



Association of Art Museum Directors

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ANNUAL SURVEY SHOWS STRONG SUPPORT FOR ART MUSEUMS' COMMITMENT TO PUBLIC SERVICE AND STRENGTHENED PROGRAMMING

Association of Art Museum Directors 2005 *State of North America's Art Museums Survey* Also Reveals that Financial Contributions and Donations of Art Are Most Important Areas of Support Provided by Museum Boards

New York, April 7, 2005...The Association of Art Museum Directors (AAMD) today released its annual *State of North America's Art Museums Survey*, revealing that art museums' continuing commitment to public service and prudent management has resulted in positive developments throughout the AAMD community. For the first time since AAMD launched the survey in the wake of the events of September 11, 2001, nearly 50% of the museums surveyed reported growth in overall revenue, with an additional 30% reporting that income had remained steady. At the same time, nearly 90% of museums reported stable or increased contributions to operations, endowment, and facilities and infrastructure.

This steady financial support from a spectrum of sources demonstrates a shared understanding of the value of museums to their communities, and enables a continued and strengthened focus on mission and commitment to public service. As a result, 29% of the museums responding to the survey reported increasing their exhibition programming since 2004, and 97% reported a stable or growing acquisition program. Public participation in museum activities was also strong, with 45% of museums reporting an increase in attendance.

“The AAMD’s 2005 survey reveals that museums are benefiting from last year’s ‘cautious optimism’,” said Matthew Teitelbaum, director and CEO of the Art Gallery of Ontario in Toronto. “The past four years have been challenging, but museums have remained committed to public service, and have continued to strengthen their programming, public services, and resources in the face of economic uncertainty. Gradual improvements in the economy combined with careful management decisions, strong governance, and public support have enabled museums to continue to serve as valued resources, providing inspiring and thought-provoking experiences to their communities and visitors.”

Survey Results on Board Leadership

One crucial element to the ongoing success and growth of museums is the support provided by board members. In this year's survey, AAMD asked member museums to assess the roles that board members play in their institutions by prioritizing different types of stewardship and support provided by trustees. Over 90% of the museums responding to the survey ranked financial support (either through direct giving or soliciting support from others) as well as donations of works of art as the most important forms of support provided by their boards. Additionally, they identified capability for financial support, history with the institution, and a passion for the arts as the most important factors in selecting new board members. In assessing both current and potential future trustees, member museums ranked the least important types of board support as management advice, programmatic guidance, and academic experience.

Additional Survey Results

A majority of the museums responding to this year's survey reported steady growth in overall revenue, with 49% reporting an increase and 30% reporting no change in this area. This year only 21% reported a drop in revenue, as compared with the 2004 survey when 39% of museums reported experiencing a decrease. For the first time, the survey showed gains in every type of revenue source, with 68% of museums reporting an increase in individual support and 43% reporting an increase in earned income. Additionally, 40% of museums reported an increase in foundation support, 38% an increase in corporate support, and 29% an increase in government support. This illustrates the important role that philanthropic support has in sustaining the public services that museums provide.

Endowment revenue continued to see a substantive and positive change: 85% of museums reported that endowment income either grew or remained stable – compared with 63% that reported increased or stable income in this category in the 2004 survey. Past AAMD surveys indicate that positive change in endowment income is attributable to upswings in financial markets and continued strong donor contributions. As in the 2004 survey, more than 40% of museums said that contributions directed specifically towards their endowments increased. This year, 49% of museums reported an increase in contributions to operations, while only 37% did so in 2004. The number of museums reporting an increase or no change in contributions to facilities growth and infrastructure remained over 90%. This stable revenue stream also supports museum's ability to retain staff, with 84% reporting either an increase or no change in the number of personnel.

This stable basis of financial support has enabled museums to expand their acquisition and exhibition programs. In collections-building, an activity that is crucial to the educational and research missions of museums, virtually all (97%) of the museums surveyed reported a stable or growing acquisitions program, with nearly one quarter of museums reporting an average increase of 31% in works acquired. Fifty-seven percent of museums responded affirmatively when asked if they had increased use of their institution's permanent collection for exhibitions or public programs. The decision to use works from the permanent collection in exhibitions enables museums to offer visitors new and engaging programming in a cost-efficient way and encourages repeat visits and new insights into a museum's holdings. Reinforcing this commitment to their missions, a strong majority (82%) of museums reported that they increased or sustained their exhibition programming levels over the last year.

