



Internal Assessment Report

**Submitted by Matthew S. Bisset
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Introduction

Matthew S. Bisset was engaged in November 2015 to conduct a review of Florida CraftArt's external relations area including an evaluation of the fundraising, constituent and communications programs. The goals were to identify the capabilities of current systems and structures and determine opportunities for enhancement and future growth toward readiness for a successful comprehensive fundraising campaign. In addition, Board structure, roles and responsibilities, and activities were reviewed to identify areas that align with the best practices in the industry and to determine areas that allow for enhancement and future growth, particularly in the development arena. Matthew S. Bisset, current Vice President for Advancement at Eckerd College and Associate with the consulting firm Witzleben/Associates, conducted the review in November and December.

During the review, Bisset conducted individual meetings with the Executive Director, Gallery Manager, Business Manager and several members of the Board of Directors. Included in the Board of Directors' meetings were the President, Vice President, Development Committee Chair, Secretary and two At-Large members. In addition, the part-time Community Relations manager, on contract through December 2015, also participated through individual meetings. In addition, Bisset and his colleagues have examined reports, publications, the web page and social media outlets, policies, bylaws and other documents related to external relations and Board activities.

In addition to face-to-face and phone meetings with staff and Board leaders and a thorough review of materials, Bisset also met with the full Board on December 16 to talk about some initial findings and allowed them to address some key areas of concern, tackle some strategic questions and talk openly about next steps.

The recommendations contained in this report propose an organizational strategy to embark on a fundraising campaign, which will enable Florida CraftArt to secure its leadership position in the marketplace, take care of some immediate needs and grow into a true statewide organization supporting Florida crafters and artists. Therefore, the main thrust of the report focuses on starting and building a sustainable and robust development program first through membership and annual giving, which will be the building blocks necessary to secure much needed major and planned gifts.

It was an honor to work with Florida CraftArt and its passionate, capable and dedicated staff. The candor and collegiality of administrative leaders and the Board of Directors who contributed to the outcomes of this review were greatly appreciated.

Executive Summary

It is clear the Florida CraftArt is at a defining moment in its history. The organization is an important one for St. Petersburg and the entire state of Florida. It is the only nonprofit fine craft art gallery in St. Petersburg, a community known to be a leader in the arts with top quality museums, several theatres and renowned working artists. In addition, Florida CraftArt is a statewide organization that includes as part of its mission to advance “Florida’s fine craft artists and their work.” Despite its far-reaching and worthy goal, the organization is largely known as a local gallery rather than a full-service nonprofit; currently the organization is not financially able to truly realize its goal to support craft artists state-wide.

To move the organization forward, the Board of Directors has made the bold decision to launch the *Crafting the Future* campaign as soon as possible. After a thorough review to determine campaign preparedness, however, the organization is simply not ready to embark on such a significant endeavor. Therefore, the Board of Directors and Executive Director are at a critical, if not defining, moment during which the decision must be made to invest now in the potential for the future.

Critical First Steps

1. Match state grant
2. Hire full-time Director of Development
3. Achieve 100% Board participation in giving

Starting and building a robust development program is vital to the organization’s future success, and this must begin immediately. Florida CraftArt cannot wait a year or two until a robust development program is in place. It must immediately raise the funds necessary to meet the state match and start talking with key prospects about the most pressing needs of the organization. Therefore, we must “build the plane as we are flying it,” so to speak, creating a plan that will have an immediate and significant impact while growing a sustainable development and full external relations program for the long term.

Although a full assessment of the current programs and recommendations are contained in the following pages of this report, the following specific organizational actions must be taken before serious fundraising can be successful:

1. Raise the \$150,000 required to meet the state match by March 31, 2016, by requesting significant gifts from a few key donors;
2. Hire a full-time Director of Development by February 1, 2016; and
3. Make sure there is 100% participation in terms of giving by the Board of Directors prior to bringing news of a campaign to other donors.

Once these critical steps are taken and successfully completed, Florida CraftArt will be properly positioned to seek additional funding from the “first responders” in the community through an advanced gift phase, while at the same time implementing stronger membership and annual giving strategies.

Campaign

Simply defined, a “campaign” is an effort to achieve specific goals within a limited period of time. Although a misnomer, they are usually referred to as “capital campaigns.” In order to be inclusive of fundraising that will be directed toward non-capital projects (e.g., scholarships, operational costs, etc.), it is our recommendation that Florida CraftArt refer to the campaign as a “comprehensive campaign.” Comprehensive campaign goals are usually stated in terms of dollars, however there should be other goals achieved. For example, Florida CraftArt may set as a goal to achieve 1,000 members by the end of the campaign period, or perhaps to reach 5,000 subscribers to the e-newsletter.

Traditionally, campaigns had two very specific phases: the “quiet” phase and the “public” phase. Since the dawn of the internet, which has greatly facilitated information-sharing, the “quiet” phase is now usually referred to as the “advanced gift” phase. The number varies by organization, however in the advanced gift phase model, we typically see 40-50% or more of the fundraising goal achieved before a public announcement is made.

The advanced gift phase allows you to produce a preliminary case statement, primarily developed from an organization’s strategic plan, and propose a working goal. Both the case statement, also known as a written case for support, and campaign goals will be completed and may be adjusted prior to the public announcement. The most critical step to any campaign is the attainment of a lead gift or a small group of lead gifts—that’s what officially kicks off the advanced gift phase.

Florida CraftArt has both an adopted strategic plan (2014) and preliminary case statement. This is a great start! It is our recommendation, however, that the Board and staff take another look at the strategic plan to “readjust the sails” and develop a matrix that includes timing for implementation, costs and potential funding sources. In addition, we recommend that the working goal of the preliminary case statement be adjusted to include more endowment dollars and goals for annual ongoing support and membership.

In a way, Florida CraftArt has one lead gift—the \$150,000 matching grant from the State of Florida. The organization has nearly two years to match this grant, however, in order to reach the Board’s aggressive goal and to create the momentum necessary for campaign success, it should be matched through gifts from no more than five donors by March 31, 2016. By securing a match for the state grant, Florida CraftArt will have \$300,000 in seed money, or lead gifts. While the lead gift(s) is being secured, it is vital that the Board of Directors all make a gift, appropriate to each Director’s capability, to the campaign. With a refreshed strategic plan, adjusted preliminary goal, lead gifts of \$300,000 or more, and 100% Board participation, the advanced gifts phase of the campaign can officially begin.

Florida CraftArt should strive to accomplish these steps prior to April 15, 2016, which will enable the staff and Board to establish a \$300,000 challenge to current donors, developed prospects, corporations and foundations. This group, which we will refer to as the “first responders,” will be challenged to match the \$300,000 and therefore bring the campaign total to \$600,000 or more. Although an aggressive goal, Florida CraftArt should set as an internal goal, and adjust if necessary, to raise the \$600,000 by February 28, 2017, and preliminarily plan a public launch (announcement and event) for March 2017.

