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# The Arts in Cobb County: A Case for Increased Public Funding

Samuel G. Robinson  
*Kennesaw State University*

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**The Arts in Cobb County:  
A Case for Increased Public Funding**

**Samuel G. Robinson**

A Practicum Paper  
Submitted in Partial Fulfillment of the Requirements for the

**Master of Public Administration**

**Kennesaw State University**

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Department of Political Science and International Affairs

Master of Public Administration Program

College of Humanities & Social Sciences

Kennesaw State University

Kennesaw, Georgia

Certificate of Approval

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**Samuel G. Robinson**

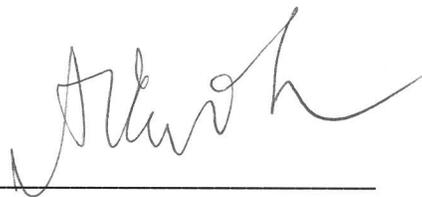
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For the capstone requirement for the Master of Public Administration

Professional exercise in the Department of Political Science and International Affairs

At the December 2010 graduation

Capstone Director:



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# **The Arts in Cobb County: A Case for Increased Public Funding**

## Executive Summary

Public funding for the arts has been the subject of debate for many years, particularly since the inception of the National Endowment for the Arts in 1965. Early questions about the role that government has in supporting the arts gave way to significant support at the federal level. A series of controversies in the 1990s, and a shift in opinion regarding the role of the federal government, however, led to the devolution of public funding from the federal to the state level, and a move away from supporting individual artists to supporting arts organizations and arts education programs. As state budgets have declined in recent years, funding for the arts has decreased correspondingly. Coupled with a decline in attendance and individual and corporate donations, this has spelled trouble for arts organizations throughout the country. At the same time, there has been an increasing movement recognizing the important economic contributions that arts and culture organizations make to communities. The nonprofit arts sector is a major contributor to job creation, urban revitalization, and economic growth.

As elsewhere in the country, nonprofit arts organizations play an important role in the economic environment in Cobb County, Georgia. This paper examines the impact that four of these organizations have in Cobb County using the methodology developed by Americans for the Arts in their landmark study, *Arts and Economic Prosperity III*. Using a survey adapted from this methodology, this study utilizes financial data from these organizations to examine the impact they have on the economy of the communities in which they exist. This analysis concludes with recommendations on what public administrators can and should do to support arts organizations in Cobb County.

**The Arts in Cobb County:  
A Case for Increased Public Funding**

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# **The Arts in Cobb County: A Case for Increased Public Funding**

## **Introduction**

The case for public funding for the arts is something that has been difficult to make in recent years, particularly in light of the current economic crisis. As state revenue continues to decrease, lawmakers are looking for any possible means to reduce spending and keep within increasingly smaller state budgets. It is certainly the case that there are greater demands on state governments to provide more with less. As lawmakers look for places to cut, the arts are one of the first items on the chopping block. There are differing opinions about the validity of using public funding to support the arts, and these are often very polarizing debates. Many people question whether it is a valuable use of the limited resources of government to support the arts, which can be seen as a commercial commodity. After all, if people are willing to pay to visit a museum, see a play, or hear a symphony performed, why should government support these activities as well? The case for public funding has been further complicated by the fact that many arts organizations produce events that challenge social norms and are often perceived to be in opposition to conventionally held beliefs about religion, social mores, and political positions (Lewis and Brooks 2005, 8).

Cobb County, in northwest Georgia, is an area that is rich in the arts, but there is little governmental support for these organizations. As state revenues continue to decline, such funding will likely become even rarer, which puts arts organizations in Cobb County in a difficult position. The decline in public funding is further complicated by the fact that the current economic environment has led to fewer private donations to arts

organizations, and ticket revenues and attendance have dropped dramatically (Hoye 2009a, 1). Many arts organizations are literally fighting for their lives, and public funding may be the only thing that will see them through this difficult time.

With all the difficult choices faced by local and state lawmakers in Georgia, how can arts organizations make the case that public support is not only valid, but also necessary? One of the significant arguments made in recent years in support of public funding for the arts has been that the arts are an important economic engine for cities, creating jobs, increasing tourism, and providing a customer base for local businesses (Americans for the Arts 2009a; Americans for the Arts 2009b; Blum 2002; Cohen, Schaffer, and Davidson 2003; Markusen and King 2003; National Governors Association Center for Best Practices 2001; Pogrebin 2009; Tepper 2002; Throsby 2004). Organizations such as Americans for the Arts have developed exhaustive reports to demonstrate the positive economic impact that arts organizations have on local communities. The National Governors Association Center for Best Practices in 2010 published an issue paper that advocated for the positive role that the arts play in economic development nationwide. While the economic argument is certainly not the only one in support of public funding for the arts, it is an important and potentially convincing one for the politicians who control the purse strings.

The purpose of this study, then, is to demonstrate that nonprofit arts organizations in Cobb County play a vital role in the health of the economy, and are therefore worthy of increased public support not only at the federal and state levels, but from local sources as well. The literature review provides readers a historical background for public funding of the arts in the United States, and describes the gradual devolution of funding from the

federal to state levels, as well as the continued decrease in public funding that is available to these organizations. I will also discuss some of the political benefits of public funding for the arts. The methodology section will describe the structure of this study, and will also present descriptions of the organizations selected for this research. The findings describe the economic impact that nonprofit arts organizations have on Cobb County. Finally, I will discuss some recommendations for public administrators on how they can support and develop the arts in the communities they serve.

## **Literature Review**

### *A Historical Perspective*

Public funding of the arts has often been controversial, as evidenced by the history of the National Endowment for the Arts (NEA), which was created in 1965. Early arguments against its creation included the view that the arts are a luxury and funding should be reserved for programs that served the public good; that public funding would discourage private investment in the arts; and that such funding would ensure the survival of mediocre artists who would not otherwise be able to survive in a competitive marketplace (Moen 2002, 142). Despite these concerns, the NEA was created and functioned largely without challenge, even experiencing a 600 percent increase in funding in the 1970s (Moen 2002, 143). This situation began to change under President Ronald Reagan, who, in order to honor a campaign pledge to reduce the size of government, cut the NEA budget by 50 percent (Moen 2002, 143). Public funding for the NEA came under further attack during the first Bush administration due to a series of controversial exhibitions that upset Christian fundamentalists (Moen 2002, 144). These

controversies put artists and politicians in direct conflict with each other over issues of morality, censorship, and the role of government in providing funding for the arts. As Gregory Lewis and Arthur Brooks write,

. . . a weak normative justification for public funding of the arts, a divergence in values between the arts community and others, and the political mobilization of Christian conservatives made public money for the arts a hot-button issue (Lewis and Brooks 2005, 8).

