

Return on Investment **National Endowment for the Arts**

Deploying Dollars Broadly

The National Endowment for the Arts (NEA) supports community arts activities in all 435 U.S. congressional districts. Through its 2,400+ direct grants and an additional 8,171 state and regional awards that regrant federal funds, the NEA achieves broad national reach—especially in rural and low-income areas.

Per congressional mandate, 40% of the NEA's grant funds go to states. This exemplary <u>federal-state partnership</u> lets states direct funding priorities and uses federal funds to leverage additional state and private investments: 30,000 awards per year made by state arts agencies and regional arts organizations. This gives every community a stake in sustaining the NEA.

A healthy arts sector requires a <u>blend</u> of public, private and earned funds. NEA grants reach 678 more counties than private foundations, and public dollars provide community access that other funds do not.

Meeting Federal Objectives

The NEA is committed to efficiency. Since inauguration, the agency voluntarily streamlined its grant programs and downsized the agency workforce. It manages a high volume of grants competitively adjudicated on the basis of merit.

The NEA helps attain White House goals, such as the America 250 celebration. State arts agencies are an essential part of that initiative. 87% are planning to make grants, 96% are active promotional partners, and more than two-thirds serve on America 250 commissions or committees. Any disruption of federal support to state arts agencies will weaken national America 250 efforts.

Return on Investment

The arts and creative industries give America's economy a competitive edge, achieving a \$36.8 billion trade surplus and adding \$1.2 trillion in value to the U.S. gross domestic product. The NEA and state arts agencies catalyze cultural production and grow the talent pool for this important American industry.

The NEA offers a big bang for the buck. Every \$1 the NEA invests in grants leverages \$9 in local and private matches.

While many industries produce jobs and revenue, only the arts offer a <u>fivefold bottom line</u> that strengthens America. Arts activity supported by the NEA and state arts agencies boosts economic productivity, improves education outcomes, fosters civic cohesion, facilitates good health, and preserves our cherished heritage and traditions for future generations. All Americans want these advantages for their communities and families.