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To the Graduate Council:

I am submitting herewith a dissertation written by William Rhodes Logan entitled "The factors that influenced the decision to enter into a $1 billion fundraising campaign by two public higher education institutions." I have examined the final electronic copy of this dissertation for form and content and recommend that it be accepted in partial fulfillment of the requirements for the degree of Doctor of Philosophy, with a major in Higher Education Administration.

Norma Mertz, Major Professor

We have read this dissertation and recommend its acceptance:

Robert Cunningham, Dorian McCoy, Caula Beyl

Accepted for the Council:
Dixie L. Thompson

Vice Provost and Dean of the Graduate School

(Original signatures are on file with official student records.)

The factors that influenced the decision to enter into a $1 billion fundraising campaign by two public higher education institutions

A Dissertation Presented for the

Doctor of Philosophy

Degree

The University of Tennessee, Knoxville

William Rhodes Logan

May 2015

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Dedication

This dissertation is dedicated to my loving and understanding wife Amy Logan and beautiful children Wendy and Alex for their support on the long journey of completing this process.

Acknowledgments

First I would like to thank my first chair, the late Dr. Grady Bogue, for his unyielding support of me. He continually recognized and demanded my best, I will always be grateful for his firm but supportive encouragement.

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Next I would like to thank God and my family, specifically my wife Amy for her consistent support, and reminder that this was a marathon and not a sprint. My friends in the doctoral cohort were great sources of encouragement as we took a journey together through coursework and dissertations. I believe that I am the last from this group to finish and am proud to call them colleagues and friends.

Finally, my sincere appreciation goes out to the men and women who participated in my study. Without their willingness to share their opinions and assistance, this study would not have been possible.

Thank you for your courage and wisdom.

Abstract

The purpose of this study was to explore the factors that influenced the decision to enter into a $1 billion fundraising campaign by two public higher education institutions. The research was guided by two questions:

1. What factors influenced the decision to enter into a $1 billion or more fundraising campaign in each of the two public higher education institutions?
2. Were there factors shared by both institutions, and were differences apparent?

Data were collected from 14 in-depth interviews with presidents, vice presidents for development, fundraising volunteers, fundraising campaign consultants, and other members of the staff who were familiar with the factors that entered into the decision to set the fundraising campaign goal at $1 billion at the University of Tennessee and the University of Maryland College Park.

Four key factors common to both institutions emerged: Volunteers serving in fundraising roles for the university were very influential, volunteers serving in fundraising roles also served on the boards of oversight and used this position to influence the acceptance of the $1 billion campaign, prior fundraising success encouraged volunteers serving in fundraising roles to push for the $1 billion fundraising goal, and volunteer and administrative leadership ignored the $800 million recommendation of their consultant's feasibility study. Fundraising volunteers appeared to have had considerably more influence at these institutions than any other single factor in entering into a $1 billion fundraising campaign. The findings are discussed in chapter 6, as are a discussion, methodological considerations, and recommendations for future research.

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Chapter I

Introduction

Background and Context

As funding for public higher education has continued to remain constant or shrink, the costs of operating these institutions has continued to increase dramatically. In consequence, public institutions private fundraising efforts have grown to meet their rising needs. Frank Rhodes (1992), former President of Cornell University described the situation for higher education institutions when he stated "with an increasing number of public institutions charging higher and higher tuition with financial aid covering only a fraction of the cost, increased competition for federal research dollars, and limited funds for facilities, private support is no longer just a welcome add-on, it is critical to an institution's survival" (p.65).

One traditional fear for public university presidents, according to Everett Smith (2014), was that state leaders would cut their funding if they were to undertake large fundraising campaigns, on the premise that the state funding would no longer be needed. However, he found that there was no statistical basis for this fear, and in fact, higher education presidents need have no reservations in entering into large fundraising campaigns.

In 1992, Rhodes (1992) predicted that the 1990's would be the "billion dollar decade" and stated that "billion dollar campaigns reflect the magnitude of the financial challenges facing many institutions as they seek to attract and retain high quality faculty and staff, maintain libraries and computer centers, dormitories, purchasing up to date equipment for teaching and

research, and providing enough financial aid to make their programs accessible to students from a variety of economic backgrounds" (p. 65).

So what is a campaign? The literature on fundraising campaigns deals primarily with the structure of a campaign and the players involved. Dove (2001) described a campaign as an "organized, intensive fundraising effort on the part of a third sector institution or organization to secure extra-ordinary gifts and pledges for a specific purpose or purposes such as building construction, renovations, equipment acquisition, or endowment funds during a specified period of time" (p.1). The first sector (for-profit) and second sector (governmental) are differentiated from the third sector (non-governmental not for profit organizations) by J.G. Lord (1990) who described voluntary organizations as "the third sector bridging the gap between the goals and methods of the private and the public sector and crucial to the very fabric of society" (p, 12). However, Dove warned that fundraising campaigns are not just about raising money, because a successful one "should seek and secure investments in a better society, a higher quality of life, an enriched culture; and they showcase humankind at its best, expressing love and hope and caring for others with greater needs" (p.2).

As the needs have increased, billion dollar fundraising campaigns, once seen only in the Ivy League institutions, started to materialize at public higher education institutions. Fundraising campaigns are intense efforts typically lasting five to seven years and have the potential to bring in significant resources to the institution for scholarships, endowments, building projects, and many other items that public support cannot fully cover (Dove, 2000).

David Bass (2006), Director of Research on Universities and Foundations for the National Society of Fundraising Executives (NSFRE), reported that public institutions across the country were routinely launching $1 billion or more campaigns. Swatzendruber (2006) reported

that in the year 2000, thirty six universities were currently running capital campaigns of $1 billion or more in the year and twenty of those were public institutions. The highest public campaign was the University of California at Berkeley, with goal of $3 billion (Appendix E Table 3). If this trend continued, Bass contended, it would be more important than ever that the planning process of the campaign be carried out thoroughly to make sure that fundraising goals are attainable (Bass, 2006).

There is great potential reward for a public higher education institution to hold a fundraising campaign of $1 billion or more. David Shufflebarger, of the fundraising consulting firm Alexander- Haas Inc., explained that an institution can run a campaign that can transform and propel it to a new level of excellence (personal communication April 2, 2010). It might fund construction of new buildings, rehabilitation of older buildings, land purchases, landscaping, adaptation of existing spaces such as athletic stadiums, endowed chairs for departments, scholarship funds, and equipment purchases (Bancel, 2010).

Similarly, Kihlstedt (2005) argued that funds raised from fundraising campaigns could potentially meet needed capital projects such as buildings and funds for programming, add to critical endowment funds for scholarships, make up for lost public revenue, and move a public institution up the ladder in comparison with their peer institutions. However, she also stipulated that an unsuccessful capital campaign could wreak severe damage to the reputation of a public higher education institution.

So what caused a great surge in fundraising campaigns at public higher education institutions? Capital campaigns raising $1 billion or more have grown in popularity over the last 15 years in public higher education institutions because of the great need for new sources of funding for the institution in light of drops in state support (Pollard, 2007). In 2000,

Swartzendruber (2000) reported in the *Chronicle of Higher Education* that ten public higher education institutions were currently running fundraising campaigns of $1 billion or more (Appendix G Table 3). By the year 2013, Fuller (2013) reported that number had doubled (Appendix G Table 6).

Fundraising campaigns can have a great effect on an institution. According to Kihlstedt (2008), campaigns can propel an institution forward and are the ultimate test of an organizations' philanthropic potential. While organizations rely on annual and special event fundraising, they evolve and take steps to grow through capital campaigns. She also contends that capital campaigns are the most cost effective way to raise money because of the great potential reward from major gifts (p.36).

In 1978, Stanford University completed a $300 million fundraising campaign; and in the literature celebrating the success of their effort, Vice President for Development Kenneth Cuthbertson definitely believed that it was worth the effort. Stanford's report said that the fundraising campaign provided an opportunity to dramatize the universities needs and explain how it would help long range goals. It also provided an opportunity to publically express goals for the university and involve new volunteers.

While several research studies have been conducted on the impact of fundraising campaigns on public higher education institutions (Castain, 2003; Cockrum, 2004; Farrell, 2005; Hicks, 2006; Jefferson, 1985; Moisan, 1986; Oliver, 1999; Phillips, 1997; Stevens, 1995), the factors that influenced the decision to set a fundraising campaign goal of $1 billion at public higher education institutions are largely unknown and constitute an area in which little or no research has been conducted.

Statement of the Problem

In an effort to supplement limited funding from state and federal sources public higher education institutions have begun to take on larger and larger fundraising campaigns. It is not unusual to hear about public higher education institutions setting a goal of $1 billion or more in their fundraising campaigns. A fundraising campaign can provide much needed funding for public higher education institutions; however, if the goal is not met, the damage can take years to repair.

The literature on fundraising campaigns suggests that it is very important to plan for a fundraising campaign, yet no scholarly studies, or "how to" manuals serve as a guide on the factors that influence the decision to set a fundraising campaign goal of $1 billion or more at public higher education institutions. As public higher education institutions prepare to raise money on behalf of the institution, many are now considering $1 billion capital campaigns. However, the factors that influence the decision have not been explored, and scholarly research detailing the factors involved in the decision to set the goal at $1 billion or more for higher education institutions that were successful in fundraising campaigns to serve as a potential guide is lacking.

The critical question to be examined, therefore, is what are the factors that influence the decision to set their fundraising campaign fundraising goals at $1 billion?

Purpose of the Study

The purpose of this study is to explore the factors that influenced the decision to enter into a $1 billion fundraising campaign by two public higher education institutions.

Research Questions

1. What factors influenced the decision to enter into a $1 billion or more fundraising campaign in each of the two public higher education institutions?
2. Were there factors shared by both institutions, and were differences apparent?

Significance of the Study

Public higher education institutions are under increasing pressure to produce revenue from sources outside state and federal dollars. It is clear from the literature that the number of public higher education institutions conducting fundraising campaigns has increased over the last twenty years as an alternative source of revenue, and many are conducting campaigns of $1 billion or more. The literature on higher education fundraising campaigns asserts that any public higher education institution contemplating a fundraising campaign should spend a great deal of time, effort, and resources in planning for this effort (Dove 2001, Kihlstedt, 2005).

By exploring the factors that influenced the decision to enter into a $1 billion or more fundraising campaign, this study begins to build a base of literature on the factors involved in the decision to set a campaign goal for public higher education institutions that currently is not present. Since little is known about these decisions involved in public higher education fundraising campaigns, this study adds to the knowledge base as well as might serve as a reference for both current higher education institutions in the process of campaign goal setting and those that aspire to a $1 billion fundraising campaign in the future.

The need exists for scholarly research on public higher education fundraising campaigns and the factors that influenced their decision to enter into a $1 billion or more fundraising campaign. Through their example public higher education institutions would have a point of

reference in making decisions about the size of their own fundraising campaigns and the process that can create a successful capital campaign.

Limitations

Because I previously served as Campaign Director with the University of Tennessee, Institute of Agriculture in the $1 billion capital campaign, I am working as an "insider". Although this will assist me in developing relationships and contacts that will be necessary to conduct this study, it also raises questions about my objectivity. Every effort will be made to gather and analyze the data objectively, and to be aware of the potential effects of my insider status. Nevertheless, it remains a potential limitation.

My study is further limited by the fact that I chose to select public higher education institutions that have completed successful $1 billion or more fundraising campaigns and did not research any institutions that did not make their goal, decided to delay the capital campaign, or backed away from it altogether after evaluating their options.

Another limitation of the study is that the research was conducted on events that occurred in the past. Thus participants' memories and interpretations of the factors that influenced the decision to enter into a $1 billion or more fundraising campaign by the two public higher education institutions could have been clouded by the amount of time that had passed since their respective fundraising campaigns.

Delimitations of the Study

This study will be delimited to two public higher education institutions in the United States. Therefore, the results found will speak to factors relative to those two institutions and the findings may not be generalizable to other public higher education institutions.

Definitions

Fundraising Campaign- is an organized, intensive fundraising effort on the part of an institution or organization to secure extra-ordinary gifts and pledges for a specific purpose or purposes such as building construction, renovations, equipment acquisition, or endowment funds during a specified period of time (Dove, 2001, p.xi).

Fundraising- Can be used interchangeably with the term "development", but refers to an effort by the entire organization to "realize its maximum potential and its highest destiny by performing the essential function of asking others to invest in the organization in a variety of ways" (Dove, 2001, p. 5).

Chief Development Officer- Is the head of the fundraising operations for an organization and typically reports directly to the chief executive officer or president (Dove, 2001, p. 6).

Campaign Consultant- A professional hired, typically from outside the organization, to give advice about the prospect of holding a fundraising campaign and normally serves as counsel throughout the process of the campaign (Dove, 2001, p. 29).

Institutionally Related Foundation- A separate 501C3 organization chartered and structured to benefit the host institution (Dove, 2001, p.264).

Organization of the Study

This study will be organized into six chapters. Chapter one contains a general overview of the research project. Included in this chapter are the following sections: Introduction, Statement of the Problem, Purpose Statement, Research Questions, Significance of the Study, Delimitations, Limitations, Overview of the Study Design, Definitions and the Organization of the Study. Chapter two provides a critical review of the literature. This chapter focuses on five areas of the literature: the history of fundraising campaigns, types of fundraising campaigns, planning a fundraising campaign, key figures in a fundraising campaign, and how gifts can be given to a higher education institution in a fundraising campaign. Chapter three details the research design and methodology utilized in the study. Included in this chapter are the research design methodology, research design, research sites and population, research methods/sources of data, data collection procedures, data analysis, and trustworthiness of data. Chapter four presents the findings from the University of Tennessee. Chapter five presents the findings from the University of Maryland College Park. Chapter six offers a summary and conclusions for the study including a summary of the findings, discussion, methodological considerations, and recommendations for future research.

Chapter II

Review of the Literature

The purpose of this study is to explore the factors that influenced the decision to enter into a $1 billion fundraising campaign by two public higher education institutions. To properly frame the context and importance of this study, this critical review of the literature will cover the history of fundraising campaigns, types of fundraising campaigns, planning a fundraising campaign, key figures in a fundraising campaign, and categories of gifts in a fundraising campaign. Selected works within these areas were used as the literature base for the study. The literature is presented in five sections: history of fundraising campaigns, types of fundraising campaigns, planning a fundraising campaign, key figures in a fundraising campaign, and how gifts can be given to a higher education institution in a fundraising campaign.

History of Fundraising Campaigns in America

It is important to have a sense of the history of fundraising and fundraising campaigns to appreciate where public universities are today. J.G. Lord (1990) stated that there has been a long tradition in America of using private philanthropy to promote the public good. The collection of voluntary nongovernmental associations formed for this purpose has been described as “the third sector” because it connects the public and private in a way that benefits all of society.

de Tocqueville (1981) was sent by the French government in the early 1800’s to examine how American democracy functioned. One of his observations was that “the rich and powerful states of Europe could initiate very advanced undertakings on their own and compel their subjects to follow it while Americans had a more egalitarian society and learned to work together

in the affairs of daily life" (p.19). According to Lord, (1990) American public institutions fit this egalitarian profile very well and have exemplified service to the country. de Tocqueville (1981) observed that democratic governments were not the only guardians of the public good. "A government, by itself, is incapable of refreshing the circulations of feelings and ideas among the great people, as it is unable to control every industrial undertaking" (p. 22). Lord (1990) asserted that "a history of American philanthropy has exemplified the observations of de Tocqueville through our interest in supporting public enterprises through private funding" (p.19).

Industrial barons like Carnegie, Vanderbilt, Rockefeller, and Ford set aside great portions of their wealth for public works projects and institutions and used their position of influence to further public causes. *The Gospel of Wealth* by Andrew Carnegie (1889) held that "the accumulation of great wealth was inevitable, but surplus wealth, the money one could not spend on one's self, had to be disposed of somehow. The man of wealth should consider all surplus revenues that come to him "simply as trust funds to administer in the manner which, in his judgment, is best calculated to produce the most beneficial results for the community" (p.9).

Lord (1990) stated that de Tocqueville and Carnegie defined two important strands of American philanthropy: "association among equals for community needs; and planned, efficient, but paternalistic philanthropy determining and implementing programs for the public good" (21).

Cutlip's (1965) *Fund Raising in the United States: Its role in American Philanthropy* is one of the definitive works on the history of fundraising for information on the evolution of the profession. Cutlip said that "the first real age of organized philanthropy in America started in the late 1800's with Andrew Carnegie and other wealthy individuals utilizing great amounts of money to help others"(p. 32). Few individuals were professional fundraisers at this time, and the profession of fundraising was almost exclusively based around the ability to gain access to the

very wealthiest Americans. The number of potential contributors contacted by professional fundraisers remained very small until the 20th century (Bremner, 1988).

Burlingame (1991) contended that ”the campaign method of setting a particular monetary amount to be raised in a defined period of time was developed in the early 20th Century and was characterized by heavily publicized competition among teams of volunteers” (p.221). An example given by Burlingame of the first philanthropic campaign was The Young Men’s Christian Association (YMCA) at the turn of the 20th century. It utilized Protestant Christian values as a backdrop to organize teams of wealthy volunteers to ask their peers to give large gifts to the campaign.

The purpose of Oliver’s (1999) qualitative research study sought to trace the history of fund raising campaigns in American higher education from its early beginnings to a 1997 policy of fundraising standards by the Council for Advancement and Support of Education (CASE). He utilized personal interviews with staff members of the Council for Advancement and Support of Education; the results of a survey conducted by this organization of chief development officers of member higher education institutions about the structure of their latest fundraising campaign, and archival resources including information on those institutions that completed the survey. Oliver found that there was general disagreement among higher education institutions about how campaigns ought to be conducted and what sorts of gifts should be counted toward a campaign goal.

Oliver’s research on the history of higher education fundraising revealed that before World War I, volunteer solicitors would assist universities in their fundraising efforts and occasionally hire professional fundraisers with existing relationships with key potential donors. He stated that after World War II, America’s colleges moved from outside firms driving

fundraising campaigns, to a process of hiring their own staff for regular fundraising duties in "development departments" (p.128).

Later in the twentieth century, Cook's (1994) qualitative study found that challenges in higher education such as movements for real equality by the civil rights movement of the 1950's and 1960's forced institutions to look at their mission and to whom they served.

Through a review of the literature and personal interviews of four college presidents, Cook sought to describe and explain fundraising by university presidents and the primary conclusions were:

> (1) fundraising is a team effort,
>
> (2) an institution's president is typically the central player on the fund-raising team,
>
> (3) presidents should focus their effort and attention in fundraising on major gifts and administrative leadership,
>
> (4) academic quality and institutional prestige are of critical importance in higher education fundraising, and
>
> (5) fundraising is context specific at every university (p.58).

Cook's research on the history of fundraising found that during the late 1950's and 1960's "the United States was forced to face its responsibilities and ideals relative to our constitution, especially public institutions such as higher education" (p.55). As the twentieth century progressed, he said that with increased services came increased costs to the institutions to maintain and serve a public that demanded more and more of them. Due to the increased pressures on public institutions, campaigns began to grow in size and scope. Cook (1997) found that "from 1974 to 1979, only 9% of public higher education institutions initiated a fundraising campaign" (p.38). However, this was about to change.

Larger and larger fundraising drives were reported "in the 1980s and in the early 1990s, thirty-eight of the fifty-five American Association of University members were either currently conducting a major fundraising campaigns or gearing up for one. Six of these institutions were planning billion dollar campaigns by 1991" (Cook, 1997, p.41).

According to Flanagan (1991), Stanford, by the early 1990's had a professional fundraiser whose sole job was to ask for gifts of $5 million or more. University of Chicago professionals routinely receive $1 million commitments over lunch on a daily basis. In 1991, Flanagan predicted that the 1990s would become "the new golden age of philanthropy" (p. 51).

Levine (2001) stated that as the 1990's progressed public higher education institutions transitioned from a status of "state assisted" to "state affiliated" or even "state located" institutions (p. 46). Public institutions, according to Levine, are increasing their dependence upon non-governmental sources of revenue by placing greater emphasis upon tuition, fees, and private donors.

Phillips (1997) found that public research universities, starting in the 1980's and through the mid 1990's continued to experience significant funding declines from state and federal sources and employed multiple strategies to address the loss of revenue.

Table 1 State Appropriations to the University of Virginia

	1989-1990	1995-1996
University Budget	661.8 Million	935.4 Million
State $ to University	179.5 Million	119.9 Million
State Share of Total Budget	27.1%	12.8%
Academic Division of Budget	$383.8 Million	$548.2 Million
State $ to Academic Division	$132.8 Million	$113.5 Million
State Share of Academic Budget	$34.6%	20.7%

Phillips, (1997).

The University of Virginia received around 35 percent of their budget from the State of Virginia in the late 1980's and dropped to just over 20 percent by 1996. In a descriptive case study, she sought to add to the knowledge about public universities undergoing changes prompted by decreases in state support (Table 1).

Phillips' study of the University of Virginia in the 1990's found that the university used multiple strategies to enhance revenue from a state budget shortfall, and key strategies utilized by the institution were revealed. These strategies were raising tuition, launching a $750 million fundraising campaign, negotiating greater autonomy from state government, conducting a strategic self-study, and allying with local businesses to assist in gaining more state support. She also indicated that a growing sense of self-reliance was a positive result of the actions from University of Virginia administrative and volunteer leadership. While Phillips study pointed to a growing problem in public higher education, that of shrinking sources of funding, her study was focused exclusively on one institution. This limits the ability to generalize findings such as the importance of vision-based strategic planning to other institutions.

Higher education institutions, starting in the early 2000's not only had to deal with steady declines in funding, but a shift in motivations of private foundations as well. During the early 1900's large private foundations, such as Carnegie and Rockefeller families gave vast amounts of their resources to universities to better society and attempted to stay away from dictating government policy or policy of the institution (Katz, 2012). However, in the last decade, private foundations such as the Gates Foundation, the Walton Family Foundation, Lilly Foundation, and Mellon Foundation have begun an effort to actually shape policy for those that receive their funds rather than simply trusting in the higher education institutional system to work on its own.

A private foundation in New York placed a $5 million block of funds as a "carrot" to entice lower performing colleges and universities to get serious about student achievement (Gose, 2007). The trouble, according to Stanley Katz, Director of Princeton University's Arts and Cultural Policy Studies program, comes in the kinds of reforms required to achieve new levels of student achievement. Accountability has become the new buzz word for private foundations anxious to make an impact on higher education. They do not trust the old model of higher education in which reforms took years to show progress toward a stated goal. Tom Casey, Associate Director of the Annie E. Casey Foundation explains that all nonprofits, including higher education institutions are expected to set clear goals and work deliberately to meet them (Gottlieb, 2010).

Foundations like the Kresge Foundation in Michigan have evolved over time in their funding of higher education institutions from one of supporting the mission and ideals of the institution to a new model that directs their funds be used to aggressively increase the number of young men and women attending higher education institutions and get them into the workforce (Katz, 2012).

As large private foundations are leading a charge for reform in higher education to provide greater access and graduate more students, their inclination is to turn away from higher education leaders for how these reforms should be carried out. According to Stanley Katz, not-for-profit supporting organizations such as think tanks are now guiding much of the policy recommendations funded through large private foundations to reform higher education.

Fundraising campaigns can be positively impacted by large gifts from private foundations however, it is important that the purpose and mission of the institution are served by the gifts secured during a campaign. Any reforms guided by large contributions should be in the best interest of the higher education institution (Gottlieb, 2010).

According to David Shufflebarger, professional campaign consultant for the firm Alexander-Haas Inc. the professional fundraiser Kent Dove's book entitled *Conducting a Successful Capital Campaign*, is not research based, but remains "the" primer on capital campaigns (David Shufflebarger, personal communication May 31, 2009). Dove (1988) contended that fundraising campaigns are becoming much more frequent; and while they require a good bit of planning and organization, many universities and other organizations are heading headlong into campaigns driven by the need for new sources of funding whether the University has prepared for the campaign or not. Dove stated that "the days of automatically receiving the requests from a state or federal agency are gone, and the old boy networks of the past do not secure the funding needed to run a modern university or other government agency" (p. xi).

The website Universities Weblog (2006) reported on October 11th, 2006, that the University of Virginia and Yale both launched $3 billion campaigns in 2006 (www.universities-weblog.com). Not to be outdone, Columbia University launched a $4 billion campaign later that same year. Harvard opened a $4.3 billion capital campaign in 2006, seeking to be the largest ever

attempted in the United States to that time. According to the article, there is a true arms race going on for better facilities, more student aid, new programs geared to attract the best and brightest students, and to push their institution up the national university rankings.

The National Association of College and University Business Officers (NACUBO) publish a report on the progress of the largest university endowments on an annual basis. The 2010 report compared 2005 to the current year and demonstrated that even with an economic downturn in years immediately before 2010 the largest university endowments are still growing and some, like the University of Florida and the Texas System have substantial gains (Appendix G Table 5). The NACUBO Report also stated that public and private higher education institutions are dependent upon endowment funds to supplement their sources of revenue such as tuition, research, and state appropriations. According to Dove (1998), endowments are looked upon as a symbol of strength and status because it demonstrates the ability of those institutions to supplement their sources of income which allows them to attract top students through scholarships, top professors through stipends and awards, and adapt their curriculum in ways that other institutions cannot.

A study by Bowers (2006) examined one anonymous (referred to as University X) higher education institution in the midst of planning for a fundraising campaign over $1 billion. The purpose of her study was to explore the integration of the mission of the institution into the campaign planning process. Bowers in depth qualitative case study suggested that the mission of the institution was a consideration in setting the campaign plans. Themes of the campaign that were reported to fit the mission of the university were:

1. A need for blind admission process allowing those with the most need an opportunity to attend, (this section had a $500 million goal in the campaign);

2. Faculty excellence was highlighted to promote, reward, attract, and retain the very best faculty, (this section had a $400 million goal in the campaign);

3. Sciences were the priority because they are fundamental to conscientious and thoughtful decision making, (this section had a $200 million goal in the campaign); (Bowers, 2006).

However, there were other elements involved that factored into the consideration of the campaign planning including public relations and reputation of the university. While she considered the integration of the mission of the institution, Bowers study was disappointing in that it did little to reveal factors beyond the mission of the institution that were taken into consideration in setting a fundraising campaign goal.

The more recent literature on fundraising campaigns predominantly reported the continuing effect of the 2007 through 2010 economic downturn on campaigns across the country. In an article for the Association of Governing Board's (AGB) magazine entitled *Trusteeship*, Bass (2009) explained that 2008 and 2009 were very bleak years for fundraising. Bass interviewed a group of fundraising professionals in higher education and found that attitudes and goals have definitely changed since early 2008 in regards to fundraising. He stated that "goals and expectations are more modest, while still stretching to meet expectations of constituents and governing boards" (p. 27).

The National Association of College and University Business Officers (NACUBO) reported in 2010 that the largest 58 higher education institution endowments fell from $271 billion in 2007 to $209 billion in 2009.

Fundraising campaigns also reported that the economic downturn caused some campaigns to delay their start. Ferreri (2009) reported that the University of North Carolina-

Chapel Hill completed a $2.8 billion capital campaign in 2008, and had planned to launch an ambitious $4 billion drive in 2009. However, the economic downturn at the end of 2008 changed the perspective of campaign volunteers and leaders. He also reported that Duke University finished a capital campaign in 2003 and decided to delay their efforts as well. Ferreri said that some institutions are "forging ahead, while others are worried about the message that would be sent to potential donors who have suffered losses themselves" (p.3).

