Standard PAC Performance Reporting:
An IAVM Handbook for Performing Arts Centers
STANDARD PERFORMANCE REPORTING

FOR PERFORMING ARTS CENTERS
AMS ANALYTICS & INTERNATIONAL ASSOCIATION OF VENUE MANAGERS

INTERNATIONAL ASSOCIATION OF VENUE MANAGERS

AMS ANALYTICS
Introduction

While venues for performing arts have been built in cities across the world for millennia, contemporary performing arts centers—a collection of multiple performances spaces on a single campus—are a relatively young concept. A combination of forces came together in the mid-twentieth century, resulting in many communities shifting to live performing arts from independent, purpose-built venues, most often opera houses and concert halls, to multi-space arts centers.

Globally, the number of performing arts facilities grew starting in the 1950s. From memorial auditoria developed in the United States and Canada (1960 – 1980) to the significant civic anchors developed in major cities globally, new venues, operated by business units independent of the companies that produced the content, flourished.

Driven by the desire to provide more contemporary venues, to provide efficient operations or to drive civic identity, these venues all shared a set of common practices, but did not begin to share operating data until early in the 21st century and then, only on a regional basis. Efforts by industry service providers and other organizations were unsuccessful and often stalled over the lack of common vocabulary, limited resources, or insufficient motivation to gather inputs.

Later in the 21st century, the focus changed. Performing arts centers, and other civic institutions, whether publicly operated or managed by not-for-profit corporations or trusts are being called upon, more and more frequently to compete for scarce operating resources and demonstrate their efficiency and public value. To do so requires a standard basis of measurement and a means of comparison to best practice and peer institutions.

While the corporate sector has long been collecting, comparing and, in some cases, sharing data, this is not always been the case in the performing arts sector. In some countries around the world, where there is a civic practice around performance measurement, the vocabulary is present but there is no consistency in defining performance indicators, measures or units of measurements.

As performing arts organizations are increasingly called upon to demonstrate both efficiency and effectiveness, there is a need to collaborate and reach agreement concerning what can be measured, and to establish shared definitions. By agreeing to a common vocabulary and a set of shared definitions, the field can advance its understanding of performance, its documentation and its demonstration of value.
Acknowledgements

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Background

IAVM’s Performance Reporting Initiative was launched in 2017 at VenueConnect in Nashville. The main objective of the initiative was to define a standard list of Key Performance Indicators and Key Productivity Metrics for measuring the efficiency of convention center operations.

As a second step in the process, AMS Analytics LLC was asked to suggest an approach for a similar effort among performing arts centers. Performing arts centers (PACs) have long tracked performance indicators and many have engaged in formal benchmarking for over a decade. Still, until now, the sector has yet to formally address the need for a rigorous, singular source of performance measures and definitions. This manual represents a first effort toward that goal and contains the work and thought of professionals throughout the PAC sector.

The goal of performance metrics is first to establish common definitions of business practices. Next, performance metrics help organizations garner a view of the statistical range of a business measure and create a platform for strategic discussion. When adopted properly, performance metrics can help inform strategic, critical or operational decisions. The measurements also help unify industry language, allow for comparative analysis and solidify messaging to stakeholders.

There is a widely known adage that you ‘get what you measure.’ Hence, our goal herein was not to list and recommend every single metric possible—rather, we believe that a narrowly-tailored set of strategic measures can help focus an organization on the most prudent areas of opportunity. The alignment of strategic financial goals with actions and risk assessment will improve decision making and chances of organizational success. The organization’s mission, as stated in the strategic plan, is the institutional driver; financial capacity and affordability measure the feasibility of the organization’s aspirations.

The first edition of this manual for performing arts centers is our initial attempt to codify and unite our mutual efforts to add rigor to our sector. We are confident that these performance measures will mature over time and we will continue to refine our goals as a professional community.
How to use this handbook

Why care about measurements in the first place? The most relevant answer to that question is that we care about a measurement because it informs a key decision. Decision makers usually have some degree of uncertainty about the best choice for their decision. Measurements inform uncertain decisions. For most decisions, there are several things to measure and ways to measure them, but perfect certainty is rarely a realistic option. PAC leaders need a method for analyzing options and reducing uncertainty about decisions. That is the focus of this handbook.

