



Assessing the Impact of FY08 Budget Cuts

Summary of Key Findings

March 2008

This past year was a tragedy for arts funding in Illinois.

At the beginning of the 95th General Assembly session, Governor Rod Blagojevich proposed flat funding for the Illinois Arts Council budget and level funding for the Arts & Foreign Language grant program at the Illinois State Board of Education (ISBE). On August 10, 2007, the state legislature approved an increase of \$3.3 million to the Council's budget and a total of \$6.3 million for the Arts & Foreign Language grant program at ISBE.

Unfortunately, at the end of a very long and difficult legislative process, not only was the \$3.3 million increase not enacted, funding for the Illinois Arts Council was actually slashed by \$4.5 million from the previous year. In addition, funding for the Arts & Foreign Language grant program was completely eliminated.

As a result of these devastating cuts, Illinois Arts Council grantees experienced a reduction in their funding. Through an online survey, the Illinois Arts Alliance queried the arts field in January and February 2008 to assess the on-the-ground impact that these cuts are having on Illinois' nonprofit arts sector.

Based on a thorough analysis of the responses, we now know that these devastating cuts threaten the stability of the arts in Illinois and represent one of the most critical issues facing the cultural sector in our State today. As a result of their reduced grants from the Illinois Arts Council, organizations small and large are scaling back in size and ambition: artistic programs are being altered, education and outreach programs are being reduced, and staff positions are at risk of elimination.

“This unprecedented cut to the Illinois Arts Council's budget is jeopardizing valuable arts education opportunities in Illinois schools, limiting access to free or reduced cost arts programming for those needing assistance, and stifling creativity statewide,” said Ra Joy, Executive Director, Illinois Arts Alliance.

The arts are shamefully under-funded in Illinois. As a result of the State's decision to reduce the Illinois Arts Council's budget from \$19.7 million to \$15.2 million in FY08, Illinois now ranks 21st in state arts agency spending – behind smaller states like Alabama, Mississippi, Louisiana, Massachusetts, and Minnesota. Declining financial support for the arts in Illinois has a detrimental impact not only directly on artists and arts organizations, but also on society as a whole. This decision is affecting children, families, and communities statewide.

Few states can claim the strength, diversity, and significance of a creative sector like Illinois. To ensure Illinois continues to reap the economic, cultural, and educational rewards of the arts, **an investment of \$24 million in the Illinois Arts Council is needed in the State's FY09 Budget.**

About the Illinois Arts Alliance

IAA is the statewide arts advocacy and service organization promoting the value of the arts to all residents of Illinois. Through research, capacity building, and communication, IAA advances widespread support of all the arts, enhances the health of the arts and cultural sector, and fosters a climate in which the broadest spectrum of artistic expression can flourish.

IAA serves and represents artists, arts advocates, arts audiences, the general public, and Illinois' more than 2000 nonprofit arts organizations. Illinois citizens look to IAA for leadership and guidance on how to improve and promote Illinois' cultural infrastructure.

Over 8,000 Illinois voters make up our arts advocacy network.

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Methodology

The Illinois Arts Alliance distributed an online survey to all organizations that received an Illinois Arts Council grant in FY08. The survey was available online for response from January 7 – February 8, 2008. IAA asked only one person from each organization to respond.

Four hundred thirty five organizations completed some or all of the survey. These organizations represent the breadth and diversity of Illinois cultural sector.

Respondent's Annual Budget

10.4%	\$5,000,000 +
7.0%	\$2,000,000 - 4,999,999
8.8%	\$1,000,000 – 1,999,999
7.9%	\$500,000 – 999,999
30.4%	\$100,000 - 499,999
11.2%	\$50,000 – 99,999
24.2%	Under \$49,999

Location of Respondents

40.4%	Chicago
31.6%	Chicago suburbs (outside of Chicago but in Cook, DuPage, McHenry, Lake, Will Counties)
10.5%	Northern/Western Illinois
11.4%	Central/Eastern Illinois
4.4%	Southern Illinois
1.8%	Other

***for contact information for arts organizations that responded to the survey from your community, contact 312-855-3105 ext 13.*

Key Findings

- **As a result of Illinois Arts Council funding cuts, programs for children and the community are being compromised.** 73.4% of responding organizations reported there would be reductions or eliminations to their education, outreach, or free public programs.

