

Encore

A Spotlight on Philanthropy in the
Performing Arts

Alexander Haas
TRANSFORMING INSTITUTIONS THAT TRANSFORM LIVES

First Things First



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www.fundraisingcounsel.com



from the organized desk of
Nancy E. Peterman | Partner

Setting the Stage for Gifts that Keep Giving

A vice president for advancement who read something our firm wrote several years ago on conducting an endowment compliance audit contacted us recently. She mentioned this is a present concern for her organization because it had not been a priority of those who preceded her.

Unfortunately, throughout the years, there have been numerous public cases where donors or their heirs believed that the terms of an established endowment were not carefully followed. Most notably is the case at Princeton University involving the A&P grocery chain heirs, and their very public case against the University.

Search the term "endowment misuse" and links to a number of articles will appear. It is wise to carefully monitor endowment funds, not only for investment growth, which is often the primary concern of boards or investment committees, but also to ensure the intent of the donor is at the forefront.

For organizations with a low threshold for endowment creation, over the years, the number of funds grows much faster than the staff monitoring the use of funds. Automation helps with labeling and categorization of line item expenditures, but human oversight from time to time is invaluable.

Providing good stewardship for endowments requires advance work.

[Here are several steps to keep in mind:](#)

**Best of the Web:
Navigating the New Tax Laws**

This new calendar year brings with it a number of tax policy changes that will undoubtedly impact nonprofit organizations. Nonprofit leaders - particularly board members - seek quick information and statistics to navigate this new landscape.

A great resource for this type of information is **Independent Sector**, the only national organization that brings together nonprofits, foundations and corporations engaged in every kind of charitable endeavor.



From current updates on policy related to nonprofit organizations, to statistics dealing with volunteerism, this organization provides a one-stop site to provide you with recent data and information.

Of current interest are two resources related to the changes in the tax laws:

[**2017 Final Tax Bill Summary**](#)

[**2017 Final Tax Bill Dashboard**](#)

The **National Humanities Alliance** is also on the forefront of providing a unified voice on issues like tax reform and charitable giving that confront the arts sector. **Humanities Advocacy Day 2018** is March 11 - 13 in Washington, DC.

[**To learn more..**](#)

Data is useful - but only if utilized!
Are you collecting data from your donors?

“

YOU NEED TO CAPTURE INFORMATION FROM GUESTS ATTENDING YOUR FUNDRAISING EVENT. OTHERWISE, YOU HAVE NO OPPORTUNITY TO RE-ENGAGE WITH THEM.

-David King, President & CEO



About That Bumpy Ride...Don't Panic

Last month, Alexander Haas President & CEO David King wrote in this very newsletter that the new tax laws, put in place in January, would no doubt have some effect on philanthropic giving. He cautioned then that the next few months could get bumpy for fundraisers.

This month, ***The Chronicle of Philanthropy*** turned to David when reporting on new bumpy challenges for the philanthropy community....the Dow Jones decline. On February 5th, the Dow experienced its worst point drop in history. On February 8th, investors saw the second-worst point drop.

First tax rules, now the stock market...smells a lot like the Great Depression of 2008, which punched giving squarely in the gut.

from the article

"When we see a drop in the Dow, we flash back to the fall of 2008 and think the sky is falling," says David King, chief executive of Alexander Haas, a fundraising consulting company in Atlanta.

But experts say the Chicken Littles should chill - at least for now. A market crash is defined as an abrupt decline of 20 percent or more in value, as in 2008. So far, stock values have declined by no more than 10



percent compared with the year's high, far from crash territory.

"We saw organizations stop capital campaigns in 2009. But that's not where we are now," King says.

[**Go here to read the article \(subscription may be required\)...**](#)

We'd Like You to Know....

Transforming Institutions

We are proud of our long history of providing fundraising consulting services to performing arts organizations.

[**Check out our past and present clients here.**](#)

Face It: Arts Organizations are Different

Our Transforming Fundraising Services

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

[**Read all about them!**](#)



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