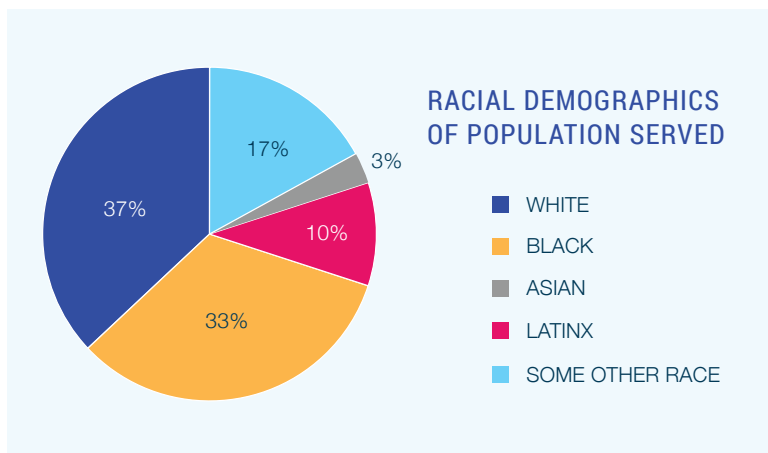
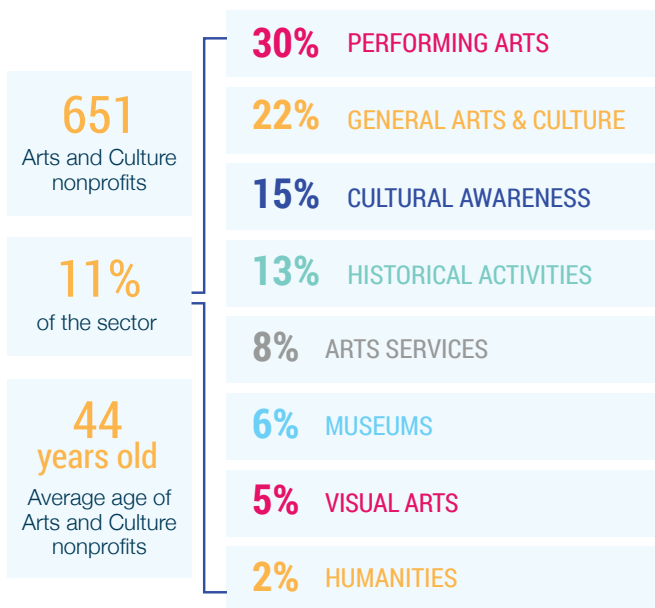


# ARTS AND CULTURE

In Cuyahoga County, nearly 6,000 nonprofits make up an ecosystem of social impact support. Arts and Culture nonprofits play a vital role in this ecosystem, encompassing over 650 organizations that promote the appreciation and understanding of the arts, historical events, cultural experiences, humanities, and more. 76% of these organizations have an operating budget less than \$200,000 or are operating as a church or religious institution—meaning they are not required to report deeper data to the IRS. This snapshot provides a glimpse into the Arts and Culture nonprofit landscape throughout the county, with a deeper dive into the ~24% of organizations reporting comprehensive data.

## ARTS AND CULTURE NONPROFITS AT A GLANCE



## REVENUE BY STAFF SIZE

STAFF SIZE	# OF ORGANIZATIONS	% OF ORGANIZATIONS	MEDIAN REVENUE
0	55	36%	\$153,000
1-2	16	11%	\$232,000
3-5	25	16%	\$263,000
6-10	17	11%	\$491,000
11-20	16	11%	\$594,000
21-40	6	4%	\$2M
41-80	3	2%	\$2M
81-160	4	3%	\$2M
> 160	10	7%	\$24M

## ARTS AND CULTURE NONPROFITS BY SIZE

Arts and Culture nonprofits on average have smaller revenues and expenses than other nonprofits in Cuyahoga County, with the median revenues being \$130,200 compared to \$172,000 for all nonprofits included in the study, and median expenses being \$96,200 annually, over 60% less than local nonprofits in other industries. Compensation and operational expenses make up a significant portion of where Arts and Culture organizations spend money.

Of the ~24% of nonprofits reporting data, nearly half (47%) have staff sizes of two or less people, which is comparable to the nonprofit sector as a whole.

