

2020 Chorus Operations Survey Report



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NATIONAL CENTER FOR ARTS RESEARCH

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2020 CHORUS OPERATIONS SURVEY REPORT

In the two decades that Chorus America has been collecting operations data on the choral field, 2020 is a year unlike any other. The COVID-19 pandemic has had a swift and significant impact on choruses and singing together, the long-term effects of which continue to develop across our field. Through our partnership with leading arts and culture research organization SMU DataArts, our 2020 Chorus Operations Survey Report provides both information on pre-pandemic chorus operations and data that shows the initial impact of COVID-19 on independent nonprofit choruses.

Because data collection for the 2020 Chorus Operations Survey had just ended when the COVID-19 pandemic hit, the Chorus Operations Survey section of this report describes a very different reality from the one that choruses are facing today. This data provides an overview of the field and its pre-pandemic financial health and will be an important reference point as choruses begin to consider a future beyond the pandemic's most immediate effects.

The COVID-19 Impact section of this report focuses on how choruses' budgets and operations changed in the first few months of the pandemic, drawing on a separate survey that Chorus America fielded in April and May of 2020. The data shows revenue losses that are being felt deeply by choruses across North America. While these numbers reflect developments through mid-May, it is both important and stating the obvious to note that the impact on our field has and will continue to progress. This data is a tool for future planning and for making the case that there is real need in our field.

While the numbers in this report present real challenges, the report also shows reasons to be hopeful. The choruses who took the COVID-19 Impact survey overwhelmingly reported that they are returning to their missions, doubling down on innovation, and focusing on connection and broadening their communities. At a time when the inspiration and hope found in choral music and the choral community are so needed, this is a truly inspiring response.

As our field continues to rise to meet these challenges, Chorus America will use data and research like the Chorus Operations Survey Report to shape our programs and services and to help choruses tell this important story of resilience.



Catherine Dehoney
President and CEO, Chorus America

EXECUTIVE SUMMARY

This analysis provides summaries of key metrics for choruses who completed the Cultural Data Project and the Chorus Operations Survey. In addition, the second section of this report covers findings presented in the COVID-19 Impact Survey, administered by Chorus America.

Chorus data in the financial summary sections include information from choruses who have entered financial and programmatic data into the online data collection system of SMU DataArts (formerly the Cultural Data Project), an independent nonprofit organization, as well as the custom survey module for Chorus America. For the 119 choruses in the dataset, SMU DataArts used the latest Cultural Data Profiles (FY2018 or FY2019) available as of April 2020.

The secondary section covers a snapshot view of the initial impacts felt by the choral field and projects revenue loss. SMU DataArts has incorporated data collected by Chorus America regarding COVID-19 impact. In addition to the programmatic and financial numbers submitted to Chorus America's COVID-19 impact survey, respondents also provided textual information that helped contextualize their current situation and needs. Common themes included calls to advocating for funding, the loosening of grant restrictions in order to maintain operations and think creatively towards new programming, and the need for assistance developing and distributing digital/remote experiences for audiences. To view select comments, see appendix A of this report.

Below are the key insights from this report.

- For the analysis of the 119 Chorus America organizations, the revenue picture for choruses is one in which a chorus typically raises 57% of revenue through contributed sources, and 38% from earned sources.
- The importance of revenue related to people (admissions, membership & subscription, individual support) is clearly shown, as these revenue items comprise over one-third of total revenue for many organizations. Individual contributions are extremely important for organizations of all sizes - ranging from 17% to 39% of total revenue.
- Choruses spend the greatest portion of their money on programmatic expenses, with 74 cents of every dollar going directly to expenses around producing and performing shows, materials needed for programming, educational programs, etc.
- Nearly two-thirds (64%) of choruses analyzed reported at least one full or part-time paid staff person, with 29% of choruses reporting part-time staff only.
- Deficits are always a concern for nonprofit arts and cultural organizations, as they can affect an organization's ability to fulfill its mission. Forty-six percent of participating choruses are showing some level of deficit. Most of these deficits come in under 10% of total budgets by expenses, meaning their deficit is not currently significant.
- Even with some choruses in deficit, the Operating Cash levels across budget categories seem healthy, when paired with Working Capital.

- Eighty-one percent of responding organizations identified actual revenue losses due to COVID-19, and 92% project a revenue loss based on their knowledge in April/May 2020. Small organizations with budgets under \$250,000 have been hardest hit by the impact
- Overall revenue loss is at 30% (26% earned and 4% contributed revenue loss). This figure compares to what has been analyzed among small sized organizations in a separate New York City study.
- Professional choruses anticipate the most severe income losses for the 2020 fiscal year as percentages of annual operating revenue (35%, an average of \$74,553), followed by volunteer choruses (32%, an average of \$45,260).

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CHORUS OPERATIONS SURVEY: INTRODUCTION

The first section of this report reviews key metrics for choruses who completed the Cultural Data Profile as well as the Chorus Operations Survey. These findings present a “snapshot” or one-year analysis to capture the broadest view of choruses. An important factor to note is that this snapshot analysis was completed prior to the onset of COVID-19, so the figures are meant to serve as pre-pandemic benchmarks and means for planning future budgets.

In this analysis, there is a self-selection and resource bias: this section of the report is based only on choruses who choose to and have the resources to complete the lengthy SMU DataArts Cultural Data Profile and Chorus Operations Survey add-on. The SMU DataArts system does have a “short form” for organizations under \$50,000, and organizations below this threshold are asked fewer than 60 questions. In future years, Chorus America hopes to grow the number of smaller budgeted choruses completing the Cultural Data Profile and Chorus Operations Survey through increased messaging about the benefits of participating¹.

¹ SMU DataArts will be launching a streamlined version of the Cultural Data Profile in January 2021. For more information visit <https://culturaldata.org/pages/cdp-survey-streamline/>

THE SURVEY POPULATION

The data for this report was collected via SMU DataArts Cultural Data Profile fall 2019 through winter 2020. In total, 119 chorus organizations completed the Cultural Data Profile with the Chorus Operations Survey add-on. For this year’s survey, 45% of responding choruses are new to completing the Chorus Operations Survey, although the breakdown of budget size and constituency types remains comparable to the 2018 analysis.

The 119 choruses represent three main constituency types² and seven budget categories³. Volunteer choruses represent nearly two-thirds of respondents as shown in Table 1. Table 2 shows that most of the chorus organizations represented in this report (65) have annual budgets above \$150,000. Eight choruses responded as Umbrella Choruses, meaning they considered their chorus to be made up of multiple ensembles from different membership categories. Umbrella Choruses were asked to answer an additional question describing the category of their primary chorus.

TABLE 1

Breakdown of Choruses by Constituency Type

	Count	Column N %
Children/Youth Chorus	19	16%
Professional Chorus <i>Including 2 umbrella choruses</i>	25	21%
Volunteer Chorus <i>Including 6 umbrella choruses</i>	75	63%
TOTAL	119	100%

TABLE 2

Breakdown of Choruses by Budget Size

	Count	Column N %
Under \$50,000	13	11%
\$50,000 - \$99,999	24	20%
\$100,000 - \$149,999	17	14%
\$150,000 - \$249,999	15	13%
\$250,000 - \$499,999	15	13%
\$500,000 - \$999,999	11	9%
\$1 million and over	24	20%
TOTAL	119	100%

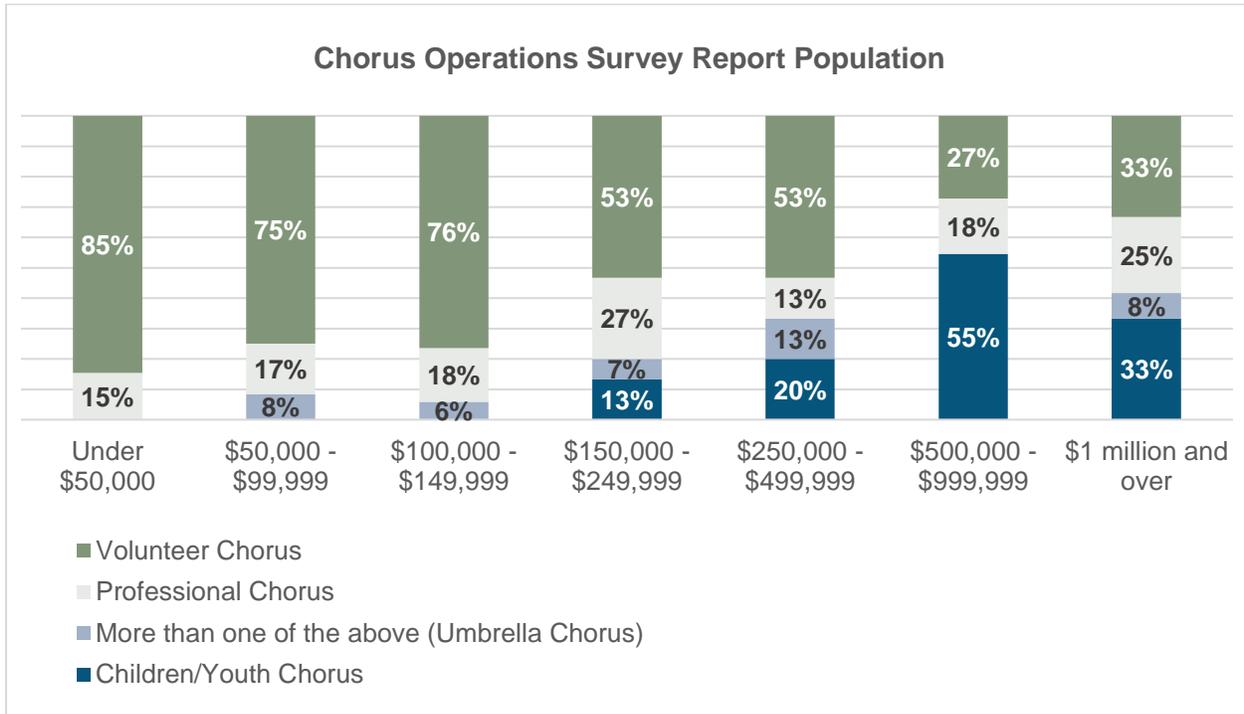
² Classifications are self-reported.

³ Organizational categorizations for size are based on total expenses as reported in the Cultural Data Profile.

