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Opposite: Robert Indiana’s LOVE was moved to its new location on the Sutphin Mall during the summer of 2006.

Inside back cover: The IMMA museum building, with Robert Indiana’s LOVE in the foreground.
The year 2006 was extraordinary for the IMA. Many of the important milestones of the year are documented in this report. I would like to highlight just a few.

During the year the last of the galleries opened, completing the transformation of the new IMA into one of our community’s most treasured assets. Coupling our fully opened facility with the Board-approved policy of free general admission, we are achieving our vision of connecting people with art and nature. Through the generous support of many donors, the Virginia B. Fairbanks Art & Nature Park is a step closer to reality. When this phase is complete, the IMA campus will be without peer in its diverse and rich offerings to its visitors.

Significant work was done in the area of the IMA’s governing structure during the year. My thanks to David Goodrich and his 11-member task force, who, with the help of a nationally recognized consultant, reviewed and updated our bylaws, adding transparency and bringing them in line with best practices in the broader museum community. A by-product of this work was the creation the IMA’s new Curator’s, Director’s, President’s, Chairman’s and Clovers Councils, whose members are at the forefront of engaging the IMA and nature. Through the generous support of many donors, the Virginia B. Fairbanks Art & Nature Park is a step closer to reality. When this phase is complete, the IMA campus will be without peer in its diverse and rich offerings to its visitors.

I want to thank Larry O’Connor, who, until the arrival of Max Anderson in June of 2006. Thanks are certainly in order to Myra Selby and the members of her search committee for finding the right person at the right time for the IMA. Max’s leadership in his first year has been full of impact and inspiration. We eagerly await what is beyond the next horizon.

Thank you for all of your support.

The past year marked a watershed in the IMA’s 124-year history. Our redesigned and expanded Asian galleries were reinstalled in November, and our European galleries in December, marking an end to the $74 million revamping of the facilities. The three-year, stem-to-stem renovation of our main building follows the renovation of Lilly House, which reopened in 2002, and repositions the IMA among the field of leading art museums nationally. In sheer girth, we rank fifth in size in the United States, and about 100 of our 152 acres of grounds are today undergoing a large-scale planning effort to create one of the world’s most exciting parks, marked by environmental sensitivity and featuring works by leading artists from around the world.

The announcement of the Richard M. Fairbanks Foundation’s $11 million challenge grant to develop the Art & Nature Park has catapulted us to a new level of activity around this project. This latest gift—announced in July 2006—brings the Foundation’s total support of the Park to $15 million, and by early summer the IMA had raised $21.5 million towards the Park’s campaign goal of $40 million. The selection of Mary Miss to create the Park’s first permanent site-specific work set a high bar for future commissions and insured that the caliber of work undertaken would be exemplary.

In early October we opened Gee’s Bend: The Architecture of the Quilt. This exhibition was a revelation to our audiences, introducing a body of work spanning nine decades, all from the rural community of Gee’s Bend, Alabama. The previously underappreciated protagonists in this story, the women of Gee’s Bend, have for generations made quilts pieced together from the fabric of daily life, including work clothes and remaindered samples of textiles. Their cumulative achievement has been to open our eyes to creative practices far from urban art centers, and to question traditional boundaries between art and craft. A parallel effort to produce a Community Quilt in Indianapolis brought home the testamentary potential of the fabric arts. Other highlights of the year in exhibitions are described in the section on collections and exhibitions, later in this report.

At the end of October we announced that general admission to the IMA would be free beginning in the new year, and that new hours would extend our opening hours on Friday evenings. National press coverage acknowledged that this was the front end of a trend, the de-emphasizing of commercial instincts in favor of an educational mandate, and that it recognized a little-known fact: that admission charges account for only about four percent of art museum revenues nationally, but have the effect of limiting public participation.

With the completion of the expansion and renovation, a new administration turned to identifying key issues for the IMA’s future. We have committed to four overarching goals, in step with our strategic plan: to be an international pioneer in exploring the future place of art in nature; a national leader in producing compelling ways of understanding art; a national leader in imaginative and ethically rooted acquisitions, exhibitions, exchanges and programs; and a leader in the art museum field in transparency, accountability and public engagement.

We made significant headway in each of these areas after my arrival in June. In addition to securing additional major funding for the Fairbanks Art & Nature Park, we appointed the project’s co-directors: Lisa Freiman and Mark Zeloni, respectively, the curator of contemporary art and director of horticulture. We also recently confirmed the participation of ten artists in the Park and began a “green” initiative to implement best practices in energy consumption and recycling throughout the campus.

In seeking to be a national leader in producing compelling ways of understanding art, we devised cell phone tours for Oldfields-Lilly House & Gardens; undertook a redesign of our Web site to privilege social computing, or tagging, so as to involve the public in content authoring; and began work on the deep contextualization of select works in each permanent collection area.
In pursuit of being a national leader in imaginative and ethically rooted acquisitions, exhibitions, exchanges and programs, we began a review of our acquisitions policy in light of changing international norms with regard to collecting antiquities; organized an exhibition for the summer of 2007 with video artist Sam Easterson, which involves outfitting flora and fauna with digital video equipment, resulting in an empathetic encounter with the world from their vantage points; and forged a partnership with Atlanta’s Tinwood Alliance to organize and travel exhibitions of African American vernacular art. In addition, we began planning the renovation of our 600-seat Tobias Theater as an online sound stage for live and streamed performances, lectures and concerts.

Finally, with the goal of being a leader in the art museum field in transparency, accountability and public engagement, we began a staff-led initiative to publish broad-ranging statistical and anecdotal information on our Web site; launched a program with the Indianapolis Public Schools to bring every third grader to the IMA and issue family memberships to each of them; and joined steve.museum, a collaboration among eight leading art museums to use social computing in connecting audiences with our art collections.

These four overarching goals are now informing staff decisions, large and small, alongside an energetic commitment to the more traditional goals of collecting important works of art, conserving them, presenting them to the public and providing scholarly information in an accessible format.

The evidence of our achievements in collecting is presented in the list of acquisitions later in this report. And our curators are constantly seeking to add thoughtfully to our encyclopedic holdings. Our conservators are always at work to preserve the tens of thousands of works in our care for posterity, and our educators and docents are in our galleries, classrooms and studios, fostering greater awareness of the works we hold in trust for the public.

These evergreen activities are at the core of the IMA’s mission. We are striving to add energy to the central mandate of our museum as shifting standards demand greater transparency and accountability, more creativity in soliciting participation and greater sensitivity to the environment.

As newcomers to Indianapolis, Jacqueline and I feel very privileged to have been welcomed so warmly by IMA patrons, volunteers and staff, and by the community in general. This great and venerable museum has much promise, as we build on historic achievements with ambitious aspirations, and I am very excited to help shape our destiny as one of America’s leading art museums. As rich as we are in lore and substance, the IMA seeks to impart a youthful spirit of adventure, innovation and openness, and we look forward to welcoming you to our collections, exhibitions, programs and grounds in the year to come.

Maxwell L. Anderson

Anderson earned a doctorate (1981) and a master’s in fine arts (1978) from Harvard University. He earned a bachelor’s degree in art history at Dartmouth College in Hanover, New Hampshire (1977). He was president of the Association of Art Museum Directors from 2002 to 2003.

One of the first major policy changes under the new administration was announced in late October: free general admission and new evening hours at the IMA on Friday, to be effective beginning in January 2007. At the time of the announcement Anderson referred to the barrier that an admission charge had created for some visitors and affirmed that the IMA is “a source of creativity and innovation that is meant to be shared and experienced by everyone in the community.”

GALLERY OPENINGS

Although the grand finale was scheduled for early December, 2006 proved to be a year-long celebration of the completion of the IMA’s multi-year, $74 million expansion project. One by one, throughout the year, galleries opened again.

The refurbished Eiteljorg Gallery of African Art, the Eiteljorg Gallery of South Pacific Art and the Eiteljorg Gallery for Special Exhibitions reopened on February 5, with about 30 objects that had never been shown before, many of them new acquisitions, and with upgrades to the technology in the galleries.

On June 11, the new Paul Textile Arts Gallery and Paul Fashion Arts Gallery—totaling 3,000 square feet and doubling the amount of gallery space available for the textile and fashion arts collections—opened on the second floor of the new Wood Pavilion. The IMA is the only museum in the United States with two separate galleries devoted to textile and fashion arts. The Alig Textile Learning Center, a small gallery adjacent to the Paul Galleries, has displays relating to textiles and fashions.

Then, on November 5, the new Asian galleries opened to the public. The galleries cover more than 21,000 square feet, double the size of the former Asian galleries. All of Krannert Pavilion on the second gallery level and about two-thirds of the new Wood Pavilion on that level are dedicated to Asian art, making the installation one of the largest of its kind in the United States. Innovation characterizes the new galleries: For instance, a “visible storage” room displays items previously held in storage vaults, and a new “focus room” features just one object at a time—a masterpiece from the collection—along with in-depth information about the work. They are just two examples of how the new galleries offer visitors an opportunity to look at art in new ways.

In early December, The Grande Finale—the last of several galas held throughout the year—celebrated the reopening of the European galleries. The renovated and reconfigured galleries reflect the growth of the IMA’s European collections in recent years and highlight and connect them in new ways. Among the new features, made possible in part by the addition of 11,000 square feet of gallery space, is a gallery created specifically for the IMA’s collection of paintings and prints by Paul Gauguin and other artists of the late 19th-century Pont-Aven School. Another innovation is a gallery dedicated to late 19th- and early 20th-century paintings and prints, drawings and photographs. And, for the first time in the IMA’s history, the Museum now has five galleries devoted to European decorative arts.

The ribbon-cuttings and other festivities that marked these openings and celebrated the end to the construction project were also celebrations of the return of art to the galleries, and the return of the visitors that the Museum endeavors to serve.
COLLECTIONS AND EXHIBITIONS

The IMA drew on its own expansive collection to present exhibitions throughout the year. Most were shown in the Museum’s smaller exhibition galleries, proving that great things often come in small packages. These exhibitions, evidence of the depth and broad scope of the collection, served an enduring IMA goal: to bring the best of the world’s art to museum visitors and to make it a meaningful experience. Following are a few highlights:

Opening in early spring, European Paintings from the Caroline Marion Fedler Collection showcased 13 of the IMA’s most beloved European paintings, including works by Albrecht Dürer, Meindert Hobbema, Vincent van Gogh, Georges Seurat, Pablo Picasso and Marc Chagall, acquired during the 1940s by Mrs. Fedler. Ellen Lee, the exhibition’s curator, called it “a prime opportunity to savor the masterworks that came to Indianapolis through the vision of a woman revered for her connoisseurship, generosity and no-nonsense pragmatism.”

