

Introduction
LIBA2801, CCAD Spring 2016

Class Date: _____

Course Outcome(s)

- L01: **Explain** basic financial concepts and vocabulary terms comfortably.
- L02: **Develop** tools for tracking income, expenses, inventory, and time.
- L03: **Distinguish** uses and applications of financial information.
- L04: **Analyze** numerical and financial information to make decisions.
- L05: **Apply** financial concepts in a relevant context.

Class Learning Objective(s)

- Provide basic course information to students.
 - Administrative information, calendar, policies
 - Grading, schedule
- Introduce instructor.
 - Bio
 - Teaching philosophy
- Ascertain students' goals from class.

Reading(s)

None

Slide(s)/Lecture(s)

- S0 - Introduction

Handout(s)

- H0 - Course Syllabus

Activity (ies)

Student Introductions

- Name, area of interest, class
- Goals from class

Instructor Note: Make students introduce each other to foster networking early on.

Assignment(s)

None

Instructor's Notes

Instructor Note: Use this space to capture thoughts from class (and incorporate those into future guides!).

Course Outcome(s)

- L01: **Explain** basic financial concepts and vocabulary terms comfortably.
- L02: **Develop** tools for tracking income, expenses, inventory, and time.

Class Learning Objective(s)

- Introduce the concept of and pros and cons related to “administrative time” as part of a creative career. (L01)
- Present tips and examples of logs for managing administrative tasks successfully. (L01, L02)
- Connect the idea of managing administrative time to pricing work and establishing value. (L01)

Instructor Note: Begin next class by making the third objective’s point.

Reading(s)

“The ‘Busy’ Trap” by Tim Kreider¹

- The article describes the word “busy” as a “boast disguised as a complaint” and a “hedge against emptiness.” Do you agree? Why or why not?
- The article addresses idleness and its benefits. How might idleness benefit your art or your business or both?
- Describe someone you know (without naming names!) who is “crazy busy.” How does the way that person handles his or her time affect your perception of him or her? Would you ever hire him or her to work for you?

“I’m an Artist, But Not the Starving Kind” by J.D. Jordan² and respond to the following discussion questions.

- How would you respond to a client’s offer of “\$35 and a six-pack” for your services?
- What factors would (or would not) change your position?
- Have you ever experienced such an offer?

Instructor Note: This engagement activity may be designed to be a question and answer forum activity in which the instructor posts the questions and students respond accordingly. It can also be a great in-class discussion.

Slide(s)/Lecture(s)	Handout(s)
<ul style="list-style-type: none"> • S1 – Getting Organized 	<ul style="list-style-type: none"> • None

¹ Krieder, Tim. “The ‘Busy’ Trap.” *The New York Times*. July 1, 2012.
http://opinionator.blogs.nytimes.com/2012/06/30/the-busy-trap/?_r=0

² Jordan, J.D. “I’m an Artist, But Not the Starving Kind.” *Newsweek*. September 19, 2005.
<http://www.thedailybeast.com/newsweek/2005/09/18/i-m-an-artist-but-not-the-starving-kind.html>

Activity (ies)

Make the Case (LO1)

- In small groups, make the case for the importance of arts literacy to non-artists.
- Define your non-artist “adversary.” What is his/her professional and bias against the arts? Why?
- List a few arguments for why he/she should have a basic understanding of the arts.
- Be prepared to share your arguments with the class.

Instructor Note: As students present arguments, document them in front of the class. Then present the same arguments as reasons why creative entrepreneurs should master business basics.

Assignment(s)

A1: Administrative Time (LO2, 3)

- Account for all of your time from **9:00 a.m. on Tuesday, August 25, 2015** through **midnight on Sunday, August 30, 2015**. You may use a log of your choice and design (although I’d suggest Excel or a table in Word). The log should capture the time frame, provide a description of your task, and organize your tasks by category.
- Identify the major categories for your time (e.g., sleeping, attending class, etc.), and respond to the discussion questions in brief paragraph form.

Instructor’s Notes

Instructor Note: Use this space to capture thoughts from class (and incorporate those into future guides!).

Course Outcome(s)

- L01: **Explain** basic financial concepts and vocabulary terms comfortably.
- L03: **Analyze** numerical and financial information to make decisions.

Class Learning Objective(s)

- Introduce the concept of a portfolio career and define the three main components (starring role, supporting cast roles, production assistance).
 - Address whether having a portfolio career equates to creative failure.
- Provide examples of successful portfolio careers in the creative community.
 - Apply the concepts of a portfolio career to students' own career aspirations.

Reading(s)

Arts & Numbers Introduction by Elaine Grogan Luttrull³

- Consider your childhood experiences with money or financial matters. How do your memories and the decisions and habits of your parents and family members influence your adult perception of finance?
- Do you ever feel frustrated when considering numbers, finance, accounting, or other administrative business-y tasks? How do you cope with your frustration?

Arts & Numbers Chapter 1 by Elaine Grogan Luttrull⁴

- Do you think it is acceptable to be numerically illiterate? Why or why not?
- Describe your vision for yourself as a creative professional. Where do you fall on the artistic spectrum? Where do you fall within the employment graph? What might your median salary be?

Arts & Numbers Chapter 2 by Elaine Grogan Luttrull⁵

- Think about the idea that risk has been transferred from employers to employees (e.g., pensions, healthcare, independent contractors versus employees, retirement support, etc.). Is this assertion consistent with your observations? Is it a good or bad thing?
- How do you reconcile the idea of changing and evolving career goals with your plans for your future? Is it petrifying or liberating?

“Making a Living, One Project at a Time” by Eilene Zimmerman⁶

³ Luttrull, Elaine Grogan. *Arts & Numbers: A Financial Guide for Artists, Writers, Performers, and Other Members of the Creative Class*. Agate B2: 2013. Chicago.

⁴ Luttrull, Elaine Grogan. *Arts & Numbers: A Financial Guide for Artists, Writers, Performers, and Other Members of the Creative Class*. Agate B2: 2013. Chicago.

