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National Endowment for the Arts

**Appropriations Request
For Fiscal Year 2018**

**Submitted to the Congress
May 2017**

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Overview

The Administration has proposed terminating funding for the National Endowment for the Arts (NEA) in FY 2018. Toward this end, the FY 2018 Budget requests \$29.019 million to begin the orderly closure of the agency. Please see the table below for a breakdown of the request in the table format used by the Appropriation Committee.

National Endowment for the Arts Fiscal Year 2018 Request – Appropriation Committee Format (\$ in thousands)

	FY 2016 Appropriation	FY 2017 Appropriation	FY 2018 Request
Direct Endowment Grants			
Project Support	63,420	63,906	0
Challenge America	<u>7,600</u>	<u>7,600</u>	<u>0</u>
Subtotal	71,020	71,506	0
State & Regional Partnerships			
Basic Plan Support	37,262	37,517	0
Underserved	<u>10,084</u>	<u>10,154</u>	<u>0</u>
Subtotal	47,346	47,671	0
TOTAL PROGRAM	118,366	119,177	0
PROGRAM SUPPORT	1,780	1,950	0
TOTAL PROGRAM & PROGRAM SUPPORT	120,146	121,127	0
SALARIES & EXPENSES	<u>27,803</u>	<u>28,722</u>	<u>29,019</u>
TOTAL REQUEST	147,949	149,849	29,019

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Assumptions and Estimated Costs for Agency Shutdown Beginning in FY 2018

The NEA will fulfill its Federal responsibilities for grants and cooperative agreements awarded prior to FY 2018. While no new grants or cooperative agreements will be made beginning in FY 2018, the NEA will require funding to support a reduced staffing level and administrative costs needed to effectively shut down operations.

NEA is requesting \$29.019 million in FY 2018 for expenses listed in the table below. A table comparing Salaries & Expenses funding from FY 2016 to FY 2018 is also provided at the end of this section.

Estimates provided assume enactment of legislation terminating funding for NEA on October 1, 2017.

FY 2018 Request (\$ in Thousands)

Cost Category	FY 2018 Request
Personnel	22,670
Real Estate	3,935
Equipment	108
Contracts	1,660
Records Management	175
Finances	444
Other	27
TOTAL	29,019

Personnel: \$22,670,000 is requested for NEA to support a current staffing level of approximately 155 positions until March 31, 2018, the time estimated by the Office of Personnel Management to carry out a reduction in force (RIF). After the RIF, a reduced staffing level of approximately 70 employees will remain to continue to manage the shutdown of the agency. These employees will be responsible for conducting necessary oversight activities for the more than 5,000 active NEA grants and up to 36 cooperative agreements whose period of performance extend beyond October 1, 2017. Activities include responding to awardee inquiries, processing payments, and reviewing final reports. Staff also will continue the orderly shutdown of the agency's systems, publications, contractual arrangements, and interagency agreements.

For discontinued employees, all appropriate compensation will be provided, including, but not limited to, severance pay, lump-sum payments for unused annual leave, performance bonuses

generated by eligible employees' close-out performance appraisals, and unemployment compensation.

Real Estate: \$3,935,000 is requested for current office space needed to accommodate full staffing for six months and reduced office space for the remainder of the fiscal year to accommodate a staffing level of approximately 70 employees. Per the terms of the occupancy agreement NEA has with the General Services Administration, funding is also requested to pay for the unamortized tenant improvements that would have been paid over the life of the lease through FY 2024.

Equipment: \$108,000 is requested to support the supplies and equipment needs of staff members on board in FY 2018.

Contracts: \$1,660,000 is requested for contracts supporting staff operations. NEA will terminate contracts where possible. However, with full staff remaining for up to six months and approximately 70 staff remaining for an additional six months, most contracts will need to stay in place, with the possibility for reduction after the RIF.

NEA will require either interagency agreements with federal agencies or contracts with non-federal vendors to continue for the following (this is not an exhaustive list):

- IA with the National Endowment for the Humanities for the grants management system
- IA with the National Finance Center for payroll processing
- IA with the Department of Homeland Security for guard services
- IA with the Department of Transportation for transit benefits
- IAs to support human resource services, such as the Employee Assistance Program
- Contracts for phone services, copiers, and information technology support services.

Records Management: \$175,000 is requested for the transfer of agency records to the National Archives and Records Administration (NARA) or other appropriate storage repositories. Funding also is requested for administrative services required to assist with records management.

Finances: \$444,000 is requested to support the interagency agreement NEA has with the U.S. Department of Transportation's Enterprise Services Center for an Oracle-based fully-compliant financial system (Delphi). Funding also is requested to support the audit of the agency's FY 2017 financial statements.

Other: \$27,000 is requested to support minimal travel requirements in FY 2018.

Office of Inspector General (OIG)

There is no separate appropriation for the OIG; the OIG's budget is funded within the NEA's total budget as listed in the table above. The FY 2018 request provides funding for 5 positions through March 31, 2018. A reduced staffing level of 3 employees will remain to continue to manage the shutdown of the agency through the end of FY 2018.

National Endowment for the Arts
Detail of Object Classification for Salaries & Expenses
(\$ in thousands)

	FY 2016 Obligations	FY 2017 Appropriation	FY 2018 Request
11.1 Full-Time Permanent	13,565	13,706	11,678
11.3 Other Than Full-Time Permanent	2,506	2,540	1,961
11.5 Other Personnel Compensation	172	238	223
11.8 Special Personal Services Payments	<u>46</u>	<u>0</u>	<u>0</u>
Total Personnel Compensation	16,289	16,484	13,862
12.1 Civilian Personnel Benefits	5,075	5,223	4,053
13.0 Benefits for Former Personnel	<u>0</u>	<u>10</u>	<u>4,755</u>
Total Personnel Benefits	5,075	5,233	8,808
Total Compensation & Benefits	21,364	21,717	22,670
21.0 Travel & Transportation of Persons	306	369	12
22.0 Transportation of Things	8	8	18
23.1 Rental Payments to GSA	2,922	2,905	3,935
23.3 Comm., Utilities & Misc. Charges	117	241	136
24.0 Printing and Reproduction	23	45	25
25.0 Other Services	3,041	3,268	2,118
26.0 Supplies and Materials	61	78	47
31.0 Equipment	373	76	58
42.0 Insurance Claims & Indemnities	<u>40</u>	<u>15</u>	<u>0</u>
Total Non-Pay	6,891	7,005	6,349
99.0 Total: Salaries and Expenses a/	28,255 b/	28,722	29,019

a/ Excludes Interagency and Gift funds.

b/ Includes \$27,803K appropriated in FY2016, \$4,829K of carryover funds to FY 2016, and \$92K of prior year deobligations brought forward to FY2016.

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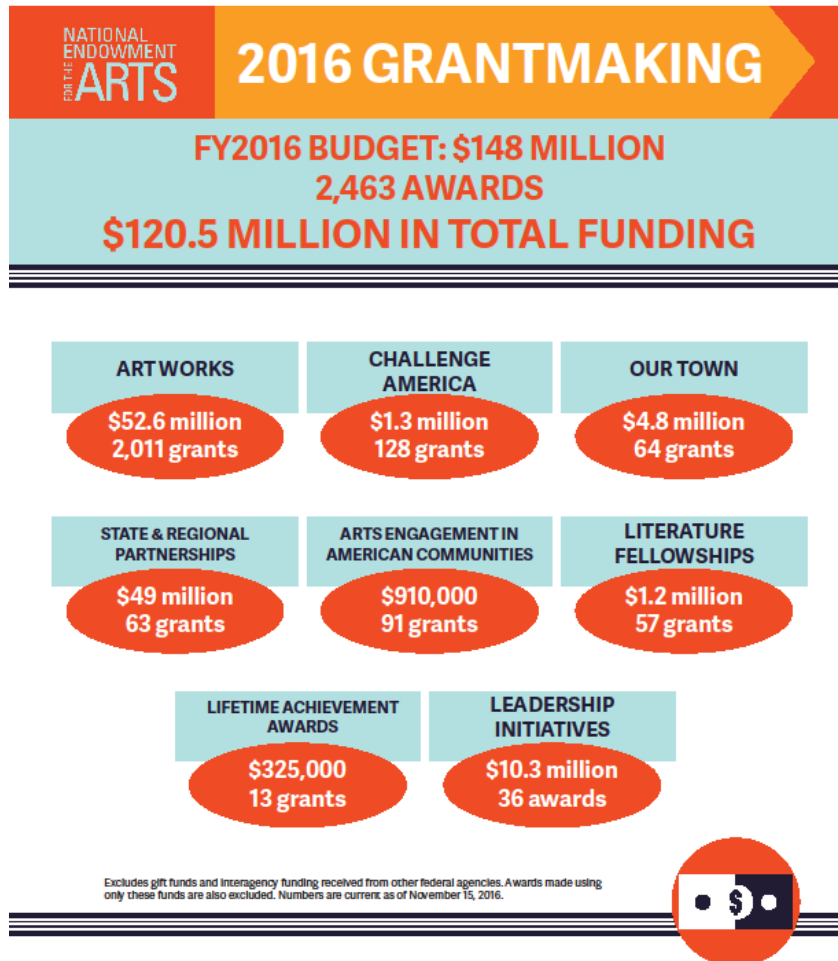
FY 2016 and FY 2017 Accomplishments

Established by Congress in 1965, the NEA is the independent Federal agency that works to give people across America the opportunity to participate in and experience the Arts. NEA funding is project-based and goes to thousands of nonprofits each year, along with partnerships and special arts initiatives, research and other support that contribute to the vitality of our neighborhoods, engage our students and schools, and preserve our American culture. The NEA is the only funder, public or private, that provides equal access to the arts in all 50 states and, indeed, every Congressional district, the District of Columbia, and U.S. territories, supporting activities such as performances, exhibitions, healing arts and arts education programs, festivals, and artist residencies.

