

*Development Assessment
and Plan Report
for
Nebraska Folklife Network
Lincoln, NE*

June 29, 2017

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Gwendolyn K. Meister
Executive Director
Nebraska Folklife Network
920 O St., Suite 102
Lincoln, NE 68508

Dear Gwendolyn,

It is a pleasure to present this formal report of the Development Assessment and Plan conducted by Paul J. Strawhecker, Inc. for the Nebraska Folklife Network. We would like to thank you and Dylan Wall, Program Coordinator, for working with us to produce this document that will serve the Nebraska Folklife Network as the roadmap for future fund development.

Working with the Nebraska Folklife Network on the Development Assessment has been a particularly positive experience for Paul J. Strawhecker, Inc.

We are convinced that the Nebraska Folklife Network is in a position to expand the fund development function and has the potential to raise more funds through:

- Developing a case of support that addresses the need for philanthropic support.
- Developing and cultivating donors.
- Enhancing Board development function in regards to fundraising.
- Establishing and implementing an Annual Fund Plan.
- Establishing and implementing a Major Gift Program.
- Proposals for foundations, corporations and individuals.

Our Development Assessment and Plan provides observations of Nebraska Folklife Network's fundraising efforts followed by specific recommendations that illustrate how the organization can effectively diversify its fundraising efforts. We believe that if these recommendations are implemented, the Nebraska Folklife Network will be empowered to expand its operations and become self-sustaining.

We appreciate the opportunity to be involved in this important project and look forward to a long relationship with the Nebraska Folklife Network.

Sincerely,

Kassaundra Hartley
Project Associate

cc: Paul J. Strawhecker

TABLE OF CONTENTS

I.	Preface	4
II.	Organizational History and Perspective	5
III.	Infrastructure for Fund Development	14
IV.	Proposed Fund Development Plan	24
V.	Task Plan	39
VI.	Summary	42

I. PREFACE

This Development Assessment and Plan was commissioned to review the current and past fundraising efforts of Nebraska Folklife Network in order to identify strategies to promote growth. The desired outcome is a plan that provides an infrastructure for an evolving development effort.

The assessment process included communication with the executive director, an on-site visit, and individual interviews with the executive director, program coordinator, past board president, and representatives from Humanities Nebraska, the Nebraska Arts Council, and Alliance for California Traditional Arts. The key themes discussed were current and past fundraising efforts, board involvement, staff involvement and qualifications, and needs of Nebraska Folklife Network.

This report includes a narrative section which evaluates past and current fundraising activities. It provides an assessment of the internal and external factors relating to Nebraska Folklife Network development efforts, a “best practices” guide to key elements of a development program, recommendations and a task plan that outlines specific activities to accomplish the recommendations.



II. ORGANIZATIONAL HISTORY AND PERSPECTIVE

This section of the development assessment provides a review of Nebraska Folklife Network's history, mission, programs and governance. The purpose is to analyze, from a fundraising perspective, the mission of the organization, its current and previous sources of financial support, the future direction of the organization and its anticipated resource needs.

ORGANIZATIONAL HISTORY

Per Nebraska Folklife Network's Website:

Founded in 2003, the Nebraska Folklife Network (NFN) is a nonprofit arts and humanities organization that serves as the state's public folk and traditional arts program.

Our flagship program is the creation of cultural education trunks that educators in any way can check out for free from our program partner Humanities Nebraska. Humans have a knack for passing on traditions, new and old, so please share with us what you've been up to!

Folklife covers such a rich array of traditions that it can be hard to describe in a few sentences. In short, folklife is handed-down culture. The NFN prefers to call folklife the ways in which a culture (or any other folk group) expresses itself and its traditions and values. All of us have some forms of folklife and it's one of the earliest and most powerful ways that children learn to function in their own culture. Likewise it can be an easy, yet very powerful, way for everyone to understand and accept other cultures and their different ways of life. That's why what the NFN does is highly important to Nebraska and Nebraskans.



MISSION STATEMENT

Nebraska Folklife Network's mission is to foster, sustain, and increase awareness of Nebraska's living cultural heritage.

VISION STATEMENT

Nebraska Folklife Network's focus is on educating the people about the rich diversity that exists in our state and how we're all part of it. Nebraska Folklife Network identifies and supports traditional artists, hosts and attends cultural events, and shares with the public a multitude of cultural expressions that exist in Nebraska.

INFRASTRUCTURE

This section looks at elements of governance, leadership, bylaws, strategic planning, fundraising execution and programs.

1. Governance. The bylaws stipulate a minimum of three directors, none of whom need to be members of the Corporation. The number of directors to be elected shall be determined and the election of directors held at the annual meeting of the members. Currently Nebraska Folklife Network has seven Board members. The corporation holds an annual meeting on the first Saturday of May. Officers include the president, treasurer and secretary.

In 2010, Nebraska Folklife Network dissolved all standing committees within the Board of Directors. Four areas of concentration were set in place, corresponding to board members' particular interests among the projects and activities of the Nebraska Folklife Network. This provided the board with an opportunity to be involved in the staff's work and decision-making about activities, as well as provide important roles such as serving as master of ceremonies for public events and other tasks where they could represent Nebraska Folklife Network publicly. These areas of



concentration were Local Events, the Give to Lincoln Day annual fundraiser, the Harvest of Traditions Festival/Annual Meeting and Ongoing Planning.

Currently, Nebraska Folklife Network depends on ad hoc committees for special needs. Presently, the only ad hoc committee is the Strategic and Succession Planning Committee that has met one or two times a month throughout 2016 to update the strategic plan and to assist in planning the transition of the founding executive director who will retire in 2018.

