

Museum Results

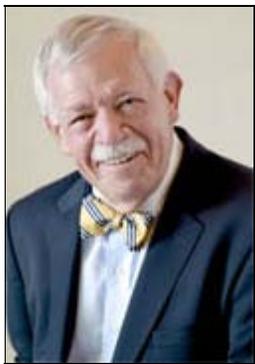
Your Monthly Resource for Philanthropic News
from Alexander Haas

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from the coastal-desk of
David T. Shufflebarger | Senior Partner

First Principles

A friend gave me Thomas Ricks' recent book, **First Principles**, an examination of the impact of the Greek and Roman classics on the thinking of our first four American Presidents. As a political science major and a recovering Virginian, I immediately took to it and was delighted by Ricks' portrayal of how Washington, Adams, Jefferson, and Madison were influenced by the classics in their approach to governing with a central theme of virtue. (Just in case you missed it, three of the four are from Virginia).

Now, you may wonder, what place does this have in a newsletter devoted to philanthropy? Well, *First Principles* reminded me of what influenced me the most and shaped my thinking about our work in development. My two classics are *Designs for Fund-Raising* (1966) by Harold J. Seymour and *The Raising of Money: Thirty-Five Essentials Every Trustee Should Know* (1983) by James Gregory Lloyd. I suspect I am not alone in having been greatly impacted by their enduring wisdom.

To be sure much has changed in the 55 years since Seymour and the 38 years since Lloyd put pen to paper. Indeed, when the Fund Raising Institute published a second edition of Seymour's work in 1988, it included annotations from Charles E. Lawson, the then Chairman and CEO of Brakeley, John Price Jones, to reflect changing trends in the 22 years since it was first published. While Lawson cited 21, most of them were statistical updates. The major changes noted included the increasing role of women, computers, and phone-mail; annual giving becoming a year-round program; and Seymour's rule of three in campaigns (one third of the total from the top 10 gifts, one third from the next 100, and the final third from all of the rest) morphing into 40-40-20 (40% from the top 10 gifts, 40% from the next 100, and 20% from all the rest). Alexander Haas updated that with our study focusing on the outsized role of the top 10 gifts which we presented to the *CASE Annual Assembly* in 2006.

But while much has changed including the role of social media, the sophistication of prospect research with predictive modeling, and the use of artificial intelligence, the core principles endure. Indeed, as I reviewed Lloyd's 35 essentials, all ring true today and are well worth repeating:

1. Organizations Have No Needs
2. Seek Investment, Not Charity
3. Position Your Organization Relative to its
19. People Prefer Structure
20. Take One Step at a Time
21. Scheduling Creates Momentum

Competition

4. Listen to the Donor Community
5. Listen to What Each Donor Has to Say
6. Donors Will Tell You What They Want
7. Make Your Case Larger Than the Institution
8. Go for the Gold
9. Create Authentic Involvement
10. The Process of Planning is More Important Than the Plan Itself
11. Share Your Plans Without Asking for Money
12. Use a Feasibility Study to Build a Strategy
13. If You Seek Average Gifts, You Get Below-Average Results
14. A Few Will Do the Most
15. The Early Donor Sets the Pace
16. Trustees Have an Opportunity, Not an Obligation
17. Staff Giving Lends Credibility
18. Make Great Investments Possible
22. Build a Sense of Campaign
23. Create a Climate of Universality
24. Winning is Fundamental
25. Meetings Keep Things Moving
26. People Give to People
27. The Right Person Makes the Difference
28. The One Who Asks Must First Give
29. See Each Prospect Face to Face
30. Ask for a Specific Amount; As for Enough
31. Qualify the Prospect
32. Tenacity Prevails
33. Ask for the Order
34. The Donor Deserves Good Stewardship
35. The Best Advocate is Both Donor and Volunteer

Underlying all of this is the principle that ours is a virtuous endeavor, exemplified by Seymour's inclusion of a quote from John R. Mott the legendary leader of the YMCA:

Blessed are the money-raisers. For in Heaven they shall stand next to the martyrs.