The general breakdowns shown in Tables 1 and 2 are combined to show representativeness of chorus types by budget groupings below.

FIGURE 1

Constituency Type by Budget Size



COMMON CHORUS ATTRIBUTES

This section is a top-level view of important financial and operational issues across the three types and seven budget categories. For many of these items, further detail will be provided in later sections.

Tables 3 and 4 below look at group averages (mean) for the different chorus constituency and budget categories, with data for all respondents in the first column.

TABLE 3

Chorus Attributes by Constituency Type (averages)

	Mean - Overall	Children/Youth Chorus	Professional Chorus	Volunteer Chorus
Organizations Year Founded	1973	1985	1985	1966
Number of Singers	172	618	54	99
Number of Board Member Singers	6	0	2	8
Total In Person Paid Attendees	5,837	8,599	11,221	3,451
Total Productions	10	28	7	6
Total Performances	18	46	16	11
Performances Ticket Price Range High	\$ 51.13	\$ 41.33	\$ 64.00	\$ 49.75
Performances Ticket Price Range Low	\$ 16.38	\$ 11.61	\$ 19.48	\$ 16.69
Total Earned Revenue Operating	\$255,916	\$610,288	\$391,185	\$121,052
Total Operating Revenue	\$672,795	\$1,170,921	\$1,063,830	\$416,258
Earned Share of Operating Revenue	38%	52%	37%	29%
Marketing Expense as Percent of Total Expenses	7%	3%	8%	7%
Total Operating Expenses Program	\$478,594	\$890,035	\$743,065	\$286,205
Total Operating Expenses Fundraising	\$79,476	\$135,198	\$151,469	\$38,673
Total Operating Expenses General Administrative	\$102,479	\$194,694	\$169,808	\$56,342
Total Operating Expenses	\$647,279	\$1,219,927	\$1,033,315	\$373,530
Total Operating Expenses Program	74%	73%	72%	77%
Total Operating Expenses Fundraising	12%	11%	15%	10%
Total Operating Expenses General Administrative	16%	16%	16%	15%
Full Time Employees Permanent	2.3	7	3	1
Part Time Employees Permanent	4.2	8	9	2
Board Members Number	13	16	12	12

TABLE 4
Chorus Attributes by Budget Size (averages)

	Mean - Overall	Under \$50,000	\$50,000 - \$99,999	\$100,000 - \$149,999	\$150,000 - \$249,999	\$250,000 - \$499,999	\$500,000 - \$999,999	\$1 million and over
Organizations Year Founded	1973	1989	1975	1981	1969	1981	1975	1955
Number of Singers	172	63	66	69	74	133	302	439
Number of Board Member Singers	6	7	8	7	6	5	1	3
Total In-Person Paid Attendees	5,837	508	1,341	1,193	1,891	4,772	9,219	17,702
Total Productions	10	4	5	4	6	11	9	23
Total Performances	18	5	7	6	7	18	23	47
Performances Ticket Price Range High	\$51.13	\$19.40	\$32.95	\$41.88	\$65.00	\$38.93	\$56.73	\$77.96
Performances Ticket Price Range Low	\$16.38	\$13.40	\$16.32	\$18.29	\$16.33	\$14.00	\$12.00	\$19.26
Total Earned Revenue Operating	\$255,916	\$16,088	\$37,407	\$47,089	\$60,750	\$138,335	\$329,975	\$913,775
Total Operating Revenue	\$672,795	\$36,463	\$78,130	\$126,682	\$183,250	\$387,080	\$649,952	\$2,493,978
Earned Share of Operating Revenue	38%	\$0	\$0	\$0	\$0	\$0	\$1	\$0
Marketing Expense as Percent of Total Expenses	7%	8%	5%	8%	6%	6%	6%	6%
Total Operating Expenses Program	\$478,594	\$24,017	\$59,986	\$92,793	\$140,342	\$268,154	\$501,974	\$1,748,923
Total Operating Expenses Fundraising	\$79,476	\$1,456	\$2,305	\$8,840	\$17,709	\$41,718	\$47,118	\$293,547
Total Operating Expenses General Administrative	\$102,479	\$6,628	\$10,720	\$25,525	\$34,505	\$54,661	\$109,161	\$360,112
Total Operating Expenses	\$647,279	\$31,653	\$72,276	\$124,097	\$187,894	\$356,190	\$658,254	\$2,390,350
Total Operating Expenses Program	74%	76%	83%	75%	75%	75%	76%	73%
Total Operating Expenses Fundraising	12%	5%	3%	7%	9%	12%	7%	12%
Total Operating Expenses General Administrative	16%	21%	15%	21%	18%	15%	17%	15%
Full Time Employees Permanent	2.3	0	0	0	0	1	2	8
Part Time Employees Permanent	4.2	1	0	1	2	4	4	13
Board Members Number	13	8	10	9	10	13	15	21

OPERATING FINANCES

The following information is taken from the Cultural Data Profile (CDP). The CDP collects detailed information on a variety of revenue and expense types. These line items are then bucketed for analysis, allowing one to have a better picture of the types of revenue or expenses a grouping of organizations may have.

Revenue

In Tables 3 and 4 in the prior section, average total operating revenue is shown as \$672,795. As the dataset skews towards larger sized organizations, median total operating revenue by budget size is shown below in Table 5. Across the 119 organizations analyzed, median total operating revenue is \$172,002. For choruses under \$50,000 the median total operating revenue is \$33,700.

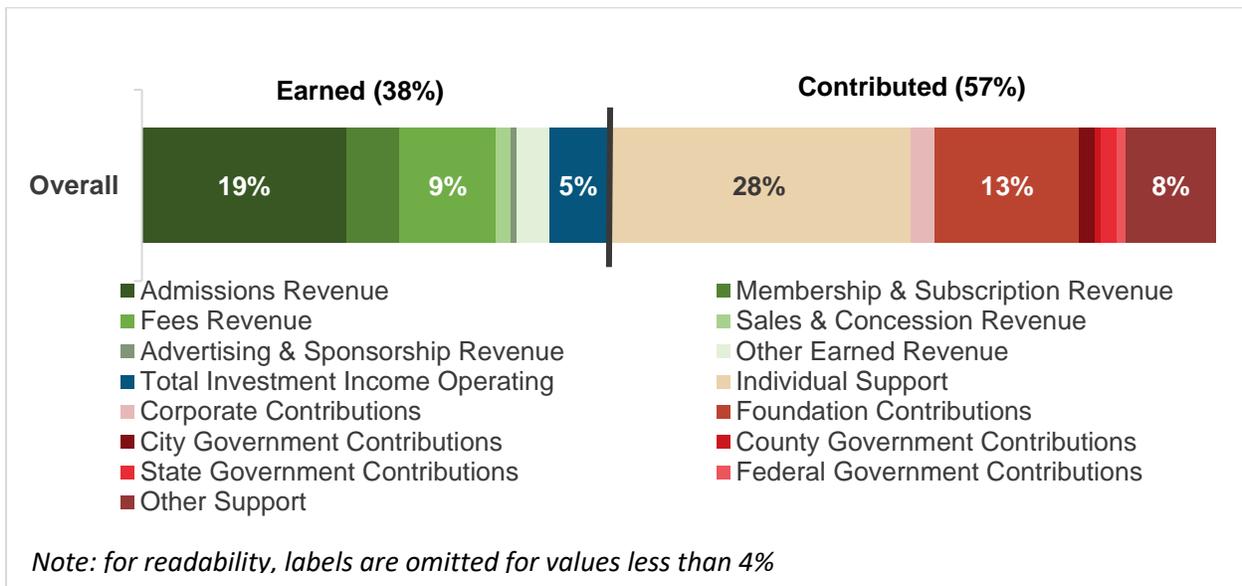
TABLE 5
Median Operating Revenue

	Overall	Under \$50,000	\$50,000 - \$99,999	\$100,000 - \$149,999	\$150,000 - \$249,999	\$250,000 - \$499,999	\$500,000 - \$999,999	\$1 million and over
Median Operating Revenue	\$172,002	\$33,700	\$74,824	\$122,004	\$177,271	\$346,950	\$634,361	\$1,962,862

Beyond just choruses, arts and cultural organizations have a 50/50 split between earned and contributed revenue. The split between earned and contributed income among arts and cultural organizations generally shifts with organization size – as budget size increases, so does the proportion of earned revenue.

For the analysis of the 119 Chorus America organizations, the revenue picture for choruses is one in which a chorus typically raises 57% of revenue through contributed sources, and 38% from earned sources – a less even split when compared to the arts and culture sector. This is a long-running trend among choruses, meaning a heavier reliance on revenue from contributed sources exists in the choral world, compared with other types of arts and cultural organizations. A full breakdown of revenue types is shown in Figure 2 below.