With steady economic growth and judicious management and programming decisions, museums have been able to focus on growing public service for the future. In the 2005 survey, 84 museums indicated that they are moving forward with building projects, of these 23 museums report that plans continue with modification in either the project's scope or timeframe. Five institutions have placed their plans on hold, though this year's survey also reveals that three museums have revived expansion plans that were previously suspended.

"The continued trend towards positive results reflected in this year's survey seems clearly to be linked to careful management decisions in programming, collecting, facilities growth, and the process of selecting and working with museum boards," said Mimi Gaudieri, Executive Director of the AAMD. "With the information provided by the AAMD in annual surveys, both museum administrators and the general public can gain awareness of the achievements and challenges in the museum community. By disseminating this information, we provide our members, and all non-profit institutions, with the resources to evaluate management and programming strategies in order to continue to fulfill their missions of public service."

Survey and AAMD Background

One hundred and fourteen member museums responded to the annual survey, conducted by the AAMD in February/March 2005. The survey reflects activity occurring during 2004, and builds on and updates data gathered in previous *State of the Nation's Art Museums* surveys, the first of which was conducted in January 2002. The institutions surveyed represent a broad range of the nation's art museum community, including large, mid-sized, and smaller institutions in urban, suburban, and rural areas, as well as federal, university, private, and public museums. This year, to more accurately indicate the nature of the

organization, AAMD has changed the name of its annual survey to *State of North America's Art Museums*, to reflect the membership of Canadian and Mexican institutions.

The Association of Art Museum Directors is a membership organization representing 168 directors of major art museums in the United States, Canada, and Mexico. Its purpose is to aid its members in establishing and maintaining the highest standards for themselves and their institutions. AAMD serves as a forum for the exchange of information and the exploration of ideas, and a voice to express the joint concerns and issues facing the museum community.

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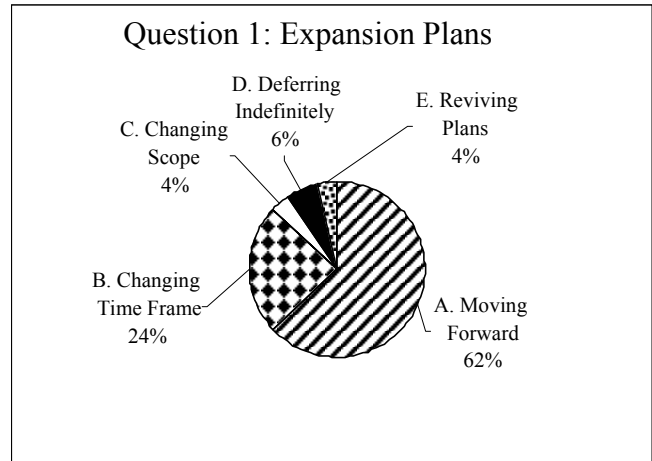
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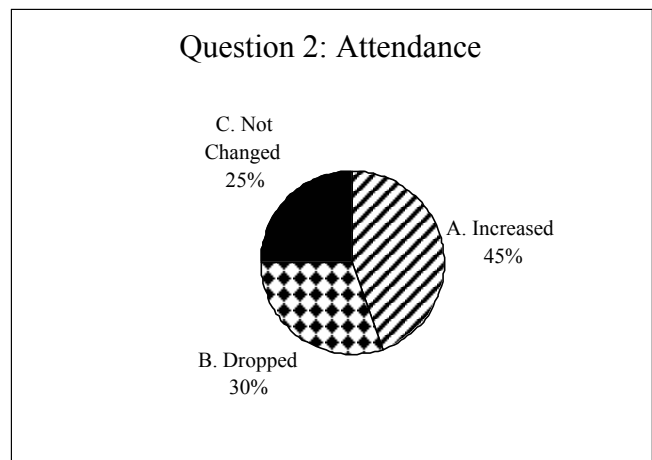
1. If you have an expansion planned or in progress, are you:

