

**North Park University
School of Business and Nonprofit Management**

**SBNM 5770
Fundraising Principles for Nonprofit Organizations
Spring A 2014**

Syllabus

Course Instructor:

Dr. Wesley E. Lindahl, Dean of the School of Business and Nonprofit Management and Nils Axelson Professor of Nonprofit Management at North Park University.

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Classroom: TBD

Schedule: January 16th through February 27th; Thursday evenings 6:30 P.M. -- 9:50 P.M.

Office Hours: Before or after class by appointment.

Introductory Comments:

The theory behind fundraising has emerged over the past ten or more years to provide the basis for what has been practiced over the centuries. This work is certainly formative and much remains to be done to build the field to greater breadth and depth of understanding. Several research studies from other academic disciplines have provided a context for fundraising research, including Social Science, Ethics, Religious Studies, Law, Education, Psychology, Economics, Marketing, Public Relations, History, and Communications. Taken together, the research being done explicitly in this new field and that from the edges of other areas provides a rich basis for the curriculum offered in this course.

As is the case for most theory courses, the practical aspects of the field can easily be lost without a very intentional plan. Furthermore, theory outside of the practice context can be difficult to learn, retain, and apply to real life situations. For this reason, participants

who register for this class are required to have access to a nonprofit organization for which they can both use as a subject for class discussions and in course assignments.

Course Description and Student Learning Objectives:

This course will cover the fundamentals of effective resource development as they pertain to nonprofit organizations generally and to nonprofit management positions specifically. Principles and "best practices" of fundraising are studied, including the fundraising process (i.e., research, planning, cultivation, solicitation, stewardship, and evaluation). The principles that undergird effective fundraising practices will also be reviewed including the historical, organizational, legal, ethical, and theoretical contexts of fundraising.

By the completion of the course students will have a comprehensive understanding of the parameters within which nonprofit managers raise funds, the historical, organizational, legal, and ethical contexts of fundraising for nonprofits, and the process of raising gifts. Special attention will be given to helping students learn how to "ready" the organization for an effective fundraising program. In addition, students will have a thorough understanding of the philosophy of philanthropy and the various motivations for giving.

Required Text:

Lindahl, Wesley E. (2010) Principles of Fundraising: Theory and Practice. Sudbury, MA: Jones & Bartlett.

Ostrower, Francie (1995). Why the Wealthy Give: The Culture of Elite Philanthropy. Princeton, NJ: Princeton University Press.

Optional Texts—NOT required:

Fischer, Marilyn (2000) Ethical Decision-Making in Fundraising. John Wiley and Sons.

Prince, Russ A. and Karen Maru File (2001). The Seven Faces of Philanthropy: A New Approach to Cultivating Major Donors. San Francisco, CA: Jossey-Bass.

Rosso, H.A. & Associates. (2011). Eugene Tempe et al, Editor. Achieving Excellence in Fund Rising. San Francisco, CA: Jossey-Bass.

Session I: Introduction to Fundraising

Student Learning Objectives:

By completing this class session, the student will understand the course requirements and basic class structure, learn something about each student in class, and have a basic understanding of nonprofit organizations and charitable giving in the United States, and the history of fundraising within a marketing context.

Class Organization:

- Lecture
- Discussion
- Powerpoint Presentation (Giving USA Data)

Topics:

- Introduction
- Why do you give?
- Resources available (including the NPU library)
- NPO -- NGO Sector
- Diversity of Gift Revenue Stream
- GIVING USA data
- The Commons
- Constituency Circle
- Charity vs. Philanthropy
- Donor Pyramid
- Marketing and Branding
- History of Fundraising

Readings to be completed for this class:

- Lindahl, Chapter 1 & 4 (read after class)
- Giving USA 2010 PowerPoint (in Moodle: read after class)

Assignment to be completed by next session:

Assignment 1.

A. Prepare a complete outline of the Gospel of Wealth (A. Carnegie) and be prepared to discuss. Your written document will be collected after the discussion next week (15 points).

B. Prepare a list of at least seven findings from Why the Wealthy Give (F. Ostrower) and be prepared to discuss. Your written document will be collected after the discussion next week (15 points).

