

## WINTER 2021 SNAPSHOT:

### COVID-19 Impacts on Arts, Cultural, and Scientific Nonprofit Organizations in the Central Puget Sound Region

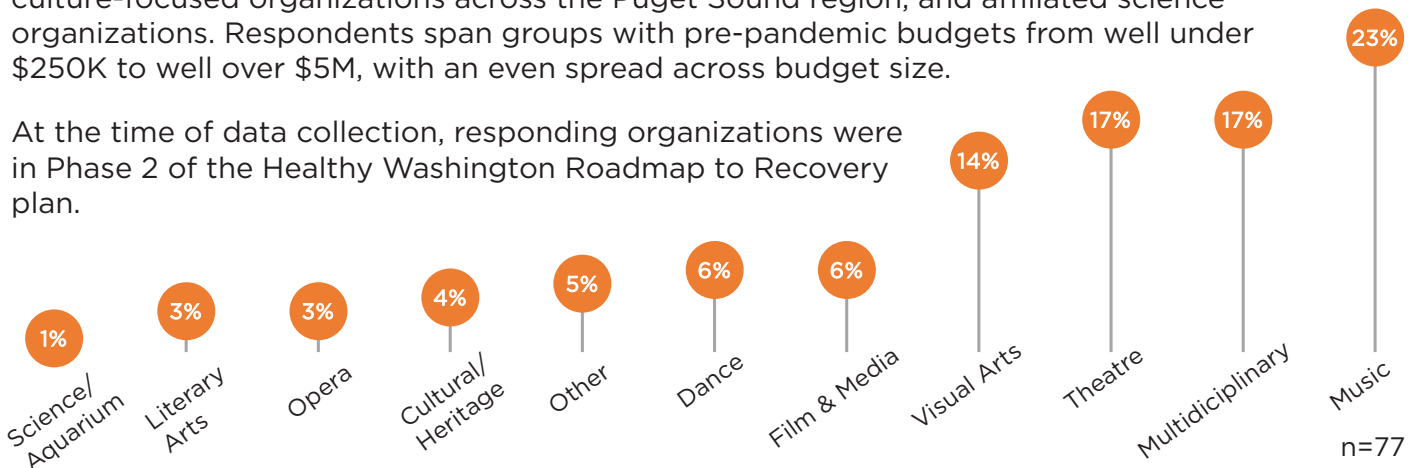
#### OVERVIEW

ArtsFund surveyed arts, cultural, and scientific nonprofits in the Central Puget Sound, as part of ongoing efforts to measure the continued impacts from the COVID-19 pandemic. This is a merged dataset based on two waves of data collection sources: January 22, 2021 - March 5, 2021 (n=55) and February 16, 2021 - March 2, 2021 (n=22). Of the 77 responding groups, 86% are based out of King County and 14% are based out of Pierce and Snohomish counties. The findings reflect significant impacts on organizations from reduction of skilled personnel, financial loss, and perceived permanent shifts to the sector. \*All quotes were collected in survey

#### PROFILE OF RESPONDENTS

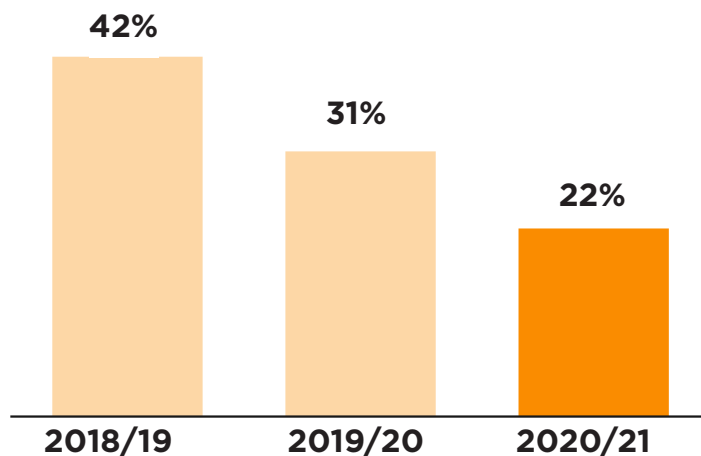
An online survey was sent to ArtsFund's Cultural Partners Network, a group of arts and culture-focused organizations across the Puget Sound region, and affiliated science organizations. Respondents span groups with pre-pandemic budgets from well under \$250K to well over \$5M, with an even spread across budget size.

