

Indianapolis Museum of Art Initiates Mission-focused Budget Reductions and Staff Restructuring

Free general admission policy to continue; changes reflect a 10% reduction in personnel and a 15% reduction in operating expenses

Director and senior staff donate 3% of their salaries to IMA

Indianapolis, February 27, 2009—The Indianapolis Museum of Art announced today a strategic restructuring that includes a 10% reduction in personnel and a 15% reduction in operating expenses. These changes were triggered by the drop in the value of the IMA's endowment from \$382 million to \$281 million since the fall of 2008 and follow \$1.7 million of in-year cuts to the operating budget that were announced in January 2009. Trends in endowment figures since September 2007 can be found on the IMA Dashboard at dashboard.imamuseum.org.

For its fiscal year beginning July 1, 2009, the IMA projects an operating budget of \$25.5 million; this is a net reduction of \$2.5 million from the IMA's budget of \$28.1 million for 2008-2009. Despite the tough economy, the IMA, which attracts close to 500,000 visitors annually, will continue to offer free general admission. The restructuring will lead to some strategic programming changes, but it will not impact the overall experience of visiting the IMA.

"I am confident that these changes will allow the IMA to operate efficiently while pursuing its core mission. As we continue the commemoration of our 125th anniversary, we know that in past times of hardship, careful planning and restraint helped the IMA emerge as a stronger institution," said Maxwell L. Anderson, The Melvin & Bren Simon Director and CEO of the IMA. "At the same time, it is with great regret that we see many talented individuals leave the Museum," he added.

The IMA is spreading the cuts across departments including curatorial, conservation, registration, education, development, events, public affairs, buildings, museum information systems, environmental and historic preservation, retail and protection services. Fifteen full-time positions and six part-time positions are being eliminated. Six full-time vacant positions will not be filled, and the Museum will reduce its reliance on seasonal employees who help maintain the gardens and grounds. The IMA is providing severance packages and outplacement services to those affected by the restructuring.

In recognition of the complex financial challenges the Museum faces, 10 IMA senior staff members including the director and CEO, senior curators and top administrators have volunteered to make donations to the Museum equivalent to 3% of their salaries.

The IMA relies on its endowment to fund approximately 70% of its operating budget, and though the IMA's investments have performed well ahead of the broader market, immediate adjustments are necessary in recognition of the endowment's loss of more than \$100 million from its value at the beginning of 2008. Other revenue sources including membership, individual giving, foundation support, corporate support and retail sales have remained steady, but in many cases, individuals and foundations that support the IMA have faced similar losses in their investment portfolios. The IMA receives less than 1% of its budget from local and state government. Though minimal, the government

support the IMA does receive is likely to be reduced. Possible declines in endowment and contributed and earned income may cause the Museum to make further reductions in the coming months.

The restructuring addresses an increasingly globalized museum landscape, and involves management changes as well as staff reductions. A newly formed team of four senior IMA curators will play a leading role in institutional decision-making related to the stewardship of the Museum's collections. Their review will result in fresh strategies for collecting and displaying the art of every culture represented at the IMA, taking into account evolving international legislation and increased sensitivity to the complexities of protecting cultural heritage from non-Western nations, as well as the myriad challenges of collecting and representing the visual traditions of the 21st century from around the world. This new curatorial team will complement four existing cross-departmental task forces that develop ongoing recommendations concerning institutional evaluation, strategic planning, budgeting and professional development.

The decisions announced today follow the January 2009 announcement of budget reductions totaling \$1.7 million for 2008-2009. A museum-wide salary freeze and a hiring "frost"—meaning that only very exceptionally and strategically will new hires take place—are still in effect. The Museum will continue as planned with its two special exhibitions in 2009, *European Design Since 1985: Shaping the New Century* and *Sacred Spain: Art and Belief in the Spanish World*. As previously announced, the Museum has rescheduled the opening of 100 Acres: The Virginia B. Fairbanks Art & Nature Park for Spring 2010.

In addition, the IMA will move forward with previously announced projects central to its mission, including integration into the Museum's collections of Miller House and Garden in Columbus, Ind., and the creation of a conservation science laboratory on the Museum's premises.

"Even though we are facing tough choices right now, it is important that we invest in the future so that the IMA can continue to provide an enriching and vibrant museum experience. We will continue our leadership role in ethical, innovative and transparent professional practices. We will redouble our efforts to serve our community with free general admission, an oasis of new ideas, a sense of responsibility for the world's cultural inheritance and a commitment to lifelong learning," stated Anderson.

General IMA Information

The Indianapolis Museum of Art offers visitors an inclusive view of creativity through its collection of more than 54,000 works of art that span 5,000 years of history from across the world's continents. Encompassing 152 acres of gardens and grounds, the IMA is among the 10 largest encyclopedic art museums in the United States, and it features significant collections of African, American, Asian, European and contemporary art, as well as a newly established collection of design arts. The collections include paintings, sculpture, furniture and design objects, prints, drawings and photographs, as well as textiles and costumes.

Through its new articulation of the interconnectedness of art, design and nature, the IMA welcomes its visitors to experiences at the Museum, in 100 Acres: The Virginia B. Fairbanks Art & Nature Park, which will be the largest contemporary art park in the

United States when it opens in spring 2010, and at Oldfields–Lilly House & Gardens, an historic Country Place Era estate on the IMA’s grounds.

The IMA completed a \$74 million expansion project in May 2005. The construction added 164,000 square feet to the Museum and includes renovation of 90,000 square feet of existing space. In order to present major exhibitions of its own and to accommodate major traveling exhibitions, the expanded Museum was outfitted with new 10,000-plus-square-foot Clowes Special Exhibition Gallery on the Museum’s first level. In November 2008, the IMA opened the renovated 600-seat Tobias Theater. Nicknamed “The Toby,” the theater is a venue for talks, performances and films.

Located at 4000 Michigan Road, the IMA and Lilly House are open Tuesday through Saturday, 11 a.m. to 5 p.m.; Thursday and Friday, 11 a.m. to 9 p.m.; and Sunday, noon to 5 p.m. The IMA is closed Mondays and Thanksgiving, Christmas and New Year’s days. For more information, call 317-923-1331 or visit www.imamuseum.org.

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Media Contacts:

IMA:

Katie Zarich / Laura Pinegar

317-920-2650 / 317-923-1331 ext. 239

kzarich@imamuseum.org / lpinegar@imamuseum.org