In 2016, the NEA was named the best place to work among small agencies of the federal government according to the [2016 Best Places to Work in the Federal Government](#) survey. The NEA moved up from 11th place in 2015, representing a “most improved” score increase of 16.6 percent. In addition to this, the NEA is committed to vigilant stewardship of public funds through sound financial management. NEA received an unqualified audit opinion on its FY 2016 financial statements, as it has consistently done since its first independent audit in 2003.

NEA’s Reach

In FY 2016, the NEA made 2,463 programmatic awards, including 2,437 grants, 19 cooperative agreements, and 7 interagency agreements using its appropriated funds. The following graphic provides additional details on our grant-making in FY 2016.



In FY 2016, the NEA funded grants in nearly 16,000 communities in every Congressional district of the country. A recent examination of NEA direct grants showed that 65% go to either small (less than \$350,000 in prior year expenditures) or medium (\$350,000 to \$1.75 million in prior year expenditures) sized organizations, which support projects that benefit audiences that otherwise might not have access to arts programming.

A significant percentage of grants go to those who have fewer opportunities to participate in the arts. Of the grants awarded in FY 2016:

- 40% of NEA-supported activities took place in high-poverty neighborhoods.
- 36% of NEA grants went to organizations that reach underserved populations such as people with disabilities, people in institutions, and veterans.
- 33% of NEA grants served low-income audiences.

NEA grants provide a significant return on investment of federal dollars. Based upon historical review of final reports filed by grantees, it is estimated that each \$1 awarded by the NEA in direct grants to nonprofit organizations in FY 2016 will leverage \$9 from other non-federal sources. This results in over \$500 million in matching support, far surpassing the required non-Federal match of at least one to one.

We are estimating similar results in FY 2017 based upon an appropriation of \$150 million.

NEA Support for Military Members & Veterans

[*Creative Forces: NEA Military Healing Arts Network*](#) is a partnership of the NEA and the Department of Defense that serves the unique and special needs of military patients and veterans who have been diagnosed with traumatic brain injury and psychological health conditions, as well as their families and caregivers. *Creative Forces* places creative arts therapies at the core of patient-centered care in military and veteran medical facilities; makes community arts programming available in the states or regions where clinical sites are operating; and invests in research on the impacts and benefits of these innovative treatment methods.

The NEA funds creative arts therapists, equipment, and supplies at 11 clinical sites across the nation, and a telehealth program for patients in rural and remote areas. In clinical settings, creative arts therapists provide art and music therapy, as well as creative writing instruction.

Around the 11 clinical sites, the NEA is creating a community-based military and veteran family support network made up of state, regional, and local arts agencies, and other local partners. The community network provides increased arts opportunities for military and veteran family populations and extends support for current and former creative arts therapies patients and their families as they transition from treatment in a clinical setting to arts programming in their community.

Creative Forces is developing manuals, toolkits, and an online resource center to support best practices; providing training and technical support for community arts providers; funding innovation projects in each state that create a model project that can be adapted to other locations; and investing in research on the biological, psycho-social, behavioral, and economic impacts of these arts-based interventions.

\$2.4 million was awarded in FY 2016 and \$2.648 million in FY 2017 in support of *Creative Forces*.

Additionally, the NEA partners with the Department of Defense, the nonprofit Blue Star Families, and museums across America to conduct the [*Blue Star Museums*](#) initiative. Each summer, the NEA enlists over 2,000 museums across America to agree to provide free admission to military members and their families. In 2016, over 900,000 military members and their families visited an institution through the *Blue Star Museums* program.

NEA Support for States

The NEA extends its influence through state arts agencies (SAAs) and regional arts organizations (RAOs), ensuring that programs reach even the smallest communities in remote rural areas. By Congressional statute, 40 percent of NEA's grantmaking funds are allocated to the 50 States, six special jurisdictions, and six RAOs. State governments match the federal NEA grant dollars to create additional investments that support programs and initiatives that respond to constituent needs in arts education, organizational and community development, preservation of diverse

cultures, and providing access to the arts. In recent years, more than 4,400 communities have been served each year through grants made possible by partnership agreements with SAAs and RAOs.

NEA and Arts Education

The NEA's arts education grant program is focused on pre-K to 12th-grade students, the educators and civic leaders who support them, and the schools and communities that serve them, helping ensure Americans of all ages have opportunities to learn, create, and grow. As studies have shown, students with an education rich in the arts have higher grade point averages and standardized test scores and lower drop-out rates.

- The NEA's direct learning grants increase student knowledge and skills in the arts, helping them reach their full potential. In FY 2016, NEA awarded \$4.3 million through 165 grants to support lifelong learning, including support to pre-K through 12 grade arts education projects.
- The NEA's professional development grants strengthen the practices of arts educators, better preparing them to improve students' creative and learning capacities. In FY 2016, NEA awarded 18 professional development grants totaling \$594,000.
- The NEA's collective impact projects work to ensure that millions of students have opportunities to study the arts, thereby transforming schools, school districts, and communities. In FY 2016, the NEA awarded 11 collective impact grants totaling approximately \$929,000.

NEA and Creative Placemaking

The NEA [*Our Town*](#) grant program supports creative placemaking projects that help to transform communities into lively, beautiful, and sustainable places with the arts at the core. Creative placemaking is when artists, arts organizations, and community development practitioners deliberately integrate arts and culture into community revitalization work such as land-use, transportation, economic development, and housing. This funding supports local efforts to enhance quality of life and opportunity for existing residents, increase creative activity, and create a distinct sense of place. Awarded grants represent a mix of urban, tribal, suburban, and rural communities. In FY 2016, projects supported communities ranging in size from all corners of our nation – from Ketchikan, Alaska, to Natchez, Mississippi, and from Los Angeles, California, to Portland, Maine.

All *Our Town* grant awards are made to partnerships that consist of at least one nonprofit organization and a local government entity. Each of the recommended grants speaks to the role of arts practitioners and partners in building greater livability across a range of geographies and community types. Many communities have used these grants to support multi-partner, anchor investments in their communities' future, with the projects' artistic and creative interventions addressing a wide range of community challenges, such as improving public safety, stimulating the local economy, promoting healthier living, and strengthening transit access and public space.

One example of an *Our Town* project is the Appalachian Artisan Center of Kentucky, Inc. (AACK) in Hindman, KY which received a \$50,000 matching grant in FY 2016 to support Spark Knott County programming in tool making and artistic blacksmithing. The initiative establishes a full

time blacksmithing studio at the AACK dedicated to an ongoing schedule of metalworking workshops and apprenticeships for local youth and adults under a master artisan. The partnership between AACK and Knott County supports a sustainable local economy for this rural area, which is based in the production and marketing of high quality regional art and Appalachian craft. Spark will increase the entire community's pride in Appalachian heritage by honoring the labor of the past, and move the underserved community forward to self-sufficiency beyond reliance on the coal industry.

In FY 2016, \$4.3 million was awarded with 55 grants funding arts engagement, cultural planning and design projects and 8 grants funding projects that build knowledge about creative placemaking. In FY 2017, we are estimating award of 89 grant totaling \$6.9 million.

NEA and Partnerships

In addition to the work discussed above, the NEA has continued to grow its partnerships with other Federal agencies, state and local governments, state and regional arts agencies, and private nonprofits on projects that provide opportunities for thousands of Americans to experience quality arts programming throughout the country. These include, but are not limited to:

Appalachian Regional Commission (ARC) and the Appalachian Gateway

Communities Initiative: NEA and ARC partner to support cultural heritage tourism development activities that will assist Appalachian gateway communities – those that are entry points to Appalachia's national and state parks and forests – to strengthen their cultural resources, create jobs, and diversify their economies.