In response to this controversy, the NEA agreed to institute a decency standard in reviewing grant applications. This did little to appease Congress, which voted in 1995 to reduce NEA funding by 40 percent and eliminate grants to individual artists in favor of support for arts organizations and educational programs (Lewis and Brooks 2005, 10).

One of the results of these controversies has been the fact that public arts funding has been undergoing a process of devolution, a shift of power from the federal to the state level. In the forward to *Public Money and the Arts: Essays on Government Funding for the Arts*, Stephen Benedict writes that, during the late eighties, the result of the series of controversies stirred up by artists who received NEA grants was that, “for the first time, a substantial portion of the electorate had come to feel it had a personal stake in the expenditure of government arts dollars” (Benedict 1991, 15). Thus the NEA began to shift its funding support toward providing state agencies with block grant money to promote decentralization of support for the arts. The NEA was formed at a time when there was wide acceptance of the notion of federal dominance, but this perception began to shift in the 1970s under President Nixon, and the process of devolution was

particularly strong during the Reagan administration in the 1980s (DiMaggio 1991, 222).

As Paul DiMaggio writes,

Whereas in 1979, NEA funds were approximately 80 percent greater than state legislative appropriations for the arts, by 1989, state appropriations totaled approximately 60 percent more than the NEA grant budgets (DiMaggio 1991, 223).

This shift from federal to state appropriations brings the issue of state funding for the arts into greater focus.

In Georgia, the debate about public funding for the arts was demonstrated dramatically in the past year in the debate surrounding the state budget. When faced with increasing deficits and decreasing revenue, the state asked local school boards to make dramatic reductions in their budgets and the arts were significantly impacted. On March 18, 2010, the Fulton County Board of Education voted to eliminate all elementary school band and orchestra programs in order to address a \$120 million shortfall in the system's budget (Chen 2010). In Camden County, all elementary and middle school music programs were facing elimination. As Ellen Robinson writes, “. . . art [classes in Camden were] cut years ago, and now elementary and middle school music programs are being targeted” (Robinson 2010).

Schools were not the only place where this played out. In its original budget proposal, the Georgia House of Representatives proposed eliminating the budget of the Georgia Council for the Arts (GCA), transferring the funding originally earmarked for the GCA to the Department of Community Affairs (Georgia Council for the Arts 2010a; Georgia Council for the Arts 2010c). The GCA is the state agency charged with

providing public support for nonprofit arts organizations throughout the State of Georgia. It does this by providing competitive grants that are funded both through state funds and matching federal grants to arts organizations. Elimination of this budget not only would have meant that Georgia would be the only state in the United States without public funding for the arts, but it also would have eliminated the possibility that nonprofit organizations in Georgia would be able to receive any federal funding for the arts, which requires matching state contributions.

### *Political Benefit of Public Funding for the Arts*

While public funding for the arts is often an early target for budget reductions, the fact remains that such funding accounts for a very small part of governmental budgets. The fiscal year 2011 budget for the State of Georgia is \$17.9 billion dollars, but the funding for the GCA is a little over \$800,000 (Pousner 2010). This is a very small investment on the part of the state when you consider the economic impact that arts organizations have. According to a study sponsored by the arts advocacy group, Americans for the Arts, in Atlanta in 2005, nonprofit arts and culture organizations (NACOs) supported the equivalent of 8,211 full-time jobs paying a total of \$167,167,000 in income, and generated \$14,135,000 in local government revenue and \$12,938,000 in state government revenue (Americans for the Arts 2010a, 2). While there are some questions regarding the methodology of this report, it is clear that arts organizations have a significant impact on the economy of the communities in which they exist.

According to the National Governors Association Center for Best Practices (NGACBP), support for the arts plays an important role in efforts to improve economic

development. According to the NGACBP, a “thriving cultural life generates income, jobs, and tax revenue, and it also creates visibility for a state” (National Governors Association Center for Best Practices 2010, 1). They also report that many cities are using partnerships with arts organizations as ways to revitalize decaying downtown areas, and that a vital arts community can help to improve quality of life issues that attract knowledge-based workers (National Governors Association Center for Best Practices 2010, 3). Among their recommendations are the following:

- Encourage collaboration between business, community, state arts organizations, economic development, tourism, and education departments to create a more integrated approach to public investments,
- Use the arts to continually improve quality of life and creativity of the business environment, and
- Work to eliminate stereotypical views of the arts by highlighting their contributions to state and local economies (National Governors Association Center for Best Practices 2010, 8).

Certainly, public funding is not the only source of support for these NACOs. They generate income by selling tickets and charging entrance fees, and by engaging in fund raising activities. However, the current downturn in the economy has had a significant impact on both of these sources of funding. According to Sue Hoye, “arts groups have been particularly hard hit by the downturn in the economy. Many have seen reductions in private donations, as well as losses in foundation and corporate support” (Hoye 2009a, 9). She also writes that, “Americans for the Arts estimates that 10,000 of the nation’s nonprofit arts and cultural organizations [were] at risk of closing their doors in 2009,”

(Hoye 2009b, 19) and large organizations such as the Metropolitan Museum of Art in New York, The Detroit Institute of the Arts, the Cincinnati Symphony, and the Miami City Ballet faced significant programming and employment cuts (Hoye 2009b, 19). Indeed, two of the organizations that were to be case studies for this research, the Marietta Master Chorale and the Pandora Players, have recently ceased operations.

## **Methodology**

This research paper utilizes a descriptive case study methodology to gather information from a variety of arts organizations to determine their economic impact. The scope of this study will be limited to nonprofit arts organizations in Cobb County, Georgia, because such organizations contribute in significantly positive ways to Cobb County's overall economy. It is my contention that the benefit that local arts organizations provide to Cobb County far outweigh the limited public support they receive, and that this fact justifies the continuation, if not expansion, of the amount of public funding that is currently provided. Cobb County has, at a minimum, fifty-four arts organizations that range from nonprofit groups dedicated to the perpetuation of the arts to for-profit organizations such as music stores and dance studios that provide instruction, employment, and income to the county's residents (see Appendix A for a list of arts organizations in Cobb County). This paper focuses on four such organizations: the Atlanta Ballet, the Cobb Symphony Orchestra, the Georgia Ballet, and the TellTale Theatre Company. The research will deploy the methodology developed by Americans for the Arts to determine the economic impact of arts and cultural organizations.

Determining the economic impact of arts organizations is a complex task. The methodology developed by the Americans for the Arts (AFA) and used in their study *Arts & Economic Prosperity III* (AEP III) is arguably one of the most comprehensive studies of its kind. It is cited in numerous articles that discuss the impact of arts organizations on local economies (see, for example, Blum 2002; Hoye 2009a), and claims to be,

. . . the most comprehensive study of the nonprofit arts and culture industry ever conducted. . . . [Documenting] the economic impact of the nonprofit and arts and culture industry in 156 communities and regions . . . and [representing] all 50 states (Americans for the Arts 2009a, 3).

