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GRANT MAKERS SPUR CREATION OF STATEWIDE NONPROFIT DATABASE

By Darlene M. Siska

As a busy nonprofit leader, Bruce Katsiff didn't want to spend hours pouring his group's financial data into a Web site, but he is happy he did. Mr. Katsiff says his organization, the James A. Michener Art Museum, in Doylestown, Pa., now has $40,000 more toward its capital campaign because he made the effort.

Back in 2004, Mr. Katsiff was told by the Pennsylvania Council on the Arts that he would have to enter financial and organizational information about the museum online at the Pennsylvania Cultural Data Project — or else his group wouldn't be eligible for continued support.

The online project was developed by a group of seven grant-making organizations and art associations in Pennsylvania. The goal was to allow arts groups to apply in a streamlined — nearly one-click — process for grants from the private and government organizations that sponsor the project, and to compile reliable data on Pennsylvania arts groups.

Mr. Katsiff describes the initial process of entering information as "arduous."
"At first we didn't understand the value of the project, and there was resistance from an accounting standpoint," he says. Completing the online entries the first time required about 60 hours of staff effort over approximately a week and a half, he recalls, and the group needed to gather information from staff members who are not usually involved in the grants process, such as those who work on exhibition space.

Afterward, Mr. Katsiff says, his group was pleased it no longer had to fill out application forms from numerous grant makers. "At first, we began to recognize it was a time saver," he says.

And later, as more groups filled in their data, he had reliable information about the economic impact that arts groups exert in southeastern Pennsylvania — such as that they spend $1.3-billion annually. The data, he says, surprised even people who work for arts groups, and he realized the information was a powerful communications tool.

Mr. Katsiff says the data came in handy last year when commissioners in Bucks County, where the museum is located, were considering setting aside a portion of a hotel tax to create a fund to support local cultural groups.

He was able to use the data to advocate for the new fund and write an opinion article for two local newspapers urging its creation. The county proposal became law. "There's no question data from the project helped to make the argument," Mr. Katsiff says. "Suddenly, I had all this data about jobs and wasn't just blowing smoke. Hard data is always better than a mere philosophical argument."

Last September, the museum was one of 15 groups to receive grants from the hotel-tax fund, and it is using the $40,000 it won toward its $11.1-million campaign to expand and renovate the museum.

Other States Copy Effort

The Pennsylvania Cultural Data Project was begun in 2004 by groups like the Greater Philadelphia Cultural Alliance, the Greater Pittsburgh Arts Council, the Heinz Endowments, the William Penn Foundation, the Pennsylvania Council on the Arts, the Pew Charitable Trusts, and the Pittsburgh Foundation.

The project, which took three years and $3-million to create, holds information on approximately 1,000 arts groups and is staffed and administered by the Pew Charitable Trusts, in Philadelphia, which provides training, answers questions from people using the database, and verifies that the information is entered accurately. A similar project was also started in Maryland in 2007 and in California last year, with Illinois, Massachusetts, and New York planning to create their own this year.
Now that the Pennsylvania project has been operating for nearly five years, most participating arts and cultural organizations in Pennsylvania fill in organizational and financial information just once a year, and then they can easily place that data in grant proposals to such groups as the Heinz Endowments and the Pennsylvania Council on the Arts.

An organization can also compare items like personnel expenses, concessions sales, and online giving to similar groups and see that information displayed as tables and charts.

Neville Vakharia, project manager for Pew, says that the project's organizers thought if they were going to ask for lots of data from applicants, they would in return provide management tools, such as those that allow groups to create an annual report, to keep track of their financial information, and to follow trends at their organizations.

Nonprofit executives can also write notes online to inform staff members at their organizations how a number was determined, to bolster their charity's institutional memory, Mr. Vakharia says.

It was important for grant makers to require that arts groups use the new online database or lose their support, says Peggy Amsterdam, president of the Greater Philadelphia Cultural Alliance.

"Arts groups are constantly being asked to fill out surveys," she says, "and I said to funders that no one will give you this information until you require it."

Once the project succeeded in Pennsylvania, word spread to other groups, and they realized they could adapt it to fit their own needs, says Nancy Haragan, executive director of the Greater Baltimore Cultural Alliance, which helped bring the project to Maryland.

The cost to start the program has varied for each state, with the price tag determined by the number of cultural organizations and grant makers that participate, Mr. Vakharia says.

For example, he says, "states such as Maryland, with up to 500 organizations and 10 funders participating, have an annual operation cost of less than $200,000 per year."

Although grantees are appreciative of how the Pennsylvania Cultural Data Project saves them time, many are also realizing its ability to tell the story about arts organizations.

Indeed, Ms. Amsterdam says her group published a report in 2006 that offered a comprehensive view of the region's cultural resources, because of the breadth, depth, and reliability of data available.

Ms. Amsterdam says that her group came out with the report in 2006 because of the mayoral election that year in Philadelphia. "We were able to get a lot of press," she says, and she credits the report with spurring each of the mayoral candidates to create an arts and culture platform. She says the report also helped persuade the race's winner, Michael Nutter, to increase the city's cultural fund by $2-million.

Mr. Katsiff, of the Michener museum, says interest is high in expanding the project to other types of organizations. "When I have been speaking with folks from other parts of the country, their eyes light up," he says. "But without large funders getting behind this and making the commitment to make a project happen, it won't happen."

Cultural groups "are all so stretched," he notes. But, he says, if a grant maker requires a charity to provide information in a form like the Pennsylvania Cultural Data Project, "just do it, take the medicine. You'll realize, gee whiz, we're very happy we did this."

**Pennsylvania Cultural Data Project: How It Works**

- Allows grant seekers to apply for money from multiple sources at the same time.
- Asks arts groups for organizational as well as financial information.
- Lets nonprofit employees generate tables, charts, and even annual reports based on the data they submit.
- Allows charities to compare their data with that of similar groups.
- Lets nonprofit employees write online notes to explain the data they submit, which enhances their group's institutional memory.