The inaugural exhibition in the new Paul Textile Arts Gallery and Paul Fashion Arts Gallery, which opened in the Wood Pavilion in June, was all about tradition. *I Do: The Marriage of Fashion and Art* featured Western wedding gowns and wedding garments and other pieces from Asia and Africa and considered the importance of the marriage rite in different cultures. It was the first of many exhibitions that will feature the great traditions in textiles and that will draw on the Museum’s extensive holdings of textiles and clothing, one of the top 12 such collections in the United States.

In August, the IMA joined museums around the world in celebrating the 400th anniversary of the birth of the Dutch artist Rembrandt van Rijn with the opening of *Rembrandt Face to Face*, an exhibition focused on an early self-portrait by the artist in the Clowes Fund Collection. The painting was paired with a selection of self-portrait etchings by Rembrandt. As guest curator Stephanie Dickey explained, the exhibition captured “the emerging genius of Rembrandt’s technique as he matures from edgy youngster to confident entrepreneur.” The IMA published a book on the painting in conjunction with the exhibition, written by Dickey and also titled *Rembrandt Face to Face*.

Thirty-seven examples of Ambrose Vollard’s publications of prints by Paul Cézanne, Pablo Picasso and other French masters were chosen from the permanent collection to inaugurate the IMA’s new Susan and Charles Golden Gallery, which opened in December and is dedicated to European 19th- and early 20th-century works on paper. The exhibition, *Prèts from Paris: Vollard Editions*, offered museum visitors a chance to see prints by most of the stellar artists who worked with Vollard and an opportunity to learn about this enterprising art dealer’s contributions to painting and original printmaking.

The art of our own time—in exhibitions organized by the IMA’s contemporary department and in traveling exhibitions—was presented in spaces throughout the Museum, both large and small. *Amy Cutler*, the first of three exhibitions presented during the year in the McCormack Forefront Galleries, opened in March, and the Museum published the first book—also titled *Amy Cutler*—devoted to this artist’s work. Contemporary art continued to draw visitors during May and June—and to challenge the notions about art—as exhibitions opened in the special exhibitions gallery (*Elinise Signe: Bruce Nauman Works with Light*), in the Forefront Galleries again (*On the Edge: Contemporary Chinese Artists Encounter the West*) and in the Off the Wall Gallery (*submerging: a wetland project by sparse*).

In September a work by British artist Julian Opie, titled *Pacing*, was installed in the Efroymson Family Entrance Pavilion as part of the Indianapolis public art exhibition *Julian Opie: Signs*. The city-wide exhibition was presented by the Arts Council of Indianapolis as part of Public Art Indianapolis, a program supported by the Indianapolis Cultural Development Commission.

The traveling exhibition *Gee’s Bend: The Architecture of the Quilt* brought 70 quilts by four generations of African American quiltmakers to the IMA in early fall. The 70 remarkable quilts created by four generations of African American quiltmakers from Gee’s Bend, Alabama, offered visitors an opportunity to consider the role of inspiration, improvisation and a “communal aesthetic” in the creation of art. The exhibition, organized by the Museum of Fine Arts, Houston, and Tinwood Alliance, Atlanta, inspired numerous public programs, including performances, talks, workshops and family events.

A special loan exhibition of bronzes, titled *Auguste Rodin: The Gates of Hell*, opened in the Pulliam Great Hall as part of the inaugural celebration for the new European galleries. The works come from the collection formed by Iris Cantor and the late B. Gerald Cantor, the world’s leading collectors of sculpture by the renowned French master. Each piece is a preparatory study or individual component for *The Gates of Hell*, Rodin’s monumental door project. The six individual pieces and two maquettes for the overall design are long-term loans from the Iris and B. Gerald Cantor Foundation and the Iris and B. Gerald Cantor Collection. A tenth work, given to the IMA by Mr. Cantor, is also featured in the exhibition, which runs through December 2008.

The Museum returned the favor, in a sense, by lending 48 works to museums and other venues for exhibitions in the United States and abroad. Among the works on loan in 2006 were Edward Hopper’s *Hotel Lobby* (to the Whitney Museum of American Art), Paul Cézanne’s *House in Provence* (to the National Gallery of Art), Amedeo Modigliani’s *The Boy* (lent to both the Complesso del Vittoriano in Rome and the Royal Academy of Arts in London for different exhibitions), Moroccan textiles and rugs (for an exhibition in Antwerp, Belgium) and prints by Joseph Mallord William Turner (lent along with 16 other works on paper to the Wabash College Gallery).
More than 130 works of art were acquired by the Museum in 2006, through both gifts and purchases and in all areas of the collection. Among the highlights are Chinese paintings; American, European and Japanese works on paper; contemporary photographs; and gowns and other exquisite creations by designers of high fashion. A complete list of 2006 acquisitions follows, and 14 of them are featured in this report.

The IMA, like most American museums, is committed to the highest standards of provenance research, including the identification of any European paintings in its collection with incomplete or questionable provenance during the Nazi era. Since 1998 the IMA has submitted works being considered for acquisition to the Art Loss Register, an international database that maintains a record of stolen works of art, and systematic provenance research on European paintings has been underway at the Museum since January 2003. To make the information available to the public, in the fall of 2006 the IMA began posting images and documentation to its Web site at imamuseum.org/explore/galleries/provenance, starting with European paintings created before 1946 and entering the IMA’s collection after 1932. The information also appears on the American Association of Museums (AAM) Nazi-era Provenance Internet Portal (NEPIP) at nepip.org.

The IMA also takes seriously its responsibility to care for the art in its collection. The work done on Robert Indiana’s iconic sculpture LOVE to its new location on the Sutphin Mall.

### EXHIBITIONS THAT OPENED IN 2006

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<td>Allen Whitehill Clowes Gallery in the Wood Pavilion</td>
<td>Special Exhibition Gallery</td>
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<td>Elusive Signs: Bruce Nauman Works with Light</td>
<td>May 14–August 6</td>
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<tr>
<td>Organized by the Milwaukee Art Museum and sponsored by Carlene and Andy Ziegler. Sponsored at the IMA by McDonald Financial Group.</td>
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<td>Gee’s Bend: The Architecture of the Quilt</td>
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<td>February 5–March 5</td>
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<td>European Paintings from the Caroline Marion Felster Collection</td>
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<td>Clowes Pavilion</td>
<td>Giovanni Belloni and the Art of Devotion</td>
<td>December 3, 1930–January 4, 2009</td>
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<td>Conant Galleries</td>
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**Will Boys Be Boys? Questioning Adolescent Masculinity in Contemporary Art**

October 20, 2006–January 14, 2007

Organized and circulated by independent Curators International (ICI), New York. The exhibition was curated by Shamim M. Momin. The exhibition, tour and brochure are made possible, in part, by The Horace W. Goldsmith Foundation.

**MILIKEN GALLERY**

Tamarind Lithography Workshop/Pratt Graphic Art Center
April 30–November 12

Organized by the IMA.

**Pop Art Prints**

November 14, 2006–June 17, 2007

Organized by the IMA.

**OFF THE WALL GALLERY**

sub-merging: a wetland project by spirse
June 11–December 1

Organized by the IMA.

**Paul Textile Arts Gallery**

I Do: The Marriage of Fashion and Art (non-Western wedding garments)
June 11, 2006–February 21, 2007

Organized by the IMA.

**Paul Fashion Arts Gallery**

I Do: The Marriage of Fashion and Art (Western wedding dresses)
June 11, 2006–April 22, 2007

Organized by the IMA.
Kaze Soreaka
Japanese, 1559–1635
Edo period (1600–1868)
Rutheist, David and Confusion Patriots, about 1613–1615
pair of six-panel screens, ink and gold leaf on paper
matted, each screen 67 1/2 x 153 in., 169.9 x 386.6 cm
The Ballantyne Fund 2006.70.1–2

Suzuki Shinsen
Japanese, 1849–1910
Tomoki Under a Bridge, about 1906
ink on silk
two-panel folding screens 62 x 95 1/4 x 28 in., 157.5 x 179.7 x 7.1 cm
Purchased with funds provided by Penny Holde 2006.120

Natsuki Shoson
Japanese, 1866–1960
The Actor Ishibara Shoson VII as Inga Nontanemus in a Tavern, from the series Sosho gei, 1925
color woodblock print
15 x 18 1/4 in., 38.1 x 46.4 cm
Purchased with funds provided by Patricia Leacock 2006.123

Utagawa Toyokuni
Japanese, 1769–1825
Treasury of Loyal Retainers (Chushingura), 12 Acts: Prologue (Examination of the Helmets), from 12 Acts of the Chushingura, Second Series, about 1812
color woodblock print
10 1/4 x 15 1/4 in., 26 x 38.1 cm
gift of Thomas Francis and Martha French
Tisonato 2006.69

Liu Jun
Chinese, active 1430s–1490s
Immortal Dancing with a Crane, 1436–1490s
ink and color on silk
67 1/2 x 41 in. (image)
Mrs. Pierre P. Goodrich Fund 2006.2

CONTEMPORARY ART

Gregory Crewdson
American, b. 1962
Untitled, 1998
C-print edition: 5 of 10
50 x 67 1/2 in., 127 x 171.5 cm (image)
Purchased with funds provided by Kay F. Koch in memory of Bryan B. Malloy 2006.112

Susan Linstead
American, b. 1946
Sugar Mr Self, 2005
cyanotype and tin transfer on wood panel
20 x 16 x 1/8 in., 50.8 x 40.6 x 0.3 cm
Gift of Thomas Robertson in memory of David Robertson 2006.131

Yayoi Kusama
Japanese, b. 1929
Self-Portraits, 1953–54
oil on canvas
9 13/16 x 6 15/16 in., 24.9 x 17.6 cm
acquisition in memory of Kanako Anthony
Teramoto 2006.121

An-My Lê
American, b. 1960
Small Wars (Ambush II), 1999–2002
gelatin silver print edition: 3 of 5
20 1/16 x 27 1/16 in., 50.8 x 69.6 cm
Purchased with funds provided by Mark Denever and David Chalfie 2006.81

An-My Lê
American, b. 1960
20 Palms–Infantry Officers Brief 2003–2004
gelatin silver print edition: 2 of 5
25 11/16 x 27 1/16 in., 65.3 x 69.4 cm
Purchased with funds provided by Joan M. McCormack 2006.82

An-My Lê
American, b. 1960
Big Ten Co-ed with Ski Masks No. 1, 2003
from the series Big Ten
archival pigment print edition: 2 of 5
50 x 40 in., 127 x 101.6 cm
Purchased with funds provided by Lynne Barnes Smith 2006.83

Frank C. Springer Jr. Grantor Trust

Ben Peterson
American, b. 1952
Apartment, 2006
oil on canvas
60 x 80 in., 152.4 x 203.2 cm
Now and Future Purchase Fund 2006.44

Scott Steak
American, b. 1952
Ski Mask No. 1, 2003
from the series Big Ten
archival pigment print edition: 2 of 5
50 x 40 in., 127 x 101.6 cm
Purchased with funds provided by Lynne Barnes Smith 2006.83

