

**Capacity and Stability in the Arts:  
A Comparative Analysis of 29 United Arts  
Fund Communities and 29 Non-United  
Arts Fund Communities**

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**SUMMARY**

There is empirical evidence that United Arts Funds raise critical financial support for local arts communities, but an important question remains: Are there significant differences in the fiscal capacity and financial health and stability between local arts sectors in communities where UAFs operate and arts sectors without UAFs? The Urban Institute explored this question with a study that compared financial data of the top 25 arts organizations in 29 communities with UAFs to a similar sample in 29 communities without UAFs. Comparison cities were carefully selected according to region, location in a metropolitan area, and 2000 population, as well as the total number and type of arts organizations. The results provide important evidence that supports the effectiveness of UAFs as a component of local arts funding.

**Key Findings:**

- On average, art sectors in UAF communities are significantly larger than the arts in comparable localities, but tend to raise revenues in similar ways.
- Total spending by arts-related nonprofits is significantly higher in local communities with UAFs.
- Arts organizations in UAF communities spend a statistically significant amount less on fundraising costs.
- The arts sectors in UAF communities are more financially stable and healthier than the arts sectors in their comparison localities.

**BACKGROUND**

Arts and cultural nonprofit organizations provide a host of programs and activities in local communities. Under the umbrella of arts and cultural groups fall museums, theaters, dance companies, historical societies, multiservice organizations that provide space for local artists to exhibit their work and workshops to give local residents hands-on experience in the arts, and many others. This wide range of opportunities makes arts-related nonprofits pivotal to the health and well being of local communities. Arts groups

also help local communities in other significant ways. Not only are they amenities that can raise the attractiveness of communities (Walker, Jackson, and Rosenstein 2003), but arts organizations also serve as a means for community engagement and civic participation (Walker and Scott-Melynk 2002).

To serve as key community resources, arts-related nonprofit organizations need to receive enough revenue to support their operations. The need to stimulate support for the arts has long been recognized. In fact, in 1949 civic leaders in Cincinnati and Louisville determined that community-wide campaigns could raise significant operating support for major arts institutions (Americans for the Arts 1999). This recognition resulted in the movement toward United Arts Funds (UAFs). Based loosely on the United Way/Community Chest model, a UAF is a federated, annual funding appeal to raise and distribute unrestricted money for three or more arts, culture or science organizations in a local community. A UAF can serve as an efficiency boon for a local arts community, because its centralized nature can lower the relative cost of raising and disbursing funds to arts providers. In the past half-century, more than 100 communities in the United States established UAFs. The scope of UAF fundraising is now substantial. Fifty-nine UAFs responding to a national survey by Americans for the Arts (2003) reported \$96.1 million in campaign receipts in 2002.

Despite the empirical evidence of the ability of UAFs to raise financial support for local arts communities, an important question remains: Are there significant differences in the fiscal capacity and financial health and stability between local arts sectors in communities where UAFs operate and arts communities without UAFs? We explore this question in some detail in this paper by using financial data on nonprofit arts

organizations obtained from the National Center for Charitable Statistics (NCCS) at The Urban Institute<sup>1</sup>. More specifically, this report uses a series of descriptive and parametric statistics to assess differences between a paired sample of local arts sectors in 29 communities with UAFs and 29 communities without UAFs. The results provide important insights into the differences between local arts sectors in UAF and non-UAF communities, and suggest avenues for future research.

## **METHODOLOGY**

The primary data source for this study is the NCCS/Guidestar National Nonprofit Database, which is the most comprehensive dataset on nonprofit organizations in the U.S. Composed of Internal Revenue Service Form 990s—tax forms filed annually by nonprofit organizations with revenues of more than \$25,000 per year—the database contains detailed information on the finances of the nonprofit sector. The Year 2000 file, for example, contains information on roughly 230,000 public charities, of which 24,400 (or 10.8 percent) are classified as arts-related organizations. Because some nonprofits fail to file every year, even if they remain in operation, this study uses a two-year merged set of filers from fiscal years 1999 and 2000.