Campaign Dollar Goals

Deadline	Interim Goal	Total Raised
March 31, 2016	\$150,000 (state match)	\$300,000
February 28, 2017	\$300,000 first responders match	\$600,000
Campaign conclusion	\$600,000 match from general supporters and cultivated prospects	\$1.2 million

One of Florida Craft Art’s major challenges in preparing for a \$600,000 challenge is the shortage of cultivated donors positioned to give at increasing levels. This challenge provides the perfect opportunity to accelerate efforts to create/build a culture of philanthropy among its constituencies. During the challenge, the Executive Director, Director of Development and Board of Directors must be very intentional in cultivating an understanding and expectation among constituents about their important role in taking a greater equity position in supporting a sustainable future for Florida CraftArt. The process of meeting the challenge should begin by launching a “Call to Conversation” program. This program will consist of a strategic effort where the Director of Development, Executive Director and, when appropriate, Board Members, will send a lead letter or email to a donor or prospective donor. Prior to the visit, materials (possibly the preliminary case statement) will be sent for discussion during the visit. Sometimes the conversation will lead to a gift, but often securing a campaign gift will be a two-to-three step process. The calls to conversation will serve as the building blocks for educating the prospects about the needs and aspirations of Florida CraftArt, to elicit opinions and secure annual gifts. The Call to Conversation program will be further defined under the major gifts section of this report.

Additionally, and in order to identify, cultivate and solicit campaign donors, key events will be required to provide intimate opportunities to talk about Florida CraftArt. You may consider branding these events as *Crafting the Future* events; more about campaign events is included under the events section of this report.

Proper positioning is necessary to make the advanced gift and public phases successful. In addition, a successful campaign will establish a proven track record of fundraising success, a robust development program and a secure future for Florida CraftArt. The remaining pages of this report include the current assessment of the development program through observations then recommendations on how to build a robust program and ensure campaign and fundraising success.

Recommendations

- Secure a gift or gifts to match the \$150,000 state grant by March 31, 2016.
- All members of the Board of Directors should make a gift, appropriate for their financial capability, to the campaign prior to April 15, 2016.
- Once the match for the state grant has been secured, start a \$300,000 challenge to bring the total funds raised for the campaign to \$600,000 by February 28, 2017; donors can make commitments payable over a five-year period.
- Establish the campaign as a comprehensive campaign rather than a “capital” campaign.
- Establish non-monetary goals for the campaign such as total number of members, number of e-mails subscribers, and number of Facebook, Instagram and Twitter followers, etc.
- Adjust the goal in the preliminary case statement to include additional endowment dollars.
- Add membership/annual giving dollar goals to the preliminary case statement.
- Launch the “Call to Conversation” program as a way for Florida CraftArt to engage its constituents in serious conversations about the future of the organization.

Development

The current development program at Florida CraftArt consists of an annual appeal, funds received through special events (mainly the Festival), membership dollars and a few “angels.” It is not common practice for staff or members of the Board of Directors to make fundraising calls in person or over the phone. The results from fundraising have not been strong given this level of activity.

Director of Development

In order to build a development program starting from the ground up and embark on a successful campaign a full-time leader of the development area will be critical. Florida CraftArt should be commended for recently bringing in a part-time contractual employee as Community Relations Manager for the month of December. Although the manager’s duties include “marketing and development,” if the position becomes full time, the title of Director of Development is recommended. This title is recommended so the current constituents understand that it is a new day at Florida CraftArt and fundraising will be an important piece of the organization. The staff,

Board and other key volunteers must know that development efforts are a high priority. In addition, it is important that the title be Director of Development so the new hire understands the priorities of the job start with fundraising and that development will be the key area considered during evaluations of work performance. Since time is of the essence, it is recommended that a new job description and title be approved and posted by January 15, 2016, and the Director hired as soon as possible.

When the right person is in place in this role, there will be a sense of newness and energy, and creative and bold thinking should follow with a significant emphasis placed on building broader volunteer engagement, building annual giving and membership, creating a major gifts program and establishing a planned giving program. Given that Florida CraftArt is in the beginning stages of a comprehensive campaign, it is imperative that the Executive Director and Board hire the right person for this key position. Not only should the person be an experienced development officer, but they must have personal qualities—such as being a self-starter—that will complement the mission of the organization.

The newly hired development leader must be focused on major gift work, while growing the annual giving and membership programs. The Director must work well with, and garner the respect of, the entire staff, Board and volunteers, and have the ability to manage the development operation in all three-dimensions. The best development managers are able to effectively manage up (Executive Director and Board of Directors), themselves and, when appropriate, their colleagues and volunteers. The best development officers understand that they need not rely only on volunteers to raise money, but also understand they cannot do everything on their own. The sweet spot is knowing how to use everyone (self, Board, Executive Director, colleagues, volunteers, etc.) wisely to maximize giving for the organization. All of this is critical if the new Director of Development is to be successful at Florida CraftArt.

In turn, the Director of Development needs the full support of the Executive Director, Board of Directors and colleagues in order to be successful. The Executive Director must be willing to go on development calls, where needed and especially during the campaign, and make development a top priority. Diane Shelly, Executive Director, is not a seasoned development person, and fundraising does not come naturally to her. Through our meetings, however, Diane seems eager to engage in the process, work on appropriate strategies and take direction when needed. Additionally, the Board of Directors must, in total, provide good leads, open doors and bring new potential donors—with an emphasis on major gifts—into the organization, and when appropriate, introduce them to the Director of Development. It is important that the Florida CraftArt Board of Directors be made up of a diverse group including working fine craft artists. This can mean that the Board is not full of deep pockets or with folks comfortable with direct fundraising. Both of these things are acceptable, but all Board members need to support the Director of Development by being donors themselves and helping the development efforts of the organization whenever they are able—including at times, stepping outside their comfort zones.

The Director of Development is responsible for the overall leadership and management of the fundraising, but should also be the driving force behind managing the Executive Director's time for development activity and the Board of Directors' production of leads. He/she must pay particular attention to major fundraising with the organization's Top 50 prospects. The Director of Development must engage the Executive Director and the Board of Directors, and where possible, additional volunteer leadership in developing relationships that will produce significant private investment in Florida CraftArt.

Once hired, it is imperative that a solid rollout plan be in place for the new Director of Development so that he/she can get right to work and build a culture of philanthropy throughout all channels at Florida CraftArt. Upon arrival, the new Director of Development should be given a comprehensive "notebook" that includes quality background information on Florida CraftArt's initial list of impact prospects and current leaders. If this is not possible, a long briefing session will be needed in order for the Director of Development to have the required foundational tools. A well-conceived and executed program of purposeful engagement between the Director of Development and key constituents will be critical in getting off to an auspicious start.

Recommendations

- Create a job description for Director of Development by January 15, 2016.
- Hire a full-time person to lead fundraising efforts with the title of Director of Development as soon as possible.
- The new development hire should be viewed as a long-term investment and, although finding someone quickly is important, finding the right person who will commit for the long term is critical.
- The Director of Development must be a visionary leader with a major gifts mind. He/she must work with the Board and Executive Director, excite and motivate colleagues, personally seek to grow the membership and annual programs, and establish major and planned giving programs.
- Staff and Board members should immediately work on a rollout plan and notebook for the new Director of Development that includes top donors and prospects to visit.

Membership and Annual Giving

The greatest opportunity for immediately growing the development program at Florida CraftArt is the bolstering of its membership and annual giving programs. Annual giving and membership are the life-blood of the development programs at most organizations. This statement is true for several reasons, but three are key: 1) unrestricted gifts raised annually can support the most pressing needs of any organization and are vital to organizations, such as Florida CraftArt, that have little to no endowment (for example, a \$100,000 annual fund has roughly the same impact on an organization as a \$2 million endowment); 2) members and annual giving donors help substantially through word-of-mouth marketing; and 3) loyal annual donors are your best prospects for substantial major and planned gifts. Significant focus should be placed on growing these programs and establishing attainable but "stretch" goals for both areas for the next three

years. This will help build the donor base with increased average gifts, especially at the \$1,000+ level, as the advanced gift phase of the comprehensive campaign continues.

