

GREATER PHILADELPHIA CULTURAL ALLIANCE

2008 pōrtfō'liō



greater
philadelphia cultural
ALLIANCE

The Greater Philadelphia Cultural Alliance is proud to present, with the support of 281 participating organizations, the **2008 Portfolio**.



2008 pōrtfō'liō



The arts and cultural sector is one of Southeastern Pennsylvania's strongest assets. The **2008 Portfolio** examines the vibrancy, value, and vulnerability of the cultural community for civic leaders, policymakers, cultural organizations, and the general public.

Two years ago, the first edition of **Portfolio** was lauded as a landmark study that documented the breadth, diversity, and well-being of Southeastern Pennsylvania's nonprofit cultural resources.

Building on the first report, the **2008 Portfolio** offers:

More Participating Organizations

Thirty-three percent more organizations are included in the **2008 Portfolio**, raising the total number to 281. Several new Very Large and Large organizations are included, ensuring that the analysis offered in the **2008 Portfolio** is drawn from even more complete programmatic and financial information.

New Topics and Analyses

Children and school groups, health care costs, and internet fundraising are among the new topics presented in the **2008 Portfolio**.

Ten-year Trend Analysis

How has the landscape changed for cultural organizations over the last decade? Using data collected for the 1998 report *Greater Philadelphia's Competitive Edge*, we are able, in the **2008 Portfolio**, to track changes over time for a subset of 108 organizations in this report.



Letter from Cultural Alliance President

It's been two years since the Cultural Alliance released the first **Portfolio**, and the response has been overwhelming. The widespread demand for hard data about the state of our sector reinforces the essential partnership between arts and culture and the broader community.

With this **2008 Portfolio** we're committed to advancing that community dialogue. It is only through these regional conversations, based on reliable and accurate cultural data, that we can demonstrate how the sector is a key resource to advance the region's broader goals.

We thank PNC and the William Penn Foundation for their generous support of this publication. We're also indebted to our partners at the Economy League of Greater Philadelphia, not just for their analysis of this year's data, but for their pioneering work ten years ago on *Greater Philadelphia's Competitive Edge*, which has formed the baseline for the new 10-year trend analysis released in this report.

We thank our partners in the Pennsylvania Cultural Data Project (PACDP) for the tenacity and vision to create the meaningful, longitudinal data set upon which these findings are based. PACDP is a landmark project that has become a model and framework for communities across the country.

Most important, this report would not have been possible without the ongoing participation and commitment of 281 cultural organizations that submitted information.

And finally, our thanks to you, our readers, for your genuine interest in maintaining a thriving arts and culture sector. Armed with knowledge, not conjecture, we can all plan the best for our great region.

Peggy Amsterdam

President

Greater Philadelphia Cultural Alliance



Letter from PNC Regional President

From its very founding, Philadelphia has defined itself through arts and culture—key components to a vibrant community and economic prosperity.

Today more than ever, the businesses that we attract, the visitors who extend their stay, the knowledge-based workers who choose to relocate here, are drawn by what the Greater Philadelphia region has to offer.

PNC is honored to support the **2008 Portfolio** because we truly understand the valuable return that investing in the arts can deliver. We pride ourselves on leading the way in creating partnerships with community-based nonprofit organizations to help strengthen the economic vitality of the region.

But culture is about more than just economic impact—it's about the next generation. Through PNC Grow Up Great, our 10-year, \$100 million investment to help prepare underserved children ages five and under for success in school and life, we've partnered with local nonprofits to bring preschool children outstanding programs in art, music, and movement, as well as math and science, that create an indelible impression.

Arts and culture is the foundation of our children's perception, compassion, and intellectual development, stimulating the creativity and innovation that will enable them to succeed in all aspects of life.

But arts and culture cannot succeed without our stewardship and investment. It's our job to be active participants, contributors and volunteers. Guided by the important information contained in the **2008 Portfolio**, let's continue to work together to ensure that the Greater Philadelphia region remains a leader in artistic innovation.

J. William Mills III

Regional President—Philadelphia & Southern New Jersey
PNC

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Key Findings

Trends: 1995–2005

FROM 1995 TO 2005, ORGANIZATIONS GREW IN A CHANGING FUNDING ENVIRONMENT.

Cultural organizations grew at twice the rate of inflation over the past decade.

Suburban organizations grew the fastest, at three times the rate of inflation.

Operating margins remained thin. Income exceeded expenses by 3% in FY1995 and 5% in FY2005.

In 1995, the ratio of part-time to full-time employees was 1:1. In 2005, the ratio was almost 2:1. Part-time employment rose 98% and full-time employment rose 9%.

The ratio of state to federal support for cultural organizations went from 1:1 in 1995 to 9:1 in 2005, the result of a 144% increase in state support and a 72% decline in federal support.



In 1995,
Federal and Pennsylvania
contributions were equal



In 2005,
the Pennsylvania contribution was
nine times the Federal contribution

All figures above are adjusted for inflation. Trend analysis is for the 108 organizations for which data are available for 1995 and 2005.

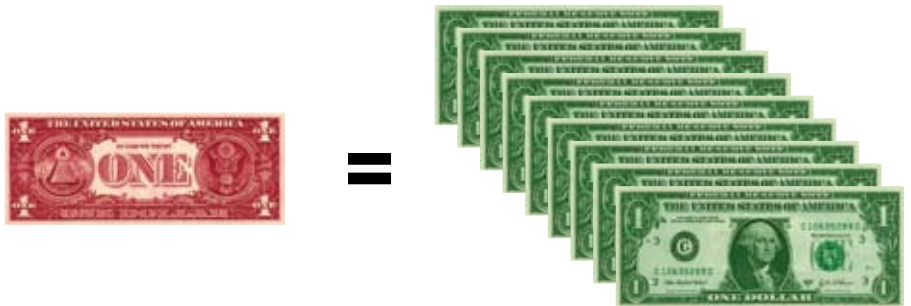
Arts as Industry

THE BUSINESS MODEL FOR CULTURAL ORGANIZATIONS VARIES BY SIZE AND DISCIPLINE.

Forty percent of cultural organizations operate with a deficit. Twenty-two percent operate with deficits greater than 10% of total revenues.



Eight percent of expenses go toward fundraising costs. **Every dollar spent on fundraising yields \$9.**



Very Large organizations are the only size group for which earned income exceeds contributed income.

Four Very Large organizations and one Large organization generate 78% of the total investment income for the sector.

Small and Medium organizations are twice as reliant on foundation support as Large and Very Large organizations.

Organizations spent \$2.76 in marketing costs per visitor.

Performing Arts organizations spend more than twice what Museums, Visual Arts, Historic and Scientific organizations spend on marketing as a portion of their overall budgets.

Health care benefits at larger organizations are competitive with the commercial sector's contribution of 84%. Benefits are dramatically lower at Small organizations, which only pay an average of 14% of health care benefits.

Different disciplines use different staffing models. Forty-three percent of positions at Museums, Visual Arts, Historic and Scientific organizations are full-time, while only 9% of positions at Performing Arts organizations are full-time.

Community Engagement: Building Social Capital

ARTS AND CULTURE IS VALUABLE TO SOUTHEASTERN PENNSYLVANIA COMMUNITIES.

Visits to cultural organizations total over 15 million, not including parks. This represents **four visits per year** for every resident of Southeastern Pennsylvania.



School children account for 1.8 million visits to cultural organizations each year. This is approximately **2 visits for every child** under age 18 in Southeastern Pennsylvania.¹ Twenty-nine percent of those visits are to Science & Nature organizations.



43,000 people make the arts happen. Arts and culture provides over 19,000 jobs and involves over 24,000 volunteers, of which 4,000 are board members.



The arts are a bargain. For paid events, the median ticket price is \$14, but the actual cost to produce the events is much higher, at a median cost of \$46.

Forty-three percent of all visits are free of charge.

More than one-third of all free admissions are to History organizations—the most of any discipline.



About the Pennsylvania Cultural Data Project

The data used for this report were provided by the Pennsylvania Cultural Data Project, a statewide data collection project for Pennsylvania's cultural organizations. The data are self-reported by the organizations using the PACDP and neither the PACDP nor its Governing Group make any representations or warranties concerning the accuracy, reliability or completeness of the self-reported data. Any interpretation of the data is solely the view of the Greater Philadelphia Cultural Alliance and does not reflect the views of the PACDP or its Governing Group.

All figures contained in this report are ultimately the responsibility of those organizations submitting data to the Pennsylvania Cultural Data Project. The Greater Philadelphia Cultural Alliance, the Pennsylvania Economy League, and the PACDP are not responsible for errors in data submitted by individual cultural organizations whose information is used here.

The figures presented in this report, with the exception of Trends: 1995–2005, are for the most recent fiscal year available for each organization, in most cases FY2006 or FY2007.

Information on all 281 organizations included in this report is taken from the Pennsylvania Cultural Data Project.

The Pennsylvania Cultural Data Project (PACDP) is a collaborative project of the Greater Philadelphia Cultural Alliance, the Greater Pittsburgh Arts Council, The Heinz Endowments, the Pennsylvania Council on the Arts, The Pew Charitable Trusts, The Pittsburgh Foundation, and William Penn Foundation. The PACDP is a standardized online system created for collecting financial and organizational data of nonprofit cultural organizations. Participating organizations complete an online Data Profile once each fiscal year. Financial data are drawn from each organization's audit, insuring accurate and reliable information. Participating organizations are also able to use this system to track their own data over time and benchmark themselves against others.

In addition to creating a streamlined data collection process for hundreds of arts and culture organizations throughout Pennsylvania, this project provides a source of consistent and reliable information on the state's cultural sector. After three years of development and testing, the PACDP was launched in September 2004. During the past four years, 2,600 data profiles have been submitted by 875 organizations located throughout the state.

The project is expanding beyond Pennsylvania and is now also available for cultural groups in California and Maryland, through the California Cultural Data Project and Maryland Cultural Data Project. More states are in the process of bringing the data project to their regions.

All data submitted by individual organizations is checked for errors in a rigorous process conducted by staff of the PACDP. In addition, data are periodically checked for reliability with organizations' audit records. In the event that data submission errors are found, organizations are notified by the PACDP. Organizations then have the ability to change or correct their submissions.

Methodology

Due to the careful checks and balances incorporated into the process of submitting data to the PACDP, we believe that this report delivers the most reliable, consistent set of data available regarding nonprofit cultural organizations in Southeastern Pennsylvania. All data on individual organizations are strictly confidential, and no information is presented except in aggregated form. To compile the **2008 Portfolio**, the Cultural Alliance contracted the Economy League of Greater Philadelphia to analyze PACDP data collected before December 2007. In preparing this report, particular emphasis was placed on obtaining data from a representative group of cultural organizations, including the very largest, to ensure that overall totals for financial information include the major economic engines of the sector. As a result, only a handful of Large or Very Large organizations are missing from the data set. Given that the larger organizations make up so much of the financial activity of the sector, we are confident that the **2008 Portfolio** reflects a significant majority of the nonprofit cultural sector's overall economic activity in Southeastern Pennsylvania.²

From the Economy League of Greater Philadelphia

This report marks an exciting milestone for cultural reporting for our region. Ten years ago the Economy League conducted an analysis of the region's nonprofit cultural industry, *Greater Philadelphia's Competitive Edge*. Using data collected for that report, the **2008 Portfolio** provides an accurate measurement of the current health and vibrancy of the cultural environment, and a valuable analysis of the growth and changes in the sector over the last decade. With the findings in this report, cultural organizations, civic leaders, and arts supporters have a valuable resource for continued success.

Throughout the 2008 Portfolio, organizations are classified according to four budget categories based on their annual expenses:

Small Organizations have budgets of up to \$250,000 per year.

Medium Organizations have budgets from \$250,000 up to \$1,000,000 per year.

Large Organizations have budgets from \$1,000,000 up to \$10,000,000 per year.

Very Large Organizations have budgets of \$10,000,000 per year, or greater.

1 Financial characteristics of 2008 Portfolio organizations*

Organization size	Median expenses	
Small	\$84,000	◀
Medium	499,000	
Large	2,493,000	
Very Large	20,826,000	
	Median total revenue	
Small	83,000	▶
Medium	530,000	
Large	3,123,000	
Very Large	30,310,000	
	Median total assets	
Small	45,000	▶
Medium	554,000	
Large	5,829,000	
Very Large	\$115,413,000	

* Includes non-arts university financial information reported for arts activities.
 ▶ Amount is too small to show proportionally.

Throughout the **2008 Portfolio**, there are sets of data that cannot be compiled as a series of unique items. These most often include instances where organizations are reporting on numbers of individuals involved in or contributing to their work in some way. As the organizations are not required to provide the names of those individuals, it is impossible to calculate aggregate numbers of unique persons in certain categories, such as attendance, members, subscribers, school children, volunteers, artists, board members, individual contributors, and employees. In these cases, we refer to the aggregate totals in terms of the number of happenings, rather than the number of unique individuals involved in those happenings. For example, the term "volunteer positions," as opposed to "volunteers," is used.

The **2008 Portfolio** aims to illuminate the most broadly relevant aggregate findings of the data submitted. This report is not inclusive of all data available from the PACDP, just those highlights that provide the greatest understanding of and insight into the sector.

In the 2008 Portfolio,

**PERCENTAGES ARE
 ROUNDED TO THE
 NEAREST WHOLE
 NUMBER, AND
 WHOLE NUMBERS
 ARE ROUNDED TO THE
 NEAREST THOUSAND.**



Steven T. Wray
 Executive Director
 Economy League of
 Greater Philadelphia

Organizations in this report are classified into the following types and disciplines:

Community Arts and Education

Community Arts & Culture—providing arts and cultural programs to a specific community, including geographic, ethnic, linguistic, or religious

Education & Instruction—providing music, visual, and performing arts instruction, including schools, colleges, and universities

Museums, Visual Arts, Historic and Scientific

Media Arts—working primarily in print, sound, or visual media, including nonprofit radio and television broadcasters, publishers, literary societies, film and video producers, and film theaters

Museums, Galleries & Visual Arts—creating or displaying visual media, including painting and drawing. This category does not include science and history museums or film and video organizations

Science & Nature—working for the advancement or presentation of science and the natural world, including science museums, horticultural organizations, zoos, planetariums, and parks

History—preserving and presenting history, historical collections, or artifacts, including history museums, historical sites, archives, and libraries

Performing Arts

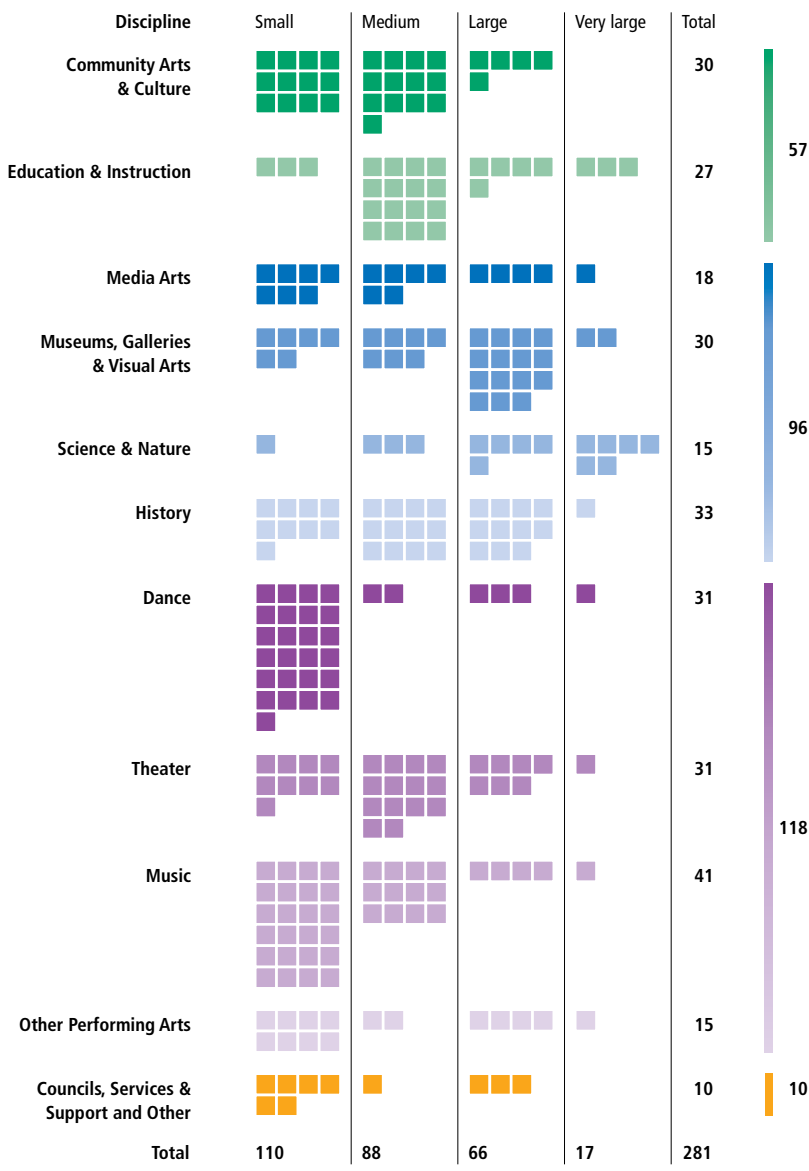
Dance—performing all types of dance, including ballet and other dance companies

Theater—performing plays and other theater productions, including theater companies and related organizations

Music—performing vocal or instrumental music, including opera companies, orchestras, symphonies, bands, and ensembles

Other Performing Arts—performing or presenting multi-disciplinary work not described by the above three categories, including nonprofit performance venues and festivals

2 Number of organizations by size and discipline



The primary activities of the organizations in this report cover a broad range of endeavors. The 12 disciplines used in this report include organizations working in nearly 50 distinct areas. For a list of the 281 organizations in this report, organized by discipline, see pages 68–69. Decisions to place organizations within the appropriate type and discipline were made by reviewing each organization's mission, its self-selected type, and its primary activities.

Support and Other

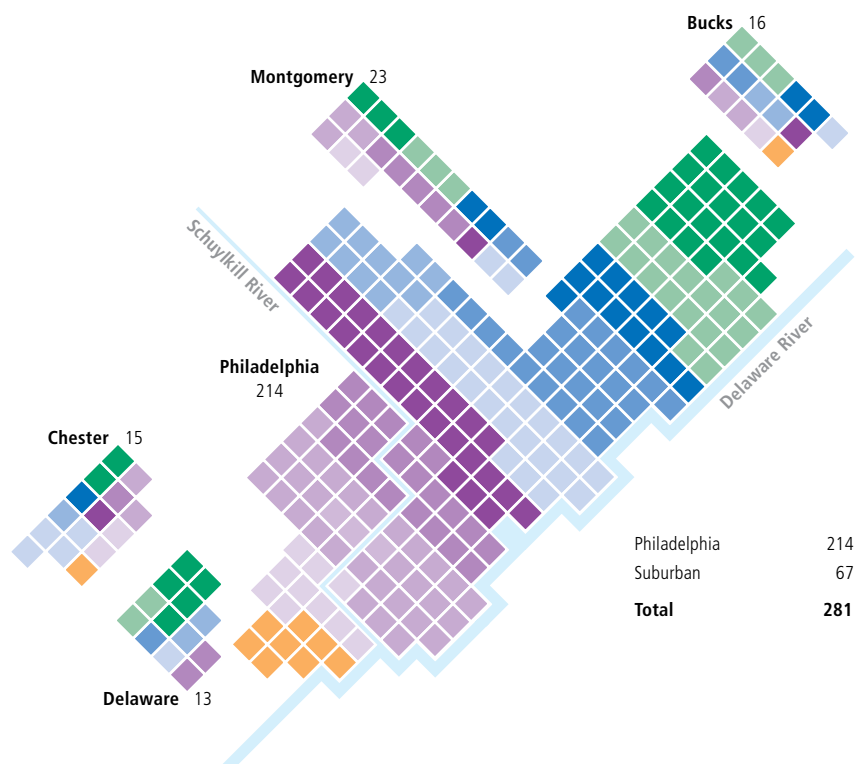
Councils, Services & Support—providing support services to the sector as a whole, to organizations in a specific discipline category, or to individual artists. Organizations in this category generally do not engage directly in the production of artistic or cultural presentations

Other—organizations that do not fit in any of the above categories

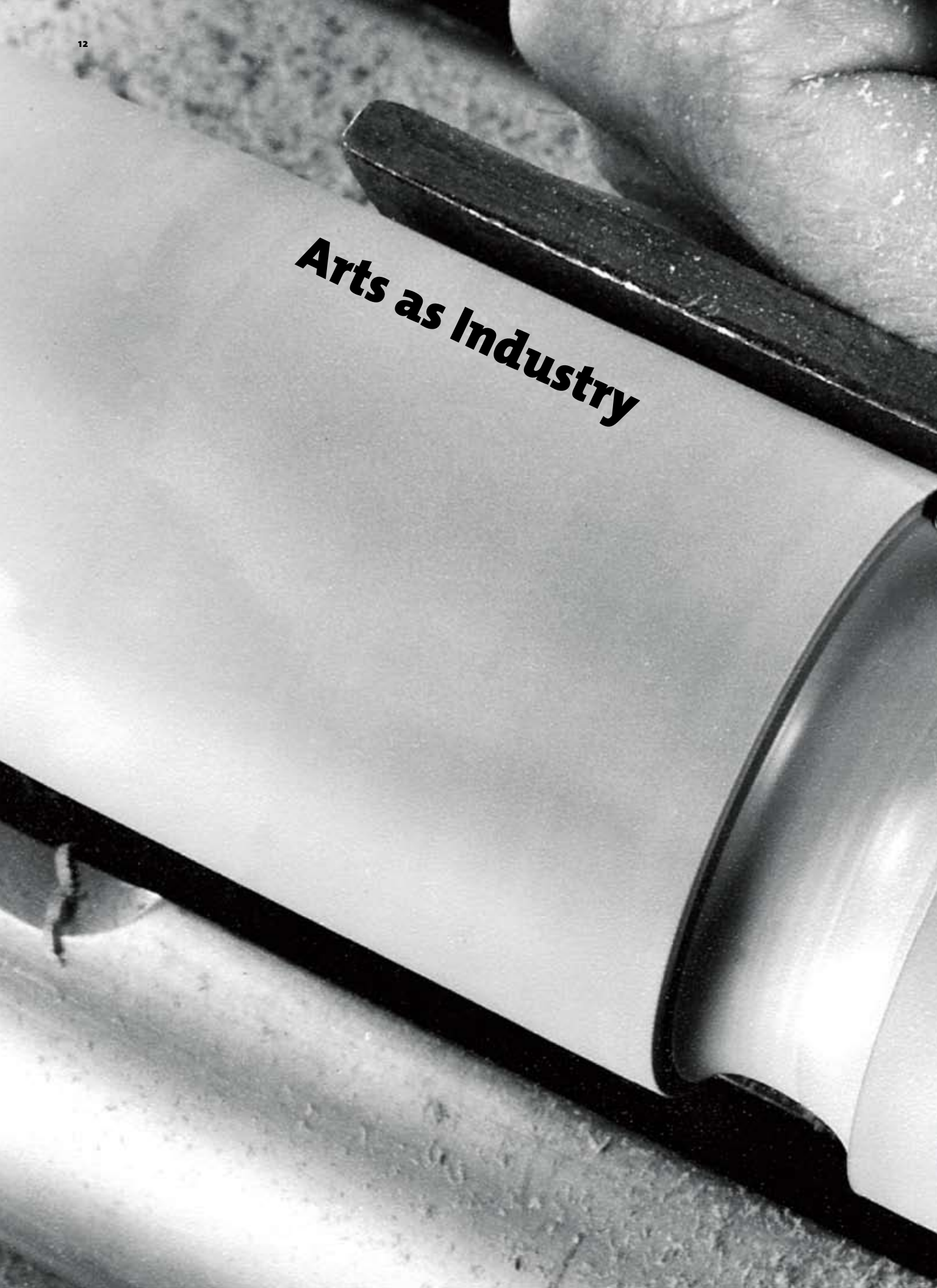
For the purposes of this report, Other is always combined with Councils, Services & Support in order to meet reporting requirements designed to ensure data of individual organizations is kept confidential.


WE DISCOURAGE DRAWING CONCLUSIONS FROM DIRECT COMPARISONS BETWEEN DATA IN THIS REPORT AND THE 2006 Portfolio. A THOROUGH TREND ANALYSIS BETWEEN THE TWO SETS OF DATA HAS NOT BEEN UNDERTAKEN. MANY OF THE DIFFERENCES REFLECT CHANGES IN WHICH ORGANIZATIONS PARTICIPATED IN THE TWO REPORTS.

3 Number of organizations by county and discipline



Arts as Industry





Arts and cultural organizations are valuable assets for Southeastern Pennsylvania. They are recognizable features in the region and draw many visitors. The organizations themselves spend money, hire employees, and purchase goods in this region, having positive direct and indirect effects on household incomes and tax revenues.³ Together they represent colorful and vibrant facets of the local economy.

Revenue

We discourage drawing conclusions from direct comparisons between data in this report and the 2006 Portfolio. A thorough trend analysis between the two sets of data has not been undertaken, and initial comparisons may be misleading. For example, the difference in Total income between the two reports is largely due to the 2008 Portfolio having 33% more participating organizations.