Arts-related nonprofit organizations were identified through the National Taxonomy of Exempt Entities–Core Codes System (NTEE-CC). This hierarchical classification system categorizes the organizational purpose of each nonprofit in the NCCS data set. In consultation with Americans for the Arts, we included in the analysis only organizations that were deemed “arts producers,” such as multipurpose arts groups, historical societies, fairs, as well as the more obvious visual arts, performing arts, and

humanities organizations. Excluded from the financial analysis are “enabling” arts nonprofits, such as single financial support groups and others that do not directly deliver a cultural product to their community. We also excluded nonprofits focusing on media, broadcasting and publishing (e.g., PBS stations, small presses).<sup>2</sup>

The analytic approach for the study is to assess the differences in means for several measures of fiscal capacity and stability among pairs of local arts sectors in UAF and non-UAF communities. To that end, we use descriptive measures (means, medians, and standard deviations) and paired sample t-tests as test statistics. To create the matched pairs of communities, we worked with Americans for the Arts to first draw a sample of 29 diverse communities with UAFs (Table 1). We then used location and population data from the U.S. Bureau of the Census to select 29 comparable communities (Table 1) on three dimensions: location in a metropolitan area, regional location, and 2000 population.<sup>3</sup>

Pairing the UAF and non-UAF localities created 29 matched sets of communities (a total of 58 communities). Statistical tests show no significant differences between the matched pairs for total population or the number of nonprofit arts providers. For the distribution of arts groups, there are no statistical differences between UAF and non-UAF communities by type of arts providers, organizational age, or regional location (Table 2). As a result, although the paired samples were not randomly drawn, we can be reasonably confident that they are statistically comparable along these dimensions.

We limited the financial analysis to the largest nonprofit arts providers in the 58 communities. We define these providers as the 25 organizations with the greatest total expenses in each community, based on those found in the NCCS/Guidestar National

Nonprofit Database. Some areas, such as Pensacola, FL; Erie, PA; Charleston, WV; and Binghamton, NY; do not have 25 arts-related nonprofits listed in the database. In these localities, we included all of the arts providers in the financial calculations.

The units of analysis are the local arts sectors. Therefore, we created sector-level financial measures by summing the finances of arts groups for each community. The analysis includes two broad types of financial measures: capacity and stability.

1. Capacity is the ability of a local arts sector to provide activities and programs to its community. We measure capacity as total revenues and expenses at the sector level. Differences in manner in which local arts sectors raise and spend their financial resources are also explored. Four types of revenue sources are compared, including private support from charitable contributions<sup>4</sup>, government grants, user fees or fees-for-services, and other sources, such as membership dues and sales of goods and inventory. Expense types include funds spent on program services, management, fundraising and payments to affiliates.
2. Stability is the extent to which a local arts sector has the fiscal resources to sustain its program service delivery over time, and to withstand and offset financial pressures. Research has explored in some detail the issue of the fiscal health of nonprofit organizations (see, for example, Tuckman and Chang 1991, 1993; Greenlee and Trussel 2000; and Hager 2001). We build on existing research, most notably by De Vita and Twombly (2003), to assess the financial stability of local arts communities along four dimensions: income balance, fund balance, a two-year change in fund balance, and organizational age. Each measure is described below:

- Income balance is the difference between total revenue and total expenses in the study year, and shows whether the arts community operated with a surplus or lost money during the year. Arts communities with positive income balances may be more stable than those with negative balances.
- Fund balance equals the net assets in a local arts sector and is the difference between total assets and total liabilities in the study year. This measure serves as a proxy for the economic “worth” of an arts community and indicates the financial reserve on which it may draw if times get tough. Higher fund balances may indicate greater stability in the local arts environment.
- The two-year change in fund balance calculates the difference in net assets in the local arts sector from the previous to the current fiscal year. A growing fund balance may signal a stable and prospering arts community.
- Organizational age, as measured by the average age of the largest arts groups in each community, is a proxy for the institutionalization of the arts at the local level. A higher average age may equate to a more stable arts community.

## **KEY FINDINGS**

The data reveal some important differences between the local arts sectors in UAF and non-UAF communities. Taken together, four key findings emerge.

- **On average, art sectors in UAF communities are significantly larger than the arts in comparable localities, but tend to raise revenues in similar ways.**

The average revenue in the arts communities in which UAFs operate is \$60.5 million, compared with \$44.8 million in the non-UAF localities (Table 3). This greater volume of

expenditure suggests that these UAF-related arts sectors may have more capacity to provide arts and cultural activities to local residents than non-UAF communities. Additionally, the UAF localities had more arts organizations in their communities than the non-UAF localities (2,013 vs. 1,697).