⁵ Luttrull, Elaine Grogan. *Arts & Numbers: A Financial Guide for Artists, Writers, Performers, and Other Members of the Creative Class*. Agate B2: 2013. Chicago.

- The article discusses freelancing as a luxury career of sorts (something experienced professionals choose). Do you agree with that assessment?
- What tips from the article surprised you?

“Six Reasons Why Ballet Dancers Make Awesome Employees” by Sarah Jukes⁷

- What is your reaction to the author’s list? Do you think creative entrepreneurs make better employees? Why or why not?
- How does this article relate to the “Make the Case” activity we did in class last week?

“No Jobs? Young Graduates Make Their Own” by Hannah Seligson

- Do you ever feel like you are searching for a “real” job? Isn’t that a rather dated way of explaining professionalism?
- Would you make use of the Young Entrepreneur Council? Why or why not? Can you do something similar here?
- “Creative ways to fill your knowledge gaps” – Isn’t this what you are excellent at doing?
- What surprised you about the article (not eating out for months, lifestyle adjustment, etc.)?

“The Trek from Performer to Producer” by Rachel Cooper⁸

- What can you learn from Rachel Cooper’s experience of transitioning from an artist to an arts administrator? How might her experience resonate with you ten years from now?
- Do you equate Cooper’s career trajectory with selling out or failure? Why or why not?
- How can you incorporate the idea of “360 degree observation” into your own practice and life?

Instructor Note: Consider choosing only two articles from the selection presented here to read and discuss.

Slide(s)/Lecture(s)	Handout(s)
• S2 – Portfolio Careers	• Portfolio Career Map

Activity (ies)

Workshop Time Logs (LO2)

- Begin class by posting time logs from the previous week along with a summary of how students spent their time for the week.
- Introduce “UTILS” as part of this exercise.

⁶ Zimmerman, Eileen. “Making a Living, One Project at a Time.” *The New York Times*. August 25, 2012.

<http://www.nytimes.com/2012/08/26/jobs/making-a-living-one-project-at-a-time-career-couch.html>

⁷ Jukes, Sarah. “Six Reasons Why Ballet Dancers Make Awesome Employees.” *SarahJukes.com*. January 31, 2013.

<http://sarahjukes.com/2013/01/31/6-reasons-why-ballet-dancers-make-awesome-employees/>

⁸ Cooper, Rachel. “The Trek from Performer to Producer.” *The New York Times*. August 4, 2012.

<http://www.nytimes.com/2012/08/05/jobs/the-transition-from-performer-to-producer.html>

Define Your Portfolio (L01, 3)

- Think about the idea of a portfolio career. What does this mean to you? Might this be something you pursue?
- What would your starring, supporting, and production assistance roles be?

Selling Out (L01)

- What does “selling out” mean to you? Discuss in small groups and share definitions of selling out.
- Connect the idea of “UTILS” – perhaps selling out is having no UTILS in your work. Connect UTILS to administrative time.

Instructor Note: The first activity is very similar to the first discussion question on the assignment, so it makes a natural transition between class and non-class time.

Assignment(s)**J1: Reflection Journal: Time (Q1 – Q4) (L02, 3, 5)**

- How might you incorporate the idea of a portfolio career into your own professional practice as your art career grows? Give examples of work that might fulfill the various roles within your portfolio career (starring role, supporting cast roles, production assistance roles). Demonstrate your understanding of each role through your examples.
- Describe the skills you have that make you an ideal candidate for the various roles you outlined in the previous question. (If you need some ideas, think back to the article, “Six Reasons Why Ballet Dancers Make Awesome Employees.”)
- Find the Career Guide for your major posted by Career Services online. (It takes some digging to find it under “Resources” on the CCAD Career Services website.) Describe your reaction to the guide. How is (or isn't) it in line with your career goals? What did you learn from the guide?
- If a potential client offered you “\$35 and a six-pack” to complete a project (as in the article, “I’m an Artist, But Not the Starving Kind”), how would you respond? Does building a portfolio career enable you to respond differently? Why or why not?

Instructor’s Notes

Course Outcome(s)

- L01: **Explain** basic financial concepts and vocabulary terms comfortably.

Learning Objective(s)

- Summarize the pros and cons of the major types of entities from liability, tax, and organization perspectives.
- Determine which entity type most closely corresponds with each student's professional career aspirations.

Reading(s)

"Choose Your Business Structure" from the SBA⁹

- Which business structure appeals to you? Why? (Consider voting as a class.)
- Are there any structures you absolutely would not choose? Which ones and why?
- What factors are the most important to you as you consider your career options?

Instructor Note: These discussion questions parallel nicely with the Entity Type Assignment.

Slide(s)/Lecture(s)

- S3 – Entity Types

Handout(s)

- H1 – Choose the Entity (activity)

Activity (ies)

Choose the Entity (L01)

- In small groups, choose which entity type would be best for each of the four scenarios listed (H1).
- Explain the rationale to the class.

Assignment(s)

J1: Reflection Journal: Time (Q5) (L05)

- Choose three entity types and explain why you would (or would not) consider each. As a reminder, the entity type choices are sole proprietorship, partnership, corporation (C, S, or B), LLC, L3C, or not-for-profit organization.

Instructor's Notes

*During lecture, illustrate:

SP | Pship | CCorp || LLC | SCorp || NFP || L3C | B Corp

(Also illustrate simplified taxes on each.)

Instructor Note: Use this space to capture thoughts from class (and incorporate those into future guides!).

⁹ "Choose Your Business Structure." Small Business Administration. *SBA.gov*. 2013. Accessed August 2013.
<http://www.sba.gov/category/navigation-structure/starting-managing-business/starting-business/choose-your-business-stru>

Course Outcome(s)

- L01: **Explain** basic financial concepts and vocabulary terms comfortably.
- L02: **Develop** tools for tracking income, expenses, inventory, and time.
- L03: **Analyze** numerical and financial information to make decisions.

