



Honors Colloquium Spring 2011

HCOL 40093: Nature of Giving

John V. Roach Honors College

Section 680 / Scharbauer Hall 1007
Monday 4:00–5:50 PM

■ Course and Instructor Information

Professor:	Dr. Ron Pitcock; J. Vaughn & Evelyne H. Wilson Honors Fellow
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■ Overview

“Nature of Giving,” an upper-division Honors colloquium, will concentrate on two primary learning outcomes. First, students will gain an understanding and appreciation for the meaning/importance of philanthropy. Students will examine the scope and diversity of the philanthropic sector through historical figures like Andrew Carnegie and John D. Rockefeller and current philanthropists Warren Buffett and Bill Gates, who recently co-founded The Giving Pledge—a challenge directed toward the wealthy to give away a majority of their wealth to charitable causes. This work will introduce students from a range of disciplines to the complex roles various foundations currently play in US society and culture, and encourage them to examine further the intersections of philanthropy with policy, the arts, business, law, and society.

Second, students will participate in real philanthropic endeavors. Students will research Fort Worth nonprofit organizations, visit and conduct interviews, develop memorandums, and ultimately, in Scharbauer Hall’s Debate Chamber, argue the merits of each charity. Students taking the course will come to a consensus on what charities to support. The work in this course will affect real lives in meaningful ways, and students will discuss and make moral judgments as they engage micro-decisions while considering macro-consequences. Students will direct and control \$20,000 (a donor-funded gift to the course); it is up to the students’ collective wisdom to grant it responsibly. At the end of the semester, the class can give the entire amount to a single charity or divide the amount among a maximum of three charities.

Nature of Giving is designed to prepare students to live thoughtful, philanthropic lives. For some, the course will help students imagine how giving can become a vocation—particularly

in non-profit organizations. For all, the course should point out the importance of giving as an avocation in the future.

■ Overview: Chronology and Philanthropic Work

Few universities offer courses in philanthropy or grant making. An even fewer number offer those courses in areas outside business schools and public policy/management programs. John V. Roach Honors College students at Texas Christian University will have the opportunity to both study *and* practice philanthropy by making a substantial grant to 1-3 nonprofit organizations.

Over the course of the first 5 weeks, studies of current and historical philanthropists will shape how students evaluate the operational strategies of local philanthropies. Starting week 3 and ending week 10, students will conduct due diligence research on regional nonprofit organizations, picking their personal favorites and assessing those organizations' potential suitability for receipt of the grant. Guest speakers, including representatives from the Once Upon a Time Foundation and TCU Advancement and Development staff, will inform our research of regional nonprofit organizations.

For weeks 6 & 7, students will produce and read persuasive written descriptions (memoranda) about nonprofit organizations and vote for 8-10 finalist organizations. For weeks 8-10, students will divide into teams and complete background research (including on-site visits) on 8-10 finalist organizations, and then prepare a group presentation for the benefit of other students in the class.

In weeks 11-13 of the course, the five teams will present their persuasive arguments for donating either all or a part of the \$20,000 gift to "their" organization in a presentation. Finally, in week 14 and 15, the class will debate the merits of each organization and reach a consensus on which organization(s) should receive funds.

During Finals Week, students will arrange a public presentation of the award(s) to the nonprofit organization(s) and reflect on what they have learned and experienced.

■ Course Objectives

- To understand what philanthropy is: who it involves, how it operates, and its history.
- To review the various contexts of philanthropic foundations and how they have evolved into the organizations they are today.
- To analyze and debate the roles and responsibilities of philanthropic foundations.
- To participate in the philanthropic process: research organizations, perform due diligence, make proposals, persuade audiences to your cause, and debate merits, as well as to whom funds should be given.
- To make and discuss moral judgments, to make micro-decisions while considering the macro-consequences.
- To connect readings and discussions to real life through interactions with practitioners.
- To formulate and support an individual opinion on the subject.
- To develop critical analytical thinking and writing skills.
- To speak/argue persuasively and publicly through debates and meetings.
- To participate in a transformational course that reveals the responsibilities individuals must play to create a culture of giving.