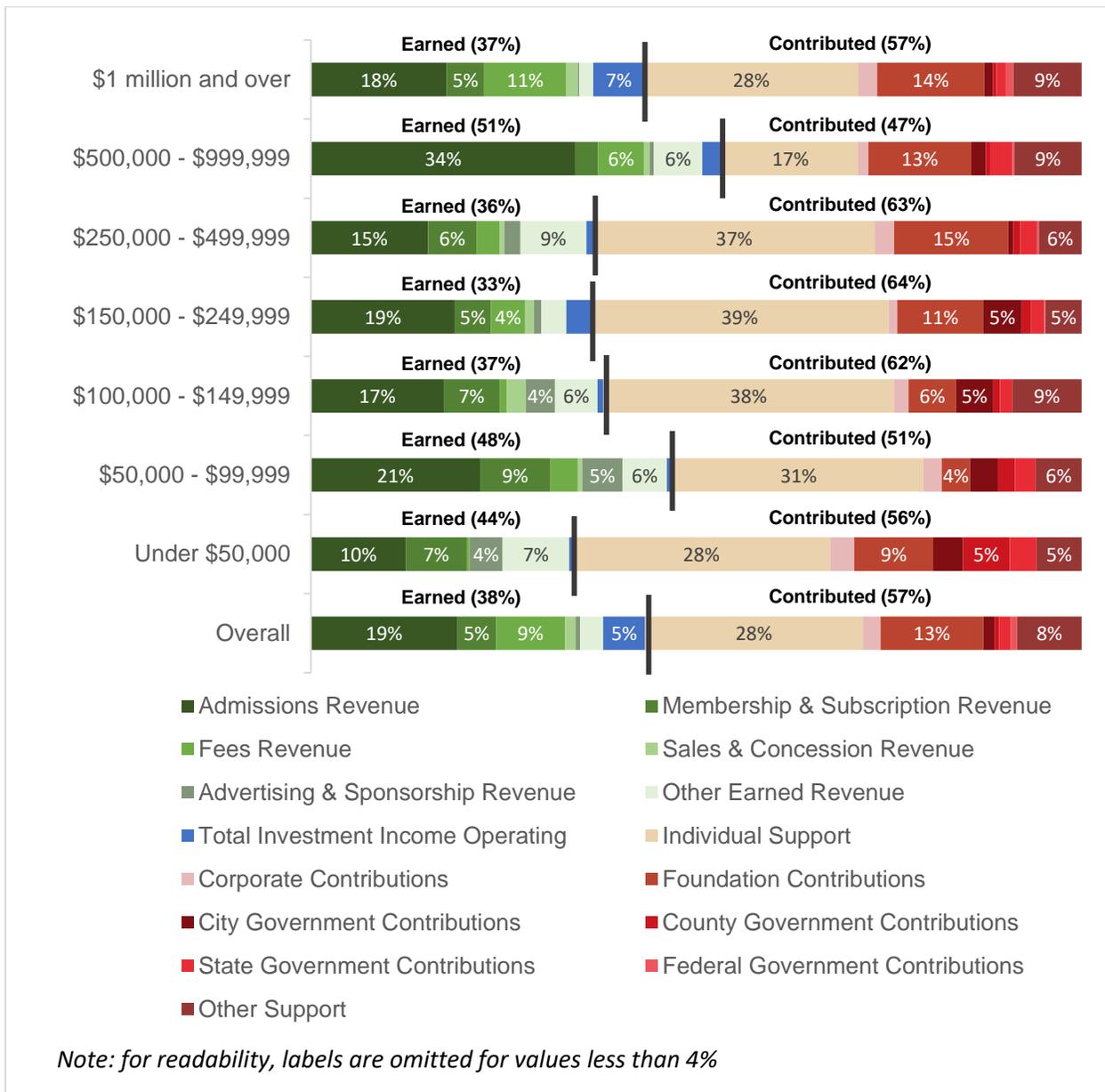
FIGURE 2
Overall Revenue by Source



Overall, the most significant types of funding across the dataset are individual support (28%), followed by admissions revenue (19%), and foundation contributions (13%).

When broken down by budget category in Figure 3 below, the earned vs. contributed revenue picture remains consistent for the most part, which tells us that choruses may have similar revenue pictures no matter the size. The importance of revenue related to people (admissions, membership & subscription, individual support) is clearly shown, as these revenue items comprise over a third of total revenue for all budget categories. Individual contributions are extremely important for organizations of all sizes - ranging from 17% to 39% of total revenue.

FIGURE 3
Breakdown of Revenue Types, by Budget Size



Expenses

The choruses in this dataset spent an average of \$647,729 in 2018/19. To help understand expenses, SMU DataArts Cultural Data Profile breaks down expenses in two different ways – by expense category and function. The Cultural Data Profile asks organizations to classify expenses into pre-defined categories which are generally more detailed than standard audits. These categories are then rolled-up into broader groups for analysis. In looking at expenses by function, each type of expense is split into three functional groupings: program, fundraising, and general/administrative. These groupings are standard in organization audits, under the

Statement of Activities. For example, rent for rehearsal space is generally apportioned to “program” while office rent would be split between “fundraising” and “general”. The proportions of functional categories shown in Figures 4 and 5 below mirror what is generally seen in the arts and culture sector more broadly.

FIGURE 4

Breakdown of Functional Expense Categories, by Constituency Type

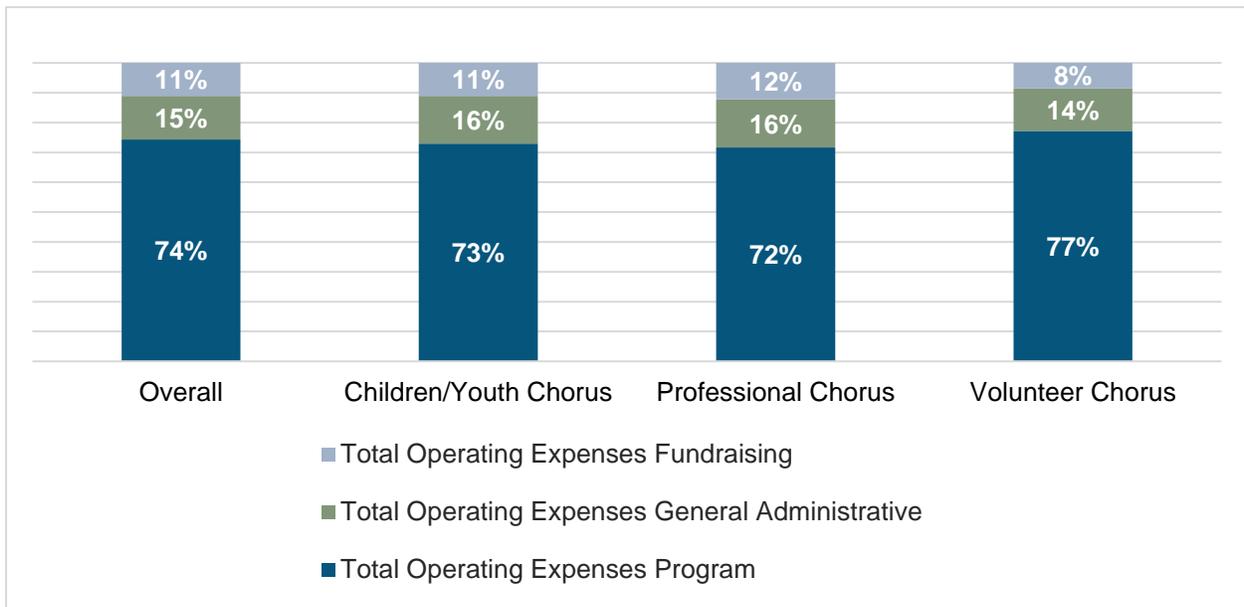
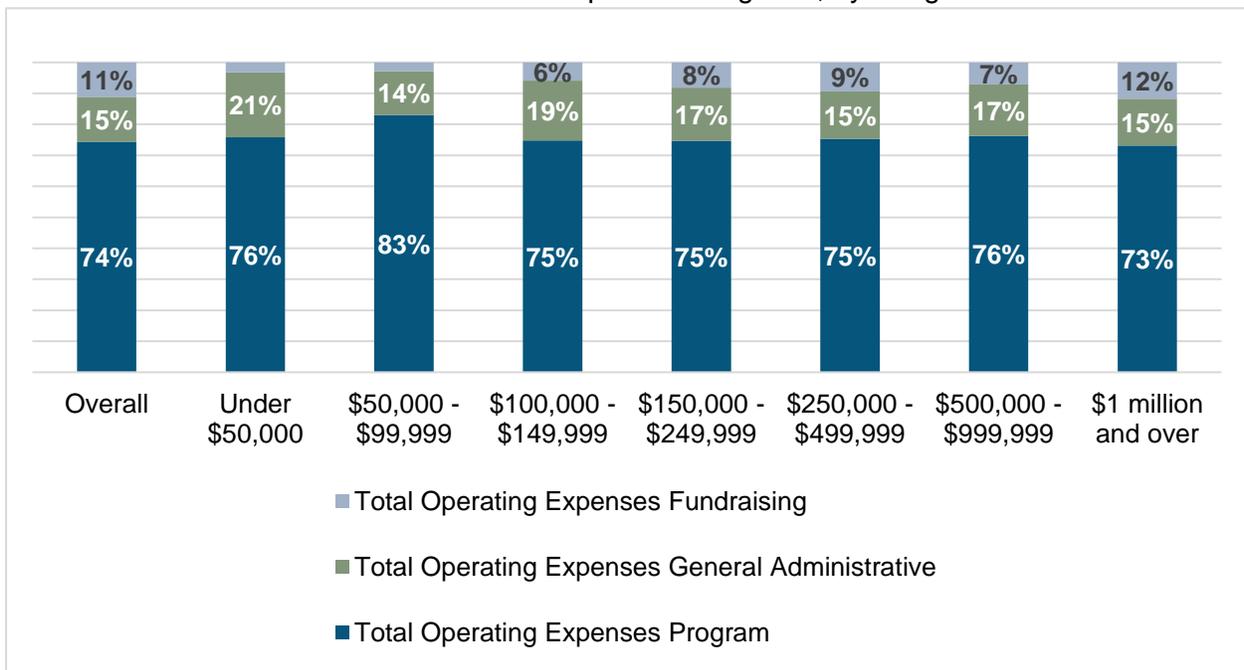


FIGURE 5

Breakdown of Functional Expense Categories, by Budget Size



In looking at expenses by constituency type in Figure 6 below, children/youth choruses spend nearly a fifth of their budget on Physical Plant related expenses (19%). This may be indicative of the fact that Children/Youth choruses are more likely to own their own space. Figure 7 shows expenses by budget size; the largest expense category varies based on the size of organization. For organizations with budgets below \$250,000, Professional Expenses – which includes any fees paid to companies or organizations for services, and payments to independent contractors - is the largest expense category, making up more than half of total expenses for organizations with budgets under \$100,000. For larger choruses, Professional Expenses are still significant, but Salary & Benefits comprise at least one-third of total expenses.

