Fundraising and Development - MMGT 6002.B

Instructor Information

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Class meeting times: Wednesdays, 8:00 – 9:50 pm
Location: 6 East 16th Street, NY, NY -

Reading Materials

Required

- Kent E. Dove, *Conducting a Successful Fundraising Program: A Comprehensive Guide and Resource*, John Wiley & Sons, Inc., 2001
- Rosso, Henry A., Rosso on Fund Raising: Lessons from a Master's Lifetime Experience. Jossey-Bass, 1996.

Course Description:

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Fundraising and Development

This course has been designed to build the student's understanding of sources of private, philanthropic income for nonprofits and the motivations and expectations of donors - as well as the techniques and tools that comprise fund raising as it is currently practiced in economically developed countries (USA, Canada, Western Europe, Australia, Japan, and others) During the course, each student will develop fund-raising strategies and materials for a nonprofit of his/her choosing: the basic "case for support," annual fund plan, direct mail package, the approach to a foundation or corporation for a grant or marketing partnership, and strategies for the solicitation of a major gift. Emphasis is placed on matching fund-raising techniques to donors' interests, capability, and inclination to give, and designing fund-raising programs that are an appropriate fit for a nonprofit in its current phase of development.

The course is appropriate for individuals with some experience in fund-raising as well as those with non-fund-raising experience in a nonprofit organization.

Course Outline:

September 1 - Orientation/Introductions

- How we will be working this term

- The role of philanthropy in the Western tradition

- History of the fund-raising profession

Assignment: By **September 15**, read Dove, Introduction and Chapter 1, and Rosso, Chapters 9 and 10.

Note: There will be no classes at Milano on September 8.

September 15 - The Basics of Fund Raising

- 4 basic principles of fund raising

- Sources of gifts, types of gifts and fund-raising campaigns

- Knowing your constituencies

- Developing a case for support

    - mission statement exercise

    - writing a case statement for your organization

Assignment: By **September 22,** read Dove, chapters 2 and 3 and sample case statements, pages 411-171. Case statement due **September 22.** Samples will be posted online.

September 22 - Fund-Raising Vehicles and the Annual Fund

- The "ladder of giving"

- The psychology of motivation

- The importance of leadership in fund raising

- The annual fund

- Major Donor Societies and other techniques for upgrading annual gifts

- Developing an annual fund-raising plan

Assignment for **September 29**: read Dove, Chapter 9, and Rosso, Chapters 1-3

September 29 - Direct Mail and Fund Raising on the Internet

- Why and how direct mail works for so many nonprofits – how that transfers to fund-raising on the Internet

- New applications of online fund-raising, including social networking sites

- Principles of donor acquisition and renewal through the mail and on the Internet

- Myths about communicating to first-time, low-dollar donors

- How to write direct mail/online appeals

- Evaluating results

Assignment: read Dove, pages 687-698, and chapter 19. Direct mail acquisition letter or design of an on-line donation appeal due **October 6.** Examples will be posted online.

October 6 – October 20 - Foundation and Corporate Grantsmanship

Guest speaker on October 6: James Allen Smith, PhD. Vice President and Director of Research and Education, Rockefeller Archive Center; former professor of philanthropy at Georgetown University. Former program officer, 20th Century Fund

- Sources of grant support

- History and types of foundations in the USA: how their grantmaking differs

- Working with the program staff of your organization to identify fundable projects

- Developing a Table of Needs

- How to assess which prospective funders to approach and for what

- Developing a strategy for a specific foundation

Assignment for **October 13**: Read Dove, Chapter 15. Each student will identify and describe 2 fundable projects and begin the process of identifying prospective foundation funders.

October 13 – Researching Foundations

- How to assess which prospective funders to approach and for what

- Using the Foundation Directory online.

- Developing a strategy for a specific foundation

For October 20: Develop two written solicitation strategies, after researching foundation prospects on the Foundation Center online, in a library or development office (two different projects or same project for two different foundations).