The methodology utilized in AEP III evaluates the economic impact of arts organizations in two ways. First, it measures the expenditures made by the organization and how these impact four dimensions of economic health: full-time equivalent jobs, resident household income, and local and state governmental revenue (Americans for the Arts 2009a, 5). Second, it measured the amount of audience spending on event-related activities, such as meals and refreshments, gifts and souvenirs, lodging, child-care, transportation, and other expenses (Americans for the Arts 2009a, 10). In the course of its study, the AFA collected expenditure and audience data from 6,080 nonprofit arts organizations, and 94,978 audience members to generalize its results nationally. The study used an input/output method of economic analysis, which, according to Wassily Leontief, is “a method of systematically quantifying the mutual interrelationships among the various sectors of an economic system” (Leontif 1986, 19). An input/output analysis measures the flow of goods and services between all the parts of an economic system over a stated period of time (Leontif 1986, 20). By examining the measures described

above, the AFA created an economic calculator for nonprofit arts organizations that can be used to determine the impact of an individual arts organization (Americans for the Arts 2009, 14). Indeed, the Georgia Council for the Arts has adopted this methodology to provide nonprofit organizations with an economic toolkit to help them survive in this troubled economic climate (Georgia Council for the Arts 2010b).

Some criticisms of the AFA survey do exist. Writing about an earlier version, Arthur Sterngold argues that, just as gross sales data do not provide information about a company's net profits,

. . . so estimates of gross impact do not provide any evidence that government funding of NACOs promotes economic growth, generates positive return on taxpayers' investment, or creates more employment, income, and tax revenues than would exist without that funding (Sterngold 2004, 169).

Sterngold argues that to assess the true economic impact that arts organizations have, the data must take into account spending that "represents [a] true addition to regional demand" as opposed to that which diverts already existing spending in another direction (Sterngold 2004, 171). His contention is that, if its patrons all come from the community in which the arts organization exists, they are likely diverting spending that may have gone to another sector of the economy in that community, and do not represent a new economic impact on the region. True positive economic development, then, only occurs when spending comes from patrons who reside outside the community where the organization exists. My methodology attempts to

answer this criticism by collecting estimates regarding the percentage of these organizations' patrons who reside outside Cobb County.

Executive officers of all the nonprofit arts organizations in Cobb County were sent a survey based on the AFA methodology (see Appendix B) that gathered information about the financial structure of their group. Of the twenty organizations contacted, four responded for a return rate of twenty percent. This survey asked them to provide data about the following:

- Personnel and payroll expenses,
- Payments to local artists (if any),
- Overhead expenses,
- Facility expenses,
- Capital expenditures,
- Sources of revenue,
- In-kind donations,
- Number of staff employed, and
- Attendance information.

The results of the survey were entered into the calculator provided by the AFA which uses four measures to determine this impact: The number of full-time equivalent jobs created by the organization's expenditures; the amount of resident household income, or the total salaries, wages, and "entrepreneurial income" paid by the organization to local residents; and revenue paid to state and local governments in the form of income, property, and sales tax, as well as other funds such as licensing fees, utilities, etc. It also determines the audience impact that the organization generates.

My analysis of these data will describe two things: first, the economic impact that these arts organizations have on Cobb County. This analysis differentiates between gross economic impact and new audience impact by comparing the results of the calculation when using gross spending with spending generated by audience members from outside Cobb County. Second, I discuss the impact of public funding on these organizations. Data regarding funding provided to these organizations by the State of Georgia were examined to determine the cost/benefit of such public support.

## **Findings**

### *The Atlanta Ballet*

The Atlanta Ballet (AB) was originally founded in the 1930s as the Dorothy Alexander Dance Concert Group. In 1943, it changed its name to the Atlanta Civic Ballet, and remained under that name as a non-professional regional dance company until 1967 when it gained professional status and was renamed the Atlanta Ballet. As both the Atlanta Civic Ballet and the Atlanta Ballet, the company has performed throughout the United States and in various international venues, and was named the State Ballet Company of Georgia by then Governor Jimmy Carter in 1973. In 1996, the Ballet opened the Atlanta Ballet Centre for Dance Education, which is a fully accredited dance school with three satellite campuses, one in midtown Atlanta, the second in the Buckhead neighborhood of Atlanta and the third in Cobb County. Originally residing in downtown Atlanta, the AB relocated to the Cobb Energy Performing Arts Center in Marietta in

2008. In 2009, the AB also formed a partnership with the Program in Dance at Kennesaw State University (Atlanta Ballet 2010).

The AB has 55 full-time paid staff, 44 part-time staff, and a seasonal staff of 52 dancers (Whitacre 2010). Total expenditures for the 2009-10 fiscal year (FY) were \$13,133,417, which includes its payroll and related expenses, all overhead and programmatic expenses, facility expenses, utilities, and capital expenses (see Table 1 for a breakdown of the total expenditure).

*Table 1 – Expenditures for the Atlanta Ballet*

A. Total organizational payroll	\$3,417,985
B. Total payroll taxes and fringe benefits	\$603,802
C. Total payments to <b>local</b> artists not on regular payroll (e.g., performers, artist commissions, etc.)	\$45,347
D. Total payments to <b>non-local</b> artists not on regular payroll (e.g., performers, artist commissions, etc.)	\$129,180
E. Total overhead & programmatic expenses	\$3,268,570
F. Total facility expenses (e.g., rent, mortgage, etc.)	\$527,088
G. Total property taxes paid	\$0.00
H. Total utilities paid	\$117,592
I. Total capital expenditures (e.g., equipment costs, real estate, construction, etc.)	\$5,023,853
<b>Total FY 2009-10 Expenditures</b>	<b>\$13,133,417</b>

In FY 2009-10, the AB mounted 45 productions with its primary company and an additional 6 through the Centre for Dance Education. A total of 66,425 people attended these productions, and approximately 80 percent of these individuals were not residents of Cobb County (Whitacre 2010). According to the methodology developed by the AFA, the AB provided 396.6 full-time equivalent (FTE) jobs, \$517,982 in local government revenue and \$598,096 in state government revenue (see Appendix C). Because 80 percent of patrons of the AB came from outside Cobb County, a vast majority of the revenue generated represents new spending in the county. This is likely because the AB only very recently relocated to Cobb County, so the majority of its audience-base comes from the City of Atlanta, which is located in Fulton County. Gross spending by audience members for AB productions totaled \$1,977,472, which accounted for an additional 52.8 FTE jobs with a total income of \$863,859, and \$101,385 in local government, and \$106,507 in state government revenue. Combining all these figures gives a clearer picture of the economic impact of the AB in Cobb County. In total, the AB provided 449.4 FTE with a total income of \$10,304,290, and \$619,367 in local government revenue and \$704,603 in state government revenue. Given an 80 percent non-resident attendance, the new spending accounted for 438.9 FTE jobs providing \$10,131,518 in household income, \$599,090 in local government, and \$683,301 in state government revenue.

