



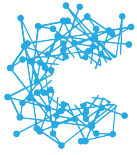
CREATIVE MANY MICHIGAN CREATIVE STATE MI 2018 NONPROFIT REPORT

The arts and culture - an essential part of the creative industries - contribute powerfully to the vibrancy of Michigan cities and communities, creating great places to live, work and visit, and destinations that attract talent and business investment. Michigan's creative industries - nonprofit and for profit - contributed 88,761 jobs and \$4.97 billion in wages in 10,706 businesses in 2014. With efforts focused on positioning Michigan for competitive advantage on the global stage, never has it been more important to ensure that the arts and culture have a vital role in Michigan's strategies for the future.

Creative Many Michigan's *2018 Creative State Michigan Nonprofit Report*, the seventh edition in this annual report series, details the economic and social impacts of Michigan's nonprofit arts and cultural organizations using certified data from DataArts (formerly the Cultural Data Project). This report represents Fiscal Year 2015 data from 410 nonprofit arts and cultural organizations - an estimated 16% of the sector who contributed nearly \$1.25 billion in direct expenditures to Michigan's economy in 2015 - an 88% increase from the prior year.

These 410 nonprofit arts and cultural organizations welcomed 17,129,355 attendees in 2015, enough to sell out Comerica Park 415 times. A total of 76% of visits to arts and cultural venues and events were FREE (7,392,669).

- Other report highlights include:
 - 410 nonprofit arts and cultural organizations - 16% of the sector statewide.
 - \$1,248,251,067 in annual direct expenditures (e.g. rent, programs, travel and salaries) - a significant increase of 88% over the prior year.
 - Of total direct expenditures, 85% (72% last year) was allocated to programs (\$1,062,559,585), 11% (21% last year) was allocated to general operations (\$136,465,823), and 4% (7% last year) was allocated for fundraising (\$49,225,658) - reflecting a significantly higher level of program support serving Michigan's communities, residents, visitors and youth, with decreased overhead and fundraising expenses.
 - Organizations paid \$291,243,968 in salaries, payroll taxes and fringe benefits, supporting 25,144 jobs - a 4.3% increase in total compensation. Total jobs decreased by 7%.



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- Organizations contributed \$59,822,331 toward fringe benefits and payroll taxes. Payroll taxes comprise an estimated \$14,070,436 (based on a 6.08% ratio of the total salaries).
 - \$585,732,277 in private donations (board giving, donors, corporate and foundation support), nearly tripling donor support over the prior year.
 - 64 organizations had active capital campaigns during FY 2015. No information was collected on campaign funds to targeted goals in the profile year.
 - 4,142,197 schoolchildren experienced arts and cultural venues and events - a 14% increase over the prior year. A total of 73,694 students were served by 3,941 reported arts education programs in schools.
 - Produced over 307,044 distinct events -- live productions, exhibitions, workshops, films and other programs.
- Michigan's arts and cultural destinations generated \$1.3 billion in direct tourism spending by visitors in 2016 - 12.6% of total direct spending for all Michigan travel in 2016. (*Travel, USA.*)
 - In 2014, Michigan's creative industries contributed 88,761 jobs in 10,706 business establishments generating \$4.97 billion in wages - a creative force in Michigan's economy from architecture, creative technology and design to the visual arts and craft, music, performing arts, film and literary, publishing and printing. (Creative Many Michigan, 2016 Creative Industries Report, March 2016.)
 - Nationally, 673,656 businesses are involved in the creation or distribution of the arts and employ 3.48 million people - 4.01% of total businesses in the US and 2.04% of total US employment. (Americans for the Arts, 2017 Creative Industries National Report, January 2017.)

Composition by Organization Discipline

Performing Arts	170 organizations (42%)
Museums, Visual Arts, History, Science & Nature	94 organizations (23%)
Support & Advocacy	48 organizations (12%)
Community Arts	43 organizations (10%)
Education	34 organizations (8%)
Broadcasters, Producers, TV, Film & Digital Media	21 organizations (5%)



Composition by Organization Budget Size

<\$100K	121 organizations (30%)
\$100K to \$250K	81 organizations (20%)
\$250K to \$1M	120 organizations (29%)
\$1M to \$10M	77 organizations (19%)
>\$10M	11 organizations (2%)

Revenue Distribution

Michigan's nonprofit arts and cultural organizations report fairly even distribution of earned and contributed income.

<u>Total Revenue</u>	<u>\$1,247,135,733</u>
Total Contributed Revenue	\$909,286,306
Total Earned Revenue	\$329,826,441
Total Other Revenue	\$8,022,986

Contributed Revenue Breakdown

Trustee/Board	\$19,027,935
Individual	\$85,167,537
Corporate	\$62,122,599
Foundation	\$419,414,206 (Increased nearly 5.25 times over prior year)
Government	\$257,786,614 (Increased nearly 4 times over prior year (3.97))
Other	\$65,767,418

Volunteers/board members, full and part-time staff, independent contractors and interns/apprentices

Full-time staff	3,467
Part-time staff	9,284
Independent contractors	12,393
Volunteers	60,173
Board members	5,195
Interns/Apprentices	<u>1,155</u>
Total	91,667

Summary

The 2018 Creative State Michigan Nonprofit Report demonstrates the incredible impacts that Michigan's nonprofit arts and cultural organizations bring to our state's economy, the vibrancy of our communities, education of our children, and audiences of all ages with 2015 DataArts data from 410 nonprofit organizations. With nearly \$1.25 billion in total expenditures, including \$291



million in total compensation (salaries, fringe benefits and payroll taxes) supporting 25,144 paid jobs, and \$1.3 billion generated in direct tourism spending, arts and culture is a critical contributor to Michigan's economic reinvention. Moreover, organizations across the state brought cultural learning experiences to over 4.1 million schoolchildren and offered 76% of more than 17 million visits free to the public – benefiting audiences of all ages. Michigan's arts and cultural venues and attractions inspire residents and visitors alike, making communities across our state vibrant and attractive places to live, work, learn, explore and invest.

Thanks to our *Creative State Michigan* research and reporting, businesses, nonprofit organizations, community leaders and elected officials have gained a deeper understanding of the contributing role of the arts, culture and creative economy as vital players in the reinvention of Michigan and its communities and the importance of reinvesting in Michigan's arts and cultural assets. The report positioned Creative Many to make the case for an increased investment in state funding for arts and culture.

In 2017, Governor Snyder and the Michigan Legislature committed increased funding at \$11.15 million in state arts and cultural funding for FY 2018 – a \$1 million increase showing continued upward momentum from the low of \$2.56 million allocated in FY 2012 – providing greater access to needed program, operations, arts education and capital improvement grants through the Michigan Council for Arts and Cultural Affairs (MCACA) for arts and cultural organizations, artists and communities. This is a significant step toward restoring the state's investment in creativity, which previously exceeded \$25 million annually.