Class Learning Objective(s)

- Identify the characteristics of a “good” goal.
- Understand the importance of quantifying goals, especially as the quantification relates to a goal’s attainability.
- Master the use of the Goal Worksheet for personal and professional goals.

Reading(s)

Arts & Numbers Chapter 3 by Elaine Grogan Luttrull¹⁰

- Describe your personal goal-setting process. How does your process differ from what is presented in the text?
- Often we set goals informally and track our progress subconsciously. Is there merit to that approach? Why or why not? Might an informal approach work for certain goals, but not others? How do you decide?

“How to Keep Your Resolutions” by Katherine L. Milkman and Kevin G. Volpp¹¹

- The article listed four steps to keep resolutions (make a plan, put something on the line, bundle temptations, seek social support). Which resonates with you? Do you do any of these?
- How do you deal with the “fresh start effect” described in the article? (We like an excuse to set goals so we watch for “fresh start” points in our lives: A new week, a new semester, etc.)

“If You Want to Meet That Deadline, Play a Trick on Your Mind” by Phyllis Korkki¹²

- According to the research, a deadline within the same calendar year (or month) seems closer... And we’re more likely to accomplish it. Do you agree?
- Color-coding calendars can help too. How does this idea connect to the administrative time assignment where you tracked, categorized, and—dare I say—color coded your schedule?

¹⁰ Luttrull, Elaine Grogan. *Arts & Numbers: A Financial Guide for Artists, Writers, Performers and Other Members of the Creative Class*. Agate B2: 2013. Chicago.

¹¹ Milkman, Katherine and Volpp, Kevin. “How to You’re your Resolutions.” *The New York Times*. January 5, 2015. http://www.nytimes.com/2015/01/05/opinion/sunday/how-to-keep-your-resolutions.html?_r=0

¹² Korkki, Phyllis. “If You Want to Meet That Deadline, Play a Trick on Your Mind.” *The New York Times*. January 3, 2015. <http://www.nytimes.com/2015/01/04/business/if-you-want-to-meet-that-deadline-play-a-trick-on-your-mind.html>

Slide(s)/Lecture(s)	Handout(s)
<ul style="list-style-type: none"> S4 – Goal Setting 	<ul style="list-style-type: none"> H2 – Goal Worksheet H3 – Visualization Exercise

Activity (ies)
<p>Hypothetical Goals: Plan a Party, Run a Marathon, or Visit Space (LO2, 3, 4)</p> <ul style="list-style-type: none"> In small groups, choose one of three goals: Plan a party, run a marathon, or visit space Complete the goal worksheet (H4) for your goals. What challenges did you encounter? <p><i>Instructor Note: There is rarely time for the visualization exercise, but an audio version of the prompts is available as a podcast with instructions on MinervaFinancialArts.com.</i></p>

Assignment(s)
<p>A2: Goal Setting Assignment (LO4, 5)</p> <ul style="list-style-type: none"> Complete the goal worksheet for a personal or professional goal of your choosing. Make sure your goal is specific, measurable, and time-bound. We'll "workshop the goals" in the next class and discuss challenges with the process. DQ: "Obtain" versus "attain" – What is the difference? What is similar? <p><i>Instructor Note: Usually I post the goal worksheets around the room and let students review them and share feedback (constructively).</i></p>

Instructor's Notes
<p>*Intro slides (about the homework) felt too rushed; consider eliminating them</p> <p><i>Instructor Note: Use this space to capture thoughts from class (and incorporate those into future guides!).</i></p>

Course Outcome(s)

- L01: **Explain** basic financial concepts and vocabulary terms comfortably.
- L02: **Develop** tools for tracking income, expenses, inventory, and time.
- L03: **Distinguish** uses and applications of financial information.
- L04: **Analyze** numerical and financial information to make decisions.

Learning Objective(s)

- Define a “budget” as a financial plan for allocating resources.
 - Articulate the basic parameters of budgeting, including who should budget, when the budget happens, what a budget is, and how to begin to budget.
 - Describe the reasons behind budgeting and how a budget relates to and complements organizational and individual goals.
- Build analytical skills related to budgets and numbers, including sensitivity analysis, break-even point analysis, and what-if analysis.
- Compute variances and explain their relative importance to the budgeting and decision-making process.
- Describe cost behavior (fixed, mixed, and variable) and cost types (marginal, sunk) in the context of a creative career and professional examples.

Reading(s)

Arts & Numbers Chapter 5 by Elaine Grogan Luttrull¹³

- The text describes the word “budget” as gauche and déclassé. Do you agree? Why or why not?
- How would you make your budget “work”? The text suggests spending less, making more, or changing the parameters. Do you see these as viable solutions to an unsustainable budget? Why or why not?

“Don’t Indulge, Be Happy” by Elizabeth Dunn and Michael Norton¹⁴

- The article mentions \$75,000 as the “magic” number needed to buy happiness in the United States. What is your reaction to this number?
- What factors inform your reaction?
- Is your number \$75,000 (or more or less)? How might your number change over time?

Arts & Numbers Chapter 6 by Elaine Grogan Luttrull¹⁵

- How much is in your emergency reserve fund? Are you like the 64% of

¹³ Luttrull, Elaine Grogan. *Arts & Numbers: A Financial Guide for Artists, Writers, Performers and Other Members of the Creative Class*. Agate B2: 2013. Chicago.

¹⁴ Dunn, Elizabeth and Norton, Michael. “Don’t Indulge, Be Happy.” *The New York Times*. July 8, 2012.

<http://www.nytimes.com/2012/07/08/opinion/sunday/dont-indulge-be-happy.html?pagewanted=all&r=0>

¹⁵ Luttrull, Elaine Grogan. *Arts & Numbers: A Financial Guide for Artists, Writers, Performers and Other Members of the Creative Class*. Agate B2: 2013. Chicago.

