

Today's seminar will begin shortly

Please complete your phone connection now:

1. Dial the toll free number 1 866 275 3495.
2. Enter the meeting number *4671867* on your phone keypad. Enter the star (*) key before and after the meeting number.
3. **Identify yourself.** Using your **phone** keypad, enter the unique 5-digit participant number from the bottom of your Voice Connection box. Enter the star (*) key before and after the number.

Tip: Find your Voice Connection Box near the lower right hand corner of your screen.

State of the Nonprofit Arts Sector

If you have just arrived via the Web, complete your phone connection. Dial 1 866 275 3495 and enter *4671867* on your phone. Then key in your 5-digit ID number (located in the Voice Connection box).

Your Hosts

National Assembly of
State Arts Agencies

KNOWLEDGE ★ REPRESENTATION ★ COMMUNITY



Eric Giles

Learning Services Manager



Ryan Stubbs

Research Director

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Tech Tips

- **View all participants** in the roster to the right
- **Use the “Chat” box at any time** to submit a question or get technical help
- **During the Q&A break** presenters will answer chat questions

If you have just arrived via the Web, complete your phone connection. Dial 1 866 275 3495 and enter *4671867* on your phone. Then key in your 5-digit ID number (located in the Voice Connection box).

Today's Format

I. State of the Nonprofit Arts Sector



Anjali Deshmukh

Associate Director
Knowledge & Communications
Nonprofit Finance Fund



Emily Guthman

Associate Director
National Services
Nonprofit Finance Fund



Jina Paik

Manager of Consulting Services
Nonprofit Finance Fund

II. Your Questions and Comments

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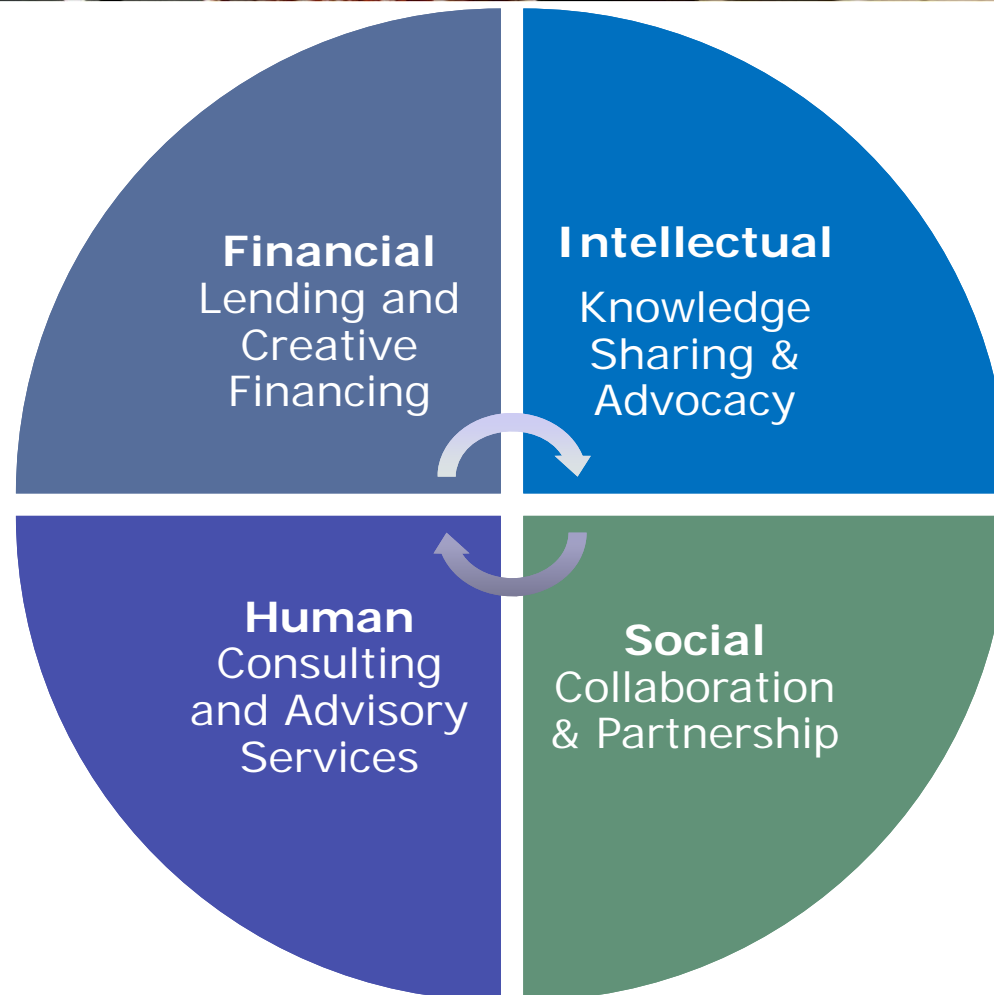
Manager of Consulting Services
Nonprofit Finance Fund