Although the arts in UAF localities have substantially higher aggregate revenues than the arts in the comparison areas, there are no significant differences between the two groups in their reliance on specific revenue flows. Both the arts in UAF and non-UAF communities receive roughly four of every ten dollars from private contributions (individuals, foundations, and corporations); three of every ten dollars from program services (e.g., ticket sales, tuition); two of every ten from other sources (e.g., dues and merchandise sales); and one out of every ten dollars from the government (Table 4).

- **Total spending by arts-related nonprofits is significantly higher in local communities with UAFs.**

Because the local arts sectors in UAF communities have significantly higher revenues than those in comparison communities, it is not surprising that UAF areas also have substantially larger total expenses. On average, the art sectors in UAF communities spend \$44.7 million, compared with \$34.9 million in non-UAF areas (Table 5). Of interest are the total expenditures on programs and services. Arts communities with UAFs spend an average of \$33.9 million annually on arts and cultural services—nearly the same amount of total arts spending in each non-UAF community. In comparison, non-UAF arts communities spend roughly \$26.3 million on programs, or 22 percent less than UAF arts sectors in the study.

- **Arts organizations in UAF communities spend significantly less on fundraising.**



As with revenue, the percentages of spending in each category differ negligibly between UAF and non-UAF arts communities, with one important exception. The percentage of expenditures for fundraising is significantly lower in UAF communities than in comparison cities. Local arts sectors in UAF communities on average spend 4.0 percent of their budgets on fundraising compared to 5.6 percent in non-UAF arts communities. While the percentage difference in fundraising costs may seem negligible, it equals \$16,000 for every \$1 million in expenses at the community level, spending that might otherwise be applied to program provision, staff wages, facility maintenance, and a host of other necessary organizational functions.

- **The arts sectors in UAF communities are more financially stable and healthier than the arts sectors in their comparison localities.**

On multiple measures of fiscal stability and health, the local arts sectors in UAF areas are somewhat stronger than their comparable communities. For example, as shown in Table 7, communities with UAFs have slightly older arts sectors than areas that operate without UAFs, although the difference is not statistically significant. Older arts sectors may signal a more stable and institutionalized set of providers. In addition, localities with UAFs have average income balances (i.e., the extent that revenues exceed expenses) that are 60 percent larger than communities without UAFs. On average, revenues are roughly \$15.7 million greater than expenses in the arts in UAF localities, compared with \$9.9 million in the comparison areas. Fund balance (or net assets) of the arts sectors is also larger in areas where UAFs operate. Indeed, fund balance on average equaled \$157.5 million in UAF communities, compared with \$140.6 in communities that lack UAFs.

The most important difference in terms of organizational stability, however, is the annual change in fund balance, which shows the extent that local art sectors are gaining wealth. On average, UAF communities added roughly \$14.9 million to fund balance during the study's fiscal year. In contrast, the fund balance in the paired communities grew by \$7.0 million. This finding suggests that while both types of local arts sectors grew during this period, the average UAF community expanded significantly faster than its counterpart. Some of the variation in means is attributable to large financial gains of a handful of arts providers during the study year. Even so, if one examines the median values of income and fund balance and annual change in fund balance, the typical UAF arts community was growing at a faster pace than its comparable locality.

Fiscal stability in local arts sectors may also be assessed through their income and fund balances as a percentage of expenses and their two-year percentage change in net worth. These measures are presented in Table 8, and reinforce the notion that on average the arts communities where UAFs operate are more financially solvent than non-UAF communities. Although the mean differences do not meet standard tests of significance, each average measure is greater in the UAF communities than in the comparison localities. For example, the average difference between revenues and expenses equaled 33.1 percent of all expenses in the UAF communities. In contrast, the average income balance was 23.6 percent of the total expenses in non-UAF areas. Taken together, these findings provide some support that the arts in UAF localities are stronger and more fiscally stable than their non-UAF counterparts.