<p>Americans with \$1,000 or less?</p> <ul style="list-style-type: none"> Consider the statement: A what-if analysis translates a budget from a math exercise into a decision-making tool. Do you agree? Why or why not? <p>“Why a Budget is Like a Diet – Ineffective” by Tara Bernard¹⁶</p> <ul style="list-style-type: none"> The article lists four budget strategies (conscientious spending, positive motivation, mental accounting, and automation). Do you think any of these strategies work? Why or why not? What other tips or tricks do you use to manage your finances? Would you use the inflexible wallet? Why or why not? <p><i>Arts & Numbers</i> Chapter 7 by Elaine Grogan Luttrull¹⁷</p> <ul style="list-style-type: none"> Define “variance” in your own words, outside of the budgeting context. How do you deal with life variances (the non-financial ones)? How can those strategies translate into financial options? <p>“Planning for Uncertainty” by Matthew Lamoreaux¹⁸</p> <ul style="list-style-type: none"> The article starts by pointing out that a substantial number of budgets become irrelevant quickly because of the fast pace of business. Have you experienced this phenomenon? How did you deal with it? Consider your own budget. Which factors are the most critical to your financial success, and which are the most variable? How do the 12 Beyond Budgeting Principles listed in the article relate to the creative business you’d like to run or participate in? Do you find it surprising to incorporate such ideals into the budgeting process? Why or why not?
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Slide(s)/Lecture(s)	Handout(s)
<ul style="list-style-type: none"> S5 – Budgeting 	<ul style="list-style-type: none"> H4 – Lego Budgeting H5 – Break-Even Point Activity H6 – Variance Activity

Activity (ies)
<p>Lego Budgeting (LO1, 2, 4)</p> <ul style="list-style-type: none"> You’ve been given parameters (a one-year personal budget) and constraints (average starting salary for an artist/designer... in Legos). Use the Legos and the worksheet to build a budget. The “winning” budget will cover costs, save, and purchase UTILS.

¹⁶ Bernard, Tara Siegel. “Why a Budget is Like a Diet – Ineffective.” *The New York Times*. December 31, 2010.

<http://www.nytimes.com/2011/01/02/weekinreview/02siegelbernard.html>

¹⁷ Luttrull, Elaine Grogan. *Arts & Numbers: A Financial Guide for Artists, Writers, Performers and Other Members of the Creative Class*. Agate B2: 2013. Chicago.

¹⁸ Lamoreaux, Matthew. “Planning for Uncertainty.” *Journal of Accountancy*. October 2011.

<http://www.journalofaccountancy.com/issues/2011/oct/20114354>

Budgeting Activity (L01, 2, 4)

- Ask one student to provide a verb, a second student to provide a location (on Earth), and a third student to provide a number. Write these three data points on the white board and use them to set the parameters for a budget you'll build together as a class following the five steps. For example, if the words are RUN, Brazil, and 14, build a budget to run a marathon in Brazil in fourteen months. List expenses like travel, training, registration, etc., and figure out how to fund the expenses through savings, fundraising, etc.

Break-Even Point Activity (L04, 5)

- In small groups, calculate the break-even point for each of three scenarios (H6).
- Share the answers and calculations with the class.

Coffee Bean Co.'s Cost Types (L01)

- Consider a coffee company. Describe a fixed, variable, and mixed cost for the company.
- Be prepared to share your ideas with the class.

Variance Analysis Activity (L02, 3, 4)

- Compute the variances (in dollars and percentage terms) based on the information provided (H7).
- Make observations about the variances and pose additional questions you would ask based on your analysis.

Optional Engagement Activity (ies)**CAA Podcast: Budgeting for Artists**

- Review the podcast (~15 minutes) recorded by Elaine on budgeting basics for artists to supplement the readings and kick off the class discussion.
- <http://www.collegeart.org/podcast>

A&BC-Boston Webinar: Budgeting for the Creative Class

- Review the webinar (~15 minutes) recorded by Elaine on financial challenges facing the creative class.
- <http://www.artsandbusinesscouncil.org/webinar-library>

Instructor Note: This assignment is presented here because it relates to budgeting. However, I have found it best introduced later in the semester once the projects are coming together a bit more insightfully (perhaps after receiving feedback from the instructor).

Assignment(s)**A3: Build A Budget 1.0 (L01, 2, 3, 4, 5)**

- Build a budget for a dream project for your dream client, based on the email from your hypothetical client (the instructor). The assignment contains:
 - Professional correspondence with the "client" via email, including documenting assumptions you make.

- The budget itself. (Make sure to format the file so it is pleasant to review.)

A4: Build A Budget 2.0 (L01, 2, 3, 4, 5)

- Build another budget (a better one!) for a dream project for your dream client, based on the email from your hypothetical client (the instructor). The assignment contains:
 - Professional correspondence with the “client” via email, including documentation of assumptions you make.
 - The budget itself. (Make sure to format the file so it is pleasant to review.)

Ax: Review Your Friends’ Budgets (L01, 3)

- This assignment is meant to provide peer feedback on your project to enhance the overall quality of your project. You also may find that by reviewing your peer’s work, you have new ideas or insights about your own project.
 - Post your project to the discussion forum.
 - Provide feedback to three friends on their budgets.

J2: Reflection Journal: Money (Q1-Q3) (L03, 4, 5)

- What was the hardest part about building the budget? Do you think you’ll be able to follow your budget going forward? Why or why not? What might you change the next time you build a budget?
- Do you feel the budget you created accurately reflects your goal? Why or why not? What would you do differently to better incorporate your goal?
- Consider the reading, “Planning for Uncertainty.” Which parts of your budget are critical? Which are variable? Why are these areas high-risk? What will you do with that knowledge?

Instructor’s Notes

Instructor Note: Use this space to capture thoughts from class (and incorporate those into future guides!).

Course Outcome(s)

- L01: **Explain** basic financial concepts and vocabulary terms comfortably.
- L02: **Develop** tools for tracking income, expenses, inventory, and time.
- L03: **Analyze** numerical and financial information to make decisions.