ANNUAL REPORT 2006

15

14
EUROPEAN PAINTING AND SCULPTURE

Francisco Rizi
Spanish, 1614–1685
Marigolds, 1665
color woodblock print
17 11/16 x 17 7/8 in.; 45.2 x 45.4 cm
(aquatint)
Gift of Eleanor Harter McFarland, a former resident of Indianapolis, who studied at the Herron School of Art 1970–1971

Gustave Baumann
American (Germany), 1881–1973
In the Train (in der Tarabante), 1922
drypoint on off-white velin edition: 20 of 40
state: II B of II B
8 1/16 x 11 3/4 in.; 21.4 x 29.9 cm (image)
Gift of Edward F. Koch Jr., M.D.
2006.65

Max Beckmann
German, 1884–1950
Self-Portrait (Selbstbildnis), 1922
woodblock print on cream Japan paper edition: 127 of 200 before edition of 125
state: III B d of III B e
8 3/16 x 11 15/16 in.; 20.8 x 29.9 cm (image)
Gift of Dr. Steven Conant in memory of Mrs. H.L. Conant 2006.110

Max Beckmann
German, 1884–1950
Self-Portrait in Bowler Hat (Selbstbildnis mit Strohhut), 1921
drypoint on off-white paper edition: 10 of 80
12 3/4 x 9 7/16 in.; 32.4 x 24.9 cm (image)
Gift of Edward F. Koch Jr., M.D.
2006.61

Max Beckmann
German, 1884–1950
Self-Portrait in Bowler Hat (Selbstbildnis mit Strohhut), 1921
drypoint on off-white paper edition: 17 of 40
state: II B of II B
12 3/4 x 9 7/16 in.; 32.4 x 24.9 cm (image)
Gift of Edward F. Koch Jr., M.D.
2006.57

Max Beckmann
German, 1884–1950
Self-Portrait in Bowler Hat (Selbstbildnis mit Strohhut), 1921
drypoint on off-white paper edition: 35 of 60
state: II B of II B
15 5/8 x 7 7/8 in.; 39.7 x 20 cm (image)
Gift of Edward F. Koch Jr., M.D.
2006.56

Max Beckmann
German, 1884–1950
Self-Portrait in Bowler Hat (Selbstbildnis mit Strohhut), 1921
drypoint on off-white paper edition: 12 of 40
state: II B of II B
13 1/4 x 9 9/16 in.; 33.4 x 24.2 cm (image)
Gift of Edward F. Koch Jr., M.D.
2006.55

Max Beckmann
German, 1884–1950
Self-Portrait in Bowler Hat (Selbstbildnis mit Strohhut), 1921
drypoint on off-white paper edition: 11 of 40
state: II B of II B
11 5/8 x 7 7/8 in.; 29.4 x 20 cm (image)
Gift of Edward F. Koch Jr., M.D.
2006.54

Max Beckmann
German, 1884–1950
Self-Portrait in Bowler Hat (Selbstbildnis mit Strohhut), 1921
drypoint on off-white paper edition: 8 of 40
state: II B of II B
10 1/4 x 7 3/4 in.; 26.2 x 20 cm (image)
Gift of Edward F. Koch Jr., M.D.
2006.53

Max Beckmann
German, 1884–1950
Self-Portrait in Bowler Hat (Selbstbildnis mit Strohhut), 1921
drypoint on off-white paper edition: 5 of 40
state: II B of II B
9 3/4 x 7 3/4 in.; 24.8 x 19.7 cm (image)
Gift of Edward F. Koch Jr., M.D.
2006.52

Max Beckmann
German, 1884–1950
Self-Portrait in Bowler Hat (Selbstbildnis mit Strohhut), 1921
drypoint on off-white paper edition: 2 of 40
state: II B of II B
9 1/16 x 7 3/4 in.; 24.1 x 19.7 cm (image)
Gift of Edward F. Koch Jr., M.D.
2006.51

Lee U. Coneyer H
American, b. 1930
Falling Cross, 1953–1955
engraving, soft-ground etching and aquatint etching and aquatint edition: 18 of 20
14 5/16 x 9 9/16 in.; 36.1 x 24.4 cm (image)
Gift of Dr. Steven Conant in memory of Mrs. H.L. Conant 2006.22

Roth Cole
American, 1903–1985
The Spectre, 1940
drypoint etching, soft-ground etching and aquatint edition: 6 of 20
13 3/4 x 9 9/16 in.; 34.8 x 24.3 cm (image)
Gift of Dr. Steven Conant in memory of Mrs. H.L. Conant 2006.13

Dorothea Dehner
American, 1911–1994
Stokes, 1983
color etching and aquatint with stencil color edition: 6 of 40
15 3/8 x 9 7/8 in.; 39.3 x 25 cm (image)
Gift of Dr. Steven Conant in memory of Mrs. H.L. Conant 2006.10

Thomas Bewick Ridgway
American, 1815–1893
The Spectre, about 1840
drypoint etching and soft-ground etching with stencil color edition: 7 of 12
16 11/16 x 7 5/8 in.; 42.2 x 19.1 cm (image)
Gift of Dr. Steven Conant in memory of Mrs. H.L. Conant 2006.15

ANNUAL REPORT 2006

16
Ivory Mosaic
Aquarium, b. 1958
Swans/Bustlecoat, 1970s
wood
L: 29 1/2 in.; 74.9 cm
Gift of Barbara L. Mooney 2006.95

John Eric Riis
American, b. 1945
Greed, 2005
metalized polyester-coated threads, glass beads, Swarovski crystals
3 1/4 x 68 x 3 in.
Martha Delzell Memorial Fund 2006.72

Greed
Jon Eric Riis
2005
American, b. 1945
31 1/4 x 68 x 3 in.
Martha Delzell Memorial Fund

American, b. 1945
31 1/4 x 68 x 3 in.
Martha Delzell Memorial Fund 2006.72

Greed
Jon Eric Riis
2005
American, b. 1945
31 1/4 x 68 x 3 in.
Martha Delzell Memorial Fund

John Eric Riis
American, b. 1945
Memorial Fund
Martha Delzell
2006.72

Greed
Jon Eric Riis
2006.72
American, b. 1945
31 1/4 x 68 x 3 in.
Martha Delzell Memorial Fund

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Martha Delzell Memorial Fund 2006.72

American, b. 1945
31 1/4 x 68 x 3 in.
Martha Delzell Memorial Fund

American, b. 1945
31 1/4 x 68 x 3 in.
Martha Delzell Memorial Fund 2006.72

American, b. 1945
31 1/4 x 68 x 3 in.
Martha Delzell Memorial Fund
The following works were lent to other museums and organizations in 2006 for the exhibitions cited below:

Michelangelo Merisi da Caravaggio, Sleeping Cupid, about 1595–1596 (E20016, Clohessy Fund Collection)

Caravaggio: Auf den Spuren eines Genies museum kunst palast Dusseldorf, Dusseldorf, Germany

Paul Cezanne, House in Provence, 1886–1889 (41.194)

Cezanne in Provence National Gallery of Art, Washington, D.C.

Edouard Colyer, SiV Life, about 1890 (52.163)

To Be or Not To Be: 400 Years Cézanne in Provence National Gallery of Art, New York, New York

Robert Vonnah, Poppies, 1888 (71.4)


Africa, Tanzania (Iraqi people, Gift’s Skirt, 1940–1950 (1998.77)

Beads of Life: Eastern and Southern African Adornments from Canadian Collections National Museum of Civilization, Gatineau, Quebec

The following Moroccan textiles and rugs were lent to the Ethnographic Museum Antwerp, Belgium, for the exhibition Maroc: Les Artisans de la Memoire:

Fez, Morocco, Woman’s Belt, 1800s (33.230)

Fez, Morocco, Woman’s Belt, about 1900 (33.245)

Melanesia, Morocco, Woman’s Scarf, late 1700s (33.246)

Sahel, Morocco, Embroidery Sampler, mid-1800s (33.249)

Fez, Morocco, Seat Cover, about 1800 (33.250)

Chechhausen, Morocco, Port of a Chest Cover, about 1800 (33.259)

Fez, Morocco, Woman’s Scarf, late 1800s (33.200)

Berber peoples, Morocco, Woman’s Belt, 1870s (33.188)

Plains of Marakesh, Morocco, Rug, about 1870 (33.196)

Berber peoples, Morocco, Rug or Blanket, early 1900s (1994.7)

Berber peoples, Morocco, Woman’s Headscarf, 1900–1950 (1998.28)


Berber peoples, Morocco, Rug, early 1900s (2001.157)

Rabat, Morocco, Rug, about 1900 (2001.162)

Berber peoples, Morocco, Rug, about 1950 (2001.171)

Berber peoples, Morocco, Rug, about 1950 (2001.172)

The following works on paper were lent to the Washburn College Gallery, Crawfordsville, Indiana, for the exhibition 17th-Century Prints from the Indianapolis Museum of Art:

William Blake With Dreams upon my bed thou scarce me from Illustrations of the Book of Job, 1825 (engraving, 2003.14.1)

Richard Perkes Bexonington Godfrey Engelmann (lithographer) Tour du Gros Horloge, Evreux, from Voyages pittoresques et romantiques dans l’ancienne France, 1824 (lithograph, 26.19)

John Constable David Lucas (engraver) Hadleigh Castle Near the Nore, from English Landscape Scenery, 1832 (mezzotint, 10.113)
Oldfields–Lilly House & Gardens

Oldfields–Lilly House & Gardens, the IMA’s historic house museum and its gardens, drew thousands of visitors in 2006, especially at the end of the year, when the house was decorated for the holidays in the style of the 1930s and ’40s for the annual Christmas at Lilly House. A celebration of the vernal equinox had drawn visitors in March, too, when the house and gardens were the setting for a performance by the local theater group ShadowApe.

Lilly House visitors had a chance to see three important original documents from United States history in temporary exhibits during the year. A copy of the 13th Amendment to the U.S. Constitution once owned by the abolitionist Charles Sumner, and later by James Wormley, a prominent Washington, D.C., hotel owner, was on view from January 15 to February 25. Also shown was a copy of the Emancipation Proclamation, signed by Abraham Lincoln in 1863. A copy of the Constitution of the United States of America, from the original first printing in 1787, was on view from September 1 through October 15, part of the city-wide art project My Daily Constitution.
VIRGINIA B. FAIRBANKS ART & NATURE PARK

Planning for the IMA’s Virginia B. Fairbanks Art & Nature Park gained momentum in 2006 with two major events. In April, the IMA announced that the New York-based artist Mary Miss would create the first permanent commissioned work for the Art & Nature Park, an elevated bridge and walkway that will serve as a pedestrian gateway linking the Museum’s principal buildings to the Park. Measuring about 1,500 feet in length, the bridge and walkway will guide visitors from the main Museum building to the upper level of the new Fehndl Experiential Center. Just a few months later, the IMA announced the $11 million challenge grant from the Richard M. Fairbanks Foundation, which brought the Fairbanks Foundation’s total support of the Park to $15 million.