Currently, Florida CraftArt's annual giving program consists of an annual mailing (currently to 513 people), a web presence and special events. A strong annual giving program includes all those things, but where the real money is raised in annual giving programs is with top-tier prospects (\$1,000+) that are personally solicited through face-to-face visits and telephone calls by the Director of Development, Executive Director and, when appropriate, Board members.

One of the highest early priorities of the new Director of Development will be to develop an aggressive annual giving program with focus on building the \$1,000+ donor base. There is only one way to accomplish this: spending a high percentage of time in the field personally calling on prospects for gifts at this level. The new Director should maintain a strict visitation/solicitation goal of at least 18 face-to-face contacts per month with emphasis on asking for \$1,000+ gifts and talking about the impending campaign.

Using the three-year annual giving numbers that were provided by the Florida CraftArt staff, an average of \$31,000 in annual gifts was raised between 2013 and 2015. With the new emphasis on establishing top-tier annual recognition societies and more than doubling the number of \$1,000+ donors in the Director of Development's first year, the goal for unrestricted giving should be in the \$60,000 range. After further assessment of prospect potential, the new Director of Development in consultation with the Executive Director and President of the Board of Directors may wish to establish a stretch goal of \$75,000 for FY2017, which will require a full court press by all. The program should strive to achieve annual compounded growth of 8% to 11% over the following five years based on realistic stretch assessments by the Director of Development and Florida CraftArt administrative and Board leadership.

Membership is very often the entry point for organizations like Florida CraftArt. There are two membership levels at Florida CraftArt: artist members and non-artist members. There are currently a total of 544 members, which includes 396 artists, the majority of whom are gallery artists, and 148 non-artist members. It is recommended that Florida CraftArt take a two-tiered approach to membership to mirror its two categories of membership and focus heavily on growing both categories with separate approaches. With the former, artists need to see the value in membership and the organization needs to increase its level of support, opportunities for and ways to engage its current and future artist members. For non-artist members, the approach should be to grow the \$1,000+ donors as the key driver to the annual giving program.

Artist members pay dues annually and this process is generally transactional rather than philanthropic in nature. All gallery artists are required to be members. Through the review process all those interviewed were asked, "Why would a non-gallery artist want to be member of

Florida CraftArt?.” Some answers were offered, but given the organization’s mission as it pertains to “...advancing fine craft artists and their work,” more substantial benefits to these members must be addressed. For example, would it be possible to create something similar to tenthousandvillages.com or etsy.com? What about links to artist websites? More promotion of shows, etc.? Some ways to further promote artist members are addressed in the campaign initiatives, however we will need to grow non-gallery artists locally and throughout the state before hitting those financial objectives. Although not that significant to the bottom line, we must grow this constituency group to assist with word-of-mouth marketing and also look at these members as possible connectors to high-end annual and major gift donors. Also, it is important to note that some artists very well may be high-end annual giving as well as major and planned gifts prospects (the one known bequest in the pipeline is from an artist).

Non-artist members are generally those who believe in the mission of Florida CraftArt and are general supporters of the arts. There are also some members who sign up to simply receive a discount at the time of purchase in the gallery store. This is an excellent way for the gallery manager and her staff/volunteers to close sales. However, not much is known about these individuals post-sale and very little effort is put into further engaging these new donors. Much emphasis should be placed on growing the non-artist constituent group to achieve new levels of support, with emphasis on face-to-face visits to secure member gifts at the \$1,000 + level. During the new Director of Development’s first year, the Board should set a goal to identify at least 40 members who give \$1,000 or more.

This process should start with data mining to see who is currently in the non-artist membership group. Research also should be conducted on those members who have lapsed during the past three years. This is the right group to include in the “call to conversation” strategy in order to collect more information about the individuals’ relationships with Florida CraftArt and the likelihood that they will be prospects for current annual/membership gifts and future campaign gifts. Additional data mining of the PastPerfect database and growth of the prospect pool by adding names to the database will be required to reach and surpass 40, \$1,000+ members by September 30, 2016. This should be done through the new Director of Development’s involvement in the community, brainstorming with staff, Board members and others for known donors to the arts, and through meeting with prospects at Florida CraftArt events and other functions. In addition, the membership levels of Gold, Platinum, etc., need to be revamped to reflect the character of Florida CraftArt and to identify key reasons members should join at these new levels.

Recommendations

- Florida CraftArt should start a membership/annual giving leadership society (beyond simply the Gold and Platinum membership levels) program beginning at the \$1,000 level with graduated recognition at higher levels. A suggestion for the naming of this society

is the Director's Circle (or something similar) in order to begin branding the membership and annual leadership giving level of \$1,000+.

- Establish a first-year goal of at least \$60,000 for annual giving followed by five-year annual goals with an average of 8–11% compounded growth per year. After further prospect identification and assessment, the Director of Development in consultation with the Executive Director and Board leadership may determine that a more ambitious goal is possible.
- Significantly grow the number of \$1,000+ donors in the Director of Development's first year to at least 40 members. Establish three-year growth goals for the new annual giving recognition societies.
- Substantially grow the annual giving donor base by mining for new names starting with current members and lapsed members within the last three years.
- Establish the goal to grow the overall membership from the 544 total to over 700 by December 31, 2016, and consider the stretch goal of enrolling 1,000 members by December 31, 2017.
- Expectations should be set for annual giving cultivation and solicitation activity by the new Director of Development to include a minimum of at least 18 face-to-face visits per month with qualified prospects to gain or increase their support.
- Need to establish more substantial benefits for non-gallery artist members prior to launching the campaign.

Events

Annual Special Events

For organizations like Florida CraftArt, special events are important for community awareness and bringing prospects into its sphere. Too many organizations, however, particularly in the Tampa Bay community, use special events as the, or a main, thrust for the fundraising program. Florida CraftArt is no exception. Although sometimes necessary, special events are time intensive, can carry significant overhead and can become predictable and stale as times goes on. Furthermore, no special event should be considered as a standalone activity; rather, they should always be considered the catalyst for the constituent engagement process in order to further the mission of the organization.

The annual special event for Florida CraftArt is the Festival. Held in November, it has been a critical piece of the marketing and development program for years. The recent addition of the Emerging Artist Program and the Collector's Circle have been wonderful for advancing our mission and stewarding important friends of the organization. The net proceeds, however, have remained relatively flat with an average of \$24,000 over the last four years. This number does not include the additional gallery sales due to increased foot traffic during the two-day Festival.

Although an important event, and one we feel strongly should be continued, the Festival could benefit from some new inspiration. The sponsorship levels, benefits and programs should be enhanced and changed, and a presenting sponsor should be secured by May 31, 2016. More

entertainment, family activities and promotions should be added. We are recommending further enhancements and expansion of the emerging artists program and inclusion of artist testimonials when securing sponsorships. In addition, a written plan should be developed for the Festival to include deadlines, assignments, targets, etc. This will greatly improve the execution and attendee enjoyment of the event. The Collector's Circle has been a great addition and should be continued. If possible, this event should be turned into an annual signature event for all donors of \$1,000+.