The first and most critical step in reducing uncertainty is asking the right questions. Since the ‘right questions’ vary distinctly from PAC to PAC, this handbook instead focuses on the next step of the process—knowing what to measure and how that measure should be defined.

Before we describe metrics in the handbook, we offer a lexicon to define terms and dimensions used to construct metrics (page 8). The metrics provided in this handbook fit into three broad categories:

- **Event Performance Measures**: A physical action taken by the performing arts center that ultimately supports its mission, (booking a venue, selling a ticket, taking a ticket, etc.)

- **Organization Activity Metrics**: A metric that illustrates the relationship between the PAC activity and its resources. Typically expressed as a ratio (Revenue per Square Foot, etc.) Productivity metrics assist the PAC in managing its resources in the most cost-efficient and effective manner possible.

- **Institutional Financial Health**: This specialized group of metrics helps to assess overall financial health and is based on a set of ratios which, after properly weighting and scoring, can create a single score known as the Composite Financial Index (CFI). CFI is useful in helping boards and other key stakeholders with little or no knowledge of PAC financials understand the financial position that the institution holds in the marketplace. The metric also proves valuable in assessing the future prospects of the PAC and functions as an “affordability index” of a strategic plan.

The metrics contained in this handbook are designed with the intent that the PAC establish benchmarks or high-water marks and measure and recalculate these metrics consistently (at minimum on an annual basis). A consistent process of review and analysis will support PAC leadership in their efforts to help their organization achieve greater operational efficiency.

Lastly, this handbook may discuss measures that do not seem relevant to your organization. It is not the suggestion of the authors that PACs take on new activity or implement measures that yield unused information. Rather, measure what matters, make better decisions. We urge PAC leaders to adopt these metrics to fit their needs in order to help them answer questions that reduce uncertainty and promote better outcomes.
Performing Arts Center Business Definitions

PAC business definitions represent essential conceptual and functional aspects of day-to-day life in a PAC. We open the document with these broad definitions for two reasons: (1) to articulate sector-specific concepts in a manner that promotes both debate and agreement; (2) to lay the conceptual groundwork for quantitative metrics that follow.

The following seven business definitions represent critical touchstones for the sector:

Performance Event
An event that features an audience observing or participating in a presentation (typically live, but also includes film). Venue agnostic, a performance may occur on a stage, in a lobby, in a backstage rehearsal space, in a courtyard, etc. Performances may or may not be ticketed and may or may not require a designated seat. Additionally, performance events are typically open to the public, which may be distinct from non-performance events which are often private events.

Non-Performance Event
While a performance typically aligns with a PAC's mission of delivering an observable cultural art experience, non-performance events can include other utilizations of the PAC space beyond mission service. These uses may include private rentals (weddings, parties, corporate events, volunteer recognition ceremonies, film shoots, etc.)

Center Presentation
An event that features an audience observing or participating in a live presentation that is funded and promoted by the Center. Most importantly, the Center controls most of the costs and revenues from such an event.

Rental Presenter
Rental presenters may include non-profit organizations or commercial entities. Financial arrangements with rental presenters often include house services but may or may not include ticketing and retail. PACs should do everything possible to track attendance and ticket sales for these presenters.

Resident Company
Most often an arts organization whose rent is either fully or partially subsidized by the PAC. A resident company may also be the beneficiary of PAC marketing and PR activity on its behalf. Resident Company agreements often include priority access to the PAC calendar. Ticketing arrangements and splits vary.
Utilization

Use-days represent an approach to understanding an individual venue's utilization and are applied in whole-day increments. Utilization is organized into a hierarchy based on revenue-generation and each of a year’s 365 days receives one single ranking which represents that day's highest level of use.

The first distinction separates between used and unused—usually referred to as dark. Note: “dark” refers to non-revenue generating time when the venue is unused and may be unavailable. If the venue is not dark, utilization for a given day falls into one of the following five categories.

If there is more than one utilization type in a single day, the day is classified as the highest-ranking. For example, if a venue hosts a load-in as well as a performance on the same day, that day would be classified as a performance day.