Former standing committees were the Finance Committee, Marketing Committee and Nominating Committee. These committees dissolved because a board chair was supposed to chair them and the Nominating Committee was the only committee that met. In addition, the Marketing Committee found it difficult to understand what its function was supposed to be.

The current Board of Directors consists of:

Erin Poor, *President*

Blanca Ramirez-Salazar, *Secretary*

Dr. Stephen Swidler, *Treasurer*

Dawn Vincent Dumas

Vida Stabler

Justin Firestone

Sief Mahagoub

2. Organizational Leadership. The role of Nebraska Folklife Network's executive director is to direct and oversee strategic planning, administration, community outreach and fundraising.



A position description of the Executive Director lists the following responsibilities:

- Initiating program and financial planning
- Identifying and cultivating new and ongoing financial and material resources
- Assisting the Nebraska Folklife Network board in recruiting board members
- Developing training for board, staff and volunteers
- Representing the Nebraska Folklife Network in the media and other public forums

The personal interview conducted for the assessment confirmed the executive director sees her role as fulfilling duties as described in the job description. She also mentioned writing grants and assisting the program coordinator.

Nebraska Folklife Network employs the executive director and a program coordinator.

3. Bylaws. Bylaws are the rules adopted by an organization chiefly for the governance of its members and the regulation of its affairs. Bylaws lay the foundation for the policies and procedures of the organization.

It is important that a nonprofit organization's bylaws are responsive to the organization's constituents and its needs. Organizations that never review their bylaws often end up burdened with antiquated bylaws that no longer reflect the organization's mission, needs or direction.

Nebraska Folklife Network's bylaws were approved in 2003 and have not been amended since then. There is a need to review and update the bylaws so they reflect the current status of the organization.



4. Vision with Strategic Direction. Currently, Nebraska Folklife Network is undergoing a strategic planning process to address the future of the organization as well as succession.

The three initial goals are drafted as follows:

1. Increase awareness of folklife in Nebraska
2. Build a financially and organizationally healthy Nebraska Folklife Network
3. Continue developing relevant and successful educational programs on Nebraska folklife

5. Fundraising Execution Currently Nebraska Folklife Network's fundraising activities consist of a membership drive and grant writing. Revenue is generated through funds raised at special events, Give to Lincoln Day, grant writing and in-kind donations.

6. Programs and Services Nebraska Folklife Network currently has two programs, its Cultural Encounter Kits and the Landscapes Project. These kits are available by loan to schools, libraries, museums and other organizations statewide who serve youth grades 4-8. These kits explore the similarities and differences of immigration experiences in various eras. Encounter Kits include videos, CDs, books, clothing, cultural items and curriculum materials, including lessons.

The Landscapes Project is the newest program the Nebraska Folklife Network has established. It is a field research program with a purpose of gathering photos, video and other educational material to share online and in public presentations as well as preserving the names of people trained in disciplines that may be becoming increasingly rare. One long-term goal of the Landscapes Project is to compile a roster of traditional artists willing to accept apprentices in the hopes of passing on their specialized



knowledge. The project covers three natural resources districts: the North Platte, the South Platte and the Twin Platte, with the vision of expanding to other parts of the state.

Nebraska Folklife Network also works to identify and support traditional artists, host public folklife events and engage with people across the state about Nebraska's rich cultural heritage. In 2017, Nebraska Folklife Network is partnering with other Lincoln area organizations to host an event centering on the Mexican holiday Dia de los Muertos (Day of the Dead).

ENVIRONMENTAL FACTORS

1. Trends. Two current trends threaten Nebraska Folklife Network, the general political movement to cut government funds allocated to the arts and humanities, especially the National Endowment for the Arts, and the growing anti-immigrant stance in the United States. Nebraska Folklife Network celebrates cultural diversity and the contributions of newer Nebraskans.

A positive trend for Nebraska Folklife Network is that the millennial generation appears to be less materialistic, more interested in environmental concerns, and supportive of cultural diversity and equality.

2. Uncertainty of federal funds distribution. Nebraska Folklife Network receives the majority of its funding through the National Endowment for the Arts (NEA). Overall NEA funding has been at the forefront of political discussion, including the possibility of it being dissolved. In 2017, there was an eight percent cut in funding. This causes concern about the future funding for Nebraska Folklife Network, especially during an unpredictable economic time.



Nebraska Folklife Network is working to expand and diversify its funding sources beyond federal and state grant and contract money.

3. Need for services. The executive director of Nebraska Folklife Network explained how broad a term “folklife” is and that it covers a rich array of traditions, making it difficult to describe in a few sentences. There is a strong need for education about all of the cultures in the state of Nebraska, because sharing folklife traditions is an easy, yet powerful, way for everyone to understand and accept other cultures and their different ways of life.

Nebraska Folklife Network is a statewide organization and is unique to its mission and programs. There is no other organization like this in Nebraska.

4. Increasing resource needs. Several resource needs were identified during the assessment process:

- Resources for operations:
 - Development and fundraising education is needed to execute fundraising activities.
- Resources needed for capital improvements:
 - The Strategic Plan suggests developing a long-term fund development plan and assesses specific needs.

FINANCIAL SUPPORT AND METHODS OF FUNDRAISING

In FY 2017 Nebraska Folklife Network intends to increase its income by approximately \$3,000 to cover the cost of increased expenses.

