

**MURAL ARTS  
FISCAL YEAR 2018 BUDGET TESTIMONY  
APRIL 11, 2017**

**INTRODUCTION**

Good Afternoon, President Clarke and Members of City Council. I am Jane Golden, Executive Director of Mural Arts Philadelphia. Joining me today are Joan Reilly, Chief Operating Officer, Caitlin Butler, Director of Development, and Karl Malkin, Chief Financial Officer. I am pleased to provide testimony on Mural Arts' Fiscal Year 2018 Operating Budget.

**DEPARTMENT MISSION & PLANS**

**Mission:** Mural Arts creates art with others to transform places, individuals, communities, and institutions. The process empowers artists to be change agents, to stimulate dialogue about critical issues, and to build bridges of connection and understanding. The work is created in service of a larger movement that values equity, fairness, and progress across all of society. Through beautiful collaborative art, Mural Arts provides people with the inspiration and tools to seize their own future.

**Plans for Fiscal Year 2018:**

**Public Art and Civic Engagement (PACE):** Public art projects and programs stemming from all areas of Mural Arts' practice will look to advance Mayor Kenney's goals. Efforts in this area will include:

- Engaging residents in a collective vision for the City and activating them as citizens;
- Building bridges of understanding across social, cultural, and economic divides;
- Addressing urgent needs voiced by community leaders;
- Nurturing safe and welcoming public spaces, including parks, schools, and recreation centers;
- Improving quality of life for refugees and immigrants; and
- Drawing broad attention to Philadelphia's unique assets (place-making).

Community Murals and Special Projects: Mural Arts receives more than 200 requests for projects annually from entities such as community residents, neighborhood-based organizations, citywide institutions, city agencies, and elected officials. In FY18-22, Mural Arts will set a goal of increasing the number of projects produced annually from 75-100 to 95-120 and the number of participants engaged from 25,000 to 35,000.

Storefront Hubs on Key Commercial Corridors: In Kensington, Tacony, and Southeast Philadelphia, Mural Arts has turned vacant storefronts into hubs for artistic activity, community organizing, and creative enterprise. These vibrant spaces give people a place to gather, to think creatively together, to learn new skills, and to transform their neighborhoods through public art and other enhancements. Over the next two years, Mural Arts will sustain the presence of these storefront hubs and launch one new hub, engaging a total of more than 4,000 people. A goal is accelerated growth on these corridors, as reported by Community Development Corporations (CDCs), Business Districts, and other partners.

Restorations and Stewardship: For the past 33 years, Mural Arts has worked with communities to create a collection that has made Philadelphia "the mural capital of the world." However, murals have a lifespan of about 15 years before they begin to peel and fade. Mural Arts currently restores 20 murals each year.

Restorative Justice: Developed in collaboration with the city's Youth Violence Reduction Partnership (YVRP) and the Philadelphia Department of Prisons (PDP), the Guild reentry program is an innovative

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workforce development model for returning citizens and young adults on probation. Participants earn an hourly wage while building practical skills through training with professional instructors, apprenticeships with community public art projects, and mentorship. The Guild enrolls 60 to 100 individuals annually and sustains a program completion rate of 60%, on par with the best programs in the country. Seventy-six to 88% of its graduates are successfully placed into employment, education, or other programs. The overall employment rate for all FY16 graduates is 80.7%, and the one-year recidivism rate of 14% significantly outperforms the statewide rate of 35%.

Porch Light: Porch Light, launched in 2007 in partnership with the Department of Behavioral Health and Intellectual disAbility Services (DBHIDS), seeks to promote public health by visually transforming neighborhoods and enhancing recovery and resilience among individuals facing behavioral health challenges. The Yale School of Medicine recently conducted a controlled, longitudinal study on the Porch Light model and found that participation in the model increases collective efficacy and decreases social stigma relating to behavioral health disorders.

Art Education (for Youth): Annually, Mural Arts engages more than 1,500 students at approximately 30 sites in a variety of in-school, after-school, and summer class options. Mural Arts partners with the Department of Human Service (DHS) to make site decisions and to recruit young people ages 10 to 21 who are under their purview. Over 80% of Mural Arts' students live in neighborhoods with high-exposure Adverse Childhood Experiences (ACE), and 87% are economically disadvantaged. All of Mural Arts' advanced students graduate from high school, and at least 85% matriculate to college, many with significant scholarships. Over the next five years, Mural Arts plans to increase the number of participants in core Art Education programming from 1,000 to 1,500 while sustaining a 100% high school graduation rate for advanced students in the Art Education program and an 85% matriculation rate.