II. Your Questions and Comments



<http://nonprofitfinancefund.org/survey>

Based on a nationwide survey of nonprofit leaders conducted by Nonprofit Finance Fund, January-February 2012.

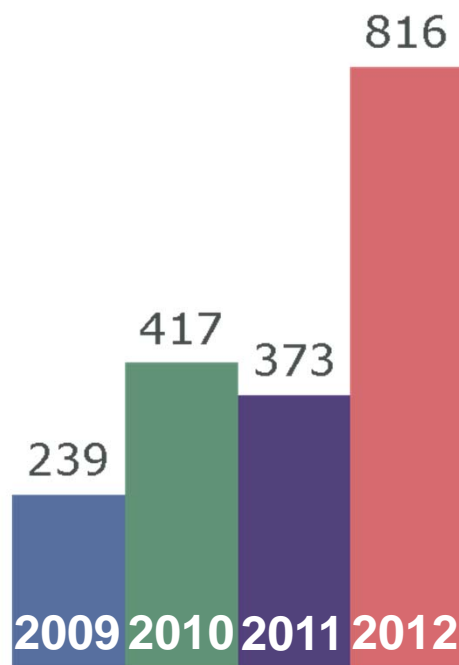


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4,607 Total Respondents: Growing Up & Down, Open Data to Help Guide Action, & Conducted Every Year Since 2008



OPEN



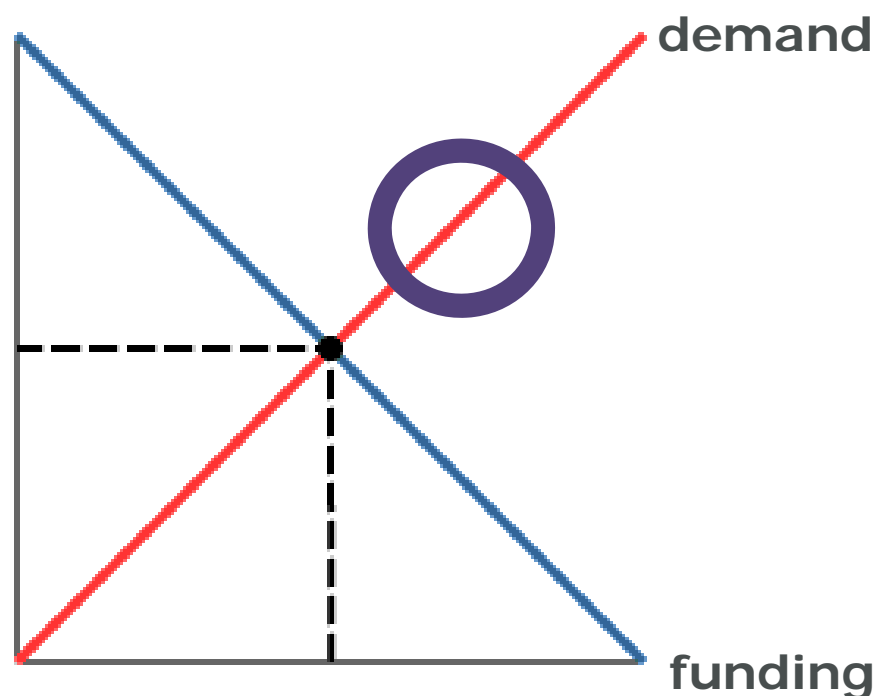
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Out of the 4,607 Total Respondents, 816 Arts Leaders Tell Us That the Financial Crisis is Not Over



"...While our organization is holding on,... funding organizations look at the tax return... and it looks as if we are sinking... Our staff is stretched to the limit, our Board has no experience in running campaigns, and no major funder wants to give to an [NPO] without a solid financial future. It's a horrible cycle and there is no way out..."