**Performance day.** Generally, revenue-generating activity and may include more than one performance. If a single day includes a load-in and a performance, the day is considered a performance day.

**Non-performance day.** Generally, revenue-generating days may attain this utilization label when the venue is dark during a run. The PAC may not offer the venue to another renter or present themselves, but no performance takes place.

**Rehearsal day.** Generally, revenue generating, rehearsal days suggest facility use absent of ticketed performance. May require stagehands and security.

**Tech day.** Generally, revenue generating, tech days may include load-in or out as well as non-rehearsal performance-related activity.

**Maintenance day.** Non-revenue generating, maintenance days are distinct from dark days in that they typically represent scheduled maintenance to the venue. As a building ages, these use-days may increase.

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1 In the context of utilization, ‘revenue-generating’ refers to rent and no other revenue streams
Lexicon

The data lexicon is meant to define terms and calculations that are used often as the basis for performance metrics. The sections on metrics will assume an understanding of this lexicon.

Financial terms

A. Operating Revenue
   All earned plus unearned operating revenues (excludes non-operating revenues)

B. Total Earned Revenue
   Sum of all earned revenues (includes endowment draw and other investment earnings used in operations)

C. Total Unearned Revenue
   Sum of all unearned revenues (excludes endowment earnings not used in operations)

D. Programming Revenue
   Ticket revenue plus other revenues related to all programming types, including rental revenue (Center productions, presentation, Broadway and education)

E. Total Operating Expenses
   All operational expenses (excludes depreciation expense and all other non-operational expenses), including personnel cost

F. Marketing Expenses
   Institutional marketing costs plus all production-related marketing and advertising

G. Occupancy Cost
   The sum of the following expenses:
   a. Security
   b. Regular cleaning & maintenance
   c. Annual cleaning & maintenance
   d. Insurance
   e. Utilities
H. Programming Expenses

The sum of administration costs related to programming, production costs, show-related advertising & marketing costs and artist fees across all programming types (Center productions, Center presentations, Broadway and education performances)

Venue and Activity terms

I. Event

Like a performance, event constitutes a more generic reference to staged or non-staged episodes. A Broadway matinee is considered an event but so is a meeting, lecture, educational in-service, etc. Sometimes referred to as Assembly Event.

J. Performance event

One unique staged event in front of an audience. Performances may be ticketed or non-ticketed. A run constitutes multiple performances of the same show many nights (or days) in a row.

K. Number of performance events

Count of all individual performances in a given time period. Example: a two-week run of a Broadway show may consist of 16 performances.

L. Square footage

The net square foot measure of the buildings which contain performance venues. For purposes of standardization, we do not count parking lots or adjacent non-performance facilities.

M. Total patrons

Count of total tickets sold plus comps. If an event is non-ticketed, the PAC should record a headcount as accurately as reasonably achievable. For instance, if the event takes place in a large open area without gated access, headcount would be an estimate and represent total patrons.
N. Total seats

Typically, the number of usable fixed seats in all active venues where ticketed activity takes place (excludes alternative venues like lobbies and plazas as well as venue seats that are not allocated for sale or comps by Box Office). As seating capacity can fluctuate, we recommend recording the range from minimum to maximum over a season. When calculating metrics that involve seat count, we suggest calculating the mean seat count for the annual period.

O. Available seats

Calculated as

\[
\text{Available seats} = \text{Total seats in a single venue} \times \text{number of events in that venue}
\]

P. Total available seats

The sum of available seats all venues. Since venues have unique seat counts, this calculation requires us to first determine the number of available seats per venue, then take the sum of those subtotals. See example below.

<table>
<thead>
<tr>
<th>CALCULATION</th>
<th># seats</th>
<th># events</th>
<th>Available seats</th>
</tr>
</thead>
<tbody>
<tr>
<td>Venue A</td>
<td>1,200</td>
<td>200</td>
<td>240,000</td>
</tr>
<tr>
<td>Venue B</td>
<td>900</td>
<td>150</td>
<td>135,000</td>
</tr>
<tr>
<td><strong>Total available seats</strong></td>
<td></td>
<td></td>
<td><strong>375,000</strong></td>
</tr>
</tbody>
</table>
Event Performance Measures

We differentiate between a measure and a metric. The measures that follow do not contain or require any calculations. They are simply a measure of some distinct, easily quantifiable data point. Metrics, on the other hand, are calculated values typically represented by a fraction of two measurable dimensions.