FIGURE 6

Breakdown of Expense Types, by Constituency Type

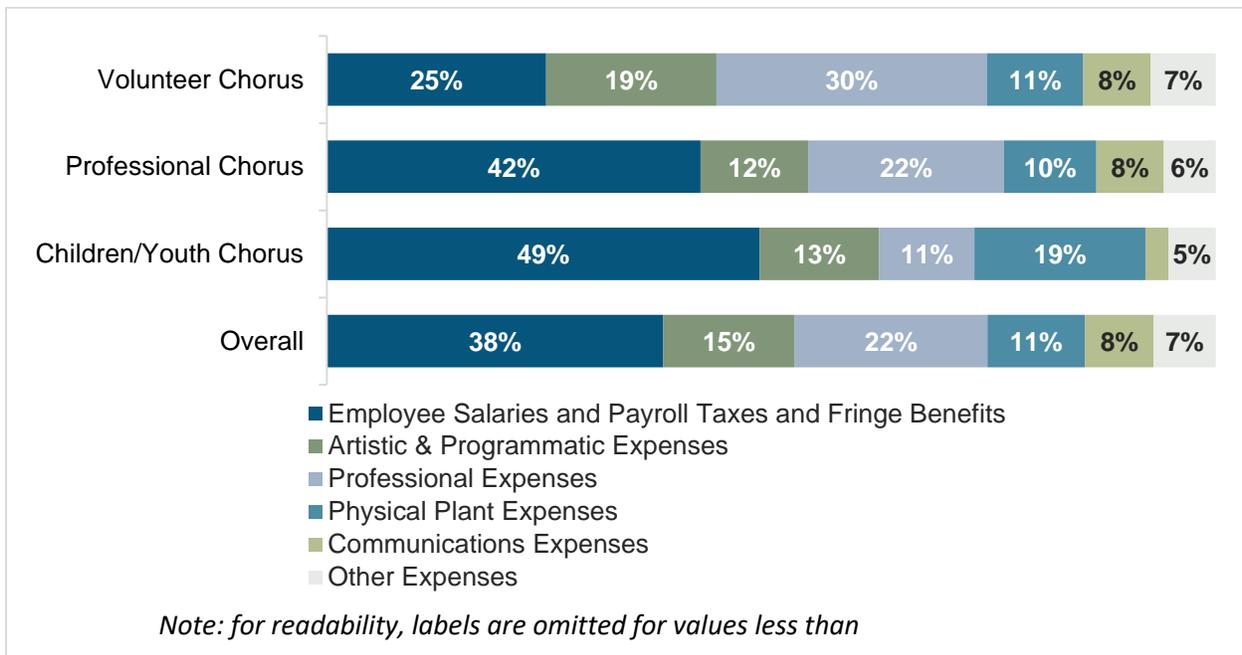
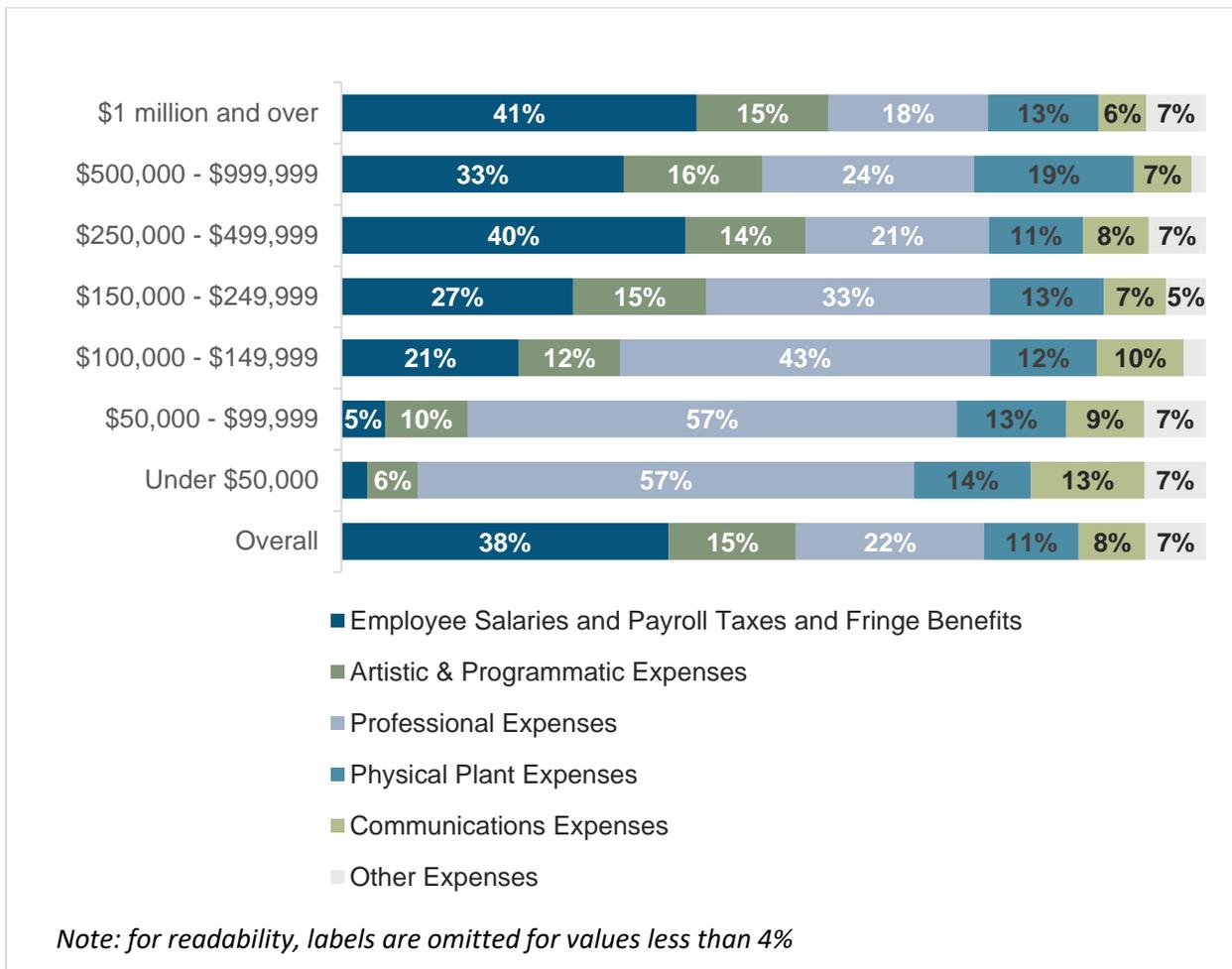


FIGURE 7
Breakdown of Expense Types, by Budget Size



CHORUS STAFFING

This section summarizes chorus responses within the Cultural Data Profile regarding paid and volunteer staff with part or full-time work status. Nearly two-thirds (64%) of choruses analyzed reported at least one full or part-time paid staff person. For all respondents, staff configurations were:

- Zero paid staff: 36%
- Full-Time only: 5%
- Part-Time only: 29%
- Full and Part-Time staff: 30%

Tables 6 and 7 below displays average numbers of full-time and part-time employees, as well as Independent Contractors and Volunteers by chorus constituency type, budget size, and overall:

TABLE 6

Average Workforce Size, by Constituency Type

	Overall	Children/Youth Chorus (19 orgs)	Professional Chorus (25 orgs)	Volunteer Chorus (75 orgs)
Full Time Employees	2	7	3	1
Part Time Employees	4	8	9	2
Independent Contractors	19	19	36	21
Volunteers	147	147	57	77

TABLE 7

Breakdown of Expense Types, by Budget Size

	Overall	Under \$50,000 (13 orgs)	\$50,000 - \$99,999 (24 orgs)	\$100,000 - \$149,999 (17 orgs)	\$150,000 - \$249,999 (15 orgs)	\$250,000 - \$499,999 (15 orgs)	\$500,000 - \$999,999 (11 orgs)	\$1 million and over (24 orgs)
Full Time Employees	2	0	0	0	0	1	2	8
Part Time Employees	4	1	0	1	2	4	4	13
Independent Contractors	19	15	19	27	25	23	10	38
Volunteers	147	17	44	53	65	105	118	164

CAPITALIZATION

This section covers information related to liquidity, capitalization, and overall financial health of the choruses analyzed for this year’s report. Note that for the metrics in this section, only choruses who filled out a balance sheet (42) are included in the analysis. Individuals may log into their Cultural Data Profile account to download a Balance Sheet report specific to their organization which analyzes trends and changes in assets, liabilities, and net assets, as well as operating cash and working capital. The report also contains critical ratios and percentages that can help frame the overall financial picture of an organization.

Net Income

Unrestricted Net Income is calculated as total operating unrestricted revenues less total operating expenses. Unrestricted Net Income uses unrestricted revenue rather than total revenue because the focus of the metric is on funds that can be used right away, and not on funds restricted for use in a future time period or for a long-term endowment. This metric indicates whether an organization generated a surplus or deficit over a period of time.

The margins for overall net income are a bit thin at -1%. As seen Tables 8 and 9 below, the overall operating margin of -1% is driven by large organizations, primarily those in \$500,000-\$999,999 budget category. The reason for a lower net income among larger sized choruses may be because larger organizations tend to place their money in restricted endowments or investment accounts. These organizations are also more likely to carry various debts and lines of credits for large projects such as a building renovation.

TABLE 8

Net Income, by Constituency Type

Overall	Children/Youth Chorus	Professional Chorus	Volunteer Chorus
-0.7%	-5.6%	-0.2%	3.2%

TABLE 9

Net Income, by Budget Size

Overall	Under \$50,000	\$50,000 - \$99,999	\$100,000 - \$149,999	\$150,000 - \$249,999	\$250,000 - \$499,999	\$500,000 - \$999,999	\$1 million and over
-0.7%	21.2%	4.4%	2.2%	-5.4%	3.4%	-8.1%	-0.3%