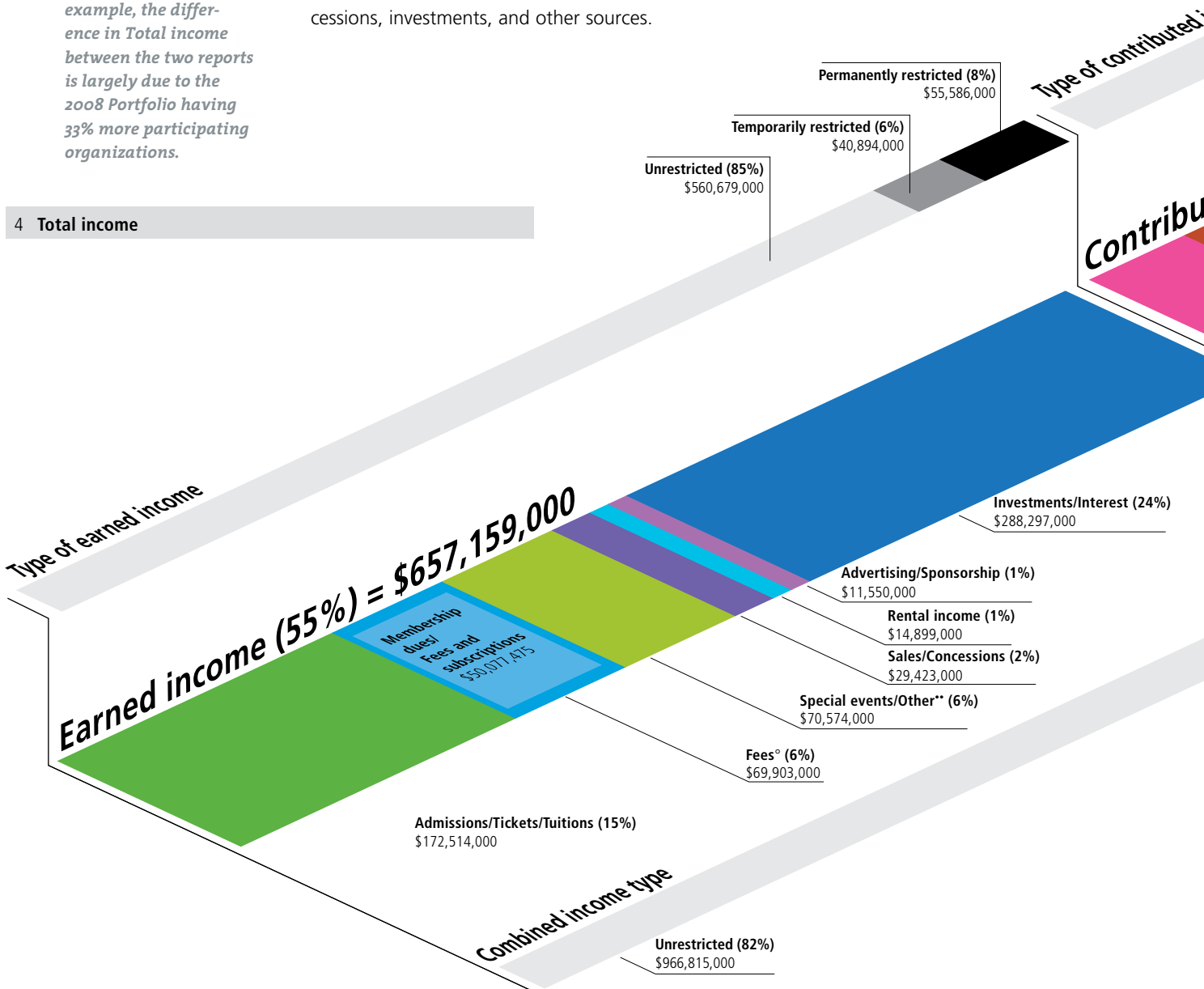
Arts and cultural organizations raise the income they need for operations from a diverse set of revenue sources. The organizations use a variety of sales, donations, rentals, events, and other activities to make ends meet. Organizations rely on different mixes of income depending upon their size or discipline. (See charts 5 and 27.)

In the most recent fiscal year, the 281 **2008 Portfolio** organizations raised \$1.2 billion in total revenue. **2008 Portfolio** organizations earned income of more than \$657 million (55% of income) from tickets, rentals, concessions, investments, and other sources.

Another \$528 million is received as contributed income in donations from individuals, foundations, governments and corporations.

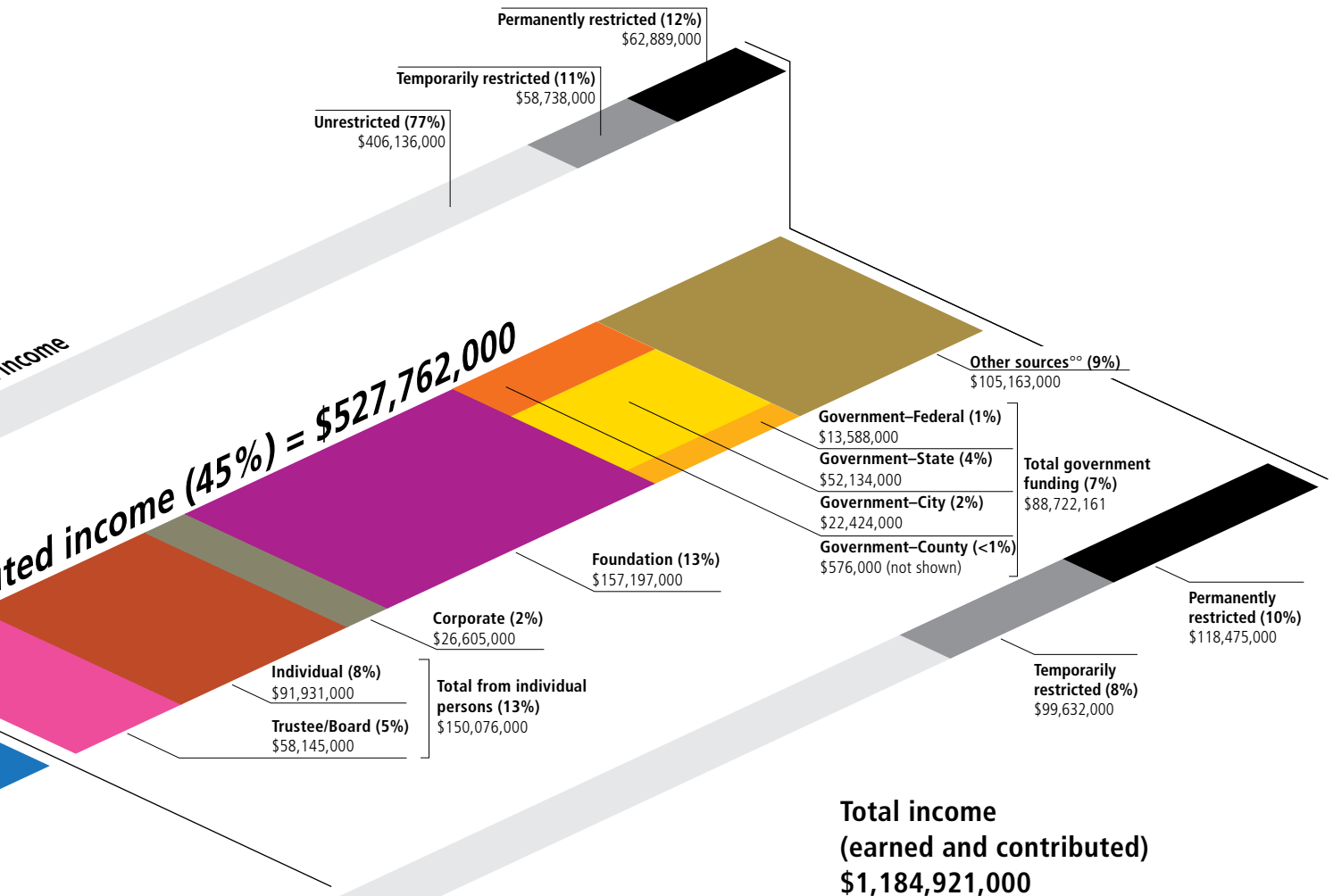
The primary source of revenue for cultural organizations is individuals who make donations (classified as contributed income) and purchase goods and services (classified as earned income). Taken together, these revenue sources add up to over \$402 million (34% of all income).*

4 Total income



Individuals are responsible

FOR 34% OF TOTAL REVENUE*



Total income (earned and contributed) \$1,184,921,000

In the current fiscal year, the largest single type of income is Investments/Interest. However, this picture is slightly skewed. During the time period studied, stock market indexes increased substantially—the Dow Jones Industrial Average, for example, was up 28%.⁴ Thus, investment income is a much larger portion of this fiscal year’s income than it might usually be. In addition, a very large percentage (78%) of all investment income comes from five larger organizations with sizeable endowments. (See chart 5.)

* This \$402 million (34%) consists of the totals of Admission/Tickets/Tuitions, Membership dues/Fees and subscriptions, Sales/Concessions, Trustee/Board contributions, and Individual contributions.
^o Fees include: Workshop & Lecture Fees, Touring Fees, Membership Dues/Fees, Subscriptions, Contracted Services/Performance Fees.
^{oo} Special Events/Other includes: Special Events and Other Earned Revenue.
^{ooo} "Other sources" includes contributions from parent organizations, in-kind contributions, contributions from events, and other public contributions.

Foundation contributions total \$157.2 million, the third largest source of income. Corporate contributions, at \$26.6 million, account for just over 2 cents of every dollar of total revenue.

Government support, which totals \$88.7 million, accounts for 7 cents of every dollar of arts and culture funding in Southeastern Pennsylvania. City and county governments contributed \$23 million, or 2% of total cultural revenues. Compared to other metropolitan areas, that is low. In the Greater Pittsburgh region, the Allegheny Regional Asset District provides about 5% of organizations' budgets. In Charlotte and Denver, regional arts and cultural funds provide approximately 9% of organizations' budgets. In New York City and San Francisco, these percentages reach over 10%.

Of the \$1.2 billion in total revenue, unrestricted revenues account for \$966.8 million (82%). Unrestricted revenues are normally available for organizations' current operations, while restricted revenues are generally not available until future years.⁵

Depending on their size, organizations have very different revenue profiles. Very Large organizations raise the majority of their income through earned revenue (61%). In contrast, Small, Medium and Large organizations raise most of their budgets through contributed income. This is especially true for Small organizations, which raise almost two-thirds of their budgets from contributed income.

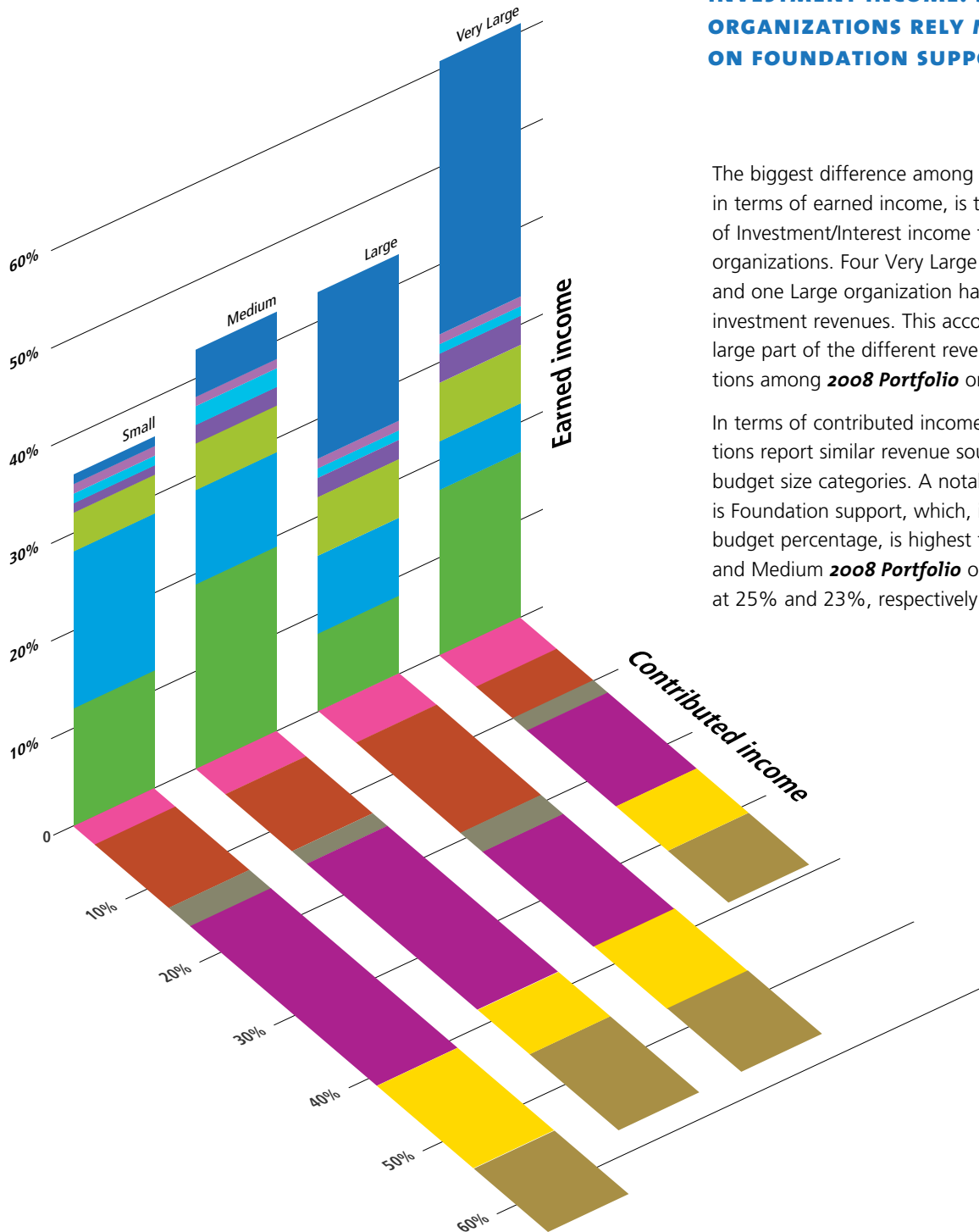
5 Revenue by organization size

Sources of revenue as percentages of total income	Small	Medium	Large	Very Large
Investments/Interest	1%	5%	18%	28%
Advertising/Sponsorship	1	1	1	1
Rental income	1	2	1	1
Sales/Concessions	1	2	2	3
Special events/Other	4	5	6	6
Fees	16	10	8	5
Admissions/Tickets/Tuitions	12	19	8	17
Earned income	36	43	43	61
Trustee/Board	3	4	5	5
Individual	10	9	14	5
Corporate	3	2	3	2
Foundation	25	23	15	12
Government (all sources)*	13	7	10	7
Other sources^o	10	12	10	8
Contributed income	64	57	57	39
Total	100%	100%	100%	100%
Total income	\$11,370,000	\$51,980,000	\$302,754,000	\$818,816,000



Very Large organizations

RELY ON SIGNIFICANT INVESTMENT INCOME. SMALL ORGANIZATIONS RELY MORE ON FOUNDATION SUPPORT.



The biggest difference among organizations, in terms of earned income, is the presence of Investment/Interest income for larger organizations. Four Very Large organizations and one Large organization had significant investment revenues. This accounts for a large part of the different revenue compositions among **2008 Portfolio** organizations.

In terms of contributed income, organizations report similar revenue sources across budget size categories. A notable difference is Foundation support, which, in terms of budget percentage, is highest for the Small and Medium **2008 Portfolio** organizations, at 25% and 23%, respectively.

• Government funding by source: Small—City 4%, County 1%, State 5%, Federal 2%; Medium—City 1%, County <1%, State 5%, Federal 1%; Large—City 1%, County <1%, State 6%, Federal 2%; Very Large—City 2%, County >1%, State 4%, Federal 1%.
 ° "Other Sources" includes: contributions from parent organizations, in-kind contributions, contributions from events, and other public contributions.

Expenses

Arts and cultural organizations are, on the whole, efficient when it comes to using the financial resources available to them. While personnel costs are their largest expenditure, they spend less on these costs than other labor-intensive industries. (See chart 7.) Further, they spend small percentages of their budgets on fundraising and marketing (see charts 10 and 16), to attain large returns on investment.

To understand how arts and cultural organizations function, it is helpful to look at their expenditures in two ways: (1) Total expenses by purpose and (2) Total expenses by category.

Expenses by Purpose

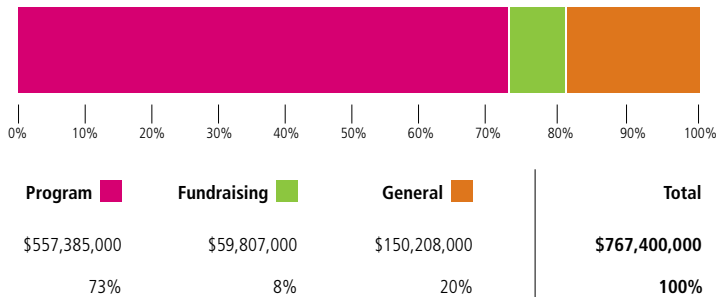
One way of getting an overall picture of an organization’s finances is by examining a three-way breakdown of operating

expenses—Program, General, and Fundraising. This is typically presented in an organization’s audit as the “Schedule of Functional Expenses.”

Because there are few differences among the size categories, the data presented represent the average for all organizations. Sixty-nine percent of funds are spent in programmatic areas—producing plays, holding concerts, exhibiting artworks, or holding classes for children. Fundraising represents the smallest area of expenditures, at 8%. The remainder is spent on general expenses.

6 Total expenses by purpose

Total expenses



Organizations

SPEND 92%
OF THEIR MONEY
DIRECTLY ON
PROGRAMS AND
OPERATIONS

Expenses by Category

Another way of understanding an organization’s finances is by examining expenses for specific items, such as rent, office supplies, and salaries.

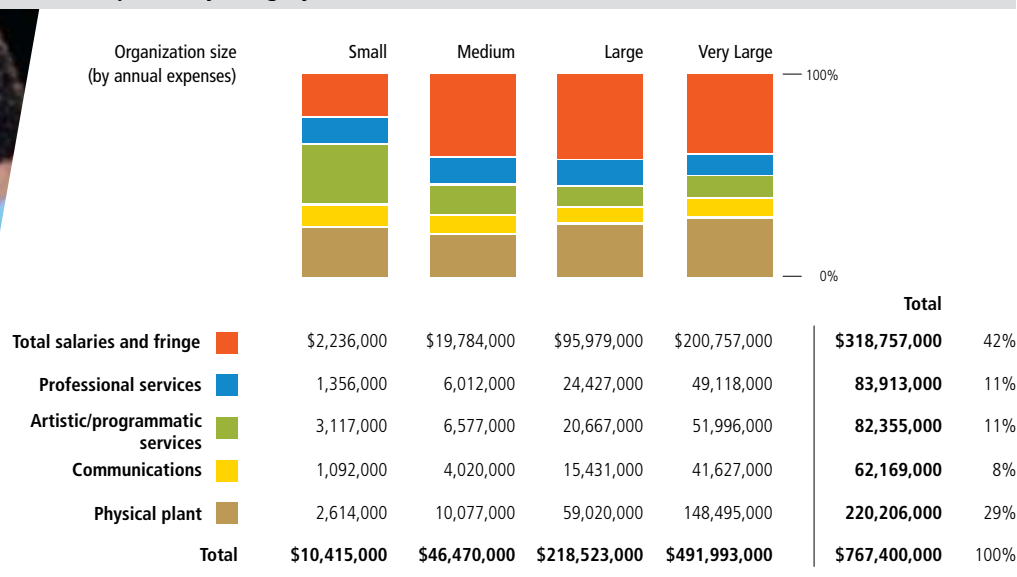
All itemized expenses fall, in whole or in part, within one of the purpose areas. For example, consider a community arts center paying a monthly heating bill of \$1,500 for its building. This cost would cover expenses for all three purpose areas—students attending painting classes, the organization’s grant writer, and general staff all need heat.

Salaries and benefits make up the largest share of expenses by category, at 42%, of total expenditures. By comparison to other professional service employers, however, the arts and culture sector’s labor expense is low. Accounting firms, law offices, and architectural firms all spend more than 60% of their budgets on labor.

The second highest portion of expenses is physical plant, including building maintenance and operations, which accounts for 29% of the total.



7 Total expenses by category



Expense categories are comprised of the following types of expenses:

Total Salaries and Fringe: salary, commission, payroll taxes, health care benefits, disability, workers compensation, pension, other benefits

Professional Services: accounting, advertising/marketing, audit, bank fees, conferences, meetings, fundraising—other, fundraising professionals, honoraria, interest, investment, legal, professional development, professional fees—other, public relations

Artistic/Programmatic Services: artist commissions, artists/performers—non-salary, collections conservation, collections management, grant-making, touring

Communications: dues and subscriptions, postage, shipping, printing, production, exhibition costs, internet, website, telephone

Physical Plant: building, grounds maintenance, catering/hospitality, cost of sales, depreciation, equipment rental and maintenance, facilities—other, insurance, in-kind, lodging, meals, major repairs, office expense—other, other, rent, sales commission, supplies, travel, utilities

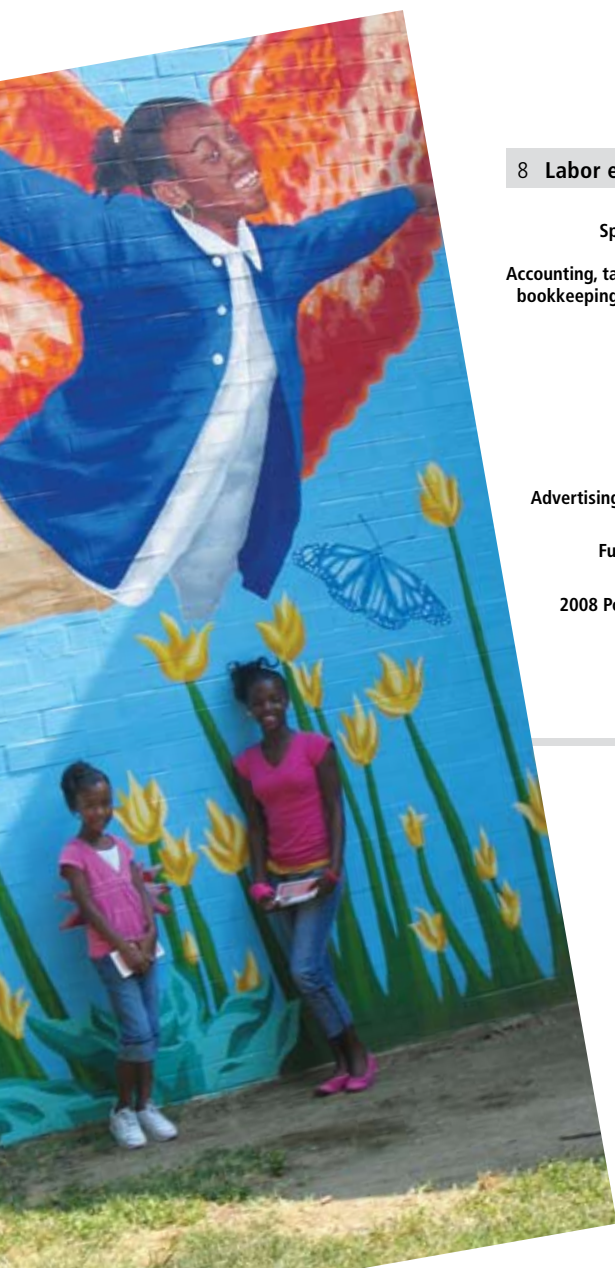
Employees and Payroll

The arts and culture sector provides over 19,000 full and part-time jobs. Artists and program employees are the most common type—at nearly 7,000 and over 9,000 respectively—together comprising 4 out of every 5 jobs. The smallest number of positions is in fundraising, with 633 jobs (3%). The balance are general positions, which typically include management, accounting, and human resources.

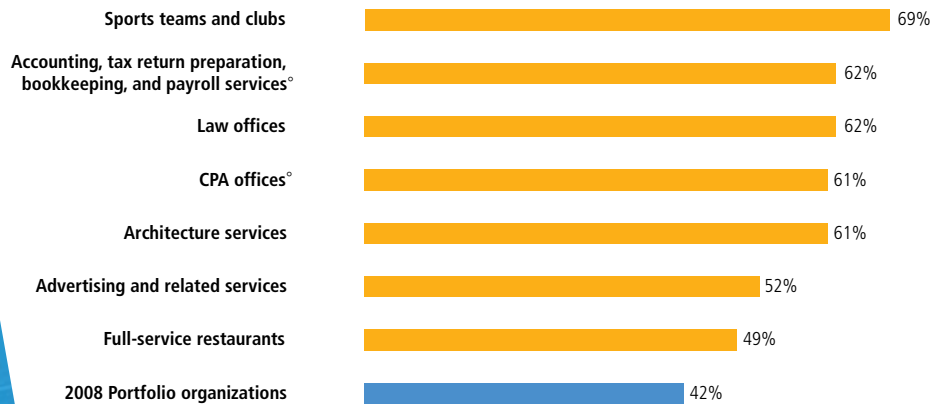
Employment is spread across the disciplines, with seven disciplines providing over 1,000 positions each. Theater and Education & Instruction organizations provide the most

positions, at over 3,000 each, respectively. The greatest number of full-time positions is provided by Science & Nature (946) followed by Education & Instruction (845), and Museums, Galleries & Visual Arts (804) organizations. These three disciplines combined total 63% of all full-time positions.

Arts and cultural organizations in total employ about 2 part-time employees for every full-time employee. In Museums, Galleries & Visual Arts; Science & Nature; Media Arts; and History organizations almost half (43%) of employees are full-time. In the Performing Arts, less than 10% of employees are full-time.