For information about preliminary plans for the site, images and information on artists who will create site-specific works for the Park, visit imamuseum.org/explore/naturepark.
EDUCATION

PROGRAMS AND CLASSES

The IMA offered a variety of programs and classes on a wide range of topics in 2006, many of them related to exhibitions. They included talks and lectures, musical performances, films, demonstrations by artists, art-making and art history classes and programs designed especially for families. IMA programs and classes recognize the diversity of visitors’ learning styles, interests and levels of experience and provide multiple ways to access art and creativity, from the informal to the scholarly.

A total of 8,148 people attended public programs during the year, and many drew audiences in the hundreds, including Ballet d’Ivoire (358) and Seeking Oneness: An Evening of Soft Sacred Music and Whirling, with the Yuval Ron Ensemble (325).

The IMA’s public programs department collaborated with the Butler University Jordan College of Fine Arts to host several speakers as part of the Leadership Through the Arts series. Other public programs were presented in partnership with the Committee of African and African American Studies at Indiana University-Purdue University Indianapolis (African film series); Herron School of Art (the city-wide art project My Daily Constitution); and Indianapolis Opera (The Music of Art program).

Art-making workshops, classes and camps were also offered, from beginning painting for preschoolers to classes and workshops for adults on such topics as neon art, digital photography and sculpture. Attendance in studio programs totaled 4,670 for the year.

Approximately 7,660 visitors of all ages visited the Star Studio, the IMA’s innovative interactive gallery. Two Indiana artists—Julie Tourtillotte and Willis “Bing” Davis—were featured in the gallery in 2006, as were other artists who participated in the CAP program in 2006 and explored the theme “Unity and Harmony” through painting, sculpture, drawing, batik, storytelling, dramatic improvisation, script writing, rhythm and poetry. In addition to the IMA and IPS, the partners included the Asante Children’s Theatre, The Children’s Museum of Indianapolis, Ibibio Dance Company, Indiana Repertory Theatre, Indianapolis Civic Theatre and YMCA of Greater Indianapolis. The students also came to the IMA to see the exhibition Gee’s Bend: The Architecture of the Quilt. More than 500 parents attended the visual and performing arts celebration, which showcased the work of the students, at the end of the 2005/2006 school year.

TEACHER AND SCHOOL PROGRAMS

The IMA has made a major commitment to public school students and teachers, especially those in IPS. The IMA’s VIEWFINDERS program brings Visual Thinking Strategies (VTS), an internationally researched art viewing and discussion curriculum, into classrooms and helps teachers develop expertise in facilitating the lessons. Students develop critical and creative thinking skills, gain confidence and language skills, and develop a personal connection with art. At the school year’s end, participating students and teachers visit the Museum and receive family memberships at the IMA.

In 2006, the VIEWFINDERS program reached more than 6,000 IPS and Washington Township students and more than 100 teachers. Of these students, approximately half were IPS third graders, and 50 of the teachers were IPS elementary art specialists. In conjunction with Gee’s Bend: The Architecture of the Quilt, IMA educators hosted their first-ever Educator Sneak Peek for educators at all grade levels. The Educator Sneak Peeks include early access to new special exhibitions, with a reception and art activities.

Beginning in 2006, teachers were able to access more online resources from the IMA, including the e-newsletter Creative Classroom, which is distributed to all educators in 10 area towns. Visit imamuseum.org/connect/foreducators for more information.

Also in 2006, the IMA broadcast educational programs to schools throughout the United States and in Canada through high-definition interactive video conferencing, via the Internet. The programs use art to teach subjects across the curriculum.

NEW MEDIA

The IMA’s New Media staff utilized cutting-edge technology in 2006 not only to support the work of departments throughout the Museum, but also to extend the IMA’s reach beyond the boundaries of the Indianapolis campus. For instance, they developed new audio guides to support an IMA exhibition (sub-merging: a wetland project by sparse) and a tour of the Oldfields gardens, utilizing iTunes, mp3 players and cell phones. They also produced videos for the exhibitions European Paintings from the Caroline Marmon Fesler Collection and On the Shoulders of Ancestors: Willis “Bing” Davis and another to support the Community Quilt Project. And, leading the way in the innovative use of technology within the museum field, they launched the IMA’s Director Channel on YouTube, where online visitors can access videos about the collections, exhibitions and grounds.

Opposite page: Ballet d’Ivoire performed at the celebration of the reopening of the Eiteljorg Gallery of African Art in February.

This page: Students and teachers participating in the VIEWFINDERS program visited the Museum at the end of the school year. This group learned about qins, rare Chinese stringed instruments on display in the Asian galleries.
In Conversation

Deep Maps
Designer and filmmaker Eames Demetrios and author William Least Heat-Moon
Supported in part by the Evans Woolen Fund
April 23

Poetry in the Gallery

Inspired by Ernesto Neto
January 19
Inspired by Amy Cutler
May 4
Inspired by On the Edge
August 5
Inspired by Rembrandt
Face to Face
September 7

Performances and Demonstrations

Ballet d’Ivoire
With Grand Master Eric Bi Bi Gore and Marie-Celeste Brown
February 4

Expressions in Wood: Visual Artist Twins Seven-Sevem
February 5

Ceramic Traditions: Visual Artist Winnie Owens-Hart
February 18

The Music of Art:
The Marriage of Figaro
Talks by Harriet Warkel, curator of American art, and Dr. Michael Salts, professor of music at Butler University, and performance by the Indianapolis Opera Ensemble
March 2

Seeking Oneness: An Evening of Sufi Sacred Music and Whirling Dervishes
Presented in part by the Asian Art Society, with promotional support from the Asia Society
March 16

The Theatre of Spring: SummerFest 2006
Shakespeare Theatre Company
March 28

Summer Night Out
Produced by Big Car Media
June 2

The Brides of India:
A Fashion Show and Demo
June 11

Summer Romance
Scott Chamber Players
June 18

Summer Crescendo:
A Symphony Concert
Indianapolis Baroque Orchestra
June 21

Sufi Songs at Sunset
Debbie Young, Richard Brandon and Cathy Morris
Presented in part by Journey for Youth
July 6

World Weddings:
Japan and Morocco
August 31

Chinese Painting
Demonstrations with C.C. Chen
Cheng-Chiang C.C. Chen, former curator, National Palace Museum, Taipei
Presented by the Asian Art Society
October 21

Saw Me a Story: Kathryn Tucker Windham and Gee’s Bend Quilts
Kathryn Tucker Windham
Presented with Storytelling Arts of Indiana as part of the 2006 Spirit & Place Civic Festival
November 11

Sacred Arts: The African-American Spiritual and Gee’s Bend Quilts
Indianapolis Symphony Chorus
Singers and gospel soloists
Presented with the Indianapolis Symphony Chorus as part of the 2006 Spirit & Place Civic Festival
November 11

European Sacred Music: A Special Concert Series

Novenas in Wind Ensemble Lapetites December 9

Hidden Gems: The Music of European Jews
Indianapolis Hebrew Congregation
December 14

Indianapolis Children’s Choir
December 21

Symposium

Symposium of the Non-Human Organized by spurse
November 4

In Conversation

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Designer and filmmaker Eames Demetrios and author William Least Heat-Moon
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December 21

Symposium

Symposium of the Non-Human Organized by spurse
November 4
The information below reflects the 2006 Second Century Society donors. In 2007 the membership levels within this premiere program at the IMA were renamed and are also listed below.

**DONORS**

The IMA is pleased to recognize the following individuals, corporations, foundations and government agencies for their generous support of the IMA in 2006. Members of the IMA’s Cloisters, Chairmen, President’s, Director’s and Curator’s Councils are at the forefront of annual giving as our premiere members. Their generous contributions provide unrestricted support for the Museum’s programs, exhibitions and operations. The IMA’s Passion for Art Fund supports art conservation, education programs, special exhibitions, upkeep of the gardens and grounds and community outreach. Corporate Partners provide both monetary and in-kind gifts to support exhibitions, educational programs and special events. The foundations and government agencies acknowledged here have awarded grants to the IMA for operations, exhibitions and programs.

Although they are not listed individually, the IMA also gratefully thanks the 487 volunteers who gave 29,559 hours to the IMA in 2006. Volunteers work at visitor information desks, on the grounds and in the gardens, in the Madeline F. Elder Greenhouse and at special events. They include garden guides and the many docents who lead educational tours of the permanent collection and special exhibitions. And they can be found in IMA stores, the library and in departments throughout the Museum. Their contributions are vital to the work of the IMA.

**SECOND CENTURY SOCIETY**

The information below reflects the 2006 Second Century Society donors. In 2007 the membership levels within this premiere program at the IMA were renamed and are also listed below.

*Renamed*
Sherry Pegelow, Associate Registrar of Exhibitions
Johnflowers, Prints and Painting Technician
Jason Sprigle, Prints and Painting Technician
Kiran U. Thakur, Administrative Assistant
Robert Waidman, Prints and Painting Technician

CURATORIAL

Theradene Cofield, Curator, Art of Africa, the South Pacific and the Americas
Lisa E. Freeman, Curator of Contemporary Art
Gabriele HaBarad, Senior Administrative Assistant
Nicole Harris-Poole, Curator of Textile and Fashion Arts
Ronda Kool, Curator of Painting and Sculpture before 1950
Martin Krause, Curator of Prints, Drawings and Photographs/Ceramic Chair
Eileen E. Lee, The Wundt-Pollak Senior Curator
Hinda Hartman, Administrative Assistant
Hyman Hartman, Administrative Assistant
Jen Nollander, The Jane Mellen Myers Curator of Asian Art
Annette Schiavone, Associate Curator of Prints, Drawings and Photographs and Coordinator, Promotions Research Project
Petra Shelton, Curatorial Assistant
John Szwarcwerk, Curator of Asian Art
Rebecca SMH, Assistant Curator of Contemporary Art
Agnieszka Taormina, Curatorial Fellow
Harriet G. Webley, Curator, American Painting and Sculpture

DEVELOPMENT/COMMUNICATIONS

Laura Stoeckel, Director of Public Affairs
Development/Membership
Emily Kilian, Donor Relations Assistant
Mary Grewe, Major Gifts Manager
Amanda Creer, Membership Associate
Genetara Dunn, Administrative Assistant
Cassie Oden, Senior Administrative Assistant
Katie Elks, Senior Relations Manager
Christian Karwoski, Foundations/Corporate Relations Manager
Jill Knapik, Corporate and Foundations Programs Coordinator
Amber Luke, Assistant Coordinator
Jennifer Patrick, Database Administrator
Anta Bailey, Gift Entry Assistant
Jake Brandon, Membership/Research Fund Manager

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Jeanette Kozicki, Director of Event and Culinary Services
Vannessa Choun, Coordinator of External Events and Sales
Nicki House, Coordinator of Internal Events and Programs
Anne Norton, Manager of Internal Events and Programs
Farrone Cuneo, Manager of External Events and Sales