Arts, Culture, & Humanities
NPO, MT



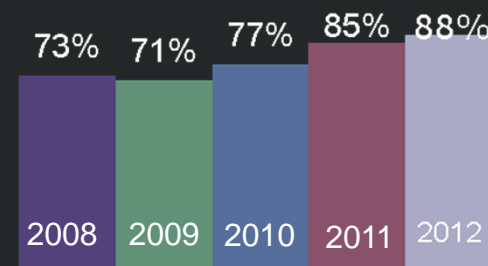
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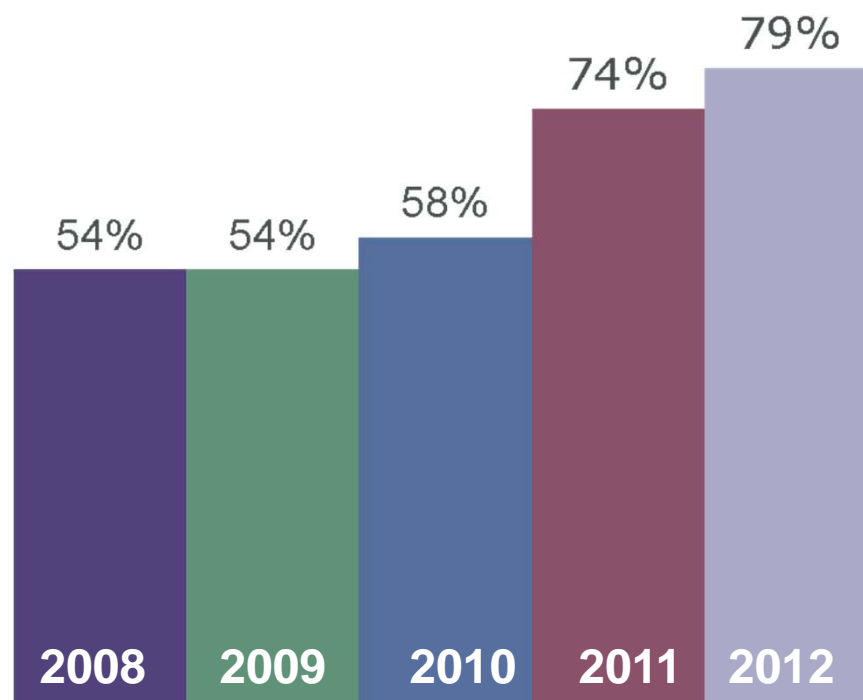


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Demand for Services Jumps, and Arts Organizations Try to Keep Up



increased demand among the 4,607



reports of increased demand for services



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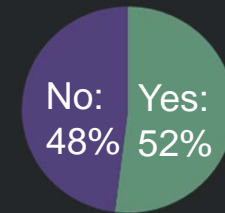
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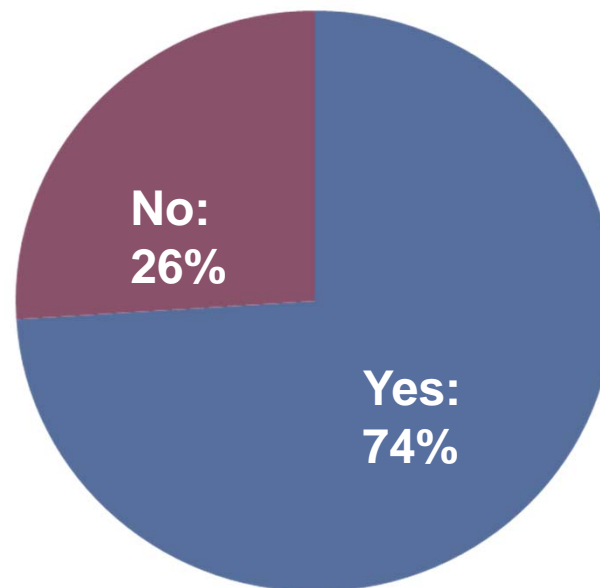
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Organizations are Trying to Keep Up with Demand

All 4,607 Organizations Met Demand?



