

2014-16 Executive Progress Report

Commonwealth of Virginia
Secretary of Education

Virginia Museum of Fine Arts

At A Glance

The Virginia Museum of Fine Arts (VMFA) is a state-supported, privately endowed educational institution created for the benefit of the citizens of the Commonwealth of Virginia. Its purpose is to collect, preserve, exhibit, and interpret art, to encourage the study of the arts, and thus to enrich the lives of all.

Staffing 189 Salaried Employees, 0 Contracted Employees, 237 Authorized, and 394 Wage Employees.

Financials Budget FY 2015, \$31.33 million, 31.08% from the General Fund.

Trends	→ Number of People Served	Key Perf Areas	→ Standards of Learning
Legend	↑ Increase, ↓ Decrease, → Steady	Productivity	→ Traveling Exhibitions
		Legend	→ Virginia Planning Districts
			↑ Improving, ↓ Worsening, → Maintaining

For more information on administrative key, and productivity measures, go to www.vaperforms.virginia.gov

Background and History

Agency Background Statement

In the midst of the Great Depression, on January 16, 1936, Virginia's political and business leaders demonstrated their faith in the future and their belief in the value of art by opening the Virginia Museum of Fine Arts in Richmond. The Museum serves as the state's flagship art museum and as the headquarters for an educational network that brings the best of world art, past and present, to every corner of the Commonwealth.

In 2010, the museum completed its fifth expansion with a historic redesign that features the McGlothlin Wing that knits together additional new elements: the E. Claiborne and Lora Robins Sculpture Garden, the Mary Morton Parsons Plaza, and a landscaped parking deck with the original museum and three other historic buildings on the museum's grounds.

The Virginia Museum of Fine Arts' enabling legislation is found in the Code of Virginia, §§ 23-253.1 through 23-253.7.

Major Products and Services

The Virginia Museum of Fine Arts is open 365 days a year and general admission is always free. The Museum ranks as one of the top ten comprehensive art museums in the United States with a permanent collection that encompasses more than 33,000 works of art spanning 5,000 years of world history. The Museum actively supplements its permanent collections with special exhibitions that place the permanent collection in a larger context and brings unfamiliar artists or cultures to Virginia. The McGlothlin Wing includes a 12,000-square-foot gallery space for special exhibitions and can accommodate as many as three exhibitions at a time.

The Museum's Art and Education Division provides educational exhibitions and programs to museums, arts centers, library galleries, schools and universities throughout the Commonwealth. Programs at the museum include educational activities and studio classes for all ages, plus fun after-hours events. From gallery talks to art classes, seminars, teacher programs and family fun, learning is a colorful and compelling experience. The museum also offers free walk-in guided, self-guided and audio tours. Since 1940, the endowed Fellowship Program has been a vital source of funding for the visual arts and art history in Virginia. The museum is committed to supporting professional artist as well as art students who demonstrate exceptional creative ability in their chosen discipline.

Museum members play a part in the museum's mission by providing crucial support for educational programs, exhibitions, art conservation and daily operating expenses.

The Museum is also supported by its enterprise operations, the gift shop and two restaurants. The Museum Shop searches the world to provide a diverse selection of unique jewelry, home accessories, toys, stationery, and books, focusing on merchandise related to the museum's collections and exhibitions as well as educational items and work from Virginia artists. Amuse Restaurant is a lively, contemporary fine dining restaurant. An innovative menu featuring regionally sourced Virginia products is served daily. The Best Café offers a casual dining and light fare. Net profits from all enterprises support museum operational and mission-related needs.

Customers

Customer Summary

The Virginia Museum of Fine Arts was created to benefit the citizens of the Commonwealth. In FY 2014, more than a half a million people had a museum art experience in their own communities — many of them miles from Richmond. The Museum's Art and Education Division provides educational exhibitions and programs to museums, arts centers, libraries, galleries, schools, colleges and universities, and retirement facilities throughout the Commonwealth. Combined with visitation at the Richmond campus, in FY 2014, the Museum served more than one million people.