**Operations and Advancement:** FY18-22 plans for operations and advancement include:

- Responding with greater urgency to needs that surface on project sites;
- Leading a formative and collaborative evaluation of murals' impact in communities;
- Implementing recommendations from human capital management firm AchieveMission;
- Increasing streams of unrestricted resources and diversify means of support;
- Improving audience's understanding of and investment in the work of the organization; and
- Generating more than \$600,000 of economic impact (per the Greater Philadelphia Cultural Alliance's Economic Impact Calculator) in purchases made by tour customers while visiting the City in FY18, with an increase to \$900,000 in five years.

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**BUDGET SUMMARY & OTHER BUDGET DRIVERS**

<b>Staff Demographics Summary (as of December 2016) *</b>				
	Total	Minority	White	Female
Number of Full-Time Staff	11	7	4	2
Number of Civil Service-Exempt Staff	0	0	0	0
Number of Executive Staff (deputy level and above)	1	0	1	1
Average Salary, Full-Time Staff	\$48,648	\$42,220	\$59,895	\$84,193
Average Salary, Executive Staff	\$120,645	\$0	\$120,645	\$120,645
Median Salary, Full-Time Staff	\$42,436	\$42,436	\$42,228	\$84,193
Median Salary, Executive Staff	\$120,645	\$0	\$120,645	\$120,645

<b>Employment Levels (as of December 2016) *</b>		
	Budgeted	Filled
Number of Full-Time Positions	11	11
Number of Part-Time Positions	0	0
Number of Civil-Service Exempt Positions	0	0
Number of Executive Positions (deputy level and above)	1	1
Average Salary of All Full-Time Positions	\$48,648	\$48,648
Median Salary of All Full-Time Positions	\$42,436	\$42,436

*\*This summary represents city-funded positions only.*

<b>General Fund Financial Summary by Class</b>						
	FY16 Original Appropriations	FY16 Actual Obligations	FY17 Original Appropriations	FY17 Estimated Obligations	FY18 Proposed Appropriations	Difference: FY18-FY17
Class 100 - Employee Compensation	\$490,401	\$495,213	\$533,401	\$539,895	\$548,987	\$9,092
Class 200 - Purchase of Services	\$1,155,615	\$1,155,615	\$1,145,615	\$1,145,615	\$1,275,615	\$130,000
Class 300 - Materials and Supplies	\$0	\$0	\$0	\$0	\$0	\$0
Class 400 - Equipment	\$0	\$0	\$0	\$0	\$0	\$0
Class 500 - Contributions	\$0	\$0	\$0	\$0	\$0	\$0
Class 700 - Debt Service	\$0	\$0	\$0	\$0	\$0	\$0
Class 800 - Payment to Other Funds	\$0	\$0	\$0	\$0	\$0	\$0
Class 900 - Advances/Misc. Payments	\$0	\$0	\$0	\$0	\$0	\$0
	<b>\$1,646,016</b>	<b>\$1,650,828</b>	<b>\$1,679,016</b>	<b>\$1,685,510</b>	<b>\$1,824,602</b>	<b>\$139,092</b>

<b>Professional Services Contracts Summary*</b>						
	FY12	FY13	FY14	FY15	FY16	FY17 YTD (Q1 & Q2)
Total amount of contracts	\$554,800	\$501,800	\$1,139,900	\$1,001,800	\$1,155,615	\$1,155,615
Total amount to M/W/DSBE	n/a	n/a	n/a	n/a	n/a	n/a
Participation Rate	n/a	n/a	n/a	n/a	n/a	n/a

*\*The large majority of Mural Arts' city-funded work is done in-house by city-funded staff and staff of the nonprofit Philadelphia Mural Arts Advocates. As a result, Mural Arts does not have an OEO participation goal.*

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### **PROPOSED BUDGET OVERVIEW**

#### **Proposed Funding Request:**

The proposed Fiscal Year 2018 General Fund budget totals \$1,824,602, an increase of \$139,092 over Fiscal Year 2017 estimated obligation levels. This increase is primarily due to a modest raise for city employees and increased investment in public art projects and programming for ex-offenders.

