

# DATA MATTERS



CULTURAL DATA  
PROJECT

## ARTS AND CULTURAL ORGANIZATION EDITION

CONTENTS	Welcome	1
	Northwestern U. theatre class uses CDP as a teaching tool	1
	Getting the most out of CDP: an interview with the Santa Monica Museum of Art	2
	Using CDP reports for advocacy	3
	What can a dollar do for the arts and humanities?	3
	What's new? Data Profile enhancements	4
	Get your gold star today!	4
	How one participating funder is using CDP data: an interview with Massachusetts Cultural Council	5
	CDP Orientation Webinars now offered monthly!	5



Dia de los Muertos Festival, Papago Park, AZ

### CDP expanding to new states!

We are happy to announce that the Arizona Cultural Data Project launched on February 1, 2011 with eight participating grantmakers.

Visit [www.azculturaldata.org](http://www.azculturaldata.org) for more information and details of upcoming orientation sessions.

We also look forward to welcoming Rhode Island, Vermont and DC to the CDP in 2011.

For a map of all participating and interested states, please visit our national website at [www.culturaldata.org](http://www.culturaldata.org).

Welcome to the first edition of the Cultural Data Project's newsletter for participating arts and cultural organizations! We've created this newsletter as a way to keep all of you—the 10,000-plus arts and cultural organizations using CDP—up to date about how to make the most of your participation. Once you've taken the time to fill out a CDP Data Profile, we want you to ask: what can my data do for me?

In this newsletter, you'll find an interview with the Santa Monica Museum of Art about how staff is using CDP comparison reports to change the way the organization does business (p. 2). Read about how to put CDP data to work for your organization's advocacy efforts, and about several recent enhancements to the way we collect data (p. 3 and 4). And get a behind-the-scenes look at how a participating grantmaker, the Massachusetts Cultural Council, uses CDP Funder Reports to better understand its grantees (p. 5).

The Cultural Data Project is driven by the

belief that knowledge is power. Our ultimate mission is to strengthen the national arts and cultural sector—to support the important and vibrant work that arts and cultural organizations do—by collecting high-quality data and helping organizations put it to good use. As the project continues to grow, we anticipate that this newsletter will create a forum for learning from each other.

We hope you will enjoy receiving and reading these newsletters and that you will let us know what you think—about the CDP itself, and about the information we are providing. Thank you for being an important part of the CDP and its successes. Happy reading!

NEVILLE VAKHARIA  
Director, Cultural Data Project  
The Pew Charitable Trusts

## Northwestern U. theatre class uses CDP as a teaching tool

During winter term 2011, students at Northwestern University used data from the Illinois CDP to explore the business side of Chicago's vibrant theatre community in an undergraduate seminar on *Organizational Structures and Production Processes in Contemporary US Theatre*. Several local theatres granted students access to their CDP reports, allowing the class to examine the organizational differences in companies of different ages. Students also interviewed staff at each organization to learn how its sources of funding and organizational structures relate to its production practices and artistic goals.

"I found the CDP data to be extremely

easy to access and use," noted one student researcher. "I particularly appreciated the individual explanations of each item on the report so that whenever I was confused, I could clear up that confusion with a single click... it's a very user-friendly database, even for people such as myself who are unfamiliar with reading data reports."

To read more about the class's research, visit [www.culturaldata.org/research](http://www.culturaldata.org/research).

Interested in using CDP data for research or teaching purposes? Get in touch! Call us at 877-707-DATA or e-mail [info@culturaldata.org](mailto:info@culturaldata.org).

# Getting the most out of CDP

## A CONVERSATION WITH LISA MELANDRI, DEPUTY DIRECTOR FOR EXHIBITIONS AND PROGRAMS, SANTA MONICA MUSEUM OF ART



*In an effort to gain a better understanding of how CDP participants are using their own data, we recently sat down with Lisa Melandri, Deputy Director for Exhibitions and Programs at the*

*Santa Monica Museum of Art, for a conversation about data, reporting and the CDP's impact on the museum since the launch of the project in California in 2008.*

### Could you tell us about your organization?

Sure. The Santa Monica Museum of Art is a small, risk-taking, non-collecting contemporary art museum. When it comes to our programming, we strive to be out-of-the-box—to create programming that is innovative, intrepid and unique. But on the operations side, we're very much "in the box," you could say—we work hard to implement best practices in organizational management. And the CDP has become one of the primary tools we employ in those efforts.

### When and why did you first start using the CDP?

Like most organizations in California, we began using the CDP when it was required by our funders. Honestly, the museum, like many other organizations, would not have taken up the CDP and completed all the data entry had it not been for a funder requirement. Nonetheless, despite the frustration associated with the initial time investment in entering data, the CDP has become an incredibly valuable management tool for us.

