Helicon

Summary of NFF Data Analysis
Of Contemporary Dance, Theater, Jazz and Presenting Organizations
For Doris Duke Charitable Foundation
September, 2012

Financial Trends by Discipline and Budget Size

Discipline Observations

Dance

The NFF analysis is based on a data set of 30 organizations.

Revenue

- Program fees as a percent of total revenue climbed 8% for dance organizations between 2007 and 2010; private contributions declined 9%; and the percent of revenue from government and other sources remained relatively steady.

Expenses

- Dance organizations showed a 5% growth in personnel and 6% growth in professional fees, as percentages of total expenses.
- Dance groups showed a 13% decrease in program expenses and relatively stable expenditures on occupancy, interest, and depreciation.

Profitability (unrestricted surpluses as a percent of cash expenses)

- Dance organizations showed an 11% drop in profitability between 2007 and 2010.

Liquidity (cash and investments on hand)

- Dance organizations demonstrated a significant decrease in liquidity. Median months of cash and investments on hand dropped from 5 months in 2007 to 2 months in 2010; median months of unrestricted liquid net assets dropped from 2 months to 1.

Net Asset Composition

- Dance organizations saw an increase in their unrestricted assets, from -70% to 31% of net assets between 2007 and 2010. Temporarily restricted assets declined from 29% to 24% of net assets, and permanently restricted assets decreased from 10% to 9% of total assets. Property and equipment, net of depreciation, decreased from 131% to 35%.

Jazz

The NFF analysis is based on a data set of 9 organizations.

Revenue

- Jazz organizations showed 5% growth in program fees between 2007 and 2010; private contributions declined 2%; government support remained steady and other revenue declined 3%.

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Expenses

- Jazz organizations showed a 2% decline in personnel costs and 12% growth in professional fees, as percentages of total expenses.
- Jazz groups showed a 10% decrease in program expenses and relatively stable expenditures on occupancy, interest, and depreciation.

Profitability (unrestricted surpluses as a percent of cash expenses)

- On average, jazz organizations showed a 5% decrease in profitability between 2007 and 2010.

Liquidity (cash and investments on hand)

- Jazz organizations demonstrated an improvement in liquidity. Median months of cash and investments increased from 5 months in 2007 to 6 months in 2010, and median months of unrestricted liquid net assets increased from 4 months to 5.

Net Asset Composition

- Jazz organizations saw a decline in their unrestricted assets, from 45% to 24% of net assets between 2007 and 2010. Temporarily restricted assets increased from 7% to 14% of net assets, and permanently restricted assets increased from 23% to 28% of total assets. Property and equipment, net of depreciation, increased from 25% to 34%.

Presenting

The NFF analysis is based on a data set of 46 organizations.

Revenue

- Presenting organizations showed 7% growth in program fees between 2007 and 2010; private contributions dropped 14%; government support increased 19% and other revenue declined 10%.

Expenses

- Presenting organizations showed a 3% growth in personnel costs and 8% growth in professional fees, as percentages of total expenses.
- Presenting groups showed a 14% decrease in program expenses and relatively stable expenditures on occupancy, interest, and depreciation.

Profitability (unrestricted surpluses as a percent of cash expenses)

- On average, presenting organizations showed an 7% increase in profitability between 2007 and 2010.

Liquidity (cash and investments on hand)

- Presenting organizations demonstrated a clear decline in liquidity. Median months of cash and investments decreased from 10 months in 2007 to 8 months in 2010.

Net Asset Composition

- Presenting organizations saw a negative increase in their unrestricted assets, from -4% to -32% of net assets between 2007 and 2010. Temporarily restricted assets increased dramatically from 38% to 60% of net assets, and permanently restricted assets increased from 23% to 28% of total assets. Property and equipment, net of depreciation, increased only slightly, from 43% to 44%.

Theater

The NFF analysis is based on a data set of 51 organizations.

Revenue

- Theater organizations showed 4% growth in program fees between 2007 and 2010; steady private contributions at xx% of total revenue; a 3% decline in government and 2% decline in revenue from other sources. (TheaterFacts: field saw 1.5% growth in earned income; 5.2% growth in contributed income; foundation support declined; individual contributions grew)

Expenses

- Theater organizations showed a 1% growth in personnel and 6% growth in professional fees, as percentages of total expenses.
- Theater groups showed a 8% decrease in program expenses and relatively stable expenditures on occupancy, interest, and depreciation. (TheaterFacts: expenses increased 3.1%)

Profitability (unrestricted surpluses as a percent of cash expenses)

- On average, theater organizations showed an 9% increase in profitability between 2007 and 2010.

Liquidity (cash and investments on hand)

- Theater organizations demonstrated a modest increase in liquidity. Median months of cash and investments increased from 4 months in 2007 to 5 months in 2010.