8 Labor expenses for Portfolio organizations and other industries*



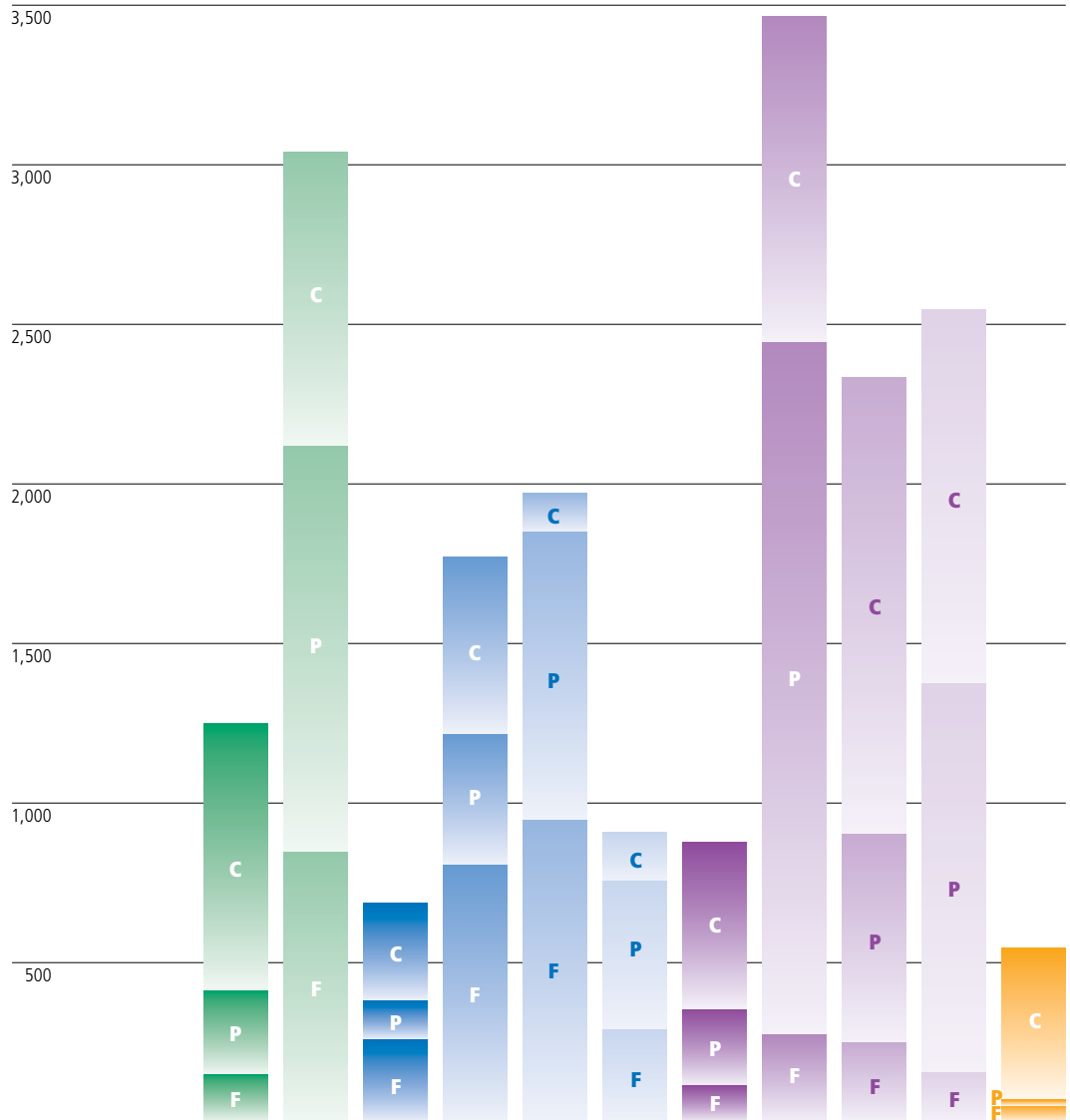
* Figures for 2008 Portfolio organizations taken from this report, with all other figures from U.S. Census (2002 Economic Census). Analysis by Greater Philadelphia Cultural Alliance.

^o Does not include contract employees.

Arts and Culture

IS A SIGNIFICANT EMPLOYER, GENERATING OVER 19,000 JOBS. MANY JOBS ARE PART-TIME, A CHALLENGE FOR THE LONG-TERM PROSPECTS OF THE SECTOR.

9 Total employment by discipline*



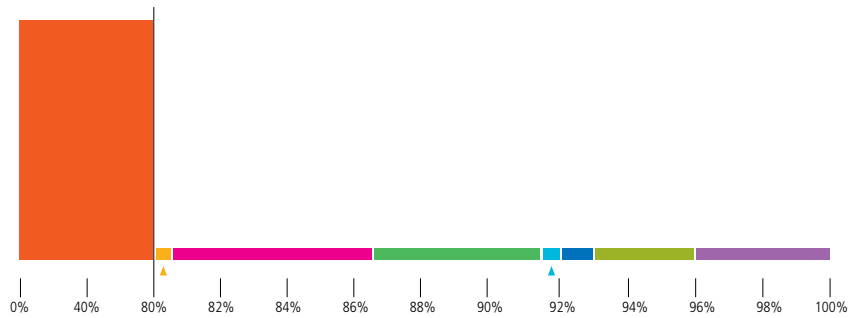
Discipline	Full-time	Part-time	Independent contractors	Total		
Community Arts & Culture	150	262	838	1,250	6%	Independent contractors C
Education & Instruction	845	1,273	921	3,039	16%	Part-time staff P
Media Arts	260	120	307	687	3%	Full-time staff F
Museums, Galleries & Visual Arts	804	412	554	1,770	9%	
Science & Nature	946	905	121	1,972	10%	
History	290	466	126	882	5%	
Dance	115	241	520	876	5%	
Theater	273	2,170	1,024	3,467	18%	
Music	248	654	1,430	2,332	12%	
Other Performing Arts	155	1,218	1,174	2,547	13%	
Councils, Services & Support	53	17	475	545	3%	
Total	4,138	7,738	7,490	19,366	100%	

* All figures rounded to nearest whole number.

Arts and cultural organizations are responsible for a total of \$319 million in wages and benefits spent on their employees. The bulk of this sum, \$255 million (or 80%), is spent on wages. Nearly 17 million (5%) is spent on health care costs, and \$11 million (3%) on pensions and retirement funds.



10 Payroll expenses by category



Organization size (by annual expenses)	Small	Medium	Large	Very Large		
Salary	\$1,902,000	\$16,483,000	\$76,934,000	\$160,354,000	\$255,674,000	80%
Commission	15,000	109,000	737,000	231,000	1,093,000	0% ▲
Payroll taxes	209,000	1,607,000	5,754,000	12,084,000	19,654,000	6%
Health care benefits	74,000	1,111,000	6,227,000	9,357,000	16,769,000	5%
Disability	2,000	8,000	230,000	342,000	582,000	0% ▲
Workers compensation	13,000	1,267,000	636,000	1,084,000	1,860,000	1%
Pension	13,000	103,000	2,582,000	8,323,000	11,021,000	3%
Other benefits	8,000	236,000	2,879,000	8,981,000	12,105,000	4%
Total	2,236,000	19,784,000	95,979,000	200,757,000	318,757,000	100%

▲ Amount is too small to show proportionally.

Health Care Costs

Arts and cultural organizations paid over \$16 million during the last fiscal year for health care benefits for employees and their families.

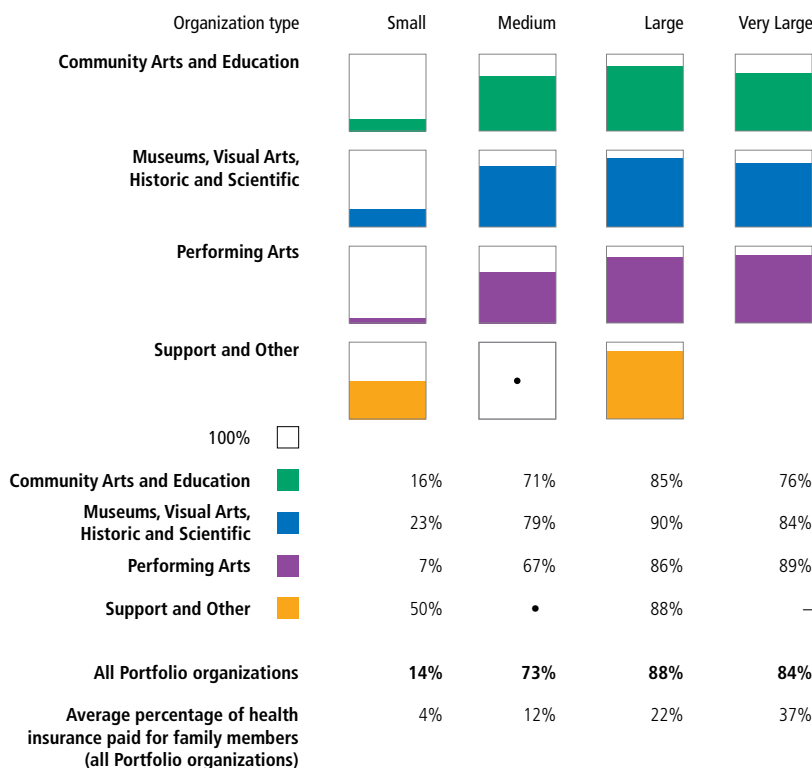
Very Large and Large arts and cultural organizations pay 84% and 88% of their employees' health care benefits, respectively. This percentage is in keeping with the nationally reported average of 84%. Medium organizations come fairly close, paying 73% of health care costs.

While overall health care coverage within the sector appears competitive, there are two sizable subsets that bear further scrutiny. Performing Arts (because of their high reliance on part-time and contract workers) and smaller organizations both provide lower percentages of health care coverage. Taken together, Small Performing Arts organizations cover only 7% of employees' health care costs, leaving those employees more likely to bear the full burden of health care on their own.



Health care benefits

11 Percentage of health insurance costs paid for employees



AT LARGER ORGANIZATIONS ARE COMPETITIVE WITH THE COMMERCIAL SECTOR; HOWEVER, SMALLER ORGANIZATIONS LAG.

Average percentage of health insurance paid for employees, for all U.S. employees^o



^o Data not reportable: not enough organizations in category.
^o Source: Kaiser Family Foundation and Health Research Educational Trust, Survey of Employer Health Benefits 2007.



Fundraising

Fundraising expenses

Of total expenses of \$767 million for all **2008 Portfolio** organizations, \$59.8 million, or 8%, is spent on fundraising. This percentage varies significantly, however, depending on organizational size. Fundraising expenses account for 5% of total operating budgets at Small organizations, 7% at Medium organizations, 11% at Large organizations, and 7% at Very Large organizations. (See Chart 6, page 18, which shows the combined weighted average of 8%.)

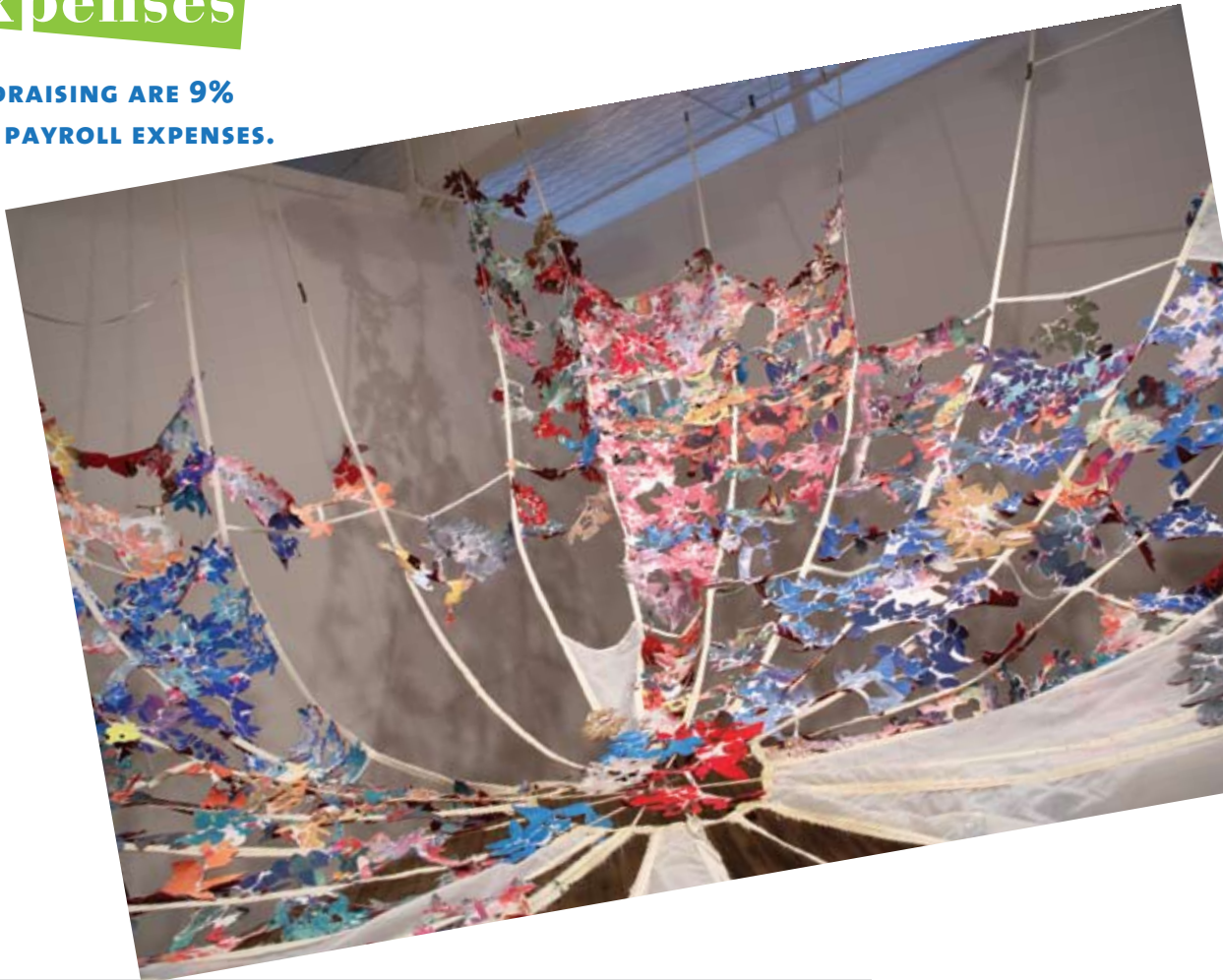
The return on every \$1 spent for fundraising is fairly consistent for organizations of different sizes, except for Small organizations. The return on every \$1 spent, by budget size, is \$2.41 for Small organizations, \$10.04 for Medium organizations, \$8.65 for Large organizations, and \$9.39 for Very Large organizations. The overall return on every \$1 spent is \$8.82.

Every \$1
spent
ON FUNDRAISING
YIELDS \$9.



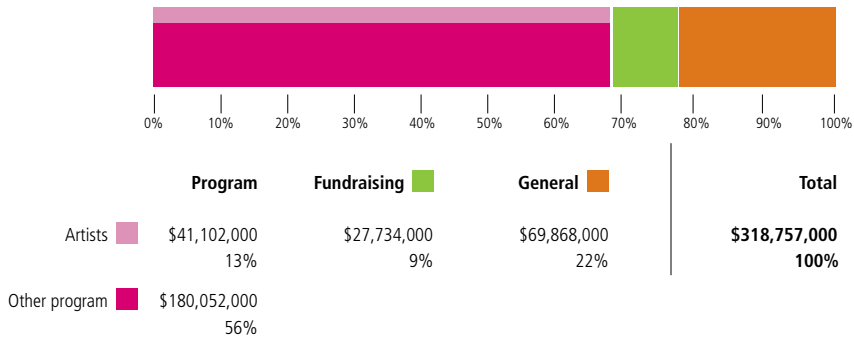
Payroll expenses

FOR FUNDRAISING ARE 9% OF TOTAL PAYROLL EXPENSES.



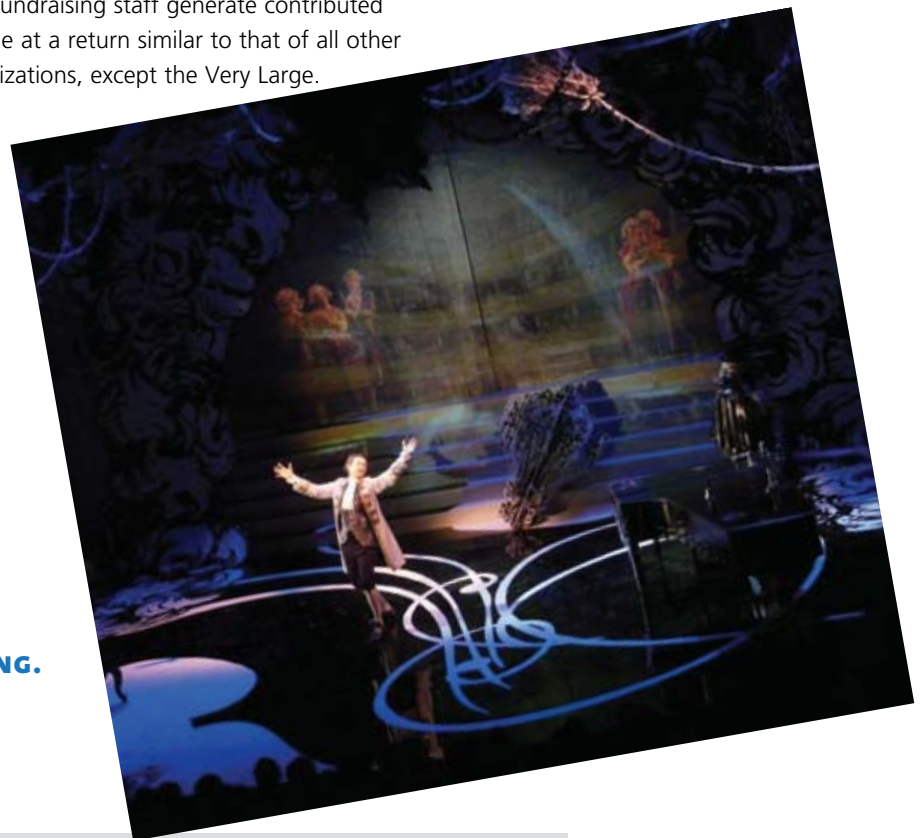
12 Payroll expenses by purpose

Payroll expenses



While there is a predictable correlation between an organization’s budget size and number of dedicated fundraising staff, the amount of dedicated fundraising staff at Small organizations is extremely low. The average fundraising staff is 0.1 full-time equivalent (FTE) employees at Small organizations, 0.6 FTE at Medium organizations, 2.9 FTE at Large organizations, and 11.0 FTE at Very Large organizations. Fewer than one-quarter of Small organizations hire or contract for even part-time dedicated fundraising staff. Small organizations with fundraising staff generate contributed income at a return similar to that of all other organizations, except the Very Large.

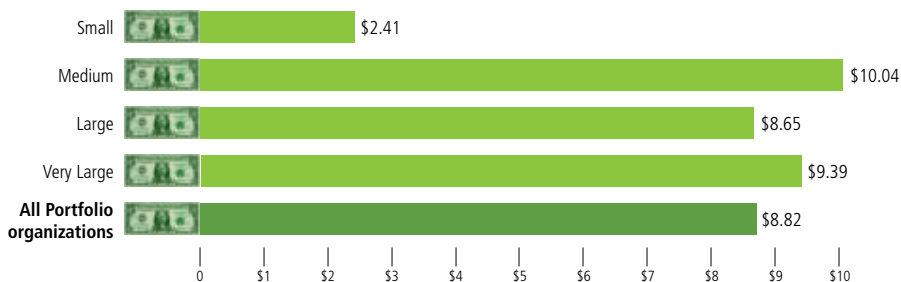
Nonprofit organizations generally engage in multi-year efforts to raise funds for endowments or to build, renovate, or add to buildings. Eighty-eight **2008 Portfolio** organizations are currently engaged in 144 capital and endowment campaigns with a combined fundraising goal of \$1.3 billion. This is equivalent to approximately twice their current annual expenditures. Overall, Very Large and Large organizations are well on their way to meeting their goals. Medium and Small organizations have much further to go.



3%
of staff
AT ARTS AND CULTURAL ORGANIZATIONS ARE DEDICATED TO FUNDRAISING.

13 Funds raised per dollar spent by organization size

Every dollar spent on fundraising raised:



14 Online Revenue

**TOTAL CONTRIBUTED
INCOME VIA WEBSITES**

\$894,056

**REPORTED FROM
107 ORGANIZATIONS**

**TOTAL INCOME
VIA WEBSITES**

\$10,360,986

**(INCLUDES TICKET SALES,
MERCHANDISE SALES,
CONTRIBUTIONS, AND ALL
OTHER WEB INCOME)**

**REPORTED FROM
110 ORGANIZATIONS**



15 Fundraising campaigns*

Organization size (by annual expenses)	Small	Medium	Large	Very Large	Total
Current capital campaigns					
Total goal	\$13,836,000	\$70,088,000	\$562,250,000	\$172,000,000	\$818,173,000
Total raised	972,000	10,793,000	263,029,000	167,696,000	442,489,000
% raised	7%	15%	47%	97%	54%
Number of campaigns	19	22	30	5	76
Current endowment campaigns					
Total goal	1,003,000	\$13,500,000	\$175,300,000	\$340,000,000	\$529,803,000
Total raised	0	2,894,000	45,845,000	190,984,000	239,723,000
% raised	0%	21%	26%	56%	45%
Number of campaigns	15	20	28	5	68

* For non-arts higher educational institutions, this includes financial information reported for arts activities only.

Marketing Expenses

Marketing expenses vary significantly by both organizational size and discipline. Of total expenses for all organizations, \$42.3 million, or 5.5%, is spent on marketing expenses. This is an average of \$2.76 spent per visit for each of the 15 million people who attend a cultural event.

Of the three main cultural groupings, the Performing Arts organizations spend the highest cost per visitor, \$5.75. (Service organizations spend more, \$15.81 per visitor, but this high per visitor number reflects the fact that service organizations drive general awareness. Their goal is often focused on increasing attendance at other cultural organizations). Community Arts and Education groups spend the second highest, at \$4.19 per visitor. Museums, Visual Arts, Historic and Scientific organizations spend the least per visitor, at \$1.58.

The sector spends \$42.3 million on marketing. One-third is spent directly on advertising, and another 27% is spent directly on salaries. The rest is spent on Printing (11%) and Other Marketing expenses (29%).⁶ The only significant difference among organization types is in printing expenses, with Museums, Visual Arts, Historic and Scientific organizations spending 6% of marketing expenses on printing, and Community Arts and Education groups spending 25% of total marketing on printing.

Performing Arts organizations

**SPEND ALMOST
TWICE THE
AVERAGE,
DEDICATING 10%
OF THEIR TOTAL
EXPENSES TO
MARKETING.**



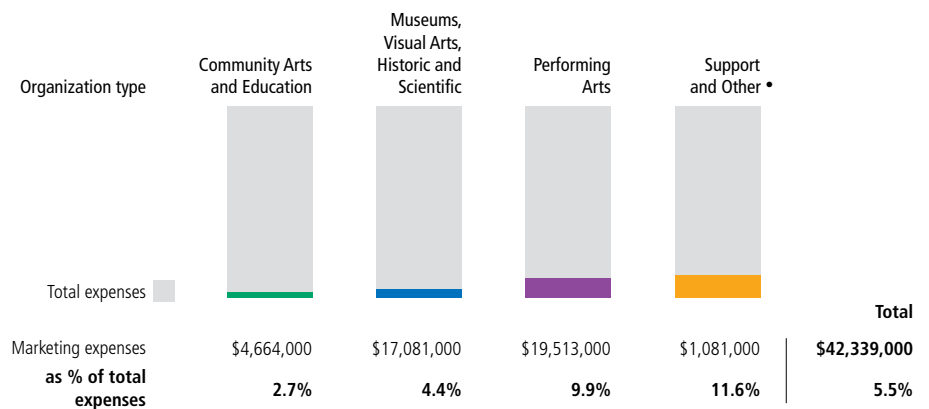
Organizations spend **5.5%**

OF THEIR BUDGETS ON MARKETING EXPENSES, AT A COST PER VISITOR OF \$2.76.

Marketing expenses vary considerably by discipline. Service organizations spend the highest percentage of their budgets on marketing (12%), but that investment supports the sector as a whole. Of the other three organization types, Performing Arts groups spend the largest portion of their budgets on marketing, 9.9%. There are multiple factors at play, but of all organization types, the Performing Arts has the highest percentage of paid attendance, with 71% overall. This important source of earned income, ticket sales, may explain the stronger focus on marketing by these groups.

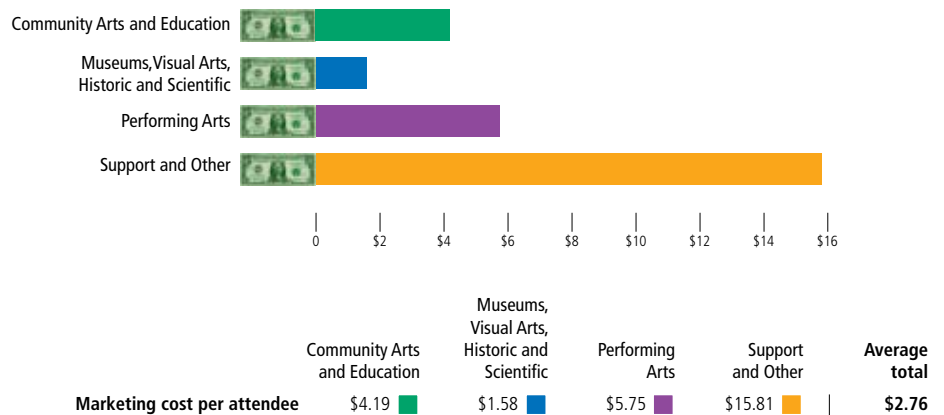
Marketing expense also varies by the size of the organization. Smaller organizations tend to spend a higher percentage of their expenses on marketing efforts at almost 10% of organizational expenses for Small organizations, 8.8% of total expenses for Medium organizations, 6.4% for Large organizations and 4.7% for Very Large organizations.

16 Marketing expenses by organization type



* A large percentage (86%) of marketing expenses by Support and Other organizations are from two organizations.