Arts Midwest and Shakespeare in American Communities: [*Shakespeare in American Communities*](#)

is a national theater program of the NEA in cooperation with Arts Midwest bringing performances and related educational activities to audiences across the country. Annually, up to 40 nonprofit theater companies are selected to receive \$25,000 grant awards to provide performances of a Shakespeare play and related educational activities for middle- and high-school students in underserved schools throughout the United States between August 1 and July 31. For example, as part of their Shakespeare on Tour program, Nebraska Shakespeare presented a touring production of Hamlet from September 19 through October 21, 2016. The fully-staged, 75 minute performance toured more than 30 middle schools, high schools and towns throughout Nebraska and Western Iowa, including many underserved communities where a professional production of Shakespeare's plays have not been experienced or made available. One hundred and six theater companies across the United States have taken part in *Shakespeare in American Communities* since the program's inception in 2003. To date, the program has supported 10,300 performances and more than 36,000 related educational activities at 9,100 schools in 3,900 communities in all 50 states, the District of Columbia, and the U.S. Virgin Islands.

Arts Midwest and NEA Big Read: [*NEA Big Read*](#) is a national literature program of the NEA in partnership with Arts Midwest. *NEA Big Read* broadens our understanding of our world, our communities, and ourselves through the joy of sharing a good book. Showcasing a diverse range of contemporary titles that reflect many different voices and perspectives,

NEA Big Read aims to inspire conversation and discovery. *NEA Big Read* annually supports approximately 75 dynamic community reading programs, each designed around a single *NEA Big Read* selection. Each community program that receives an *NEA Big Read* grant—which ranges between \$5,000 and \$20,000—is also provided with resources, outreach materials, and training on various aspects such as working with local partners, developing public relations strategies, and leading book discussions and Q&As. For example, Massillon Museum in Massillon, Ohio conducted programming around Charles Portis’ novel *True Grit* in March and April 2017. Programming included exhibits, discussion groups, food tastings, films, lectures, workshops, and even a campfire. Over the last decade, the NEA has funded more than 1,300 programs, providing more than \$18 million in grants to organizations in every Congressional district in the country. In turn, these organizations have leveraged nearly \$42 million in local funding to support their *NEA Big Read* programs. More than 4.8 million Americans have attended an *NEA Big Read* event, approximately 79,000 volunteers have participated at the local level, and over 37,000 community organizations have partnered to make *NEA Big Read* activities possible.

Library of Congress and the National Book Festival: The NEA sponsors the Poetry & Prose stage at the Library of Congress National Book Festival. The Poetry & Prose stage provides an opportunity for visitors to hear from some of our country’s finest writers and poets.

Poetry Foundation, State Arts Agencies, Mid Atlantic Arts Foundation and Poetry Out Loud: [*Poetry Out Loud*](#) is a national arts education program that encourages high school students to learn about great poetry through memorization and performance. Since its start in 2005, more than 3 million students and 45,000 teachers from more than 10,000 high schools have participated in *Poetry Out Loud* nationwide. The program served approximately 310,000 students from every state, the District of Columbia, Puerto Rico, and the U.S. Virgin Islands during the 2016-2017 school year. *Poetry Out Loud* offers educational materials and a dynamic recitation competition to high schools across the country. Students select, memorize, and recite poems from an anthology of more than 900 classic and contemporary poems. In this pyramid structure competition, winners advance from classroom recitation contests to school-wide competitions, then to the state competitions and, ultimately, to the National Finals in Washington, DC. As national partners, the NEA and the Poetry Foundation support the administration of the program, create educational materials and an online poetry anthology, and fund both the state and national finals. SAAs implement the program in high schools nationwide and organize state competitions, often in collaboration with local arts organizations. The Mid Atlantic Arts Foundation administers the *Poetry Out Loud* national finals.

United States Conference of Mayors and the Mayors’ Institute on City Design (MICD): [*MICD*](#) is a leadership initiative of the NEA in partnership with the United States Conference of Mayors intended to protect and enhance the American built and natural environment, and strengthen American communities. *MICD* has helped prepare over 1,000 mayors to be the chief urban designers of their cities and connected over 700 design and development professionals to local governance. The program assists mayors in all 50 states, the District of Columbia, and Puerto Rico with their most pressing city development

challenges. For over 30 years, *MICD* has helped mayors to use design as a catalyst for vibrancy, livability, safety, sustainability, and economic success in their communities. The structure of *MICD* has remained the same since its inception: eight mayors, eight designers, and eight problems. Each mayor brings his or her city's most critical urban design issue to discuss. Following a case-study method, general principles evolve out of specific problems. Mayors, architects, planners, landscape architects, and development experts discuss ideas and engage in animated debate. These dynamic sessions often advance creative solutions while imparting a healthy understanding of the value of good design. Many mayors have stated that attending the Institute was a seminal moment in their time as leader, changing the way that they ran their cities for the better.

United States Department of Agriculture (USDA) and the Citizens' Institute on Rural Design (CIRD): [CIRD](#) is a leadership initiative of the NEA in partnership with USDA and Project for Public Spaces, Inc., along with the Orton Family Foundation. *CIRD* works with communities with populations of 50,000 or less, and offers annual competitive funding to as many as six small towns or rural communities to host a two-and-a-half day community design workshop. With support from a wide range of design, planning and creative placemaking professionals, the workshops bring together local leaders from non-profits, community organizations, and government to develop actionable solutions to the community's pressing design challenges. The community receives additional support through webinars, conference calls, and web-based resources. In response to a request for proposals issued in FY 2016, we received the largest number of applications from communities wanting to host a *CIRD* workshop. Established in 1991, *CIRD* has convened more than 70 workshops in all regions of the country, empowering residents to leverage local assets for the future in order to build better places to live, work, and play.

NEA and Research

Research into the value and impact of the arts is a core function of the NEA. Through accurate, relevant, and timely analyses and reports, the NEA reveals the conditions and characteristics of the U.S. arts ecosystem and the impact of the arts on our everyday lives.

The NEA is the national agency of record for arts-related research. As an example, NEA's quadrennial Survey of Public Participation in the Arts is the most comprehensive survey of U.S. arts participation with a nationally representative sample exceeding 35,000 adults.

The NEA spearheads partnerships with other federal agencies to investigate areas of common interest. Beginning in 2011, the NEA has convened an [Arts and Human Development Task Force](#), a coalition of representatives from 19 federal entities, to encourage more and better research on how the arts can help people reach their full potential at all stages of life. For example, in December 2015, this Task Force published [The Arts in Early Childhood: Social and Emotional Benefits of Arts Participation](#), a literature review and gap-analysis from findings in 18 reports in psychology and research journals.

In 2013, the NEA and the Bureau of Economic Analysis created the first-ever Arts and Cultural Production Satellite Account (ACPSA) to measure arts and cultural contributions to the gross

domestic product (GDP). The most recent estimates showcase the long-term contributions of the arts to the GDP of this nation, specifically covering the period from 1998 to 2014. Among the new findings are:

- In 2014, arts and cultural production contributed more than \$729.6 billion to the U.S. economy, or 4.2 percent to the GDP, more than construction (\$672 billion) or transportation and warehousing (\$510 billion).
- 4.8 million workers were employed in the production of arts and cultural goods, receiving \$355.2 billion in compensation.
- The U.S. exports roughly \$26 billion more in arts and cultural goods than it imports, resulting in a trade surplus.
- Starting in FY 2017, for the first time statistics have been produced spotlighting the economic impact of arts and cultural activities in each state and the District of Columbia. This data provides state leaders with a tool to assess and advance arts and culture for the benefit of their residents. For example, while employment in arts and cultural jobs is high in New York and California as would be expected, data shows that arts and culture account for a larger share of jobs in Wyoming, Utah, and Colorado than they do nationally.

National Endowment for the Arts FY 2016 Annual Performance Report

This performance report is based on the agency's FY 2014-2018 Strategic Plan (located [here](#)). Performance and contextual indicators, prior year data, and current status have been provided below for each strategic objective.

The sources of data (and corresponding acronyms) that are used most frequently in this document are as follows:

FDR – **Final Descriptive Report**. At the completion of each grant, each grantee submits a Final Descriptive Report to the agency, which include data pertaining to many of the agency's strategic objectives.

GMS – **Grants Management System**. This is the agency's internal Grants Management System, which tracks basic administrative data such as applications received, grants awarded, etc.