The FY 2009-10 revenue for the AB totaled \$11,023,176, which resulted in an operating deficit of \$2,110,241. As shown in Table 2, a vast majority of this revenue came from non-governmental sources.

*Table 2 – Revenues for the Atlanta Ballet*

A. Earned revenue (e.g., admission, fees for services, etc.)	\$4,157,206
B. Corporate support	\$9,750
C. Foundation support	\$187,370
D. Individual donations	\$504,794
E. Local government support	\$2,500
F. State government support	\$65,906
G. Federal government support	\$70,000
H. Other revenues not included above	\$136,292
I. Other contributed revenue	\$5,889,358
<b>J. Total FY 2009-10 Revenue</b>	<b>\$11,023,176</b>

Indeed, all governmental support for the AB provided approximately 0.01 percent of the total revenue of the organization, with local and state revenue only accounting for 0.01 percent. In total, while the state and local government contributed less than \$70,000 in support, the AB generated over \$1 million in state and local government revenue alone.

There are other important impacts that the AB has on the economy of Cobb County. Arts organizations such as this also play a crucial role in supporting local and non-local artists by hiring performers, teachers, and through activities such as the commissioning of work to be presented by the organization. The AB paid \$45,347 to local artists for such work, which presumably could be used by those individuals to pay their own rent, utilities, taxes and other things. With the decrease in federal and state

funding for the arts, this is also an alternative way that artists can find support for their work.

### *Cobb Symphony Orchestra*

The Cobb Symphony Orchestra (CSO) was founded in 1951 as part of the Marietta Music Club and was originally called the Marietta Concert Orchestra. From these rather humble beginnings, it evolved into the Marietta Symphony before becoming the Cobb Symphony Orchestra. The CSO is now an umbrella arts organization that has expanded far beyond the original orchestra-only format. The orchestra itself is a one-hundred-and-nine person ensemble that is made up of a mix of paid professional musicians as well as unpaid professionals, community musicians, and local college students. In addition to the orchestra, the CSO also founded the Cobb Symphony Orchestra Chorus in 2007. This one hundred-plus member ensemble is an all-volunteer chorus that serves as the principal chorus for the orchestra as well as performs choral work on its own. The CSO also runs CSO Jazz, a big band made up of local professionals as well as student musicians, and the Georgia Youth Symphony and Chorus Program, the largest youth orchestra program in the Southeastern United States. The CSO also operates the Georgia Center for the Arts, which since 2008 has offered private and group music instruction to area school children. The CSO's main performance venue and administrative facility is in the Murray Performing Arts Center, which is affiliated with the Mt. Paran Christian School in Kennesaw, Georgia (Cobb Symphony Orchestra 2010).

The CSO is a significantly smaller organization, both in terms of budget and staffing, than the Atlanta Ballet. The CSO operates with three full-time and ten part-time

staff members. It also contracts out work to three additional staff members (Stensland 2010). The total operating budget of the CSO during FY 2009-10 was \$906,720 (see Table 3).

*Table 3 – Expenditures for the Cobb Symphony Orchestra*

A. Total organizational payroll	\$193,288
B. Total payroll taxes and fringe benefits	\$5,164
C. Total payments to <b>local</b> artists not on regular payroll (e.g., performers, artist commissions, etc.)	\$168,865
D. Total payments to <b>non-local</b> artists not on regular payroll (e.g., performers, artist commissions, etc.)	\$5,466
E. Total overhead & programmatic expenses	\$516,117
F. Total facility expenses (e.g., rent, mortgage, etc.)	\$17,820
G. Total property taxes paid	NA
H. Total utilities paid	NA
I. Total capital expenditures (e.g., equipment costs, real estate, construction, etc.)	NA
<b>J. Total FY 2009-10 Expenditures</b>	<b>\$906,720</b>

The CSO mounted thirty-four performances in the 2009-10 fiscal year and drew in 21,000 people. The audience-base for the CSO is primarily from Cobb County, with only an estimated 20 percent coming from other locations. The total expenditures of the CSO helped to support 27.4 FTE jobs within the county, representing a total income of \$651,759. The CSO also generated \$35,761 in local government and \$41,292 in state government revenue. Spending by its audience members totaled \$625,170, which accounted for an additional 16.7 FTE jobs representing an income of \$273,106, and \$32,052 in local and \$33,672 in state government revenue. In total, the CSO's economic impact was 44.1 FTE jobs with \$924,865 in household income, and \$67,813 in local government and \$74,964 in state government revenue. New spending accounted for a significantly smaller impact because only 20 percent of its audience came from outside the county borders. When considering only new spending, then, the CSO created 30.7 FTE jobs, and generated \$706,380 in household income, \$42,171 in local government revenue, and \$48,026 in state government revenue.

The FY 2009-10 revenues for the CSO totaled \$431,492 (see Table 4), which left them with an operating deficit of \$475,228. Unlike the Atlanta Ballet, the CSO does not receive any governmental support for its activities. This is despite the fact that it contributes a significant number of jobs, and \$1,067,642 to the state and local economy.

*Table 4 – Revenues for the Cobb Symphony Orchestra*

A. Earned revenue (e.g., admission, fees for services, etc.):	\$294,907
B. Corporate support:	\$17,150
C. Foundation support:	\$65,200
D. Individual donations:	\$50,584
E. Local government support:	\$0.00
F. State government support	\$0.00
G. Federal government support:	\$0.00
H. Other revenues not included above:	\$3,651
I. Other contributed revenue	\$0.00
<b>J. Total FY 2009-10 Revenue</b>	<b>\$431,492</b>

As with the Atlanta Ballet, the CSO also plays an important role in financially supporting the arts and artists in Cobb County. It paid out \$174,331 to local and non-local artists, which represents nearly 20 percent of its overall expenditures. Of this amount, \$168,865 was paid to local artists, representing less than 19 percent of its total budget.

*The Georgia Ballet*

The Georgia Ballet (GB) was founded in 1960 as both a professional ballet theatre and school for aspiring dancers (Ziemann-DeVos 2010). The performing arm of GB consists of twenty-four professional dancers who, beside performances in their home in Marietta, Georgia, also perform throughout the state as well as the nation. The GB also

operates the Georgia Ballet School, which is dedicated to providing high-level instruction in ballet and other dance styles to more than 350 students who range from young children to adults. The GB has an active outreach program that presents performances for children at the Cobb County Civic Center, conducts on-site demonstrations in area schools, and provides basic dance training to underprivileged children through its *Momentum* program (Georgia Ballet 2010). In addition to performing at the Cobb County Civic Center, the GB has a home facility in Marietta, Georgia.

