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NEW ORLEANS MUSEUM OF ART
Financial Statements and Schedules
December 31, 1997 and 1996
With Independent Auditors' Report Thereon

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date JUL 22 1998

NEW ORLEANS MUSEUM OF ART
Years ended December 31, 1997 and 1996

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KPMG Peat Marwick LLP

Suite 3500 One Shell Square
New Orleans, LA 70139-3599

Independent Auditors' Report

The Board of Trustees
New Orleans Museum of Art:

We have audited the accompanying statements of financial position of the New Orleans Museum of Art as of December 31, 1997 and 1996, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the New Orleans Museum of Art's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the New Orleans Museum of Art as of December 31, 1997 and 1996, and changes in its net assets and cash flows for the years then ended in conformity with generally accepted accounting principles.

Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules 1 through 4 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

As discussed in Note 1 to the financial statements, effective January 1, 1996, the Museum changed its accounting for investments to adopt the provisions of the Financial Accounting Standard (SFAS) No. 124, *Accounting for Certain Investments Held by Not-for-Profit Organizations*.

KPMG Peat Marwick LLP

May 15, 1998

NEW ORLEANS MUSEUM OF ART
 Statements of Financial Position
 December 31, 1997 and 1996

<u>Assets</u>	<u>1997</u>	<u>1996</u>
Current assets:		
Cash	\$ 281,926	413,824
Investments, short-term (note 2)	2,230,804	1,871,533
Receivables:		
Interest	97,952	94,693
Other (note 7)	823,233	53,433
Pledges (note 4)	677,297	193,972
Inventories	297,477	599,345
Prepaid assets	84,684	47,163
Deposits	<u>19,000</u>	<u>19,000</u>
Total current assets	4,512,373	3,292,963
Pledges receivable, long-term (note 4)	385,675	240,000
Investments (note 2)	14,720,159	12,780,512
Building and equipment, net (note 3)	<u>15,354,328</u>	<u>15,805,729</u>
Total assets	\$ <u>34,972,535</u>	<u>32,119,204</u>
<u>Liabilities and Net Assets</u>		
Current liabilities:		
Accounts payable and other liabilities	825,794	1,601,709
Salaries, taxes and withholdings payable	42,377	48,719
Retainage payable	256,000	256,000
Accumulated unused sick and annual leave	<u>337,334</u>	<u>321,209</u>
Total liabilities	<u>1,461,505</u>	<u>2,227,637</u>
Net assets (note 8):		
Unrestricted:		
Unrestricted, operating	815,030	632,773
Board designated, investment in building	15,354,328	15,805,729
Board designated, functioning as endowments	<u>3,376,069</u>	<u>2,717,366</u>
Total unrestricted net assets	19,545,427	19,155,868
Temporarily restricted	2,496,865	1,098,119
Permanently restricted	<u>11,468,738</u>	<u>9,637,580</u>
Net assets	<u>33,511,030</u>	<u>29,891,567</u>
Total liabilities and net assets	\$ <u>34,972,535</u>	<u>32,119,204</u>

See accompanying notes to financial statements.

NEW ORLEANS MUSEUM OF ART
Statements of Activities

Years ended December 31, 1997 and 1996

	1997			1996				
	Unrestricted	Temporarily restricted	Permanently restricted	Total	Unrestricted	Temporarily restricted	Permanently restricted	Total
Support and revenue:								
Support:								
City of New Orleans	\$ 237,000	-	-	237,000	216,960	-	-	216,960
Grants - State of Louisiana	65,750	-	-	65,750	64,827	-	-	64,827
Grants - Federal	-	-	-	-	42,188	-	-	42,188
Individual contributions	99,627	364,724	1,802,345	2,266,696	11,402	209,023	458,251	678,679
Annual appeal	567,508	-	-	567,508	608,316	-	-	608,316
Corporate support	147,616	10,000	-	157,616	238,547	-	-	283,547
Affiliate memberships	229,235	-	-	229,235	220,695	-	-	220,695
Odyssey Ball (net of direct costs of \$127,154 and \$124,490, respectively)	238,734	-	-	238,734	303,811	-	-	303,811
Special benefits (net of direct costs of \$40,977 and \$41,979, respectively)	160,303	-	-	160,303	107,858	-	-	107,858
Foundations	101,750	245,000	-	346,750	139,773	-	-	150,773
Total support	1,847,523	619,724	1,802,345	4,269,592	1,954,377	265,024	458,251	2,677,654
Revenue:								
General membership dues	459,845	-	-	459,845	594,812	-	-	594,812
Business and university memberships	128,830	-	-	128,830	131,925	-	-	131,925
Admission charges	793,405	-	-	793,405	594,987	-	-	594,987
Arts Quarterly, audio tours and other publications	74,081	-	-	74,081	61,234	-	-	61,234
Education programs	21,924	-	-	21,924	20,568	-	-	20,568
Exhibition programs	38,946	-	-	38,946	90,041	-	-	90,041
Special evenings	149,106	-	-	149,106	142,789	-	-	142,789
Members' events	29,506	20,790	-	50,296	33,514	-	-	33,514
Interest and dividends	387,726	249,574	-	637,300	239,541	-	-	389,751
Net appreciation in investments	77,650	1,328,957	-	1,406,607	458,234	-	-	800,502
Royalties	8,962	-	-	8,962	6,734	-	-	17,609
Deaccessions	1,440	3,357	28,813	33,610	-	32,545	185,346	217,891
Museum shop	1,270,677	-	-	1,270,677	815,460	-	-	815,460
Museum cafe	163,540	-	-	163,540	142,300	-	-	142,300
Gain on settlement	726,000	-	-	726,000	-	-	-	-
Miscellaneous	160	-	-	160	246	-	-	246
Total revenue	4,331,798	1,602,678	28,813	5,963,289	3,332,385	535,898	185,346	4,053,629
Total support and revenue before net assets released from restrictions/transferred	6,179,321	2,222,402	1,831,158	10,232,881	5,286,762	800,924	643,597	6,731,283
Net assets released from restrictions/transferred (note 8):								
Net assets released from restrictions	823,656	(823,656)	-	-	1,376,246	(1,376,246)	-	-
Transfers	-	-	-	-	(34,182)	(965,818)	1,000,000	-
Total net assets released/transferred	823,656	(823,656)	-	-	1,342,064	(2,342,064)	1,000,000	-
Total support and revenue	7,002,977	1,398,746	1,831,158	10,232,881	6,628,826	(1,541,140)	1,643,597	6,731,283