Continued reduction in our IAC grant will make it exceedingly difficult to provide programs to constituents who can least afford them, especially schools in economically challenged areas. – Muntu Dance Theatre of Chicago (Chicago)

The biggest impact of Illinois Arts Council funding cuts will be on the children of Centralia and the surrounding communities. The Centralia Cultural Society offers several children's programs; art classes, violin lessons, educational and entertaining school programs, and summer kick classes. How many studies need to be conducted before some state lawmakers will see the positive impact the arts create for children? Cutting the Arts Council is basically the same as cutting education funding! – Centralia Cultural Society (Centralia)

The reduction in Illinois Arts Council funding changed our mentality about how many complimentary or reduced price tickets we were able to extend to those who needed assistance. We have to collect every dollar we can in ticket revenue to cover the reduction in funding. – Artist Series at Wheaton College (Wheaton)

We will have to raise tuition and reduce the number of scholarships we provide. – Red Rose Children's Choir of Lake County (Libertyville)

It [reductions in our Illinois Arts Council funding] will keep us from offering free programs to the general public. – Sterling-Rock Falls Family YMCA (Rock Falls)

The arts have been significantly eliminated from public schools in the Chicago Southside area, leaving very little access to affordable arts programming. State funds, through organizations like IAC, help make it possible to provide arts training to underserved and minority youth in the inner city. A demographic that can greatly benefit from the positive outcomes of creative arts including improved social behavior, improved academics and viable/transferable life skills. – Little Black Pearl (Chicago)

While many communities in Illinois struggle with reductions in the workforce, the arts are often a small indulgence that individuals and families can enjoy without having to spend a lot of money. Without state funding, it is difficult in times of financial hardship to continue to make the arts affordable to all members of the community. – Danville Symphony Orchestra (Danville)

Southern Illinois is a devastated area, having lost an extreme amount of industry and the jobs that go with it. Our population needs family-friendly, affordable events to share with family and friends. Without IAC funding, we will not be able to offer this rich cultural and educational event in the fashion in which we have become accustomed. – Sparta BluesFest Association (Sparta)

- **Organizations, small and large, will make modifications to their artistic programs; some will raise ticket prices in response to the reduction in their Illinois Arts Council grant.** Overall, 68.8% of respondents said their artistic programs would be affected. 48.5% said artistic programs would be reduced or eliminated. 5.1% said they will increase pricing on artistic and educational programs.

Rather than attempt to stage one lesser known, but artistically challenging and rewarding musical per season, we will have to select only those that we know are proven money makers. – Music On Stage, Inc. (Barrington)

The Paramount relies on the IAC grant each year to help underwrite the costs of bringing shows here. The continual reduction of this grant will force the theatre to raise ticket prices and/or reduce programs. This will include educational programming. Without a significant grant from the IAC, the theatre may be forced to eliminate some shows that are mission-driven, but not cost effective. The children's programs here are at a high risk with the continuation of grant reductions because the theatre has made a concerted effort to keep these ticket prices extremely low, using the IAC grant to offset the costs. We simply cannot continue to do that with less grant money. – Paramount Arts Center (Aurora)

The amount that we receive from the Illinois Arts Council is very small compared to the programming that we provide for Illinois residents. Our funding in 2007/08 is 1/2 what it was in 1990 - taking into account inflation it is even less. Because of the reduction in our IAC grant, we simply had to take the cut as a deficit in 2007. We will be raising prices in 2008 but hope we can continue our programming at current levels. – Light Opera Works (Evanston)

We have traditionally produced a musical and a play every season, but there are so many increased costs involved with staging musicals that we typically lose money on those shows. We may have to produce ONLY plays going forward...and look at small-cast shows, too. – TownSquare Players (Woodstock)

At this point, the reduction of our granting funds have so impacted us that we may not have a 2009 programming year. – The Art Attack – School of Art (Sycamore)

Our IAC grant is one of the largest that we receive and positions us to find other private funders. A continued reduction would lower our leverage with other funders. More significantly a continued reduction would force us to reduce programming to the public and to reduce staffing which would lower the quality of our work. – Theatre Building Chicago (Chicago)

- **Small and mid-sized organizations with budgets less than \$1 million tend to rely more on funding from the Illinois Arts Council.** These organizations are now financially squeezed like never before, and their stability and future are uncertain.