Most of the organization’s current funding comes from a state contract and federal grant that are primarily funded through the National Endowment for the Arts. Due to the unpredictability of the current administration, the need to



diversify funding revenue sources is more urgent than ever. These factors support the argument that Nebraska Folklife Network needs to develop multiple sources of funding.

The executive director is currently responsible for identifying fundraising strategies.

The only fundraising conducted is via a membership drive, Give to Lincoln Day and grant writing. Defining the value, incentive and what being a member entails is very important and should be clearly communicated. The donor list is maintained loosely and does not include information on individuals donating other than money. There are no mailing activities, but an e-newsletter has been developed. A marketing plan has not been developed to supplement fundraising goals.

Nebraska Folklife Network does not have a structured plan for funding. A traditional Fund Development Plan should incorporate a variety of fundraising strategies including soliciting individual gifts; direct mail marketing; submitting proposals for corporate gifts or foundation grants; and soliciting underwriting for special events. The plan should also contain a gift acceptance policy.

1. Analysis of Fundraising Activities

Normally in this section we discuss an organization's donor base: how many donors there are, their geographic distribution, how the names are acquired, their giving patterns, etc. Nebraska Folklife Network has very limited data with 78 donors on the list. There are no defined procedures of what kind of donor information should be kept or how. In-Kind donations are not being recorded at this time. Due to lack of information available, we are unable to provide a more thorough analysis of donor base.



The executive director plans and executes fundraising activities with some support from other staff and the Board. A major gift for NFN is at the \$500 level and above. Currently, there are only two major gift donors, but \$3,000 was raised by the top 50 donors each year for the past three years. The executive director makes personal phone calls and sends messages to thank major donors.

We usually analyze direct mail and annual gifts – percent participation, average gift size, net income, cost per gift, etc., but Nebraska Folklife Network does not have an established direct mail program.

Special events have been held, but the events are not fundraising focused. The majority of planning and implementation is done by staff with help from some of the Board members. Individuals from across the state of Nebraska are invited. The annual special event, Harvest of Traditions, was discontinued because of a lack of interest and sponsorships.

Many grants have been written and submitted over the years. However, no structured research was done to identify foundations for the best fit and/or determine the likelihood of funding of a particular foundation. The staff does maintain processes for grant submission and has a list of all the grants submitted over the years.

Below is the summary chart of fundraising activities conducted by Nebraska Folklife Network:

Activity	Activity Level		
	High	Low	None
Direct Mail			✓
Annual Gift Program			✓
Major Gift Program			✓
Planned Giving			✓
Special Events		✓	
Grant Writing	✓		



III. INFRASTRUCTURE NEEDED FOR FUND DEVELOPMENT

It has been noted that fundraising is a process of “asking for money because the need is so great.” Fund development, however, is the process of creating an organization the constituency *wants* to support.

The purpose of a fund development program is to generate income that supports the operating budget of the institution. Annual fundraising activities should encourage repeat gifts from a core group of donors and continually expand that donor base through prospecting activities.

A successful fund development program is strategic, utilizing a well-developed infrastructure to manage effective fundraising strategies. The infrastructure depends on a volunteer board of directors that understands their roles and responsibilities and works within the framework of the bylaws to manage the “business” of the organization. These volunteers develop written policies to guide their decision-making as well as organizational operations. A professional staff provides leadership to achieve the annual operating goals and objectives of the strategic plan.

The members of the board and the professional staff develop, implement, manage and evaluate the fundraising activities. Traditionally, the executive director manages related human and financial resources while the board provides oversight.

This section describes the many internal components that contribute directly and indirectly to the ultimate success of a development program. In general, any development initiatives at Nebraska Folklife Network will be more efficient and effective if several of these key components are in place.



CASE STATEMENT

An accurate, informative and inspiring case statement is the most important tool in building a fund development program. In terms of fundraising, a case statement is written to address an audience of potential donors and answers the question, “Why should I make a gift to Nebraska Folklife Network?” A case statement fully describes the cause the organization is serving and expresses ***all the reasons why anyone should contribute*** to support or advance the organization in its service to the cause. It identifies with the donor community. It represents a plan for the future in an evolutionary way while recognizing organizational heritage and current constituencies. It describes the need for support now and into the future, and should portray the Nebraska Folklife Network as an innovative answer to unmet needs.

The case statement is comprised of a number of components, such as:

- Mission Statement
- History
- Descriptive listing of all programs and services
- Challenges, both internal and external
- Data and statistics that support these challenges
- Vision for the future
- Plan to strategically accomplish goals
- Testimonials

Writing the case statement provides an excellent opportunity to clearly outline programmatic goals and results, some of which are described in the strategic plan.

A case statement also has a compelling **human-interest component**. For Nebraska Folklife Network, the case could provide examples of the ways the Cultural Encounter Kits have helped students understand cultural differences.



As appropriate, it should include testimonials, or personal statements, from those who have appreciated what they have learned about other cultures.

A case statement identifies the specific needs of the organization and the benefits or accomplishments of the organization in both **qualitative and quantitative ways**, indicating not only the strength and quality of programs and services, but also the statistical evidence which supports the demand for services and the need for additional financial support. It incorporates outside information as well, such as gap analysis studies, and other information to illustrate the need for services.

The case statement exists in two formats, a simple internal document shared between staff members and the board of directors, and as a fancier external publication. Messages in the case statement should tell the Nebraska Folklife Network story in a way that compels action and inspires support. The case can also serve as an informative and inspiring board and volunteer orientation document.