According to Lopez-Rivera (2009), expansion plans in major campaigns as of 2009 had been delayed or forgotten, donors were being asked to shorten the time commitment on their financial pledges, and budgets are being readjusted. As of May 2010, the top twelve higher education capital campaigns over $1 billion were down thirty two percent from the prior year in their fundraising efforts representing a loss of over $2 billion (Table 2). This loss included all gifts to the institutions for the calendar year 2009 including annual gifts, planned gifts, and pledges.

Table 2 Loss in capital campaigns (May 2007-2009) by the top twelve higher education capital campaigns.

Institution	Dollars raised from May 2007 to May 2008	Dollars raised from May 2008 to May 2009
Cornell University	$840,200,000	$379,800,000
University of Virginia	$478,000,000	$250,000,000
Dartmouth College	$225,400,000	$125,000,000
Columbia University	$849,000,000	481,000,000
University of Pittsburgh	$179,000,000	$113,000,000
Yale University	$598,000,000	448,000,000
University of Maryland	$137,000,000	$112,400,000
Brown University	$200,300,000	177,500,000
Rensselaer Polytechnic Institute	$93,200,000	92,500,000
Missouri University at Columbia	$130,900,000	$140,400,000
Vanderbilt University	$152,600,000	184,100,000
Tufts University	$112,600,000	210,100,000

Lopez-Rivera, (2009).

Donald M. Fellows, chief executive officer for Marts and Lundy, a professional fundraising firm, is quoted by Lopez-Rivera as saying that “fewer donors are willing to make long term commitments given the financial uncertainty” (p.31). The latest report (2013) from The Chronicle of Philanthropy reported that seventy universities had completed campaigns of $1 billion or more, (Table 6) of these thirty two were public universities. According to the of article, a resurgence of billion dollar campaigns was taking place post 2010 and speculated that universities had begun to move past the recession era (2007-2010).

Types of Fundraising Campaigns

Fundraising campaigns, according to Kihlstedt (2005), can include five distinct types, each with their own styles and challenges. These fundraising campaigns include the following:

1. Bricks and Mortar campaigns are the simplest because they are fundraising efforts to fund facility improvements that are usually straightforward capital projects of an immediate need.
2. Special project fundraising campaigns are typically smaller well defined projects such as equipment or a new bus for a day care center.
3. Endowment fundraising campaigns are geared toward a long term approach that will invest funds for the future and also provide an opportunity for donors to give through estate gifts since they are not needed right away.
4. Combined fundraising campaigns include elements of those listed above, meaning that an organization could construct a building and fundraise for an endowment for upkeep on the facility.
5. A comprehensive campaign is an opportunity for an organization to use one fundraising effort to accomplish several tasks such as building campaigns, endowments, improving annual funding from donors, and supplying funding for programs as well (p.6).

Kihlstedt found that "comprehensive campaigns are the most complex because their fundraising totals might include federal and state funding, grants, as well as bricks and mortar and endowments" (p. 6).

"The model," according to Dove (2001), "is chosen that best fits the sophistication of the development program, the development staff's experience and ability, the availability of

campaign leadership, impressiveness of the written campaign case statement, the potential for major prospects, and the range and scope of the anticipated campaign effort (p.15)". According to Dove, many organizations institute parts of several models when planning their campaign.

The purpose of Moison's (1986) qualitative study was to find the factors crucial in the success of the University of Virginia's $145 million fundraising campaign ending in 1986. Utilizing a case study method, data was collected from the fundraising campaign including campaign files on the formation of the campaign effort, the written campaign case explaining the need for the campaign, and publications about the success of it. Interviews were conducted with the president, chief development officer, head of the volunteer campaign committee, chair for the board of trustee, and members of the fundraising staff.

Moison found three main interdependent factors that were crucial to success including: leadership, planning, organization, and implementation. Leadership from the president as primary leader brings the vision and a coalition of support. The leadership team including the chief development officer, top management, deans, and volunteers worked cooperatively with the president to complete the fundraising campaign and raised more than their original goal.

Planning included the following elements: needs assessment, feasibility study, a case for support, public relations, information management, team building, and the overall campaign plan. Organization and implementation involved operationalizing campaign plans, utilizing the appropriate campaign structure, cultivating and soliciting donors, coordinating activities, producing results, and evaluating new strategies.

Moison chose to include only one institution in his study which makes generalizability very limited. Additionally, as he considered factors crucial to success in a fundraising campaign

an opportunity was missed to examine how the decision was made to set the monetary amount of the fundraising campaign goal.

Planning a Fundraising Campaign

Broce (1986) stated that a lead volunteer once said that a fundraising campaign was the "moral equivalent of war". As in war, "one does not always enter the campaign assured of victory. One must be prepared for it, however, and must fully expect to win" (p.52). Broce argued that those in a fundraising campaign must prepare by knowing the potential strengths, weaknesses, understand the objectives, and have a well-conceived plan of action.

Broce stated that in his experience working with fundraising campaigns, there are three questions that ought to be asked before a campaign is undertaken.

1. Is there a real need to conduct the campaign, and if so, is there some urgency about it, or does the governing board believe that the campaign could be deferred until later?
2. Are there now enough prospects with enough potential to whom this campaign can be addressed?
3. Are there enough volunteers on the governing board to lead the campaign and help assure its success (p.68)?

Bancel (2000) contends that picking the right time to hold a fundraising campaign has more to do with when your institution is ready than anything else. She discusses three levels of preparedness for a capital campaign. "The first is institutional readiness and means that your organization has a great history of successful fundraising, a well-established development operation, and a strategic plan pointing the organization in the direction of a campaign" (p.10). Bancel asserted the second is that the organization has active, competent leadership that is on

board with a capital campaign, experienced volunteer leadership that is knowledgeable about fundraising, and the organization is staffed with competent people that do their jobs well. The third is project and market readiness for the campaign. Project readiness means that the organization has done their homework on the options in a fundraising campaign and goals are defensible and the case for support is compelling. Market readiness assumes that your volunteers and donor base are behind the selected projects that need financial support and they would be willing to commit.

The purpose of Stevens' (1995) study was to investigate the fundraising campaigns of peer institutions of Northern Arizona State University. Utilizing focus group interviews of the fundraising staff from the 17 schools from the study, literature review of materials of the peer institutions, examination of their feasibility studies, and three key participants in the campaign at each institution were surveyed. Those key participants included the chief development officer, volunteer campaign chair, and president of the institutions all replied to the survey instrument from every institution.

Stevens found that 11 of the 17 peer institutions had held a successful fundraising campaign in the previous five years. Key factors for the success of those campaigns were the reputation of the institution, presidential commitment to the campaign, the support of key volunteers, and strategic campaign planning. The research also indicated that considerable residual university benefits were derived from the campaign including expansion of the major donor prospect pool, increased annual giving after the campaign, increased exposure for the institution, and a clearer institutional focus on their mission.

Broce (1986) presented a model that, from his experience should be followed before entering a fundraising campaign:

1. The board of trustees and president determine that institutional goals and objectives approved by the board require capital funding.

2. The president appoints an internal task force to review the institutional goals and recommend priorities.

3. The trustees direct a board development committee to conduct a fundraising feasibility study to determine if the organization is prepared for a fundraising campaign.

4. The trustee's development committee selects a fundraising consultant to conduct the feasibility study, determine organizational and staff requirements, and plan for a possible campaign.

5. The consultant interviews key trustees and other major gifts prospects recommended by the fundraising staff.

6. The task force presents recommendations from the consultant to the president.

7. The president presents priority recommendations to the trustee development committee.

8. The trustee development committee accepts the recommendation of the consultant and sets recommended goals for the campaign.

9. The Board of trustees accepts the recommendations of the president and development committee recommendation authorizing the institution to move forward with the fundraising campaign

10. The board appoints a fundraising campaign steering committee to direct the efforts of the fundraising campaign (p. 70).

Reinforcing Broce's list of planning steps for a fundraising campaign, Overly's (2006) purpose of her qualitative study was to identify the roles that presidents, vice presidents for development, and members of the board of regents play in public university fundraising. She found that while all universities approach fundraising in unique and varied ways, almost all public institutions include the university president, chief development officer, and the board of trustees in the fundraising process.

Through personal interviews of presidents/chancellors, vice presidents for development and members of the boards of regents at three public universities in Texas, she found that the president, chief development officer, and board of regent members understand the heightened importance of fundraising given the current situation of limited state funding for public institutions. Overly deduced that while all universities approach fundraising in unique and varied ways, almost all public institutions include the university president, vice president for development, and the board of regents in the fundraising process.

Unfortunately, as Broce and Overly describe those involved in the steps of planning a fundraising campaign, the stakeholders involved in the actual decision to set a campaign goal were not discussed.

Dove (2001) stated that the plan for the fundraising campaign is ordinarily developed by an institution's administration. Administrators are involved daily with the institution and are probably more aware of the needs than board members could possibly be. Dove contended that there are times when a board recommends a fundraising campaign, but it is typically the chief executive officer of the institution in discussion with the chair of the governing board that recommends that a fundraising campaign is needed. If the board approves, the campaign is

usually referred to the board's development committee for planning and overall supervision of the campaign.

Castain's (2003) qualitative case study's purpose was to examine the University of Northern Iowa's first $100 million fundraising campaign and the predominant forces, activities, and participants associated with campaign strategy at a public university. Adapting an open ended question survey model first employed by Moisan (1986) in a study of the University of Virginia, Castain interviewed seventeen people including the president, development staff, and the external consultant. He found that the development staff, aided by a campaign consultant was primarily responsible for the organization, planning, and implementation of the fundraising campaign. Presidential leadership was an essential component in selling the plan and timing of the campaign to staff and volunteers. Additionally, major forces affecting the campaign process were revealed including: strategic planning, needs assessment, case statement, the feasibility study, setting of the campaign priorities, and organizational capacity of the institution to handle the campaign.

A recurring theme that a lack of generalizability is evident in studies of fundraising campaigns due to the limited number of study subjects and while Castain reported that the development staff and campaign consultant were heavily involved in organizing and planning the campaign, no discussion was present that revealed those involved in the decision to set the fundraising campaign goal or how it was done.

Role of the Campaign Consultant in Campaign Planning

Dove (2001) contended that "many times organizations spend an extraordinary amount of time on external preparedness of the fundraising effort without considering the internal

conditions of the organization, both within the institution as a whole and within the development office itself" (p. 27). David Shufflebarger (2010) of the professional fundraising firm Alexander, Haas, and Martin expressed that this internal evaluation is very difficult to accomplish with existing staff (Personal Communication, September 2010). External evaluators, according to Shufflebarger are the best because they bring expertise and experience from outside the institution. Dove (2001) stated that using an independent consultant is critical. "The stakes are very high during a fundraising campaign and the institution cannot run the risk of having the job done any less professionally, less objectively, and less equitably than it can be" (29).

When planning for a fundraising campaign, Broce (1986) said an outside consultant with an established reputation in fundraising campaigns can make a positive contribution to the governing board during a pre-campaign analysis. He states that a "consultant is better than most if any internal staff person to say to the board that unless they are personally committed to the effort, there is little chance of success" (p.127).

Yates (2001) stated that it was essential for HBCU's to do their homework in regards to planning for fundraising campaigns and that consultants must assist the process of goal setting by meeting face to face with alumni and friends to get feedback about the needs of the institution. These "feedback sessions", according to Yates, allow consultants to get a sense of the potential donors' priorities and if the institution is included (p.11). Yates says that not all institutions use consultants, but having feedback from alumni allows universities to get a sense of their potential goals and which projects will resonate with their supporters.

Bancel (2000) argued that finding the right campaign consultant is essential to fundraising campaign success. She stated that "a campaign consultant should know campaigns very well and get results, should have sympathy for the mission of your organization, and work

well with your volunteer leadership and staff" (p.86). Bancel warned that uninformed perceptions of fundraising efforts can be very destructive, and asserts that some universities do not undertake a feasibility study or retain proper consultants. This could be driven by potentially destructive assumptions such as faith that the money will come from somewhere or a big gift will come in on its own.

The main duty of the campaign consultant, according to Kihlstedt (2005), is to complete the feasibility study. Feasibility studies are typically carried out by professional consultants in larger fundraising campaigns to gather data and examine and weigh factors that affect the outcome of the project. Kihlstedt stipulated that they examine the financial feasibility, population of potential donors, potential income, and potential expenses. Elements that need to be included in a fundraising feasibility include "assessing how much money can be raised, outlining the most effective fundraising strategy, assessing the organization's readiness for a fundraising campaign, presenting a preliminary campaign timetable, identifying potential volunteer leaders and donors, and providing insights into how a campaign would be accepted from board members, stakeholders, alumni, and potential donors" (Kihlstedt, 2005 p. 10).

Kihlstedt stated that a feasibility study can be very costly however it will more than pay for its expense in the long run. She explained that if this process is followed, it is possible to cultivate donors while finding the probability of success.

The Strategic Plan

Keller (1983) described campaign planning as an administrative tool with past performance guiding the basis for the future plans. Planning allows an organization to design its own future on the basis of analyzing the external environment, its opportunities and its

constraints. Strategic planning, according to Keller, “allows an organization to examine its options, decide what its future direction should be, and develop an action plan, a budget, and a timetable for meeting its objectives” (p. 27).

A strategic plan is a clear image for the future of the institution and a plan for growth to fulfill its purpose (Dove, 1988). Strategic planning is an approach that asks the institution what it is about and its reason for being. He asserted that no amount of public relations can serve as a substitute for an institutions’ lack of mission clarity.

As the institution plans for the future through a capital campaign the “internal mapping” of a strategic plan must come first (Dove, 2005). The act of planning clarifies and focuses thinking on the part of staff and volunteer leadership about the direction of the institution and its mission. Donors do not necessarily want to know all of the details of a strategic plan, but they do want to trust that the organization knows “where it is going” (Dove, p.16). Sharp organizations, according to Lord (1985), have their plans in place because the donors they solicit expect it. He contended that donors are not asking for long-range planning for the institution as part of the campaign, but a structured strategic plan for the fundraising campaign and the difference is important to them.

Moisan’s (1986) research highlighted the planning process explained by Lord, by examining the University of Virginia’s capital campaign from 1981-1984 that raised $145 million. The purpose of his case study of this fundraising campaign was to examine the practices and principles that made it successful. He found that planning for the campaign had seven major steps: needs assessment, feasibility study, a case for support, public relations, information management, team building, and the overall campaign plan. The campaign plan was a key to their success (Moisan, 1986). Key participants were interviewed including the vice president for

development, president, and volunteer chairman of the capital campaign. Additional sources of data used in the case study included campaign files, campaign reports, internal campaign preparation memos, materials used in the campaign to solicit gifts, and current research on capital campaigns.

An additional finding was that leadership in the execution of the campaign came from the president of the institution and the leadership team encompassing the vice president for development, deans, and volunteers. The campaign plan was utilized by this leadership team to cultivate and solicit donors, organize activities around the campaign, evaluate results, and develop new strategies during the process of the campaign.

While Moisan's study shed light on the some of the individuals involved in the process of planning the fundraising campaign there was no inclusion of who was involved in setting the actual goal. The study was only based on one institution, limiting the ability to generalize any findings from the study to others as well.

The Case Statement

Kent Dove (1988) stated that the fundraising campaign case statement is "the centralization and documentation of all information describing the organization: needs, goals, objectives, strategies, and tasks, staff, facilities, budget, institutional plans, financial history, personnel, and staff competence to serve the mission of the organization" (p. 56).

One of the most challenging tasks in a fundraising campaign is preparing the case statement because it embodies the key steps and requirements for the organization to be successful in the campaign. The case statement should be utilized as a motivational document that makes the case for the fundraising campaign to the board, inside constituencies, and

influential external players such as legislature members, political leaders, and involved citizens (Pendel, 1981).

The case statement will have several parts that assist in justifying the campaign's overall goal (Dove, 2001). The long established tradition of private support for the organization is recorded. A financial case demonstrating the needs of the organization comes next making a case for its value to the larger community. A brochure making an argument that now is the time for the fundraising campaign follows, and an attached document outlining opportunities to give and ways of giving completes the steps.

Kihlstedt (2005) said that the case for support is critical in convincing the volunteers and board members to accept the effort. She stated that a sense of urgency should be apparent when reading the case for support. One critical element of the case for support is the "road map". She explained that a pyramid shape potential gift chart is often used to illustrate gift tables that vary widely depending upon the size of the organization and amount needed in the fundraising campaign. The largest gifts would be at the top of the pyramid that are usually small in number and very large in size. A larger volume of smaller gifts would be at the bottom demonstrating a broad appeal for the effort. As much as seventy percent of the total dollars contributed could be at the top of the pyramid, demonstrating that a vast majority of the money in the campaign will come from a very few donors.

Rating the Potential Donor Base

It is a time consuming task to rate the major donors of a potential fundraising campaign, to find out who should be approached for a gift, and for how much. However, according to Dove, (2001) it is absolutely necessary. Many donors have become too sophisticated to be motivated by

pledge cards, deadlines, and report meetings because they are involved in fundraising in so many organizations today (Broce, 1987). However, Broce argued that "fundraising campaigns are still the only way to create a sense of urgency that is required to persuade donors to contribute on a certain timeline and to give sacrificially" (p. 106).

"The identification process of potential donors and amounts that could potentially be gained through the campaign can really only come from the expertise and contacts of the board members and volunteer base" (Dove, 1988 p. 221). An active strategy must be in place, according to Broce (1987), to determine what kinds of gifts and amounts are possible.

He recommended that at least forty percent of the campaign be committed before the campaign goes public. "Those that do not can be doomed to a long slow process without success if the major gifts are not secured at the start" (p. 61). Broce explains that "knowledge of these potential gifts is essential to the campaign planning process" (p. 62).

The purpose of Violand's (1998) quantitative study was to identify characteristics of major donors that can be utilized by those involved in fundraising campaigns to seek new donors. Her sample included donors that contributed to a five year, public university wide capital campaign and designated their gifts to the university medical center in the Washington D.C. area. Violand tested her hypothesis of no difference between donors and potential donors in relation to a set of independent variables pertaining to personal, student, academic, and motivational characteristics. She found statistical significance on 26 of the 49 variables tested on donor characteristics.

Violand's research recommended six categories of potential donors to look for when rating a potential donor base. The six categories were: donors wishing to designate their gifts, alumni and non-alumni with a formal relationship with the institution, board members, retired

faculty, faculty or staff with emeritus status, alumni with spouses who have ties to the institution, female prospects who are older, widowed, or unmarried, and finally alumni and non-alumni who have participated on university boards or had been awarded honorary degrees or alumni awards.

A typical campaign is supposed to obtain commitments that are ten times the usual annual gifts of donors to your institution (Rosso, 1991). The goal in a comprehensive campaign is to double or triple the regular annual amount brought in by your organization. These annual gifts typically come from a variety of sources including alumni, friends of the institution, faculty, and staff.

Key Figures in a Fundraising Campaign

Literature regarding fundraising campaigns typically discussed three main groups of actors and stakeholders that are involved in the planning stages of capital campaigns. These are the president of the institution, chief development officer, and a board of volunteer leadership and governing boards.

The President

Grasty and Sheinkopf (1988) stated that the president "is" the institution. They contend that as the leader, the president is critical to the successful fundraising program. The president sets the tone, direction, and pace of the campaign, and donors look to the president to make the case for support because they consider the president the "star of the show" (p.4).

Within a college or university the president plays a key role in fundraising and used the analogy of a football team with the president as the quarterback. "He is a member of the

fundraising team, but as quarterback they (the presidents) are the most visible of the players" (Cook, 1997, p.124). Decisions about fundraising campaigns, according to Cook, are rarely made on an equal footing with the team of leaders. He found that many development programs have "a dominant personality within the institution, usually the president, chief development officer, or a powerful volunteer that is the thrust behind guiding the philosophy, strategy, and direction of a program" (Cook, 1997, p.82).

The president has more influence than others in decisions about programs and goals such as in a fundraising campaign. In his research, the president served in this dominant role in virtually every case. Unfortunately, while Cook contended that the president's influence dominated the discussion, it is impossible to extrapolate that presidential domination would mean that the monetary goal of the campaign would be set by the president or any other "dominating" figure.

The president's role in a public higher education institution today, according to Cook (1997), is predominantly about fundraising. He stated university presidents are judged in many ways by their ability to attract funding to the institution. Similarly, Wiseman (1991) asserted that "a president in whose tenure the university does not raise more money than it did before is a president looking for a new line of work" (p.3).

Fuchsburg (1989) interviewed Carroll Herring, director of leadership gifts at Princeton in 1989, and she explained that major college and university presidents cannot plan a fundraising campaign without looking at a billion dollars as a potential goal anymore, and that they feel that the process of raising money can never stop.

Hicks (2006) research focused on an exploration of fundraising campaign team organization and fundraising success. In this case study of three institutions with varying degrees of fundraising success he found that presidents tended to choose team leaders and members for fundraising campaigns that mirror their own personality. Additionally, fundraising team members seemed to change frequently in order to find an "A" team of fundraising leaders. Personal skills seemed to be valued as much as technical skills by presidents in choosing the "A" team members. (p. 38) An additional finding was that even if there was dysfunction among the presidents team of fundraising leaders, it did not appear to have an effect on fundraising success.

While Hick's study shed light on the dynamics of a presidents fundraising team, he did not go far enough in examining how much the president was involved in the setting of the campaign's goal, or if there were others involved in this process as well.

Similarly, the purpose of Stovall's (2004) study was to examine the fundraising leadership styles of four historically black college presidents. Through a qualitative case study method, Stovall examined four historically black colleges and universities (HBCU's) in the Southeastern region of the United States. He found that there were large variations in the types of campaigns and leadership roles taken by the leaders of each institution, and the role played in fundraising by the presidents was heavily influenced by their personal perspective on where fundraising ranked in presidential job responsibilities. All four presidents believed that presidential leadership is essential to fundraising success in a fundraising campaign, however they varied in their style of leadership to reach fundraising goals. Some chose to be personally involved in fundraising visits with potential donors and talking openly about giving to the institution, while others took a managerial approach, choosing to speak to groups and be a figure head for the campaign.

While Stovall researched an interesting subject and shed light on historically black college and university presidents in the Southeastern United States, there was little in the study to assure fellow researchers that the findings would be applicable outside the historically black colleges and universities (HBCU's) in that region of the United States.

The concept of actively leading constituents and staff seems to come naturally for most university presidents, argued Hodson, (2010) except when it comes to fundraising. He stated that there appears to be ambiguous guidelines for a president's role in fundraising because it has taken center stage in their responsibilities. "In reality it is a shared duty between many leaders in the institution, however the involvement and leadership from the president is key to fundraising success" (Hodson, 2010, p.54).

Cockrum's study (2004) examined the relationship that exists between presidential leadership behavior and success in fundraising in the Council of Christian Colleges and Universities. His quantitative study surveyed sixty presidents of the Council of Christian Colleges and Universities followed by 10 personal interviews. The survey data was analyzed using t-test, linear regression, descriptive statistics, and qualitative coding and interpretation.

Personality characteristics were identified that make a president an effective fundraiser, including their preference to be perceived as a strong leader rather than a good colleague and sometimes as a "loner". It found that presidents who eventually become good fundraisers typically receive their first presidential job earlier than their colleagues, their mothers typically had a lower level of education than their counterparts, and effective fundraising presidents spent more time thinking and strategizing about the process of attaining gifts. Finally, they maintained more control over the fundraising responsibilities than their counterparts as well. Cockrum provided good insight into the kinds of personal backgrounds of effective fundraising presidents

however it did not mention their role in setting capital campaign goals or others who were included in this process.

While fundraising campaigns have become longer in their duration, Nehls (2007) found that the tenure of presidents at higher education institutions has gone down over the past twenty years. She also stated that turnover at this top post can have a damaging effect on fundraising success because as the face and leader of the campaign, the president plays a key role in its success.

The objective of Nehl's qualitative exploratory study was to examine presidential transition through the eyes of nine university chief development officers to better understand the experience of the presidential transition process during a capital campaign. Through personal interviews with nine chief development officers and an examination of documents related to the transition of presidents at their institutions, Nehl utilized Scholssberg's (1997) theory of transition as the theoretical framework for the study and her research questions reflected Schlossberg's four S's: situation, self, supports, and strategies.

Nehl's study revealed that the chief development officers assisted the new president in adjusting to the fundraising campaign in the following ways: current staff provided input into the search process for the new president and informed them on the status of the campaign, the chief development officers and new presidents provided constant communication with constituents and major donors, the new president was involved in the fundraising campaign right away, and the fundraising goals were amended as the new president arrived to establish their mark. Nehl focused her research on presidential transition during a campaign however, an explanation of how the new president adapted the current goals of the campaign would have added greatly to the study.

The Chief Development Officer

The development office in higher education institutions is headed "by the chief development officer who reports directly to the chief executive officer or president and enjoys the same professional stature as other direct reports" (Dove, 2010, p. 6). This position should supervise a complete development program with the following components: "annual giving to support current operations, capital giving for major projects such as building campaigns, planned and deferred giving programs such as bequests and life income plans, and prospect research to identify and gather information on prospects" (p. 7).

Confirming Dove's (2001) assertion that chief development officers should have supervision of a complete program, Lasater's (2006) descriptive study found that most chief development officers have a centralized fund raising organization with multiple areas reporting to their position. The purpose of his study was to explore and describe the level of centralization of authority of fundraising programs among doctoral and master's institutions in the United States classified by the Carnegie Institute.

Lasater surveyed sixty Carnegie higher education institutions and found that several institutional variables dealing with school size, scope of services, affiliation and classification can be identified as factors that seem to indicate what kind of organizational structure they utilize. He also found that larger public higher education institutions with research and doctoral programs have a hybrid organization with fundraising staff reporting to the centralized chief development officer but with other reporting duties in a complex network of deans and other administrators. Even in a hybrid fund raising organization, the chief development officer still retains control of most of the fundraising functions.

Chief development officers, according to Weinstein (1999), have two management responsibilities. One is as an external leader promoting fundraising, marketing and public relations. The second is an ethical responsibility to observe the letter of the law to protect the institution, provide services under the mission of the institution, and protect the rights of donors and external stakeholders under the spirit of the laws pertaining to the external activities of the institution.

The functions of the chief development officer are to "recognize the needs of staff and volunteers, delegate authority and responsibility where needed, solicit and cultivate donor prospects, involve staff and volunteers in the decision making process, provide meaningful leadership, recognize the challenge of changing times and human motivations, and provide adequate feedback and recognition of achievement" (Pollack, 2003, p.23).

However, it is a misconception that chief development officers are only responsible for raising philanthropic dollars. The principal responsibility, according to Pollack, is to build relationships with donors that allow the institution to maximize the potential return those donors will give to the institution over time.

Murray's (2008) survey study sought to describe the key management practices of chief development officers and to identify those practices that generate greater fundraising results. A survey was developed and distributed to 136 baccalaureate private universities that participated in the 2005 Voluntary Support of Education survey. Murray found that 75% of respondents were male, 64% hold the title of Vice President of Institutional Advancement, and the majority had served their current institution for four years or less. Ninety percent reported that they did not hold a terminal degree and ninety percent also reported supervising development and alumni

relations departments. Seventy percent of the respondents spent more than twenty percent of their time on administrative duties, and at least thirty percent of their time with major donors.