SPPA – **Survey of Public Participation in the Arts**. The SPPA is a comprehensive and detailed survey conducted by the U.S. Census Bureau every five years (as part of that agency's household surveys) and provides insight into the nature and extent of Americans' participation in the arts. The most recent survey took place in 2012.

AABS – **Annual Arts Basic Survey**. The AABS is also conducted by the Census Bureau as a supplement to their Current Population Survey and features selected summary questions drawn from the SPPA. Although less detailed than the larger survey, the AABS provides annual estimates of U.S. participation in the arts during years in which the SPPA is not administered.

Please note that throughout this document, data are reported through FY 2016 unless otherwise noted. One significant exception is that the most recent data available from grantees' FDRs are from FY 2015, due to a lag occurring from the time of the agency's award of a grant to the conclusion of the grant and extending to the grantee's submission of the FDR. For example, if a grant award is made in FY 2013 and the performance period is one year, the FDR from that grant will not be submitted for up to 90 days into FY 2014. Accounting for this delay, FDR data are reported here by the fiscal year in which the respective grants were awarded, not by the date of FDR receipt. With reference to the above example, the FDR data are captured in FY 2013 because that is the period of performance for the grant. For performance measures introduced in FY2014, historical data may be unavailable.

Because many of the NEA's strategic objectives are interrelated, many performance and contextual indicators throughout this document utilize FDR data from the agency's entire grant portfolio, irrespective of any given grant's primary objective. For this reason it is important to identify the overall percentage of FDRs received to date in order to establish the context for these indicators, particularly in light of the time lag noted above. The following table provides this information for the performance period reported throughout this document.

Number and Percentage of FDRs Received – 2012-2015				
	2012	2013	2014	2015
Number of FDRs Received	2,150	2,053	2,060	1,475
Percentage Received	98.3%	96.5%	92.2%	63.3%

**GOAL: SUPPORT THE CREATION OF ART THAT MEETS
THE HIGHEST STANDARDS OF EXCELLENCE**

STRATEGIC OBJECTIVE 1.1: Expand the portfolio of American art by investing in projects dedicated to the creation of excellent art.

Performance Indicator 1.1.1

FY 2016 Performance: To assess performance on this strategic objective, the NEA is utilizing a new measure that examines the percentage of completed projects that resulted in the creation of at least one new original work of art across the agency’s grants portfolio.

Performance Indicator 1.1.1 – The percentage of completed projects that resulted in the creation of at least one new, original work of art (not including student works).				
Indicator	2012	2013	2014	2015
Percentage of projects resulting in creation of new, original art	82.9%	84.3%	81.4%	79.3%

Source: FDR

While acknowledging that artistic excellence is subjective, the creation of new works of art is a measurable phenomenon that speaks to the achievement of this strategic objective and to the agency’s priority of funding projects that support the creation of new, original works of art. This measure does not include student works, adaptations, re-creations, or restaging of existing works.

Projected FY 2017 Performance: For fiscal year 2017, the NEA anticipates maintaining a majority of projects (greater than 50% of the entire grant portfolio) resulting in the creation of at least one new, original work of art (not including student works).

Contextual Indicator 1.1.2

To provide additional context for Performance Indicator 1.1.1, the NEA is also using the following new contextual indicator, which provides the total number of new works of art that have been created as a result of NEA grants.

Contextual Indicator 1.1.2 – The number of original works of art created through NEA-supported projects (not including student works).				
Indicator	2012	2013	2014	2015
Number of new, original works of art created	31,148	22,399	33,233	15,169

Source: FDR

The above tables (indicators 1.1.1 and 1.1.2) demonstrate that:

- A significant majority of all NEA-funded projects – 82% since 2012 – have resulted in the creation of at least one new, original work of art, *and*
- In each year shown in the performance period above, tens of thousands of new, original works of art have been created as a direct result of the projects that the NEA funds. This investment in artistic creation has added over 100,000 new, original works to the canon of American art during this four-year span.

Contextual Indicator 1.1.3

FY 2016 Performance: The NEA’s grant application panel review process relies upon the assistance of citizen panelists from around the country, including both experts in their fields and laypersons, to score the grant applications received by the NEA. Beginning in FY 2013, the NEA began analyzing score data from these panels to provide a contextual understanding of the pool of applications that the NEA has received for grants whose primary purpose is the creation of art. This exercise also shed light on the extent to which NEA awards reflect the panelists' assessment of the prospects for an applicant's project to achieve artistic excellence.

The table below shows the summary of these. In every discipline, the average citizen panelist score for those applicants that received an award was significantly higher than the average score for those applicants that were rejected.

Contextual Indicator 1.1.3 – Average panel score for Creation projects, by discipline.									
Discipline	2013			2014			2015		
	# of Scores	Awarded	Rejected	# of Scores	Awarded	Rejected	# of Scores	Awarded	Rejected
Artist Communities	380	8.4	6.9	240	8.1	6.7	258	8.3	6.9
Dance	1,106	7.8	6	549	7.8	6.1	600	7.7	5.7
Design	100	7.4	6	103	8.1	6.7	384	8.0	6.6
Folk & Traditional Arts	80	8.1	5.6	49	8.2	5.8	24	7.5	7.3
Literature	280	8	6.4	260	8.1	6.5	1,108	7.3	5.3
Local Arts Agencies	90	8.1	6.7	10	N/A	6.6	60	8.0	5.6

	2013			2014			2015		
Media Arts	848	7.9	6.5	425	8.3	6.1	415	8.3	6.7
Museum	248	8.2	6.3	2	N/A	6.6	78	7.8	6.1
Music	602	8.3	6.6	257	8.1	6.3	210	8.4	7.1
Opera	190	7.7	4.9	110	7.8	6.8	72	7.8	5.3
Presenting	290	7.7	5.8	52	7.7	6.7	228	8.0	6.8
Theater & Musical Theater	2,112	7.9	6.2	466	7.9	6.1	1218	7.9	6.4
Visual Arts	632	7.8	5.9	365	8	6.5	630	8.1	6.2
Total	6,958	7.9	6.2	2,888	8	6.4	5,285	7.9	6.3

Source: NEA discipline office coordinators' data

Contextual Indicators 1.1.4 – 1.1.7

FY 2016 Performance: The following table illustrates the agency's response to requests for grants to be used primarily for the purpose of creating new, original works of art over the past five fiscal years. The table includes data on applications received and grants awarded, and obligated funds as well as matched funds supporting grant projects. All dollar values are expressed in millions and have been rounded to the nearest tenth of one million.

NEA Direct Awards - Creation						
Indicator Number	Measure	2012	2013	2014	2015	2016
1.1.4	Applications Received	2,112	2,063	2,300	2,553	2,833
1.1.5	Grants Awarded	407	431	496	462	503
1.1.6	Obligated Funds	\$10.9	\$12.4	\$12.6	\$12.0	\$12.7
1.1.7	Matched Funds	\$96.7	\$98.4	\$110.2	\$111.1	\$23.6
N/A	Percentage of FDRs Received	94%	92%	89%	70%	16%

Source: GMS

**GOAL: FOSTER PUBLIC ENGAGEMENT
WITH DIVERSE AND EXCELLENT ART**

STRATEGIC OBJECTIVE 2.1: Provide all Americans with opportunities for arts engagement by funding projects that create arts experiences.

Performance Indicator 2.1.1

FY 2016 Performance: To assess performance on this strategic objective, the NEA developed a new measure that examines the percentage of completed projects with “live” arts events that resulted in cumulative, unduplicated attendance of 500 people or more.

Performance Indicator 2.1.1 – The percentage of completed projects with “live” arts events that resulted in cumulative, unduplicated attendance of 500 people or more.				
Measure	2012	2013	2014	2015
# of projects that reported 500 or more live attendees	1,538	1,499	1,522	1,046
Total FDRs received	2,150	2,053	2,060	1,475
Percentage of projects with attendance of ≥ 500 people	72%	73%	74%	71%

Source: FDR

As seen in the table above, at least 70% of all projects produced live arts events (such as concerts, exhibitions, etc.) that resulted in at least 500 unique individuals attending over the course of the project.

Projected FY 2017 Performance: The NEA anticipates maintaining a majority of projects (greater than 50% of the entire grant portfolio) resulting in attendance of at least 500 people in fiscal year 2017.

Contextual Indicator 2.1.2

FY 2016 Performance: To provide additional context for this strategic objective, the NEA is also utilizing the following new contextual indicator. This indicator provides further detail on the breakdown of those in attendance at live events (adults and children).