At the time of data collection, responding organizations were in Phase 2 of the Healthy Washington Roadmap to Recovery plan.



#### FINANCIAL IMPACTS

**Earned income percentage\*, on average, has decreased over the past 2 years. n=54**



*“Our online audience is growing, but in order to survive we needed to monetize that as much as possible, so we decided that our content should not be free and should reflect the cost of what it takes to produce these events. Thus, our events are expensive - but have kept us in business. But, we do make our content available to select communities via discount codes [...] It is a tough balance.”*

\*Income percentages are relative to grand total income.

## FINANCIAL IMPACTS

FY 2020/21 budgets were compared to FY 2019/20 (initial impacts of pandemic) and FY 2018/19 (pre-pandemic) actuals. n=54

### EARNED INCOME:

- Organizations' total earned income budget for 2020 is **39% less** than in 2019 and **65% less** than in 2018.

### CONTRIBUTED INCOME:

- There was a **21% decrease** in organizations' contributed income budget for 2020 as compared to last year. In 2019, there was a 23% increase compared to 2018.
- Organizations experienced a **12% drop** in contributed income from **benefits, guilds, and galas** for 2020 compared to 2019; and **29% decrease** compared to 2018.

### OPERATING EXPENSES:

- 24% decrease** in the total operating expenses budget for 2020 compared to 2019; and **37% decrease** compared to 2018.

### GRAND TOTAL INCOME:

- 29% decrease** in responding organizations' grand total income budget for 2020 as compared to 2019 and **42% drop** compared to 2018.

*“Adjustments to venue size are likely since audiences may not have confidence in gathering safely in larger groups for an unknown period of time. Smaller venues means less ticket sales and a negative economic impact. Right-sizing venues to expected lower audience turnout. [...] Perhaps fewer season offerings.”*

*“We have also significantly increased our tuition scholarships and free programs in an effort to reach underserved communities and grow our audience. While we are very excited about this work, it does come at an expense to the organization.”*

## EMPLOYMENT IMPACTS

As of January 2021, **56%** of respondents had **staff furloughed or laid-off** as a result of the pandemic. The overall percentage of staff furloughs and lay-offs has decreased over the past year; from 74% in April 2020 and 73% in October 2020.

**Total personnel expenses budgeted for 2020/21 was significantly less compared to the past 2 years.** N=54

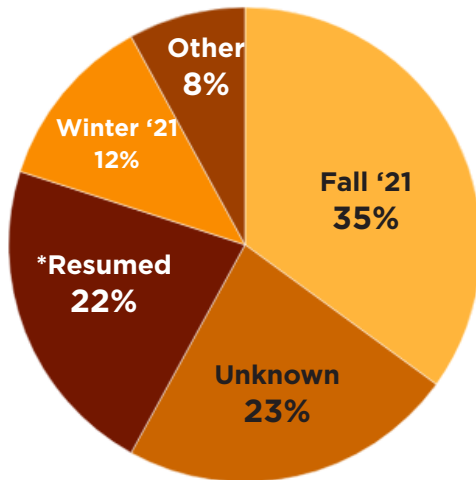
2018/19	\$186M
2019/20	\$174M
2020/21	\$131M

- The 2020/21 budget for **Artistic Personnel** is **37% less** compared to 2019; and **44% less** compared to 2018.
- 2020/21 budget for **Production Personnel** is **32% less** compared to 2019; and **37% less** compared to 2018.



## REOPENING

What is your organization's current projected date for resuming in-person programming? n=77