816 Arts Organizations Met Demand?



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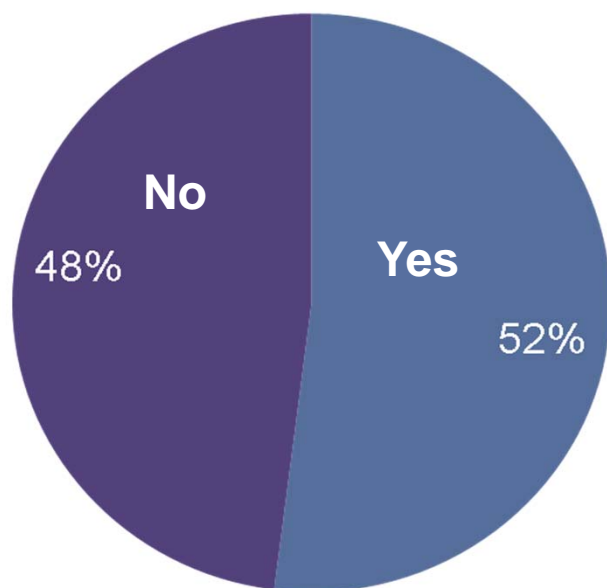
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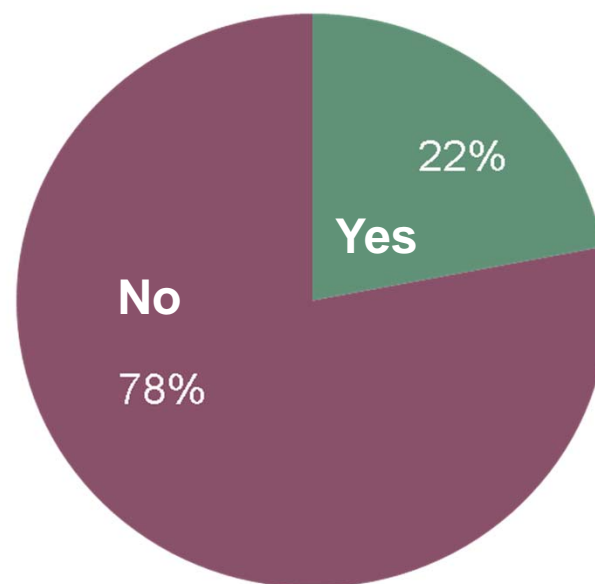
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Government Funding is Essential for the Sector, but Doesn't Always Cover Full Costs

Hold State/Local Contracts?



Do funds cover the full cost of services?



