

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 Texas desk of
Carl G. Hamm | Managing Partner

Year-End Giving in a Pandemic

In normal times, development shops operate on a natural, predictable rhythm, with openings, galas and special events, the subscription season push in the spring, 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.

Sending this year's annual appeal is likely to be more difficult than usual for most organizations. These letters typically focus on the number of programs presented, attendance, and other highlights of the year. Although a few organizations have reopened, many are still dark, with no opening date in sight. And, with many development officers still working from home, even the logistics of sending a mass mailing that would normally be standard operating procedure are likely to be a challenge.

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 overbooked with all the extra political mail.

Be Transparent. Your donors and patrons 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 organization will come through this ordeal like a phoenix rising from the ashes. This pandemic will be over someday, and you 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 patrons care deeply about your organization and its success and many of them have supported you 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.

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With so many of the usual fundraising tactics upended due to COVID-19, year-end giving will be more critical now than ever before.

Start planning NOW!

DAVID KING

Alexander-Haas



Spotlight on the Arts

San Francisco Ballet's 'Leap of Faith'

In June, in the midst of the global pandemic, with no idea if or when the company would perform for audiences again, the **San Francisco Ballet** announced plans for the 2021 season...“Leap of Faith.” The season is scheduled to run from January to June and include programs designed to allow for the greatest flexibility. That might mean filming the ballets without an audience and streaming them online, performing live in the opera house as in normal times, or in small-group settings outdoors.

Within a few days of the company's last performance, the organization launched the SF Ballet Critical Relief Fund, an emergency fundraising effort with the goal of raising \$5 million so the company could continue to pay salaries and benefits.

The company exceeded its goal, raising more than \$5 million from more than 3,200 donors in about four months. Most of the money came from individual donors and family foundations, as well as board members who matched up to \$1 million in donations; 58 percent of those who gave to the relief fund were first-time donors who gave modest gifts of \$5 to \$25. One new donor, however, gave \$1 million.
COP, 8-19

Read the full story of the Ballet's Leap of Faith [here](#).

Strong Arts Leadership & Clear Plan to Overcome Challenges

A new report finds that even before the COVID-19 pandemic, attendance figures for many arts organizations were stagnant or declining. The report also found that organizations able to outperform financial expectations in substantial ways did so in large part because their leaders, both professional and volunteer, committed to and executed a strategic vision that inspired confidence and excitement among staff and the community the groups serve.

Split between organizations with long histories of high performance and those that had successfully engineered a turnaround over the past five to seven years, the report found that:

- Nearly every group in the study had been a turnaround organization at some point in its history.
- All but one of the turnaround organizations had been or nearly were insolvent in the past.
- The catalyst for turnaround was changes in leadership.
- Even in the face of unprecedented events such as the COVID-19 pandemic, an organization with strong leadership and a clear plan is best positioned to overcome existential challenges. *PND, 8-16*

Read the report [here](#).

It starts with an email.....
and ends with 30 minutes of
fundraising counsel*
info@fundraisingcounsel.com
*free time

**CONTACT US
TODAY**

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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% believing their organization was "well prepared" for this shift and 38% believing they were "somewhat prepared."

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 Transformational *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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