

Course Information

Course Number: 93-826

Meeting Time: Tuesdays, 6:30pm – 9:20pm

Location: Zoom Videoconference

Instructor: Jamie McMahon, CFRE (jmcmaho1@andrew.cmu.edu)

Office Hours: Can be arranged either in person or by phone

Teaching Assistant: Justin Westley (jwestley@andrew.cmu.edu)

Course Description

This course introduces the distinctive qualities of American philanthropy, and explores the roles and responsibilities you will have as a professional fundraiser or as a staff member in a non-profit arts organization. In this fundamentals course the focus is on individual donors - their motivations, sources of contributed funds, and new and emerging fundraising techniques, although we will also explore the broad philanthropic landscape as a whole. Additional topics include legal requirements and ethical considerations that are important to fundraising, effective data management and its effects on the success of your fundraising efforts, solicitation strategies and effective communication with donors, and the principles of donor centered fundraising. We will explore the idea of a non-profit environment in transition, an environment where the fields of arts and culture compete with social services, education, and global philanthropic needs for a limited pool of dollars; where we are under increasing pressure to make the case for relevance and civic stature; where our funders - whether individual philanthropists, foundations, corporations, or government - have changing and higher expectations around both involvement and accountability.

Course Objectives

By the end of this course you will understand the basic principles of a number of specific topics in fundraising. Specific learning objectives include:

- Describe the history of philanthropy in the United States, the legal framework for nonprofit organizations, and current issues affecting the nonprofit sector.
- Summarize the reasons and motivations why an individual might choose to make a charitable gift to a nonprofit organization.
- Define the basic models of fundraising and giving including the donor pyramid and donor cycle.
- Comprehend the way that the annual fund is the basis for donor acquisition, organizational financial stability, and further fundraising across the life of the donor.
- Formulate a compelling donor solicitation letter and acknowledgement for a donor after a gift is made.
- Understand the nuances of ethical dilemmas that arise in a fundraising context and how professionals can make appropriate decisions.
- Compare different models for creating a development office as well as the back-end operations needed to run such an office successfully.
- Reflect on the value of fundraising for your own career plans in the arts or elsewhere and how you might utilize the principles discussed in this course.

Course Materials

Textbook: Sargeant, A., Shang, J., & Associates (2017). *Fundraising principles and practice* (2nd ed.). Hoboken, NJ: John Wiley & Sons, Inc.

Additional Materials: These will be assigned throughout the course and will be available on Canvas or through the CMU library system.

Prerequisites

None.

Course Requirements

Attendance: You are required to attend all class sessions. If you have a need to miss class or are ill, I would appreciate an email as far in advance as possible. Make up work may be assigned at the instructor's discretion and your participation grade may be lowered if you are not in class without a valid reason.

Class Participation: Peer learning is an important component of this course. Every student will contribute to the learning process for every other student at some point during the term. Therefore, active participation in class assignments, discussions, and group exercises, as well as asking questions of guest speakers, is essential for success in this course.

Response Forms (200-300 words each): Completing the assigned reading before class is essential to ensure that everyone is starting on the same page for our conversation. Since this is a graduate level course, I will assume that you have done the reading and will come to class prepared to engage in discussion. Completion of the Response Forms is a student's ticket to attend class, and they are due (via Canvas) to the TA before the beginning of each class meeting. This course requirement is aimed at ensuring lively and insightful discussion during meetings of the class. Students are expected to use examples from the readings to support their responses. The questions to be answered will be posted on Canvas.

Philanthropist Presentation: In groups of 2-3 students, make a 10-minute presentation on an assigned philanthropist to the class. Be sure to cover background about the individual, their philanthropic giving, and their overall impact on the field. Please utilize sources other than just Wikipedia for your research, although that is certainly an acceptable starting point. The list of due dates will be provided shortly after the first class meeting.