With a smaller budget than both the Atlanta Ballet and the Cobb Symphony Orchestra, the GB has four full-time paid staff and nineteen part-time staff. It mounted thirty-one performances in 2009-10, which drew in 19,200 audience members. Expenditures for the GB for FY 2009-10 totaled \$841,660 (see Table 5), which is less than both the Atlanta Ballet and the Cobb Symphony Orchestra.

Table 5 – Expenditures for the Georgia Ballet

A. Total organizational payroll:	\$332,081
B. Total payroll taxes and fringe benefits:	\$35,874
C. Total payments to <b>local</b> artists not on regular payroll (e.g., performers, artist commissions, etc.)	\$101,527
D. Total payments to <b>non-local</b> artists not on regular payroll (e.g., performers, artist commissions, etc.)	\$10,000
E. Total overhead & programmatic expenses	\$258,675
F. Total facility expenses (e.g., rent, mortgage, etc.)	\$87,697
G. Total property taxes paid:	\$0.00
H. Total utilities paid:	\$15,806
I. Total capital expenditures (e.g., equipment costs, real estate, construction, etc.):	\$0.00
<b>J. Total FY 2009-10 Expenditures</b>	<b>\$841,660</b>

According to the AFA Economic Impact Calculator, the GB created 25.4 FTE positions, which accounted for \$604,994 in household income. It also generated \$33,195 in local government revenue and \$38,329 in state government revenue. Spending by GB audience members totaled \$571,584, which created an additional 15.3 FTE jobs with a total household income of \$249,696. Audience spending also accounted for an additional \$29,305 in local government and \$30,786 in state government revenue. The total economic impact of the GB, then, was 40.7 FTE jobs providing \$854,690 in household income, and \$62,500 in local government revenue and \$69,115 in state government

revenue. Its audience base for 2009-10 was made up of approximately 50 percent non-Cobb County residents, so again the percentage of new spending in the county is quite significant. The economic impact of new spending for the GB accounted for 33 FTE jobs producing \$729,842 in household income, \$47,848 in local government revenue, and \$53,722 in state government revenue. Despite the fact that it has a smaller budget than both the Atlanta Ballet and Cobb Symphony Orchestra, the GB devoted a significant portion of its expenditures to supporting artists both in and outside of Cobb County; a total of \$111,527, representing 13.25 percent of the budget, with \$101,527 (12.06 percent) of that going to support artists here in Cobb County.

The GB, like the other organizations studied, received a very small percentage of its total revenue from governmental sources (see Table 6). Indeed, only \$9,521 of its \$752,476 revenue (or 0.01 percent) came from state or local government in FY 2009-10. Despite this small amount of government support, the GB generated nearly \$80,000 in state and local governmental revenue, and its audience members generated an additional \$60,000 for the county. This figure could be debated, however, because the GB draws a majority of its audience (65 percent) from children who are under 18 years of age. It is likely that, since this is the case, the GB audience does not have as large an economic impact because they are not directly contributing to the economy, but rather it is their parents and guardians who are doing so. The GB is also the only arts organization studied that ended the fiscal year with a budget surplus.

*Table 6 – Revenues for the Georgia Ballet*

A. Earned revenue (e.g., admission, fees for services, etc.)	\$537,977
B. Corporate support	\$15,013
C. Foundation support	\$132,000
D. Individual donations	\$28,562
E. Local government support	\$0.00
F. State government support	\$9,521
G. Federal government support	\$0.00
H. Other revenues not included above	\$29,403
I. Other contributed revenue	\$0.00
<b>J. Total FY 2009-10 Revenue</b>	<b>\$752,476</b>

*The TellTale Theatre*

The TellTale Theatre (TTT) is an educational theatre program that operates in Marietta, Georgia. Founded fifteen years ago, its mission is “to promote imagination education through original professional plays and innovative acting workshops” (TellTale Theatre, 2010). The TTT works with local organizations, such as the Clean Air Campaign, Jimmy Carter’s Atlanta Project, and the Scottish Rite Children’s Medical Center, to develop original works that deal with topical issues, such as drug prevention, environmental issues, and character development. While its performing company consists of adult professional actors, the TTT also runs a summer camp program and workshops to develop young actors. In addition to the TellTale Theatre, TTT also runs an improvisational comedy company called *Off The Cobb* that performs at local and regional

theaters and comedy clubs, and also at corporate and other special events (TellTale Theatre, 2010).

As the smallest of the four nonprofit arts organizations studied, the TTT only has one full-time and one part-time paid staff member (Schmedes 2010). Its total expenditures for FY 2009-10 were \$104,300 (see Table 7), however, it still invested 18.2 percent of its overall budget (\$19,000) in payments to local artists.

*Table 7 – Expenditures for the TellTale Theatre*

A. Total organizational payroll	\$55,000
B. Total payroll taxes and fringe benefits	\$12,200
C. Total payments to <b>local</b> artists not on regular payroll (e.g., performers, artist commissions, etc.)	\$19,000
D. Total payments to <b>non-local</b> artists not on regular payroll (e.g., performers, artist commissions, etc.)	\$0.00
E. Total overhead & programmatic expenses	\$13,000
F. Total facility expenses (e.g., rent, mortgage, etc.)	\$4,100
G. Total property taxes paid	\$0.00
H. Total utilities paid	\$1,000
I. Total capital expenditures (e.g., equipment costs, real estate, construction, etc.)	\$0.00
<b>J. Total FY 2009-10 Expenditures</b>	<b>\$104,300</b>

The TTT mounted one-hundred and twenty-two performances for 22,000 audience members. Because it primarily does educational theatre, the TTT audience is largely drawn from individuals who are eighteen years old or younger; indeed, it reports that 95 percent of their audience comes from this age group. As such, it is questionable whether the economic impact of its audience can be accurately assessed using the AFA methodology. Its audience members are certainly not eating out at local restaurants before seeing a play, conducting business with local vendors, or participating in any of the other economic activities that the AFA methodology covers. In view of this fact, I will not include the audience data in my discussion of its economic impact. Looking at just the expenditures of the TTT itself, however, even this small organization contributes 3.1 FTE to Cobb County accounting for \$74,972 in household income; \$4,114 in local government revenue, and \$4,750 in state government revenue.

The total 2009-10 FY revenue for the TTT was \$92,100 (see Table 8), and, like the other nonprofits in this study, came largely from nongovernmental sources. Also like the other four organizations studied, this revenue left the TTT with an operating deficit. Only 16.7 percent of its overall revenue comes from state or local government, with local sources providing the largest portion of this support (15.6 percent). Because of the youth of its audience, the TTT provides the least amount of financial benefit for the investment made by state and local government sources. Like the other nonprofits studied, the TTT dedicates a significant portion of its budget to supporting local artists. In this case, the TTT devotes \$19,000, or just over 18 percent of its total budget to such support.