Contextual Indicator 2.1.2 – The number of unique (unduplicated) adults and children that engaged with the arts in-person through NEA funded projects.				
Attendance	2012	2013	2014	2015
# of Adults	26,457,804	32,690,093	25,932,238	12,404,447
# of Children	3,390,926	3,966,434	4,206,582	1,917,000
Total	29,848,730	36,656,527	30,138,820	14,321,447

Source: FDR

The above table shows averages of **24.4 million adults and 3.4 million children per year** engaged with the arts through live events produced by NEA-funded projects over this four year performance period.

Contextual Indicator 2.1.3

FY 2016 Performance: In addition to tracking the number of participants at these live events, the NEA also tracks the number and types of the events themselves, which are sorted into the categories seen in the table below.

Contextual Indicator 2.1.3 – Total number of “live” arts events broken down by event type (including the following: fairs, festivals, concerts, performances, readings, or exhibitions of visual arts, media arts, design, or film festivals).				
Measure	2012	2013	2014	2015
Fairs / Festivals	879	779	681	468
Concerts / Performances	34,501	35,636	35,685	25,374
Lectures / Workshops	38,637	45,718	44,384	36,085
Exhibitions Presented	7,155	7,080	6,374	2,976
Total "Live" Arts Events	81,172	89,213	87,124	64,903

Source: FDR

The above table shows that NEA-funded projects produced an average of **80,603 live arts events per year** during this four year performance period. These events included a diverse array of art forms presented in an assortment of formats and milieus all across the country, and in nearly every congressional district*, thereby supporting the strategic objective of providing all Americans with opportunities to engage with the arts in person.

*For more information on grant awards in relation to congressional districts, please see Cross-Cutting Objective Contextual Indicator CCO 1.1.3.

Contextual Indicator 2.1.4

FY 2016 Performance: In addition to engaging with the arts in person, numerous grantees in recent years have developed virtual arts experiences that provide individuals with an opportunity to engage with the arts through mobile apps and/or online programming, such as podcasts, web streaming, games, distance learning, online exhibitions, and more. Beginning in 2015, the NEA started to collect data from grantees regarding arts engagement levels on these virtual platforms. The following table is a reflection of this new data collection effort.

Contextual Indicator 2.1.4 – Total number of people who engaged through technology with the arts through NEA funded projects.	
Measure	2015
Number of Unique Individuals Engaging with Virtual Arts Experiences: INTERNET	34,243,831
Number of Unique Individuals Engaging with Virtual Arts Experiences: MOBILE APPS	16,924,754
Total	51,168,585

Source: FDR

This pilot indicator provides a sense of the additional reach that grantees have by utilizing technology to provide individuals with the opportunity to engage with the arts. In this first project fiscal year for which the NEA has a nearly complete data set for this indicator (2015), **more than 51 million individuals engaged with the arts through technology in NEA-funded projects** – a figure far greater than even the highest level of in-person engagement over the past four years, which was approximately 36.7 million individuals (in 2013). Please note that the NEA does not envision virtual engagement as a substitute for in-person engagement, but rather as an additional modality for individuals who would like to supplement their participation in live arts events, as well as an important advancement and opportunity for individuals facing challenges with accessibility.

Contextual Indicator 2.1.5

FY 2016 Performance: In addition to reviewing NEA grant-making data, the agency relies on other indicators to provide a sense of the context in which these projects are operating. For a national overview of Americans' cultural engagement patterns, the NEA's Survey of Public Participation in the Arts (SPPA, located [here](#)) is essential. Conducted in partnership with the U.S. Census Bureau as a supplement to the Current Population Survey, the SPPA allows the NEA and other cultural policymakers, funders, practitioners, and researchers to understand artistic, technological, and socio-economic trends affecting arts engagement.

Additionally, in partnership with the U.S. Census Bureau, the NEA has created a smaller version of the SPPA that can be conducted on an annual basis for the purpose of obtaining this measurement. The Annual Arts Basic Survey (AABS) contains a subset of questions from the SPPA, and is fielded as part of the Current Population Survey in years when the SPPA is not conducted. The following indicator reflects arts engagement trends captured in those surveys.

Contextual Indicator 2.1.5 – The percent of adults experiencing art during the NEA’s most recent general population survey period (as measured by SPPA & AABS), including those who did any of the following in the previous 12 months: attended a live performing arts or visual arts event; created or performed art; or read a work of imaginative literature.

Measure	2014	2015	2016
1) Attended a live performing arts or visual arts event, excluding movies	N/A	43.4%	N/A
2) Created or performed art, including social dancing	50.0%	N/A	45.1%
3) Read literature	N/A	43.1%	N/A

Source: AABS: 2014 and 2016 for measure 2, 2015 for measures 1 and 3

Note: AABS survey content alternates between odd and even years as shown in the above table.

More information on the above survey measures is provided below:

1) Attending live arts events – The first set of figures in the table above represents the percentage of adults who attended a live music, theater, or dance performance; saw an art exhibit; or toured historic neighborhoods, parks, or monuments.

2) Creating or performing art – The second set of figures represents the percentage of adults who created pottery, ceramics, or jewelry; create leatherwork, metalwork, or woodwork; did weaving, crocheting, quilting, or other textile arts; played a musical instrument; performed acting; performed or practiced dance; participated in social dancing; performed or practiced singing; created films or videos; created photography; created other visual arts (e.g., painting or sculpture); or did creative writing.

3) Reading literature – The third set of figures represents the percentage of adults who read at least one poem, play, short story, or novel.

Contextual Indicators 2.1.6 – 2.1.9

The following table illustrates the agency's response to requests for grants to be used primarily for the purpose of providing Americans with opportunities to engage with the arts over the past five fiscal years. All dollar values are expressed in millions and have been rounded to the nearest tenth of one million.

NEA Direct Awards - Engagement						
Indicator Number	Measure	2012	2013	2014	2015	2016
2.1.6	Applications Received	2,089	2,092	1,925	2,199	2,229
2.1.7	Grants Awarded	1,098	1,200	1,206	1,305	1,349
2.1.8	Obligated Funds	\$29.5	\$30.3	\$30.7	\$33.6	\$33.2
2.1.9	Matched Funds	\$310.0	\$311.8	\$348.5	\$287.7	\$43.7
N/A	Percentage of FDRs Received	99%	98%	96%	70%	13%

Source: GMS

STRATEGIC OBJECTIVE 2.2: Enable Americans of all ages to acquire knowledge or skills in the arts by funding projects that address lifelong learning in the arts.

Performance Indicator 2.2.1

FY 2016 Performance: Measuring progress on this strategic objective involves reviewing the extent to which NEA-supported arts education projects lead to demonstrations of learning by students. With the exception of 2013, which included a significant outlier that skewed results in that year, arts education projects involving children / youth have consistently demonstrated evidence of learning over time.

Performance Indicator 2.2.1 – The percent of children / youth who demonstrated learning in arts education ‘Standards-Based’* projects.				
Measure	2012	2013	2014	2015
# Children engaged as learners	134,570	975,666**	238,581	86,292
# Children who demonstrated learning in Arts-ed. Standards-Based projects	103,839	209,917	213,089	76,171
Percentage	77.2%	21.5%	89.3%	88.3%

Source: FDR

*Note: The ‘Standards-Based’ designation was dropped from Arts Ed. FDRs in FY 2015, so that term is only attributable to FY 2012-2014, however the number and percentage of children engaged as learners and demonstrating learning was recorded in all FDRs and pertains to the full performance period shown above.

**Note: The significant increase in the number of children engaged as learners in 2013 was due to one grant award to The John F. Kennedy Center for the Performing Arts for the Any Given Child Initiative.

Projected FY 2017 Performance: For fiscal year 2017, the NEA will seek to maintain a consistent percentage of students demonstrating learning in arts education standards projects not lower than 80%.

Contextual Indicator 2.2.2

To provide additional context for this strategic objective, the NEA is also utilizing the following contextual indicator, which shows the percent of adults who took classes or lessons in: music or music appreciation; acting, theater, or dance; art appreciation or art history; creative writing; photography or filmmaking; or other visual arts. Of note, there has been a very slight increase over time in the percent of adults participating in at least one arts learning activity during the NEA’s most recent general population survey period.

Contextual Indicator 2.2.3 – The percent of adults participating in at least one arts learning activity (e.g., class, lesson) during NEA’s most recent general population survey period.				
Measure	2013	2014	2015	2016
Percent of adults taking an arts class in the past 12 months	8.2%	N/A	8.5%	N/A

Source: AABS

Contextual Indicators 2.2.3 – 2.2.6

The following table illustrates the agency's response to requests for grants to be used primarily for the purpose of Lifelong Learning over the past five fiscal years. All dollar values are expressed in millions and have been rounded to the nearest tenth of one million.