October 20: - : Communications with foundations: the letter of inquiry, the letter proposal and the full grant proposal

- The use of different types of proposals: letter, "master," special project

- Tailoring the proposal to specific funders

- 10 essential elements of a grant proposal

- Do's and don'ts of proposal writing

- How to put together a full proposal

- Supplementary materials that will strengthen your case

Assignment for **October 27**: write a letter proposal or letter of inquiry to a foundation that has never before given to your organization or has not in more than a decade. Samples will be posted online.

October 27 : New Trends in Corporate Giving: Cause-related marketing

- The many ways of getting corporate support

- Marketing tie-in's: the cutting edge of corporate/nonprofit relationships

- How to get to know corporate contacts in your community

- Entrepreneurial opportunities that can supplement a nonprofit's funding base

Assignment: On **November 10**, students (working in teams) will present a corporate partnership Power Point proposal.

November 3 - Major Gifts from Individuals

-Overview of major gifts

- The motivations and needs of major donors

- Understanding donor types

November 10 – Student corporate sponsorship presentations

Assignment for **November 17:** Read and be prepared to discuss: Dove, chapters 4-8, and Rosso, chapters 4-7.

November 17 - Special Project and Capital Campaigns

- The role of campaigns

- The classic capital campaign

- Sequential fund raising

- The Capital Campaign gift range table

- The planning study: aims and process

- Campaign organization

- The quiet and public phases

Note: No classes at Milano on November 24

Assignment for **December 1** – Read Rosso, Chapter 10 and lectures posted online.

December 1 – **Prospect Research**

- Prospect research: the process and ethical issues

- Class exercise on prospect cultivation and development of a solicitation strategy

Assignment for **December 8:** Read ethics case study, "The Beneficent Bigot," and work in groups of 2 or 3 to develop a response, using the Ethical Decision-Making Chart.

December 8 - **Major Gifts/Ethics**

- Group presentations on ethics case study

- The face-to-face solicitation (group practice)

Assignment for **December 5:** read Dove, pages 717-728, chapters 20 and 21

December 15 - Special Events

- How events fit into the development program

- Choosing your event

- Recruiting honorees, chairs, and benefit committees

- The backwards calendar

- Reporting and regulatory issues

Monday, December 20 – Course Summation: Putting It All Together [This is a Milano-required make up session for all Wednesday evening classes/]

- Setting fund-raising goals

- Budgeting for fund raising: the black and grey budget

- What you need to know about fund-raising ratios used by watchdog agencies

- The revised 990 form

- Staffing the office; using consultants

Final papers due.

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1. The student will be familiar with the basic principles and techniques of private fund-raising: developing a case for support, working with Boards of Directors and other fund-raising volunteers, and developing a fund-raising plan for the nonprofit he/she has chosen to work with during the term.

2. The student will develop a written case statement for his/her selected organization and will use this as a basis for writing a direct mail letter, a letter of inquiry to a foundation, and a cause-related marketing proposal to a corporation.

3. The student will be familiar with using the internet, major print resources, and prospect assessment meetings to assess the gift capability and research the interests and networks of prospective major donors. He/she will also have acquired an understanding about preparing for a face-to-face solicitation of a prospective major donor, including working with high-level fund-raising volunteers in such solicitations.

4. The student will be exposed to regulatory issues and IRS requirements that pertain to fund raising.

5. Finally, the student will have a bibliography and personal contacts to assist him/her with current and future positions and fund-raising opportunities

Course Requirements:

The grade for the course is based on performance in the following areas:

1. Written assignments (including team projects): 40%

2. Final project: 35%

3. Class participation: 25%

Each student is asked to select a nonprofit organization that will be the basis for a series of assignments and the final project. This nonprofit can be the organization for which you work or volunteer, or one that you can visit or communicate with over the term. If you cannot immediately locate a nonprofit to work with, contact me. I will help put you in contact with a nonprofit of interest to you.

The final project: Each student will prepare either 1) a grant or sponsorship proposal, 2) an annual fund-raising plan, 3) a complete cultivation and solicitation strategy for a prospective major donors, or 4) a paper on a fund-raising or philanthropic issue. The paper or proposal should be 8 to 12 pages in length. Each student will be asked to present a précis of his/her project 3 weeks before the final class date. Students may work together on a project, but each must submit his or her own paper.