Session II: Motivations for Giving

Student Learning Objectives:

By completing this class session, the student will understand the philanthropic tradition in the United States and the motivations for giving to nonprofit organizations.

Class Organization:

- Lecture
- Discussion

Topics:

- Case for support
- Perspectives on Philanthropy (Carnegie vs Gates)
- Motivations for Giving
- Giving as a Part of an Elite Social Structure

Readings to be completed for this class:

- Carnegie, The Gospel of Wealth. 1889 (in Moodle)
- Philanthropist bios (Carnegie, Gates, Franklin, Walker, Sage) (in Moodle)
- Gates on Giving Now (in Moodle)
- Ostrower, Why the Wealthy Give 1995.
- Bank of America Study from 2012 (in Moodle)
- Lindahl, Chapter 2 & 3
- Seven Faces of Philanthropy (in Moodle)

Assignments to be completed by next session:

Assignment 2. Prepare an introduction to your selected nonprofit organization (you will need to keep the same organization throughout the preparation of the learning portfolio). Analyze the source of gifts over a fixed period of time to your selected nonprofit organization and find out how the organization is structured to reach the sources (30 Points).

The outline for the assignment should be as follows.

- Introduction to the nonprofit organization (mission, age, size, location, type of nonprofit, etc.).
- Description of the basic sources for funding (alumni, grateful patients, attendees, board members, corporations, foundations, etc.). How much is typically raised from each source each year? Use actual dollars and percents.
- How is the fundraising organized to reach each source (number of staff, titles for staff, use of volunteers, CEO involvement, etc.) [Continued next page]
- Complete a constituency model chart for this organization (example will be given in class on the whiteboard)

- Is there an official case statement for support to the organization (or recent fundraising campaign)? If so, summarize the case in one paragraph. If not, write a draft paragraph that will inspire support from your constituents.

Session III: Theories of Fundraising

Student Learning Objectives:

By completing this class session, the student will understand the basic theories of fundraising and general concepts in the economics of fundraising, and will be able to explain the difficulty in using a cost ratio to rate a fundraising program.

Class Organization:

- Lecture
- Discussion
- Networking experience
- Collect Self-assessment of participation

Topics:

- System Theory: Autonomy and Accountability
- Social Exchange
- Group Persuasion/Cialdini's theories
- Other Fundraising Theories
- Economics of Fundraising
- Basic time value of money
- Percent Fund Raising Cost Issues
- Networking/donor conversations

Readings to be completed for this class:

- Lindahl, Chapter 5
- Bowman article (in Moodle)
- Cialdini, The Power of Persuasion (in Moodle)
- Philanthropy Matters, The Rating Game (in Moodle)

Assignments to be completed by next session:

Assignment 3. Select five of the top ten individual (not a corporation or foundation) donors to your selected organization to review with the executive director or development officer of your organization regarding possible motivations for giving. Relate the motivations to the theoretical context discussed in class (Carnegie, Gates, Franklin, Walker, Sage, Schervish, Prince, Mixer, etc.) and presented in the texts (Lindahl and Ostrower). Keep the names of the donors strictly confidential (30 Points).

The outline for the assignment should be as follows.

- Description of the motivations for giving for each of five donors (without names mentioned). [Continued next page]

- Description of how these relate to the theory and ideas from class discussions and texts.
- Does the theory work in practice?
- How are you personally motivated to give? What factors can influence your own personal giving?
- Basing your answer in theory, how could your nonprofit organization do a better job to motivate individual donors to give?

Session IV: Legal and accounting issues

Student Learning Objectives:

By completing this class session, the student will understand the basic IRS regulations and FASB accounting standards surrounding charitable gifts, will understand the concept of an endowment fund, and gift acceptance policies.

Class Organization:

- Lecture
- Discussion

Topics:

- Legal Issues
- Free Speech Issues
- IRS Regulations
- FASB Standards
- Endowments
- 990 Forms
- Education vs Solicitation
- Gifts in Kind
- Gift Acceptance Policy

Readings to be completed for this class:

- Lindahl Chapter 6
- Larkin article (in Moodle)
- Froelich article (in Moodle)
- IRS, Charitable Contributions (in Moodle)
- Guidestar Gift Acceptance Policy (in Moodle)

Assignments to be completed by next session:

Assignment 4. If your organization has a gift acceptance policy, critique it and draft an updated version that includes your suggestions for changes. If your organization doesn't have a gift acceptance policy, draft one for the organization (30 Points).