NEW ORLEANS MUSEUM OF ART

Statements of Activities, Continued

	1997			1996		
	Unrestricted	Temporarily restricted	Permanently restricted	Unrestricted	Temporarily restricted	Permanently restricted
Expenses (note 9):						
Administrative	\$ 1,010,060	-	-	1,010,060	-	-
Building	761,718	-	-	761,718	-	-
Museum Shop	793,466	-	-	793,466	-	-
Museum cafe	191,644	-	-	191,644	-	-
Art division:						
Collections	1,041,038	-	-	1,041,038	-	-
Art accessions	655,100	-	-	655,100	-	-
Exhibition programs	928,256	-	-	928,256	-	-
Education programs	342,312	-	-	342,312	-	-
Development and fund raising	806,229	-	-	806,229	-	-
Member activities and other restricted activities	83,595	-	-	83,595	-	-
Total expenses	6,613,418	-	-	6,613,418	-	-
Changes in net assets before cumulative effect of adopting SFAS No. 124	389,559	1,398,746	1,831,158	3,619,463	(1,541,140)	1,643,597
Cumulative effect of adopting SFAS No. 124	-	-	-	-	490,374	-
Change in net assets	389,559	1,398,746	1,831,158	3,619,463	(1,050,766)	1,643,597
Net assets at beginning of year	19,155,868	1,098,119	9,637,580	29,891,567	2,148,895	7,993,983
Net assets at end of year	\$ 19,545,427	2,496,865	11,468,738	19,155,868	1,098,119	9,637,580

See accompanying notes to financial statements.

NEW ORLEANS MUSEUM OF ART

Statements of Cash Flows

Years ended December 31, 1997 and 1996

	<u>1997</u>	<u>1996</u>
Cash received from operating activities:		
Cash received from government entities	\$ 287,675	306,814
Cash received from contributors	1,728,715	1,706,751
Cash received from sales of donated art	33,610	282,545
Cash received from memberships and member activities	2,324,490	2,241,000
Cash received from auxiliary operations	1,434,217	957,910
Interest and dividends received	643,003	955,338
Other receipts	160	61,480
Cash paid to employees and suppliers	(5,961,616)	(4,857,876)
Cash paid for art acquisitions	<u>(655,100)</u>	<u>(805,123)</u>
Net cash provided by operating activities	<u>(164,846)</u>	<u>848,839</u>
Cash flows used in investing activities:		
Purchase of investments	(33,856,734)	(24,109,410)
Maturities/sales of investments	32,964,423	23,034,233
Purchases of building and equipment	<u>(47,086)</u>	<u>(36,982)</u>
Net cash used in investing activities	<u>(939,397)</u>	<u>(1,112,159)</u>
Cash flows used in financing activities - proceeds from contributions, permanently restricted	<u>972,345</u>	<u>643,597</u>
Net (decrease) increase in cash and cash equivalents	(131,898)	380,277
Cash and cash equivalents at beginning of year	<u>413,824</u>	<u>33,547</u>
Cash and cash equivalents at end of year	\$ <u>281,926</u>	<u>413,824</u>
Reconciliation of changes in net assets to net cash provided by operating activities:		
Changes in net assets	3,619,463	1,444,242
Adjustments for long-term income and non-cash expenses:		
Cumulative adjustment for accounting change	-	(1,498,213)
Permanently restricted contributions	(1,802,345)	(643,597)
Appreciation of investments	(1,406,607)	(218,102)
Depreciation	498,487	470,962
Adjustments to reconcile changes in net assets to net cash used in operating activities:		
(Increase) decrease in current assets and long-term pledges	(307,712)	313,860
(Decrease) increase in current liabilities	<u>(766,132)</u>	<u>979,687</u>
Net cash provided by operating activities	\$ <u>(164,846)</u>	<u>848,839</u>

See accompanying notes to financial statements.

NEW ORLEANS MUSEUM OF ART
Notes to Financial Statements
December 31, 1997 and 1996

(1) Summary of Significant Accounting Policies

(a) History and Organization

The New Orleans Museum of Art (the Museum) opened in 1911 and is an invaluable cultural, educational and recreational resource serving the City of New Orleans, the State of Louisiana and the entire Gulf South with programs and exhibitions designed to cultivate, promote and inspire the knowledge, love and appreciation of the fine arts. The Museum is organized as a private, nonprofit corporation, chartered in the State of Louisiana and granted 501(c)(3) status by the Internal Revenue Service. It is governed by a 33-member Board of Trustees, serving staggered three-year terms. The Museum is affiliated with the City of New Orleans as an unattached board and commission.

(b) Financial Statement Presentation

During 1996, the Museum adopted FASB 124, *Accounting for Certain Investments Held by Not-for-Profit Organizations*, which required a change in accounting for investments from amortized cost to market value. This change of accounting was adopted by the Museum effective January 1, 1996 and is reflected in the statement of activities as a cumulative effect of an accounting change.

The financial statements of the Museum are presented on the accrual basis of accounting. Net assets, support and revenues, and expenses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Museum and changes therein are classified and reported as follows:

- Unrestricted net assets - Net assets that are not subject to donor-imposed stipulations.
- Temporarily restricted net assets - Net assets subject to donor-imposed stipulations that may or will be met either by actions of the Museum and/or the passage of time. Currently, the Museum has no time-restricted assets.
- Permanently restricted net assets - Net assets subject to donor-imposed stipulations that neither expire by the passage of time nor can be fulfilled and removed by actions of the Museum pursuant to those stipulations.

(c) Pledges

Legally enforceable pledges, less an allowance for uncollectible amounts, are recorded as receivables in the year made. Pledges receivable are not discounted.

(Continued)

NEW ORLEANS MUSEUM OF ART
Notes to Financial Statements

(d) Fixed Assets

Building improvements and equipment are recorded at cost. Depreciation is provided over the estimated useful lives of the respective assets on a straight-line basis.

(e) Vacation and Sick Pay

The Museum's vacation pay (annual leave) and sick pay (sick leave) are accrued when earned. The Museum's policy permits employees a limited amount of earned but unused vacation which will be paid to employees upon separation from the Museum. The amount shall not exceed ninety (90) days for employees hired before January 1, 1979, and forty-five (45) days for employees hired after December 31, 1978.

Sick leave is accumulated by all employees hired prior to December 31, 1978 at an accrual rate of .923 of a work day for each biweekly pay period. For employees appointed subsequent to December 31, 1978, the accrual is .5 of a work day for each biweekly period plus a bonus of two (2) days for each employee with six (6) through fifteen (15) calendar years of continuous service, and seven (7) bonus days for employees with sixteen (16) or more calendar years of continuous service.

Upon separation from the Museum, an employee can elect to convert unused sick leave for retirement. Conversion to cash shall be determined by a rate ranging from one (1) day for five (5) days for the first 100 days to one (1) day for one (1) day for all days in excess of 400 leave days.

(f) Investments

Investments, consisting mainly of U.S. government and agency issues, corporate bonds and common stocks, are recorded at market value. Unrealized gains and losses on investments in equity securities with readily determinable fair values and all investments in debt securities are recorded in the statement of activities as increases or decreases in unrestricted net assets unless their use is temporarily or permanently restricted by explicit donor stipulations or law. Dividend, interest and other investment income is recorded as increases on unrestricted net assets unless the use is restricted by donor.