NEA Direct Awards – Lifelong Learning						
Indicator Number	Measure	2012	2013	2014	2015	2016
2.2.3	Applications Received	1,144	786	812	739	658
2.2.4	Grants Awarded	475	324	353	354	366
2.2.5	Obligated Funds	\$12.1	\$9.7	\$10.0	\$9.7	\$9.8
2.2.6	Matched Funds	\$62.0	\$71.5	\$73.3	\$41.8	\$3.0
N/A	Percentage of FDRs Received	100%	99%	96%	60%	6%

Source: GMS and FDR

STRATEGIC OBJECTIVE 2.3: Strengthen American communities by investing in projects that seek to improve the livability of places through the arts.

Performance Indicator 2.3.1

FY 2016 Performance: To measure its performance on this strategic objective, the NEA assesses the percent of grants awarded for projects that demonstrate a commitment to improved livability in specific impact areas. The table below shows that for fiscal years’ 2012-2015, an overwhelming majority (at least 94%) of grantees with a primary goal of improving livability in communities reported using at least one of the NEA’s six designated livability strategies.

Performance Indicator 2.3.1 – The percent of grants awarded for projects that demonstrate a commitment to improved livability in specific impact areas.				
Measure	2012	2013	2014	2015
At Least One Livability Strategy Selected	117	74	51	21
Livability FDRs Received	123	76	54	22
Percentage Selecting at Least One Strategy	95%	97%	94%	95%

Source: FDR. Note: In the agency’s FY 2015 performance report, this indicator had been phrased as: “The percent of grants awarded for projects that demonstrate improved livability in specific impact areas.” The phrase “a commitment to” has been added in this year’s report in order to clarify what this indicator is intended to measure.

The following supplemental data table shows each of the NEA-designated livability strategies, as well as the frequency with which grantees implementing Livability projects utilized each strategy.

NEA-Designated Livability Strategies	2012	2013	2014	2015
Develop Plans(s) for Cultural and/or Creative Sector Growth	37.3%	32.4%	38.5%	13.6%
Use Design to Enhance/Revitalize Public Space(s)	45.8%	35.1%	38.5%	18.2%
Commission and/or Install New Art to Improve Public Space(s)	39.8%	45.9%	38.5%	22.7%
Plan and/or Conduct Arts Activities to Foster Interaction Among Community Members	60.2%	56.8%	67.3%	59.1%
Engage Artists and/or Arts Organizations	75.4%	70.3%	76.9%	31.8%
Other Strategies to Improve Livability through Arts and Design	39.0%	36.5%	34.6%	13.6%

Source: FDR

Among these six strategies, the two most commonly employed have been:

- 1) Engaging Artists and/or Arts Organizations, and
- 2) Planning and/or Conducting Arts Activities to Foster Interaction among Community Members

The lasting benefits of creative placemaking projects are likely to emerge over time and may not be fully measurable during the period of a grant. Robust evaluation of the impacts achieved by such grants will require longer-term studies. As an initial step, the NEA developed a series of statistical indicators designed to capture the kinds of outcomes that practitioners of creative placemaking deem relevant to their projects. In FY 2014, the agency published Validating Arts and Livability Indicators (VALI) Study: Results and Recommendations (located [here](#)). In FY 2015, the agency released more resources related to these indicators as part of the NEA’s online Arts Data Profile series (located [here](#)). Also to assist practitioners, the NEA has launched the e-storybook, Exploring Our Town (located [here](#)), an online series of case studies and lessons learned that will illustrate key statistics and outcomes from creative placemaking projects supported by the agency. Lastly, in FY 2016 the agency awarded a contract to develop a theory of change and measurement model for the agency’s creative placemaking grant program, Our Town. Recommendations from this report will inform grant guidelines and reporting requirements.

Projected FY 2017 Performance: For fiscal year 2017, among projects with a primary goal of improving livability in communities, the NEA anticipates maintaining at least 80% that employ at least one of the agency’s six designated livability strategies.

Contextual Indicator 2.3.2

FY 2016 Performance: In addition to the above performance indicator (2.3.1), the agency also collects information on the location of communities in which NEA-funded grant activities take place. In the case of grants with a primary goal of improving Livability, the table below displays the number of unique communities that undertook this effort across the past five years, as evidenced by receiving a grant award with Livability as the primary objective.

Contextual Indicator 2.3.2 – Number of communities that enlist the arts in efforts to improve livability.					
Measure	2012	2013	2014	2015	2016
Number of Communities	130	88	95	122	142

Contextual Indicators 2.3.3 – 2.3.6

FY 2016 Performance: The following table illustrates the agency's response to requests for grants to be used primarily for the purpose of Livability over the past five fiscal years. All dollar values are expressed in millions and have been rounded to the nearest tenth of one million.

NEA Direct Awards – Livability						
Indicator Number	Measure	2012	2013	2014	2015	2016
2.3.3	Applications	835	440	390	668	349
2.3.4	Grants Awarded	131	89	96	125	146
2.3.5	Obligated Funds	\$6.1	\$5.7	\$5.8	\$6.3	\$6.0
2.3.6	Matched Funds	\$12.1	\$15.1	\$10.8	\$7.6	\$2.3
N/A	% of FDRs Received	89.3%	83.1%	54.2%	17.6%	5.5%

Source: GMS and FDR

CROSS-CUTTING OBJECTIVE (CCO): Ensure that NEA-funded activities reach Americans throughout the country by making awards for projects that address a diverse spectrum of artistic disciplines, geographic locations, and underserved populations.

CCO Performance Indicator 1.1

FY 2016 Performance: To assess performance on this cross-cutting agency objective, the NEA monitors the geographic distribution of grant awards in relation to the number of applications received, as well as where grant-funded activities occur on the rural-urban continuum.

CCO Performance Indicator 1.1 – Geographic Distribution of Applications Received, Grants Awarded, and Project Activity Locations					
Year	2012	2013	2014	2015	2016
Applications Received	4,848	4,151	3,965	4,856	4,879
Grants Awarded	2,061	2,002	2,119	2,208	2,330
% of Applications from Urban Areas	91.7%	92.2%	92.2%	91.7%	91.7%
% of Grants in Urban Areas	92.7%	93.8%	93.9%	92.6%	93.1%
% of Applications from Rural Areas	8.3%	7.8%	6.8%	8.3%	8.3%
% of Grants in Rural Areas	7.3%	6.2%	6.1%	7.4%	6.9%
Project Activity Locations	18,982	20,351	19,462	17,068	N/A
% of Project Activity Locations in Urban Areas	86.2%	86.3%	86.7%	86.2%	N/A
% of Project Activity Locations in Rural Areas	13.8%	13.7%	13.3%	13.8%	N/A

Source: GMS and FDR

The above table shows that each year, the percentage of grants awarded to organizations in rural vs. urban settings is roughly proportional to the percentage of applications received from those organizations, although there is a pattern of applications from urban organizations having a slightly higher success rate each year. However, NEA-funded projects produce arts events (such as festivals, plays, concerts, etc.) at locations other than just each grantee organization’s address. At the conclusion of each project, grantees report this assortment of Project Activity Locations on their FDRs, and each year these data (presented in the final three rows of the above table) demonstrate that these activities occur with more frequency in rural areas than would be expected based on the ratio of grant awards. In other words, NEA grants sometimes support project activities in rural areas even when the organizations themselves are located in urban areas. In fact, in each year shown in the table above, approximately 6-7% of grants were awarded to rural organizations; however, at least 13% of all NEA-funded project activities occurred in rural areas in each of those years. The distribution of FY 2015 NEA-funded project activities mirrors the distribution of the U.S. population in that approximately 14% of U.S. residents live in rural/non-metropolitan areas.¹

¹ Source: FDR and U.S. Census Bureau, Population Division.

CCO Performance Indicator 1.2

FY 2016 Performance: Beyond the simple categorization of urban versus rural, geographic diversity is also shown by the relative population sizes of communities where NEA-funded arts events occurred. Within the designation of urban/metro areas, there are four subdivisions used by the U.S. Census to characterize metro areas of different sizes. This performance indicator tracks the percentage of NEA-funded grant activities in relation to the percentage of the population in those metro-area categories. Rows 1 and 2 display the binary distinction of metro vs. non-metro, whereas rows 3-6 display gradations within the broader metro category, i.e. rows 3-6 are a refined subset of row 2. Please note that all U.S. population figures shown below are estimates made by the U.S. Census Bureau as of July 1st in each respective year.

As seen in the table below, the distribution of NEA-funded project activities roughly mirrors the geographic distribution of the U.S. population. This proportional relationship is true in the broad sense as evidenced in rows 1 and 2 at the top of the table, which compare metro vs. non-metro areas, but it is also largely true even when accounting for the gradations in metro size and population density shown in rows 3-6.