Session V: Fundraising Process

Student Learning Objectives:

By completing this class session, the student will understand the overall fundraising process and how to involve the board of directors/trustees in fundraising.

Class Organization:

- Lecture
- Discussion

Topics:

- Models: Sales; Product; Marketing Orientation
- Process of Fundraising (Research, Planning, Cultivation, Solicitation, Stewardship, Evaluation)
- Fundraising Program Reporting
- Boards and Fundraising

Readings to be completed for this class:

- Lindahl, Chapter 7 & 8
- Lindahl, Multiyear Evaluation of Fundraising Performance (in Moodle)
- Gifford, Banishing your expectation...(in Moodle)
- Dupree, Measuring performance (in Moodle)
- Examples of fundraising reports (handed out during class—if you can get an example from the organization that you are working with---bring it along to class)

Assignments to be completed by next session:

Assignment 5. Explore the history of fundraising at the organization. Report which of the three models of fundraising (sales, product or marketing orientation) best describe the past and current methods. Give examples of actual events that might serve to support your labels. Create a visual time-line showing the events and starting and stopping times for the changes in models over the years (30 Points).

Session VI: Ethics and Religious Fundraising

Student Learning Objectives:

By completing this class session, the student will understand religious fundraising, fundraising among diverse populations, the ethical issues involved in fundraising and the ethics statement of the most important professional organization in fundraising. They will be able to provide examples of how ethical lapses in major nonprofit organizations have affected the public's perception of fundraising

Class Organization:

- Lecture
- Discussion
- Case Study Reviews

Topics:

- Religious Fundraising
- Fundraising among diverse populations
- Ethics
- Case Study: Shark Fundraising Case

Readings to be completed for this class:

- Lindahl, Ethical Issues in Fundraising (in Moodle)
- Fischer, Marilyn; Ethical Decision Making in Fund Raising (in Moodle)
- Church Giving materials (in Moodle)
- Aramony article in NonProfit Times (in Moodle)
- Lindahl, Chapters 9, 10 & 11
- Shark Fundraising Case Study (in Moodle)

Assignments to be completed by next session:

Assignment 6. Interview the head of the organization (or head of the section of the organization you are working with) to find out the ethical dilemmas faced by the organization (or unit) over the past few years. Does the organization follow a “donor’s rights” statement? Consider the Donor Bill of Rights (in Lindahl Chapter 11). Grade your organization (A – F) for each item in the document. Suggest how the organization could improve its ethical position. Would this compromise the ability of the organization to raise money? (30 Points).

Session VII: Organizing for Fundraising

Student Learning Objectives:

By completing this class session, the student will understand the role played by fundraising in the organization, the dynamics between the development office and the CEO/ED, the central/de-central organizational issues in fundraising and be able to explain the ways to “ready” an organization for an effective fundraising program.

Class Organization:

- Lecture
- Discussion
- Final Exam (open book in class)

Topics:

- Fundraising Process as a part of overall organization
- Consider the role of the CEO or ED or President in fundraising.
- Organizational Structure/Central--Decentral
- Readiness for Fundraising--strengths/weakness
- Fundraising as a Profession

Readings to be completed for this class:

- Lindahl Chapter 12
- Hall article on decentralization issues (in Moodle)
- The Business of Giving (in Moodle)

Course Requirements:

1. Active and informed participation in class discussion.

As adult learners, you are expected to manage your own learning process. The extent to which the class is valuable to you will depend much upon your level of personal involvement in learning.

2. Learning portfolio.

The portfolio is a collection of assignments that relate to a particular nonprofit organization accessible to the student. Most assignments will involve exploring an aspect of fundraising theory in a practical context.

3. Final Exam

An in-class comprehensive final exam (including questions developed by the students in the course) will be used to assess student achievement of course objectives.

Basis of Grading:

Class attendance and participation will be worth 100 points. A self-assessment of class participation will be collected at week 3, which will be returned to the student with comments from the course instructor.