Murray's research revealed that the chief development officers perceived that the most critical aspect that made them successful in their positions was a good working relationship with the presidents of their institutions built on mutual trust and a respect for their respective roles in the fundraising process. Additionally, a close working relationship and access to trustees to steward their involvement in fundraising on behalf of the institution usually means the difference between success and failure in a capital campaign.

While Murray's study was useful in developing a profile of chief development officers, it did little to shed light on the role of the chief development officer's role in setting the fundraising goal.

The purpose of Jefferson's (1985) study was to evaluate the duties of chief development officers in land-grant higher education institutions who were members of the National Association of State and Universities Land Grant Colleges (NASULGC). Utilizing a mailed questionnaire she sought to assess general institutional data, the integration of the advancement office with other areas of the university, the areas included in the advancement (fundraising, alumni, public relations), perceived trends in advancement as a field of study, and how the respective advancement offices were assessed for their value to the institution.

Jefferson found that the majority of advancement offices had been operating less than ten years (as of 1985), and the role of the advancement officer is not very well understood across the institution. The most frequent duty of chief development officers was a process of hiring and retaining good quality fundraisers for the institution. The fundraisers were the key to making

goals and building a strong program. Additionally, her research pointed out that while chief development officers spent a good deal of time hiring and retaining quality staff, they spent little time evaluating their real progress.

An additional finding in Jefferson's study was that institutional advancement appears to be helping the institution to respond effectively to financial problems by presenting new sources of revenue, and management of those resources. The results further asserted that institutions are implementing appropriate methods of fundraising, public relations, and alumni relations.

Volunteer Leadership and Governing Boards

Volunteer leadership is critical to the success of a fundraising campaign (Dove, 2005). Leadership typically comes from the governing board of institution, but can include campaign councils of volunteers with influence in their communities and those that can make financial commitments to the campaign at a very high level.

The members of the governing board have four main functions which should be performed individually and collectively.

1. Define the concepts (mission) of the institution, set institutional goals, and approve plans for reaching them.

2. To approve top administrative officers and properly motivate (reward) them to do their jobs.

3. Audit and assess the performance of the institution and all of its functions as well as the work of the top administrators in pursuit of the organization's goals.

4. Take appropriate action on the board's assessments of what must be done to reach institutional goals and to build a more effective institution (Stuhr, 1977 p.187).

Sturgis (2005) found that team dynamics between volunteers and staff members were important to the success of higher education fundraising campaigns. The purpose of the study was to examine relationships among board of trustee members, presidents, and chief development officers in higher education fundraising campaigns. Utilizing the Team Questionnaire by Riechmann, she measured six attribute clusters of team performance; goals, results, collaboration, and involvement, competencies, communication processes, emotional climate, and leadership. All 155 private baccalaureate 1 colleges and universities were selected as the initial population and 132 who responded to the 2001 Voluntary Support of Education survey were selected for the final sample to survey.

Sturgis found that institutions that had a strong working relationship between the volunteer board of trustees and staff were more successful in their fundraising campaigns, compared to those that did not. Another interesting finding by Sturgis was that the president and the chief development officer were rated differently by the board of trustee members in their level of competency and leadership related to the overall team of volunteers and staff members comprising the campaign team.

While the results are valuable to the topic of board of trustee and volunteer involvement in fundraising campaigns, no mention was made to the process of setting goals for the fundraising campaign as a part of team performance, merely carrying out the goals as a part of the process of the campaign.

McKenzie (2014) found that there are some significant differences between how alumni and chief development officers rank the importance of some philanthropic profile items in a fundraising campaign, specifically items of importance in fundraising campaigns. A non-experimental quantitative survey was administered to 1,992 alumni associated with 32 higher education institutions. The survey instrument used a 5-point Likert scale consisting of 23 questions from the Smits (2012) philanthropic profile instrument, plus 8 personal demographic and 4 institutional special questions. Descriptive analysis was conducted to rank the importance of the 23 philanthropic profile elements. Factor analysis and logistic regression analysis was also conducted to determine if there were specific philanthropic profile factors that were predictive of increased charitable giving behavior. Of the twenty three items tested, nine accurately represents the core essence of philanthropic profile and are predictive of donor status but not predictive of increased donation amount or frequency of donations.

McKenzie's study revealed an interesting difference in the importance of campaign priorities between alumni and vice presidents for development. Additionally, his identification of factors that identify a profile of a philanthropic donor is a valuable addition to the study of fundraising. However, his study did not reveal a link between the profile elements of philanthropic donors and factors that influence the decision to set a fundraising campaign goal.

Bancel (2000) contended that staff members cannot raise money by themselves. In a fundraising campaign, she asserted that "only when the organization is delivering services that are needed and wanted by the community that can be explained and accepted by the governing board will a campaign be successful" (p.129).

Board members should make themselves available during the fundraising campaign in several important ways (Rosso, 1991). They should make a stretch gift to the campaign, make themselves available for meetings, identify and assist in soliciting major donors, participate in event to build the campaign, and taking leadership positions in areas of the campaign.

Grasty and Sheinkopf (1988) stated that the boards of trustees hold the most important position in public institutions and good trustees giving their "work, wealth, and wisdom" are very hard to attract because they usually sit on several other boards demanding their attention (p.13). Grasty and Sheinkopf also reported that it is the responsibility of the chief development officer and the president to fully explain the duties to the board of trustee chairman and board members. "Trustees, need to be salespersons for the institution once they have been adequately trained and educated about the institution's values, plans, people, aspirations, and financial needs" (p.14).

Campaign consultant David Shufflebarger (2010) stated the most important job on the board of directors is the campaign chair (David Shufflebarger, Personal Communication, May 22, 2009). He said that it is critical to find a good campaign chair from inside the current board and volunteer structure and that campaign leadership will make or break a fundraising campaign especially for a higher education institution.

Dove (2001) stated that "the duties of a campaign chair generally include serving as the campaign's chief executive officer, enlisting chairpersons for units of the campaign, cultivating and soliciting a limited number of potential donors, and accepting responsibility for assisting in the solicitation process of fellow board members" (p.31).

How Gifts Can be Given to a Higher Education Institution in a Fundraising Campaign

During a fundraising campaign, gifts to a higher education institution can be given in various ways. It is important to have an appreciation of the ways that potential donors can make a gift to an institution. Traditional gifts to an institution include annual, gift club, major gifts, and planned giving. Endowments represent a major investment in a higher education institution and will be used in perpetuity. Finally, institutionally related foundations provide a mechanism outside the higher education institution created to enhance their fundraising ability and flexibility.

Traditional Gifts to an Institution

Grasty and Sheinkopf (1982) stated that there are four broad categories of gifts in a fundraising campaign that provide the potential for giving in a campaign. The lowest level of giving is the annual fund. This would include one-time gifts to the institution and responses to an annual appeal from the institution. Annual funds would have the broadest appeal and largest number of donations.

The second level of giving is gift club or memorial gifts. Gift clubs (Dove, 1988) are an extension of the annual fund; however, it gives an incentive to raise an annual gift to predetermined amounts that reward the donor with an honorable title for their generosity. A gift to a giving club or memorial typically will have fewer donors than the annual fund, but still has fairly broad appeal across the fundraising campaign.

The third level of giving discussed by Grasty and Sheinkopf (1982) are capital or major gifts. They explain that a capital gift is given as an outright gift for a particular building project

or to kick-start a program. A major gift is defined by Kihlstedt (2005) as a gift to a project, endowment, or program designed to make a "major" impact (p.85).

Major gifts are the "bread and butter" of fundraising campaigns because they ask donors to make a sacrificial gift, often over a period of years and have the potential to make an immediate difference in fundraising totals (Kihlstedt, 2005). The appeal of a major gift would be fairly narrow because the size of the gifts are typically much larger than the previous categories, and according to Dove (2001), less than ten percent of all donors would be capable of making a major gift. However, he adds that "a good portion, sometimes even fifty percent of your total gift campaign would come from this category" (p. 20).

The fourth and final category discussed by Grasty and Sheinkopf (1982) is planned giving. Planned giving typically has the lowest number of potential donors, but has the greatest potential for fundraising. The Association of Fundraising Professionals (AFP) (www.afpnet.org) defined planned giving as "the integration of sound personal, financial and estate planning concepts with the individual donor's plan for lifetime and testamentary giving."

Newman (2001) stated that planned gifts can be totally restricted to one particular project, the annual fund, or an endowment for a broad purpose. She said that they are typically given from accumulated assets rather than current or annual gifts. Planned gifts can come from a variety of sources as well, such as "cash gifts, stocks and bonds, publically traded securities, real estate, tangible property such as coins or other collections, and other agreements such as charitable trusts that can provide income for the donor for a period of years before the charity receives the benefits of the gift" (Newman, 2001, p. 4).

Spears contributed a chapter for Dove (2001), on the importance of planned giving. He states that "a planned gift can be larger than a donor might have thought possible in any other form, and can be the only way for many donors to make a substantial gift" (p. 210). Most of the wealth in the United States is held by individuals aged sixty and older, and an expected ten trillion dollars is expected to pass from the Great Depression born citizens to their children and loved ones, and another forty trillion will be transferred during the first half of the twenty first century (Dove, 2001). Planned gifts, according to Dove, offer an attractive way to secure current income, pass wealth on to children, and provide for nonprofits while also receiving income and estate tax benefits.

Spears stated that planned gifts consist of three major categories.

1. An outright gift which a nonprofit uses immediately, and is usually in the form of securities, personal property and some types of real estate.

2. Life income gifts allow a donor to exchange a present day gift and receive an income for the rest of their lives, and upon the death of the individual the remaining value is transferred to the nonprofit.

3. Deferred Gifts are gifts given through wills and trusts that pass into the possession of the nonprofit at the death of the individual (p.211).

Dove asserted that life income gifts have become a very lucrative gifting option for higher education institutions. A life income gift, such as a charitable remainder trust is beneficial because it allows individuals to commit assets to the institution and enjoy a financial benefit during their lifetime. This also allows the institution to plan for the assets that will be coming in the future because they typically cannot be revoked by the individual once they are set in place.

Endowments

Newman (2005) described an endowment as "a charitable gift established in perpetuity in which the principal is invested for total return (both income and appreciation) and a small portion of the fund's balance (usually 4-6%) is paid out, generally on an annual basis" (p.9). Endowments can be funded by an annual fund gift, a club level commitment, a major gift, or a planned gift.

Additionally, Newman stated that "endowments enhance the prestige of the organization, relieve pressure on annual fund donations, allow for expansion of programs, provide a sense of independence, offer flexibility in management, build a pipeline for future gifts, and encourage donors to give outright gifts as part of their commitment to the institution" (p.5). The primary importance of an endowed gift to a donor is that they perpetuate the donor's values and priorities through their donation, can create a sense of immortality, provide a lifetime of income for the programs they support, and permit additions to their endowment at a later time. For nonprofit institutions, endowments provide a source of income that can be counted upon for years to come allowing it to plan for the future.

The purpose of Lee's (2007) research was to identify institutional characteristics that might have the most significant impact on the growth of higher education institution endowments in the United States. His study analyzed the 2005 NACUBO (National Association of College and University Business Officers) survey of higher education institutions and also analyzed literature on endowment growth in the decade from 1995 to 2005. Ten possible predictors of endowment growth were identified based on conversations with NACUBO personnel about and relevant literature. These possible predictors were: geographic location, region, research activities, state

funding, tuition revenue, alumni giving rate, and student selectivity. Multiple regression analysis was used to elaborate the relationship between institutional factors and endowment variables. The dependent variable consisted of overall growth during this period. Other dependent variables included the sources of endowment such as alumni, foundation, and corporate giving.

Lee found that 746 institutions had combined endowments of more than $298 billion using 2005 statistics. Forty-seven of those institutions were public higher education institutions, and the endowments grew one hundred and seventy six percent from 1995 to 2005. The findings revealed that endowment growth was closely related with a variety of crucial institutional characteristics including the average SAT scores for current students, research and development expenditures, alumni giving rates, and geographic location. Additionally, the study suggests that higher education institutions should establish criteria and strategies to clarify their mission as a means of promoting support from various contributors.

Davis's (2007) research study drew a distinction between top tier public institutions and lower tier public institutions. The purpose of the study was to explore the influence of major revenue sources of public universities on external perceptions of quality as determined by the U.S. News and World Report annual ranking. Davis utilized data from the U.S. News and World Report annual ranking of colleges and universities for 2010 and literature on perceptions of quality and rank among public universities. One finding identified significant differences in the revenue structure of top tier public universities and lower tier public universities. Top tier public universities relied less on state appropriations, tuition and fees, and more on federal grants and contracts, private gifts and endowment income. Top tier public universities also had more diverse sources of revenue as represented by less concentration of revenues from a single source.

One way that top tier public institutions differentiated themselves is in building large endowments. Davis found that a growing emphasis on accountability and fiscal responsibility has made identifying quality in higher education institutions a real concern for students and potential investors such as private donors and corporations.

Public institutions, according to Davis, with large levels of private giving and big endowments, were more likely to be perceived as a high quality institution than their counterparts on the other end of the scale. Top tier public universities also have more diverse sources of revenue and are less likely to be dependent upon single sources of revenue such as public support.

Institutionally Related Foundations

Institutionally related foundations have become very popular with public higher education institutions. Phelan (2004) reported in 2004 that over 4000 two and four year state and independent colleges and universities had formed institutionally related foundations. In September 2010, the Association of Professional Fundraisers (AFP) reported that more than 6000 institutionally related foundations had been created to benefit their host institutions (AFP website, www.afpnet.org). This tremendous growth represents institutions that have multiple institutionally related foundations serving a variety of areas within one institution, and that many more institutions perceive a real value in holding philanthropic gifts outside the host institution for a variety of reasons.

Case (1965) stated that institutionally related foundations are “a mechanism legally apart from the public institution serving as an outlet for private donations to benefit the host public

institution" (p.2). He described them as "entities outside the institution that act as an extension of an individual's freedom to give by turning that freedom over to a board of trustees for the private foundation who assume the full legal and moral responsibility for shepherding the disbursement of earnings and capital" (p.13). Andrews (1965) defined an institutionally related foundation as a private corporation under the Internal Revenue Code, Section 501C3, which defines nonprofit charitable status existing for the public good. He stated that they can make a significant philanthropic impact.

The purpose of Kelley's (1999) study was to describe the structure and functions of institutionally related foundations at four year public higher education institutions. Her study was conducted utilizing a Council for the Advancement and Support of Education survey of 409 institutionally related foundations. It was found that most had a chief operating officer called an executive director but over half did not have voting privileges on their board. All had volunteer board of directors with job responsibilities that were primarily financial in nature.

Additionally, Kelley found that the institutionally related foundations received a majority of their operating funds from state sources and those that were totally independent of state funding charged a fee for services or charges levied on gifts themselves. There was a high degree of cooperation with the host institution in setting priorities for fundraising, were subject to some kind of accountability both from the institution and the public for funds in their trust.

As public funding began to shrink in the 1980's, a rapid growth in the number of institutionally related foundations was observed largely because it gave public institutions flexibility to raise private funding to replace state and federal dollars (Phelan, 2004). Similarly, Swanson's (1981) research study of institutionally related foundations sought to identify

environmental factors that encouraged a higher education institution to consider the creation of a foundation separate from the institution.

His qualitative study utilized onsite interviews at ten institutionally related foundations and found that various state procedures and regulations prohibited their public higher education institutions from receiving certain kinds of gifts. Factors listed by Swanson for an institution to consider an institutionally related foundation included; “inflexibility of appropriations from state governments, protection of gift dollars from the state accounting system, and prohibition of state support for specific support services such as athletics or certain kinds of research activities” (p.33). Swanson additionally found that university foundations were created for a myriad of reasons that had more to do with the limitations of their own state procedures and funding than any kind of national standard.

More recently, Hedgepeth (1997) contended that institutionally related foundations are the focus of major capital campaigns at public institutions employing large staffs with operating budgets in the millions of dollars. He explained that public institutions are typically not set up to respond quickly in a changing environment and institutionally related foundations give the ability to respond. Hedgepeth stated that “institutionally related foundation’s usually run and operate fundraising campaigns for their host institution, and the resources to carry out the campaign come from various sources including institutional support, the institution covering payroll costs for the foundation, the use of unrestricted dollars in the campaign, endowment management fees, income from daily cash balances, and funds provided through a separate alumni association” (p.5).

Fraser (2006) found that as state support declined and pressure to perform relative to peer institutions increased, public institutions began to form institutionally related foundations to raise funds and give flexibility in how the funds are invested and administered. These private organizations were set up with governing boards with a primary responsibility to fundraise for the host institution. Fraser's (2006) qualitative case study was conducted on the institutionally related foundation boards at two public masters' level institutions. Kean University and East Stroudsburg University were selected because their foundation boards had recently begun to take a leadership role in fundraising at their respective institutions.

The purpose of Fraser's qualitative study was to examine the factors that contributed to the fundraising success of institutionally related foundations. She found that factors from the literature on leadership boards which have been identified as having an impact on board performance in corporate and non-profit governing boards are now observed in higher education institutions as well. Fraser's research indicated that board composition, board leadership, goal-setting and opportunities for board members to make a meaningful contribution are key to foundation board performance.

Phelan (2004) points out several beneficial reasons for a higher education institution to have an institutionally related foundation.

1. They have an ability to involve more volunteers and people of influence in a campaign.
2. The foundation board adds value to the institution.
3. Gift oversight by the foundation allows donors to be assured that the state will not interfere with their gifts to the institution.

4. Control of the fundraising expenses allows for growth in the ability to raise private funds.

5. Foundations can attract certain gifts from granting organizations and entities that a public institution might not qualify to apply.

6. The board of the foundation can assume more risk in investing the endowed funds of the foundation that most states allow, projecting a larger growth over time.

7. The foundation can turn down gifts that a public institution may feel political pressure to take.

8. Ensuring continuity of function through separation from the public institution (p. 27).

Two main types of institutionally related foundations exist to serve institutions. Reilly (1980) described the first as formally linked to the host institution, which provides fundraising staff and support for the foundation. The foundation board often includes members of the university's board of trustees. The second type emerges when an institutionally related foundation becomes more independent of its institution (Simic, 1985). In this model, the foundation board of trustees typically does not include officers of the institution, the executive director of the foundation would not have a title in the institution and at the foundation, and the President of the institution would assist in setting overall policies and priorities for fundraising which must be approved by the foundation board (Reilly, 1980). The institution must request the use of unrestricted money coming to the institution since it flows through the foundation, and the foundation generates its own budget.

A research study by Worth (1982) examined the governing boards of institutionally related foundations with the purpose of filling a gap in the knowledge concerning the duties and functions of these boards. A mail survey and quantitative analysis revealed that the majority of the governing boards for the institutionally related foundations chose members primarily on their ability to donate and fundraise for the institution. Although few members of the boards had direct responsibilities in fundraising, they did have influence with the host institution because the board held private dollars and allocated them to the institutions. Some duties were shared between the governing boards and the president of the institution but few reported real conflict with this arrangement.

Worth's recommendations were that presidents should accept the independent status of the institutionally related foundation relative to the institution, actively seek to cultivate a good relationship between the university and the institutionally related foundation, define the institutions mission and goals, serve as a member of the institutionally related foundation board, the foundation executive director should have some reporting responsibility to the president, and a joint board should be created consisting of the institutionally related foundation and governing board members.

One point of potential controversy within institutionally related foundations is the often dual reporting role of the chief development officer that serves as an executive for an institutionally related foundation as well. Hodson's (2005) study was to examine this dual role within a higher education institution. His qualitative study utilized open coding of personal interviews and five propositions emerged from the analysis.

1. If the institutionally related foundation lacks the financial strength to be totally independent from public support, then the dual reporting role is very valuable.

2. A periodic review of this dual role should be undertaken every few years to make sure it is in the best interest of the host institution.

3. A good working relationship must exist between the president of the host institution and the chief executive officer serving in this dual role.

4. If the president of the institution understands the role of the institutionally related foundation and agrees with its purposes, it will be successful over the long term.

5. An up to date agreement between the institution and the institutionally related foundation is critical (p. 44).

One reason for concern among institutions with institutionally related foundations is that most start off being financed in house and then become self-sufficient as they grow (Brown, 1995). This has the effect of neutralizing the influence of political maneuvering based on funding sources, but Brown's (1995) research stated that it also causes concern by some university presidents and trustees that they are losing control of an administrative unit which has significant resources. Brown found that competition and tensions can grow out of this situation from time to time.

Brown (1995) utilized data from the 1993 Council for the Advancement and Support for Education (CASE) and the Association of Governing Boards of Universities and Colleges (AGB) joint survey of institutionally related foundations to examine issues of autonomy and independence between higher education institutions and their respective institutionally related

foundations. Using quantitative descriptive statistics and Chi-square analysis she analyzed the frequency of responses among four groups of institutionally related foundations to determine significant differences between frequencies and observed frequencies of responses to the CASE survey.

The analysis determined a statistically significant difference between two groups in the study concerning voting membership of the foundations governing board with regard to having existing policy on information disclosures. The analysis also revealed a statistical difference between two groups with regard to whether or not any serious issues had been raised within the twelve months prior to the survey, whom the issue involved and what serious issues were raised.

Establishing a campaign goal

Unfortunately, one of the least studied or discussed areas of fundraising campaigns are the actual establishment of a fundraising campaign goal. The process of establishing a campaign goal that sets the amount to be raised by the capital campaign is crucial. According to Dove, (2001) the process of establishing the goal is a critical process to the success of a fundraising campaign, yet sparse information exists about how the actual goal is established. Dove himself discusses the importance of setting the goal, but unfortunately did not suggest strategies on how it is to done.

Bryson and Alston (1995) approached a campaign goal in terms of two important elements: 1. A strategic plan presents an overall rationale and vision that could take up to three to five years to complete before a fundraising campaign can begin; and 2. The tactical and business plan shows potential expenses and income figures necessary to complete a fundraising campaign. This process can take up to two years as well prior to the fundraising campaign, and this two-step

process should be part of a responsible ongoing management plan in an institution that demonstrates good stewardship and governance.

Kihlstedt (2005) wrote that up to three years of planning is not unusual for a fundraising campaign. During this time one of the most important elements is choosing a realistic goal that stretches the organization beyond its usual capacity to fundraise (Kihlstedt, 2005). An unrealistic goal can sink a campaign very quickly. “Pie in the sky thoughts of large campaigns are great to think about, however the risk of not making a campaign goal is very real and can do great damage to an organization” (Kihlstedt, 2005, p.11). By the same token, Kihlstedt stipulated that if a goal is set too low, it limits the ability of the organization to raise funds effectively and reach its true potential. She states that setting the goal takes preparation, planning, and time.

If the goal is set strictly on the need list of the institution, it is doomed to failure from the start (Dove,1988). Dove (1988) said that the organization can come across as less than sincere when it presents an unusually large goal as a reflection of what the institution really needs. The institution can be perceived as simply grasping for a very large number hoping that it will reach it, but still “willing to settle for less” (Dove, 1988, p.171).

The critical questions that Dove proposed for every institution considering a fundraising campaign was “what is the alternative to a very large campaign (and), is the organization really ready for that kind of goal? Can the organization and the critical programs that need funding thrive without the campaign?” (p. 171). He warned that many institutions have given in to the temptation to hold a fundraising campaign even though the signals from their consultants, staff, and volunteers warned against it. The stakes, according to Dove, are too high to set a goal that cannot be reached.

Wichita State University in Kansas was forced to pull the plug on their $300 million fundraising campaign in 1992. According to Nicklin (1992), the university suffered from a lack of trust internally and externally after the campaign was abandoned. The campaign, announced in 1987, was initially so successful that in 1990 it was extended for another two years, and the original goal of $100 million was extended to $300 million. However, after two key faculty started asking questions about where the first $100 million was invested in the university, the administration refused to give details on how the money had been obtained or where it was supposed to go within the institution. Planned giving made up the majority of the original $100 million, meaning that gifts would not be received for years to come. Soon after this, key departures from the institutions board of trustees and fundraising staff made it clear that the school had over-reached on their campaign.

Kent Stroman, a fundraising campaign consultant with Stroman and Associates, contends that campaigns set an unrealistic or improper goal for several reasons including: lack of proper campaign counsel with a campaign consultant, setting crazy goals, impatience with the planning process required to be successful in a campaign, a deficit in leadership from the president, volunteer campaign chair, or chairman of the board of trustees (Preston, 2010).

Summary

Although research has been conducted on fundraising campaigns within higher education, the bulk of the scholarly research on capital campaigns typically centered on the duties and responsibilities of the players involved in capital campaigns once it begins. Texts written on the subject of fundraising campaigns predominantly serve as tutorials in structuring a campaign and a “how to” guide for those in the fundraising field. Conspicuously missing though

from these texts is any explanation of how the decision is made to set the goal for a fundraising campaign. Some writers discuss the need for a strategic plan and a tactical and business plan for the fundraising campaign that prepare an institution for a fundraising campaign (Bryson and Alston, 1995; Dove, 1988). Others suggest that years of planning are usually necessary and that goals should be set using realistic expectations (Dove, 1988; Kihlstedt, 2005). However, they do not explain the factors that should be involved in setting the actual campaign goal amount.

This study utilized a qualitative case study method to examine the questions of: what factors influenced the decision to enter into a $1 billion or more fundraising campaign in each of the two public higher education institutions; were there factors shared by both institutions, and were differences apparent?

Chapter III

Research Design and Methodology

The purpose of this study was to explore the factors that influenced the decision to enter into a $1 billion fundraising campaign by two public higher education institutions. The qualitative research questions guiding the study were:

1. What factors influenced the decision to enter into a $1 billion or more fundraising campaign in each of the two public higher education institutions?
2. Were there factors shared by both institutions, and were differences apparent?

This chapter provides a detailed description of methods and procedures used in the conduct of the study including the research design; research sites and population, research methods/sources of data, data collection procedures, data analysis, and trustworthiness of data.

Research Design

This qualitative research project utilized a multiple case study design to explore the factors entering into the decision to set their fundraising campaign goal at $1 billion by two higher education institutions. A qualitative research was most appropriate for this study because of the purpose of the study. Since little is known about the factors entering into the decision to set fundraising campaign goals, it is imperative that the approach be one that is exploratory, in-depth, and descriptive. Qualitative research approaches are most appropriate when the researcher is seeking to get "a more detailed understanding of the central phenomenon" (Creswell, 2005, p.45). Patton (1990) asserts that "qualitative methods permit the researcher to study selected issues in depth and detail" (p.13). The case study design will be utilized for the study in order to

secure the richest, thickest data and the widest array of insights into the factors entering into the decision to raise $1 billion or more in a capital campaign.

The decision to set a fundraising campaign goal of $1 billion can include a complex set of variables, and since the study will examine "how" the decision was made, the case study method will be utilized. Yin (1994) stated, case studies are the "preferred strategy" for addressing such "how (and "why") questions (p.1). Further, the purpose of the study and, of qualitative research, "is not to establish statistical generalizability, but to broaden the scope of situations investigated in detail by the researcher and thus widen the scope of understanding" (Bradley, 1993, p.438). A qualitative approach "allows extensive probing in areas that have not been well studied and in which tightly structured, non-qualitative approaches are difficult to use because of a lack of theory or research literature to guide tightly structured investigation" (Rosenblatt & Fischer, 1993, p.173). The current study sought to explore the factors that entered into the decision to set a fundraising campaign goal at $1 billion; thus making the case study design attractive to the researcher.