- A. Moving forward: **62%**
- B. Moving forward, but changing the time frame: **24%**
- C. Moving forward, but changing the scope: **4%**
- D. Deferring indefinitely: **6%**
- E. Reviving plans previously put on hold: **4%**



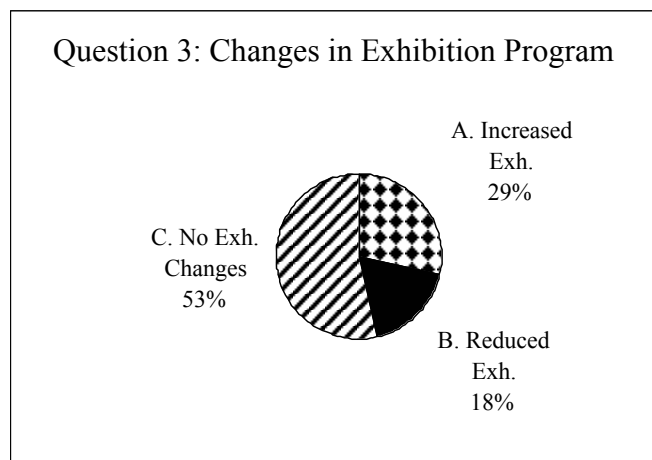
2. Since January 2004, has your annual attendance:

- A. Increased: **45%**
- B. Dropped: **30%**
- C. Not changed: **25%**



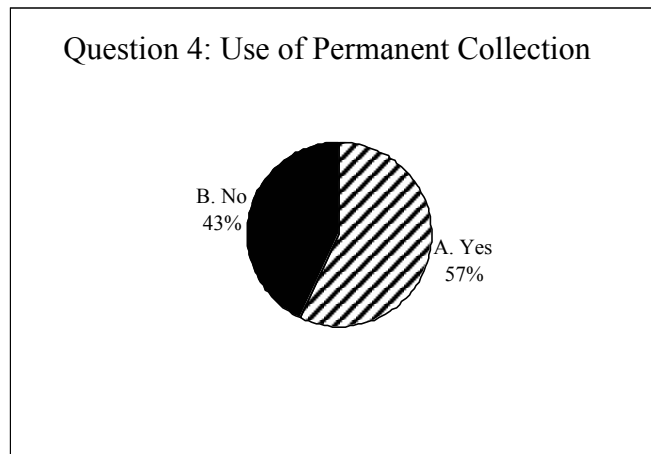
3. Since January 2004, have you made any significant changes to your institution's exhibition program?

- A. Increased programming: **29%**
- B. Reduced programming: **18%**
- C. No changes in programming: **53%**



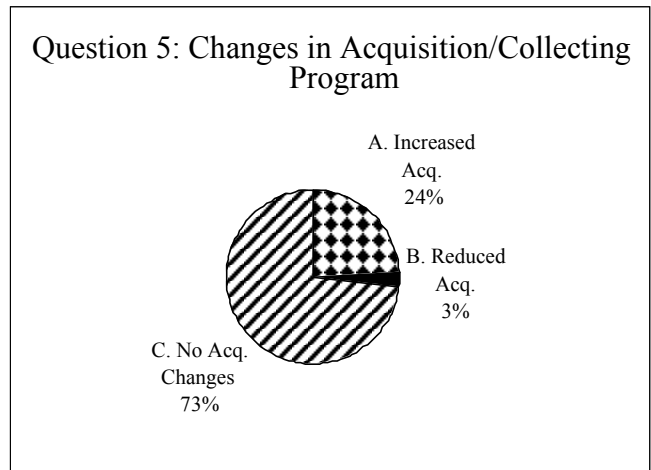
4. Since January 2004, have you increased use of your institution's permanent collection for exhibitions or other programs?

- A. Yes: **57%**
- B. No: **43%**



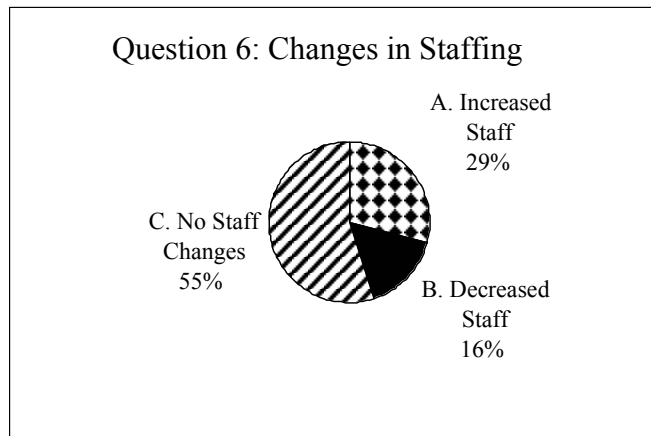
5. Since January 2004, have you made any changes to your acquisition/collecting program?