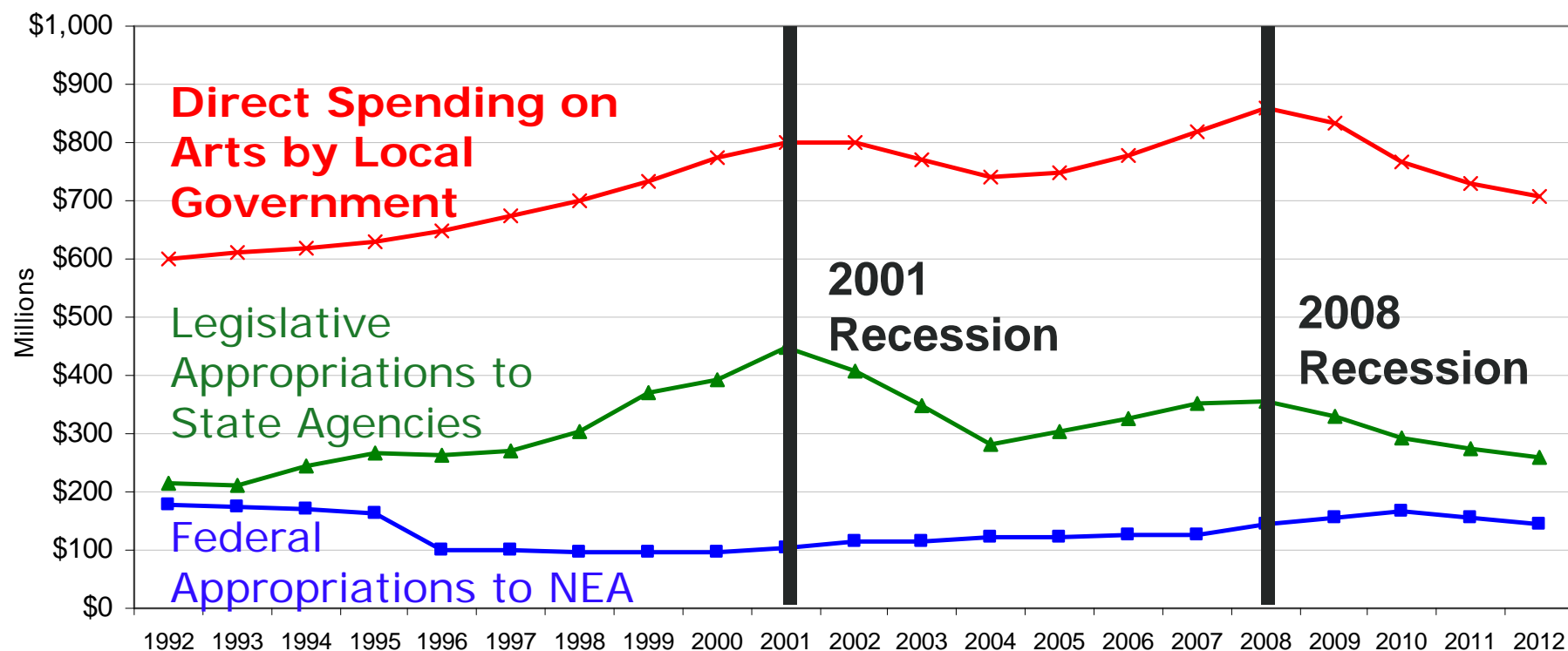
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Government Funding for the Arts Has Been Contracting for a Long Time



