

# SOURCES, DEFINITIONS AND METHODOLOGY

## SECTION I. IMPACT OF NONPROFIT ARTS AND CULTURE ORGANIZATIONS

*Developed in collaboration with the Minnesota State Arts Board, Regional Arts Councils, Minnesota Historical Society and Americans for the Arts.*

This section is based on Creative Minnesota's 2019 analysis of newly collected data on the nonprofit arts and culture sector as described below. Go to [CreativeMN.org](http://CreativeMN.org) to see the full list of 1903 participating organizations.

### WHAT WAS STUDIED?

The Creative Minnesota team identified eligible public and nonprofit organizations to conduct arts and cultural programming located in the state of Minnesota in 2016, which included a total of 1903 organizations. For-profit arts organizations and individual artists were excluded. For this update only data on physical address, annual expense budget and annual audience served at physical events were collected for all participating organizations.

### HOW WAS DATA GATHERED?

Multiple sources were used in order to reach the widest possible range of organizations. The numbers cited of participating organizations per data source is after de-duping.

- **1,471 organizations, 77% of total:** Basic data about 2016 grantees of the Minnesota State Arts Board and Minnesota's 11 Regional Arts Councils were supplied by these funding agencies.
- **30 organizations, 2% of total:** Additional information was collected from organizations participating in the City and County studies conducted by Creative Minnesota in 2017.
- **95 organizations, 5% of total:** Basic data about 2016 Legacy grantees of The Minnesota Historical Society were supplied by this agency.
- **307 organizations, 16% of total:** Data were compiled by Creative Minnesota from direct phoning and emails to nonprofit arts and culture organizations whose information was not yet collected through the other methods, including science and children's museums and public broadcasting organizations. Budget and audience data for FY2016 for these organizations were also gathered by studying organization 990s, websites and annual reports.

### HOW WAS THE DATA ANALYZED?

Creative Minnesota conducted economic impact studies of the arts and culture sector in the state in 2015. For that project, in-depth economic modeling was conducted of the 11 regions of the state and provided to the Creative Minnesota project by Americans for the Arts' *Arts and Economic Prosperity* studies. That project produced formulas which allow us to determine the economic impact per \$100,000 of nonprofit arts and culture organizational spending, as well as the economic impact per audience attendee. Once the data on the FY2016 budgets and attendance of the 1903 organizations had been collated and de-duped by Creative Minnesota, the total annual expense budgets and total attendees were added up for each region. Using the formulas provided in the 2015 studies, results were found for each region. These figures were added together to find the statewide totals.

### LIMITATIONS

Limitations are the conditions or characteristics of a study that constrain how we may interpret the results. All studies have such constraints and articulate them in order to avoid making claims that are unsupported by data.

Because this study was neither a complete census nor a random sample of the arts and cultural nonprofit sector, these findings may not be representative of the sector as a whole.

Because some findings reported here were addressed by only a smaller subset of respondents, it would be inappropriate to claim these findings reflect the sector as a whole. Rather, that sub-set of findings reflect the responding institutions, and they may suggest an even stronger overall sector that is yet to be fully documented.

The limitations of non-census, non-representative sampling arise in two different ways:

First, the data collected document only those organizations that took part in the study, rather than the sector as a whole. It is thus possible that this study under-reports findings that represent aggregate totals (e.g., total students served, total revenue and expenses).

Second, because the data collected reflect only some organizations, it is impossible to know whether proportional findings (e.g., average spending per audience member, the percentages of public vs. private funding in aggregate, etc.) reflect the sector as a whole. These findings could either over- or under-represent actual overall conditions and may have differed had other organizations participated in the study.

### NOTES

- 1. Comparisons to 2014 data:** 2014 figures are from the *2017 Creative Minnesota Report* which was based on 2014 data.
- 2. Attendee Spending levels from audience surveys:** *Creative Minnesota: The Impact and Health of the Nonprofit Arts and Culture Sector, 2015*. [CreativeMN.org](http://CreativeMN.org).
- 3. Total number of Minnesota residents 2016:** Minnesota State Demographer <https://mn.gov/admin/demography/data-by-topic/population-data/our-estimates/>
- 4. Total number of Minnesota students:** Minnesota Department of Education [https://w20.education.state.mn.us/ibi\\_apps/WFServlet?PG\\_REQTYPE=REDIRECT&PG\\_MRsaved=false&PG\\_Func=GETBINARY&PG\\_File=orgxttol.pdf](https://w20.education.state.mn.us/ibi_apps/WFServlet?PG_REQTYPE=REDIRECT&PG_MRsaved=false&PG_Func=GETBINARY&PG_File=orgxttol.pdf)
- 5. Impact of arts in Minnesota, Wisconsin, North Dakota:** Americans for the Arts: *Arts and Economic Prosperity 5, 2017*, [www.AmericansfortheArts.org](http://www.AmericansfortheArts.org)
- 6. Impact of arts in Nebraska, South Dakota:** Americans for the Arts: *Arts and Economic Prosperity 4, 2010*, [www.AmericansfortheArts.org](http://www.AmericansfortheArts.org)
- 7. Local studies:** *Creative Minnesota: City and County Studies 2017* can be found at [CreativeMN.org](http://CreativeMN.org)
- 8. Pre-and Post-Legacy Impact Comparisons:** 2006 DATA SOURCES: Statewide and 11 Regional Reports "*The Arts: A Driving Force in Minnesota's Economy*," 2006, published by Minnesota Citizens for the Arts, the Forum of Regional Arts Councils and Americans for the Arts. Downloads available on "Other Studies" page on [CreativeMN.org](http://CreativeMN.org) 2015, 2017, and 2019 DATA SOURCES: Statewide and Eleven Regional Reports "*Creative Minnesota*" 2015, 2017 and 2019. Download available on "Main Page" of [CreativeMN.org](http://CreativeMN.org)

NOTES ON DATA SOURCES COMPARING PRE- AND POST-LEGACY AMENDMENT IMPACTS: Comparing the results of two similar studies in 2006 (Pre-Legacy) and 2017 (Post-Legacy) gives us a useful look at the impact of Legacy investments from 2009–2016. (2009 is when the Legacy Amendment revenue was first available, and 2014 is the data year included in the study completed in 2017). There were no studies available from 2007–2009.

LIMITATIONS: The 2006, 2015, 2017 and 2019 studies all used the same underlying methodology for modeling the state's arts economy, as performed by Americans for the Arts for their "*Arts and Economic Prosperity*" studies. The only difference is that we are becoming more capable at finding organizations, particularly small organizations, and getting their data into the research. So, some of the growth is actual growth, and other growth is in additional organizations that may have existed in 2006 but had not yet been accounted for.