Research Sites and Population

The population was public, higher education institutions in the United States. The target population, or sampling frame, was public, higher education institutions that had completed a $1 billion fundraising campaign in the last ten years. From the sampling frame, two sites where a $1 billion fundraising campaign had occurred served as the sample for this study. A minimum of seven individuals who were connected as a volunteer or employees of the institution to the $1 billion campaign were interviewed at each institution.

The sites consisted of public, higher education institutions that had completed a $1 billion fundraising campaign in the last ten years. The sample was initially drawn from a list provided by the Council for Advancement and Support of Education that listed higher education institutions that were either still in the process of completing, or had completed a $1 billion fundraising campaign. The choice of the public higher education institutions was based on recommendations from two nationally recognized fundraising campaign consultants, and four vice-presidents for development at large public higher education institutions. A panel was established consisting of these leaders in higher education. Panel members were chosen based on their reputation among their peers as established by recommendations of two campaign consultants. Participants on the panel were asked to recommend 10 institutions that have recently (within the last ten years) completed a fundraising campaign of $1 billion.

Based on the recommendations of the individuals on the panel, a list of seven purposeful samples common to all of the recommendations was developed. Purposeful samples use "information–rich cases" to enable the researcher to glean important information from the participant that is central to the topic being studied (Patton, 1990, p. 169; Yin, 1994). Once institutions were identified, the current president was contacted by letter and asked for their institution to participate. A copy of the invitation letter is attached in Appendix A. After the letter was sent to the presidents, the researcher contacted the president to follow-up and request participation. Many of these calls were not returned by the presidents and a few elicited terse email responses from their personal assistants. The researcher continued to contact all of the schools within the sample until two sites were secured. In the end, a convenience sample of two institutions that agreed to participate was used.

Once access to the institutions was granted, the president was asked to identify at least one member of the board of trustees for the university, the vice president for development, at least one volunteer that had been involved in the founding of the fundraising campaign, other members of the fundraising staff that were involved, and others that might have insight into the factors that entered into the decision to set the fundraising goal at $1 billion. The participants were chosen because each one worked closely with the establishment of the fundraising campaign or could provide knowledge about the subject. All participants had numerous opportunities to be involved in the process of establishing the goal for the fundraising campaign and provided valuable insight into the factors that entered into the decision to enter into the $1 billion campaign. Each participant was contacted via letter to ask for his or her participation in the study. The participant invitation is attached as Appendix B. The researcher followed each letter with a telephone call to confirm their willingness to participate and to schedule an interview.

Seven separate one-on-one interviews were conducted at the University of Tennessee, and seven separate one-on-one interviews were conducted at the University of Maryland College Park. The researcher began by interviewing the Presidents from the University of Tennessee and the University of Maryland College Park at the time of that the $1 billion fundraising campaign was established about the factors that entered into the decision to set the fundraising campaign goal at $1 billion. Two former presidents of the University of Tennessee were interviewed as well. The researcher then interviewed a member of the Board of Trustees for the University of Tennessee, and three members of the College Park Foundation for the University of Maryland College Park. The next set of interviews consisted of two former vice presidents for development at the University of Tennessee, and the former vice president for development for the University

of Maryland College Park. Fundraising staff from the University of Tennessee and the University of Maryland College Park were interviewed who had insight into the establishment of the fundraising goals. Finally, the campaign consultants involved with the fundraising campaigns at both universities were interviewed as well. All interviewees from each site had been involved with the institution at the time that the decision was made to establish the $1 billion fundraising goal, and were identified by the president of the institution at the time the goal was established as people who are information-rich (Patton, 1990). Interviews were conducted with the participants until saturation was achieved. Saturation occurs with data when information being collected is repetitive and fails to offer any additional information that could reveal additional understandings (Bogdan & Bilkin, 1998). Data collection continued until the researcher reached "the point of redundancy" (Lincoln & Guba, 1985, p. 202).

In addition to purposeful sampling, chaining was utilized. Chaining assists the researcher by asking participants to identify other people who may have pertinent information to the study (Patton, 1990). Each of the initial participants was asked to identify other people that may have intimate knowledge of the factors that entered into the decision to set the fundraising goal at $1 billion. Those people who were identified as being "information rich" were then contacted to see if they would be willing to participate in the study. This method yielded two additional participants across the two cases.

Research Methods/ Sources of Data

Three sources of data were used in the conduct of this study. The sources of data included in-depth interviews, field notes, and document analysis.

The main source of data was in-depth, open-ended interviews with each of the participants. In-depth interviews were used to gain information about the participant's perspective of the factors that entered into the decision to set the fundraising goal at $1 billion for their fundraising campaigns. The purpose of the open-ended interviews was to ascertain the perspective of the participant (Patton, 1990). Qualitative interviews allow the researcher to "understand experiences and reconstruct events in which you did not participate" (Rubin & Rubinn, 2005, p.3).

The purpose of the interviews was to gain multiple perspectives about the factors that entered into the decision to set the fundraising campaign goal at $1 billion, thus by interviewing the participants at both sites this was achieved. The interview protocol consisted of four central open-ended questions and was followed up with standardized probes by the researcher. The interview protocol is attached as Appendix C. The four interview questions were:

1. As you were a participant in the most recent $1 billion fundraising campaign, tell me about how the decision was made to set the goal at $1 billion for the fundraising campaign.

2. (If needed) You mentioned (Examples) as factors involved in the decision to set the campaign goal at $1 billion. Were there any other factors you have not discussed?

3. (If needed) Who was involved in the decision to set the goal at $1 billion?

4. What factors do you perceive allowed the campaign to be so successful?

All of the interviews were conducted in the same open-ended fashion and lasted approximately one hour. Standardized open-ended interviews were helpful to the researcher because they enhanced the comparability of responses since all participants were asked the same questions and it facilitated the organization and analysis of data (Patton, 1990).

During the interview, probes were used to ascertain additional information. The probes, or sub-questions, helped to provide clarification or elaboration of a point that participant made (Creswell, 2005). Probes included such questions as “would you give me more details about that situation?” or “could you explain a little more about the relationship he or she had with the fundraising campaign?” These questions were consistent with examples given by Creswell (2005).

Additional sources of data were used to gain another perspective of the events that related to the factors that entered into the decision to set the goal at $1 billion for the fundraising campaign. One such data source was website articles published on the university’s websites related to the $1 billion campaigns, and campaign literature provided by both universities. While minutes from the Board of Trustees meetings at the University of Tennessee were publically available and examined by the researcher, they provided little context or real information about the fundraising campaign other than dates and names of those involved in the open discussion. The researcher was informed by two participants that most of the real decisions were made in the hall ways on break time, or in private conversations before the meetings. The minutes for the University of Maryland College Park Foundation were not provided to the researcher, as it is a separate 501C3 not-for profit organization. The researcher was informed at the outset of interviews that these would not be available.

Another source of data that was examined was the media coverage surrounding the public statements of presidents before the $1 billion was established, and student newspaper accounts of possible large campaigns at both institutions. Local newspaper accounts before and after the public announcements of the $1 billion campaign at both institutions provided valuable information about the context surrounding the factors that entered into the decision to establish

the $1 billion fundraising campaign at both institutions. These sources provided another account to verify the data that was produced in the in-depth interviews.

Data Collection Procedures

Approval for the study was obtained from the University of Tennessee's Institutional Review Board (IRB) prior to the start of the study (Appendix D). IRB guidelines were followed to develop an Informed Consent Form (Appendix E) that was given to each of the participants before the interviews were conducted.

No pseudonyms or code numbers were used in the formation of this study, given the positive nature of the study and public nature of the participants. Their names and titles were used throughout the study with their written permission. Subjects were asked if they preferred to remain anonymous, however non chose to do so. All participants were informed of their right, for any part of their interviews to remain "off the record" if they chose to do so. The researcher took great precautions to note all information that was given "off the record" to provide context for the study, rather than data to be attributed to them directly. All but two participants provided "off the record" information that provided valuable insight for the study. Participants were assured that the interview data would be transcribed and kept in a secure, locked drawer located at the home of the researcher.

Contact was made with the purposeful sample of universities via letter to the current sitting president to invite the participation of their university in the study. This letter explained the purpose of the study, a brief description of what is known about the decision to establish $1 billion fundraising campaign goals, and informed the president that they would receive a follow-up phone call that addressed the following matters: interview scheduling, recommendations for

participants including the president at the time that the fundraising campaign was established, the vice president for development, members of the board of trustees of the institution or applicable volunteer board that had intimate knowledge, other volunteers or staff, and the campaign consultants that had intimate knowledge of the factors that entered into the decision to establish the $1 billion fundraising campaign goal. The letter and the follow-up phone call sought to enhance the rapport between the researcher and the participant.

Once the sitting president agreed to participate in the study and recommended the participants for the study, the researcher contacted via letter those that had been recommended. The letter explained the purpose of the study, invited their participation, and notified them that the follow-up phone call should be expected. The follow-up phone call was used to answer questions and schedule a time for the interview.

Before each campus was visited, the researcher searched newspaper reports and institutional news releases by using LexisNexis Academic, google.com, and the website of each institution. By collecting data before interviews, the researcher was able to have contextual knowledge of the events surrounding the factors that entered into the decision to establish the $1 billion fundraising campaign goal. The information gleaned from these resources provided the researcher with information to probe the participants during the interviews. Campaign materials, email correspondence, and Board of Trustee minutes from the University of Tennessee was collected from participants during the interview process.

The ideal format for interviews was face-to-face and every effort was made to conduct the interviews in that manner. In the event that schedules made it impossible for a face-to-face interview, telephone interviews and email interviews were offered to participants. Although email interviews were included in the original design as an option, this researcher only had one

participant request this type of interview. When telephone interviews were used, the Informed Consent form was emailed to the participant prior to the interview. Participants were assured of confidentiality if they chose to do so, though none did for this study. The same interview protocol as described for face-to-face interviews was utilized during the telephone interviews and one email interview.

Ten interviews were conducted in person at the convenience of the participant and lasted approximately one hour. During the interviews each participant was asked if they wished to remain anonymous, and none chose to do so. Three interviews were conducted via telephone due to time constraints on the part of the interviewees and the researcher. One interview was conducted via email due to time constraints on the part of the interviewee and the researcher. Interviews were conducted between April of 2014 and October of 2014.

All interviews were tape recorded, with the exception of the one email interview, and one that asked not be recorded. All tape recorded interviews were conducted with the consent of the participants and verbatim transcripts were produced after all interviews were complete to assist with the data analysis. Tape recording the interview not only increases "the accuracy of data collection, (it) permits the interviewer to be more attentive to the interviewee" (Patton, 1990, P. 348). Notes were also taken during each interview, with the exception of the email interview, in an attempt to capture the body language of the participant and any other noticeable delays or behaviors that could not be displayed through the tape recorder (Patton, 1990). Taking notes allowed the researcher to focus on "key phrases, lists of major points made by the respondent and key terms or words" that enriched the data collection and gave the researcher information sources to help probe the participation on more fully during the interview (Patton, 1990, p. 351).

Transcripts of their individual interview were given to each participant to allow for member-checking, if required.

Data Analysis

Data were analyzed using an on-going inductive approach. This approach consisted of the following elements: reading and re-reading the transcripts and notes, identifying patterns and themes across and within interviews, and making comparisons across institutions.(Bogdan & Bilkin, 1998). While reading the transcripts and notes, the researcher coded the data to draw out the central themes and patterns that helped to explain the factors that entered into the decision to set the fundraising campaign goal at $1 billion. The codes were then analyzed and synthesized into themes (Patton, 1990). The researcher originally thought that a software package would be used for analysis. However, after the researcher began an inductive analysis of the data, themes emerged easily, negating any need for using such software such as Atlas.ti or Transana. “Thick rich descriptions” of the central phenomenon were easily identifiable through the coding and analysis completed by the researcher (Patton, 1990).

Using the media accounts and website information on the fundraising campaigns, document analysis was employed. Document analysis provided “a behind-the-scenes look at the program that may be directly observable” (Patton, 1990, p. 245). By analyzing the documents, the researcher was privy to information that was objective and informative which provided the researcher with valuable information that could prompt the researcher to ask detailed questions that they might not otherwise have known to ask (Patton, 1990). The data uncovered during the document analysis were then compared to the findings from the interview data to see if similar themes emerged.

After the initial themes were produced, the researcher afforded each participant an opportunity to review the themes to see if the themes were an accurate portrayal of what they remembered occurring. Participants found the themes to be consistent with their recollection of events. The researcher also used peer debriefing to assist with the development of the themes. Two peers were given copies of the transcripts and asked to reach through the data and list relevant themes that emerged from the analysis. After the peers developed their themes, the researcher and peers discussed the findings. This analysis afforded the researcher another opportunity to ascertain whether the themes emerged from the data.

Trustworthiness of Data

The trustworthiness of the data, was assured by the use of triangulation, member checks, and peer debriefing. Triangulation is the use of multiple sources to create and ensure the trustworthiness of data (Patton, 1990). Denizen (1978) argued that triangulation is important because "no single method ever adequately solves the problem of rival causal factors…Because each method reveals different aspects of empirical reality, multiple methods of observations must be employed" (p.28). Triangulation was achieved in several different ways. Two sources of triangulation were the media coverage and information from university websites which provided an objective account of the events as they transpired. Another source of triangulation was the multiple perspectives of the presidents, vice presidents of development, volunteer board members, campaign consultants, and other administrative staff who were all involved with the establishment of the campaign goal at both universities.

Member checks were utilized by the researcher to ensure the accuracy of the participants' interviews. Each participant received a transcript of his or her interview, if requested and was

asked to verify that what he or she said as being accurate. Participants were given the opportunity to review the themes that emerged from the data analysis to ascertain whether or not they believe that those themes were representative of the factors that entered into the decision to set the fundraising campaign goal at $1 billion. Member checks allowed for establishing the credibility of the findings (Lincoln & Guba, 1985).

Peer debriefing was an important step in ensuring the trustworthiness of the data. Peer debriefing is "a process of exposing oneself to a disinterested peer in a manner paralleling an analytic session and for the purpose of exploring aspects of the inquiry that might otherwise remain only implicit within the inquirers mind" (Lincoln & Guba, 1985, p. 308). This peer debriefing session was conducted between the researcher and two peers who were well versed in qualitative methodology. The independent reviewers were given the transcripts to read through and asked to identify the themes that emerged. The researcher met with the reviewers to discuss the major themes that emerged to ensure that consensus was reached.

Confirmability added to the trustworthiness of this study. Confirmability was ensured by the researcher because he kept the detailed journal of the inquiry process, all copies of the taped interviews, the transcribed copies of the interviews, and copies of all other sources of data, including the media coverage and reports on university websites regarding the fundraising campaigns (Davis, 2002).

Transferability of findings is also important to qualitative research studies so that readers can determine if the study can be applied to other contexts. Readers should be given enough information about the setting to determine the degree to which the study's findings could be applicable to other contexts (Lincoln & Guba, 1985). In this study, the use of the thick descriptions and explanatory data of the factors that entered into the decision to set the

fundraising campaign goal at $1 billion was employed to assist readers with the transferability of the findings.

Chapter IV

The University of Tennessee

The University of Tennessee fundraising campaign provides an excellent case study of a public higher education institution that undertook and successfully completed a $1 billion fundraising campaign. This study allows for a considered answer to the first research question about factors that influenced the decision to enter the $1 billion fundraising campaign by the University of Tennessee.

The story of the University of Tennessee's $1 billion dollar campaign is rooted in the history of fundraising at the institution, which began in the early 1960s. President Andy Holt began his tenure at the University of Tennessee in 1959 and began a systematic process of trying to attract funds from the State of Tennessee for programs, buildings, and resources.

Legislatures across the country were pouring resources into public higher education because of a dramatic increase in the number of students attending college. An increase in population, and growing percentage of women entering higher education were the most prominent contributing factors to this rapid increase in students. However, the State of Tennessee struggled to meet this new financial challenge. The University of Tennessee enrollment increased threefold in the course of 6 years, and there were many stories of incoming freshman sleeping on cots in the basketball gymnasium or in old army barracks hastily placed around the perimeter of the campus. In the late 1950s, and through the 1960s, it was not uncommon for University students to stand in the back of the lecture hall due to the lack of sufficient seating.

Nationwide, starting in 1955, the number of enrollees in college increased from just under 700,000 to over 1,500,000 by 1970. This placed tremendous stress on higher education

institutions for classroom space, dormitories, labs, faculty, and equipment. The State of Tennessee struggled to meet the demands of an expanding higher education system however President Andy Holt was determined to find the funding to provide for all of the students. He was insistent that the University of Tennessee, Knoxville would remain the preeminent higher education institution in the State of Tennessee.

He lobbied the State of Tennessee for funding and it was increased fourfold during his tenure. However, he also sought private funding from alumni and supporters of the University. He began the UT Development Council which targeted the business community and business leaders to make private gifts to the University for a first rate library, fraternity houses, and a new music building, as well as purchasing a large track of land on the south side of the campus for future expansion. This marked a new day for the University, as no former President had actively sought private giving in this manner.

Dr. Joe Johnson, President Emeritus of the University of Tennessee, recalled that Andy Holt set a precedent of hiring an Executive Vice President to serve as the chief fundraiser for the University in the early 1960s. This position ran the fundraising operation for the University and was utilized to train future administrative leaders. Due to this strategy, the University was very successful in attracting private funds for scholarships and endowments, ranking behind only The University of Michigan in private fundraising.

President Holt borrowed this model of administrative training with intensive involvement in fundraising from the University of Michigan. It was based on the belief that the Executive Vice President would get to know the most passionate and influential individuals involved as donors and members of the Board of Trustees.

Board of Trustees members were, and still are, appointed by the Governor of the State of Tennessee however President Holt was successful in influencing the selection of members of the Board that could benefit the University of Tennessee, Knoxville with the State Legislature and could be helpful in attracting private donors. Under President Holt, the University was very successful in attracting fundraising volunteers that assisted the staff in approaching potential donors for gifts.

Dr. Ed Boling served as the first Executive Vice President under Holt, and became President of the University upon Holt's retirement. Likewise, Dr. Joe Johnson served as the Executive Vice President for President Boling and subsequently succeeded him as President of the University of Tennessee.

When President Holt was succeeded by President Boling in 1970, support from the State of Tennessee had never been higher, and support for a development program to raise private funding lessened during his tenure. The State of Tennessee supplied new facilities for the campuses of the University system including the Knoxville campus, and the majority of the needs for the University were being met by State funding. Nevertheless, under President Boling, the Executive Vice President continued to raise private dollars for needs that were not supplied by the State of Tennessee such as scholarships, endowments, faculty awards, and lab equipment.

In 1976 the University began its first formal fundraising campaign to meet needs not supplied by the State with a goal of $35 million. The University of Tennessee was just the second public higher education institution to hold a large fundraising campaign of $35 million or more, utilizing the University of Michigan as the model for this successful campaign. At the time, public higher education institutions did not have a history of holding large fundraising

campaigns, which were largely the preserve of the private Ivy League institutions. The perception was that no one would support a public institution with private gifts since it received funding from the State. However, the University of Michigan model had been effective, selling it on the basis that not everything could be supplied by the State, and marketing the benefits of private funding for scholarships, endowments, professorships, faculty awards, and lab equipment.

The priorities for the campaign the University of Tennessee campaign included scholarships for students in need, funds for educational equipment such as laboratories, and funds to hire top notch faculty. It concluded in 1982 having raised just over $52 million. Many other public higher education institutions visited the University of Tennessee during the 1970s and 1980s to gain information about the fundraising campaign because of its success. This campaign not only established the University of Tennessee as one of the first public institutions to run a major fundraising campaign, but was one of the first institutions to have a planned giving program established to encourage alumni and supporters to make gifts to the University through their wills or estate plans. Planned giving would become one of the major factors that allowed the University to be successful in the $1 billion capital campaign in the future.

As President Boling's term continued, a gradual shift was taking place across the US in higher education funding. State funding for public institutions began to lessen and public institutions had to depend more on funding from tuition. To accommodate this decline in state funding, many public higher education institutions began to drastically increase their outreach to private donors to support needs for facilities, scholarships, and professorships; needs that could not realistically be met by tuition increases without seriously challenging their ability to serve the state and its students.

As the 1980s progressed, the University of Tennessee fell behind the University of Michigan and other large public institutions in its fundraising totals. There was a movement within large public higher education institutions to “professionalize” fundraising operations, and move away from the President and senior staff as the thrust of the fundraising operations. This “professionalization” required hiring large staffs of fundraising professionals to connect to a much larger base of potential contributors to the institution, steps the University of Tennessee had not taken.

Joe Johnson succeeded Boling as President in 1991, after the short three year unanticipated tenure of Lamar Alexander, former governor of the State as President. “Dr. Joe”, as he was called by students and administrators alike felt that the University of Tennessee needed to continue to grow the fundraising operations to stay in range of other large public institutions such as the University of Michigan, to make sure that the needs of the University would continue to be met. Thus, the University of Tennessee began a new $350 million fundraising campaign in 1992. The goal had been established by examining the needs of the University and at the recommendation of an outside fundraising consulting firm.

Just as Ed Boling served as the Executive Vice President for President Holt, Dr. Joe had previously served as the Executive Vice President for the University under President Boling and was very familiar with the highest potential donors to University. In an effort to put more emphasis on fundraising for the University system, Dr. Joe hired Jack Williams to serve as the Vice President for Development. Williams had served the Knoxville campus in the Alumni office since 1972, and was also familiar with the top donors to virtually every campus of the University system. Dr. Joe also took an active role in developing and implementing the fundraising campaign, which was not atypical for Presidents of public institutions at this time.

This campaign was very successful from the start, and was completed in 1998, surpassing the goal by $100 million, and finishing at just over $450 million. Williams credited the success to a small circle of volunteers the President had assembled to help with this effort, In particular, the leadership of William Stokely and another key volunteer, Jim Haslam (and his family).

William Stokely was a well-respected business leader and philanthropist from the Knoxville area in which the main campus was located, and an alumnus of the University. The Stokely-Van Camp Company, which was headed by William Stokely, distributed products around the world such as canned beans, and was the first distributor of Gatorade drinks. The business was sold in 1985, however the Stokely family remained consistent contributors to the academic and athletic programs of the University of Tennessee beginning in the 1930's and continuing to the present day. The Stokely Athletic facility, named for William Stokely, was the first large basketball and track facility on the University campus.

Jim Haslam was an alumnus of the University and played on the 1951 University of Tennessee NCAA national championship football team. Jim and his wife met at the University of Tennessee and started a small company, the Pilot Oil Company, with one gas station after graduation in 1958. His family is now the co-owners of the largest truck stop company in the United States, and his and his family's financial and volunteer commitment to the University of Tennessee has been unparalleled. He served two terms on the Board of Trustees for the University, as well as campaign co-chair for two fundraising campaigns.

At the beginning of the Dr. Joe campaign, William Stokely and Jim Haslam led a small group of volunteers to make fundraising calls on other potential donors as well as giving generously themselves to this fundraising campaign. Both Haslam and Stokely made gifts at the

first of this campaign to kick off the effort and demonstrate that large gifts were possible. Haslam commented that during the planning for the $350 million campaign, he thought that the goal was too low, and encouraged the administration to look at a much higher number. However, Dr. Joe and the fundraising office felt that an achievable goal would be more appropriate and was content that the campaign produced a flood of new scholarships for students and resources for faculty such as equipment and stipends to attract top notch faculty. The campaign exceeded the expectations of the administration and ended with just over $450 million.

As the end of the 1990's approached, state appropriations continued to decline, and in spite of having just completed a successful fundraising campaign that raised over $450 million , the University realized that more sources of new revenue were needed. Jim Haslam commented that the Board of Trustees noted that schools such as the University of North Carolina Chapel Hill and Virginia Tech had completed fundraising campaigns that were more than twice that of the University of Tennessee, and speculated that the University might need to push forward with its fundraising campaigns.

Dr. Joe retired in 1999 and was followed by Dr. Wade Gilley, the first president who had not been groomed for the position at the University. President Gilley previously served for nine years as the President of the University of Marshall in West Virginia. Haslam served as a member of the Board of Trustees when Gilley was hired and commented that the Board had found a proven administrator "that will be able to make the hard decisions to lead us into the 21st century".

Several key members of the Board of Trustees, including the volunteer leaders of the last fundraising campaign, approached the newly appointed President about holding a much larger

fundraising campaign to match some of the peer institutions of the University of Tennessee. President Gilley was aware of the needs of the University and knew that other institutions like Virginia Tech were in the planning stages of a $1 billion fundraising campaign. Additionally, the University of North Carolina Chapel Hill had just completed a $1 billion campaign at the time that Dr. Gilley became the President of the University of Tennessee. It was clear that these other institutions were receiving more and more of their total budgets from funding sources outside of state appropriations, and that the University of Tennessee's needs could only be met by a major fundraising campaign.

As President Gilley met with the Board of Trustees and groups of alumni and supporters, he began to suggest that the University of Tennessee should hold a campaign in the range of $1 billion. Many of the University staff that had served under Dr. Joe, like Jack Williams were surprised that President Gilley would publically suggest this given that their last fundraising campaign total was less than half of that amount.

Reflecting on the amount Gilley was discussing, Dr. Joe expressed that he was just as surprised as his former staff that Gilley would suggest this goal, given that no preparation had been made for a campaign. Prior to this time it was typical for the University to have an outside campaign consultant conduct a study to determine the feasibility of a fundraising campaign and discuss it with the various campuses of the University of Tennessee system long before a number was just "thrown out" publically.

President Gilley met with Williams to discuss such a fundraising campaign in the first few months of his tenure, and Williams, in spite of his reservations, began the process of researching the resources that would be needed to conduct a large fundraising campaign. Less

than a year into his tenure, President Gilley was forced to resign due to a scandal involving a subordinate employee. When he resigned, Williams put any plans on hold for a fundraising campaign. Dr. Joe was asked to come out of retirement to serve as interim President while the search was conducted for a new President. Dr. Joe asked Williams to continue to research a potential fundraising campaign however he wanted the new President to put his "stamp" on this new effort.

Dr. John Shumaker was appointed President of the University of Tennessee in April of 2001, and similar to Gilley, wasted no time in mentioning that the University of Tennessee should hold a $1 billion fundraising campaign. In fact, he mentioned the fact that the University of Tennessee was ready for a $1 billion fundraising campaign in his inaugural address. President Shumaker previously served as President of the University of Louisville, which was in the planning stages for the $1 billion campaign when he left to become President at the University of Tennessee. The Board of Trustees viewed Shumaker as a good candidate for the role of President at the University of Tennessee partially because of his experience in fundraising projects at the University of Louisville.

Jack Williams felt that he was in a position as Vice President for Development for the University system to ask President Shumaker not to publically mention the $1 billion fundraising campaign figure. He mentioned that President Shumaker did not seem to know a lot about fundraising or the process required to begin a major fundraising campaign. From his previous experiences with fundraising campaigns, Jack knew that there was a good many steps that needed to be taken to prepare for a large campaign and he feared that it would not be successful if it were not planned properly. Jack insisted that the University needed to "gear up" for a campaign, and the first step should be to hire an outside fundraising consultant to judge the

preparedness of the University for a major fundraising campaign by evaluating the size and preparedness of the staff, the number of potential donors that have been identified that were capable of making very large gifts, and conducting interviews with potential donors to evaluate the willingness of the top donors to make major donations early in the process to jump start the campaign.

