



SPECIAL EXAMINATION • REPORT NUMBER 23-14 • NOVEMBER 2023

The Martin Luther King, Jr. Center for Nonviolent Social Change

State funds primarily used for facility improvements

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Why we did this review

The House Appropriations Committee requested this special examination of The Martin Luther King, Jr. Center for Nonviolent Social Change (The King Center). Based on this request, we reviewed: (1) how state funds have been spent; (2) what improvements have been made at The King Center; and (3) how significant the state's contribution is to The King Center's operations.

About The King Center

Since it was founded in 1968 by Coretta Scott King, The King Center has sought to educate the public about the life, legacy, and teachings of Dr. Martin Luther King, Jr. Nearly one million people visit the center each year. The King Center also has online programs and training open to people around the world.

The state of Georgia has provided funds to The King Center since fiscal year 2017, totaling approximately \$2.5 million through fiscal year 2024. The funds are appropriated to the Georgia Department of Economic Development, which passes the funds directly to The King Center.

The Martin Luther King, Jr. Center for Nonviolent Social Change

State funds primarily used for facility improvements

What we found

The King Center has generally spent state funds on facility improvements. According to officials of The King Center, the improvements have helped repair the aging structure and made the facility more appealing to tourists and community members. State funding has been a small percentage of The King Center's revenue, but staff consider the funding to be significant to their operations.

The King Center has primarily spent state funds on improving facilities.

State funds provided to The King Center from fiscal years 2017 through October 2023 totaled approximately \$2.18 million and have primarily been used for facility repairs and updates. Approximately 26% remained unspent as of October 30, 2023, but officials have budgeted the funds for facility projects. Fiscal year 2024 appropriations of \$500,000 will not be spent on permanent facility improvements but instead have been directed to educational exhibits and marketing.

Facility projects undertaken with state funds include repairs and maintenance to ensure the safety of the staff and visitors, including addressing mold and asbestos issues, repairing water leaks, and eliminating trip and fall risks. The King Center also installed security cameras and a security booth to increase safety on the property. Other major projects include renovating the theater and repaving the parking lot.

State funding does not represent a large percentage of The King Center's revenue but is still considered an important funding source.

The King Center's net assets and revenue have both increased since they began receiving state funding, with the amount of state funding and other funding sources increasing accordingly. Contributions and grants from sources such as companies, charitable foundations and local governments are

also a significant source of revenue and have increased significantly over the same time frame. According to The King Center, state funding has been the primary source of financing for all the projects on which it was used. The King Center staff considers this funding to be critical to its operations.

What we recommend

This report is intended to answer questions posed by the House Appropriations Committee and to help inform policy decisions.

See [Appendix A](#) for a list of findings.

Agency Response: *The King Center and the Department of Economic Development agreed with the findings in the report.*

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Purpose of the Special Examination

This review of the state funding received by the Martin Luther King, Jr. Center for Nonviolent Social Change (The King Center) was conducted at the request of the House Appropriations Committee. Our review focuses on the following questions:

- How have state funds have been spent?
- What improvements have been made at The King Center?
- How significant is the state's contribution to The King Center's operations?

A description of the objectives, scope, and methodology used in this review is included in [Appendix B](#). A draft of the report was provided to the Department of Economic Development and The King Center for review, and pertinent responses were incorporated into the report.

Background

The Martin Luther King, Jr. Center for Nonviolent Social Change (The King Center) has a mission to “empower people to create a just, humane, equitable and peaceful world by applying Dr. King’s nonviolent philosophy and methodology.” Established in 1968 by Coretta Scott King, The King Center educates the public on the life, legacy, and teachings of Dr. Martin Luther King, Jr. by providing education and training resources to the general public, as well as resources targeted to students and educators. The King Center is a 501(c)3 nonprofit located in Atlanta.

While The King Center is an independent nonprofit organization, it has a close relationship with the national park system. The Martin Luther King, Jr. National Historical Park includes a Visitor Center, the D.R.E.A.M. Gallery (home of special exhibits), an “I Have a Dream” World Peace Rose Garden, and tours of Dr. King’s birth home and Ebenezer Baptist Church.