Learning Objective(s)

- Practice pricing strategies consistent with an artist's work and marketing strategy and informed by costs, competition, and customers.
- Describe the importance of networking (or "niceworking") as it relates to the greater goal of building a sustainable (artistic) business.
- Describe sources of income other than the sale of work.
 - Define fiscal sponsors in the context of an artist's career.
 - List similarities and differences between L3C's, B corporations, and fiscal sponsors.
- Differentiate between contribution and equity crowdfunding and describe the pros and cons of each.

Reading(s)

Arts & Numbers Chapter 10 by Elaine Grogan Luttrull¹⁹

- Do you think the advice "make more money" is excessively simplified? Why or why not? How might the real world challenge the tactics presented in the text?
- The text describes "masochistic volunteering." Describe a situation you have faced where you were asked to give of yourself or your time masochistically. How did you handle it? What would you do differently next time?
- In your opinion, when does volunteering turn masochistic? What traits of a volunteer or pro bono project make it masochistic?

"Downsizing Supersize" by James Surowiecki²⁰

- What is your reaction to the article? Do you agree or disagree with the premise?
- Aren't people smarter than the author gives them credit for?
- What other clues about value do you seek (besides the size of the cup, for example)?
- How does this translate into your creative career?

"The Crowd-funding Crowd is Anxious" by Amy Cortese²¹

¹⁹ Luttrull, Elaine Grogan. *Arts & Numbers: A Financial Guide for Artists, Writers, Performers and Other Members of the Creative Class*. Agate B2: 2013. Chicago.

²⁰ Surowiecki, James. "The Financial Page: Downsizing Supersize." *The New Yorker*. August 13 & 20, 2012. http://www.newyorker.com/talk/financial/2012/08/13/120813ta_talk_surowiecki

²¹ Cortese, Amy. "The Crowd-funding Crowd is Anxious." *The New York Times*. January 6, 2013. Accessed August 2013. <http://www.nytimes.com/2013/01/06/business/crowdfunding-for-small-business-is-still-an-unclear-path.html?pagewanted=all>

- Do you think the “lost segment” of entrepreneurs described in the article exists? Do you have anecdotal information from your peers about obtaining funding (before hitting \$10 million in sales)?
- Describe the difference between equity crowd-funding and exchange crowd-funding in your own words. Which would you prefer as an investor? Which would you prefer as an artist?
- How does crowd-funding affect the time you have to devote to your art versus your administrative time?

“The Art of Asking” by Amanda Palmer (TED)²²

- What is your reaction to Amanda Palmer’s proposition about the art of asking?
- Do you find it hard to ask for what you need? Why or why not?
- What is the connection between Amanda Palmer’s TED talk and a portfolio career? What is the connection between her talk and the “outrageous fortune” end of the career spectrum?

Slide(s)/Lecture(s)	Handout(s)
• S6 – Pricing & Funding Your Work	• Cards for Negotiation 101 activity

Activity (ies)

Negotiation 101 (L03, 4)

- Each student is assigned a target price and a walk-away price. Half are buyers and half are artists.
- Instruct the students to reach the best deal possible.
- Record the deal price and the target price for each party for the successful deals.
- Repeat the exercise three times, changing roles and parameters each time.

Build an Invoice (L02, 5)

- Now that you’ve negotiated a deal... Build an invoice.
- As a group, sketch out the basic format for an invoice. What sections are included? How does this connect to the contract you build for a client/project? How does this connect to the budgeting assignment? What about the administrative time assignment?

Instructor Note: Connect this activity to the third and fourth assignments (build a budget). What would the invoice for those projects look like? Would they connect to the proposals? Would they connect to the contract?

Spend \$1,000 on Kickstarter (for Pretend) (L03, 4)

- In small groups, decide how to allocate a hypothetical \$1,000 investment on a crowd-funding platform.
- You may choose any project or combination of projects, and you may choose a contribution or equity crowdfunding platform. Describe your decision

²² Palmer, Amanda. “The Art of Asking.” TED. February 2013.
http://www.ted.com/talks/amanda_palmer_the_art_of_asking?language=en

(including any disagreement among the group) to the class.

- DQ: How did you make your funding decision as a group?
- DQ: What made this an effective/compelling project to fund?
- DQ: Was the contribution crowd-funding project you chose featured on the front page of the host site?
- DQ: How can you incorporate these observations into your own projects?
- Once you've posted your project and the rationale for it, vote on three other projects you'd like to see funded (based on those selected by your peers).

Instructor Note: Every time I have done this negotiation exercise, the average deal price goes up with repetition. Track your results and send them to me! I'd love the extra data.

Assignment(s)

J2: Reflection Journal: Money (Q4-Q7) (L03, 5)

- Identify your own strengths, that is, your competencies. What makes you special as a creative entrepreneur? How are these reflected in the price you set for your work or your time?
- Who are your customers? Who is your target market? Does your budget help you reach these customers? Why or why not? What would you change to better reach them?
- Describe similarities and differences between you and your competition. Who is your competition? What are they doing really well, and what can you learn from them?
- List five questions you would ask of your competition if you had the chance based on what you learned from the company analysis class discussions and readings.

Instructor's Notes

Instructor Note: Use this space to capture thoughts from class (and incorporate those into future guides!).

Course Outcome(s)

- L01: **Explain** basic financial concepts and vocabulary terms comfortably.
- L02: **Distinguish** uses and applications of financial information.
- L03: **Analyze** numerical and financial information to make decisions.

Class Learning Objective(s)

- List the three major financial statements and the key components of each.
 - Account for simplified general business activity based on double-entry accounting principles.
- Translate the Statement of Cash Flows concepts into a usable document for individuals (especially creative entrepreneurs) to manage cash.
- Analyze financial information by asking (repeatedly) the core analysis question: Does this make sense?
 - Compute and explain the significance of certain ratios.
- Describe the various types of financial commentary available and the source (and bias) of each.
- Define an “audit” in the context of financial statements and distinguish it from tax audits or governmental program audits.
- Find publicly available financial information on certain companies and use it for research purposes.