Donated investments are recorded at fair value at the date of receipt.

(g) Inventory

The Museum's shop and cafe' inventory is valued at the lower of cost or market. Cost is determined by the first-in, first-out method.

(Continued)

NEW ORLEANS MUSEUM OF ART
Notes to Financial Statements

(h) Income Taxes

The Museum is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and from state income taxes under Section 121(5) of Title 47 of the Louisiana Revised Statutes of 1950.

(i) Restricted Net Assets

The Museum reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Gifts of long-lived operating assets such as land, buildings or equipment are reported as unrestricted support, unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, expirations of donor restrictions are reported when the donated or acquired long-lived assets are placed in service.

(j) Use of Estimates

Management of the Museum has made estimates and assumptions relating to the reporting of assets and liabilities and the disclosure of contingent assets and liabilities to prepare these financial statements in conformity with generally accepted accounting principles. Actual results could differ from those estimates.

(k) Cash and Cash Equivalents

For the purposes of the statement of cash flows, cash and cash equivalents include bank deposits and money market accounts.

(2) Investments

The market value of investments is as follows at December 31:

	<u>1997</u>	<u>1996</u>
Cash equivalents	\$ 3,557,748	1,973,556
U.S. government securities	2,520,575	4,500,996
Corporate bonds	2,585,219	398,974
Corporate stocks	8,277,421	7,768,519
Real property	<u>10,000</u>	<u>10,000</u>
	<u>\$ 16,950,963</u>	<u>14,652,045</u>

(Continued)

NEW ORLEANS MUSEUM OF ART

Notes to Financial Statements

Reconciliation to the statement of financial position is as follows:

	<u>1997</u>	<u>1996</u>
Short-term investments	\$ 2,230,804	1,871,533
Long-term investments	<u>14,720,159</u>	<u>12,780,512</u>
	<u>\$ 16,950,963</u>	<u>14,652,045</u>

Investments are held for the following purposes:

	<u>1997</u>	<u>1996</u>
Unrestricted:		
Operating	\$ 1,253,784	1,344,522
Designated	<u>3,230,689</u>	<u>2,539,901</u>
	<u>4,484,473</u>	<u>3,884,423</u>
Temporarily restricted:		
Capital	300,805	325,689
Directorship	128,792	-
Curatorship	41,494	-
Books/library	61,933	55,102
Operations	46,370	50,719
Art accessions	1,135,752	818,453
Exhibition	43,724	42,566
Gallery maintenance	43,133	45,383
Education	<u>4,249</u>	<u>2,636</u>
	<u>1,806,252</u>	<u>1,340,548</u>
Permanently restricted:		
Operating	5,732,705	5,700,699
Directorship chair	860,000	-
Curatorship	310,000	-
Education	34,912	33,912
Gallery maintenance	118,784	118,784
Art accessions	<u>3,603,837</u>	<u>3,573,679</u>
	<u>10,660,238</u>	<u>9,427,074</u>
	<u>\$ 16,950,963</u>	<u>14,652,045</u>

Market value appreciation, cumulative

Market value of investments

(Continued)

NEW ORLEANS MUSEUM OF ART

Notes to Financial Statements

The following schedule summarizes the investment return and its classification in the statement of activities for the years ended December 31:

	<u>1997</u>	<u>1996</u>
Dividends and interest (net of expenses of \$81,544 and \$99,673, respectively)	\$ <u>637,300</u>	<u>389,751</u>
Net realized and unrealized gains:		
Unrestricted	803,650	458,234
Temporarily restricted	<u>1,328,957</u>	<u>342,268</u>
	<u>2,132,607</u>	<u>800,502</u>
Total return on investments	\$ <u>2,769,907</u>	<u>1,190,253</u>

Interest and unrealized and realized gains (losses) on permanently restricted investments are reflected in unrestricted activities.

(3) Fixed Assets

Fixed assets consists of the following at December 31:

	<u>1997</u>	<u>1996</u>	<u>Estimated useful lives</u>
Building	\$ 17,085,950	17,085,950	40 years
Vehicles	74,711	74,711	5 years
Computers	<u>289,925</u>	<u>242,839</u>	5 years
	17,450,586	17,403,500	
Less accumulated depreciation	<u>2,096,258</u>	<u>1,597,771</u>	
	\$ <u>15,354,328</u>	<u>15,805,729</u>	

Depreciation expense in 1997 and 1996 was \$498,487 and \$470,962, respectively.

(4) Pledges receivable

Pledges receivable are dedicated by the donors for building expansion and represent a promise by the donors to pay after the balance sheet date. Scheduled payments are as follows at December 31, 1997:

1998	\$ 815,472
1999	<u>317,500</u>
	1,132,972
Less allowance for uncollectible pledges	<u>70,000</u>
Net pledges receivable	\$ <u>1,062,972</u>

(Continued)

NEW ORLEANS MUSEUM OF ART

Notes to Financial Statements

(5) Art Collection

In conformity with the practice followed by many museums, art purchased and donated is not capitalized. During 1997, the cost of collection items purchased by the Museum as a decrease in the appropriate class of net assets was \$655,100. During 1996, the cost of collection items purchased by the Museum as a decrease in the appropriate class of net assets was \$805,123. Deaccessions of collection items in 1997 and 1996 were \$33,610 and \$217,891, respectively, the proceeds of which are temporarily restricted for future art purchases.

Art items are frequently displayed in the exhibition galleries of the Museum. When not on display, the objects are maintained in climate controlled storage. The Museum maintains policies and procedures addressing the upkeep of the collection, as well as other aspects of its management, including accession/deaccession policies.

The Museum has the largest and most complete repository of fine art in the State of Louisiana and is recognized nationally as one of the leading art institutions serving the public. In particular, the Museum has a national reputation of a 3500 year history of glass; an in-depth 150 year history of photographs; Japanese screens and scroll paintings of the Edo Period; a 500 year survey of Chinese earthenware, porcelain, and stone sculptures; 17th through 20th century French paintings; Italian and Spanish paintings from the Renaissance and Baroque periods; 16th through 18th century paintings from the "Low Countries" of Northern Europe; tribal arts of sub-Saharan Africa; 18th and 19th century French hard-paste, bone and Parian porcelain; 20th century American art pottery; Spanish colonial Latin American paintings and sculpture; English and continental portrait miniatures; jeweled objets de vertu by Peter Carl Faberge; 18th to 20th century American paintings and sculptures; 18th and 19th century American and English silver; and the arts of pre-Columbian Mexico, Central and South America, and native North American Indians.