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Heather Pielka, Production Assistant
Vicki Lippik, Communications Manager
Dena Mack, Marketing Manager
Virginia Woodard, Administrative Assistant
Kirsti Stobman, Manager of Visual Communications
Pam Walker, Group Tour Coordinator
Jared Staley, Graphic Designer
Kate Zurcher, Public Relations Manager

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Chris Case, Senior Media Technician
Phil Gunkel, Media Technician
Nicholas Popp, Media Services Assistant

Visitor Services

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Jeff Adams, Visitor Services Associate
Pat Curley, Switchboard Operator
Yvonne Frodlina, Visitor Services Associate
Kindsight, Visitor Services Associate

Visitor/Marketing Services

Pamela Goering, Visitor Services Manager
Jeff Adams, Visitor Services Associate
Pat Curley, Switchboard Operator
Yvonne Frodlina, Visitor Services Associate
Kindsight, Visitor Services Associate

Laura Lautz, Visitor Services Associate
Tanya McCall, Visitor Services Associate
Rachael Malm, Visitor Services Associate
James Read, Visitor Services Associate
Philomena Avni, Visitor Services Coordinator/Philanthropy Volunteer Coordinator
Renee Roese, Visitor Services Associate
Robin Rasmussen, Visitor Services Associate
Richard Smuck, Visitor Services Associate
Hannah Sue Snyder, Visitor Services Associate

EDUCATION

Linda Debe, Director of Education
Dutton Educational Resource Center
Jane Forrester, Visual Resources Librarian
Haydn Carr, Coordinator of Educational Resources

Library Services

Ursula Kistler, Head Librarian
Alba Fernandez Keys, Assistant Reference Librarian
Shelley Battistin, Senior Library Assistant

Public Programs and Studio and Community Art Programs

Hanne Bell, Studio Coordinator
Laura Sommers, Education Administrator
Lindsey Ward, Coordinator of Education Tours, Classes and Workshops
Anne Labar, Manager of Public Programs
Patrick Launey, Manager of Donor Programs
Philip Lyons, Coordinator of Gallery Education
Sarah Mattox, Manager of Teacher and School Programs
Derek Meyers, Coordinator of Teacher and School Programs
Dakota Tyson, Studio Program Assistant
Tarek Robinson, Coordinator of Youth and Family Programs

Carla Scott, Community Art Programs Assistant
Luis Safavee, Manager of Studio and Community Art Programs

Rochelle Vinson, Coordinator of School Services

HORTICULTURE AND GROUNDS

Mark Zehner, Director of Hotholds and Gardens and Grounds

Gardens

Sun Argil, Greenhouse Sales Assistant
Debra Day, Greenhouse Sales Assistant
Laurie Gilmore, Plant Care Specialist
Lynn Halvey, Greenhouse Shop Coordinator
Jana Keyes, Greenhouse Assistant/Indoor Plant Specialist
Sun Rand Pfeffer, Greenhouse Supervisor

Grounds

Chris DeSisto, Grounds Supervisor
Steve Clements, Groundskeeper
Neil McWright, Groundskeeper
John Pry, Groundskeeper
Rhett Reed, Grounds Technician
Carl Schloch, Grounds Technician
Jazzy Sadek-Papillo, Greenhouse Shop Manager

Horticulture

Chad France, Gardens Supervisor
Kate Druth, Horticulture Gardner
Inca Dome, Horticultural Display Coordinator

Karen Hamrin, Horticulture Gardener
Inca Dome, Horticulture Gardner
George Rogers, Horticulture Gardner
Geoff Van Berg, Horticulture Gardener

Lilly House

Rachael Brooks, Director, Lilly House Programs and Operations, Assistant
Carrie, American Decorative Arts
Leah Hayman, Lilly House Collections Administrator/Caromal Assistant

INSTITUTIONAL RESOURCES

Anne Bross, Chief Financial Officer

Finance

Jennifer Guttenbach, Finance Manager
Lisa Ference, Accounts Receivable Clerk
Pam Campbell, Fiscal Clerk
Pamela Green, Accounts Payable Clerk

Human Resources

Laurie McLean, Director of Human Resources
Brett Calvert, Human Resources Assistant
Ambrose Cannon, Benefits Administrator

IMA Store

Katie Greenwood, Director of Retail Services
John Bell, Retail Sales Supervisor
Beth Sakoschke, Retail Operations Coordinator

Elizabeth Brandt, Retail Sales Associate

Dorothy Kuhns, Retail Sales Associate
Bonnie Calvert, Retail Sales Associate
LD Clobby, Retail Sales Associate
Laurie McLean, Retail Sales Associate
Rebecca Wadsworth, Retail Sales Associate
Heather Ross, Retail Sales Associate

INDIANAPOLIS MUSEUM OF ART ACCOUNTANTS’ REPORT AND CONSOLIDATED FINANCIAL STATEMENTS December 31, 2006 and 2005

42
Independent Accountants' Report

Indianapolis Museum of Art
Indianapolis, Indiana

We have audited the accompanying consolidated statements of financial position of Indianapolis Museum of Art (Museum) as of December 31, 2006 and 2005, and the related consolidated statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the Museum’s management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of Indianapolis Museum of Art as of December 31, 2006 and 2005, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 2 to the financial statements, in 2006, the Museum changed its method of accounting for its collections through retrospective application to prior years' financial statements.

BKO
July 17, 2007

Indianapolis Museum of Art
Consolidated Statements of Financial Position
December 31, 2006 and 2005
(In Thousands)

<table>
<thead>
<tr>
<th>Assets</th>
<th>As Adjusted - Note 2</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2006</td>
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<tr>
<td>Cash</td>
<td>$1,317</td>
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<td>Accounts receivable</td>
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<td>Contributions receivable</td>
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<td>Government grant reimbursements receivable</td>
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<td>Inventories</td>
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<td>Prepaid expenses</td>
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<td>Investments</td>
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<td>Assets held in charitable lead trusts</td>
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<td>Intangible asset - pension</td>
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<td>Unamortized bond issue costs</td>
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<td>Library accretions</td>
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<td>Property and equipment</td>
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<td>Fair value of interest rate swap</td>
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<tr>
<td>Collections - Note 1</td>
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</tr>
<tr>
<td><strong>Total assets</strong></td>
<td><strong>$531,391</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Liabilities</th>
<th>As Adjusted - Note 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts payable</td>
<td>$2,161</td>
</tr>
<tr>
<td>Accrued salaries, wages and employee benefits</td>
<td>927</td>
</tr>
<tr>
<td>Accrued pension expense</td>
<td>1,853</td>
</tr>
<tr>
<td>Liability for charitable gift annuities and lead trusts</td>
<td>324</td>
</tr>
<tr>
<td>Other liabilities</td>
<td>1,003</td>
</tr>
<tr>
<td>Tax exempt bonds payable</td>
<td>125,000</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td><strong>131,268</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Net Assets</th>
<th>As Adjusted - Note 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unrestricted</td>
<td>265,288</td>
</tr>
<tr>
<td>Temporarily restricted</td>
<td>33,079</td>
</tr>
<tr>
<td>Permanently restricted</td>
<td>101,756</td>
</tr>
<tr>
<td><strong>Total net assets</strong></td>
<td><strong>$400,223</strong></td>
</tr>
<tr>
<td><strong>Total liabilities and net assets</strong></td>
<td><strong>$531,391</strong></td>
</tr>
</tbody>
</table>

See Notes to Consolidated Financial Statements
## Indianapolis Museum of Art

### Consolidated Statements of Activities

**Years Ended December 31, 2006 and 2005**

(All Numbers in Thousands)

<table>
<thead>
<tr>
<th>Revenue, Gains and Other Support</th>
<th>2006 Unrestricted</th>
<th>Temporarily Restricted</th>
<th>2005 Restricted</th>
<th>Total</th>
<th>Unrestricted</th>
<th>Temporarily Restricted</th>
<th>Permanently Restricted</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gifts, grants and memberships</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Annual giving</td>
<td>$1,919</td>
<td>$ –</td>
<td>–</td>
<td>–</td>
<td>$1,919</td>
<td>$1,510</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Contributions</td>
<td>4,415</td>
<td>2,202</td>
<td>–</td>
<td>–</td>
<td>6,617</td>
<td>3,831</td>
<td>5,148</td>
<td>512</td>
</tr>
<tr>
<td>Government grants - state and local</td>
<td>318</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>318</td>
<td>249</td>
<td>–</td>
<td>249</td>
</tr>
<tr>
<td>Revenue from activities</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Affiliated organizations’ income</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Admissions, fees and miscellaneous sales</td>
<td>5,481</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>46</td>
<td>5,257</td>
<td>2,526</td>
<td>–</td>
</tr>
<tr>
<td>Investment revenue designated for current operations and art acquisitions</td>
<td>10,325</td>
<td>3,216</td>
<td>–</td>
<td>–</td>
<td>10,325</td>
<td>13,541</td>
<td>15,926</td>
<td>617</td>
</tr>
<tr>
<td>Net assets released from restrictions</td>
<td>1,548</td>
<td>(1,548)</td>
<td>–</td>
<td>–</td>
<td>1,548</td>
<td>4,729</td>
<td>(4,729)</td>
<td>–</td>
</tr>
<tr>
<td>Reclassification of restrictions</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>1,110</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Total revenue, gains and other support</td>
<td>24,000</td>
<td>2,769</td>
<td>–</td>
<td>–</td>
<td>24,000</td>
<td>34,400</td>
<td>29,835</td>
<td>1,030</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Expenses</th>
<th>2006</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Centennial</td>
<td>17,929</td>
<td>–</td>
</tr>
<tr>
<td>Educational</td>
<td>10,190</td>
<td>–</td>
</tr>
<tr>
<td>Horticultural</td>
<td>968</td>
<td>–</td>
</tr>
<tr>
<td>Museum stores</td>
<td>2,112</td>
<td>–</td>
</tr>
<tr>
<td>Total program services</td>
<td>31,199</td>
<td>–</td>
</tr>
<tr>
<td>Management and general</td>
<td>2,837</td>
<td>–</td>
</tr>
<tr>
<td>Fund raising</td>
<td>566</td>
<td>–</td>
</tr>
<tr>
<td>Membership development</td>
<td>888</td>
<td>–</td>
</tr>
<tr>
<td>Total expenses</td>
<td>35,490</td>
<td>–</td>
</tr>
<tr>
<td>Change in Net Assets From Operations</td>
<td>(31,484)</td>
<td>2,769</td>
</tr>
<tr>
<td>Nonoperating Income (Expense)</td>
<td>2006</td>
<td>2005</td>
</tr>
<tr>
<td>Investment revenue in excess of amounts designated for current operations and art acquisitions</td>
<td>24,266</td>
<td>–</td>
</tr>
<tr>
<td>Less on underfunded pension plan</td>
<td>(906)</td>
<td>–</td>
</tr>
<tr>
<td>Change in fair value of interest rate swap agreement</td>
<td>133</td>
<td>–</td>
</tr>
<tr>
<td>Proceeds from sales of art</td>
<td>73</td>
<td>–</td>
</tr>
<tr>
<td>Purchases of art</td>
<td>(1,404)</td>
<td>–</td>
</tr>
<tr>
<td>Net Assets, Beginning of Year, as previously reported</td>
<td>253,605</td>
<td>31,324</td>
</tr>
<tr>
<td>Adjustments for change in method of accounting for collections</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Net Assets, as adjusted</td>
<td>253,605</td>
<td>31,324</td>
</tr>
<tr>
<td>Net Assets, End of Year</td>
<td>265,288</td>
<td>33,079</td>
</tr>
</tbody>
</table>

### Notes

- The numbers presented above reflect the institution's financial performance for the years ended December 31, 2006 and 2005.
- The revenue, gains, and other support section details the various sources of revenue, including contributions, government grants, and admissions fees.
- Expenses are categorized into different departments, and their changes are reflected in the change in net assets from operations.
- The nonoperating income or expense section provides additional insights into the institution's financial health.
- Net assets, beginning of year, adjusted for changes in method of accounting, and end of year are detailed for both years.

