	12
Hawaii	117,450	6,525	13	9,035	18
Maine	32,475	1,910	17	1,910	17
Michigan	78,967	7,897	9	8,774	10
Mississippi	71,260	3,393	20	3,563	21
Missouri	27,608	2,510	10	2,761	11
Nebraska	43,220	3,087	8	5,403	14
North Dakota	22,100	7,367	3	7,367	3
Ohio	55,850	2,428	23	2,428	23
Pennsylvania	106,847	3,053	32	3,339	35
South Carolina	24,459	2,446	9	2,718	10
Texas	59,074	2,110	24	2,461	28
Utah	23,867	1,836	9	2,652	13
Washington	36,285	1,910	11	3,299	19
Virginia	80,050	5,718	18	4,447	14
Total	831,532		217		248

Source: National Endowment for the Humanities, 2008.

### Grants to States for Libraries

The Grants to States program for libraries in IMLS is by far the largest of the three programs under review. Its purpose is the delivery of library services to all states and territories. To participate in this program, each state must establish a State Library Administrative Agency (SLAA) and certify that it has the fiscal and legal authority, as well as the capacity, to administer the federal funds that it receives. Forty-nine SLAAs are located in the executive branch of state government.<sup>60</sup> In administering these funds, each state must develop a five-year plan approved by IMLS that outlines programs to strengthen the efficiency, reach, and effectiveness of library services. These programs support the six Grants to States priorities:

<sup>60</sup> State Library Administrative Agencies are in all 50 states, the District of Columbia, Puerto Rico, American Samoa, Northern Marianas, Guam, and the U.S. Virgin Islands. Of the 50 states and the District of Columbia, 2 SLAAs are part of the legislative branch of state government and 49 are part of the executive branch. Of these 49 agencies, 18 are independent agencies and 31 are situated within a larger agency such as the department of education or department of cultural resources. Source: Henderson, E., Manjarrez, C., Miller, K., Dorinski, S., Freeman, M., Music, C., O'Shea, P., Sheckells, C. (2008) *State Library Agency Survey: Fiscal Year 2007* (IMLS-2008-StLA-02). Washington, DC: Institute of Museum and Library Services.

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1. expand services for learning and access to information and educational resources in a variety of formats, in all types of libraries, for individuals of all ages;
2. develop library services that provide all users access to information through local, state, regional, national, and international electronic networks;
3. provide electronic and other linkages between and among all types of libraries;
4. develop public and private partnerships with other agencies and community-based organizations;
5. target library services to individuals of diverse geographic, cultural, and socioeconomic backgrounds, to individuals with disabilities, and to individuals with limited functional literacy or information skills; and
6. target library and information services to persons having difficulty using a library and to underserved urban and rural communities, including children from families with incomes below the poverty line.

Following approval of the five-year plan, a base grant amount is allocated to each state, with the remaining funds distributed to each state on a per capita basis. For FY 2008, the base grant was \$540,968, with a total allotment to SLAAs of \$160,885,357.<sup>61</sup> Grants are also made available to nine U.S. territories. 96% of the allotment awarded to the SLAAs by IMLS must be spent within the six priorities listed above, and none can be used for construction. The SLAA must match in cash the federal funds it receives with nonfederal funds, with a 66% federal to 34% nonfederal funding ratio. In addition, each state must sustain a “maintenance of effort” level of state spending on libraries and library programs to ensure that federal funds do not replace state funds in supporting state-based programs. State expenditures that demonstrate “maintenance of effort” address four broad purposes of the program:

1. to consolidate federal library service programs;
2. to promote improvement in library services in all types of libraries in order to better serve the people of the United States;
3. to facilitate access to resources in all types of libraries for the purpose of cultivating an educated and informed citizenry; and
4. to encourage resource sharing among all types of libraries for the purpose of achieving economical and efficient delivery of library services to the public.

“Maintenance of effort” is determined if state expenditures remain at or above the average of the total of such expenditures in the previous three fiscal years. If the previous year’s state expenditure is below the average of the total expenditures in three fiscal years preceding that year, then

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<sup>61</sup> A state-by-state account, including U.S. territories, of SLAA allotments from FY 2004 to FY 2008 is available at [www.imls.gov/programs/allotments.shtm](http://www.imls.gov/programs/allotments.shtm).

the next fiscal year allocation to the state is reduced proportionately. Each state may establish an advisory group to guide the work of the SLAA. At the end of the five-year period, each state reports to IMLS on its results in achieving the goals and objectives outlined in the five-year plan.

## Section Summary

Table VIII.4 outlines the comparisons among the three federal-state partnership funding mechanisms in this section. Several key components occur across the federal-state partnerships at IMLS, NEA, and NEH, which are likely to influence the creation and implementation of a new federal-state partnership for museums.

*Table VIII.4. Summary of Current Federal-State Partnership Funding Mechanisms*

Federal Partner	IMLS	NEA	NEH
State Partner	State Library Administrative Agency	State Arts Agency	State Humanities Council
Purpose	Provide equity of access to information and learning to all people	Furnish adequate programs, facilities and services in the arts to all American people.	Increase public awareness of and participation in the humanities in all places in the country
Governance	State agency	State agency	Nonprofit organization
Base Award to State	\$540,968	\$200,000	\$200,000
FY 2006 Appropriation	\$163.7 million	\$40.6 million	\$38.4 million
% of Federal Agency Budget	Per enacted FY 2006 budget: 66.25%	Min 40% by law	Min 20% by law
FY 2008 Appropriation	\$160.9 million	\$41.4 million	\$31.7 million
Adjustments	Base grant given with remaining funds distributed by population	Base grant given with remaining funds distributed by equal share	Base grant given with remaining funds distributed by equal share and by population
State Match/Maintenance of Effort Requirements	66% federal/34% non-federal funds	50% federal/50% non-federal funds	50% federal /50% non-federal funds
Mandatory Provisions, Restrictions on Use	96% of allotment must be spent on the six priorities defined in legislation for IMLS grants to SLAAs; funds cannot be used for construction	Funds must be used within the defined purposes of NEA legislation	All funds must be used for the humanities that match the funding areas of the NEH
Public Participation Requirements	Yes: SLAA must make state plan available to the public, and the plan must describe procedures that the SLAA will use to involve library users in policy decisions regarding the implementation of the LSTA program	Yes: State agency must hold public meeting of state plan for public opportunity to comment	Yes: Councils must give their public an opportunity to comment (ex: open board meeting, public meeting, Internet, etc)
Planning Requirement	Yes: 5 year plan	Yes: Each state determines the length of its state plan	Yes: Annual compliance plan that includes quantitative data collection
Data Collection/ Performance Evaluation Requirement	Annual reporting; 5 year evaluation	Annual reporting	5 year assessment with qualitative evaluation

Source: IMLS, NEA, and NEH.

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The IMLS partnership with SLAAs is focused on capacity building and the delivery of services across the library sector, while the NEA partnership with SAAs and the NEH partnership with Humanities Councils are focused on advancing their respective disciplines by supporting the arts and the humanities at the state level. While NEA and NEH federal-state partnerships contribute considerable funds to museums for programs and services in advancement of their respective agency missions, no federal-state partnership addresses the capacity of the museum sector and its delivery of museum services as a whole.

In each partnership, certain commonalities exist in the distribution of federal funds through the state-level partner. Each of the federal agencies allocates a base grant to the state partner and distributes any remaining funds by population and/or equal distribution. With the exception of NEH, the agencies require that federal funds be matched in some proportion by state funding, and in all cases their use is conditioned by the distinct purposes of the federal agency. In addition, state-level partners are required in all three instances to have statewide planning and regular evaluation and some form of public involvement through open board meetings, public hearings, public advisory committees, or some other means. In short, whether through a state agency or a private nonprofit organization, the state partner for the IMLS, NEA, and NEH programs must have some infrastructure in place in order to fulfill the partnership requirements.

Throughout the history of the program, most SLAAs have been able to meet or exceed the match requirement of the Grants to States program. However, at times some states have been unable to meet the “maintenance of effort” requirement for a fiscal year. While a count of the number of states able to meet NEA’s match requirement was not available at the time of this writing, states have generally been able to maintain a high ratio of state to federal funding and to meet match requirements. For example, in 2008, the ratio of state to federal support of the SAAs was 10.6:1, and it has been higher in recent years.<sup>62</sup> State expenditures are vulnerable to budgetary pressures in times of fiscal crisis; however, the leveraging power of federal funds is evidenced in the frequent ability of library and art agencies to meet or exceed their match requirements.<sup>63</sup>

The NEH federal-state partnership distributes federal funds through the humanities councils, which operate independently of state government as private nonprofits. Their nonprofit status qualifies them for deductible donations from corporations and foundations, as well as individual donors, and they can match federal funds with state or other funds. In addition, their match requirement can be partially fulfilled by in-kind goods and services. In FY 2005, for example, state governments funded just 15.5% of the total State Humanities Council budgets.<sup>64</sup> As a result, Humanities Councils may not be as vulnerable as state agencies to budgetary pressures within the state legis-

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<sup>62</sup> This information was obtained from the National Assembly of State Arts Agencies.

<sup>63</sup> Lowell, Julia F. 2004. *State Arts Agencies 1965–2003: Whose Interests to Serve?* Santa Monica, CA: Rand Corporation.

<sup>64</sup> Federation of State Humanities Councils. May 10, 2006. “FY 2005 Funding for State Humanities Councils.” Handout received at March 2007 AAM-sponsored Conversation on Federal Funding, Washington, DC.

lature because of their diversified funding base. This is not to imply that Humanities Councils are immune to any number of economic factors within their individual states, and historical information regarding Humanities Council budgets would need to be considered in a comprehensive comparison of state agency partners and private nonprofit partners in a federal-state partnership.

Matching fund requirements are designed so that federal funds do not replace state funds but instead act as an incentive to maintain support when state budgets are constrained. In light of the issues discussed above, if a federal-state museum partnership is to be considered, it is very important to identify differences and implications among delivery mechanisms at the state level to ensure that federal funds contribute to maintaining and leveraging state support.

In each partnership, certain commonalities exist in the distribution of federal funds through the state-level partner. Each of the federal agencies allocates a base grant to the state partner and distributes any remaining funds by population and/or equal distribution. With the exception of NEH, the agencies require that federal funds be matched in some proportion by state funding, and in all cases their use is conditioned by the distinct purposes of the federal agency. In addition, state-level partners are required in all three instances to have statewide planning and regular evaluation and, though not a direct requirement of IMLS, some kind of public involvement through open board meetings, public hearings, public advisory committees, or some other means. In short, whether through a state agency or a private nonprofit organization, the state partner for the IMLS, NEA, and NEH programs must have some infrastructure in place in order to fulfill the partnership requirements.

Furthermore, because the criteria for participation in the existing federal-state partnership programs operate on certain assumptions about the purpose of the federal funds, a common understanding of state-level capacities and of the number and capacities of the individual institutions that make up the sector being supported is essential. This is one of the fundamental strengths of the IMLS state-based library program, which collects sound current data on the number and capacities of each state's libraries. Similar systematic data collection on the museum sector, including data on state-level infrastructure and institutional capacity, would be essential to an informed discussion of the delivery and use of federal funds to the states in a new federal-state partnership for museums.



*Pictured:* A family visits the pachyderm exhibit at the Brookfield Zoo of the Chicago Zoological Society, in Brookfield, Illinois.

## IX Public Funding for Museums at the State Level

This section provides information about state government funding for public museums and agencies that fund museums and about perceptions of the public character and role of museums. As this report has shown, the federal-state funding partnership model is structured in different ways in the arts, in the humanities, and for libraries. The following questions guide the analysis: What would policymakers want to know about states in order to design a federal-state funding structure for museums? What structures already exist that might be leveraged for a federal-state funding partnership for museums? Are there existing state-level structures that might affect the efficiency and equitability of a new federal-state funding partnership? To answer these questions, a clearer understanding of the cultural sector at the state level is needed.

The Urban Institute (UI) gathered field and administrative data on systems of support for culture and quantified the dollars delivered through these systems in eight states selected as case studies for the report. A first round of states was selected based on identifying ongoing state-level projects supporting museums: Maine had an active, small-grants program run by the state museum and an orientation toward greater integration of public sector cultural agencies; Michigan had a developing alliance working at the state level to leverage private and federal invest-

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ments in museums; Washington had robust capital grant-making programs and a host of large new cultural facilities. UI then chose to visit Illinois and Pennsylvania because an analysis of IRS Form 990 data indicated that these states make high levels of investment in museums, Massachusetts because the difference between very high federal investments in the state and very low state investments was striking, New Mexico because federal grants are most widely distributed across museums in the state, and Virginia because it is a southern state that ranks high in federal support.

In the UI analysis of interview and administrative data across the eight states, three key dimensions of state-level support emerged in which states vary in significant ways:

1. level and types of state investment in museums;
2. level of integration in the state's public cultural sector; and
3. perceptions about the public character and role of museums.

Information about these dimensions of state-level support is presented below, along with discussions of why and how this information might be important to developing a federal-state structure for supporting museums. Full portraits of state-level support in the eight states studied are presented in appendix D.

### Level and Types of State Investment

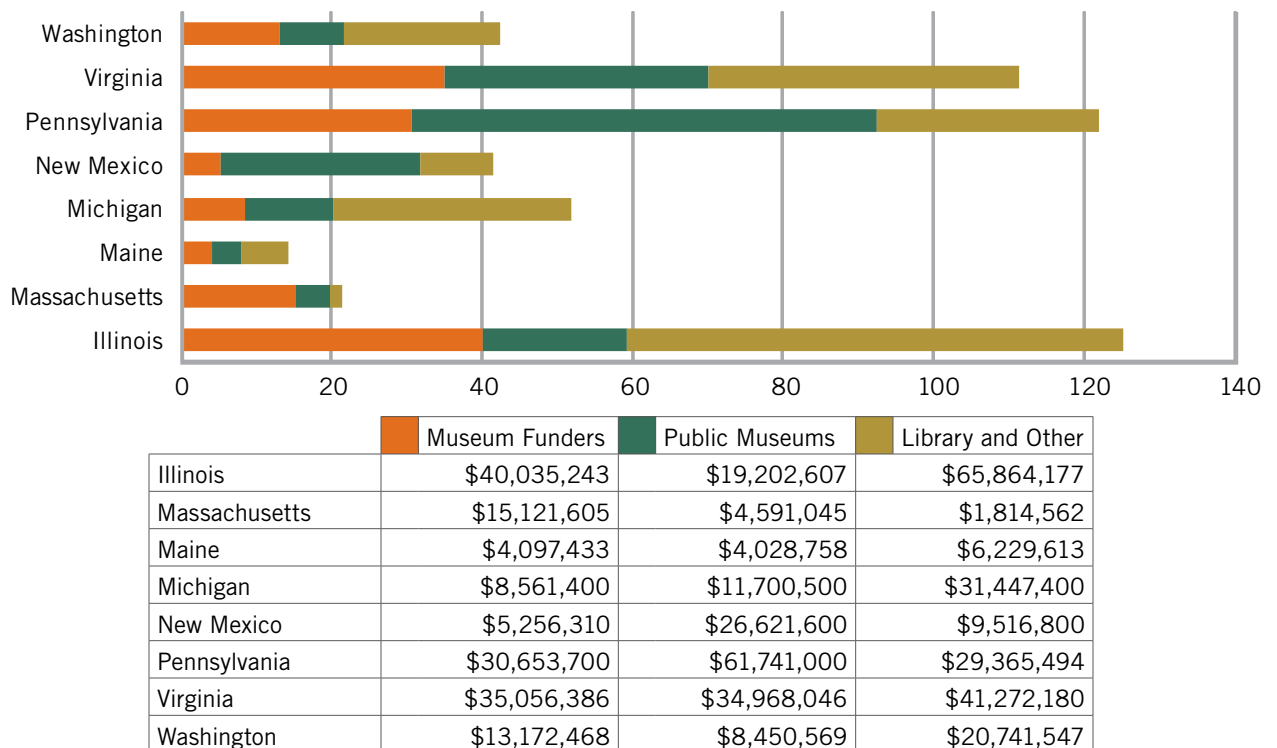
Knowing how much a state invests in its public sector cultural infrastructure provides a baseline against which to measure the future financial impact of federal-state partnerships. However, the condition of cultural sector data at the state level presents serious challenges to developing comprehensive plans for museum support at the state level and to monitoring and measuring the financial impact of a new funding model. The research team found significant barriers to collecting comprehensive information in a systematized way about state support to the cultural sector. State-level data collection proved time-consuming because the information, when available, was recorded by an array of agencies which, in many cases, are not coordinated with one another. Moreover, data were often incomplete or incompatible because they are organized and stored in different formats across several different agencies. When the data were collected, they were often not readily available to the public via government publications or Web sites. In other cases, agencies do not specifically identify museums as a category of recipients of state government dollars. Apart from the challenges in identifying funding amounts, it can be very difficult to track funding of different types. The study team found it particularly difficult to track museum funding in states where a large proportion of dollars are distributed to museums through state earmarks. The researchers made every effort to gather as comprehensive an account of state-level financial information as possible from the eight states, and they express their gratitude to participating state agencies for the work required to provide this information.

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Through detailed interviews and information requests with state-level agencies, the study team collected and compiled FY 2007 data on levels and types of state investment in the eight state case studies. These data show that there is a high degree of variability among the eight states in terms of the scale and character of investment in the public cultural sector infrastructure and the mechanisms used to deliver public dollars to museums.

Figure IX.1 shows FY 2007 levels of funding going into the public cultural sector in each of the eight states studied. It compares investments in the public culture sector based on the actual dollar expenditures in FY 2007. It also shows the proportions of state funding that go to public museums versus museum funding agencies versus other public sector cultural sector agencies. The blue portions of this figure represent state dollars going to agencies that fund museums, including the State Arts Agency, State Humanities Council, and State Historic Preservation Office. The red portions represent state dollars going to public museums and to recurring line items for specific, named museums. These dollars are not exclusive to museums. The green portions represent dollars going to state libraries and other public cultural sector agencies and offices, such as administrative and umbrella cultural agencies.

*Figure IX.1. Public Cultural Sector Dollars Apportioned to Museum Funders, Public Museums, and Other Cultural Agencies, FY 2007*



Source: Urban Institute analysis of data from a variety of state agencies.



Figure IX.1 shows that states vary widely in terms of the number of dollars they invest in the public cultural sector. But these eight states are also vastly different in terms of population, revenues, and overall expenditures. To accurately compare levels of investment, the Urban Institute needed to construct ways to compare these states of varied size. One way to compare these investment levels is to compare per capita expenditures. Table IX.1 shows that there was a wide range of FY 2007 investment in the public cultural sector as measured by per capita expenditures.

*Table IX.1. FY 2007 Per Capita State Expenditures in the Cultural Sector*

State	\$ Per capita expenditures
New Mexico	15
Virginia	9.5
Pennsylvania	8.25
Maine	6
Illinois	5.25
Washington	5
Michigan	4
Massachusetts	2.5

Source: Urban Institute analysis, IMLS Museum Public Finance Case Studies, 2008.

To compare states with varied budget size, UI calculated how much a state invests in public museums and the public cultural agencies that deliver dollars to museums (adding together the red and blue portions in Figure IX.1) and calculated that amount as a proportion of the state’s total general fund expenditures. Using this “state share,” states with varied budget sizes can be compared with one another.<sup>65</sup>

When the shares of these eight states are compared, the range in commitments to the public cultural sector remains quite wide (see Table IX.2). The size of a given state’s budget does not appear to have a significant relation to the share of its overall expenditures on museums and the agencies that fund museums. Small New Mexico leads the eight states in this comparison, investing 0.21% of its total FY 2006 expenditures in appropriations to the cultural sector. Large Pennsylvania is second, but invests a share substantially lower than New Mexico. Midsize Massachusetts is last, investing just 0.037% in the cultural sector.

<sup>65</sup> The calculations do not include appropriations for capital investment. Although these expenditures often are substantial, they proved too difficult to track systematically. These figures are provided for comparative purposes only.

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Table IX.2. State Share of Museum Dollars as a Percentage of Total Expenditures

State	Rank	Total General Fund Expenditures FY 2006	Total State Allocations to Museum Funding Agencies	Museum Funders as % of total expenditures
New Mexico	1	\$11,842,000,000	\$25,394,100	0.21%
Pennsylvania	2	\$53,911,000,000	\$79,380,800	0.15%
Illinois	3	\$43,422,000,000	\$57,209,807	0.13%
Virginia	4	\$31,882,000,000	\$40,893,532	0.13%
Washington	5	\$27,839,000,000	\$15,945,345	0.06%
Maine	6	\$7,100,000,000	\$3,443,749	0.05%
Michigan	7	\$41,728,000,000	\$19,565,400	0.05%
Massachusetts	8	\$39,207,000,000	\$14,481,312	0.04%

Source: National Association of State Budget Officers FY 2006 State Expenditures.

UI also investigated the possibility that state shares might be related to population size, level of federal investment, or size of the museum sector. Although neither population size nor federal investments appear to be significant, the level of investment these eight states make in public museums and agencies that fund museums *does* appear to be related to the size of the museum sector. With the exception of the large museum sector and lower level of state investment in Massachusetts, states that have more museums tend to invest at higher levels than states with fewer museums.

Among the eight states studied, UI found a wide range of funding mechanisms, from line items that go directly to state-run museums to grant-making programs that deliver program and capital support to earmarks (see Figure IX.2). UI's interviews in these states suggest that the most important types of state government support for museums are general operating support (GOS) dollars and capital dollars. Interview respondents claimed that GOS was key to sustaining museums financially and that state and local governments are the most likely avenues for such support.

In certain cases, state-level GOS programs have been put in place. State Arts Agencies in Pennsylvania, Michigan, Massachusetts, and Virginia deliver large-scale, competitively awarded GOS dollars to museums. Except in Massachusetts, these dollars are available only to art museums.

Capital funding also emerged as an important type of support for museums at the state level. Capital funding appears to occur primarily through earmarks to large museums and to museums in districts with a history of congressional and local community advocacy for museums. However, in Massachusetts, Illinois, and Washington, large-scale state-level competitive capital grant-making programs have recently been developed.

These publicly administered, competitive GOS and capital programs do not appear to supplant other types of support given to large museums. For example, in many ways GOS programs function like line items for those museums; although they must reapply for them at

the end of each funding cycle, these museums usually are awarded the grants. In addition, these programs appear to leverage the power of larger, more politically connected museums in order to channel support to a cohort of other museums that might not be able to secure state dollars through earmarks or line items, which can require political influence.

The leveraging power of competitive programs is apparent in established capital grant-making. In Massachusetts, Illinois, and Washington, respondents explicitly stated that competitive capital grant-making programs were established in order to more equitably balance or formalize a process of delivering state dollars that previously went to a few institutions through earmarks and line items. With publicly administered state-level funding programs in place, larger, politically connected museums gained security while smaller, less politically connected museums gained access to state dollars. The perception among respondents was that this process had the net effect of bringing more state money into the system, rather than merely creating increased demand for a level amount of dollars. Further, publicly administered programs can be structured and monitored to ensure that museums of different types and sizes and in different places around the state are securing some portion of government resources.

Figure IX.2. Mechanisms of Support at the State Level in Eight States

Capital Support	Program Support	General Operating Support
Earmarks	Earmarks	Regular allocations
Illinois, Michigan, New Mexico, Pennsylvania, Virginia	Virginia	To state-managed museums in each state (high in New Mexico, Pennsylvania, Virginia, and Michigan)
Grants	Grants	Line items
Maine, Massachusetts, Washington	Illinois, Maine, Massachusetts, Michigan, New Mexico, Pennsylvania, Virginia, Washington	Illinois, New Mexico, Pennsylvania (heritage, science), Virginia (heritage)
		Nonrecurring allocations
		Massachusetts, Michigan, Pennsylvania (arts), Virginia (arts)

Source: Urban Institute analysis, IMLS Museum Public Finance Case Studies, 2008.

### Level of Integration in the State’s Cultural Sector

Knowing about agencies that support museums and sponsor museum services at the state level provides essential information about potential federal-state partners. UI found significant differences in how public cultural sector agencies are organized and in how often and in what ways they work together. However, the level of cultural sector integration in a state does not appear to have

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any relationship to how much the state invests in its public cultural sector. New Mexico's sector is highly integrated and invests at a high level. While Virginia's investments are also high on a per capita basis, it has one of the most diffuse public cultural sectors of the states studied. The state's population size does not appear relevant to how integrated its public cultural sector is. Less populated states like New Mexico and Maine are highly integrated. More populated states like Pennsylvania, Illinois, and Virginia are less integrated.

In three of the states studied, an umbrella cultural agency integrates authority, planning, and funding in the public cultural sector. In New Mexico, the Office of Cultural Affairs leads cultural planning, operates cultural institutions across the sector, and controls the substantial proportion of state money entering the public and nonprofit cultural sector. In Maine, public cultural agencies and nonprofit organizations that receive ongoing state funding belong to the Maine Cultural Affairs Council, an umbrella agency authorized by the state legislature to promote and develop the cultural sector and administer a special funding program. Directors of the individual agencies retain autonomous authority over their programming, staff, and finances. In Michigan, public cultural sector agencies are part of the Michigan Department of History, Arts and Libraries. Respondents suggested that while this agency could potentially serve to integrate the public cultural sector through centralized authority, shared planning, and funding, it does not currently do so.