*Table 8 – Revenues for the TellTale Theatre*

A. Earned revenue (e.g., admission, fees for services, etc.)	\$62,000
B. Corporate support	\$7,000
C. Foundation support	\$2,500
D. Individual donations	\$3,100
E. Local government support	\$14,400
F. State government support	\$1,000
G. Federal government support	\$0.00
H. Other revenues not included above	\$2,100
I. Other contributed revenue	\$0.00
<b>J. Total FY 2009-10 Revenue</b>	<b>\$92,100</b>

*Discussion*

While the sample of four nonprofit arts organizations is too small to make generalizations about the economic impact of the arts as a whole in Cobb County, some useful conclusions can be drawn. When not considering the new audience spending received by these four nonprofits, the total spending they generated in 2009-10 was \$18,160,323, producing 537.3 FTE jobs accounting for \$12,158,817 in household income (see Table 9). This also resulted in \$753,794 in local government and \$853,432 in state government revenue. The total state and local government support for these organizations was only \$93,327 with \$16,900 coming from local government sources. Therefore, for every dollar invested by state and local government, these arts organizations returned \$130.28 in household income for their employees, \$8.08 in local government revenue,

and \$9.14 in state government revenue. When considering only local government revenue, the return increases dramatically. For every dollar invested by local government, these organizations returned \$719.46 in household income, \$44.60 in local government, and \$50.50 in state government revenue. This represents a significant return on the investment made by state and local governments.

*Table 9 – Total Economic Impact of Organizations Studied (gross spending)*

<b>Organization</b>	<b>Total Expenditures</b>	<b>FTE Jobs</b>	<b>Household Income</b>	<b>Local Government Revenue</b>	<b>State Government Revenue</b>
Atlanta Ballet	\$15,110,889	449.4	\$10,304,290	\$619,367	\$704,603
Cobb Symphony Orchestra	\$1,531,890	44.1	\$924,865	\$67,813	\$74,964
Georgia Ballet	\$1,413,244	40.7	\$854,690	\$62,500	\$69,115
TellTale Theatre	\$104,300	3.1	\$74,972	\$4,114	\$4,750
<b>Total Impact</b>	<b>\$18,160,323</b>	<b>537.3</b>	<b>\$12,158,817</b>	<b>\$753,794</b>	<b>\$853,432</b>

Note: Information for TellTale Theatre does not include audience spending as a majority of their audience is under eighteen years of age, and therefore does not have the same economic impact as audiences of the other nonprofit organizations studied.

In 2009-10, new audience spending for these organizations accounted for \$16,978,901 in expenses, which produced 505.7 FTE jobs generating \$11,642,712 in household income (see Table 10). The local government revenue generated was \$693,223, and \$789,799 in state government revenue. For every dollar of state and local government investment, then, these organizations returned \$124.75 in household income, \$7.43 in local government revenue, and \$8.46 in state government revenue. When

looking at local government support only, the return in household income was \$688.92 for every dollar invested, \$41.02 in local government revenue, and \$46.73 in state government revenue.

*Table 10 – Total Economic Impact of Organizations Studied (new audience spending)*

<b>Organization</b>	<b>Spending by Audience</b>	<b>FTE Jobs</b>	<b>Household Income</b>	<b>Local Government Revenue</b>	<b>State Government Revenue</b>
Atlanta Ballet	\$14,715,395	438.9	\$10,131,518	\$599,090	\$683,301
Cobb Symphony Orchestra	\$1,031,754	30.7	\$706,380	\$42,171	\$48,026
Georgia Ballet	\$1,127,452	33	\$729,842	\$47,848	\$53,722
TellTale Theatre	\$104,300	3.1	\$74,972	\$4,114	\$4,750
<b>Total Impact</b>	<b>\$16,978,901</b>	<b>505.7</b>	<b>\$11,642,712</b>	<b>\$693,223</b>	<b>\$789,799</b>

Note: Information for TellTale Theatre does not include audience spending as a majority of their audience is under eighteen years of age, and therefore does not have the same economic impact as audiences of the other nonprofit organizations studied.

## **Recommendations**

We return eventually to the question posed in the introduction to this paper: Why should government support the arts when people are willing to pay for them? And moreover, if it should, what can public administrators do to support the arts? I believe that the answer to the first question lies in the economic impact of these organizations. In troubled budget times, it should be incumbent upon public administrators to support those activities that generate significant economic benefits. The four organizations included in this study accounted for real job creation, positive economic impact on the communities

in which they operate, and significant revenue for state and local government. They also contributed to the quality of life of Cobb County, which can help to attract new employers and the kind of knowledge-based workers that are necessary to be competitive in the new economy. The issue brief entitled *The Role of the Arts in Economic Development* produced by the National Governors Association Center for Best Practices states that, a “thriving cultural life generates income, jobs, and tax revenue, and it also creates visibility for a state” (National Governors Association 2001, 1). And as Susan Weiner, Executive Director of the Georgia Council for the Arts writes:

A city’s economic strength can’t be measured by its for-profit commercial and industrial businesses alone. Just as the presence of nonprofit medical and educational facilities broaden a city’s business core and revenues, so do nonprofit organizations (Weiner 2010).

It is also important to note that these organizations do not just support their own activities, but make a significant contribution to the arts community around them as well. All told, these four organizations returned a total of \$334,739 to local, and \$144,646 to non-local artists and performers. In a time when support for the arts is dwindling rapidly, organizations such as these can be important sources of funding for their local arts community. In terms of efficiency, then, investment in the arts by government is important because of the significant economic impact these organizations have.

The second question, then, becomes one of what can public administrators do to support and encourage the arts in Cobb County. Again, the guidelines presented by the National Governors Association (NGA) provide a framework that is useful. First, public administrators should become knowledgeable about the arts and arts organizations so that

they can articulate what such organizations contribute to the communities they serve. When faced with difficult budget choices, I believe that it is also important not to automatically turn to the arts as low-hanging fruit; that is, easy cuts that can be made because the public perception is that these organizations can support themselves in a market economy. The fact that three out of the four organizations studied operated at a significant deficit demonstrates that, despite the quality of the product they produce and the popularity they have (over 128,000 people attended performance mounted by these organizations in the 2009-10 fiscal year), it may not be possible for them to compete in the economic marketplace. Since they contribute so significantly to the economy of Cobb County, they are worthy of government support.