17 Marketing expenses per attendee



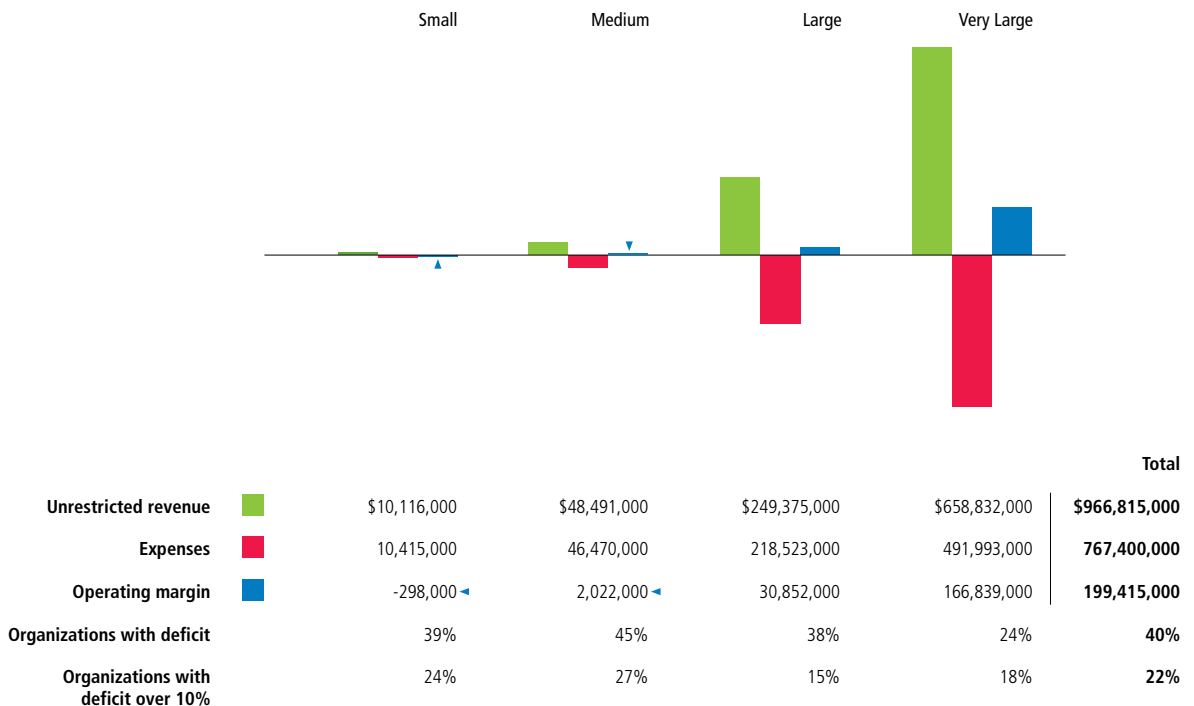
Financial Performance

Arts and cultural organizations pursue their missions with lean budgets. Based on the combined revenues and expenses for all organizations, the industry has a margin of \$199 million (26%) on total unrestricted revenues of \$967 million. However, as previously noted, \$225 million of total revenue for the sector is due to five organizations that earned significant income from investments during a particularly strong period for equity markets. Without this investment revenue, the sector would be in deficit.

There are clear variations from organization to organization. Forty percent of the organizations operate with deficits. Twenty-two percent are operating in unsustainable territory, with a deficit greater than 10% of total revenues.

In general, the data suggest a correlation between budget size and financial health. Larger organizations tend to have surpluses; smaller organizations are more inclined to have deficits. When the net incomes of the organizations are aggregated by size there is a net surplus among the Large and Very Large arts and culture organizations.

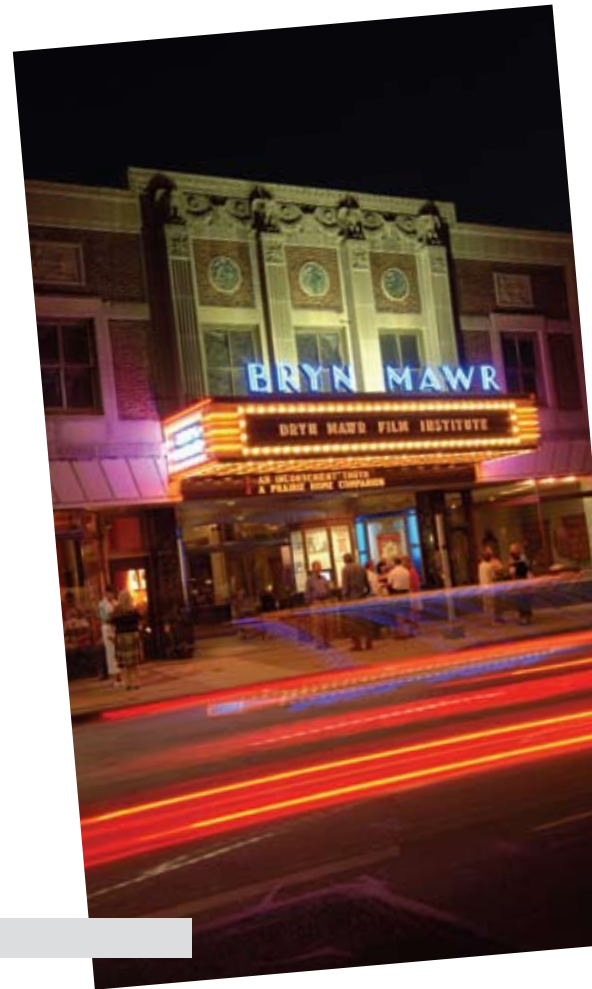
18 Unrestricted revenue vs. expenses



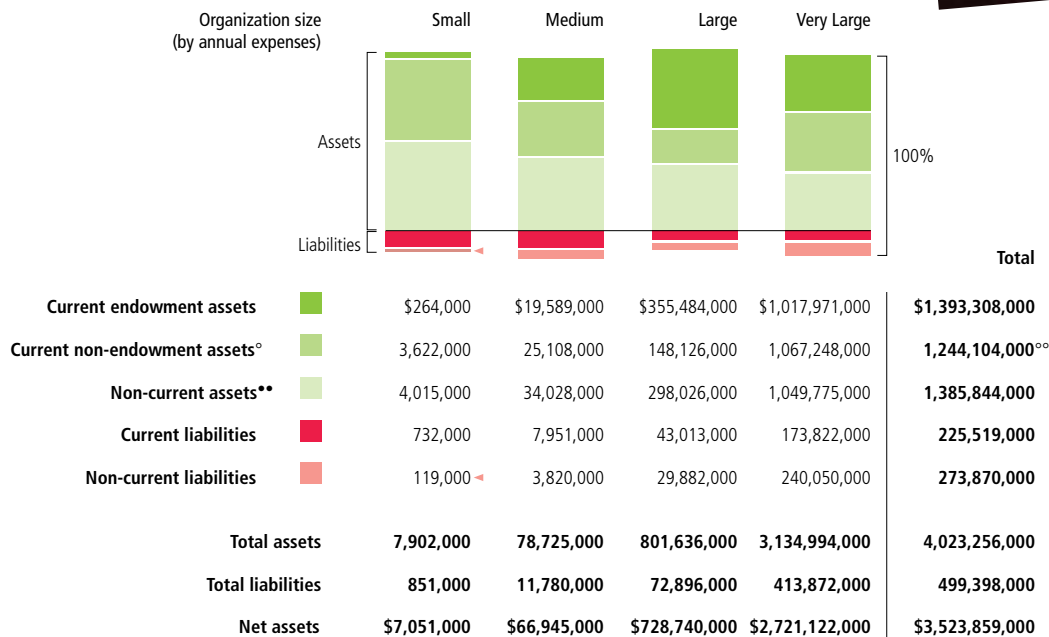
◀ Amount is too small to show proportionally.

Assets and Liquidity

The 281 **2008 Portfolio** organizations hold significant assets—approximately \$4 billion excluding collections. However, a sizeable majority, \$2.8 billion, is illiquid (\$1.4 billion is held in non-current assets such as land, buildings, and equipment; the other \$1.4 billion is restricted as part of the organizations' endowments). The other \$1.2 billion are liquid assets, 58% of which are held by five organizations. Thus, the available liquid assets to all but a handful of organizations is \$428 million. This may have implications for organizations in terms of their ability to respond to unforeseen budget issues or to engage in research and development activities for producing new programs or exhibits.



19 Assets and liabilities*



* For non-arts higher educational institutions, this includes financial information reported for arts activities only.

^o Non-endowment current assets include receivables, inventory, and non-endowment investments.

^{**} Non-current assets include fixed assets like land, buildings, furniture, and equipment.

^{oo} \$763.1 million of this \$1.2 billion total is in the form of non-endowment investments and securities.

Of this \$763.1 million, 94% (\$715.6m, or 58% of all Current non-endowment assets) are held by the five organizations cited in note regarding Investments/Interest Income in Graph 4—Total income.

◀ Amount is too small to show proportionally.





Community Engagement: Building Social Capital

As nonprofit entities, arts and cultural organizations have a duty to serve their communities through their missions. Founded by members of the community, they engage and involve residents and visitors on many levels. The 281 organizations in the 2008 *Portfolio* include those that serve neighborhoods and ethnic communities and Very Large organizations that serve millions of people from across the region and beyond. All of these organizations add to the quality of life in the region.

Memberships and Subscriptions

Regional residents

HOLD MORE THAN 660,000 MEMBERSHIPS AND SUBSCRIPTIONS TO LOCAL CULTURAL ORGANIZATIONS.

Members and subscribers support many organizations and generally commit to significant levels of support. Sixty-four percent of memberships and subscriptions are held by supporters of Museums, Visual Arts, Historic and Scientific organizations.

20 Members and subscribers by discipline*

Discipline	Total ^o
Community Arts & Culture	22,340
Education & Instruction	6,781
Media Arts	177,238
Museums, Galleries & Visual Arts	81,212
Science & Nature	145,795
History	17,249
Dance	9,028
Theater	94,014
Music	32,701
Other Performing Arts	20,571
Councils, Services & Support	55,074
Total	662,003

* Graphic does not count unique individuals. One individual may be a member or subscriber of more than one organization.
^o Total (those individuals who are both members and subscribers are counted only once).

Volunteer Positions and Boards of Directors

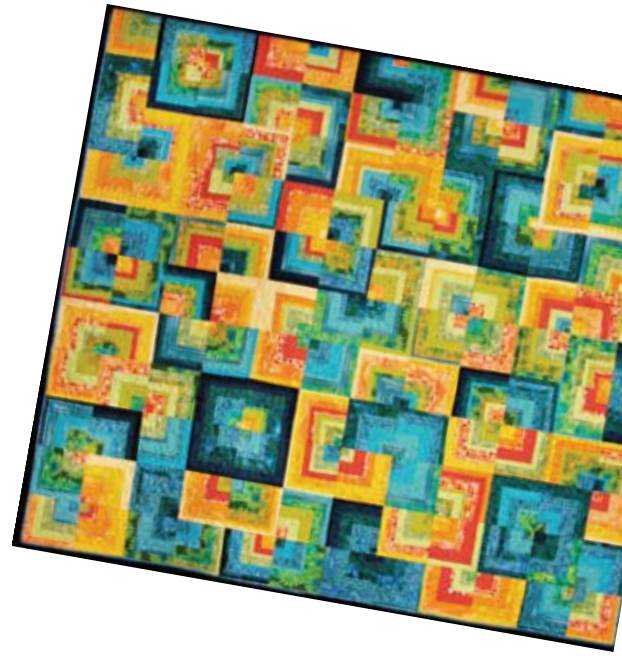
Over
24,000

VOLUNTEERS AND BOARD MEMBERS—MORE THAN ALL THE EMPLOYEES AT ARTS AND CULTURAL ORGANIZATIONS—PROVIDE A VITAL LINK BETWEEN ORGANIZATIONS AND THEIR COMMUNITIES.

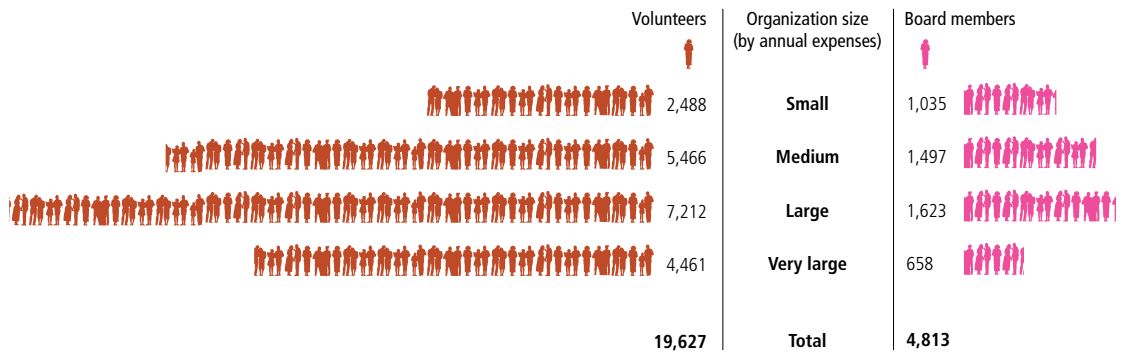
Volunteers and members of Boards of Directors provide perhaps the most direct connection between arts and cultural organizations and their communities. There are more of them combined than staff members. Through their time and talent, they ensure that organizations can carry out their missions and that they remain responsive to the needs of their communities.

Local residents fill over 19,000 non-board volunteer positions in cultural organizations, an average of 70 per organization. Small and Medium organizations account for only 7% of the sector’s expenditures, but 41% of volunteers work with these organizations. This indicates strong community support.

Among the most involved volunteers of any cultural organization are the members of its Board of Directors. Eighty-four percent of board members make financial contributions to their organizations. Board members contribute at least five times what the average individual contributes. At Very Large organizations, the average Board contribution is more than \$72,000. The average Board contribution is more than \$10,000 at Large organizations, more than \$1,500 at Medium organizations, and over \$500 at Small organizations.⁷



21 Volunteers and members of boards of directors*



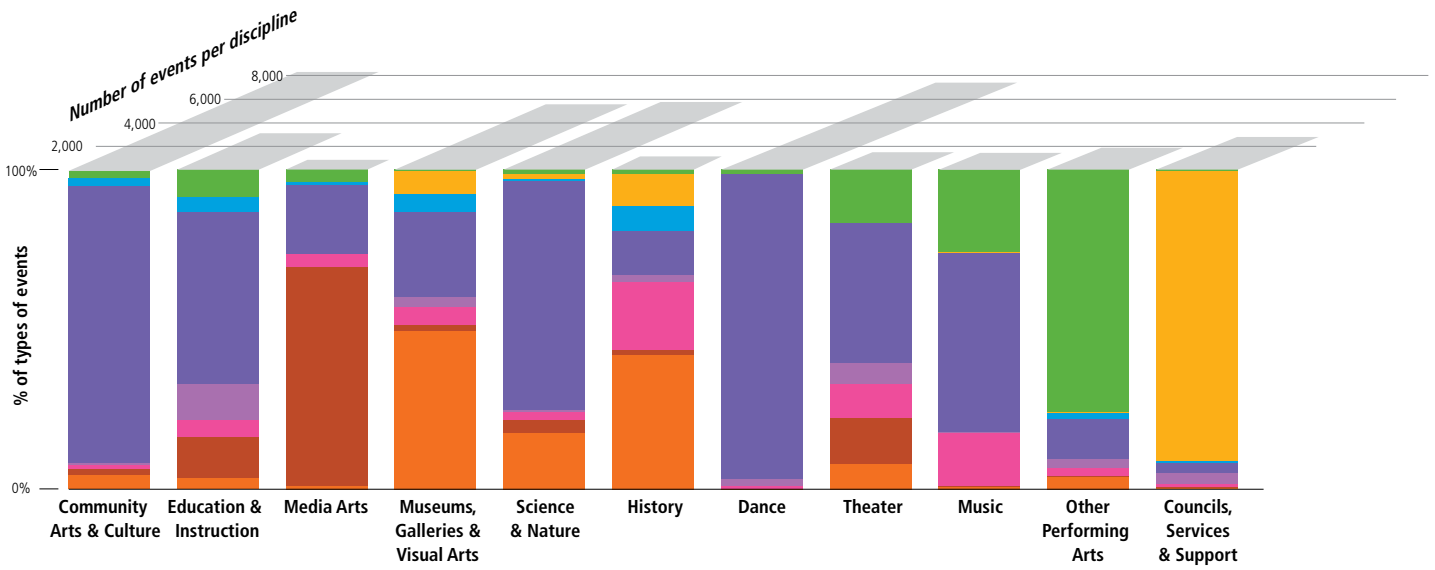
* Graphic does not count unique individuals. One individual may be a volunteer or member of more than one organization’s Board of Directors.

Events

Visitors to cultural organizations are able to enjoy more than 40,500 unique events a year, including more than 2,900 productions, 4,100 exhibitions, 4,900 tours, and 1,500 lectures. The most numerous events are public classes, with more than 24,000.⁸

Dance and Community Arts & Culture organizations provide the largest number of public classes, at a combined 61% of the total. Museums, Galleries & Visual Arts organizations offer the most lectures, at 20% of the total, followed by Music organizations at 16%.

22 Events



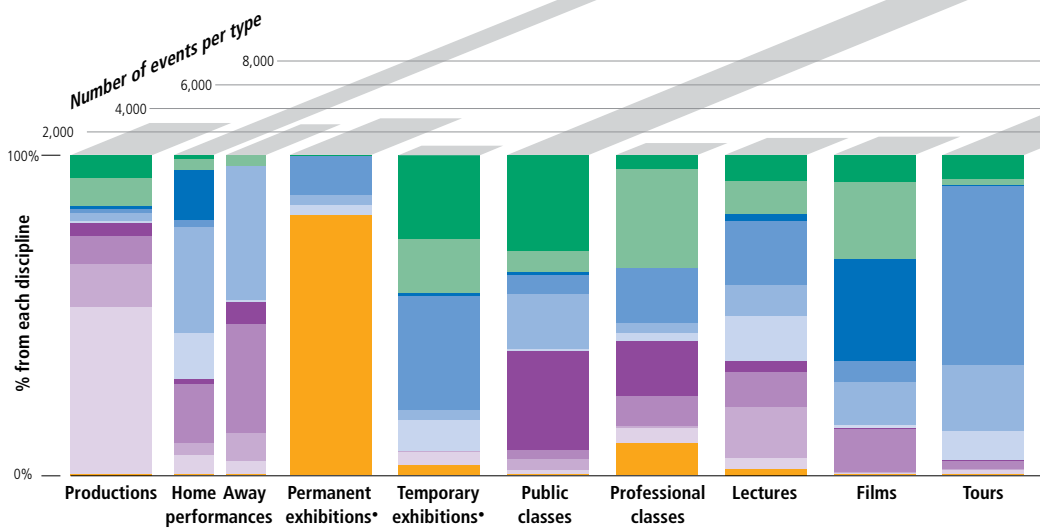
Event type	Total	%
Productions	2,905	7%
Permanent exhibitions*	3,330	8%
Temporary exhibitions*	843	2%
Public classes	24,244	60%
Professional classes	1,092	3%
Lectures	1,555	4%
Films°	1,648	4%
Tours**	4,920	12%
Total unique events	40,537	100%
Home performances	21,626	
Away performances	2,517	
Total (including all performances, not productions)	61,775	

In compiling data, great care was taken to correctly represent unique instances of numbers related to cultural production. In this report, the term “productions” refers to the number of exhibitions and theatrical, dance, or music presentations in a given fiscal year. Multiple showings or presentations of the same program are not included in the total. The term “performances,” on the other hand, refers to the total number including multiple showings and presentations.

• The 752 openings are included in figures for permanent and temporary exhibitions, etc.
 ° During the time period for the data collected for this report, Films data was unavailable from an organization which normally reports approximately 5000 films per year.
 ** This category not previously reported.

To take in all the cultural activities of the 2008 Portfolio organizations in a year, one would have to:

- Attend 3 performances every hour
- Take 13 tours each day
- Attend 14 openings each week



Discipline	Total	%
Community Arts & Culture	8,393	21%
Education & Instruction	3,060	7%
Media Arts	769	3%
Museums, Galleries & Visual Arts	5,560	14%
Science & Nature	5,783	14%
History	1,034	3%
Dance	7,888	19%
Theater	1,568	4%
Music	1,524	4%
Other Performing Arts	1,985	5%
Councils, Services & Support	2,973	7%
Total	40,537	100%



Attendance

Overall visits to participating cultural organizations total over 15 million, not including parks. This is equivalent to four visits annually for every resident of Southeastern Pennsylvania.

History organizations have the highest levels of attendance, at 3.9 million visits. Science & Nature organizations saw the largest number of paid visits, at about 3.1 million, representing 82% of their total attendance. (See page 48–49 for details.)

Theater organizations have the largest paid attendance among Performing Arts organizations, with about 900,000.

Total attendance

AT
2008 Portfolio

ORGANIZATIONS

REPRESENTS

FOUR VISITS PER

YEAR FOR EVERY

RESIDENT OF

SOUTHEASTERN

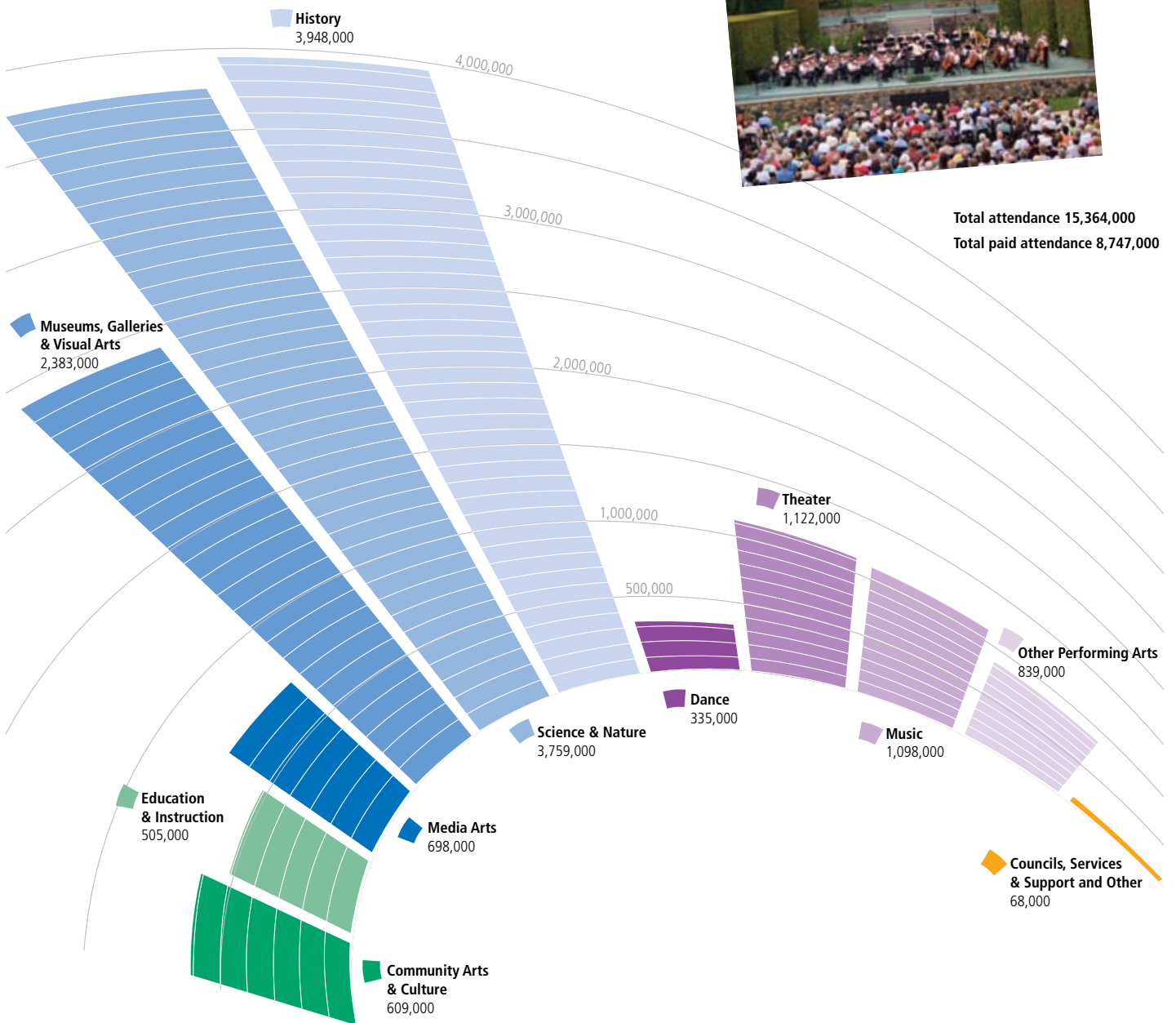
PENNSYLVANIA.



2008 Portfolio organizations in Philadelphia experience the majority of visitors, at 85% of the total.



23 Total attendance by discipline (without parks)*



Total attendance 15,364,000
Total paid attendance 8,747,000

* The "Total attendance with parks" figure previously reported is not currently available with comparable data.