### Has the CDP had an impact on the way you do business?

Absolutely. The CDP, and in particular the annual, trend and comparison reporting features, has really helped us understand how the museum functions as a business. The reports give us a clearer sense of how money was spent, where money should be spent going forward, and how the museum's operations compare to those of other organizations. This increased knowledge and access to expansive management tools via the CDP has helped us strategize and more effectively plan for the future.

### Could you share a few specific examples of how you use CDP reports?

We use them in a variety of ways—in addition to running analyses on our organizational finances, we also share program activity reports and trend reports demonstrating volunteer involvement with our board and funders, to give these stake-

holders a more holistic view of the organization. We're also using the CDP and its comparison reporting features to better understand how the museum compares to its cohorts not just in California but in other states as well. It's important to us to understand how our colleagues are operating, so that we can make more informed decisions about our own operations as well as advocate for internal change as necessary. For example, we've run the CDP's contributed revenue and fundraising expense comparison reports to understand what board giving looks like in other organizations similar to our own, and we've been able to use this information to advocate for board engagement at the museum.

### Has the CDP changed how you think about collecting and using data more broadly?

It has, actually. When we completed our first CDP Data Profile for the museum, we realized that we would need to provide attendance information for historic years. Since the Santa Monica Museum of Art is free to the public, we had never really had to track attendance information very accurately. The CDP got us thinking about the need to systematically record the number of people coming through the doors each day—not only for the purposes of reporting out on attendance to funders, but also for internal analytic reasons too. Since the CDP's trend and comparison reporting features allow us to analyze how attendance, revenue and programming trends all relate, accurately tracking attendance became more important. We decided to implement a sticker system, which helps us log attendance information more accurately so that we can look at this information in context and use it to inform our programming plans going forward.

### What advice would you share with those who may be new to the CDP or new to using CDP reports?

I would say this: be aware that it's going to take time to get all your data entered in the first year and then to get fully accustomed to using the CDP system, but the payoff in engaging with your own numbers is extremely valuable. In order to continue doing good work and making that work available to the public, it is important that an organization be a well-run business. We have found the CDP to be a powerful asset to the running-the-business side of operations, and to be well worth the time investment each year.

To learn more about the Santa Monica Museum of Art, visit [www.smmoa.org](http://www.smmoa.org). 📍



Santa Monica Museum of Art

"[CDP] reports give us a clearer sense of how money was spent, where money should be spent going forward, and how the museum's operations compare to those of other organizations."

—Lisa Melandri, Santa Monica Museum of Art

## CDP reports tell a story

Individual organizations are discovering creative and inventive ways to use their own data to make their case and tell their story. Mary Morgan Smith of the Three Rivers Story Telling Festival in Pittsburgh, Pennsylvania uses the reporting features "to show the library board (who has final authority to continue or kill the festival) how cost-efficient the program is. I combine it with photos and quotes from attendees. That makes a tidy package."

## Using CDP reports for advocacy

There are many ways to use the “My Reports” feature of CDP—Board reports, funder meetings, budget planning, etc.—but have you ever thought of using the reports to advocate to your local leaders? You can use CDP reports to help tell the story of your organization and its impact in your community. Run the Annual Report to show your financial and programmatic strengths, and customize it to explain your mission and organizational needs. Use the Contributed Revenue Report and Government Revenue Detail Report to show where your revenue is coming from and to help make your case for government funding. A Personnel Report can show that you support jobs and the local economy. Use the data to help make the case for your organization and the entire cultural sector. 📌

### Tips from arts advocates

“While we all know the importance of arts, culture and arts education, we cannot assume that every legislator will ‘get it.’ It is up to each and every one of us to meet with those who represent us and educate them on the issues that matter to us most. In addition to expressing the broader importance of arts, culture and arts education, it is important to introduce your own organization to your legislators. Let them know who you are, what you do, who you serve and the impact you have in your community. The more they know about the organizations they represent and the impact you have, the more willing they’ll be to support your efforts.” —Mike Latvis, Director of Public Policy, ArtServe Michigan

“Art Alliance Illinois advocates for the arts as a public asset. The arts sector needs to be represented at all policy and planning tables where decisions are made about the allocation of resources and the quality of community life. Once there, though, if we want to remain seated and make a difference, what we say needs

to be backed up by solid and reliable information. Other sectors back up everything with data. CDP will help the arts sector do the same—year after year. You can provide some of that data by participating in CDP. It will put advocates in your community (including you) in a much better position to speak up effectively for the arts.”

