April 15, 2015

Dear Mr. President:

It is my pleasure to submit the Annual Report of the National Endowment for the Arts for Fiscal Year 2014.

Since it was established by Congress in 1965, the NEA has awarded more than $5 billion to strengthen the creative capacity of our communities by providing all Americans with diverse opportunities for arts participation. The NEA extends its work through partnerships with state arts agencies, local leaders, other federal agencies, and the philanthropic sector.

The activities highlighted in this report illustrate the Arts Endowment’s continuing commitment to making the arts a vital part of the lifeblood of this nation. I am confident that as we continue to invest in the arts, we are investing in the very things that make this country great: creativity, inspiration, and hard work.

Jane Chu
Chairman
National Endowment for the Arts
The National Endowment for the Arts was established by Congress in 1965 as an independent agency of the federal government. To date, the NEA has awarded more than $5 billion to strengthen the creative capacity of our communities by providing all Americans with diverse opportunities for arts participation. The NEA extends its work through partnerships with state arts agencies, local leaders, other federal agencies, and the philanthropic sector.

On June 12, 2014, Jane Chu was confirmed by the U.S. Senate as the 11th chairman of the National Endowment for the Arts. Previously, Chu had served as the president and CEO of the Kauffman Center for the Performing Arts in Kansas City, Missouri, since 2006. Since becoming the NEA Chair, Chu has been traveling across the country to see how communities engage with the arts. Through FY 2014 (September 30, 2014), she had visited seven states with much more travel planned for FY 2015. As Chu noted in her swearing-in remarks, “We have an opportunity to start a new dialogue on the ways in which the arts, and the ways the NEA supports them, are an essential component of our everyday lives.”
The NEA’s fiscal year (FY) 2014 budget was $146,021,000, an increase of more than $7.6 million from 2013’s sequestration level. The NEA awarded nearly 2,300 grants in every Congressional district in the country, roughly half intending to reach underserved populations. Through its direct grantmaking, the NEA will support more than 30,000 concerts, readings, and performances and more than 3,000 exhibitions of visual and media arts with annual, live attendance of 20 million. NEA-supported broadcast performances on television, radio, and cable will have additional audiences of at least 300 million. NEA awards will generate more than $600 million in matching support; in our direct grantmaking categories alone, the ratio of matching to federal funds is approximately 7-10 to one, far surpassing the required non-federal match of at least one to one.

In FY 2014, the NEA awarded 38 NEA Literature Fellowships in creative writing for prose, totaling $950,000, out of 1,300 eligible manuscripts. The 38 fellows, ranging in age from 27 to 60, hailed from 18 states. In addition, the NEA awarded 19 NEA Literature Fellowships in translation.
to support new translations of fiction, creative nonfiction, and poetry from 12 different languages into English. To celebrate the NEA’s extraordinary achievement in supporting translation in this country, the NEA created a new publication, *The Art of Empathy: Celebrating Literature in Translation*. The book offers 19 thought-provoking essays by award-winning translators and publishers on the art of translation and its ability to help us understand other cultures and ways of thought.

Sixty-six NEA Our Town grants to support creative placemaking around the country were made in FY 2014. Our Town supports projects that contribute toward the livability of communities and help transform sites into lively, beautiful, and sustainable places with the arts at their core. About 26 percent of those grants were in communities of less than 10,000 people. Since the program started in 2011, Our Town grants have supported 256 projects totaling more than $21 million in all 50 states and the District of Columbia.
Forty percent of the Arts Endowment’s funds are awarded to longstanding partners: the state arts agencies (SAAs) and regional arts organizations (RAOs). With these grants, the SAAs/RAOs are able to fund arts educations programs, regional touring projects, and arts activities in underserved communities, among many other activities. In recent years, more than 4,500 communities have been served each year through grants made possible by these agreements.

The SAAs also facilitate the statewide contests for the NEA initiative, Poetry Out Loud (POL). The event culminates with semi-finals and national finals held in Washington, DC, which are webcast live. In April 2014, Tennessee State POL Champion Anita Norman, a high school junior from Arlington, was named the national champion. Mid Atlantic Arts Foundation, a regional arts organization, and the Poetry Foundation are also important partners on this initiative.