To start the process of preparing the University for a major fundraising campaign, Jack produced a chart that spelled out the financial resources that he thought would be necessary to begin the process. This included fundraising staff needs for the various campuses of the University system. He presented this report to President Shumaker and asked for an additional $2 million in the fundraising budget to put these new staff positons in place to prepare for a fundraising campaign. In spite of William's request and perspective, the President continued to discuss the $1 billion figure with the Board of Trustees and other large potential donors while denying William's request for new fundraising staff for the various campuses.

Although the fundraising staff had been expressing concerns about moving into a $1 billion dollar campaign, the University had been experiencing considerable success in its private fundraising efforts. In 2000 and 2001, the fundraising totals reached new records, raising more than $80 million in each of those years. This was almost twice the fundraising totals of any given year of the fundraising campaign that ended in 1998. Members of the Board of Trustees and key volunteers that had been involved with local campus fundraising projects for various campuses in the University system were enthusiastic that the fundraising totals would continue to climb, and that the University system was ready for not just another fundraising effort, but a major campaign.

Jack Williams met regularly with President Shumaker and convinced him to allow the Development Office to research and employ outside fundraising campaign counsel to investigate the feasibility of a new, very large fundraising campaign and remain as counsel throughout the process of the fundraising campaign to assist in making it as successful as possible. President Shumaker was insistent that the University start the campaign soon. However, Williams convinced him that the first step was to hire an outside consultant to measure the feasibility of a very large fundraising effort with some of the largest potential donors to the University.

It is rare for large universities to hold fundraising campaigns without hiring outside fundraising consultants to investigate their readiness to conduct a large fundraising campaign. From the beginning of the process, fundraising consulting firms research the fundraising staff, availability of influential volunteers to assist in the campaign, and interview potential donors to investigate the readiness of that institution for a fundraising campaign. A report is then produced making a recommendation about the potential size of a fundraising campaign that could be achieved. This process typically takes at least six months, and Williams expected this would also allow the fundraising staff to start the process of preparing for an upcoming campaign with the seven campuses of the University system.

As the candidates for fundraising consultant were interviewed by Williams and the fundraising staff, one firm stood out from the rest. Alexander Haas Inc. from the Atlanta area had a good track record of working with very large fundraising campaigns and had recently shepherded the University of Texas A&M through their first $1 billion fundraising campaign. This firm was chosen by the University, and David Shufflebarger became the lead partner from Alexander Haas to work with the University to complete the fundraising campaign feasibility study. Alexander Haas began the process of interviewing the fundraising staff, Vice Presidents,

and Deans of the various campuses and meeting with some of the largest previous donors to the University.

While the fundraising study was taking place, President Shumaker turned his attention to one other piece that he believed would be necessary to really propel the fundraising operation of the University of Tennessee. Shumaker had an institutionally related foundation at the University of Louisville that was very helpful in funding building projects and attracting partnerships with private companies to attract private sources of revenue to that University. Institutionally related foundations are typically separate legal corporations that are established by a higher education institution to give them more flexibility in their operations. As public institutions, universities often encounter state rules and regulations considered burdensome because they tightly regulate business partnerships and construction of facilities. As a result, universities can lose out on potential corporate partnerships, and construction costs and delays in building programs can cost millions of dollars more than would be reasonably anticipated because of these regulations.

The University of Louisville utilized the University of Louisville Foundation to raise private dollars and construct buildings on campus. The University of Louisville Foundation also held research relationships with private companies that would have been impossible under the state laws of Kentucky. In addition, these research dollars and gifts for construction projects could be counted as gifts to the fundraising program. This greatly increased the amount of private gifts to the University of Louisville, and accelerated their plans for a $1 billion fundraising campaign.

The University of Tennessee had never had an institutionally related foundation because the State had traditionally funded building projects and there had been little need for private

partnerships for such funding. Additionally, the University of Michigan did not have an institutionally related foundation, and according to Williams the University of Tennessee's leadership assumed that if Michigan did not have one then the University of Tennessee did not need one either.

As President Shumaker met with State legislators, they clearly expressed the view that the political climate and economic realities of the State did not allow for the same kind of funding for building projects that the University had enjoyed in the past. The Business Department at the University of Tennessee had been requesting a new facility for over twenty years, and it had actually made it to the top of the State of Tennessee public building list. However, the State was not funding any building projects at that time due to budget restrictions. Because of this situation, President Shumaker was convinced that an institutionally related foundation was essential to attain new facilities for the University, attract research partnerships with private companies, and accelerate the fundraising program to benefit the University.

President Shumaker moved the University toward an institutionally related foundation and in the spring of 2002 the University of Tennessee Foundation, a separate 501C3 not for profit organization, was established to benefit the fundraising office of the University of Tennessee. Williams, the Vice President for Development for the University of Tennessee system also held the title of President of this new Foundation, a common arrangement for institutionally related foundations at public universities across the United States.

By the end of 2002, the University fundraising office was already benefitting from the new Foundation through structured gifts that the University could not have accepted under state laws for public entities. Additionally, President Shumaker encouraged the new Foundation to

enter into business ventures with private partners that would have also been impossible under public regulations for State institutions. Some of these private partnerships could also be counted as charitable gifts to the University. One such building project was a new dormitory for the University using funds from a private firm on property owned by the University.

As these business ventures began to grow, President Shumaker replaced Jack Williams as the President of the University of Tennessee Foundation with Eli Fly, who had served in the Treasurer's office of the University for more than 30 years. President Shumaker's reasoning was that these business ventures required someone at the helm with a strong financial background.

State legislators and members of the Board of Trustees of the University began to have concerns about these projects and the news media, including the Knoxville News Sentinel, began asking for information about the business dealings of this new Foundation. Rumors that President Shumaker was using funds from the Foundation for his own benefit reached the ears of state regulators and politicians, and they were greatly concerned. It was eventually discovered that undesignated private gifts given to the new University of Tennessee Foundation to benefit the University were being redirected to projects including items for the Presidential mansion and a substantial renovation to the upstairs living quarters for his family.

In the spring of 2003, state legislators and Board of Trustee members for the University began to question the role of the new University of Tennessee Foundation and the ability of President Shumaker to maintain his position with the University. Shumaker resigned on August 8th 2003, and the University of Tennessee Foundation was ordered to open all records to the "Sunshine Laws" of the State of Tennessee requiring transparency in all State dealings and contracts. Additionally, the state dictated that all public buildings were to be built through the

State Building Commission to guarantee that funds were used appropriately. This effectively nullified any benefit of the institutionally related foundation to the University and the University of Tennessee Foundation for the construction of facilities. The University of Tennessee Foundation could only be used to acquire and distribute philanthropic gifts from that point on.

Dr. Joe was asked once again to come back to serve as interim President in the late fall of 2003. His first duty was to restore faith in the University, and the reorganization of the University of Tennessee Foundation was one of his first acts. Dr. Joe shared that it was critical for him to show that the University was still "on the right track". When he spoke at alumni functions and Board of Trustee meetings, he was frequently asked about the turnover in the President's office. His response was invariably "our faculty are still teaching like mad, our students are still learning like mad, our researchers are still performing top notch work like mad. The work of the University still goes on."

In the wake of two successive presidential resignations for inappropriate action and controversies, the fundraising staff, and especially Williams, felt that the University should slow down in its preparation for the next fundraising campaign. He believed that for the volunteers, alumni, and citizens of Tennessee to have confidence in the University, and therefore be willing to donate, they needed to have their confidence in office of the President restored.

However, with the encouragement of the Board of Trustees, Dr. Joe was determined that the University should move forward with the process of planning the next fundraising campaign as one of the tactics to keep the University moving in a positive direction. The Board of Trustees approved the planning of a fundraising campaign and funds were allocated to the Development Office to continue the process of planning for the campaign. Additionally, volunteer leadership

was established to assist the consulting firm in its feasibility study for a fundraising campaign, and to begin the process of identifying potential large donors. The volunteer Co-Chairs of the new fundraising campaign were, not unexpectedly, Jim Haslam and Bill Stokely, who had served at Co-Chairs in the last fundraising campaign. Brenda Lawson was added to the team to represent the Knoxville Athletic Department and the University of Tennessee Chattanooga campus.

Brenda Lawson was a business woman from Cleveland, Tennessee, who was one of the most generous donors to the Knoxville campus Athletic Department, and the academic programs on the University of Tennessee Chattanooga Campus. Lawson's family owned a successful check cashing business, and was a staunch supporter of the University of Tennessee System. Brenda was also well connected to the primary supporters of athletic programs for campuses in the University of Tennessee system.

Board of Trustee members and volunteers attempted to persuade Dr. Joe to go ahead and approve a $1 billion capital campaign, however he wanted to wait to allow the next President to put his/her "stamp" on the campaign. The new President would need to outline priorities for the University system, and he felt that it would not be responsible to take this step as an interim.

Williams was instructed to continue to work with the fundraising campaign council from the Alexander Haas firm, through the leadership of their main consultant David Shufflebarger, to make sure that the planning process of the fundraising campaign continued. No fundraising goals were set at this time, however the feasibility study would assist the staff and volunteers in making this decision at the appropriate time.

Fortunately, through all of the drama of losing two Presidents in a short period of time, the fundraising totals of the University of Tennessee Development Office had continued to escalate through mini campaigns for the dental school, business departments, engineering departments, and athletics departments of the system. By the end of 2003, the fundraising office had eclipsed the $80 million mark in gifts once again. The Board of Trustees and other lead volunteers were impressed with the growth in the fundraising totals and continued to insist that the University of Tennessee needed a very large fundraising campaign. Jim Haslam, who served as Chairman of the Board of Trustees at that time, commented "we (volunteers) wanted to keep pushing the staff of the University of Tennessee that it needed a $1 billion capital campaign."

Haslam was passionate about the University, and along with other key volunteers, was adamant that "it was just as good' or better than its peer institutions. For him, if they could engage in billion dollar campaigns, UT could also. Haslam reflected that, given his position with the University on the Board of Trustees and as a major donor, "you get to know the key volunteer leaders and those that can make large gifts."

Haslam's rationale for pushing a $1 billion capital campaign was that the stock market continued to grow during the time between the last fundraising campaign and this period between permanent Presidents. His point was that if the University raised $450 million in the late 1990's, and by the early 2000's the stock market continued to dramatically climb, then the value of the assets held by those leading potential donors was increasing as well.

Jack Williams met regularly with Haslam to give him reports about the progress in planning for the next fundraising campaign. Haslam was very interested in seeing that a structure be put in place to prepare the fundraising program for a very large fundraising effort, as he had

consulted with peers who served as lead volunteers at other public institutions who had just completed fundraising campaigns. Those peers relayed to him that preparing for a major fundraising campaign took several years to hire the appropriate number of staff and train them for a higher level of fundraising activity.

While Dr. Joe served as interim President, he met with the leaders of the various campuses of the University system to make sure that the Chancellors and Deans of each campus were preparing for an upcoming fundraising campaign. Dr. Joe mentioned that it was the worst kept secret in the world that leaders on the Board of Trustees and fundraising volunteer leaders for the other campuses were talking about a $1 billion fundraising campaign. Some campus volunteer leaders across the University system, staff leadership, and fundraising staff expressed reservations about a $1 billion campaign goal, given that the last campaign total was less than half of this amount. However, they were assured by Dr. Joe that the new President and the feasibility study results would drive this decision.

As the list of funding needs from the various campuses were tallied by the consulting firm, it was clear that this list far surpassed $1 billion. According to Shufflebarger, if the fundraising campaign were based solely on the needs of the various campuses of the University, the fundraising campaign goal would have been almost $2 billion. Dr. Joe was insistent however, that the needs could not drive the reality of setting the goal for the fundraising campaign. In his opinion, “the worst thing that a University can do is set a goal that is not feasible; the money might be needed, but might not be there. Dr. Joe’s experience was that a fundraising goal should have some “stretch” in it, but also be reasonable. He noted that

> "every fundraising campaign will have volunteers pushing along the way to increase the goal, but it is ultimately not their decision. The leaders of the various campuses and leadership of the University have to feel comfortable with the direction that a campaign will be moving."

Shufflebarger and the staff conducted interviews with over one hundred former donors and potential contributors identified by the University fundraising staff at all seven University of Tennessee campuses. The purpose of these interviews was twofold. The first was to introduce the concept of a large fundraising campaign and ask if the potential donors would be willing to donate to this effort. The other was to seek the opinion of potential donors about a campaign goal of $1 billion. The interviews and subsequent report were scheduled to take approximately six months to complete.

While the interview process was underway, the search for a new President for the University had concluded. Dr. John Petersen was selected by the Board of Trustees on July 1st, 2004. One of his first tasks was to start the process of building relationships with potential donors for the upcoming fundraising campaign.

President Petersen previously served as Provost and Vice President for Academic Affairs at the University of Connecticut, where he was involved in fundraising campaigns and proved adept at and enjoyed the process of building relationships with potential donors to the institution. Shufflebarger speculated that there must have been some conversations among the candidates and Board of Trustee search committee members during the interviews regarding their desire for a $1 billion fundraising campaign. His experience and deftness in building relationships with

donors as part of a large fundraising campaign was one of the motivating factors in choosing Dr. Petersen for the President of the University of Tennessee System.

When Dr. Petersen was still considering the position, he asked colleagues about the University of Tennessee and their indication was that there was tremendous untapped potential for private and public partnerships. He also took note of the loyalty of the passionate volunteers that supported the University with their time and financial gifts. Soon after taking office, President Petersen and his wife were asked to serve on the Knoxville Symphony Board and many other organizations across the State of Tennessee, which provided an opportunity for them to meet some of the largest potential donors to the University. After his experiences with them, Petersen shared that even at this early stage in his Presidency, he felt that the University of Tennessee was capable of reaching a $1 billion fundraising campaign goal.

The consulting firm completed its feasibility study in the fall of 2004, and presented the findings to Williams and President Petersen. The report contended that the University of Tennessee had great potential for a fundraising campaign because of the wide base of support across the State of Tennessee and the United States from alumni and friends of the University. The report went on to suggest that if the University of Tennessee system entered into a fundraising campaign of at least seven years, it could expect a fundraising result of just over $800 million.

This $800 million figure was much closer to the figure that the fundraising staff and Williams were hoping for the upcoming campaign, thus they were very supportive of the report. However, President Petersen felt that the potential was there for a larger goal, and that with the volunteer leadership of Jim Haslam, Bill Stokely, Brenda Lawson, and fundraising volunteers

from the various campuses, the system was ready to “own” the campaign and make it successful at the $1 billion level. Petersen avowed that he was willing to “put himself out there” to see that the goal for this capital campaign was $1 billion and directed that the University moved forward with a working goal of $1 billion and meet with the campaign consultants before involving the Board of Trustees.

David King, lead partner for Alexander Haas, met with Shufflebarger, President Petersen, and Williams to talk about this potential campaign goal. King opined that the University of Tennessee system could make the $1 billion fundraising goal, however it would require some very large gifts to kick off the campaign during a “silent phase”. A silent phase of fundraising campaigns is typically the first two to three years of the timeline, which is dedicated to soliciting the largest potential gifts of the campaign to quickly accelerate the fundraising effort from the beginning. Shufflebarger shared that traditionally, campaigns would receive around thirty percent of the total for a major fundraising campaign in the silent phase. Interestingly enough, in the five years preceding the University of Tennessee $1 billion campaign, successful fundraising campaigns were receiving at least fifty percent of the total for the entire campaign in the silent phase. Further, the team advised that the University would need at least one $100 million gift in the silent phase to reach a $1 billion goal. It became clear that there was no single potential $100 million donor. Shufflebarger then suggested that if there were no $100 million donor, then they would need several gifts of at least $30 million in the silent phase to put the campaign in a position to be successful.

The team from Alexander Haas laid out a campaign plan that included an aggressive strategy to acquire at least 4 gifts of $30 million or more, and the fundraising staff was directed to start with the most loyal supporters of the University of Tennessee system. Each of the

campuses was asked to outline their top potential donors and the process of cultivating these large donors began. The fundraising staff was encouraged by the consulting firm to look for potential donors that had a sense of "Big Orange Pride", and would be willing to make gifts much larger than any they had made to any organization in the past to see that the University was successful. This sense of "Big Orange Pride" referred to the loyalty and passion of volunteer fundraising leaders and those that were the most ardent supporters of the University.

The silent phase of the campaign began in the early spring of 2005, as the first large potential donors were approached to make lead gifts toward the upcoming fundraising campaign. Williams raised the issue that the Board of Trustees had not yet approved a $1 billion campaign at this point, and Alexander Haas argued that a good bit of preparation was still needed before the University would be ready to enter into a fundraising campaign. President Petersen was comfortable with the campaign going forward without an official goal until some early results from the silent phase could be calculated.

In 2005, President Petersen worked with the fundraising staff to reconstitute the University of Tennessee Foundation to assist the fundraising operation in attaining large gifts for the campaign. The newly constituted Foundation was organized under new guidelines from the State of Tennessee to protect the public interest of the State and to allow State regulators to evaluate its operations while still protecting donor privacy where needed. It was immediately successful in assisting the fundraising staff with potential donors for gifts to the Engineering and Business schools.

In 2005, the University secured the first of the three $30 million gifts through a generous donation from a highly successful graduate of the engineering department. It was donated for a

new building and computer software system for the Knoxville campus. This gift was given through the University of Tennessee Foundation, which provided to be a great asset in attaining this lead gift. The other two $30 million gifts were estate commitments, one for the College of Business and Music program in Knoxville, and the other for the University Hospital in Memphis.

The silent phase of the campaign had begun with these lead gifts, and was going well. However, President Petersen felt that a different level of experience was needed in the fundraising staff because of its lack of experience with such a large fundraising campaign. There was also speculation on the part of several fundraising volunteers that Williams' resistance to the campaign being set at $1 billion necessitated this move.

President Petersen asked Williams to move into a different position on the fundraising staff, Vice President Emeritus, to work with a handful of key potential donors. Williams accepted this move and remained with the University during the silent phase of the fundraising campaign, offering his services where they could be used the most. Williams would later retire from the University just after the public announcement of the fundraising campaign, playing little to no role from that point forward.

Henry Nemcik was hired as the new Vice President of Development for the University System in August of 2005. Nemcik had been the campaign coordinator for the University of Texas A&M's successful $1 billion fundraising campaign. He immediately went to work in reorganizing the University fundraising office into a model that could support a $1 billion fundraising campaign and utilized the Foundation as a part of this plan in attracting and counting gifts from private individuals and research dollars in the campaign totals.

President Petersen approached the Campaign Co-Chairs, Stokely, Haslam and Lawson, and held separate meetings with the members of the Board of Trustees for the University about the fundraising campaign. In spite of the fact that the consultants had originally suggested a goal of $800 million, he asked for the Board's support for a goal of $1 billion.

At the fall 2006 meeting of the Board of Trustees, President Petersen formally asked for the approval of this goal. After very little debate, the Board voted unanimously to move forward with a goal of $1 billion for the fundraising campaign. David Shufflebarger noted that it was not a surprise since the Board of Trustees had been talking about a $1 billion fundraising campaign for nearly five years, and the increased yearly fundraising results reinforced its confidence that a $1 billion fundraising campaign was feasible.

The approved campaign was named the "Campaign for Tennessee" to promote the positive economic and societal effect that a $1 billion fundraising campaign for the University system could have on the State of Tennessee. Also, in recognition of the generosity of several donors that made gifts in 2005 during the first of the silent phase, the official start date for the Campaign for Tennessee was set as January 1st, 2005.

The silent phase of the campaign continued through 2008, as Nemcik and the lead consultant Shufflebarger worked to refine the fundraising campaign now formally set at the $1 billion level. Each year brought higher fundraising totals as the University eclipsed the $100 million mark in yearly fundraising by 2008. Shufflebarger quipped that this was astounding, given the fact that many higher education fundraising campaigns "hit a wall" in 2008 in their fundraising totals due to the national economic recession.

By the spring of 2008, after three full years of steadily increasing fundraising totals ,the "Campaign for Tennessee" was ready for the public phase of the campaign,. The public phase began on April 17th, 2008 with an official campaign kick-off celebration on the Knoxville campus, and events at the other campuses of the University system. Over $700 million had already been raised toward the $1 billion goal, and as cited by Shufflebarger, the volunteer co-chairs of the campaign were very comfortable that the $1 billion goal could be reached by the end of 2011, the official deadline for the campaign.

In the fall of 2008, the Board of Trustees began to seriously question the leadership of President Petersen. He had damaged his relationship with the faculty over his four years in office, narrowly avoiding a no-confidence vote in 2007. His wife had been involved in a verbal altercation with a high level donor resulting in the Board restricting the couple from taking part in any donor related events. Additionally, the Board openly questioned spending on administrative overhead by the President's office.

President Petersen resigned on February 18, 2009 and Dr. Jan Simek, longtime faculty member on the Knoxville campus and past Chair of the Faculty Senate, stepped in as interim while yet another Presidential search was undertaken. Jan Simek immediately began working with Nemcik and the Development Office to assure the top donors of the University that the "Campaign for Tennessee" was still on track and new gifts were still needed.

The "Campaign for Tennessee" continued its success in 2009 and 2010, as Interim President Simek oversaw an ever increasing fundraising campaign. In fact, the University raised $120 million in gifts in 2009 and reached the goal of $1 billion on June 23, 2010, nearly 18 months ahead of schedule. Even though the University of Tennessee completed the fundraising

campaign by the summer of 2010, the volunteer co-chairs continued to work hard to identify potential donors. Simek noted that the fundraising volunteers and Development staff had become a "well-oiled machine".

Dr. Joe DiPietro was installed as the twenty fourth President of the University of Tennessee on January 1st, 2011, and continued the momentum in fundraising for the "Campaign for Tennessee." President DiPietro had previously served as the Vice President of the Institute of Agriculture for the University and was well known and respected throughout the University system. Dr. Joe commented that President DiPietro was considered an "insider" who had the trust of political leaders in the State, university staff, and high level donors to the University.

President DiPietro had the honor of closing the "Campaign for Tennessee" on December 31st, 2011, having reached the campaign goal over a year and half earlier than the projected closing date, and having raised a total of $1.3 billion for programs of the University of Tennessee.

From Context to Research Question

The preceding story about the University $1 billion campaign, drawn from interviews with participants and observers, and documents related to the campaign, provides the context for addressing research question 1 as it relates to the University of Tennessee: What factors influenced the decision to enter into a $1 billion or more fundraising campaign in each of the two public higher education institutions?

As can be seen in the history of the evolution of the campaign at the University of Tennessee, several factors influenced the decision to enter into a $1 billion fundraising

campaign. These factors have their roots in the University's early (late 1950s) involvement and success in fundraising which led to its being considered a leader among public institutions in fundraising campaigns. By the 1990's, the University was no longer a leader in fundraising prowess among its peer institutions and was also dealing with a drop in funding from the State of Tennessee. University administrators and the Board of Trustees were forced to look for alternative sources of revenue. Realizing it had fallen behind its peer institutions in raising private funding, the Board of Trustees, and specifically the fundraising volunteers from the fundraising campaign that ended in 1998, consistently pushed the administration for a much larger fundraising campaign. Recapturing fundraising prowess among the peer institutions of the University of Tennessee and providing new sources of revenue for the institution both appear to have been influencing factors in the decision to enter into a large scale fundraising campaign.

It appears that the most influential factor in the decision to enter into a $1 billion fundraising campaign was the consistent push to set higher and higher goals by key fundraising volunteers and members of the Board of Trustees specifically, Jim Haslam and Bill Stokely, whose connections to the administration of the University and with the Board of Trustees for the University were particularly influential. In fact, the two main fundraising volunteers from the last campaign, Haslam and Stokely, also served on the Board of Trustees for the University of Tennessee as Dr. Joe retired and the succession of presidents began between 1999 and 2004. This position of power as lead fundraising volunteers and members of the Board of Trustees made them particularly influential in decisions about the goal of any campaign.

During the planning stages of the fundraising campaign that ended in 1998, Jim Haslam and other key fundraising volunteers, citing the fact that the University had raised more than $100 million over their goal of $350 million, appear to have become convinced that a much

larger goal was achievable. The fact that peer institutions of the University were even then completing campaigns at least twice this size, and some were even planning campaigns of $1 billion or more, seemed to add fuel to the fire that a $1 billion fundraising campaign was reasonable. The data gathered about the genesis and conduct of the campaign suggests that these key volunteers and members of the Board of Trustees for the University of Tennessee system encouraged a series of presidents of the University as they transitioned in and out from 1999 to 2004, to push toward a $1 billion fundraising campaign. It was suggested by more than one interviewee that as the candidates for President were being interviewed, there was an expectation that a $1 billion fundraising campaign should and would be the top priority for the next person to hold that position.

It seems clear that President's Gilley, Shumaker, and Petersen had been keenly aware of the desire on the part of the key fundraising volunteers that a $1 billion fundraising campaign was expected and should be pursued in spite of reservations of the consulting firm and even the in-house development staff. It appears that the close succession of failed presidencies at the University of Tennessee created a power vacuum, which was filled by the fundraising volunteers and members of the Board of Trustees.

It is only fair to concede that President Petersen was an influence on the decision to set the goal at $1 billion. Whether because he had been hired to realize that goal or was committed to it himself, or both, President Petersen championed a $1 billion goal in spite of the advice from the campaign consultants and in-house development staff who had serious reservations about a $1 billion goal. They proposed that a figure of $800 million was the appropriate number for the University fundraising campaign, rather than the $1 billion that had been mentioned informally, President Petersen asserted that he knew the University could reach the $1 billion figure and

asked the fundraising volunteers to "own" the campaign and assure that it would be successful. It appears as if Petersen trusted the counsel he was getting from Haslam, Stokely, and the other fundraising volunteers, more than he did his fundraising staff in setting the goal at $1 billion. He asked the Board of Trustees to approve and endorse the $1 billion figure for the fundraising campaign and with the full support of the fundraising volunteers, it passed unanimously.

It is interesting to speculate whether the influence of the key volunteers and Board in setting a $1 billion goal would have been as great if the long-standing President, Joe Johnson, had still been in office. As was shared above, Dr. Joe was inclined to set campaign goals he was sure could be achieved, and to rely on the advice from the campaign consultants. It seems clear that Shumaker or Petersen would not have been able to convince the Board of Trustees to go beyond the $800 million figure without the support and push from key fundraising volunteers such as Haslam and Stokely. When Dr. Joe retired, two participants in this study mentioned that the search for his replacement seemed to signal a shift in how presidents at the University of Tennessee were chosen. Traditionally, the Executive Vice President would move to the role of President of the University upon a vacancy. However, with Dr. Joe's retirement, the Board of Trustees rejected this tradition and sought to bring in someone from outside, someone with a different set of experiences than previously seen as appropriate, including experience with large fundraising campaigns. When President Gilley was chosen as the President to replace Dr. Joe in 1999, Jim Haslam was quoted as saying that "he has the experience and will make the tough decisions to lead us into the 21st Century". Implied in this statement was that the University needed to take a new direction and look to an external president to fill the needs of the institution. The next two presidents would also be candidates from outside the University with experience in large fundraising campaigns. Going outside the university to choose a president

was a new step for the Board of Trustees, and went against the established precedent set by Presidents Andy Holt and Ed Boling who groomed their successors. It is doubtful that if Dr. Joe had remained President, or had been allowed to hand pick his successor, the University would have gone beyond the recommendation of the campaign consultant of $800 million and reach for the $1 billion goal.