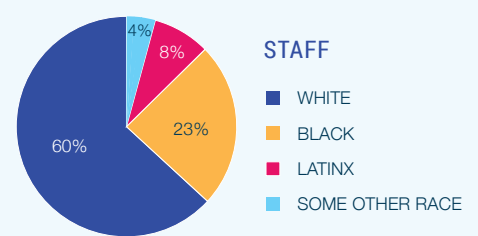
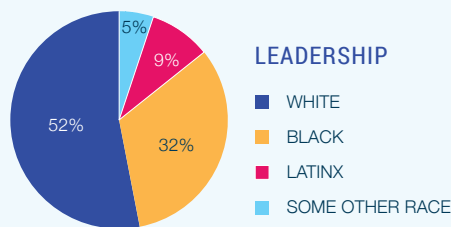
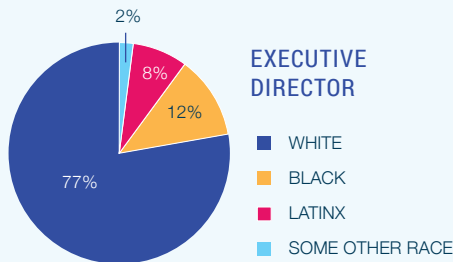
## WORKFORCE AND COMPENSATION

### BREAKDOWN OF STAFF, COMPENSATION, VOLUNTEERS, AND BOARD MEMBERS BY LARGEST SUBGROUP

TYPE OF ORGANIZATION	TOTAL STAFF	TOTAL STAFF COMPENSATION	MEDIAN COMPENSATION	TOTAL VOLUNTEERS	TOTAL BOARD MEMBERS
Performing Arts	1,698	\$46.2M	\$16,400	3,808	1,271
General Arts and Culture	453	\$6.5M	\$14,200	1,686	476
Cultural Awareness	77	\$671,500	\$12,400	824	611
Historical Activities	19	\$403,700	\$35,400	860	329
Arts Services	1,800	\$21.2M	\$11,900	3,284	351
Museums	1,049	\$28.1M	\$17,700	1,628	223
<b>ALL ARTS AND CULTURE ORGANIZATIONS</b>	<b>5,200</b>	<b>\$104.6M</b>	<b>\$16,000</b>	<b>12,817</b>	<b>3,502</b>

### DEMOGRAPHICS OF ARTS AND CULTURE NONPROFIT EMPLOYEES

from the 2022 COVID-19 Nonprofit Recovery and Resiliency Survey



Compensation data is reported by organizations with annual revenues of \$200,000 or more and includes only full-time and year-round employees. The numbers below illustrate a low average wage across the sector. Demographic data was not available from a significant enough number of Black and Brown-led organizations to disaggregate by race.

**MEDIAN STAFF SALARY: \$15,900**

**MEDIAN SENIOR LEADERSHIP SALARY: \$58,500**

### Story of Resiliency

*"We have delivered a great deal of our content electronically-live streamed concerts, educational outreach videos, zoom teaching and the like. We have continued to look at all of our expenses though we are spending significantly to return to live performances."*

– Cuyahoga County Arts and Culture Nonprofit Organization Leader, 2022



## FINANCES

Arts and Culture organizations were significantly affected by the pandemic, due to lost revenue through ticket sales, program offerings, and other effects of the shutdown. Prior to the pandemic, Arts and Culture organizations had well balanced income streams from program service revenue, foundation and government grants and some investment income. They are also more likely to be self-sufficient, meaning many cover all their expenses through earned income (i.e. ticket sales, program fees, contracts, etc.).

## OVERALL FINANCES BY ORGANIZATION TYPE

TYPE OF ORGANIZATION	TOTAL REVENUE	TOTAL EXPENSES	TOTAL ASSETS
Performing Arts	\$141.8M	\$99.7M	\$462.1M
General Arts and Culture	\$33.1M	\$28.2M	\$228.5M
Cultural Awareness	\$5.5M	\$3.9M	\$20.6M
Historical Activities	\$3.9M	\$2.6M	\$22.6M
Arts Services	\$94.1M	\$74M	\$343.1M
Museums	\$108.6M	\$79.3M	\$1.6B
<b>ALL ARTS AND CULTURE ORGANIZATIONS</b>	<b>\$394.1M</b>	<b>\$291.7M</b>	<b>\$2.7B</b>

## REVENUES

Arts and Culture nonprofits play a significant role in the local economy, generating at least \$394M in annual revenue. The largest subgroups of the sector by both revenue and staff size are the performing arts, museums, and art services. While a significant portion of reported Arts and Culture income comes from program service revenue, 6% of all funding comes from government grants. Art services, performing arts organizations, and museums are also more likely to receive government funding. Cultural awareness nonprofits make up only 15% of the Arts and Culture nonprofits, but they are receiving nearly ¼ of their revenue from government grants (\$1M annually).