Customer Table

Predefined Group	User Defined Group	Number Served Annually	Potential Number of Annual Customers	Projected Customer Trend
Consumer	Museum Visitors in Richmond and throughout Virginia (FY2014)	1,081,348	0	
Consumer	Participants served statewide excluding Richmond campus (FY 2014)	616,814	0	
Consumer	Museum visitors in Richmond (FY 2014)	464,534	0	
Consumer	Virginia Citizens, Grade K-12 (FY 2014)	81,083	1,240,110	
Consumer	Virginia Public School Divisions (FY 2014)	94	134	
Consumer	VMFA Partner Organizations (FY 2014)	628	0	
Consumer	VMFA Members (FY 2014)	35,460	0	
Consumer	Website Visitors (FY 2014)	596,204	0	

Finance and Performance Management

Finance

Financial Summary

The Virginia Museum of Fine Arts operates with support from both the public and private sectors with approximately one-third of its revenue coming from the state, another third earned by the museum and the final third provided by private donations to the museum's independent Foundation. All artwork is donated or purchased using income from privately endowed funds in the Foundation.

General Fund

Continued general fund support is critical to keeping the museum open 365 days a year with free admission to the collection. These funds cover basic operating expenses including utilities, building maintenance, outreach programs and many staff salaries. State support is never used to support the special exhibitions.

Dedicated Special Revenue

This revenue is a combination of income from the endowments held by the Museum Foundation and gifts, both private and corporate. Donors typically support: educational and outreach programs, conservation projects, and exhibitions. Usually, endowment income is designated to support specific programs or staff positions.

Enterprise

The museum manages two enterprise operations: the gift shop and food services/special events. These self-supporting enterprises are intended to provide important amenities to museum visitors. Their revenues are required to cover their operating expenses. After that, all net profits support other museum needs.

Federal Trust

Federal grants provide minimal support for the museum budget and are designated for educational and curatorial projects.

Special Revenue

The museum earns money through its core functions. The largest component of special revenue is membership dues followed by ticket sales for special exhibitions. Other sources of earned income are: fees for programs and classes offered at the museum and around the state, parking fees, sales of catalogues produced by the Museum and photographic rights for artworks. Revenue from these activities supports special exhibitions and outreach programs as well as the museum operations.

Fund Sources

Fund Code	Fund Name	FY 2015	FY 2016
0100	General Fund	\$9,737,469	\$9,539,877
0200	Special	\$4,748,964	\$4,785,227
0500	Enterprise	\$5,328,468	\$5,328,468
0901	Private Donations Fund	\$11,261,457	\$11,261,457
1000	Federal Trust	\$250,000	\$250,000

Revenue Summary

Admission Receipts

Approximately 90 percent of the admissions revenue comes from ticket sales for special exhibitions. Visitor parking fees account for the remaining 10 percent.

Gifts & Grants

This figure reflects the total value of funds received from the Museum's independent Foundation. It includes annual giving as well as designated gifts to support exhibitions, educational programs and new initiatives. It also includes the income from endowments that support museum operations, exhibitions and select staff positions.

Miscellaneous Revenue

The revenue earned by the Museum's two enterprise operations, the gift shop and food services/special events, is reflected here. These revenues must cover all operating expenses for the two businesses, and then the net profits support other museum needs.

Sales-Miscellaneous

The largest component of this category is the revenue earned through the sales of museum memberships. Sales for classes in the Studio School or for other educational programs, sales of books and photographic rights make up the remainder.

Parking Fees

The revenue in this category represents the total amount collected from fees for employee parking.

Proceeds from Sale of Surplus & Refund Expenditures

These small revenue streams reflect any income from the sale of surplus property and any money received in one fiscal year as payment for expenses incurred in the final month of the previous fiscal year.

Performance

Performance Highlights

Selected Highlights 2013-2014:

Chihuly Exhibition Attracted Crowds from the Commonwealth and Beyond, 2013

The Chihuly at the Virginia Museum of Fine Arts exhibition attracted more than 160,000, making it the second highest attended exhibition since the museum's expansion in 2010. Chihuly is credited with revolutionizing the Studio Glass movement and elevating the medium of glass from the realm of craft to fine art.