DATA MANAGEMENT

Effective data management informs and guides the development program. Data management systems track each contact and communication between donor and organization, and can serve as a repository for additional information that may directly or indirectly affect solicitations and gifts. Effective data management not only accurately tracks gifts to an organization, but should also indicate what inspired those gifts to suggest what may encourage and inspire future gifts. This type of information is vital to the success of major gifts programs and major capital and endowment campaigns. It also provides guidance and growth opportunities for annual fund campaigns and direct mail efforts.



In utilizing board members and other volunteers for fundraising efforts, data management will track relationships with individual board members or other volunteers. ***At its bare minimum, effective data management can ensure that gifts are properly recorded, acknowledged in a timely and appropriate manner, and requested again at the right time.***

Data management also provides a method for evaluation. When implementing a development program, evaluation should not be overlooked as a way to motivate staff and volunteers, analyze the success of new programs and justify the importance of investing in a development program. Data management should also assist in the development of the annual operating budget. Without up-to-date giving records, it is difficult to set goals and reasonably project and incorporate fundraising income into the annual budget.

THE BOARD OF DIRECTORS

Managing nonprofits can be complex, given the fact that there are many constituencies involved as “stakeholders.” These stakeholders should each be represented on the board of directors.

Successful development programs have their “roots” with the endorsement and support of the board of directors. ***In fact, without the active support of the board, it is extremely difficult to implement a comprehensive development program.*** Board members not only guide and direct the fund development programs, but should demonstrate their commitment by contributing early and often to fundraising initiatives. Board members should be among the first to be asked to provide endorsement with their early gifts of financial resources, active participation and persuasive influence among their peers. More important than the amount of money contributed from the board of directors, is that all board members actively support Nebraska Folklife Network with financial gifts.



Not all board members will be suited to fundraising, and board participation in fundraising activities should be approached with the consideration of each person's unique talents and overall role on the board. As the development program diversifies, board involvement will become even more critical. Therefore, when establishing fund development programs, it is common for boards to recruit new members suited to the task of fundraising.

We encourage the use of job descriptions for all board members. These can be successful tools for recruiting new board members, showing that their time and assistance is valued, outlining what is expected of them, and showing that Nebraska Folklife Network is organized and prepared to use the time and commitments of board members as efficiently as possible. The governance committee generally has the responsibility for creating and reviewing these items. Currently, Nebraska Folklife Network has a Board Member Contract in place that serves as their Job Description. This contract should be re-evaluated every three to five years and updated as needed.

STAFF

Establishing a successful fundraising program requires the cohesion of many key components, all managed by the organization's staff members. Often, increased board and volunteer involvement in fundraising makes the development program easier, however, it also increases the demands on staff. Staff members must recruit and involve board members and other volunteers to best use their connections in making fundraising calls, while also providing volunteers and board members with the tools, information and encouragement they need to feel successful and vested in the organization and in the fundraising effort.

The development director plays a crucial role in an organization's fundraising efforts. The development director must have the ability and willingness to make fundraising and networking connections, establish relationships with key



donors, develop solicitation strategies, and manage and oversee the entire development operation and report on achievements to the executive officer.

Because the executive director plays a crucial role in the fundraising effort as the standard-bearer for the organization, she or he should have the ability and desire to make fundraising and networking connections while also providing overall management of the organization.

To a large extent, the size of staff and budget dedicated to fundraising indicates the size of attainable fundraising goals. Small to medium sized fundraising efforts can succeed with small staff and limited resources.

POLICIES AND PROCEDURES

Deciding on appropriate operating procedures and policies is the responsibility of the board of directors. Nebraska Folklife Network does not have formal gift acceptance policies in place. A gift acceptance policy list types of gifts accepted, under what circumstances, and outlines how they are processed and recognized.

Gift recording and acknowledgement procedures should also be developed. The procedures include when/how to enter the gift into a database, what type of follow up is needed, how often payments are made (if a pledge), what kinds of mailings the person should receive, etc.

ANNUAL GIFTS

The annual fund is the process of seeking funds on an annual or recurring basis, from the same constituency, or from a broadening constituency, with income from such fundraising used generally for operating budgets.

National experience predicts that in an annual fund, 60 percent of the funds will come from about 10 percent of the donors. The next 15 to 25 percent will come generally from about 20 percent of the donors. All of the remaining required money will come from the remaining 70 percent.



Preparation for an annual fund includes defining the case for funding; identifying needs, expressed in program terms; and selecting strategies for fundraising. The strategies for an annual fund include:

- personal solicitations
- personal letters
- direct mail
- special events
- grants

Organizations must develop a logical prospect list that is well-researched with up-to-date information. Board members can help build the lists which include individuals, corporations, foundations, and business relationships. The director of development and members of the development committee should review the list to determine the most effective approach.

Many annual funds involve the solicitation of individuals for larger gifts by members of a volunteer committee. This process requires attention to detail, the ability to provide leadership for and management of volunteers, and the ability to communicate effectively. This process also requires that volunteers make the lead gifts for this fund drive.

CORPORATE AND FOUNDATION PROPOSALS

There are three primary sources that provide grant funding for 501(c) (3) entities. These sources include federal and state agencies, corporations and foundations. It is extremely important to carefully research these potential funding sources to target the optimal donors, thus ensuring the efficiency of the grant process, and increasing chances of receiving an award.

Proposals for federal and state agencies are often project driven. The guidelines outline specific project criteria and are often for new project development rather than general operating support. They require multiple attachments such as



letters of intent and support from the community. They also generally require that an organization has the ability to implement a formal evaluation program.