Standard measures represent essential functional awareness of the organization's activity. They are frequently used as elements in metric calculations, and, while not metrics on their own, often yield insights when visualized over time.

1. Events
   a. Number of ticketed events
   b. Number of non-ticket events
   c. Presenter type
      i. Center presentation
      ii. Resident company
      iii. Non-profit rental
      iv. Commercial rental
   d. Discipline (see mapping documentation)
      i. Classical music
      ii. Dance
      iii. Opera
      iv. Theater
      v. Education & Family
      vi. Variety
      vii. Film
      viii. Popular music
      ix. Lecture
      x. Comedy
      xi. Community-based
      xii. Religious / Non-secular

2. Number of attendees per event (drop count)

3. Venue utilization measures
   a. Performance days
   b. Non-performance days
   c. Rehearsal days
   d. Tech days
   e. Dark days
4. Ticket transaction measures
   a. Number of tickets sold
      i. By discipline/presenter
      ii. By sales channel
         1. Subscription vs. Single-ticket purchase
            a. Box Office
            b. Phone
            c. Mail
            d. Group sales
            e. Outlet
            f. Internet
            g. Other
   b. Number of comps
   c. Drop count (actual attendance)
Organization Productivity Metrics

No metric viewed in isolation can be the basis for understanding overall organizational health. However, when used in conjunction with each other, these metrics help to form a composite story of the organization's overall health as it relates to activity, financial performance and ultimately, achievement of mission and purpose. PAC leaders should consider adopting these metrics to meet individualized organizational needs and answer the questions most relevant to their stakeholders.

The following metrics represent those utilized in best practice by many of the largest and most successful performing arts centers in the world. We have divided the list between “standard” metrics designed to track simple baselines for the organization and “best practice” metrics which are formulated to offer a granular view of many different areas of performance the PAC should consider monitoring and including in their strategic planning efforts.

1. **Total Revenue per Patron**

   Description: When used in conjunction with other metrics, this can help organization leaders ascertain how closely their financials represent an expression of their organization's mission and purpose.

   Calculation:
   
   \[
   \frac{\text{Total operating revenue}}{\text{Total patrons}}
   \]

2. **Revenue per Event**

   Description: When used in conjunction with other metrics, this can help organization leaders understand the impact of utilization on overall financial results. Calculation includes all event types, even those described as non-ticketed or non-performance (or both).

   Calculation:

   \[
   \frac{\text{Total operating revenue}}{\text{Total number of events}}
   \]

3. **Occupancy Cost per Square Foot**

   Description: This metric is useful in tracking fixed costs relative to venue footprint.

   Calculation:

   \[
   \frac{\text{Occupancy cost}}{\text{Square footage}}
   \]
4. **Marketing Cost per Patron**

Description: The overall marketing outlay per patron is useful for tracking relative marketing spend over time.

Calculation:

\[
\frac{\text{Marketing expenses}}{\text{Total patrons}}
\]

5. **Marketing Cost as a percentage of Programming Revenue**

Description: This is designed to help the marketing department in the budget process. Time-based data can help forecast greater or reduced need for market spend.

Calculation:

\[
\frac{\text{Marketing expenses}}{\text{Programming revenue}}
\]

6. **Occupancy Cost per Seat**

Description: This is useful in tracking fixed costs relative to the amount of space dedicated to stage-based revenue generation.

Calculation:

\[
\frac{\text{Occupancy cost}}{\text{Total seats}}
\]

7. **Occupancy Cost per Patron**

Description: This is useful in tracking fixed costs as they pertain to wear and tear of venue over time.

Calculation:

\[
\frac{\text{Occupancy cost}}{\text{Total patrons}}
\]

8. **Occupancy Cost per Event**

Description: This is useful in tracking fixed costs as they pertain to wear and tear of venue over time. Designed to work in conjunction with **Occupancy Cost per Patron**.