■ Responsibilities of Colloquium Members

Communicate effectively and clearly: The colloquium requires students to write persuasively, speak effectively in public, debate ideas, listen carefully, conduct independent research and bring ideas from your own fields of specialization.

Be professional, you are always representing TCU: The written assignments have length limits because conciseness is key skill. Be mindful of your status as representatives of TCU in all contacts with external organizations.

Be dependable and present: Because class progress will often depend on your work, it is important to get assignments in on time by whatever means necessary. Even if you have to miss, the class needs your work product—notes, memorandums, and evaluations. Regular attendance is crucial to success in this course. Only official university-sanctioned absences are excused. Students missing class either to represent TCU in a university-mandated activity or attend conferences for professional development should provide official documentation of schedules and turn in work *in advance*. Two absences will warrant lowering your final grade; three absences will result in your failing the course

Be prepared: I expect every course member to read all of the assigned texts in advance of class and prepare for discussion by taking notes. As you read, plan to make at least two contributions to the discussion. A planned contribution is mulled over in advance of class and can take the form of a question, illustration of a point in the reading, a disagreement, or a contrast with other readings.

Respect your colleagues: Once in class, be prepared to listen to and work with colleagues. At all times be prepared to comment on colleague's statements or to summarize perspectives that have been presented. Always treat seriously any comment offered in earnest. If you disagree with a colleague, clarify your position using appropriate evidence or explanation.

Seek help when needed: Course members are welcome to secure additional help on papers at the William L. Adams Writing Center (ext. 7221). For writing-center information visit <<http://www.wrt.tcu.edu/>> online. Students who receive tutoring—formal or informal—from individuals or programs other than the William L. Adams Writing Center are responsible for ensuring that the tutoring adheres to ethical standards consistent with those followed at the writing center (e.g., tutors do not write any portion of a student's paper; tutors do not proofread; tutors do not assist students with take-home exams). Students whose tutoring does not meet such ethical standards violate the university's code on academic misconduct and are subject to its penalties.

■ Evaluation

In this class I will meet with you regularly to evaluate your persuasive writing and speech. In order to receive a passing grade for this course, you must satisfactorily complete all major assignments on time with a cumulative passing average. Final grades will be calculated using the following 4-point/letter grade scale:

4.0 = A / 3.67 = A- / 3.33 = B+ / 3.0 = B / 2.67 = B- / 2.33 = C+ / 2.0 = C /
1.67 = D- / 1.33 = D+ / 1.0 = D

Midterm Exam/Project.....	25%
<i>(Based on readings, discussions, guest speakers, and research of local nonprofits)</i>	
Memorandum to the Board	20%
<i>(Concise memorandum designed to persuade other students to consider your favored organization to be one of the finalist organizations.)</i>	
Group Presentation.....	25%
<i>(15-minute presentation to persuade other students to vote for your organization: 10% for the group as a whole and 15% your own component of the group work).</i>	
Final Exam/Project.....	30%
<i>(Based on readings, discussions, guest speakers, and research of local nonprofits)</i>	

■ **Tentative Schedule: 16 Weeks, 16 Days** *(N.B.: I reserve the right to make changes)*

Week 1:

Major Theme: History: Wealth and philanthropy at the turn of the previous century

Topics:

Introduction to course: syllabus, objectives, and organization

Introduction to history of philanthropy:

Introduction to due diligence. Begin selection process of five nonprofit (501(c)(3) organizations to profile for possible receipt of funding from the \$20,000. Rank them in order of preference. Your list of five organizations is due week 3 in class, hard copy.

Readings for Week 1:

Phillips, Kevin. "Serious Money: The Three Twentieth-Century Wealth Explosions", Chapter 2 in *Wealth and Democracy: A Political History of the American Rich*. 47-68.