Much of the information needed for foundations can be found in websites such as <http://www.foundationcenter.org> and <http://www.foundationsearch.com/> Factors to consider when researching individual foundations include the foundation's purpose, analysis of previous grants, types of support offered, recipient type, geographic distribution of grants, grant limitations and the preferred way of communicating with the foundation.

The funding priorities should be determined through cooperation between the executive director and/or development director and the board. Funding priorities can then be matched to opportunities. Board members, executive director and others should also look over the list to see if any networking possibilities are available. Further information will be pursued from this prioritized list through mail requests, phone calls and research. If a volunteer or someone else in the organization has a connection to the donor, they may be asked to make an inquiry.

Many development offices use a standard format for developing their proposals:

- cover letter
- summary statement
- introduction
- problem statement and/or needs assessment
- objectives
- methods
- evaluation
- budget with narrative
- a statement on sustainability
- dissemination, or the strategies to be used to share the outcomes of the project
- grant packaging – the format for submitting the proposal and attachments.

As in all parts of the process, attention to detail is critical.



CORPORATE GIFTS

Often, corporate gifts come in the form of sponsorships. A sponsorship is a marketing and fundraising tool. It is often used by businesses that have limited philanthropic dollars, but would like to support a worthy organization. In return for a specific gift, the donor receives public recognition. In the past, Nebraska Folklife Network has had five corporate sponsors, but currently none are active donors.

DIRECT MARKETING

Direct marketing refers to newsletters and to appeals mailed to a broad audience. They are both used to inform and solicit funding. Newsletters include a story that talks about the need for funding and include a response envelope. Effective newsletters and mail appeals should:

- Report on accomplishments
- Address a target audience
- Move the audience to action: this is what we need you to do and this is how you can do it
- Use the language of benefits: “I give and something good happens to a cause I care about.”
- Write about news - what is happening right now.
- Write for people who scan, put the important news at the top of the story.
- Ask for a gift

SPECIAL EVENTS

A special event is a dramatic effort to promote an idea, a cause or a program. Its purpose is to improve relationships with an organization’s public, develop understanding, and strengthen support through increased effort and contributions. Simply stated, a special event can effectively tell an organization’s story, get people involved and raise money. It is important to note that *the primary purpose of a special event is not to make money*, but to recruit new



donors, give leadership opportunities to volunteers and staff, and “sell” the program.

Special events are generally considered part of the annual giving program. Income generated by an event is frequently used for operations; these events usually do not provide enough revenue to fund major projects. They do, however, complement direct mail, memorials, donor clubs and other annual support strategies used to provide renewable contributions. When a particular event becomes an annual, regularly scheduled and anticipated part of the social calendar, then the event will become successful.

Special events require careful planning and attention to detail. When considering a special event, an organization should first consider the availability of resources: personnel, time and money to “seed” the project. Subsequent consideration should be given to appeal: Is this an event that would appeal to a broad array of people in the community? If you plan an event, will enough people attend to make the time and energy spent worthwhile?

After the event, a careful review of all elements by all staff and volunteers involved will help support planning for the next year’s special event.



IV. PROPOSED FUND DEVELOPMENT PLAN

The proposed recommendations are to establish and strengthen fund development activities for Nebraska Folklife Network. The recommendations are based upon direct communication with the executive director, Gwen Meister, program coordinator, Dylan Wall, representatives from Humanities Nebraska, the Nebraska Arts Council, and Alliance for California Traditional Arts, and review of historical documents of operational activities. We, at Paul J. Strawhecker, Inc., are confident that Nebraska Folklife Network can increase its fundraising potential if the Fund Development Plan is followed and activities are evaluated.

ENHANCE INFRASTRUCTURE

If we think about fund development as a process that is both internal and external, the infrastructure is all of the elements within an organization that support its ability to implement fundraising strategies.

This section of the report addresses the roles and responsibilities of board members, the board development process and staff. We considered governance issues, the roles of professional staff and the strategic planning process.

The board of directors is a key element of the organization's infrastructure. The board of directors has the principal responsibility for fulfillment of the organization's mission and the legal accountability for its operations. These legal responsibilities include:

- Duty of care: to exercise reasonable care when making decisions as a steward of Nebraska Folklife Network.
- Duty of loyalty: to act in the best interest of Nebraska Folklife Network.
- Duty of obedience: to manage donated funds to fulfill the mission and act in ways that are consistent with the goals of Nebraska Folklife Network.



A board member's responsibilities include developing and implementing the strategic plan and providing oversight to accomplish the mission. They are also responsible for hiring and supervising the executive director, ensuring financial solvency, representing the organization to the community and instituting a system of policies and procedures.

Our Recommendations are to:

Enhance the Governance Function. In order to support this transition, we recommend that board members seek to enhance the board development process. We recommend the adoption of a board development process designed to first identify the strengths of the board, and then to move the members to the next level of governance. This process can be managed by a committee such as the executive committee. The following "points" represent a standard board development process.

The nominating process begins with an assessment of the current board and should be done by the Governance Committee. The nominating process is the analysis of what is the range of ages; what is the proportion of male/female; what ethnic groups are represented, and do these groups fairly represent the community? It also looks at the skills and traits represented, and determines the skills that are needed to support the organization's strategic growth.

The outcome is a plan to create desired criteria for the selection of board members. We suggest expanding the criteria outside the folklife community. The nominating process also includes a system to cultivate potential members and explain roles and responsibilities. Roles and responsibilities generally set the requirements for the meeting attendance, committee participation and fundraising participation.