Regional arts organization Arts Midwest plays an important role in two NEA initiatives: the Big Read and Shakespeare for A New Generation. For
2014-15, the Big Read—the NEA initiative to broaden our understanding of our world, our communities, and ourselves through the joy of sharing a good book—awarded grants totaling more than $1 million to 77 organizations nationwide. The initiative introduced two new books in 2014: Julie Otsuka’s *When the Emperor Was Divine* and Dinaw Mengestu’s *The Beautiful Things That Heaven Bears*. *Shakespeare for A New Generation*, which introduces middle and high school students to live Shakespeare productions, awarded grants to 40 theater companies in 25 states and the District of Columbia to produce plays and accompanying educational material for at least ten schools each during the 2014-2015 season. Since its inception, 102 theater companies have taken part in the program, benefitting more than 2.25 million individuals, including 1.9 million students in all 50 states, the District of Columbia, and the U.S. Virgin Islands.

In addition to partnerships on the state and regional levels, the NEA collaborates with other agencies on the federal level. *Blue Star Museums* is a joint initiative among the NEA, the Department of Defense, and Blue Star Families to offer free museum admission to active-duty military personnel and their families from Memorial Day through Labor Day. Nearly 2,200 museums participated in 2014, reaching an estimated 700,000 people in all 50 states, the District of Columbia, Puerto Rico, and American Samoa.

Another partnership with the Department of Defense is the *NEA/Walter Reed Healing Arts Partnership*, which began in 2011 to support creative arts therapies for service members and their families at Walter Reed’s National Intrepid Center of Excellence (NICoE), dedicated to serving combat veterans with traumatic brain injury and psychological health conditions. Hundreds of active-duty military and their families have taken part in the writing workshops, and visual arts and music therapy sessions in clinical and non-clinical settings. The program was expanded to Belvoir Community Hospital’s NICoE satellite at Fort Belvoir in Virginia. The creative art therapy activities at Fort Belvoir include visual arts, mask-making, and therapeutic writing, and function as an outpatient program so that service members will not have to leave their units or families for extended periods of time.
As part of the Library of Congress’ National Book Festival, held in Washington, DC in August 2014, the NEA brought ten writers, poets, and translators to the NEA Poetry and Prose Pavilion, of which nine were NEA Literature Fellows. 2014 Poetry Out Loud state champions from Tennessee, Ohio, and New Jersey opened the event, followed by a panel on translation with author and translator Paul Auster and translator Natasha Wimmer. A second panel on creative nonfiction with Eula Biss and Paisley Rekdal was also held. Both panels were moderated by NEA Literature Director Amy Stolls. In addition, there were readings by Billy Collins, Elizabeth McCracken, Alicia Ostriker, Richard Rodriguez, Alberto Ríos, and Mona Simpson. The pavilion activities ended with a first-ever poetry slam at the festival to a standing-room-only enthusiastic audience.

The NEA continued partnering with the President’s Committee on the Arts and the Humanities (PCAH) on projects, such as the National Arts & Humanities Youth Program Awards, a collaboration among PCAH, NEA, National Endowment for the Humanities (NEH), and the Institute of Museum and Library Services (IMLS), which awards outstanding after-school and out-of-school programs that are transforming the lives of young people. The NEA also worked with PCAH, NEH, and IMLS, in partnership with the Sundance Institute, on Film Forward, an international cultural exchange program designed to enhance cross-cultural understanding by engaging audiences here and abroad with filmmakers and their films.

Southern Exposure, a public-private program by the NEA with the Mid Atlantic Arts Foundation and the Robert Sterling Clark Foundation, awarded grants to four consortia projects in 2014 for tours in eight states in 2015. The goal of the program is to build greater appreciation and understanding of Latin America by presenting exemplary performing artists to audiences across the United States who might not have access to this work.
The Arts Endowment continued to make its events accessible to all through the use of social media and the Internet. Both lifetime honors events—NEA National Heritage Fellowships and NEA Jazz Masters—were webcast live. Archived videos of the events are available on the NEA YouTube channel.