## **DISCUSSION**

The findings of this analysis reveal that, while local arts sectors with UAFs are larger and more financially stable on several measures than the comparable sectors without UAFs, they tend to earn and spend financial resources in similar ways. Indeed, there are no significant differences in reliance on private support, government grants, client fees, and other sources of revenue between the two types of arts sectors. For expense types, only the percentage spent on fundraising is substantially different.

What accounts for this mixed picture? Two possible explanations are the environmental and structural differences between UAF and non-UAF arts communities. By environmental, we mean community inputs and resources that promote the arts in local areas, such as the relative affluence of the community or the proximity of local residents to arts providers. As noted above, there is a lack of statistical variation in population size, broad regional location, and even the type and age of providers between UAF communities and their matched pairs. But other environmental factors and measures of engagement in the arts, such as household income and educational attainment of local residents and attendance at arts events, should be explored to explain the size differences among UAF and non-UAF localities.

Structural differences in the arts sectors of UAF and comparable communities should also be examined. By structural differences, we mean the manner in which nonprofit arts providers compete and coordinate with other groups in their community. Competition and cooperation are hot button issues in the broader nonprofit sector, and the arts community is no exception. Nonprofit providers can minimize costs by jointly marketing their services and programs as well as sharing space, supplies, and fundraising

information. But organizational competition is commonplace, with nonprofits vying with other groups for financial resources, market share, board members, staff, and even political legitimacy. Competition can deflect away valuable resources for programs and activities, causing nonprofits to spend marginally high amounts on direct mail fundraising solicitations and even consultants to drum-up financial support. Reducing the marginal costs of fundraising and revenue distribution is a key economic justification for federated campaigns like UAFs. Not only can federated campaigns signal to residents the legitimacy of the local arts community that can promote donor support, attendance, and participation, but federations can serve as a key financial resource for members agencies.

This analysis cannot assess the extent to which UAFs in the 29 paired communities actually help to lessen the relative amount spent on fundraising, although there is significant evidence that arts sectors in UAF communities direct less of their budgets toward fundraising. Even if one includes the amount spent by local UAFs on securing funds, arts sectors in UAF localities still direct a significantly lower percentage of their budgets than non-UAF areas to fundraising.<sup>5</sup> This finding implies that UAFs may produce some important efficiency gains for local arts communities, allowing arts providers to focus more heavily on—and direct more resources to—their programs, activities, and management. Indeed, in a somewhat counterintuitive finding, resources that are otherwise spent on fundraising in the comparison localities appear to be diverted to management costs in UAF communities. A more detailed analysis should be conducted to better understand the allocation of administrative costs in arts sectors with UAFs. At the least, while local arts sectors with UAFs can devote more resources to administration,

which may include higher pay for employees, better facilities, and other perks, their comparison communities spend relatively more on raising funds.

While UAFs are important coordinating entities for fundraising and resource distribution in many localities, there are other types of groups that can organize and facilitate service provision in local arts communities. One important type of coordinating organization is the local arts agency (LAA). One may explore, then, if the differences noted above relate to the operations of UAFs or a more basic coordinating function for arts provision. Fully testing this statistical assumption is beyond the scope of this initial study, but future analyses could be conducted. On a conceptual level, one may suspect that if a coordinating function—not merely the operation of a UAF—helps the fiscal capacity and stability in local arts sectors, then there would be few statistical differences among the financial measures for UAF and comparable communities with LAAs.

It is important to note, however, that 25 of the 29 comparison localities have operational LAAs with varying degrees of professional staff. And because this study reveals some important statistical differences between local UAF and non-UAF arts sectors, the individual approaches taken by UAFs to coordinate fundraising and distribution may be the key factors in promoting efficiency gains in local arts communities. The question becomes, then, what strategies are UAFs specifically implementing to promote bigger and more stable arts communities? In the end, it would be fruitful to qualitatively explore the activities of UAFs in order to isolate their specific effects on the fiscal capacity and stability of local arts sectors.

At the least, though, the empirical evidence here suggests that local arts communities with UAFs have more wiggle room in their budgets than comparison

localities if faced with budget shortfalls. Administrative costs can be cut, assets can be liquidated, and programs and activities can be scaled back, increasing the likelihood of a sustained level of service to the community. The financial cushion evident in this analysis may become extremely important in the current budget climate, as the federal government reorients its spending toward Homeland Security and away from domestic programs like the arts; most states face significant budget deficits; and individual, corporate, and foundation support declines. Because the data in this analysis relate to fiscal years 1999 and 2000, they predate the significant economic slowdown and budget cuts of the last two years. Therefore, this current study should be treated as a baseline analysis, and the fiscal health of these local arts sectors should be revisited when newer nonprofit data become available.