In three states, UI did not find integration across the whole of the public cultural sector, but did find parts of the public cultural sector where shared cultural planning and funding take place. The Massachusetts Cultural Council (MCC) administers funding very broadly across the cultural sector and leads cultural planning for the state. However, the Massachusetts Commonwealth Museum, Historical Commission, Archives, and Library are not under MCC but rather are governed by the Secretary of the Commonwealth. In Washington, heritage and historical agencies and organizations are strongly integrated with one another and have a powerful voice in the state legislature. Respondents suggested that the coherence of the heritage sector helped push forward the development and funding of the state's new \$110 million State Library, Archives and Historical Exhibition building. While Pennsylvania's public cultural sector is rather diffuse, the Pennsylvania Arts Council leads planning and funds in the arts, while the Pennsylvania Historical and Museum Commission supports a range of public historical monuments, nonprofit historical societies, and history museums as well as administering line items to museums throughout the sector (including zoos and botanical gardens).

Two of the states studied have diffuse levels of public cultural sector integration. At the state level, the Illinois public cultural sector is structured around several large and autonomous agencies. However, the Chicago Parks District Museums in the Parks Consortium does represent an important arena of collaboration around funding. Much of Virginia's funding for museums is not even organized through agencies but rather is provided through line items and allocations delivered directly to individual museums.

Where there is a relatively high level of integration of authority, planning, and funding in the public cultural sector, federal-state partnerships are likely to be easier to establish. Authority on

decision-making is likely to be clearer, agencies are likely to have had experience working together and to have had the opportunity to accommodate themselves to distribution decisions, and leadership in the cultural sector is likely to have had opportunities to build shared plans and goals together. In some states, it will be necessary to build a structure through which to establish a federal-state partnership, both in terms of creating an actual office and in terms of building this shared bundle of experiences and goals. But perhaps even more challenging is the problem that in many states, some existing structures serve isolated components of the museum sector. For example, UI interviews suggest that the infrastructures for funding and supporting art museums and history museums are well developed and fully autonomous and even, in some cases, have a history of competition for authority and dollars in the public cultural sector. In some states, getting these agencies and organizations to work together and to distribute federal dollars efficiently and equitably may prove challenging, as both public administrators and museums may have vested interests in maintaining the existing systems.

### **Perceptions about the Public Character and Role of Museums**

State-level perceptions about the public character and role of museums can provide a valuable sense of the strengths and gaps in relationships between a state's public cultural sector and museum sector. The case studies show that there are clear differences in how public administrators and museum professionals understand the public character and roles of museums, and how these values relate to the levels and kinds of taxpayer support that should be delivered to museums. Such differences are particularly striking in a comparison between New Mexico and Massachusetts.

New Mexican respondents consider museums to be part of the public sector and are proud of their government's history of robust support for museums. Respondents suggested that the diverse and stable public museum infrastructure in New Mexico provides important and well-understood benefits to the public. When assets come into the public domain, there is a clear pathway and source of support for their incorporation into the public sector through public museums and public cultural agencies. Further, museums are acknowledged as essential to the cultural sector's impact on the state's identity and economy. The state invests heavily in a system of public museums that enable state government to fulfill the purposes of holding valuable items of cultural property, contributing to the economy through tourism, and providing museum services to the public. However, New Mexico provides only irregular state support for private, nonprofit museums. If state support to all museums (including nonprofit museums) were to be measured per institution, it would appear low. State taxpayer dollars in New Mexico go, in large part, to public museums.

In contrast, respondents suggested that in Massachusetts there is a long standing belief that that wealthy contributors ( in particular families that entered New England aristocratic society during the nineteenth century ) should pay for (and control) cultural institutions, including museums, that cultural institutions are the responsibility of this sector of society. Even in Boston—the commonwealth's largest city and home to internationally renowned museums—regular municipal support for cultural institutions was perceived to be negligible or nonexistent. When Boston city

## PUBLIC FUNDING FOR MUSEUMS AT THE STATE LEVEL

government came to be controlled primarily by members of Boston’s immigrant communities, the city distanced itself from its cultural institutions, which turned for support to the state, the federal government, and East Coast philanthropists. Respondents overwhelmingly identified the support of Sen. Edward M. Kennedy at the federal level as essential to the health and well-being of the state’s cultural institutions. Revenue for the Massachusetts Cultural Council is generated through a state lottery, not through regular taxpayer revenues, and these lottery funds have been curtailed and slashed repeatedly. Those state dollars that are delivered to museums in Massachusetts go, in large part, to private, nonprofit museums to fulfill their organizational missions rather than some explicit public purposes designated by the state.

Because states view the public character and roles of museums differently, the public cultural sector may have greater or more consistent experience and commitment to working with certain types of museums or to promoting certain types of museum services. In Illinois, for example, the state’s definition of a “public museum”—any museum on public land—means that almost all state and local dollars are funneled to those institutions alone. In Illinois, state dollars are delivered to other museums through the state arts council, for example, but museums on public land are accustomed to state requirements and have longer lasting ties with state government.

### Section Summary

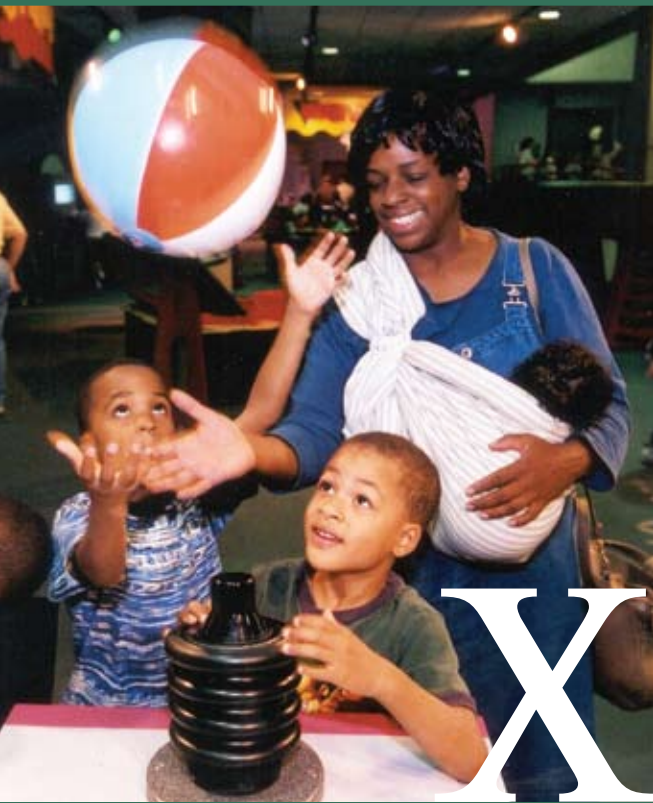
This section has examined the cultural sector at the state level, providing information about state government funding for public museums and agencies that fund museums and about perceptions of the public character and roles of museums. Through this analysis, several important characteristics of state-level support for museums emerge.

While a variety of state-level models for administering cultural grants to museums exist, the experience and commitment to working with certain museums or types of museums is shaped by perceptions about the public character and roles of museums and the expertise developed over time. A few states have dedicated agencies that fund across the range of museum types, but this funding may not be distributed across the entire museum sector. For example, New Mexico’s Office of Cultural Affairs funds multiple types of state museums, but not private nonprofit museums. In other cases, where individual programs within state agencies fund both state-run and private nonprofit museums of different types, other factors may limit the scope of their funding efforts. The Public Museum Grant program administered by the Illinois State Museum under the Illinois Department of Natural Resources funds a range of museum types, but only institutions situated on public land.

In contrast to dedicated state agencies or programs within agencies that fund across museum types and/or across the sector, state public cultural agencies have operated with a great deal of autonomy, serving the arts, the humanities, heritage, libraries, and archives as distinct constituencies. Federal dollars may help integrate the public cultural sector at the state level, but they may also prove a point of contention, as established agencies may have to develop new administrative policies or shift from past practice to serve a broad cross section of museums.

General operating support was highlighted as an important role in state support of the museum sector. A federal-state partnership in the museum sector should take into account the importance of GOS and the key role of state government in delivering this type of support.

To inform the planning of a potential federal-state partnership, it will be necessary to gather basic information regarding the size and scope of the sector. Designing and implementing a way to systematically collect and report data on funding for the state-level public cultural sector will be critical to measuring the impacts of a federal-state funding partnership. The implementation of more directed funding from the federal level should take into account the level and kinds of variability among states in terms of investments, public perceptions of museums, distinctions between public and private museums, and degree of integration across the public cultural sector.



*Pictured: A family learns together at the SciQuest exhibit at the Carnegie Science Center in Pittsburgh, Pennsylvania.*

## X Public Funding for Museums at the Local Level

This section provides information about local-level funding of museums. As with state-level support of museums, there is significant variation in the size of the museum sector, the amount of public dollars available, and the mechanisms for the delivery of these dollars to museums. However, in regions across the country, the researchers found particular instances of funding at the local level that play a key role in the contribution of public dollars to museums. In Colorado, Illinois, Missouri, and Pennsylvania, institutions clustered around a specific urban area (Denver, Chicago, St. Louis, and Pittsburgh) were shown to be highly associated with the public sector at the local level. An understanding of the contributions of local government to public funding of museums informs a discussion of how these mechanisms may relate to the relationships between museums and the federal and state levels of the public sector.

The MPFS discovered a solid consensus among its respondents regarding the importance of local support for museums. By a wide margin, the survey respondents maintained that general operating support at the local level is crucial (see Table VI.5). Furthermore, local government support comprises a significant part of museum revenue by type, ranging from 76.4% for zoos, aquariums, and zoological societies to 23.8% for hybrid muse-



## PUBLIC FUNDING FOR MUSEUMS AT THE LOCAL LEVEL

ums. Of the nine museum types, four depended on local government for more than 50% of their revenues (see Table VI.2).

There is no single mechanism for delivering local support to museums. Like states, communities across the country have developed highly diverse strategies to support their cultural institutions. Those funding mechanisms are as varied as the history, demography, economy, and politics of the individual locations. Some counties have their county history museum as a line item in the county government budget. Some cities and towns deliver direct support to local museums as an investment in their community life and as a tourist attraction strategy.

A strong environment of local public support to museums today may be grounded in a historical precedent set by local government and cultural institutions. One such example occurs in Chicago, where some of the city's most renowned museums have had a relationship with public lands since the Columbian Exhibition in 1893. The Museums in the Park and Chicago Zoo form a consortium of museums supported by the Chicago Park District (CPD). As part of the CPD and as public museums by definition of their existence on public land, these 11 museums receive the largest amount of public dollars in Illinois—\$39 million from the CPD in FY 2008 (see Figure AD.1 in appendix D for detail). This historical relationship between museums and their connection to government land has proved to be highly influential to their sustained support by the city government.

While the Museums in the Park and Chicago Zoo provide a model of the impacts of a historical relationship between museums and public land, the most common forms of support at the local level are option taxes: lodging taxes, property taxes, and sales taxes. According to a report prepared by Americans for the Arts, an advocacy organization based in Washington, DC, 38% of the 50 largest U.S. cities use revenues from lodging taxes to provide ongoing operational support for their cultural organizations; 20% use property taxes; and 8% use sales taxes.<sup>66</sup> When communities support museums with taxes, the general process is to define a tax district and legislate that a certain amount of the revenues collected in that location will be dedicated to museums. The legislation usually involves a ballot initiative proposed by advocates who undertake a public education campaign. Campaign success varies; Americans for the Arts tracked 34 state and local ballot initiatives in November 2004 and reported that 28 initiatives passed in favor of museums.<sup>67</sup>

### Property Tax Support for Museums

Dedicating a portion of property taxes to support cultural institutions is an additional support mechanism that can be found at the local level. Property taxpayers in Denver, Colorado, for example, accepted an addition to their taxes in fall 2007 to support capital maintenance and construction of the Denver Botanic Gardens and the Denver Museum of Nature and Science. One of the largest property tax districts defined to support museums is in and around St. Louis, Missouri.

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<sup>66</sup> "Local Option Taxes to Support the Arts," prepared for the Mayor's Arts and Culture Funding Tax Force, Atlanta, Georgia, September 18, 2006. [www.AmericansForTheArts.org](http://www.AmericansForTheArts.org).

<sup>67</sup> Breitkopf, Susan. 2005. "Museums as Economic Engines." *Museum News* (March/April): 41.

## PUBLIC FUNDING FOR MUSEUMS AT THE LOCAL LEVEL

The Metropolitan Zoological Park and Museum District in the City and County of St. Louis was created in 1969 by the Missouri Legislature. The St. Louis cultural district taxes originally supported three institutions: the St. Louis Zoo, St. Louis Art Museum, and St. Louis Science Center. Over the years, two additional institutions have been gathered into the district: the Missouri Botanical Garden and the Missouri History Museum. This city and county district collects about \$68 million to support the five institutions. Admission to four of the five institutions is free (the Missouri Botanical Garden charges a nominal fee to nonmembers). Purchasing membership provides important benefits, such as discounts at the shops and free parking.<sup>68</sup>

### Sales Tax Support for Museums

Pennsylvania's Allegheny Regional Asset District (RAD) provides an example of sales tax support for museums and other cultural organizations.<sup>69</sup> RAD is a special-purpose unit of local government that covers Allegheny County, which includes the Pittsburgh metropolitan area. Through Act 77, enacted in 1994, RAD receives tax revenues from a 1% Allegheny Sales and Use Tax, which it distributes among county and municipal governments and "regional assets."

RAD distributes one-half of tax revenues as unrestricted operating grants to "regional assets," defined as civic, cultural, and recreational entities; libraries; parks; and sports facilities.<sup>70</sup> The RAD grants are administered and funding decisions made by RAD's 7-member Board of Directors and 27-member Advisory Board, and regional assets are required to submit annual funding requests. Several Allegheny County museums have received unrestricted operating grants since RAD's enactment. The institutions receiving the largest amounts from RAD include the four Carnegie Museums (the Carnegie Museum of Art, the Carnegie Museum of Natural History, the Carnegie Science Center, and the Andy Warhol Museum), the National Aviary, the Phipps Conservatory, and the Pittsburgh Zoo. From 1995 to 2007, these seven institutions received a combined total of \$125,432,250, 13.9% of RAD's total grants of \$904,357,694 (see Table X.1).<sup>71</sup>

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<sup>68</sup> See <http://mzdstdl.org> for information about the Metropolitan Zoological Park and Museum District.

<sup>69</sup> See [www.radworkshere.org](http://www.radworkshere.org) for information about the Allegheny Regional Asset District.

<sup>70</sup> The other half of tax revenues is distributed as 25% to the county government and 25% to municipal government and has been used for tax elimination, reduction, and relief and to fund regional projects and municipal functions such as public safety or road repair.

<sup>71</sup> Figures obtained from Allegheny Regional Asset District Web site, [www.radworkshere.org/docs/GrantHistoryTotal.pdf](http://www.radworkshere.org/docs/GrantHistoryTotal.pdf).

*Table X.1 Allegheny Regional Asset District Funding History, FY 1995–2007*

Museum	RAD Grant
Carnegie Museums	\$33,272,700
National Aviary	\$14,044,200
Phipps Conservatory	\$28,519,600
Pittsburgh Zoo	\$49,595,750
Total	\$125,432,250

Source: Allegheny Regional Asset District, 2008.

In another example of sales tax support, metropolitan Denver supports the ongoing operations of its science and cultural institutions with the sales and use tax revenues that it collects within a defined cultural district. In 1988, amid a regional economic downturn that diminished local and state revenues, taxpayers in seven contiguous Colorado counties voted to create a special tax district, the Science and Cultural Facilities District (SCFD). Voters in Denver County and six nearby suburban and rural counties imposed upon themselves a sales and use tax of 0.1%, or one cent on every \$10. Given that the greater Denver metropolitan area has enjoyed a steady and growing consumer base, this tax has provided sustainable, unrestricted funding for scientific and cultural facilities in the Denver community for 20 years. In 2004, voters approved an extension of the SCFD until 2018.<sup>72</sup>

In FY 2007, the benefits of this special tax district translated into more than \$40 million being portioned out among three tiers of institutions. By statute, Tier I comprises five large institutions serving visitors from all parts of the state and the country: the Denver Museum of Art, Denver Zoo, Denver Botanic Gardens, Denver Museum of Nature and Science, and Denver Center for the Performing Arts. These facilities receive 65.5% of the total SCFD revenues and are open free to the general public for a few days each year. The 11-member SCFD Board of Directors distributes funds to the five institutions according to their size: for 2008, the Denver Museum of Nature and Science, which in 2006 was visited by 1.6 million people, was budgeted to receive 16.38% of the funds collected in the SCFD; the Denver Zoo, 15.87%; Denver Art Museum, 13.65%; the Denver Center for the Performing Arts, 11.91%; and the Denver Botanic Gardens, 7.69%.

Tier II comprises midsize institutions, serving mostly local and regional visitors. Organizations that wish to be considered Tier II facilities must apply each year to the SCFD Board of Directors, which determines applicant eligibility based on the criteria in the SCFD enabling legislation. For example, a Tier II organization must have been in operation for at least five years and must meet certain institutional requirements. One of the financial requirements is that, after 2006, organizations applying for the first time must certify a threshold of \$1.3 million in operating income. Tier II institutions receive 21% of the SCFD revenues broken down according to the size of the organiza-

<sup>72</sup> Information concerning the history and administrative procedures of the SCFD can be found at [www.scfid.org](http://www.scfid.org).

## PUBLIC FUNDING FOR MUSEUMS AT THE LOCAL LEVEL

tion. For example, in 2007 grants ranged from \$977,754 for the Arvada Center for the Arts and Humanities to \$ 74,186 for the Cherry Creek Arts Festival. In 2007, a total of \$8,885,601 was distributed to the 27 Tier II institutions.

County cultural councils appointed in each of the seven counties distribute the remaining 13.5% of SCFD funds to the mostly small Tier III organizations. To qualify for Tier III funding, organizations must apply each year to the SCFD Board, must have been in operation for at least three years, and must have strong beneficial connections to the communities they serve. After the SCFD Board determines eligibility of the Tier III applicants, each county cultural council distributes to the organizations in its county an amount of money proportionate to the amount of taxes the county collected. In 2007, Arapahoe County (just south and east of Denver County) had \$1,107,924 to distribute to the science and cultural organizations in the county. Of that amount, \$1,009,051 was given out as general operating support, and \$98,873 was awarded for projects. Among the 76 organizations receiving Arapahoe County Tier III funding in 2007, for example, Friends of Dinosaur Ridge received \$11,000, and Plains Conservation Center received \$33,036 in general operating support.

In contrast to regions where local support for museums is strong, in Boston municipal support for museums is very weak, resulting in a heavier reliance on state and federal support. In site visits in Massachusetts, many interview participants suggested that Boston's cultural institutions have largely turned to private philanthropy and state and federal support. Thus, we may assume that there are other areas in the country where federal and state dollars, as opposed to local dollars, are the predominant sources of public support.

### Section Summary

This section has presented key examples of strong support of museums at the local level across the United States. There is a strong consensus among museums about the importance of local support. Across museum types, the support of local government was found to contribute significantly to museum revenue; in four of nine types, local government contribution comprised more than 50% of museum revenues.

Local funding is often grounded in the history, demography, economy, and politics of individual locations, resulting in diverse funding mechanisms and local perceptions of museums and their public value. Most of the cases described in this section can be seen as models of strong local support that provide dedicated funding to a variety of institutions. Yet, it is important to note that these cases all occur around urban areas and should not be viewed as representative of local support across the board. Support at the local level is highly varied across the country and may be conditioned by historical relationships between museums and local governments and long-standing traditions of local philanthropy.

Public support for museums at the local level is an important contribution to the museum community; it can reflect a vote of confidence in the value that museums provide to local taxpayers. Local public dollars often aid museums in capital projects and general operating sup-

port, and most important, can provide support allocated through dedicated and regularly occurring mechanisms. Consideration of the funding picture at the local level is crucial to an analysis of the distribution of public support for museums and how local, state, and federal mechanisms may interact in the distribution of public monies.



*Pictured:* The Museums at 18<sup>th</sup> and Vine in Kansas City, Missouri, include the American Jazz Museum and the Negro Leagues Baseball Museum.

## XI Need for More Research

For some time, IMLS has been aware of the limits of current museum data collection efforts.<sup>73</sup> This lack of reliable data on the size and scope of the museum sector affects the museum research community and limits the ability of the agency to monitor grant program performance.

For this study, the lack of a comprehensive list of museums required a significant amount of extra data processing in order to draw a reliable sample for survey research. To draw the Museum Public Finance Survey sample, the UI team combined three data sources: the IMLS database, which contained about 17,500 records with museum names and addresses but no designation of museum size or type; the American Association of Museums database, which contained about 10,000 records but lacked consistent type or budget amounts for each record; and the National Center for Charitable Statistics (NCCS), which contained the most complete information but was much more limited in scope. NCCS identified more than 5,000 museum records over

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<sup>73</sup> See Institute of Museum and Library Services, (2005), *Museum Data Collection Report and Analysis*, prepared by McManis & Monsalve Associates (Manassas, Virginia), for a review of the status of data collection about museums in works published from 1999 to 2004.

## NEED FOR MORE RESEARCH

a three-year period (2003–2005), but it reflects only tax-exempt organizations that are required by law to file IRS Form 990 tax forms. The three files were combined for sample selection and then cleaned once selected into the survey sample. In short, the lack of a consistent, reliable census of museums had a significant impact on the research process.

Another important issue raised by this research is the need for greater standardization of data in the field and among funders and administrative data managers. While the American Association of Museums has done an exceptional job in standardizing terms for the Museum Financial Information Survey and in other areas, considerably more work is needed to be certain that the terms used inside and outside of the museum community are consistently applied. Standard definitions and descriptions of museum or institution type and museum services would allow for better accounting of the impact and public value of the museum sector. The lack of standardization has an impact on secondary analysis of data as well. Many large databases contain lists of museums, but there is no common definition of “museum.”<sup>74</sup>

The examination of museum finance relied heavily on administrative data collected at different levels of government. Some of the government sources were able to provide consistent museum-level data over time. Others were only able to provide highly aggregated information that did not allow for detailed analysis by institution or by varying geographic levels. Given the wide differences in support by institution type and place, much more work is needed to collect and manage detailed museum-level data.

In addition to institutional information, information about the beneficiaries of museum services is vitally important. Very few systematic studies examine the breadth and depth of museum attendance or use of targeted museum programs and services for different museum types over time. The lack of this basic service information makes it very difficult to assess the human or social impact of museum services. As a result, studies of public value have tended to focus on economic benefits, which are based on a variety of economic indicators that may or may not reflect the mission of individual museums and are only one of many measures, economic and social, of the value of these institutions.

Finally, considerably more information is needed about the nature of museum support at all levels of government. Data on museum funding can be very difficult to obtain. Many government agencies either do not have the staff support to supply such information or do not manage agency records in a way that would allow analysts or the general public to collect museum-level data. Greater coordination across federal agencies would yield a better understanding of the nature of federal-level support.

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<sup>74</sup> See [www.aam-us.org/aboutmuseums/whatis.cfm](http://www.aam-us.org/aboutmuseums/whatis.cfm) for a comparison of museum definitions among AAM, IMLS, and the International Council of Museums.

*Pictured:* The façade of the Chicago Historical Society in Chicago, Illinois.



## Appendixes

### Appendix A. Research Methodology

#### Introduction

The Museum Public Funding Survey (MPFS) was designed to identify the source of public support for museums of varying types, across different regions of the country. The survey was conducted between November 2007 and January 2008. More than 1,000 institutions responded to the survey. A survey weight is needed to accurately analyze the data collected by the MPFS. This appendix describes the sampling and weighting procedures used to produce the survey weight that should be used to generate representative estimates of the various museum populations analyzed.

#### Sampling

While all museums were permitted to complete the study's web survey, a stratified random sample of museums was selected to receive a personal invitation to participate. Museums that did not respond to the initial invitation were sent follow-up reminders emphasizing the importance of their participation in the study. The sampled museums were selected from three separate lists of museums. IMLS provided the largest list of museums; this list had



## APPENDIX A. RESEARCH METHODOLOGY

names and addresses for about 17,500 organizations. AAM provided a list of just under 10,000 museums. Finally, using the NCCS database, we found about 5,600 museums that filed IRS Form 990 tax returns. After removing duplicates across the three lists, we estimated the museum universe to consist of approximately 25,000 organizations. In choosing the museums that would be invited to participate, we stratified by which list or lists they were on and by their location.

Only the NCCS list identified the museum type for all records. The AAM list had assignments for a subset of institutions, and the IMLS list had no type assignments. Institution types that did not have a classification were postcoded based on key word searches of the institution names. Institutions that did not have a common museum type embedded in the name (e.g., the Smith Museum or New Carleton Museum), were categorized as undefined. Institution types were standardized and grouped according to NCCS classifications, which resulted in seven categories of museums for this descriptive analysis.

The product of this file merger process is substantially larger than the 17,500 institutions reported by the Institute of Museum and Library Services. However, records drawn from this process were not systematically verified. There are many problems in using this listing for a census of museums because the data were collected at widely varying points in time, using different procedures and operating definitions. In preparation for survey sampling, the Urban Institute employed a set of standard procedures to clean the file and identify gross data errors. Verification of all institutions in the newly combined list was beyond the scope of this study.

### Survey Weights

The survey weights were designed to accomplish two goals. First, they allowed us to combine the data collected from the 448 respondents who responded without an invitation with the 562 respondents who were invited and responded.<sup>75</sup> Second, the weights were corrected for the differential sampling by museum list, and a geographic poststratification was included so that each museum region was accurately represented in the final sample distribution.

The first goal of combining invited respondents with other respondents involved modeling the two different groups to see how they differed. This modeling included testing both key demographic and substantive variables for differences between the two groups. The results of the modeling showed that there were only minor differences between the two groups, and no variable or characteristic was significantly different between the two groups. Given the similarity between the two groups, we felt it was acceptable to combine them as long as the volunteer (not-invited) group was given a weighting adjustment so that they matched the invited group in terms of museum regions and the museum list they appeared on. This was important, given that the invited respondents were stratified by location and their probability of selection varied depending on which museum list or lists they appeared on.