Calculation:

\[
\frac{\text{Occupancy cost}}{\text{Total number of events}}
\]
9. **Programming Revenue per Programming Expense**

Description: For venues that present at-risk² programming, this metric, also referred to as “programming yield,” helps measure the revenue generated by one dollar of programming investment (exclusive of other organizational fixed expenses).

Calculation:

\[
\frac{\text{Programming revenue}}{\text{Programming expenses}}
\]

10. **Programming Expense per Patron**

Description: For venues that present at-risk programming, this metric is useful to understand trends in outlay for ticketed activity.

Calculation:

\[
\frac{\text{Programming expenses}}{\text{Total patrons}}
\]

11. **Programming Revenue per Available Seat (RevPAS)**

Description: For venues that present at-risk programming, this metric is useful to understand trends in ticketed-based revenues relative to a fixed inventory.

Calculation:

\[
\frac{\text{Programming revenue}}{\text{Total available seats}}
\]

12. **Total Revenue per Available Seat (TRevPAS)**

Description: This is useful to understand trends in overall revenues relative to a fixed inventory.

Calculation:

\[
\frac{\text{Total operating revenue}}{\text{Total available seats}}
\]

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² Throughout the document, the term *at-risk programming* refers to activity whose contractual agreements define the PAC as a participant with greater than 20% stake in financial results.
13. Fundraising Yield

Description: This metric measures the return on one dollar spent to raise unearned revenue. Useful in tracking Advancement efficiency over time.

Calculation:

\[
\frac{\text{Total fundraising cost}}{\text{Contributed revenue, excluding government support}}
\]
Institutional Financial Health

This specialized group of metrics helps to assess overall financial health and is based on a set of ratios which, after properly weighting and scoring, can create a single score known as the Composite Financial Index (CFI)\(^3\). CFI is useful in helping boards and other key stakeholders with little or no knowledge of PAC financials understand the financial position that the institution holds in the marketplace. The metric also proves valuable in assessing the prospects of the PAC and functions as an “affordability index” of a strategic plan.

CFI is established first by creating the values of the four core ratios:

- Primary Reserve Ratio
- Net Income Ratio
- Return on Net Assets Ratio
- Viability Ratio

These ratios compare the institution’s operating commitments (Primary Reserve Ratio) and its outstanding long-term obligations (Viability Ratio) against its expendable wealth. They measure the ability of the organization on a short-term basis to live within its means (Net Income Ratio) and the ability of the PAC to generate overall return against all net resources (Return on Net Assets Ratio).

The core ratios were selected because they represent the measurement of key components in relation to institutional risk that must be consistently addressed. As an example, outstanding debt, by itself, is not a particularly informative number. But within the context of usable retained wealth (cash), the relative debt level becomes informative, allowing an understanding of the institution’s capital structure and the affordability of its debt. Expendable net assets provide insight into whether the organization’s operating size is reasonable within the context of usable retained wealth. The return that the institution has been able to achieve, both in terms of current operating size and in terms of total wealth, for which the board has fiduciary responsibility is a key indicator of overall financial performance.

This set of metrics highlights two basic concepts that run throughout our approach to analysis. First, that a few measures can effectively provide insight into financial health; and second, that the ratios are most useful if the information is readily obtainable and the calculations repeatable. Note that the ratios deal only with the financial aspects of the PAC and must be blended with KPIs in other areas such as activity and utilization to understand a more complete measure of institutional strength.

\(^3\) CFI was developed and introduced by Prager, McCarthy and Sealy in conjunction with KPMG to help institutions in higher education. AMS Analytics has adopted the approach for use in performing arts center management.
Primary Reserve Ratio

This ratio measures financial strength of the PAC by comparing expendable net assets to total expenses. The ratio represents a snapshot of financial strength and flexibility by indicating how long the PAC could function using its expendable reserves without relying on additional net assets generated by operations. The ratio also serves as a counterpoint to the Viability Ratio.

Answers the question: Are resources sufficient and flexible enough to support the mission?

Calculated as follows:

\[
\frac{\text{Expendable Net Assets}}{\text{Total Expenses}}
\]

Net Income Ratio

A large surplus or deficit directly impacts the amount of funds a PAC adds to or subtracts from net assets, thereby affecting the Primary Reserve Ratio, Return on Net Assets Ratio and the Viability Ratio.