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## Notes

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<sup>1</sup> The National Center for Charitable Statistics is the national repository of data on nonprofit organizations. Originally formed at the Independent Sector, it relocated in 1996 to the Urban Institute in the Center on Nonprofits and Philanthropy.

<sup>2</sup> We define “providers” in this analysis as arts organizations that actively present art to the public or provide arts services, such as lessons and workshops, to the public. “Enablers” are arts organizations that provide support to other arts organizations or individual artists. “Enabling” organizations were defined in most cases by certain NTEE core codes, specifically “A01: Alliances & Advocacy,” “A02: Management & Technical Assistance,” “A03: Professional Societies & Associations,” “A05: Research Institutes & Public Policy Analysis,” “A6E: Performing Arts Schools,” “A11: Single Organization Support,” “A12: Fund Raising & Fund Distribution,” “A19: Support N.E.C.,” “A26: Arts Councils & Agencies,” “A30: Media & Communications,” “A31: Film & Video,” “A32: Television,” “A33: Printing & Publishing,” “A34: Radio,” “A84: Commemorative Events,” “A90: Arts Services.” In addition to excluding these core codes, certain organizations under NTEE core code “A20: Arts & Culture” were excluded from the population after verification of the organizational purpose as an “enabler.” Other organizations were excluded during verification and cleaning of the data. For example, “A99: Arts, Culture, & Humanities N.E.C.” were excluded because their organizational purpose could not be ascertained.

<sup>3</sup> Of the 58 communities, 56 are individual metropolitan areas, as classified by the U.S. Bureau of the Census. The remaining two communities, which form a matched pair in the analysis, are specific components of broader metropolitan regions. They include Westchester County, which is part of the New York, NY metropolitan area, and Nassau County, which is a component of the Nassau-Suffolk metro region.

<sup>4</sup> To make consistent the findings and information in this report with the terminology used by many nonprofit practitioners and scholars, we label charitable contributions, gifts and grants from individuals, corporations, and foundations as income from “private sources.” The IRS refers to this type of revenue as “public support.”

<sup>5</sup> To further explore the differences in fundraising between UAF and non-UAF localities, we obtained information on the total fundraising costs by UAFs in the 29 communities. Local UAFs in the study areas spent an average of \$87,000 on fundraising. We added these data to the total fundraising costs reported by the largest arts nonprofits in the UAF communities and compared them to fundraising information reported by the biggest arts-related nonprofits in non-UAF areas.