Campaign Events

In order to identify, cultivate and solicit campaign donors, key events that provide intimate opportunities to talk about Florida CraftArt should be added. As previously suggested, these events may be branded as *Crafting the Future* or something similar. Staff, Board and other volunteers should be given clear direction for planning and execution. We may plan to add events here and there that will assist with the campaign, however, when we call them *Crafting the Future* events, all should know the exact plan and strategic outcomes. It is vital that these events are orchestrated with absolute precision, from the guest list, to the invitation process, to the program for the evening, and most importantly, in the follow-up afterwards. Such events should be designed to be intimate in nature with an individual or couple serving as hosts, and with approximately 12-25 people in attendance. Only essential staff should attend. Although Board members can be key to the success of these events, they too should be chosen carefully during the invitation process. If a Board member is going to add value to the conversation and contribute significantly to the engagement of the guests, they should be invited. Given Florida CraftArt's limited budget, perhaps the first several *Crafting the Future* events should be at Board members' homes, clubs or community rooms, with the host covering dinner costs. Although a dinner event is preferred, in order to keep costs down, a breakfast, lunch or cocktail event can also be effective.

To ensure a high-quality event, planning should include: 1.) Securing a host at least eight weeks prior to the event; 2.) Compiling the invitation list at least six weeks prior to the event; 3.) Sending the invitation at least four weeks prior to the event and when possible, inform the invitee via phone call or email that the invitation is forthcoming; 4.) Making phone calls (from host, board member, ED, DOD) to invitees a week following the date the invitation is sent to secure an RSVP; 5.) Researching attendees for interests and capacity; and 6.) Solidifying the attendees at least three days prior to the event.

Precision is key. Staff should be sure that directions to the home/event space are clear and parking is as easy as possible. Guests should be greeted as they arrive and introduced to other attendees, staff, etc. Florida CraftArt collateral materials should be on-hand. After 45-minutes to an hour (once all the guest arrive) the host should address the group expressing thanks for guest attendance and passion for Florida CraftArt (2-4 minutes total). Suggested remarks will be

written by staff for each host to be put into his or her own words. Following host remarks, “*bon appetit*.” Guiding conversation to focus on the arts and specifically Florida CraftArt will be a key role of the hosts, staff and board members in attendance. Around dessert time, the appropriate representative (preference on the Executive Director) will talk about Florida CraftArt and specifically the particulars and importance of the comprehensive campaign (5-10 minutes). After any questions and answers, the host thanks everyone for coming, reaffirms their passion for Florida CraftArt, states that they would like all to be involved with the organization and the campaign and that they will follow up.

Following the event: 1.) The following day, the Director of Development and/or the Executive Director should meet with the host for a debrief and lay out of the specific plan for each guest as well as those invited that were unable to attend. It is important to note that the preferred follow-up should include an introduction for the Director of Development to visit with the prospect to have a “call to conversation” and/or secure a campaign gift; 2.) Within 48 hours of the event, a letter or email should be sent to each guest including the strategy discussed during the debrief; and 3.) The Director of Development circles back with the host within 30 days with a report on successes and guidance.

These events, like all events, take a considerable amount of staff time. Precision is key because these events act like catalysts. Where a catalyst’s intent is to “...increase the chemical reaction,” *Crafting the Future* events are intended to increase the understanding of Florida CraftArt, its value to our community, its mission and vision and to build the case for financial support through the appropriate follow-up.

Recommendations

- Find new inspiration for the annual Festival including increased sponsorship support, a written plan and additional and revamped programming.
- Secure a presenting sponsor by May 31, 2016, and consider a stretch goal of netting \$40,000 for Festival 2016.
- Continue with the Collector’s Circle program and consider adding all \$1,000+ donors to the invitation list to begin an annual donor appreciation event.
- Launch a series of intimate (12-25 people) campaign events that allow the organization an opportunity to talk to current and newly identified prospects about Florida CraftArt’s vision. Precision with these events is a must, and should extend to the creation of the invitation list, the invitations, invitation follow-up, the event itself and the critical post-event follow-up.

Major Gifts

What is a Major Gift? This is a fundamental question that all organizations must answer prior to establishing a major gifts program. Establishing this baseline is important so staff, Board members and other key volunteers involved in the development process are all “speaking the

same language,” and so the organization is clear about the level a support it is seeking and the proper stewardship tactics. It is recommended that Florida CraftArt set the major gift amount at \$10,000. Also, when defining major gifts, especially during a Campaign, the payment schedule should be up to five years. Therefore, a donor that makes a \$10,000 gift, or more, outright and a donor that makes a \$10,000 commitment but pays it off at \$2,000 a year for five years are both considered major donors.

The greatest deficiency in the development program at Florida CraftArt is the lack of a substantial major gifts prospect pool. Currently, Florida CraftArt has identified about 23 major gift prospects. In order to have a successful campaign at the level currently being discussed, commitments from 50-70 donors at the \$10,000+ level will be needed over the next five years. The future of Florida CraftArt largely depends on its ability to communicate compelling reasons to support fine craft artists and the initiatives of the statewide organization with a greater number of discerning donors and grantors.

The process of establishing a major gifts program begins with identifying prospects and tracking them through a moves management system. In order to secure gifts of \$10,000 or more from the 50-70 donors needed, approximately 200-275 suspects/prospects will need to be identified. This can seem overwhelming for an organization of Florida CraftArt’s size, so it is important to remember we will be “building this plane while we are flying it.” We must start from where we are and build a robust program along the way.

An immediate step in the process should be for Florida CraftArt to develop its TOP 50 major gift prospects over the next 120 days and grow the total number of major gifts suspect/prospects to at least 200 by year’s end. Every solid development program has a TOP 50 who are vital to a proactive major gifts program and the success of a campaign. This is true of nonprofits with \$100 million budgets and those of Florida CraftArt’s size. The administrative and Board leadership need to begin identifying, vetting and researching Florida CraftArt’s TOP 50 (individuals, foundations, corporations, etc.) by April 30, 2016, then the grow the total major gifts suspect/prospect pool to 200 by December 31, 2016.

A well-conceived plan to grow the list of TOP 50 prospects will allow the Director of Development to hit the ground running in purposeful engagement and substantive relationship-building with individuals, corporations and foundations critical to the advanced gifts and public phases of the comprehensive campaign. In many cases, the involvement of the Board of Directors and Executive Director will be important in growing these relationships and assisting with solicitations. As we identify and engage new prospects through data mining and other research, community involvement, *Crafting the Future* events, etc., not all that are in the TOP 50 today will remain by year’s end. In other words, there will always be a dynamic component to the TOP 50 list with adjustments and additions as the engagement, visitation and solicitation program unfolds.

The creation of the TOP 50 followed closely by the development of the 200+ major gift prospect pool will allow the Director of Development to create a major gifts pipeline. The pipeline should include the prospect name, target amount, target date, assignment and campaign priority as well as three, six and 12-month solicitation markers. This pipeline will be the most important tool for campaign success and must be developed starting in February 2016.

Major gift fundraising must become the top priority for the new Director of Development, Executive Director and Board of Directors. The Development program must be intentionally focused on creating long-term relationships at every level of the fundraising continuum, thus establishing a hierarchy of donors who will provide increased philanthropic support for the organization's future. Therefore, we cannot stress enough the importance of hiring a Director of Development. The Director should structure his/her work so that he/she can spend at least 50% of his/her time in personal, face-to-face, cultivation and solicitation activities and in supporting the Executive Director and Board of Directors in building a broader philanthropic culture. As stated earlier, the new Director of Development should make a minimum of 18 personal introductory, stewardship, cultivation and solicitation visits per month using the "Call to Conversation" program as defined below. Annual targeted major gift goals should be established based on thorough assessment of known major donor capacity, growing this group and readiness.