Answers the question: Do operating results indicate the institution is living within available resources?

Calculated as follows:

\[
\frac{\text{Change in Unrestricted Net Assets}}{\text{Total Unrestricted Income}}
\]

Return on Net Assets Ratio

This ratio determines whether the PAC is financially better off than in previous years by measuring total economic return. A decline in this ratio may be appropriate and even warranted if it reflects a strategy to better fulfill the PAC’s mission. Like all the other ratios, this one is better applied over an extended period so that the results of long-term plans are measured.

Answers the question: Does asset performance and management support the strategic direction?

Calculated as follows:

\[
\frac{\text{Change in Net Assets}}{\text{Total Net Assets}}
\]
Viability Ratio

This ratio measures one of the most basic determinants of clear financial health: the availability of expendable net assets to cover debt should the PAC need to settle its obligations as of the balance sheet date.

Answers the question: *Are debt resources managed strategically to advance the mission?*

Calculated as follows:

\[
\frac{Expendable\ Net\ Assets}{Long\ term\ debt}
\]
Composite Financial Index

Assessing the organization's financial health and financial risk is a critical step in developing strategies and effectively managing institutional risks. Using a single financial metric for financial health that offers a more holistic approach to understanding the total financial health of the institution may assist in this process. After understanding the relative strengths and weaknesses of each of the four core ratios, it is useful for the PAC to be able to combine them into a single score. This combination, using a reasonable weighting schema, allows a weakness or strength in a specific ratio to be offset by another ratio result, thereby allowing a more holistic approach to understanding the institution's total financial health.

One important process in institution risk management is to determine risk capacity. Although there is no one overall quantitative measure of risk capacity, and its assessment must include qualitative factors such as ability of management, there are several financial aspects that must be considered. These include liquidity, debt capacity, expendable net assets and financial condition.

The CFI can assist in the financial analysis component of strategy setting and risk management and is beginning to be useful in helping PAC boards and senior management understand the financial position their institutions enjoy in the marketplace. The CFI should also prove valuable in assessing future prospects, functioning as an “affordability index” of a strategic plan.

The four-step methodology\(^4\) for calculating the CFI is as follows:

- Values of four core ratios are computed.
- These values are converted to strength factors along a common scale.
- Strength factors are then multiplied by specific weighting factors.
- The resulting four numbers are totaled to reach the single CFI score which is scored on a scale -1 – 10.

Using the CFI

Using the CFI in strategy plan goal-setting and financial modeling will aid PACs in communicating overall financial health instead of using numerous financial metrics. Reporting the CFI over time, presented with narrative discussion of the PAC's financial drivers, such as increased attendance driven by a blockbuster season, or new debt to finance capital projects, and staff headcount, will effectively communicate the institution's financial health. While CFI was not initially designed for peer group comparison due to the flexibility in calculating the component ratios, we have adopted PAC-specific calculations that lend the ratios to reasonable comparison.

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\(^4\) For strength and weighting tables as well as a worksheet to calculate CFI, please contact Jordan Gross-Richmond, Director of AMS Analytics.
The CFI *only* measures the financial component of an institution's well-being. It must be analyzed in context with other activity to achieve an assessment of overall health. Many of the metrics recommended in this manual will serve as indexes of other non-financial activity inside the PAC and may be combined in the narrative with CFI to create a holistic picture of the organization's overall health.

As an example, if two organizations have identical CFI scores, but one requires substantial investment to meet its mission-critical goals, and the other has already made those investments, the first institution is less healthy than the second. In fact, a high CFI is not necessarily indicative of a successful institution although a low CFI generally is indicative of additional challenges. When considered in the context of achievement of mission, a very high CFI with little achievement of mission may indicate a failing institution.

Example of Composite Financial Index calculated for a PAC

CFI is scored on a scale from -1 – 10. The ratios each have their own range of expected value, which are balanced by the strength and weight math used to calculate CFI.