Organizations in Deficit

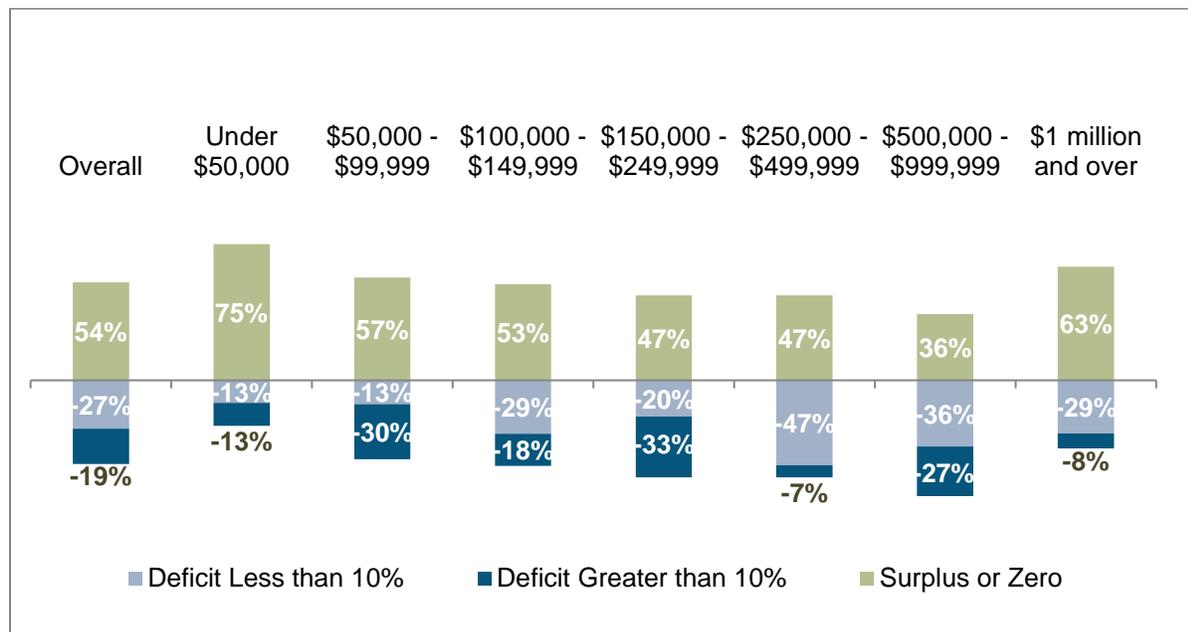
Figure 10 below shows the percentage of organizations operating under a surplus or deficit, by budget size. Although making a profit is not the chief goal of mission-driven organizations, generating regular surpluses is key to an organization's health and longevity. Surpluses increase reserves and allow for future flexibility and sustainability. However, when revenue is insufficient to cover expenses, a deficit occurs. Organizations may respond to deficits by tapping into reserves or other savings, borrowing internally from funds pledged to other projects, or taking out a loan to pay bills and cover payroll. Overall deficit is measured by the amount in which total unrestricted expenses exceed total unrestricted revenue, as a percentage of total expenses. For this analysis, we use a natural breakpoint in spreads of deficits at 10% of an organization's budget. This breakpoint is useful in understanding the magnitude of debt for organizations. Also included is the percentage of organizations operating with a surplus in FY2018/2019.

Figure 10 provides the percentage of organizations that ended the year with a deficit, by budget size. Overall, 54% of choruses are operating with surpluses in FY2018/2019 while 46% operated under a deficit; most deficits are under 10% of total expense budgets.

Just like there is no one right revenue or expense mix, there is no specific dollar amount (or percentage) that's the right amount of surplus for all organizations. Instead, choruses can think about the goals and needs of their organization, both in the near term and in the future, and consider whether net income values are sufficient. If choruses have a surplus, they can think about whether they can sustain that level over time. For organizations running a deficit, they can consider what they might need to do to reverse that trend.

FIGURE 10

Organizations in Deficit, by Budget Size



Operating Cash

Operating Cash (i.e. cash-on-hand) is an important metric for understanding financial health. Maintaining a pool of Operating Cash allows organizations to avoid difficulties that can result from periodic shortfalls. Months of Operating Cash is calculated by dividing unrestricted cash and cash equivalents by one month of total operating expenses (total annual operating expenses/12). Unrestricted cash and cash equivalents can include any funds that are in bank accounts, petty cash, and deposits in transit.

Figures 12 and 13 below show median months of operating cash available, by choral constituency type as well as budget size. For this analysis, budget sizes have been grouped into two large categories: under and above \$1 million. It is important to note that to calculate operating cash, organizations need to report their assets by category of restriction, which is most often the case for larger sized organizations that are audited and have a balance sheet.

Many small organizations, however, do not have this level of detail at their disposal when completing a Cultural Data Profile. Thus, the figures below represent only a small portion of small-sized choruses.

Like many nonprofit arts and cultural organizations, the choruses in this analysis have a difficult time maintaining multiple months of operating cash. Overall, organizations tend to have a little over one month of operating cash available. Even with some choruses in deficit, the Operating Cash levels across budget categories seem healthy, when paired with the Working Capital chart in the next section.

FIGURE 11

Choruses with 3+ Months of Operating Cash (Overall)

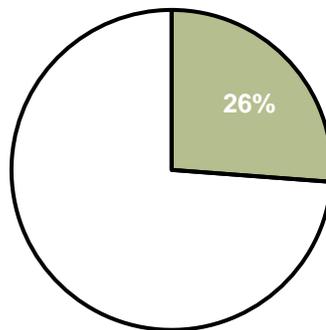


FIGURE 12

Median Operating Cash (# Months) by Constituency Type

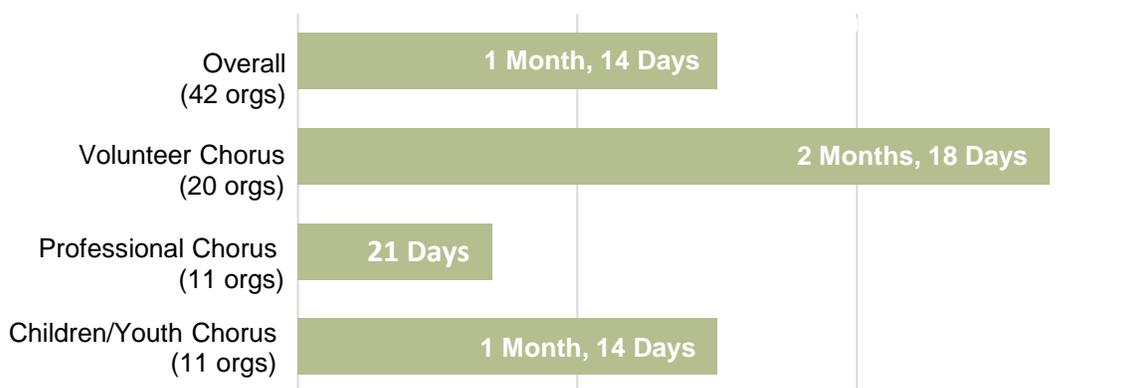


FIGURE 13

Median Operating Cash (# Months) by Budget Size



Working Capital

Working capital allows organizations to cover short-term obligations to others, navigate unpredictable shortfalls in revenue, fix or replace facilities and equipment, and take on new opportunities, innovations, or risks.⁴ Working Capital is a measure of liquidity that includes all unrestricted current assets beyond just operating cash.⁵ This can include grants and pledges receivable, short-term investments, and any other unrestricted current assets that will or can be converted into cash within the next year. Working Capital also accounts for unrestricted current liabilities, or what an organization owes and has to pay within the next year. These liabilities can include bills, amounts owed on lines of credit, and any unrestricted current portion of loans. Working capital is calculated as unrestricted current assets minus unrestricted current liabilities.

Months of working capital refers to the level of working capital relative to average monthly expenses; **the median working capital measured in months available for all choruses is two months and 19 days, with 43% of organizations having 3 or more months of working capital.** Breakdowns of working capital by budget size and constituency type can be seen in Figures 14, 15, and 16 below.

⁴. Thomas, Rebecca and Zannie Voss, *Five Steps to Healthier Working Capital*, SMU DataArts, April 2018, <http://dataarts.smu.edu/artsresearch2014/working-capital>.

⁵. Working Capital may exceed Operating Cash because it includes all unrestricted current assets. High levels of liabilities limit liquidity. In some cases, when an organization owes a lot of money, or mischaracterizes all debt as current debt, Working Capital will be less than Operating Cash (or even a negative number).

FIGURE 14

Choruses with 3+ Months of Working Capital (Overall)

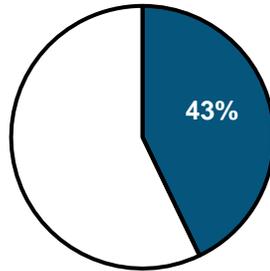


FIGURE 15

Median Working Capital (# Months) by Constituency Type



FIGURE 16
 Median Working Capital (# Months) by Budget Size



Financial Reserves

In unstable times, reserves and endowments offer some measure of safety, as well as dollars to invest in future opportunities. Forty choruses reported having an endowment or reserve fund in their 2018/19 Cultural Data Profile. Tables 10 and 11 shows the types of reserves choruses had, by budget size and chorus type.

TABLE 10
 Reserve Types by Constituency Type

	Children/Youth Chorus (12 orgs)	Professional Chorus (9 orgs)	Volunteer Chorus (19 orgs)	Overall (40 orgs)
Reserve Fund	7	3	10	20
Donor-restricted endowment	8	7	6	21
Board designated endowment	5	5	7	17

TABLE 11

Reserve Types by Budget Size

	Under \$250,000 (9 orgs)	\$250,000 - \$499,999 (6 orgs)	\$500,000 - \$999,999 (9 orgs)	\$1 million and over (16 orgs)	Overall (40 orgs)
Reserve Fund	7	1	4	8	20
Donor-restricted endowment	2	1	6	12	21
Board designated endowment	1	4	3	9	17

CHORUS COVID-19 IMPACT SURVEY: INTRODUCTION

The effects of the Coronavirus Disease 2019 (COVID-19) has completely changed the way arts and cultural organizations, particularly choral organizations, offer programming and continue work related to mission. The nonprofit arts and culture sector faces severe challenges in the coming months and years of recovery, and are now forced to pivot program offerings and revenue streams in light of the pandemic. Many organizations have been forced to close their doors and suspend programming while attempting to continue serving their communities and providing resources to their employees. To understand the direct impact on choruses, Chorus America administered a COVID-19 impact survey from April 16 to May 15, 2020. The survey asked respondents to indicate the level of impact experienced at the onset of the pandemic, as well as projected estimates on future revenue streams and funding. Chorus America received and cleaned responses from 254 choruses for this survey. It is important to acknowledge that COVID-19 related developments occurring after the close of the survey on May 15, 2020 are not reflected in the response data. Instead, we invite organizations to use the estimates and projections provided as tools for future planning.

THE SURVEY POPULATION

Two hundred fifty-four choruses completed the COVID-19 Impact Survey. The 254 choruses represent five constituency types⁶ and six budget categories⁷, comparable to the analysis done in the first section. Most of the chorus organizations represented in this report (56%) have annual budgets below \$100,000. Volunteer choruses are more than two-thirds of all respondents. Children/Youth choruses represent 10% of the dataset. Four percent of choruses responded as “Other”. Twenty-two choruses responded as Umbrella Choruses, meaning they considered their chorus to be made up of multiple ensembles from different membership categories. Umbrella choruses were asked to answer an additional question in the survey asking for the category that best describes their primary chorus.