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<sup>75</sup> Five respondents were from outside of the continental United States and were removed from the sample, resulting in a final respondent pool of 1,005.

## APPENDIX A. RESEARCH METHODOLOGY

After combining the two groups of respondents, the second goal of making the sample more representative of the overall population of museums was straightforward. First we corrected for the differential sampling by museum list, and then we adjusted the survey weight so that the sample was proportional to the number of overall museums in each museum region. We did not post-stratify the final survey weight by anything other than region, given the limited information about the museums on both the AAM list and the IMLS museum list.

### Respondent Distribution

Table AA.1 shows the distribution of museum types that responded to the online survey. Survey respondents were able to choose from a list of institution types shown in the table, as well as a write-in option for “other.” These types were further condensed into the seven categories of museums used in this descriptive analysis, based on the categories used for the Heritage Health Index. The numbers in Table AA.1 show the unweighted distribution of museum types. Smaller categories of museums were aggregated into broader National Taxonomy of Exempt Entities (NTEE) classification for cross-tabular analysis and for comparability with data presented in the report.

*Table AA.1. Survey Respondents by Institution Type*

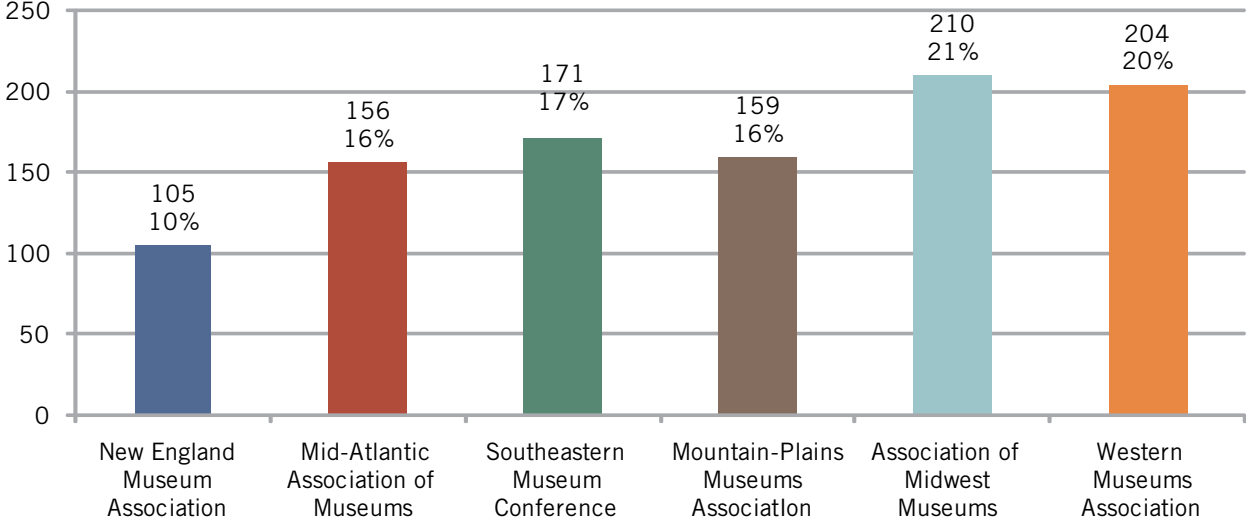
Museum Type*	Number of Respondents
Aquarium	10
Arboretum	34
Art Museum	156
Children's/Youth Museum	51
Historic House or Site	110
History Museum	270
Historical Society	109
Natural History Museum	41
Nature Center	10
Planetarium	3
Science Technology Center	40
Zoo or Zoological Society	44
Specialty	55
General or Multidisciplinary	50
Transportation	10
Tribal	12
Total	1,005

Source: Urban Institute analysis, Museum Public Finance Survey, 2008.

\*For the MPFS, respondents could choose from a list of museum types or specify a type in response to selecting “other.” For the purposes of analysis, the Urban Institute condensed the survey responses to museum type for this table. Types were further condensed for the primary survey analysis of the report to correspond with the categories employed by the Heritage Health Index.

The distribution across regions is comparable to the distribution in the source data from which the sample was drawn. Here again, the unweighted distribution is listed to show readers how well the various museum regions were represented by survey respondents. The museums listed in Table AA.1 include respondents from across the country, categorized by museum association region.

Figure AA.1. Distribution of Museum Sample



Source: Urban Institute analysis, Museum Public Finance Survey, 2008.

**Selection of 15-State Sample for State Arts Agency and State Humanities Council Funding**

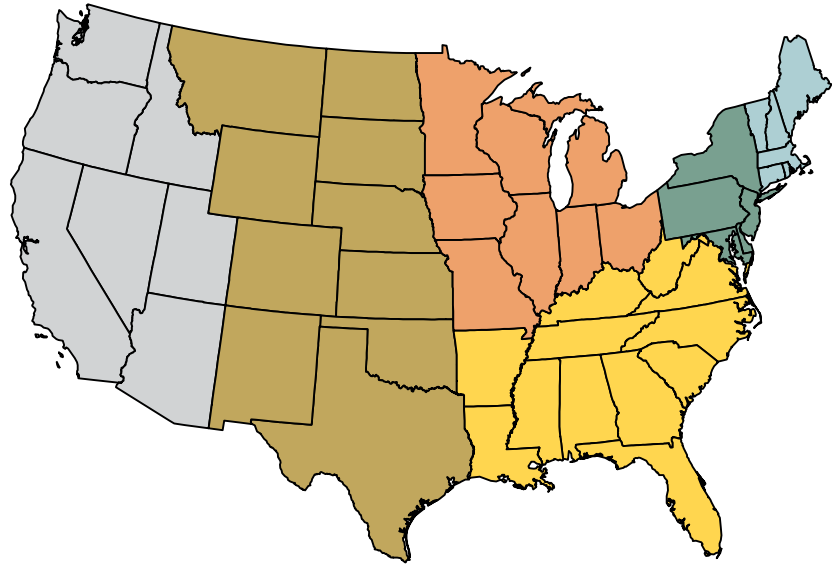
IMLS staff selected the 15 states to comprise the sample. The first requirement was geographic distribution to account for regional differences. Next, based on staff experience with grantees and potential grantees, states were included because IMLS had awarded either a large number or a small number of grants to the state. Thus, the states in the sample represent a range of success in receiving IMLS awards. IMLS is grateful for the professional courtesy provided by the staff of the National Endowment for the Humanities and the National Assembly of State Arts Agencies in gathering the data regarding the State Humanities Council and State Arts Council support for museums.

## APPENDIX B: AAM MUSEUM REGIONS

**New England Museum Association (6)**  
 Connecticut  
 Maine  
 Massachusetts  
 New Hampshire  
 Rhode Island  
 Vermont

**Mid-Atlantic Museum Association (5)**  
 Delaware  
 Maryland  
 New Jersey  
 New York  
 Pennsylvania

**Southeastern Museum Association (12)**  
 Alabama  
 Arkansas  
 Florida  
 Georgia  
 Kentucky  
 Louisiana  
 Mississippi  
 North Carolina  
 South Carolina  
 Tennessee  
 Virginia  
 West Virginia



**Midwest Museum Association (8)**  
 Indiana  
 Illinois  
 Iowa  
 Michigan  
 Minnesota  
 Missouri  
 Ohio  
 Wisconsin

**Mountain-Plains Museum Association (10)**  
 Colorado  
 Kansas  
 Montana  
 Nebraska  
 New Mexico  
 North Dakota  
 Oklahoma  
 South Dakota  
 Texas  
 Wyoming

**Western Museum Association (9)**  
 Alaska  
 Arizona  
 California  
 Hawaii  
 Idaho  
 Nevada  
 Oregon  
 Utah  
 Washington

## APPENDIX C: FEDERAL FUNDING TO MUSEUMS, BY STATE

### List of Tables, all amounts expressed in constant 2006 dollars:

*Table AC.1. Institute of Museum and Library Services Grants to Museums, by State, FY 2000–2006*

*Table AC.2. Institute of Museum and Library Services Grants to Museums, Per Capita, FY 2000–2006*

*Table AC.3. National Science Foundation Grants to Museums, by State, FY 2000–2006*

*Table AC.4. National Science Foundation Grants to Museums, Per Capita, FY 2000–2006*

*Table AC.5. National Endowment for the Arts Grants to Museums, by State, FY 2000–2006*

*Table AC.6. National Endowment for the Arts Grants to Museums, Per Capita, FY 2000–2006*

*Table AC.7. National Endowment for the Humanities Grants to Museums, by State, FY 2000–2006*

*Table AC.8. National Endowment for the Humanities Grants to Museums, Per Capita, FY 2000–2006*

*Table AC.9. Number of Grants to Museums from IMLS, NSF, NEA and NEH, by State, FY 2000–2006*

*Table AC.10. Number of Earmarks to States by Fiscal Year, FY 2001–2006*

*Table AC.11. Total Federal Dollars to Museums, Per Capita, FY 2006*

## APPENDIX C: FEDERAL FUNDING TO MUSEUMS, BY STATE

Table AC.1. Institute of Museum and Library Services Grants to Museums, by State, FY 2000–2006

	Total (\$ 2006)							Total 2000–06
	2000	2001	2002	2003	2004	2005	2006	
Alabama	275,309	142,137	201,695	82,940	187,657	33,192	219,543	1,142,473
Alaska	139,220	42,696	514,167	177,996	28,936	572,655	149,129	1,624,800
Arizona	677,849	465,704	434,385	498,893	174,586	1,206,659	257,700	3,715,776
Arkansas	136,553	98,055	154,357	65,979	76,786	14,488	75,237	621,455
California	1,816,062	1,404,618	2,814,103	728,792	2,416,220	3,898,419	2,601,215	15,679,429
Colorado	382,534	1,135,960	792,563	275,929	1,022,479	653,099	688,209	4,950,773
Connecticut	487,772	176,653	852,434	495,548	1,390,117	983,679	953,690	5,339,894
Delaware	5,555	180,263	233,755	83,445	166,515	76,537	74,201	820,271
District of Columbia	339,592	589,611	700,558	547,127	210,615	132,397	2,776,997	5,296,898
Florida	1,570,889	823,741	737,992	1,102,751	642,389	1,060,680	512,422	6,450,864
Georgia	223,141	235,828	138,526	95,962	314,721	184,919	564,577	1,757,673
Hawaii	279,026	72,858	64,979	111,840	8,420	76,822	45,485	659,431
Idaho	21,553	43,317	39,871	101,029	35,064	2,400	62,251	305,485
Illinois	1,739,494	999,760	2,475,768	2,056,966	1,742,842	2,809,351	1,475,076	13,299,258
Indiana	407,203	9,443	221,298	196,665	766,443	73,920	380,647	2,055,619
Iowa	350,316	379,208	408,328	124,779	313,553	127,614	376,583	2,080,381
Kansas	176,426	267,563	577,043	51,728	483,606	21,605	319,226	1,897,198
Kentucky	246,341	869,861	254,129	114,058	568,604	179,871	137,316	2,370,180
Louisiana	180,866	219,298	363,485	242,883	916,303	16,888	562,080	2,501,804
Maine	142,915	662,348	1,355,331	791,454	607,997	280,213	425,323	4,265,581
Maryland	726,960	310,658	524,739	402,742	376,507	497,330	418,659	3,257,595
Massachusetts	1,725,333	2,228,731	1,108,927	2,601,345	3,888,064	1,904,137	1,955,302	15,411,838
Michigan	845,712	610,585	776,194	567,448	860,382	1,474,889	1,070,240	6,205,450
Minnesota	770,343	404,720	608,407	340,262	1,076,113	741,099	390,937	4,331,881
Mississippi	137,754	18,464	133,208	10,151	68,888	31,149	104,567	504,182
Missouri	221,166	895,834	371,717	285,929	625,013	460,286	1,133,224	3,993,170
Montana	341,749	276,071	252,434	28,923	564,788	0	298,582	1,762,548
Nebraska	282,673	462,517	317,916	21,962	155,541	417,752	218,371	1,876,733
Nevada	281,971	10,996	14,456	169,547	9,648	248,978	0	735,595
New Hampshire	149,642	270,804	355,442	212,632	308,382	191,976	64,364	1,553,243
New Jersey	37,584	308,256	14,635	713,391	33,068	64,237	183,828	1,355,000
New Mexico	375,085	569,605	360,509	563,177	522,541	210,047	577,888	3,178,852
New York	2,528,964	3,413,021	3,536,777	2,886,932	3,990,843	5,301,152	3,774,212	25,431,901
North Carolina	734,546	546,138	1,073,554	587,994	363,712	883,159	701,353	4,890,456
North Dakota	2,078	15,743	108,025	32,603	69,721	2,400	0	230,570
Ohio	786,482	855,897	718,334	303,182	1,407,582	687,232	702,975	5,461,685
Oklahoma	165,749	506,998	206,530	207,530	333,667	384,902	99,488	1,904,863
Oregon	164,675	191,733	583,074	662,134	58,324	326,355	42,900	2,029,196
Pennsylvania	2,016,218	1,619,123	916,840	1,191,065	1,664,912	1,188,568	1,877,594	10,474,319
Rhode Island	159,307	7,251	270,922	25,703	197,042	27,881	30,327	718,433
South Carolina	396,757	144,586	133,376	116,977	124,258	227,639	257,841	1,401,435
South Dakota	58,155	138,371	137,354	6,897	175,042	73,311	219,105	808,234
Tennessee	653,165	403,035	211,153	463,526	769,830	1,197,601	290,939	3,989,249
Texas	1,178,256	1,301,637	666,695	1,201,787	1,202,536	619,670	373,087	6,543,668
Utah	348,965	3,381	331,582	170,460	408,209	356,100	706,270	2,324,967
Vermont	281,212	438,515	183,020	135,104	166,894	234,377	571,790	2,010,912
Virginia	731,662	787,483	1,043,674	275,742	699,265	690,659	674,868	4,903,352
Washington	339,024	1,447,759	279,511	848,144	813,279	639,930	446,264	4,813,912
West Virginia	35,719	5,401	39,260	81,371	34,904	265,493	233,529	695,677
Wisconsin	544,585	707,278	579,134	443,414	660,936	349,205	1,120,330	4,404,882
Wyoming	131,707	25,816	18,614	253,057	319,152	14,488	309,679	1,072,514
<b>U.S. Total</b>	<b>26,751,817</b>	<b>27,745,329</b>	<b>29,210,781</b>	<b>23,757,897</b>	<b>34,022,898</b>	<b>32,117,409</b>	<b>31,505,420</b>	<b>205,111,551</b>

Source: Urban Institute analysis of IMLS data, 2008. Note: All amounts are expressed in constant 2006 dollars.

Table AC.2. Institute of Museum and Library Services Grants to Museums, Per Capita, FY 2000–2006

	Per 100 Population (\$ 2006)							
	2000	2001	2002	2003	2004	2005	2006	Total 2000–06
Alabama	6.2	3.2	4.5	1.8	4.2	0.7	4.8	25.4
Alaska	22.2	6.8	80.3	27.5	4.4	86.3	22.3	249.7
Arizona	13.1	8.8	8.0	8.9	3.0	20.3	4.2	66.3
Arkansas	5.1	3.6	5.7	2.4	2.8	0.5	2.7	22.9
California	5.3	4.1	8.0	2.1	6.7	10.8	7.1	44.2
Colorado	8.8	25.7	17.6	6.1	22.2	14.0	14.5	108.9
Connecticut	14.3	5.1	24.7	14.2	39.8	28.1	27.2	153.4
Delaware	0.7	22.7	29.0	10.2	20.1	9.1	8.7	100.5
District of Columbia	59.5	102.1	121.0	94.7	36.3	22.7	477.5	914.0
Florida	9.8	5.0	4.4	6.5	3.7	6.0	2.8	38.2
Georgia	2.7	2.8	1.6	1.1	3.5	2.0	6.0	19.8
Hawaii	23.0	6.0	5.3	9.0	0.7	6.0	3.5	53.5
Idaho	1.7	3.3	3.0	7.4	2.5	0.2	4.2	22.2
Illinois	14.0	8.0	19.7	16.3	13.7	22.0	11.5	105.1
Indiana	6.7	0.2	3.6	3.2	12.3	1.2	6.0	33.1
Iowa	12.0	12.9	13.9	4.2	10.6	4.3	12.6	70.6
Kansas	6.6	9.9	21.3	1.9	17.7	0.8	11.5	69.6
Kentucky	6.1	21.4	6.2	2.8	13.7	4.3	3.3	57.8
Louisiana	4.0	4.9	8.1	5.4	20.4	0.4	13.1	56.4
Maine	11.2	51.5	104.5	60.5	46.3	21.3	32.2	327.4
Maryland	13.7	5.8	9.6	7.3	6.8	8.9	7.5	59.6
Massachusetts	27.1	34.8	17.2	40.4	60.4	29.6	30.4	239.9
Michigan	8.5	6.1	7.7	5.6	8.5	14.6	10.6	61.7
Minnesota	15.6	8.1	12.1	6.7	21.1	14.5	7.6	85.7
Mississippi	4.8	0.6	4.7	0.4	2.4	1.1	3.6	17.5
Missouri	3.9	15.9	6.5	5.0	10.9	7.9	19.4	69.6
Montana	37.8	30.5	27.7	3.2	61.0	0.0	31.6	191.8
Nebraska	16.5	26.9	18.4	1.3	8.9	23.8	12.3	108.1
Nevada	14.0	0.5	0.7	7.6	0.4	10.3	0.0	33.5
New Hampshire	12.1	21.5	27.9	16.5	23.8	14.7	4.9	121.4
New Jersey	0.4	3.6	0.2	8.3	0.4	0.7	2.1	15.7
New Mexico	20.6	31.1	19.4	30.0	27.5	10.9	29.6	169.1
New York	13.3	17.9	18.5	15.0	20.7	27.4	19.5	132.3
North Carolina	9.1	6.7	12.9	7.0	4.3	10.2	7.9	58.0
North Dakota	0.3	2.5	17.0	5.2	11.0	0.4	0.0	36.3
Ohio	6.9	7.5	6.3	2.7	12.3	6.0	6.1	47.8
Oklahoma	4.8	14.6	5.9	5.9	9.5	10.9	2.8	54.4
Oregon	4.8	5.5	16.5	18.6	1.6	9.0	1.2	57.2
Pennsylvania	16.4	13.2	7.4	9.6	13.5	9.6	15.1	84.8
Rhode Island	15.2	0.7	25.4	2.4	18.3	2.6	2.8	67.3
South Carolina	9.9	3.6	3.3	2.8	3.0	5.4	6.0	33.8
South Dakota	7.7	18.3	18.1	0.9	22.7	9.5	28.0	105.1
Tennessee	11.5	7.0	3.6	7.9	13.1	20.1	4.8	68.1
Texas	5.6	6.1	3.1	5.4	5.3	2.7	1.6	29.8
Utah	15.6	0.1	14.3	7.2	16.9	14.3	27.7	96.0
Vermont	46.1	71.5	29.7	21.8	26.9	37.7	91.6	325.4
Virginia	10.3	10.9	14.3	3.7	9.4	9.1	8.8	66.6
Washington	5.7	24.1	4.6	13.8	13.1	10.2	7.0	78.6
West Virginia	2.0	0.3	2.2	4.5	1.9	14.6	12.8	38.4
Wisconsin	10.1	13.1	10.6	8.1	12.0	6.3	20.2	80.5
Wyoming	26.7	5.2	3.7	50.5	63.1	2.8	60.1	212.2
<b>U.S. Total</b>	<b>9.5</b>	<b>9.7</b>	<b>10.1</b>	<b>8.2</b>	<b>11.6</b>	<b>10.8</b>	<b>10.5</b>	<b>70.5</b>

Source: Urban Institute analysis of IMLS data, 2008. Note: All amounts are expressed in constant 2006 dollars.

## APPENDIX C: FEDERAL FUNDING TO MUSEUMS, BY STATE

Table AC.3. National Science Foundation Grants to Museums, by State, FY 2000–2006

	Total (\$ 2006)							Total 2000–06
	2000	2001	2002	2003	2004	2005	2006	
Alabama	0	0	0	0	0	0	141,869	141,869
Alaska	356,763	9,343	0	54,761	0	624,918	873,404	1,919,189
Arizona	0	0	0	0	0	0	0	0
Arkansas	0	0	0	0	0	0	0	0
California	8,949,497	16,640,045	6,955,442	10,457,127	13,167,289	17,115,109	9,277,123	82,561,632
Colorado	106,302	35,330	162,490	0	936,888	904,854	307,525	2,453,389
Connecticut	0	0	0	646,057	662,375	0	640,760	1,949,192
Delaware	108,397	0	0	0	435,913	0	0	544,310
District of Columbia	0	0	0	0	0	0	0	0
Florida	351,426	419,065	298,082	1,121,067	2,573,439	2,521,193	558,270	7,842,543
Georgia	0	0	0	0	0	0	0	0
Hawaii	0	433,664	341,154	141,500	843,705	162,269	0	1,922,293
Idaho	0	0	0	0	0	0	0	0
Illinois	2,293,943	1,579,833	1,387,462	2,487,397	2,642,322	3,438,468	2,518,639	16,348,063
Indiana	1,163,978	179,103	0	0	0	0	0	1,343,081
Iowa	0	0	0	0	0	0	0	0
Kansas	0	0	0	0	0	0	0	0
Kentucky	61,202	59,509	340,221	0	1,363,307	0	302,695	2,126,934
Louisiana	0	0	0	0	0	0	0	0
Maine	0	0	33,538	0	0	0	0	33,538
Maryland	1,744,736	109,262	0	0	1,533,165	0	0	3,387,163
Massachusetts	1,202,331	2,027,021	3,804,610	3,880,259	3,716,485	6,775,723	5,098,584	26,505,013
Michigan	0	0	0	0	0	0	0	0
Minnesota	3,895,776	2,261,417	3,249,123	1,641,758	2,156,232	3,422,543	1,015,166	17,642,016
Mississippi	0	0	0	0	0	0	0	0
Missouri	178,887	227,505	460,112	0	957,123	560,877	505,314	2,889,818
Montana	0	0	0	0	0	0	0	0
Nebraska	0	0	0	0	0	0	0	0
Nevada	0	0	0	0	0	0	0	0
New Hampshire	824,780	0	0	0	0	0	0	824,780
New Jersey	0	0	281,408	622,505	912,847	0	346,193	2,162,953
New Mexico	139,287	196,471	261,492	144,859	0	0	0	742,108
New York	3,032,203	8,734,598	7,661,623	6,132,676	5,293,266	9,762,261	6,860,152	47,476,779
North Carolina	308,285	318,234	290,181	333,119	1,239,091	141,871	94,356	2,725,137
North Dakota	0	0	0	0	0	0	0	0
Ohio	349,481	462,083	1,462,911	393,670	0	0	70,662	2,738,807
Oklahoma	0	0	0	0	0	0	0	0
Oregon	71,950	813,738	2,178,202	2,390,528	1,212,333	0	0	6,666,751
Pennsylvania	1,583,258	3,692,252	1,795,456	3,528,259	2,191,608	2,848,802	1,687,392	17,327,026
Rhode Island	0	0	0	0	0	0	0	0
South Carolina	0	0	0	0	0	0	0	0
South Dakota	0	0	0	0	0	0	0	0
Tennessee	0	0	0	0	0	0	0	0
Texas	0	687,571	1,351,631	1,801,327	1,389,510	841,504	2,669,572	8,741,114
Utah	0	0	0	0	0	0	0	0
Vermont	1,416,418	176,511	609,290	181,949	681,742	1,457,163	0	4,523,074
Virginia	4,397,380	6,193,785	5,340,656	3,253,232	1,671,454	2,543,104	979,298	24,378,909
Washington	0	0	0	0	0	216,325	200,980	417,305
West Virginia	0	0	0	0	0	0	0	0
Wisconsin	103,555	308,371	319,139	219,266	0	15,262	0	965,592
Wyoming	0	0	0	0	0	0	0	0
U.S. Total	32,639,834	45,564,711	38,584,224	39,431,315	45,580,093	53,352,248	34,147,954	289,300,379

Source: Urban Institute analysis of National Science Foundation data, 2008. Note: All amounts are expressed in constant 2006 dollars.

Note: Institutions used to normalize funding include natural history and natural science museums, science and technology museums, botanical gardens and arboretums, and zoos and aquariums.