It is noteworthy, and surprising, that two traditional sources of influence appear not to be an influence on the decision to enter into the $1 billion fundraising campaign, the in-house development staff and the campaign consultants. Traditionally, not just at the University, but in the literature about how educational institutions set campaign goals, the vice-president for development would have at least a measure of influence on the decision to set the fundraising campaign goal (Dove 2010, Kihlstedt 2011). In the case of the University of Tennessee, Jack Williams had served as the head of the fundraising program at the University since 1992, and was clearly not in favor of pushing the $1 billion figure. He felt that this was too far of a stretch from the previous fundraising campaign that achieved $450 million. However, his advice was not heeded by any president subsequent to Dr. Joe. In fact, after taking office, President Petersen replaced Williams with Henry Nemcik, who not only had experience with large fundraising campaigns, but also apparently understood that there was no question that the $1 billion figure would be the fundraising goal.

Additionally, the campaign feasibility consulting firm of Alexander Haas appeared to have no influence on the decision to set the campaign goal at $1 billion. According to the literature (Broce, 1986; Dove, 2010) institutional leaders closely heed the advice of these outside consultants in making decisions about the size of their potential campaigns. Contrary to what might have been expected, while the process the consulting firm recommended for conducting a

large scale campaign was followed, its recommendation for the dollar goal of the campaign was ignored, and appeared to have no influence on the goal set for the campaign. This is yet another indication that the key volunteers and Board had already made up their minds and were confident that $1 billion could be raised.

Chapter V

The University of Maryland College Park

The University of Maryland College Park campus fundraising campaign provides another rich case study of a public higher education institution that undertook and successfully completed a $1 billion fundraising campaign. As such, it also allows for considering the answer to the research questions about factors that influenced the decision to enter the $1 billion fundraising campaign by the University of Maryland College Park campus.

The University of Maryland College Park is one of twelve campuses in the University of Maryland system, but is the largest in number of students and serves as the research institution for this system. In 2006, the University of Maryland College Park campus entered into a $1 billion campaign as a part of the University of Maryland system's $2 billion fundraising campaign. It finished in 2012 with over $1.2 billion, however, the origin of the decision to enter into a $1 billion capital campaign began more than a decade before.

In the mid-1980s, the State of Maryland began to reduce its investment in the higher education institutions of the University of Maryland system including the College Park campus. By the end of the 1980s, this reduction in funding began to have an effect on the ability of the College Park campus to provide a top quality education for its students, especially compared to its peer institutions. The volunteer leaders and administration of College Park were determined to change this.

Many public higher education institutions in the country began to hold major fundraising campaigns in response to reductions in state funding in the late 1980s to find new sources of revenue. The University of Maryland College Park did not historically have a strong fundraising

program compared to its benchmark institutions, including the University of North Carolina, Virginia Tech, Old Dominion University and the University of Virginia. In the early 1990s , all of its peer institutions had higher academic standards, more competitive admissions, and were either in the planning stages, or had already completed, fundraising campaigns that were more than twice the total of any fundraising campaign undertaken for College Park.

The College Park campus had historically been highly dependent on state funding and had not developed an assertive fundraising office like their peer institutions that actively sought large private gifts. In fact, by 1990, the College Park had never exceeded the $10 million mark in yearly fundraising totals. Several of their peer institutions, including the University of Virginia and University of North Carolina Chapel Hill, were raising at least $25 million per year by this time. Additionally, while College Park had completed several small fundraising campaigns for particular departments such as the School of Business and Engineering Department, it had not held a fundraising campaign for the entire campus.

The University of Maryland System had reorganized in 1988, consolidating the schools into a single system designed to serve the entire State, appointing presidents for each campus. In 1989, President William Kirwin was appointed by the Board of Regents for the State of Maryland System as the first President of the College Park campus. One of his priorities was to elevate and transform the stature of the College Park campus in relation to its peer institutions in grade point average, competitiveness in admissions, and resources for teaching, research, and facilities. He also intended to follow their model for attracting alternative sources of revenue from fundraising and research as they upgraded their academic standing.

As President Kirwin met with state legislators, parents, alumni groups, and supporters, it quickly became clear that the College Park campus did not have a good academic reputation and lacked the necessary facilities to attract top academic students. To begin to change this, President Kirwin and his staff instituted three strategies to transform the campus reputation and make it the campus of choice in Maryland: raising academic standards required to be admitted, increasing tuition to be more in line with their peer institutions, and holding a fundraising campaign to provide much needed funding. His staff began the planning of this fundraising campaign in 1992.

In 1994, the College Park campus undertook its first real fundraising campaign with a goal of $350 million. The University defined it as a capital fundraising campaign because the primary aim was to raise dollars that could be used right away for building projects, student scholarships, and professorship positions---things that would most immediately improve the academic reputation of the campus. This fundraising campaign was named "Bold Vision, Bright Future" and also included endowments for long term support for the academic divisions of the University.

The "Bold Vision, Bright Future" fundraising campaign was successful from the start, doubling the yearly gift totals from 1994 to 1996. The highest historical yearly fundraising total prior to this time was just over $25 million in 1992, and by 1996, the University of Maryland was raising nearly $60 million per year.

In the fall of 1996, students and alumni of the College Park campus began to express their concern about the rapid escalation in the cost of tuition and limited class offerings. The cost of tuition and fees had increased by more than 30% in the previous five years, and state legislators were beginning to question such a rapid escalation. The University of Maryland Board

of Regents decided that they would like to continue to enhance the position of the College Park campus in relation to other schools in the system and peer institutions, but needed a leader that had experience in making great strides to transform a university. In the spring of 1997, after discussions with the System Chancellor and Board of Regents, President Kirwin voluntarily left the College Park campus and took a position at Ohio State University. They immediately began searching for a leader who could transform the academic standards of the College Park campus and continue the fundraising success of the "Bold Vision, Bright Future" fundraising campaign.

One candidate that did not apply for the President position, but was approached to enter his name was Dr. Dan Mote, Vice President for University Relations at the University of California at Berkley. Dr. Mote was a graduate of that institution and had served as Dean of their College of Engineering. When he was approached to take the position of Vice President of University Relations, Dr. Mote had made a condition of taking the job of being able to hold a very large capital campaign. Stanford University, just a few miles away from the Cal Berkley campus, and had recently completed a $1 billion capital campaign and Mote believed that the Cal Berkley campus had the same potential for fundraising as Stanford. The real difference according to Dr. Mote, was that Stanford had done a much better job of cultivating large donors from the San Francisco business community. And he felt it was time for the "state school" to do the same. Thus, he spearheaded the first $1 billion capital campaign at the institution.

After successfully completing this $1 billion capital campaign, Dr. Mote was approached by the University of Maryland Board of Regents Search Committee to become the next President at College Park with a mandate to improve academics and research, adding to the prestige of the institution, and to use his experience in fundraising to hold large capital campaigns to generate

new sources of funding. As he took the position he acknowledged that he was an outsider, having come from the west coast, however he recognized the potential in College Park.

Leslie Coleman, Campaign Coordinator for the University, who had formerly served in the Business School, said that Dr. Mote brought a new spirit to the University, and had an immediate positive effect on members of the Board of Visitors and other volunteers upon his arrival. As Mote travelled across the state of Maryland and around the country to promote the institution, he referred to the "Maryland Family" a conceptual phrase he had begun to use with the Board of Visitors and alumni groups This concept was based on his experience in using this at Cal Berkley as a way to ignite the passions and pride in those that supported the University to give philanthropic gifts to meet new priorities for College Park. His challenge to the University of Maryland College Park supporters was that the "Maryland Family" could match the success of their peer institutions, much like Cal Berkley had met the challenge of Stanford University.

President Mote quickly realized that the current fundraising staff had little in the way of large campaign experience, and new leadership would be required to embark on a large campaign. President Mote hired Brody Remington to become the Vice President for University Relations in the fall of 1999 to oversee the fundraising, communications, and alumni programs for the College Park campus.

Remington previously served the University of Pennsylvania as Vice President for Development, and led one of the first $1 billion capital campaigns outside the Ivy League institutions. At the University of Pennsylvania, Brody found it had a much smaller number of alumni than the large state institutions in their area. However the alumni were very loyal to the institution and had a tradition of "planting the seeds" in the minds of their students about the

importance of giving back to the school. Brody maintained that this was very important to the success of a fairly small school achieving such a large fundraising campaign.

Two other advantages that the University of Pennsylvania possessed were a wealthy alumni base and a seasoned fundraising staff with long tenure with--- an average tenure of ten years with the institution. Brody commented that this was critical to their success, because as fundraising staff members mature in their positions at an institution, they learn how to be effective in their jobs and the largest potential donors feel comfortable with their relationship with the staff.

Remington stated that the University of Maryland College Park campus fundraising staff was not as "professionalized" as the University of Pennsylvania, nor was it staffed appropriately for the size of the school and potential of the College Park campus to raise funds. Brody felt that a "professionalized" staff, one trained in the latest fundraising techniques would make a tremendous difference in their ability to be successful in fundraising. With the support of President Mote, Remington began to hire new fundraising staff for the major areas of the campus such as the College of Business, Engineering, and parts of the humanities, because they had a greater opportunity than other areas of the campus to be successful in a short time period.

Remington felt that the incipient fundraising program needed a catalyst to move it forward. At other higher education institutions this had occurred through the erection of a new building on campus or the start of a new program. For the campus, this catalyst became the project first initiated by former President Kirwin, a performing Arts Center for the University of Maryland College Park. It had been a priority for President Kirwin, whose reasoning was that it would attract donors, and several other higher education institutions in their area had first rate

performing arts centers, as well. Alma Gildenhorn, a distinguished graduate of College Park, was approached and agreed to help as a volunteer with the fundraising project to add the new performing arts center to the campus. She had just finished a term as Vice Chairman for the John F. Kennedy Center for Performing Arts in Washington, D.C., and her family gave the first gift to establish the recital hall for the new performing arts center.

Mrs. Gildenhorn maintained that the University of Maryland College Park was an important part of her life. Joseph and Alma Gildenhorn met as students on the College Park campus, and Alma especially valued the scholarships that allowed her to become the first woman in her family to attend college. Her husband, Joseph Gildenhorn, graduated from Yale Law School after graduating from College Park, and was eventually appointed as the United States Ambassador to Switzerland under President George Bush Sr.

The performing arts center attracted a number of large donations. One of the largest came in 1999 from Robert Smith, a wealthy alumnus of College Park, and his family, The donation was designed to honor, Robert Smith Sr., a graduate of College Park who had recently passed away. The Performing Arts Center now bears Robert Smith Sr ‘s name. In the end, the performing arts center project raised over $50 million in private gifts, and Remington commented that it further demonstrated that large fundraising projects were possible on the College Park campus.

Another part of President Mote’s plan to improve fundraising for College Park was the addition of an institutionally related foundation. He argued that most state higher education institutions had created institutionally related foundations to separate their fundraising operations from the reach and interference of state governments. President Mote understood that an

affiliated foundation would have advantages in raising gifts for the institution, such as allowing donors to make gifts confidentially, accepting property that a state entity could not, and entering into partnerships with private companies that might not be allowed under state law for public entities.

For more than twenty years, there had been an institutionally related foundation to benefit all of the schools of the University of Maryland system, but it was not really established for fundraising for particular campuses. This general foundation for the system held some small endowments for the various campuses, but had no fundraising staff of its own. Dr. Mote shared that "you had this foundation set up by the state for all of the institutions, but if you are a graduate of the College Park campus, that is where your loyalty was". He knew from his experience at Cal Berkley that the loyalty to the University of Maryland College Park campus would be a much larger motivator in attracting major gifts and the campus clearly needed its own foundation. Remington shared that the struggle for the University of Maryland College Park campus to establish its own foundation was not a "pleasant fight", and caused resentment from the other campuses in the system. However, Dr. Mote and Remington both viewed it as a necessity for their fundraising operation to be successful.

After a good bit of political wrangling with the State of Maryland, Dr. Mote succeeded in having the state legislature allow the formation of an affiliated foundation for the University of Maryland College Park campus. The existing Board of Visitors for the College Park campus was converted into the new University of Maryland College Park Foundation Board. Over a period of a few years, this board was expanded and altered to attract members that could introduce the College Park campus to larger potential donors, not only from the alumni base, but also from government agencies through grants and contracts utilizing volunteer and faculty

connections in the Washington, D.C. area. There was an immediate positive effect in having a separate institutionally related foundation for the College Park campus, particularly in securing grants and contracts for the campus.

The University of Maryland College Park, given its close proximity to the Washington, D.C. area, had what Dr. Mote termed, an "unfair advantage" compared to other institutions in the area in attracting grants and contracts for research with the federal government. At least two national security agencies of the Federal Government began to sign major contracts and grants with the University of Maryland College Park Foundation which served President Mote's emphasis on research. This process also greatly enhanced the fundraising totals for College Park because many could be counted as gifts to the institution. Private companies and government agencies are attracted to public institutions with research capabilities that also have the ability to provide a sense of privacy. The University of College Park Foundation provided this privacy for companies, government agencies, and individuals to make gifts to the institution away from identification under the Freedom of Information laws that relate to state institutions.

The "Bold Vision, Bright Future" fundraising campaign was completed in 2002, having raised over $450 million for the College Park campus. This was $100 million over the original goal. Less than a year later, Remington and President Mote began the conversation with the University of College Park Foundation Board about a new major campaign however no goal was mentioned. The University of Maryland College Park Foundation Board members were emboldened by the success of this fundraising effort. Meeting in 2004, President Mote and Remington discussed with the Board, the need for a new and even larger fundraising campaign. There was unanimous support for another campaign, and members enthusiastically commented that it was absolutely needed. However, there was a good bit of debate among the members of

the committee about the potential size of this new campaign. Barry Gossett, a member of the Foundation Board stated that he and Alma Gildenhorn were pushing Dr. Mote and Remington to look at a $1 billion fundraising campaign at this early stage. However, Bill Mayer expressed caution that a $1 billion campaign goal would be more than twice the size of their previous campaign. As the discussion unfolded it became clear that part of the push for a $1 billion campaign on the part of Gildenhorn and Gossett was based on what some of their peer institutions such as the University of Virginia, Virginia Tech, and North Carolina Chapel Hill, were doing. At this time, all of these institutions had either completed a $1 billion campaign, or were in the process of planning one. Mayer was not willing at this stage to consider a $1 billion goal, simply based on the fact that their peer institutions had that particular goal. As an economist, Mayer expressed the opinion of several members of the Board that caution would be needed in entering this new fundraising campaign that an appropriate goal for College Park was established. President Mote did not express an opinion about the $1 billion goal at this time, however Remington encouraged the Board to consider it, citing his previous experience at the University of Pennsylvania.

Remington made it clear to the Foundation Board that fundraising campaigns require time for preparation and additional fundraising staff to be successful, and would need time for the fundraising staff to prepare for a large campaign. He opined that College Park would need at least two years of preparation and planning to begin a major fundraising campaign. The Foundation Board did not set a goal at this point for the fundraising campaign, however they agreed that the University should begin a “silent phase” where major lead gifts would be sought to set the pace for the fundraising campaign.

One of the first tasks was to enlist the help of campaign volunteers to serve as campaign co-chairs for the fundraising campaign. Campaign co-chairs identify potential donors, provide gifts themselves, and add a sense of legitimacy to the fundraising campaign. President Mote and Remington chose campaign co-chairs that could propel the campaign to success very quickly. Alma Gildenhorn, Barry Gossett, Bill Mayer, Lowell Glazer, and David Driskell to serve as volunteer co-chairs for the new fundraising campaign, and they were instrumental in engaging and approaching potential donors to make large gifts during the silent phase of the campaign.

Barry Gossett was a 1965 graduate from the University of Maryland College Park and grew up just a few streets away from the campus. He spent most of his youth "hanging around" the athletic facilities and got to know several of the coaches as a fan of College Park athletic teams. Even though he was not an athlete himself, Barry always appreciated his close connection to the University of Maryland College Park Athletics. As he became more personally successful, Barry contributed to the Athletic department through the years and served on the athletic booster association and later as a representative for the athletic boosters on the University of College Park Foundation Board. His ability to raise funds for Athletics would be essential to the campaign.

Bill Mayer received his M.A. degree in business from College Park and after a successful career in business served as the Dean of the College of Business for the University through the 1990's. After his tenure on the University staff, he served on the College Park Foundation Board. As one of the most respected economists in the United States, and a partner in the Park Avenue Equity Partners firm in New York, Mayer brought his expertise and experience in business and economics, both relevant to fundraising campaigns, to the College Park Foundation Board. He was chosen as a campaign co-chair because of his close connections to partners in New York and

ability to raise funds for the Business Department. David Driskell, an internationally known artist and scholar in the field of African American art, was a Professor Emeritus from the University of Maryland College Park He as honored in 2000 by President Bill Clinton with a National Humanities Medal. He represented the humanities on the Board. His connections to the Art world made him a perfect choice to engage others with interest in the arts to give to College Park.

Lowell Glazer was a 1955 graduate of the University and served on the College park Foundation Board because of his connections to members of the business community in the Baltimore and Washington, D.C. area. Lowell is the owner of A&G Contractors and a contributor to the Athletics department. He was also instrumental to the process of raising funds for the Comcast Basketball Arena on the College Park campus that opened in 2002.

Some of the co-chairs were more involved with the process of working with the fundraising campaign than others, however all contributed personally and introduced new potential donors to the College Park fundraising campaign. According to Brody, this was one of the most important roles for these volunteers.

President Mote gave permission for Remington to retain a fundraising campaign consultant in the spring of 2002 to assist in the process of planning a new fundraising campaign, and running a feasibility study to recommend an appropriate goal to the College Park Foundation Board. Remington rekindled the relationship with Bill McGoldrick, an independent fundraising campaign consultant from Albany, New York, who served as campaign fundraising counsel for College Park in 1989 on a the limited fundraising effort for the Business Department, and had been retained periodically for fundraising counsel on various projects. In fact, the University had

been his first client when he began his fundraising consulting business. McGoldrick had also been the fundraising campaign consultant for College Park with the recently completed "Bold Vision, Bright Future" campaign.

The primary role of the fundraising campaign consultant is to make sure that the University is properly prepared for the fundraising campaign. They perform interviews to gauge the interest of potential donors regarding their interest in giving to a large fundraising effort, and consult and advise the fundraising staff on running the campaign. Through this internal preparedness, and external interviews a consultant can recommend a potential fundraising goal. This goal is then evaluated internally to see if the staff and volunteers are on board.

In most cases, when a feasibility study is performed, a campaign consulting firm will make a good number of personal visits and calls on behalf of the institution to evaluate the base of potential donors and get a sense of the how receptive the highest level of potential donors would be to a large fundraising campaign. McGoldrick recommended that the College Park campus take a different approach that might accelerate giving to the campaign. Instead of taking the traditional approach of researching the feasibility of a fundraising campaign, McGoldrick decided that it would be very helpful for the fundraising staff to perform most of the interviews with potential donors. His reasoning was that since most of their fundraising staff was fairly new to the institution, it would be a good opportunity for the staff to interview the largest potential contributors. A good bit of the process of convincing potential donors to give to a campaign is based on the relationship established between the fundraising professional and the potential donor. Performing the feasibility study in this manner would allow the fundraising staff to start the process of building close personal relationships with some of the best potential donors while conducting the feasibility study.

McGoldrick developed a series of questions to discover the willingness of former donors to College Park to give additional large gifts to an upcoming fundraising campaign. Additionally, the staff would ask for recommendations of others that might be willing make gifts to College Park as well. McGoldrick maintained that the College Park campus needed a larger pool of potential donors to be successful in a larger fundraising campaign. The University fundraising staff had identified approximately five hundred donors in the last fundraising campaign that had the capacity to give at least fifty thousand to that campaign. The fundraising staff met with over five thousand former donors to College Park, and utilized this visit to ask about other potential donors that they might recommend. This strategy yielded more than fifteen thousand new names as potential new donors for the upcoming fundraising campaign.

McGoldrick presented the findings of the fundraising campaign feasibility study to the College Park Foundation in the fall of 2004. His recommendation was the most appropriate fundraising goal for the College Park campus was $800 million. Alma Gildenhorn and Barry Gossett were insistent that $1 billion should be the real goal for the campaign and encouraged their fellow members of the College Park Foundation that they should be pushing beyond the $800 million fundraising campaign feasibility recommendation. Remington also encouraged the Board to look beyond this figure, however President Mote withheld his opinion on the goal. Mayer and other members of the Board expressed caution about going beyond the $800 million figure and President Mote suggested that they begin the silent phase of the fundraising campaign and see if those initial gifts infer how successful the upcoming fundraising campaign might be. The Board agreed that a decision on the size of the goal for the fundraising campaign would be deferred until leadership gifts in the silent phase give some indication of their future success in fundraising. Remington and President Mote began the process of seeking leadership gifts to

kick-off the fundraising campaign with the intent to show that a $1 billion fundraising campaign could be achieved. McGoldrick advised President Mote and the fundraising staff that the long history of capital campaigns demonstrated that universities would raise around one third of all the funds to a fundraising campaign in the silent phase. However, their research on large campaigns in the decade preceding 2004 demonstrated a real shift in the importance of very large gifts in the silent phase. Their research indicated that the College Park campus needed to raise at least fifty percent of the overall goal in the silent phase if they wanted to set a goal of $1 billion.

The University of Maryland College Park had great success in the silent phase of the campaign. Three families made gift commitments of $30 million or more in the first year of the silent phase of the fundraising campaign, and they closed the 2005 year with over $350 million in gift commitments. Two of the largest gifts were for the College of Business, and the other was given for a new building in the College of Engineering. President Mote took special pride in his work with the College of Engineering because of his experience as a professor and Dean of the College of Engineering at the University of California at Berkley. He was personally involved in asking for the $30 million gift for the new Engineering facility.

Remington expressed that at this point in the process his comfort level with the feasibility with a $1 billion goal was very high. Additionally, the early results in the silent phase of the campaign convinced President Mote that they were on the right track. Remington commented that “we had the three elements that are really needed for a successful fundraising campaign by this point:, 1). Identification of new high potential donors, 2). a feasibility study that gave them a plan for success, 3). Actual results from the silent phase”.

When the University of Maryland College Park Foundation Board met in the fall of 2006, Remington and President Mote challenged the Board to accept a stretch goal for the upcoming fundraising campaign of $1 billion. To this point, the Board had been satisfied with the $800 million figure recommended by McGoldrick, but could not get consensus on moving up to the $1 billion goal. Dr. Mote commented that in his experience, when it comes to setting a campaign goal, "you need to set the campaign goal at a number that is between too easy and impossible". He also stipulated that "since the vast majority of people do not really understand how a fundraising campaign functions, the goal needs to be something that is easy to remember and "catch's people's attention". In his estimation, the $1 billion figure would catch the attention of large potential donors and excite other alumni and supporters of College Park. Dr. Mote shared that his experience at the University of California at Berkley and at College Park convinced him that when it comes to campaign goals, your board members and volunteers will fall in to one of three groups. He stated that "fifteen percent of the people know that you can make it, another fifteen percent will be convinced that you can't, and seventy percent think that it would be great if you could achieve it". His point was that not everyone is going to be on board with a very large fundraising campaign goal in every situation, but if have the optimistic fifteen percent behind you and can convince the seventy percent that your institution is on the right track, you will get the needed support and it will be successful.

At the fall 2006 University of Maryland College Park Foundation Board meeting, there was some debate about the proper size of the upcoming fundraising campaign. Bill Mayer remembered that he and a few other members expressed some anxiety about moving from the previous fundraising campaign goal of $350 million to $1 billion. In his estimation, this would be a "big stretch". However, Remington and President Mote held private conversations with each

Board member prior to this Board meeting to smooth the way for the $1 billion campaign goal. Barry Gossett recalled that there was some debate about the campaign goal in the hallway at one of the breaks in the meeting, but he indicated that the $1 billion figure had been a topic of conversation for over 2 years and overall, the members of the Board were ready to move forward. After Barry Gossett and Alma Gildenhorn sounded their support for a $1 billion campaign, there was no other real discussion about what the goal should be. A unanimous vote was cast to establish the University of Maryland College Park capital campaign goal at $1 billion.

As the silent phase of the $1 billion fundraising campaign pressed on in 2006 and into 2007, Remington shared that College Park was ahead of their original projections for fundraising totals for 2006 and President Mote decided that it was time to take the campaign to a public phase. A grand public announcement was made through media outlets and public events in April, 2007. These special events were held across the state of Maryland and in many other areas of the United States to continue the momentum of the $1 billion campaign. The campaign was named “Great Expectations” to honor President Mote’s commitment to raise the profile of the College Park campus.

The United States economy fell into recession just as the “Great Expectations” campaign at College Park was gaining the momentum it needed to be successful. The recession slowed the pace of fundraising to a crawl as potential donors backed away from making gifts.. To that point, most of the gifts in the fundraising campaign had been made in the form of multi-year pledges that would run through the end of the campaign in 2011. With a faltering economy, many of the donors had to discontinue payments on their pledges. According to Leslie Coleman, Campaign

Coordinator for the “Great Expectations” campaign, very few new gifts were coming in and the staff began to seriously worry about the overall success of the campaign.

Remington shared that this was one of the darkest times in his career, as he was forced to lay off several members of the fundraising staff due to budget cuts at the state and University level. However, he also shared that the campaign volunteers never lost faith in the ability of the “Maryland Family” to achieve the $1 billion campaign goal.

In the spring of 2010, President Mote announced that he would be retiring as President of the College Park campus, during their bleakest year in fundraising for the “Great Expectations” campaign. Having served twelve years in the office, he commented that he had not expected to stay that long when he took the position in the first place. Some of the fundraising volunteers felt that they were losing their leader, and Bill Mayer shared that he privately worried about the ultimate success of the campaign at that point. However, he expressed that it was important to keep “pressing on” with potential donors to encourage new gifts to come into the campaign.

With the loss of President Mote, the College Park Foundation Board met to discuss the $1 billion campaign and what could be done to rejuvenate it. Alma Gildenhorn commented that as the volunteers for this campaign, “we are not going to see it fail and we need to dedicate ourselves even more to its success.” One tactic that helped to accomplish this task was the “Keep me Maryland” initiative. It began as a student led initiative on campus and adopted by the fundraising office of College Park to sustain momentum in the fundraising campaign and make a larger impact in their fundraising totals.

During the economic recession of 2008 and going forward, it was not just the wealthiest donors that had difficulty in paying their commitments to the school. Because of the proximity to

Washington D.C., the federal and private corporation lay-offs had a devastating effect on the student body of the College Park campus. Many of the sons and daughters of those that worked around Washington D.C. were students at College Park and were having trouble paying their tuition and fees. The College Park campus launched an initiative called "Keep me Maryland" to raise private dollars to assist students in jeopardy of having to quit school for financial reasons.

Alumni and supporters were responsive to this initiative to assist individual students that needed extra help during a hard financial time. This personal approach allowed thousands of alumni and supporters of College Park invest in education for young men and women at the institution they loved. It also provided a lift to the fundraising effort as more than twenty five thousand individuals gave to the "Keep me Maryland" fundraising effort over a two year period. As the 2010 year progressed, larger financial gifts were also being made to "Keep me Maryland" initiative and revived the fundraising totals, bringing them back to the level when the campaign began.