TABLE 12

Breakdown of Choruses by Constituency Type

	Count	Column N %
Children/Youth Chorus	25	10%
Professional Chorus	20	8%
Volunteer Chorus	176	69%
More than one of the above (Umbrella Chorus)	22	9%
Other	11	4%
TOTAL	254	100%

TABLE 13

Breakdown of Choruses by Budget Size

	Count	Column N %
Up to \$100,000	143	56%
\$100,000-\$250,000	49	19%
\$250,000-\$500,000	23	9%
\$500,000-\$750,000	9	4%
\$750,000 - \$1,000,000	9	4%
Over \$1,000,000	21	8%
TOTAL	254	100%

⁶ Choruses were asked to self-classify, and had the option to select 'other'..

⁷ Choruses were asked to self-classify budget size based on a radio-select question.

OVERALL IMPACT OF COVID-19

Around the globe, the impact of COVID-19 has been felt in myriad ways. Over the course of one month, stock market indices lost upwards of 30% of their value, falling from all-time highs. Businesses and schools closed, and employees have been left to confront telecommuting or layoffs. Shelter-in-place orders and mandated social-distancing guidelines have been enforced by all levels of governments. According to data from Johns Hopkins University, as of October 2020, the United States has had over 7 million confirmed cases of COVID-19 and over 200,000 deaths⁸. The nonprofit arts and culture sector has been hard hit by these developments and are facing dire challenges as organizations navigate the remainder of their years and plan for future years of programming. Tables 14 and 15 below shows the level of impact organizations felt at the time of the survey. One can imagine many of the below figures have increased since the fielding of the survey. Survey respondents noted specific impacts beyond financial effects; some of these are represented in text responses from the survey:

- *Being primarily a senior-age chorus, we have extra concerns for catching the virus*
- *We are based in [NYC], so we have many members directly impacted by this illness already, myself included. Members have lost loved ones and suffered illness themselves.*

⁸ Please view the Johns Hopkins COVID-19 Dashboard here:
<https://www.arcgis.com/apps/opsdashboard/index.html#/bda7594740fd40299423467b48e9ecf6>

TABLE 14

Percent of Chorus Reporting Various Experiences, by Constituency Type

	Children/Youth Chorus	Professional Chorus	Volunteer Chorus	Umbrella Chorus	Other	Overall
Artistic or operations staff absences due to illness, self-quarantines, or fear of getting sick	20%	20%	24%	50%	36%	26%
Cancellations of meetings, gatherings, or events	92%	80%	84%	82%	73%	83%
Temporary or indefinite closures of venues	92%	95%	90%	91%	73%	90%
Staff layoffs or furloughs	32%	15%	13%	23%	18%	16%
Artistic or operations staff absences because they must look after children or loved ones who are ill	8%	35%	9%	27%	9%	12%
Artistic or operations staff working from home	84%	85%	49%	77%	64%	58%
Other	32%	10%	23%	23%	27%	23%

TABLE 15

Percent of Choruses Reporting Various Experiences, by Budget Size

	Up to \$100,000	\$100,000-\$250,000	\$250,000 - \$500,000	\$500,000 - \$750,000	\$750,000 - \$1,000,000	Over \$1,000,000	Overall
Artistic or operations staff absences due to illness, self-quarantines, or fear of getting sick	27%	29%	26%	0%	33%	24%	26%
Cancellations of meetings, gatherings, or events	78%	90%	91%	89%	89%	90%	83%
Temporary or indefinite closures venues	87%	96%	96%	100%	78%	90%	90%
Staff layoffs or furloughs	13%	16%	22%	33%	22%	19%	16%
Artistic or operations staff absences because they must look after children or loved ones who are ill	9%	20%	4%	0%	22%	24%	12%
Artistic or operations staff working from home	46%	65%	70%	89%	67%	95%	58%
Other	22%	33%	22%	22%	11%	14%	23%

FINANCIAL IMPACT OF COVID-19

The survey conducted by Chorus America asked respondents to indicate both the actual revenue lost at the time of survey fielding, as well as projected revenue loss for their organization by the end of their fiscal year⁹.

⁹ Sixty-one percent of responding organizations listed their fiscal year end date as June 30, 2020. Twenty-six percent of organizations have fiscal year end-dates that have not yet occurred.

Actual Revenue Lost

Eighty-one percent of responding organizations identified actual revenue losses due to COVID-19 based on their knowledge in April/May 2020. Across these organizations, the average loss to operating revenues as of the spring totaled roughly \$57,000 or about \$14,500,000 in aggregate, with about 30% of that loss coming from ticket sales or performance fees and 20% coming from fundraising event income. Actual losses vary by constituency type and budget size, as indicated in Figures 16 and 17, respectively.

TABLE 16

Actual Revenue Loss as %, by Constituency Type

	Children/ Youth Chorus	Professional Chorus	Volunteer Chorus	Umbrella Chorus	Other	Overall
Ticket Sales or Performance Fees	39%	64%	32%	20%	5%	32%
Tuition, classes, or other education programs	24%	0%	20%	2%	92%	17%
Fundraising event income	14%	24%	24%	17%	1%	20%
Contributed income (fundraising efforts that are not event-related)	7%	8%	12%	12%	1%	10%
Investment income	10%	3%	12%	48%	0%	20%
Other	7%	1%	1%	1%	0%	1%

TABLE 17

Actual Revenue Loss as %, by Budget Size

	Up to \$100,000	\$100,000- \$250,000	\$250,000 - \$500,000	\$500,000 - \$750,000	\$750,000 - \$1,000,000	Over \$1,000,000	Overall
Ticket Sales or Performance Fees	48%	43%	39%	26%	32%	29%	32%
Tuition, classes, or other education programs	3%	6%	6%	17%	2%	22%	17%
Fundraising event income	24%	30%	33%	25%	20%	16%	20%
Contributed income (fundraising efforts that are not event-related)	12%	14%	8%	0%	36%	8%	10%
Investment income	8%	7%	12%	31%	10%	24%	20%
Other	4%	0%	2%	0%	1%	2%	1%

Projected Revenue Lost

Because the Chorus America survey specifically asks organizations to estimate projected revenue loss, we can determine the percent of projected loss as part of annual operating revenue. Ninety-two percent of responding organizations projected a revenue loss due to COVID-19 based on their knowledge as of April/May 2020. Across these organizations, the average projected loss to operating revenues totaled roughly \$68,000 or about \$17,000,000 in aggregate, with about 30% of that loss coming from ticket sales or performance fees and 20% coming from fundraising event income – similar to actual reported losses. Actual losses vary by constituency type and budget size, as indicated in Tables 18 and 19, respectively.

TABLE 18

Projected Revenue Loss as %, by Constituency Type

	Children/ Youth Chorus	Professional Chorus	Volunteer Chorus	Umbrella Chorus	Other	Overall
Ticket Sales or Performance Fees	22%	73%	32%	18%	6%	29%
Tuition, classes, or other education programs	31%	0%	16%	1%	89%	16%
Fundraising event income	24%	10%	26%	16%	1%	20%
Contributed income (fundraising efforts that are not event-related)	10%	13%	17%	12%	4%	14%
Investment income	10%	3%	9%	52%	0%	20%
Other	3%	1%	1%	1%	0%	1%

TABLE 19

Actual Revenue Loss as %, by Budget Size

	Up to \$100,000	\$100,000-\$250,000	\$250,000 - \$500,000	\$500,000 - \$750,000	\$750,000 - \$1,000,000	Over \$1,000,000	Overall
Ticket Sales or Performance Fees	52%	44%	36%	31%	29%	23%	29%
Tuition, classes, or other education programs	4%	5%	7%	20%	2%	22%	16%
Fundraising event income	20%	33%	34%	19%	33%	16%	20%
Contributed income (fundraising efforts that are not event-related)	17%	13%	8%	8%	28%	13%	14%
Investment income	3%	4%	12%	21%	8%	26%	20%
Other	4%	0%	3%	0%	1%	1%	1%

In order to determine the percent of actual revenue that responding organizations are projecting a loss for, we grouped the 6 revenue categories into two broad buckets – earned and contributed¹⁰. Overall revenue loss is at 30% (26% earned and 4% contributed revenue loss). This figure compares to what has been analyzed among small sized organizations in a June report published by SMU DataArts for the New York City Department of Cultural Affairs¹¹. Responding choruses are projecting greater earned revenue losses for fiscal year 2020. Professional choruses anticipate the most severe income losses for the 2020 fiscal year as percentages of annual operating revenue (35%, an average of \$74,553), followed by volunteer choruses (32%, an average of \$45,260). Revenue loss values by chorus type are shown in Figure 17. Losses by budget size are in Figure 18.

In the earlier section of this report, recall that a chorus typically raises 57% of revenue through contributed sources. A dependence on individual contributions is critical to chorus revenue streams, so maintaining relationships with individual donors is crucial as choruses put on fewer programs and performances in the next fiscal year. In a recent insights report published by TRG Arts in June 2020, the importance of building and maintaining relationships with loyal audiences is seen as a great method of weathering the impacts of COVID-19. In 2020, as well as 2019, the most loyal ticket purchasers also contributed the most in donations.¹² Although the report mentions that overall donations have fallen slightly since 2019, it is important to keep in contact

¹⁰ Note that for purposes of bucketing the revenue categories, Investment Income and Other were left out of the analysis for Figures 17 and 18. Earned Revenue is comprised of Ticket Sales or Performance Fees and Tuition, classes, or other education programs. Contributed Revenue is comprised of Fundraising event income and Contributed income (fundraising efforts that are not event-related). The total dollar figures will be slightly lower than actual projections reported by organizations.

¹¹ Comparisons to New York City organizations are from the June 2020 report titled *COVID-19 Impact on Nonprofit Arts and Culture in New York City*: https://culturaldata.org/media/2080/dcl_afta_smudataarts_covid19_impact_report.pdf

¹² Please view the COVID-19 Sector Benchmark Insight Report on Individual Donations here: <https://trgartsresiliency.com/blog/insights-report-june-2020>

both with donors as well as loyal customers and audience members as they can be converted from earned to contributed income.