The NEA National Heritage Fellowships concert took place in September 2014 at the George Washington University Lisner Auditorium in Washington, DC. The show opened with the Singing and Praying Bands of Maryland and Delaware, and included performances by Irish step dancer Kevin Doyle, blues and gospel band the Holmes Brothers, and Omaha traditional singer and drum group leader Rufus White. The archive of the concert is available on arts.gov.

Ukrainian textile artist Vera Nakonechny (left) demonstrates her work at the 2014 National Heritage Fellowships Concert at George Washington University’s Lisner Auditorium in September 2014. Photo by Michael G. Stewart
The **NEA Jazz Masters** awards concert occurred in April 2015 at Rose Hall at Jazz at Lincoln Center in New York City. To celebrate the new class of Carla Bley, George Coleman, Charles Lloyd, and Joe Segal, performers included Helen Sung, Rudresh Mahanthappa, Cecile McLorin Salvant, Harold Mabern, Ira Sullivan, Jimmy Cobb, Jimmy Heath, and Gerald Clayton, among others. The [archive](http://arts.gov) of the event can be found on arts.gov.

The **2013 National Medal of Arts** were awarded in July 2014 at an East Room ceremony at the White House. The awardees were Julia Alvarez, the Brooklyn Academy of Music, Joan Harris, Bill T. Jones, John Kander, Jeffrey Katzenberg, Maxine Hong Kingston, Albert Maysles, Linda Ronstadt, Billie Tsien and Tod Williams, and James Turrell.
Research

The NEA Office of Research and Analysis (ORA) awarded 20 grants in FY 2014 for research on the value and impact of the arts in the United States, totaling $315,000. The projects will examine topics such as the cognitive and emotional benefits of art for individuals, the benefits of art for society and communities, and the role of arts education and training in achieving broader outcomes. At the conclusion of each project, the grantees will submit a report of their findings, methods, and data sources.

ORA continued to conduct its own research on the value and impact of the arts in all domains of American life, such as health and well-being, community livability, and economic prosperity.

The Validating Arts & Livability Indicators (VALI) Study: Results and Recommendations was commissioned from the Urban Institute by ORA. The report described the methodology and findings of a study to validate the NEA’s proposed metrics to use national, publicly accessible data to track outcomes of interest to communities engaged in creative placemaking activities.

The ORA also released the full report from the 2012 Survey of Public Participation in the Arts (SPPA), the nation’s largest population survey of arts participation trends through a partnership with the Census Bureau, revealing the following aggregate rates of participation in various categories:
• Use Electronic Media to View or Listen to Art (71 percent of adults, 167 million)
• Go to the Movies (59 percent of adults, 139 million)
• Read Books or Literature (58 percent of adults, 136 million)
• Attend Any Live Visual or Performing Arts (51 percent of adults, 120 million)
• Use Electronic Media to E-mail, Post, or Share Art (44 percent of adults, 104 million)
• Create, Practice, Perform, or Edit/Remix Art (43 percent of adults, 102 million)

ORA held a joint research symposium with the U.K.'s Arts & Humanities Research Council in June 2014 titled “Measuring Cultural Engagement amid Confounding Variables: A Reality Check” in Washington, DC. Cultural researchers, practitioners, and policymakers from the U.S., U.K., and other countries met to review common assumptions, techniques, and challenges in measuring cultural engagement.

ORA continued to convene the task force of 13 federal agencies and departments, the Federal Interagency Task Force on the Arts and Human Development, which works to encourage more and better research on how the arts help people reach their full potential at all stages of life. Webinars of task force meetings in FY 2014 revolved around the subject of creativity, how we define it and current research on it.

In October 2012, NEA inaugurated a partnership with the Bureau of Economic Analysis (BEA) to measure the American creative sector on a macroeconomic level for the first time. The BEA created an Arts and Cultural Production Satellite Account to calculate the arts and culture sector’s contributions to the Gross Domestic Project (GDP), reflecting the research office’s agenda to see how the arts affect various aspects of human life. Among the new estimates for 2012 (the most recent year for which they have data), the arts and culture production contributed more than $698 billion to the U.S. economy, or 4.32 percent of GDP, more than construction or transportation and warehousing. Approximately 4.7 million workers were employed in the production of arts and cultural goods, receiving $334.9 billion in compensation.
In the fall of 2014, the NEA launched Exploring Our Town, an e-storybook featuring case studies and lessons learned from 70 of the initial 191 Our Town projects. Exploring Our Town responds to requests from the arts community for ready access to an easy-to-search resource on best practices in community development and creative placemaking. The resource is divided into two sections, Project Showcase and Project Insights. Project Showcase features case studies organized by project setting, project type, and by state. The Project Insights section, divided by Project Process, Project Setting, and Project Type, includes lessons learned, relevant case studies, and additional resources.