A “board member handbook” and orientation structure should be developed by Nebraska Folklife Network. The Board orientation process should include an overview of programs and services; finances; the organizational structure; and roles and responsibilities. New board members are often paired with a “seasoned” board member who provides mentoring. The handbook should include the year’s calendar of meetings; a listing of current board members with contact information; financial information; strategic plans; fundraising plans; and documents such as by-laws.

The evaluation is a self-assessment process when board members assess their performance and the work of the board to achieve stated goals and objectives. The board should also conduct an annual performance review for the executive director to ensure clear communication between the board and staff of the organization.

Nebraska Folklife Network’s bylaws allow no less than three members to be on the Board of Directors. Currently, there are 7 board members. We recommend nominating and recruiting two additional board members and evaluating present members.

Review the roles and responsibilities of board committee members.

Informed board members are effective board members. One way for board members to fulfill their responsibility to govern is to serve as a member of a committee. Community members who do not serve on the board can also be invited to participate on various committees.

Nebraska Folklife Network currently has only one ad hoc committee, the Strategic Planning Committee, that has met one or two times a month over 2016 to update the strategic plan and assist in the planning of the executive director transition.



We recommend establishing the following committees: a Governance Committee, to identify, evaluate, and nominate new Board members; and a Fund Development Committee, to support fundraising efforts.

Position descriptions should be developed for each committee. They should include the purpose and scope of the committee, and the role and responsibilities of committee members. Committees help shape a strictly advisory board into a working board where tasks that could be handled by staff are handled by the board, thus giving staff more time to focus on program and development efforts.

Another responsibility of a board member is to support the organization on an annual financial basis. The gift does not have to be a large sum, but 100 percent giving from the board enhances applications to private and federal grantees and shows constituents that the board is invested in the organization they serve.

We recommend that a strength-based board training workshop be conducted that will generate energy and provide direction for what Nebraska Folklife Network hopes to accomplish. This workshop would encompass:

- Assessing board strengths
- Evaluating board members relationships with those that can benefit Nebraska Folklife Network
- Responsibilities of the board
- Evaluating policies and finances
- Consensus building
- Developing a strategic direction for the board and organization
- Developing an implementation calendar



Enhance the management structure. The executive director is another key infrastructure element. The executive director is challenged to work on multiple levels of management and leadership. The executive director should not only oversee the operations of Nebraska Folklife Network but also be engaged in community matters and fundraising. Nebraska Folklife Network's executive director does a wonderful job of being involved in the community as a folklife advocate and is an active fundraiser as well as the leader of the organization.

We recommend that Nebraska Folklife Network:

- Update the job description for the executive director.
- Work with the board to review the responsibilities of this position.

Some of the typical major functions of an executive director include:

- Board administration and support
- Program and service delivery
- Financial management
- Human resources management
- Community and public relations
- Fundraising oversight

Follow the Strategic Plan. The members of the board of directors and Nebraska Folklife Network are working to establish a strategic direction for the next three to five years. In this plan, they addressed issues such as funding growth, community outreach, enhanced educational programs and effective Board. The Strategic Planning Process identified major goals and the strategies to address these issues. We recommend following the strategic direction which will not only ensure the future of Nebraska Folklife Network but also facilitate the fund development process.



INSTITUTIONALIZE THE FUND DEVELOPMENT PROGRAM

The Fund Development Program should be created in order to raise funds to support Nebraska Folklife Network programs and special projects. The community needs to be educated about the importance of Nebraska Folklife Network. The program would follow plans to strategically raise funds via one-on-one solicitation, grant writing, special events, and mailings.

Write a 12-month fund development plan. While the Nebraska Folklife Network is including fund development as part of their strategic plan, an in-depth 12-month plan is also needed to effectively implement and carry out fund development work. This plan will guide all of the activities of the fund development program and the fund development committee. It will include goals with measurable objectives such as number of donor visits, number of grants submitted, financial return of direct mail and amount of sponsorships to underwrite a special event.

The plan also provides an annual work plan. It will include a schedule to produce mailings, dates for committee meetings, foundation deadlines, critical dates for special events and a calendar to schedule donor visits.

Develop the Case Statement. The content of a complete case statement was described earlier. It is the core for public relations and fundraising messages. Nebraska Folklife Network needs a case statement to articulate the need for philanthropic support and the value of the services it provides. This case statement would be a comprehensive, persuasive document to be used by staff and board members as they communicate with donors and the general public. It would also be used to attract volunteers for committee service and board positions.



Develop Foundation Proposals. Nebraska Folklife Network currently focuses a majority of its development effort on writing foundation and federal grant proposals and does an excellent and thorough job. The process of writing foundation proposals is time consuming. In addition to spending time researching foundations, the process of writing foundation proposals requires a commitment of time and the ability to focus exclusively on the project at hand. The process of writing grants depends on a case statement that identifies fundable program or capital elements. It is important to note that approach to foundations is becoming more personal and often requires one-on-one contact and cultivation before submitting a grant request. A funding source search for other foundation prospects is recommended.

Re-Establish a Special Event. Special events complement the annual giving program by giving donors and potential donors another opportunity to learn about an organization. These events are most successful when volunteers are actively involved in concept development and implementation. Often planning and executing a special event requires a lot of time and effort that does not pay off financially; however, a special event provides the organization with an opportunity to educate, attract, involve and cultivate current and prospective donors. We believe Nebraska Folklife Network is in a position to inform the community of the great work it does. Nebraska Folklife Network should consider sponsorship opportunities to underwrite some of the cost of an event. A strategic approach to media is another key element to consider when planning a special event.

We feel that a committee of volunteers and staff must be assembled and charged with leading and organizing the event. While staff can serve on the committee, we encourage that this event becomes fully developed and realized with leadership from volunteers.