The Call to Conversation program is a strategic initiative that starts immediately as the TOP 50 is being identified and will take on new life if a matching gift and a subsequent challenge gift program takes off. To implement the Call to Conversation program, a lead letter should be drafted by the staff for the Board Chair's signature; the letter will be adjusted as time goes on. The Director of Development, Executive Director and, where appropriate, Board members, will send the lead letter (or email) to a donor or prospective donor. Prior to the visit, materials (possibly the preliminary case statement) will be sent for discussion during the visit. During the visit, the Florida CraftArt representative will take copious notes to be recorded as a contact report on the PastPerfect database. The report should include the donor's thoughts about the near future, their aspirations and the impending campaign. Sometimes the conversation will lead to a gift, but often securing a campaign gift will be a 2-3 step process and the "call to conversation" will serve as the first building block for educating the prospect about the needs and aspirations of Florida CraftArt. Such visits also should elicit opinions about the organization and be an opportunity to secure annual gifts.

The time is now to broaden the philanthropic culture with individuals, foundations and corporations whose values and philanthropic interests align with Florida CraftArt's. The time is right and location perfect given the St. Petersburg arts community and dominance of craft artists, particularly ceramicists. The confluence of initiatives underway—an adopted strategic plan, preliminary case statement, hiring of a Director of Development, etc.—make this a propitious

time to begin planning for building a more inclusive culture of engagement and philanthropy. These developments herald a time of exciting new chapters and initiatives for Florida CraftArt.

Recommendations

- Define major gift at Florida CraftArt at the \$10,000 level and begin to develop a prospect pool of 150–250 people capable of making gifts at this level with focus on establishing the TOP 50 (by April 30, 2016) and a developing a major gift suspect/prospect pool of 200 by December 31, 2016.
- Identify and research the TOP 10 prospects with the highest capacity to have the greatest immediate impact on Florida CraftArt’s future and whose philanthropy may inspire others to give (key group for gifts to match the state grant; noted earlier in this report).
- Immediately start a major gifts pipeline that includes target ask amounts and dates and has three, six and 12-month goals.
- Establish a stretch goal for major gifts for the Director of Development’s first year based on an assessment of potential by the Director with input from administrative and Board leadership. A preliminary target goal in the \$300,000 range is suggested.
- Make use of the Challenge, a 1:1 matching gift program, to kick start the major gifts program with donors being allowed to fulfill the commitments over a five-year period.
- Use the campaign to recognize donors that give \$5,000 in a special giving recognition program. This program will be critical in building the major donor base and in meeting the Challenge.
- Implement the Call to Conversation program including the production of the lead letter and supplemental materials (possibly the revamped preliminary case statement).

Foundations and Corporations

There are two general types of Foundations: 1.) local and/or family foundations, which generally award grants to organizations that have connections to the members of the family; and 2.) national foundations, many of which award funding based on the mission of organizations and require some cultivation and significant application materials. It is important to note, that the majority of all giving to organizations like Florida CraftArt will come from individuals; therefore the development program should have as its top priority face-to-face visits with individuals to secure their funding. However, foundations and corporations are an important part of any development program and the gestation period from identification to procurement is often more directly stated. Opportunities with local and/or family foundations, some of which already provide funding for Florida CraftArt should be further explored for possible stretch gifts during a campaign. Some examples include the Pruitt Foundation, Hough Family Foundation, Duckwall Foundation, Taylor Foundation, James Foundation, etc.

On the national scene, seeking foundation grants requires that organization have all their “ducks in a row” prior to applying. It is vital that nonprofits stick to the often strict guidelines of national foundations and that they apply for the right amount, at the right time and for the right project. Grants from national foundations are becoming ever more competitive due to the availability of information about foundations and the ability to submit materials electronically.

Therefore, foundation board members and staffs are sticklers about process and procedures and easily reject proposals that are not in-line with foundation guidelines or protocols. Applying to national foundations is time consuming, and there are often no indicators of an organization's chances of being funded. It is for these reasons that we recommend only applying to foundations that give on a national level if the match is good and the probability of the proposal being reviewed by the foundation board is high.

In our experience and after additional research through the Foundation Directory, we recommend applying to The Windgate Foundation for a significant grant sometime in the next six-to-nine months. The Windgate Foundation—Windgate Charitable Foundation, Siloam Springs, Arkansas, is known to some at Florida CraftArt and could be a key partner in moving the strategic plan, and therefore the comprehensive campaign, forward.

The Windgate Foundation has approximately \$250 million in assets and awarded \$57 million in grants in 2014. Giving on a national basis, but with emphasis on the Southwest and Midwest, the Windgate Foundation states its purpose as “giving primarily to promote art and craft education.” Additionally, the Windgate Foundation “board strongly prefers program support over capital funds.” The initial approach for possible funding is a letter no more than two pages long that includes (in the letter or as attachments) the following:

The Windgate Foundation

Purpose: “...giving primarily to promote art and craft education.”

Florida CraftArt Proposal

Submission Goal: July 1, 2016

- Listing of Board of Directors and their affiliations;
- Detailed description of project and amount of funding requested;
- Brief history of the organization and description of its mission;
- Copy of IRS Determination Letter;
- Copy of most recent annual report/audited financial statement/990; and
- Copy of current year's organizational budget and/or project budget.

It is conceivable that Florida CraftArt would be considered for a significant grant from the Windgate Foundation, perhaps even a six-figure gift. However, there is a lot of work to be done to enable the organization to put its best foot forward on the first attempt. According to the staff at Florida CraftArt, the organization has never applied for a grant from the Windgate Foundation, so making a good first impression is vital. The next two deadlines for proposal reviews by the Foundation board are February 1 and July 1, 2016 but it is not likely that Florida CraftArt will be prepared to build a relationship with the foundation, pull all the materials together and submit a strong proposal by either deadline. The proposal will be much stronger if we can include the gifts secured that meet the state match and learn much more from organizations that have already received funding from the Foundation. Also, the Foundation

gives “priority to match fund requests” and tends to be more “interested in projects/programs that lack other major donor or sponsor prospects.” With these guidelines in mind, it is our recommendation that Florida CraftArt take the steps necessary to submit a strong proposal to meet the October 1, 2016, deadline. Additionally, it is also our recommendation that the proposal center around one of the campaign initiatives with strong consideration to either establishing “a statewide network of Florida craft artists to enlarge markets for their work, provide education and be their advocate” or to “create and deliver partial hands-on Business of Art coursework that teaches emerging and established artists to become successful entrepreneurs and economic generators.” Furthermore, the Foundation board likes matching grants, so the proposal should state that we will use the Windgate Foundation grant as leverage to approach others for matching funds.

Although you can never place a degree of certainty on the success of a grant proposal, given that the Windgate Foundation’s purpose matches well with Florida CraftArt’s mission and campaign initiatives, submitting a well-written proposal with all the I’s dotted and T’s crossed should be well received. The likelihood of funding is not known, but the payoff could be substantial for Florida CraftArt.