Table AC.4. National Science Foundation Grants to Museums, Per Capita, FY 2000–2006

	Per 100 Population (\$ 2006)							
	2000	2001	2002	2003	2004	2005	2006	Total 2000–06
Alabama	0.0	0.0	0.0	0.0	0.0	0.0	3.1	3.1
Alaska	56.9	1.5	0.0	8.5	0.0	94.2	130.3	291.4
Arizona	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Arkansas	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
California	26.3	48.2	19.9	29.5	36.7	47.3	25.4	233.3
Colorado	2.5	0.8	3.6	0.0	20.4	19.4	6.5	53.1
Connecticut	0.0	0.0	0.0	18.6	19.0	0.0	18.3	55.8
Delaware	13.8	0.0	0.0	0.0	52.6	0.0	0.0	66.4
District of Columbia	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Florida	2.2	2.6	1.8	6.6	14.8	14.2	3.1	45.2
Georgia	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Hawaii	0.0	35.5	27.7	11.4	67.0	12.7	0.0	154.3
Idaho	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Illinois	18.4	12.6	11.0	19.7	20.8	26.9	19.6	129.1
Indiana	19.1	2.9	0.0	0.0	0.0	0.0	0.0	22.0
Iowa	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Kansas	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Kentucky	1.5	1.5	8.3	0.0	32.9	0.0	7.2	51.4
Louisiana	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Maine	0.0	0.0	2.6	0.0	0.0	0.0	0.0	2.6
Maryland	32.8	2.0	0.0	0.0	27.6	0.0	0.0	62.5
Massachusetts	18.9	31.6	59.2	60.3	57.7	105.3	79.2	412.2
Michigan	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Minnesota	79.0	45.4	64.7	32.5	42.3	66.8	19.6	350.2
Mississippi	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Missouri	3.2	4.0	8.1	0.0	16.6	9.7	8.6	50.3
Montana	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Nebraska	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Nevada	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
New Hampshire	66.5	0.0	0.0	0.0	0.0	0.0	0.0	66.5
New Jersey	0.0	0.0	3.3	7.2	10.5	0.0	4.0	25.0
New Mexico	7.6	10.7	14.1	7.7	0.0	0.0	0.0	40.2
New York	16.0	45.7	40.0	31.9	27.4	50.5	35.5	247.1
North Carolina	3.8	3.9	3.5	4.0	14.5	1.6	1.1	32.4
North Dakota	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Ohio	3.1	4.1	12.8	3.4	0.0	0.0	0.6	24.0
Oklahoma	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Oregon	2.1	23.4	61.8	67.1	33.8	0.0	0.0	188.2
Pennsylvania	12.9	30.0	14.6	28.6	17.7	23.0	13.6	140.3
Rhode Island	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
South Carolina	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
South Dakota	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Tennessee	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Texas	0.0	3.2	6.2	8.1	6.2	3.7	11.4	38.8
Utah	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Vermont	232.2	28.8	98.9	29.4	109.8	234.1	0.0	733.2
Virginia	61.9	86.1	73.3	44.1	22.4	33.6	12.8	334.2
Washington	0.0	0.0	0.0	0.0	0.0	3.4	3.1	6.6
West Virginia	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Wisconsin	1.9	5.7	5.9	4.0	0.0	0.3	0.0	17.8
Wyoming	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
U.S. Total	11.6	16.0	13.4	13.6	15.5	18.0	11.4	99.4

Source: Urban Institute analysis of National Science Foundation data, 2008. Note: All amounts are expressed in constant 2006 dollars.

Note: Institutions used to normalize funding include natural history and natural science museums, science and technology museums, botanical gardens and arboretums, and zoos and aquariums.

## APPENDIX C: FEDERAL FUNDING TO MUSEUMS, BY STATE

Table AC.5. National Endowment for the Arts Grants to Museums, by State, FY 2000–2006

	Total (\$ 2006)							Total 2000–06
	2000	2001	2002	2003	2004	2005	2006	
Alabama	76,098	46,672	66,117	65,739	51,227	87,742	128,000	521,594
Alaska	0	0	0	16,435	0	0	30,000	46,435
Arizona	0	45,534	0	0	101,387	0	70,000	216,921
Arkansas	0	0	0	0	0	0	0	0
California	577,171	430,862	549,665	828,313	540,019	668,903	615,000	4,209,933
Colorado	117,073	11,383	50,428	109,565	32,017	0	10,000	330,467
Connecticut	66,732	85,375	52,669	0	186,765	25,806	175,000	592,348
Delaware	35,122	25,043	11,206	0	21,345	61,935	62,000	216,652
District of Columbia	149,151	113,834	71,720	177,496	133,084	320,000	150,000	1,115,284
Florida	40,976	28,458	11,206	49,304	53,362	58,839	60,000	302,145
Georgia	193,171	153,676	212,918	186,261	85,379	182,710	300,000	1,314,114
Hawaii	0	0	11,206	82,174	0	0	0	93,380
Idaho	0	34,150	0	0	10,672	15,484	0	60,306
Illinois	380,488	365,407	437,043	471,130	225,719	178,581	248,000	2,306,368
Indiana	11,707	34,150	0	10,957	0	15,484	10,000	82,298
Iowa	35,122	34,150	50,428	21,913	42,689	72,258	50,000	306,561
Kansas	0	0	0	0	0	0	0	0
Kentucky	17,561	34,150	14,568	32,870	12,807	36,129	35,000	183,085
Louisiana	40,976	17,075	28,016	10,957	10,672	10,323	50,000	168,018
Maine	0	0	52,669	0	45,891	23,329	45,000	166,889
Maryland	76,098	102,451	49,307	54,783	42,689	67,097	45,000	437,424
Massachusetts	134,634	155,953	128,872	198,313	150,480	815,484	591,500	2,175,235
Michigan	0	85,375	73,961	348,417	101,387	77,419	250,000	936,560
Minnesota	0	0	28,016	78,887	0	61,935	10,000	178,838
Mississippi	0	0	30,257	0	60,832	0	65,000	156,089
Missouri	76,098	122,258	63,875	145,722	192,102	87,742	25,000	712,796
Montana	23,415	0	51,549	0	25,614	25,806	75,000	201,383
Nebraska	0	0	0	0	10,672	10,323	0	20,995
Nevada	11,707	0	31,377	0	0	0	10,000	53,085
New Hampshire	49,171	0	0	0	0	0	0	49,171
New Jersey	70,244	125,217	11,206	109,565	58,698	20,645	65,000	460,576
New Mexico	16,390	58,055	63,875	35,061	64,034	201,290	90,000	528,706
New York	522,146	1,075,731	856,156	1,109,348	1,028,277	1,378,581	1,139,700	7,109,939
North Carolina	16,976	193,518	100,856	74,504	121,664	138,364	55,000	700,882
North Dakota	10,829	56,917	0	21,913	32,017	56,774	25,000	203,450
Ohio	69,073	73,992	244,296	76,696	114,194	36,129	270,250	884,629
Oklahoma	10,537	193,518	0	21,913	10,672	67,097	0	303,737
Oregon	0	0	0	0	0	0	0	0
Pennsylvania	340,098	204,901	448,249	246,522	294,556	206,452	343,000	2,083,777
Rhode Island	9,366	5,692	11,206	0	0	0	0	26,264
South Carolina	17,561	0	22,412	0	0	0	0	39,973
South Dakota	0	11,383	0	0	0	0	0	11,383
Tennessee	84,878	125,217	30,257	32,870	239,060	10,323	10,000	532,604
Texas	14,049	170,751	168,093	144,626	283,884	547,097	227,000	1,555,500
Utah	0	0	0	26,296	0	0	0	26,296
Vermont	0	11,383	0	0	10,672	0	0	22,056
Virginia	7,610	76,269	5,603	71,217	21,345	10,323	10,000	202,366
Washington	282,146	86,514	112,062	63,548	106,723	101,677	100,000	852,671
West Virginia	0	11,383	0	0	0	0	0	11,383
Wisconsin	58,537	17,075	0	69,026	10,672	10,323	30,000	195,633
Wyoming	0	22,767	0	0	0	67,097	0	89,864
<b>U.S. Total</b>	<b>3,642,907</b>	<b>4,446,242</b>	<b>4,151,346</b>	<b>4,992,339</b>	<b>4,533,279</b>	<b>5,755,499</b>	<b>5,474,450</b>	<b>32,996,063</b>

Source: Urban Institute analysis of National Endowment for the Arts data, 2008. Note: All amounts are expressed in constant 2006 dollars.

Note: Institutions used to normalize grant totals include all art museums (NTEE code A51).

Table AC.6. National Endowment for the Arts Grants to Museums, Per Capita, FY 2000–2006

	Per 100 Population (\$ 2006)							
	2000	2001	2002	2003	2004	2005	2006	Total 2000–06
Alabama	1.7	1.0	1.5	1.5	1.1	1.9	2.8	11.5
Alaska	0.0	0.0	0.0	2.5	0.0	0.0	4.5	7.0
Arizona	0.0	0.9	0.0	0.0	1.8	0.0	1.1	3.8
Arkansas	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
California	1.7	1.2	1.6	2.3	1.5	1.9	1.7	11.9
Colorado	2.7	0.3	1.1	2.4	0.7	0.0	0.2	7.4
Connecticut	2.0	2.5	1.5	0.0	5.3	0.7	5.0	17.0
Delaware	4.5	3.1	1.4	0.0	2.6	7.4	7.3	26.2
District of Columbia	26.1	19.7	12.4	30.7	23.0	55.0	25.8	192.7
Florida	0.3	0.2	0.1	0.3	0.3	0.3	0.3	1.8
Georgia	2.3	1.8	2.5	2.1	1.0	2.0	3.2	14.9
Hawaii	0.0	0.0	0.9	6.6	0.0	0.0	0.0	7.5
Idaho	0.0	2.6	0.0	0.0	0.8	1.1	0.0	4.4
Illinois	3.1	2.9	3.5	3.7	1.8	1.4	1.9	18.3
Indiana	0.2	0.6	0.0	0.2	0.0	0.2	0.2	1.3
Iowa	1.2	1.2	1.7	0.7	1.4	2.4	1.7	10.4
Kansas	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Kentucky	0.4	0.8	0.4	0.8	0.3	0.9	0.8	4.4
Louisiana	0.9	0.4	0.6	0.2	0.2	0.2	1.2	3.8
Maine	0.0	0.0	4.1	0.0	3.5	1.8	3.4	12.7
Maryland	1.4	1.9	0.9	1.0	0.8	1.2	0.8	8.0
Massachusetts	2.1	2.4	2.0	3.1	2.3	12.7	9.2	33.8
Michigan	0.0	0.9	0.7	3.5	1.0	0.8	2.5	9.3
Minnesota	0.0	0.0	0.6	1.6	0.0	1.2	0.2	3.5
Mississippi	0.0	0.0	1.1	0.0	2.1	0.0	2.2	5.4
Missouri	1.4	2.2	1.1	2.6	3.3	1.5	0.4	12.5
Montana	2.6	0.0	5.7	0.0	2.8	2.8	7.9	21.7
Nebraska	0.0	0.0	0.0	0.0	0.6	0.6	0.0	1.2
Nevada	0.6	0.0	1.4	0.0	0.0	0.0	0.4	2.4
New Hampshire	4.0	0.0	0.0	0.0	0.0	0.0	0.0	4.0
New Jersey	0.8	1.5	0.1	1.3	0.7	0.2	0.7	5.4
New Mexico	0.9	3.2	3.4	1.9	3.4	10.5	4.6	27.8
New York	2.7	5.6	4.5	5.8	5.3	7.1	5.9	37.0
North Carolina	0.2	2.4	1.2	0.9	1.4	1.6	0.6	8.3
North Dakota	1.7	8.9	0.0	3.5	5.0	8.9	3.9	32.0
Ohio	0.6	0.6	2.1	0.7	1.0	0.3	2.4	7.7
Oklahoma	0.3	5.6	0.0	0.6	0.3	1.9	0.0	8.7
Oregon	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Pennsylvania	2.8	1.7	3.6	2.0	2.4	1.7	2.8	16.9
Rhode Island	0.9	0.5	1.0	0.0	0.0	0.0	0.0	2.5
South Carolina	0.4	0.0	0.5	0.0	0.0	0.0	0.0	1.0
South Dakota	0.0	1.5	0.0	0.0	0.0	0.0	0.0	1.5
Tennessee	1.5	2.2	0.5	0.6	4.1	0.2	0.2	9.2
Texas	0.1	0.8	0.8	0.7	1.3	2.4	1.0	6.9
Utah	0.0	0.0	0.0	1.1	0.0	0.0	0.0	1.1
Vermont	0.0	1.9	0.0	0.0	1.7	0.0	0.0	3.6
Virginia	0.1	1.1	0.1	1.0	0.3	0.1	0.1	2.8
Washington	4.8	1.4	1.8	1.0	1.7	1.6	1.6	14.0
West Virginia	0.0	0.6	0.0	0.0	0.0	0.0	0.0	0.6
Wisconsin	1.1	0.3	0.0	1.3	0.2	0.2	0.5	3.6
Wyoming	0.0	4.6	0.0	0.0	0.0	13.2	0.0	17.8
<b>U.S. Total</b>	<b>1.3</b>	<b>1.6</b>	<b>1.4</b>	<b>1.7</b>	<b>1.5</b>	<b>1.9</b>	<b>1.8</b>	<b>11.3</b>

Source: Urban Institute analysis of National Endowment for the Arts data, 2008. Note: All amounts are expressed in constant 2006 dollars.

## APPENDIX C: FEDERAL FUNDING TO MUSEUMS, BY STATE

Table AC.7. National Endowment for the Humanities Grants to Museums, by State, FY 2000–2006

	Total (\$ 2006)							Total 2000–06
	2000	2001	2002	2003	2004	2005	2006	
Alabama	29,268	10,060	11,195	243,192	53,338	5,161	0	352,214
Alaska	35,122	52,364	348,619	763,901	543,627	41,290	45,000	1,829,923
Arizona	47,981	933,199	25,082	308,705	15,992	0	93,790	1,424,750
Arkansas	0	0	0	0	66,702	0	4,982	71,684
California	1,053,142	375,119	2,005,438	3,365,415	1,486,264	1,555,097	326,218	10,166,693
Colorado	27,118	307,352	22,178	111,757	24,858	60,387	388,554	942,203
Connecticut	225,817	1,149,517	32,812	0	1,722,060	71,143	18,543	3,219,892
Delaware	0	284,585	5,603	151,200	180,619	0	284,551	906,558
District of Columbia	295,047	784,999	33,585	65,733	220,375	1,238,754	393,120	3,031,612
Florida	56,809	9,904	571,518	1,127,903	58,698	61,935	712,030	2,598,796
Georgia	11,707	0	16,545	0	639,824	15,484	679,920	1,363,480
Hawaii	0	11,383	11,206	10,957	42,689	275,097	0	351,332
Idaho	10,409	11,379	5,603	0	0	5,161	0	32,552
Illinois	946,796	663,081	403,349	1,076,478	117,335	376,732	390,956	3,974,727
Indiana	22,628	0	11,206	394,435	0	251,561	280,000	959,830
Iowa	367,785	11,286	5,076	10,957	325,506	229,796	55,000	1,005,405
Kansas	0	5,416	0	0	57,011	0	0	62,428
Kentucky	5,854	5,692	126,979	0	5,336	0	9,989	153,849
Louisiana	7,885	6,864	0	547,826	0	0	30,000	592,575
Maine	134,382	136,452	26,646	509,603	909,234	10,323	858,530	2,585,170
Maryland	267,579	439,792	595,452	1,106,609	234,620	120,258	159,776	2,924,086
Massachusetts	1,928,046	1,723,502	78,668	136,957	1,133,039	213,793	2,008,582	7,222,587
Michigan	367,630	482,721	476,954	1,051,059	710,440	46,452	283,000	3,418,255
Minnesota	41,505	626,948	62,439	0	876,941	302,865	787,153	2,697,849
Mississippi	11,707	512,253	156,887	0	205,965	0	319,997	1,206,809
Missouri	48,131	134,527	4,841	2,738,456	548,790	680,885	19,584	4,175,213
Montana	17,561	85,375	21,673	136,957	5,336	25,795	5,000	297,697
Nebraska	0	0	5,603	602,609	0	0	0	608,212
Nevada	49,729	11,346	0	0	0	0	0	61,075
New Hampshire	267,842	165,628	644,345	10,957	5,289	5,161	13,701	1,112,923
New Jersey	0	11,383	67,084	0	48,025	293,161	329,871	749,525
New Mexico	5,854	694,827	1,173,814	123,979	106,658	5,161	709,000	2,819,292
New York	2,811,242	1,069,605	1,147,636	4,033,264	3,113,438	2,405,572	1,011,986	15,592,743
North Carolina	368,981	136,601	2,858	328,696	547,383	184,025	23,680	1,592,222
North Dakota	36,665	17,075	0	0	0	0	0	53,740
Ohio	999,024	705,822	62,309	65,739	373,531	61,935	345,674	2,614,034
Oklahoma	93,552	10,017	309,081	0	5,336	123,871	12,790	554,648
Oregon	7,919	57,945	11,147	0	10,672	0	8,713	96,396
Pennsylvania	376,642	114,239	1,251,348	876,522	589,058	2,072,025	37,225	5,317,059
Rhode Island	590,972	0	19,807	10,957	5,336	0	3,533	630,605
South Carolina	3,080	0	0	0	5,303	0	9,956	18,339
South Dakota	0	5,692	50,868	0	5,336	5,161	4,880	71,938
Tennessee	0	21,742	0	51,097	244,183	25,806	13,196	356,024
Texas	89,831	878,142	767,433	43,826	643,380	41,290	13,405	2,477,307
Utah	0	17,075	0	0	3,093	0	14,857	35,025
Vermont	9,525	25,614	234,620	0	10,672	24,258	849,034	1,153,724
Virginia	52,863	1,565,787	425,699	887,478	1,504,796	524,467	324,995	5,286,085
Washington	320,651	7,413	340,669	219,130	320,169	15,484	84,999	1,308,515
West Virginia	4,683	0	0	10,957	0	10,323	0	25,962
Wisconsin	10,528	627,040	135,592	0	62,639	51,613	360,126	1,247,538
Wyoming	23,360	11,383	33,619	0	16,008	10,323	9,927	104,620
<b>U.S. Total</b>	<b>12,088,011</b>	<b>14,918,144</b>	<b>11,743,085</b>	<b>21,139,741</b>	<b>17,804,908</b>	<b>11,447,606</b>	<b>12,335,823</b>	<b>101,477,317</b>

Source: Urban Institute analysis of National Endowment for the Humanities data, 2008. All amounts are expressed in constant 2006 dollars.

Notes: Institutions used to normalize funding include art museums, children's museums, history museums, and historical societies. Grant data are reported for the year of approval, not the year in which funds were distributed. Grants distributed across multiple years will appear only in the year authorized by NEH.

Table AC.8. National Endowment for the Humanities Grants to Museums, Per Capita, FY 2000–2006

	Per 100 Population (\$ 2006)							
	2000	2001	2002	2003	2004	2005	2006	Total 2000–06
Alabama	0.7	0.2	0.3	5.4	1.2	0.1	0.0	7.8
Alaska	5.6	8.3	54.4	117.9	82.8	6.2	6.7	281.9
Arizona	0.9	17.6	0.5	5.5	0.3	0.0	1.5	26.3
Arkansas	0.0	0.0	0.0	0.0	2.4	0.0	0.2	2.6
California	3.1	1.1	5.7	9.5	4.1	4.3	0.9	28.7
Colorado	0.6	6.9	0.5	2.5	0.5	1.3	8.2	20.5
Connecticut	6.6	33.5	0.9	0.0	49.3	2.0	0.5	92.9
Delaware	0.0	35.8	0.7	18.5	21.8	0.0	33.3	110.1
District of Columbia	51.7	136.0	5.8	11.4	38.0	212.8	67.6	523.3
Florida	0.4	0.1	3.4	6.6	0.3	0.3	3.9	15.1
Georgia	0.1	0.0	0.2	0.0	7.2	0.2	7.3	14.9
Hawaii	0.0	0.9	0.9	0.9	3.4	21.6	0.0	27.7
Idaho	0.8	0.9	0.4	0.0	0.0	0.4	0.0	2.4
Illinois	7.6	5.3	3.2	8.5	0.9	3.0	3.0	31.5
Indiana	0.4	0.0	0.2	6.4	0.0	4.0	4.4	15.4
Iowa	12.6	0.4	0.2	0.4	11.0	7.7	1.8	34.1
Kansas	0.0	0.2	0.0	0.0	2.1	0.0	0.0	2.3
Kentucky	0.1	0.1	3.1	0.0	0.1	0.0	0.2	3.8
Louisiana	0.2	0.2	0.0	12.2	0.0	0.0	0.7	13.3
Maine	10.5	10.6	2.1	39.0	69.2	0.8	65.0	197.1
Maryland	5.0	8.2	10.9	20.1	4.2	2.2	2.8	53.5
Massachusetts	30.3	26.9	1.2	2.1	17.6	3.3	31.2	112.7
Michigan	3.7	4.8	4.8	10.4	7.0	0.5	2.8	34.0
Minnesota	0.8	12.6	1.2	0.0	17.2	5.9	15.2	53.0
Mississippi	0.4	17.9	5.5	0.0	7.1	0.0	11.0	41.9
Missouri	0.9	2.4	0.1	47.9	9.5	11.7	0.3	72.9
Montana	1.9	9.4	2.4	14.9	0.6	2.8	0.5	32.5
Nebraska	0.0	0.0	0.3	34.7	0.0	0.0	0.0	35.0
Nevada	2.5	0.5	0.0	0.0	0.0	0.0	0.0	3.0
New Hampshire	21.6	13.2	50.6	0.9	0.4	0.4	1.0	88.0
New Jersey	0.0	0.1	0.8	0.0	0.6	3.4	3.8	8.6
New Mexico	0.3	37.9	63.3	6.6	5.6	0.3	36.3	150.3
New York	14.8	5.6	6.0	21.0	16.1	12.5	5.2	81.2
North Carolina	4.6	1.7	0.0	3.9	6.4	2.1	0.3	19.0
North Dakota	5.7	2.7	0.0	0.0	0.0	0.0	0.0	8.4
Ohio	8.8	6.2	0.5	0.6	3.3	0.5	3.0	22.9
Oklahoma	2.7	0.3	8.9	0.0	0.2	3.5	0.4	15.9
Oregon	0.2	1.7	0.3	0.0	0.3	0.0	0.2	2.7
Pennsylvania	3.1	0.9	10.2	7.1	4.8	16.7	0.3	43.0
Rhode Island	56.2	0.0	1.9	1.0	0.5	0.0	0.3	59.9
South Carolina	0.1	0.0	0.0	0.0	0.1	0.0	0.2	0.4
South Dakota	0.0	0.8	6.7	0.0	0.7	0.7	0.6	9.4
Tennessee	0.0	0.4	0.0	0.9	4.1	0.4	0.2	6.1
Texas	0.4	4.1	3.5	0.2	2.9	0.2	0.1	11.4
Utah	0.0	0.7	0.0	0.0	0.1	0.0	0.6	1.5
Vermont	1.6	4.2	38.1	0.0	1.7	3.9	136.1	185.5
Virginia	0.7	21.8	5.8	12.0	20.1	6.9	4.3	71.7
Washington	5.4	0.1	5.6	3.6	5.2	0.2	1.3	21.5
West Virginia	0.3	0.0	0.0	0.6	0.0	0.6	0.0	1.4
Wisconsin	0.2	11.6	2.5	0.0	1.1	0.9	6.5	22.8
Wyoming	4.7	2.3	6.7	0.0	3.2	2.0	1.9	20.9
<b>U.S. Total</b>	<b>4.3</b>	<b>5.2</b>	<b>4.1</b>	<b>7.3</b>	<b>6.1</b>	<b>3.9</b>	<b>4.1</b>	<b>34.9</b>

Source: Urban Institute analysis of National Endowment for the Humanities data, 2008. All amounts are expressed in constant 2006 dollars.

Notes: Institutions used to normalize funding include art museums, children's museums, history museums, and historical societies. Grant data are reported for the year of approval, not the year in which funds were distributed. Grants distributed across multiple years will appear only in the year authorized by NEH.

## APPENDIX C: FEDERAL FUNDING TO MUSEUMS, BY STATE

Table AC.9. Number of Grants to Museums from IMLS, NSF, NEA, and NEH, by State, FY 2000–2006

	IMLS	NSF	NEH	NEA
	Total 2000–06	Total 2000–06	Total 2000–06	Total 2000–06
Alabama	36	1	11	17
Alaska	31	5	13	3
Arizona	47	0	17	6
Arkansas	21	0	2	0
California	246	55	61	101
Colorado	80	7	28	7
Connecticut	87	3	22	18
Delaware	17	2	9	8
District of Columbia	37	0	23	19
Florida	136	13	30	17
Georgia	50	0	12	10
Hawaii	19	5	6	2
Idaho	23	0	6	3
Illinois	134	18	26	33
Indiana	46	2	10	5
Iowa	45	0	14	8
Kansas	52	0	2	0
Kentucky	49	5	7	9
Louisiana	35	0	6	10
Maine	63	1	24	5
Maryland	82	3	25	14
Massachusetts	186	15	75	34
Michigan	89	0	24	15
Minnesota	69	7	25	5
Mississippi	20	0	7	4
Missouri	66	6	20	17
Montana	32	0	16	9
Nebraska	47	0	2	2
Nevada	18	0	10	3
New Hampshire	54	1	21	2
New Jersey	36	4	13	13
New Mexico	55	4	20	18
New York	348	35	141	146
North Carolina	100	9	19	25
North Dakota	14	0	7	7
Ohio	104	9	35	20
Oklahoma	58	0	14	8
Oregon	50	6	8	0
Pennsylvania	191	26	38	45
Rhode Island	23	0	8	3
South Carolina	27	0	3	4
South Dakota	29	0	6	1
Tennessee	60	0	12	13
Texas	129	13	35	50
Utah	38	0	5	1
Vermont	33	6	24	2
Virginia	118	12	28	10
Washington	69	2	16	23
West Virginia	15	0	3	1
Wisconsin	74	5	15	11
Wyoming	22	0	16	4
U.S. Total	3,523	280	1,023	793

Source: Urban Institute analysis of administrative records from IMLS, NSF, NEH, and NEA, 2008.

