

Museum Results

Your Monthly Resource for Philanthropic News
from Alexander Haas

Alexander Haas
TRANSFORMING INSTITUTIONS THAT TRANSFORM LIVES

First Things First



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www.fundraisingcounsel.com



from the standing-desk of
David H. King | President & CEO

Ways Small Museums Can Improve Fundraising

Museums of all sizes can experience cash shortages, and many do: Around half of U.S. nonprofits have less than one month of operating reserves, according to a recent study.

Nearly two-thirds of charities have annual budgets of less than \$1-million, which makes them similar to small businesses in terms of spending and revenue. Museums face many of the same challenges as their commercial counterparts. They are under-capitalized, lack reserves to withstand a crisis or act on a special opportunity, and struggle to stay afloat from one pay period to the next.

So, how can small museums overcome these obstacles and improve their financial health?

1. **Be proactive and diligent about building an operating reserve.**

Even if it's just \$500 a week, get in the habit of setting money aside. Too often, nonprofits try to accumulate a large lump sum before transferring it to reserves. It's never the right time to let go of a big sum, so move money into a reserve account in small, regular increments. This method will help you create a meaningful reserve without hampering cash flow.

2. **Don't focus on raising endowment funds.**

That may seem counterintuitive, even heretical, but here's my logic: If a nonprofit has a \$1-million budget and raises \$1-million for an endowment, at a 5% annual spend rate it would receive just \$50,000 each year. That's a lot of money being held captive rather than providing meaningful support. If the museum should need cash to stay afloat, in most cases it would be prohibited from accessing the endowment corpus, the original assets.

In contrast, if that same museum raises \$1-million in operating reserves or

establishes a quasi-endowment - a board-designated investment fund with fewer restrictions than a true endowment.....

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Best of the Web:

3 Ways to Keep Your Donors Coming Back

According to the **2018 Nonprofit Leadership Impact Study** released by **NonProfit PRO** and **MobileCause**, "Donor loyalty is a priority area of focus for nonprofits, which was rated as the most important outcome when measuring their organization's annual success." Retaining donors is a big deal.

So, what influences donors to come back year after year to your organization? Let's take a look at the top three reasons donors cite for giving in the **2017 U.S. Trust Insights on Wealth and Worth**, and how you can use this knowledge to keep your donors loyal to your organization. Alexander Haas Managing Partner Arthur Criscillis talks about what matters in this piece on NonProfitPRO.com.



Turn their **NO** into a **YES!**

DOWNLOAD YOUR FREE GUIDE:
Overcoming Objections

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The graphic features a grey background with a purple rectangular box in the center. Above the box, the words "Turn their NO into a YES!" are written in a white serif font. "NO" is enclosed in a yellow speech bubble, and "YES!" is in a green speech bubble. The purple box contains the text "DOWNLOAD YOUR FREE GUIDE:" in white uppercase letters, followed by "Overcoming Objections" in a large, white serif font. At the bottom of the graphic is the Alexander Haas logo, which includes the name "Alexander Haas" in a white script font and the tagline "TRANSFORMING INSTITUTIONS THAT TRANSFORM LIVES" in a smaller, white sans-serif font below it.

Get to Know...

Team Member Spotlight:

Judy Anderson

Meet **Judy Anderson**, Museum Services Project Director for Alexander Haas. Judy has been a vital part of Alexander Haas's museums, arts, and culture team since she joined the Firm in 2002. Her first assignment with Alexander Haas was the **High Museum of Art's** capital and endowment campaign, *A New High for Atlanta*, which resulted in three new buildings for the High, restoration of its original building, and endowments benefitting education, exhibitions, collections and curatorial posts.

Over the past 15 years at Alexander Haas, Judy has worked with museum clients across the South and literally from coast to coast. Judy brings a passion for the arts, fundraising experience, and top-notch organizational skills to serve our clients. We know why we love working with Judy, but let's hear what she loves about working with museums and the arts. She's got insights on current industry trends, too.



[Don't miss this *spotlight*...](#)

Listen & Learn....

Mentorship & Advancement

Philip Mazzara, President and CEO of Providence Health Foundation joins Alexander Haas President and CEO, David King to share steps along his career path from advancement to fundraising and how mentorship helped shape that journey. Philip and David also discuss the challenges and rewards of capital campaigns and what the future of sector philanthropy looks like.



Catch a new episode of Futures in Fundraising each month on Tuesdays at 10:00 am (EST) on Facebook Live. To download this show and catch up on others, find us on iTunes.

[Listen up, this is good stuff...](#)

We'd Like You to Know....

Transforming Institutions

We are proud of our long history of providing fundraising consulting services to museums across the country.

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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