Corporations also provide funding, the proposals for which generally take two forms: 1.) Proposals are submitted and can be used to fund specific programs and projects. This is usually the case for larger corporations and where substantial work is required on behalf of the staff. More than likely, only a few key corporations with significant local presences (Duke Energy, Raymond James, Franklin Templeton, etc.) are likely prospects. Occasionally, a corporation invites an organization to submit a proposal; or 2.) Using contacts at local organizations to ask for business gifts. Such gifts are often given to organizations by local contacts through vendor relationships and sponsorships or given by businesses’ marketing departments through their departmental budgets.

There is significant room for growth in the corporate giving arena at Florida CraftArt, however we must remember that the majority of campaign gifts are most likely to come from individuals and family foundations. There is ample opportunity for additional sponsorships for the annual Festival and exhibition sponsorships. In addition, the staff should brainstorm about additional ways to involve corporations so they give, but may also receive marketing or business opportunities in return. Examples could include use of the gallery for corporate gifts \$5,000 or more, sponsoring emerging artist membership to Florida CraftArt, mural tour sponsorships and gallery sponsors, sponsoring the newsletter, etc. Through continued brainstorming sessions by staff, we are sure there are many more opportunities to discuss. Corporate giving is often a great way to engage the community in ways that will identify membership/annual giving prospects and even majors gift prospects. Further development of corporate relationships is important for dollars today and possible future gifts.

Recommendations

- Look at foundations as two categories, local/family foundations and national foundations. Maximize relationships with local/family foundations and only seek national foundation grants where there is a solid fit.
- Prepare to submit a strong proposal the Windgate Foundation for the October 1, 2016, deadline for one of the key program focused campaign initiatives.
- With corporate giving, focus on sponsorship and other giving opportunities that align with the corporations' marketing needs and corporate culture.

Planned Giving & Endowment Building

Nonprofits need to put themselves on solid financial footing if they are going to sustain themselves in the future and make it through difficult times. Planned giving is often the way in which organizations, particularly those under a \$5 million total budget, are able to secure their financial future. These funds, often significant, are generally referred to as endowment. Endowment is not, however, just another way of saying, "planned gift." A planned gift is a way for donors to make a gift; an endowment is a way for the nonprofit to use that gift to support their mission in perpetuity. Endowments are collectively invested in individual funds established for an organization's long-term benefit. Florida CraftArt has virtually no endowment (approximately \$25,000 held with the Community Foundation of Tampa Bay).

Florida CraftArt does not currently have a planned giving program. A campaign is a perfect time to launch such a program, which should heavily focus on encouraging and documenting bequest intentions. It is important to have a sophisticated planned giving program, however the program should be very straightforward. The staff does not need to fully understand the intricacies of charitable remainder trusts, pooled income funds, lead trusts, etc. Nationwide, an overwhelming majority of planned gifts are made through bequest intentions, which are straight-forward and easily able to be explained by development professionals, other staff involved in the development process and key volunteers. The future planned giving program at Florida CraftArt should be a strong bequest intention program. If a complicated planned gift is presented to the organization, we should seek the guidance of our friends in the field or on the Board of Directors. These types of gifts are rare, even for organizations that deal with numerous planned gifts throughout the year.

Although major gifts (outright), particularly during a comprehensive campaign, can help grow the endowment, endowments at organizations like Florida CraftArt have been funded largely through planned gifts. During the advanced gift phase of the Campaign, Florida CraftArt should launch its planned giving program and start a register and pipeline for securing such gifts, most of which will be earmarked for endowment. With a focus on a strong bequest intention program, Florida CraftArt should actively seek additional gifts to build this pipeline and identify any potential donors who may have made estate provisions that have not notified Florida CraftArt.

Gifts to the endowment, outside outright gifts, will take time to be realized. This should give the organization plenty of time to develop endowment policies and keep the endowment “in-house” rather than use outside organizations like the community foundations. Having the endowment in-house allows the donor to make the gift directly to Florida CraftArt rather than a third party and also increases the organization’s financial health.

In order to identify realistic planned giving candidates, Florida CraftArt should look to current and former Board members, long-time volunteers, consistent donors and members. Florida CraftArt staff may also find good prospects among grateful artists and their families and collectors. All it takes is a few individuals making ultimate planned gifts to provide for the organization’s long-term future. One of the best ways to identify new planned giving prospects is to establish a Planned Giving Society that recognizes individuals who officially notify the institution about their estate intentions. During the advanced gift phase of the campaign, Florida CraftArt should establish a planned giving society with a name unique to Florida CraftArt.

Due to limited staff resources it is not recommended that Florida CraftArt start a planned giving council or spend considerable time cultivating CPA’s, estate planning attorneys and financial advisors as a way of immediately cultivating planned gifts. There will be immediate opportunity for planned gifts amongst current donors, members and volunteers. Endowment building, mainly through a strong bequest intentions program, is key to the financial future beyond the next five years for Florida CraftArt.

Recommendations

- Establish a planned giving program with bequest intentions as a top priority as part of the funding model to grow the endowment.
- Create materials that explain how to make a planned gift to Florida CraftArt and a bequest intent document that the donor can fill out.
- Establish a planned giving recognition society and begin populating a planned gift register and building a planned giving pipeline.
- The Director of Development should set a minimum goal for new documented expectancies with a preliminary target goal of 10 members by December 31, 2016.
- As an endowment is established, create policies that include spending and investing, and keep the funds in-house rather than using a third party.

Board and Volunteer Leadership

Board of Directors

The Board has added members in recent years that have provided an infusion of new thinking, creativity and experience and have helped the organization to focus more on its business practices. At the same time, the organization has benefitted from several members who have

served for multiple years providing continuity and organizational memory. Going forward, the Board realizes the importance of continuing to add new members who bring additional skill sets and philanthropic calling power that will be essential for organizational sustainability and to take Florida CraftArt to new levels.

Because resource development (in the broadest terms) is clearly one of Florida CraftArt's most critical requirements going forward—particularly as we enter the advanced gift phase of the comprehensive campaign—the **Development Committee** needs to be a strong group of committed Board members. It is important to note, that development, i.e. fundraising, is the responsibility of everyone associated with Florida CraftArt (E.D., DOD, all Board members, staff, etc.) and the burden of raising annual giving and campaign dollars does not rest entirely on the shoulders of the Development Committee. The best Development Committees have strong leadership, engage their fellow Board members in development activities, support the Director of Development and Executive Director in development efforts, and help educate their fellow Board members about philanthropy. Of course, philanthropically, the committee also leads by example and encourages all Board members to participate in all levels of development (membership, annual giving, major gifts, planned giving). In addition an important role for the Development Committee at Florida CraftArt for the next several years will be to identify prospects (personally and through other Board members) and monitor prospect cultivation and solicitation programs. Prospect identification is often accomplished—especially during a comprehensive campaign—by committee members including their own friends, business associates and community leaders with whom an interest in the arts might be cultivated. Although prospect identification is part of Board responsibilities, it is important to note the best prospects to look for will be ones who have a link to the organization, who have the ability to give and who have a known interest in the arts. The Development Committee should be staffed by the Director of Development and where possible should include Board members who have both the aptitude and appetite for fundraising and who can serve as calling partners with the Executive Director and Director of Development.