**Table 1. Select Characteristics of UAF and Comparison Communities**

UAF_Community	Region	2000 Population	Arts Nonprofits			Comparison Community	Region	2000 Population	Arts Nonprofits		
			N	%	Per 25,000 residents				N	%	Per 25,000 residents
St. Paul, MN	Midwest	2,968,806	252	12.5	2.1	Cleveland, OH	Midwest	2,250,871	168	9.9	1.9
Seattle, WA	West	2,414,616	213	10.6	2.2	Portland, OR	West	1,918,009	141	8.3	1.8
Hartford, CT	Northeast	1,183,110	174	8.6	3.7	Buffalo, NY	Northeast	1,170,111	76	4.5	1.6
St. Louis, MO	Midwest	2,603,607	132	6.6	1.3	Pittsburgh, PA	Northeast	2,358,695	156	9.2	1.7
Milwaukee, WI	Midwest	1,500,741	111	5.5	1.8	Kansas City, MO	Midwest	1,776,062	105	6.2	1.5
Cincinnati, OH	Midwest	1,646,395	105	5.2	1.6	Columbus, OH	Midwest	1,540,157	102	6.0	1.7
Westchester County, NY	Northeast	923,459	105	5.2	2.8	Nassau County, NY	Northeast	1,334,544	74	4.4	1.4
Raleigh, NC	South	1,187,941	100	5.0	2.1	New Orleans, LA	South	1,337,726	65	3.8	1.2
Charlotte, NC	South	1,499,293	79	3.9	1.3	San Antonio, TX	South	1,592,383	71	4.2	1.1
Winston-Salem, NC	South	1,251,509	78	3.9	1.6	Jacksonville, FL	South	1,100,491	51	3.0	1.2
Oklahoma City, OK	South	1,083,346	69	3.4	1.6	Tulsa, OK	South	803,235	47	2.8	1.5
Harrisburg, PA	Northeast	629,401	63	3.1	2.5	Scranton, PA	Northeast	624,776	33	1.9	1.3
Louisville, KY	South	1,025,598	57	2.8	1.4	Austin, TX	South	1,249,763	86	5.1	1.7
Orlando, FL	South	1,644,561	53	2.6	0.8	Fort Lauderdale, FL	South	1,623,018	53	3.1	0.8
Fort Wayne, IN	Midwest	502,141	45	2.2	2.2	Toledo, OH	Midwest	618,203	43	2.5	1.7
Birmingham, AL	South	921,106	44	2.2	1.2	Knoxville, TN	South	687,249	28	1.6	1.0
Memphis, TN	South	1,135,614	41	2.0	0.9	Nashville, TN	South	1,231,311	68	4.0	1.4
Battle Creek, MI	Midwest	452,851	37	1.8	2.0	Lansing, MI	Midwest	447,728	26	1.5	1.5
Spartanburg, SC	South	962,441	33	1.6	0.9	Richmond, VA	South	996,512	61	3.6	1.5
Lexington, KY	South	479,198	31	1.5	1.6	Augusta, GA	South	477,441	21	1.2	1.1
Columbia, SC	South	536,691	30	1.5	1.4	Charleston, SC	South	549,033	32	1.9	1.5
Mobile, AL	South	540,258	28	1.4	1.3	Jackson, MS	South	440,801	22	1.3	1.2
Chattanooga, TN	South	465,161	22	1.1	1.2	Melbourne, FL	South	476,230	24	1.4	1.3
Canton, OH	Midwest	406,934	20	1.0	1.2	Youngstown, OH	Midwest	594,746	28	1.6	1.2
Baton Rouge, LA	South	602,894	19	0.9	0.8	El Paso, TX	South	679,622	27	1.6	1.0
Charleston, WV	South	251,662	19	0.9	1.9	Huntington, WV	South	315,538	13	0.8	1.0
Erie, PA	Northeast	280,843	18	0.9	1.6	Johnstown, PA	Northeast	232,621	18	1.1	1.9
Pensacola, FL	South	412,153	18	0.9	1.1	Fort Myers, FL	South	440,888	29	1.7	1.6
Binghamton, NY	Northeast	252,320	17	0.8	1.7	Newburgh, NY	Northeast	387,669	29	1.7	1.9
<b>Total</b>			<b>2,013</b>	<b>100.0</b>	<b>1.7</b>			<b>1,697</b>	<b>100.0</b>	<b>1.5</b>	

Source: U.S Bureau of the Census; National Center for Charitable Statistics/Guidestar National Nonprofit Database

**Table 2. Characteristics (in Percentages) of Arts-Related Nonprofits in UAF and Comparison Communities**

	UAF Communities	Comparison Communities
Type of Service	N=2,013	N=1,697
Multipurpose Arts Providers	7.6	8.2
Visual Arts	2.2	2.2
Museums	14.3	14.3
Performing Arts	48.1	45.8
Humanities	3.8	3.4
Historical Societies	20.4	22.8
Fairs	3.7	3.2
Organizational Age	N=1,839	N=1,541
Less than 5 years	10.7	10.6
5 to 9 years	19.5	20.2
10 to 19 years	27.5	27.5
20 or more years	42.4	41.7
Location (Census Region)	N=2,093	N=1,873
Northeast	18.7	22.7
Midwest	34.9	27.8
South	35.8	41.1
West	10.6	8.3

Source: National Center for Charitable Statistics/Guidestar  
National Nonprofit Database

Note: Chi-square test of independence reveals no statistically significant differences between groups in UAF and comparison communities by service type, organizational age, or location.