Table AC.10. Number of Earmarks to States by Fiscal Year, FY 2001–2006

Number of Earmarks per State							
	2001	2002	2003	2004	2005	2006	Total 2001–06
*	1	0	0	0	0	0	1
Alaska	3	3	8	7	6	0	27
Alabama	3	6	5	8	6	4	32
Arkansas	0	0	0	1	2	0	3
Arizona	1	1	0	2	4	1	9
California	11	17	22	17	20	14	101
Colorado	1	1	3	3	1	2	11
Connecticut	3	5	3	3	8	5	27
District of Columbia	4	5	10	7	10	5	41
Delaware	0	0	1	0	0	0	1
Florida	2	3	3	10	12	5	35
Georgia	6	3	10	5	9	3	36
Hawaii	2	5	2	2	2	1	14
Iowa	4	5	8	6	7	2	32
Idaho	1	1	2	4	2	0	10
Illinois	5	4	9	8	11	10	47
Indiana	0	1	0	1	1	1	4
Kansas	2	0	1	1	2	0	6
Kentucky	4	3	3	4	5	0	19
Louisiana	2	2	3	0	4	1	12
Massachusetts	6	3	5	1	5	2	22
Maryland	4	0	3	4	2	1	14
Maine	1	3	3	0	2	2	11
Michigan	2	3	1	7	5	4	22
Minnesota	1	0	3	2	1	1	8
Missouri	4	2	4	5	6	5	26
Mississippi	3	2	2	4	5	4	20
Montana	1	1	0	1	1	3	7
North Carolina	3	4	5	3	8	7	30
North Dakota	1	3	1	0	0	0	5
Nebraska	1	0	0	1	2	3	7
New Hampshire	1	0	0	1	4	1	7
New Jersey	6	0	0	0	6	2	14
New Mexico	1	0	3	2	0	2	8
Nevada	0	0	1	1	1	0	3
New York	16	23	22	15	23	8	107
Ohio	2	10	11	13	19	3	58
Oklahoma	0	0	4	5	2	2	13
Oregon	3	3	3	2	2	1	14
Pennsylvania	13	17	24	21	31	6	112
Rhode Island	3	4	2	4	1	0	14
South Carolina	2	2	0	3	1	1	9
South Dakota	0	1	1	1	2	1	6
Tennessee	2	3	3	6	10	2	26
Texas	3	2	8	7	11	2	33
Utah	2	0	2	1	1	4	10
Virginia	5	7	10	12	14	9	57
Vermont	4	6	1	0	1	1	13
Washington	4	3	6	5	6	4	28
Wisconsin	2	3	2	1	2	0	10
West Virginia	5	4	4	3	4	4	24
Wyoming	0	0	0	0	1	1	2
<b>Total</b>	<b>156</b>	<b>174</b>	<b>227</b>	<b>220</b>	<b>291</b>	<b>140</b>	<b>1,208</b>

\* Combined earmark to HI and AK. Source: Urban Institute analysis of Citizens Against Government Waste data, 2008.

## APPENDIX C: FEDERAL FUNDING TO MUSEUMS BY STATES

Table AC.11. Total Federal Dollars to Museums, Per Capita, FY 2006

	Per 100 Population (\$ 2006)				
	IMLS	NSF	NEA	NEH	Earmark
Alabama	4.8	3.1	2.8	0.0	78.3
Alaska	22.3	130.3	4.5	6.7	0
Arizona	4.2	0	1.1	1.5	0
Arkansas	2.7	0	0	0.2	0
California	7.1	25.4	1.7	0.9	21.1
Colorado	14.5	6.5	0.2	8.2	5.3
Connecticut	27.2	18.3	5	0.5	134.1
Delaware	8.7	0	7.3	33.3	0
District of Columbia	477.5	0	25.8	67.6	252.8
Florida	2.8	3.1	0.3	3.9	7.2
Georgia	6	0	3.2	7.3	7.2
Hawaii	3.5	0	0	0.0	0
Idaho	4.2	0	0	0.0	0
Illinois	11.5	19.6	1.9	3.0	22.4
Indiana	6	0	0.2	4.4	40.9
Iowa	12.6	0	1.7	1.8	12.2
Kansas	11.5	0	0	0.0	0
Kentucky	3.3	7.2	0.8	0.2	0
Louisiana	13.1	0	1.2	0.7	11.7
Maine	32.2	0	3.4	65.0	30.3
Maryland	7.5	0	0.8	2.8	3.6
Massachusetts	30.4	79.2	9.2	31.2	3.9
Michigan	10.6	0	2.5	2.8	18.3
Minnesota	7.6	19.6	0.2	15.2	4.8
Mississippi	3.6	0	2.2	11.0	101.4
Missouri	19.4	8.6	0.4	0.3	119
Montana	31.6	0	7.9	0.5	47.6
Nebraska	12.3	0	0	0.0	296.3
Nevada	0	0	0.4	0.0	0
New Hampshire	4.9	0	0	1.0	114.1
New Jersey	2.1	4	0.7	3.8	3.9
New Mexico	29.6	0	4.6	36.3	10.2
New York	19.5	35.5	5.9	5.2	14.6
North Carolina	7.9	1.1	0.6	0.3	22.9
North Dakota	0	0	3.9	0.0	0
Ohio	6.1	0.6	2.4	3.0	9.4
Oklahoma	2.8	0	0	0.4	11.7
Oregon	1.2	0	0	0.2	10.8
Pennsylvania	15.1	13.6	2.8	0.3	14.5
Rhode Island	2.8	0	0	0.3	0
South Carolina	6	0	0	0.2	4.6
South Dakota	28	0	0	0.6	25.6
Tennessee	4.8	0	0.2	0.2	5
Texas	1.6	11.4	1	0.1	2.3
Utah	27.7	0	0	0.6	70.6
Vermont	91.6	0	0	136.1	0
Virginia	8.8	12.8	0.1	4.3	16.4
Washington	7	3.1	1.6	1.3	26.6
West Virginia	12.8	0	0	0.0	227.7
Wisconsin	20.2	0	0.5	6.5	0
Wyoming	60.1	0	0	1.9	68
<b>U.S. Total</b>	<b>10.5</b>	<b>11.4</b>	<b>1.8</b>	<b>4.1</b>	<b>21.9</b>

Source: Urban Institute analysis of administrative data provided by IMLS, NSF, NEA, NEH, and analysis of Citizens Against Government Waste data, 2008.

Note: All amounts are expressed in constant 2006 dollars.



## APPENDIX D. STATE PROFILES

### Research Method for Gathering State Profiles

State profiles were produced using information gathered through background research of agency Web sites and publicly available budget information; site visits to agencies, associations, and museums in each of the states; as well as in-depth interviews with approximately nine public arts administrators, museum professionals, and cultural policymakers in each of the states. In the interviews, the investigators asked about the kinds of mechanisms used to deliver state dollars to museums, whether and how the state's public cultural agencies work together, and how many dollars they control. The investigators also interviewed national funders and leaders of national service organizations to understand how federal- and state-level systems for distributing resources to museums function. (See appendix E for a complete list of those interviewed.)

After gathering data on state systems of support for the cultural sector, the Urban Institute investigators quantified the dollars delivered through the systems in eight states: Illinois, Maine, Massachusetts, Michigan, New Mexico, Pennsylvania, Virginia, and Washington.<sup>76</sup>

Each profile includes the following information:

- an analysis of general attitudes toward museums, their public roles, and the effectiveness and appropriateness of government funding in supporting museums in their public roles;
- a breakdown of support received by museums in the state from IMLS, NEA, NEH, NSF, and federal earmarks;
- a portrait of the state structure for delivering cultural services, including museum services, to the public and for supporting museums so that they can deliver museum services; and
- an accounting of total dollars in this structure and of the state's share of these dollars.

Each state's public cultural sector includes some or all of these state agencies:

- The State Arts Agency
- The State Humanities Council
- The State Historic Preservation Office
- The State Museum/Museum Commission
- Public museums
- The State Library
- The State Archive
- Any umbrella cultural agency
- Any special agencies/offices

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<sup>76</sup> The financial data collection process that occurred in this study at the state level is illustrative of the lack of coordination and systematization across state agencies in terms of financial record-keeping and reporting. State-level budgetary information on cultural spending ranged from being readily and freely available in some agencies to being difficult to disentangle from budget documents and complex record-keeping methods, to simply not being accounted for at all. Urban Institute researchers made every effort to gather as much information as possible on financial data at the state level in spite of these challenges and express their gratitude to the agencies for the work required to provide this information.

## APPENDIX D. STATE PROFILES

The profiles are presented in three groups: large, medium, and small. Because population size is highly—though not directly—correlated with the size of the museum sector and because state expenditures are scaled to fit population size, it is important to keep differences in size in mind when comparing the eight states. Size classifications refer to both the population of the state and its total general fund expenditures in FY 2006. Large states in this study are Illinois, Pennsylvania, and Michigan. Medium-size states are Virginia, Massachusetts, and Washington. Small states are New Mexico and Maine.

### Large States—Illinois, Pennsylvania, Michigan

#### ILLINOIS

Although the public view of museums in Illinois is dominated by a cluster of internationally renowned institutions in and around Chicago, a significant number of large local and regional museums can be found across the state. The museum community in the state argues forcefully for the public value of their institutions, highlighting them as vital community supports for both education and tourism. Respondents highlighted a number of innovative education and access projects as being a direct result of public support. Those projects included partnerships with schools to provide updated information technology, teacher training to incorporate Illinois museum Web resources into the classrooms, and cooperative agreements with local libraries to provide patrons with free access passes to local museums.

While members of the museum community see public support as important to their institutions, there appears to be a significant dividing line between museums located on public land and those that are not. In Illinois, the relationship between public lands and museums dates back to the Columbian Exhibition of 1893. By all accounts, state and city support for the campus of museums that developed close to Chicago dates back to that time. This historic relationship appears to have shaped the way the state sees and supports museums. For example, for some funding programs, the term “public museum” is used to describe any museum on government land, regardless of whether the institution’s formal governance structure is tied to state or local governments.

#### I. Federal funding for museums in Illinois

Illinois institutions are highly competitive in terms of their ability to secure federal funding. Table AD.1 lists the amount of funding that Illinois museums received from federal agencies between 2000 and 2006. For each of the four federal agencies, Illinois ranked seventh or better in terms of total dollars received over the seven years. Illinois ranks fourth in the country in terms of total federal dollars funding museums in the state.

Table AD.1. Federal Support for Museums by Source, FY 2000–2006: Illinois

Illinois	2000–2006	Rank
IMLS	\$13,299,258	4
NSF	\$16,348,063	7
NEH	\$3,974,727	7
NEA	\$2,306,368	3
Total	\$35,928,416	4

Source: Urban Institute analysis of IMLS, NSF, NEH, and NEA data, 2008.

Illinois received \$23,927,376 in total federal earmarks from 2001 to 2006, ranking fifth in the country for the total amount of earmark support received during this period.

## II. State-level capacities

The public cultural sector in Illinois is structured around several large, independent agencies. Table AD.2 lists these agencies, along with their state allocations and total revenues in FY 2007. The total of their combined budgets was more than \$125 million, or just about \$9.75 per capita. The proportion of dollars contributed by the state was more than \$116 million, or just over \$9 per capita.

The Historic Preservation Agency runs the Abraham Lincoln Museum and Library, which had a budget of more than \$14 million in FY 2007. The Lincoln Museum and Library is supported through a private foundation that gave \$746,203, as well as documents and artifacts worth \$25 million in FY 2007. In FY 2007, the Historic Preservation Agency reportedly administered an additional \$16,491,825 in funds earmarked for capital improvements to museums. The Arts Council budget reflects \$6,229,700 in line items administered to cultural institutions, including museums.

Table AD.2. Illinois Cultural Agency Budgets: Total Budget and State Appropriation, FY 2007

Agency	Total Budget FY 2007	State Appropriation FY 2007	Difference \$	Difference %
Arts Council	\$19,582,300	\$18,807,300	\$775,000	3.96%
Historic Preservation Agency	\$31,962,103	\$31,215,900	\$746,203	2.30%
State Museum	\$5,202,607	\$5,202,607	0	0
State Library	\$61,897,077	\$56,060,091	\$5,836,986	9.40%
State Archive	\$3,967,100	\$3,967,100	0	0
Humanities Council	\$2,490,840 <sup>1</sup>	\$992,000 <sup>2</sup>	\$1,498,840	60.20%
Total	\$125,102,027	\$116,244,998	\$8,857,029	7.10%

Source: Urban Institute analysis of data provided by individual agencies except <sup>1</sup> where total budget was retrieved from IRS Form 990 and appropriation reported by the Illinois Arts Council, 2008.

<sup>2</sup>The Illinois Humanities Council received \$992,000 in state appropriations that were passed through the Illinois Arts Council.

## APPENDIX D. STATE PROFILES

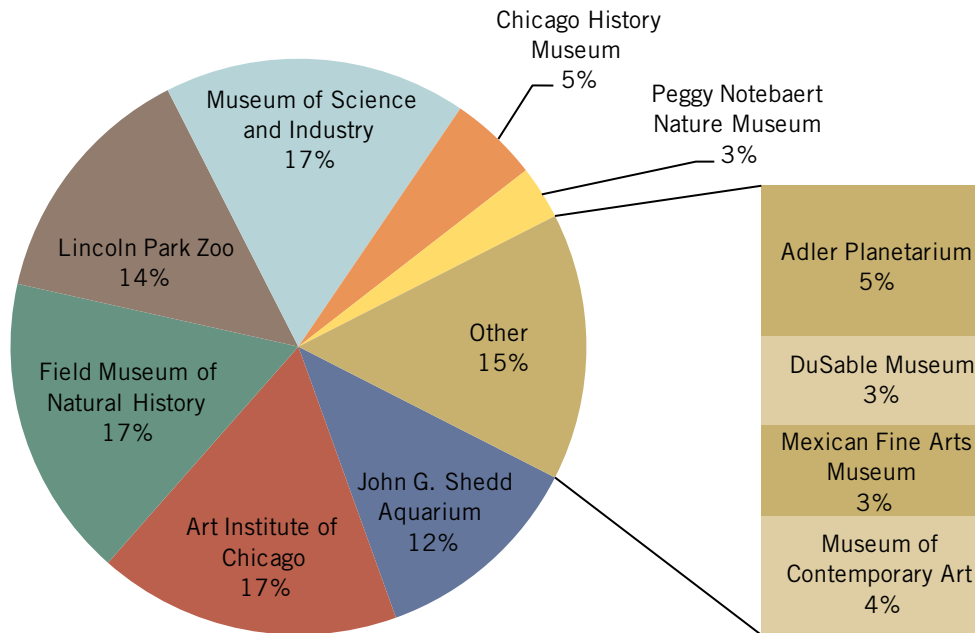
Until recently, the only agency to provide dedicated support to museums was the Illinois State Museum, through the Public Museum Capital and Operating Grants program. Other cultural agencies provide funding for museum services in cases where programming, collections, or buildings are relevant to the agency mission. An early Illinois State Museum grant program for museums, reported to have operated from the mid-1970s until the late 1980s, provided operating support to museums across the state.

In the mid-1990s, a new funding program called the Public Museum Grant program was developed to provide both operating and capital support for public museums in the state. The program was administered jointly by the Illinois State Museum and the Illinois Department of Natural Resources, and was active between 1999 and 2004. From FY 1999 to FY 2002, \$10 million was allocated annually from the Capital Development Bond Fund for the Capital Grant Program. Over the program's history, \$76 million in grant funds were awarded to 94 museums throughout Illinois to develop new and updated exhibits, expand facilities, renovate and restore buildings, and make infrastructure improvements.

In 1987, special grants were created when the state legislature approved off-track betting (OTB) in Illinois. Since that time, the state has shared nearly \$3 million of OTB revenue with about a dozen Illinois park districts. Museums that are on park land applied for these funds, and some came to rely on them as a regular source of operating revenue. However, in 2004, in the wake of the state's \$2.3 billion budget gap, Governor Rod Blagojevich and lawmakers transferred funds to the general revenue. Grants were distributed from the general fund that year, but stopped after 2004.

Illinois may be unique in that one local source is the single largest source of public dollars for museums in the state. The Chicago Park District (CPD), an independent tax authority, reports annual operating revenues in excess of \$390 million. Every year, the CPD distributes a portion of these funds to the 10 museums that form the Museums in the Park consortium and the Chicago Zoo. In FY 2008, CPD will distribute more than \$39 million in operating support to these 11 institutions in the proportions shown in Figure AD.1.

Figure AD.1. 2008 Museum, Aquarium, and Zoo Budget Detail



Source: Chicago Park District, 2008.

Museums in Illinois appear to have well-developed advocacy and fund-building capacities. Several museum directors talked openly about traveling to Springfield and Washington to talk to representatives and talked as well about the importance of securing good lobbyists. Two different respondents linked the development of the capital grants program with the lobbying activity of Chicago museums. According to respondents, the Public Museum Grants program grew out of the governor's desire to stem the tide of museum capital grant requests, which were steadily increasing after the Shedd Aquarium's addition was built with the help of a state budget appropriation in 1991.

## PENNSYLVANIA

In Pennsylvania, museums are taken for granted as an important part of the state's identity and as central both to the nation's history and heritage and to the history of museum development in the United States. Philadelphia boasts the country's first zoo and first public library, and has among the oldest and most renowned of the country's art museums, science museums, and historical societies. Pittsburgh's Carnegie institutions have served as national models. Respondents appeared to view Pennsylvania museums as both entitled to state and federal government support and as fully capable of leveraging that support through political connections and with the support of philanthropists.

## APPENDIX D. STATE PROFILES

### I. Federal funding for museums in Pennsylvania

Pennsylvania institutions are highly competitive in terms of their ability to secure federal funding. Table AD.3 lists the amount of funding Pennsylvania museums received from federal agencies between 2000 and 2006. For each of the four federal agencies, Pennsylvania ranked sixth or better in terms of total dollars received over the seven years. Pennsylvania ranks fifth in the country in terms of total federal dollars funding museums in the state.

*Table AD.3. Federal Support for Museums by Source, FY 2000--2006: Pennsylvania*

Pennsylvania	2000–2006	Rank
IMLS	\$10,474,319	5
NSF	\$17,327,026	6
NEH	\$5,317,059	4
NEA	\$2,083,777	5
Total	\$35,202,181	5

Source: Urban Institute analysis of IMLS, NSF, NEH, and NEA data, 2008.

In addition to being competitive in terms of state grants, Pennsylvania received \$24,390,313 in total earmarks from the years 2001 to 2006, ranking fourth in the country for the total amount of earmark support received during this period.

### II. State-level capacities

When considered broadly, the public cultural sector in Pennsylvania consists of several distinct parts. The Historical and Museums Commission is an autonomous state agency. The Council on the Arts is budgeted through the state's executive offices. The State Library is budgeted through the Department of Education. The Office of Economic and Community Development houses programs that support zoos and cultural expositions and exhibitions. The Pennsylvania Humanities Council receives significant funding from the state. Table AD.4 lists these public cultural entities in Pennsylvania, along with their state appropriations and total revenues in FY 2007. The total of their combined budgets is almost \$122 million, approximately \$10 per capita. The proportion of these dollars contributed by the state is less than \$103 million, or \$8.25 per capita.

Table AD.4. Pennsylvania Cultural Agency Budgets: Total Budget and State Appropriation, FY 2007

Agency	Total Budget FY 2007	State Appropriation FY 2007	Difference \$	Difference %
Historical and Museums Commission	\$59,491,000	\$49,720,000 <sup>1</sup>	\$9,771,000	16.40%
Council on the Arts	\$17,339,700	\$15,225,000	\$2,114,700	12.20%
State Library	\$29,365,494	\$23,290,000 <sup>2</sup>	\$6,075,494	20.70%
Cultural Exhibitions and Expositions	\$11,725,000	\$11,725,000	0	0
Accredited Zoos	\$2,250,000	\$2,250,000	0	0
Pennsylvania Humanities Council	\$1,589,000	\$460,800	\$1,128,200	71.00%
Total	\$121,760,194	\$102,670,800	\$19,089,394	15.70%

Source: Urban Institute analysis, Pennsylvania Historical and Museums Commission, State Executive Office, Department of Education, Office of Economic and Community Development, Pennsylvania Humanities Council, 2008.

<sup>1</sup>Includes regular appropriation and museum earmarks that are passed through the agency (see Table AD.6).

<sup>2</sup>Includes regular appropriation and additional state funds for programs and services.

The state support directed toward museums in Pennsylvania flows through both the Council on the Arts and the Historical and Museums Commission (HMC). The Council on the Arts provides general operating support (GOS) to cultural institutions, including art museums. HMC runs the State History Museum and is the only state agency that directly delivers museum services. HMC also is the sole agency with a program of dedicated funding for museums. The agency delivers noncompetitive GOS to county historical societies and competitive GOS to any museum type. The maximum award for historical society GOS is \$10,000. The maximum award for museum GOS is \$150,000. Table AD.5 shows state allocations to the HMC's Museum Assistance Grants Program for the years 1999 to 2008. In addition, HMC administers line items to museums. Table AD.6 lists state line items passed through the HMC to museums in FY 2007. The Council on the Arts and the Humanities Act provide funding for museum services in cases where programming, collections, or buildings are relevant to agency mission.

Table AD.5. Pennsylvania Historical and Museums Commission Museum Assistance Grants Program Budget, FY 1999–2008

FY	Amount	FY	Amount
1999	\$4,400,000	2004	\$6,000,000
2000	\$4,450,000	2005	\$5,100,000
2001	\$4,450,000	2006	\$4,100,000
2002	\$4,400,000	2007	\$4,100,000
2003	\$4,600,000	2008	\$3,800,000

Source: Pennsylvania Historical and Museums Commission, 2008.

## APPENDIX D. STATE PROFILES

Table AD.6. Pennsylvania Historical and Museums Commission Line Items, FY 2007

Entity	Amount FY 2007
Historical Education and Museum Assistance	\$3,385,000
Regional History Centers	\$600,000
University of Pennsylvania Museum	\$254,000
Carnegie Museum of Natural History	\$254,000
Carnegie Science Center	\$254,000
Franklin Institute Science Museum	\$769,000
Academy of Natural Sciences	\$471,000
African American Museum in Philadelphia	\$359,000
Everhart Museum	\$46,000
Mercer Museum	\$196,000
Whitaker Center for Science and the Arts	\$141,000
Total	\$5,987,000

Source: Pennsylvania Historical and Museums Commission, 2008.

Pennsylvania has a low level of public cultural sector integration. Public cultural agencies are not coordinated and do not share cultural planning. Funding streams are not concentrated in cultural agencies but are spread across many departments and offices of state government. Respondents commented that the two largest public cultural sector agencies—the Historical and Museums Commission and the Council on the Arts—do not coordinate their efforts. Lack of communication between these two agencies can be seen as an expression of the tension between local institutions such as county historical societies, which are substantially supported by the public sector, and large, high-profile, urban institutions supported by philanthropy and the private, nonprofit sector. Interview respondents suggest that the large, urban institutions with knowledgeable, well-connected board members and supporters wield much of the political power that leverages state dollars that go to museums. The HMC programs, which balance these earmarks and line items with dollars that are spread more equitably across the state, are portrayed as politically necessary rather than cooperatively gained and communally planned funding programs.

### MICHIGAN

Discussions about government support for museums in Michigan are muted in the face of the state's dire economic circumstances. Cultural sector leaders remember 1991, when, in an unprecedented move, then-Governor Engler eliminated state funding for the Michigan Arts Council (it was soon reinstated). Museums and other cultural institutions in Detroit have begun to advocate for government GOS, citing the economic development potential of the cultural sector. But respondents did not seem optimistic about the potency of these arguments. Respondents were explicit in saying that state dollars might not reach Michigan museums at all but for the influence of wealthy, well-connected advocates who support not only the state's museums but also the political campaigns of state legislators.



## I. Federal funding for museums in Michigan

Michigan institutions are competitive in terms of their ability to secure federal funding. Table AD.7 lists the amount of federal funding that Michigan museums received from federal agencies between 2000 and 2006, along with the state's rank compared to other states in the country. Although Michigan museums did not receive any NSF dollars over this period, significantly impacting their overall rank, the state's museums rank 9th or better in terms of number of dollars received from IMLS, NEH, and NEA. Michigan ranks 13th in the country in terms of the total amount of federal grants to museums in the state.

Table AD.7. Federal Support for Museums by Source, FY 2000–2006: Michigan

Michigan	2000–2006	Rank
IMLS	\$6,205,450	8
NSF*	\$0	30
NEH	\$3,418,255	8
NEA	\$936,560	9
Total	\$10,560,265	13

Source: Urban Institute analysis of IMLS, NSF, NEH and NEA data, 2008.

\*NSF did not fund all states.

Michigan received \$8,001,801 in total federal earmarks from the years 2001 to 2006, ranking 23rd in the country for the total amount of earmarks received during this period.

## II. State-level capacities

In Michigan, public cultural agencies are organized under the Michigan Department of History, Arts and Libraries (MHAL), an umbrella agency established in 2002. Table AD.8 lists the agencies that make up MHAL, along with their state appropriations and total revenues in FY 2007. Also included is the Michigan Humanities Council, a 501(c)(3) private nonprofit organization that is not part of MHAL. The total of their combined budgets is almost \$52 million, or just over \$5 per capita. The proportion of these dollars contributed by the state is almost \$39 million, or almost \$4 per capita. MHAL's Cultural Economic Development program will have a line item in the state budget for the first time in FY 2009.

The Michigan Historical Center includes the state's Historical Preservation Office, State Archives, and the State Historical Museum System, which comprises 11 public museums and historic sites. The Michigan Council for Arts and Cultural Affairs (MCACA) provides GOS to Michigan cultural institutions, including museums, through its Anchor Organizations program. A review of grants awarded by MCACA in 2008 shows that museums received just over \$2.6 million.

## APPENDIX D. STATE PROFILES

*Table AD.8. Michigan Department of History, Arts and Libraries and Michigan Humanities Council: Total Budgets and State Appropriations, FY 2007*

Agency	Total Budget FY 2007	State Appropriation FY 2007	Difference \$	Difference %
Department Operations*	\$6,473,000	\$6,426,900	\$46,100	0.70%
Council for Arts and Cultural Affairs	\$7,161,400	\$6,461,400	\$700,000	9.80%
Mackinac State Park Commission	\$3,357,900	\$1,482,200	\$1,875,700	55.90%
Historical Center	\$8,342,600	\$5,063,000	\$3,279,600	39.30%
Michigan Humanities Council	\$1,400,000	\$131,900	\$1,268,100	90.60%
Michigan Library	\$24,974,400	\$19,255,100	\$5,719,300	22.90%
Total	\$51,709,300	\$38,820,500	\$12,888,800	24.90%

Source: Urban Institute analysis, Michigan Department of History, Arts and Libraries, 2008.