Net Asset Composition

- Theater organizations saw an increase in their unrestricted assets, from -92% to 6% of net assets between 2007 and 2010. Temporarily restricted assets increased slightly, from 26% to 28% of net assets, and permanently restricted assets decreased slightly from 16% to 14% of total assets. Property and equipment, net of depreciation, decreased significantly, from 150% to 53%. (TheaterFacts: 62% of theaters ended 2010 with positive CUNA; small theaters, on average, ended year with negative CUNA but positive working capital – this was reversed for mid- and large theaters)

Budget Size Observations

Under $500,000

The NFF analysis is based on a data set of 21 organizations.

Revenue

- The smallest organizations showed relatively steady patterns in revenue sources from 2007 to 2010, with a spike in private contributions in 2009 (up 15%) and a drop in government revenue of 13% that same year.

Expenses

- Professional fees increased by 6% between 2007 and 2010 and program expenses declined by 9% across the same span, but other expenses were relatively steady across the categories of personnel, occupancy, interest and depreciation.

Profitability (unrestricted surpluses as a percent of cash expenses)

- On average, the smallest organizations showed a decline of 7.5% in profitability between 2007 and 2010.

Liquidity (cash and investments on hand)

- Small organizations demonstrated a clear decline in liquidity. Median months of cash and investments decreased from 3.9 months in 2007 to 1.8 months in 2010.

Net Asset Composition

- Small organizations saw a dramatic improvement in their unrestricted assets, from -219% to 57% of net assets between 2007 and 2010. Temporarily restricted assets declined from 29% to 15%; and permanently restricted assets dropped from 5% to 0. Property and equipment, net of depreciation, dropped from 285% to 28% of total assets.

$500,000-$2 million

The NFF analysis is based on a data set of 47 organizations.

Revenue

- Program fees declined as a percent of total revenue from 28% in 2007 to 24% in 2010, but private contributions increased from 53% to 56% of total income. Income from government sources remained steady as a percentage of overall revenue.

Expenses

- This cohort showed a 3% growth in personnel costs and 9% growth in professional fees, as percentages of total expenses.
- Program expenses declined by 13% and expenditures were relatively stable on occupancy, interest, and depreciation.

Profitability (unrestricted surpluses as a percent of cash expenses)

- On average, these groups saw an improvement in their profitability, from 13% to 27% between 2007 and 2010.

Liquidity (cash and investments on hand)

- The liquidity of this cohort remained relatively stable across the four years, at about 2.5 months of cash and investments on hand.

Net Asset Composition

- Groups in this cohort saw an improvement in their unrestricted assets, from -50% to -2% between 2007 and 2010. Temporarily restricted assets and permanently restricted assets remained relatively steady; property and equipment, net of depreciation declined from 96% to 43%.

$2 million-$5 million

The NFF analysis is based on a data set of 26 organizations.

Revenue

- This cohort showed an increase in program fees as a percentage of income, from 31% to 38% between 2007 and 2010; private contributions remained steady at about 51%; government support declined by 5% and other revenue remained steady at about 4%.

Expenses

- Groups in this budget range showed a 4% growth in personnel costs and 6% growth in professional fees, as percentages of total expenses.
- This cohort showed a 11% decrease in program expenses and relatively stable expenditures on occupancy, interest, and depreciation.

Profitability (unrestricted surpluses as a percent of cash expenses)

- Profitability fluctuated over the four years studied, but average profitability in 2010 was the same as it was in 2007 – about 5.7%

Liquidity (cash and investments on hand)

- This cohort saw a decline in liquidity, with median months of cash and investments on hand decreasing 4.3 months to 2.9 months.

Net Asset Composition

- This cohort saw a negative increase in their unrestricted assets, from 0 to -25% of net assets between 2007 and 2010. Temporarily restricted assets increased dramatically from 19% to 59% of net assets, and permanently restricted assets remained steady at about 25%. Property and equipment, net of depreciation, decreased from 56% to 41%.

Over $5 million

The NFF analysis is based on a data set of 44 organizations.

Revenue

- Revenue from program fees increased 7% as a portion of total income for the largest organizations between 2007 and 2010; private contributions dropped 10%; government support increased 8% and other revenue declined 6%.

Expenses

- The largest organizations kept personnel costs steady but increase professional fees by 7%, as percentages of total expenses.
- This cohort showed a 9% decrease in program expenses and relatively stable expenditures on occupancy, interest, and depreciation.

Profitability (unrestricted surpluses as a percent of cash expenses)

- On average, the largest organizations showed a 7% decrease in profitability between 2007 and 2010.

Liquidity (cash and investments on hand)

- This group of organizations demonstrated a clear decline in liquidity. Median months of cash and investments decreased from 17 months in 2007 to 12 months in 2010.

Net Asset Composition

- This cohort saw a negative increase in their unrestricted assets, from 11% to 0 of net assets between 2007 and 2010. Temporarily restricted assets increased slightly, from 21% to 24% of net assets; and permanently restricted assets remained steady at 25% of total assets. Property and equipment, net of depreciation, increased from 42% to 52%.