

## TRUST FUNDS SUMMARY

In addition to support provided by federal appropriations, the Institution receives trust funds to expand and enrich its programs. The following provides an overview of all sources of funding.

The Institution's trust funds include general trust funds with limited or no restrictions on their use, designated funds restricted by the donor or sponsor, and Government grants and contracts. Projections are subject to the uncertainty of the size of donations, grants, and contracts; to fluctuations in visitor attendance; and to the volatility of the economy, which directly affects the return on the endowment and donor giving, as well as restaurant, mail order, and museum shop revenues, memberships, and other business activities. The Institution's gross operating revenue, less the expenses of the auxiliary activities, represents the net operating revenue available for programmatic and related purposes. The following table summarizes the sources of trust operating funds.

(Dollars in Millions)	FY 2006 Actual <sup>1</sup>	FY 2007 Estimate
General Trust	58.2	58.3
Donor/Sponsor-Designated	161.7	122.9
Government Grants and Contracts	112.1	102.9
<b>Total Available for Operations</b>	<b>\$332.0</b>	<b>\$284.1</b>
<small><sup>1</sup> Unaudited results</small>		

**SOURCE AND APPLICATION OF TRUST FUNDS** — The following sections describe the sources of each category of trust funds as well as a general account of how they are used.

**General Trust Funds** — The sources of general trust funds are investment income; earnings from unrestricted endowments; net proceeds from the museum shops, mail order, and food service concessions; sales of Smithsonian books, records, and other products based on designs and objects in the collections; theater/planetarium operations at the National Air and Space Museum and the Samuel C. Johnson IMAX Theater in the National Museum of Natural History; rental of exhibitions of the Smithsonian Institution Traveling Exhibition Service; membership programs (including *Smithsonian* and *Air and Space* magazines); the sale of posters, exhibition brochures, catalogues, and other publications; and admission fees. Projected sources of FY 2007 general trust funds total \$58,300,000. These funds are used to support administrative programs such as central management, legal

counsel, accounting, personnel, contracting, and budget, as well as education, research and public programs, scholarly studies, and exhibitions.

**Donor/Sponsor-Designated Funds** — Designated trust funds include gifts, grants, and earnings on endowments from individuals, foundations, organizations, and corporations that specify the purpose of the funds. Designated funds in FY 2007 are projected to total \$122,900,000. Generally, these funds support a particular exhibition or program, or are used to manage the Smithsonian collections and/or support research projects.

**Government Grants and Contracts** — Various Government agencies and departments provide grants and contracts for projects that only the Smithsonian can manage because of its expertise in a particular area of science, history, art, or education, and because of its ability to respond quickly to certain needs. For FY 2007, Government grants and contracts are projected to be \$102,900,000. Of this amount, \$81,312,000 is provided for astrophysical research and development carried out by the Smithsonian Astrophysical Observatory.