Children and School Groups

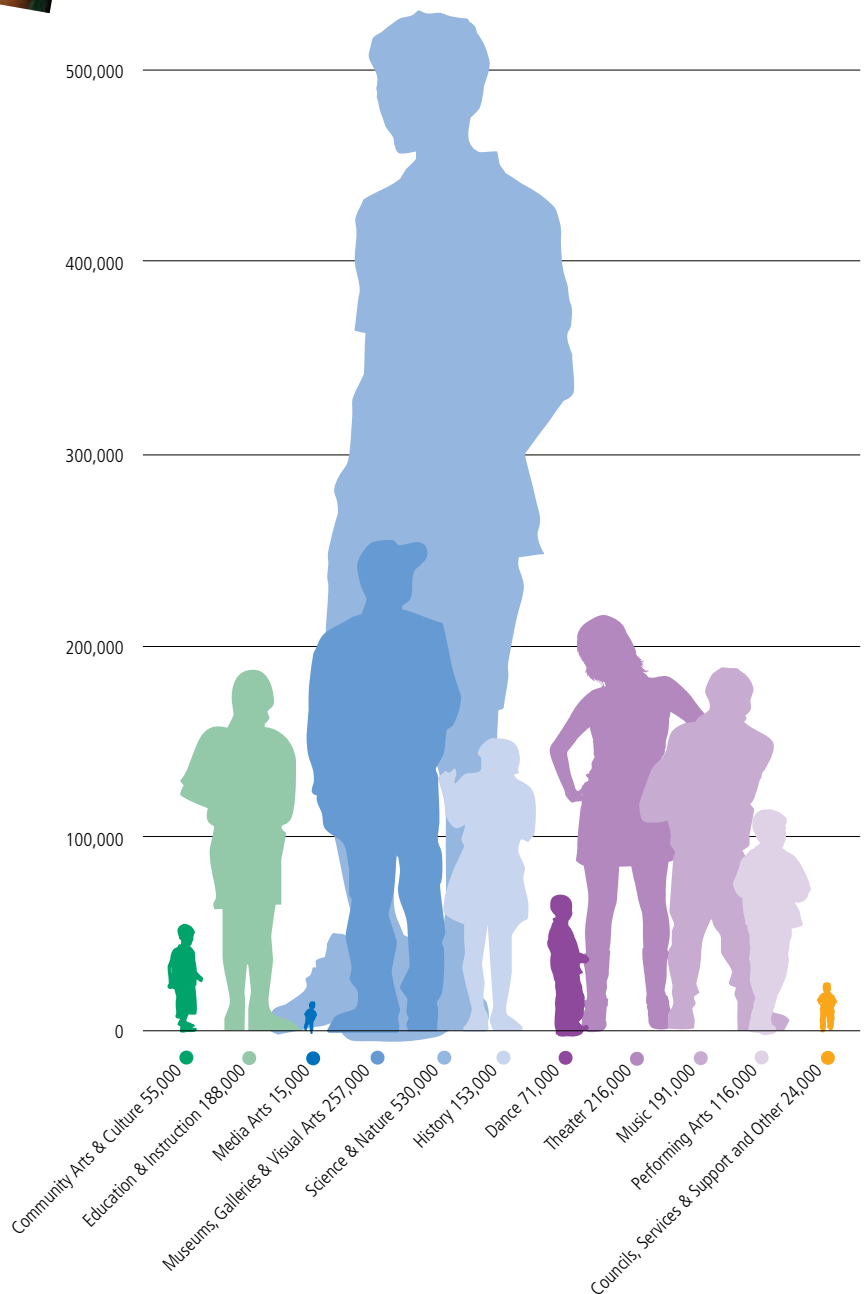


Science & Nature organizations host nearly one-third of the 1.8 million visits for school children. Museums, Galleries & Visual Arts organizations and Theaters each host over 200,000 children per year, with Music, History, and Education & Instruction organizations hosting over 150,000 visits each.

24 School children attendance (without parks)

Science & Nature

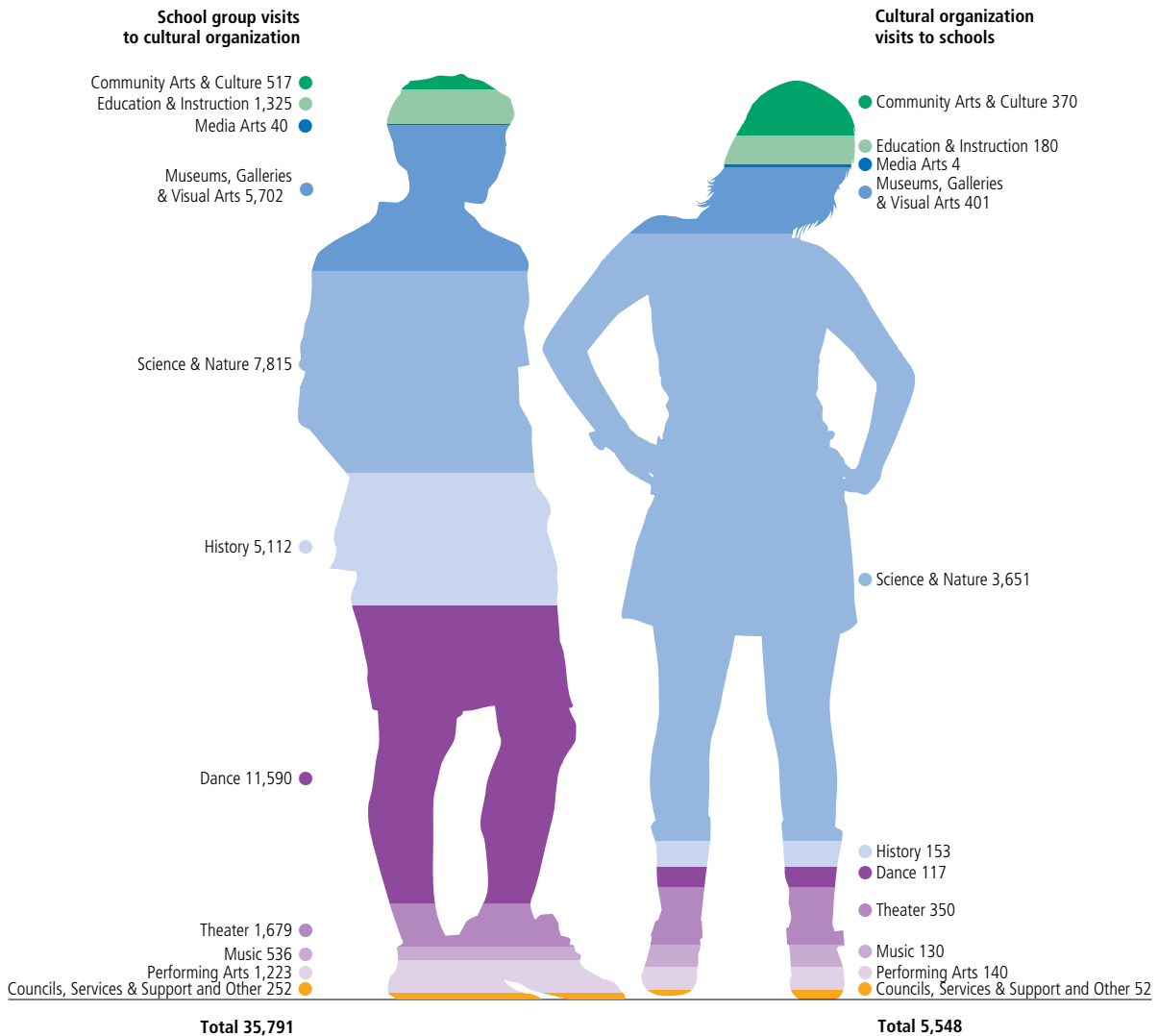
ORGANIZATIONS ACCOUNT FOR 29% OF ALL VISITS BY CHILDREN TO CULTURAL ORGANIZATIONS.



In addition to attending events or exhibits, many children participate in special programs, performances, or classes offered by arts and cultural organizations. **2008 Portfolio** organizations hosted over 35,000 school groups in the most recent fiscal year. Cultural groups made 5,500 visits to schools. Two-thirds of those visits were conducted by Science & Nature organizations.



25 Number of school group visits and organization visits to schools



Admission Prices

**Arts and
cultural
organizations
are a
bargain.**



Forty-three percent of all visits to arts and cultural organizations are free of charge.

Admission prices to cultural organizations are far less than the actual cost of events and productions per attendee.

For paid events, the median ticket price is \$14, while the actual cost per attendee is \$46. At Museums, Visual Arts, Historic and Scientific organizations the median ticket price is \$5, while the actual cost per attendee is more than eight times higher, at \$43. In the Performing Arts, the median ticket price is nearly \$20 while the cost of production is \$40.

The difference in median ticket prices versus actual costs speaks directly to the purpose of nonprofit organizations. By offering admission well below actual cost, these organizations provide greater community access to arts and culture for residents and visitors.



26 Admission price and cost of production*



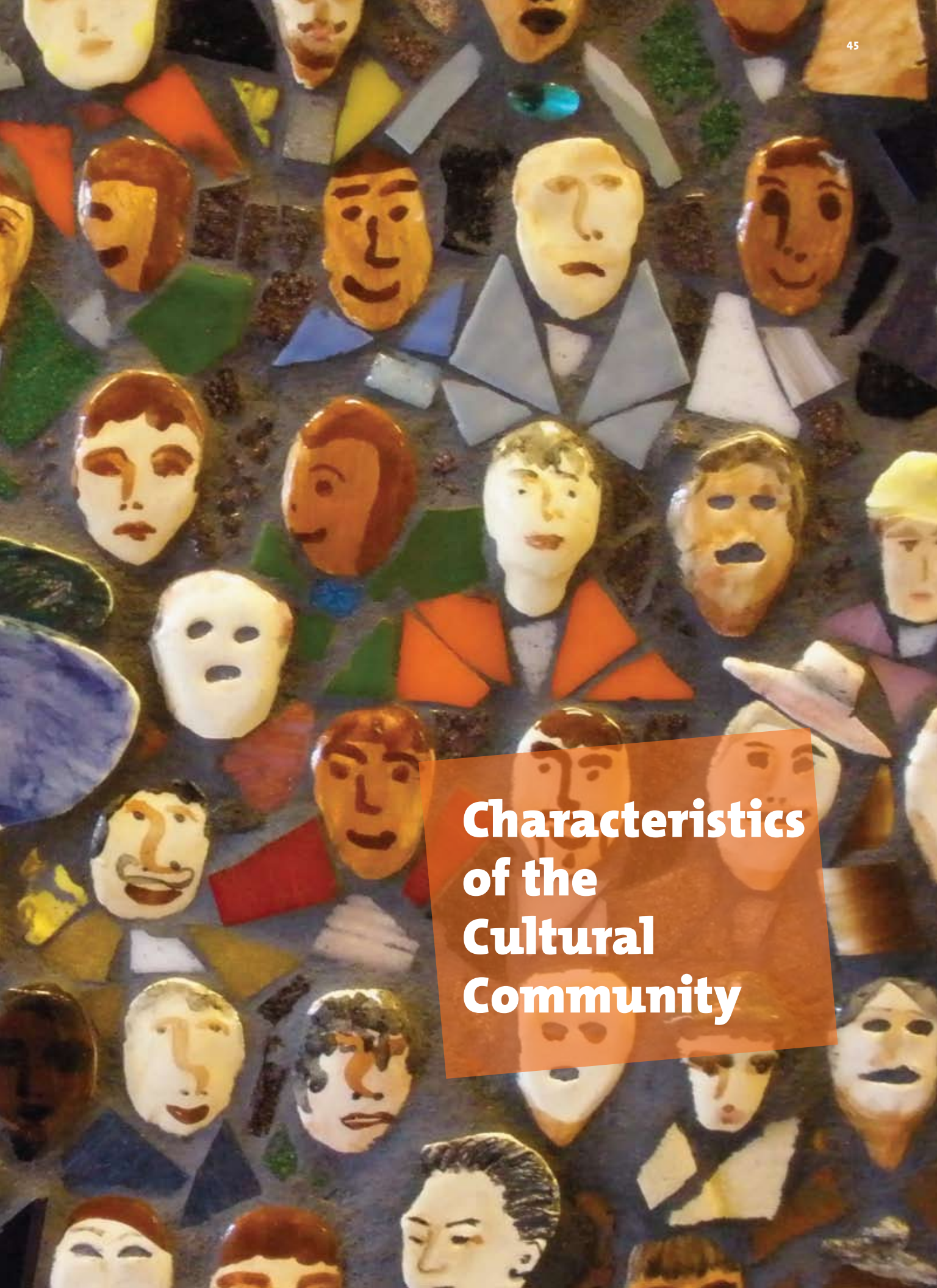
\$14.22 Median admissions price^o

\$46.45
Median cost of production
per attendee

* The Greater Philadelphia Cultural Alliance is solely responsible for the research and data analysis for this chart.

^o This figure is not comparable to the Median Price figure presented in the 2006 Portfolio. This figure is calculated differently in order to be comparable to other median calculations in this section. (This is a median of reported medians.) The comparable figure (an average of medians) for comparison with 2006 would be \$17.60 for 2008 versus \$19.99 for 2006.





**Characteristics
of the
Cultural
Community**

Cultural Categories

Community Arts and Education

Community Arts & Culture and Education & Instruction

- Community Arts & Culture organizations are, on average, the smallest organizations (\$559,000 average annual expenses), but are responsible for more than 7,000 instructional classes that take place over the course of a year—the second highest of any discipline.
- Community Arts & Culture organizations have almost two volunteers for every employee.
- Education & Instruction organizations provide more jobs for artists than any type of organization outside of the Performing Arts—over 1,000 positions.
- Education & Instruction organizations are the second largest organizations on average (\$5.8 million average annual expenses) and have the second-highest percentage of earned income (61% of total revenues).
- One issue of concern for all arts and cultural organizations is financial stability. This is a special concern for both Community Arts & Culture and Education & Instruction organizations. Forty-two percent of these 57 organizations had a deficit in the last fiscal year.

Museums, Visual Arts, Historic and Scientific

Media Arts; Museums, Galleries & Visual Arts; Science & Nature; and History

As a whole, these 96 organizations represent just over half of all expenses (50.4%) by cultural organizations. They are, on average, the largest organizations and have the highest attendance, with over 10 million attendees annually. Museums, Visual Arts, Historic and Scientific organizations are the best-supported by endowment funds and employ the highest proportion of full-time employees.

- Science & Nature organizations are the largest in average budget size, at \$10.9 million. They are also well-supported by volunteers—their nearly 4,000 volunteers are the most of any discipline.
- History organizations provide the largest number of free admissions—with 2.7 million free admissions, representing 68% of all their admissions. History organizations also have the largest number of total admissions.
- Media Arts organizations have the largest number of members and subscribers—over 177,000.⁹
- One area of special note for Museums, Visual Arts, Historic and Scientific organizations is Physical Plant costs, with History and Museums, Galleries and Visual Arts organizations leading the way. These organizations may be particularly affected by increases in utilities, construction materials, and construction or repair labor costs.



Performing Arts

Dance, Music, Theater and Other Performing Arts

As a whole, Performing Arts organizations are the most numerous—accounting for 118 of the 281 organizations (42%) in the **2008 Portfolio**. Although more than half of these (57%) are Small, Performing Arts organizations have the highest number of employees overall. Performing Arts organizations spend the most money on marketing, with almost 10% of their budgets (\$19.5 million) directed to this activity.

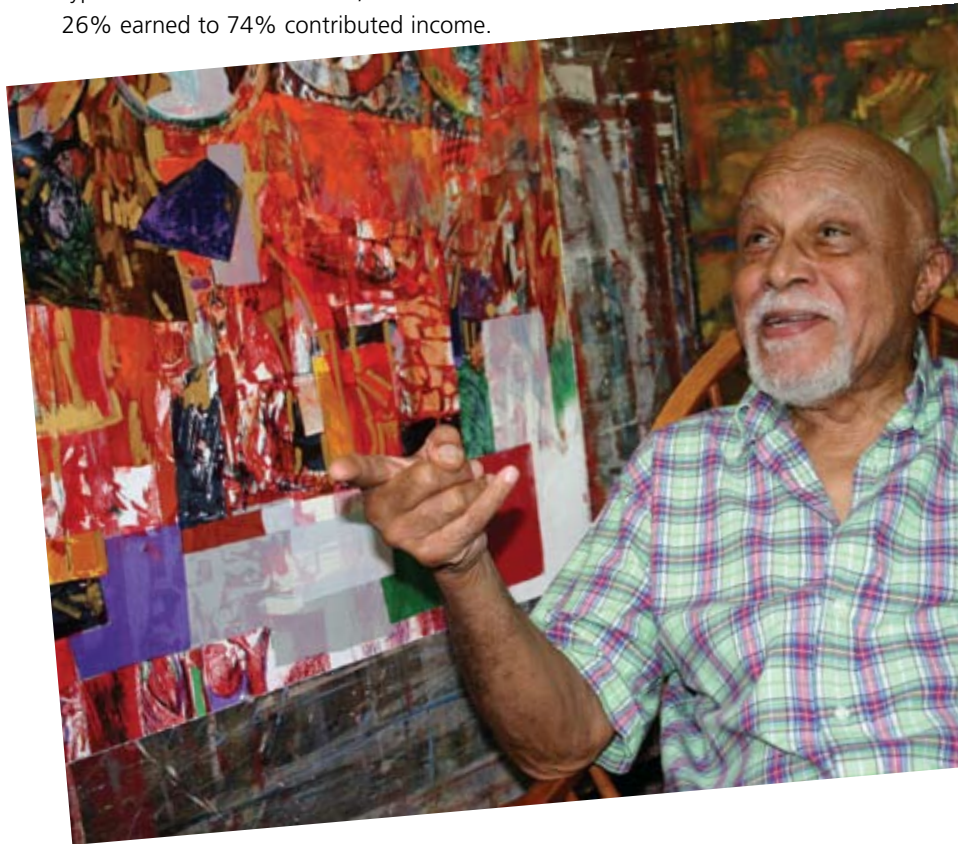
- Theaters employ the single largest number of artists, providing work for the greatest number of part-time artists. Theaters are also the largest employer overall and spend the most on payroll as a percentage of budget (49.2%).
- Other Performing Arts organizations present the largest number of Productions—over 1,500—of any discipline.
- Dance organizations offer the highest number of classes to the public of all cultural types, at 7,500 per year.

Support and Other

Councils, Services & Support and Other

These organizations are by far the smallest grouping of **2008 Portfolio** organizations with ten, or about 3% of the total.

- Councils, Services & Support and Other organizations rely more than other cultural types on contributed income, with a ratio of 26% earned to 74% contributed income.



- Councils, Services & Support and Other organizations spend a higher percentage of their budgets on marketing than any other type of organization (other than Theater).
- Financial stability is a special concern for Support and Other organizations. Fifty percent of these organizations had a deficit in the last fiscal year, and this is the only cultural category with no endowment funds among the **2008 Portfolio** organizations.

The single Other organization is combined with Councils, Services & Support to ensure data confidentiality.

27 Characteristics of 2008 Portfolio organizations by discipline

Organization type DISCIPLINE	Community Arts and Education			Museums, Visual Arts, Historic and Scientific			
	COMMUNITY ARTS & CULTURE	EDUCATION & INSTRUCTION	TOTAL	MEDIA ARTS	MUSEUMS GALLERIES & VISUAL ARTS	SCIENCE & NATURE	HISTORY
Number of organizations	30	27	57	18	30	15	33
As % of organizations	10.7%	9.6%	20.3%	6.4%	10.7%	5.3%	11.7%
Small	12	3	15	7	6	-	9
Medium	13	16	29	6	7	4	12
Large	5	5	10	4	15	5	11
Very Large	-	3	3	1	2	6	1
Average expenses	\$559,000	\$5,804,000	\$3,044,000	\$2,731,000	\$3,808,000	\$10,903,000	\$1,816,000
Total expenses	\$16,783,000	\$156,709,000	\$173,492,000	\$49,152,000	\$114,248,000	\$163,544,000	\$59,928,000
% of total arts & culture expenses	2.2%	20.4%	22.6%	6.4%	14.9%	21.3%	7.8%
Total revenue	\$20,128,000	\$197,265,000	\$217,393,000	\$52,652,000	\$254,396,000	\$330,103,000	\$79,029,000
% earned / % contributed	40/60	61/39	59/41	37/63	35/65	75/25	52/48
Unrestricted revenue	\$16,622,000	\$166,093,000	\$182,715,000	\$51,101,000	\$164,199,000	\$300,070,000	\$62,706,000
Organizations with deficit	10	14	24	4	10	2	13
Organizations with deficit over 10%	8	6	14	1	10	-	11
Endowment totals	\$17,941,000	\$143,680,000	\$161,621,000	\$3,955,000	\$437,966,000	\$335,960,000	\$214,192,000
% of total arts & culture endowments	1.3%	10.3%	11.6%	0.3%	31.4%	24.1%	15.4%
Members & subscribers (less both)	22,340	6,781	29,121	177,238	81,212	145,795	17,249
% of all members & subscribers	3.4%	1.0%	4.4%	26.8%	12.3%	22.0%	2.6%
Volunteers	2,138	848	2,986	1,640	2,367	3,935	1,756
% of all volunteers	10.9%	4.3%	15.2%	8.4%	12.1%	20.0%	8.9%
Paid attendance	96,485	130,490	226,975	337,568	1,373,048	3,095,454	1,259,371
% of all paid attendance	1.1%	1.5%	2.6%	3.9%	15.7%	35.4%	14.4%
School children attendance	55,470	187,977	243,447	14,521	256,760	530,373	152,844
Total attendance (excluding parks)	608,827	504,801	1,113,628	697,914	2,382,684	3,758,574	3,948,168
% of all arts & culture attendance	4.0%	3.3%	7.2%	4.5%	15.5%	24.5%	25.7%
Number of school groups	517	1,325	1,842	40	5,702	7,815	5,112
Off-site school programs	370	180	550	4	401	3,651	153
Salaries and benefits	\$6,861,000	\$70,421,000	\$77,282,000	\$21,011,000	\$46,886,000	\$66,591,000	\$21,157,000
As % of discipline's expenses	40.9%	44.9%	44.5%	42.7%	41.0%	40.7%	35.3%
Physical plant expenses	\$3,791,000	\$33,066,000	\$36,857,000	\$10,675,000	\$46,610,000	\$53,849,000	\$22,395,000
As % of discipline's expenses	22.6%	21.1%	21.2%	21.7%	40.8%	32.9%	37.4%
Marketing expenses	\$1,370,000	\$3,294,000	\$4,664,000	\$2,712,000	\$5,425,000	\$6,071,000	\$2,873,000
As % of discipline's expenses	8.2%	2.1%	2.7%	5.5%	4.7%	3.7%	4.8%
Total employees*	1,250	3,039	4,289	687	1,770	1,972	882
Artists	569	1,029	1,598	88	164	16	13
Program	525	1,296	1,821	403	1,136	1,749	478
Fundraising	28	61	88	64	91	68	149
General	129	653	782	131	379	139	242
Employees-%ft-%pt-%contractors	12%-21%-67%	28%-42%-30%	23%-36%-41%	38%-17%-45%	45%-23%-31%	48%-46%-6%	33%-53%-14%
Productions	206	260	466	29	29	76	18
Home performances	264	785	1,049	3,359	473	7,133	3,175
Away performances	40	86	126	-	2	1,052	21
Openings	142	98	240	10	220	10	22
Permanent exhibitions	7	9	16	-	404	103	100
Temporary exhibitions	222	142	364	9	299	28	81
Public classes	7,277	1,653	8,930	165	1,474	4,138	142
Professional classes	47	341	388	-	187	35	26
Films°	143	393	536	527	107	222	16
Lectures	129	158	287	31	310	156	218
Tours	362	104	466	8	2,750	1,025	433
Total unique events (see pages 36-37)	8,393	3,060	11,453	769	5,560	5,783	1,034

* All figures rounded to nearest whole number.

° During the time period for the data collection for this report, Films data were unavailable for organizations that usually report approximately 5,000 films per year.

TOTAL	Performing Arts					Support and Other		Total
	DANCE	THEATER	MUSIC	OTHER PERFORMING ARTS	TOTAL	COUNCILS, SERVICES & SUPPORT	OTHER	
96	31	31	41	15	118	9	1	281
34.2%	11.0%	11.0%	14.6%	5.3%	42.0%	3.2%	0.4%	100.0%
22	25	9	25	8	67	TOTAL	6	110
29	2	14	11	2	29		1	88
35	3	7	4	4	18		3	66
10	1	1	1	1	4		-	17
\$4,030,000	\$695,000	\$1,384,000	\$1,770,000	\$4,048,000	\$1,676,000		\$156,000	\$2,731,000
\$386,872,000	\$21,538,000	\$42,912,000	\$72,569,000	\$60,727,000	\$197,745,000		9,291,000	\$767,400,000
50.4%	2.8%	5.6%	9.5%	7.9%	25.8%		1.2%	100.0%
\$716,180,000	\$23,903,000	\$46,393,000	\$97,959,000	\$72,911,000	\$241,165,000		\$10,183,000	\$1,184,921,000
55/45	49/51	57/43	56/44	50/50	54/46		26/74	55/45
\$578,076,000	\$22,248,000	\$44,267,000	\$75,555,000	\$57,778,000	\$199,848,000		\$6,176,000	\$966,815,000
29	15	12	19	8	54		5	112
22	6	5	9	5	25		2	63
\$992,073,000	\$2,281,000	\$4,380,000	\$192,415,000	\$40,538,000	\$239,615,000		-	\$1,393,308,000
71.2%	0.2%	0.3%	13.8%	2.9%	17.2%		-	100.0%
421,494	9,028	94,014	32,701	20,571	156,314		55,074	662,003
63.7%	1.4%	4.9%	14.2%	3.1%	23.6%		8.3%	100.0%
9,698	649	2,303	1,883	1,012	5,847		1,096	19,627
49.4%	3.3%	11.7%	9.6%	5.2%	29.8%		5.6%	100.0%
6,065,441	235,837	897,382	689,848	594,369	2,417,436		37,516	8,747,368
69.3%	2.7%	10.3%	7.9%	6.8%	27.6%		0.4%	100.0%
954,498	71,038	216,238	190,983	115,656	593,915		24,350	1,816,210
10,787,340	335,362	1,122,253	1,098,059	839,478	3,395,152		68,330	15,364,450
70.2%	2.2%	7.3%	7.1%	5.5%	22.1%		0.4%	100.0%
18,669	11,590	1,679	536	1,223	15,028		252	35,791
4,209	117	350	130	140	737		52	5,548
\$155,644,000	\$8,333,000	\$21,105,000	\$32,947,000	\$20,209,000	\$82,594,000		\$3,236,000	\$318,757,000
40.2%	38.7%	49.2%	45.4%	33.3%	41.8%		34.8%	41.5%
\$133,530,000	\$5,383,000	\$9,032,000	\$14,895,000	\$19,462,000	\$48,772,000		\$1,047,000	\$220,206,000
34.5%	25.0%	21.0%	20.5%	32.0%	24.7%		11.3%	28.7%
\$17,081,000	\$2,433,000	\$6,097,000	\$4,511,000	\$6,472,000	\$19,513,000		\$1,081,000	\$42,339,000
4.4%	11.3%	14.2%	6.2%	10.7%	9.9%		11.6%	5.5%
5,311	876	3,467	2,332	2,547	9,222		545	19,366
281	549	1,967	1,405	983	4,903		59	6,841
3,766	223	1,154	453	1,443	3,274		421	9,482
372	26	52	55	28	161		12	633
892	79	294	419	93	884		52	2,610
43%-36%-21%	13%-28%-59%	8%-63%-30%	11%-28%-61%	6%-46%-45%	9%-46%-45%		10%-3%-87%	21%-40%-39%
152	112	260	393	1,508	2,273		14	2,905
14,140	298	4,002	817	1,281	6,398		39	21,626
1,075	168	845	211	87	1,311		5	2,517
262	6	67	1	23	97		153	752
607	-	1	5	4	10		2,697	3,330
417	-	1	3	33	37		25	843
5,919	7,514	690	851	255	9,310		85	24,244
248	189	100	7	52	348		108	1,092
872	3	222	3	8	236		4	1,648
715	54	169	248	50	521		32	1,555
4,216	16	125	14	75	230		8	4,920
13,146	7,888	1,568	1,524	1,985	12,965		2,973	40,537





**Trends:
1995–2005**

Methodology: 1995–2005 Analysis

Trend analysis

IS BASED ON DATA FROM THE 108 ORGANIZATIONS WHOSE INFORMATION IS AVAILABLE FOR BOTH FISCAL 1995 AND 2005.