In order to interact with the field in a more in-depth way, the NEA has been holding webinars on various topics throughout the year, including webinars on guidelines. Other topics included webinars of the Interagency Task Force on the Arts and Human Development, design webinars on lessons learned from design in other countries; and discussions of the results of the NEA’s Education Leaders Institute program and the idea of collective impact. The NEA has continued webcasting its National Council on the Arts meetings as well as NEA events such as Poetry Out Loud National Finals, the NEA Jazz Masters Awards Ceremony and Concert, and the NEA National Heritage Fellowships Concert.

The NEA continues to interact with the general public through our social media channels. Facebook and Twitter audiences reach an increasingly larger audience each year, with more than 46,000 likes on Facebook and nearly 56,000 Twitter followers achieved by the end of 2014 and continuing to grow.
## FINANCIAL SUMMARY

### SUMMARY OF FUNDS AVAILABLE

<table>
<thead>
<tr>
<th>Description</th>
<th>FY 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Appropriated Program Funds</td>
<td>116,288,000</td>
</tr>
<tr>
<td>Appropriated Balance, Prior Year&lt;sup&gt;1&lt;/sup&gt;</td>
<td>6,391,022</td>
</tr>
<tr>
<td>Nonfederal Gifts&lt;sup&gt;1&lt;/sup&gt;</td>
<td>1,019,230</td>
</tr>
<tr>
<td>Interagency Transfers&lt;sup&gt;1&lt;/sup&gt;</td>
<td>1,042,470</td>
</tr>
<tr>
<td><strong>TOTAL PROGRAM FUNDS AVAILABLE</strong></td>
<td>124,740,722</td>
</tr>
<tr>
<td><strong>TOTAL PROGRAM SUPPORT FUNDS AVAILABLE</strong>&lt;sup&gt;1&lt;/sup&gt;</td>
<td>3,432,659</td>
</tr>
<tr>
<td><strong>TOTAL SALARIES &amp; EXPENSES FUNDS AVAILABLE</strong>&lt;sup&gt;2&lt;/sup&gt;</td>
<td>33,240,144</td>
</tr>
<tr>
<td><strong>TOTAL FUNDS AVAILABLE</strong>&lt;sup&gt;3&lt;/sup&gt;</td>
<td><strong>161,413,525</strong></td>
</tr>
</tbody>
</table>

<sup>1</sup> Includes FY 2013 unobligated funds brought forward into FY 2014, prior year deobligations carried forward into FY 2014, and funds newly available in FY 2014, as applicable.

<sup>2</sup> Includes appropriated funds, nonfederal gifts, and interagency transfers including FY 2013 unobligated funds brought forward into FY 2014, prior year deobligations brought forward into FY 2014, and funds newly available in FY 2014, as applicable.

<sup>3</sup> Includes nonfederal gifts and interagency transfers held on behalf of the President’s Committee on the Arts and the Humanities.
### SUMMARY OF FUNDS OBLIGATED FOR FY 2014

($ in thousands)