Solicitation (500-750 words) and Acknowledgement (250-300 words) Letters: As director of development, write a solicitation letter to ask Mr. and Mrs. John Q. Donor (123 Philanthropy Avenue, Pittsburgh, PA 15213) for a \$2,000 gift to attend a special event at the nonprofit organization of your choosing. Then, write a second letter thanking the donors for their gift and for attending the dinner, and explaining the impact that their gift will have. (Due March 2)

Reflection Paper (750-1250 words): Write a paper reflecting on your experiences in this course and ways that you might utilize the principles of fundraising and philanthropy in your proposed career in the arts, or other career plans that you may have. Incorporate ideas and themes from at least three course readings or presentations by guest speakers. What was most interesting for you to learn about fundraising and what was most challenging, confusing, or difficult? (Due March 16)

Evaluation and Grading Policy

Attendance	15 points	Ongoing
Group Exercise Participation	15 points	Ongoing
Response Forms	20 points	Ongoing
Philanthropist Presentation	10 points	Ongoing
Appeal & Acknowledgement Letters	20 points	Due March 2
Reflection Paper	20 points	Due March 16

Total **100 points**

A+ (exceptional)	99-100
A (excellent)	94-98
A- (very good)	91-93
B+ (good)	89-90
B (acceptable)	84-88
B- (fair)	81-83
C+ (poor)	79-80
C (very poor)	74-78
C- (minimally passing)	71-73
R (failing)	below 71

Course Policies and Expectations:

Writing: Written work will be assessed on both the degree to which it addresses the assignment, but also on the use of correct spelling, grammar, and appropriate professional style.

Late Assignments: Assignments not received by the due date will drop one grade level (*e.g.* A- to B+) for each 24-hour period that they are late. For an exemption to this policy, please inform the instructor as soon as possible of the reason (*e.g.* illness, family emergency, etc.) by email.

Electronic Devices: If you wish to take notes on a laptop during class that is acceptable; the instructor will notice if you appear distracted by non-academic matters. Aside from this, phones and other devices should be stowed away during class.

Food and Drink in Class: Studies show that adult learners do well if refreshments are available. Please feel free to bring food or drink to class; please clean up after yourself.

Cheating and Plagiarism: Plagiarism and other forms of academic misrepresentation are viewed as extremely serious matters. Misrepresentation of another's work as one's own is widely recognized as among the most serious violations. The violation is clearly flagrant when it occurs as plagiarism on a required paper or as cheating on an examination, including take-home as well as in-class examinations. The punishment for such offenses can involve expulsion from the MAM program and Heinz College.

Cheating includes but is not necessarily limited to:

- Plagiarism, explained below.
- Submission of work that is not the student's own for papers, assignments or exams.
- Submission or use of falsified data.
- Theft of or unauthorized access to an exam.

- Use of an alternate, stand-in or proxy during an examination.
- Use of unauthorized material including textbooks, notes or computer programs in the preparation of an assignment or during an examination.
- Supplying or communicating in any way unauthorized information to another student for the preparation of an assignment or during an examination.
- Collaboration in the preparation of an assignment. Unless specifically permitted or required by the instructor, collaboration will usually be viewed by the university as cheating. Each student, therefore, is responsible for understanding the policies of the department offering any course as they refer to the amount of help and collaboration permitted in preparation of assignments.
- Submission of the same work for credit in two courses without obtaining the permission of the instructors beforehand.

Plagiarism is the failure to indicate the source of work – either with quotation marks or footnotes. The source can be a phrase, a graphic element, a proof, specific language, or an idea derived from the work of another person. Note that material on the web is another person's work and is therefore equally subject to the rules on plagiarism and cheating as any other source material.

Cheating and/or plagiarism on an assignment will result in a failing grade (zero points) for that assignment. The assignment in which the cheating occurs will *not* be excluded from the offending student's assignments included in grade calculations; the points for that piece of work – zero (0) – will be factored into the grade. Furthermore, the cheating student's final grade will be reduced one full letter grade. **A cheating student's final grade will be impacted significantly.** In addition, all cases of cheating and plagiarism are submitted to and reviewed by the Dean's Office, which reserves the right to impose more severe penalties, up to and including expulsion from the Heinz School.

