



General Government Division

B-282307

April 1, 1999

The Honorable Edolphus Towns
House of Representatives

Subject: National Gallery of Art: Free Admission and Special Exhibition Ticket
Distribution Policies

Dear Mr. Towns:

This letter is in response to your November 16, 1998, request for information on the free admission policy of the National Gallery of Art (Gallery) and its contract for the distribution of tickets for major exhibitions held at the Gallery. On February 23, 1999, we briefed your designated contact person on the results of our work. The following is a summary of the information that we provided on the four questions we were asked to answer.

(1) What legally would have to be done in order for the Gallery to charge an admission fee?

The bases for the Gallery's free admission policy are (1) the provisions of a joint resolution of Congress approved in 1937, and (2) the 1937 trust indenture agreement signed by the A. W. Mellon Education and Charitable Trust, the Smithsonian Institution, and the Gallery.

House Joint Resolution 217, approved on March 24, 1937, authorized the construction and maintenance of the Gallery to house the works of art donated by Andrew W. Mellon. Mr. Mellon not only donated the art, but also the funds to construct the building to house the art. The federal government provided the land on which the Gallery was built. Section 4(a) of the resolution states that "the National Gallery of Art shall be at all times properly maintained and the works of art contained therein shall be exhibited regularly to the general public free of charge." [Underscoring supplied.] This provision was added by the Senate during deliberations on the resolution to prevent the Gallery from instituting an admission fee at some future date.

Subsequently, on June 24, 1937, a trust indenture agreement stipulating the conditions of the Mellon donation was signed by the A. W. Mellon Education and Charitable Trust, the Smithsonian Institution, and the Gallery. Section VII of the document, which covers the maintenance of the National Gallery of Art, specifies that "the works of art contained therein shall be exhibited regularly to the general public free of charge." [Underscoring supplied.] The agreement also provides in section IX, which covers the alteration or modification of the indenture, that after the termination of the donor trust (the A. W. Mellon Education and Charitable Trust), the agreement could be altered, modified, or supplemented upon approval of three-fourths of the Gallery Trustees and Smithsonian Regents. According to a Gallery Office of General Counsel official, the donor trust was terminated in 1980.

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Consequently, for the Gallery to charge an admission fee to visitors, two actions would have to occur. Congress would have to amend the joint resolution to eliminate the prohibition on charging admission fees, and the Gallery Trustees and Smithsonian Regents would have to agree to similar revisions to the terms of the Mellon trust indenture agreement.

(2) What would be the maximum admission fee that Congress could establish if the restrictive provisions were removed?

Congress could set the admission fee at any level it deemed appropriate, or it could allow the Gallery to set the fee. In the latter case, the Gallery could be directed to comply with Office of Management and Budget Circular No. A-25, which establishes federal policy governing user fees assessed by federal agencies for government services. According to the provisions of the circular, user fees are to be based upon market prices or be sufficient to recover the full cost of providing the service, depending on the specific circumstances involved.

(3) What do other countries' galleries charge for admission?

Using the Internet and a recent travel guide, we obtained fee information for 16 galleries located in foreign countries. Available information showed that six of these galleries did not charge a general admission fee and that one, the Art Gallery of Ontario, located in Toronto, Canada, asked for a donation. Two galleries had a fixed general admission fee that ranged in equivalent U.S. dollars from \$4.10 at the Scottish National Gallery of Modern Art in Edinburgh, Scotland, to \$4.66 at the Galleria Nazionale di Arte Moderna in Rome, Italy. The other seven galleries had varied fees that depended on factors such as age of the visitor and day of the week. Several of these galleries had free admission on specified day(s) of each month. The maximum fees paid by visitors at these galleries when free admission was not available ranged in equivalent U.S. dollars from \$2.31 at the New National Gallery in Berlin, Germany, to \$8.74 at the Vatican Museums in Rome, Italy. At least eight galleries, including six that did not have a general admission fee, charged for special exhibitions. Information on the amount of these fees was available only for the Louvre in Paris. It charged \$5.17 (equivalent U.S. dollars) for special exhibitions in its Napoleon Hall. Other galleries only noted that the fees varied. The enclosure to this letter contains more detailed information on the use of admission fees by foreign galleries.

(4) How did TicketMaster obtain the Gallery's ticket distribution contract?

According to Gallery officials, the Gallery first used a private ticket distributor during its 1986 exhibition The New Painting: Impressionism 1874-1886. Prior to that time, the Gallery had its own internally operated ticket distribution system. However, for the 1986 exhibition, AT&T, the exhibition sponsor, provided the services of TicketCenter for ticket distribution, at no cost to the Gallery. From 1986 through 1999, the Gallery used a private ticket distribution company for 11 special exhibitions.

According to information provided by the Gallery, TicketCenter later purchased Ticketron, another company used by the Gallery, and then changed its name to TicketMaster.