\*Includes a \$166,400 appropriation for the Michigan Film Office.

In 2005, the State Historical Center administered a small grants program of \$100,000 in dedicated funding for local historical societies. Applicants could apply for support of seven types of museum service. There were 144 applications received, requesting more than \$905,000. The Historical Center reports that funding all of the projects deemed worthy of support would have cost more than \$240,000. Table AD.9 shows the number of projects funded and total dollars awarded in each of seven categories.

*Table AD.9. Michigan Historical Center FY 2005 State and Local Historical Society Grants*

Project Type	Number Awarded	Project Type Total
Collections Management and Development	4	\$21,025
Bricks and Mortar	4	\$34,000
Exhibit and Education Project	4	\$14,985
Regional/Collaborative Project	1	\$4,000
Marketing	2	\$11,900
Consultant and Planning Services	2	\$10,000
Professional Development	9	\$4,090
Totals	26	\$100,000

Source: Michigan Historical Center, 2008.

Although the public cultural sector in Michigan is formally integrated within MHAL, the agency was regarded as ineffective. Respondents portrayed a sector in which each of the departments operates independently. This lack of integration was suggested to be the result of distrust and the lack of a shared culture among the institutions. Respondents did express a great deal of support for the Michigan Museums Association, which provides professional development opportunities for museum professionals and volunteers around the state.

## Medium-Size States—Virginia, Massachusetts, Washington

### VIRGINIA

Discussions of government support for museums in Virginia center on the role of museums in preserving the state's history, which is central to its identity, and in educating young people through work with schools. Generally, respondents consider the state supportive of museums. However, several respondents agreed that the state lacks a consistent system for distributing dollars to museums and that support is determined on the basis of political influence.

#### I. Federal funding for museums in Virginia

Virginia institutions are quite competitive in terms of their ability to secure federal funding. Table AD.10 lists the amount of funding Virginia museums received from federal agencies between 2000 and 2006. Museums in Virginia fared much better gaining dollars from NSF and NEH than from IMLS and NEA. Virginia ranked sixth in the country in terms of total federal dollars funding museums in the state between 2000 and 2006.

Table AD.10. Federal Support for Museums by Source, FY 2000–2006: Virginia

Virginia	2000–2006	Rank
IMLS	\$4,903,352	13
NSF	\$24,378,909	4
NEH	\$5,286,085	5
NEA	\$202,366	27
Total	\$34,770,712	6

Source: Urban Institute analysis of IMLS, NSF, NEH, and NEA data, 2008.

Virginia received \$20,929,882 in total federal earmarks from 2001 to 2006, ranking seventh in the country for the amount of earmark support received during this period.

#### II. State-level capacities

The public cultural sector in Virginia is made up of state agencies; public museums; and private, nonprofit organizations. Table AD.11 lists these public cultural agencies and museums, along with their state appropriations and total revenues in FY 2007. In FY 2007, their combined cultural budgets totaled more than \$111 million, or about \$14.50 per capita. The proportion of these dollars contributed by the state was more than \$72 million, or almost \$9.50 per capita.

The commonwealth of Virginia provides direct support to seven public museums and sites. Five of these museums fall under the Secretariat of Education: the Jamestown-Yorktown Foundation, Frontier Culture Museum, Virginia Museum of Fine Arts, Science Museum of Virginia, and Gunston Hall Plantation. Two other public museums fall under the Secretariat of Natural Resources: the Museum of Natural History and the Chippokes Plantation Farm Museum. In recent years, the state required that these public museums raise 40% of their operating budget from private sources.

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(Nonstate share appears lower in the calculations because we have included both regular appropriations and dollars drawn from a central fund.)

*Table AD.11. Virginia Cultural Agency Budgets: Total Budget and State Appropriation, FY 2007*

Agency	Total Budget FY 2007	State Appropriation FY 2007 <sup>2</sup>	Difference \$	Difference %
Commission for the Arts	\$5,649,527	\$4,873,428*	\$776,099	13.70%
Department of Historic Resources	\$6,182,681	\$4,288,726	\$1,893,955	30.60%
VA Foundation for the Humanities	\$4,372,680	\$1,532,653	\$2,840,027	64.90%
The Library of Virginia <sup>1</sup>	\$41,272,180	\$31,365,691	\$9,906,489	24.20%
Chippokes Plantation Farm Foundation	\$229,270	\$162,176	\$67,094	29.30%
Museum of Fine Arts	\$16,935,000	\$8,196,000*	\$8,739,000	51.60%
Frontier Culture Museum	\$2,114,776	\$1,696,196	\$418,580	19.80%
Gunston Hall	\$1,800,000	\$636,438	\$1,163,562	64.60%
Museum of Natural History	\$3,696,000	\$2,994,000*	\$702,000	19%
Science Museum	\$10,193,000	\$5,500,620*	\$4,692,380	46%
Jamestown Yorktown Foundation	\$18,851,498	\$11,013,295	\$7,838,203	41.60%
<b>Total</b>	<b>\$111,296,612</b>	<b>\$172,268,124</b>	<b>\$39,037,389</b>	<b>35.10%</b>

Source: Urban Institute analysis of data obtained from individual agencies except where noted, 2008.

\*Includes general fund appropriations and additional funds drawn from a central appropriation.

<sup>1</sup>Source: Virginia Office of Planning and Budget.

<sup>2</sup>Reflects dollars from general appropriations only except where noted.

The year 2007 was the 400th anniversary of the landing at Jamestown. Jamestown had a FY 2007 budget of \$9,357,519, of which \$2,104,278 or 22.5% were state dollars. If those dollars are included, the combined agency budgets total more than \$120 million, or about \$16 per capita. The proportion of these dollars contributed by the state is about \$74.5 million, or about \$9.75 per capita.

Additionally, capital allocations were made to museums (see Table AD.12). Informants in Virginia suggested that these capital allocations are not typical, so we have not calculated state shares with these amounts included, but have listed them because they reflect true FY 2007 state expenditures.

*Table AD.12. Capital Allocations to Virginia Cultural Agencies: FY 2007*

Museum	Allocation
Museum of Fine Arts	\$106,537,000
Frontier Culture Museum	\$306,000
Science Museum	\$880,000

Source: Museum of Fine Arts, Frontier Culture Museum, and Science Museum, 2008.

The Department of Historic Resources provides grants for the preservation of historic sites and museums located at historic sites. The Virginia Commission on the Arts provides GOS to art museums (see Table AD.13). The commission also provides program support to any type of museum that is mounting an art exhibition. Reportedly, approximately 65% of the Commission’s grants go to museum GOS.

*Table AD.13. Virginia Commission on the Arts, Funding to Museums, FY 2001–2008*

Year	Amount	Number of grants
2001	\$635,412	61
2002	\$700,531	80
2003	\$740,452	72
2004	\$409,187	64
2005	\$505,822	80
2006	\$656,727	80
2007	\$850,253	87
2008	\$1,124,482	93

Source: Virginia Commission on the Arts, 2008.

Most of the state support directed toward private, nonprofit, and local public museums in Virginia flows through the state budget appropriations process. In 2000, the Virginia assembly conducted a study of General Assembly appropriations over successive years. Between 1990 and 2000, more than \$200 million was distributed to nonstate agencies via line item allocations. Annual amounts appropriated fluctuated between zero and \$62 million. For two of the last three years, no allocations were made to nonstate agencies because of state budget difficulties. The nonstate agency allocations are administered by the Department of Historic Resources and are contingent upon submission of an application specifying whether the funds will support capital costs or operations. Though there are no published reports of the number of applications submitted, one interviewee estimated the number of submissions for state budget earmarks to be approximately 200 per budget cycle.

Virginia’s public cultural sector is fragmented. Public cultural agencies are not coordinated, nor do they participate in shared cultural planning. Funding for cultural agencies is spread across very different offices within state government and in different locations across the state. Respondents identified the major source of public money as state appropriations, which were described as volatile at best. Stakeholders in the museum community tried to move away from the earmark process to a competitive, juried system, but their efforts were defeated.

**MASSACHUSETTS**

Respondents suggested that in Massachusetts there is a long-standing belief that philanthropists should pay for (and control) cultural institutions, including museums. When Boston’s city govern-

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ment came to be controlled primarily by members of Boston's immigrant communities, the city distanced itself from its cultural institutions, and their supporters turned to the state, the federal government, and East Coast philanthropists. Further, state government support to the cultural sector in Massachusetts has been subject to severe cuts. The state government sets a ceiling on property taxes, and city and town governments are not empowered to levy local income or sales taxes. Even in Boston—the commonwealth's largest city and home to internationally renowned museums—regular municipal-level support for cultural institutions was perceived to be negligible or nonexistent. State support does exist, of course. As several respondents pointed out, the Massachusetts Museum of Contemporary Art (Mass MOCA) was developed with several substantial state earmarks. But the relation between museums and government is perceived as strained.

### I. Federal funding for museums in Massachusetts

Massachusetts institutions are highly competitive in terms of their ability to secure federal funding. Table AD.14 lists the amount of funding Massachusetts museums received from federal agencies between 2000 and 2006. For each of the four federal agencies, Massachusetts ranked fourth or better in terms of total dollars received over the seven years. Massachusetts ranks third in the country in terms of total federal dollars funding museums in the state.

Table AD.14. Federal Support for Museums by Source, FY 2000–2006: Massachusetts

Massachusetts	2000–2006	Rank
IMLS	\$15,411,838	3
NSF	\$26,505,013	3
NEH	\$7,222,587	3
NEA	\$2,175,235	4
Total	\$51,314,673	3

Source: Urban Institute analysis of IMLS, NSF, NEH, and NEA data, 2008.

Massachusetts received \$8,826,651 in total federal earmarks from 2001 to 2006, ranking 22nd in the country for the total amount of earmarks received during this period. Respondents informed us that Massachusetts museums have received additional earmarks, but these earmarks are not necessarily identified as museum projects (for example, some have been identified as transportation projects). Such earmarks were not, therefore, identified in the research and are not included in these totals.

### II. State-level capacities

The public cultural sector in Massachusetts is highly integrated within two deeply segmented agencies: the Massachusetts Cultural Council (MCC) and the Secretary of the Commonwealth, which governs the Commonwealth Museum, Historical Commission, Archives, and Library. Table AD.15 lists state public cultural agencies and entities in Massachusetts, along with their state appropria-

tions and total revenues in FY 2007. The total of their combined budgets was \$21.5 million, or just over \$3 per capita. The proportion of these dollars contributed by the state was close to \$16 million, or not quite \$2.50 per capita.

The Commonwealth Museum and the Trailside Museum are public museums. (The Trailside Museum receives annual appropriations passed through the Department of Conservation and Recreation.) The Massachusetts Cultural Council provides a program of dedicated GOS to more than 460 cultural organizations, including museums.

*Table AD.15. Massachusetts Cultural Agencies: Total Budgets and State Appropriations, FY 2007*

Agency	Total Budget FY 2007	State Appropriation FY 2007	Difference \$	Difference %
Historical Commission	\$1,703,493	\$991,125*	\$712,368	41.80%
Commonwealth Museum	\$4,012,792	\$2,712,792	\$1,300,00	32.40%
Massachusetts Cultural Council <sup>1</sup>	\$13,418,112	\$11,393,520	\$2,024,592	15.10%
Trailside Museum	\$578,253	\$375,000	\$203,253	35.10%
State Library	\$1,275,000	\$1,220,000	\$55,000	4.30%
Archives	\$539,562	\$539,562*	0	0
<b>Total</b>	<b>\$21,527,212</b>	<b>\$15,701,312</b>	<b>\$5,825,800</b>	<b>27.10%</b>

Source: Urban Institute analysis of data provided by individual agency except \* where data was obtained from the Secretary of the Commonwealth Office, 2008.

<sup>1</sup> In FY 2007, MCC passed the Massachusetts Foundation for the Humanities (a 501(c)(3) private nonprofit organization) \$1,118,000 in state revenues, 74.6% of its total FY 2007 budget of \$1,498,000.

Museums receive support from MCC in several ways. They can receive GOS across MCC’s discipline-based programs—not only in history, visual arts, and science but also in the multidisciplinary and presenting programs. GOS awards are decided by peer review panel. Unlike the typical state arts council, MCC funds all of the types of museums that are eligible for IMLS funding. Organizations can receive three years of GOS from MCC and then must reapply. MCC also streams revenue to local cultural councils in 329 of the commonwealth’s 351 cities and towns. Local cultural councils provide project support available to museums. Small museums reportedly are more likely to have access to these local dollars. Respondents believed that the 2007 state budget included earmarks to museums, but we could not find evidence of them in available state budget documents. Earmarks are passed through MCC.

Finally, MCC manages the Massachusetts Cultural Facilities Fund (MCFF), which provides capital grants to cultural institutions, including museums. MCFF is budgeted through the Massachusetts Development Finance Agency (MassDevelopment). Appropriations to MCFF were reported to be \$13 million in FY 2006, \$12 million in FY 2007, and \$7 million in FY 2008. A review of grants given by MCFF in 2007 shows that approximately \$3 million was given to museum projects.

Revenue for MCC is generated through the state lottery. However, advocates in the state are at pains to point out that these lottery dollars are not dedicated revenue. In 2002, outgoing Governor Jane Swift unilaterally cut the MCC budget by 62%. Since then, some elements of the cultural

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community have coalesced around the advocacy organization Massachusetts Advocates for the Arts, Science, and Humanities, and increases to the MCC budget have been leveraged based on arguments about the economic development value of the arts and culture. However, respondents claimed that even now the museum community has been at best a reluctant partner in those efforts. Although MCC budgets have increased over the years since the cut, and public dollars to the cultural sector have increased with the initiation of the Massachusetts Cultural Facilities Fund, respondents suggested that the cultural sector in Massachusetts continues to feel embattled. Respondents overwhelmingly identified the support of Sen. Ted Kennedy at the federal level as essential to the health and well-being of the state's cultural institutions.

### WASHINGTON

Discussions about government support for museums in Washington focus on the public benefit provided by museums and on government's role in developing that benefit. State government has invested significantly in building cultural infrastructure through large- and small-scale capital projects, making culture and recreation a focus of revitalization and tourism. Seattle boasts an internationally recognized new central public library building, which opened in 2004 and was paid for in part by a \$296.4 million city bond measure passed by popular vote. In 2007, the Seattle Art Museum opened the \$85 million Olympic Sculpture Park in addition to a major expansion of its downtown building. Tacoma has established major new museum buildings, including the State History Museum (1996), Museum of Glass (2002), and Tacoma Art Museum (2003). In 2007 Governor Chris Gregoire signed a bill authorizing a new \$111 million Heritage Center to house the State Archives, State Library, and exhibit space for the State History Museum. Revenues for the Heritage Center will be provided by a new one-time \$5 fee for initial domestic corporate filings, a \$2 surcharge for recording instruments with the county auditor, and private funding. All of these capital projects involved substantial levels of public sector support beyond funding, such as granting easements, donating surplus property, or fostering interagency cooperation. Some respondents suggested that there is a serious asymmetry between the amounts being invested in building facilities and the money available for general operating and program support to pay for these facilities to provide museum services.

#### I. Federal funding for museums in Washington

Washington institutions can be characterized as fairly competitive in terms of their ability to secure federal funding. Funding from individual federal agencies to Washington museums is listed in Table AD.16, along with the state's rank compared to other states in the country. The state has been notably more competitive in securing IMLS and NEA grant dollars than in securing NEH and NSF grant dollars. Washington ranks 20th in the country in terms of the total amount of federal grants funding museums in the state.



Table AD.16. Federal Support for Museums by Source, FY 2000–2006: Washington

Washington	2000–2006	Rank
IMLS	\$4,813,912	15
NSF	\$417,305	27
NEH	\$1,308,515	22
NEA	\$852,671	11
Total	\$7,392,403	20

Source: Urban Institute analysis of IMLS, NSF, NEH, and NEA data, 2008.

Washington received \$10,075,274 in total federal earmarks from 2001 to 2006, ranking 17th in the country for the total amount of earmarks received during this period.

## II. State-level capacities

The public cultural sector in Washington includes both public agencies and nonprofit organizations that receive most of their funding from the state. Table AD.17 lists Washington public culture agencies and organizations, along with their state appropriations and total revenues in FY 2007. In FY 2007, the combined budgets of these agencies and programs totaled more than \$42 million, or approximately \$6.50 per capita. The proportion of these dollars contributed by the state was just over \$33 million, or \$5 per capita.

Table AD.17. Washington Cultural Agencies: Total Budgets and State Appropriations, FY 2007

Agency	Total Budget FY 2007	State Appropriation FY 2007	Difference \$	Difference %
State Arts Commission	\$5,364,393	\$4,609,759 <sup>1</sup>	\$754,634	14.10%
Humanities Washington <sup>2</sup>	\$1,075,507	\$49,800	\$1,025,707	95.40%
Office of Archaeology and Preservation	\$6,732,568	\$6,013,451 <sup>3</sup>	\$719,177	10.70%
Eastern Washington Historical Society	\$3,490,155	\$2,006,343	\$1,483,812	42.50%
Washington State Historical Society	\$4,960,414	\$3,265,992	\$1,694,422	34.20%
State Library	\$9,437,930	\$6,083,240	\$3,354,609	35.50%
State Archives	\$10,963,634	\$10,953,634	0	0
State Oral History Program	\$339,983	\$172,023	\$167,960	49.40%
Total	\$42,364,584	\$33,154,242	\$9,210,342	21.70%

Source: Urban Institute analysis of data provided by individual agencies, 2008.

<sup>1</sup>Includes \$2,253,595 received from other state agencies to manage the Art in Public Places Program, a percentage for art program.

<sup>2</sup>This represents the first allocation of state dollars ever received by Humanities Washington, a 501(c)(3) private, nonprofit organization.

<sup>3</sup>Includes a two-year earmark from the state capital fund for the rehabilitation of county courthouses.

The Washington State History Museum and State Capital Museum are public museums run by the Washington State Historical Society (WSHS). FY 2007 budgets for these museums are shown

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in Table AD.18. The Eastern Washington State Historical Society also runs a museum. Both historical societies are 501(c)(3) private, nonprofit organizations that receive the majority of their funding from the state. WSHS also administers museum technical support and small grants to heritage-related museums through its Heritage Outreach program. This is the only state program that provides dedicated support to museums. Other cultural agencies fund museum services in cases where programming, collections, or buildings are relevant to agency mission.

*Table AD.18. Washington Historical Society: Program Budgets and State Appropriations, FY 2007*

Agency	Total Budget FY 2007	State Appropriation FY 2007	Difference \$	Difference %
State History Museum	\$2,279,000	\$1,113,744	\$1,165,256	51.10%
State Capitol Museum	\$322,100	\$320,100	\$2,000	0.60%
*Heritage Outreach	\$1,060,000	not available	not available	not available

Source: Urban Institute analysis, Washington State Historical Society, 2008.

\*Includes multiple statewide outreach programs. The Historical Society was unable to provide a breakdown of funds to this program.

Two state-funded capital grants programs serve museums and other cultural institutions: the Historical Society administers the Heritage Capital Grants Program (HCGP) and the Department of Community, Trade and Economic Development, Office of Community Development administers the Building for the Arts program. FY 2001–2008 appropriations for the Building for the Arts program are shown in Table AD.19. Budgets for HCGP were not available, but were reported to have risen to around \$10 million in FY 2007. A rough estimate of FY 2007 state expenditure that includes dollars in these programs would total approximately \$55,154,242, or more than \$8.50 per capita.

*Table AD.19. Building for the Arts State Two-Year Appropriations, FY 2001–2008*

Year	2001–2002	2003–2004	2005–2006	2007–2008
Budget	\$4,100,000	\$4,468,000	\$6,000,000	\$12,000,000

Source: Washington Department of Community, Trade and Economic Development, Office of Community Development, 2008.

The King County cultural development agency 4Culture provides GOS to cultural institutions, including museums, in Seattle and King counties. Lodging taxes provide the majority of dollars in 4Culture's GOS program.

Washington has a low level of public cultural sector integration. Individual agencies are strong and well connected to institutions and organizations within their discipline. Advocacy and coordination within each discipline appear quite robust. But the sector is structured in a way that clearly divides the arts from humanities and preservation from library services. Heritage, both cultural and natural, is incorporated deeply into Washington's public sector. A Washington State Heritage Caucus meets weekly during the legislative session. The Washington Museum Association is active

in policy at the state level and provides advocacy training and information to its members (who work primarily in heritage and history). The idea of preserving and promoting heritage provides a foundation for cooperation between agencies responsible for preservation, recreation, natural resources, and economic development, as well as creating avenues for all types of museums to garner resources from these agencies. The arts also have well-developed advocacy and fund-building capacities. Key nonprofit organizations include the Arts Fund, Artist Trust, Washington State Arts Alliance, and Allied Arts.

**Small States—New Mexico, Maine**

**NEW MEXICO**

Interview respondents in New Mexico regard museums as a part of the public sector and are proud of their government’s history of robust support for museums. Museums are acknowledged as having a central role in the cultural sector and as being essential to the sector’s impact on the state’s economy and identity. New Mexico supports nine prominent public museums as well as a number of state historic monuments and sites. Respondents suggested that the diverse and stable public museum infrastructure in New Mexico provides important and well-understood benefits to the public. When cultural assets are donated to the state, there is a clear pathway and source of support for their incorporation into the public sector. The respondents gave examples of valuable archeological objects, conservation-worthy landholdings, and historical collections and buildings that would have been sold into the private sector had they not been easily absorbed into the public cultural sector.

**I. Federal funding for museums in New Mexico**

New Mexico institutions have an average level of competitiveness in terms of their ability to secure federal funding. Funding from individual federal agencies to New Mexico museums is listed in Table AD.20, along with the state’s rank compared to other states in the country. New Mexico has fared better at securing NEA and NEH dollars than either IMLS or NSF dollars. The state ranks 21st in the country in terms of the total amount of federal grants funding museums in the state.

*Table AD.20. Federal Support for Museums by Source, FY 2000–2006: New Mexico*

New Mexico	2000–2006	Rank
IMLS	\$3,178,852	23
NSF	\$742,108	25
NEH	\$2,819,292	12
NEA	\$528,706	16
Total	\$7,268,959	21

Source: Urban Institute analysis of IMLS, NSF, NEH, and NEA data, 2008.

New Mexico ranked only 46th in the country for the total amount of federal earmarks received during the years 2001 to 2006, receiving \$1,837,301 in total earmarks during this period.

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### II. State-level capacities

The New Mexico Office of Cultural Affairs (OCA) comprises the public cultural sector in New Mexico, leading cultural planning in the state, operating cultural institutions across the broad spectrum of the sector, and controlling the substantial proportion of state money entering the public and nonprofit cultural sector. Table AD.21 lists the divisions that make up OCA, along with their state allocations and total revenues in FY 2007. In that year, OCA's total budget was almost \$41 million, or approximately \$21 per capita. The proportion of these dollars contributed by the state is just over \$29 million, or approximately \$15 per capita.

OCA divisions that deliver museum services include 10 entities: the six museums and institutions in the Museum of New Mexico (MNM) system, as well as the Museum of Natural History, the Museum of Space History, the Farm and Ranch Museum, and the National Hispanic Cultural Center. In addition, the Museum Resources Division funds such museum services as conservation and education. Funds allocated to public museums cover the great majority of their GOS needs. Other divisions, such as the Arts Division and the Historic Preservation Division, provide funding for museum services in cases where programming, collection care, or capital improvements are relevant to agency mission.

*Table AD.21. New Mexico Cultural Agencies: Total Budgets and State Allocations, FY 2007*

Agency	Total Budget FY 2007	State Allocation FY 2007	Difference \$	Difference %
(MNM) Museum of Fine Art	\$1,588,500	\$1,167,100	\$421,400	26.50%
(MNM) State History Museum	\$1,765,500	\$1,412,800	\$352,700	20.00%
(MNM) Museum of International Folk Art	\$1,717,900	\$1,219,100	\$498,800	29.00%
(MNM) Museum of Indian Arts and Culture	\$1,694,500	\$1,211,500	\$483,000	28.50%
(MNM) Office of Archaeological Studies	\$2,644,400	\$50,000	\$2,594,400	98.11%
(MNM) State Monuments	\$2,380,500	\$2,158,200	\$222,300	9.30%
Museum of Natural History	\$3,747,100	\$2,971,500	\$775,600	20.70%
Museum of Space History	\$1,933,200	\$1,456,400	\$476,800	24.10%
Farm and Ranch Museum	\$1,917,600	\$1,822,600	\$95,000	5.00%
National Hispanic Cultural Center	\$3,118,000	\$2,778,000	\$340,000	10.90%
State Library	\$5,430,800	\$3,713,800	\$1,717,000	31.60%
Program Support <sup>1</sup>	\$4,086,000	\$3,672,800	\$413,200	10.10%
Museum Resources Division <sup>2</sup>	\$4,114,400	\$3,075,400	\$1,039,000	25.30%
Arts Division <sup>3</sup>	\$2,186,100	\$1,596,200	\$589,900	27.00%
Historic Preservation Division	\$2,356,400	\$802,000	\$1,554,400	66.00%
<b>Total</b>	<b>\$40,680,900</b>	<b>\$29,107,900</b>	<b>\$11,573,500</b>	<b>28.40%</b>

Source: Urban Institute analysis, New Mexico Office of Cultural Affairs, 2008.

<sup>1</sup> Includes the Office of the Secretary, Administrative Services and a nonrecurring \$100,000 allocation to the Film Commission.