Data from GIA Reader



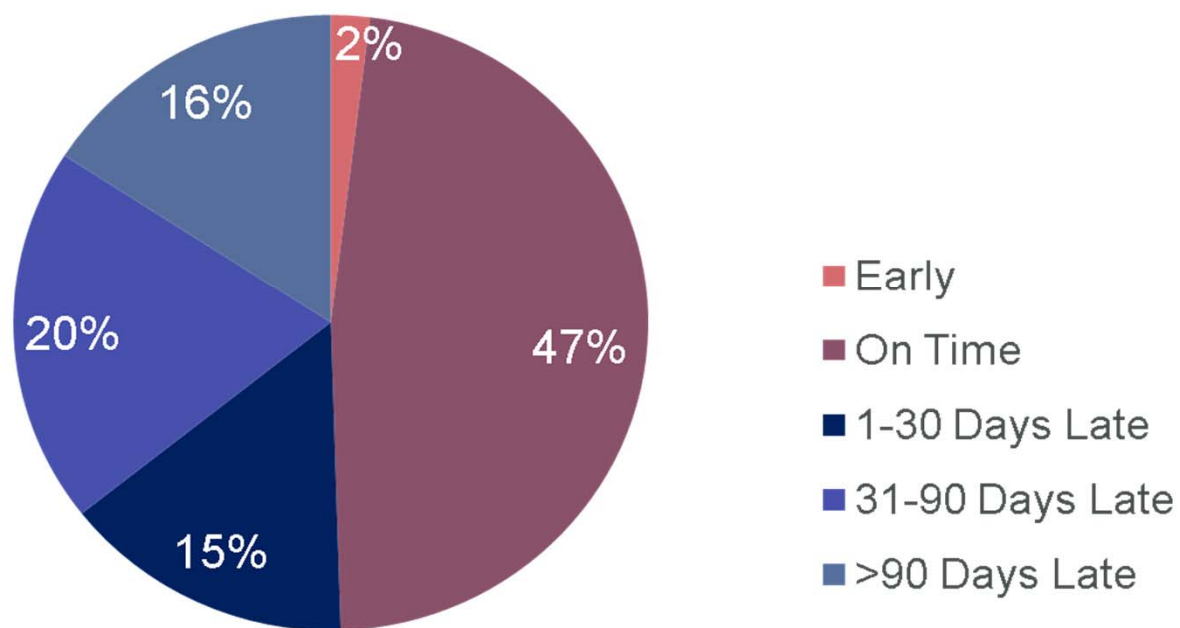
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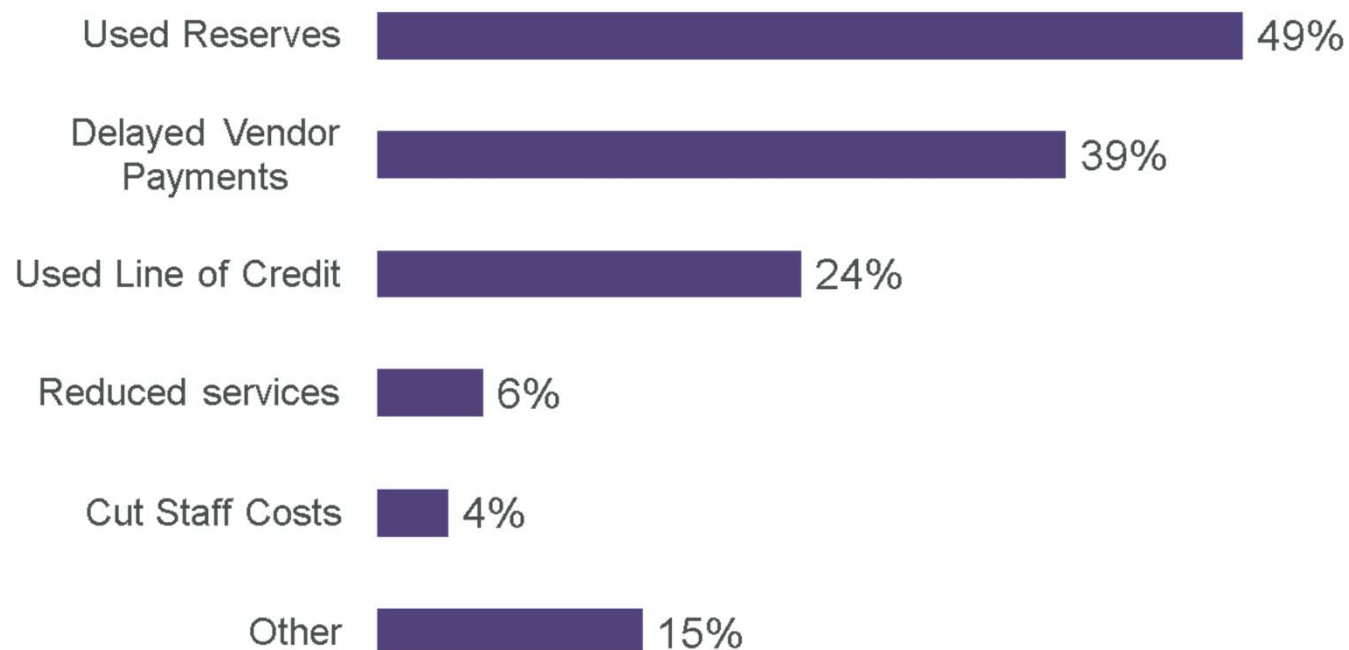
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State Funding is Not Always Reliable

When Do you Receive Payment?