All assignments are due on the dates indicated and will be collected at the end of the class session (or emailed to wlindahl@northpark.edu before class begins). Each assignment will be worth 30 points (6 X 30= 180 total). The typical number of points given will be 25 points. 30 points will be given for exceptionally well-written papers. Late assignments will drop by 5 points each week, unless special arrangements are made. Assignments will not receive any points if turned in after the final class, unless approved in advance.

The final examination will be worth 100 points.

Point Chart

Class Participation	100 (26 percent)
Learning Portfolio	180 (48 percent)
Final Examination	100 (26 percent)

Criteria for grading written assignments:

A/A- Well-written with no errors (spelling, sentence fragments, unclear sentences, etc.). Excellent analysis and well-supported conclusions. Demonstrates complex understanding of topic and familiarity with supporting sources (readings, class presentations). Fully and clearly responsive to question(s) asked.

B/B- Moderately well-written with few errors. Good analysis and well-supported conclusions. Demonstrates correct understanding of topic and familiarity with most supporting sources (readings, class presentations).

C/C- Content may show either less than correct familiarity with the topic or bulk of supporting sources, is not fully responsive to the question(s) asked, or is poorly written (major mistakes made).

D/D- Any combination below the levels described above.

Academic Honesty

In keeping with our Christian heritage and commitment, North Park University and the School of Business and Nonprofit Management are committed to the highest possible ethical and moral standards. Just as we will constantly strive to live up to these high standards, we expect our students to do the same. To that end, cheating of any sort will not be tolerated. Students who are discovered cheating are subject to discipline up to and including failure of a course and expulsion.

Our definition of cheating includes but is not limited to:

1. Plagiarism – the use of another’s work as one’s own without giving credit to the individual. This includes using materials from the internet.
2. Copying another’s answers on an examination.
3. Deliberately allowing another to copy one’s answers or work.
4. Signing an attendance roster for another who is not present.

In the special instance of group work, the instructor will make clear his/her expectations with respect to individual vs. collaborative work. A violation of these expectations may be considered cheating as well.

For further information on this subject you may refer to the Academic Dishonesty section of the University’s online catalog.

In conclusion, it is our mission to prepare each student for a life of significance and service. Honesty and ethical behavior are the foundation upon which such lives are built. We therefore expect the highest standards of each student in this regard.

Attendance Policy for Graduate Courses

The graduate courses in the SBNM are all 7 weeks in length. Missing one class session is allowed without penalty as long as all readings and assignments are made up by the student within a reasonable time period (the following week). Failing to log into an online course site for an entire week is allowed, but a penalty may be applied at the instructor's discretion. Missing a second class session is allowed only in unusual circumstances by prior arrangement with the instructor. Since this represents almost 30% of the engagement time for the course, the student runs the risk of receiving a lower overall grade for the class. Faculty are encouraged to drop the course grade by a full letter grade in this situation. A student who misses three classes (or the equivalent two weeks for an online class) will automatically fail the course, unless the student drops the course before the seventh week of class. Students who drop a course will be held responsible for tuition, based upon the current North Park University refund policy outlined in the University Catalog.

APA Requirement

The School of Business and Nonprofit Management (SBNM) has adopted the *Publication Manual of the American Psychological Association* (APA) as the standard and required format for all written assignments in SBNM courses.

Our goal in adopting the *APA Manual* is to enhance student learning by:

- 1) Improving student's writing skills.
- 2) Standardizing the required format of all written assignments in all SBNM courses.
- 3) Emphasizing the importance of paper mechanics, grammatical constructs, and the necessity of proper citations.
- 4) Holding students accountable for high quality written work.

If you are unfamiliar with the requirements of the *APA Manual*, we recommend that you purchase the reference manual and/or that you consult one or more of the suggested resources as listed on the Student Resources section of the SBNM website. ***It is your responsibility to learn and ensure that all written work is formatted according to the standards of the APA Manual.***

Students with Disabilities

Students with disabilities who believe that they may need accommodations in this class are encouraged to contact your program's office (Business: 773-244-6270). Please do so as soon as possible to better ensure that such accommodations are implemented in a timely manner. For further information please review the following website: <http://www.northpark.edu/Campus-Life-and-Services/Disability-Resources>