The King Center and the Martin Luther King, Jr. National Historical Park are visited by nearly one million people each year.

Facility

The King Center has operated in its current location on Auburn Avenue since 1981, with buildings and other components added over time. Significant aspects of the facility include the following.

- The Administration, Program, and Archives Building, completed in 1981, houses the Archives and King Library.
- Dedicated in 1982, Freedom Hall houses The King Center’s exhibit spaces, the Yolanda D. King Theatre, and the bookstore. The Freedom Hall has three main exhibits containing memorabilia and information. The

exhibits focus on Dr. and Mrs. King's role in the civil rights movement, Mahatma Gandhi, and Rosa Parks. The theater is used for events such as the Beloved Community Talks, discussed on page 3.



Coretta Scott King Memorial Garden

- The reflecting pool is the site of Dr. and Mrs. King's crypt. The crypt was placed in this location in 1970, and the reflecting pool was built around it in 1977.
- The eternal flame was installed in the 1980s and was refurbished in 2009. The eternal flame symbolizes Dr. King's ideals for the "Beloved Community."
- The Coretta Scott King Memorial Garden was established in 2023. The memorial was part of a three-project series of commissioned works designed to represent the contributions of historic women.



Reflecting Pool and Crypt of Dr. and Mrs. King

Education/Training

The King Center offers both online and in-person training and resources.¹ Educational programs are designed for workplaces and schools. The King Center also has a Virtual King Library and Archives, which includes primary source materials on Dr. King and the American Civil Rights Movement. An overview of education/training programs is below.

- **Nonviolence365 Program** – The Nonviolence365 program trains participants in Dr. King's nonviolence philosophy. Two online versions of the training are available—one for individuals and another for the workplace. The workplace edition is 3.5 hours and is geared toward conflict resolution and diversity in the workplace. The individual's edition is 16-18 hours and is geared toward cultivating skills "to create positive change in your home, school, workplace, and community." In addition, training for groups (up to 24 hours) is also available with virtual instructor-led or in-person options.
- **Virtual Beloved Community Leadership Academy** – The Virtual Beloved Community Leadership Academy is a 15-month program for students ages 13-18. The program includes guest speakers from various industries and focuses on "leadership and character development, entrepreneurship, and 21st-century innovation." According to staff, the program has students from all over the world.
- **Students with King** – The Students with King program is for elementary, middle, and high school students. It aims to help teachers bring the King legacy into the classrooms while providing literacy development, character-building, and social-emotional learning. This program is intended to teach students how to apply nonviolence in their environments.

¹ Following the COVID-19 pandemic, most training has been offered online.

Events

The King Center hosts community events such as the annual Beloved Community International Expo and periodic Beloved Community Talks.

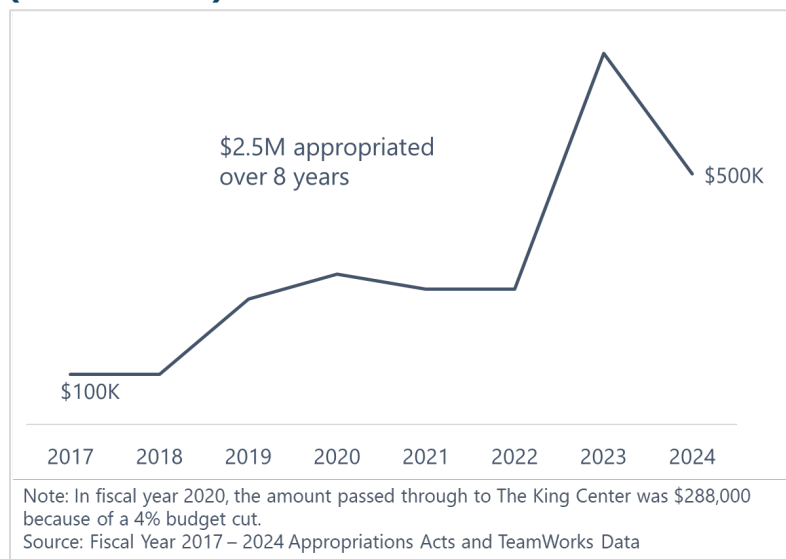
- **Beloved Community International Expo** – More than 20 nations participate in the annual expo, which includes performances, creative works, food, music, and dance. It is coordinated with the national park and the Atlanta Consular Corps.
- **Beloved Community Talks** – These panel discussions include business and community leaders, police officers, politicians, students, and others. Program goals include improving race relations, increasing engagement, and providing strategies for improving interracial relations. The talks occur at least quarterly and may be in person or virtual.