- A. Increased acquisitions: **24%**
Average increase in acquisitions: 31%
- B. Reduced acquisitions: **3%**
Average decrease in acquisitions: 46.2%
- C. No changes in acquisitions: **73%**



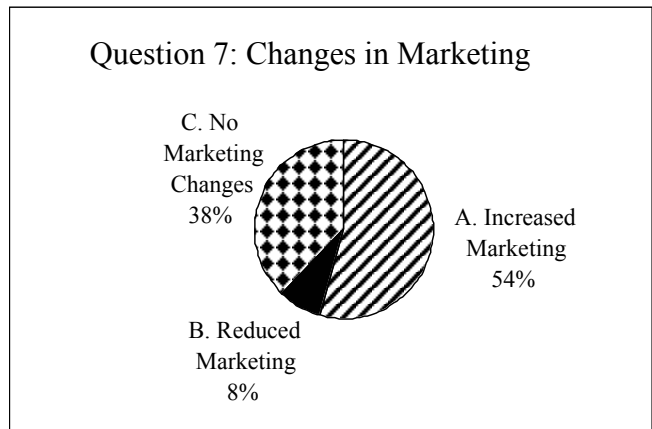
6. Since January 2004, have you made any significant changes to your institution's staffing?

- A. Increased staff: **29%**
Average increase in staff: 7%
- B. Decreased staff: **16%**
Average decrease in staff: 7.2%
- C. No changes in staffing: **55%**



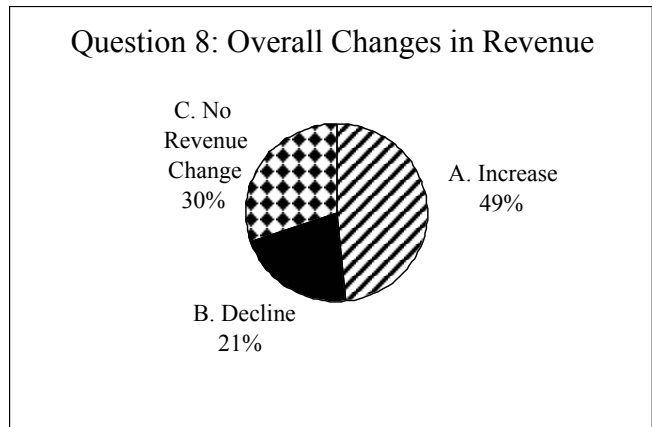
7. Since January 2004, have you made any significant changes to your institution's marketing?

- A. Increased marketing activities: **54%**
- B. Reduced marketing activities: **8%**
- C. No changes in marketing: **38%**



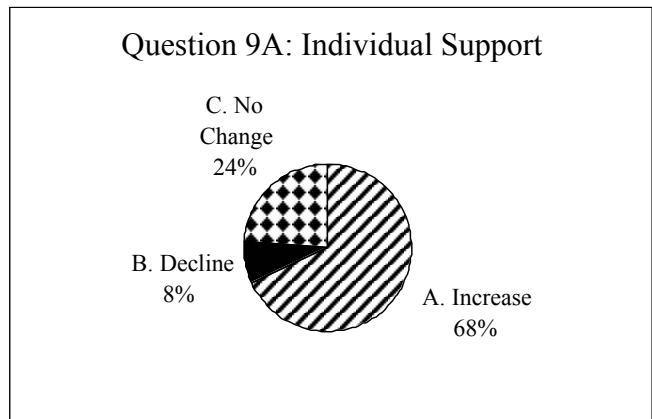
8. Since January 2004, have you experienced any significant change in overall revenue for the year:

- A. Increase: **49%**
- B. Decline: **21%**
- C. No change: **30%**



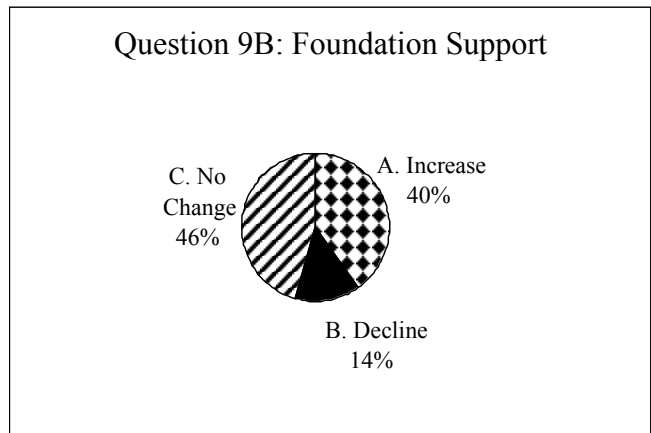
9A. Since January 2004, has your institution seen any significant change in Individual support?

- A. Increase: **68%**
- B. Decline: **8%**
- C. No change: **24%**



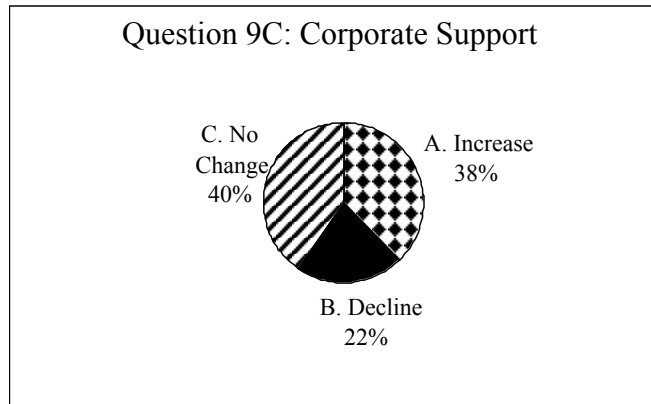
9B. Since January 2004, has your institution seen any significant change in foundation support?

- A. Increase: **40%**
- B. Decline: **14%**
- C. No change: **46%**



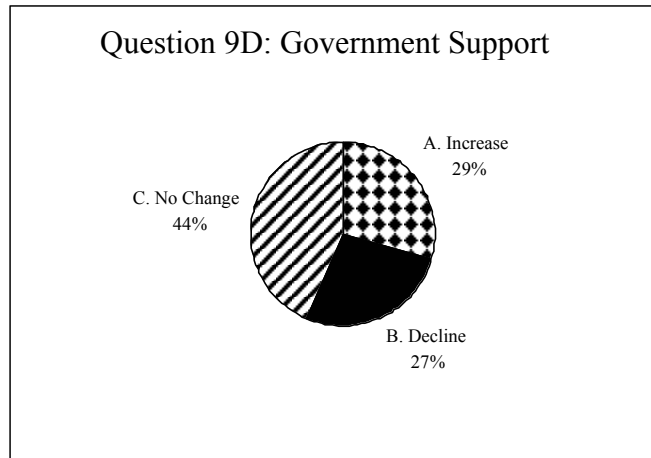
9C. Since January 2004, has your institution seen any significant change in corporate support?

- A. Increase: **38%**
- B. Decline: **22%**
- C. No change: **40%**



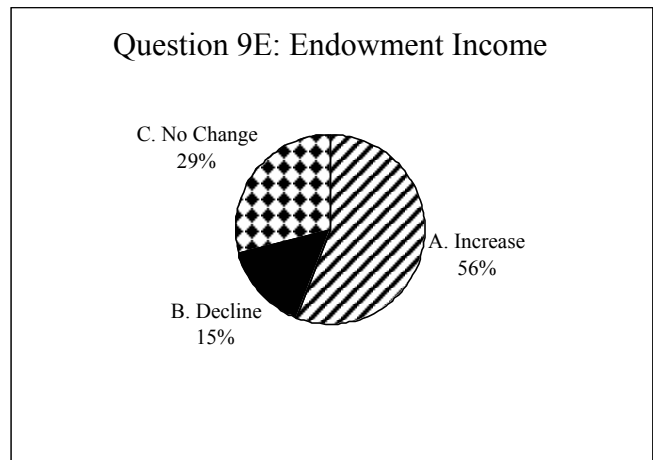
9D. Since January 2004, has your institution seen any significant change government support?