<table>
<thead>
<tr>
<th>Category</th>
<th>Grant Type</th>
<th>Obligated Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Creation of Art</strong></td>
<td>Project Support</td>
<td>11,641</td>
</tr>
<tr>
<td></td>
<td>Challenge America</td>
<td>1,058</td>
</tr>
<tr>
<td><strong>Total Creation of Art</strong></td>
<td></td>
<td><strong>12,699</strong></td>
</tr>
<tr>
<td><strong>Engaging with Art</strong></td>
<td>Project Support</td>
<td>41,032</td>
</tr>
<tr>
<td></td>
<td>Challenge America</td>
<td>6,631</td>
</tr>
<tr>
<td></td>
<td>Our Town</td>
<td>5,073</td>
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<tr>
<td><strong>Total Engaging with Art</strong></td>
<td></td>
<td><strong>52,736</strong></td>
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<tr>
<td><strong>Promoting Knowledge</strong></td>
<td>Project Support</td>
<td>5,490</td>
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<tr>
<td></td>
<td>Challenge America</td>
<td>38</td>
</tr>
<tr>
<td><strong>Total Promoting Knowledge</strong></td>
<td></td>
<td><strong>5,528</strong></td>
</tr>
<tr>
<td><strong>Partnerships for the Arts</strong></td>
<td>Basic Plan Support</td>
<td>36,413</td>
</tr>
<tr>
<td></td>
<td>Underserved</td>
<td>9,757</td>
</tr>
<tr>
<td><strong>Total Partnerships for the Arts</strong></td>
<td></td>
<td><strong>46,170</strong></td>
</tr>
</tbody>
</table>

**Total Program Funds Obligated** | 117,133
**Total Program Support Funds Obligated** | 1,608
**Total Program & Program Support Funds Obligated** | 118,741
**Total Salaries & Expenses Funds Obligated** | 27,160

**TOTAL FUNDS OBLIGATED** | 145,901

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1 Includes appropriated funds, nonfederal gifts, and interagency transfers

2 Includes funds obligated on behalf of the President's Committee on the Arts and the Humanities.
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NEA 2014 Annual Report

NATIONAL COUNCIL ON THE ARTS
(as of April 15, 2015)

Jane Chu
Chairman, National Endowment for the Arts

Bruce Carter, Ph.D.
Arts Researcher
Miami Beach, FL
Term: 2013-2018

Aaron Dworkin
Violinist/Music Educator
Ypsilanti, MI
Term: 2011-2014

Lee Greenwood
Performer/Songwriter
Nashville, TN
Term: 2008-2014

Deepa Gupta
Philanthropic Professional
Chicago, IL
Term: 2012-2016

Paul Hodes
Attorney/Musician/Former Congressman
Concord, NH
Term: 2012-2016

Joan Israelite
Arts Fundraising Consultant
Kansas City, MO
Term: 2006-2012*

Maria Rosario Jackson, Ph.D.
Urban Planning & Community Policy Specialist
Los Angeles, CA
Term: 2013-2016

Emil J. Kang
Music Professor/Arts Administrator
Chapel Hill, NC
Term: 2012-2018

Charlotte Kessler
Patron/Trustee
Columbus, OH
Term: 2006-2012*

Maria López De León
Arts Administrator
San Antonio, TX
Term: 2013-2016

Rick Lowe
Artist, Community Organizer
Houston, TX
Term: 2013-2018

David “Mas” Masumoto
Organic Farmer/Author
Del Rey, CA
Term: 2013-2018

Irvin Mayfield
Jazz Musician//Bandleader
New Orleans, LA
Term: 2010-2014

Barbara Ernst Prey
Visual Artist
Oyster Bay, NY
Term: 2008-2014

Ranee Ramaswamy
Dancer, Choreographer, Teacher
Minneapolis, MN
Term: 2013-2018

Olga Viso
Museum Director
Minneapolis, MN
Term: 2013-2018

* Council members continue to serve even after their terms expire until their replacements are confirmed by the Senate.

Ex-Officio Members, United States Congress

Senate
Tammy Baldwin
(D-WI)
Sheldon Whitehouse
(D-RI)

House
Betty McCollum
(D-MN)
Patrick J. Tiberi
(R-OH)

Appointment by Majority and Minority leadership of the remaining Members of Congress to the Council is pending.
NEA DISCIPLINE DIRECTORS
(as of April 15, 2015)

Music & Opera
Ann Meier Baker

Accessibility
Beth Bienvenu

Museums, Visual Arts, and Indemnity
Wendy Clark

Arts Education
Ayanna N. Hudson

Research & Analysis
Sunil Iyengar

Local Arts Agencies & Challenge America
Michael Killoren

Artist Communities, Presenting & Multidisciplinary Works,
International Activities Coordinator
Michael Orlove

State & Regional
Laura Scanlan

Design
Jason Schupbach

Dance, Interim Director of Theater & Musical Theater
Douglas Sonntag

Literature
Amy Stolls