State Appropriations to The King Center

Since fiscal year 2017, the General Assembly has appropriated funding to The King Center via the Department of Economic Development's (GDEcD) Tourism program. As shown in **Exhibit 1**, appropriations have increased from the initial \$100,000, peaking at more than \$740,000 in fiscal year 2023 before decreasing to \$500,000 in fiscal year 2024. Since 2017, appropriations have totaled approximately \$2.5 million.

Exhibit 1

State Appropriations for The King Center Have Increased (FY 2017-2024)



Requested Information

Finding 1: The King Center has primarily used its state funds for facility repairs and improvements.

According to The King Center officials, state funds have almost exclusively been used to fund facility repairs and improvements. When signing the fiscal year 2024 appropriations act, the governor instructed that state funds could no longer be used on permanent facility improvements. As a result, future state funds are expected to be used for marketing and supporting new educational exhibits.

Between July 2016 and October 2023, The King Center received \$2.18 million in state funds through the Department of Economic Development's (GDEcD) Tourism program. (An additional \$333,333 has been appropriated but not disbursed in fiscal year 2024.) The stated purpose of the funds in the appropriations act has varied slightly over time but has generally referenced modernizing public space or making facility improvements. Because the recipient is named in the appropriations act, GDEcD views the funding as a pass-through and does not establish a contract, specify a purpose for the funds, or monitor expenditures.²

As of October 30, 2023, approximately \$1.61 million of the \$2.18 million received has been spent by The King Center. As shown in **Exhibit 2**, nearly all state funds have been used for facility projects and ongoing maintenance of The King Center's buildings and grounds. According to The King Center staff, state funding "has proven indispensable in addressing and rectifying" challenges related to the buildings' age.

Specific projects with expenditures of state funds through October 30, 2023—as reported by The King Center—are described below.³

- **Landscaping, Building, and Grounds (\$707,841)** – Approximately 32% of state funds received has been used for ongoing expenses related to maintaining The King Center's buildings and grounds. This includes addressing issues such as leaks, mold, asbestos, outdated piping, and heating and air condition concerns.

² GDEcD creates a purchase order and transfers the funds to The King Center in equal amounts each month. Three other programs also receive pass-throughs from GDEcD, and the funds are administered in the same manner.

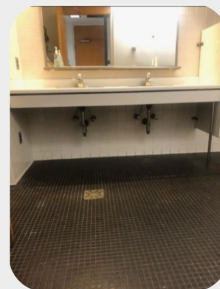
³ The King Center's accounting system reflects when state funds are used for a particular expenditure. The reported expenditures by project are based on The King Center's review of expenditures made between July 2016 and October 2023 and its categorization of expenditures made with state funds. We verified that selected expenditures were noted as paid with state funds in The King Center's accounting system. We determined that The King Center's identification of state fund expenditures was materially accurate.

Exhibit 2**State Funds Primarily Used for Facility Improvements, FY 2017-2024 spending as of October 30, 2023**

Source: The King Center

- Restroom Renovations (\$208,905)** – Approximately 10% of state funds received was used to renovate five restrooms in the administration building. This included structural repairs, along with upgrades to plumbing and fixtures, ventilation and air quality, and accessibility for individuals with disabilities. Renovation work also included asbestos and mold abatement.

Example of Restroom Renovation in the administration building of The King Center



Before



After

- Yolanda D. King Theatre Renovation (\$181,712)** – Approximately 8% of state funds received was used to renovate the theater. According to staff, state funds were used to repair the audio-visual system, lighting, and overall condition of the theater, including reupholstering the seats, replacing the carpet, refinishing the walls, and revitalizing the stage.