Develop a Mailing Program. The purpose of direct mail program is to educate your constituents about the program and acquire new donors. An annual mailing plan should be developed which includes type of an appeal, dates, and messages to deliver. We recommend starting with a newsletter type mailing to specified prospects. The piece should be educational but also have an ask component for a specific cause. A return envelope should be included in each mailing.

Christmas and Thanksgiving are the most “profitable” season for mailing appeals. Nebraska Folklife Network should take advantage and tell the story of a certain culture in the mailing piece that goes out at that time. Mailings are not the most effective way of fundraising, but they do help build donor constituency.

Nebraska Folklife Network will have to consider purchasing a mailing list to target the desired audience. Companies providing this service include Experian, DirectMail, and InfoUSA.

The response of each mailing should be evaluated and recorded.

Select Data Management System. A fundraising data management system is an important element of a fund development program. This system tracks information related to giving such as who made a gift in response to what appeal. It captures information to support donor cultivation: events attendance, personal visits, relationships, etc. The system can also track progress in meeting goals: gift acquisition, renewal and upgrade. There are many vendors to review and compare. Specific features to consider when purchasing data management software is the training and type of customer support available, templates for reports and if they can be modified; the upgrades available and who is responsible for doing that; and cost. We recommend having more than one person trained



on selected database. We recommend including all current/past donors and volunteers in the database. The executive director mentioned that donor retention and communication with donors are two major aspects she would like to improve and see the Nebraska Folklife Network excel in. Integrating a data management system will make it easier to accomplish those goals due to having all information on past and current donors in one easy to use location.

ESTABLISH DONOR RELATIONS

Nebraska Folklife Network staff cited a lack of connections to wealth, donor diversification and training for fundraising as challenges related to donor relations. It is important to enhance, revisit and establish relationships within the community. Nebraska Folklife Network must educate their current donors and cultivate new donors on an ongoing basis. A recommended method of achieving these goals is with a process known as *Moves Management*.

The fundamental Moves Management concept asserts that fundraisers need to manage a series of steps (moves) for each identified prospect. These steps, which vary depending on the individual prospect, will “move” from attention to interest to desire to give. The goal is to move the prospect to giving an increasing amount of charitable dollars to Nebraska Folklife Network. The fundraiser is continually moving the prospect toward his or her next gift.

Each “move” represents a separate, intentional contact with the prospect. Contacts include, but are not limited to, email, phone calls, letters, face-to-face conversations and planned events.



As prospects/leads are given to the development director, they should be identified and recorded in the data system that employs moves management system. The prospects should be evaluated and ranked according to affluence and influence. Ranking should be categorized, such as:

- A** = Highest Potential
- B** = Average Potential
- C** = Least Highest Potential
- VIP** = Influential People (i.e. community leaders)

Once the first moves are accomplished, the process should start with the “second priority” grouping, while still continuing the process with the first priority. This process should continue through all of the rankings.

As a continual practice, the development officer, at any given point, should have a working list of at least 10 top prospects. Prospect names can be brought to the development officer by volunteers, board members, and through donor records.

Each moves management system is unique within the organization’s context, but all systems should contain action items under each of the steps in the cultivation cycle: identification, cultivation, solicitation and stewardship.

Implementing such a system requires the support of all of the staff and key stakeholders. It is important to understand not only the development director but also the executive director and board members should be part of this process. Ultimately, moves management makes prospect management easier by providing a set of clearly defined steps, segmenting a large and unfamiliar prospect pool into key categories.



Some examples of “moves” in a moves management system might look like this:

Identification	Cultivation	Solicitation	Stewardship
a. Prospect Identification	a. Newsletter Mailing	a. Appropriate follow up	a. Gift acknowledgement
b. Prospect Research	b. Special invitation to event/activity	b. Determination of donor recognition opportunities	b. Thank you from board president or CEO/Pres
c. Prospect Rating	c. Follow up letter related to special event/activity	c. Proposal presentation, gift solicitation	c. Project update via letter
d. New prospect review with key stakeholders	d. Face-to-face informational visit	d. Proposal follow-up	d. Project update via personal visit
e. Determination if prospect meets qualifications for further cultivation	e. Begin to develop solicitation strategy		Etc.
	f. Tour of facilities; meeting with key staff		
	g. Identify purpose for ask; finalize solicitation strategy		

Develop a Public Relations Plan. The executive director discusses a lack of visibility of the organization, even though it is a statewide nonprofit. This plan would supplement fundraising activities as well as provide strategies to educate Nebraska Folklife Network’s constituents about the organization and its programs. The plan should include key messages for a year, vehicles of communication (press, online, TV, radio, public



speaking engagements, mailings) and persons responsible. Nebraska Folklife Network is unique in its mission within the state of Nebraska and this should be strongly emphasized.

In order to increase visibility and awareness of Nebraska Folklife Network, regular communication with the public and members can be made through a regular newsletter – hard copy and electronic, showcasing a monthly folk artist from the state of Nebraska, partnering with the Nebraska Department of Tourism and positioning the organization as a resource for cultural and folklife information. To help convey the importance behind the Nebraska Folklife Network, an explanation of how the folk arts impact Nebraska’s culture should be concisely written. Emphasizing relevance and vitality is key to building momentum and communicating that the Nebraska Folklife Network’s efforts have a societal impact. The average person may not understand how large of a role folklife plays in their lives on a daily basis.

