

To: Board of Visitors
Executive Committee
Center Advisory Boards

From: Patrick M. Rooney, Interim Executive Director

Date: May 26, 2009

Subject: Center on Philanthropy Activities

In partnership with the IU Foundation, the Center was honored to host Lois Lerner, director of the Internal Revenue Service Exempt Organizations Division, for a public lecture on May 18th. Her presentation, entitled “Interesting Times” addressed the IRS’s role in oversight and outreach to the nonprofit sector, as well as current challenges faced by tax-exempt organizations in today’s challenging economic climate and in meeting increased demands for efficiency, effectiveness, and transparency. Recently, Ms. Lerner led the first comprehensive redesign of the Form 990. The Center has been fortunate to work with her on a number of timely issues in the nonprofit sector.

Later this month the Center will co-sponsor the Medical Humanities Seminar along with Medical Humanities and the Riley Foundation. Heather Wood Ion will speak on “Amplifying the Good: Philanthropy on the Ground.” Heather Wood Ion is Managing Director of The Just Me Project for The Athena Charitable Trust, Co-Founder of WisdomLegacy, and The Uplift Academy. Ms. Wood Ion worked with Dr. Jonas Salk for the last seven years of his life on the methods to establish a grassroots movement toward an epidemic of health. She will examine how generosity impacts health, what nurtures us, and what we do to make our lives fulfilling.

Academic Programs

May is the season of graduations, and the Center is very proud to have honored our graduating students at a dinner and hooding ceremony on May 9th, the evening before Indiana University-Purdue University Indianapolis’ commencement exercises. Twenty Masters students, twelve Executive MAs and five dual MA/MPA students graduated with a Masters in Philanthropic Studies. From the Masters class, eleven have full-time jobs, eight are searching and one is entering the PhD program in Philanthropic Studies this fall. Among those is Monique Hyacinthe, originally from Ft. Lauderdale, FL, who will begin work as an AmeriCorps member in Washington at Everyone Wins. As a volunteer coordinator, Monique will help match adults with school children in a reading mentorship program. ExMA graduates have completed the degree while continuing to work in organizations of all types and sizes – from Upland University and Milligan University to the John Lock Foundation and the Greater Lafayette Volunteer Bureau.

The Center has admitted twenty-two students for the Masters program in Philanthropic Studies for the fall. Two students have received prestigious university awards – a University Fellowship and a Hearst Fellowship respectively. Seven others have been awarded graduate assistantships

from the Center. We expect five new students in the PhD cohort (six were accepted although one declined), with one University Fellow and two graduate assistants.

Faculty Updates

Although school is in summer recess, the faculty remain busy. Professor Rich Steinberg, along with his IUPUI colleagues Elizabeth Goering and Ulla M. Connor and Ed Nagelhout from the University of Nevada, Las Vegas, recently had an article accepted for publication in the *Nonprofit and Voluntary Sector Quarterly*. “Persuasion in Fundraising Letters: An Interdisciplinary Study” reports experimental evidence on the effectiveness of several techniques of persuasion commonly utilized in direct-mail solicitation. Results suggest that letters utilizing credibility appeals and letters written at a high level of readability produce the highest donations. The study’s research was supported by a grant from the Center on Philanthropy.

This month, Adrian Sargeant, the Robert F. Hartsook Chair of Fundraising, addressed the Chairs of the national UNICEF Committees in Luxembourg and delivered four sessions at the South African Fundraising Congress in Durban.

A new book from Sheila Suess Kennedy, professor of Public and Environmental Affairs, was recently release. *Distrust, American Style: Diversity and the Crisis of Public Confidence* reveals the real reason why Americans distrust others. The culprit, she argues, is a loss of faith in our social and governing institutions, not increased diversity.

Finally, Executive MA student and research program manager at the Helen Bader Institute for Nonprofit Management at the University of Wisconsin-Milwaukee, Barbara Duffy, has an article published in this month’s *Exempt Organization Tax Review*. “Oversight or Out of Sight? The Role of the Wisconsin Attorney General in Charity Regulation,” reveals that in practice, the Wisconsin attorney general is barely visible in the arena of nonprofit regulation.

Annual Symposium

For over twenty years the Center has hosted an annual symposium that brings together leaders, professionals, and scholars from the government, nonprofit and corporate sectors to reflect on issues affecting philanthropy, both in the United States and globally. On December 8th, the Center will convene a one-day symposium for nonprofit leaders and professionals about the economic climate and other serious challenges to the nonprofit sector. During the day, participants will have the opportunity to participate in interactive presentations of the Center’s latest research, hear an intimate conversation with recognized fundraisers and donors about supporting nonprofits during tough times, sit in on a moderated roundtable with key national leaders from the business, government, and nonprofit sectors, and attend a lecture by Paul Brest, president of the William and Flora Hewlett Foundation and co-author of *Money Well Spent: A Strategic Guide for Smart Philanthropy*.

Current dynamics, economic or otherwise, continue to create difficult situations for many organizations across the nonprofit spectrum. At the end of this timely event, participants will have the knowledge to ask the right questions at the right times, access to quality research, and best practices to guide their organization forward.