**\$394.1M TOTAL REVENUE**

**\$130,200 MEDIAN REVENUE**



## GOVERNMENT GRANTS BY SUBGROUP

TYPE OF ORGANIZATION	GOVERNMENT GRANTS	GOVERNMENT GRANTS AS % OF TOTAL REVENUE
Cultural Awareness	\$1M	23%
Visual Arts	\$569,000	11%
Arts Services	\$10M	11%
Performing Arts	\$8M	5%
General Arts and Culture	\$2M	5%
Museums	\$4M	3%
Historical Activities	\$117,000	3%

# ARTS AND CULTURE

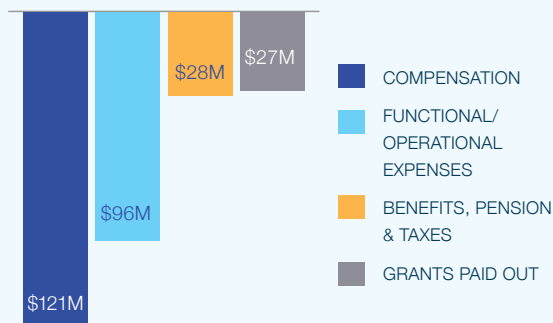
## EXPENSES

Arts and Culture nonprofits on average have smaller expenses than other nonprofits in Cuyahoga County with a median expense amount per reporting organization of \$96,200, compared to \$154,000 for the entire nonprofit sector. Compensation and operational expenses make up a significant portion of Arts and Culture expenditures, with \$121M in compensation and \$96M in operations.

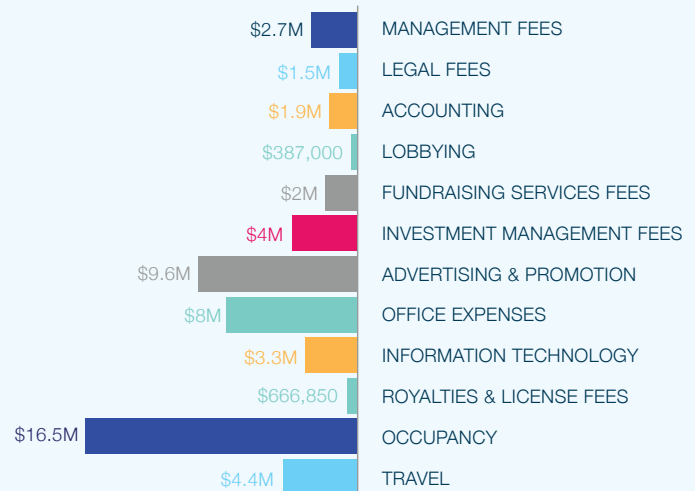
**\$291.7M TOTAL EXPENSES**

**\$96,200 MEDIAN EXPENSES**

### TOP EXPENSE CATEGORIES



### FUNCTIONAL / OPERATIONAL EXPENSE BREAKDOWN

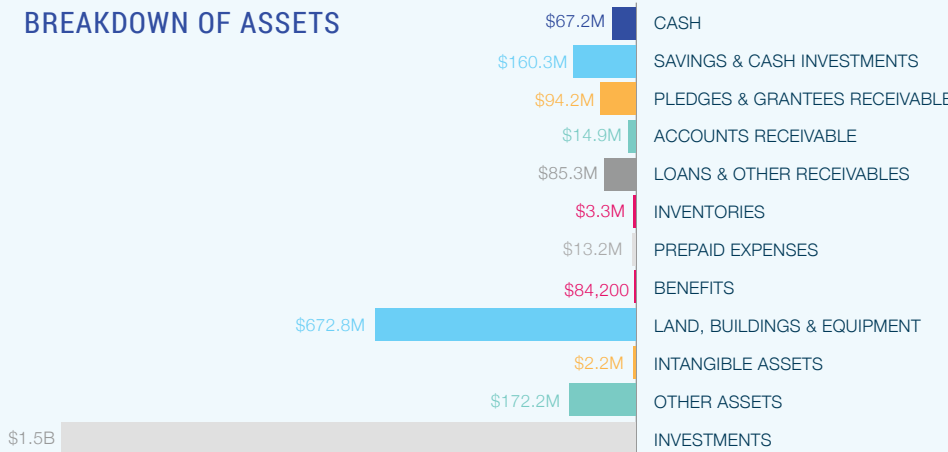


White-led Arts and Culture organizations are the only arts nonprofits that report grants paid out to other organizations.