The Museum employs a professional curatorial staff whose function is to care for its collections; carry out research on the objects in the collection; organize special exhibitions on particular subjects or themes; write scholarly interpretative articles, catalogues and books on art subjects; recommend and oversee needed restoration and conservation treatment on objects in the collection; cultivate and advise private art collectors and encourage donations; seek out and recommend objects for acquisition or deaccession by the Museum; train volunteer docents to give guided tours of the Museum; devise and implement educational programs such as lectures, symposiums, films, concerts, family festivals on specific themes, studio art classes, "Van Go" (mobile van) and other outreach methods; family and teacher workshops, and "Summer in the City" day camp for inner-city children.

(6) Pension Plan

Civil service employees of the Museum are eligible for membership in the City of New Orleans Employees' Retirement System. The City of New Orleans (City) has a contributory retirement plan. The Museum's pension expense for 1997 and 1996 totaled \$122,963 and \$137,176, respectively.

(Continued)

NEW ORLEANS MUSEUM OF ART

Notes to Financial Statements

The City's annual contribution to the pension fund is based on the amount determined by the actuary of the fund, which includes amortization of past service costs over a period of 30 years.

The actuarially computed value of vested benefits of the Museum's employees in the City's pension plan is not available. Pension payments for these employees are the responsibility of the City.

(7) Commitments and Contingencies

Retainage payable to the general contractor for construction of the Museum's 1993 expansion remains at \$256,000 as of December 31, 1997. As a result of settlement of the claims relating to this project, the Museum has recorded a gain of \$726,000 which is included in other receivables on the Statements of Financial Position and in gain on settlement in the Statements of Activities.

The Museum is a party in a lawsuit. A final settlement was received in December 1997.

(8) Net Assets

Temporarily restricted net assets released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors during December 31 are as follows:

	<u>1997</u>	<u>1996</u>
Purpose accomplished:		
Administrative and other activities	\$ 124,123	59,279
Building	-	344,243
Art accessions	652,242	798,091
Education division	18,065	109,182
Development division	5,002	4,000
Exhibition programs	<u>24,224</u>	<u>61,451</u>
	<u>\$ 823,656</u>	<u>1,376,246</u>

Permanently restricted net assets, investments in perpetuity, the income from which can be used in accordance with donor restrictions, are as follows:

	<u>1997</u>	<u>1996</u>
Directorship chair	\$ 1,000,000	-
Curatorship	1,000,000	-
Operations	5,732,705	5,932,705
Art accessions	3,603,837	3,573,679
Gallery maintenance	118,784	118,784
Education	<u>13,412</u>	<u>12,412</u>
	<u>\$ 11,468,738</u>	<u>9,637,580</u>

(Continued)

NEW ORLEANS MUSEUM OF ART
Notes to Financial Statements

Temporarily restricted net assets are donor-restricted for the following purposes:

	<u>1997</u>	<u>1996</u>
Directorship chair	\$ 134,509	-
Curatorship	43,526	-
Capital	1,220,881	441,038
Operations	20,447	73,741
Art accessions	947,399	436,605
Exhibits	20,200	42,952
Books/Library	62,070	55,112
Gallery maintenance	43,513	45,969
Education	4,320	2,702
	<u>\$ 2,496,865</u>	<u>1,098,119</u>

Board-designated unrestricted net assets are designated to support the following:

	<u>1997</u>	<u>1996</u>
Operations	\$ 3,226,914	2,556,676
Exhibits/art	<u>149,155</u>	<u>160,690</u>
	<u>\$ 3,376,069</u>	<u>2,717,366</u>

(9) Expenses

Expenses have been incurred for the following:

<u>Year ended December 31, 1997</u>						
	<u>Total</u>	<u>Adminis- trative and general</u>	<u>Program</u>			<u>Total</u>
			<u>Arts</u>	<u>Education</u>	<u>Develop- ment</u>	
Salaries, wages and benefits	\$ 2,417,661	1,117,729	595,156	282,986	421,790	1,299,932
Office and occupancy	514,992	307,869	107,036	1,636	98,451	207,123
Professional services and printing	1,251,294	302,034	707,057	77,899	164,304	949,260
Other contractual services	338,680	62,726	76,678	8,884	190,392	275,954
Supplies and material	210,347	117,776	63,056	17,706	11,809	92,571
Cost of goods sold	726,857	726,857	-	-	-	-
Depreciation	498,487	113,512	317,374	56,136	11,465	384,975
Art accessions	<u>655,100</u>	<u>-</u>	<u>655,100</u>	<u>-</u>	<u>-</u>	<u>655,100</u>
	<u>\$ 6,613,418</u>	<u>2,748,503</u>	<u>2,521,457</u>	<u>445,247</u>	<u>898,212</u>	<u>3,864,915</u>

(Continued)

NEW ORLEANS MUSEUM OF ART
Notes to Financial Statements

Year ended December 31, 1996

	<u>Total</u>	<u>Adminis- trative and general</u>	<u>Program</u>			<u>Total</u>
			<u>Arts</u>	<u>Education</u>	<u>Develop- ment</u>	
Salaries, wages and benefits	\$ 2,297,445	1,094,372	642,148	193,129	367,796	1,203,073
Office and occupancy	756,482	619,126	55,557	29,556	52,243	137,356
Professional services and printing	993,089	229,562	387,812	151,781	223,934	763,527
Other contractual services	622,081	90,844	259,266	8,818	263,153	531,237
Supplies and material	294,418	93,932	135,590	21,273	43,623	200,486
Cost of goods sold	545,654	545,654	-	-	-	-
Depreciation	470,962	85,987	328,610	44,900	11,465	384,975
Art accessions	<u>805,123</u>	<u>-</u>	<u>805,123</u>	<u>-</u>	<u>-</u>	<u>805,123</u>
	<u>\$ 6,785,254</u>	<u>2,759,477</u>	<u>2,614,106</u>	<u>449,457</u>	<u>962,214</u>	<u>4,025,777</u>