- **Freedom Hall (\$128,640)** – Approximately 6% of state funds received was used for roof repairs and lighting improvements in Freedom Hall.
- **Security Monitoring and Devices (\$76,135)** – Approximately 4% of state funds received was used to implement additional security on The King Center campus. This included installing 90 security cameras, placing exterior lighting around the campus perimeter, and installing fencing around the parking lot. The building's manual door locks were also replaced with advanced security keypads. Finally, funds were used to purchase a security guard booth at the reflecting pool.
- **Atrium (\$73,142)** – Approximately 3% of state funds received were used to renovate the atrium in the administration building. This included replacing the floors, which mitigated a tripping hazard, and converting the lighting to LED lights.
- **Beloved Community International Expo (\$70,099)** – Approximately 3% of state funds was used for the 2018 and 2023 Beloved Community International Expo, an annual event that celebrates Dr. King's vision. The Expo is put on in collaboration with the National Historic Park and the Atlanta Consular Corps (representing more than 20 countries and other key stakeholders) and is held on The King Center's campus.
- **Parking Lot (\$68,352)** – Approximately 3% of state funds received was used to resurface the public parking lot and allow for proper drainage (according to staff, standing water had at times rendered the lot unusable).
- **Other Projects (\$98,099)** – The remainder of the state funds expended (approximately 5%) has been used on smaller, one-time projects or programs throughout the period reviewed. Projects include lighting improvements, new flooring in various areas, and other small repairs (e.g., reflecting pool, exhibit hall, screening room). Programs include supplies associated with the March on Washington and Beloved Day.
- **Unspent Funds (\$571,993)** – Approximately 26% of state funds received between July 2016 and October 2023 remain unspent as of October 30, 2023. Staff indicated that The King Center plans to use the funds received prior to fiscal year 2024 (\$405,327) for facility-related improvements and repairs. These projects include roof repairs, tree limb removal, and installation of an accessible ramp for the Coretta Scott King Memorial Garden, along with other projects.

In the 2024 appropriations act, the governor included language that the \$500,000 designated for The King Center could not be used for facility

improvements because it is not state-owned property.⁴ Rather, funds should be used for “educational exhibits.” The King Center staff indicated that future state appropriations will support marketing and new educational exhibits.

The King Center Response:

“The King Center utilized the state funding allocated for the fiscal years 2016-2018 to enhance the campus in various ways. First and foremost, we addressed safety concerns by making necessary repairs to the pavers across the campus, significantly reducing trip hazards.

“In addition, we dedicated efforts to create a serene environment for our visitors. This included the establishment of a designated space where guests can comfortably enjoy the tranquility of our campus, whether for lunch or moments of reflection following their exploration of our exhibits. The generous state funding we received also enabled us to offer immediate access to the six principles and steps of nonviolence, a cornerstone of Dr. Martin Luther King Jr.'s legacy. These principles have been thoughtfully etched into the campus walls, alongside inspirational quotes from both Dr. King and Mrs. Coretta Scott King. This initiative was undertaken with the understanding that not all visitors may have access to our website, and we wanted to ensure that they could readily engage with the philosophy and methodology of nonviolence while on the premises.

“In sum, these enhancements, made possible through state funding, have not only improved safety and the visitor experience but also expanded the reach of Dr. King's teachings to a broader audience.”