Course Calendar

February 2: Course Introduction, History of Philanthropy in the United States

Assigned Reading:

Carnegie, A. (1889) *The gospel of wealth*. Retrieved from
<https://www.carnegie.org/publications/the-gospel-of-wealth/>

February 9: Legal Framework, Public Perception of Non-Profits

Assigned Reading:

Textbook: Chapters 1, 2

BoardSource & Independent Sector. (2003). The Sarbanes-Oxley Act and Implications for Nonprofit Organizations. Retrieved from: <https://trust.guidestar.org/the-sarbanes-oxley-act-and-implications-for-nonprofit-organizations>

Giving USA. (2020, June 16). *Giving USA 2020*. Retrieved from <https://givingusa.org/giving-usa-2020-charitable-giving-showed-solid-growth-climbing-to-449-64-billion-in-2019-one-of-the-highest-years-for-giving-on-record/>

Lord, R. (2017, September 11). Pittsburgh's powerful nonprofits. *Pittsburgh Post-Gazette*. Retrieved from <https://newsinteractive.post-gazette.com/nonprofit/>

This is a series of four articles that have also been posted on Canvas if you do not have a subscription to the *Pittsburgh Post-Gazette*.

Brown, C. (2017, September 15). PG series didn't give a complete picture of non-profits' role. *Pittsburgh Post-Gazette*. Retrieved from <http://www.post-gazette.com/opinion/2017/09/15/PG-series-didn-t-give-a-complete-picture-of-nonprofits-role/stories/201709300035>

Not Required: IRS guidance websites for non-profit organizations:

<https://www.irs.gov/charities-non-profits/charitable-organizations/charitable-organizations-substantiation-and-disclosure-requirements>

<https://www.stayexempt.irs.gov/>

February 16: Donor Motivation, Digital and Social Media Fundraising, Annual Fund

Assigned Reading: Chapters 4, 5, 10, 11, 12 (textbook)

March 2: Individual Major Gift Fundraising

Assigned Reading:

Chapter 13, 14 (textbook)

Schervish, P. G. (2005). Major donors, major motives: The people and purposes behind major gifts. *New Directions for Philanthropic Fundraising*, 47, 59-87.

March 9: Fundraising Ethics

Assigned Reading:

Chapter 3 (textbook)

Association of Fundraising Professionals (2019, September 13). Unpacking the Epstein scandal: Why core ethical principles matter. Retrieved from: <https://afpglobal.org/news/unpacking-epstein-scandal-why-core-ethical-principles-matter>

March 16: Fundraising during COVID-19, Fundraising as a Career, Diversity in Philanthropy

Assigned Reading:

Cause Effective Fellows Program (2019). Money, power and race: The lived experience of fundraisers of color (executive summary). Retrieved from <https://preparingthenextgeneration.org/preparing-the-next-generation/money-power-and-race.html>

Culture Track (2020). Culture + Community in a time of crisis. Retrieved from https://s28475.pcdn.co/wp-content/uploads/2020/09/CCTC-Key-Findings-from-Wave-1_9.29.pdf

Stanley-Anderson, C. (2017, February 27). Diversification of the fundraising profession: Nonprofits' role. Philanthropy Journal News. Retrieved from <https://pj.news.chass.ncsu.edu/2017/02/27/diversification-of-the-fundraising-profession-nonprofits-role/>

Review some current position openings at <https://jobs.nonprofittalent.com/>

Not Required:

Culture Track 2017 by LaPlaca Cohen, a national research study on the habits of 'cultural consumers' nationwide since 2001: <http://2017study.culturetrack.com/home>

Rubric for Solicitation and Acknowledgement Letters

Project Requirements	Possible Points	Points Awarded
Provides information about the organization and the event and makes a case to the donor about why they would want to support the organization	6	
Emotionally compelling while also providing facts/data	4	
Appropriate recognition of the gift	4	
Well written, proper grammar, no spelling errors	4	
Uses the correct format for a formal letter	2	
Total	20	