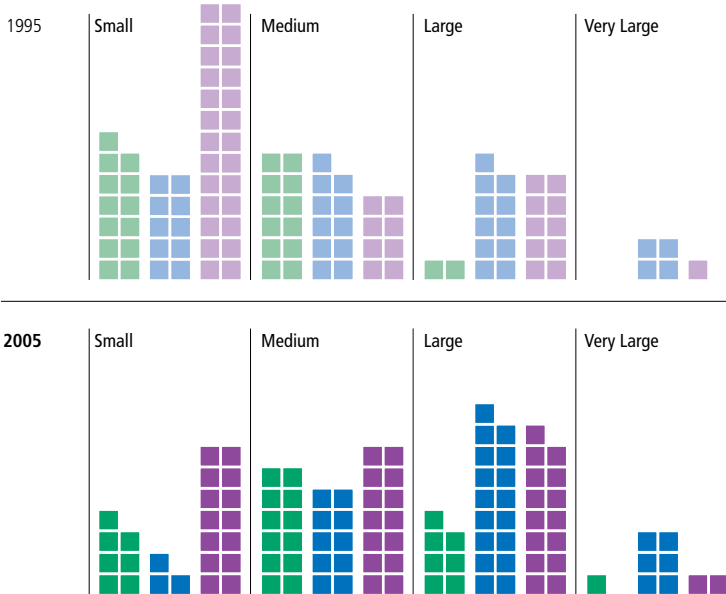
FY1995 data profiles collected for the 1998 study *Greater Philadelphia’s Competitive Edge*¹⁰ have been compared to PACDP data profiles for FY2005. All financial figures are adjusted for inflation.

Since 1995, significant changes in standard accounting practices for nonprofit organizations have been implemented by the Financial Accounting Standards Board (FASB). FASB changes in recording multi-year grants, for example, have altered the method of accounting for revenue over the

ten-year period of this analysis. In consultation with Your Part-Time Controller LLC, the Greater Philadelphia Cultural Alliance and the Economy League of Greater Philadelphia developed procedures to ensure that changes in accounting practices have been taken into account for the analysis presented in this section of the **2008 Portfolio**. FY1995 data were adjusted for inflation using the Consumer Price Index for the Greater Philadelphia Metropolitan area.¹¹

Organizations in this chapter of the report are grouped into three organization types that encompass twelve cultural disciplines. (See page 10 for additional information on the size categories and the twelve disciplines.) In this section of the report only, the organization type Support and Other is included with Community Arts and Education to ensure the confidentiality of organizational data.

T1 Change over time: Number of organizations by size and organization type



Organization type	Small		Medium		Large		Very Large		Total ^o
	1995	2005	1995	2005	1995	2005	1995	2005	
Community Arts and Education*	13	7	12	12	2	7	0	1	27
Museums, Visual Arts, Historic and Scientific	10	3	11	10	11	17	4	6	36
Performing Arts	26	14	8	14	10	15	1	2	45
Total	49	24	31	36	23	39	5	9	108

* For the purpose of 1995-2005 trend reporting, data for the two Support and Other organizations are combined with Community Arts and Education to ensure data confidentiality.

^o From 1995 to 2005, 22 Small organizations grew in size to move to the Medium category, five Small organizations grew to Large, 15 Medium organizations grew to Large, four Large organizations grew to Very Large. Two Medium organizations became smaller to move to the Small category.

Trend Analysis: 1995–2005

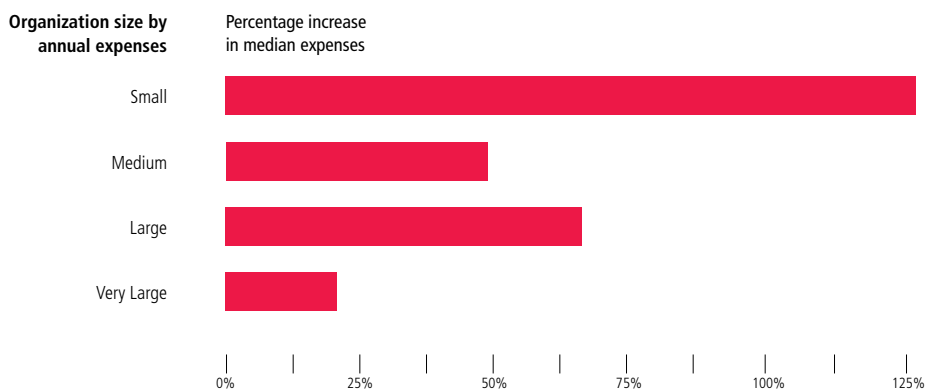
**ALL 1995
FINANCIAL
FIGURES ARE
EXPRESSED IN
2005 DOLLARS
TO ADJUST
FOR INFLATION.**

In 1995, the region’s cultural landscape looked quite different than it does today. The Avenue of the Arts was just coming to life, and the Kimmel Center for the Performing Arts and the National Constitution Center did not yet exist. Across the country, arts advocates were devising new ways to measure the value of arts and culture after a prolonged fight to save the National Endowment for the Arts, and Philadelphia’s renaissance, led by Mayor Edward G. Rendell, was beginning to take hold.

By 2005, the region’s cultural scene was booming, serving as a major draw for residents and visitors. Among other highlights, Theater Communications Group chose Philadelphia as one of three cities nationwide to pilot its “Free Night of Theatre” program.

The **2008 Portfolio** provides an opportunity to examine trends in Southeastern Pennsylvania’s arts and cultural organizations over a ten-year period from 1995–2005. This chapter examines changes in organizational growth, revenue, expenses, and employment for 108 nonprofit cultural organizations over that decade. Attendance and event data were unavailable for comparison.

T2 Change over time: **Growth rate by size***



Organization size by annual expenses in 1995	Small	Medium	Large	Very Large
Median expenses 1995	\$127,000	\$627,000	\$3,062,000	\$29,621,000
Median expenses 2005	285,000	924,000	5,012,000	35,409,000
% change 95–05	124%	47%	64%	20%

* The Greater Philadelphia Cultural Alliance is solely responsible for the research and data analysis for this chart.

Organizational Growth: 1995–2005

Suburban organizations grew faster.

Organizations located in the four suburban counties of Southeastern Pennsylvania grew significantly faster than their Philadelphia counterparts.¹² The budget expenses of suburban organizations grew by 76%, compared to 47% growth for Philadelphia organizations in this time period.

Small organizations saw largest growth.

Half of the organizations categorized as Small in 1995 grew out of that category by 2005. Five of those organizations increased their budgets to over \$1 million, quadrupling in size over the course of the decade. Overall, 44% of the organizations changed budget size category over the last ten years.

T3 Change over time: Total expenses by geography



Total expenses	1995	2005	% Change
Philadelphia organizations	241,519,000	353,828,000	47%
Suburban organizations*	20,064,000	35,288,000	76%
Total	261,583,000	389,115,000	49%

* Organizations in 4 suburban counties of Southeastern Pennsylvania (Bucks, Chester, Delaware, and Montgomery counties) represent 22% of the 108 organizations in this trend analysis.



Revenue: 1995–2005

Revenue was up for organizations in all discipline categories.

Revenue grew 52%. Growth occurred in all categories, with the strongest among Community Arts and Education organizations at 116%. Performing Arts organizations grew more slowly than other types of organizations, at 40%, while Museums, Visual Arts, History and Science organizations experienced revenue growth of 52%.

Earned and contributed income rose.

Generally, organizations increased both earned income and contributed income over the course of the decade. Within total growth of more than \$141 million, just over \$108 million (77% of the total revenue growth) came from contributed income, while earned income experienced more modest growth of almost \$33 million (23% of total revenue growth).

The balance of earned income sources shifted.

Earned income as a percentage of total income fell from 65% to 50% of total revenue. Growth occurred in areas including tuition and workshop fees (+90%), and memberships (+67%); by 2005, organizations received less earned income from interest investments (-73%), space rental (-28%) and advertising (-13%).

The balance of contributed income sources shifted.

Although earned income grew (+19%), contributed income grew (+113%) more quickly. By 2005, contributions from Board/Trustees (+272%), State government (+144%) and Other (+522%) represented a much larger percentage of the contributed income mix.

On the other hand, Federal government, Corporate, and Foundation support represented a smaller portion of contributed income, declining by 72%, 50%, and 16%, respectively.

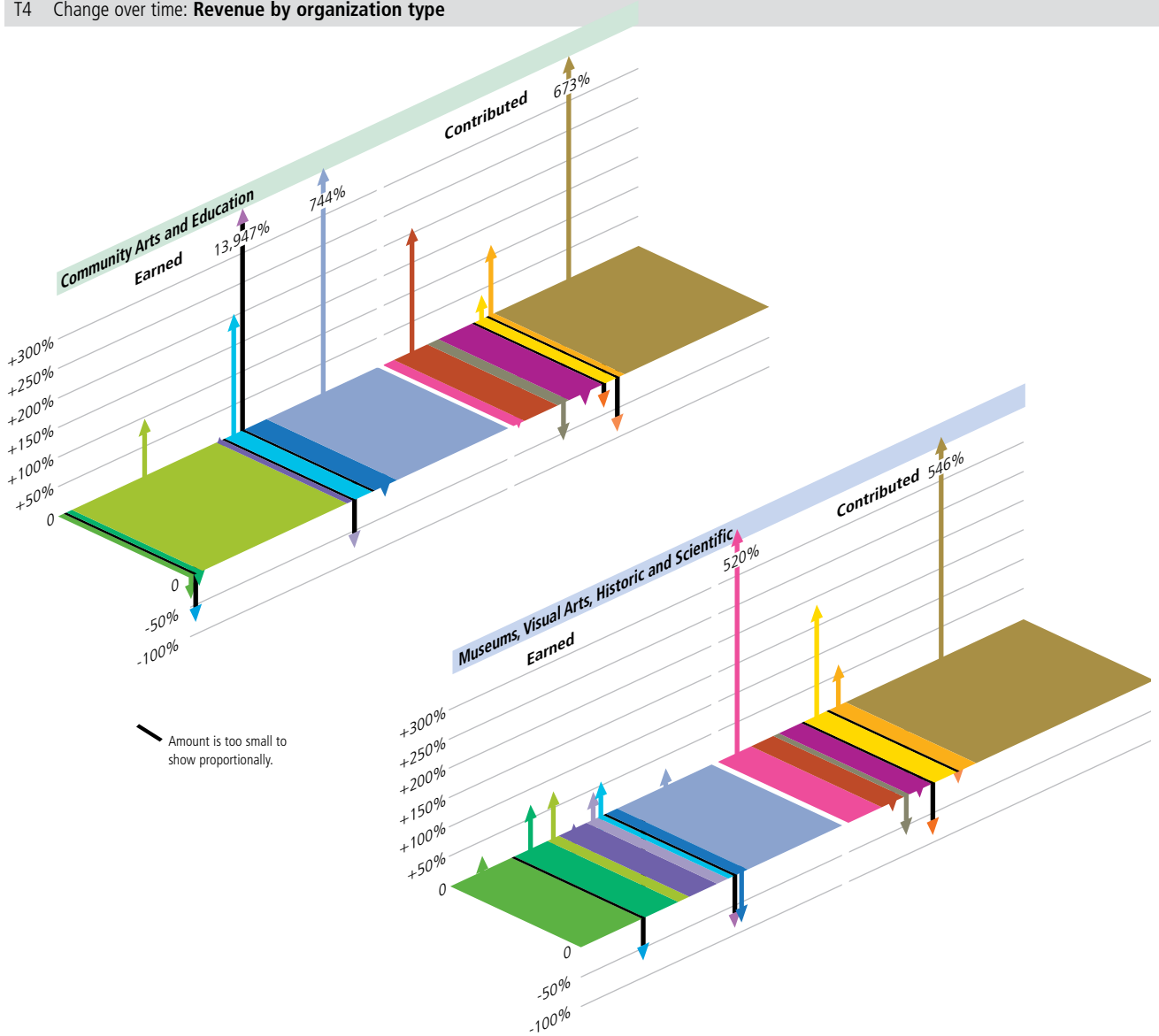
Organizations experienced a dramatic shift in public support, from federal to state government.

Government support for the arts and culture community changed considerably over the decade. The ratio of state:federal support went from about 1:1 in 1995 to 9:1 in 2005. The shift was the result of overall declines of 72% in federal support, at the same time as gains of 144% in state support. During this decade the United States Congress threatened to eliminate the National Endowment for the Arts and related funding.

For many of the disciplines, the shift from Federal to state support over the decade was either approximately revenue neutral (that is, with new state support offsetting the federal funds lost—Education & Instruction and History organizations) or resulted in additional funding (Museums, Galleries & Visual Arts; Music; Theater). Science & Nature organizations recouped from the Commonwealth just under half of what was lost as a result of federal cutbacks.

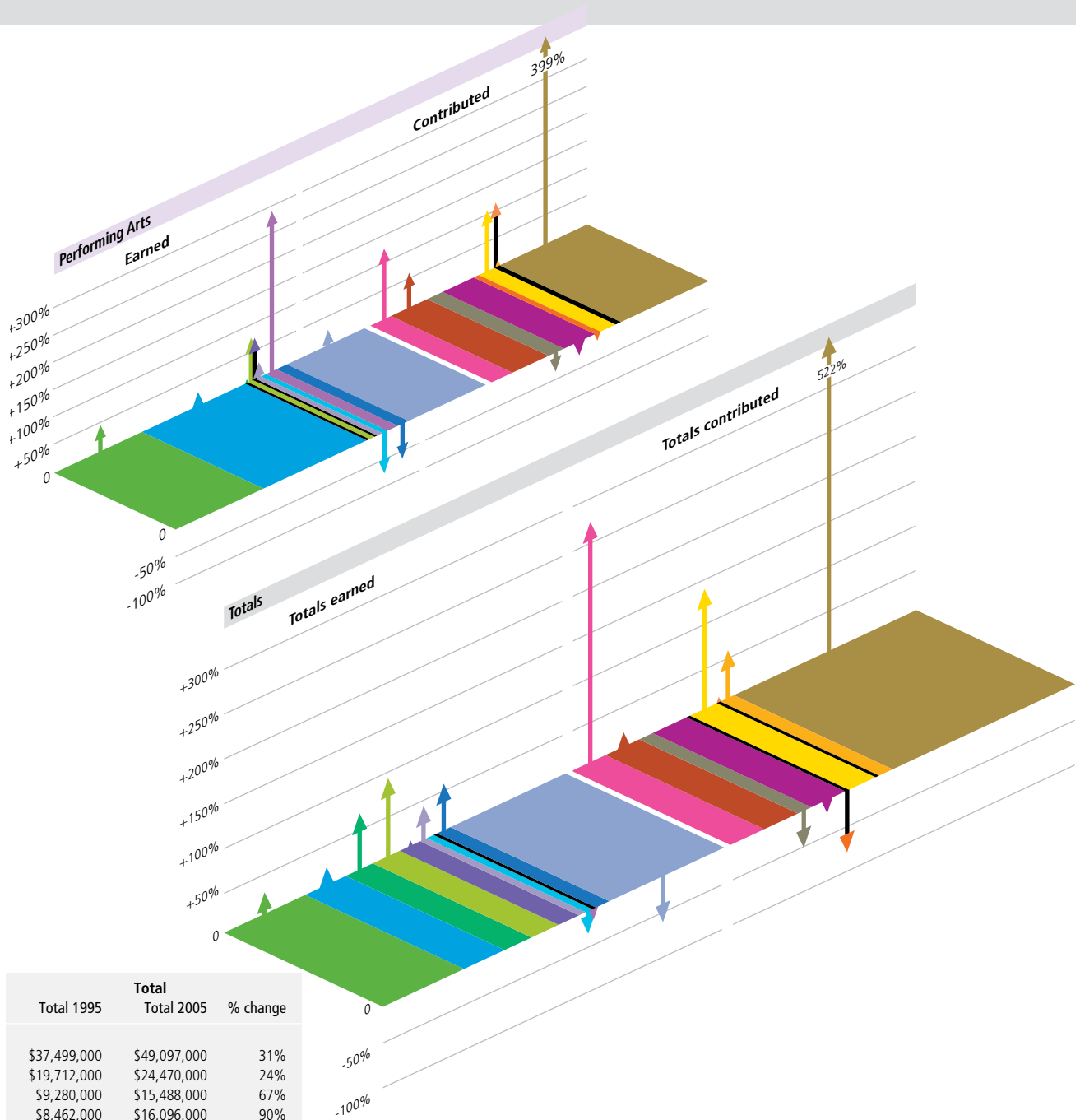
This publication coincides with a period of weak economic growth or even contraction, according to some indicators. It appears that the reality for at least the next year will be weaker tax collections at both the federal and state level, due to the slow economy. The duration and depth of the slowdown and its impact on state budgets are likely to affect the availability of government support for arts and culture.

T4 Change over time: Revenue by organization type



Amount is too small to show proportionally.

	Community Arts and Education*			Museums, Visual Arts, Historic and Scientific			Performing Arts		
	Total 1995	Total 2005	% change	Total 1995	Total 2005	% change	Total 1995	Total 2005	% change
Earned income									
Admission and tickets	\$625,000	\$450,000	-28%	\$23,150,000	\$28,203,000	22%	\$13,725,000	\$20,444,000	49%
Subscriptions	\$115,000	\$35,000	-70%	\$496,000	\$169,000	-66%	\$19,101,000	\$24,266,000	27%
Membership	\$532,000	\$431,000	-19%	\$8,620,000	\$14,920,000	73%	\$128,000	\$138,000	8%
Tuition/workshop	\$5,325,000	\$10,600,000	99%	\$2,484,000	\$4,345,000	75%	\$653,000	\$1,150,000	76%
Sales	\$429,000	\$443,000	3%	\$12,511,000	\$13,349,000	7%	\$154,000	\$263,000	71%
Concessions	\$7,000	\$2,000	-76%	\$2,870,000	\$4,241,000	48%	\$481,000	\$622,000	29%
Space rental	\$336,000	\$1,013,000	201%	\$1,538,000	\$2,334,000	52%	\$4,484,000	\$1,215,000	-73%
Advertising	\$200	\$32,000	13,947%	\$848,000	\$122,000	-86%	\$192,000	\$748,000	290%
Interest/Investment	\$1,875,000	\$1,522,000	-19%	\$22,827,000	\$4,312,000	-81%	\$5,629,000	\$2,257,000	-60%
Other earned income	\$930,000	\$7,852,000	744%	\$32,586,000	\$42,196,000	29%	\$10,614,000	\$18,352,000	73%
Total earned income	\$10,175,000	\$22,380,000	120%	\$107,931,000	\$114,192,000	6%	\$55,160,000	\$69,454,000	26%
Contributed income									
Trustee	\$781,000	\$765,000	-2%	\$2,255,000	\$13,970,000	520%	\$2,367,000	\$5,351,000	126%
Individual	\$729,000	\$2,215,000	204%	\$10,320,000	\$9,339,000	-10%	\$5,571,000	\$8,680,000	56%
Corporate	\$1,544,000	\$672,000	-57%	\$6,298,000	\$2,468,000	-61%	\$5,691,000	\$3,634,000	-36%
Foundation	\$2,914,000	\$2,324,000	-20%	\$11,206,000	\$10,254,000	-9%	\$8,946,000	\$6,710,000	-25%
Federal government	\$336,000	\$193,000	-43%	\$5,187,000	\$755,000	-85%	\$960,000	\$867,000	-10%
State government	\$663,000	\$963,000	45%	\$3,748,000	\$10,583,000	182%	\$1,964,000	\$4,014,000	104%
County government	\$27,000	\$4,000	-87%	\$152,000	\$130,000	-15%	\$61,000	\$129,000	111%
City government	\$161,000	\$352,000	119%	\$5,136,000	\$8,118,000	58%	\$538,000	\$579,000	8%
Other sources**	\$1,344,000	\$10,394,000	673%	\$12,352,000	\$79,798,000	546%	\$4,031,000	\$20,133,000	399%
Total contributed income	\$8,499,000	\$17,882,000	110%	\$56,654,000	\$135,414,000	139%	\$30,130,000	\$50,097,000	66%
Total income	\$18,674,000	\$40,262,000	116%	\$164,585,000	\$249,606,000	52%	\$85,290,000	\$119,551,000	40%



Total 1995	Total Total 2005	% change
\$37,499,000	\$49,097,000	31%
\$19,712,000	\$24,470,000	24%
\$9,280,000	\$15,488,000	67%
\$8,462,000	\$16,096,000	90%
\$13,094,000	\$14,056,000	7%
\$3,358,000	\$4,864,000	45%
\$6,358,000	\$4,563,000	-28%
\$1,040,000	\$902,000	-13%
\$30,332,000	\$8,091,000	-73% ^o
\$44,130,000	\$68,400,000	55%
\$173,266,000	\$206,025,000	19%
\$5,403,000	\$20,087,000	272%
\$16,620,000	\$20,235,000	22%
\$13,534,000	\$6,773,000	-50%
\$23,066,000	\$19,288,000	-16%
\$6,483,000	\$1,815,000	-72%
\$6,375,000	\$15,560,000	144%
\$241,000	\$263,000	9%
\$5,835,000	\$9,049,000	55%
\$17,728,000	\$110,324,000	522%
\$95,283,000	\$203,393,000	113%
\$268,549,000	\$409,418,000	52%

- Includes Support and Other.
- ° As previously noted, Interest/Investment income is skewed by the performance of stock markets, which varies from year to year. For example, in 1995, the Dow Jones Industrial Average was up 33%, while in 2005, it was down 0.1%.
- "Other sources" includes contributions from parent organizations, in-kind contributions, contributions from events, and other public contributions.

Expenses: 1995–2005

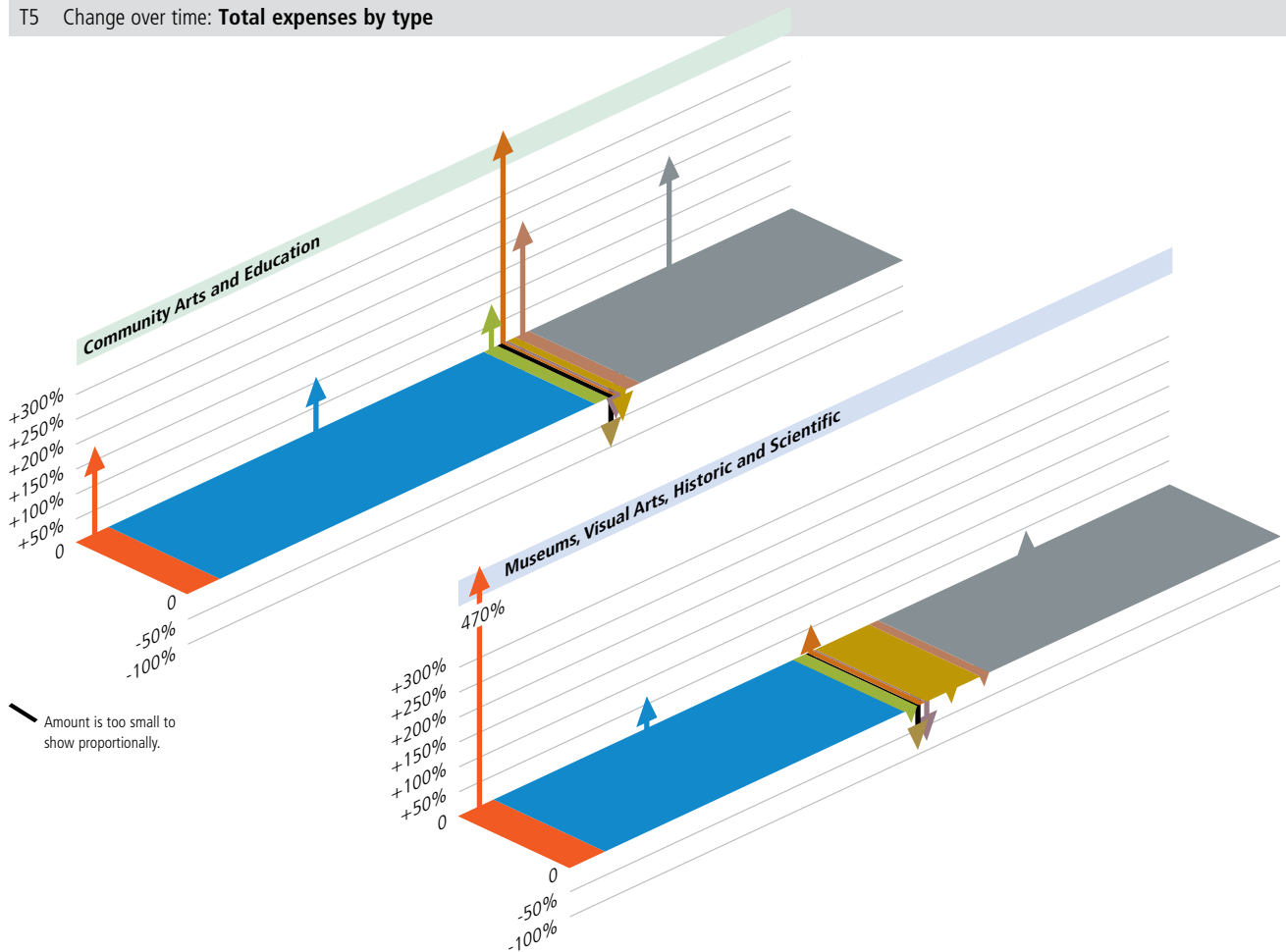
Expenses grew for all disciplines.

