



NEWS AND INFORMATION

FOR IMMEDIATE RELEASE

12/17/2002

Letter to Members

Dear Members and Friends,

As we end this year, it is my pleasure to give you more complete information on the wonderful news that I shared with you at our convention last June and in previous correspondence regarding the donation coming our way from Ruth Lilly. We are extremely excited and very thankful to Ms. Lilly for her longstanding support of Americans for the Arts, which goes back over 25 years and has now culminated in this extraordinary gift.

Ruth Lilly resides in Indianapolis and is an heir to the Eli Lilly pharmaceutical fortune. Under various irrevocable trusts that have now been established on behalf of Ms. Lilly, Americans for the Arts will receive distributions over the next 30 years. While the actual timing and value of the distributions and the ability of Americans for the Arts to convert some of the distributions to liquid assets will depend on a number of factors, the aggregate value of the distributions is expected to exceed \$120 million. No doubt this gift will prove to be one of the largest ever given to the cause of advancing the arts in America.

In order to ensure that this information is accurately reported, I wanted our members and stakeholders to get the pertinent facts and details directly from us. Our board of directors has been engaged in a serious and thoughtful process regarding the stewardship of this very complex gift ever since we became aware of it. We have established an investment committee and selected an investment consulting firm to give us the best possible advice in how to manage these funds once we have received them. None of the gift has yet come to Americans for the Arts, and the first part of the gift will not be received until next year.

Equally important to how we manage these future funds is, of course, what we do with them. And that's where your input becomes so valuable to us. As you know, we are now engaged in a strategic planning process, and a survey has been sent to more than 5,000 members and friends. Once the results have been compiled, our board will use that information in its planning. It is my hope that we will have some specifics to share with you by our June convention in Portland. We are especially interested in how this donation can best be

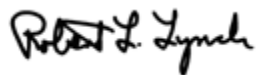
leveraged to ensure its greatest possible value to you and to maximize the long-term impact we all have on the arts in America.

Our board anticipates that much of this gift will be used to establish an endowment so that the resulting interest can be used effectively on an ongoing basis. We also anticipate that Americans for the Arts will continue to focus on work that results in more resources for the arts, arts education for all Americans, and better communities in partnership with the arts as we have done over the last 40 years. I expect that our day-to-day strategic work in the areas of research and information, leadership development and training, national visibility and marketing of the value of the arts and arts education, and policy development and advocacy for those policies will continue to be strengthened.

These future resources might also allow us to expand our current role as a partner in national initiatives. Such current projects include the Animating Democracy Initiative with the Ford Foundation and the national arts education public awareness campaign—"Art. Ask for More"—with the Doris Duke Charitable Foundation. I imagine we might do more significant research like the national economic impact study, done with American Express and the National Endowment for the Arts, and released earlier this year that has already proven helpful to so many of you in making the case for increased support for the arts in your communities. And we might look at further developing programs that help strengthen the infrastructure of the arts in this country—specifically, the capacity of local arts organizations and their board and staff leadership. These are some of our initial thoughts as we begin, in partnership with all of you, to plan for our future.

Ruth Lilly's concern for local arts access and community development issues has given us an incredible opportunity. Americans for the Arts is deeply grateful for her gift, and we look forward to using it to benefit the arts throughout the country and to creating more opportunities for every American to participate in and appreciate the arts.

My best wishes for a joyous holiday season,



Robert Lynch
President & CEO

Americans for the Arts is the leading nonprofit organization for advancing the arts and arts education in America. With offices in Washington, D.C. and New York City, it has a record of more than 50 years of service. Americans for the Arts is dedicated to representing and serving local communities and creating opportunities for every American to participate in and appreciate all forms of the arts. Additional information is available at www.AmericansForTheArts.org.

###