As a small theater company, we rely on government and foundation support to stay alive. A continued reduction in funding would severely limit our growth and could threaten our ability to stay afloat. – New Leaf Theatre (Chicago)

If the cuts continue, we will have to close. Our organization is small and depends on the IAC and the State for funding. – Steckman Studio of Music (Oak Park)

The Illinois Arts Council has been a champion of small and mid-sized arts organizations and crucial to their health and ability to grow. As a mid-sized organization, this amount of funding decrease, should it continue, will cause us to reevaluate new programs that might have been started and focus only on our core activities. – ArsViva (Libertyville)

The Back of the Yards Neighborhood Council's Ballet Folklorico can not accommodate the demand for dance classes without IAC funding. Any reduction in funding directly translates into neighborhood children without an artistic after school activity that benefits both the children and the community. – Back of the Yards Neighborhood Council (Chicago)

- **Organizations of all sizes rely on a grant from the Illinois Arts Council to provide much-needed general operating support.** The majority of organizations report that between 1-10% of their budget comes from the Illinois Arts Council.

Illinois Arts Council funding has long been one of our most consistent sources of government support for quality artistic endeavors; with continued reductions in funding, we will face a much less stable, much more risky funding landscape for the long term. – Apollo Chorus of Chicago (Chicago)

With contributed revenue making up more than 50% of our annual budget, cuts from major funders significantly impact the organization. Our grant from the Illinois Arts Council was one of the largest grants we received each year. Without this funding, we will not be able to continue to expand programming but, rather, will have to reduce the reach of our initiatives. – Writers' Theatre (Glencoe)

The significant support [from the Illinois Arts Council] allows us to sustain the excellence in play development, educational programming, and community engagement that we have built over three decades. We foresee that continued decreased support from the state would cause a growing strain on our organization, potentially leading to decreased cultural offerings for the people of Illinois. – Victory Gardens Theater (Chicago)

- **To defray the impact of the budget cuts, organizations are reducing programs and looking to corporations, foundations, and individual donors for help.** 37.2% said they will seek additional support from corporate or private foundations. 27.7% will seek additional support from board members or individual donors.

Arts-based community development is work that should be publicly funded - in fact, it is publicly funded in most developed countries in the world. Without funding from the Illinois Arts Council, private foundations, which are already stretched thin, will be asked to bear the burden of support. In reality, programs will be cut. – Archi-Treasures (Chicago)

Continued reductions [in Illinois Arts Council funding] will certainly impact WSIU's ability to provide programs on local arts, culture and history and educational outreach to the southern Illinois region. Although we are working diligently to make up part of the loss through individual donations and corporate support, in this rural area with limited population and businesses, it is not possible for us to make up that large amount. – WSIU Public Broadcasting (Carbondale)

The reduction in our annual grant forced us to increase our efforts in individual giving and return to major donors to give again or more, causing some upset. – Elgin Symphony Orchestra (Elgin)

As with most small arts organizations, our budget has little flexibility. We are currently increasing our fundraising activities with corporations, foundations, and individuals; but the speed with which these can catch up to the almost 50% reduction is a question. – The Hypocrites (Chicago)

- **Mid sized organizations will have to cut staff in addition to reducing artistic programs.** 44% of midsized organizations said they will reduce full- or part-time positions in response to the reduction in their IAC grant.

With the limited and exhausted economical resources of our community, if we are unable to replace and refund the IAC grants our future is uncertain. If we are not able to replace the resources for operational support the alternatives are to operate with a reduced administrative staff or not at all. Reductions for both the Youth Employment and Community Arts Access programs will reduce or eliminate opportunities for our underserved rural community to engage in the arts. – Sun Foundation (Peoria)

We have eliminated our gallery manager and closed our gallery. We can no longer give free tours of the studios. We no longer have a paid administrator. – Friends of Community Public Art (Joliet)