As for the **Governance Committee**, it is undeniable that an organization's success is greatly influenced by the process through which it selects, recruits and trains Board members. It is essential that this is a hardworking committee with the goal to assure the best possible Board leadership for the organization. This job is not easy—at Florida CraftArt or any other organization—and only members of the Board who have already demonstrated sound judgment, who can speak articulately about the organization and who are supportive (financially and otherwise) should be asked to serve on the Governance Committee. Service with energy and conviction is critical. The charge of the Governance Committee needs to be updated. Protocols should be implemented that include an annual board member assessment process, and a prospective members pipeline should be created. In addition, the Governance committee needs

to take a look at current board policies and meeting structure and make recommendations for possible improvements to both areas. The current *Board Responsibility Form* allows the possibility of not hitting 100% participation in terms of personal giving. The 100% level is vital to our ability to go to the community for support and be considered favorably by foundations and even corporations. The form should be revamped and include membership and personal giving as a Board responsibility within the means of each Board member. In addition, during the interviews with Board members, several times former Board members that were held in high regard were described as “termed-out” and no longer serving the organization. Although we are very much in agreement with use of terms and a strong annual assessment process, we are not supportive of term limits. The Governance Committee may also choose to look at readjusting the wording in the bylaws at they pertain to terms.

Taking a hard look at both the Development and Governance Committee while embarking on a campaign will be essential for Florida Craft.

Ambassadors and Advisory Councils

As a way to engage more members of the community, and perhaps move former board members into a new role, Florida CraftArt may consider adding an ambassador group or groups, often referred to as advisory councils. Ambassador groups or councils are often comprised of people an organization can call on for recommendations and expertise, but they have no legal or formal responsibility. It is our understanding that this has been talked about and may even be in process. With the campaign upon us, now is the right time to add such a group; in fact we recommend adding two, with one focused on Tampa Bay and another statewide.

The **Tampa Bay** focused group might take on the name CraftArt Ambassadors, the Director’s Associates at Florida CraftArt, or something similar. (We recommend avoiding the use of the word “advisory.”) The Ambassadors could meet quarterly, for a 1.5 hour meeting/information session and have a charge to share the information among their contacts. This group could start immediately as a way to help with word-of-mouth marketing for the campaign. The first step in the process is to write a charge and roles and responsibilities for the group, then brainstorm about the right people in the community to help with that charge. The Board can play an active role in this process of helping to identify the right prospects. With a lead letter, the Director of Development and Executive Director would have the right entrée to meet with and engage the individuals. The charge for this group need not be long, but being a member of Florida CraftArt is a must.

The **statewide** group might be best called an advisory council and could be populated with artists, those that have influence in the craft art world and supporters of the arts, particularly fine craft art. Establishing a statewide group may take more time, however the process should begin the same time as the local group. Establish a charge and roles and responsibilities then develop a

list of prospects throughout the state. This group might be the perfect spot for Board members who represent other areas of Florida that are currently unable to fulfill their Board of Director's responsibilities and regularly attend Board meetings. In many ways, this group would be honorary in nature and members would be called upon individually as needed. Having an annual or bi-annual meeting is recommended.

When done properly, ambassador groups/advisory councils can prove very beneficial for nonprofit organizations. When forming such groups, the decision about the term for memberships should be determined up front. It is not necessary to have term limits, but terms are key to evaluate members' performance on the groups. To do so, an assessment process should be established and adhered to so that the group can evolve and remain vibrant. In addition, these groups can be very helpful for the Governance Committee in particular as a potential "farm team" for future Board members. In addition, it is often the case that former board members want to maintain a strong connection to an organization, but are unable to fulfill their Board responsibilities or in the case of Florida CraftArt, have "termed-out." Ambassador groups can serve this purpose and are also often the right spot for a community member who does not aspire to be a Board member or may not be a good fit (as a Board member) for the organization.

Although we recommend adding both of these ambassador groups, it is important that this is done when Florida CraftArt is ready to do it right. A clear charter and purpose for the group must be written and adhered to. Ambiguity will not help the groups or Florida CraftArt reach its goals.

Recommendations

- Revamp the *Board Member Responsibility Form* so that it more clearly explains the expectations related to personal giving, and expect 100% personal participation from the Board of Directors, without exception.
- Establish clear roles and responsibilities for the Development Committee, which should be staffed by the Director of Development.
- Implement a strategic Board recruitment process to include identification, vetting and invitation protocols.
- Develop a more sophisticated and well-maintained pipeline of Board prospects to include individuals for near-term, longer-term and future consideration as well as individuals previously identified but no longer considered viable Board candidates. Nominations for this ever-changing list should come from the Board and staff, but should be maintained and updated at the staff level.
- Develop an annual and specific self-assessment process. (In our experience, this is an area in which most Boards fail themselves and eventually leads to an ineffective board).
- Consider adding a Tampa Bay ambassadors group soon to further engage community members and donor prospects, look for additional Board prospects and possibly provide a meaningful opportunity for former Board members to continue their engagement.
- When able, consider adding a statewide advisory council as a way to become a more "statewide" organization and elevate the burden of current "statewide" board members.

- When such groups are added, produce clear charters, devoid of ambiguity.

Operations Assessment

Diane Shelly has been the face of Florida CraftArt for several years. She is involved in the community and is connected among the other arts-related organizations in St. Petersburg. Recently, she was a leader at SHINE, the St. Petersburg Mural Festival in September 2015 and conducts well-received mural walks from Florida CraftArt. The mural tours are expected to bring in approximately \$6,000 during FY2016, which is double the current budget. As an Executive Director of a small nonprofit, Diane wears all hats from staffing the Board of Directors' meetings to helping hang art in the gallery. Although an important part of any Executive Director's job (especially where there is no development staff in place), Diane has not aggressively pursued development efforts. Diane acknowledges that she needs to become more active in face-to-face and telephonic development calls, especially as the organization embarks on a significant comprehensive campaign. With a new Director of Development and engaged Board of Directors, Diane has stated that she is ready to take this on.

With that said, these are uncharted waters for Diane, so she must be well-supported by the Director of Development and Board of Directors in her important role in fundraising. Fundraising by its nature is a positive business that requires consistency, imagination, creativity and the nerve to take quantum leaps. She is well aware of the priority and time that will be required of her to develop a greatly expanded major donor base essential to a dynamic future. Although she will need support from within and outside assistance with solicitation strategies, proposals, messaging, etc., the skills are there and procedures will be put in place to enable Diane to be a successful development officer.

Embarking on the campaign will also require a greater level of organization and more effective communication by all at Florida CraftArt and this starts with the Executive Director. Staff meetings should be great opportunities to share exciting news, communicate upcoming programs and news and reinforce staff members' places in the big picture. As we create new policies and protocols to assist with the campaign and other key functions of the organization, they need to be adhered to and shared with staff and stored (online) where all have easy access. Further training and more communications goes to the volunteer network as well. In the past, retail sales consultants have commented that the volunteers were not trained, did not know artists, rarely up-sold and had difficulty closing sales. If this is still the case, they simply need more training, and we need opportunities for volunteers, not suited to work in the gallery, to

serve the organization in other ways. All need to be knowledgeable about the organization with emphasis on the campaign.

Currently, Diane personally produces timely and sincere thank-you notes. However as volume increases and expectations for the Executive Director build, the acknowledgement process needs to remain sincere, but become more systematic. When thinking about the acknowledgement process it is important to know that research indicates that donors generally only require three things: 1) a timely and sincere thank you; 2) confirmation that the gift will be used for its intended purpose; and 3) to be asked again at the appropriate time.