Dr. Wallace Loh was appointed by the Board as President of College Park in November, 2010, and continued the success of the "Great Expectations" campaign through the "Keep me Maryland" fundraising initiative. He previously served as the Executive Vice President and Provost for the University of Iowa, and was an attractive candidate for College Park because of his academic credentials and the multicultural aspect of his heritage as an immigrant from Hong Kong. According to Remington, even though his experience in higher education fundraising had been limited at the University of Iowa, President Loh worked very hard to continue the momentum of the "Great Expectations" campaign and built close relationships with donors that assisted the process of bringing in new gifts to the campaign.

Unfortunately, as the $1 billion fundraising campaign went into the fall of 2011, it stalled out at $900 million. By the calculations of Remington and the fundraising staff, it was not expected to reach $1 billion by the anticipated closing date of April 1, 2012. The University of Maryland College Park had slipped below their projected yearly fundraising totals for the last 3 years, and it was apparent that they were not going to be able to close out the fundraising campaign on the anticipated date.

When Remington shared this unhappy news with the University of Maryland College Park Foundation Board in the fall of 2011, Alma Gildenhorn, one of the co-chairs of the campaign, recalled that she asked the group, "well, so what"? She polled the members of the Foundation Board and asked each member if they remembered the exact date when the campaign was supposed to close. None of the members of the Board could remember the anticipated closing date of the campaign, so she said, "then let's keep it open until we know we can make it". They agreed. Remington shared that he felt this demonstrated great faith on behalf of the Foundation Board in the hard work of his staff, and their dedication to making sure the campaign reached the $1 billion goal.

The College Park Foundation Board chose December 12th, 2012 as the new "official" date for the close of the "Great Expectations" fundraising campaign. The date, of 12/12/12, was seen as having a good ring to it and would be easy for potential donors and volunteers to remember. It also happened to be Remington's birthday, and he shared with the Foundation Board that if they could close out the campaign on 12/12/12, "it would be one of the best birthday presents anyone had ever given to him." The campaign volunteer co-chairs focused on working with some of the last remaining large prospective donors for the fundraising campaign,

and thanks to their efforts, the campaign picked up again and closed out successfully on December 12, 2012.

From Context to Study Question

The preceding story about the University of Maryland College Park $1 billion campaign, drawn from interviews with participants and observers and documents related to the campaign, provides the context for addressing research question 1 of the study as it relates to the University of Maryland College Park: What factors influenced the decision to enter into a $1 billion or more fundraising campaign in each of the two public higher education institutions?

There were several factors that influenced the decision to enter into a $1 billion campaign for the University of Maryland College Park campus. The University of Maryland system had been dealing with a financial decline in support from the State of Maryland since the early 1990's that drove President Kirwin, and later President Mote to find alternative sources of revenue. It also appears that President Kirwin, and later President Mote wanted to raise the academic and research standards on the College Park campus to match their peer institutions as a tactic to attract funds for research and financial support from private donors. All of the peer institutions of College Park had higher academic standards, and raised more in private gifts through large fundraising campaigns. Finding new sources of revenue for the institution, raising academic standards, and matching the peer institutions of the College Park campus in fundraising all appear to be factors in the decision to enter into the $1 billion campaign.

President Mote appeared to serve as a key factor in establishing the $1 billion fundraising campaign. From his first days as President, he seemed to understand that the College Park

campus needed to upgrade fundraising on campus and established the University of Maryland College Park Foundation to accomplish this task. The volunteers of the College Park Foundation became the driving force behind the $1 billion campaign. Additionally, he hired a new Vice President for Development, Brody Remington, with experience in a $1 billion fundraising campaign and gave him the resources to upgrade the fundraising staff. He also worked with key members of the College Park Foundation to convince the rest of the members that the $1 billion goal was achievable.

Brody Remington, the Vice President for Development was on board with a $1 billion fundraising campaign virtually from the time he began his post in the fall of 1999 and also served as a factor in the decision to enter the $1 billion campaign. While his position as Vice President would not typically provide him with the ability to be "the" factor in the decision to enter into a large fundraising campaign, the literature (Pollock, 2003; Jefferson, 1985) supports that the chief development officer's primary role is to build strong personal relationships with donors and volunteers that lead to major gifts and building support for the fundraising operation. Remington consistently advocated to President Mote that a $1 billion campaign was possible, and maintained close personal relationships with members of the College Park Foundation to build support for the fundraising campaign. It does appear that in his role as advocate for a $1 billion goal, Remington was a factor in the decision to enter into a $1 billion campaign.

The fundraising volunteers of the University of Maryland Foundation were a major factor in the decision to enter into the $1 billion fundraising campaign. It appears that a core group of fundraising volunteers of the College Park Foundation, particularly Alma Gildenhorn and Barry Gossett, were convinced that a $1 billion fundraising campaign was possible after the success of the previous campaign that ended in 2002, and the opening of the Smith Center for the Arts in

2004. Gildenhorn and Gossett consistently advocated for a $1 billion campaign, and with the support of President Mote, appear to have convinced their colleagues on the College Park Foundation that a $1 billion fundraising campaign was badly needed and actually feasible.

President Mote was totally on board with the $1 billion campaign after the goal had been established, but there was some question as to when in the process that he was convinced that the $1 billion goal was feasible. Through the influence of volunteers such as Alma Gildenhorn, Barry Gossett, and Vice President Remington, President Mote felt that they were in a positon to move forward with a $1 billion goal after the first three $30 million gifts had been secured in the silent phase by the summer of 2006. The decision was made to enter into the $1 billion campaign in the fall of 2006 and the campaign was ultimately successful in raising $1,008,000,000 for the College Park campus.

Dr. Mote and Brody Remington both gave credit for the $1 billion fundraising campaign to the volunteer leadership of the University of Maryland College Park Foundation Board, and were insistent that there would have been no $1 billion campaign, nor would it have been successful without their leadership in identifying potential donors. In fact, when President Mote retired two years before the end of the $1 billion campaign, it appears that the fundraising volunteers of the Foundation Board filled the void in leadership in the fundraising campaign and ultimately made it a success. Even as President Loh took office, it was inferred that it was really the fundraising volunteers of the Foundation that made the difference in the ultimate success of the campaign.

One interesting observation was that contrary to the literature (Kihlstedt 2011, Dove 2010) McGoldrick, the campaign feasibility consultant appeared to have no effect on the

decision to enter into the $1 billion fundraising campaign. His original assessment was that the fundraising campaign should be $800 million, yet the fundraising volunteers on the College Park Foundation Board were convinced that they could go beyond this goal. Contrary to what might have been expected, while the process the consulting firm recommended for conducting a large scale campaign was followed, its recommendation for the dollar goal of the campaign was ignored, and appeared to have no influence on the goal set for the campaign. Instead, it appears that key leaders of the College Park Foundation Board were successful in delaying the decision to set the fundraising goal until after the first three major gifts had been secured in the "silent phase" of the campaign. At this point, President Mote, and Remington worked with Alma Gildenhorn and Barry Gossett of the College Park Foundation Board to convince the other members of the Board to go beyond the $800 million recommendation and push for $1 billion. This team was successful in persuading the rest of the Board and the $1 billion fundraising campaign was ultimately successful.

Chapter VI

Summary and Conclusions

Public universities are one of our great resources contributing to the betterment of society. However, over the last thirty years, as funding from state governments has declined for virtually all public higher education institutions, in order to fulfill their mission, private fundraising has grown in importance. While organizations rely on annual fund drives and special events to sustain programs, they are increasingly turning to large fundraising campaigns (Dove 2001). Today, it is not unusual to find public higher education institutions holding $1 billion or more fundraising campaigns to fund a myriad of purposes and needs.

The purpose of this study was to explore the factors that influenced the decision to enter into a $1 billion or more fundraising campaign by two public higher education institutions. It was guided by two research questions:

1. What factors influenced the decision to enter into a $1 billion or more fundraising campaign in each of the two public higher education institutions?
2. Were there factors shared by both institutions, and were differences apparent?

Utilizing a multi-site case study design at two institutions that had successfully conducted $1 billion campaigns, The University of Tennessee and the University of Maryland College Park, data were collected by means of 14 (7 at the University of Tennessee; 7 at the University of Maryland College Park) in-depth interviews, onsite, by phone, and by email at both institutions, with former presidents, vice presidents for development, fundraising volunteers, fundraising campaign consultants, and other members of the staff who were familiar with the factors that entered into the decision to set the fundraising campaign goal at $1 billion. In addition, field

notes, board minutes, media records, and campaign materials, were collected that allowed the researcher to gain additional insight into the decision-making process at each of the institutions. The data were analyzed inductively, in terms of the research questions, to derive the themes that answered research questions 1 for each site. The findings were then compared across sites to answer research question 2 about the commonalities and differences.

This chapter presents a summary of the findings, a discussion of those findings, methodological considerations, and recommendations for future research.

Summary of the Findings

Research Question 1: What factors influenced the decision to enter into a $1 billion or more fundraising campaign in each of the two public higher education institutions?

The major factors that influenced the decision at the University of Tennessee Knoxville included:

1. **Volunteers serving in fundraising roles for the university.** Over a period of years, fundraising volunteers consistently encouraged and insisted that the institution should enter into a $1 billion campaign.
2. **Key volunteers served on the Board of Trustees.** Two key fundraising volunteers for the University also served on the Board of Trustees and used this position of influence to convince the board to accept the $1 billion fundraising campaign.
3. **Prior fundraising success encouraged larger fundraising goals.** The success of fundraising campaigns in the late 1990s, coupled with growing yearly fundraising totals, were a factor in setting the next fundraising goal at $1 billion.

4. **Volunteer and administrative leadership ignored the $800 million recommendation from their consultant's feasibility study**.

The major factors that influenced the decision at the University of Maryland, College Park included:

1. **Volunteers serving in fundraising roles for the university.** Over a period of years, fundraising volunteers consistently encouraged and insisted that the institutions should enter into a $1 billion campaign.
2. **Key volunteers served on the College Park Foundation Board.** Two key fundraising volunteers for the University also served on the Foundation Board and used this position of influence to convince the board to accept the $1 billion fundraising campaign.
3. **Fundraising success prior to the $1 billion campaign.** The volunteer fundraisers and fundraising staff of the University of Maryland College Park had great success in fundraising projects and yearly fundraising totals leading up to the decision to set the fundraising campaign goal at $1 billion.
4. **The Vice President for Development.** Brody Remington was a consistent voice urging a $1 billion campaign.
5. **The President.** President Mote was a factor in convincing the members of the College Park Foundation to accept the $1 billion goal.
6. **Volunteer and administrative leadership ignored the $800 million recommendation from their consultant's feasibility study**.

Traditionally, with multi-site case studies, a chapter devoted to a comparison of cases follows the presentation of each case. With this study, however, as can be seen in the summary of the findings for each case above, the similarities and differences in the findings were so apparent as to suggest that the answer to research question 2 did not warrant a separate chapter. Thus, it is addressed in this summary.

Research Question 2 for the University of Tennessee, and the University of Maryland College Park: Were there factors shared by both institutions, and were differences apparent?

The University of Tennessee and the University of Maryland College Park shared four major, common factors that influenced their decisions to set fundraising campaign goals of $1 billion. Those factors were: key fundraising volunteer leaders, Key fundraising volunteers served on the boards of oversight, fundraising success prior to the $1 billion campaign, and volunteer and administrative leadership ignored the $800 million recommendation from their consultants' feasibility studies.

1. **Key fundraising volunteer leaders.** The University of Tennessee and the University of Maryland College Park both had passionately committed fundraising volunteers that pushed their organizations toward a $1 billion fundraising goal.
2. **Key fundraising volunteer leaders served on the boards of oversight.** Key fundraising leaders served on the Board of Trustees for the University of Tennessee and College Park Foundation Board for the University of Maryland College Park and used their positions to influence the acceptance of the $1 billion campaign by these boards.

3. **Fundraising success prior to the $1 billion campaign.** Administrative and volunteer leaders of The University of Tennessee and the University of Maryland College Park were encouraged by their past prior fundraising success, including the yearly fundraising totals leading up their $1 billion campaigns. This prior success was a major factor in their decisions to enter into their respective $1 billion fundraising campaigns.
4. **Volunteer and administrative leadership ignored the $800 million recommendation from their consultant's feasibility study**.

Volunteer fundraisers and the administration of the University of Tennessee and the University of Maryland College Park were determined that the goal be established at $1 billion, ignoring the recommendation of the consultant based on his feasibility study.

Only two key factors differed between the University of Tennessee and the University of Maryland College Park. These factors were the role of the president, and the vice president for development.

1. **The Presidents**. President Mote of the University of Maryland College Park worked with the key fundraising volunteers to convince the undecided members of the College Park Foundation Board to support the $1 billion fundraising campaign goal. President Petersen at the University of Tennessee was supportive of the fundraising campaign, however he did not appear to be a major factor in setting and goal, and deferred to the key fundraising volunteers to push their fellow colleagues on the Board of Trustees to support the $1 billion fundraising goal.

The Vice Presidents. Brody Remington was a factor in the decision at the University of Maryland College Park through his consistent voice of support with the fundraising volunteers

and President Mote for the $1 billion goal. However, this was not the case at the University of Tennessee.

Discussion

The literature on higher education fundraising campaigns primarily describes the mechanics of fundraising campaigns and provides tips for being successful. Predominantly, it describes the primary role of the president (Cook, 1997; Grasty & Sheinkopf, 1988), the influence of the vice president for development (Dove, 2010; Lasater 2006), expertise provided by fundraising campaign consultants (Dove 2001; Yates, 2001), and the supporting role of fundraising volunteers once the goal is established (Stuhr, 1972; Rosso, 1991).

In the absence of a base of literature and empirical research on setting the campaign goal itself, the researcher operated under the assumption that the influence of the president, vice president for development, expertise of the fundraising campaign consultant, and supporting role of the fundraising volunteer once the goal was established, would apply equally to establishing the campaign goal. However, this study does not appear to support the literature with respect to setting the goal, perhaps with respect to large dollar campaigns. While the president at one institution was a factor in setting the campaign goal, he was not in the other. Likewise, the influential role of the vice president was observed at the University of Maryland, but was not at the University of Tennessee. And in both cases, the expertise of the campaign consultant was disregarded by both universities in establishing the campaign goal. Perhaps most interesting, the fundraising volunteers played a major, not supporting role, and indeed, were the most influential factor in setting the $1 billion goal at each institution.

The existing literature related to the role of campaign volunteers suggests that volunteer fundraisers should make a stretch gift to the campaign, make themselves available for meetings, identify and assist in soliciting major donors, participate in events to build the campaign, and take leadership positions in areas of the campaign (Rosso, 1991; Dove, 2010). However, there has been no suggestion in the literature that they would or should play a key role in influencing the amount of the campaign goal. Indeed, the literature clearly implies that they would play a supporting role once a goal was set. The findings of this study raise questions about the role of volunteers and whether in the climate of large-scale campaigns, their role may alter from supporting players to major influencers.

One potential reason for the major influence of the fundraising volunteers in this study was that both institutions had been dealing with a reduction in funding from their state governments since the early 1990s, requiring them to seek new sources of revenue. Both institutions turned to private donors during their fundraising campaigns and found them to be a good source of new funding. In looking at private donors as a source of funds, each institution engaged key community figures in its efforts, and they in turn, enthusiastically sought out and encouraged private donors to give to the campaigns. These efforts may have led to their having an intimate sense of what the potential was for raising a large sum of money, and who out there could donate large amounts. It appears that these key fundraising volunteers had a better sense of large potential donors for the fundraising campaign than others had, particularly the campaign consultants, and even, perhaps the president and vice president for development. It is interesting to note that while Dr. Mote was a factor in the decision, he was not the initiator of it. Former President of the University of Tennessee, Dr. Joe Johnson, reflecting on the influence of the volunteers, opined that on their own, presidents and vice presidents for development rarely know

enough potential donors that can make large enough gifts to the institution to make a fundraising campaign successful. He went on to share that one of the reasons fundraising volunteers are recruited is to identify and connect potential donors to the institution in a fundraising campaign, and that they are chosen because they are themselves successful business and community leaders with wide contacts. Thus, he concluded, volunteers might actually know better than would he or his staff, and one might add, consultants, who could help meet a large goal.

Another reason that might account for the impact of the key fundraising volunteers is their influence on the body that had the authority to approve the goal, the Board of Trustees for the University of Tennessee and the University of Maryland College Park Foundation. This was the case for the University of Tennessee where the two primary fundraising volunteers, Jim Haslam and Bill Stokely both served on the University of Tennessee, Board of Trustees. In fact, Haslam served as Chairman of the Board of Trustees during the fundraising campaign. At the University of Maryland College Park, Alma Gildenhorn and Barry Gossett were the two primary fundraising volunteers and both served on the College Park Foundation Board. Gossett served as Chair of the College Park Foundation Board during a portion of their $1 billion campaign. The two leading fundraising volunteers at the University of Tennessee and two leading volunteers at the University of Maryland College Park were also the main proponents of the $1 billion campaigns at their respective institutions.

Given the volunteers early and consistent commitment to setting a high goal, their ability to influence the Board and Foundation constituted a formidable pressure to set the goal high. Haslam, one of the key fundraising volunteers for the University of Tennessee, actually owned that “you can probably blame some of the push on a $1 billion capital campaign on me,” but he reiterated that he would have never pushed the University toward a $1 billion fundraising

campaign if he had really not believed it could happen". It is little wonder that the enthusiasm and commitment of these volunteers to a $1 billion fundraising campaign goal was communicated to and influenced the Board and Foundation's decisions to set the goal as urged by the volunteers.

The literature strongly suggests that fundraising feasibility consultants play a critical role in determining a fundraising goal, given that the stakes can be very high in large fundraising campaigns. The literature emphasizes the importance of higher education institutions receiving the most accurate, impartial, and professional information possible before making a decision about the size of the goal (Dove, 2001). An outside consultant with an established reputation in fundraising campaigns is seen as being able to make a positive contribution to the administration and boards of oversight during a pre-campaign analysis, allowing for better decision making (Broce, 1986). Yet, in both cases, the fundraising consultants were not a major factor in the goal-setting decision. Indeed, their suggestion of $800 million was ignored by both institutions

Consultants rely on feasibility studies in determining the goal they recommend to their clients. One might question whether the way these studies are done allow the consultants to acquire as accurate or effective a view of large potential donors, in particular, as may be acquired or possessed by experienced volunteers who have been "in the trenches" and on the ground in earlier campaigns. It may be that the high touch approach of volunteers, especially well-known and respected volunteers, and their intimate knowledge of who and where donors might be, even those not easily identified by the way consultants identify potential donors, gives them a more realistic picture, particularly for a large dollar campaign. At the same time, one cannot totally discount the fact that at both institutions, the fundraising volunteers appear to have already made up their minds that a $1 billion dollars could and should be the goal, even, perhaps, before the

consultants had conducted their feasibility studies. Their confidence in setting a high goal appears to have been based on their successful experience in raising money in campaigns leading up to a large fundraising campaigns, as well as their knowledge of large potential donors to the institution.

At the same time, it might be reasoned to consider the nature of consultants and how they may view goal setting. It may be that consultants choose to take a conservative view of goal setting to ensure that the figure they recommend is met. As Dr. Johnson reported, “the worst thing in the world is to not make a campaign goal. It’s much better to have a goal that is achievable and go way past it”. Since the volunteers were convinced a larger goal could be reached, they may well have viewed the suggested goal as merely too conservative and not worthy of the institutions.

The cases of the University of Tennessee and the University of Maryland College Park may indicate a shift in the fundraising campaign roles described in higher education fundraising literature. It appears that in the cases of the University of Tennessee and the University of Maryland College Park that the fundraising volunteers proved themselves to be the experts in determining how much could be raised in the campaign, in contrast to the campaign consultants. While there was little question that the strategies proposed by the consultants were followed with regard to the processes used in raising the money, their feasibility goal was ignored. The influence of the fundraising volunteers appears to have swayed the administration of both universities to ignore the feasibility consultant’s suggestion. The role of “experts” in evaluating fundraising campaign potential might very well be shifting from consultants to the fundraising volunteers because of their intimate knowledge of key potential donors that could make large fundraising goals successful.

Both universities had experienced considerable success in fundraising for several years leading up to the decision to enter the $1 billion fundraising campaign, emboldening the fundraising volunteers to push for a $1 billion fundraising campaign on the basis of this past success. Additionally, fundraising volunteers at both institutions observed that peer institutions were either in process of, or had already completed $1 billion fundraising campaigns. Fundraising volunteers take great pride in the institutions they serve, and it could be that in lending their name as a volunteer, the university becomes a reflection of their own success and position. These key fundraising volunteers just might push the university to meet or exceed their peer institutions because in essence- the reputation of the university becomes their reputation as well. One of the volunteers for the University of Maryland quipped "Maryland was just as good as other institutions around us, and we wanted to show it". These two factors appear to have added fuel to the fire to the fundraising volunteers to convince the undecided members of their boards of oversight to accept the $1 billion fundraising goal.

The researcher expected that both presidents would be a major factor in the decision to establish the campaign goal at $1 billion however this study found that only one of the presidents appeared to be a major factor in the decision to enter into the $1 billion fundraising campaign. Grasty and Sheinkopf (1998) argued that the president "is" the institution and plays an absolutely critical role in successful fundraising programs as the "star of the show" (p.4). Likewise, Cook (1997) used a football analogy with the president as the "quarterback" without which the team cannot be successful. (p. 82).

President Mote at the University of Maryland College Park appears to have been a major factor in convincing the undecided members of the College Park Foundation Board to accept the $1 billion fundraising goal. However, President Petersen at the University of Tennessee appeared

to defer to his key fundraising volunteers in setting the fundraising goal and convincing the undecided members of the Board of Trustees to accept that goal. President Petersen was not a major factor in the decision to establish the $1 billion goal, and his deferment to the key fundraising volunteers might be attributed to the fact that he was relatively new to the position and the third in a series of short term presidents. Additionally, all three of these short term presidents had been hand-picked by the Board of Trustees which included his key fundraising volunteers.

It seems clear that the key fundraising volunteers were pushing the $1 billion goal at both institutions and it could be that neither president chose to challenge their fundraising volunteers about the size of the goal due to the fact that those fundraising volunteers also served on boards of oversight for the university. As the head of the Board of Trustees for the University of Tennessee, Haslam was in a very influential position, and it was speculated by one participant that as President Petersen was being interviewed for the position at the University of Tennessee, that the members of the Board of Trustees made it clear that their expectation for the next president would be a $1 billion fundraising campaign. While President Mote at the University of Maryland College Park was instrumental in convincing the undecided members of the Foundation Board to accept the goal, he could have been in an awkward position if he had decided against a $1 billion fundraising campaign goal when his fundraising volunteers, who also sat on the College Park Foundation, were adamant that it be set at that level.

It was also surprising to find that only one of the vice presidents for development appeared to be a factor in the decision to set the goal at $1 billion. Brody Remington's consistent support of the $1 billion goal with the fundraising volunteers and President Mote made him a factor in the decision to set the goal. Remington seemed to have recognized the abilities of the

fundraising volunteers and supported them in their push for the $1 billion fundraising campaign goal. In contrast, at the University of Tennessee Jack Williams apparently ignored the advice of Jim Haslam and the rest of the fundraising volunteers, because he did not support the $1 billion campaign goal. Just like his former boss, Dr. Joe Johnson, Williams tended to be more conservative in his approach to fundraising campaigns. Unlike Remington, he also apparently did not believe that the key fundraising volunteers were in the best position to judge how high the goal should be set for the fundraising campaign. Williams worried about the ability to reach the $1 billion figure, given that it would be more than twice their previous campaign, and the university had experienced a lot of turn-over in the office of the president, which might well have been a source of worry in thinking about donor confidence. President Petersen replaced Williams as Vice President for Development with Henry Nemcik, who shared that the goal had already been established in the minds of President Petersen and the key fundraising volunteers. His role was to run the $1 billion campaign to make it successful. All of which may explain why neither of them were a factor in the decision to establish the fundraising goal.

Since the study was based on the factors that influenced the decision to set a campaign goal at these two institutions, the findings may not be representative of factors that influenced other such institutions to make such a decision. However, in the absence of research about this decision-making process, it may be that there are kernels of truth contained in the experience of these two institutions that may apply to other higher education institutions when it comes to the process of establishing a very large campaign goal. Hopefully, this research can spur further study of this topic. A base of scholarly research is needed to come to a better understanding of the factors that influence the decision to enter into large fundraising campaigns.

Methodological Considerations

Obtaining permission to investigate the site was a major source of frustration for the researcher. A list was obtained from the Council for the Advancement and Support of Education (CASE) listing higher education institutions that had completed, or were in the process of $1 billion or more fundraising campaigns. Of the higher education institutions on this list, eleven public universities had completed their first $1 billion more fundraising campaign within the last ten years. This list was shared with four fundraising consultants that were familiar with large higher education campaigns, and two former Vice Presidents for Development at large public institutions to receive recommendations to identify four institutions from this list that best represented good examples of $1 billion fundraising campaigns. Seven public institutions were recommended that had completed their first $1 billion or more fundraising campaigns within the last ten years, and the researcher diligently contacted all on this list.

All but two denied permission to participate in the study. The denials came from the office of the president in each case, citing a variety of reasons including legal issues surrounding a presidential departure during their campaign, advice of general counsel to not participate, concerns about the intellectual property contained in the campaign plan, and a general uneasiness about discussing a matter that on its face did not appear to be sensitive. Of the seven potential sites only two granted access for this study and once it was granted, obtaining participants was fairly straightforward. No participants dropped out of the study, however all but two of the participants asked that a portion of their comments be “off the record”.

Another methodological consideration concerned the Board of Trustee minutes available and their usefulness in informing the study at each institution. In the case of the University of

Tennessee, as a public institution, all records are open to the public and were easy to obtain. However, their actual usefulness was limited given that any time sensitive information was discussed, such as who might be in favor and who might not be in favor of a $1 billion campaign the researcher was told that most of these discussions were held "in the hallway" or on break time between sessions. In the case of the University of Maryland Foundation, since this organization is a separate 501c3 entity, the researcher was informed that minutes from Foundation Board meetings would not be shared. However, four subjects were instrumental in relaying the most important details from the meetings in both universities. In spite of these methodological concerns, the candor of the respondents one-on-one, and their pride at having achieved or exceeded their goal allowed for gathering rich data about the decision making process at each institution.

Recommendations for Future Research

This study should be replicated at other public higher education institutions that have held $1 billion fundraising campaigns to see if the same findings emerge about the decision making process. Additionally, this study should be replicated at a variety of institutions having held $1 billion campaigns including private research and non-research universities, historically black institutions, and technical institutions.

This study revealed the key influence fundraising volunteers played in the decision to set the fundraising goal at $1 billion for the two institutions. Further study is needed on the influence of fundraising volunteers in the decision making process in setting campaign goals. Valuable insight would also be gained from a future study examining the long term fundraising success of universities with influential volunteer fundraising leaders versus those that do not.

The President of the University of Maryland College Park appeared to be a factor in the decision to establish the campaign goal, however the President of the University of Tennessee was not. Given the literature suggesting the importance of the president in fundraising campaigns and the mixed results on their role in setting the campaign goal in this study, further investigation of the president's role in goal setting is warranted. Additionally, the American Council on Education has been tracking the falling tenure of higher education presidents for almost fifteen years. The effect of presidential turnover on major fundraising campaigns, which may well have influenced the president's relative lack of influence on the decision-making process, at the University of Tennessee, could undoubtedly prove valuable in determining whether turnover in the role of the president changes the dynamics of goal setting.