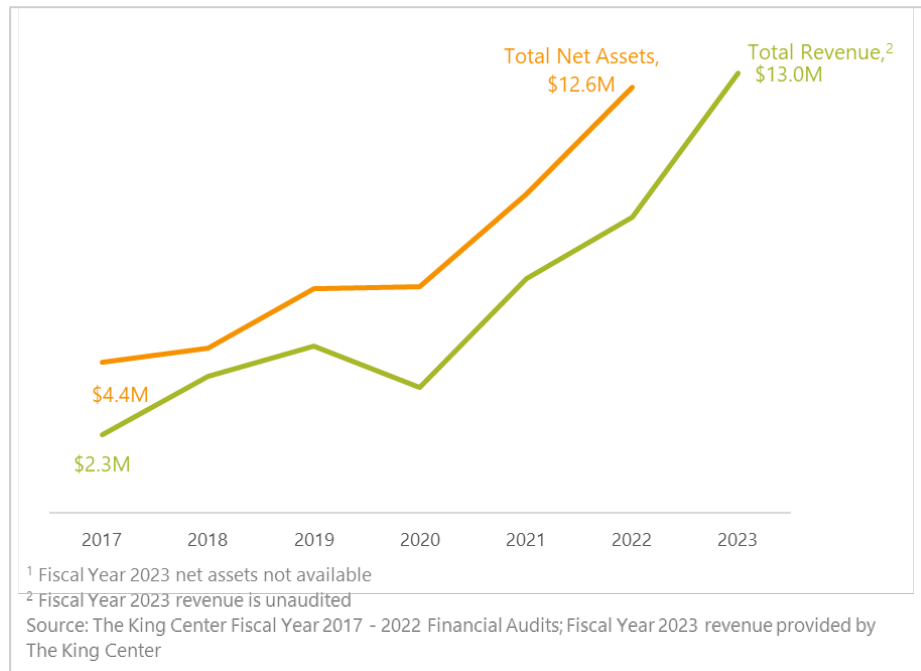
Finding 2: State funding represents a small portion of The King Center’s annual revenues, though staff indicated it is an important funding source.

The King Center’s financial position has improved during the time it has received state funds. Although state funding is not a significant portion of The King Center’s revenue, center officials indicated that it has been important to many updates that have made the facility more appealing to visitors.

As a result of the increased revenue from a variety of sources, The King Center's financial position has significantly improved in recent years. As shown in **Exhibit 3**, net assets have nearly tripled, from \$4.4 million in fiscal year 2017 to \$12.6 million in fiscal year 2022 (the latest year available).⁵ Revenue has significantly increased between fiscal year 2017 and 2023, increasing from \$2.3 million to \$13 million.

⁴ The governor’s instructions referenced an attorney general opinion (67-115) that concluded state funding cannot be used for permanent facility improvements at non-state owned property.

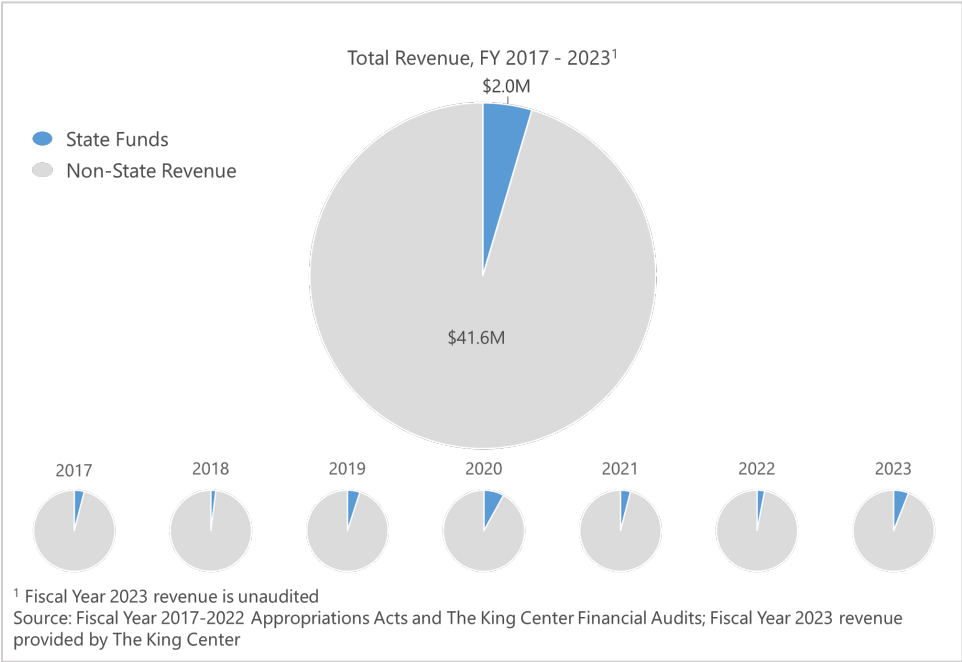
⁵ The King Center’s fiscal year is July 1 through June 30.