### Analysis

The institution shows a significant increase in revenue and net assets from the year 2005 to 2006. Contributions, particularly from the state and local government, and admissions fees have been a major source of revenue. The increase in expenses, particularly in the management and general category, indicates increased operational costs. Despite these expenses, the institution managed to report a positive change in net assets from operations, indicating overall financial stability.
### Operating Activities

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Change in net assets</td>
<td>$30,918</td>
<td>$6,691</td>
</tr>
<tr>
<td>Items not requiring (providing) cash</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation and amortization of bond issue costs</td>
<td>5,628</td>
<td>3,941</td>
</tr>
<tr>
<td>Non-cash contributions</td>
<td>(740)</td>
<td>(1,122)</td>
</tr>
<tr>
<td>Acquisition and sales of art, net</td>
<td>3,390</td>
<td>676</td>
</tr>
<tr>
<td>Contributions restricted for long-term investment</td>
<td>(4,059)</td>
<td>(3,766)</td>
</tr>
<tr>
<td>Realized gain on investments</td>
<td>(39,626)</td>
<td>(15,382)</td>
</tr>
<tr>
<td>Unrealized loss on investments</td>
<td>9,763</td>
<td>190</td>
</tr>
<tr>
<td>Change in fair value of interest rate swap agreement</td>
<td>(133)</td>
<td>(1,241)</td>
</tr>
<tr>
<td>Changes in</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>(111)</td>
<td>185</td>
</tr>
<tr>
<td>Contributions receivable</td>
<td>(12,730)</td>
<td>4,092</td>
</tr>
<tr>
<td>Prepaid expenses and other assets</td>
<td>(718)</td>
<td>(268)</td>
</tr>
<tr>
<td>Accounts payable</td>
<td>(169)</td>
<td>945</td>
</tr>
<tr>
<td>Accrued salaries and other expenses</td>
<td>561</td>
<td>448</td>
</tr>
<tr>
<td>Net cash used in operating activities</td>
<td>(9,906)</td>
<td>(5,205)</td>
</tr>
</tbody>
</table>

### Investing Activities

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acquisitions of art</td>
<td>(1,464)</td>
<td>(703)</td>
</tr>
<tr>
<td>Proceeds from sales of art</td>
<td>74</td>
<td>26</td>
</tr>
<tr>
<td>Purchases of property and equipment</td>
<td>(4,757)</td>
<td>(16,147)</td>
</tr>
<tr>
<td>Purchases of investments</td>
<td>(773,628)</td>
<td>(228,530)</td>
</tr>
<tr>
<td>Sales and maturities of investments</td>
<td>785,666</td>
<td>217,636</td>
</tr>
<tr>
<td>Net cash provided by investing activities</td>
<td>5,891</td>
<td>2,382</td>
</tr>
</tbody>
</table>

### Financing Activities

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proceeds from contributions restricted for investment in endowment</td>
<td>2,998</td>
<td>187</td>
</tr>
<tr>
<td>Investment in art and property and equipment</td>
<td>994</td>
<td>433</td>
</tr>
<tr>
<td>Investment subject to amendment and trust agreements</td>
<td>(53)</td>
<td>3,149</td>
</tr>
<tr>
<td>Net cash provided by financing activities</td>
<td>4,039</td>
<td>3,760</td>
</tr>
</tbody>
</table>

### Net Increase in Cash

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net increase in Cash</td>
<td>24</td>
<td>937</td>
</tr>
</tbody>
</table>

### Cash

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash, Beginning of Year</td>
<td>1,293</td>
<td>356</td>
</tr>
<tr>
<td>Cash, End of Year</td>
<td>$1,317</td>
<td>$1,293</td>
</tr>
</tbody>
</table>

### Supplemental Information

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest paid</td>
<td>$4,092</td>
<td>$3,449</td>
</tr>
<tr>
<td>Property, equipment and collections in accounts payable</td>
<td>759</td>
<td>333</td>
</tr>
</tbody>
</table>

---

**Note 1: Nature of Operations and Summary of Significant Accounting Policies**

**General**

Indianapolis Museum of Art (Museum) was incorporated as a not-for-profit organization in May 1892, under the laws of the State of Indiana.

The consolidated financial statements include the accounts of the Indianapolis Museum of Art and Oldfields, LLC, its wholly-owned subsidiary. Oldfields, LLC was established during 2004 to hold certain real estate. The consolidated financial statements also include the Museum's affiliated organizations: Alliance of the Indianapolis Museum of Art, EthnoArt Society, the Contemporary Art Society, the Decorative Arts Society, the Horticultural Society and the Asian Art Society. The affiliated organizations are special interest groups within the Museum membership which operate for the benefit of the Museum donating cash and services of volunteers to various Museum activities. No amounts are included in the financial statements for services of volunteers.

The Museum provides art education opportunities for its members and the general public through the acquisition, preservation and exhibition of its permanent collections. The Museum's primary sources of revenue and support are contributions and earnings on investments.

During 2005, the Museum completed its expansion project, resulting in a significant increase in the size of the facilities and scope of operations.

**Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of the revenues, expenses, gains, losses and other changes in net assets during the reporting period. Actual results could differ from those estimates.

**Temporarily and Permanently Restricted Net Assets**

Temporarily restricted net assets are those whose use by the Museum has been limited by donors to a specific time period or purpose. Permanently restricted net assets have been restricted by donors to be maintained by the Museum in perpetuity.

**Cash**

Cash consists of bank deposits in federally insured accounts. At December 31, 2006, the Museum's cash accounts exceeded federally insured limits by approximately $2,107,000.
Investments and Investment Return

Investments are carried at market or appraised value. For those investments without quoted market prices, market values used were those provided by the managers of the investments funds. These estimated values are subject to uncertainty, and therefore, may differ significantly from the value that would have been used had a market for such investments existed. Such difference could be material. Investment return includes dividend, interest and other investment income and realized and unrealized gains and losses.

Investment return is reflected in the statements of activities as unrestricted, temporarily restricted or permanently restricted based upon the existence and nature of any donor or legally imposed restrictions.

The Museum maintains pooled investment accounts for its endowments. Investment income and realized and unrealized gains and losses from securities in the pooled investment accounts are allocated quarterly to the individual endowments based on the relationship of the fair value of the interest of each endowment to the total fair value of the pooled investments accounts, as adjusted for additions to or deductions from those accounts.

Property and Equipment

Expenditures for property and equipment and items which substantially increase the useful lives of existing assets are capitalized at cost. The Museum provides for depreciation on the straight-line method at rates designed to depreciate the costs of assets over estimated useful lives as follows:

- Furnishings and equipment: 10 years
- Buildings and grounds: 50 years

The Museum capitalizes interest costs as a component of construction in progress, based on interest costs of borrowing specifically for the project, net of interest earned on investments acquired with the proceeds of the borrowing. Total interest capitalized was:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total interest costs incurred on borrowings for project</td>
<td>$3,520</td>
</tr>
<tr>
<td>Interest income from investment of proceeds of borrowings for project</td>
<td>$(292)</td>
</tr>
<tr>
<td>Net interest costs</td>
<td>$3,228</td>
</tr>
<tr>
<td>Less interest expense incurred after assets placed in service</td>
<td>$(1,652)</td>
</tr>
<tr>
<td>Net interest cost capitalized</td>
<td>$1,576</td>
</tr>
</tbody>
</table>

Collections - Art Objects and Library Accessions

According to the Museum’s policy, collections include all works of art, historical treasures, library accessions and similar assets that are (a) held for public service rather than financial gain, (b) protected, kept unencumbered, cared for, and preserved, and (c) subject to the Museum’s policy that requires the proceeds of items that are sold to be used to acquire other items for collections.

The Museum previously capitalized its collection of art objects and library accessions since its inception. As more fully described in Note 2, the collections, which were acquired through purchases and contributions since the museum’s inception, are no longer recorded in the statement of financial position. Purchases of collection items are recorded as decreases in unrestricted net assets in the year in which the items are acquired, or as temporarily or permanently restricted if the assets used to purchase the items are restricted by donors. Contributed collection items are not reflected in the financial statements. Proceeds from deaccessions or insurance recoveries, if any, are reflected as increases in the appropriate net asset class.

Fair Values of Financial Instruments

The carrying values of all of the Museum’s financial instruments approximate their fair values.

Income Taxes

The Museum is exempt from federal income taxes under Section 501(c)(3) of the U.S. Internal Revenue Code. The Museum is not considered to be a private foundation.

Contributions Receivable

Unconditional promises to give are recognized as revenues or gains in the period received and as assets, decreases of liabilities or expenses depending on the form of the benefits received.

Self Insurance

The Museum has elected to act as a self-insurer for certain costs related to employee health benefit programs. Costs resulting from non-insured losses are charged to expense when incurred. The Museum has insurance coverage which limits its exposure for individual claims to approximately $60,000 per covered participant.
Support and Revenue

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 statements of activities as net assets released from restrictions. Gifts and investment income that are originally restricted by the donor and for which the restriction is met in the same time period are recorded as temporarily restricted and then released from restriction.

Donated Property and Equipment

The Museum reports gifts of land, buildings and equipment 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 regarding how long those long-lived assets must be maintained, the Museum reports expiration of donor restrictions when the donated or acquired long-lived assets are placed in service.

Government Grants

Support funded by grants is recognized as the Museum performs the contracted services under grant agreements. Grant revenue is recognized as earned as the eligible expenses are incurred. Grant expenditures are subject to audit and acceptance by the granting agency and, as a result of such audit, adjustments could be required.

Functional Expenses

Expenses have been classified as program services, management and general, fund raising and membership development based on the actual direct expenditures and cost allocations based upon estimates of space occupied by Museum personnel.