Expenses grew 49% over the decade. Growth occurred in all discipline categories, with the highest occurring in Community Arts and Education organizations, at 136%. Performing Arts organizations saw expense increases of 54%, while expenses for Museums, Visual Arts, Historic and Scientific organizations grew more slowly than others, at 37%.

Salaries and benefits increased in line with overall expenses.

Over the last ten years, salary and benefits costs increased by 52%, in line with overall expense growth of 49%.

T5 Change over time: Total expenses by type



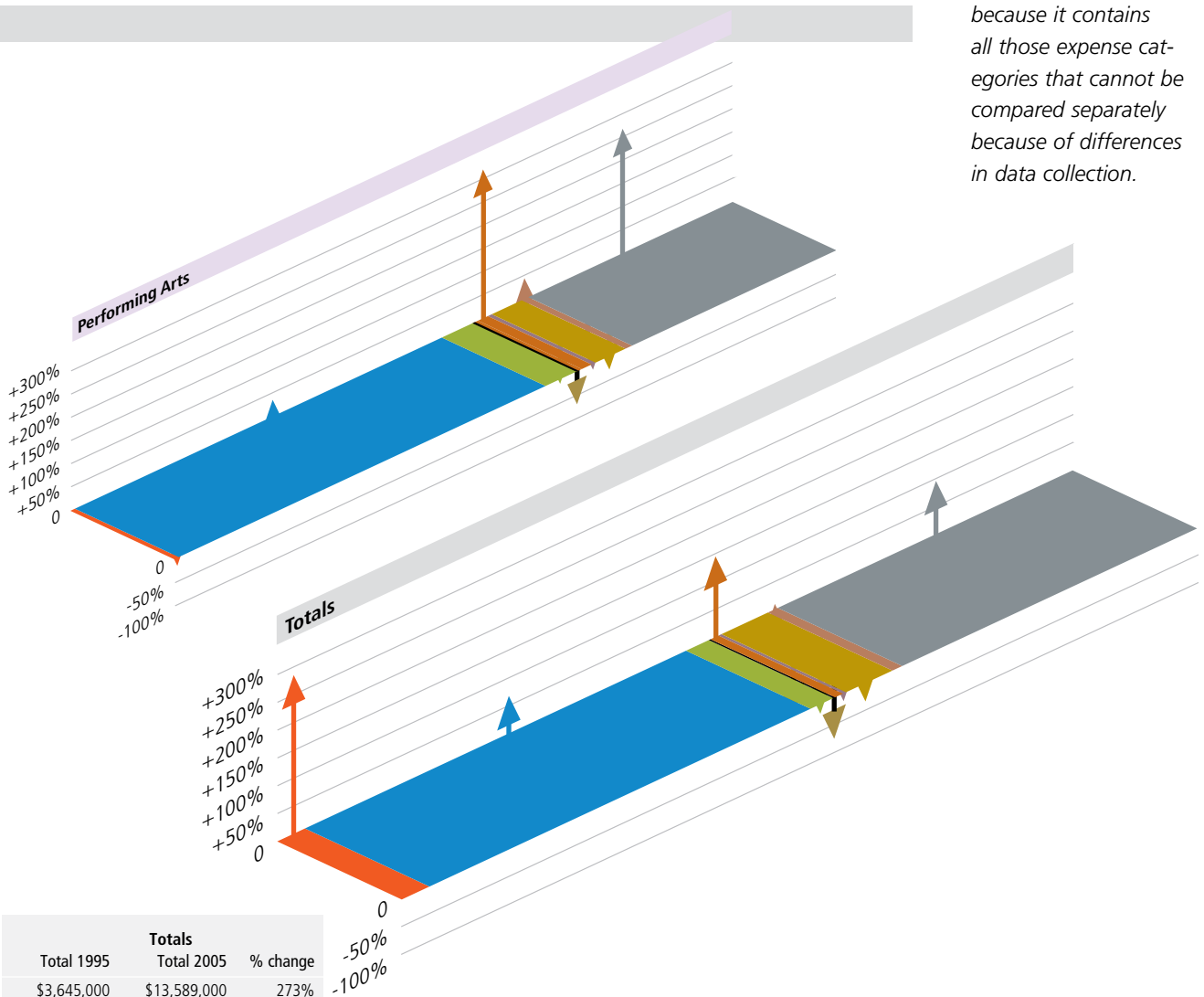
Expense Type	Community Arts and Education*			Museums, Visual Arts, Historic and Scientific			Performing Arts		
	Total 1995	Total 2005	% change	Total 1995	Total 2005	% change	Total 1995	Total 2005	% change
Utilities	\$691,000	\$1,867,000	170%	\$1,896,000	\$10,804,000	470%	\$1,057,000	\$919,000	-13% ^a
Total salaries and fringe	\$9,872,000	\$21,270,000	115%	\$58,884,000	\$91,313,000	55%	\$53,561,000	\$73,662,000	38%
Marketing and advertising	\$397,000	\$761,000	92%	\$5,506,000	\$3,888,000	-29%	\$6,786,000	\$6,497,000	-4%
Transportation/touring costs	\$42,000	\$0	-100%	\$701,000	\$80,000	-89%	\$2,413,000	\$774,000	-68%
Travel	\$35,000	\$158,000	358%	\$1,130,000	\$1,736,000	54%	\$480,000	\$1,977,000	312%
Space rent	\$310,000	\$158,000	-49%	\$3,229,000	\$551,000	-83%	\$885,000	\$795,000	-10%
Mounting productions/exhibitions	\$939,000	\$433,000	-54%	\$23,141,000	\$16,311,000	-30%	\$8,683,000	\$6,020,000	-31%
Insurance	\$228,000	\$774,000	239%	\$3,431,000	\$2,708,000	-21%	\$896,000	\$1,323,000	48%
Other expenses	\$4,541,000	\$14,898,000	228%	\$60,178,000	\$88,432,000	47%	\$11,670,000	\$41,007,000	251%
Totals	\$17,054,000	\$40,318,000	136%	\$158,095,000	\$215,822,000	37%	\$86,433,000	\$132,975,000	54%

Utilities costs soared for organizations.

The fastest-growing expense for organizations was Utilities, which rose by 273%. All discipline categories experienced significant cost increases in this area, with the exception of Performing Arts organizations, where Utilities fell by 13%. Among Museums,

Visual Arts, Historic and Scientific organizations, Utilities increased the most, at 470%. Travel costs also increased across the board, at 135% overall growth, while organizations spent significantly less on Touring Costs (-73%) and Space Rental (-66%).

Expense data collected in 1995 was categorized differently than in current data collection through the PACDP. This graphic shows those expense types that can be compared from 1995 and 2005. The category "Other expenses" is very large because it contains all those expense categories that cannot be compared separately because of differences in data collection.



• Includes Support and Other.

◦ The decrease in Utilities costs for Performing Arts organizations is primarily due to a difference in data reporting by one organization, for which separate 2005 Utilities costs were unavailable. With this organization's data removed, Utilities costs increased 47% from 1995 to 2005 for Performing Arts organizations and increased 322% for all organizations.

Employment: 1995–2005

The growth rate of full-time employment at suburban cultural organizations was nearly double the rate of regional job growth.

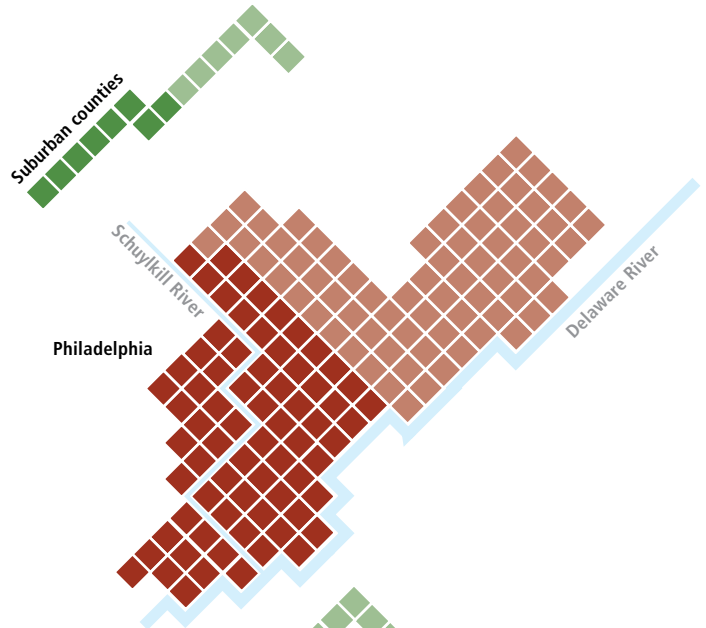
As both this Trend data and the data in previous sections show, the arts and culture community relies heavily on part-time employment. In 1995, the ratio of part-time to full-time employees was 1:1. In 2005, the ratio was almost 2:1. Part-time employment rose 98%, and full-time employment rose 9%.

Several disciplines saw gains in part-time employment while full-time employment remained relatively constant. In particular, the performing disciplines, including Dance, Music and Theater and Other Performing Arts, experienced large increases in part-time employment over the decade.

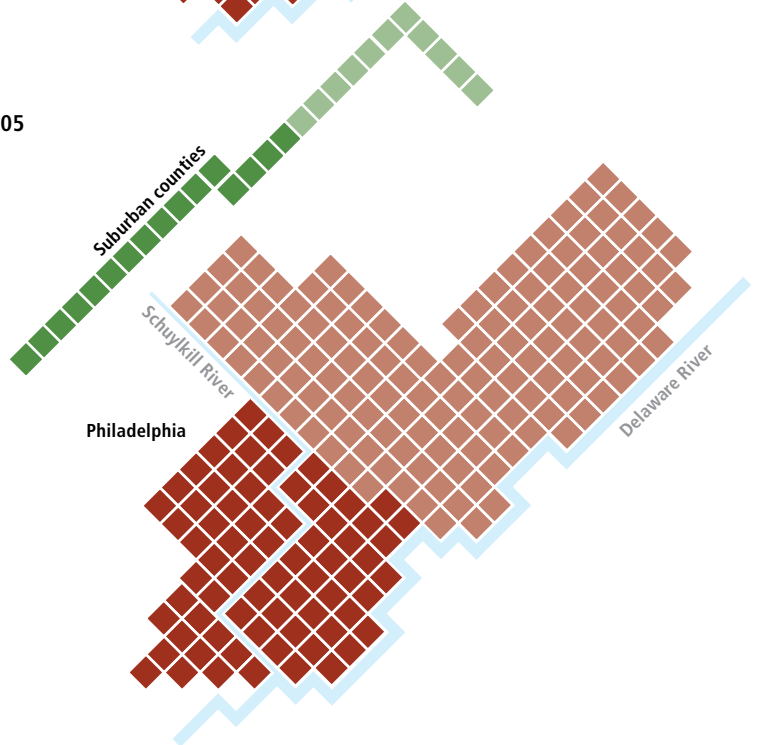


T6 Change over time: **Total employment by geography***

1995



2005



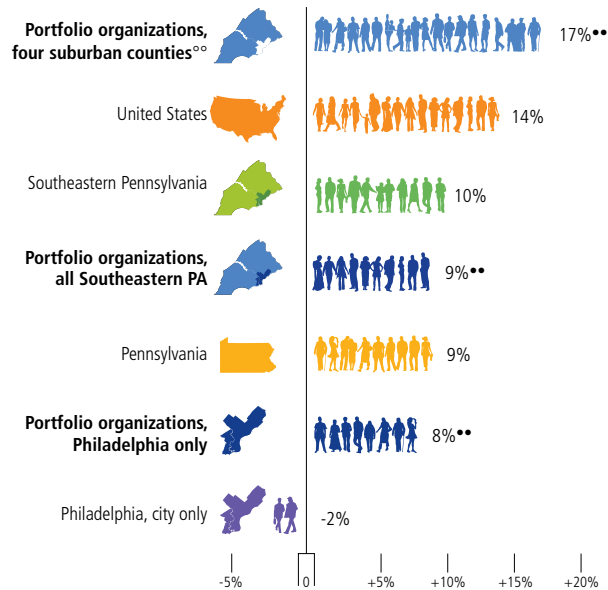
Geography	Type	1995	2005	Change	% Change
Philadelphia	Full-time	1,825	1,968	143	8%
	Part-time	1,822	3,535	1,713	94%
Suburban	Full-time	208	244	36	17%
	Part-time	181	429	248	137%
Total	Full-time	2,033	2,211	178	9%
	Part-time	2,003	3,964	1,962	98%

* Employment figures are for the 77 organizations that reported employment data in 1995 and 2005. All figures rounded to nearest whole number.

Full-time job growth kept pace with the region, but the largest gains were in part-time employment.

Overall, full-time employment at cultural organizations increased by 9% over the decade. Full-time employment at cultural organizations in the four suburban counties of Southeastern Pennsylvania grew the fastest—increasing by 17%. In the city of Philadelphia, cultural organizations increased full-time employment by 8%.

T7 Change over time: Employment growth at Portfolio organizations* and select geographic areas°

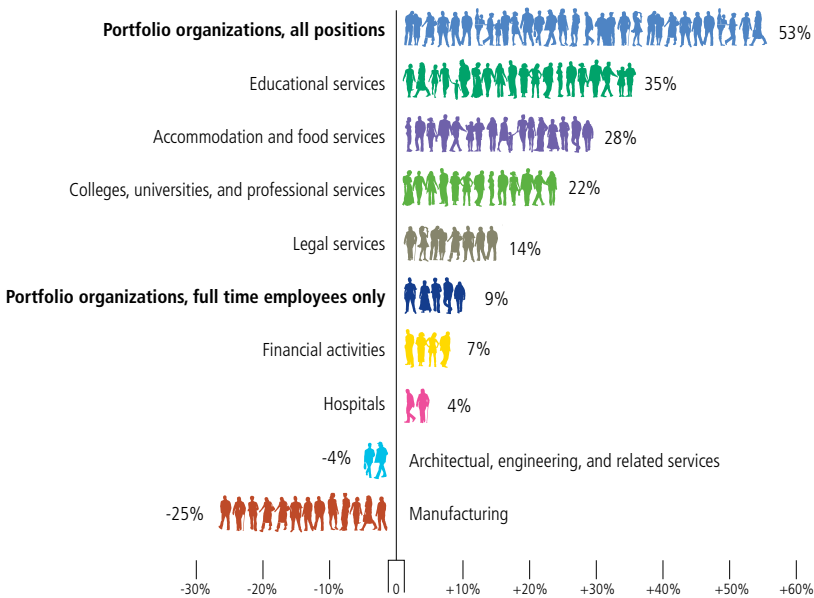


- Employment figures are for the 77 organizations that reported employment data in 1995.
- ° Source for non-Portfolio organizations data: Bureau of Labor Statistics, total non-farm employment.
- Totals for Portfolio organizations are for full-time employment only.
- °° Organizations in four suburban counties of Southeastern Pennsylvania (Bucks, Chester, Delaware, and Montgomery counties).





T8 Change over time: **Employment at Portfolio organizations and other industries in Southeastern Pennsylvania***



Organization type	Type	1995	2005	Change	% Change
Total	Full-time	2,033	2,211	178	9%
	Part-time	2,003	3,964	1,961	98%
	All positions ^o	4,036	6,175	2,139	53%
Community Arts and Education**	Full-time	211	302	91	43%
	Part-time	195	580	385	197%
Museums, Visual Arts, Historic and Scientific	Full-time	1,350	1,431	81	6%
	Part-time	984	701	-283	-29%
Performing Arts	Full-time	472	478	6	1%
	Part-time	824	2,683	1,859	226%

* Employment figures are for the 77 organizations that reported employment data in 1995 and 2005. All figures rounded to nearest whole number.
^o Raw totals and averages, not weighted for differences in hours worked between full time and part time employees.
****** Includes Support and Other.

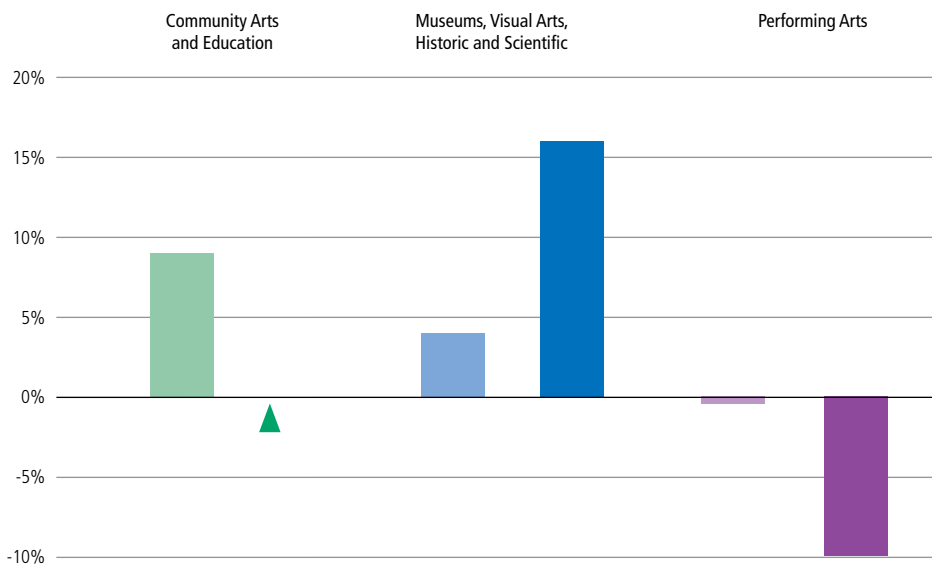
Financial Performance: 1995–2005

Operating margins remained thin.

Even with the overall budget growth of organizations, one noteworthy characteristic that remained unchanged from 1995 to 2005 is the thin operating margins. Organizations had an operating margin of \$7 million on \$262 million of total expenses in 1995—a 3% margin. By 2005, overall expenses had increased to \$389 million, but the operating margin remained small at \$20 million, or 5%.

Among discipline categories there are variations in this pattern. The margin for Performing Arts organizations fell from -1% to -10%. In Community Arts and Education organizations, it fell from 9% to <-1%. Museums, Visual Arts, Historic and Scientific organizations, however, saw growth in their operating margins, from 4% to 16% over the decade.

T9 Change over time: **Operating margins by organization type**



	Total expenses		Total income		Operating margin		% margin	
	1995	2005	1995	2005	1995	2005	1995	2005
Community Arts and Education*	18,674,000	40,262,000	17,054,000	40,318,000	1,620,000	(56,000)	9%	<-1%
Museums, Visual Arts, Historic and Scientific	164,585,000	249,606,000	158,095,000	215,822,000	6,490,000	33,784,000	4%	16%
Performing Arts	85,290,000	119,551,000	86,433,000	132,975,000	(1,143,000)	(13,425,000)	-1%	-10%
Totals	268,549,000	409,418,000	261,583,000	389,115,000	6,966,000	20,303,000	3%	5%

◀ Amount is too small to show proportionally.
 • Includes Support and Other.

2008 Portfolio's Implications

Vibrant, Valuable, Vulnerable

The arts and cultural sector of Southeastern Pennsylvania is a vibrant industry. The 281 organizations participating in the **2008 Portfolio** provide great value to the region, involving a large number of residents and visitors in an abundance of activities. The 108 organizations profiled in this report and in *Greater Philadelphia's Competitive Edge* (1998) have grown considerably over the last decade. Southeastern Pennsylvania's range and diversity of arts and culture is one of its strongest community assets. Citizens, elected officials, and civic leaders increasingly recognize the role that cultural organizations and artists can play in economic and community development.

The cultural community is vibrant and valuable, yet it is also vulnerable.

Though overall the community is currently healthy, operating margins have remained consistently thin over time, and many organizations are presently in deficit. In future years, any number of forces could shift the delicate balance of support upon which the cultural community relies.

Market Forces

Many organizations are skilled at raising money through earnings and contributions, but the vast majority operate on very slim margins which can be greatly affected by a reduction from any one source. Changes in funding models from 1995 to 2005 suggest that organizations have been impacted by, and adapted to, such swings over the last decade.

Government support, for example, has been a mixed bag for arts and cultural organizations. State support has grown substantially since 1995, but federal support is down. Outside of Philadelphia, there is little support from county or municipal governments. If a future drop in federal or state support occurs, a large number of organizations would be adversely affected.

One of the largest sources of revenue for the 281 organizations in this study is investment and interest income. However, 78% of this income is realized by just five larger organizations with sizeable endowments. These revenues, and those of other cultural organizations with endowments, are sensitive to swings in investment markets. While the data reported in the **2008 Portfolio** are robust, they came at a time of healthy market returns. Changes in the market will have an impact on those same cultural organizations. Market forces could also impact the endowments of foundations, thus potentially having an adverse effect on many Small and Medium organizations, as well.

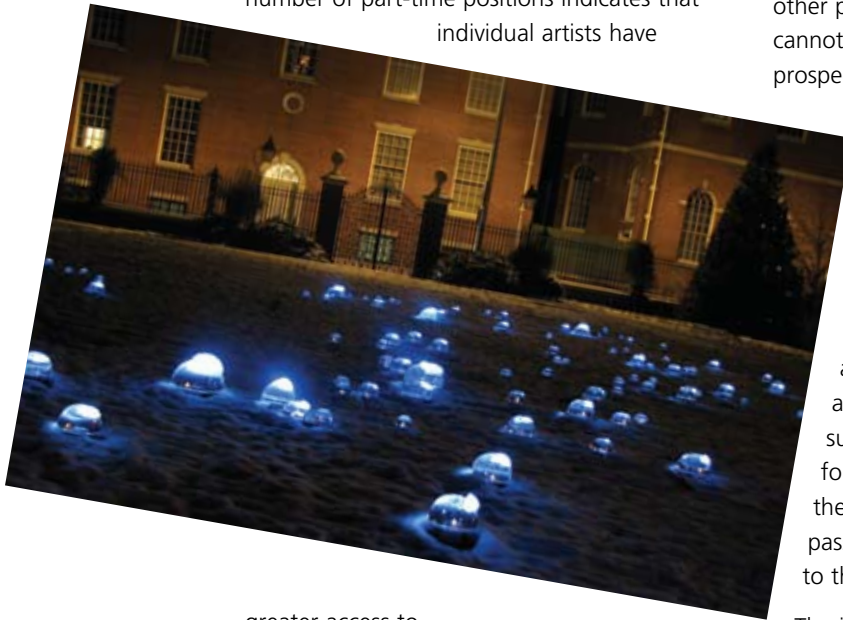
As changes in organizational revenue patterns from 1995 to 2005 demonstrate, cultural organizations are adept at diversifying their sources of income. Yet, they remain vulnerable to larger economic forces. Current conditions underscore the need for the arts and culture community to develop additional sources of financial support to weather future changes in the economic climate.



Workforce Development

Between 1995 and 2005, organizations proved quite proficient in efforts to streamline operations. In addition to achieving high levels of growth and diversifying sources of income at cultural organizations, the percentage of part-time employment increased considerably over the decade. This change in workforce structure creates some positive effects, but also presents some potential challenges for the sector going forward.

On the plus side, the availability of a large number of part-time positions indicates that individual artists have



greater access to working with a wide range of cultural organizations. Some artists may be able to build a portfolio of work through a series of jobs across the sector. Southeastern Pennsylvania's low cost of living relative to other large cities is also an attractive factor to a part-time workforce.

However, part-time workers are far less likely to receive access or employer contributions to health insurance, as well as retirement and other benefits that accumulate over the long term. This leaves them vulnerable to shifts in the marketplace, as well as catastrophic personal health issues. Further, as the very nature of part-time employment is often short-term, cultural organizations stand to lose valuable institutional memory from former employees who can no longer afford to work without benefits or full-time employment, or who choose to move on to other part-time opportunities. If the sector cannot provide enough long-term career prospects and employee benefits for experienced workers, regardless of their part-time or full-time status, those workers may leave the sector or the region.

Many recent studies also indicate the approach of a large generational shift throughout the nonprofit sector, as baby boomers approach retirement and leave leadership positions.¹³ With a substantial portion of the cultural workforce employed in part-time positions, is the community adequately positioned to pass on the legacy of its current leaders to the next generation?

The impact of the cultural community's current employment structure deserves added investigation, particularly regarding systems of support available to part-time employees. Some may receive health care and other benefits via spousal support or additional jobs, but others may be solely reliant on one or more part-time cultural positions. These issues cannot be fully investigated through these data alone, but the rise in part-time employment and the lack of health care coverage at Small organizations (the most numerous of the sector) bears further scrutiny going forward.