Broadening storytelling of the impactful work the Nebraska Folklife Network does needs to reach beyond the folklore field. This is where collaboration with related groups and branching out to other sectors such as immigration or tourism can play a key role in increasing awareness. The Nebraska Folklife Network needs to convey their resources in an “active storytelling” manner. If Nebraska Folklife Network can provide a platform for traditional artists to tell their personal stories, supported by visuals such as videos or photographs, it will result in better understanding of folklife for its constituents.



CREATE AN ANNUAL FUND PLAN

The annual fund is the process of seeking funds on an annual or recurring basis, from the same constituency, or from a new prospect base that will broaden the constituency. The income from the annual fund is generally used for the operating budget.

Preparation for an annual fund includes defining an annual case for funding, identifying needs, expressed in program terms, and selecting strategies for fundraising. The strategies for an annual fund include personal solicitation, personal letters, direct mail, special events, grants and newsletters.

Nebraska Folklife Network needs to develop a logical prospect list that is well-researched with up-to-date information. The donor lists should include individuals, corporations, foundations and business relationships. The Board, in conjunction with Nebraska Folklife Network staff, should review the list to determine the most effective development approach for each donor prospect and who should make the request. A key part of developing this list is to scan for likely partners and evaluate what appropriate entities would yield sustainable partnerships. Creating these synergistic partnerships can be done by “hooking” into existing partnerships, evaluating gaps within their network and filling that need. An assessment and broadening of potential partners needs to be conducted.

The Nebraska Folklife Network should place an emphasis on its membership drive and form it into an annual solicitation activity that emphasizes the advantage to being a member and explains what the membership entails.



Many annual funds involve the solicitation of individuals by members of a volunteer committee. This process requires attention to detail, the ability to provide leadership for and management of volunteers, and the ability to communicate effectively. This process also requires that volunteers make the lead gifts for this fund drive.

Build a Foundation for Major Gifts. We believe the Nebraska Folklife Network needs to build the foundation for a major gift program. We recommend establishing a systemic donor cultivation process. At this time, Nebraska Folklife Network does have a consistent public face for the organization but struggles with proper donor cultivation due to time constraints and a limited staff.

Develop Gift Acceptance Policies. In conjunction with the board, the staff should create and implement gift acceptance policies.

Planned Giving Program. Planned giving is not a fully explored opportunity for Nebraska Folklife Network. We recommend implementing a planned giving program in the following ways:

- Identify prospective donors for planned gifts. Develop a list that should be reviewed, and if needed, donor research should be conducted in order to identify the most viable prospects.
- Develop a compelling case for estate gifts.
- Include an article on planned giving or a testimonial of a donor who made a legacy gift in the newsletter or on the planned giving webpage.
- Enhance the website by contracting with a Planned Giving vendor.
- Contact estate planning attorneys, CPAs, and financial planners throughout Nebraska.
- Develop planned giving mailing for targeted prospects.



Commemorative/Memorial Giving Program. Currently there is no emphasis on commemorative/memorial giving. Given that Nebraska Folklife Network is focused on maintaining traditions and cultures, this is a perfect avenue for individuals to commemorate important folklife artists and other individuals and groups who wish to celebrate their heritage. This giving program could be centered around the idea of maintaining the history and legacy of cultures and traditions in Nebraska.

Re-Engaging Corporate Donors. At one point in time, NFN had five active corporate donors. Currently, none are active. Having an open conversation with these donors and establishing why they fell into lapsed giving is key to understanding how to re-engage these lapsed donors.



V. TASK PLAN

Activity	3 rd Quarter July August September	4 th Quarter Oct. Nov. Dec.	1 st Quarter Jan. Feb. March
INFRASTRUCTURE			
Establish procedures for board governance process			
Develop Board member orientation			
Have Board perform self-assessment			
Engage Board in strength-based workshop			
Nominate and recruit two additional board members			
Establish Governance Committee			
Establish Fund Development Committee			
Revise job description for the Executive Director			
Follow and revisit Strategic Plan (at every other Board meeting)			
FUND DEVELOPMENT PROGRAM			
Develop a 12-month Fund Development Plan: goals, objectives, timelines			
Develop Gift acceptance policy			
Build a foundation for major gifts			
Establish and implement a planned giving program			



Emphasize the Commemorative/Memorial Giving Program			
Re-Engage corporate donors			
Develop Case for Support			
Foundation proposals: research, contact, write, submit, follow-up, evaluate			
Re-establish Special Event:			
Recruit volunteers			
Develop program			
Invite guests			
Approach media			
Evaluate			
Follow-up			
Develop a mailing program:			
Develop annual mailing plan			
Purchase mailing list			
Design and mail newsletter			
Develop and mail Annual Appeal mailing			
Evaluate the response rate and \$ raised			
SELECT DATA MANAGEMENT SYSTEM:			
Evaluate vendors			
Select a vendor			
Train users			




Organize current and past donors/volunteers			
ESTABLISH DONOR RELATIONS			
Identify/evaluate prospects and donors			
Cultivate prospects and donors by mailings, personal visits, special events			
Engage Board members in cultivation			
DEVELOP PUBLIC RELATIONS PLAN			
Create and implement a regular newsletter			
Determine public speaking engagements			
Determine events and stories for media			
Identify and collaborate with viable partners			



VI. SUMMARY

The purpose of this Development Assessment and Plan was to assess Nebraska Folklife Network's house fundraising practices and provide recommendations designed to enhance capacity to raise funds to support its programs. We appreciate the opportunity to work with the executive director on this project.

Submitted for Paul J. Strawhecker, Inc.

By:  _____

Kass Hartley

Project Associate