NEW ORLEANS MUSEUM OF ART

Combining Statement of Financial Position

December 31, 1997

Supplemental

	Operating Assets	Operating Building and Equipment	Endowment Board Designated	NOMA Volunteer Committee (Operating)	Zemurray Computer Grant (Operating)	Edith Stern (Program)	Champions (Program)	Friends of Photography (Program)	Friends of Decorative Art (Program)	Friends of Contemporary Art (Program)	Friends of Asian Art (Program)	Friends of Ethnographic Art (Program)	Friends of Printing and Drawing (Program)	Advocates (Program)	Delgado Society (Program)	Fellows (Program)	Partners in Art (Program)	Trustees Designated (Program)	Rock Art Exhibition (Program)	Supplemental Net Assets
Current assets:																				
Cash	\$ 39,507			25,843			114	176	5,147	6,055	2,195	1,096	4,599	236	47,986	123,449	29,151	122,819	65,476	
Investments	1,175,971		81,521	56,079	21,734	32,222													1,006,734	
Receivables:																				
Interests	2,454		51,225		48	71			11	53	5	2	10		87	279	64	271	54,550	
Pledges	18,233																		19,233	
Other	297,477																		297,477	
Inventories	84,684																		84,684	
Prepaid assets	19,000																		19,000	
Deposits																				
Total current assets	1,637,326	15,354,328	2,910,825	81,522	21,792	32,293	114	176	5,158	6,068	2,190	2,099	4,609	236	44,083	123,728	29,215	123,470	2,245,454	
Pledges																				
Investments																				
Long-term Building and equipment		2,778,079																	360	2,778,439
Total assets	\$ 1,637,326	15,354,328	2,910,825	81,522	21,792	32,293	114	176	5,158	6,068	2,190	2,099	4,609	236	44,083	123,728	29,215	123,470	20,379,221	
Liabilities and Net Assets																				
Current liabilities:																				
Accounts payable and other	443,909						114	176		610		223		236		2,531		5,384	453,043	
Salaries taxes																				
and withholdings	41,906																		421	42,327
Retainage payable																				
Accumulated unused sick and vacation	316,481																		853	317,334
Total current liabilities	822,296						114	176		610		223		236		2,531		6,408	872,794	
Net assets:																				
Unrestricted	815,030	15,354,328	2,910,825	81,522	21,792	32,293			5,158	5,458	2,190	875	4,609		44,083	121,197	29,215	114,862	19,545,427	
Restricted:																				
Temporarily:																				
Long-term																				
Restriction Available for use																				
Permanently																				
Total net asset	815,030	15,354,328	2,910,825	81,522	21,792	32,293			5,158	5,458	2,190	875	4,609		44,083	121,197	29,215	114,862	19,545,427	
Total liabilities and net assets	\$ 1,637,326	15,354,328	2,910,825	81,522	21,792	32,293	114	176	5,158	6,068	2,190	2,099	4,609	236	44,083	123,728	29,215	123,470	20,379,221	

See footnotes

NEW ORLEANS MUSEUM OF ART
 Combining Statement of Financial Position, Continued

	Advertising (Program)	Building Expansion (Capital)	Portrait Miniature (Art)	Starting Point (Exhibition)	M. D. Van Horn (Education)	Chapman H. Hyams 1951 Gallery (Maintenance)	George F. Lapeyre (Gallery Maintenance)	B. Ferguson (Snuff Bottle Exhibition)	Library (Books)	Elise Besthoff (Art Purchase)	Soles (Art Purchase)	Beatoff Sculpture Garden (Capital)	Leah Chase (Art Purchase)	Camille Cyrillone (Program)	Montine Fremac (Directorial Chair)
Current assets:															
Cash	\$ 20,456	216,450	32,903	-	-	4,904	-	24,997	61,933	-	-	194,967	20,790	25,904	-
Investments	-	102,018	-	-	-	-	-	-	-	-	-	-	-	-	-
Receivables:															
Interest	46	215	73	-	71	5	374	-	137	1,786	11,197	439	44	57	5,711
Pledges	-	182,297	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	805,000	-	-	-	-	-	-	-	-	-	-	-	-	-
Inventories	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Prepaid assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total current assets	20,512	1,315,980	33,056	-	71	4,909	374	24,997	62,070	1,786	11,197	199,226	20,836	25,961	5,711
Pledges	-	40,875	-	-	-	-	-	-	-	-	-	-	-	-	-
Investments, long-term	-	-	-	-	4,249	27,447	8,678	-	-	58,820	399,454	-	-	-	178,792
Building and equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total assets	\$ 20,512	1,356,655	33,056	-	4,320	32,356	9,052	24,997	62,070	60,606	410,651	199,226	20,836	25,961	334,509
Liabilities and Net Assets															
Current liabilities:															
Accounts payable and other liabilities	65	79,000	-	23,565	-	-	-	-	-	2,000	-	-	736	-	-
Salaries, taxes and withholdings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Retainere payable	-	256,000	-	-	-	-	-	-	-	-	-	-	-	-	-
Accumulated unused sick and vacation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total current liabilities	65	335,000	-	23,565	-	-	-	-	-	2,000	-	-	736	-	-
Net assets:															
Unrestricted	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restricted:															
Temporarily	20,447	1,021,655	33,056	(23,565)	2,516	11,463	17,585	24,997	62,070	58,405	474,698	199,226	20,100	25,961	123,110
Long-term restriction Available for use	-	-	-	-	1,804	20,893	(8,513)	-	-	211	(64,047)	-	-	-	11,399
Permanently	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total net assets	20,447	1,021,655	33,056	(23,565)	4,320	32,356	9,052	24,997	62,070	58,616	410,651	199,226	20,100	25,961	334,509
Total liabilities and net assets	\$ 20,512	1,356,655	33,056	-	4,320	32,356	9,052	24,997	62,070	60,606	410,651	199,226	20,836	25,961	334,509

(Continued)

NEW ORLEANS MUSEUM OF ART
 Combining Statement of Financial Position, Continued

Assets	George Frieson (Art Purchase)	Robert Corby (Art Purchase)	Joann Greenberg (Art Purchase)	African (Art Purchase)	Benjamin C. Harrod (Art Purchase)	Carrie Heiderich (Art Purchase)	Richard Johnson (Art Purchase)	Augusta M. Jourdan (Art Purchase)	Edward Lubman (Art Purchase)	Mervin Morais (Art Purchase)	Docent (Program)	Education (Program)	P. P. Norman (Art Purchase)	Rosamary Foundation Decorative Arts (Curatorship)	Paul Selley (Art Purchase)	Leah Norman Schriber (Art Purchase)	NOMA (Art Purchase)	Subtotal Temporarily Restricted	
Current assets:																			
Cash	\$ -	-	117	-	-	-	3,558	-	30	-	2,365	3,065	-	-	4,135	-	-	216,450	
Investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	524,700	
Receivables:																			
Interest	5,300	3,278	-	55	54	2,315	8	41	-	8,184	6	7	908	2,032	9	-	-	43,402	
Pledges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	192,287	
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	805,000	
Inventory	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Prepaid assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total current assets	6,300	3,278	117	55	54	2,315	3,566	41	30	8,184	2,371	3,072	908	2,032	4,135	-	-	1,781,919	
Pledges	244,821	121,548	-	-	1,750	97,759	-	2,569	-	87,979	-	-	52,008	41,494	-	-	-	40,575	
Investments, long term	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,281,482	
Building and equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total assets	\$ 251,121	124,826	117	55	3,804	100,074	3,566	2,610	30	96,163	2,371	3,072	52,916	43,526	4,135	-	-	3,104,074	
Liabilities and Net Assets																			
Current liabilities:																			
Accounts payable and other liabilities	51,350	-	-	-	-	5,200	-	-	-	1,201	-	-	-	-	-	-	-	188,194	351,211
Salaries, taxes and withholdings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Retainage payable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	256,000
Accumulated unused sick and vacation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total current liabilities	51,350	-	-	-	-	5,200	-	-	-	1,201	-	-	-	-	-	-	-	188,194	607,211
Net assets:																			
Unrestricted	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Temporarily Restricted:																			
Long-term restriction Available for use	276,687	137,284	117	55	2,091	100,779	3,566	1,623	30	79,511	2,371	3,072	36,569	40,525	4,135	-	-	1,389,694	
Permanently	(76,916)	(12,458)	-	-	1,713	(5,805)	-	987	-	15,551	-	-	16,347	3,001	-	-	-	(188,194)	1,107,171
Total net assets	199,771	124,826	117	55	3,804	94,974	3,566	2,610	30	95,062	2,371	3,072	52,916	43,526	4,135	-	-	2,466,865	
Total liabilities and net assets	\$ 251,121	124,826	117	55	3,804	100,074	3,566	2,610	30	96,163	2,371	3,072	52,916	43,526	4,135	-	-	3,104,074	