Note 2: Change in Method of Accounting for Collections

During 2006, the Museum elected to change its method of accounting for its collections to not capitalizing them, whereas in all prior years the Museum’s collections were capitalized and contributions receivable for collections were recorded. The new method of accounting for collections was adopted to provide better information for peer comparison. Comparative financial statements have been adjusted to apply the new method retrospectively.

The effect on the 2006 and 2005 statements of financial position was as follows:

<table>
<thead>
<tr>
<th></th>
<th>As Reported Without Collections Capitalized</th>
<th>Adjusted Collections Capitalized</th>
<th>Effect of Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Collections</td>
<td>$</td>
<td>$150,318</td>
<td>$150,318</td>
</tr>
<tr>
<td>Contributions receivable</td>
<td>26,854</td>
<td>32,779</td>
<td>5,925</td>
</tr>
<tr>
<td>Unrestricted net assets</td>
<td>265,288</td>
<td>415,606</td>
<td>150,318</td>
</tr>
<tr>
<td>Temporarily restricted net assets</td>
<td>33,079</td>
<td>39,004</td>
<td>5,925</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>As Originally Reported</th>
<th>As Adjusted</th>
<th>Effect of Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Collections</td>
<td>$147,748</td>
<td>$</td>
<td>($147,748)</td>
</tr>
<tr>
<td>Contributions receivable</td>
<td>20,012</td>
<td>14,124</td>
<td>(5,888)</td>
</tr>
<tr>
<td>Unrestricted net assets</td>
<td>401,413</td>
<td>253,665</td>
<td>($147,748)</td>
</tr>
<tr>
<td>Temporarily restricted net assets</td>
<td>37,212</td>
<td>31,324</td>
<td>(5,888)</td>
</tr>
</tbody>
</table>
The effect on the 2006 and 2005 statements of activities was as follows:

<table>
<thead>
<tr>
<th>Contributions</th>
<th>As Reported</th>
<th>2006 Adjusted</th>
<th>Effect of Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Collections Capitalized</td>
<td>Collections Capitalized</td>
<td>Change</td>
</tr>
<tr>
<td>Contributions</td>
<td>$23,001</td>
<td>$23,038</td>
<td>$37</td>
</tr>
<tr>
<td>Art object giving and gifts of long lived assets</td>
<td>-</td>
<td>1,106</td>
<td>1,106</td>
</tr>
<tr>
<td>Purchases of art</td>
<td>(1,464)</td>
<td>-</td>
<td>1,464</td>
</tr>
<tr>
<td>Change in unrestricted net assets</td>
<td>11,623</td>
<td>14,193</td>
<td>2,570</td>
</tr>
<tr>
<td>Change in temporarily restricted net assets</td>
<td>1,755</td>
<td>1,792</td>
<td>37</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Contributions</th>
<th>As Originally Reported</th>
<th>As Adjusted</th>
<th>Effect of Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contributions</td>
<td>$9,763</td>
<td>$9,491</td>
<td>(272)</td>
</tr>
<tr>
<td>Art object giving and gifts of long lived assets</td>
<td>611</td>
<td>-</td>
<td>(611)</td>
</tr>
<tr>
<td>Purchases of art</td>
<td>-</td>
<td>(703)</td>
<td>(703)</td>
</tr>
<tr>
<td>Change in unrestricted net assets</td>
<td>5,389</td>
<td>3,963</td>
<td>(1,426)</td>
</tr>
<tr>
<td>Change in temporarily restricted net assets</td>
<td>1,756</td>
<td>1,516</td>
<td>(240)</td>
</tr>
</tbody>
</table>

 Operating Activities
- Change in net assets $30,918  $33,525  $2,607
- Items not requiring (providing) cash by operating activities
- Non-cash contributions (740) (1,846) (1,106)
- Acquisition and sales of art, net 1,390 (74) (1,464)
- Changes in contributions receivable 12,730 (12,767) (37)
- Net cash provided by (used in) operating activities (23,291) (23,291) -

 Investing Activities
- Acquisitions of art (1,464) (1,464) -
- Net cash provided by (used in) investing activities 5,890 5,890 -

 Operating Activities
- Change in net assets $7,677  $6,691  $(1,586)
- Items not requiring (providing) cash by operating activities
- Non-cash contributions (1,765) (1,122) 643
- Acquisition and sales of art, net - 676 676
- Changes in accounts payable 1,246 494 (752)
- Net cash provided by (used in) operating activities (4,878) (5,205) (327)

 Investing Activities
- Acquisitions of art (1,004) (703) 301
- Net cash provided by (used in) investing activities 2,055 2,382 327
### Note 3: Contributions Receivable

<table>
<thead>
<tr>
<th></th>
<th>Temporarily Restricted</th>
<th>Permanently Restricted</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Due within one year</td>
<td>$1,979</td>
<td>$6,634</td>
<td>$8,613</td>
</tr>
<tr>
<td>Due in one to five years</td>
<td>2,045</td>
<td>9,165</td>
<td>11,210</td>
</tr>
<tr>
<td>Due in more than five years</td>
<td>12,483</td>
<td>6,282</td>
<td>19,765</td>
</tr>
<tr>
<td>Discount</td>
<td>(7,563)</td>
<td>(5,171)</td>
<td>(12,734)</td>
</tr>
<tr>
<td></td>
<td>$9,446</td>
<td>$16,910</td>
<td>$26,354</td>
</tr>
</tbody>
</table>

### As Adjusted - Note 2

<table>
<thead>
<tr>
<th></th>
<th>Temporarily Restricted</th>
<th>Permanently Restricted</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Due within one year</td>
<td>$2,640</td>
<td>-</td>
<td>$2,640</td>
</tr>
<tr>
<td>Due in one to five years</td>
<td>2,076</td>
<td>-</td>
<td>2,076</td>
</tr>
<tr>
<td>Due in more than five years</td>
<td>16,019</td>
<td>4,222</td>
<td>20,241</td>
</tr>
<tr>
<td>Discount</td>
<td>(9,025)</td>
<td>(1,808)</td>
<td>(10,833)</td>
</tr>
<tr>
<td></td>
<td>$11,710</td>
<td>$2,414</td>
<td>$14,124</td>
</tr>
</tbody>
</table>

Discount rates ranged from 1.7 to 8.2 percent in 2006 and 2005.

### Note 4: Investments

The fair value of the Museum’s investments are as follows:

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Savings accounts</td>
<td>$156</td>
<td>$140</td>
</tr>
<tr>
<td>Certificates of deposit</td>
<td>325</td>
<td>315</td>
</tr>
<tr>
<td>Short-term investments</td>
<td>25,551</td>
<td>19,843</td>
</tr>
<tr>
<td>U. S. Government securities</td>
<td>19,355</td>
<td>-</td>
</tr>
<tr>
<td>Corporate bonds</td>
<td>5,483</td>
<td>-</td>
</tr>
<tr>
<td>Corporate stocks</td>
<td>96,758</td>
<td>112,532</td>
</tr>
<tr>
<td>Mutual funds</td>
<td>73,130</td>
<td>75,497</td>
</tr>
<tr>
<td>Equity - domestic</td>
<td>-</td>
<td>52,353</td>
</tr>
<tr>
<td>Equity - international</td>
<td>76,536</td>
<td>58,281</td>
</tr>
<tr>
<td>Fixed income</td>
<td>40,580</td>
<td>79,819</td>
</tr>
<tr>
<td>Alternative Investments</td>
<td>64,488</td>
<td>17,506</td>
</tr>
<tr>
<td>Marketable alternatives</td>
<td>28,089</td>
<td>1,709</td>
</tr>
<tr>
<td>Inflation hedging</td>
<td>4,560</td>
<td>922</td>
</tr>
<tr>
<td>Private equity/Venture capital</td>
<td>1,499</td>
<td>1,499</td>
</tr>
<tr>
<td>Real estate held for investment</td>
<td>1,499</td>
<td>1,499</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$363,410</td>
<td>$344,909</td>
</tr>
</tbody>
</table>

The Board of Governors designates only a portion of the Museum’s cumulative investment return for support of current operations, capital additions and artifact acquisitions; the remainder is retained to offset the effect of inflation on the operations of future years and to offset potential market declines. The amount computed under the spending policy of the endowment investment pool is used to support current operations, capital additions and artifact acquisitions. Under the Museum’s endowment spending policy, 5.5 percent of the average market value for the 12 quarters ending June 30 of the previous year is appropriated to support current operations. An additional $2.5 million was approved by the Board of Governors for the year ended December 31, 2005.

For the separate funds in the art endowment, 5 percent of the average market value of such funds for the 12 quarters ending June 30 of the previous year is appropriated to support art acquisitions.
The following schedules summarize the investment return and its classification in the statements of activities for the years ended December 31, 2006 and 2005:

<table>
<thead>
<tr>
<th></th>
<th>2006 Unrestricted</th>
<th>Temporarily Restricted</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dividends and interest (net of expenses of $1,120)</td>
<td>$7,269</td>
<td>$675</td>
<td>$7,944</td>
</tr>
<tr>
<td>Net realized gains on investments</td>
<td>36,698</td>
<td>2,928</td>
<td>39,626</td>
</tr>
<tr>
<td>Net unrealized losses on investments</td>
<td>($9,376)</td>
<td>($387)</td>
<td>($9,763)</td>
</tr>
<tr>
<td>Total return on investments</td>
<td>34,591</td>
<td>3,200</td>
<td>37,800</td>
</tr>
<tr>
<td>Investment return designated for current operations and art acquisitions</td>
<td>($10,151)</td>
<td>($2,661)</td>
<td>($12,812)</td>
</tr>
<tr>
<td>Art acquisitions</td>
<td>($174)</td>
<td>($555)</td>
<td>($729)</td>
</tr>
<tr>
<td>Investment return in excess of amounts designated for current operations and art acquisitions</td>
<td>$24,266</td>
<td>$ -</td>
<td>$24,266</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2005 Unrestricted</th>
<th>Temporarily Restricted</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dividends and interest (net of expenses of $1,177)</td>
<td>$6,312</td>
<td>$493</td>
<td>$6,805</td>
</tr>
<tr>
<td>Net realized gains on investments</td>
<td>14,660</td>
<td>722</td>
<td>15,382</td>
</tr>
<tr>
<td>Net unrealized gains (losses) on investments</td>
<td>($645)</td>
<td>($455)</td>
<td>($1,099)</td>
</tr>
<tr>
<td>Total return on investments</td>
<td>20,327</td>
<td>1,760</td>
<td>21,997</td>
</tr>
<tr>
<td>Investment return designated for current operations and art acquisitions</td>
<td>($15,769)</td>
<td>($154)</td>
<td>($16,923)</td>
</tr>
<tr>
<td>Art acquisitions</td>
<td>($157)</td>
<td>($453)</td>
<td>($610)</td>
</tr>
<tr>
<td>Investment return in excess of amounts designated for current operations and art acquisitions</td>
<td>$4,401</td>
<td>$1,653</td>
<td>$5,454</td>
</tr>
</tbody>
</table>

**Note 5: Property and Equipment**

The Museum’s property and equipment are as follows:

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buildings and grounds</td>
<td>$147,103</td>
<td>$144,012</td>
</tr>
<tr>
<td>Furnishings and equipment</td>
<td>16,467</td>
<td>15,928</td>
</tr>
<tr>
<td>Land improvements</td>
<td>12,266</td>
<td>12,500</td>
</tr>
<tr>
<td>Total</td>
<td>175,836</td>
<td>172,430</td>
</tr>
<tr>
<td>Accumulated depreciation</td>
<td>($43,738)</td>
<td>($38,199)</td>
</tr>
<tr>
<td>Land</td>
<td>132,138</td>
<td>134,241</td>
</tr>
<tr>
<td>Construction in progress</td>
<td>922</td>
<td>922</td>
</tr>
<tr>
<td>Total</td>
<td>125,296</td>
<td>847</td>
</tr>
<tr>
<td></td>
<td>$135,356</td>
<td>$135,810</td>
</tr>
</tbody>
</table>

**Note 6: Tax Exempt Bonds Payable**

During 2001, under a loan agreement executed with Indiana Development Finance Authority (the Authority), whereby the Authority issued Variable Rate Demand Educational Facilities Revenue Bonds amounting to $30,000,000, the proceeds of which were loaned to the Museum in order to finance and reimburse all or a portion of the costs of the acquisition, construction, installation, rehabilitation, renovation or enlargement of land, site improvements, infrastructure improvements, buildings, structures, machinery, equipment, furnishings or facilities comprising or being functionally related to the operation of the Museum. The bonds are due February 1, 2036, and are secured by a letter of credit.