Reading(s)

Arts & Numbers Chapter 8 by Elaine Grogan Luttrull²³

- Do you think anyone actually prepares personal financial statements regularly? Why or why not?
- Consider the progress you might make toward your goals if you looked at your personal balance sheet on an annual basis. Where would you have been last year? Where do you hope to be next year? Where do you hope to be five years into the future? Where were you five years ago?
- Describe the connection between the financial tasks presented in the text and your personal goals. How does one affect the other? Is the connection one that resonates with you? Why or why not?

Arts & Numbers Chapter 9 by Elaine Grogan Luttrull²⁴

- Why is cash so difficult to manage? Describe your own relationship with cash. Do you face some of the same challenges that Logan faced in the text?
- Do you believe the connection between a substantial cash reserve and artistic

²³ Luttrull, Elaine Grogan. *Arts & Numbers: A Financial Guide for Artists, Writers, Performers and Other Members of the Creative Class*. Agate B2: 2013. Chicago.

²⁴ Luttrull, Elaine Grogan. *Arts & Numbers: A Financial Guide for Artists, Writers, Performers and Other Members of the Creative Class*. Agate B2: 2013. Chicago.

<p>empowerment is valid or is it too simplified? Why?</p> <ul style="list-style-type: none"> • What amount of cash reserve would make you feel “empowered” artistically? What other factors would affect your empowerment? How do those factors translate into your finances or business responsibilities? <p>“Beginners’ Guide to Financial Statements” from the U.S. SEC²⁵</p> <ul style="list-style-type: none"> • Describe the message communicated from each statement in your own words. • How might the information communicated for publicly traded companies be similar or different from your own personal information?

Slide(s)/Lecture(s)	Handout(s)
<ul style="list-style-type: none"> • S7 – Financial Statements 	<ul style="list-style-type: none"> • H7, 8 – Financial Statement Activity (two parts) • H9 – Ratio One Pager

Activity (ies)
<p>Financial Statement Activity (L01, 2)</p> <ul style="list-style-type: none"> • Review the accounting for each item listed on the Financial Statement Activity (H8). • Create Kristina’s financial statements for the year (BS and P&L) based on the activity. <p><i>Instructor Note: I have found it effective to let each student take a turn explaining the debits and credits for each item listed. It is also helpful to label each T-account as asset, liability, equity, income or expense account.</i></p>

Assignment(s)
<p>J2: Reflection Journal: Money (Q8 – Q9) (L03, 5)</p> <ul style="list-style-type: none"> • Consider your budget from a cash perspective. List your projected cash flow by month. In theory, the total cash flow for the period should equal the bottom line from your budget. • What are your best and worst months? What will you do with the extra cash? How will you solve any cash flow shortages? <p>A5: Financial Statement Assignment (L03, 4)</p> <ul style="list-style-type: none"> • Record the transactions listed on the assignment sheet in the XLS template. Submit the balance sheet and profit & loss statement based on the activity you record. <p><i>Instructor Note: The financial statement assignment’s format is very similar to the in-class exercise, although the facts and examples differ.</i></p>

²⁵ “Beginners’ Guide to Financial Statements.” U.S. SEC. *SEC.gov*. February 5, 2007.
<http://www.sec.gov/investor/pubs/beginstmtguide.htm>

Course Outcome(s)

- L01: **Explain** basic financial concepts and vocabulary terms comfortably.
- L02: **Develop** tools for tracking income, expenses, inventory, and time.
- L03: **Distinguish** uses and applications of financial information.

Learning Objective(s)

- Describe the different tax categories and how each might affect a creative entrepreneur.
 - Distinguish employment taxes from income taxes.
 - Distinguish taxes on income or earnings from taxes on consumption or property.
 - Identify taxes on capital gains or losses and describe the rate differences from taxes on income.
- Describe deductions common to freelancers and creative entrepreneurs.
- Define costs of sales and correctly identify when those costs are deductible.

Reading(s)

Arts & Numbers Chapter 11 by Elaine Grogan Luttrull²⁶

- Self-employed individuals are subject to self-employment tax, which roughly approximates employment taxes paid jointly by employers and employees. How does this knowledge affect the rates you charge for your self-employed services?
- Do you think companies that hire contractors should be responsible for a portion of the employment taxes paid to contractors? Why or why not? Research online to find out what groups like the Freelancers Union think about this idea. Describe your findings (and your opinion thereof) to the class.
- In the text, Derek has a harrowing tax experience when he learns he owes quite a bit to the government. Has this ever happened to you or your peers? Describe the situation and the solution reached.

“Publication 583: Starting a Business and Keeping Records” from the IRS²⁷

- The publication begins with a few basic points business owners need to know, and they don’t have anything to do with taxes. How do these relate to the business plan topics discussed in Chapter 13 of *Arts & Numbers*? Are you surprised that a tax publication begins with non-tax information? Why or why not?
- The publication lists six reasons to keep records. Which do you find compelling? What reasons do you have for keeping records?
- How might the sample record keeping systems included in the publication work

²⁶ Luttrull, Elaine Grogan. *Arts & Numbers: A Financial Guide for Artists, Writers, Performers and Other Members of the Creative Class*. Agate B2: 2013. Chicago.

²⁷ “Publication 583: Starting a Business and Keeping Records.” IRS. Last revised December 2011. Accessed August 2013. <http://www.irs.gov/pub/irs-pdf/p583.pdf>

with your business? How might you modify the systems to suite your creativity?

“Inventory” by Riley & Associates²⁸

- Describe in your own words why it is relevant to understand the costs you incur to create your work. What are some common costs to your practice?
- Do you think the costs that go into works created are easy to overlook? Why or why not?
- Why do you think the author describes “blank stares” from his clients when he asks them about inventory?

Instructor Note: The only assigned reading from Riley & Associates is the Inventory section (although the rest of the text on the referenced page is excellent!).