TicketMaster has held the Gallery contract since 1991. The most recent contract was awarded on December 10, 1997, for a 3-year term. The Gallery official who negotiated the contracts told us that all the TicketMaster contracts have been sole source and, since July 1, 1992, have been at no cost to the Gallery. The decision to sole source was based upon the effective working relationship between the Gallery and TicketMaster and the understanding of the Gallery official that TicketMaster had a virtual monopoly with regard to major ticket distribution efforts throughout the country. Between 1988 and January 1991, the Gallery paid a monthly fee of \$250 for each ticket machine operated at the Gallery by Gallery personnel to distribute tickets. According to the official, the rental fees were paid from Gallery trust funds and not appropriated funds. Beginning with the contract negotiated in 1992, the rental fees were waived. In addition to the machines, TicketMaster also provides the ticket stock at no cost to the Gallery. Generally, TicketMaster receives its revenue from the fees charged to ticket purchasers who obtain their tickets from TicketMaster directly.

For the recently completed Van Gogh exhibition, the Gallery estimated that it could accommodate about 450,000 visitors. Visitors were required to obtain a ticket. Tickets could be obtained in one of three ways. About 132,000 advanced tickets were available through TicketMaster. While the ticket itself was free, TicketMaster levied a \$2 service charge for each ticket obtained from a walk-up location and a service charge of \$2.75, plus a \$1.25 mail-handling fee, for all tickets obtained over the telephone. The Gallery did not receive any portion of these revenues. All the remaining tickets were available, at no cost to the visitors, at the Gallery. Of these tickets, about 100,000 advance admission tickets were distributed free of charge by Gallery staff using the free TicketMaster ticket machines at the Gallery. The remaining tickets, about 2,000 per day, were issued on a daily basis. These tickets were also provided by the free TicketMaster ticket machines at the Gallery and distributed by Gallery staff members free of charge.

On March 19, 1999, we obtained oral comments on a draft of this letter from the Gallery Director's designated official, the Deputy General Counsel. She stated that the Gallery agreed with the contents of our letter and asked that some editorial clarifications be included. These clarifications have been included where appropriate.

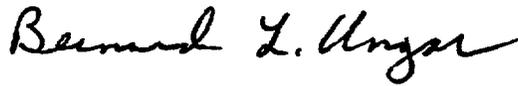
To gather the foregoing information, we interviewed Gallery officials, reviewed both the legislative background on House Joint Resolution 217 and the trust indenture agreement, and reviewed the ticket distribution contract files. We also searched the Internet and Frommers' Europe Travel Guide for 1999 for information on admission fees charged by galleries in other countries. We did not independently verify the fee information obtained from either of these sources. We did our work in Washington, D.C., between November 1998 and February 1999 in accordance with generally accepted government auditing standards. At the conclusion of our briefing on February 23, 1999, your designated contact stated that the information we provided, which we have summarized above, satisfied your request and that no additional work was necessary.

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We are sending copies of this letter to Senator Mitch McConnell, Jr., Chairman, and Senator Christopher J. Dodd, Ranking Minority Member, Senate Committee on Rules and Administration; Representative William M. Thomas, Chairman, and Representative Steny H. Hoyer, Ranking Minority Member, House Committee on House Administration; and the Honorable Earl A. Powell, III, Director, National Gallery of Art. Copies will also be made available to others upon request.

If you or your staff have any questions about this letter, please contact me or Ronald King, the Assistant Director on this assignment, on (202) 512-8387.

Sincerely yours,

A handwritten signature in cursive script that reads "Bernard L. Ungar".

Bernard L. Ungar
Director, Government Business
Operations Issues

Enclosure

Admission Fees Charged by Some Foreign Galleries/Museums

Name of organization	Location	Fee for general admission ^{a,b}		Fee for special exhibits ^b	
		Yes/No	Fee range	Yes/No	Fee range
Art Gallery of Ontario	Toronto, Canada	Yes	Donation	Yes	Varies
British Museum	London, England	No		Yes	Varies
Galleria Nazionale di Arte Moderna	Rome, Italy	Yes	\$4.66	N/A	
Israel Museum	Jerusalem, Israel	Yes	\$3.41-\$6.82	N/A	
National Gallery	London, England ^c	No		Yes	Varies
National Gallery of Australia	Canberra, Australia	No		Yes	N/A
National Gallery of Canada	Ottawa, Canada	No		Yes	Varies
National Gallery of Ireland	Dublin, Ireland	No		Yes	N/A
National Portrait Gallery	London, England	No		Yes	Varies
New National Gallery	Berlin, Germany	Yes	Free-\$2.31	N/A	
Prado Museum	Madrid, Spain	Yes	Free-\$3.39	N/A	
Royal Museum of Fine Art	Copenhagen, Denmark ^c	Yes	Free-\$4.57	N/A	
Scottish National Gallery of Modern Art	Edinburgh, Scotland	Yes	\$4.10	N/A	
The Louvre Palace and Museum	Paris, France	Yes	Free-\$7.75	Yes	\$5.17
Vancouver Art Gallery	Vancouver, Canada	Yes	Free-\$5.30	N/A	
Vatican Museums	Rome, Italy ^c	Yes	Free-\$8.74	N/A	

Note: N/A means the information was not available.

^aGeneral admission fees may be based on the day of visitation and/or the visitor's age. For example, visitation to The Louvre Palace and Museum is free the first Sunday of each month and every day for visitors under the age of 18.

^bFees are stated in U.S. dollars based upon the currency exchange rates on 2/2/99.

^cFrommers' Europe Travel Guide, 1999.

Source: Unless otherwise stated, information was obtained from Internet sources.

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