by Nicole G. Anderson
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photo (cc) ectasticist The Temple of Dendur at the Metropolitan Museum of Art. The Met is suffering from a 25 percent decrease in endowment this year.

New York City's cultural institutions are accustomed to weathering the ebbs and flows of the economy, but over the past year, the recession has taken its toll on even the most established museums. The city's cultural institutions have fallen victim to the domino effect set off by the global financial crisis. As private and public support has declined, museums have been left with a particularly challenging balancing act -- maintaining a high level of educational programming and noteworthy exhibitions while adjusting to significantly leaner budgets. This transition has prompted museum directors to make a series of difficult decisions resulting in layoffs, furloughs, salary cuts and downsized or canceled exhibitions.

In spite of these tough times, attendance has increased, giving museum officials a reason to stay positive. Modifying their spending and exhibition schedule, cultural institutions are continuing to pursue long-term projects.

Feeling the Heat

Across the board, museums have experienced a considerable decrease in both corporate and public support. Cultural institutions look to different revenue sources to sustain their operating budgets and endowments. Government funding is one slice of the pie, while visitor attendance, membership, and contributions from corporations, private foundations and individuals make up the remaining financial support. The recession has led to losses in most of these areas.

The Department of Cultural Affairs provides significant funding for the 33 members of the Cultural Institutions Group
, an organization that is comprised of private cultural institutions located on city-owned property, which receive regular funding from the city. For the 2010 fiscal year, the members of Cultural Institutions Group received a 3 percent reduction in city funding. While this cutback affects all members, its impact varies depending upon the size and endowment of the individual institution.

"In terms of the corporate community, I think everyone has seen a fairly substantial decline," commented Arnold L. Lehman, director of the Brooklyn Museum of Art and chair of the Cultural Institutions Group. "And that decline is perhaps best demonstrated within the

sponsorship arena -- sponsorship for major exhibitions and sponsorship for major programs."

Lehman added that, while individual support has remained "fairly solid," there have been decreases in many areas, such as foundation support. "There are certain foundations that have stepped up their funding to try to replace some of the other areas where support has decreased," Lehman said.

The cutbacks affect small and large museums. The director of the Museum of the City of New York, Susan Henshaw Jones, wrote in an email that "private funding, too, fell off in the areas of higher level giving" along with the decrease in funding from the city this fiscal year.

Even museums with sizeable endowments and traditionally solid attendance are being hit hard by the economic downturn. In February, the Metropolitan Museum of Art announced in a press release that its endowment value suffered a 25 percent decrease from the previous year. With fewer tourists, membership renewals, and private and public contributions, the Met has had to tweak its budget and re-evaluate upcoming projects.

The Jewish Museum has seen its annual operating budget decline from $16.3 million to $13.7 million in the last year, according to a statement from Lynn Thommen, deputy director for external affairs "During this global economic downturn, the Jewish Museum faces the same challenges as most other cultural organizations," her statement said. She attributed the decline to a decrease in money earned from the museum's endowment and from a reduction in contributions.

In preparation for the challenges the economic downturn might pose, the museum took action. Thommen said, "Trustees and other close friends are contributing to a Stabilization Fund campaign with a goal of $4 million. This will enable us to continue to meet the community's interests through quality programming while being fiscally responsible."

Adjusting to a New Reality

The economic climate has compelled many museums to lay off staff and postpone projects. This has been the case for the Metropolitan Museum of Art, which implemented a hiring freeze in February, cut approximately 357 jobs and shut down 15 of its museum stores across the

country. The Brooklyn Museum took similar measures including voluntary separation packages, staff furloughs and increased admission fees.

Several museums are expanding as they simultaneously make cuts. The Museum of the City of New York has increased programming -- adding a Wednesday night event this summer called the "Speakeasy." However, last October, the museum began to cut back on expenses: "This meant the loss of positions through attrition and layoffs in every department of the museum. These positions have yet to be restored," said Jones, its director.

The Tenement Museum has offset the drop from certain income sources through an increase in visitors. Even with the museum's boost in attendance, it did prepare for potential financial troubles. "At the end of last calendar year, we did have a few layoffs, but it was more of a precautionary constriction rather than actually out of the need to do it," said David Eng, vice president of public affairs. "But we were looking ahead at all these projects that we're doing and that whole notion that fundraising was probably going to be down, so we did make some of those changes at the end of last year and now we're fine moving into this next year."

Looking on the Bright Side

While revenues have gone down, the number of visitors to many of the city's cultural institutions has gone up. This uptick in attendance has been partially attributed to the fact that many New Yorkers are staying in the city instead of traveling due to the economy. But interesting public programming and exhibits continue to be an important draw.

The Museum of the City of New York, saw its attendance in the fiscal year ending in June go up by 19 percent from the previous year and had even sharper rises in July and August, according to Jones. "This includes two new programs that were launched, but there were increases in every category of membership," she said.

The Tenement Museum also reported a 20 percent increase in visitors over the past year.

Moving Forward, One Step At A Time

The downsized budgets have encouraged museums to tap into their extensive permanent collections for special exhibitions.

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The Brooklyn Museum of Art is about to launch two upcoming exhibitions that come directly from their permanent collections: The Life of Christ , which will showcase the paintings of James Tissot, and Body Parts: Ancient Egyptian Fragments and Amulets , a selection of 35 objects from the museum's Egyptian collection.

And while it is true that a number of museums are putting projects on hold, many also are moving forward -- cautiously -- with their long-term plans. The Met vows to carry on with the renovations of the new galleries for the Department of Islamic Art scheduled to reopen to the public in 2011; the Tenement Museum is building a new visitor center and shop; and the newly renovated El Museo del Barrio will open its doors to the public this month.

"We don't want to do anything that undercuts the essential mission of the Brooklyn Museum of Art," said Lehman. "I can't imagine that we would ever stop doing exhibitions or stop doing education programs for children and for adults. But you have to look at the peripheries of all these and see how you might be able to do things more practically."

The city's cultural institutions might be slowing down the pace a bit and cutting back, but they have honed their survivor skills and continue to pull in the crowds.

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