(Continued)

NEW ORLEANS MUSEUM OF ART
 Combining Statement of Activities, Unrestricted Net Assets
 Year ended December 31, 1997

	Operating Support	Operating Building and Equipment	Endowment Board Designated	NOMA Volunteer Committee (Operating)	Zemurray Computer Grant (Operating)	Edith Stern (Program)	Champions (Program)	Friends of Photography (Program)	Friends of Decorative Art (Program)	Friends of Contemporary Art (Program)	Friends of Asian Art (Program)	Friends of Ethnographic Art (Program)	Friends of Printing and Drawing (Program)	Advocates (Program)
Support and revenue:														
Support:														
City of New Orleans	\$ 237,000	-	-	-	-	-	-	-	-	-	-	-	-	-
Grants - State of Louisiana	65,750	-	-	-	-	-	-	-	-	-	-	-	-	-
Individual contributions	86,346	-	-	-	-	-	-	-	-	-	-	-	-	-
Annual appeal	567,508	-	-	-	10,000	1,099	-	-	-	-	-	-	-	-
Corporate support	147,616	-	-	-	-	-	-	-	-	-	-	-	-	-
Affiliate memberships	127,014	-	-	-	-	-	-	-	-	-	-	-	-	-
Odyssey Ball, net of direct expenses	1,000	-	-	-	-	-	1,225	1,000	1,400	3,100	1,700	1,380	1,575	1,850
Special benefits, net of direct expenses	870	-	-	-	-	-	-	-	-	-	-	-	-	-
Foundations	101,750	-	-	-	-	-	-	-	-	-	-	-	-	-
Total support	1,334,812	-	-	237,227	10,000	1,099	1,225	1,000	1,400	3,100	1,700	1,380	1,575	1,850
Revenue:														
General membership dues	443,516	-	-	-	-	-	-	-	-	-	-	-	-	-
Business and university memberships	128,850	-	-	16,390	-	-	-	-	-	-	-	-	-	-
Admission charges	793,405	-	-	-	-	-	-	-	-	-	-	-	-	-
Audio tours	49,467	-	-	-	-	-	-	-	-	-	-	-	-	-
Arts Quarterly/other publications	21,336	-	-	-	-	-	-	-	-	-	-	-	-	-
Education programs	32,536	-	-	-	-	-	-	-	-	-	-	-	-	-
Exhibition programs	149,106	-	-	-	-	-	-	-	-	-	-	-	-	-
Special events	32,030	-	-	-	-	-	-	-	-	-	-	-	-	-
Members' events	20,377	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest and dividends	505	-	345,616	-	-	2,223	9	12	77	142	1,388	21	1,770	3,392
Net appreciation in investments	-	-	429,115	-	-	(523)	1	1	(4)	(6)	5	2	10	-
Deaccessions	8,962	-	-	-	-	-	-	-	-	-	-	-	-	-
Pyralies	1,220,677	-	-	-	-	-	-	-	-	-	-	-	-	-
Museum shop	163,540	-	-	-	-	-	-	-	-	-	-	-	-	-
Museum cafe	350	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	3,118,264	-	-	-	1,249	-	-	-	-	-	-	-	-	-
Total revenues	4,453,076	-	1,374,331	24,030	1,249	700	10	13	73	134	1,393	23	3,220	3,392
Total revenue and support before net assets released from restrictions: transfers	823,656	-	(148,427)	(382,727)	(17,761)	-	540	372	-	-	-	-	-	723
Transfers	348,928	47,085	-	-	(37,761)	-	-	-	-	-	-	-	-	-
Total net assets released: transfers	1,532,584	47,085	-	(382,727)	(37,761)	-	540	372	-	-	-	-	-	723
Total revenue and support	5,025,660	47,085	811,291	39,510	(26,512)	2,799	1,775	1,395	1,473	3,234	2,893	1,403	4,795	5,242
Expenses:														
Administrative	892,054	1,578	100,224	12,169	3,876	73	-	-	-	-	-	-	-	-
Building	672,079	89,639	-	-	-	-	-	-	-	-	-	-	-	-
Museum shop	760,804	12,659	-	-	-	-	-	-	-	-	-	-	-	-
Museum cafe	182,007	9,627	-	-	-	-	-	-	-	-	-	-	-	-
Art divisions:														
Collections	741,409	279,629	-	-	-	-	-	-	-	-	-	-	-	-
Art accessions	652,232	-	-	-	-	-	-	-	-	-	-	-	-	-
Exhibition programs	854,127	48,981	-	-	-	-	2,190	-	-	-	-	-	-	-
Education programs	297,338	44,950	-	-	-	-	-	-	-	85	30	25	-	-
Development and fund raising	309,604	21,464	-	-	-	-	-	-	-	-	-	-	-	-
Member activities	3,095	-	-	82,096	-	-	-	1,385	80	4,172	673	503	386	5,965
Restricted expenses	34,640	-	-	-	-	-	-	-	-	-	-	-	-	-
Total expenses	5,863,403	499,486	100,224	94,415	3,876	73	2,150	3,385	80	4,217	703	528	4,669	5,965
Change in net assets	182,257	(451,401)	76,060	(55,955)	(30,349)	1,726	(425)	-	3,393	(983)	7,190	875	4,669	(983)
Net assets, beginning of year	632,722	15,505,329	2,184,745	137,477	52,170	30,567	805	-	2,765	6,441	-	-	-	-
Net assets, end of year	815,030	15,054,328	2,900,825	81,522	21,782	32,293	-	-	5,259	5,458	2,190	875	4,669	(983)

(continued)