Building Maintenance

The decade of 1995 to 2005 saw significant rises in utilities costs for cultural organizations. For those that typically own facilities, such as Museums, Visual Arts, Historic and Scientific organizations, physical plant costs necessarily consume a large percentage of expenses. Given that these trends emerged even before the most recent spikes in energy costs, these organizations may be particularly vulnerable to rising fuel and other utility prices.

A 2007 study by the RAND Corporation, *Arts & Culture in the Metropolis: Strategies for Sustainability*, also highlights this issue as particularly acute for the region's History organizations, noting that "[a]lthough the historical sector's problems are not unique to Philadelphia, the large number of historical sites in the region makes this problem more significant there."¹⁴

Consumer Patterns

In recent years, many cultural organizations have become concerned that consumer buying patterns may be shifting away from memberships and subscriptions in favor of single-ticket purchases. Subscription and membership packages frequently reduce the price of admission as an incentive for advance buyers. A shift toward single-ticket purchases could, then, actually increase revenue for some cultural organizations, but this is a double-edged sword. While organizations may earn more revenue per ticket from single-ticket sales, the cost of acquiring single-ticket buyers is greater than acquiring members and subscribers.

Tracked over time, this trend will continue to be an important factor for the cultural community to consider. A shift in buying patterns will considerably alter the standard business model of the nonprofit cultural sector.

Conclusion

The cultural sector is essential to Greater Philadelphia's economic and social fabric. Recognizing its vibrancy, value, and vulnerability, this report demonstrates the need to continuously assess the health of the field. Only then can the cultural community adapt to challenges and new opportunities, ensuring the continued success of one of the region's distinguishing competitive advantages.



Acknowledgments

The Greater Philadelphia Cultural Alliance would like to thank the following individuals and organizations, without whose support this report would not be possible.

Pennsylvania Cultural Data Project Governing Group

Greater Philadelphia Cultural Alliance
 Greater Pittsburgh Arts Council
 The Heinz Endowments
 Pennsylvania Council on the Arts
 The Pew Charitable Trusts
 The Pittsburgh Foundation
 William Penn Foundation

Economy League of Greater Philadelphia

Richard Stein Steve Wray
 Marisa Waxman David Yim

Greater Philadelphia Cultural Alliance

Peggy Amsterdam Tom Kaiden
 Nick Crosson John McInerney
 Theresa DeAngelis Alexis Pappas
 Nancy DeLucia Susan Weiss
 Julie Hawkins

Greater Philadelphia Tourism Marketing Corporation

Deborah Diamond Meryl Levitz

Joel Katz Design Associates

Joel Katz Mary Torrieri

Pennsylvania Cultural Data Project

Jessica Hupp Neville Vakharia
 Barbara Lippman

The Pew Charitable Trusts

Doug Bohr Don Kimelman
 Marian Godfrey Greg Rowe

William Penn Foundation

Leslie Gaines Courtenay Wilson
 Olive Mosier

Your Part-Time Controller

Eric Fraint Joanna Reiner

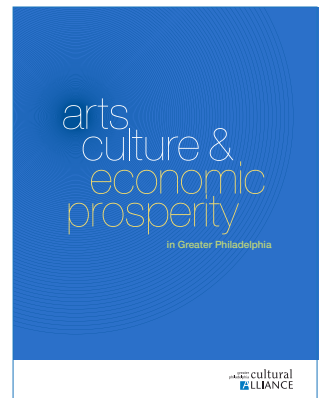
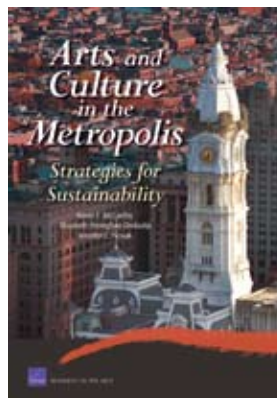
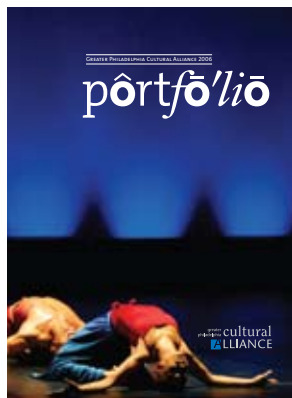
We also offer special thanks to the project partners of the 1998 report Greater Philadelphia's Competitive Edge: The Nonprofit Cultural Industry and its Economic Value to the Region: The Arts & Business Council of Greater Philadelphia; AT&T; Bell Atlantic—Pennsylvania, Inc.; Greater Philadelphia Chamber of Commerce; Greater Philadelphia Cultural Alliance; Greater Philadelphia First; Pennsylvania Convention Center Authority; Pennsylvania Economy League—Eastern Division; William Penn Foundation.

About the Greater Philadelphia Cultural Alliance

The Cultural Alliance is the region's premier leadership, advocacy, and collaborative marketing organization for arts and culture. Our mission is to lead the effort to expand awareness of, participation in and support for arts and culture in the region.

The Cultural Alliance's services fall into three areas: policy, marketing, and membership.

Recent publications by the Greater Philadelphia Cultural Alliance:



Participating Organizations

Community Arts & Culture

40th St. Artist-in-Residence
 Abington Art Center*
 Al-Bustan Seeds of Culture
 Allens Lane Art Center
 Art Sanctuary
 Asian Arts Initiative*
 Bainbridge House, Inc.
 Center in the Park
 Centro Cultural Latinos Unidos, Inc.
 Cheltenham Center for the Arts*
 Chester County Art Association
 Coatesville Area Arts Alliance, Inc.
 Community Arts Center*
 Darlington Fine Arts Center*
 The Gershman Y of the JCCs of Greater Philadelphia
 Islamic Cultural Preservation & Information Council
 Main Line Art Center*
 Nexus, Foundation for Today's Art*
 Old City Arts Association
 Parkway Council Foundation
 Philadelphia Art Alliance
 Philadelphia Folklore Project*
 Polish American Cultural Center
 Samuel S. Fleisher Art Memorial*
 Taller Puertorriqueño, Inc.*
 University City Arts League*
 The Village of Arts and Humanities
 Wayne Art Center*
 West Philadelphia Cultural Alliance*
 Wissahickon Art Center

Education & Instruction

Academy of Vocal Arts
 Art-Reach*
 Boyer College of Music and Dance
 Bucks County Community College
 Community Conservatory of Music
 Community Education Center*
 Community Music School of Collegeville*
 The Curtis Institute of Music
 The Design Center at Philadelphia University*
 Doylestown School of Music and the Arts
 International House Philadelphia*
 Kardon Institute for Arts Therapy*
 Main Line School Night
 Montgomery County Community College
 Moonstone Inc*
 Moore College of Art and Design
 NetworkArts
 Pennsylvania Academy of the Fine Arts*
 Philadelphia Arts in Education Partnership
 Philadelphia Young Playwrights*

Settlement Music School*
 Suburban Music School
 Temple University Music Preparatory Division
 Tyler School of Art, Department of Exhibitions & Public Programs
 The University of the Arts
 Wood Turning Center*
 Young Audiences of Eastern Pennsylvania, Inc.

Media Arts

215 Festival
 Ambler Theater, Inc.
 The American Poetry Review*
 Association for the Colonial Theatre
 Big Picture Alliance
 Bryn Mawr Film Institute
 County Theater, Inc.
 First Person Arts
 Foundation for Self-Taught American Artists
 Megawords Magazine
 New Liberty Productions
 PGLTF, Inc. (Philadelphia Gay and Lesbian Theatre Festival)
 The Philadelphia Photo Review
 Prometheus Radio Project
 WHYY Inc.
 WRTI
 wxpn
 WYBE Public Television

Museums, Galleries & Visual Arts

African American Museum in Philadelphia*
 Atwater Kent Museum of Philadelphia*
 The Barnes Foundation*
 Brandywine River Museum*
 Brandywine Workshop*
 The Center for Emerging Visual Artists*
 The Clay Studio*
 Conservation Center for Art and Historic Artifacts
 COSACOSA Art at Large, Inc.
 Creative Collective
 The Fabric Workshop and Museum*
 Fairmount Park Art Association*
 Galleries at Moore College of Art and Design
 Independence Seaport Museum
 Institute of Contemporary Art*
 James A. Michener Art Museum*
 Mercer Fonthill Trust*
 National Liberty Museum
 National Museum of American Jewish History*
 Philadelphia Museum of Art*
 Philadelphia Print Collaborative

Philadelphia Sketch Club*
 Philip and Muriel Berman Museum of Art at Ursinus College
 Please Touch Museum*
 The Print Center*
 The Rosenwald-Wolf Gallery*
 Slought Foundation
 University of Pennsylvania Museum of Archaeology and Anthropology*
 Vox Populi
 Woodmere Art Museum*

Science & Nature

The Academy of Natural Sciences*
 Awbury Arboretum Association*
 Bucks County Parks & Recreation Dept.
 Chemical Heritage Foundation
 The Franklin*
 John Bartram Association
 John J. Tyler Arboretum
 Longwood Gardens, Inc.
 Morris Arboretum of the University of Pennsylvania
 The Mütter Museum
 The Pennsylvania Horticultural Society*
 The Philadelphia Zoo*
 The Schuylkill Center for Environmental Education
 Scott Arboretum of Swarthmore College
 Wagner Free Institute of Science

History

American Philosophical Society
 American Women's Heritage Society, Inc.*
 Athenaeum of Philadelphia
 Bucks County Historical Society*
 Chester County Historical Society*
 Civil War and Underground Railroad Museum of Philadelphia
 Cliveden of the National Trust*
 Eastern State Penitentiary Historic Site, Inc.
 Elfreth's Alley Association
 Fair Hill Burial Ground
 Fairmount Park Historic Preservation Trust, Inc.
 Friends of Laurel Hill Cemetery
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 Friends of the Japanese House and Garden
 The German Society of Pennsylvania
 The Graystone Society
 Haverford Township Free Library
 Historic Philadelphia, Inc.*
 Historic RittenhouseTown*
 Historic Yellow Springs, Inc.
 Historical Society of Pennsylvania*
 Independence Visitor Center Corporation
 Library Company of Philadelphia*

The Mill at Anselma Preservation and Educational Trust, Inc.
 National Constitution Center
 The Pennsbury Society
 Philadelphia Camp, Sons of Union Veterans of the Civil War, Inc.
 Preservation Alliance for Greater Philadelphia*
 Rosenbach Museum & Library*
 Schwenkfelder Library & Heritage Center
 Stenton
 Woodlands Trust for Historic Preservation
 Wyck Association

Dance

American Ballet Competition Dance Affiliates
 Anne-Marie Mulgrew and Dancers Co.*
 ASH Contemporary Dance
 BALLETX
 Brandywine Ballet*
 Chinese American Women's Sisterhood Society of Philadelphia
 Dance Theatre of Pennsylvania
 Dancefusion*
 Danse4Nia Repertory Ensemble, Inc.
 Flamenco Ole
 Group Motion Dance Company*
 Hatch Dance Theater
 Headlong Dance Theater
 International Ballet Exchange
 Jeanne Ruddy Dance
 Koresh Dance Company
 Kulu Mele African American Dance Ensemble
 Leah Stein Dance Company
 Melanie Stewart Dance Theatre*
 Miro Dance Theatre
 Nichole Canuso Dance Company
 Olive Dance Theatre
 Pasion y Arte
 Pennsylvania Ballet Association*
 Philadanco*
 PIMA Group
 Rebecca Davis Dance Company
 The Rock School
 Susan Hess Modern Dance*
 Tania Isaac Dance
 Voloshky Ukrainian Dance Ensemble

Theater

1812 Productions
 Act II Playhouse, Ltd.
 American Historical Theatre*
 American Music Theater Festival, Inc. (Prince Music Theater)*
 Arden Theatre Company*

Azuka Theatre Collective
 Brat Productions
 Bristol Riverside Theatre*
 Enchantment Theatre Company
 Hedgerow Theatre*
 Hotel Obligado
 InterAct Theatre Company*
 Lantern Theater Company
 Media Theatre*
 Montgomery Theater, Inc.
 Mum Puppettheatre*
 New Generation Drama Guild
 New Paradise Laboratories
 The People's Light & Theatre Company*
 The Philadelphia Shakespeare Festival
 Philadelphia Theatre Company
 Pig Iron Theatre Company*
 Shakespeare in Clark Park
 Society Hill Playhouse Center for the Performing Arts, Inc.
 Spiral Q Puppet Theater, Inc.
 Storybook Musical Theatre
 Theatre Exile
 Village Productions
 VSA Arts of Pennsylvania/Amaryllis Theatre Company
 Walnut Street Theatre*
 The Wilma Theater*

Music

1807 & Friends
 The American Composers Forum, Philadelphia Chapter
 Anna Crusis Womens Choir
 Ars Nova Workshop
 The Bach Festival of Philadelphia, Inc.*
 Bucks County Choral Society*
 Center City OperaTheater, Inc.
 Chamber Music Now!
 The Chamber Orchestra of Philadelphia*
 Choral Arts Society of Philadelphia*
 Commonwealth Youthchoirs
 Concerts at Carmel
 Crossroads Music
 Encore Series, Inc.
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 Kennett Symphony of Chester County*
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 Musicopia*
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Orchestra 2001*
 Philadelphia Boys Choir & Choral
 Philadelphia Chamber Music Society*
 The Philadelphia Chapter of the American Harp Society
 Philadelphia Orchestra Association*
 The Philadelphia Singers*
 Philadelphia Virtuosi Chamber Orchestra
 Philadelphia Youth Orchestra*
 Philadelphia Classical Symphony
 Piffaro, The Renaissance Band*
 Pottstown Symphony Orchestra*
 Relache, Inc.*
 Singing City*
 Tempesta di Mare, Inc.
 Warriors of the Wonderful Sound Inc.

Other Performing Arts

Annenberg Center for the Performing Arts*
 Astral Artistic Services*
 Bryn Mawr College
 Bucks County Performing Arts Center
 Coatesville Cultural Society, Inc.
 Gadangme Association of Philadelphia
 Great Valley Community Education Foundation
 Intercultural Journeys
 Kimmel Center, Inc.
 Lights of Liberty
 Mann Center for the Performing Arts*
 The Painted Bride Art Center*
 Philadelphia Live Arts Festival and Philly Fringe
 Raices Culturales Latinoamericanas
 Sruti, The India Music and Dance Society*

Councils, Services & Support

Arts & Business Council of Greater Philadelphia
 Creative Access*
 Delaware Valley Arts Consortium*
 Greater Philadelphia Cultural Alliance
 Pennsylvania Guild of Craftsmen
 Philadelphia Mural Arts Advocates
 Philadelphia Sculptors
 Senior Artists Initiative
 Theatre Alliance of Greater Philadelphia

Other

Peregrine Arts, Inc.

* *Indicates organization is part of the 1995–2005 Trend Analysis*

Glossary

Artists includes those individuals directly responsible for the creation or performance of artistic and cultural products. The term is used in this report to categorize a type of cultural employee.

Assets refers to all money, properties, and resources an organization owns and can use to achieve its goals.

Average is the value obtained by dividing the sum total of a set of figures by the number of figures. For example, $3 + 4 + 5 + 8 + 10 = 30/5$ (number of figures) gives an average of 6.

Audit refers to an examination of records or financial accounts to check their accuracy.

Board of directors is the corps of volunteers responsible for the governance of a cultural organization. Board members typically serve for a set time period, usually a number of years.

Capital funds refer to monies raised in support of the fixed assets of an organization.

Common data profile refers to the form that cultural organizations submit annually to participate in the PACDP. Financial data are drawn from each organization's audit, providing accurate and reliable information.

Contributed income is made up of financial donations to a nonprofit organization and is generally classified as one of four types according to its source: individual, foundation, government, or corporate support.

Corporate contributions refers to donations received from corporations.

Cultural events refers to the total number of productions, exhibitions, and classes available among all cultural organizations. Multiple presentations of the same product are not counted in this figure.

Deficit occurs when an organization's annual expenses exceed its annual revenues.

Earned income is directly linked to the product or service of cultural organizations. Specific sources include tickets, subscriptions and memberships, sales from concessions, and income from endowments.

Endowment refers to a fund established to provide income for the maintenance of a nonprofit organization. Endowment funds generally are established by donor-restricted gifts and are limited in use to the purpose originally dictated by the donor. The principal of a permanent endowment must be maintained permanently.

Fiscal year refers to the twelve-month period used by an organization for budgeting, planning, and accounting purposes. The start and end month of a fiscal year varies by organization.

Fixed assets refer to the cost of land, buildings, equipment, and other tangible items owned by an organization.

Fundraising includes individuals directly engaged in efforts to raise monies supporting the work of cultural organizations. The term is used in this report to categorize a type of cultural employee.

General includes individuals not otherwise described by the remaining employee data categories. The term is used in this report to categorize a type of cultural employee, such as management, accounting, legal, or human resources.

General expenses are associated with the overall function and management of a nonprofit organization, including many personnel costs, accounting and legal fees, and outlays for equipment and supplies.

Individual contributions refers to donations received from single individuals, and may include gifts from board, trustees, or advisors when referred to as "total individual contributions" within this report.

In-Kind donation refers to a non-cash gift of products or services.

Large organizations have budgets from \$1,000,000 up to \$10,000,000 per year

Liabilities refers to the debts of an organization.

Marketing expenses refers to the monies spent on marketing costs in a given fiscal year. This figure includes expenses for printing, design, advertising, salary, and other marketing costs.

Median is middle value in a series of values. For example, the median of 3, 4, 5, 8, and 10 is 5.

Medium organizations have budgets from \$250,000 up to \$1,000,000 per year.

Membership refers to the number of people who joined a cultural organization as a financial supporter or who made a donation in return for certain benefits such as free admission, discounts, and invitations to special events. Due to the fact that individuals may join multiple cultural organizations over this period, this report categorizes aggregate members in terms of the number of memberships, rather than the number of total members.

Net assets represents the net of total assets less total liabilities.

Nonprofit cultural sector refers to the group of nonprofit organizations whose mission is primarily dedicated to the production, presentation, preservation, or support of arts and culture.

Participating organizations refers to the 281 nonprofit cultural organizations whose data is contained in this report. For a complete list of these organizations, please see pages 68–69.

Pennsylvania Cultural Data Project (PACDP) refers to an organization created to strengthen arts and culture in Pennsylvania by documenting and disseminating information on the sector. Data on cultural organizations in this report were obtained from the PACDP.

Performances refers to the total number of performances of all productions offered by a cultural organization in a given fiscal year.

Permanently restricted revenue refers to donated funds with donor-imposed restrictions stipulating that resources be maintained permanently but permitting the organization to use up or expend part or all of the income or other economic benefits derived from the donated assets.

Productions refers to the number of exhibitions and theatrical, dance, or music presentations by an organization in a given fiscal year. Multiple performances or presentations of the same program or production are not counted in this figure.

Program includes individuals responsible for producing, presenting, or otherwise organizing the artistic and cultural offerings of an organization. The term is used in this report to categorize a type of cultural employee.

Public classes includes workshops and course offerings specifically for the general public and not for professionals in the field. Multiple offerings of the same class or workshop are not counted.

Restricted revenue refers to monies designated for a specified purpose or for a specified time period as stipulated by the donor or source of the funds. These funds can only be released for use when their time or purpose restriction has been satisfied.

School children refers to the number of school students, age 18 or below, who attended or visited a cultural organization in a given fiscal year. Since school children may visit multiple cultural organizations over the period, this report categorizes aggregate school children attendance in terms of the number of visits, rather than the total number of school children visiting.

Small organizations have budgets of up to \$250,000 per year.

Southeastern Pennsylvania refers to the five counties of Bucks, Chester, Delaware, Montgomery, and Philadelphia, Pennsylvania.

Sponsorship revenue refers to income received from corporations or other organizations to be used in exchange for use of the corporation's name or logo on printed materials or other agreed upon exchanges or promotions.

Subscription refers to the number of people who purchased tickets to a specially designated series of events or performances at a cultural organization in a given fiscal year. Since individuals may subscribe to multiple cultural organizations over this period, this report categorizes aggregate subscribers in terms of the number of subscriptions, rather than the total number of subscribers.

Surplus occurs when an organization's annual revenues exceed its annual expenses.

Total expenses refers to all costs incurred by an organization in a given fiscal year. In the PACDP, expenses are categorized by four types: program, fundraising, general, and administrative.

Total revenue refers to all monies received by an organization in a given fiscal year. Revenues are generally classified according to two types—earned and contributed.

Unrestricted revenue are funds that may be used for any purpose related to an organization's mission, without restriction by time period or specific program.

Very Large organizations have budgets of \$10,000,000 per year or greater.

Visits refers to the number of persons who attended an organization in a given fiscal year. Since individuals may attend multiple cultural organizations over this period, this report categorizes aggregate attendance in terms of the number of visits, rather than the number of total visitors.

Volunteers refers to the number of individuals who serve full- or part-time for a cultural organization without any compensation in a given fiscal year. Since individuals may volunteer for multiple cultural organizations over this period, this report categorizes aggregate volunteers in terms of the number of volunteer positions, rather than the total number of volunteers.

Photo Credits/Endnotes

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- Inside cover Anne-Marie Mulgrew and Dancers Co.—Deborah Boardman
- 6 Perelman Building of the Philadelphia Museum of Art—Graydon Wood
- 7 The Colonial Theatre—Sandy Lusch
- 12–13 Wood Turning Center—Wood Turning Center's Resource Library
- 16 Morris Arboretum of the University of Pennsylvania—Morris Arboretum Photo Archives
- 18–19 Brandywine Workshop—Helen Wang
- 20 Crozer Library Mural by the Community Arts Center—Community Arts Center
- 22 People's Light & Theater Co.—Mark Garvin
- 23 Morris Arboretum of the University of Pennsylvania—Paul Meyer
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- 25 Vox Populi—Matthew Suib
- 26 The Wilma Theater—Jiri Zizka
- 27 Rendering of the future National Museum of American Jewish History—Polshek Partnership Architects
- 28 Dance Celebration Series presented by Dance Affiliates and Penn Presents—Lois Greenfield
- 31 Bryn Mawr Film Institute—Buck Sleuman, Hunt and Release Photography
- 32–33 Pennsylvania Ballet—Alexander Iziliaev
- 35 Pennsylvania Guild of Craftsmen—Pennsylvania Guild of Craftsmen
- 37 Morris Arboretum of the University of Pennsylvania—Paul Meyer
- 38 Philadelphia Park Liberty Carousel at Franklin Square—M. Kennedy/Historic Philadelphia
- 39 Kennet Symphony at Longwood Gardens—Larry Albee
- 40 Village of Arts & Humanities—James Wasserman
- 41 Main Line Art Center—Gregory Benson
- 42 Anne-Marie Mulgrew and Dancers Co.—Bill Hebert
- 43 Brandywine Workshop—Stan Isaacson
- 44–45 Abington Art Center mural at Willow Grove Mall—Heather Rutledge
- 46 James A. Michener Art Museum—Keri Smotrich
- 47 Brandywine Workshop—Stan Isaacson
- 50–51 Longwood Gardens—Longwood Gardens
- 54 Conservation Center for Art and Historic Artifacts—Conservation Center for Art and Historic Artifacts
- 60 Hotel Obligado—Elizabeth Hershey
- 61 Crozer Library Mural by the Community Arts Center—Community Arts Center
- 62 Singing City—Pete Checchia
- 64 Please Touch Museum—Willard Whitson
- 65 American Philosophical Society—American Philosophical Society
- 66 t Vox Populi—Trudy Nelson
- 66 b Network for New Music Ensemble—JJ Tiziou

- 1** There were approximately 950,048 residents of Southeastern Pennsylvania under age 18 in 2006. Source: U.S. Census, 2006 Population Estimates.
- 2** January 2007 data from the National Center for Charitable Statistics counts more than 1,000 nonprofit cultural organizations in Southeastern Pennsylvania, more than half of which have budgets less than \$25,000.
- 3** For a detailed analysis, see Greater Philadelphia Cultural Alliance, *Arts, Culture, and Economic Prosperity in Greater Philadelphia*, 2007.
- 4** The time period January 1, 2006, through September 30, 2007, covers almost all of the Fiscal Year periods of organizations included in this report. During this time period, the Dow Jones Industrial Average weekly close went from 10,847.41 to 13,896.63, an increase of approximately 28.10%.
- 5** Among the requirements instituted with the Sarbanes-Oxley Act of 2002 are accounting regulations requiring that the full amount of multi-year grants be recorded in the year the grant was awarded, regardless of when it is to be used. For example, if an organization receives a \$1 million grant for 2 years, \$500,000 would be counted as Unrestricted Revenue and \$500,000 in Restricted Revenue for the current year.
- 6** Other includes the amount spent on marketing for the following types of expenditures: dues and subscriptions, internet and website, lodging and meals, postage and shipping, professional fees, public relations, sales and commissions, telephone, travel, and other.
- 7** All figures for the number of board members and average financial contributions are based on the number of board positions at **Portfolio** organizations. It is possible, and in fact likely, that some individuals serve on more than one board of directors.
- 8** This figure includes only the first class of courses that run more than one session.
- 9** Public broadcasting organizations, in particular, have high numbers of memberships and subscriptions.
- 10** *Greater Philadelphia's Competitive Edge: The Nonprofit Culture Industry and its Economic Value to the Region*, prepared by the Pennsylvania Economy League—Eastern Division, May 1998.
- 11** The Consumer Price Index of Metropolitan Philadelphia is compiled by the Bureau of Labor Statistics.
- 12** It should be noted that these organizations are generally younger and fewer in number, and were significantly smaller in FY1995.
- 13** "After the Baby Boomers: Who's Next," *Building Movement Project's Philanthropy Forum Series*, November 2007, http://foundationcenter.org/events/archive/phil_forum_dc2007_11_12.pdf.
- 14** RAND Corporation, *Arts and Culture in the Metropolis: Strategies for Sustainability*, 2007, p.77-78.

*This publication was made possible by PNC and the William Penn Foundation.
Additional support was provided by the Dolfinger-McMahon Foundation.*



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