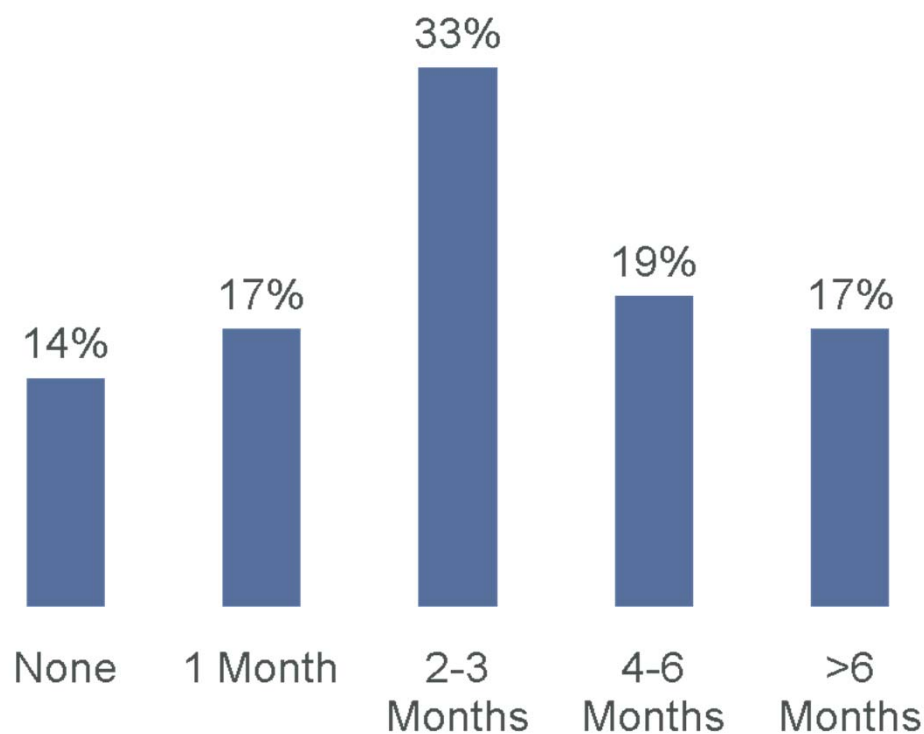


Organizations Had to Make Difficult Decisions To Manage Payment Delays

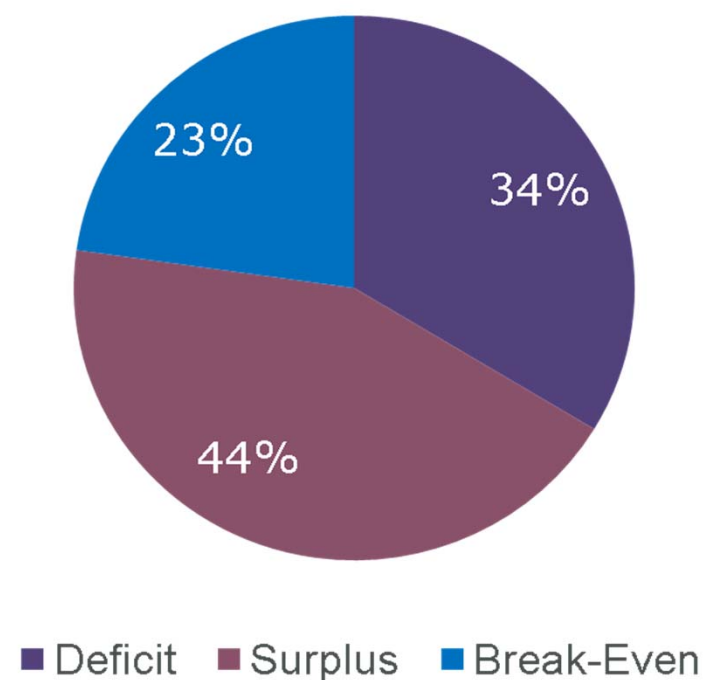


Most Have Little Cash on Hand. This is Especially Dangerous if Payments Aren't Reliable

Facts on months of cash for the 4,607 orgs:
 9%: none
 16%: 1 month
 32%: 2-3 months
 22%: 4-6 months
 21% >6 months



Ended FY '11 With....