NEW ORLEANS MUSEUM OF ART

Combining Statement of Activities, Unrestricted Net Assets, Continued

	Delegado Society (Program)	Fellows (Program)	Partners in Art (Program)	Trustee's Designated (Program)	Folk Art Exhibition (Program)	Total
Support and revenue:						
Support:						
City of New Orleans	-	-	-	-	-	237,000
Grants - State of Louisiana	-	-	-	-	-	65,750
Individual contributions	-	2,100	-	630	456	99,627
Annual appeal	-	-	-	-	-	567,508
Corporate support	-	-	-	-	-	147,616
Affiliate memberships	20,054	40,757	26,190	-	-	229,235
Odyssey Ball, net	-	-	-	-	-	238,734
Special benefits, net	-	-	-	-	-	160,303
Foundations	-	-	-	-	-	103,750
Total support	20,054	42,857	26,190	630	456	1,847,533
Revenue:						
General membership dues	-	161	-	-	-	459,845
Business and university memberships	-	-	-	-	-	128,830
Admission charges	-	-	-	-	-	793,495
Audin tours	-	-	-	-	-	49,867
Arts Quarterly/other publications	-	-	-	-	878	24,214
Education programs	-	-	-	-	507	21,924
Exhibition programs	-	-	-	-	6,410	38,946
Special events	-	-	-	-	-	169,106
Members' event	-	3,690	5,323	-	-	29,408
Interest and dividends	1,420	5,695	1,415	-	5,968	387,328
Net appreciation on investments	(2,827)	(13,575)	(2,846)	-	(7,341)	893,650
Deaccessions	-	-	-	-	-	1,460
Royalties	-	-	-	-	-	8,962
Museum shop	-	-	-	-	-	3,270,677
Museum cafe	-	-	-	-	-	163,540
Miscellaneous	-	-	-	-	-	160
Total revenues	61,407	54,263	6,052	-	6,382	4,331,399
Total revenue and support before net assets released from restrictions/transfers	38,647	39,506	30,232	630	5,835	6,179,321
Net assets released from restrictions/transfers:						
Net assets released from restrictions/transfers	-	(2,770)	(26,011)	48	-	823,456
Total net assets released/transfers	-	(2,770)	(26,011)	48	-	823,456
Total revenue and support	38,647	36,736	4,221	678	5,835	7,002,877
Expenses:						
Administrative	-	-	-	-	(114)	1,010,060
Building	-	-	-	-	-	781,718
Museum shop	-	-	-	-	-	793,465
Museum cafe	-	-	-	-	-	191,644
Art division:						
Collections	-	-	-	-	-	2,041,039
Art accessions	-	-	-	678	-	655,100
Exhibition programs	60	737	-	-	20,211	929,256
Education programs	-	74	-	-	-	342,312
Development	3,065	-	-	-	-	606,229
Member activities	(72)	28,918	4,090	-	-	48,955
Restricted expenses	-	-	-	-	-	34,560
Total expenses	3,053	29,729	4,090	678	20,097	6,613,429
Changes in net assets	15,594	7,097	131	-	(13,261)	389,559
Net assets, beginning of year	28,489	22,820	29,094	-	110,322	2,035,269
Net assets, end of year	\$ 44,083	29,917	29,225	-	126,962	19,545,477

See accompanying independent auditors' report

NEW ORLEANS MUSEUM OF ART
 Combining Statement of Activities, Temporarily Restricted Net Assets
 Year ended December 31, 1997

	Advertising (Program)	Building Expansion (Capital)	Portrait Miniature (Art)	Starting Point (Exhibition)	M. D. Van Horn (Education)	Chapman H. Hyams 1951 (Gallery Maintenance)	Chapman H. Hyams 1952 (Gallery Maintenance)	George F. Capoye (Gallery Maintenance)	Casselli (Exhibition)	R. Forgetson (Snuff Bottle Exhibition)	Library (Books)	Elise Reschoff (Art Purchase)	Boles (Art Purchase)
Support and revenue:													
Support:													
Individual contributions	\$ 25,000	66,000	-	10,000	-	-	-	-	-	-	5,970	1,257	-
Corporate support	-	-	-	35,000	-	-	-	-	-	-	-	-	-
Foundations	-	-	-	45,000	-	-	-	-	-	-	-	-	-
Total support	25,000	66,000	-	90,000	-	-	-	-	-	-	5,970	1,257	-
Revenue:													
Interest and dividends	1,958	14,390	1,294	-	440	4,101	304	3,542	735	926	2,232	14,181	79,750
Net appreciation in investments	(885)	689,311	(476)	-	1,201	11,043	842	5,813	(320)	(425)	(844)	57,414	190,843
Deaccessions	-	-	-	-	-	-	-	-	-	-	-	-	-
Members' event	-	-	-	-	-	-	-	-	-	-	-	-	-
Total revenue	1,073	703,691	818	-	1,641	15,144	1,146	9,355	415	501	1,388	71,599	270,593
Total revenue and support before net assets released	26,073	769,691	818	90,000	1,641	15,144	1,146	9,355	415	501	7,354	72,856	270,593
Net assets released from restrictions/transfers:													
Net assets released from restrictions:													
Administrative	(121)	(72,490)	(77)	-	(23)	(2)	17	(201)	(44)	(59)	(131)	(670)	(4,325)
Art division:													
Art accessions	(19,961)	(4,263)	-	-	-	-	-	(27,925)	-	-	-	(12,291)	(97,162)
Exhibition programs	-	(7,329)	-	(10,953)	-	-	-	-	-	-	-	-	-
Education programs	-	(5,002)	-	-	-	-	-	-	-	-	-	-	-
Development and fund raising	-	-	-	-	-	-	-	-	-	-	-	-	-
Member activities	(31,904)	-	-	-	-	-	-	-	-	-	(2631)	(651)	-
Restricted expenses	(53,946)	(89,074)	(77)	(10,853)	(23)	(2)	17	(28,116)	(44)	(59)	(394)	(13,612)	(101,487)
Total net assets released	(103,831)	(189,074)	(174)	(21,806)	(23)	(2)	17	(28,116)	(44)	(59)	(394)	(13,612)	(101,487)
Transfers													
Total net assets released/transfers	(103,831)	(189,074)	(174)	(21,806)	(23)	(2)	17	(28,116)	(44)	(59)	(394)	(13,612)	(101,487)
Change in net assets	(77,758)	187,617	644	68,194	1,618	15,142	1,163	(18,761)	371	442	6,958	59,044	169,106
Net assets, beginning of year	48,360	441,038	32,317	(57,712)	2,202	10,214	942	27,813	18,397	24,555	55,112	(428)	242,545
Net assets, end of year	\$ 70,602	1,021,655	33,056	123,255	4,120	32,356	2,105	9,052	19,768	24,997	62,070	58,616	411,651

(Continued)

HEX OPELANS MUSEUM OF ART
 Combining Statement of Activities, Temporarily Restricted Net Assets, Continued