CCO Performance Indicator 1.2 –Percentage of NEA-funded activities occurring in each segment of the rural-urban continuum compared to the percentage of the population that lives in those respective locations.								
	2012		2013		2014		2015	
Rural/Urban Continuum	NEA Activities (n=17,602)	Population (316.1M)	NEA Activities (n=19,811)	Population (320.1M)	NEA Activities (n=21,948)	Population (322.4M)	NEA Activities (n=17,068)	Population (324.9 M)
1) Non-metro, rural areas	14.0%	14.6%	13.4%	14.5%	12.4%	14.4%	13.8%	14.3%
2) Metro, urban areas	86.0%	85.4%	86.6%	85.5%	87.6%	85.6%	86.2%	85.7%
3) Metro pop < 250K	9.9%	9.1%	9.1%	9.2%	8.9%	9.1%	9.0%	9.0%
4) Metro pop >= 250K but < 1M	17.2%	20.9%	16.1%	20.9%	15.2%	20.6%	15.6%	20.7%
5) Metro pop >= M but < 4.6M	26.6%	28.8%	27.0%	29.2%	26.7%	29.6%	25.8%	28.3%
6) Metro pop >= 4.6M	32.4%	26.5%	34.5%	26.2%	36.8%	26.3%	35.8%	27.7%

Source: FDR and U.S. Census Bureau, Population Division

Note: In the agency’s FY 2015 performance report, this indicator had been phrased as “Urban or Rural Status or Size of Urban Populations Where NEA-Funded Project Occurred” but has been rephrased as it is stated above in an effort to clarify what is being compared with this measure. Additional note pertaining to FY 2015 report: the 2013 percentages of NEA Activities reflected in rows 3-6 were incorrect and have been corrected in the table above.

Projected FY 2017 Performance: For the above indicators in fiscal year 2017, the NEA anticipates maintaining a proportional relationship between NEA-funded grant activities and the U.S. population. As noted in CCO Indicator 1.1, NEA-funded activities often occur in locations other than where grantees are located; therefore, it is difficult to know in advance exactly where on the urban-rural continuum grant activities may occur, so it is not feasible to set goals related to the specific subdivisions of metro areas shown in rows 3-6. With this caveat in mind, it is certainly an agency priority for grant activities to reach rural as well as urban locations. Accordingly, the agency will aim to ensure that NEA-funded activities occur in rural and urban locations in proportion to the percent of the U.S. population that lives in those locations, by striving to have no greater than 3% variance between rows 1 and 2 in the table above, for fiscal year 2017.

Contextual Indicator CCO 1.1.3

FY 2016 Performance: The NEA has long held an internal goal of awarding at least one grant in every congressional district. The following table illustrates the extent to which the agency has been successful in this regard.

Contextual Indicator CCO 1.1.3 – Percent of congressional districts receiving an award.					
	2012	2013	2014	2015	2016
Number of Congressional Districts Receiving an Award	435	435	428	435	434
Percent	100%	100%	98%	100%	99.8%

Source: GMS

Contextual Indicator CCO 1.1.4

FY 2016 Performance: The NEA prioritizes reaching underserved communities and populations with its grant-making. To enable the NEA to track this goal, applicants are asked to state on their applications whether they intend to reach underserved groups with their proposed project, and grantees are asked to identify on their FDRs whether at least 25% of their project’s participants and/or audience consisted of any of the following underserved groups: individuals with disabilities, individuals in institutions (including people living in hospitals nursing homes, assisted care facilities, correctional facilities, and homeless shelters), individuals living below the poverty line, individuals with limited English proficiency, military veterans/active duty personnel, and, beginning in FY2015, youth at risk. The following table demonstrates the percentage of projects that served one or more of these groups.

Contextual Indicator CCO 1.1.4 – Percentage of projects reaching underserved populations				
	2012	2013	2014	2015
Percentage of Projects	35.7%	35.4%	35.8%	17.1%

Source: FDR

Note: In the agency’s FY 2015 performance report, this indicator had been phrased as “Number of projects intending to reach underserved populations.” However, the data were being reported from FDRs, reflecting those projects that did reach underserved populations; therefore, the phrasing has been revised in this year’s report to reflect this fact. Additionally, because the number of projects reaching underserved groups is relative to the number of projects for which the NEA has received FDRs, the percentage of those projects is the more meaningful measure, and is the figure being reported.

Additional note: The agency’s FDR form was revised in FY2015, and one of the revisions was to the way the underserved question was phrased. This change stipulated that at least 25 percent of people, within one or more traditionally underserved groups listed on the form, must have benefited from the project in order for the grantee to count underserved populations among its beneficiaries. Previously, in contrast, there had been no numeric threshold for reporting. For this reason, the percentage of FDRs which reported reaching underserved groups in FY15 was markedly lower than in previous years.

GOAL: PROMOTE PUBLIC KNOWLEDGE AND UNDERSTANDING ABOUT THE CONTRIBUTIONS OF THE ARTS

STRATEGIC OBJECTIVE 3.1: Expand and promote evidence of the value and/or impact of the arts by fulfilling a long-term research agenda and by using traditional and social media channels to distribute findings and new information.

Performance Indicator 3.1.1

FY 2016 Performance: The NEA’s Office of Research & Analysis has developed a five-year research agenda* that guides the agency’s efforts to promote public knowledge and understanding about the contributions of the arts. Over the course of this five-year research agenda, the agency has tracked its progress in accomplishing the milestones established at the outset of the agenda.

Performance Indicator 3.1.1 – Percent of NEA Research Agenda and Distribution Milestones Met to Address Priority Research Gaps

At the time of this report – midway through the fifth year of the agenda – the NEA has completed 81% (25 of 31) of the milestones designated for the five-year period.
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*For reference, the NEA’s 2012-2016 research agenda can be found [here](#).

Projected FY 2017 Performance: The NEA’s five-year research agenda is intended to be ambitious in scope. Hence, success is defined as achieving at least 90% of the agenda milestones before the end of the five-year timeframe. In keeping with this aim, the NEA’s next research agenda will span 2017-2021 and will also have a goal of completing at least 90% of the established milestones. For reference, the agency’s new research agenda can be found [here](#).

Contextual Indicator 3.1.2

FY 2016 Performance: Each year, the NEA’s Office of Research and Analysis produces research publications which include the work of ORA researchers as well as contractors that the office hires to complete specific studies. This indicator tracks the public reach of these publications as measured by the annual number of NEA research publications and NEA research-related articles and/or citations that appear in academic journals and non-academic news outlets.

NEA-generated and NEA-funded research is sometimes cited in both academic and non-academic formats, with the latter including consumer and trade news outlets in print, broadcast, and online formats, as well as social media channels. The agency has been tracking academic citations since 2010, and in 2014 the agency began tracking non-academic citations as well. In an effort to measure the reach of non-academic citations, the NEA’s Office of Public Affairs tracks

these occurrences primarily via Google News, as well as in specific publications such as Artsjournal, Createquity, and You’ve Cott Mail. In addition, NEA staff and grantees also bring NEA-related media articles to the attention of Public Affairs staff. The office uses roughly 20 different search terms to help capture the relevant articles, to include but not limited to: “Jane Chu”, “National Council on the Arts”, “Walter Reed Arts Therapy”, “Belvoir Arts Therapy”, “NICoE Arts Therapy”, “National Intrepid Arts Therapy”, “NEA”, “National Endowment for the Arts”, and “President’s Committee on the Arts.” The following table is a summary of the number of academic and non-academic citations for the past five years, as well as the number of NEA research publications.

Contextual Indicator 3.1.2 – Public reach as measured by the annual number of NEA research publications and the annual number of NEA research-related articles and/or citations in academic journals and non-academic news outlets.					
Measure	2012	2013	2014	2015	2016
# of NEA Research Publications*	4	4	2	3	6
# of Academic Citations/Articles**	40	3	0	55	79
# of Non-Academic Citations/Articles	N/A	N/A	31	157	173

*Note: In fiscal years 2012-2015 this measure captured grant application data reflecting grantees’ aspirations for publishing their research in academic papers or presenting their work at academic conferences. However, in order to shift the focus of this measure from aspirations to performance, beginning in fiscal year 2016 this measure captures the number of research publications produced in whole or in part by the NEA’s Office of Research and Analysis (ORA) or its contractors. The six publications noted in the table above include three Arts Data Profiles (numbers 9, 10, and 11, located [here](#)), as well as the NEA’s *Guide to Community-Engaged Research in the Arts and Health* (located [here](#)), *Arts-Based Programs and Art Therapies for At-Risk, Justice-Involved, and Traumatized Youths* (published in partnership with the U.S. Department of Justice’s Office of Juvenile Justice & Delinquency Prevention, located [here](#)), and *Creativity Connects: Trends and Conditions Affecting U.S. Artists* (located [here](#)).

