

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 stand-up desk of
David H. King | President & CEO

Well, That Was Fun...NOT!

One year ago, almost to the day, I wrote in this newsletter a column entitled “What Does 2020 Have in Store for US?” The first paragraph of that column said this:

I've seen a lot of people referring to 2020 as the start of the Roaring 20s. I assume they are harkening back to the days of great growth and prosperity in the United States following World War I. I'm not sure if 2020 will usher in the second coming of the Roaring 20s, but it does promise to be an interesting year for philanthropy.

“Interesting” I said. Well, I’m not sure that is the word that I would use in retrospect, but it was “interesting”, I guess. Perhaps instead of the *Roaring 20s* we were just off a couple of years and what we really were preparing to repeat was the Spanish Flu Pandemic of 1918. I’m not slandering Spain or the Spanish people, that is actually what it’s called – Google it.

At any rate, I feel like I/we have lost a year of our lives, so I’m going to revisit what I thought would be so interesting in 2021 and see if we get a reset for 2021.

1) I felt we would finally have enough data to determine if the 2017 tax bill and the “bundling of gifts” phenomena had really happened and would have a negative impact on giving in 2019. I’m still not sure that we have an answer on that one. We saw a record year of giving in 2019, but there still seems to be a trend of fewer donors for many organizations even with increased donation totals. I’m not sure what value the 2020 data, which *Giving USA* will release in June, will have for us. Can we really take anything that happened in 2020 and use it as a benchmark? With the massive shutdowns and resulting layoffs we are almost certain to see that trend of fewer donors pick up speed. But what about total giving? There were great needs to be met. Did those who were able give more make up the difference. At the risk of jinxing us again, that will be interesting to see.

2) I thought, given the divisiveness of the country and the “high stakes” nature of the 2020 elections, we might see political giving draw funds away from charitable giving. Historically that had not been the case, but I thought the highly charged emotions might push people to diverting funds away from their favorite charity to support political campaigns. We do know that records amounts of money were spent by political campaigns in 2020. But, because of the impact the pandemic had on the economy we may never know if a decline in giving (if there was one) was due to the pandemic or a shift toward political

giving.

3) I suggested that if the stock market, specifically the S&P 500, continued its strong 2019 performance into 2020 that we could see a significant increase in giving since the performance of the S&P is highly correlated to giving. We certainly saw huge increases in the stock market. But in an almost nonsensical way, these increases were happening as the economy was being put on ice by the pandemic. With the S&P's history as a predictor of giving behavior hold in the face of a global pandemic?

4) Finally, I said the following:

Add to that the fact that disposable household income is on the rise. There are three factors contributing to this rise: 1) unemployment is at an all-time low; 2) wages are increasing faster than inflation across all income demographics; and 3) the 2017 tax cuts lowered rates for most people, meaning more disposable income in the paycheck. A rise in disposable household income is also a strong leading indicator of the trend for giving; but is it enough to offset the impact of the increased federal standard deduction that has reduced the number of itemizers.

Well, #1 got blown out of the water before the first quarter was even up. That dragged #2 down right along with it and as for #3, lower tax rates don't mean much when you have lost your source of income.

I closed the column last year with this:

What does all this mean? Well, if I could predict that I'd be living on my own private island somewhere. But, what I do know is that we live in interesting times.

Well, I still don't know what it all means, but I do know that private island would have really, really, really come in handy in 2020. As for the "interesting" times, well I'm not sure that would be the adjective that first comes to mind. Nor am I sure the one that does is suitable for publication in our family friendly newsletter.

Hang in there people. This too shall pass — it may be like a kidney stone, but it will pass.

We Think You Should Know

Nonprofits Would Be Eligible for New Federal Aid Under Biden Stimulus Plan

When President Biden took the oath of office on January 20, he brought with him a new \$1.9 trillion stimulus proposal that would allow nonprofits to participate in a new loan program and draw from a \$3 billion economic development fund. The plan also contains multiple measures that might relieve the stress on nonprofits and foundations to provide aid to Americans in need.

Grants from the economic development fund could be used for "initiatives that support bottoms-up economic development and enable good-paying jobs." The plan says that "state and local government entities, tribal institutions, institutions of higher education, and nonprofits" would be eligible to draw on the \$3 trillion fund.

The stimulus bill enacted in December:

- Provides \$15 million in "Grants for Shuttered Venue Operators" for live venue operators, including museums, who demonstrate a 25% reduction in revenues.
- Nonprofits won a one-year extension of the temporary charitable deduction available to people who don't itemize their taxes and another round of forgivable Paycheck Protection Program loans.

- Two new Smithsonian museums dedicated to Latinos and Women were approved to move forward. *COP, 1-15*

Museums Advocacy Day 2021

Feb 22-23

With **Museums Advocacy Day** taking place virtually this year, advocating in support of museums in February 2021 will look different than in past years, but it will be more important and impactful than ever before. Following the elections and the convening of the 117th session of Congress, it will be critical to join forces with fellow museum supporters and professionals to make our voices heard with legislators and their staff.