- A. Increase: **29%**
- B. Decline: **27%**
- C. No change: **44%**



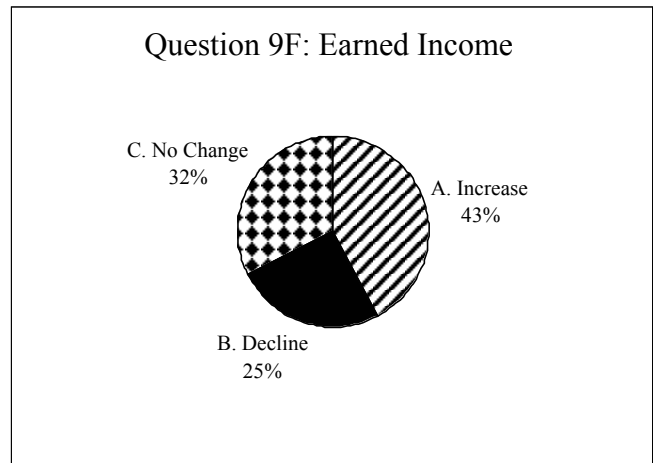
9E. Since January 2004, has your institution seen any significant change in endowment income?

- A. Increase: **56%**
- B. Decline: **15%**
- C. No change: **29%**



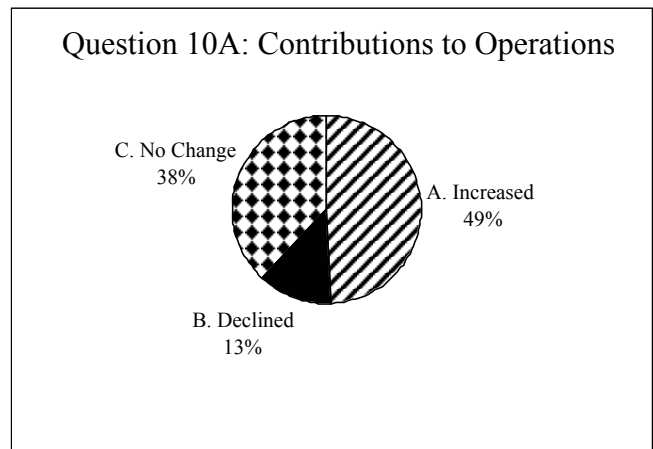
9F. Since January 2004, has your institution seen any significant change in earned income?

- A. Increase: **43%**
- B. Decline: **25%**
- C. No change: **32%**



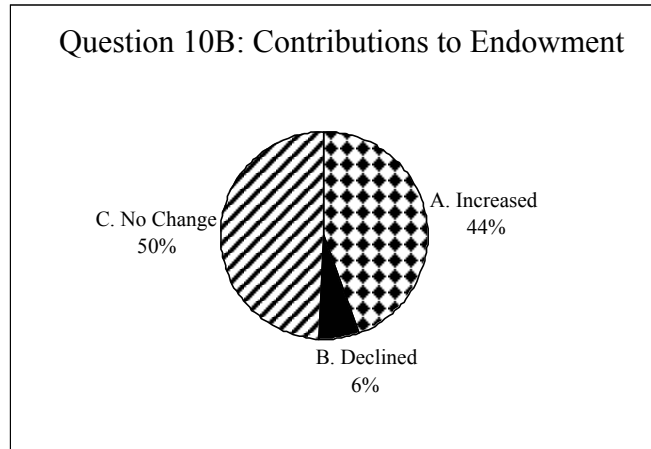
10A. Since January 2004, has your institution seen any significant change in contributions to operations?