The proposed budget includes:

- \$548,987 in Class 100, a \$9,092 increase over FY17. This funding will pay the salaries of 11 employees, including: the Executive Director, her assistant, members of our mural crew, a reception manager, and two muralists.
- \$1,275,615 in Class 200, a \$130,000 increase over FY17. This funding will support Mural Arts' ability to lead 30 to 40 community mural projects in collaboration with youth, formerly and currently incarcerated individuals, residents receiving behavioral health services, community members, neighborhood-based organizations, city-wide institutions, and city agencies.

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### STAFFING LEVELS

The department is requesting 11 budgeted positions for FY18, level funding over FY17.

### NEW HIRES

New Hires (from December 2016 to present)	
	Total Number of New Hires
Black or African American	1
Other	1
Total	2

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**PERFORMANCE, CHALLENGES, AND INITIATIVES**

FY18 Performance Measures: Public Art and Civic Engagement (PACE)				
Measure	FY16 Actual	FY17 YTD (Q1 & Q2)	FY17 Estimate	FY18 Target
Number of public art projects dedicated *	79	27	50	50
Number of mid- or large-scale restorations completed	23	16	20	20
Number of people engaged in a program or project **	24,680	N/A	25,000	25,000
Percent of open enrollment students who graduate from high school / attend college **	100% / 83%	N/A	100% / 85%	100% / 85%
Percent of re-entry participants taken back into custody after a year **	14.2%	N/A	10.0%	10.0%
Percent of re-entry participants employed six months after program completion **	76.3%	N/A	73.0%	73.0%

\*Annual target remains at 50 in order to account for projects with multi-year timelines that result in fewer dedications in some fiscal years.

\*\* Tallied at the end of each fiscal year.

FY18 Performance Measures: Operations and Advancement				
Measure	FY16 Actual	FY17 YTD (Q1 & Q2)	FY17 Estimate	FY18 Target
Number of tour participants	11,754	6,516	13,000	13,000
Private funding leveraged (per public dollar)	\$1.50	\$1.50	\$1.50	\$1.50
Press impressions *	279,243,374	78,038,400	290,000,000	300,000,000
Social media followers	77,800	88,200	100,000	140,000
Successful annual audit **	Yes	N/A		Yes

\*Press impressions are calculated based on the circulation of media outlets multiplied by the number of stories relating to Mural Arts. Press impressions during FY17 Q1-Q2 are lower than in FY16 due to a heavy media push around Open Source in Fall 2015. Mural Arts anticipates press impressions to increase during FY17 Q3-Q4 leading up to the launch of the large-scale project, Monument Lab.

\*\* Mural Arts' audit takes place during the winter following the June 30 fiscal year end.

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### **OTHER BUDGETARY IMPACTS**

#### **Federal and State (Where Applicable)**

The Pennsylvania Council on the Arts supports Mural Arts' Department of Public Art and Civic Engagement, specifically our Community Murals and Restorations & Stewardship departments. Our grant award for the period of 9/1/2016 to 8/31/2017 is \$36,134. Each year, Mural Arts applies for restricted, project-based support from the National Endowment for the Arts. This year, we received \$60,000 for Monument Lab, a public art and history project that falls within our Special Projects department and will engage our three program areas as well as our Community Murals department.

The proposed FY2018 Federal Budget would eliminate the National Endowment for the Arts, a critical funder for Mural Arts and the PA Council on the Arts. The proposed Federal Budget would also eliminate the Institute of Museum and Library Services, a current funding prospect for Mural Arts' multi-year partnership with Bartram's Garden that will increase public engagement with and stewardship of the Lower Schuylkill and draw attention to Philadelphia as a center for innovative public space and design.

Decreased federal and/or state funds would:

- Substantially reduce our ability to create new projects in response to requests made by individuals, and city agencies, and thereby reduce opportunities for youth, inmates, former inmates, and those in treatment at behavioral health clinics to build skills and assume positive roles in their communities.
- Negatively impact our ability to keep existing murals in good condition, a situation that would reflect poorly on Mural Arts and on the City.
- Force Mural Arts to make some hard decisions, including staff layoffs, reducing our project load, and shrinking effective programs.