The final recommendation that the NGA makes is to “stay informed of innovation concerning the arts on the local level” (National Governors Association 2001, 1). One such kind of innovation comes from the legislative realm. In 2009, Representative John Wiles of Marietta sponsored House Bill 335, a provision of which would have allowed the implementation of partial levies in Special Local Option Sales Tax (SPLOST) programs (Georgia General Assembly, 2009). Specifically, this bill would have allowed counties to levy a tax of “up to 1 percent in increments of one-tenth of 1 percent,” and designate the income generated to, among others, “qualified local cultural organizations” such as “museums, visual and performing arts centers and . . . organizations, zoos, aquariums, botanical gardens, and natural history organizations” (Georgia General Assembly, 2009). Although this bill was passed by the house in a vote of 164-1, it was blocked in Conference Committee (Hanthorn 2010). A coalition of organizations, including the Atlanta Opera and the members of United Arts of Cobb are preparing a

revised version of this bill to be submitted in the 2010-11 legislative session (Hanthorn 2010). Such an innovative approach could have account for a significant increase in public funding for the arts in Cobb County, and is something about which public administrators should be informed. The possibility also exists for partnerships between non-arts related nonprofits and arts nonprofits to further the mission and impact of both. The TellTale Theatre already engages in such partnerships, producing educational theatre programs for other nonprofits, but other partnerships may exist that would be of mutual benefit to nonprofit administrators throughout the county and region.

## **Conclusion**

The literature suggests that the role of public funding for the arts continues to decline. Various factors contribute to this, including the changing view of the role of both federal and state government, value clashes, and the increased demands on government coupled with decreased revenues. Despite this fact, there are political benefits to such funding. Vibrant arts organizations make significant contributions to the economies of the communities in which they exist, and have a positive impact on the quality of life that can be attractive to employers and employees. The data suggest that this is certainly the case with the nonprofit arts organizations examined. They contributed significantly to job creation, household income, and state and local government revenue, all with little public investment. Consider the impact that they could have if this investment were increased.

The purpose of this paper has been to examine the economic impact of arts organizations in Cobb County, Georgia. While generalizations about this impact cannot be made based on the scope of this study, it is clear that the organizations included did

indeed have a positive economic impact. Further research is called for, particularly because the respondents to this survey did not include any exhibiting organizations, such as art museums and galleries. However, it is important that public administrators familiarize themselves with the arts organizations in Cobb County because of the significant positive impact they have on the economy, urban revitalization, and the quality of life.

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## **Appendices**

### *Appendix A – Arts Organizations in Cobb County*

#### Non-Profit Arts Organizations

1. The Art Place – Mountain View, Marietta, Georgia
2. The Art Station – Big Shanty, Kennesaw, Georgia
3. The Atlanta Ballet, Marietta, Georgia
4. The Atlanta Lyric Theatre, Marietta, Georgia
5. The Atlanta Opera, Marietta, Georgia
6. CenterStage North, Marietta, Georgia
7. Children’s Theatre Marietta, Marietta, Georgia
8. Cobb Children’s Theatre, Marietta, Georgia
9. Cobb Symphony Orchestra, Kennesaw, Georgia
10. Cobb Wind Symphony, Marietta, Georgia
11. The Georgia Ballet, Marietta, Georgia
12. Mable House Arts Center, Mableton, Georgia
13. Marietta/Cobb Museum of the Arts, Marietta, Georgia
14. OperaSouth, Marietta, Georgia
15. Pandean Players, Marietta, Georgia (now bankrupt)
16. The Ruth Mitchell Dance Theatre, Marietta Georgia
17. The Strand Theatre, Marietta, Georgia
18. Symphony on the Square
19. Tell Tale Theatre, Marietta, Georgia
20. Theatre in the Square, Marietta, Georgia

For Profit and Other Arts Organizations in Cobb County

1. Jennie T. Anderson Theatre, Cobb Civic Center, Marietta, Georgia
2. Atlanta Dance for Two, Kennesaw, Georgia
3. Authentic Dance Studio, Marietta, Georgia
4. Atlanta Pro Percussion, Smyrna, Georgia
5. Atlanta Vintage Guitars, Smyrna, Georgia
6. Bravo Dance Center, Acworth, Georgia
7. CK Dance Works, Inc., Acworth, Georgia
8. Classic Winds, Strings & Percussion, Marietta, Georgia
9. Cobb Dance Academy, Kennesaw, Georgia
10. Cobb Energy Performing Arts Center, Marietta, Georgia
11. Dan & Company Dance Studio, Dunwoody, Georgia
12. The Dance Factory, Inc, Austell, Georgia
13. Dance Stop Studios, Marietta, Georgia
14. The Dancer's Studio, Kennesaw, Georgia
15. Daystar Dance Academy, Kennesaw, Georgia
16. Dirt Cheap Music, Smyrna, Georgia
17. Georgia Dance Conservatory, Marietta Georgia
18. Joanne Gossman Studio, Acworth, Georgia
19. Guitar Center, Marietta, Georgia
20. Impact Dance of Atlanta, Kennesaw, Georgia
21. Jennings Music, Marietta, Georgia
22. Kalaivani Dance & Music Academy, Marietta, Smyrna, and Alpharetta, Georgia

23. Kennesaw Square Dealers Dance Club, Kennesaw, Georgia
24. Lisa's Dance Spot, Austell, Georgia
25. Shane McDonald Studio, Marietta, Georgia
26. Music Rx, Marietta, Georgia
27. Prima Ballet Schools & Co., Marietta, Georgia
28. Prodigy Performing Arts, Kennesaw, Georgia
29. Rhythm Dance Center, Marietta, Georgia
30. Ken Stanton Music, Marietta, Georgia
31. Southeaster Tap Explosion, Marietta, Georgia
32. Teaching Little Children, Marietta, Georgia
33. To The Pointe Creative Dance, Marietta Georgia
34. Whipkey's Music, Marietta, Georgia

CONSENT FORM

I agree to participate in the research project entitled Economic Impact of Arts Organizations in Cobb County, which is being conducted by Samuel G. Robinson, Kennesaw State University, 1100 Chastain Rd., Kennesaw, GA 30144, 678.447.4418. I understand that this participation is voluntary; I can withdraw my consent at any time without penalty.

The following points have been explained to me:

1. The reason for the research is to determine the economic impact of nonprofit arts organizations in Cobb County, GA and there are no direct benefits that I may expect from this research.
2. The procedures are as follows: A survey based on the methodology used by Americans for the Arts in their study *Arts and Economic Prosperity III* will be sent to executives of nonprofit arts organizations in Cobb County, GA. This survey will collect data about the following: Personnel and payroll expenses; Payments to local artists (if any); Overhead expenses; Facility expenses; Capital expenditures; Sources of revenue; In-kind donations; Number of staff employed; Attendance information. This data will be analyzed using the rubric developed by Americans for the Arts to determine the economic impact these organizations have in Cobb County.
3. The discomforts or stresses that may be faced during this research are: None
4. Participation entails the following risks: There are no risks to participants in this study.
5. The results of this participation will be confidential and will not be released in any individually identifiable form without the prior consent of the participant unless required by law. Data will be stored on a protected hard-drive in secure Excel files. No data will be attributed to any individual connected with the organization.
6. Inclusion criteria for participation: The survey will be sent to the executive officers of nonprofit (501c3) organizations in Cobb County, GA. These organizations are: The Art Place – Mountain View, Marietta, GA; The Art Station – Big Shanty, Kennesaw, GA; The Atlanta Ballet, Marietta, GA; The Atlanta Lyric Theatre, Marietta, GA; The Atlanta Opera, Marietta, GA; CenterStage North, Marietta, GA; Children’s Theatre Marietta, Marietta, GA; Cobb Children’s Theatre, Marietta, GA; Cobb Symphony Orchestra, Kennesaw, GA; Cobb Wind Symphony, Marietta, GA; The Georgia Ballet, Marietta, GA; Mable House Arts Center, Mableton, GA; Marietta/Cobb Museum of the Arts, Marietta, GA; OperaSouth, Marietta, GA; Pandean Players, Marietta, GA; The Ruth Mitchell Dance Theatre, Marietta GA; The Strand Theatre, Marietta, GA; Symphony on the Square, Marietta, GA; Tell Tale Theatre, Marietta, GA; Theatre in the Square, Marietta, GA