## ASSETS

Nonprofits who have significant assets, including cash assets on hand, are overall more sustainable. A large portion of the Arts and Culture industry's assets are unrestricted funds. This helps because, of all assets, unrestricted funds are the easiest to use toward any organizational expense. Of the total \$51B in assets locally, Arts and Culture nonprofits make up 5% of those assets, or \$2.7B in total net assets. Museums, which only account for 6% of all Arts and Culture nonprofits, hold nearly half of those assets, or \$1.6B in total. A majority of their assets are investments, and land, building, and equipment.

### BREAKDOWN OF ASSETS



**\$2.7B**  
TOTAL NET ASSETS

**\$8.7M**  
TEMPORARILY RESTRICTED ASSETS

**\$9.4M**  
PERMANENTLY RESTRICTED ASSETS

**\$742.3M**  
UNRESTRICTED ASSETS

## TOP 5 CAPACITY BUILDING NEEDS FOR ARTS AND CULTURE NONPROFITS

2022	2023 AND BEYOND
 Staff Salaries	 Staff Salaries
 Board Development	 Fundraising and Grant Writing
 Facilities and Operations Costs	 Facilities and Operations Costs
 Fundraising and Grant Writing	 Board Development
 Diversity, Equity and Inclusion	 Strategic Planning or Long Term Planning (tied)
	 Program Development (tied)

### KEY FINDINGS:

- A Large Industry with Many More Small Nonprofits:** Cuyahoga County has a large nonprofit Arts and Culture industry, making up a total of 11% of all nonprofits compared to 7% nationally. These organizations have a massive economic impact, bringing in \$394.1M in annual revenues to the region. 84% of the local Arts and Culture nonprofit organizations have revenues of less than \$500,000, representing a significantly higher percentage of small organizations than the region's as a whole (75%).
- 5% of Total Nonprofit Assets:** Of the total \$51B in assets held by nonprofits locally, Arts and Culture nonprofits make up 5% of those assets, or \$2.7B in total net assets. Museums, which only account for 6% of all Arts and Culture nonprofits, hold nearly half of those assets, \$1.6B in total. Those larger nonprofits hold both land assets and investments, therefore these organizations are building more wealth locally. Demographic data analyses showed that a majority of these larger institutions also identified as White-led.
- The COVID-19 Pandemic Decimated Arts and Culture Nonprofit Revenues:** Prior to the pandemic, Arts and Culture nonprofits reported a strong financial position. 81% of all Arts and Culture nonprofits in 2020 and 77% in 2021 reported some revenue loss, a much higher rate loss in revenue than all nonprofit broadly. Arts and Culture organizations reported that many of the basic needs and emergency aid funding was not available to them during the height of the pandemic. This, paired with the lack of revenue from program services due to shutdowns, put many Arts and Culture nonprofits in a tough financial position.
- Less Likely to Engage in Policy and Advocacy:** Arts and Culture Organizations are much less likely to engage in or desire to engage in policy and advocacy efforts. Only 14% of local Arts and Culture organizations report currently engaging with policy and advocacy, with only 2% wanting to in the future—compared to 47% of all Cuyahoga County nonprofits who currently are or are planning to engage in policy and advocacy efforts.
- Representation in the Sector:** The population supported by Arts and Culture organizations is more racially diverse than any other industry in the nonprofit sector. However, the leadership of arts organizations do not represent the population served by arts organizations. With 63% of the population served by Arts and Culture nonprofits being Black, LatinX, Asian, or other people of color, over 77% of organizations are White-led and just 1/3 of all senior leader positions are held by individuals identifying as Black, and only 23% of all staff are Black. Arts and Culture nonprofits surveyed for this study report being led by both female (61%) and male (37%) executives. Nonprofits in Cuyahoga County as a whole are run by White executives 46% of the time. Male executives surveyed in this study were slightly more likely to report running large Arts and Culture nonprofits (those over \$2M in revenue).

This snapshot was developed as part of the Cuyahoga County Nonprofit Landscape Assessment, funded by the Funders Collaborative on Covid Recovery and available to the public. Visit [sangfroidstrategy.com/cuyahoga](https://sangfroidstrategy.com/cuyahoga) for much more detail on Arts and Culture nonprofits and the sector as a whole!