FIGURE 17

Projected Revenue Losses as Percentages of Annual Operating Revenue by Constituency Type
(Avg Total Revenue Loss \$)

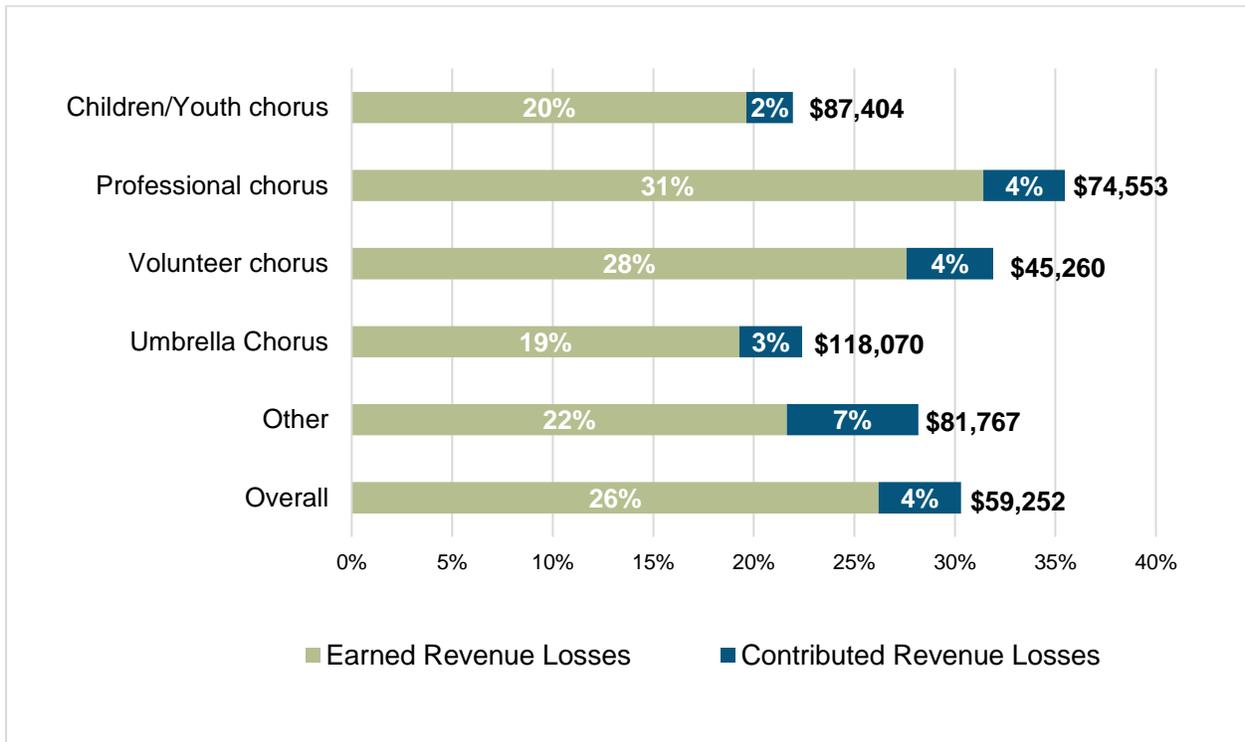
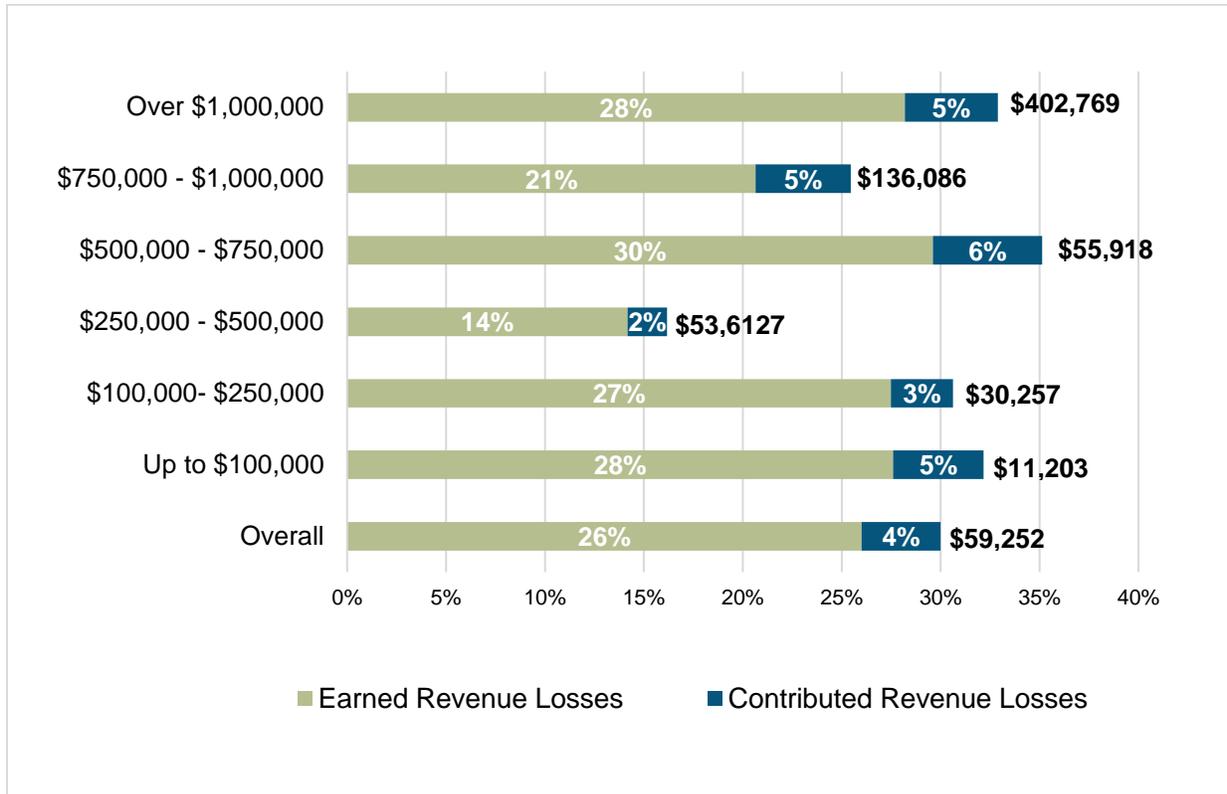


FIGURE 18

Projected Revenue Losses as Percentages of Annual Operating Revenue by Budget Size
(Avg Total Revenue Loss \$)



Unanticipated Expenses

Choruses have also realized unanticipated expenses due to COVID-19, with 29% of respondents stating they have incurred additional expenses such as those related to purchases of cleaning supplies/hand sanitizer, contracting additional cleaning staff, offering additional paid sick leave, implementation of working from home procedures, and other costs. Because responses were recorded in the spring of 2020, we assume that more choruses may be experiencing unanticipated expenses due to the pandemic. Of those respondents, the average of unanticipated expenses reached roughly \$2,700, or about \$375,000 in aggregate. Figures 19 and 20 show the variation of unanticipated expenses by constituency type and budget size, respectively.

FIGURE 19

Unanticipated Expenses (% Reporting) by Constituency Type w Avg. \$

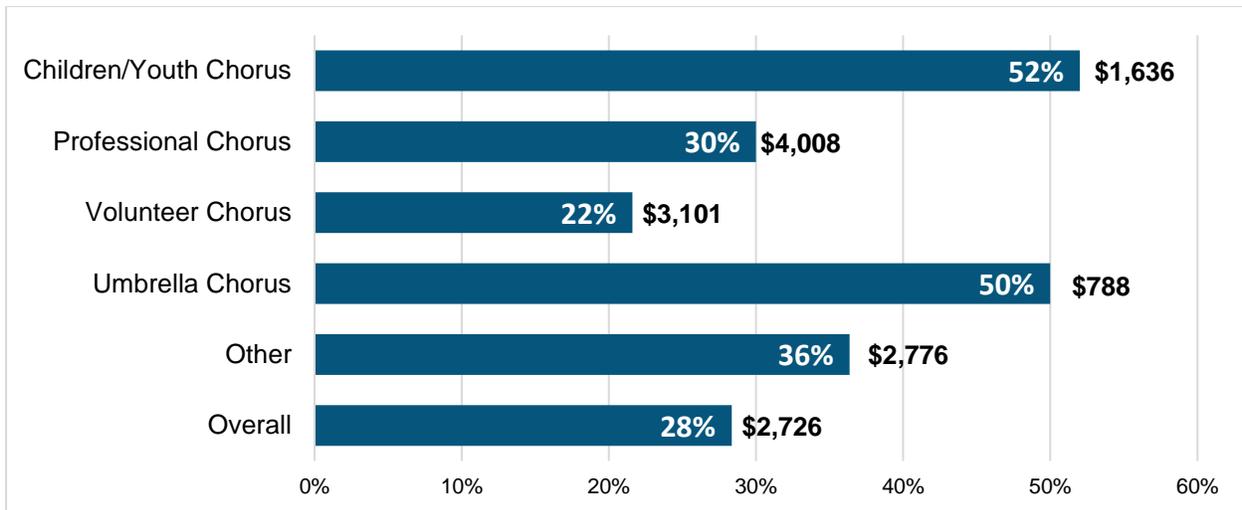
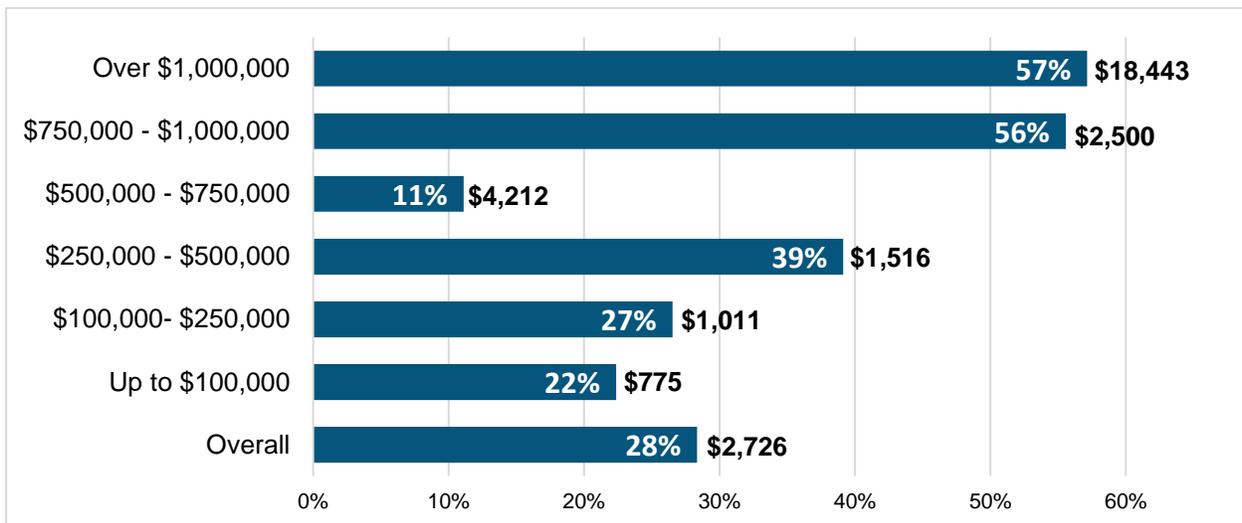