Meet Us in Chattanooga....

Alexander Haas at SEMC

Last year's **Southeastern Museums Conference** (SEMC) went virtual. This year's annual meeting will be held in person in Chattanooga, Tennessee, October 25-27. Once again, museum professionals will gather to learn, share and connect during the three days filled with educational sessions and networking opportunities.

Alexander Haas Partner **Sandra Kidd** will moderate the session:
How Small Museums Can Be Cultural Change Makers.

Monday, October 25 : 2:45pm – 4:00pm : Meeting Room 18

Big issues may have a different perspective when viewed through a



small museum lens. When we talk about audience diversity, this might be outreach to working families, or recruiting more board members who aren't among the town's usual leadership group. This session will help us draw upon the experiences of the small museum sector about your successes, and struggles, to be agents of cultural change and diversity in your own communities.

Sandra will be joined by Gloriaann Sanders, Executive Director, Calico Rock Community Foundation and Calico Rock Museum, and President, Arkansas Museums Association. We hope you will make plans to join Sandra for this enlightening session. For more information, [go here](#).

We Think You Should Know

DC's Culture Battle Over Equitable Arts Funding

A recent overhaul of Washington, D.C.'s arts funding model has increased the number of grants available to small and midsize organizations while making sharp cuts for nearly two dozen of the city's largest cultural institutions.

The changes, ratified by the Council of the District of Columbia in July, are supposed to increase equity by dispersing funds throughout the city's neighborhoods, providing financial support to a more racially diverse cohort of cultural groups than ever before. But some major museums and theater groups are claiming that the new rules are an overcorrection, and will cause their grants to fall by more than 60 percent.

Since 2019, large nonprofits have received access to noncompetitive grants through the National Capital Arts Cohort (NCAC), which amounted to \$8.7 million this year. There are currently 21 institutions in the group and they have received, on average, more than \$395,000 each. But the rules passed last month by the council scrapped the NCAC scheme and allowed the D.C. Commission on the Arts and Humanities to divide its total grants budget of \$16.5 million in new ways. Forty-eight institutions with operating budgets larger than \$1 million will compete for grants between \$125,000 and \$200,000; meanwhile, 97 smaller organizations have access to support ranging from \$40,000 to \$140,000.

Advocates of the new funding formula have cheered the reformers' efforts, describing the increase in grants as providing a bedrock for small nonprofits that have historically struggled to make ends meet. The major institutions which have lost funding are planning to meet to strategize for next year's budget cycle. *Artnews*, 9-2

More Museum News

The Metropolitan Museum of Art plans to sell more than 200 prints and photographs as it tries to

make up for a \$150 million shortfall caused by the pandemic. The items for sale are duplicates of works the museum already holds. The museum is holding the sale during a two-year window when the *Association of Art Museum Directors* is permitting museums to sell works for reasons other than funding more acquisitions. The museum needs money now to pay the salaries of staff who care for its collection, and expects to raise \$904,600 to \$1.4 million. *Artnet News*, 9-17

Johanna Burton will become the sole director of **The Museum of Contemporary Art** (Los Angeles), the first woman in that role. **Klaus Biesenbach** heads to Berlin to run the Neue Nationalgalerie and the adjacent Museum of the 20th Century, which is under development. *NYT*, 9-14

The **Denver Art Museum** received a \$25 million gift from an anonymous donor. The transformational gift will be used by the museum to fine-tune the holdings in its textile and fashion collection, and enable DAM to turn itself into a serious repository for dresses, suits, shoes, scarves, handbags and other accessories, as well as a national center for research into the world of fashion design. *The Denver Post*, 9-13

Kimberly Noble has been named chief financial officer at the **Cummer Museum of Arts and Gardens*** (Jacksonville, FL). She was most recently chief financial officer at St. Johns Country Day School. *COP*, 9-10

GRANT OPPORTUNITY

The Institute of Museum and Library Services supports projects that strengthen museums' ability to serve the public, including lifelong learning, community engagement, and collections stewardship and access. Project activities may include exhibitions, educational and interpretive programs, digital learning resources, professional development, community debate and dialogue, audience-focused studies, and collections management, curation, care, and conservation. The application deadline is November 15.