**Table 3. Revenue Sources in the Arts Sectors of UAF and Comparison Communities**

Type of Revenue	UAF Communities (N=29)			Comparison Communities (N=29)			Mean Differences	
	Mean	Median	SD	Mean	Median	SD	P value	Signif.
Private Sources	23,262	8,365	29,383	16,869	10,943	22,076	0.14	
Government Grants	4,690	1,359	7,539	4,507	2,169	6,486	0.86	
User Fees	18,291	7,072	25,649	13,123	6,661	16,131	0.04	*
Other Revenue	14,217	4,962	21,322	10,300	3,847	16,882	0.23	
Total	60,463	18,568	76,870	44,800	21,508	57,352	0.05	*

Source: National Center for Charitable Statistics/Guidestar National Nonprofit Database

Note: Amounts \* 1,000 dollars

\*:  $p \leq 0.05$

**Table 4. Reliance on Revenue Sources in the Arts Sectors  
of UAF and Comparison Communities**

Type of Revenue	UAF Communities (N=29)	Comparison Communities (N=29)	P value	Significance
Private Sources	40.0	38.6	0.55	
Government Grants and Contracts	8.3	10.7	0.22	
Program Service Revenue	30.0	30.5	0.86	
Other Revenue	21.7	20.2	0.63	
<b>Total</b>	<b>100.0</b>	<b>100.0</b>		

Source: National Center for Charitable Statistics/Guidestar  
National Nonprofit Database

**Table 5. Types of Expenditures in the Arts Sectors of UAF and Comparison Communities**

Type of Expense	UAF Communities (N=29)			Comparison Communities (N=29)			Mean Differences	
	Mean	Median	SD	Mean	Median	SD	P value	Signif.
Program Services	33,904	14,605	45,380	26,299	13,077	32,667	0.05	*
Administration and Management	8,371	3,980	8,312	6,451	3,560	6,777	0.08	
Fundraising	2,073	592	2,830	1,930	1,265	2,327	0.62	
Other Expenses	281	0	1,264	16	0	44	0.27	
<b>Total</b>	<b>44,736</b>	<b>17,875</b>	<b>55,820</b>	<b>34,896</b>	<b>18,802</b>	<b>41,201</b>	<b>0.05</b>	<b>*</b>

Source: National Center for Charitable Statistics/Guidestar National Nonprofit Database

Note: Amounts \* 1,000 dollars

\*:  $p \leq 0.05$

**Table 6. Mean Distribution of Expense Types in the Art Sectors of UAF and Comparison Communities**

Type of Revenue	UAF	Comparison	Mean Differences	
	Communities (N=29)	Communities (N=29)	P value	Significance
Program Services	72.8	74.0	0.51	
Administration and Management	22.7	20.3	0.18	
Fundraising	4.0	5.6	0.01	*
Other Expenses	0.5	0.1	0.24	
Total	100.0	100.0		

Source: National Center for Charitable Statistics/Guidestar  
National Nonprofit Database

\*: p<=0.05

**Table 7. Organizational Stability in the Art Sectors of UAF and Comparison Communities**

Measure	UAF Communities (N=29)			Comparison Communities (N=29)			Mean Differences	
	Mean	Median	SD	Mean	Median	SD	P value	Signif.
Income Balance	15,727	4,826	24,357	9,904	3,666	18,134	0.20	
Fund Balance	157,504	62,045	201,588	140,572	45,082	273,526	0.58	
Annual Change in Fund Balance	14,904	4,712	23,350	7,016	2,642	11,825	0.02	*
Organizational Age	23	22	4	22	22	5	0.15	

Source: National Center for Charitable Statistics/Guidestar National Nonprofit Database

Note: Dollars in thousands

\*:  $p \leq 0.05$

**Table 8. Financial Calculations of Stability in the Arts Sectors of UAF and Comparison Communities**

Measure	UAF Communities (N=30)			Comparison Communities (N=30)			Mean Differences	
	Mean	Median	SD	Mean	Median	SD	P value	Signif.
Income Balance as a Percentage of Expenses	33.1	24.7	39.8	23.6	13.5	29.9	0.33	
Fund Balance as a Percentage of Expenses	370.2	350.0	157.1	326.8	221.3	258.9	0.44	
Two-Year Percent Change in Fund Balance	10.9	8.0	12.1	7.6	4.7	10.4	0.28	

Source: National Center for Charitable Statistics/Guidestar National Nonprofit Database

Note: Amounts \* 1,000 dollars