The role of the vice president for development in establishing a fundraising goal could be a rich area of study. This study revealed that the Vice President for Development at the University of Maryland College Park was a factor in the decision to establish the campaign goal, while neither of the Vice Presidents were a factor at the University of Tennessee. This mixed result points to the need for research in this area.

Finally, the role of fundraising campaign feasibility consultants warrants serious study. If the fundamental roles in higher education fundraising campaigns are shifting away from relying on the expert evaluation of independent fundraising campaign consultants towards a reliance on the opinions of fundraising volunteers, then research in this area is particularly needed.

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Appendices

Appendix A

Sample of institution's invitation letter

Dear _____

I am enrolled in the Doctor of Philosophy with a major in Higher Education Administration program at the University of Tennessee. The purpose of my dissertation is to explore the factors that influenced the decision to enter into a $1 billion or more fundraising campaign by four public higher education institutions and the factors common to each of the two public higher education fundraising campaigns. This will involve case studies of two public higher education institutions that decided to set their fundraising campaign goals at $1 billion or more and have completed their campaigns. As I have contacted various higher education administrators and consultants across the United States, **institution** has been repeatedly suggested as a good example of an institution that decided to set their fundraising campaign goal at $1 billion or more.

I would like to request your permission to arrange for an interview. The interviews will pertain to your recollection and insights into the decision of **institution** to set the fundraising campaign goal at $1 billion.

The on-site visit will take approximately one to two days. During this time, I will need to interview three to five staff and volunteers present at the time that the decision was made to set the fundraising campaign goal at $1 billion or more. The interviews will take approximately one hour per individual and will be tape recorded. I am enclosing a separate informed consent letter which is designed to provide you with protections as a subject in a research project. I have also enclosed a self-addressed, stamped envelope for you to return the signed consent form.

I realize that higher education institutions are busy and time is always at a premium. Certainly, **institution** is no exception. However, the results from an empirical study such as I have proposed, may well offer much needed insights into how the fundraising campaign goals are set by public institutions, which is a real challenge and carries a good deal of risk for any institution and everyone involved.

I look forward to working with you, **institution**, and those involved. I will contact you by telephone in the near future to answer any questions you may have concerning my proposed research project.

Sincerely,

Rhodes Logan
1606 Wrenwood Way
Knoxville, TN 37122
(615) 308-2284
wlogan@utk.edu

Appendix B

Sample letter to participant

Dear Participant,

I am enrolled in the Doctor of Philosophy with a major in Higher Education Administration program at the University of Tennessee. The purpose of my dissertation is to explore the factors that influenced the decision to enter into a $1 billion fundraising campaign by two higher education institutions. This will involve case studies of two public higher education institutions that decided to set their fundraising campaign goals at $1 billion and have completed their campaigns. As I have contacted various higher education administrators and consultants across the United States, **institution** has been repeatedly suggested as a good example of an institution that decided to set their fundraising campaign goal at $1 billion or more.

I would like to request your permission to contact **participant** to arrange for an on-site visit. The visit will be necessary to conduct interviews and document reviews pertaining to the stakeholders involved in the decision to set the fundraising campaign goal at $1 billion. I will also need to have access to any documents (such as campaign materials, board minutes, news articles, and other related information) and receive permission to copy these documents for possible inclusion in my final research paper. Additionally, it is my intention to interview one to three other employees of your institution or other stakeholders who might have additional insights into the decision process. These individuals will include board members, fundraisers, volunteers, state government officials, state education personnel, and other key stakeholders. I will provide all participants with an introductory letter and an informed consent letter prior to conducting any interviews.

I realize that higher education institutions are busy and time is always at a premium. Certainly, **institution** is no exception. However, the results from an empirical study such as I have proposed, may well offer much needed insights into how the fundraising campaign goals are set by public institutions, which is a real challenge and carries a good deal of risk for any institution and everyone involved.

I look forward to working with you, **institution**, and those involved. I will contact you by telephone in the near future to answer any questions you may have concerning my proposed research project.

Sincerely,

Rhodes Logan
1606 Wrenwood Way
Mount Juliet, TN 37122
(615) 308-2284
wlogan@utk.edu

Appendix C

Interview Protocol

Based on information obtained from **institution** during your most recent fundraising campaign, your public higher education institution was recommended as an excellent example of a $1 billion fundraising campaign. Because you served in **participant** capacity within the fundraising campaign I would like to hear your story about how the decision was made to set the goal at $1 billion for your fundraising campaign.

NOTE: I used probes to explore the interviewee's opinions and recollections of the following areas if additional information is needed.

1. Describe the factors involved in the decision to set the campaign goal at $1 billion.
2. Who was involved in the decision to set the goal at $1 billion?
3. What factors were involved in making your $1 billion fundraising campaign a successful campaign?

Appendix D

FORM B APPLICATION

All applicants are encouraged to read the Form B guidelines. If you have any questions as you develop your Form B, contact your Departmental Review Committee (DRC) or Research Compliance Services at the Office of Research.

FORM B

IRB # _____

Date Received in OR _____

THE UNIVERSITY OF TENNESSEE

Application for Review of Research Involving Human Subjects

I. IDENTIFICATION OF PROJECT

1. **Principal Investigator Co-Principal Investigator:**
   Rhodes Logan
   College of Health and Human Sciences

   Educational Leadership and Policy Studies

   1606 Wrenwood Way Mount Juliet, TN 37122

615-308-2284 wlogan@utk.edu

Faculty Advisor:

Dr. Norma Mertz

Professor

Educational Leadership and Policy Studies

College of Education, Health and Human Sciences

325 Bailey Education Complex
The University of Tennessee
Knoxville, TN 37996-3430
Phone: 865-974-6150
Fax: 865-974-6146
E-mail: nmertz@utk.edu

Department:
College of Education, Health and Human Sciences
Department of Educational Leadership and Policy Studies

2. **Project Classification: Dissertation**

3. **Title of Project:** A study of the factors that influenced the decision to enter into a $1 billion or more capital campaign by two public higher education institutions.

4. **Starting Date: Upon IRB Approval**

5. **Estimated Completion Date: Spring 2015**

6. **External Funding**: None

   - **Grant/Contract Submission Deadline:**

- **Funding Agency:**

- **Sponsor ID Number *(if known)*:**

- **UT Proposal Number *(if known):***

II. PROJECT OBJECTIVES

In an effort to supplement limited funding from state and federal sources public higher education institutions have begun to take on larger and larger capital fundraising campaigns. It is not unusual to hear about public higher education institutions setting a goal of $1 billion or more in their capital campaigns. A capital campaign can provide much needed funding for public higher education institutions; however, if the goal is not met, the damage can take years to repair.

The literature on capital campaigns suggests that it is very important to plan for a capital campaign, yet no scholarly studies or even "how to" manuals exist to provide guidance to institutions considering $1 billion dollar campaigns: about factors to consider in making such a decision, about who should be involved in making the decision, and about how to think about the likelihood of the success of such a campaign. A few institutions have undertaken such campaigns and been successful in meeting or exceeding the $1 billion goal. The purpose of this study is to develop case studies of how two of these successful institutions made the decision to set their capital campaign fundraising goals at $1 billion or more?

III. DESCRIPTION AND SOURCE OF RESEARCH PARTICIPANTS

Two public higher education institutions who have successfully conducted $1 billion dollar campaigns have been selected for study (multiple case studies). The participants at each higher education institution will include:

1. The president of the institution when the goal for the capital campaign was established.
2. The vice president/chief development Officer for the institution when the goal for the capital campaign was established.
3. The chair/head of the board of trustees for the institution when the goal for the capital campaign was established.
4. The fundraising consultant/s for the institution when the goal for the capital campaign was established.
5. Other members of the fundraising staff, board of trustees, faculty, staff, or volunteers determined to be pertinent to the process of setting the goal for the capital campaign.

IV. METHODS AND PROCEDURES

This qualitative research project will utilize a multiple case study design to explore the factors entering into the decision to raise $1 billion or more by two higher education institutions. Two public higher education institutions that have successfully completed their first capital campaign of a $1 billion or more have been chosen for this study. Their choice was based on recommendations from two nationally recognized capital campaign consultants, and four vice-presidents for development at large public higher education institutions.

Individual, semi-structured, one hour interviews will be conducted with the participants at each of the two institutions using an established protocol, while allowing for additional probes and follow-up questions. (A copy of the protocol appears in Appendix A) The interviews will be audio recorded to assure accuracy of information from the interviews. In addition to the interviews, emails and other internal documents will be

examined, as they are available. Finally, external press releases and internal memos regarding the factors under study will be reviewed.

V. SPECIFIC RISKS AND PROTECTION MEASURES

Both institutions have agreed to participate in the study and understand that their institutions will be identified, as will the participants in the study (Please refer to Institutional Consent letters in Appendix B). Informed consent to participate (explained below) will be sought from the participants to be interviewed. They will be informed that their real names will be used along with that of the university with which they were associated at the time of the $1 billion capital campaign. Participants will be informed that they may withdraw from participation at any point in the process and any material secured from them will then be destroyed if they so choose.

Since the focus of the study relates to a successful campaign of which they were a part, it is unlikely that the questions asked of the participants are unlikely to be uncomfortable or embarrassing, but should they prefer that some information they share not be attributed to them, as indicated in the informed consent form they sign, those comments will be shared without attribution.

VI. BENEFITS

By exploring the factors that influenced the decision to enter into a $1 billion or more capital campaign, this study adds to the knowledge base in the field as well as providing a reference for higher education institutions who are engaged in or considering a $1 billion capital campaign in the future.

VII. METHODS FOR OBTAINING "INFORMED CONSENT" FROM PARTICIPANTS

The two institutions in my study were contacted through their respective fundraising foundations. Permission to conduct the study with The University of Tennessee was granted through the Office of the President, because the position of President of the UT Foundation was open at the time that permission was granted. The President of the University of Maryland Foundation granted permission for the University of Maryland to be included in my study. Note: The President of the University of Maryland Foundation also holds the title Vice President for University Relations for The University of Maryland. Permission letters are attached and explain that I will be interviewing staff and volunteers that were involved in their most recent capital campaign with a goal of $1 billion. The permission letter explains that participation is voluntary, I will gain written permission from every participant, and they may choose to discontinue their participation in the study at any time without penalty. If any participant chooses to leave the study, all information collected from that participant will be destroyed. It is understood by The University of Tennessee and The University of Maryland that I will be using the name of the institution in my study. Additionally, I will also use the name of each participant and their participant form will reflect acknowledgement of this fact. Since participants will be identified along with the institution, there might be certain circumstances where they would like a portion of the information they divulge to remain anonymous. In cases such as these, I will not reveal the source of the information and honor their right to confidentiality regarding certain parts of their interview information. In such cases, a name such as “Subject X” shall be used.

Participants will be contacted by phone or email first to establish contact. This brief phone or email conversation will explain the purpose of the study is to examine the factors that influenced the decision to enter into a $1 billion or more capital campaign by two public higher education institutions. I will explain that their institution has given permission to conduct the study, and I will be undertaking a series of

personal interviews and would like to include their participation. I will make sure that they understand that their participation is critical for the success of this study, and the benefits to other institutions could be invaluable. In my initial communications with potential participants, it will be clear that their participation is strictly voluntary: that they may refuse to be interviewed, that they may withdraw at any point in the process without penalty, and if they choose to withdraw from the study, any information gathered from them will be destroyed. A letter will follow with the details from the initial phone call or email. (Sample letter is attached) The letter details the same things as were shared in the first contact, including the purpose of the study, that I have gained permission from their university, and that I am requesting a personal interview with them. It will be made clear that their participation is strictly voluntary and if they choose not to participate or withdraw at any point in the process, the data collected from them will be destroyed. If they prefer that part of the information shared in the interview remain anonymous, I will honor this request, as well. Since I hold no position of influence with potential participants or their universities, there should be minimal concern that their non-participation in the study would have any personal or professional consequences. Participants will be asked to sign the informed consent form before research will begin. Participants will personally hand the consent form to the researcher before they are interviewed in the case of face to face interviews. The goal is to set all interviews in person, however, if a phone interview is absolutely necessary, the consent form will be mailed and received, or scanned and received by the researcher before the interview will take place. The informed consent forms and all other research documents will be kept in a locked cabinet at my home at 1606 Wrenwood Way, Mount Juliet, TN 37122.

VIII. QUALIFICATIONS OF THE INVESTIGATOR(S) TO CONDUCT RESEARCH

I served as the Campaign Director for the University of Tennessee, Institute of Agriculture's portion of the $1 billion "Campaign for Tennessee" from 2005-2012. As investigator, I have first-hand knowledge of the structure of capital campaigns at public research universities, and have completed all coursework in the Health and Human Sciences, Higher Education Administration Ph.D. Program at the University of Tennessee. I have completed the required IRB training course on research with human subjects and understand the requirements from the University of Tennessee in conducting research with human subjects. A copy of the training certificate is included as an attachment to this form. This research should not involve greater than minimal risk.

IX. FACILITIES AND EQUIPMENT TO BE USED IN THE RESEARCH

I will visit the facilities of the two public higher education institutions serving as a focus of this study. Additional visits will be necessary to the place of business or home of other participants. Each interview will be conducted in person, and tape recorded. All tapes will be stored in a locked file cabinet at the home of Rhodes Logan at the address listed below. After transcribing all information from the tapes, they will be sent to the participants for review. The data will be analyzed and the tapes will then be destroyed. The reviewed transcripts will remain on file with the researcher for three years after successful defense of the dissertation.

X. RESPONSIBILITY OF THE PRINCIPAL/CO-PRINCIPAL INVESTIGATOR(S)

The following information must be entered verbatim into this section:

By compliance with the policies established by the Institutional Review Board of The University of Tennessee the principal investigator(s) subscribe to the principles stated in "The Belmont Report" and standards of professional ethics in all research, development, and related activities involving human subjects under the auspices of The University of Tennessee. The principal investigator(s) further agree that:

1. **Approval will be obtained from the Institutional Review Board prior to instituting any change in this research project.**

2. **Development of any unexpected risks will be immediately reported to Research Compliance Services.**

3. **An annual review and progress report (Form R) will be completed and submitted when requested by the Institutional Review Board.**

4. **Signed informed consent documents will be kept for the duration of the project and for at least three years thereafter at a location approved by the Institutional Review Board.**

XI. SIGNATURES

ALL SIGNATURES MUST BE ORIGINAL. The Principal Investigator should keep the original copy of the Form B and submit a copy with original signatures for review. Type the name of each individual above the appropriate signature line. Add signature lines for all Co-Principal Investigators, collaborating and student investigators, faculty advisor(s), department head of the Principal Investigator, and the Chair of the Departmental Review Committee. The following information should be typed verbatim, with added categories where needed:

Principal Investigator: _____

Signature: _____ **Date:** _____

Co-Principal Investigator: _____

Signature: _____ **Date:** _____

Student Advisor (if any): _____

Signature: _____ **Date:** _____

XII. DEPARTMENT REVIEW AND APPROVAL

The application described above has been reviewed by the IRB departmental review committee and has been approved. The DRC further recommends that this application be reviewed as:

[ ] Expedited Review -- Category(s): _____

OR

[ ] Full IRB Review

Chair, DRC: _____

Signature: _____ Date: _____

Department Head: _____

Signature: _____ Date: _____

Protocol sent to Research Compliance Services for final approval on (Date) : _____

Approved:
Research Compliance Services
Office of Research
1534 White Avenue

Signature: _____ Date: _____

For additional information on Form B, contact the Office of Research Compliance Officer or by phone at (865) 974-3466.

Appendix E

Informed Consent Statement

Dear _____,

You are invited to participate in a research study that is designed to detail the process of two public higher education institutions that decided to set their fundraising campaign goal at $1 billion.

As part of my doctoral dissertation research, it is my intention to conduct on-site interviews of stakeholders of the institution (three to five individuals if possible) who were involved in the decision to set the fundraising campaign goal at $1 billion. I anticipate that I will need to spend approximately one hour with you for the initial interview. I would also request that I have the option to spend additional time for clarification of information and any further questions that might arise during the interview process. I will tape all interviews as well as take notes during the interview sessions.

It is my intention to use the information gained via interviews and documents review to provide useful insights into the successful change process in which **institution** was involved. The information gathered will provide other public higher education institutions contemplating a similar goal with valuable tools that may aid in their situation.

The information in the study records will be kept confidential. Data will be stored securely and will be made available only to persons conducting the study unless you specifically give permission in writing to do otherwise. Due to the selective nature of this study, it may prove difficult to insure complete anonymity of interviewees. However, you do have the option to have

all your comments remain anonymous. If so, I will take all necessary precautions to maintain your confidentiality.

If you have questions at any time about the study or the procedures, (or you experience adverse effects as a result of participating in the study), you may contact me, Rhodes Logan, at 1606 Wrenwood Way, Mount Juliet, TN 37122 or by calling (615) 308-2284.

If you have questions about your rights as a participant, contact the Research and Compliance Services Section of the Office of Research at the University of Tennessee at (865) 974-3466.

_____

(Participant Initials)

Appendix F

PARTICIPATION

Your participation in this study is voluntary; you may decline to participate without penalty. If you decide to participate, you may withdraw from the study at any time without penalty and without loss of benefits to which you are otherwise entitled. If you withdraw from the study before data collection is completed, your data will be returned to you or destroyed.

CONSENT

I have read the above information and agree to participate in this study. I have received a copy of this form.

Participant's name (print)_____

Participants signature_____

Date_____

Sincerely,

Rhodes Logan
1606 Wrenwood Way
Mount Juliet, TN 37122
(615) 303-2284
wlogan@utk.edu

Appendix G

Tables

Table 3 Sixteen higher education institutions running $1 billion or more campaigns in the year 2000

College	**Campaign goal**
Columbia University	$2.74 billion
Duke University	$1.299-billion
Georgetown University	$1-billion
Massachusetts Institute of Technology	$1.5-billion
Northwestern University	$1.4-billion
Penn State University System	$1-billion
University of Arizona	$1-billion
University of California at Berkeley	$1.1-billion
University of California at Los Angeles	$1.24-billion
University of Illinois System	$1.478-billion
University of Minnesota	$1.3-billion
University of Notre Dame	$1-billion
University of Southern California	$1.7-billion
University of Texas	$1-billion
University of Virginia	$1.228-billion
Washington University	$1.3-billion

Source: Swartzendruber, (2000).

Table 4 Completed Capital Campaigns in Higher Education with Billion-Dollar or More Goals-2013

University	Goal in billions	Amount raised
University of Arizona	$1.00	$1.185
University of Arkansas	$1.00	$1.046
Brandeis University	$1.22	$.945
Brown University	$1.40	$1.616
California Institute of Technology	$1.40	$1.424
University of California, Berkeley	$1.10	$1.44
University of California, Los Angeles	$2.40	$3.052
University of California, San Diego	$1.00	$1.030
University of California, San Francisco	$1.40	$1.66
Cambridge University	$1.00	$1.70
University of Chicago	$2.00	$2.38
University of Colorado System	$1.00	$1.26
Columbia University	$2.20	$2.79
Cornell University	$1.30	$1.57
Dartmouth College	$1.03	$1.38
Duke University	$2.00	$2.36
Emory University	$1.60	$1.69
University of Florida	$1.50	$1.79
Georgetown University	$1.00	$1.06
Harvard University	$4.00	$4.38
Hebrew University of Jerusalem	$1.00	$1.60
University of Illinois	$2.25	$2.38
University of Illinois Urbana-Champaign	$1.50	$1.75
Indiana University at Bloomington	$1.10	$1.527
University of Iowa	$1.00	$1.058
Johns Hopkins Institutions	$4.40	$5.24
University of Kentucky	$1.00	$1.082
Massachusetts Institute of Technology	$2.00	$2.053
University of Miami	$1.25	$1.05
University of Michigan	$3.50	$4.57
Michigan State University	$1.20	$1.44

Table 4 Continued

University	Goal in billions	Amount raised
University of Minnesota	$1.30	$1.66
University of Missouri	$1.00	$1.33
New York University	$3.5	$4.31
University of North Carolina Chapel Hill	$2.00	$2.38
North Carolina State University	$1.00	$1.30
Northwestern University	$1.40	$1.55
University of Notre Dame	$2.20	$3.07
Ohio State University	$2.50	$2.80
University of Pennsylvania	$4.50	$5.70
Pennsylvania State University	$1.30	$1.37
Princeton University	$2.60	$2.90
Perdue University	$1.50	$$1.70
Rensselaer Polytechnic Institute	$1.40	$1.42
University of Southern California	$6.00	$6.10
Stanford University	$4.30	$6.20
State University of New York System	$3.00	$3.00
Syracuse University	$1.00	$1.04
University of Tennessee	$1.00	$1.38
Texas A&M University	$1.00	$1.52
University of Texas at Austin	$3.00	$3.10
Texas Tech University	$1.00	$1.00
Tufts University	$1.20	$1.22
Vanderbilt University	$1.50	$1.94
University of Virginia	$3.00	$3.01
Virginia Polytechnic Institute and State University	$1.00	$1.21
University of Washington	$2.50	$2.68
Washington University	$1.50	$1.55
University of Wisconsin	$1.50	$1.86
Yale University	$3.5	$3.88

*All numbers in billions

Source: The Chronicle of Higher Education, institution website (https://philanthropy.com) 2013

Table 5 $1 billion Capital Campaigns at 36 Colleges and Universities in 2010

College	Campaign goal	Raised in 2010	End of campaign
Stanford University	$4.3 billion	$4,483,000,000	12/31/11
Columbia University	$4 billion	$3,631,000,000	12/31/11
Cornell University	$4 billion	$2,698,500,000	12/31/11
University of Pennsylvania	$3.5 billion	$2,631,000,000	6/30/12
Yale University	$3.5 billion	$2,866,000,000	12/31/11
City University of New York	$3 billion	$1,521,000,000	12/31/14
State University of New York	$3 billion	$2,370,000,000	6/30/12
University of California Berkeley	$3 billion	$1,748,649,739	6/30/13
University of Texas Austin	$3 billion	$1,198,752,800	8/31/14
University of Virginia	$3 billion	$2,177,767,947	12/31/11
University of Illinois System	$2.25 billion	$1,964,000,000	12/31/11
Pennsylvania State University	$2 billion	$1,031,284,673	6/30/14
University of Pittsburgh	$2 billion	$1,496,000,000	6/30/14
Princeton University	$1.75 billion	$1,237,000,000	6/30/12
Vanderbilt University	$1.75 billion	$1,809,442,167	12/31/10
Emory University	$1.6 billion	$1,057,662,718	12/31/12
Boston College	$1.5 billion	$719,672,393	5/31/15
University of Florida	$1.5 billion	$1,128,113,730	9/28/12
University of Notre Dame	$1.5 billion	$1,754,481,975	6/30/11
Brown University	$1.4 billion	$1,542,253,321	12/31/10
Tufts University	$1.2 billion	$1,109,565,821	11/30/11
University of Nebraska	$1.2 billion	$812,794,183	12/31/14
University of Utah	$1.2 billion	$855,289,691	6/20/13
Brandeis University	$1.2 billion	$894,000,000	6/30/13
Indiana University	$1.1 billion	$1,144,423,256	6/30/10
Carnegie Mellon University	$1 billion	$654,409,889	6/30/13
Rice University	$1 billion	$623,931,938	6/30/13

Table 5 continued

College	Campaign goal	Raised in 2010	End of campaign
Rutgers University	$1 billion	$425,578,777	6/30/14
Syracuse University	$1 billion	$753,008,138	12/31/12
University of California Davis	$1 billion	n/a	n/a
University of California Irvine	$1 billion	$541,060,504	12/31/15
University of Cincinnati	$1 billion	$638,600,000	6/30/13
University of Maryland College Park	$1 billion	$705,812,571	06/31/12
University of Tennessee	$1 billion	$1,041,739,361	12/31/11
Virginia Tech University	$1 billion	$946,298,492	12/31/10

Source: Fuller, (2010)

Table 6 Comparison of the largest university endowments from 2005 to 2010 (all above $1 billion in assets)

University	Endowment in 2005	Endowment in 2010
Amherst College	$1.155	$1.386
Boston College	$1.270	$1.480
Boston University	$.777	$.992
Brown University	$1.844	$2.155
California Institute of Technology	$1.418	$1.545
Case Western Reserve University	$1.516	$1.462
Columbia University	$5.190	$6.517
Cornell University	$3.770	$4.379
Dartmouth College	$2.714	$2.998
Duke University	$3.826	$4.824
Emory University	$4.376	$4.694
George Washington University	$.821	$1.144
Georgetown University	$.741	$1.010
Grinnell College	$1.391	$1.265
Harvard University	$25.473	$27.557
Indiana University	$1.101	$1.371
Johns Hopkins University	$2.177	$2.222
Massachusetts Institute of Technology	$6.712	$8.317
Michigan State University	$.906	$1.449
New York University	$1.548	$2.370
Northwestern University	$4.215	$5.945
Ohio State University	$1.726	$1.869
Pennsylvania State University	$1.175	$1.368
Pomona College	$1.299	$1.449
Princeton University	$11.207	$14.391
Purdue University	$1.341	$1.633
Rice University	$3.611	$3.787
Rockefeller University	$1.557	$1.561
Smith College	$1.036	$1.244
Southern Methodist University	$1.014	$1.069
Stanford University	$12.205	$12.851
Swarthmore College	$1.164	$1.249
Texas A&M University	$4.964	$5.738
Tufts University	$.845	$1.214
University of California	$5.222	$5.441

Table 6 continued

University	Endowment in 2005	Endowment in 2010
University of Chicago	$4.137	$5.638
University of Delaware	$1.077	$1.145
University of Florida	$.836	$1.105
University of Illinois	$1.148	$1.290
University of Michigan	$4.931	$6.564
University of Minnesota	$1.969	$2.196
University of North Carolina at Chapel Hill	$1.486	$1.979
University of Notre Dame	$3.650	$5.235
University of Pennsylvania	$4.370	$5.669
University of Pittsburg	$1.530	$2.033
University of Richmond	$1.208	$1.615
University of Rochester	$1.370	$1.368
University of Southern California	$2.746	$2.948
University of Texas System	$11.610	$14.052
University of Virginia	$3.219	$3.907
University of Washington	$1.490	$1.831
University of Wisconsin at Madison	$1.125	$1.551
Vanderbilt University	$2.628	$3.044
Washington University in St. Louis	$4.268	$4.473
Wellesley College	$1.276	$1.307
Williams College	$1.348	$1.52
Yale University	$15.22	$16.652

*All numbers in billions

Source: National Association of College and University Business Officers (NACUBO), 2011.

Vita

Rhodes Logan was born on February 13, 1971, in Knoxville, Tennessee. He attended public schools in the Knox County school system where he graduated in 1989. He graduated from Carson-Newman College with a Bachelor Degree in Science- Political Science and History. He graduated with a Masters of Arts in Political Science from the University of Tennessee in 1993, and worked for the United Way of Greater Knoxville until 1999. In late 1999, he joined the fundraising staff of Carson-Newman College and held the title of Director of Development. In 2003, he became the Campaign Director for the University of Tennessee- Institute of Agriculture, and in 2012 he became the Chief Development Officer of the United Methodist Church Development Center where he serves today.