Museum Fellowship Milestone, 2013

During the Virginia Museum of Fine Arts Fellowship Program's 74-year history, the museum has awarded approximately \$5 million and 1,200 awards to Virginia art students and professional artists. The museum received 798 applications, which marked the highest number of applications received in the program's history.

Future Visitor Center is Designated National Historic Place, 2014

Virginia Museum of Fine Arts and regional tourism partners announced the Robinson House will be a Richmond Regional Visitor Center, opening in the summer of 2015. Built as a residence for Anthony Robinson, Jr. in the mid-19th century, the house was later the headquarters for R.E. Lee Camp Confederate Soldiers' Home, the nation's first residential complex for southern veterans. The Robinson House is now included the National Register of Historic Places designated by the National Park Service, U.S. Department of Interior.

Trip Advisor Certificate of Excellence Awarded, 2014

Great traveler reviews and consistent ranking as the number one attraction in Richmond resulted in a Trip Advisor Certificate of Excellence Award for the museum. Trip Advisor is one of the largest travel sites reaching nearly 280 million unique monthly visitors.

Groundbreaking Museum Collaboration Leads to Landmark Exhibition from China, 2014

The Virginia Museum of Fine Arts is the first art museum in the United States to establish an extensive series of collaborative projects with the Palace Museum in Beijing. The Forbidden City: Imperial Treasures from the Palace Museum, Beijing exhibition is a unique journey through a palace once forbidden to the general public, and provides a glimpse into this hidden world through rich and diverse objects from the Ming (1368–1644) and Qing (1644–1911) dynasties.

Selected Measures

Measure ID	Measure	Alternative Name	Estimated Trend
23814507.002.002	Maintain the annual number of patrons served by the Food Service/Special Events enterprise.	Food Services - Patrons Served	Maintaining
23814507.002.001	Maintain a baseline of 50,000 annual purchase transactions made by visitors in the museum gift shop.	Shop Purchase Transactions	Maintaining
23814503.001.001	Number of children served through Standards of Learning (SOL)-based curricula developed and offered by the Virginia Museum of Fine Arts and participating educational partners	Standards of Learning	Maintaining
23814503.002.001	Increase number of museum members by five percent every biennium.	VMFA Members	Maintaining
23814503.003.001	Maintain the number of Virginia Planning Districts that receive Virginia Museum of Fine Arts educational programming and/or exhibitions.	Virginia Planning Districts	Maintaining
23814501.001.001	Maintain at least 20 special and traveling exhibitions annually.	Traveling Exhibitions	Maintaining

Key Risk Factors

Slowing economic recovery

The Museum assumes that the economic recovery will continue at a slow and steady pace. However, if that pace slows significantly, or worse, reverses course, then all three of the museum's revenue streams will be negatively impacted. Lower state revenues may require cuts to state support while citizens with less disposable income may choose to spend less on purchases of tickets, programs, merchandise and meals at the museum. Philanthropic donations may also decline. Usually declines in one area can be bolstered by revenues in another area, but a recession will impact all three.

Retaining and hiring a professional workforce

Being a top ten museum that both attracts tourists to the central Virginia region and shares resources with schools and museums around the state requires that the Museum hire highly educated, professionally trained staff. However, salaries have stagnated with salary freezes in recent years. As the economy recovers, staff are beginning to leave the museum for better paying positions elsewhere. The Museum is finding it challenging to hire appropriately trained staff within salary ranges equivalent to those for the existing staff.

Need for Greater Technological Innovation

The museum's technological weaknesses are evident both through comparisons to other peer institutions and through the feedback the museum receives from visitors. Many of the museum's technological needs are relatively unique among state agencies and require the museum to invest in specific products that are not supported by VITA, and so the museum is challenged by both the financial and personnel costs of implementing cutting edge technology. A recent federal grant is providing a crucial first step towards improvements in this area, but ongoing challenges remain.

Agency Statistics

Statistics Summary

As stewards of the Commonwealth's art collection, care and preservation of the art and accessibility to the collections are key priorities. The museum hopes that Virginians will not only experience art moments in the communities that we serve through our statewide outreach, but be inspired to visit the Richmond campus and engage with original artworks at the museum.