Nielsen, Waldemar. Chapters 3 and part of 4 (23-57) from *Inside American Philanthropy: The Dramas of Donorship*.

Carnegie, Andrew. "The Gospel of Wealth." 230-244.

Lagemann, Ellen Condliffe (ed.). *Philanthropic Foundations: New Scholarship, New Possibilities*.

Rockefeller, John D. "The Difficult Art of Giving." In *Random Reminiscences of Men and Events*. 139-162.

Week 2:

Major Theme: History: Wealth and philanthropy from previous century to today

Topics:

Continue discussion of history of philanthropy

Begin discussion concerning the state of philanthropy today and philanthropy as an industry: Buffet, Gates, Broad

Examine what it means to manage wealth for social good

Meaning of New Philanthropy

Start conversations on the challenges facing investor decision-making

Guest speaker: TCU Advancement and Development Staff

Readings for Week 2:

Peter Dobkin Hall, "A Historical Overview of the Private Nonprofit Sector." Chapter 1 in Powell, Walter W. (editor), *The Nonprofit Sector: A Research Handbook*. 3-26.

Ball, Stephen. New Philanthropy, New Networks and New Governance in Education. *Political Studies* 56.4 (Dec 2008): 747-56.

Byrne, John A. "The New Face of Philanthropy." *Business Week* 2 December 2002.

Frumkin, Peter. "Inside Venture Philanthropy." *Society* May/June 2003. 40(4). 7-15.

McGee, Susan. "Charity in the Round." *Robb Report Worth*. March 2004. 118-120.

"New developments in philanthropy: how private foundations are changing international development." *International Trade Forum* 4(2009)

Readings from: Kinsley, Michael. *Creative Capitalism: A Conversation with Bill Gates, Warren Buffett, and Other Economic Leaders*. New York: Simon Schuster, 2010.

Readings from *The Chronicle of Philanthropy* on Buffett, Gates, and Broad; also on New Philanthropy

Stannard-Stockton, Sean. "Gates and Buffett: Why Their Example Matters." *Chronicle of Philanthropy* 22:15 (11 July 2010).

Website: The Giving Pledge <givingpledge.org>

Website: The Broad Foundation <broadeducation.org>

Week 3:

Philanthropy – The Economic Context and Due Diligence

Topics: Guest Speaker from the Once Upon a Time Foundation

Readings:

John J. Havens, Mary A. O'Herlihy, Paul G. Schervish. "Charitable Giving: How Much, by Whom, to What, and How?" Chapter 23 in Powell, Walter W. and Richard Steinberg, Eds., *The Nonprofit Sector: A Research Handbook*. 542-567.

Readings from the *Chronicle of Philanthropy*

Wolff, Edward. "The Economy and Philanthropy." *Philanthropy and the Nonprofit Sector in a Changing America*.

Week 4: Accountability and Planning—Project Investigations Gain Traction

Topics:

Guest speakers from two local groups/foundations

Brief introduction to making the case in a memorandum.

Bring list of five favorite nonprofit organizations, rank-ordered.

By the end of the class, students will know which organization(s) they will profile in the Memorandum assignment.

Readings:

Frumkin, Peter. "Central Problems in Philanthropy." *Strategic Giving*. 55-89.

Irvin, Renee A. "Endowments: Stable Largesse or Distortion of the Polity?" *Public Administration Review*, 2007.

Salamon, Lester. "The Resilient Sector: The State of Nonprofit America." in *The State of Nonprofit America*.

Schervish, Paul and John Havens, "Why the \$41 Trillion Wealth Transfer Estimate is Still Valid: A Review of Challenges and Questions." *Journal of Gift Planning*

Hall, Holly. "Much-Anticipated Transfer of Wealth Has Yet to Materialize, Nonprofit Experts Say." *Chronicle of Philanthropy*. 37-38.