- A. Increase: **49%**
- B. Decline: **13%**
- C. No change: **38%**



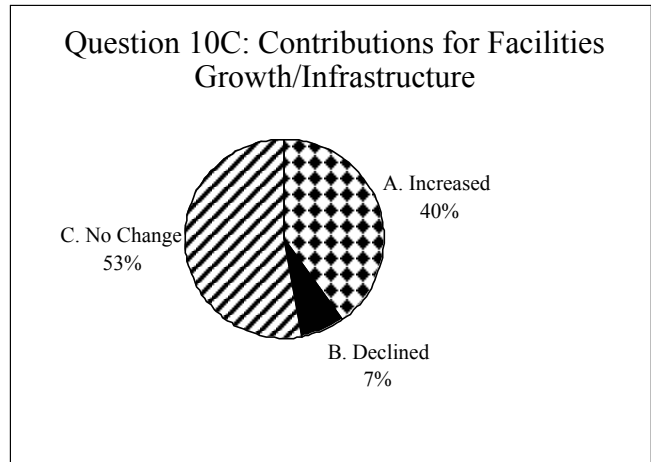
10B. Since January 2004, has your institution seen any significant change in contributions to endowment?

- A. Increase: **44%**
- B. Decline: **6%**
- C. No change: **50%**



10C. Since January 2004, has your institution seen any significant change in contributions for facilities growth/infrastructure?

- A. Increase: **40%**
- B. Decline: **7%**
- C. No change: **53%**



11. How many board members does your museum currently have?

Average number of board members: 33

12. Of the following types of financial and managerial stewardship and support provided by board members of your museum, which are the most important?

[Note: we have provided here the **highest percentage ranking** for each answer.]

Top Priorities

Direct financial support for operations or endowment: **94% placed this in the highest third of priorities**

Outside financial support: **63% placed this in the highest third of priorities**

Middle Priorities

In-kind services/advice: **71% placed this in the middle third of priorities**

Direct contributions of works of art: **48% placed this in the middle third of priorities**

Lowest Priorities

Programmatic/exhibition guidance: **74% placed this in the lowest third of priorities**

Management advice on day-to-day operations: **60% placed this in the lowest third of priorities**

13. Which of the following criteria are most important when seeking out board members for your museum?

[Note: we have provided here the **highest percentage ranking** for each answer.]

Top Priorities

Capability for financial support: **90% placed this in the highest third of priorities**

Interest in and commitment to art: **73% placed this in the highest third of priorities**

History of relationship with museum: **60% placed this in the highest third of priorities**

Middle Priorities

Access to new or under-served communities: **42% placed this in the middle third of priorities**

Experience with non-profit or museum stewardship: **39% placed this in the middle third of priorities**

Professional experience and skills: **38% placed this in the middle third of priorities**

Lowest Priorities

Academic, intellectual, or artistic experience: **50% placed this in the lowest third of priorities**

Representation from government of other institution: **73% placed this in the lowest third of priorities**

COMPARATIVE DATA – PAST SURVEYS

EXPANSION PLANS

2005		2004		2003		2002	
Moving Forward	62%	Moving Forward	70%	Moving Forward	53%	Moving Forward	67%
Changing Time Frame	24%	Changing Time Frame	14%	Changing Time Frame	30%	Changing Time Frame	28%
Changing Scope	4%	Changing Scope	6%	Changing Scope	13%	Changing Scope	4%
Deferring Indefinitely	6%	Deferring Indefinitely	5%	Deferring Indefinitely	4%	Deferring Indefinitely	1%
Reviving Plans	4%	Reviving Plans	5%				

ATTENDANCE

2005		2004		2003		2002	
Increase	45%	Increase	43%	Increase	34%	Increase	20%
Decrease	30%	Decrease	29%	Decrease	34%	Decrease	21%
No change	25%	No change	28%	No change	32%	No change	26%
						Dropped and then regained	28%
						Increased and then dropped	5%

EXHIBITION PROGRAMMING

2005		2004		2003		2002	
Increase	29%	Increase	16%	Increase	18%	Increase	9%
Decrease	18%	Decrease	26%	Decrease	21%	Decrease	26%
No change	53%	No change	58%	No change	61%	No change	65%

EDUCATION PROGRAMMING

2005		2004		2003		2002	
No data gathered		Increase	40%	No data gathered		No data gathered	
		Reduced	12%				
		No change	48%				

USE OF PERMANENT COLLECTION IN EXHIBITIONS

2005		2004		2003		2002	
Yes	57%	No data gathered		No data gathered		No data gathered	
No	43%						