—Ra Joy, Executive Director, Arts Alliance Illinois



Downtown Festival of the Arts, Champaign, IL



In Maryland, the Arts and Humanities Council of Montgomery County used CDP data to produce a report called “Let’s Start with a Dollar.” This advocacy brochure demonstrated the impact of the arts and humanities in the county—including the statistic that every dollar invested in the arts and humanities by Montgomery County, MD in FY2008 was matched by \$13.33 in other government dollars, contributed income and earned income. The brochure was used throughout the spring budget advocacy season, and both arts and humanities organizations and government leaders continue to reference its findings. While the tough economy meant that budgets were cut significantly county-wide, the Arts and Humanities Council’s budget sustained only minor cuts and the organization is able to continue its important work. A newly released version of the report shows even more impact by arts and cultural organizations in FY2009. Visit [www.culturaldata.org/research](http://www.culturaldata.org/research) to view this report and other advocacy and research that has used CDP data.

# What's new? Data Profile enhancements

As any of you that have attended a training session know, our staff is always asking for feedback and suggestions on how to improve the CDP. Since the start of the project, we've collected thoughts and comments from the cultural community with the intention of making our system of reliable, longitudinal data collection even better. We'd like to say thank you to all those that have taken the time to share their thoughts with us over the years—we heard you!

When you log in to your CDP account, you'll see we've made a number of enhancements to our data collection system. The diversity of organizations currently using the CDP is staggering, so we've added some new lines to the Data Profile to help organizations be more specific about how they serve their communities.

We've added about a dozen new line items on the financial sections altogether, a little more than a dozen on the non-financial section and, believe it or not, we deleted some lines that people felt were truly not useful.

How will you know what has changed? When you're editing your Data Profile, you'll see a "Show What's New" option that will highlight any new line items or revised definitions. There is a short video on your state's CDP website that will walk you through each of the sections of the Data Profile and note what has changed.

These enhancements are the result of your hard work and feedback, and over the past year, we have vetted them with a number of our partners and other experts. They all agree that these changes will add value to the CDP by allowing organizations like yours to represent themselves more accurately and improve the quality of data available for use by organizations, grantmakers, researchers and advocates alike. We hope you will agree too. 🍌



Cleveland International Piano Competition

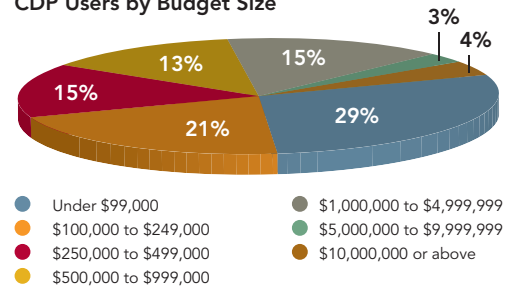
## Highlights of Data Profile enhancements

- You'll see a distinction between physical attendance and virtual attendance or participation (for example, people viewing online exhibitions, listening to broadcasts, or attending web-based classes).
- Square footage has been simplified—you will only need to provide the total square footage of your owned, rented and donated space (and remember—you can estimate).
- New revenue and expense line items will help you better track your income and spending in some areas, including security, rights and royalties, and media subscriptions.

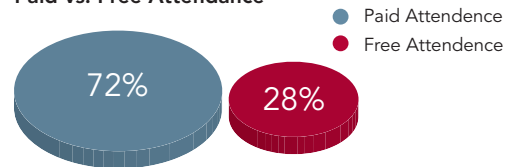
**Log in and check out these changes!**

## Who is using CDP

CDP Users by Budget Size



Paid vs. Free Attendance



Over **10,900** organizations and **180** participating grantmaking programs

Nearly **85%** reported some government support

**14%** were in or actively planning a capital or endowment campaign in FY2009

Over **35%** operated without salaried employees

**12%** have a parent organization

Organizations have run over **40,000** annual, trend and comparison reports

## ★ Get your gold star today!

The CDP's gold star indicates that your Data Profile has achieved *Review Complete* status. What does this mean for you?

CDP Help Desk staff reviews each Data Profile after it is submitted and sends you an email with any potential issues they've noticed.

### ! Did you know?

- Arts advocates in your state can only use Review Complete data when they use CDP data to make a case for arts and culture. *If your Data Profile doesn't have a gold star, you're not being counted.*
- On average, our Help Desk can help you get to Review Complete status over the phone in 15 to 30 minutes!

Take a few moments to get your gold star, and help advocates in your city, region and state paint a more inclusive picture of the importance of arts and culture. Here's how:

- Log into MY CDP. If any of your Data Profiles have an exclamation point icon, this indicates that you must "Call to Complete Review."
- Give the Help Desk a quick call or email. They'll assist you in addressing any critical revisions.
- Once you make those revisions, you'll achieve gold star *Review Complete* status!