Exhibit 3**The King Center's Net Assets Have Nearly Tripled, FY 2017-2022¹**

State funds represented 5% of The King Center's total revenue received between fiscal years 2017 and 2023, ranging from 2% to 8% of revenue each year (see **Exhibit 4**). While state funding has increased over the period, other funding has increased as well. Contributions and grants from sources such as companies, charitable foundations, and local governments are also a significant source of revenue and have increased significantly over the same time frame. The King Center officials indicated that the increase in philanthropic giving was primarily due to the murder of George Floyd and that overall giving has declined since. The decline is not yet evident in The King Center's revenue, as shown in **Exhibit 3**.

While state funds are not a large percentage of total revenue, staff indicated that they have served as a significant funding source for projects intended to update the facility and make it more appealing to visitors (see **Exhibit 2** and page 5 for a description of the projects).

Exhibit 4
State Funds Represent a Small Portion of The King Center’s Revenue, FY 2017-2023



Appendix A: Table of Findings and Recommendations

	Agree, Partial Agree, Disagree
Finding 1: The King Center has primarily used its state funds for facility repairs and improvements. (p. 4)	Agree
No recommendations included	
Finding 2: State funding represents a small portion of The King Center’s annual revenues, though staff indicated it is an important funding source. (p. 7)	Agree
No recommendations included	

Appendix B: Objectives, Scope, and Methodology

Objectives

This report examines the state funding provided to The Martin Luther King, Jr. Center for Nonviolent Social Change (The King Center). Specifically, our examination set out to determine the following:

1. How have state funds have been spent?
2. What improvements have been made at The King Center?
3. How significant is the state's contribution to The King Center's operations?

Scope

This special examination covered activity related to the use of the state funds by The King Center that occurred during/from fiscal year 2017 through fiscal year 2024. Information used in this report was obtained by reviewing relevant laws, rules, and regulations; interviewing agency officials and staff from The King Center and the Georgia Department of Economic Development; conducting site visits of The King Center; reviewing The King Center's financial audits; and obtaining project descriptions from The King Center.

With the exception of appropriations acts and The King Center financial audits, all information obtained is testimonial information reported by The King Center.

Government auditing standards require that we also report the scope of our work on internal control that is significant within the context of the audit objectives. Due to the nature of this special examination request, none of our objectives included internal control work.

Methodology

To determine how state funds have been spent, we interviewed The King Center staff and obtained descriptions of the projects completed. We compared the amount of state funds reported as spent by The King Center to the appropriations acts to ensure that the amount reported was complete. We reviewed selected transactions that The King Center identified in its accounting system as paid with state funds and determined that The King Center's identification of state fund expenditures was materially accurate. While we concluded that the information was sufficiently reliable for the purposes of our review, we did not independently verify the data.

To determine what improvements have been made at The King Center, we interviewed staff from The King Center about the improvements made and toured The King Center to observe improvements.

To determine how significant the state's contribution is to The King Center's operations, we interviewed The King Center staff about the importance of state funds to overall operations and for the individual projects funded. We also reviewed The King Center's financial audits to determine how its financial position has changed since fiscal year 2017 and to calculate (with information from the appropriation acts) the portion of total and unrestricted funds that are provided by the state.

We treated this review as a performance audit. We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our

findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

If an auditee offers comments that are inconsistent or in conflict with the findings, conclusions, or recommendations in the draft report, auditing standards require us to evaluate the validity of those comments. In cases when agency comments are deemed valid and are supported by sufficient, appropriate evidence, we edit the report accordingly. In cases when such evidence is not provided or comments are not deemed valid, we do not edit the report and consider on a case-by-case basis whether to offer a response to agency comments.

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