ACQUISITIONS

2005		2004		2003		2002	
Increased	24%	Increased	16%	Increase	13%	No data gathered	
Reduced	3%	Reduced	8%	Decrease	8%		
No change	73%	No change	76%	No change	79%		
Average increase in acquisitions:	31%	Average increase in acquisitions:	113.20%	Average increase in acquisitions:	50%		
Average decrease in acquisitions:	46.2%	Average decrease in acquisitions:	31.70%	Average acquisitions decrease:	35%		

STAFFING

2005		2004		2003		2002	
Increase	29%	Increase	18%	Increase	21%	Increase	8%
Decrease	16%	Decrease	31%	Decrease	25%	Decrease	29%
No change	55%	No change	51%	No change	54%	No change	63%
Average Staff Increase:	7%	Average Staff Increase:	8.10%	Average Staff Increase:	14.00%	Average Increase: No data gathered	
Average Staff Decrease:	7.20%	Average Staff Decrease:	8.60%	Average Staff Decrease:	8%	Average Decrease: No data gathered	

MARKETING

2005		2004		2003		2002	
Increased	54%	Increased	46%	Increase in local/regional marketing	40%	Increase in local/regional marketing	24%
Reduced	8%	Reduced	15%	Decrease in local/regional marketing	8%	Decrease in local/regional marketing	10%
No change	38%	No change	39%	Increase in national marketing	13%	Increase in national marketing	6%
				Decrease in national marketing	7%	Decrease in national marketing	15%
				No change in marketing	32%	No change in marketing	45%

REVENUE

Overall Revenue

2005		2004		2003		2002	
Increase	49%	Increase	41%	Increase	23%	Increase	15%
Decrease	21%	Decrease	39%	Decrease	59%	Decrease	50%
No change	30%	No change	20%	No change	18%	No change	35%

Individual Support

2005		2004		2003		2002	
Increase	68%	Increase	56%	Increase	48%	Increase	21%
Decrease	8%	Decrease	10%	Decrease	21%	Decrease	23%
No change	24%	No change	34%	No change	31%	No change	33%
						Too early to tell	23%

Foundation Support

2005		2004		2003		2002	
Increase	40%	Increase	39%	Increase	28%	Increase	8%
Decrease	14%	Decrease	26%	Decrease	27%	Decrease	17%
No change	46%	No change	35%	No change	45%	No change	33%
						Too early to tell	42%

Corporate Support

2005		2004		2003		2002	
Increase	38%	Increase	32%	Increase	21%	Increase	8%
Decrease	22%	Decrease	34%	Decrease	42%	Decrease	33%
No change	40%	No change	34%	No change	37%	No change	24%

Government Support

2005		2004		2003		2002	
Increase	29%	Increase	18%	Increase	10%	Increase	5%
Decrease	27%	Decrease	46%	Decrease	50%	Decrease	27%
No change	44%	No change	36%	No change	40%	No change	31%

Endowment Income

2005		2004		2003		2002	
Increase	56%	Increase	38%	Increase	7%	No data gathered	
Decrease	15%	Decrease	37%	Decrease	78%		
No change	29%	No change	25%	No change	15%		

Earned Income

2005		2004		2003		2002	
Increase	43%	Increase	36%	Increase	25%	No Data Gathered	
Decrease	25%	Decrease	32%	Decrease	47%		
No change	32%	No change	32%	No change	28%		

CONTRIBUTIONS

Contributions to Operations

2005		2004		2003		2002	
Increase	49%	Increased	37%	No data gathered		No data gathered	
Decrease	13%	Declined	21%				
No change	38%	No change	42%				

Contributions to Endowment

2005		2004		2003		2002	
Increase	44%	Increased	43%	No data gathered		No data gathered	
Decrease	6%	Declined	9%				
No change	50%	No change	48%				

Contributions to Facilities Growth/Infrastructure

2005		2004		2003		2002	
Increase	40%	Increased	45%	No data gathered		No data gathered	
Decrease	7%	Declined	8%				
No change	53%	No change	47%				

Reason For Endowment Increase

2005		2004		2003		2002	
No data gathered		Rise In Market	60%	No data gathered		No data gathered	
		Additional Giving	40%				
		% Increase from Market	49.90%				
		% Increase from Giving	25.30%				

Number of Board Members

2005	
Average	33