The following statistics offer some insight to the permanent collections at the Virginia Museum of Fine Arts:

Statistics Table

Description	Value
Number of Objects in the Museum's Care	32,694
Number of Objects on View at Richmond Campus	3,474
Number of Galleries Open	84

Management Discussion

General Information About Ongoing Status of Agency

Major strategic initiatives for the next biennium include:

The Virginia Museum of Fine Arts' campus will be further improved with the completion of two new permanent galleries-Faberge and Works on Paper. The Museum's Collections and Facilities Management Division also plans to create a multi-year master plan for the entire museum grounds including the renovation of the Robinson House. The Robinson family farmhouse, erected around 1850, is the oldest structure on the museum grounds. This renovation will expand the visitor experience and create a regional partnership with the Richmond Metropolitan Convention and Visitors Bureau and the Virginia Tourism Corporation.

The museum also strives to execute a portfolio of exhibitions and programs that attract an audience of at least one million visitors to Richmond and statewide combined and drive membership to exceed 30,000.

Major Information Technology initiatives for the museum include increasing visitor's digital connections to the museum's collection in order to enhance the public experience and investing in software and services to capture and analyze audience and member data at multiple levels.

Information Technology

Workforce Development

As of July 2014, the Virginia Museum of Fine Arts' employment level is authorized at 237.50 full-time positions with 189 salaried positions currently filled. The largest employee populations are in law enforcement, housekeeping and food service. The average age of the Museum's workforce is 48, with an average state service of 11.7 years.

The Museum has 53.00 faculty positions, which represents 28 percent of the total workforce. These positions require specialized education in an academic discipline and/or specialized technical or professional training and experience. The supply of individuals with the competencies that are needed to fill entry to mid-level faculty rank positions is unknown. However, the museum can determine which employees may be eligible for promotion into higher-level positions when they become vacant by more senior staff.

It is important for the museum to support the development of its less senior staff and to fill vacancies in the higher ranks. For succession planning, the Museum must have both sufficient staffing and competitive pay to attract qualified candidates and retain existing staff. To address these issues, a task force has been formed to develop a museum-wide orientation program to expand educational opportunities for both hands-on and online training through the VMFA Knowledge Center.

Physical Plant

Renovation of the Robinson House

The Robinson House was constructed around 1850 as the family farmhouse for a large expanse of property around what is now the Virginia Museum of Fine Arts. The proposed programmatic use will include a regional visitor's center to promote tourism in central Virginia, a gallery dedicated to the interpretation of the Home for Confederate Veterans, and administrative space for the museum. The 9,000 square feet of space is unusable now due to the failure of the heating system and inability to comply with the Americans with Disabilities Act. This project will complete a renovation with an exterior stair tower containing emergency egress stairs, restrooms, and an elevator. The project has been authorized and funding included in the 2013 Appropriation Act.

Replace roof of 1985 addition

The Virginia Museum of Fine Arts is entrusted with care of the Commonwealth's world-class art collection. As good stewards, the Museum needs to ensure that the facilities that house the collection are safe for both visitors and the art collection. These works are among the most valuable in the collection and would be impossible to replace if they were damaged or destroyed because of the collapse of the roof directly above the galleries. Even a relatively minor leak could cause extensive damage to the collections. The museum needs to replace the roof in its entirety within the next two years. The project has been authorized and funding included in the 2012 Appropriation Act.

Renovate and expand the Fabergé Gallery

Visitors from all over the world come to see the collection of Fabergé. The museum has the largest holdings of Imperial Easter Eggs outside of Russia and is arguably one of the VMFA's most important collections. The current installation is underwhelming at best and none of the most significant objects are featured in the round. Given the size of the current gallery, less than half of the collection can be displayed. The project to renovate the Fabergé Gallery has been authorized for private funding in the 2012 Appropriation Act and State funding in the 2013 Appropriation Act.

Carpentry Shop Relocation

The Carpentry and Paint Shops require significant sawdust collection, ventilation, and fume extraction for the protection of the employees, visitors, and art collection. Their current locations do not meet updated building and life safety codes which require the collection systems be located outside or within explosive resistant enclosures. The new project will relocate the facilities to meet code and reduce the potential for a fire or explosion. The project has been authorized, funded, and designed. Implementation will begin soon.