## How one participating funder is using CDP data

### THE MASSACHUSETTS CULTURAL COUNCIL GAINS A DEEPER UNDERSTANDING OF GRANTEES' NEEDS

*Have you ever wondered what the CDP experience is like for the grantmakers participating in the project—how the Funder Reports are designed, and how funders reflect on the CDP data that you've entered? Charlie McDermott, Deputy Director of the Massachusetts Cultural Council (MCC) and Massachusetts CDP Task Force Member, spoke with CDP staff recently to share some insight into what happens on the grantmaker's side of CDP.*

#### Adopting the CDP

In 2009, the MCC integrated the CDP into its largest grantmaking program, the Cultural Investment Portfolio (CIP), which provides four-year unrestricted operating grants to cultural organizations across Massachusetts. Under the leadership of Anita Walker, who came to the MCC as Executive Director in 2007, the MCC worked to remove many of the traditional requirements from its application process in anticipation of the transition to the CDP. For example, the CIP eliminated most peer-review panels, and moved instead to a model where site visits are at the center of the grant relationship. In turn, the CDP has become the crux of the annual "application" to the CIP program—in place of the narratives, support materials, and additional financial information that were required previously.

#### Designing a Funder Report

For the MCC, Charlie McDermott helped design a tailored Funder Report that provides a holistic financial picture of each particular organization. The MCC Funder Report provides big-picture summaries of CDP data and delves into the granular detail of a Data Profile, specifically those areas relating to income (Section 3), expenses (Sections 5-7) and balance sheet information (Section 8). The MCC also created a section that displays key diagnostic ratios and calculations to offer perspective on the financial health of an organization. No single ratio is definitive or prescriptive of an organization's overall financial health, but combined they can help to illuminate what is going on with an organization financially.

#### Putting the Funder Report to use

The MCC has now been using its CDP Funder Report for two years, and McDermott notes that it has been a great "tool for inquiry." MCC staff regularly review CDP Funder Reports as part of the preparation for site visits, which McDermott says is a good way to quickly get up to speed

with an organization's operational and financial structure. "We don't jump to easy conclusions, or use the information in the Funder Report to punish anyone," remarked McDermott. "But we need to know what is going on financially with our grantees in order to be of help to them." Like many funders, MCC feels a clear sense of responsibility as a steward for the arts. The CDP Funder Report provides an opportunity to identify patterns and construct an overall picture of an organization's business model—to identify its composition of assets, staffing trends and program patterns, level of board giving, as well as profitability indicators such as how much income is available beyond current needs. Above all, McDermott sees the Funder Report as a way to open the door to informed and productive conversations.

#### Beyond Funder Reports: using the CDP to strengthen the sector

As the state agency for the arts, MCC has to articulate the economic impact of the arts and cultural sector to legislators and demonstrate the need for continued state investment. Whether they are making their case to a state legislature, a foundation board or a stakeholder community, a number of participating funders are using CDP to help bolster their case for support. Ultimately, McDermott sees the CDP as an important resource for grantmakers and organizations alike. Using the CDP's reporting features, users can view many of the same diagnostics, details and summaries that MCC uses in its assessments. In the years to come, McDermott hopes that both organizations and grantmakers will deepen their focus on financial health, capital planning and capacity building and together build a stronger arts and cultural sector. 📌



Fruitlands Museum, Harvard, MA

## The balance sheet: a key tool for funders and organizations

When reading the MCC Funder Report, McDermott pays special attention to the balance sheet (from Section 8 of the Data Profile). A balance sheet, or statement of financial position, is most often included in an audit or review, or it can be compiled from a chart of accounts.

From McDermott's perspective, the balance sheet is an immensely valuable tool for all organizations, regardless of size, in evaluating their net worth and financial capacity. Utilizing balance sheet data, you can identify the composition of your organization's assets and simultaneously understand the demands on those assets at a glance. The balance sheet provides a historical and systemic insight into your organization's long- and short-term commitments, not just what comes in and goes out each year.

If you have questions about your balance sheet, get help from our free resources—the CDP Help Desk and financial consultants.

## CDP Orientation Webinars now offered monthly!

*Participate in free, web-based training sessions from the comfort of your home or office!*

- **New User Orientation:** First Wednesday of every month at 10:00 AM and 2:00 PM Eastern Time
- **Reports Orientation:** Third Thursday of every month at 10:00 AM and 2:00 PM Eastern Time

*Visit your state's CDP website to register.*

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