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Signature of Investigator, Date

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Signature of Participant or authorized representative, Date

### **Financial Impact of Arts Organizations in Cobb County**

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Organization: \_\_\_\_\_

This survey is based on methodology used by the Americans for the Arts in their study, **Arts and Economic Prosperity III**. Provide information about your organization's **most recent completed fiscal year** budget in the following areas. If you do not have expenditures/income in a specific category, please indicate by entering NA:

- A. Personnel and payroll expenses
- B. Payments to local artists (if any)
- C. Overhead expenses
- D. Facility expenses
- E. Capital expenditures
- F. Sources of revenue
- G. Number of staff employed
- H. Attendance information

If exact figures are not available, please use your best estimates, and round to the nearest whole number.

Fiscal Year for which this information is provided: \_\_\_\_\_

## I. Expenditures

### Personnel & Payroll Expenses

- A. Number of full-time paid staff: \_\_\_\_\_
- B. Number of part-time paid staff: \_\_\_\_\_
- C. Other staff not included above: \_\_\_\_\_
- D. Total organizational payroll: \_\_\_\_\_
- E. Total payroll taxes and fringe benefits: \_\_\_\_\_
- F. Total payments to **local** artists not on regular payroll (e.g., performers, commissions, etc.): \_\_\_\_\_
- G. Total payments to **non-local** artists not on regular payroll (e.g., performers, commissions, etc.): \_\_\_\_\_

### Other Expenditures

- A. Total overhead & programmatic expenses: \_\_\_\_\_
- B. Total facility expenses (e.g., rent, mortgage, etc.): \_\_\_\_\_
- C. Total property taxes paid: \_\_\_\_\_
- D. Total utilities paid: \_\_\_\_\_
- E. Total capital expenditures (e.g., equipment costs, real estate, construction, etc.): \_\_\_\_\_

## II. Revenues

- A. Earned revenue (e.g., admissions, fees for services, etc.): \_\_\_\_\_
- B. Corporate support: \_\_\_\_\_
- C. Foundation support: \_\_\_\_\_
- D. Individual donations: \_\_\_\_\_
- E. Local government support: \_\_\_\_\_
- F. State government support: \_\_\_\_\_
- G. Federal government support: \_\_\_\_\_
- H. Other revenues not included above: \_\_\_\_\_

### III. Audience Information

- A. Number of performances /exhibitions/arts events presented by your organization during the fiscal year described in this survey: \_\_\_\_\_
- B. Total attendance at the events described in question III-A above: \_\_\_\_\_
- C. Estimated percentage of total attendance who were children below 18 years of age: \_\_\_\_\_
- D. Estimated percentage of total attendance who were **NOT** residents of Cobb County: \_\_\_\_\_

**Thank Your for Your Participation**

Appendix C – Example Results of the Economic Impact Calculator Provided by Americans for the Arts

Total Spending - Atlanta Ballet<sup>1</sup>

Untitled Document

http://www.americansforthearts.org/information\_services/research/services/economic\_imp...

**Arts & Economic Prosperity Calculator**  
The Economic Impact of Nonprofit Arts and Culture Organizations and Their Audiences

**Information**

**STEP 1: POPULATION**  
POPULATION of your community: 500,000 to 999,999

**STEP 2: TOTAL EXPENSES** (optional)  
Your Organization's TOTAL EXPENSES (please do not use commas): \$ 13133417

**STEP 3: TOTAL ATTENDANCE** (optional)  
TOTAL ATTENDANCE to your organization's arts events (again, do not use commas): 66425

calculate reset

**Total Economic Impact Of:**

	Total Expenditures	FTE Jobs	Household Income	Local Government Revenue	State Government Revenue
Nonprofit Arts and Culture Organizations:	\$13,133,417	396.6	\$9,440,431	\$517,982	\$598,096
Nonprofit Arts and Culture Audiences:	\$1,977,472	52.8	\$863,859	\$101,385	\$106,507
<b>Total Industry Impact:</b> (The Sum of Organizations and Audiences)	<b>\$15,110,889</b>	<b>449.4</b>	<b>\$10,304,290</b>	<b>\$619,367</b>	<b>\$704,603</b>

Print Your Results  
Please see the [fine print](#) below.

**Definitions**

**Total Expenditures:** The total dollars spent by your nonprofit arts and culture organization and its audiences; event-related spending by arts and culture audiences is estimated using the average dollars spent per person by arts event attendees in similarly populated communities.  
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<sup>1</sup> Population figures used in these calculations are from the U.S. Census Bureau State and County Quick Facts (U.S. Census Bureau, 2009a)

# New Spending – Atlanta Ballet

Untitled Document

http://www.americansforthearts.org/information\_services/research/services/economic\_imp...



### Information

**STEP 1: POPULATION**

POPULATION of your community: 500,000 to 999,999

**STEP 2: TOTAL EXPENSES** (optional)

Your Organization's TOTAL EXPENSES (please do not use commas): \$ 13133417

**STEP 3: TOTAL ATTENDANCE** (optional)

TOTAL ATTENDANCE to your organization's arts events (again, do not use commas): 53140

**Total Economic Impact Of:**

	Total Expenditures	FTE Jobs	Household Income	Local Government Revenue	State Government Revenue
Nonprofit Arts and Culture Organizations:	\$13,133,417	396.6	\$9,440,431	\$517,982	\$598,096
Nonprofit Arts and Culture Audiences:	\$1,581,978	42.2	\$691,087	\$81,108	\$85,205
<b>Total Industry Impact:</b> <small>(The Sum of Organizations and Audiences)</small>	<b>\$14,715,395</b>	<b>438.9</b>	<b>\$10,131,518</b>	<b>\$599,090</b>	<b>\$683,301</b>

Please see the [fine print](#) below.

### Definitions

**Total Expenditures:**

The total dollars spent by your nonprofit arts and culture organization and its audiences; event-related spending by arts and culture audiences is estimated using the average dollars spent per person by arts event attendees in similarly populated communities.

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