	Leah Chase Birthday (Art Purchase)	Camille Curione (Program)	Montine Freeman (Directorship Chair)	George Frieron (Art Purchase)	Robert Gordy (Art Purchase)	Joann Greenberg (Art Purchase)	African (Art Purchase)	Benjamin J. Watrod (Art Purchase)	Carrie Weidlich (Art Purchase)	Richard Johnson (Art Purchase)	Augusta M. Jusdan (Art Purchase)	Edward Leiman (Art Purchase)
Support and revenue:												
Support:												
Individual contributions	-	-	-	-	-	-	30	-	-	-	-	30
Corporate support	-	-	-	-	-	-	100,000	-	-	-	-	-
Foundations	-	-	-	-	-	-	300,030	-	-	-	-	-
Total support	-	-	-	-	-	-	430,030	-	-	-	-	-
Revenue:												
Interest and dividends	46	1,016	17,048	43,882	23,809	-	55	352	16,730	140	274	-
Net appreciation in investments	-	(375)	117,729	104,528	53,845	-	-	901	38,141	(52)	679	-
Members' event	29,790	-	-	-	-	-	-	-	-	-	-	-
Beaccessions	-	-	-	-	-	-	-	-	-	-	-	-
Total revenue	29,836	641	134,777	148,410	77,654	-	55	1,253	54,871	88	953	-
Total support and revenue before net assets released	29,836	641	134,777	148,410	77,654	-	100,085	1,253	54,871	88	953	30
Net assets released from restrictions/transfers:												
Administrative	-	(61)	(268)	(2,305)	(4,136)	-	-	(19)	(914)	(8)	(14)	-
Art division:												
Art accessions	-	-	-	(85,813)	(29,934)	-	(100,030)	-	(17,956)	-	-	-
Exhibition programs	-	-	-	-	-	137	-	-	-	-	-	-
Education programs	-	-	-	-	-	-	-	-	-	-	-	-
Development and fund raising	-	-	-	-	-	-	-	-	-	-	-	-
Member activities	-	-	-	-	-	-	-	-	-	-	-	-
Restricted expenses	(736)	-	-	-	-	-	-	-	-	-	-	-
Total net assets released	(736)	(61)	(268)	(85,798)	(34,070)	137	(100,030)	(19)	(17,970)	(8)	(14)	-
Transfers												
Total net assets released/transfers	(736)	(61)	(268)	(85,798)	(34,070)	137	(100,030)	(19)	(17,970)	(8)	(14)	-
Changes in net assets	20,100	580	134,509	59,622	43,584	117	55	1,244	36,901	80	939	30
Net assets beginning of year	-	25,341	-	140,149	81,142	-	-	2,560	78,873	3,456	1,671	-
Net assets, end of year	20,100	25,921	134,509	199,771	124,826	137	55	3,804	94,824	3,556	2,610	30

(Continued)

NEW ORLEANS MUSEUM OF ART

Combining Statement of Activities, Temporarily Restricted Net Assets, Continued

	Mervin Morais (Art Purchase)	Docent (Program)	Education (Program)	P. R. Norman (Art Purchase)	PosaMety Foundation Decorative Arts (Curatorship)	Paul Selley (Art Purchase)	Leah Norman Schreier (Art Purchase)	NOMA (Art Purchase)	Total
Support and revenue:									
Support:									
Individual contributions	-	2,365	3,065	1,097	-	-	-	260,110	364,724
Corporate support	-	-	-	-	-	-	-	10,000	10,000
Foundations	-	2,365	3,065	1,097	-	-	-	270,110	245,000
Total support	-	2,365	3,065	1,097	-	-	-	270,110	619,724
Revenue:									
Interest and dividends	8,175	6	7	6,568	5,034	163	3,040	(141)	249,574
Net appreciation in investments	7,072	-	-	14,949	14,492	(60)	(407)	-	3,328,957
Members' event	-	-	-	-	-	-	-	-	20,790
Deaccessions	-	-	-	-	-	-	-	3,357	3,357
Total revenue	15,247	6	7	21,517	43,526	103	633	3,216	1,603,618
Total support and revenue before net assets released	15,247	2,371	3,072	22,614	43,526	103	633	273,326	2,228,402
Net assets released from restrictions/transfers:									
Net assets released from restrictions:									
Administrative	-	-	-	-	-	-	-	-	-
Art division:									
Art accessions	(3,831)	-	-	(359)	-	(10)	(66)	(30)	(86,349)
Exhibition programs	-	-	-	(15,317)	-	-	(33,859)	(207,532)	(652,242)
Education programs	-	-	-	-	-	-	-	-	(24,224)
Development and fund raising	-	-	-	-	-	-	-	-	(48,065)
Member activities	-	-	-	-	-	-	-	-	(9,002)
Restricted expenses	-	-	-	-	-	-	-	-	(3,095)
Total net assets released	(3,831)	-	-	(15,676)	-	(10)	(33,925)	(207,562)	(823,656)
Transfers	-	-	-	-	-	-	-	-	-
Total net assets released/transfers	(3,831)	-	-	(15,676)	-	(10)	(33,925)	(207,562)	(823,656)
Changes in net assets	11,414	2,371	3,072	6,938	43,526	93	59,995	1,398,746	1,398,746
Net assets, beginning of year	83,649	-	-	45,278	-	4,042	27,523	(248,182)	3,098,138
Net assets, end of year	95,062	2,371	3,072	52,216	43,526	4,135	(208,194)	(208,194)	2,496,465

See accompanying independent auditors' report.

NEW ORLEANS MUSEUM OF ART
 Combining Statement of Activities, Permanently Restricted Net Assets
 Year ended December 31, 1997

	M. D. Van Horn (Education)	M. D. Van Horn (Education)	Chapman H. Myers 1951 (Gallery Maintenance)	Chapman H. Myers 1952 (Gallery Maintenance)	George F. Lapeyre (Gallery Maintenance)	Elise Resthoff (Art Purchase)	Boles (Art Purchase)	George Frierson (Art Purchase)	Robert Gordy (Art Purchase)	Benjamin J. Harrod (Art Purchase)	Carrie Heidrich (Art Purchase)	Augusta M. Jourdan (Art Purchase)	Mervin Morris (Art Purchase)	P.R. Norman (Art Purchase)	Rosamery Foundation Decorative Arts (Curatorship)	Montine McManie Freeman (Directorship Chair)	Total
Support and revenue:																	
Support - Individual contributions	\$ 1,000													1,345	1,000,000	800,000	1,802,345
Revenue - Deaccessions							8,905		19,908								28,813
Total revenues and support							8,905		19,908								28,813
Net assets released and/or transferred	(200,000)																
Changes in net assets	1,000						8,905		19,908								28,813
Net assets, beginning of year	5,932,705	7,066	5,146	58,286	56,036	250,000	1,526,955	844,712	425,408	5,604	312,670	4,881	100,000	103,827	1,000,000	1,000,000	9,637,500
Net assets, end of year	\$ 5,732,705	8,066	5,146	58,286	56,036	250,000	1,535,860	844,712	445,316	5,604	312,670	4,881	100,000	205,327	2,000,000	1,000,000	11,458,238

See accompanying independent auditors' report.