Communications Update

The Center's public affairs program continues to provide accurate, insightful information and commentary to journalists and the public about issues in and related to the nonprofit sector. *The Wall Street Journal* quoted IU Foundation President and Philanthropic Studies faculty member Gene Tempel in [a story about ethical issues related to nonprofits accepting contributions](#) from political sources and troubled financial companies. The *Wall Street Journal* also cited the Center's research in [an article on corporate giving](#), and its work for Bank of America on high net-worth donors for [a story about charitable gift annuities](#). Dwight Burlingame, Associate Executive Director, was interviewed for an *Associated Press* story about the multi-million dollar "mystery gifts" to U.S. colleges and universities, and again for [a story about a mega-gift to Habitat for Humanity](#). The *AP* also quoted Melissa Brown, Associate Director of Research, for an [article about social networking](#).

The Washington Post cited findings from our Philanthropic Giving Index in [a story about Facebook's Causes application](#) and online giving, which was also picked up by *MSNBC*. *Celeb Life* magazine [quoted Les Lenkowsky, Director of Graduate Programs, and ran a photo](#) that included some of our students who met and spoke with the Houston Rockets' Yao Ming about philanthropy in China. *The NonProfit Times* interviewed Efroymson Chair in Philanthropy, Kirsten Grønbjerg, for [an article about nonprofit revenue challenges](#). The Center's research was cited for [an opinion piece in Forbes magazine](#), and a new study released by the Center, the University of Nebraska at Omaha, and the Forum of Regional Associations of Grantmakers was featured in [a story on NPR's All Things Considered about giving circles](#). Finally, Hartsook Chair in Fundraising, Adrian Sargeant, and post-doctoral fellow Jen Shang co-authored an article for the May/June issue of *Advancing Philanthropy* about the latest research involving the intersection of psychology and philanthropic studies. That issue also featured a story about generational giving and fundraising that cited the Center's *Generational Differences in Giving* study for Campbell and Company.

Research

The Center, in conjunction with Giving USA Foundation, released a free special bulletin to help nonprofit organizations identify opportunities to apply for funding through the American Recovery and Reinvestment Act of 2009, also known as the stimulus package. Our intention with the publication is to provide useful information to nonprofits to make it easier to apply for federal funding if they chose to do so, and not to encourage or discourage them from making that decision. "The American Recovery and Reinvestment Act of 2009: Act Appropriations Beneficial to the Nonprofit Sector and Key Resources for Organizations to Approach and Access Funding Sources" can be downloaded at http://www.philanthropy.iupui.edu/News/2009/docs/GivingUSA_SpecialBulletin_04242009.pdf

A new research report focusing on donors' philanthropic and civic behaviors, knowledge, and attitudes by the University of Nebraska at Omaha (UNO), the Forum of Regional Associations of Grantmakers, and the Center on Philanthropy at Indiana University was just released. The study, *The Impact of Giving Together* (available online at www.givingforum.org/givingcircles) examines for the first time, in a more comprehensive and quantitative manner, the impact of giving circles on members' giving and civic engagement. The report found that donors say they

give more, give more strategically, and are more knowledgeable about nonprofit organizations and problems in their communities when they participate in giving circles.

The Center's on-going compilation of the Million Dollar List was updated in mid-April for the first quarter of 2009 (January 1st – March 31st). It lists 416 gifts of \$1 million or more in the first quarter that were publically announced in various newsletters, newspapers, and other publications. This is a decrease of over 27 percent from the 573 gifts reported in the fourth quarter of 2008. The number of gifts from individual donors decreased from 163 to 128, or a decrease of over 21 percent from fourth quarter 2008 to first quarter 2009. This trend is reflected in a comparison of first quarter 2008 to first quarter 2009: the number of gifts from individual donors decreased from 267 to 128, a decrease of over 52 percent. The executive summary and full list of gifts can be found in the research section of our website.

Lake Institute

The Lake Institute for Faith & Giving has focused its recent activity on fundraising in religious communities. On May 4th, the Lake Institute, in partnership with the Christian Theological Seminary, convened a summit to address the challenges facing religious organizations in these difficult economic times. The same week, it offered public courses of "Faith and Fundraising" with The Fund Raising School. Bill Enright, Lake Institute Director, and Rich Klopp, Associate Director, led the seminar "Creating Congregational Cultures of Generosity" in Indianapolis for the Indianapolis Center for Congregations. Finally, Tim Seiler, Director of Public Service, and Bill Enright led a three day Faith & Fundraising for the United Church of Christ (UCC), New England Conference in Hartford, CT. This program is a continuation of the Lake Institute/The Fund Raising School partnership with the UCC. The previous two cycles of this program, "Foundations of Fundraising," have taken place in Cleveland with upper level denominational officials. This current cycle is going to take place around the country over the course of several years with congregational-level leadership (lay and clergy), with this visit to Hartford being the first stop. The material is based most closely on LI's "Creating Congregational Cultures of Generosity" seminar.

Third Millennium Philanthropy and Leadership Initiative

The Center's Third Millennium Philanthropy and Leadership Initiative hosted thirty-eight college presidents and chief development officers from twenty tribal colleges for a Tribal Colleges Program earlier this month. The convening, in partnership with TFRS, included most of the Principles & Techniques materials and traditional Native American philanthropy. The program's faculty were Dwight Burlingame, Janice Gow Pettey, nonprofit author and philanthropic consultant, and Larry Smith, Director of the Millennium Initiative. All who participated in the program considered it a huge success.

Thanks again for all of your support of the Center on Philanthropy. Please let me know if you have questions, suggestions or concerns.