<table>
<thead>
<tr>
<th>Institutional Financial Health</th>
<th>Resource Sufficiency and Flexibility</th>
<th>Debt Management</th>
<th>Financial Asset Performance</th>
<th>Operating Results</th>
<th>Composite Financial Index</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Primary Reserve Ratio</td>
<td>Viability Ratio</td>
<td>Return on Net Assets Ratio</td>
<td>Net Income Ratio</td>
<td>4.72</td>
</tr>
<tr>
<td></td>
<td>2.70</td>
<td>1.00</td>
<td>1.34</td>
<td>3.20</td>
<td></td>
</tr>
</tbody>
</table>
Where do we go from here?

The next iteration of this handbook will hopefully represent a deeper engagement from the PAC world in meaningful measures and metrics. The community of sector leaders only stand to gain from one another’s success stories with data and metrics.

When you find a measure we have omitted, please reach out to Jordan Gross-Richmond at AMS Analytics and share your thoughts. He can be reached at jgrossrichmond@ams-analytics.com. This handbook is the product of many industry collaborations; the next handbook will be as well.
Appendix
Appendix:
Standardized Chart of Accounts used to generate
Financial Performance Measures

The process of generating operational measures and metrics presents a different challenge than that of generating financial statements. While the following chart of accounts contains elements that may correspond to a PAC’s Statement of Activities, the purpose of the list is to illustrate which specific line items are used to generate the financial portion of a PAC’s operational benchmarking.

Earned Revenue
1. Administration
2. Finance
   a. Endowment Draw
   b. Interest or investment income
3. Information Services
4. Human Resources
5. Institutional Marketing
   a. Advertising revenue
6. Communications / PR
7. Programming
   a. Center public presentations
      i. Ticket revenue
      ii. Other revenue
   b. Center public productions
      i. Ticket revenue
      ii. Other revenue
   c. Broadway presentations
      i. Ticket revenue
      ii. Other revenue
   d. Broadway productions
      i. Ticket revenue
      ii. Other revenue
   e. Center education presentation
      i. Ticket revenue
      ii. Other revenue
      iii. Tuition and fees
8. Theater operations
   a. Recoverable charges & Fees
   b. Box office
      i. Service fees
      ii. Ticket surcharges (with facility fees)
9. Building Operations
   a. Performance hall rental
   b. Ancillary space rental
   c. Recoverable charges and fees
10. Retail
    a. Concessions
    b. Merchandising
    c. Catering
    d. Restaurant
    e. Gift Shop
    f. Parking
11. Food & Beverage
    a. Catering
    b. Concessions
       i. Alcohol
       ii. Non-alcohol
    c. Restaurant
12. Real estate revenue
13. Other earned revenues (reconciliation)

Unearned / Contributed Revenue
14. Development / Advancement
    a. Government support
    b. Individual contributions / memberships
    c. Foundation support
    d. Corporate support
    e. Sponsorships
    f. Tax revenue
    g. In-kind gifts
    h. Special events (gross)
15. Other unearned revenues (reconciliation)

Operating Expenses
16. Administration
17. Finance
   a. General administration
   b. Interest expense
18. Information Services
19. Human Resources
20. Institutional Marketing
   a. Advertising expense
21. Communications / PR
22. Programming
   a. Programming general administration expenses
   b. Center public presentations
      i. Advertising / marketing
      ii. Artist fees
      iii. Production costs
   c. Center public productions
      i. Advertising / marketing
      ii. Artist fees
      iii. Production costs
   d. Broadway general administration
   e. Broadway presentations
      i. Advertising / marketing
      ii. Artist fees
      iii. Production costs
   f. Broadway productions
      i. Advertising / marketing
      ii. Artist fees
      iii. Production costs
   g. Education general administration
   h. Center education presentation
      i. Advertising / marketing
      ii. Artist fees
      iii. Production costs
      iv. Education program expense

23. Theater operations
   a. Non-recoverable charges
   b. Front of house
   c. Back of house
   d. Box office
      i. Theater ops box office expense
   e. Building Operations
      i. General admin
      ii. Utilities
      iii. Insurance
      iv. Security
      v. Regular cleaning & maintenance
      vi. Annual maintenance & repairs
   f. Retail
      i. General administration
      ii. Merchandising
      iii. Gift Shop
      iv. Parking

24. Food & Beverage
   a. Catering
   b. Concessions
   c. Restaurant

25. Real restate expense

26. Other expenses (reconciliation)