<sup>2</sup> Includes the Museum of New Mexico Press and the Administrative Services Division for the Museum of New Mexico (State Monuments, State History Museum, Museum of Fine Arts, Museum of International Folk Art, Museum of Indian Arts and Culture).

<sup>3</sup> Includes the Music Commission allocation of \$175,000.

New Mexico has a nondonations clause. This means that state agencies, including OCA, cannot *directly* grant money to any nonprofit organization. Nonprofit museums do receive state monies, typically for capital improvements, which may be passed through OCA. Nonprofits also are given state contracts, which are line items in the OCA budget. In FY 2007, the New Mexico Humanities Council (a 501(c)(3) organization) received state funding through OCA in the amount of \$144,600, 20.3% of its total FY 2007 budget of \$713,810.

The public cultural sector in New Mexico is highly integrated. Its Office of Cultural Affairs is a cabinet-level, centralized agency that leads and coordinates cultural planning and articulates, broadcasts, and develops the role of culture in the state's economic and community development efforts. The great majority of state dollars that go to museums and other cultural institutions and organizations flow through OCA. Allocations to divisions within OCA are made by the secretary of OCA. The OCA budget includes annual capital requests, which are coordinated and submitted by the secretary. OCA also administers state funds earmarked to its divisions.

There are potential drawbacks of such a strong and centralized public cultural sector. Some respondents suggested that opportunities to exhibit novel or challenging interpretations of New Mexican identity and history are lessened because public museums are so dominant and are deeply enmeshed with the tourist economy. Respondents also reported that there are occasional complaints about the admission fees that public museums charge. Respondents suggested that public dollars do not appear to crowd out private dollars in New Mexico. Rather, private sector resources are freed up to support a range of other museums because state support covers the basic needs of public museums.

New Mexico's political leaders, including both Governor Bill Richardson and members of the state legislature, were portrayed as highly supportive of cultural agencies and institutions. Respondents characterized New Mexico as a place where politicians, community leaders, and the public acknowledge the vital role of culture as it contributes both to the multiethnic identity of the state and to the tourism economy. This attitude is reflected in the fact that OCA is a cabinet-level state government agency that has consistently robust funding. OCA and its secretary are highly respected, visible, and powerful, and the agency and its leadership have stabilized substantial public sector funding for GOS to museums within the public sector as well as increasing state support to all kinds of cultural institutions in New Mexico.

## MAINE

Maine interview respondents considered government support for museums to be deeply relevant to the growth and well-being of the state. Museums are acknowledged as a vital component of the cultural sector and are prominent in the state's tourism economy. Museums also are considered to be pivotal assets in communities. Respondents consistently reported that museums are an important part of economic and community development because they provide critical anchors for downtown revitalization. Respondents suggested that the influential Discovery Research program has been important in developing this understanding of the benefits of museums to communi-

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ties. Discovery Research, a program in which communities survey their local cultural assets, was first a collaboration of the Chamber of Commerce and the Arts Council in Bangor, with resources delivered through the Northern Maine Development District. The program is currently housed at the Maine State Arts Commission and has been active in 34 communities around the state.

### I. Federal funding for museums in Maine

Maine institutions have an average level of competitiveness in terms of their ability to secure federal funding. Table AD.22 lists the amount of funding Maine museums received from federal agencies between 2000 and 2006, along with the state's rank compared to other states in the country. Maine has had better success securing funding from IMLS and NEH than it has from NSF or NEA. Maine ranks 22nd in the country in terms of the total amount of federal grants to museums in the state.

*Table AD.22. Federal Support for Museums by Source, 2000–2006: Maine*

Maine	2000–2006	Rank
IMLS	\$4,265,581	18
NSF	\$33,538	29
NEH	\$2,585,170	16
NEA	\$166,889	33
Total	\$7,051,178	22

Source: Urban Institute analysis of IMLS, NSF, NEH, and NEA data, 2008.

In addition, Maine received \$5,212,104 in total federal earmarks between the years 2001 and 2006, ranking 32nd in the country for the total amount of earmarks received during this period.

### II. State-level capacities

The public cultural sector in Maine includes public agencies and nonprofit organizations that receive ongoing funding from the state. These agencies and organizations all belong to an umbrella agency, the Maine Cultural Affairs Council. Table AD.23 lists the eight agencies and organizations that make up Maine's public cultural sector, along with their state allocations and total revenues in FY 2007. The total of their combined budgets is more than \$14 million, or approximately \$11 per capita. The proportion of these dollars contributed by the state is just less than \$7.8 million, or almost \$6 per capita.

The Maine State Museum and the Maine Historical Society both operate museums and are the only public cultural agencies that deliver museum services in the state. The Maine State Museum is the sole cultural agency with a program of dedicated funding for museums in the state. This program provides small project grants to museums. Other cultural agencies provide funding for museum services in cases where programming, collection care, or capital improvements are relevant to agency mission.

Table AD.23. *Maine Cultural Agencies: Total Budgets and State Allocations, FY 2007*

Agency	Total Budget FY 2007	State Allocation FY 2007	Difference \$	Difference %
Maine State Museum	\$1,847,387	\$1,585,967	\$216,420	11.70%
*Maine Historical Society	\$2,181,371	\$94,000	\$2,087,371	95.70%
Maine Arts Commission	\$1,585,621	\$778,535	\$807,086	50.90%
Maine Historic Preservation Commission	\$1,265,415	\$305,419	\$959,996	75.90%
Maine Humanities Council	\$1,800,000	\$183,000	\$1,617,000	89.80%
Maine Cultural Affairs Council	\$1,032,018	\$496,828	\$535,190	51.90%
*Maine State Archives	\$984,000	\$862,000	\$122,000	12.40%
Maine State Library	\$5,245,613	\$3,459,319	\$1,786,294	34.10%
<b>Total</b>	<b>\$14,355,804</b>	<b>\$7,765,068</b>	<b>\$8,131,357</b>	<b>56.60%</b>

Source: Urban Institute analysis of data provided by the State of Maine, except \*data obtained directly from agency, 2008.

The public cultural sector in Maine is integrated in important ways through the Maine Cultural Affairs Council. The Council was established in 1999 to coordinate cultural planning and to administer funds to the cultural agencies through the New Century Community Program (NCCP). This program provides a regular forum for commissioners and executive directors of the eight cultural entities to meet, plan, and advocate for cultural activities and infrastructure in the state. Respondents suggested that the career executive directors account for much of NCCP's strength and effectiveness. Several executive directors have held their positions for 20 years or longer. Although the Cultural Affairs Council does not control a significant amount of state funding, nor do the state dollars that go to cultural agencies flow through the Council, it does effectively coordinate cultural planning and distribute shared resources among the public cultural agencies and organizations.

NCCP provides the funds that go into the Maine State Museum's dedicated grant-making to museums. While funding for the eight public cultural agencies was reported to be stable and fairly robust, funding for NCCP has been uneven. The program does hold a permanent line in the state's budget, but it has not been funded every year (see Table AD.24). The program was first funded by a bond issue, and currently draws its resources from those original bond issue funds and from the state's general revenue. A proposed bond issue for capital improvements to cultural facilities was tabled in 2006 and then passed in 2007. With these dollars in place, capital support for museums will begin to flow through both the State Museum (for history museums, historical societies, and heritage) and the Arts Commission (for art museums). Table AD.24 shows state allocations to NCCP and annual allocations from NCCP funds to the Maine State Museum for the years 1999 to 2007.

## APPENDIX D. STATE PROFILES

*Table AD.24. New Century Community Program Allocation and Annual Allocations to Maine State Museum, 1999–2007*

Year	NCCP allocation	State Museum NCCP allocation
1999	\$3,200,000	n/a
2000	\$1,000,000	\$194,600
2001	\$200,000	0
2002	0	\$21,677
2003	0	\$23,313
2004	0	0
2005	0	[\$100,000 spent by all seven agencies as a group]
2006	0	\$13,571
2007	0	\$49,500

Source: State of Maine and Maine State Museum, 2008.

Maine exhibits a high level of productive cooperation and positive sentiment within the public cultural sector, which has strong relationships with legislators and high levels of expertise and stability among its cultural sector leadership. The current governor, John Baldacci, and the first lady, Karen Baldacci, were portrayed as being highly supportive of cultural agencies and institutions. The Cultural Affairs Council is perceived as highly effective, with strong connections to and advocates among legislators. Distribution of the Council’s funds provided through NCCP was considered to be very fair. Respondents agreed that agencies had benefited greatly by joining in this alliance, which enables public cultural sector agencies and organizations to advocate and plan together.



## APPENDIX E: INTERVIEW PARTICIPANTS

### Illinois

**Tanya S. Anthony** - Director, Office of Budget and Management, Chicago Park District, Chicago, IL

**Ted A. Beattie** - President and CEO, Shedd Aquarium, Chicago, IL

**Michelle Bibbs** - Director of Cultural Grants, Chicago Cultural Affairs Department, Chicago, IL

**Karen E. Everingham** - Executive Director, Illinois Association of Museums, Springfield, IL

**Steve Hughes** - Chief Financial Officer, Chicago Park District, Chicago, IL

**Melinda Molloy** - Treasurer, Chicago Park District, Chicago, IL

**David R. Mosena** - President and CEO, Museum of Science and Industry, Chicago, IL

**Rebecca Page** - Executive Assistant, Museums in the Park, Chicago, IL

**Jim Richerson** - Director, Lakeview Museum of Arts and Sciences, Peoria, IL

**Kate Schureman** - Vice President of Planning and Government Affairs, Lakeview Museum of Arts and Sciences, Peoria, IL

**Carlos Tortolero** - President, National Museum of Mexican Art, Chicago, IL

**Karen Witter** - Associate Museum Director, Illinois State Museum, Springfield, IL

### Maine

**Ned Allen** - President, Bridgton Historical Society; Immediate Past President, Maine Archives and Museums, Augusta, ME

**Steve Bromage** - Assistant Director, Maine Historical Society, Portland, ME

**Paul Brunetti** - Assistant to the Commissioner, Maine Department of Economic and Community Development, Augusta, ME

**Richard D'Abate** - Executive Director, Maine Historical Society, Portland, ME

**Maureen Heffernan** - Executive Director, Coastal Maine Botanical Gardens, Boothbay, ME

**JR Phillips** - Director, Maine State Museum, Augusta, ME

**Donna McNeil** - Director, Maine Arts Commission, Augusta, ME

**John Roman** - President, Maine Cultural Affairs Council, Augusta, ME

**Alden Wilson** - Former Director, Maine Arts Commission, Augusta, ME

**Olly Wilder** - Former President and CEO, Center for Maine Contemporary Art, Rockport, ME

### Massachusetts

**Paul Bessire** - Deputy Director for External Relations, Institute of Contemporary Art, Boston, MA

**Laura Canter** - Executive Vice President, Finance Programs, MassDevelopment, Boston, MA

**Louis Casagrande** - Executive Director, Boston Children's Museum, Boston, MA

**Bob Culver** - President and CEO, MassDevelopment, Boston, MA

**Dan Hunter** - Executive Director, Massachusetts Advocates for the Arts, Sciences, and Humanities, Boston, MA

**Bill McAvoy** - Director, Institutional Relations, Museum of Fine Arts, Boston, MA

**Ann McQueen** - Co-Chair and Programs Director, The Boston Foundation, Boston, MA

**Jane Preston** - Director of Programs, New England Foundation for the Arts, Boston, MA

## APPENDIX E: INTERVIEW PARTICIPANTS

**Dee Schneidman** - Research Manager, New England Foundation for the Arts, Boston, MA

**Kristen Wawruck** - Government and Foundation Relations Manager, Institute of Contemporary Art, Boston, MA

**Mina Wright** - Director of Grants Program, Massachusetts Cultural Council

### Michigan

**Anan Ameri** - Director, Arab American National Museum, Dearborn, MI

**Sandra Clark** - Director, Michigan Historical Museum, Lansing, MI

**Mel Drumm** - Executive Director, Hands-on Museum, Ann Arbor, MI

**Bonnie Ekdahl** - Director, Zibiwing Center, Mount Pleasant, MI

**Teresa Goforth** - Executive Director, Michigan Museum Association, Lansing, MI

**Steven K. Hamp** - Civic Leader, Chair, Michigan New Economy Initiative

**Debbie Mikula** - Former Chief Operating Officer, ArtServe Michigan, Wixom, MI

**Debra Polich** - President and CEO, Art Train, Ann Arbor, MI

**Judith Ann Rapanos** - Chair, Michigan Humanities Council, Lansing, MI

**Tim Shickles** - Director, Sloan Museum, Flint, MI

### New Mexico

**Stuart A. Ashman** - Cabinet Secretary, New Mexico Department of Cultural Affairs, Santa Fe, NM

**Selena Connealy** - Secretary, New Mexico Museums Association, and Chief of Education, New Mexico Natural History and Science Museum, Albuquerque, NM

**Eduardo Díaz** - Executive Director, Hispanic Cultural Center, Albuquerque, NM

**William Field** - Director, Spanish Colonial Arts Society, Santa Fe, NM

**John Grimes** - Director, Institute of American Indian Arts Museum, Santa Fe, NM

**Tey Nunn** - Visual Arts Director, Hispanic Cultural Center, Albuquerque, NM

**Sabrina Pratt** - Executive Director, Santa Fe City Arts Commission, Santa Fe, NM

**Elena Sweeney** - Deputy Secretary for Finance and Administration, New Mexico Department of Cultural Affairs, Santa Fe, NM

**Shelby Tisdale** - Director, Museum of Indian Arts and Culture, Santa Fe, NM

### Pennsylvania

**Peggy Amsterdam** - Director, Greater Philadelphia Cultural Alliance, Philadelphia, PA

**Nicholas Crosson** - Research Analyst, Greater Philadelphia Cultural Alliance, Philadelphia, PA

**Scott Doyle** - Grants Administrator, Pennsylvania Historical and Museums Commission, Harrisburg, PA

**Barbara Franco** - Executive Director, Pennsylvania Historical and Museums Commission, Harrisburg, PA

**Philip Horn** - Director, Pennsylvania Council on the Arts, Harrisburg, PA

**Karen A. Lewis** - Executive Director, Avenue of the Arts, Inc., Philadelphia, PA

**Janet MacGregor** - Deputy Director, Pennsylvania Federation of Museums, Harrisburg, PA

**June O'Neill** - Fund Manager, The Philadelphia Cultural Fund, Philadelphia, PA

**Brian Rogers** - Deputy Executive Director, Pennsylvania Council on the Arts, Harrisburg, PA

## Virginia

**Ann Andrus** - State Grants Coordinator, Virginia Department of Historic Resources, Richmond, VA

**Peggy J. Baggett** - Executive Director, Virginia Commission for the Arts, Richmond, VA

**Margo Carlock** - Executive Director, Virginia Association of Museums, Richmond, VA

**Beverly T. Fitzpatrick** - Virginia Museum of Transportation, Roanoke, VA

**G. Larry Moffett** - Interim President, Arts Council of Richmond, Richmond, VA

**Marion Naar** - President, Cape Charles Historical Society, Cape Charles, VA

**Alexander Nyerges** - Director, Virginia Museum of Fine Arts, Richmond, VA

**S. Waite Rawls III** - Executive Director, Museum of the Confederacy, Richmond, VA

**Rob Vaughan** - President, Virginia Foundation for Humanities, Charlottesville, VA

## Washington

**Ron Chew** - Former Executive Director, Wing Luke Asian Museum, Seattle, WA

**Tim Close** - Director, Museum of Glass, Tacoma, WA

**Mimi Gates** - Director, Seattle Art Museum, Seattle, WA

**Laura Hopkins** - Head of Programs and Exhibition Support, Seattle Art Museum, Seattle, WA

**David Nicandri** - Director, Washington State Historical Society, Tacoma, WA

**Steve Ragleb Smith** - Professor, Evans School of Public Affairs, University of Washington, Seattle, WA

**Marsha Rooney** - Senior Curator of History, Northwest Museum of Arts and Culture; President, Washington Museum Association, Spokane, WA

**Eric Taylor** - Heritage Lead, 4Culture, Seattle, WA

**Kris Tucker** - Executive Director, Washington State Arts Commission, Olympia, WA

## DC/National

**Ford Bell** - President, American Association of Museums, Washington, DC

**Philip M. Katz** - Assistant Director for Research, American Association of Museums, Washington, DC

**Elizabeth E. Merritt** - Founding Director, Center for the Future of Museums, American Association of Museums, Washington, DC

**Terry Davis** - President and CEO, American Association for State and Local History, Nashville, TN

**Al DeSena** - Coordinator, Lifelong Learning Cluster (LLC), Division of Research on Learning in Formal and Informal Settings, National Science Foundation, Washington, DC

**Janet Rice Elman** - Executive Director, Association of Children's Museums, Washington, DC

**Andy Finch** - Co-Director of Government Affairs, Association of Art Museum Directors, Washington, DC

**Tom Lindsay** - Deputy Chairman, National Endowment for the Humanities, Washington, DC

**Thomas Phelps** - Director of Public Programs, National Endowment for the Humanities, Washington, DC

**Sean Smith** - Director of Government and Public Relations, Association of Science and Technology Centers, Washington, DC

**Bonnie VanDorn** - Executive Director, Association of Science and Technology Centers, Washington, DC

## APPENDIX F: PARTICIPANTS AT THE PUBLIC HEARINGS CONVENED IN MARCH 2008

March 10, 2008, at the Ohio Historical Society, Columbus, Ohio

National Museum and Library Services Board Member

Jeffrey H. Patchen  
President and CEO  
Children's Museum of Indianapolis  
Indianapolis, Indiana

### Speakers

David Chesebrough  
President and CEO  
COSI  
Columbus, Ohio

John Fraser  
Director, Public Research and Evaluation  
Wildlife Conservation Society Institute  
Bronx, New York

Bruce Harkey  
Executive Director  
Franklin Park Conservatory  
Columbus, Ohio

Julie Henahan  
Executive Director  
Ohio Arts Council  
Columbus, Ohio

William K. Laidlaw, Jr.  
Executive Director and CEO  
Ohio Historical Society  
Columbus, Ohio

Donald W. Murphy  
President and CEO  
The National Underground Railroad Freedom  
Center  
Cincinnati, Ohio

Patricia Murphy  
Executive Director  
Oberlin Heritage Center  
Oberlin, Ohio

Alicia Oddi  
Grants and Services Director  
Greater Columbus Arts Council  
Columbus, Ohio

**March 12, 2008, at the Nelson-Atkins Museum of Art, Kansas City, Missouri**

**National Museum and Library Services Board Members**

Christina Orr-Cahall  
Director  
Norton Museum of Art  
West Palm Beach, Florida

Harry Robinson, Jr.  
President and CEO  
African American Museum  
Dallas, Texas

**Speakers**

Sharon Sanders Brooks  
Councilwoman, District 3  
Kansas City, Missouri

Greg Carroll  
Executive Director  
The American Jazz Museum  
Kansas City, Missouri

Gregory M. Glore  
Community Volunteer  
Kansas City, Missouri

Christopher Leitch  
Director  
Kansas City Museum at Corinthian Hall  
Kansas City, Missouri

Fred Logan  
Chairman  
Arts Council of Metropolitan Kansas City  
Kansas City, Missouri

Mindi Love  
Director  
Johnson County Museum  
Shawnee, Kansas

Mary Kennedy McCabe  
Executive Director  
Mid-America Arts Alliance  
Kansas City, Missouri

Robert D. Regnier  
President, Bank of Blue Valley  
Chair, Greater Kansas City Chamber of Commerce  
Kansas City, Missouri

Kate Viens  
Executive Director  
New England Museum Association  
Arlington, Massachusetts

Marc Wilson  
Menefee D. and Mary Louis Blackwell  
Director and CEO  
The Nelson-Atkins Museum of Art  
Kansas City, Missouri

## APPENDIX F: PARTICIPANTS AT THE PUBLIC HEARINGS CONVENED IN MARCH 2008

March 14, 2008, at the Oakland Museum of California, Oakland, California

### National Museum and Library Services Board Members

Katherine M. B. Berger  
Trustee  
Berger Collection Educational Trust  
Berryville, Virginia

Kevin Starr  
State Librarian Emeritus of California  
San Francisco, California

### Speakers

Barbara Ando  
Associate Director  
Lawrence Hall of Science  
University of California  
Berkeley, California

Dennis Bartels  
Executive Director  
Exploratorium  
San Francisco, California

David Crosson  
Executive Director  
California Historical Society  
San Francisco, California

Lori Fogarty  
Director  
Oakland Museum of California  
Oakland, California

Phil Kohlmetz  
Executive Director  
Western Railway Museum  
Suisan City, California

Ralph Lewin  
Executive Director  
California Council for the Humanities  
San Francisco, California

William Moreno  
Executive Director  
Claremont Museum of Art  
Claremont, California

Kevin Starr  
State Librarian Emeritus of California  
San Francisco, California

Richard Winefield  
Executive Director  
Bay Area Discovery Museum  
Sausalito, California

Sheryl Wong  
Chairman  
Board of Trustees  
Oakland Museum of California Foundation  
Piedmont, California

## APPENDIX G: ADDITIONAL TABLES: IMLS AND NSF GRANTS BY PROGRAM AREA, EARMARK APPROPRIATION BY SUBCOMMITTEE

Each of IMLS's museum grant programs is connected to the mandates to assist, encourage, and support museum services. Table AG.1 lists IMLS support to museums by program between 2000 and 2006. Since 2000, the amount of money distributed by the agency has increased by \$9,681,000. The Museums for America program saw a \$1,635,000 increase; the Conservation Project Support saw a \$462,000 increase; and the National Leadership program saw a \$4,870,000 increase. Two programs, the Museum Assessment Program and the Conservation Assessment Program, saw a slight decrease between 2000 and 2006. The remaining increase of \$2,735,000 was realized through three new programs: 21st Century Museum Professionals, Native Alaskan/Native Hawaiian Museum Services, and Museum Grants for African American History and Culture. As an institution-focused agency, rather than a discipline-focused agency like NEA, NEH, and NSF, IMLS directs support to a wider range of museums. It also delivers more grants to museums than the other three agencies combined.

*Table AG.1. IMLS Support to Museums by Program for Years 2000–2006, in thousands of dollars*

Program Name	2000	2001	2002	2003	2004	2005	2006
Museums for America <sup>1</sup>	15,517	15,483	15,482	15,381	16,342	16,864	17,152
Museum Assessment Program	450	449	450	447	447	446	442
21st Century Museum Professionals <sup>2</sup>	NA	NA	NA	NA	NA	992	982
Conservation Project Support	2,310	2,305	2,310	2,792	2,782	2,788	2,772
Conservation Assessment Program	820	818	820	815	815	813	807
Native American/Native Hawaiian Museum Services Program	NA	NA	NA	NA	NA	843	911
National Leadership Grants to Museums	3,050	3,542	5,167	5,663	6,891	7,539	7,920
Museum Grants for African American History and Culture	NA	NA	NA	NA	NA	NA	842
<b>Total</b>	<b>22,147</b>	<b>22,597</b>	<b>24,229</b>	<b>25,098</b>	<b>27,277</b>	<b>30,285</b>	<b>31,828</b>

Note: All amounts are expressed in constant 2006 dollars.

Source: Institute of Museum and Library Services, 2008.

<sup>1</sup>The Museums for America Program has previously been known as “General Operating Support” and “Learning Opportunities Grants.”

<sup>2</sup>Prior to FY 2005, funding for the 21st Century Museum Professionals Program was included in the National Leadership Grants.

The National Science Foundation supports strong science education at all levels. As such, NSF grant-making differs from that of IMLS in both the number and size of awards. Between 2000 and 2006, NSF made 280 grants to museums in 28 states. Over these years, NSF grants to museums were made by two offices and seven directorates (see Table AG.2). The median amount for grants distributed over this period was \$209,343, and grants ranged in amounts from \$3,000 (a one-time grant to New York City's American Museum of Natural History in 2000) to \$11,256,444 (awarded to the Exploratorium in San Francisco over six years).

## APPENDIX G: ADDITIONAL TABLES: IMLS AND NSF GRANTS BY PROGRAM AREA, EARMARK APPROPRIATION BY SUBCOMMITTEE

*Table AG.2. Distribution of Obligated NSF Grant Money by NSF Directorate, 2000–2006*

Directorate	Dollars	%
Education and Human Resources	\$200,000,000	69.0%
Biology	\$53,916,242	18.6%
Geosciences	\$10,988,431	3.8%
Mathematical and Physical Sciences	\$8,956,936	3.1%
Social, Behavioral, and Economic Sciences	\$5,784,080	2.0%
Computer and Information Sciences and Engineering	\$3,918,280	1.4%
Engineering	\$3,280,560	1.1%
Office of Polar Programs	\$2,768,195	1.0%
Office of Director	\$173,512	0.1%
Total	\$289,786,236	100%

Source: National Science Foundation, 2008.

Table AG.3 below provides the distribution of federal earmarks to museums discussed in Section VII of the report. From FY 2001–FY 2006, 1,214 earmarks were distributed to museums through 12 federal appropriation subcommittees, with 92% appropriated through the Labor, Health and Human Services and Education; Housing and Urban Development; Transportation; and Interior Subcommittees.

*Table AG.3 Number of Appropriations by Subcommittee, 2001-2006*

Subcommittee	No. of Appropriations
Labor, Health and Human Services and Education	544
Housing and Urban Development	361
Transportation	115
Interior	98
Energy	31
Commerce	30
Defense	12
District of Columbia	10
Agriculture	6
Legislative Branch	3
Treasury	3
Military Construction and Veterans Affairs	1
Total	1,214

Source: Urban Institute analysis of Citizens Against Government Waste data, 2008.