**Source 2012-2014: Scopus database search. Source 2015-2016: Scopus, Academic Search Premier, EconLit with Full Text, ERIC, PsycINFO, Social Sciences Full Text (H.W. Wilson), Education Source, ProQuest Dissertations, and Jstor database searches conducted by the U.S. Department of Education’s National Library of Education in April, 2017. Note: due to a significantly greater number of databases searched in 2015-2016, those years reflect a greater number of academic citations than in previous years.

Contextual Indicators 3.1.3 - 3.1.6

FY 2016 Performance: The following table illustrates the agency's response to requests for grants to be used primarily for the purpose of Understanding over the past five fiscal years.

NEA Direct Awards – Understanding						
Indicator Number	Measure	2012	2013	2014	2015	2016
3.1.3	Applications Received	63	100	82	28	31
3.1.4	Grants Awarded	14	18	20	21	18
3.1.5	Obligated Funds	\$237,583	\$371,298	\$300,027	\$500,000	\$320,000
3.1.6	Matched Funds*	\$78,216	\$254,838	\$429,921	\$35,247	\$0
N/A	FDRs Received	13	17	16	2	-
N/A	Percentage of FDRs Received	92.9%	94.4%	80.0%	9.5%	0.0%

*Please note that matched funds were not a requirement for research grants until FY 2014.

STRATEGIC OBJECTIVE 3.2: Increase the domestic and international impact of the arts by establishing strategic partnerships with public and private organizations.

Performance Indicator 3.2.1

FY 2016 Performance: In fiscal year 2016, the NEA was engaged in 18 Federal partnerships, enabling other Federal agencies and/or departments to include the arts in their program planning. Federal partnership activities were facilitated through interagency agreements. Federal partners included, but were not limited to, the Appalachian Regional Commission; the U.S. Department of Commerce, Bureau of Economic Analysis; the Department of Justice, Bureau of Prisons; the U.S. Department of Education, Office of Innovation and Improvement; the Department of Housing and Urban Development; the Institute of Museum and Library Services; the Library of Congress; the President's Committee on the Arts and the Humanities; and the Smithsonian Institution. The following table reflects the number of Federal partnerships that the NEA has engaged in over the past four fiscal years. Note that in addition to the agency's Federal partnerships, the NEA also engaged in partnerships with other entities, including Blue Star Families, the Kresge Foundation, the National Music Publishers' Association (NMPA) S.O.N.G.S. Foundation, and the Poetry Foundation, which are not reflected in this indicator.

Performance Indicator 3.2.1 – Number of partnerships that facilitate increased arts programming.				
Year	2013	2014	2015	2016
Partnerships	15	18	15	18

Note: in the agency's FY 2015 performance report, this indicator had been phrased as: "Number of partnerships that result in increased arts programming." The phrase "result in" has been changed to "facilitate" in this year's report in order to clarify that the agency is not intending to make direct causal attributions pertaining to the outcomes of these partnerships.

Projected FY 2017 Performance: The NEA will continue to track the number of Federal partnerships that the agency utilizes to facilitate increased arts programming, with a goal of maintaining at least 15 partnerships in fiscal year 2017.

Performance Indicator 3.2.2

FY 2016 Performance: In addition to partnerships with a domestic focus, the NEA also utilizes partnerships to promote American art and artists abroad and to bring art and artists from other countries to U.S. audiences. This indicator counts all approved applications for international partnerships. In FY 2016, partnership activities included, but were not limited to, the Mid Atlantic Arts Foundation-USArtists International and Southern Exposure: Performing Arts of Latin America; the six Regional Arts Organizations for Performing Arts Discovery; Arts Midwest for China Performing Arts Exchange; the US/Japan Friendship Commission; and the U.S. Department of State for the Federal Advisory Committee on International Exhibitions.

Performance Indicator 3.2.2 – Number of partnerships that promote American art and artists internationally or bring art and artists from other countries to U.S. audiences.				
Year	2013	2014	2015	2016
Partnerships	6	6	6	7

Projected FY 2017 Performance: The NEA will continue to track the number of partnerships that promote this form of artistic and cultural exchange in FY 2017, with a plan of utilizing at least six such partnerships.

MANAGEMENT GOAL: ENABLE THE NEA MISSION THROUGH ORGANIZATIONAL EXCELLENCE

MANAGEMENT OBJECTIVE 1.1: Provide the American people with outstanding service by attracting, maintaining, and optimizing a diverse, creative, productive, and motivated workforce.

Performance Indicator MO 1.1.1

FY 2016 Performance: To maintain the highest standard of organizational excellence, the agency regularly monitors employee feedback. A key strategy for collecting employee feedback is the OPM Federal Employee Viewpoint Survey (FEVS), which, among other things, identifies specific areas needing improvement. Using this data, the agency tracks the percent of NEA employees reporting positive responses to key questions on this survey. Information collected from the survey is used to improve recruitment and retention strategies for high-performing workers.

Performance Indicator MO 1.1.1 – Percent of NEA employees reporting positive responses to key questions on OPM’s annual Federal Employee Viewpoint Survey.				
Survey Item	2013	2014	2015	2016
Reported a positive response to the statement "My agency is successful at accomplishing its mission."	91.2%	87.6%	83.8%	95.2%
Reported a positive response to the statement "I know how my work relates to the agency's goals and priorities."	89.8%	89.6%	82.9%	96.0%
Reported a positive response to the statement "I am held accountable for achieving results."	87.7%	90.5%	86.3%	95.0%
Reported a positive response to the statement "I am constantly looking for ways to do my job better."	92.5%	87.6%	94.2%	94.3%
Employee satisfaction and commitment score	N/A	69.4%	69.3%	86.3%
Average positive response score of leadership/supervision	N/A	77.5%	75.0%	85.5%

As evidenced in the table above, a significant majority of the NEA’s employees have expressed positive responses to key questions on the FEVS over the past four years, with a noticeable uptick across categories in 2016. Based on FY 2016 survey results, the NEA was ranked as the best place to work out of 29 small Federal agencies.

Projected FY 2017 Performance: The NEA plans to continue fostering a positive workplace environment, with a goal of at least 80% positive responses to the key FEVS items noted in the table above.

MANAGEMENT OBJECTIVE 1.2: Be an effective and vigilant steward of public funds by sustaining transparent and efficient grant-making and administrative processes.

Performance Indicator MO 1.2.1

FY 2016 Performance: To monitor the agency’s success in its efforts to be an effective and vigilant steward of public funds, the NEA tracks applicant satisfaction with the application guidance provided by the agency. The NEA implemented an applicant satisfaction survey in 2013 and has been conducting it each year since. The survey consists of 13 questions, the responses to which provide the agency with a snapshot of how applicants viewed their most recent experience using and understanding the grant application guidelines on the NEA website. When applicable, applicants also evaluate the usefulness of guideline webinars as well as the quality of interactions with NEA staff while preparing applications. Of the 13 total survey questions, there are 7 which are specifically designed to collect feedback on the different forms of applicant guidance. Therefore, calculating the average percentage of the total positive responses for each of the 7 questions divided by the total completed responses for each question yields an estimate of each applicant’s overall satisfaction with the application process and guidelines. The following table demonstrates the overall applicant satisfaction rate by fiscal year.

Performance Indicator MO 1.2.1 – Applicant satisfaction with application guidance.				
Measure	2013	2014	2015	2016
Estimated applicant satisfaction rate	81.5%	84.0%	82.0%	82.9%

As evidenced in the table above, the vast majority of applicants (over 80%) have been satisfied with the grant application process and guidelines in each of the past four fiscal years.

Projected FY 2017 Performance: In order to streamline the application process, the NEA has revamped various aspects of the application process over the last several years and is currently continuing its overhaul of the way it manages its collection and management of application data. These modifications may lead to unanticipated changes in the applicant experience, nonetheless the agency intends to maintain the individual applicant survey satisfaction rates of 80% or better in FY 2017.

Performance Indicator MO 1.2.2

FY 2016 Performance: Another measure that indicates the NEA’s commitment to vigilant stewardship of public funds is demonstrated by its sound financial management. In keeping with this, the agency received an unqualified opinion on its FY 2016 financial statements, as it has consistently done since its first independent audit in 2003.

Performance Indicator MO 1.2.2 - NEA’s financial statements audit opinion				
Measure	2013	2014	2015	2016
Audit opinion	Unqualified opinion	Unqualified opinion	Unqualified opinion	Unqualified opinion

Projected FY 2017 Performance: The NEA will maintain its sound financial management and anticipates receiving an unqualified audit opinion in fiscal year 2017.