Slide(s)/Lecture(s)	Handout(s)
<ul style="list-style-type: none"> • S8 – Taxes & Inventory (need to re-work this!) 	<ul style="list-style-type: none"> • H10 – Tax Overview • H11 – Tax Summary Chart • H12 – Tax Calculation Activity • H13, 14 – Richard Hatch Activity

Activity (ies)

Tax Calculation Activity (L01, 2, 3)

- Calculate the progressive tax liability for the individuals described on the handout (H12).

Instructor Note: This activity illustrates the marriage penalty (married couples pay more in tax at certain income levels).

Assignment(s)

J2: Reflection Journal: Money (Q10) (L03, 5)

- What did you learn about taxes? How does this knowledge influence:
 - The type of entity you choose to use?
 - Your hourly rate and/or the price for your work?
 - The record-keeping system you choose to use?

A6: Tax Assignment (L03, 4, 5)

- Complete Schedule C for Richard Hatch based on the facts provided.

Ax: Present Your Budget (L03, 4, 5)

- Following the draft, critique, and reflection period with your budget, present it to the class.
- The presentation must be five minutes in length and include at least one compelling visual aid.

²⁸ “Visual Artists: Inventory.” Riley and Associates P.C. ArtistTaxInfo.com. 2012. Accessed August 2013. <http://www.artstaxinfo.com/artists.shtml>

Course Outcome(s)

- L01: **Explain** basic financial concepts and vocabulary terms comfortably.
- L02: **Develop** tools for tracking income, expenses, inventory, and time.
- L03: **Analyze** numerical and financial information to make decisions.

Class Learning Objective(s)

- Define “system” in a personal way that meets the requirements outlined by the IRS and complements the artist’s professional practices.
 - Build such systems to support the student’s creative business.
- Describe the importance of maintaining a “system” to track income, expenses, inventory, and time.
- List the four key pieces of data that must be recorded and retained to support income and expense items.
 - Produce examples of each type of information to be retained in an artistic application or context.

Reading(s)

Arts & Numbers Chapter 12 by Elaine Grogan Luttrull²⁹

- Do you think some sort of system can help you reduce the amount of time you spend on administrative tasks? Why or why not?
- Consider the discussion of cost, particularly the idea that a “cost” can be in dollars, time, or information. How does this idea relate to the price you charge for your work or your time?
- The text discusses systems that look backwards (historical tracking), forwards (prospective planning), and at the present (real time updates). Which is the most important to you? Why?
- Poll your friends and peers informally. Do they use systems? Which ones?

“Ten Habits of Successful Artists” by Geoffrey Gorman³⁰

- Which habits resonated with you? Are there any that appall you?
- Which of these habits do you do well? Which do you need to work on?

Slide(s)/Lecture(s)

- S9 – Recordkeeping & Systems

Handout(s)

- H15 – System Examples

Activity (ies)

System Review (L02, 4)

²⁹ Luttrull, Elaine Grogan. *Arts & Numbers: A Financial Guide for Artists, Writers, Performers and Other Members of the Creative Class*. Agate B2: 2013. Chicago.

³⁰ Gorman, Geoffrey. “Ten Habits of Successful Artists.” NYFA. Accessed August 2013. <http://www.nyfa.org/level4.asp?id=162&fid=1&sid=51&tid=169>

- In small groups research one of the systems presented by the instructor and answer the following questions.
 - What do you think about the system?
 - How much does it cost?
 - How does it work? How do you access the information?
 - Is it for prospective planning or historical tracking?
 - Do people use it?
 - Would you use it? Why or why not?

Instructor Note: System options include Mint.com, QuickBooks (or Quicken), GYST by Karen Atkinson, Down to Earth Finance by Galia Guichon, SnowMint Creative Solutions, You Need a Budget, Fresh Books, and any others.

Assignment(s)

J3: Reflection Journal: Love (Q1 – Q3) (L03, 5)

- Which habit from “Ten Habits of Successful Artists” by Geoffrey Gorman (or from your own knowledge or experience) resonated the most with you? Which habit do you already do well? Which habit do you need or want to work on?
- Describe how you might use “systems” to support the various habits of successful artists. Which system might work best for you based on your temperament, habits, and limitations? (Be specific.)
- Connect the ideas of time, money, and love. How do these relate to your creative pursuits? How will you make decisions about your career using these concepts?

Instructor Note: These questions are meant to build on the in-class systems activity

Instructor's Notes

Instructor Note: Use this space to capture thoughts from class (and incorporate those into future guides!).

Course Outcome(s)

- L01: **Explain** basic financial concepts and vocabulary terms comfortably.
- L02: **Develop** tools for tracking income, expenses, inventory, and time.
- L03: **Distinguish** uses and applications of financial information.
- L04: **Analyze** numerical and financial information to make decisions.
- L05: **Apply** financial concepts in a relevant context.

Learning Objective(s)

- Explore the separation that exists (or should exist) between personal and professional presence online.
- Weigh pros and cons of various social media outlets and the benefits and challenges associated with each.
- Ponder one's own online presence and strategize ways to enhance it authentically.
- Reinforce the idea that connecting with people is the same, regardless of the medium (e.g., at a conference, over coffee, or on Twitter).
- Solicit feedback on your project from peers, understanding what works, what doesn't work, and what is communicated well.
- Provide feedback to others on their projects, leveraging their ideas and insights for your own use.
- Express constructive criticism well and receive it in the spirit intended.

Reading(s)

"5 Tips to Separate Personal and Professional Life Online" by Amber Mac³¹

- What is your reaction to the tips presented in the article?
- Do any tips resonate with you? Why or why not?
- What tips do you have for others?

"Why Topsy Facebook Photos Beat No Online Presence at All" by Lianne Froggatt³²

- Do you agree that a topsy Facebook photo is better than no online presence at all? Why or why not?
- What is the best reason you can give for having or not having a presence on social media?
- What strategies do you use to harness the power of social media without becoming a slave to it?