[More information here.](#)

*Alumni Client Partner

More Philanthropic News

Donate Button on a Zoom Call?

Speaking of raising money through virtual events...things may have just gotten a little easier thanks to the launch of a new donate button on **Zoom**. Now, participants in Zoom meetings and events can make charitable contributions within video calls through *Donations by Pledge*, a free app created by Pledge, a fundraising technology firm. Pledge does not take a cut of donations.

Last year, an estimated 25,000 nonprofits used its virtual event tools to broadcast fundraising appeals and a real-time ticker that lists donors on roughly 50,000 virtual events streamed on Zoom, Twitch, YouTube, Facebook Live, and Instagram Live.

Free and paying users of Zoom can activate the donate button by going to their Zoom account settings, switching on Zoom Apps, and installing the free app. They can start a campaign by selecting at least one charitable beneficiary from the more than 2 million nonprofits in Pledge's global charity database. Nonprofits that aren't in the database can work with Pledge's support team to get approved and added to the list.

[Here's more information about Zoom's new donate button.](#) *COP*, 8-31

Nonprofit Sector Jobs Recovery Slowed in August

After two consecutive months of robust gains, the recovery of nonprofit sector jobs slowed in August. The impact of COVID-19's delta variant was apparent in the August data, which showed a month-over-month increase of just 42,000 nonprofit sector jobs, or 6.9% of the jobs still lost as of July, according to an analysis of *Bureau of Labor Statistics* data by the *Johns Hopkins Center for Civil Society Studies*.

Key Findings

- The majority of job gains was in the educational field, which added an estimated 28,518 jobs, or 18.2% of the jobs still lost.
- Religious, grantmaking, civic, professional, and similar organizations added 5,140 jobs, or 13.7%.
- Arts, entertainment, and recreational organizations added 5,509 jobs, or 8.2%.
- Social assistance sector, remained largely stagnant, adding just 123 jobs in August, or 0.2% of jobs still lost as of July.
- Healthcare organizations lost 2,129 jobs, or 1%.

The analysis also estimates that 65.2% of the 1.64 million nonprofit-sector jobs estimated to have been lost during the first three months of the pandemic had been recovered as of the end of August. Based on average rates of job recovery from January through August 2021, the center estimates that it will take the sector another 11.4 months to return to pre-pandemic levels, down from 12.4 months in the July projection. *PND, 9-16*

Nonprofit Executive Compensation Rose Steadily Between 2015 & 2019

While the median compensation for nonprofit executives grew steadily between 2015 and 2019, the gender gap for female CEOs and executive directors remained, a report from Candid finds.

The *2021 Nonprofit Compensation Report* found that:

- Median compensation across 14 categories of executive positions increased from \$106,000 in 2015 to \$121,000 in 2019.
- Median compensation for CEOs and executive directors declined between 2018 and 2019 except among the largest and smallest organizations — those with budgets of at least \$50 million and those with budgets of \$250,000 or less.
- In 2019 the median compensation of female CEOs remained lower than that of male CEOs across all budget sizes.
- Women represented the majority of CEOs/EDs at smaller organizations with budgets of \$2.5 million or less.
- Women CEOs/EDs were paid 94 cents for every dollar male CEOs/EDs made at nonprofits with budgets of \$250,000 or less, compared with 80 cents at those with budgets of at least \$50 million.
- Science and technology-related research institutions and services paid the highest overall median executive compensation (\$196,000), followed by health organizations (\$189,000) and medical research organizations (\$188,000), while religious institutions (\$65,000), animal-related organizations (\$86,000), and arts organizations (\$92,000) continued to pay the lowest.

[More information here.](#) *PND, 9-17*

We Want You to Know

Transforming Institutions

PENLAND SCHOOL OF CRAFT

We are honored to once again work with **Penland School of Craft** in Penland, NC.

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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