FIGURE 20

Unanticipated Expenses (% Reporting) by Budget Size w Avg. \$



RELIEF FUNDING

In the capitalization section of this report, we note that during the data collection period for the Chorus Operations Survey (fall 2019 through winter 2020), overall working capital was 2 months, 19 days. As venue closures and cancellations have been much longer than the 2-month period, there are significant concerns regarding long-term solvency of choruses. In the Chorus America COVID-19 Impact Survey, respondents were asked to indicate whether they

expected to receive any benefits from federal or other relief programs launched since the onset of COVID-19. These forms of relief include the Small Business Administration’s (SBA) Economic Injury Disaster Relief (EIDL) Loans and Loan Advances, SBA Payment Protection Program, and grants from National Endowment for the Arts (NEA) distributed by the NEA or through state-level arts councils. As of May 15, less than a quarter of responding choruses expected to receive benefits from any of these programs. Tables 20 and 21 show the number of organizations responding yes/no/don’t know to that question in the survey.

TABLE 20

Count of Responses to Expectation of Receiving Relief Funding, by Constituency Type

	Yes	No	Don't Know
Children/Youth Chorus	12	3	10
Professional Chorus	5	6	9
Volunteer Chorus	33	96	44
Umbrella Chorus	8	5	9
Other	2	6	3
Overall	60	116	75

TABLE 21

Count of Responses to Expectation of Receiving Relief Funds, by Budget Size

	Yes	No	Don't Know
Up to \$100,000	11	95	34
\$100,000- \$250,000	15	13	21
\$250,000 - \$500,000	11	3	9
\$500,000 - \$750,000	4	2	3
\$750,000 - \$1,000,000	7	1	1
\$750,000 - \$1,000,000	12	2	7
Overall	60	116	75

Paycheck Protection Program Funding

With data provided from the SBA we can see how organizations who fall within NAICS sectors that include choral organizations fared with receiving Paycheck Protection Program, or PPP loans. This data is helpful in understanding who has received funding and how it has potentially helped the arts and culture sector. With the PPP loan data provided by the SBA, one can parse loan data by location, sector (as done in Table 22), and many other variables. For the purposes of this report, we examined organizations receiving loans who had the NAICS code 711130¹³, which includes all musical groups and artists. When comparing the total number of these

¹³ For more information on NAICS codes visit: <https://www.naics.com/search/>

organizations receiving PPP loans in the U.S. against all 711130 organizations receiving loans, only 5% of music-based organizations received funding. Average loans for musical groups and artists range from approximately \$31,000 for small-sized loans (supporting 10 jobs on average) and \$907,000 for large loans (supporting 106 jobs on average). Of the 10-15 choruses surveyed by Chorus America that could have received loans in excess of \$150,000 (allowing us to see the organization names), 5 received PPP loans to support over 500 jobs.

Data from the SBA regarding EIDL advances and loans is less descriptive than data regarding the PPP program. However limited data is available from the SBA.¹⁴ Similarly, grants distributed by the NEA can be found online, with state-level reporting varying accessibility across various states.¹⁵

TABLE 22

Loan Breakdown for Loans Given to Musical Groups & Artists (NAICS 711130)

Loan Size	NAICS Sector	Loan Count	Avg. Loan \$	Total Loan \$	Avg. Jobs	Total Jobs	\$ per Job
Under \$150K	Musical Groups & Artists (711130)	634	\$31,375	\$19,891,938	10	5,987	\$3,323
Over \$150K	Musical Groups & Artists (711130)	105	\$906,595	\$95,192,428	106	10,319	\$9,225

CONCLUSION

The results of this report reveal only the initial impacts of COVID-19 on choruses. Shown in appendix A are comments further illustrating the broader story of the impacts of COVID-19 beyond just the numbers. The primary themes that emerged were a desire for more advocating around funding, the loosening of grant restrictions in order to maintain operations and think creatively towards new programming, and the need for assistance developing and distributing digital or remote experiences for audiences. As stated earlier, at the time of writing this report we expect that many choruses are facing very low levels of working capital to support them in the coming months and year. In May 2020, SMU DataArts released a report, *In It for the Long Haul*, projecting estimated impacts from March 2020 to February 2021. **The report projects a deficit of 26% for the average arts and culture organization.** This estimate is based on activity reported by about 35,000 arts and culture nonprofit organizations in the U.S., incorporating financial and survey data collected by multiple organizations to date. The report

¹⁴ For more information on the EIDL program, please visit: <https://www.sba.gov/funding-programs/loans/coronavirus-relief-options/economic-injury-disaster-loans>

¹⁵ For more information on the NEA's COVID-19 grantmaking efforts, please visit: <https://www.arts.gov/coronavirus>

analyzes the projection in more depth and delves into strategies for organizations to achieve success on the other side of COVID-19.¹⁶ The arts and culture sector has persevered through challenges before, adapting throughout the years to respond to changes in the social and economic climate. The sector is now finding creative ways to cope with the impact of COVID-19. Chorus are resuming operations in a variety of ways in response to COVID-19, from digital programming (e.g., virtual choirs), in-person singing events with precautions, to preparing performances to be livestreamed as well as available to limited in-person audiences¹⁷. As one organization states, “We are attempting to turn a very discouraging situation into an opportunity to maintain and deepen the community feeling of our organization.” The arts are central to a sense of community and belonging, which is more important now than ever before.

ABOUT SMU DATAARTS

SMU DataArts, the National Center for Arts Research, is a joint project of the Meadows School of the Arts and Cox School of Business at Southern Methodist University. SMU DataArts compiles and analyzes data on arts organizations and their communities nationwide and develops reports on important issues in arts management and patronage. Its findings are available free of charge to arts leaders, funders, policymakers, researchers and the general public. The vision of SMU DataArts is to build a national culture of data-driven decision-making for those who want to see the arts and culture sector thrive. Its mission is to empower arts and cultural leaders with high-quality data and evidence-based resources and insights that help them to overcome challenges and increase impact. Publications include white papers on culturally specific arts organizations, the egalitarian nature of the arts in America, gender equity in art museum directorships, protecting organizations through downturns, and more. SMU DataArts also publishes reports on the health of the U.S. arts and cultural sector and the annual Arts Vibrancy Index, which highlights the 40 most arts-vibrant communities around the country. For more information, visit <http://smu.edu/dataarts>

¹⁶ Please view *In It for the Long Haul* at: <https://culturaldata.org/pages/long-haul/>

¹⁷ For examples on ways choruses are exploring the possibilities of programming during the pandemic, please visit: <https://www.chorusamerica.org/publications/blog/few-early-ventures-person-singing>

APPENDIX A: COMMENTS

The below comments have been edited for length, clarity, or to ensure respondent anonymity.

Advocate for funding:

- *Continuing to advocate on federal relief including unemployment for contractors (most of our artists fall into this category) and grants/forgivable loans to maintain operations.*
- *Our fixed costs - payroll, rent, insurances, etc. - have been reduced as much as possible. At this point any further reductions would require the shuttering of the administrative and artistic staff.*

Loosen grant restrictions:

- *I think a major need right now will be shifting from project-based grants to ones with very few strings attached, so each organization can fund its operations in whatever ways it needs to adapt to this very fluid and unpredictable situation. In addition, government and private foundations [should] expand their funding where possible, to compensate for losses in ticket revenue as organizations shift to providing free online content.*
- *Renegotiating with grant funders for extension of program periods vs. repayment of funds already received.*

Assistance in developing remote experiences for audiences:

- *Providing meaningful remote learning experiences so parents will continue to pay tuition.*
- *We must have access to grants for digital efforts. Grants for Zoom Pro, virtual choir software, [and] instruction (online sight-reading programs).*
- *Help streamline and simplify copyright and streaming license requirements for all music publishers.*
- *Technical forums/presentations/etc. on how to maximize Zoom and other platforms for rehearsing/performing. Support on way to pursue our mission virtually.*
- *How to fund, devise and produce possibly up to a year of digital-only content of a quality on par with our reputation. Maintaining relevance and authenticity over such an extended but open-ended period without the ability to perform as a choir.*
- *Realized the importance of having videos of past performances; have been posting these to keep people aware of the Chorus. Could use more professional quality video - parent volunteers mean well, but the results are very spotty!*

Additional Concerns:

- *We worry that momentum will wane, our audience will fear coming to concerts, and the financial impact will ripple down to programming cuts.*
- *Our greatest concern is singers losing their sense of community and dropping out of the chorus due to COVID-19. Our singers joined [our organization] because they want to*

sing in a group, not alone. Until it is safe for our chorus to sing together again in person, this is our challenge.

Looking Forward:

- *[We have] used the social distancing mandate to more deeply explore a project we've been working on prior to COVID-19, which is live virtual performing, performing works that were specifically composed with the technical limitations of live-streaming in mind, using "flaws" such as lag, poor connection, etc. as intentional aesthetic elements. While we are anxious to get back together to sing in person, this is giving us the time and opportunity to explore this project in greater detail and help make our music more accessible to wider audiences.*
- *We are attempting to turn a very discouraging situation into an opportunity to maintain and deepen the community feeling of our organization.*
- *I believe this situation offers us an opportunity to get a collective view of all our choruses locally and throughout a larger region. We want to reach out and create a communal environment that will benefit many choruses very much for the immediate short term... [but also, we are building a] longer term view that can help grow the singing community at large.*