During 2002, the Authority issued an additional $44,000,000 of Variable Rate Demand Educational Facilities Revenue Bonds, the proceeds of which were loaned to the Museum to continue the construction projects noted above. These bonds are due February 1, 2037, and are also secured by a letter of credit.

During 2004, the Authority issued an additional $51,000,000 of Variable Rate Demand Educational Facilities Revenue Bonds, the proceeds of which were loaned to the Museum to continue the construction projects noted above. These bonds are due February 1, 2039, and are also secured by a letter of credit.

The letters of credit expire September 15, 2008.
Indianapolis Museum of Art
Notes to Consolidated Financial Statements
December 31, 2006 and 2005
(Table Dollar Amounts in Thousands)

Under the Indenture, the bond issues may operate in one or more of four Modes of Operation provided that certain requirements are met. The four modes generally have different operating features, including different demand features, purchase features, redemption provisions, interest periods, and interest payment dates. At December 31, 2006, the Bonds were operating under the floating rate mode whereby the interest rate is adjusted weekly and interest is payable monthly. At December 31, 2006, the interest rate on these bonds was 3.15%.

Costs associated with executing the loan and other agreements with the aforementioned parties have been classified as unamortized bond issue costs in the accompanying financial statements and are amortized over the life of the bonds using a method that approximates the level yield method.

Note 7: Temporarily Restricted Net Assets

Temporarily restricted net assets are available for the following purposes or periods:

<table>
<thead>
<tr>
<th>As Adjusted -</th>
<th>Note 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>2005</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Program Activities</th>
<th>2006</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Collection purchases</td>
<td>8,011</td>
<td>7,089</td>
</tr>
<tr>
<td>Library accessions</td>
<td>434</td>
<td>392</td>
</tr>
<tr>
<td>Educational outreach program</td>
<td>465</td>
<td>419</td>
</tr>
<tr>
<td>Other program activities</td>
<td>3,916</td>
<td>2,584</td>
</tr>
<tr>
<td>Facilities repair and maintenance</td>
<td>10,192</td>
<td>9,010</td>
</tr>
<tr>
<td>For periods after December 31, 2006 and 2005</td>
<td>10,061</td>
<td>11,830</td>
</tr>
</tbody>
</table>

$ 33,079 $ 31,324

Note 8: Permanently Restricted Net Assets

Permanently restricted net assets are restricted to:

<table>
<thead>
<tr>
<th>2006</th>
<th>2005</th>
</tr>
</thead>
</table>

| Investment in perpetuity, the income of which is expendable to support |
|-----------------------------|------|------|
| Art purchases               | 27,709| 12,644|
| Library accessions          | 368   | 368  |
| Educational program activities | 471  | 456  |
| Other program activities    | 3,130 | 1,670|
| Any activity of the Museum  | 70,078| 69,078|

$ 101,756 $ 84,216

Indianapolis Museum of Art
Notes to Consolidated Financial Statements
December 31, 2006 and 2005
(Table Dollar Amounts in Thousands)

Note 9: Net Assets Released From Restrictions

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors.

<table>
<thead>
<tr>
<th>Purpose restrictions accomplished</th>
<th>2006</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Curatorial program expenses</td>
<td>55</td>
<td>43</td>
</tr>
<tr>
<td>Educational program expenses</td>
<td>69</td>
<td>91</td>
</tr>
<tr>
<td>Other program expenses</td>
<td>382</td>
<td>159</td>
</tr>
<tr>
<td>Time restrictions expired - passage of time</td>
<td>1,042</td>
<td>4,436</td>
</tr>
<tr>
<td>Art acquisition and gifts of long-lived assets</td>
<td>1,548</td>
<td>4,729</td>
</tr>
<tr>
<td></td>
<td>1,078</td>
<td>573</td>
</tr>
</tbody>
</table>

$ 2,626 $ 5,302

Note 10: Employee Benefits

The Museum has a defined-contribution employee's retirement savings plan covering all full-time employees meeting certain eligibility requirements. The Museum makes contributions to the plan to match employee contributions and pays the cost of administering the plan. Employee benefit expense under this plan was $204,000 and $172,000 for 2006 and 2005.

The Museum also has a noncontributory defined-benefit pension plan covering substantially all of its employees. The Museum uses a September 30 measurement date for the plan. The Museum’s funding policy is to make the minimum annual contribution that is required by applicable regulations, plus such amounts as the Museum may determine to appropriate from time to time. The Museum expects to contribute $1,200,000 to the plan in 2006.
Significant balances, costs and assumptions are:

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Benefit obligation</td>
<td>$9,601</td>
<td>$8,430</td>
</tr>
<tr>
<td>Fair value of plan assets</td>
<td>5,504</td>
<td>5,011</td>
</tr>
<tr>
<td>Funded status - underfunded</td>
<td>$4,097</td>
<td>$3,419</td>
</tr>
<tr>
<td>Accumulated benefit obligation</td>
<td>$7,358</td>
<td>$6,401</td>
</tr>
<tr>
<td>Amounts recognized in the statements of financial position:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accrued benefit cost</td>
<td>($1,853)</td>
<td>($1,389)</td>
</tr>
<tr>
<td>Intangible asset</td>
<td>171</td>
<td>213</td>
</tr>
<tr>
<td>Benefit cost</td>
<td>$754</td>
<td>$678</td>
</tr>
<tr>
<td>Employer contribution</td>
<td>400</td>
<td>300</td>
</tr>
<tr>
<td>Benefits paid</td>
<td>250</td>
<td>220</td>
</tr>
</tbody>
</table>

Weighted-average assumptions used to determine benefit obligations:
Discount rate: 5.75% 5.75%
Rate of compensation increase: 4% 4%

Weighted-average assumptions used to determine benefit costs:
Discount rate: 5.75% 6.0%
Expected return on plan assets: 7.5% 7.5%
Rate of compensation increase: 4% 4%

The Museum has estimated the long-term rate of return on plan assets based primarily on historical returns on plan assets, adjusted for changes in target portfolio allocations and recent changes in long-term interest rates based on publicly available information.

The following benefit payments, which reflect expected future service, as appropriate, are expected to be paid as of December 31, 2006:

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>$224</td>
</tr>
<tr>
<td>2008</td>
<td>$254</td>
</tr>
<tr>
<td>2009</td>
<td>$261</td>
</tr>
<tr>
<td>2010</td>
<td>$290</td>
</tr>
<tr>
<td>2011</td>
<td>$380</td>
</tr>
</tbody>
</table>

Plan assets are held by a bank-administered trust fund, which invests the plan assets in accordance with the provisions of the plan agreement. The plan agreement permits investment in common and preferred stocks, bonds, debentures, mortgages, certain notes of indebtedness or ownership, U. S. Government, State, and certain municipal securities, share or savings accounts in any bank, savings and loan or building and loan, any common trust fund, any group trust, any pooled fund, certain insurance contracts, and real, personal and mixed properties of all kinds.

Asset allocation is primarily based on strategy to provide stable earnings while still permitting the plans to recognize potentially higher returns through a limited investment in equity securities. The target asset allocation percentages for 2006 and 2005 are as follows:

<table>
<thead>
<tr>
<th>Range</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity securities</td>
<td>60 - 70%</td>
</tr>
<tr>
<td>Debt securities</td>
<td>25 - 35%</td>
</tr>
</tbody>
</table>

At September 30, 2006 and 2005, plan assets by category are as follows:

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity securities</td>
<td>65%</td>
<td>65%</td>
</tr>
<tr>
<td>Debt securities</td>
<td>35</td>
<td>35</td>
</tr>
</tbody>
</table>

100% 100%
The FASB recently issued Statement No. 158, *Employers’ Accounting for Defined Benefit Pension and Other Post-retirement Plans* (SFAS 158), which revises the accounting and disclosure requirements in the financial statements of employers with respect to defined benefit pension and other post-retirement plans. This statement requires an employer to currently recognize the funded status of defined benefit plans, the difference between the fair value of the plan assets and the projected benefit obligation on the employers’ statement of financial position. SFAS 158 is effective for fiscal years ending after June 15, 2007, thus the Museum expects to first apply the recognition of the funded status during its fiscal year ending December 31, 2007. Additionally, the statement has eliminated the current measurement option and requires the measurement date to be as of the statement of financial position date for fiscal years ending after December 31, 2008. The Museum’s measurement date is currently as of September 30.

**Note 11: Derivative Financial Instruments**

As a strategy to maintain acceptable levels of exposure to the risk of changes in future cash flows due to interest rate fluctuations, the Museum entered into an interest rate swap agreement for a portion of its floating rate debt in May 2004. The agreement matures in May 2009. The agreement provides for the Museum to receive interest from the counterparty at LIBOR times 70% and to pay interest to the counterparty at a fixed rate of 3.15% on the notional amount of $51,000,000. Under the agreement, the Museum pays or receives the net interest amount monthly, with the monthly settlements included in interest expense. The agreement is recorded at its fair value with subsequent changes in fair value included in nonoperating income in the consolidated statements of activities. At December 31, 2006 and 2005, the fair value of this swap was $401,000 and $268,000.

**Note 12: Concentrations and Contingencies**

Approximately 47% of all contributions were received from one donor in 2006.

The Museum is subject to claims and lawsuits which arise primarily in the ordinary course of conducting operations. It is the opinion of management that the disposition or ultimate resolution of such claims and lawsuits will not have a material adverse effect on the financial position of the Museum.