³¹ Mac, Amber. "5 Tips to Separate Personal and Professional Life Online." *Fast Company*. May 20, 2011.
<http://www.fastcompany.com/1754431/5-tips-separate-personal-and-professional-life-online>

³² Froggatt, Lianne. "Why Topsy Facebook Photos Beat No Online Presence at All." *The Telegraph*. December 6, 2012.
<http://www.telegraph.co.uk/education/universityeducation/student-life/9724871/Why-topsy-Facebook-photos-beat-no-online-presence-at-all.html>

Arts & Numbers Chapter 13 by Elaine Grogan Luttrull³³

- Does networking make you squeamish? Why or why not?
- Do you think it is possible to be both authentic and a salesman of your work? Why or why not?
- Does the idea of *indirectly* promoting your work (through new content on blogs, etc.) make you less squeamish than shamelessly promoting your work?

Slide(s)/Lecture(s)	Handout(s)
<ul style="list-style-type: none"> • S10 – It’s Not Personal, It’s Business 	<ul style="list-style-type: none"> • None

Activity (ies)

Where Do I Fall? (LO1, 3, 4)

- Consider your online presence. Is it mostly personal, mostly business, or a split? Assign a percentage value to your presence (explaining why you chose the value), and observe the results on the chart in front of the class.
- What trends do you see? Do you think your presence (or the presence of your peers) will change over time?

Assignment(s)

P1: Participation

- Participation is a key portion of this course. To receive full participation points, students must:
 - Be both physically and mentally present for all class meetings.
 - Complete the readings prior to class.
 - Contribute to the in-class discussions and activities.
 - Maintain a positive attitude throughout the course.

Instructor’s Notes

Instructor Note: Use this space to capture thoughts from class (and incorporate those into future guides!).

³³ Luttrull, Elaine Grogan. *Arts & Numbers: A Financial Guide for Artists, Writers, Performers and Other Members of the Creative Class*. Agate B2: 2013. Chicago.

Course Outcome(s)

- L01: **Explain** basic financial concepts and vocabulary terms comfortably.
- L02: **Develop** tools for tracking income, expenses, inventory, and time.
- L03: **Distinguish** uses and applications of financial information.
- L04: **Analyze** numerical and financial information to make decisions.
- L05: **Apply** financial concepts in a relevant context.

Class Learning Objective(s)

- Articulate the tradeoffs between risk and reward and describe three factors that influence a person's tolerance for risk.
 - Describe the application of volume of assets, time horizon, and tolerance for uncertainty in a personal context.
- Describe basic investment options and rank each on the "eat well/sleep well" scale.
 - Research additional information related to any of the broad investment categories presented.
- Describe the basic concept of supply and demand and illustrate the concept graphically.
- Describe the basic concept of time value of money and apply the concept to personal situations.

Reading(s)

Arts & Numbers Chapter 4 by Elaine Grogan Luttrull³⁴

- Consider the idea of supply and demand as discussed in the text and in class. How does the idea of supply and demand relate to your work? Specifically, how does it relate to the price you set for your work, your portfolio career, or your goals?
- How is the time value of money applicable to your lives? Consider both tangible and intangible examples (e.g., your car, your educational experience).
- Does the time value of money concept relate to your art? Why or why not?
- How will your understanding of time value of money affect your decisions in the next year?

"David Swensen's Guide to Sleeping Soundly" by Marc Gunther³⁵

- Describe "portfolio management" in your own words.
- Do you think this approach to investing is one you would pursue? Why or why not?

³⁴ Luttrull, Elaine Grogan. *Arts & Numbers: A Financial Guide for Artists, Writers, Performers and Other Members of the Creative Class*. Agate B2: 2013. Chicago.

³⁵ Gunther Marc. "David Swensen's Guide to Sleeping Soundly." *Yale Alumni Magazine*. March/April 2009. http://www.yalealumnimagazine.com/issues/2009_03/swensen.html

Slide(s)/Lecture(s)	Handout(s)
<ul style="list-style-type: none"> S11 – Investment and Economic Basics 	<ul style="list-style-type: none"> H16 – Risk and Reward Graphs H17 – Time Value of Money

Activity (ies)
<p>Risk and Reward (L01, 3)</p> <ul style="list-style-type: none"> Indicate whether each of the three fictional people described have high, medium, or low tolerance for risk in each category (volume, time horizon, tolerance for uncertainty). Make a mark on the graph to indicate where each person falls. <ul style="list-style-type: none"> What factors influenced your decision? Be prepared to explain your decision with the class. Describe where you personally fall on the graph. <ul style="list-style-type: none"> Do you consider yourself risk averse or risk seeking? Why? Does your perception of risk influence the choices you make beyond finance? How? <p><i>Instructor Note: Students often mix up the high/low answers, so listen carefully to their explanations instead of simply accepting what they say as high, medium, or low.</i></p> <p>Eat Well/Sleep Well (L03, 4)</p> <ul style="list-style-type: none"> Place a mark for yourself on the graph in class illustrating where you fall on the “eat well/sleep well” scale related to investments. Is this spot similar to where you ranked yourself on the risk/reward scale? If not, why not? <p>Time Value of Money (L01)</p> <ul style="list-style-type: none"> In small groups, calculate the correct answer to each question using the time value of money formula. <p>Invest \$1,000 (for Pretend) (L04)</p> <ul style="list-style-type: none"> Choose an easy-to-use fund research platform (like Fidelity or Vanguard) and find a fund you’d like to buy. Pretend you have \$1,000 to invest and aim to diversify your investments based on the risk level you are comfortable with. For each fund you choose, identify <ul style="list-style-type: none"> The fund’s ticker symbol The amount you would invest in the fund The fund’s overall strategy Illustrate in pie chart form the portfolio mix you choose.

Assignment(s)
None

Instructor’s Notes
<i>Instructor Note: Use this space to capture thoughts from class (and incorporate those into future guides!).</i>