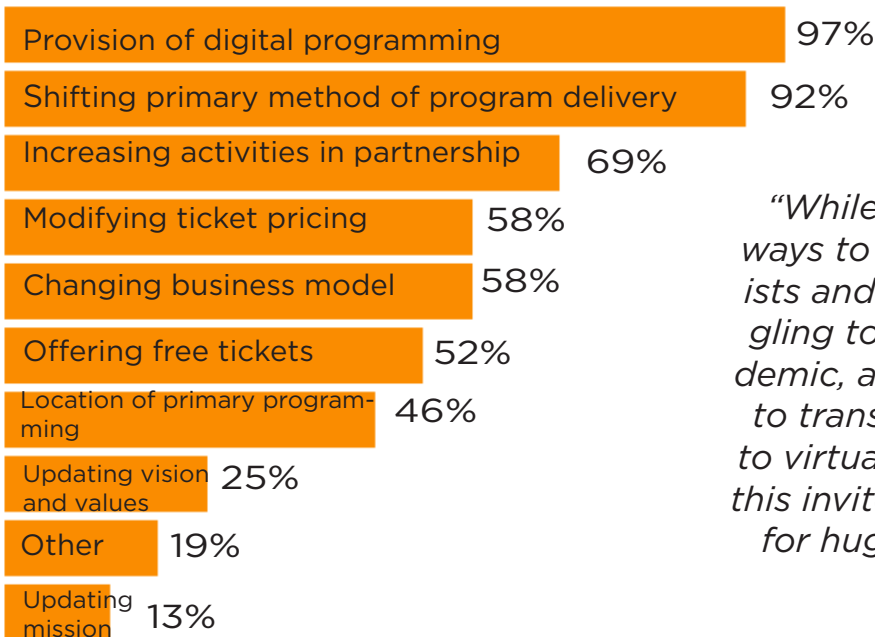
\*Organizations that have resumed in person programming represent a range of 're-open': limited capacity, hybrid of online and in-person groups, and never had to close.

Based on your current financial models and revenue streams, how confident are you that you will have the necessary funds to resume in-person programming when the time comes? n=77

- 57% of respondents are **confident** that they will have the necessary funds to resume in-person programming when the time comes. 13% are extremely confident.
- A wide range of disciplines, from dance to theatres, are only '**slightly confident**' (27%) about resuming in-person programming.
- Visual Arts groups account for 50% of respondents who are 'extremely confident.'

## SHIFTS & CHANGES

What shifts or changes has your organization made to serve your communities in response to the pandemic? n=77



*"While the organization is finding ways to continue to serve dance artists and audiences, artists are struggling to make work during the pandemic, and feeling immense pressure to translate their live performances to virtual happenings. In some cases, this invites innovation; but it also asks for huge adaptations and learning from our artists."*



## SHIFTS & CHANGES- LOOKING AHEAD

3 overarching themes emerged from the question: **what changes do you anticipate may be permanent shifts to your work and/or the sector?** n=77

### CONTINUATION of DIGITAL PROGRAMMING

- Hybridized approach between in-person and digital programming.
- Increased investment in digital infrastructure and associated costs.

*“Prior to the pandemic, while we sought partnerships with other arts presenters and nonprofit sector partners, we didn’t prioritize that. Moving ahead, [...] we are making partnerships a more core portion of our mission. We want to create a rising tide with our artform, and that can only happen in partnership with our community -- both arts and other sectors.”*

### ORGANIZATIONAL COMMITMENTS & CHANGES

- Internal and external diversity, equity, inclusion commitments and practices.
- Community, regional, statewide, and national partnerships.
- Hybridized approach to staff working practices.
- Updates to mission, vision, and values statements.

*“We have shifted our mission and values to reflect our renewed and continued dedication to racial equity as well as considering more virtual content moving forward, in order to provide more access to those unable to attend our live performances.”*

### ADJUSTMENTS TO OPERATIONS

- Reduced in-person audience capacity.
- Complexities within pricing models (free, pay-what-you-can, sliding scale).
- Increased safety and sanitation measures.

*“We need more proactive approaches to prepare for such disruption and really strengthen the sector and emphasize the role the arts can play for collective and individual well-being.”*

### Other

- Investments into accessibility measures.
- Impacts on staff capacity.
- Need for sector-wide resiliency.

## WHAT YOU CAN DO

- Prior to the closures, organizations have relied on a balance of earned and contributed income to continue operations. In the wake of ongoing closures and limited capacity re-openings, resulting in drastic reductions to their earned income streams, **arts and cultural nonprofits need support**. Buy tickets to events, purchase a membership and season passes, and contribute.
- Join us in **spreading the word that arts are essential to our communities**. As key actors in our communities, stewards of arts and culture, and major economic and social drivers, they need your voice to amplify their critical work.

For more information, please visit [www.artsfund.org/covid-arts-impacts/](http://www.artsfund.org/covid-arts-impacts/) or contact Sarah Sidman, Vice President of Strategic Initiatives and Communications at [sarahsidman@artsfund.org](mailto:sarahsidman@artsfund.org)