

# Impact investments are beginning to show up in the endowments of U.S. art museums

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## Creative Economy



Museum of Modern Art in New York City

*ImpactAlpha, Jul. 13* – Changes to museum investment policy favoring sustainability and diversity are recent. Allocations to impact remain small. But slowly and steadily, the boards and investment committees of U.S. art and culture museums are investing their endowments to advance their missions.

“Museums will help chart a path to a more equitable future not only through the artists they present and the audiences they engage, but by what they invest in and who they hire to manage those investments,” says Ford Foundation’s **Darren Walker**, a trustee of the National Gallery of Art in Washington, D.C.

More than one-third of museums say they have moved from a *conversation* about integrating impact into their investments to *action*, according to a survey of 61 museums from **Upstart Co-Lab**, the **Association of Art Museum Directors**, and the **Black Trustee Alliance for Art Museums**.

Roughly 35% say a portion of their endowment is managed by diverse managers and about 31% say a portion of their endowment portfolio is currently invested in impact investing strategies.

*Among the signs of progress:*

- **Diverse managers.** A gender- and racially-diverse team led by director **Kaywin Feldman** has driven a diversification of portfolio managers at the **National Gallery of Art**. Diverse managers now manage 40% of the museum's \$875 million endowment.
- **Local investments.** A commitment to the surrounding community has led the **Walters Art Museum** in Baltimore to allocate \$5 million of its \$170 million endowment to local investments, including a loan to **ReBUILD Metro** and an investment in a VC firm backing businesses in Baltimore (*for context, see "Cultural institutions start to put their assets to work for mission"*). A housing project for artists and museum workers has attracted the interest of new individual donors at **The Contemporary Arts Museum Houston**.