## APPENDIX H: MUSEUM PUBLIC FINANCE SURVEY

### About the Survey Format

The survey is divided into three main sections. The first section asks for general information about your institution - its size, focus area, governance and visitor information. In the second section, you'll find a series of questions about your museum's budget over the last fiscal year. For this section, it may be helpful to refer to figures contained in your institution's year end financial report or IRS Form 990. The final section focuses on public funding practices at the local, state and federal levels and the extent to which your organization has been helped by these sources of support.

- Most of the questions in this survey are simple Yes/No or multiple choice format. The finance section (section two) asks for more detailed information regarding your institution's budget over the last fiscal year. You may need to consult your institution's most recent annual report/ financial statement or IRS Form 990 (if your institution is a non-profit organization) in order to complete this section.
- Because some survey questions logically follow from others, there are a number of skip patterns in the survey. Directions for the 'skips' can be found next to the appropriate answer.
- We ask that you please try not to leave any questions blank. If there are questions that you cannot answer or that seem unclear to you, feel free to contact the survey director at (202) 261-5821 for clarification.

### Survey Terms and Concepts

- We have tried to avoid using jargon in the survey. However, there are a few terms that may require a bit more explanation. In those cases you will find the key term highlighted with blue letters. Definitions for these terms are provided in the glossary in the back of the survey.
- For questions that ask for a number or dollar amount, please provide your best estimate. Remember, these figures will constitute a national profile, so even a rough estimate is useful.
- We realize than some of you may work for several institutions. However, we ask that you complete the questionnaire for the SINGLE institution identified in the first part of the survey.
- If you are responding as one entity within a parent institution, please fill out the survey only for your institution not other entities within in your parent institution.

### Assurance of Confidentiality

All studies conducted by the Urban Institute are subject to Institutional Review Board (IRB) review. The Urban Institute's IRB is the group designated to approve, monitor, and review behavioral research involving humans with the aim to protect the rights and welfare of the subjects. As part of the review we have pledged to keep your individual responses, whether submitted online or on paper, completely confidential. Only the aggregate data will be reported; your individual responses will never be published or identified by The Urban Institute or the Institute of Museum and Library Services (IMLS).

## APPENDIX H: MUSEUM PUBLIC FINANCE SURVEY

Your name will not be associated in any way with the information collected about you or with the research findings from this study. The researchers will not share information about you unless required by law or unless you give written permission.

### For More Information

For questions about the survey or for technical assistance with online submissions, contact Carlos Manjarrez at 202-261-5821, or [cmanjarr@ui.urban.org](mailto:cmanjarr@ui.urban.org).

### Section 1. Institutional Information

This first series of questions will provide us with general information about your museum's location, staffing size, governance structure and visitorship.

1. What is the name of your institution? \_\_\_\_\_
  
2. Please enter the following address information for your institution:  
Street address: \_\_\_\_\_  
City: \_\_\_\_\_  
State: \_\_\_\_\_ Zip: \_\_\_\_\_  
Web address/URL: \_\_\_\_\_
  
3. Please check one of the following that BEST describes your institution. *Please select only one.*

<input type="checkbox"/> Aquarium	<input type="checkbox"/> Nature center
<input type="checkbox"/> Arboretum/botanical garden	<input type="checkbox"/> Planetarium
<input type="checkbox"/> Art museum	<input type="checkbox"/> Science/Technology Center/Museum
<input type="checkbox"/> Children's/Youth Museum	<input type="checkbox"/> Zoo
<input type="checkbox"/> Historic House/Site	<input type="checkbox"/> Other (please specify): _____
<input type="checkbox"/> History museum	
<input type="checkbox"/> Historical society	
<input type="checkbox"/> Natural history museum	
  
4. Which of the following BEST describes your institution's governing authority? *Please select only one.*
  - College, university or other academic entity (proceed to quest. 4a)
  - Non-profit, non-governmental organization or foundation (skip to quest. 5)
  - Corporate or for-profit organization (skip to quest. 5)
  - Federal government (skip to quest. 5)
  - State government (skip to quest. 5)
  - Local government (county or municipal) (skip to quest. 5)
  - Tribal government (skip to quest. 5)
  - Other (please specify): \_\_\_\_\_

4a. If your institution is governed by a college, university or other academic entity, which of the following academic entities MOST CLOSELY describes your governing authority? *Please select only one.*

- Private college or university
- State college or university
- City, county or other municipal college or university
- Other (please specify): \_\_\_\_\_

5. Please indicate the number of PAID...

	Please enter the number below.	No Staff Positions in this Category	I Don't Know
FULL TIME positions as of October 1, 2007?	_____	<input type="checkbox"/>	<input type="checkbox"/>
PART TIME positions as of October 1, 2007?	_____	<input type="checkbox"/>	<input type="checkbox"/>

6. Please enter the number of visitors you served last year in each of the following categories? *Please enter your best guess in the estimated number box below. If your institutions had no visitors for a given category select "None".*

	Estimated Number	None	Not applicable/No such service	I Don't Know
On site	_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Off site (e.g. traveling exhibitions, bookmobiles, educational programs)	_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Electronic (e.g. visits to Web site, electronic distribution lists, electronic discussion groups)	_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

7. Does your institution have a general admission fee for:

*For each row, please choose one answer from the options provided. If you select "Yes", list the standard admission fee in the space provided.*

	Yes	No	Suggested Only	I Don't Know	Standard, non-member admission fee.
adults?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$_____.
children under 12?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$_____.
senior citizens?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$_____.
students?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$_____.

8. Does your institution own collections (living or non-living) or manage such collections belonging to others on an ongoing basis?

- Yes
- No

## APPENDIX H: MUSEUM PUBLIC FINANCE SURVEY

**SURVEY TIP:** The next section will ask about your institution’s finances for the last fiscal year. You may want to have the last year’s financial statement on hand in order to complete this section quickly.

### Section 2. Financial Information

The questions below address your institution’s budget. Please provide as much detailed information as possible as it will help us develop national estimates of public support for museums across the country.

9. What is the most recently completed fiscal year for your institution?

- 2006
- 2007
- Other:

10. Please indicate your institution’s total operating income and expenses for the most recent fiscal year?

	Enter the total dollar amount for the most recently completed fiscal year.	I Don't Know
Operating income	\$ _____.	<input type="checkbox"/>
Operating expenses	\$ _____.	<input type="checkbox"/>

11. Please separate your total operating income for the most recently completed fiscal year into the following categories:

*For each row, insert the total dollar amount for most recently completed fiscal year. If none of your operating expenses for the last fiscal year came from this source, enter a “0” in the box and click the button on the right.*

	\$ for most recent FY	No operating expenses from this source.
Total funds from private sources...	\$ _____.	<input type="checkbox"/>
Total funds from earned income.....	\$ _____.	<input type="checkbox"/>
Total funds from investment income used for operational expense...	\$ _____.	<input type="checkbox"/>
Total funds from government sources...	\$ _____.	<input type="checkbox"/>

12a. If an amount was given in the government sources section of question 11, please separate the “government sources” funds received by the level of government providing the support:

*For each row, insert the percentage of government source funding received in the last fiscal year. PLEASE NOTE: THE NUMBERS IN THE COLUMN MUST ADD TO 100. If no money was received from a given source, enter “0”.*

SURVEY TIP: The numbers in the column above should sum to 100 in order for the information to be recorded accurately. This will allow us to calculate the proportion of government funds obtained from different levels of government. Thank you for your help and attention to detail.

	% from source (Column sum must equal 100)
Percent of government source funding from federal government	_____
Percent of government source funding from state government	_____
Percent of government source funding from local government	_____
Percent of government source funding from tribal government	_____

13. Please indicate your institution’s total non-operating income and expenses for the most recent fiscal year?

	Enter the total dollar amount for the most recently completed fiscal year.	I Don't Know
Non-operating income	\$ _____.	<input type="checkbox"/>
Non-operating expenses	\$ _____.	<input type="checkbox"/>

14. Please list your total capital expenditures for the most recently completed fiscal year.

	Capital expenditures for last fiscal year	None
Enter the total dollar amount in the box provided. <i>If your institution had NO capital expenditures in the last fiscal year enter a '0' in the box and click "None".</i>	\$ _____.	<input type="checkbox"/>

15. Does your institution own the building(s) in which it operates?

- Yes (skip to 16)
- No
- I Don't Know (skip to 16)

15a. If you answered No to question 15, does the parent organization own the building?

- Yes
- No
- Not applicable (no parent)
- I Don't Know

16. Are you currently engaged in a capital campaign?

- Yes
- No
- I Don't Know

## APPENDIX H: MUSEUM PUBLIC FINANCE SURVEY

### Section 3. Public Funding Mechanisms

The questions in the next section cover a wide range of support mechanisms for museums from local government (city, county and township) sources. A similar set of questions will be asked regarding state government support.

17. Does your local government (city, county, or township) provide direct financial support to museums in your community through a competitive grant process?

- Yes (proceed to 17a)
- No (skip to 17d)
- I Don't Know (skip to 17d)

17a. Which of the following institutional needs do your local government programs or funding initiatives support? *Check all that apply.*

- Unrestricted funds for museums to use at their discretion
- Restricted funds for museum-related activities (collections care, exhibits, research, educational programming)
- Restricted funds for management and general expenses (administrative, maintenance, other non-programmatic operating expenses)
- Restricted funds for capital improvements/expenditures or new construction
- Restricted funds for acquisition
- Other: \_\_\_\_\_

17b. What type of local government support do you think is most important for institutions like yours? *Please select one.*

- Unrestricted funds for museums to use at their discretion
- Restricted funds for museum-related activities (collections care, exhibits, research, educational programming)
- Restricted funds for management and general expenses (administrative, maintenance, other non-programmatic operating expenses)
- Restricted funds for capital improvements/expenditures or new construction
- Restricted funds for acquisition
- Other: \_\_\_\_\_

17c. Has your institution applied for support from local government (city, county, township) through a competitive grant process in the last three years?

- Yes (proceed to 17c1)
- No (skip to 17d)
- I Don't Know (skip to 17d)

17c1. How many times has your institution applied for support from local government sources through a competitive grant process in the last three years? *Please select only one.*

- 1 Time
- 2 Times
- 3 Times
- 4 Times
- 5 Times
- 6–10 Times
- 11–15 Times
- More than 15 Times

17c2. To which local government agencies did your institution apply for support in the last three years? *Check all that apply.*

- Local Humanities Council
- Local Department of Tourism/Conventions
- Local Arts Agency
- City/County/Regional Transportation Authority
- Local School System
- Local Economic/Community Development Office
- Local Library or Library System
- Local Parks Department
- Other: \_\_\_\_\_

17c3. Did your institution receive support from a local government agency through a competitive grant process in the last three years?

- Yes (proceed to 17c3\_1)
- No (skip to 17d)
- I Don't Know (skip to 17d)

17d. Does your local government use tourism taxes to provide direct support to museums and other cultural institutions in your community?

- Yes
- No
- I Don't Know

17e. Does your local government use property tax or general fund monies to provide direct support for museums and other cultural institutions in your community?

- Yes
- No
- I Don't Know

## APPENDIX H: MUSEUM PUBLIC FINANCE SURVEY

17f. Does your local government use general sales, retail and amusement taxes to provide direct support to museums and other cultural institutions in your community?

- Yes
- No
- I Don't Know

18. Does your institution receive regular (annual or semi-annual), non-competitive support from any local government sources?

- Yes (proceed to 18a)
- No (skip to 19)
- I Don't Know (skip to 19)

18a. What type of non-competitive support does your institution receive from your local government? *Check all that apply. If you select "other", please describe the non-competitive support in the field provided.*

- Direct financial support
- Lease of property
- Other: \_\_\_\_\_

19. Has your institution received in-kind contributions from local government in the last 3 fiscal years?

- Yes (proceed to 19a)
- No (skip to 20)
- I Don't Know (skip to 20)

19a. If your institution has received in-kind support, lease describe the MOST significant form of in-kind support your institution has received from local government source in the last three years.

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19b. What was the value of this in-kind support?

	Estimated value	Value Not Assessed	I Don't Know
Please estimate the value of in-kind support over a year's time:	\$_____.	<input type="checkbox"/>	<input type="checkbox"/>

20. Has your institution EVER received a donation of property from local government?

- Yes (proceed to 20a)
- No (skip to 21)
- I Don't Know (skip to 21)



20a. What was the value of largest donation of property?

	Estimated value	Value Not Assessed	I Don't Know
Please estimate the value of property donation here:	\$_____.	<input type="checkbox"/>	<input type="checkbox"/>

20b. During which fiscal year was this property donated? FY\_\_\_\_\_

21. Does your local government have low interest loan programs for...

	Yes	No	I Don't Know
museum programming?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
museum operations?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
capital expenditures?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

22. What is the MOST significant challenge your institution faces in applying for local government support? *Please select only one.*

- Application process is too cumbersome/time consuming
- Local grant monies are too restrictive
- Reporting/evaluation demands are too high given the grant amounts
- Required funding match is difficult to obtain
- Other: \_\_\_\_\_

23. What opportunities does local government support present your institution that other funding sources do not?

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In the following section we ask about funding from STATE GOVERNMENT. You will note that some of the questions are patterned after the questions asked in the local government support section. Pairing the questions in this way will help us make more direct comparisons across the different levels of government.

24. Does your state government provide direct financial support to museums in your state through a competitive grant process?

- Yes (proceed to 24a)
- No (skip to 25)
- I Don't Know (skip to 25)

## APPENDIX H: MUSEUM PUBLIC FINANCE SURVEY

24a. Which of the following institutional needs do your state government programs or funding initiatives support? *Check all that apply.*

- Unrestricted funds for museums to use at their discretion
- Restricted funds for museum-related activities (collections care, exhibits, research, educational programming)
- Restricted funds for management and general expenses (administrative, maintenance, other non-programmatic operating expenses)
- Restricted funds for capital improvements/expenditures or new construction
- Restricted funds for acquisition
- Other: \_\_\_\_\_

24b. What type of state government support do you think is most important for institutions like yours? *Please select one.*

- Unrestricted funds for museums to use at their discretion
- Restricted funds for museum-related activities (collections care, exhibits, research, educational programming)
- Restricted funds for management and general expenses (administrative, maintenance, other non-programmatic operating expenses)
- Restricted funds for capital improvements/expenditures or new construction
- Restricted funds for acquisition
- Other: \_\_\_\_\_

24c. Has your institution applied for support from state government through a competitive grant process in the last three years?

- Yes (proceed to 24c1)
- No (skip to 25)
- I Don't Know (skip to 25)

24c1. How many times has your institution applied for support from state government sources through a competitive process in the last three years?

Please chose one.

- 1 Time
- 2 Times
- 3 Times
- 4 Times
- 5 Times
- 6–10 Times
- 11–15 Times
- More than 15 Times

24c2. To which state government agencies did your institution apply for support in the last three years? *Chose all that apply.*

- State Humanities Council
- State-Level Department of Tourism
- State Arts Agency
- State-level Transportation Authority
- State Education Office
- State Economic/Community Development Authority
- State Library
- State Parks Department
- Other: \_\_\_\_\_

24c3. Did your institution receive support from a state government agency through a competitive grant process in the last three years?

- Yes (proceed to 24c3\_1)
- No (skip to 25)
- I Don't Know (skip to 25)

24c3\_1. If your institution did receive support from state government in the last three years via a competitive grant process, which of the following state government agencies awarded your institution a competitive grant? *Check all that apply.*

- State Humanities Council
- State-Level Department of Tourism
- State Arts Agency
- State-level Transportation Authority
- State Education Office
- State Economic/Community Development Authority
- State Library
- State Parks Department
- Other: \_\_\_\_\_

25. Does your state government use tourism taxes to provide direct support to museums and other cultural institutions in your community?

- Yes
- No
- I Don't Know

26. Does your state government use property tax or general fund monies to provide direct support for museums and other cultural institutions in your community?

- Yes
- No
- I Don't Know

## APPENDIX H: MUSEUM PUBLIC FINANCE SURVEY

28. Does your institution receive regular (annual or semi-annual), non-competitive support from any state-level government sources?

- Yes (proceed to 28a)
- No (skip to 29)
- I Don't Know (skip to 29)

28a. What type of non-competitive support does your institutions receive from your state government? *Check all that apply. If you select "other", please describe the non-competitive support in the field provided.*

- Direct financial support
- Lease of property
- Other: \_\_\_\_\_

29. Has your institution received in kind contributions from state government source in the last 3 fiscal years?

- Yes (proceed to 29a)
- No (skip to 30)
- I Don't Know (skip to 30)

29a. Please describe the MOST significant in kind support your institution has received from state government sources in the last three years.

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29b. What was the value of this in-kind support?

	Estimated value	Value Not Assessed	I Don't Know
Please estimate the value of in-kind support over a year's time:	\$_____.	<input type="checkbox"/>	<input type="checkbox"/>

30. Has your institution EVER received a donation of property from state government?

- Yes (proceed to 30a)
- No (skip to 31)
- I Don't Know (skip to 31)

30a. What was the value of LARGEST donation of property?

	Estimated value	Value Not Assessed	I Don't Know
Please estimate the value of property donation here:	\$_____.	<input type="checkbox"/>	<input type="checkbox"/>

30b. During which fiscal year was this property donated? FY\_\_\_\_\_

31. Does your state government have low interest loan programs for...

	Yes	No	I Don't Know
museum programming?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
museum operations?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
capital expenditures?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

32. What is the MOST significant challenge your institution faces in applying for state government support? *Please select only one.*

- Application process is too cumbersome/time consuming
- Local grant monies are too restrictive
- Reporting/evaluation demands are too high given the grant amounts
- Required funding match is difficult to obtain
- Other: \_\_\_\_\_

33. What opportunities does state government support present your institution that other funding sources do not?

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34. Are direct state budget earmarks an option available to museums in your state? *Please choose one.*

- Yes (proceed to 34a)
- No (skip to 35)
- I Don't Know (skip to 35)

34a. If state budget earmarks are an option in your state, has your institution EVER tried to secure an earmark from the state government?

- Yes (proceed to 34a1)
- No (skip to 35)
- I Don't Know (skip to 35)

34a1. For which of the following need areas did your institution seek earmarked funds from your state government? *Check all that apply.*

- Physical improvements (capital construction/renovation)
- Conservation of collections
- Educational programs
- Outreach
- Other: \_\_\_\_\_

## APPENDIX H: MUSEUM PUBLIC FINANCE SURVEY

34a2. Did your institution EVER RECEIVE an earmark from state government?

- Yes
- No
- I Don't Know

34a3. Did your institution try to secure an earmark from the state government in the LAST YEAR?

- Yes
- No
- I Don't Know

The questions below address public funding from the FEDERAL GOVERNMENT. This is the final series of questions in the public funding section, which is the last section of the survey. Thanks for hanging in there.

35. Has your institution EVER applied for support from federal government sources through a competitive grant process?

- Yes (proceed to 35a)
- No (skip to 36)
- I Don't Know (skip to 36)

35a. If your institution has EVER applied for support from a federal government source, to which federal government agencies did your museum apply? *Check all that apply.*

- Institute of Museum and Library Services
- National Endowment for the Arts
- National Endowment for the Humanities
- Department of Education
- Department of Transportation (National Historic Bridges Program, etc.)
- National Science Foundation
- Department of Interior (National Park Service, etc.)
- Department of Housing and Urban Development
- Other: \_\_\_\_\_

35b. How many times has your institution applied for support from federal government sources through a competitive grant process in the last three years? *Please select only one.*

- Zero (haven't applied in last 3 years)
- 1 time
- 2 times
- 3 times
- 4 times
- 5 times
- 6–10 times
- 11–15 times
- More than 15 times

35c. Has your institution EVER received support from a federal government agency through a competitive grant process? *Please select only one.*

- Yes (proceed to 35c1)
- No (skip to 36)
- I Don't Know (skip to 36)

35c1. From which agency (or agencies) did your museum receive competitive grant support?

*Check all that apply.*

- Institute of Museum and Library Services
- National Endowment for the Arts
- National Endowment for the Humanities
- Department of Education
- Department of Transportation (National Historic Bridges Program, etc.)
- National Science Foundation
- Department of Interior (National Park Service, etc.)
- Department of Housing and Urban Development
- Other: \_\_\_\_\_

36. What is the MOST significant challenge your institution faces in applying for federal government support?

- Application process is too cumbersome/time consuming
- Local grant monies are too restrictive
- Reporting/evaluation demands are too high given the grant amounts
- Required funding match is difficult to obtain
- Other: \_\_\_\_\_

37. What opportunities does federal government support present your institution that other funding sources do not?

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38. Has your institution EVER tried to secure an earmark from the federal government?

- Yes (proceed to 38a)
- No (skip to 39)
- I Don't Know (skip to 39)

## APPENDIX H: MUSEUM PUBLIC FINANCE SURVEY

38a. For which of the following need areas did your institution seek earmarked funds from the federal government? *Check all that apply.*

- Physical improvements (capital construction/renovation)
- Conservation of collections
- Educational programs
- Outreach
- Other: \_\_\_\_\_

38b. Did your institution try to secure a federal government earmark in:

	Yes	No	I Don't Know
FY 2006	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
FY 2007	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
FY 2007	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

38c. Did your institution EVER RECEIVE an earmark from the federal government?

- Yes
- No
- I Don't Know

39. We've provided the space below for any additional comments or suggestions you may have for IMLS or other federal funding agencies regarding support programs for American museums. As we mentioned at the start of the survey, these responses are kept confidential and will not be attributed to individual institutions.

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Below we ask for contact information for the person responding to the survey. This information will be used only if we need to clarify a response. The Urban Institute will keep this information, like all the information you provided in this survey, completely confidential.

To be completed by lead person completing or coordinating the survey.

Name of person completing the survey: \_\_\_\_\_

Title: \_\_\_\_\_

Phone number: \_\_\_\_\_

Email address: \_\_\_\_\_

Would you like us to send an e-mail to the address listed above when the final report is available for public release?

- Yes
- No



May we have permission to include the name of your institution on a published list of survey participants? Again, your survey responses will not be linked to your name; results will be reported only in aggregate.

- Yes
- No

This concludes the Museum Public Finance survey.  
Thank you once again for taking the time to participate in this study.

Please return your survey by January 31, 2008 to:  
Museum Public Finance Survey  
The Metro Center  
The Urban Institute  
2100 M Street NW  
Washington, DC 20037  
or fax to: 202-872-9322

#### **About the Institute of Museum and Library Services**

The Institute of Museum and Library Services is the primary source of federal support for the nation's 122,000 libraries and 17,500 museums. The Institute's mission is to create strong libraries and museums that connect people to information and ideas. The Institute works at the national level and in coordination with state and local organizations to sustain heritage, culture, and knowledge; enhance learning and innovation; and support professional development. To learn more about the Institute, please visit [www.ims.gov](http://www.ims.gov). For more information, including grant applications, contact IMLS at 1800 M Street, NW, 9th Floor, Washington, DC 20036-5802, phone 202-653-4657 or e-mail [imlsinfo@imls.gov](mailto:imlsinfo@imls.gov).

#### **About the Urban Institute**

The Urban Institute is a nonprofit, nonpartisan policy research and educational organization established in Washington, D.C., in 1968. Its staff investigates the social, economic, and governance problems confronting the nation and evaluates the public and private means to alleviate them. Through work that ranges from broad conceptual studies to administrative and technical assistance, Institute researchers contribute to the stock of knowledge available to guide decision-making in the public interest. To learn more about the Urban Institute, please visit [www.urban.org](http://www.urban.org). For information on the Museum Finance Study, contact Carlos Manjarrez, The Urban Institute, 2100 M Street, NW, Washington, DC 20037, 202-833-7200, [cmanjarr@ui.urban.org](mailto:cmanjarr@ui.urban.org), or [www.urban.org](http://www.urban.org).

## APPENDIX H: MUSEUM PUBLIC FINANCE SURVEY

### Museum Public Finance Survey Glossary

**Capital expenditure** – money spent on purchasing or construction of buildings or other major fixed assets. Capital expenditures are subject to depreciation.

**Earmark** – refers to legislative provisions that direct funds to be spent on specific projects (or directs specific exemptions from taxes or mandated fees).

**Earned income** – money earned by providing goods or services where the amount paid is comparable to the actual value of goods and services. This includes admissions revenue, food and museum store sales, building rental, fairs and festivals, etc. The following types of revenue do not qualify as earned income: undesignated, unrestricted or general operating grants; contributions from individuals; bequests; and sponsorships of special events.

**General sales, retail and amusement taxes** – include general sales tax increases that designate a portion of the revenue for museums and other cultural institutions; or amusement taxes, which target entertainment consumers and return the value of that tax to its related industry and/or special tax districts—such as cultural districts—which may tax goods and services in area at a specified level, usually for a fixed period of time.

**Governing authority** – the both with legal and fiduciary responsibility for the museum and for approving museum policy (for example, board of commissioners, board of directors, board of managers, board of regents, board of trustees, city council, commission).

**Non-operating income and expenses** – income and expenses related to temporary or permanently restricted funds, such as endowment contributions and pledges, all realized capital gains and losses that are rolled back into the principle, income from capital campaigns and capital expenditures.

**Operating income and expenses** – income generated by or expenditures supporting the museums general operations in a given fiscal year, including exhibitions, educations, conservation, collections management, collections acquisitions, research, training, development and administration. This includes any portion of income from the endowment that is applied to operating expenses in a given year. It does not include capital expenditures.

**Parent organization** – a larger organization within which a museum operates. Examples of a parent organizations are colleges or universities; tribal, municipal, state or federal government; corporate foundations.

**Tourism tax** – a municipal, non-property tax that is typically added to hotel/motel costs, retail alcohol purchase, rental vehicles and/or restaurant food sales.

\*Special thanks are due to the American Association of Museums for glossary terms drawn from the 2006 Museum Financial Information report.