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### CONTRACTING EXPERIENCE

The large majority of Mural Arts' city-funded work is done in-house by city-funded staff and staff of the nonprofit Philadelphia Mural Arts Advocates. Demographics for Mural Arts' staff (city and nonprofit) and Board of Directors is included below:

<b>Philadelphia Mural Arts Advocates</b>		
<b>Board Demographics</b>		
<b>April 2017</b>		
	<b>Male</b>	<b>Female</b>
Racial/ethnic non-minority	12	15*
Racial/ethnic minority	5**	3***
<b>Total</b>	<b>17</b>	<b>18</b>
* Includes one ex-officio member		
** Includes one ex-officio member		
*** Includes two ex-officio members		

<b>Philadelphia Mural Arts Advocates</b>			
<b>Staff Demographics</b>			
<b>April 2017</b>			
	<b>Male</b>	<b>Female</b>	<b>Transgender</b>
Racial/ethnic non-minority	11	22	1
Racial/ethnic minority	10	10	0
<b>Total</b>	<b>21</b>	<b>32</b>	<b>1</b>



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EMPLOYEE DATA

Staff Demographics (as of December 2016)					
Full-Time Staff			Executive Staff		
	Male	Female		Male	Female
	African-American	African-American		African-American	African-American
<i>Total</i>	5	0	<i>Total</i>	0	0
<i>% of Total</i>	45%	0%	<i>% of Total</i>	0%	0%
<i>Average Salary</i>	\$41,073	\$0	<i>Average Salary</i>	\$0	\$0
<i>Median Salary</i>	\$37,456	\$0	<i>Median Salary</i>	\$0	\$0
	White	White		White	White
<i>Total</i>	3	1	<i>Total</i>	0	1
<i>% of Total</i>	27%	9%	<i>% of Total</i>	0%	100%
<i>Average Salary</i>	\$39,645	\$120,645	<i>Average Salary</i>	\$0	\$120,645
<i>Median Salary</i>	\$36,715	\$120,645	<i>Median Salary</i>	\$0	\$120,645
	Hispanic	Hispanic		Hispanic	Hispanic
<i>Total</i>	1	0	<i>Total</i>	0	0
<i>% of Total</i>	9%	0%	<i>% of Total</i>	0%	0%
<i>Average Salary</i>	\$42,436	\$0	<i>Average Salary</i>	\$0	\$0
<i>Median Salary</i>	\$42,436	\$0	<i>Median Salary</i>	\$0	\$0
	Asian	Asian		Asian	Asian
<i>Total</i>	0	0	<i>Total</i>	0	0
<i>% of Total</i>	0%	0%	<i>% of Total</i>	0%	0%
<i>Average Salary</i>	\$0	\$0	<i>Average Salary</i>	\$0	\$0
<i>Median Salary</i>	\$0	\$0	<i>Median Salary</i>	\$0	\$0
	Other	Other		Other	Other
<i>Total</i>	0	1	<i>Total</i>	0	0
<i>% of Total</i>	0%	9%	<i>% of Total</i>	0%	0%
<i>Average Salary</i>	\$0	\$47,741	<i>Average Salary</i>	\$0	\$0
<i>Median Salary</i>	\$0	\$47,741	<i>Median Salary</i>	\$0	\$0
	Bilingual	Bilingual		Bilingual	Bilingual
<i>Total</i>	1	0	<i>Total</i>	0	0
<i>% of Total</i>	9%	0%	<i>% of Total</i>	0%	0%
<i>Average Salary</i>	\$42,436	\$0	<i>Average Salary</i>	\$0	\$0
<i>Median Salary</i>	\$42,436	\$0	<i>Median Salary</i>	\$0	\$0
	Male	Female		Male	Female
<i>Total</i>	9	2	<i>Total</i>	0	1
<i>% of Total</i>	82%	18%	<i>% of Total</i>	0%	100%
<i>Average Salary</i>	\$40,749	\$84,193	<i>Average Salary</i>	\$0	\$120,645
<i>Median Salary</i>	\$37,456	\$84,193	<i>Median Salary</i>	\$0	\$120,645

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**NUMBER OF BILINGUAL EMPLOYEES**

<b>Number of Bilingual Employees</b>	
	Spanish
Operations and Advancement	1
Total - All Divisions	1
Total - # of Bilingual Employees	1
Total - # of Languages Spoken	1