Week 5: Presentation of Memoranda

Topics:

Guest speakers from two local groups/foundations

Students present their memoranda to class; students leave with copies of all memoranda

Readings:

Week 6: Debates in Debate Chamber, Scharbauer Hall

Topics:

Students, having read the memoranda, select finalists (8-10 organizations) and form teams.

Week 7: Debates in Debate Chamber, Scharbauer Hall

Topics:

Students, having read the memoranda, select finalists (8-10 organizations) and form teams.

Week 8: Field Work

Topics:

Students meet and start due diligence on finalist organizations—on site and through research

Teams meet outside of class with professor

Week 9: Field Work & Business Framework

Topics:

Students continue due diligence on finalist organizations—on site and through research
Teams meet outside of class with professor

Readings:

McGee, Susan. "Charity in the Round." *Robb Report Worth*. March 2004. 118-120.

Roger D. Silk and James W. Lintott, *Creating a Private Foundation: The Essential Guide for Donors and Their Advisers*. Chapter 6: "Effective Foundations: The Business of Philanthropy."

Clotfelter and Ehrlich. "Philanthropy and Outcomes: Dilemmas in the Quest for Accountability."

Letts, Ryan & Grossman. "Virtuous Capital: What Foundations Can Learn from Venture Capitalists" *Harvard Business Review on Nonprofits*.

Clotfelter and Ehrlich, Ch. 2 "The Evolving American Foundation." 34-51.

Schuerman, Matthew. "Reinforcing Our Foundations." *Robb Report Worth*. 110-112.

Week 10: Field Work & Endowment Stewardship

Topics:

Students continue due diligence on finalist organizations—on site and through research
Teams meet outside of class with professor

Readings:

Chapter 7 "The Endowment: Developing an Appropriate Foundation Investment Policy"

Chapter 8 "Developing and Implementing a Foundation Asset Allocation Policy"

Both in Silk, Roger R. and James W. Lintott. *Creating a Private Foundation: The Essential Guide for Donors and Their Advisers*.

Week 11: Group Presentations in Scharbauer Hall

Week 12: Group Presentations in Scharbauer Hall

Week 13: Group Presentations in Scharbauer Hall

Week 14: Debating the Merits of the Presentations and Organizations

Week 15: Decision Making

Week 16: Giving and Reflection

■ Relevant Books in Valerie Neal Living Room in Honors Suite, Scharbauer Hall

Anheier, Helmut K. *Nonprofit Organizations: Theory, Management, Policy*

Clotfelter, Charles T. and Thomas Ehrlich, Eds. *Philanthropy and the Nonprofit Sector in a Changing America.*

Fry, Robert P. *Nonprofit Investment Policies: Practical Steps for Growing Charitable Funds.*

Harvard Business Review on Nonprofits. (Letts, Ryan and Grossman)

Hopkins, Bruce R. and Jody Blazek. *Private Foundations: Tax Law and Compliance, 2nd edition.*

Kass, Amy (editor). *The Perfect Gift: The Philanthropic Imagination in Poetry and Prose.*

Lagemann, Ellen Condliffe (editor). *Philanthropic Foundations: New Scholarship, New Possibilities.*

Neilsen, Waldemar. *Inside American Philanthropy: The Dramas of Donorship.*

Ott, Steven J. *The Nature of the Nonprofit Sector*

Payton, Robert L. and Michael P. Moody. *Understanding Philanthropy: Its Meaning and Mission*

Phillips, Kevin. *Wealth and Democracy: A Political History of the American Rich.*

Powell, Walter W., *The Nonprofit Sector: A Research Handbook.*

Rockefeller, John D. *Random Reminiscences of Men and Events.*

Salamon, Lester. *The State of Nonprofit America.*

Silk, Roger D. and Lintott, James W. *Creating a Private Foundation: The Essential Guide for Donors and Their Advisers.*

Veblen, Thorstein. *The Theory of the Leisure Class.*