

Museum Results

Your Monthly Resource for Philanthropic News
from Alexander Haas

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TRANSFORMING INSTITUTIONS THAT TRANSFORM LIVES

First Things First



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from the Texas desk of
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Year-End Giving in a Pandemic

In normal times, museum development shops operate on a natural, predictable rhythm, with exhibition openings, galas and special events, the summer slowdown and the traditional year-end appeal. But since March, nothing about this year has been normal. With so many of our usual fundraising tactics out the window due to COVID-19, year-end giving will be more critical now than ever before.

This is typically the time museums plan for their year-end appeal. With many development officers still working from home and the unknowns of how the pandemic will continue to unfold, this year's processes will be more difficult than usual. Letters like these often focus on educational programs presented, exhibition attendance, and other highlights of the year. Some museums have reopened in recent weeks, but many are still dark, with no opening date in sight. At this point, institutions are simply focusing on how to hold on and make it through these challenging times.

As you contemplate your strategy for the year end, here are a few practical tips to consider:

Be Timely. Donors will receive a larger than usual amount of solicitation mail this fall, especially since this is an election year. Plan for your letter to arrive in mid-October, giving you the opportunity to send a second, more focused appeal to a smaller list around Thanksgiving. For those working from home, be sure to plan around the challenges of mass printing if you're not in the office. If you use a mail-house, don't forget that your vendor's schedule might be flooded with extra political mail.

Be Transparent. Your donors and members understand that this is not a typical year and that your need is greater than ever. Without going too far into the weeds, tell them the story of how your museum has been impacted by the pandemic. Focus on programs and services more than the financials. Help them understand how their

gift will advance your museum's mission, not just balance the budget.

Be Optimistic. The fundraising guru Harold J. Seymour wrote that an effective appeal must both stir the mind and warm the heart. Talk about how your museum will come through this ordeal like a phoenix rising from the ashes. This pandemic will be over someday, and your organization will be stronger and more efficient having come through it.

Be Realistic. 2019 was a record year for giving to the arts, but it is difficult to predict how donors will respond at the end of this unusual year. Although there is much pressure for your year-end appeal to perform well, set your goal conservatively to set realistic expectations.

As we look back on 2020 and the disruption to our comfortable rhythms, perhaps we'll realize that the changes we were forced into by the pandemic resulted in fresh new approaches that found their way into our new status quo – a worthy outcome from the difficulties we're living through today.

Your donors and members care deeply about your museum and its success and many of them have supported your organization through challenging times in the past. As you undertake your important year-end fundraising, know that all of us at **Alexander Haas** wish you the best and always welcome the opportunity to help if needed.

YOU HAVE UNIQUE CHALLENGES.

We have fundraising solutions.

We will give you 30 minutes of counsel to help jumpstart your fundraising*

**free time*

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TODAY**

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News You Can Use

Arts Nonprofits Received \$1.8B in PPP Loans

Although nonprofit arts organizations have received \$1.8 billion in federal Paycheck Protection Program loans since the program was launched in late March, the amount falls far short of the \$9.1 billion in COVID-related revenue losses suffered by nonprofit arts and cultural organizations to date, an analysis by Americans for the Arts finds.

According to an analysis of government PPP loan data:

- Arts and creative industries received 173,243 loans totaling \$13.7B, temporarily saving some 1.1 million jobs.
- Nonprofit arts organizations received almost 10,000 loans totaling \$1.8B and retained 176,261 jobs.

An analysis of data for each of the 53 arts industry categories received 7,281 PPP loans totaling \$1.43 billion:

- museums (\$582.8M)
- theater companies (\$177.3M)
- botanical gardens & zoos (\$158.1M)
- performing arts and sports promoters with their own facilities (\$143.8M)
- fine arts schools (\$126.2M)
- libraries and nonprofit archives received (\$70.4M)

Southern Arts Underfunded

The nonprofit arts and culture sector in the South is seriously underfunded and the funding that is available is inequitably distributed, a report commissioned by Ignite/Arts Dallas at SMU Meadows School of the Arts and AlternateROOTS finds.

According to the report:

- The 2017 Foundation Center/Candid data shows that the arts sector in the South receives only \$4.21 on a per capita basis in philanthropic support, compared with nearly \$8 in the West, \$9 in the Midwest, and more than \$16 in the Northeast.
- Between 2015 and 2017, the 12% of arts and cultural organizations in the South that had annual budgets of at least \$10 million received between 49% and 62% of total foundation funding for the arts.
- State arts agencies in the South awarded about \$0.50 on a per capita basis in 2016, while 9% of grants and only 2.5% of grant dollars awarded between 2007 and 2016 went to individual artists and 27% of grants but only 15.1% of grant dollars went to non-metro-area grantees.

Read the full report [here](#).

We Think You Should Know

New Survey Looks at Fundraising Activities

More than half of charitable organizations in the United States are expecting to raise less money in 2020 than they did in 2019, and an equal percentage believe the same will occur in 2021, according to the Association of Fundraising Professionals' (AFP) Coronavirus Response Survey. More than 850 fundraisers in the U.S. participated in the survey distributed to all AFP members in May.

Key Highlights from the Survey

- Compared to the first quarter of 2019, 33% did not see any changes in fundraising totals, while 31% saw increases and 35% saw decreases.
- More than half of respondents—57%—expect to see decreases in giving in the second quarter. Only 25% expect an increase, while 18% believe giving to their charity will remain the same.

- 56% of respondents expect to raise fewer funds in 2020 compared to 2019, while 21% predict organizational funding will increase, and 23% believe fundraising totals will remain the same.
- Three out of 10 human service charities said they expect to raise more funds in 2020 than in 2019, six percentage points higher than any other subsector. Larger organizations also expect to do better with their fundraising.
- Almost half of charities report increasing their fundraising activity now because of COVID-19, while 44% will keep their fundraising at normal levels throughout the year. Only 7% of organizations plan to decrease their fundraising.
- When asked which types of fundraising they will focus on more in 2020, 82% of respondents selected activities related to donor retention and stewardship, with 78% of respondents saying they would focus on social media, online and virtual events, and 75% selecting email as a priority.
- 74% of respondents submitted a grant for funding through the CARES Act, and 66% successfully received funding through this legislation. The CARES Act also included a limited universal charitable deduction provision, and 44% are using the new deduction in their fundraising solicitations.
- Nearly 64% have had to cancel at least one fundraising event, and 24% have canceled three or more events. At the same time, more than 50% have switched at least one in-person event to a virtual event, with 14% converting three or more events into online experiences.
- 9 in 10 respondents indicated they are now working from home, with 45% their organization was "well prepared" for this shift and 38% believing they were "somewhat prepared."

We Want You to Know

Transforming Institutions



American Folk Art Museum in New York, NY is a new Client Partner. We are thrilled to be working with them.

For more than 30 years, Alexander Haas has been a fixture in the nonprofit community. We are honored to have worked with some of the largest, and some of the smallest, cultural organizations that help make our country a better place to live.

[Take a look at all of our past and present museum Client Partners.](#)

Face It: Museums are Different Our Transformational Museum Services

Alexander Haas serves a cross section of museums throughout the country. We specialize (and delight in) what makes you distinctive. As a museum, you have different needs at different times. We can help you create real results.

[Read all about them!](#)

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