Janie Lorenz, Business Manager, oversees what would typically be referred to as development services (defined as the essential infrastructure supporting the fundraising and external relations program.) Included in the development services wing of her job is oversight and ongoing management of the PastPerfect software program, data entry and gift processing, gift/membership receipts and acknowledgments (however as stated above, much of this is currently done by the Executive Director), membership renewal notices, etc. Several of the items currently within the business manager's job functions may be better suited under the Director of Development or his/her management which will allow the business manager more time to work on other key functions not currently being addressed and additional responsibilities as the campaign progresses. Prospect research, stewardship and moves management through PastPerfect all need to be addressed and systematically added. In addition, the volume of gifts, multi-year pledges, pledge reminders, contact reports for the Executive Director, coding and tracking by project, etc., will dramatically increase when the campaign is up and running. Moving forward the organization will benefit from more clearly defined roles, responsibilities and accountability for the key functional program areas, particularly as they pertain to development and communications.

One major area for concern is contact reports. Currently, contact reports are not written at Florida CraftArt. Contact reports are a vital component to the development moves management process and need to become high priority. In addition, sales information needs to be added to the system which could be a good entrée to future visits and engagement.

PastPerfect is an inexpensive database that is generally reputed as the small history museum database. PastPerfect touts itself as the "world's leader in collection and contact management...for over 9500 museums." In addition to being the standard for cataloging and therefore a good product for use in the gallery, PastPerfect also includes a contacts database that tracks membership renewals, pledges, financial gifts and can create bulk mailings, produce letters, envelopes, and labels, as well as send email newsletters and membership renewal reminders. However, although PastPerfect does contain a Fundraising/Campaigns feature, it is

not currently being fully utilized by Florida CraftArt. The staff needs training on how to use these features of the system and should start using it immediately.

Although Florida CraftArt recently upgraded to PastPerfect 5.0, the service agreement was not purchased due to expense issues and the staff has had difficulty finding answers to issues in the manual. To improve the staff use of PastPerfect, we recommend talking with other nonprofits that use PastPerfect to see if they also use the fundraising feature. A substantial list of these organizations can be found on the PastPerfect website: (<http://www.museumsoftware.com/>). Research conducted found the following users in Florida: Museum of Fine Arts, St. Petersburg; Florida Holocaust Museum, St. Petersburg; Tampa Bay History Center, Tampa; and the South Florida Museum, Bradenton. Establishing relationships with like organization who also use PastPerfect will create a network to reach out to with issues and continue the Business Manager's and other staff's professional development.

In addition to personally connecting with other users, research should be conducted on the right listservs to belong to in order to ask questions about PastPerfect. Finally, we recommend signing up for online classes to become proficient in several areas of PastPerfect, but with emphasis on the development functions. Online research found such classes in a reasonable price range (\$69-\$86) with course descriptions such as *Managing Contacts, Donations and Membership with PastPerfect 5.0* and *Research and Reporting with PastPerfect 5.0*. Signing up for courses may go a long way.

Stewardship is vital in continuing the relationship with donors and preparing them for the next gift to Florida CraftArt. Good stewardship is characterized by genuine, impromptu contacts, well-choreographed communications and stewardship reports that are individually tailored to major donors and more general (but with a personal touch!) for other donors. Quality stewardship is perhaps the most important factor in the ability to move a donor along the giving continuum from annual, to major and planned gifts. As the campaign gets underway, a stewardship plan should be developed with emphasis on gifts of \$5,000+.

Recommendations

- The Executive Director needs to be more actively involved in the development program, which will require additional training and increase expectations.
- Develop written policies for gift acceptance, gift acknowledgment processes and gift agreements in line with the best practices of the industry.
- More training is needed on PastPerfect and the organization should start using the fundraising features of the database more effectively.
- The organization must start producing timely and thorough contact reports.
- With the addition of the new Director of Development take a look at job descriptions for readjustments that align with future campaign needs.
- Develop individually tailored annual stewardship opportunities for all major donors as well as a broad-based annual stewardship report for all donors.

Marketing and Communications

Utilizing all potential marketing and communications outlets is essential for all nonprofits, especially for community organizations in the arts. Given Florida CraftArt's limited budget, it is not recommended that substantial money be spent on materials or advertising, however some materials are needed and described below. The primary sources for external marketing and communications should be social media outlets, the website and perhaps the most effective—word-of-mouth.

The use of and subscribers to Florida CraftArt's Facebook, Instagram and Twitter feeds have dramatically increased over the past month. This volume should continue and we should drive and set goals to have even more use of social media to expand our reach and attract a younger audience. It is important to keep your messages and posts up-to-date. Social media is a great way for supporters to share the organization's information and, in effect, provide peer recommendations, which are the most effective marketing tools available. Small contests also can be an effective way to provide an incentive for supporters to share your social media posts.

There is some concern about the inconsistency of information on the organization's website. There is outdated information, links do not take you to the right place and other information is difficult to find. Perhaps the areas that need the freshest looks are the "support us" and "membership" areas. Maintaining and updating the website is time consuming, and much of this work is currently done by the Executive Director. As we ramp up the campaign, add artist information, implement new protocols, etc., significant updates will be required for the website. Also, at this time, Florida CraftArt should develop a campaign website or development page where information will be housed. For now, it is recommended that a fairly quick refresh be conducted to simply make sure the links are working currently and bring you to the right place, information is current and other minor adjustments are made. Florida CraftArt may want to consider spending a small amount of money to have someone help to provide content and management for the website and social media, and we can provide a recommendation if needed.

A **Campaign Communications Plan** should be developed that is closely aligned with the campaign's inception (during the advanced gifts phase). The goal of campaign communications should be to disseminate information about the timing, purpose, goals and status of the

campaign in order to encourage support; increase awareness of Florida CraftArt as a statewide organization and the only nonprofit fine craft art gallery in St. Petersburg; and motivate and educate donors, staff and volunteers so that they may assist with word-of-mouth marketing. A campaign communications plan should provide important focus for the campaign with the organization's constituencies through a variety of media. Specific Campaign-related publications and augmentations to current publications should be used to enhance knowledge and participation in the Campaign. This will allow the campaign to be branded throughout all avenues and also save a considerable amount of money. The plan should include a schedule for: creation of an "elevator speech," announcements about gifts, events, marketing, planning and execution of the public launch, call to conversation materials, the preliminary case statement and its use, etc. Again, since we will be "building this plane while we are flying it," it is important to note that the campaign communications plan should be considered a fluid document that should be adjusted, edited and added to throughout the campaign.

Recommendations

- Continue with the recent improvements to use of social media to expand our reach.
- Make immediate improvements to the website that include updated information, proper linkage and better giving pages. When able, add campaign initiatives and a campaign page that should include testimonials, ways of giving, status updates, etc.
- Consideration of contracting with someone to provide content and management support for the website and social media.
- Develop a communication's training program for volunteers to ensure consistency of message and to arm them with facts and compelling talking points about latest developments, the campaign, our gallery artists, etc.
- Write and implement a Campaign Communications Plan that provides important focus for the campaign, make good use of existing materials and helps educate the community and donors about the importance of the campaign.

Conclusion

Florida CraftArt is a treasure in our community with capable staff and an engaged Board. With some adjustments to Board management and governance, a new strategic plan and robust fundraising programs, Florida CraftArt can achieve its goals to "*Grow the statewide creative economy by engaging the community and advancing Florida's fine craft artists and their work.*" The candor and collegiality of administrative leaders and the Board of Directors who contributed to the outcomes of this review were greatly appreciated.