The full Monday, Feb. 22 program will take place online. For Tuesday, Feb. 23, Congressional meetings to be held virtually will be scheduled with Capitol Hill offices, designed for lawmakers, staff, and advocates to participate by video or phone. For more information on how you can get involved we urge you to go [here](#).

Movers & Shakers

Jenny Wensink was named director of development at the **Toledo Museum of Art**. She was most recently director of annual giving and alumni relations at Bowling Green State University. *COP, 1-15*

The **Guggenheim Museum** (NYC) named **Naomi Beckwith** deputy director and chief curator. She is currently the senior curator of the Museum of Contemporary Art Chicago. Beckwith will be the first Black curator to hold her new position at the museum. *ARTnews, 1-14*

Heidi Zuckerman was named director and CEO of the **Orange County Museum of Art** (CA), replacing **Todd Smith** who departed the summer of 2020. From 2005 to 2019, she was the director of the Aspen Art Museum in Colorado. Zuckerman has also held positions at the Jewish Museum (NY) and the Berkeley Art Museum and Pacific Film Archive (CA). *ARTnews, 1-13*

The **Wharton Esherick Museum** (Malvern, PA) received a \$10 million grant from the **Windgate Foundation** for its endowment. *COP, 1-13*

The **Butler Institute of Art** (Youngstown, OH) received artworks valued at \$3.4 million from the **David W. Bermant Foundation**. The gift comprises 98 twentieth-century works of art. *NPD, 1-11*

Evan Hopkins Turner, whose leadership of several institutions in the U.S. and Canada helped cement their stature as art-world destinations, has died at 93. Over the course of his decades-long career, Turner directed the Philadelphia Museum of Art, the Cleveland Museum of Art, and the Montreal Museum of Fine Arts. Early on, he was regarded as a wunderkind, and his star never burned out during his years in the field. *Philadelphia Inquirer, 12-26-20*

The **John S. and James L. Knight Foundation** has announced grants totaling more than \$7.2 million to help arts and cultural institutions adapt, innovate, and promote equity both during and after the coronavirus pandemic. Recipients include, among others: **Levine Museum of the New South** \$600,000 (Charlotte, NC) and **San Jose Museum of Art** \$250,000 (CA). *NPD, 12-21-20*

The **Andrew W. Mellon Foundation** awarded emergency COVID-19 grants totaling \$3 million in support of small museums. Recipients include, among others: the Art Museum and Visual Arts Program at the **National Hispanic Cultural Center** (Albuquerque, NM); **California African American Museum** (Los Angeles), **El Paso Museum of Art** (TX), **Kalamazoo Institute of Arts** (MI), **New Orleans African American Museum** (LA), and **Tucson Museum of Art** (AZ). *NPD, 12-19-20*

Alyssa Nitchun was named executive director of the **Leslie-Lohman Museum of Art** (NY). Most recently she was acting executive director at Creative Time, where she was previously deputy director

and director of external affairs. She succeeds **Laura Raicovich**, who served as interim director during the museum's temporary closure this year. *COP, 12-18-20*

The **Lilly Endowment** awarded \$8 million to the **Smithsonian Institution** (DC) to establish a *Center for the Public Understanding of Religion in American History* and a dedicated gallery at the **National Museum of American History**. The foundation also awarded \$43 million to 18 museums and other cultural institutions to cultivate educational programs and exhibitions that depict the role of religion in the United States and around the world. *NPD, 12-15-20*

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Encouraging Giving News

Early Reports Indicate 4th Quarter Growth in Giving

As we await detailed fourth quarter philanthropic-giving data, let's look at what we know so far, including the optimistic third quarter numbers from the Fundraising Effectiveness Project's 2020 Third Quarter Report (FEP), which is administered by the Association of Fundraising Professionals (AFP) Foundation for Philanthropy in collaboration with GivingTuesday.

Donors in the U.S gave an estimated **\$2.47 billion dollars on GivingTuesday 2020**. This was a 25% increase over the previous year's total and represented a similar increase in participation.

Even in the midst of the ongoing impact of the COVID-19 pandemic, charitable giving grew by 7.6% during the first nine months of 2020 compared to the same time period in 2019; the second consecutive quarter of strong growth in giving. The FEP 2nd Quarter Report found giving at the halfway point in 2020 ahead of the 2019 pace by 7.5%, so the growth in the third quarter continues the upward trend. The increases are especially notable given that at the close of the first quarter, 2020 giving was down by 6% compared to 2019.

The rate of growth in the overall number of donors slowed a little in the third quarter (from 7.2% after the second quarter to 6% after the third quarter compared to 2019). The increase in donors is led by the number of new donors, up 11.7% compared to 2019. The only area of significant decline is in new repeat donors—donors who gave for the first time to a charity in 2019 but haven't given again to the same charity in 2020 so far—down 10.3%.

The increase in giving and number of donors for the first three quarters of 2020, compared to 2019, sets up nonprofits for a potentially very successful final three months of the year. There may be a sense of

optimism among donors with the COVID-19 vaccine beginning to be distributed.

We Want You to Know

Transforming Institutions



We are honored to continue our Client Partner relationship with the **Georgia O'Keeffe Museum** in Santa Fe, NM.

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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