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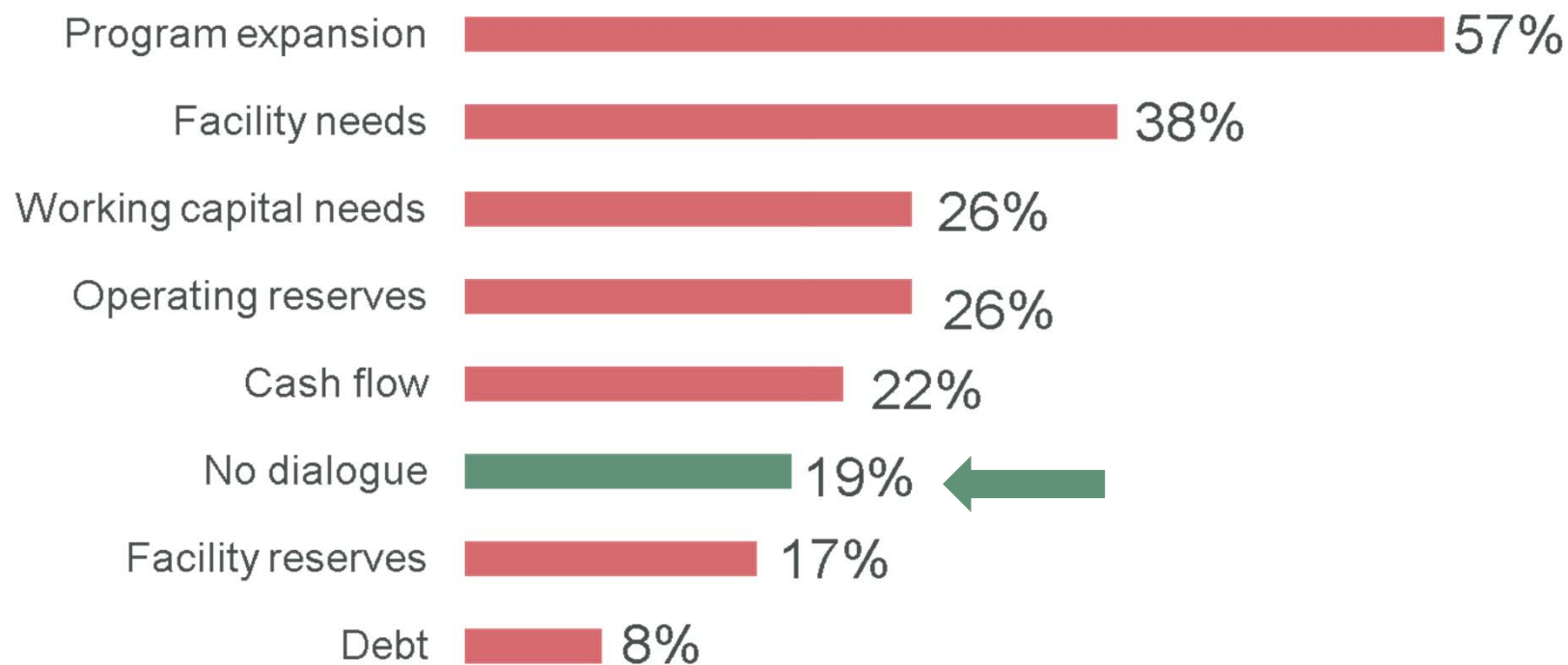
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Unfortunately, Organizations Feel Uncomfortable Discussing Their Needs



Despite Strain, Nonprofits are Working to Increase Programming and Reduce Expenses in a Variety of Ways

- 54% added/expanded programs
- 21% expanded geographies served
- 50% increased the number of people served
- 52% collaborated with another organization to provide programs
- 35% relied more on volunteers
- 15% collaborated to reduce administrative costs
- 17% reduced staff
- 25% used reserves
- 7% reduced staff benefits



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On the Ground: What the Survey Can't Measure

- Unique business models drive cash flow concerns
- Organizations believe there are opportunities in building individual donor and earned revenue streams
- Sector seeking efficiencies (restructuring, cost reductions)
- Challenges in fundraising in the context of post-recession needs for emergency and basic services



Cuyahoga Arts & Culture Story

- Improving fairness in the grantmaking process
- Focusing on transparency and communication
- Scaling vs. sustainability
- Changing application processes
- Providing necessary training to applicants



Audience Questions

Use the “chat” box.

Nonprofit Finance Fund

Where Money Meets Mission ®

Learn more at:

- nonprofitfinancefund.org/survey

Interact with the data yourself at:

- survey.nonprofitfinancefund.org

Stay connected & help grow the survey!

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Thanks for participating!

Questions or comments about this session? Contact Eric Giles,
Learning Services Manager (eric.giles@nasaa-arts.org).

Many thanks to NASAA's member states and today's guests for making this session possible. The work of NASAA and of state arts agencies is also supported and strengthened in many ways through funding and programming partnerships with the National Endowment for the Arts.